

CORPORATE GOVERNANCE REPORT

STOCK CODE : 1023
COMPANY NAME : CIMB Group Holdings Berhad
FINANCIAL YEAR : December 31, 2024

OUTLINE:

SECTION A – DISCLOSURES ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURES ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	: Applied
Explanation on application of the practice	<p>The Board of Directors (the Board) at CIMB Group Holdings Berhad (the Group) prioritizes the need to promote long-term sustainable value and safeguard stakeholders' trust within the Group, which is fundamental to maintain viability and success for the Group and its subsidiaries (CIMB). This pursuit is underpinned by the Board's emphasis on astute leadership through robust oversight and monitoring of the business, performance, as well as continuous compliance with regulations and risk controls.</p> <p>The Board Charter outlines the principal role and responsibilities of the Board as follows:</p> <ul style="list-style-type: none"> (i) Reviewing and adopting a strategic plan; (ii) Overseeing the conduct of the Group's business; (iii) Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures; (iv) Succession planning of the Board and Senior Management; (v) Overseeing the development and implementation of a Communications Policy; (vi) Overseeing the implementation of the Group's governance framework and internal control framework and periodically reviewing the adequacy and the integrity of the management information and internal controls system to ensure they remain appropriate in light of material changes to the size, nature and complexity of the Group's operations; and (vii) Overseeing the development and implementation of a Sustainability framework. <p>The Board also has a formal schedule of matters specifically reserved for its decision, underlining the overall leadership role played by the Board and in maintaining the necessary check and balance on the Group Chief Executive Officer (Group CEO) and Management. The Chairperson of the Board, together with the Board, contributes significantly to instilling the right culture, values and behaviours both at the top and throughout the organisation.</p>

	<p>The Board continues to increase their focus on environmental, sustainability and governance (ESG) considerations and integrates them into their decision-making when formulating strategies, business plans and risk management for the Group.</p> <p>The Group's governance framework, which encompasses the Group's policies and procedures, are regularly reviewed and updated to ensure alignment with evolving governance standards and best practices.</p> <p>The Board had convened 15 meetings throughout financial year ended 31 December 2024 (FYE 2024) to deliberate its main areas of oversight set out as follows:</p> <ul style="list-style-type: none"> • Strategic/Business Plans and Management's Performance in Implementing the Strategies and Plans • Annual Budget • Principal Risks, Appropriate Internal Controls and Mitigation Measures • Succession Planning • Communications Policy • Governance and Integrity Framework • Group CEO's and Directors' Appointments and their Emoluments and Benefits • Annual Effectiveness and Performance of the Board and Board Committees • Financial Statements and Interim Dividend • Corporate Organisation Structure • Controls and Systems to Measure Implementation of Policies • Internal Control Systems and Management Information Systems • Plans/Strategies for a Sustainable Organisation, Taking into Account Environmental, Economic and Social Aspects • Bank Negara Malaysia's Risk Management and Scenario Analysis Policy Document • CIMB's Net Zero Targets and Whitepaper <p>Throughout FYE 2024, the Board remained committed to ensuring the Group's governance structure remained resilient against multiple stressors, most notably post-pandemic recovery strategies, unexpected economic shocks, emerging financial cyber-crimes while aiming for profitability.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.2

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

Application	: Applied
Explanation on application of the practice	<p>The Board is helmed by Tan Sri Mohd Nasir Ahmad, who plays a key role in ensuring the Board operates effectively and fully discharges its legal and regulatory responsibilities. As the Chairperson, he also leads the Board in the oversight of the Management and in creating conducive conditions to engender overall Board and individual director effectiveness, both inside and outside the Boardroom. Tan Sri Mohd Nasir Ahmad is not a member of the Audit Committee (AC) and the Group Nomination and Remuneration Committee (GNRC).</p> <p>The Chairperson carries out a leadership role in the conduct of the Board and its relations with shareholders and other stakeholders.</p> <p>To ensure balance of authority, accountability and a greater capacity for independent decision-making, the roles of Chairperson and Group CEO are distinct and separate with a clear division of responsibilities between them, so that no individual or group dominates the decision-making process.</p> <p>There are two (2) main aspects to the Chairperson's role; the role within the Boardroom and the role outside the Boardroom.</p> <p>Pertaining to the role within the Boardroom, the Chairperson's duties are to:</p> <ol style="list-style-type: none">(a) Chair Board meetings;(b) Establish the agenda of Board meetings in consultation with the Group CEO/Executive Director (ED) and the Group Company Secretary;(c) Ensure that appropriate procedures are in place to govern the Board's operations;(d) Ensure that Board meetings are effective in that decisions are taken on a sound and well-informed basis, including ensuring that:<ul style="list-style-type: none">• all strategic and critical issues are considered by the Board;• matters are considered carefully and thoroughly;• all Directors are given the opportunity to contribute effectively;• Directors receive the relevant information on a timely basis, including being properly briefed on issues raised at Board meetings; and• the Board comes to clear decisions and resolutions are noted.

	<ul style="list-style-type: none"> (e) Ensure that the Group CEO/ED look beyond his executive functions and accept his full share of the responsibilities of CIMB's governance; (f) Guide and mediate the Board's actions with respect to organisational priorities and governance concerns; (g) Be clear on what the Board has to achieve, both in the short and long term; (h) Ensure that the Board behaves in accordance with its Board Charter and the Group's values; (i) Lead efforts to address the Board's development needs; and (j) Perform other responsibilities, as may be assigned by the Board from time to time. <p>Outside the Boardroom, the responsibilities of the Chairperson include:</p> <ul style="list-style-type: none"> (a) Undertaking appropriate public relations activities in conjunction with the Group CEO/ED and other Directors; (b) Be the spokesperson for the Company at the Annual General Meeting (AGM) and in the reporting of performance and profit figures; (c) Be the major point of contact between the Board and the Group CEO/ED; (d) Be kept fully informed of current events by the Group CEO/ED on all matters which may be of interest to Directors; (e) Regularly review the progress of important initiatives and significant issues facing CIMB and/or the Group in conjunction with the Group CEO/ED, and other relevant Key Senior Management; (f) Providing mentoring for the Group CEO/ED; and (g) Initiating and overseeing the annual Group CEO/ED performance evaluation process.
Explanation for departure	:
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Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the significance of demarcating the responsibility of the Chairperson and the Group CEO. The roles of Board Chairperson and Group CEO are entrusted to separate individuals, cultivating an optimal balance of check and balance, thereby ensuring high-levels of accountability and enriched decision-making efficacy.</p> <p>The Board delegates responsibility to manage the Group's operations and its day-to-day affairs to the Group CEO, Novan Amirudin, who was appointed on 1 July 2024 following the resignation of Dato' Abdul Rahman Ahmad. The Group CEO is entrusted with the tasks of leading the Management and in making and implementing decisions that impact multiple function areas, and is supported by the Group Executive Committee (GEXCO) and other Management Committees.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Chairperson of the Board, Tan Sri Mohd Nasir Ahmad, does not hold the position of a Member of the AC and the GNRC.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

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

Application	: Applied
Explanation on application of the practice	<p>The Board is supported by the Group Company Secretary who, under the direction of the Chairperson, is accountable for all matters with regard to the proper functioning and operations of the Board and Board Committees as well as playing an essential role in ensuring appropriate and timely flow of information between the Board, Board Committees and Senior Management.</p> <p>Datin Rossaya Mohd Nashir has extensive industry knowledge, with over 27 years of experience in corporate secretarial practice. She was previously with Permodalan Nasional Berhad where she assumed the position of Joint Company Secretary for several of its subsidiaries before joining CIMB.</p> <p>Datin Rossaya Mohd Nashir is a member of the Companies Commission of Malaysia (CCM)'s Corporate Practice Consultative Forum and is a Director of several subsidiaries within CIMB Group.</p> <p>The primary responsibilities of the Group Company Secretary include:</p> <ul style="list-style-type: none">(a) ensuring that Board procedures and applicable rules are observed;(b) maintaining records of the Board and Board Committees and their respective meetings and ensuring effective management of the Company's records;(c) preparing comprehensive minutes to document Board and Board Committees proceedings and ensure conclusions are accurately recorded and that action items are cascaded to the relevant stakeholders;(d) ensuring timely dissemination of information relevant to Directors' roles and functions and keeping them updated on new or evolving regulatory requirements and governance standards;(e) assisting the Board with interpreting legal and regulatory acts related to the listing rules and international regulations and developments; and(f) advising the Board on its obligatory requirements to disclose material information to the shareholders and financial markets on a timely basis.

	The Group Company Secretary is also tasked to oversee and facilitate the induction of new Directors and their ongoing professional development.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>Prior to Board meetings, the Chairperson, in consultation with the Group Company Secretary and Group CEO, oversees the setting of the agenda, to ensure that there is sufficient information and time to address all agenda items. The agenda also allows for flexibility when needed, particularly to deliberate issues of importance. Board materials are uploaded through dedicated applications. The Board is presented with comprehensive papers, comprising qualitative and quantitative information, enabling informed and effective decision-making by the Board.</p> <p>Except as permitted by the Chairperson under certain circumstances, the Directors should receive meeting materials five (5) calendar days prior to the scheduled/fixed Board meetings to allow sufficient time for them to review and analyse relevant information. In FYE 2024, all papers/materials were circulated to the Board within the stipulated timeline. Any departure from the said timeline will be reported to the GEXCO on a quarterly basis as areas for improvement and further action, where necessary. The deliberations and decisions arrived at during Board meetings are minuted and circulated in a timely manner, and action items will be communicated to the relevant parties within 24 hours after the Board meetings. The draft minutes are tabled at the following meeting for confirmation and, thereafter, signed by the Chairperson.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter undergoes a review every three (3) years or as and when necessary.</p> <p>In Q3 2024, the Board Charter was updated to allow virtual attendance at Board meetings. This change aligns with the new norm of virtual meetings, offering flexibility and convenience, promoting Board diversity by attracting foreign talents, and supporting sustainability efforts by reducing travel-related carbon footprints.</p> <p>The Board Charter outlines, amongst others:</p> <ul style="list-style-type: none"> (i) the collective roles, responsibilities and authority of the Board; (ii) the legal and fiduciary duties of individual Directors; (iii) the roles and responsibilities of the Board Committees; (iv) the roles of Executive and Non-Executive Directors, Independent Directors, and the Senior Independent Director; (v) the roles of Group CEO; (vi) the roles of the Company Secretary; (vii) a formal schedule of matters specifically reserved for Board's decisions; and (viii) Board's delegated matters. <p>A copy of the Board Charter is available on CIMB's corporate website at www.cimb.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p><u>Employee Code of Conduct</u></p> <p>The Board has established a Code of Conduct which is underpinned by the core philosophy of "Creating Value, Enabling Our People and Acting with Integrity". The Code of Conduct sets out the standards of behaviour that are expected of all employees of CIMB in terms of engagement with customers, business associates, regulators, colleagues and other stakeholders. Further, the Code of Conduct provides guidance in areas where employees may need to make personal and ethical decisions. In addition to providing guidance, the Code of Conduct makes references to specific Group Policies and Procedures relating to conflicts of interest, bribery, corruption, money laundering/counter-financing of terrorism, customer management, whistleblowing and fraud management.</p> <p>The Code of Conduct undergoes regular reviews to remain relevant and effective, with the latest enhancements introduced in July 2024. These revisions place a stronger emphasis on critical areas such as the No Gift Policy, sexual harassment prevention and fostering a respectful workplace, which encompasses data privacy, appropriate conduct and consideration for remote working conditions. It also reinforces escalation procedures for misconduct and substance abuse awareness.</p> <p><u>Directors' Code of Conduct</u></p> <p>The Board has adopted the Code of Conduct for Directors aimed at describing in detail the standards of conduct and ethical behaviour that are expected of the Directors in the performance and exercise of their duties and responsibilities.</p> <p>This Code applies to all Directors of CIMB. It is primarily based on the five (5) fundamental principles of competence, integrity, fairness, confidentiality and objectivity as recommended by the Code of Ethics for the Financial Services Industry published by the</p>

	<p>Financial Services Professional Board. Several enhancements have been made to the Code of Conduct for Directors following the release of updated guidelines issued by CCM as well as to include references to new CIMB's internal policies and procedures. The revised Code was approved by the Board in August 2024.</p> <p>Details of the Code of Conduct for Directors can be found on CIMB's website at www.cimb.com.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

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

Practice 3.2

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

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

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

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>Sustainability is institutionalised in CIMB's business through our Sustainability Governance Framework. The framework is designed with a clear delineation of roles and responsibilities of the Board and Management that ensures accountability, transparency and effective execution of our sustainability decisions.</p> <p>The Board is the highest governance body accountable for the Group's sustainability strategy, ESG issues, as well as opportunities and risks relating to our material topics including but not limited to climate change. The sustainability-related roles and responsibilities of the Board are incorporated in the Board Charter, which sets out seven (7) principal roles and responsibilities of the Board which include overseeing the development and implementation of a sustainability framework for the Group.</p> <p>Based on the Directors' profile, one (1) of the Directors possesses sustainability background and experience as at 31 December 2024.</p> <p>The Group Sustainability and Governance Committee (GSGC) established on 15 September 2021 aims to provide greater oversight and stewardship over the Group's sustainability opportunities and risks. The GSGC's primary objective is to assist the Board in fulfilling its responsibilities in:</p> <ol style="list-style-type: none">1. advocating and fostering the ethical conduct, integrity culture and sustainability mind-set across CIMB and its Group.2. providing oversight, advice and direction in the development, implementation and monitoring of the strategies, framework, and policies with respect to integrity and governance; sustainability and all material matters including but not limited to climate change; and corporate responsibility of the Group.

3. overseeing the management of bribery, corruption, sustainability and other related risks and the consequence management of breaches thereof.

Main Areas of Oversight:

- Advocates and fosters a culture/DNA of sustainability, ethical conduct, and integrity across the Group.
- Provides oversight, advice and direction in the development, implementation and monitoring of the strategies, frameworks and policies with respect to integrity and governance, sustainability and all material matters including but not limited to climate change, and corporate responsibility of the Group.
- Takes a proactive approach to create a net positive impact on ESG material matters arising from the Group's capacity as a lender/financier, investor, service provider, purchaser, operator, advisor, business partner, sponsor, corporate donor, or as an employer.
- Oversees the management of bribery, corruption, sustainability and other related risks, as well as the consequence management of breaches.

The Board Risk and Compliance Committee (BRCC) provides oversight and advice to the Board and Management in respect of sustainability and climate-related risks including monitoring of the Group's exposure to high sustainability risk sectors and clients, sustainability risk appetite setting as well as regulatory compliance. The AC supports the Board in ensuring there is a reliable and transparent reporting and internal control system for sustainability-related matters, while the GNRC ensures the growth in sustainability knowledge and competence amongst the Directors, taking into account board diversity and sustainability experience in the nomination of Directors.

At the management level, Group Transformation Council (GTC) and Group Sustainability Council (GSC) play vital roles in driving the sustainability agenda.

The GTC, which is chaired by the Group CEO, is responsible for directing and steering CIMB's overall corporate strategy, including sustainability, which is a key programme under CIMB's strategy.

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

Implementation of the Group's sustainability strategy is executed by various specialist and champions in Business Units and Business Enablers, catalysed and supported by the Group

Sustainability Division. The GCSO reports to the Group CEO and leads the Sustainability and Corporate Responsibility teams across the region. The Group Corporate Responsibility department has also been integrated into the Group Sustainability Division for better synergy.

As per the Sustainability Framework stated above, below are some examples of initiatives or discussions that took place in 2024 in line with Practice 4.1:

- (a) Reporting of CIMB's progress with respect to Forward23+ Sustainability Programme and projects (e.g. CIMB's performance within the global banking industry in the S&P Global Corporate Sustainability Assessment, which forms the basis of the Dow Jones Sustainability Index; CIMB's Regional Green, Social, and Sustainable Impact Products and Services achievements vis-à-vis 2024 targets) to the GSC, GTC, GSGC and Group Board. the Group's sustainability efforts have shown results, and CIMB ranks in the 88th percentile of banks globally in the S&P Global Corporate Sustainability Assessment.
- (b) Deliberation of and/or approval for the Group's strengthened sustainability commitments by GSC, GTC and GSGC, i.e. deliberated on approaches to manage climate change risks including setting interim targets and decarbonisations strategies for two (2) additional carbon intensive sectors namely, Oil and Gas and Real Estate, enhancement of coal sector guide to align with sector targets, and financial health and inclusion target setting for Malaysia.
- (c) Approval of the 2025 – 2030 sustainability ambition, strategy, target and metrics to capitalise on the sustainable finance landscape in 2030.
- (d) Updates on projects to meet regulatory requirements, such as the IFRS Sustainability Disclosure the readiness and implementation plan, Bank Negara Malaysia Thematic Review on Climate Change and Principle-Based Taxonomy, and Climate Risk Management Scenario Analysis. Sustainability Risk Dashboard and Sustainability Risk Hotspots and Emerging Sustainability Risks reporting to Group Risk and Compliance Committee and BRCC to monitor the Group's level of exposure to sustainability risks, in particular sustainable financing risk.
- (e) Updates on CIMB's Sustainability Risk Management Framework and Risk Appetite. The Sustainability Risk Management Framework defines how we govern sustainability risks in our business via appropriate policies and procedures, risk assessment tools, due diligence at portfolio and client level, a risk management culture, as well as robust controls, measurements and reporting. At the overall organisational level, sustainability risks are managed under the Group Sustainability Policy, while sustainability risks in non-retail financing are addressed through the Group Sustainable Financing Policy (GSFP).

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

Intended Outcome

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>CIMB regularly communicates sustainability strategies, priorities and targets as well as performance with external stakeholders.</p> <p>Sustainability KPIs are also carried by the Group CEO as well as top management members in key countries, business units and enablers that contribute towards the advancement of sustainability goals within CIMB. These KPIs consist leading indicators e.g. sustainability capacity building, as well as lagging indicators aligned with our strategy, e.g. green, social and sustainable finance mobilised, and reduction in greenhouse gas (GHG) emissions. Success of these KPIs directly contributes to bonus pool funding of the respective divisions/departments, thereby linking the compensation to success of sustainability initiatives.</p> <p>Depending on the information needs of CIMB's stakeholder groups (e.g. investors, clients, vendors, partners), several channels are used. These include:</p> <ul style="list-style-type: none">(a) Standalone sustainability reports which are issued annually as part of CIMB's annual financial filings. The outline and contents of the sustainability reports are reviewed and approved by the GSGC and/or responsible business units/enablers;(b) Public events, briefing sessions, focus groups and/or one-on-one meetings which are held regularly throughout every year (e.g. The Cooler Earth Sustainability Series, investor briefing sessions, client engagements on GSFP requirements and GSSIPS offerings);(c) CIMB's corporate sustainability website (Sustainability Our Pledge CIMB) which is updated on a regular basis; and(d) Press releases as and when there are any material sustainability-related developments by CIMB. <p>Internally, engagements with business units and enablers are regularly undertaken, through training sessions, establishment of focus groups, one-on-one meetings, and/or electronic direct mail marketing, to share perspectives and updates on sustainability in the context of our business and CIMB's purpose of advancing customers and society. In particular, a series of sustainability training programmes were held for Board members, senior management and employees in 2024 to raise awareness and build technical capacity on sustainability and sustainable finance.</p>

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Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>In FYE 2024, our Board Members had attended various training programmes in accounting and audit, capital market and financial industry, governance, information technology, Islamic Banking, leadership and strategy, risk management and sustainability.</p> <p>In addition, sustainability is a standing agenda in the induction of new Board Members. Dedicated in-house training are conducted annually for the Board Members to keep them updated on the latest sustainability developments and topics. In 2024, we conducted training on Business and Human Rights, and insights of institutional investors on the future of ESG. In addition, invitations to public events such as The Cooler Earth Sustainability Series were also extended to Board Members on a regular basis.</p> <p>CIMB has developed a Sustainability Academy, which aims to provide targeted and role-based learning journey for staff to increase their understanding and drive sustainability integration within their respective role in the Bank.</p>
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Intended Outcome

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

Practice 4.4

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

Application	: Applied
Explanation on application of the practice	<p><u>At the Board level</u></p> <p>The Board is the highest governance body accountable for CIMB's sustainability strategy, material ESG risks and opportunities, including but not limited to climate-related risks and opportunities.</p> <p>The Board Effectiveness Assessment (BEA) exercise is carried out on a yearly basis to assess the effectiveness of the Board, Board Committees and individual Directors in discharging its role on sustainability and ESG areas</p> <p>CIMB also conducts a Sustainability due diligence as part of the procedures in the appointment of new Directors.</p> <p>At least 75% of the Board Members must attend sustainability-related trainings annually. To this end, all Board Members had attended a total of 31 sustainability-related trainings throughout FYE 2024.</p> <p><u>At Senior Management level</u></p> <p>Based on the CIMB Group Remuneration Policy, the Group's performance is determined in accordance with a balanced scorecard which includes key measures on sustainability performance and initiatives.</p> <p>The Group CEO, top management personnel and all divisions carry sustainability-related KPIs as part of their performance evaluation. This ensures that leadership, business units, and enabling functions are all in alignment with our long-term sustainability goals.</p> <p>This performance-based remuneration system is based on a collective sustainability scorecard which contains KPIs that need to be achieved within pre-determined timeframes as guided by our sustainability objectives. The performance of the Group is measured against these KPIs, and the scorecard is used to assess and report progress to the relevant committees.</p> <p>Success on sustainability-related KPIs directly impact the bonus pool funding of respective divisions, thus linking the compensation of the entire population of each division to the success of their</p>

	<p>sustainability initiatives and goals via divisional collective scorecards.</p> <p>The scorecard metrics include both internal targets and external commitments in the areas of environmental, social, economic performance, and corporate governance. These include leading and lagging indicators.</p> <p>Examples of sustainability-related KPIs include:</p> <ul style="list-style-type: none"> (a) Reduction in Scope 1 And 2 GHG Emissions; (b) Establishment of A Financed Emissions Baseline and Setting of Interim Climate Targets for Carbon-Intensive Sectors; (c) Mobilisation of Sustainable Finance under CIMB’s GSSIPS Framework; (d) Clients’ Success in Meeting Environmental and Social Action Plans within Defined Timelines; (e) Implementation of Sustainability Policies such as the Human Rights Policy, and No Deforestation Peat and Exploitation Commitments; (f) The Number of Employees Trained on Sustainability; (g) Diversity and Inclusion; (h) Development and Maintenance of a Sustainable Supply Chain; (i) Cybersecurity and Data Protection Metrics; (j) Corporate Governance, Ethics and Anti-Crime Policy and Measures; and (k) Customer Experience and Customer Relationship Management. <p>Progress of these KPIs are monitored by Group Sustainability, with regular reporting to the GSC, GTC and GSGC.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 4.5- Step Up

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

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
Application	: Adopted
Explanation on adoption of the practice	: <p>The Group Chief Sustainability Officer (GCSO) was appointed by the Board on October 2020. The GCSO appraises the Board Committee i.e., GSGC on a quarterly basis or as and when required, on matters involving sustainability strategies, frameworks and policies and all material matters including but not limited to climate change and corporate responsibility of the Group.</p> <p>The GCSO is assisted by the Group Sustainability Committee, chaired by Gurdip Singh Sidhu, Country Head, Malaysia and CEO, CIMB Bank Berhad, in leading the development and successful execution of CIMB’s sustainability priorities, in line with strategic outcomes set by the Board, GSGC and/or Group CEO.</p> <p>The GCSO reports to the Country Head, Malaysia and Chief Executive Officer, CIMB Bank Berhad, and leads the Sustainability teams across the region. In addition, the Head of Sustainability in each country oversees adequacy and effectiveness of the implementation of strategic sustainability initiatives across the businesses, monitors key ESG regulatory developments, and ensures alignment and provides updates to governance committee on sustainability related matters, risks and areas of concern as identified from time-to-time.</p>
Explanation for departure	: :
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: :
Timeframe	: :

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter stipulates that the Board, with the assistance of the GNRC, determines and regularly reviews the composition of the Board and Board Committees, having clear regard of the optimal number, skillsets and diversity of members.</p> <p>The execution of the above is facilitated by the Board Composition and Skill Set Framework, which sets out guiding principles for GNRC's assessment in the identification, nomination and selection of new Directors. The Framework is used to analyse the current Board composition and the industry experience and skill set currently available on the Board, with a view to identifying actions required to engender the appropriate size and composition, experience, skill set and diversity across the Boards.</p> <p>The Framework also acts as a useful tool for succession planning in terms of identifying those Directors who will be retiring in phases, thus steering the GNRC to take appropriate action plans accordingly to fill up impending vacancies.</p> <p>One-third (1/3) of the Board Members are required to retire at every AGM and be subjected to re-election by shareholders. Newly appointed Directors shall hold office until the next AGM and shall be subjected to re-election by the shareholders.</p> <p>The GNRC is guided by the Bank Negara Malaysia Guidelines on Corporate Governance and the Group's Fit and Proper Policies and Procedures for Key Responsible Persons when assessing the suitability of a Director to remain as a Board Member. The GNRC considers the following criteria in determining the eligibility of the Directors to stand for re-election:</p> <ul style="list-style-type: none">(a) The Director's competency in specialised areas of practise and level of contribution to the Board through their knowledge, skills, expertise and experience;(b) The level of independence demonstrated by the Directors, and their ability to act in the best interest of the company;(c) Probity, personal integrity and reputation, where the Directors must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness; and(d) Financial integrity, where the Directors must manage their debts or financial affairs prudently.

	<p>The GNRC also conducts an assessment on the independence of the Independent Director(s) seeking re-election based on the criteria set out in the Board Charter, which are aligned with the Main Market Listing Requirements of Bursa Malaysia and Bank Negara Malaysia Corporate Governance Policy.</p> <p>The tenure of an Independent Director (ID) shall not exceed a cumulative term of nine (9) years as espoused in CIMB's Board Charter.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 5.2

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

Application	:	Applied												
Explanation on application of the practice	:	<p>As at 31 December 2024, our Board consisted of 11 members:</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>Afzal Abdul Rahim Didi Syafruddin Yahya Dato' Mohamed Ross Mohd Din Shulamite N K Khoo Ho Yuet Mee Datin Azlina Mahmad Lyn Therese McGrath</p> </td> <td style="vertical-align: middle; font-size: 2em;">}</td> <td style="vertical-align: middle;"> <p>Independent Non-Executive Directors (INEDs)</p> </td> <td style="vertical-align: middle; text-align: center;">64%</td> </tr> <tr> <td style="vertical-align: top;"> <p>Tan Sri Mohd Nasir Ahmad (Chairperson) Dato' Lee Kok Kwan Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz</p> </td> <td style="vertical-align: middle; font-size: 2em;">}</td> <td style="vertical-align: middle;"> <p>Non-Independent Non-Executive Directors (NINEDs)</p> </td> <td style="vertical-align: middle; text-align: center;">27%</td> </tr> <tr> <td style="vertical-align: top;"> <p>Novan Amirudin</p> </td> <td style="vertical-align: middle;">:</td> <td style="vertical-align: middle;"> <p>Executive Director/Group CEO</p> </td> <td style="vertical-align: middle; text-align: center;">9%</td> </tr> </table> <p>The new addition to the Board in FYE 2024 was the appointment of Lyn Therese McGrath as an ID, who was concurrently appointed as a member of BRCC and GSGC on 1 October 2024.</p> <p>With Lyn McGrath on board, the number of INED in FYE 2024 is six (6), thereby resulting in 64% of the Board being made up of independent directors.</p> <p>In assuring that the decisions of the Board are independent and objective, the Board ensures:</p> <ol style="list-style-type: none"> (i) there is only one (1) ED as a member of the Board; (ii) the role of the Chairperson of the Board is separate from the Group CEO; (iii) the appointment of a Senior Independent Director from among the INEDs, whose role is, amongst others, to serve as a sounding board to the Chairperson; (iv) the Chairperson of the Board does not chair any of the Board Committees; and (v) the Board Committees comprise a majority of INEDs and only an INED is appointed as Chairpersons of Board Committees. 	<p>Afzal Abdul Rahim Didi Syafruddin Yahya Dato' Mohamed Ross Mohd Din Shulamite N K Khoo Ho Yuet Mee Datin Azlina Mahmad Lyn Therese McGrath</p>	}	<p>Independent Non-Executive Directors (INEDs)</p>	64%	<p>Tan Sri Mohd Nasir Ahmad (Chairperson) Dato' Lee Kok Kwan Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz</p>	}	<p>Non-Independent Non-Executive Directors (NINEDs)</p>	27%	<p>Novan Amirudin</p>	:	<p>Executive Director/Group CEO</p>	9%
<p>Afzal Abdul Rahim Didi Syafruddin Yahya Dato' Mohamed Ross Mohd Din Shulamite N K Khoo Ho Yuet Mee Datin Azlina Mahmad Lyn Therese McGrath</p>	}	<p>Independent Non-Executive Directors (INEDs)</p>	64%											
<p>Tan Sri Mohd Nasir Ahmad (Chairperson) Dato' Lee Kok Kwan Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz</p>	}	<p>Non-Independent Non-Executive Directors (NINEDs)</p>	27%											
<p>Novan Amirudin</p>	:	<p>Executive Director/Group CEO</p>	9%											
Explanation for departure	:													
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>														
Measure	:													
Timeframe	:													

Intended Outcome

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

Practice 5.3

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

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

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

Intended Outcome

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

Practice 5.4 - Step Up

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

Note: To qualify for adoption of this Step-Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval is required to retain the director as an independent director beyond nine years.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>Paragraph 6.5 (d)(iv) of the Board Charter clearly limits the tenure of an Independent Director to a maximum cumulative term of nine (9) years.</p> <p>As at 31 December 2024, none of the Independent Directors on the Board has exceeded the nine (9) year limit from the date of their first appointment.</p>

Intended Outcome

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

Practice 5.5

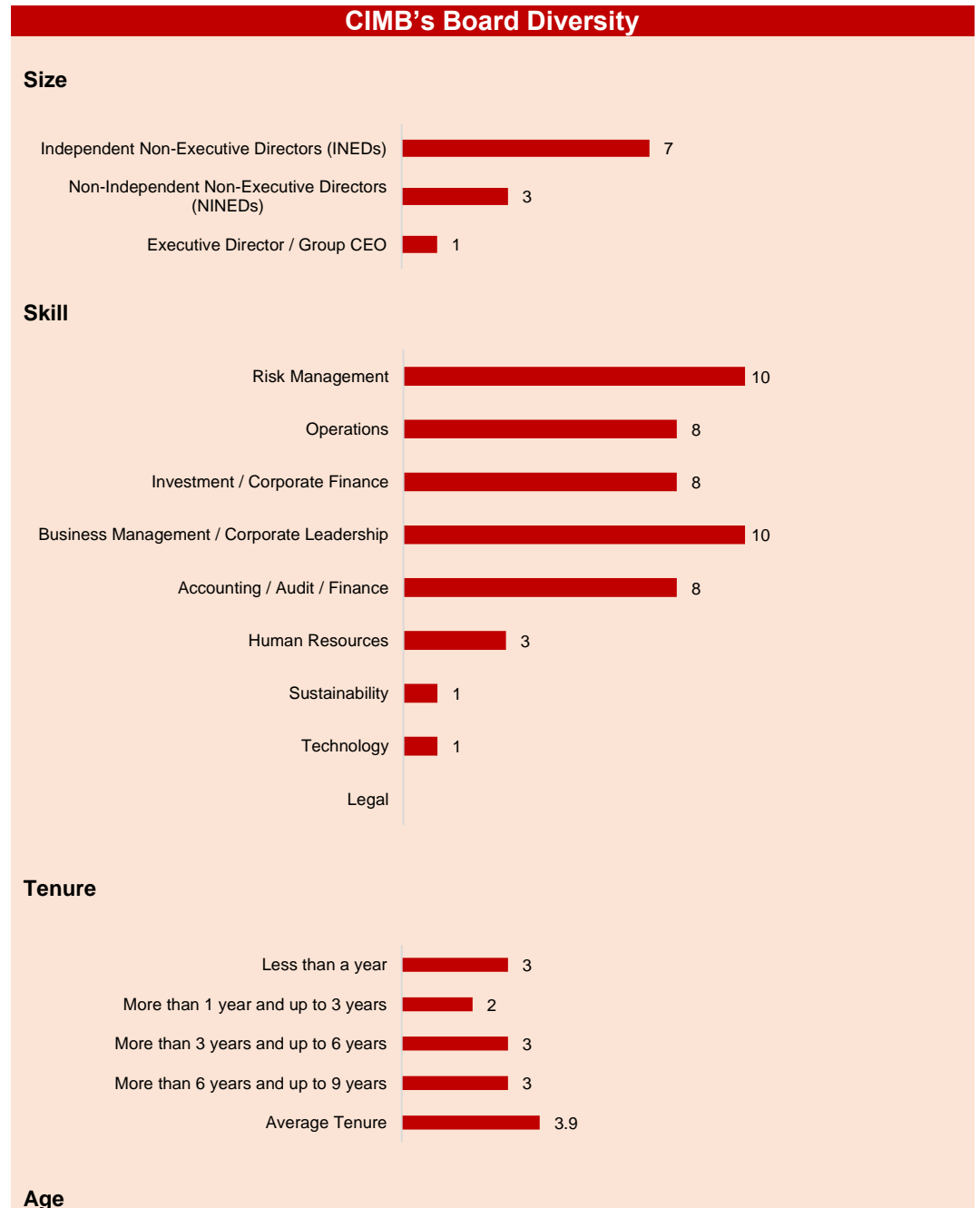
Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

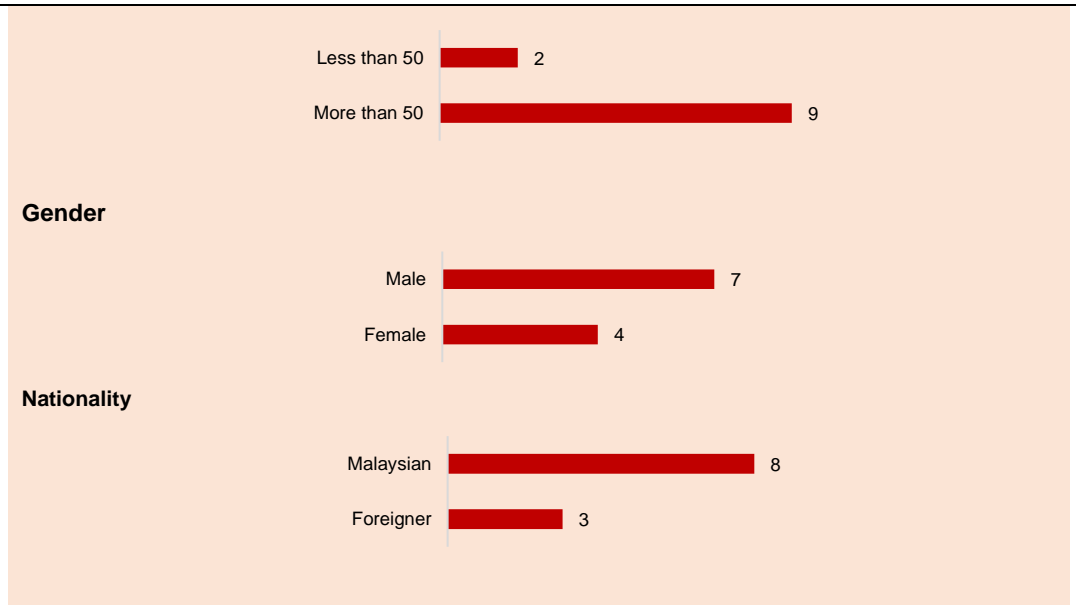
Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should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

Application :	Applied
Explanation on application of the practice :	<p><u>Board Diversity</u></p> <p>The Board has in place the Board Diversity Framework, a comprehensive guideline applicable to all the Directors of CIMB. The Framework sets out the principles on diversity of the Boards, providing a foundation in determining the optimum composition of the Board and when possible, should be balanced appropriately. The five (5) key principles considered are independence, skills and experience, gender, cultural background and age, to ensure that the Group can leverage the full spectrum of all available talent. The said Framework is available on CIMB's corporate website at www.cimb.com.</p> <p>To achieve the objective of the Board Diversity Framework, the Board continues to benefit from the Board Composition and Skill Set Framework which was established in December 2022. The latter Framework serves as a guiding map to analyse the current Board composition and the industry experience and skill set available on the Board, with a view to identifying actions required to engender the appropriate size and composition, experience, skill set and diversity across the Boards within the Group. It also acts as a useful tool for succession planning in terms of selection of candidates based on the Board's needs. The Board Composition and Skill Set Framework will be reviewed annually and amended as and when required to accommodate updates and changes to reflect business needs, market dynamics as well as regulatory landscape.</p> <p>The Board has identified key competencies in areas such as operations, risk management, finance, leadership, technology, legal, human resources, and sustainability, with a strong emphasis on substantial experience, mainly in banking and financial services, to align with business needs, regulatory expectations, and shareholder interests. As at 31 December 2024, 80% of the Board members have been assessed to possess experience and expertise in banking and other financial services industries. Periodic analysis of the Board composition and diversity will be conducted systematically to ensure adherence to the guiding principles as set out in the Board Composition and Skill Set Framework.</p> <p>During FYE 2024, none of the Independent Directors had surpassed the tenure of more than nine (9) years from the date of their initial appointment. This is in adherence to the Board Charter that limits an Independent Director's tenure of service to a maximum of nine (9) years.</p>

The Board has maintained the minimum 30% women representation, in line with the recommendation of the Malaysian Code on Corporate Governance (MCCG). The Board also values diversity of age within the Board. To this end, the Board has complied with the mandated minimum requirement of appointing at least one (1) member who is below 50 years old as outlined in the Board Composition and Skill Set Framework. This strategic step seeks to equip the Board with fresh, innovative and constructive ideas and perspective through younger generational talents.

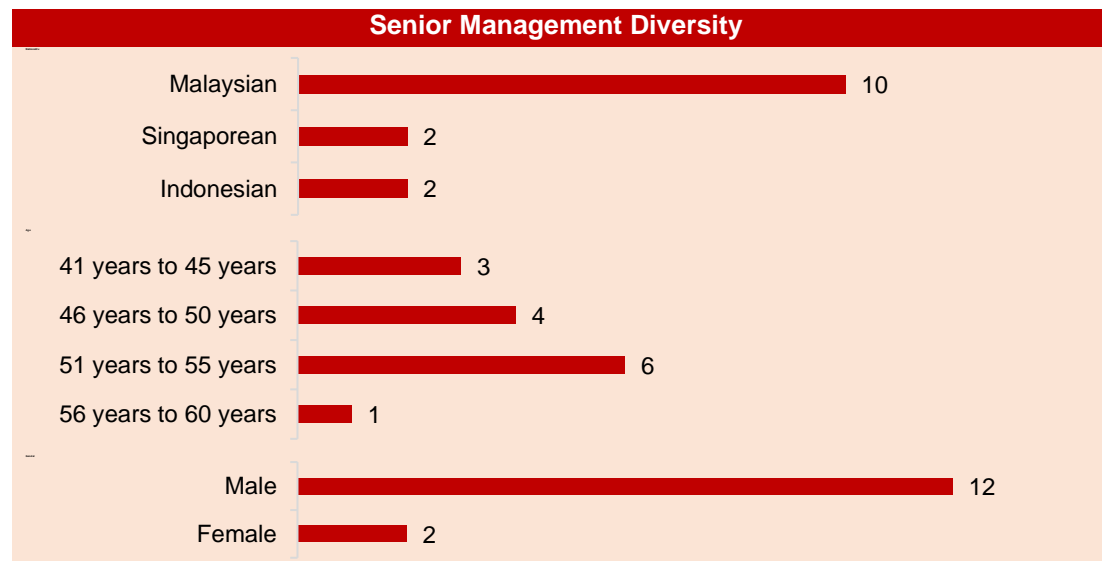
The composition, tenure and diversity of the Board as at 31 December 2024 are illustrated below:





Diversity of GEXCO's Membership

CIMB has in place a Group Employee Diversity & Inclusion Policy which promotes diversity, in this context, it refers to gender, age, backgrounds, beliefs, ethnicity, skills, and abilities that cover employees from all levels. The demographic of GEXCO's membership as at 31 December 2024 is set out below:



Directors' External Commitments

The Board is entrusted to discharge its duties and responsibilities effectively and expeditiously. The Board acknowledges that each individual Director must be able to contribute meaningfully and perform their role productively. As such, the Board will evaluate whether a Director is 'overly stretched' with other commitments which could impair their ability and commitment to meet the demands and expectations of their role at CIMB.

	<p>The Board Charter obligates Directors to notify the Chairperson before accepting any new directorships and the notification must include an indication of time that will be spent on the new appointment.</p> <p>The Board Charter formalises this limitation on external commitments, whereby it provides that a Director of the Group shall not hold more than the maximum limit of directorships in public listed companies (PLCs), as provided in the following table:</p> <table border="1" data-bbox="440 461 1422 707"> <thead> <tr> <th>No.</th> <th>Designation</th> <th>Maximum Limit</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Member of Board/Committee</td> <td>5</td> </tr> <tr> <td>2.</td> <td>Senior Independent Director</td> <td>4</td> </tr> <tr> <td>3.</td> <td>Chair of Board</td> <td>4</td> </tr> <tr> <td>4.</td> <td>Chair of Audit Committee/Board Risk Committee</td> <td>4</td> </tr> <tr> <td>5.</td> <td>Chair of other Committees</td> <td>5</td> </tr> <tr> <td>6.</td> <td>Any combination of 2,3 and 4</td> <td>3</td> </tr> </tbody> </table> <p>In addition to the limit on directorships on PLCs, the Board Charter further restricts Directors of the Group from holding more than 15 external professional commitments on board of trustees, advisory boards and board of directors of non-PLCs.</p> <p>Directors who hold CEO/Managing Director positions on other Boards will not be considered for the roles of Chairperson or member of Board Committees.</p>	No.	Designation	Maximum Limit	1.	Member of Board/Committee	5	2.	Senior Independent Director	4	3.	Chair of Board	4	4.	Chair of Audit Committee/Board Risk Committee	4	5.	Chair of other Committees	5	6.	Any combination of 2,3 and 4	3
No.	Designation	Maximum Limit																				
1.	Member of Board/Committee	5																				
2.	Senior Independent Director	4																				
3.	Chair of Board	4																				
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5.	Chair of other Committees	5																				
6.	Any combination of 2,3 and 4	3																				
<p>Explanation : for departure</p>																						
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>																						
<p>Measure :</p>																						
<p>Timeframe :</p>																						

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has delegated the responsibility to oversee the overall composition of the Board and Board Committees to the GNRC.</p> <p>Arising from the outcome of the analysis conducted based on the Board Composition and Skill Set Framework, the GNRC is better informed on what the Board requires concerning new appointments. In undertaking the search for suitable candidates, the GNRC has access to a wide range of external sources, including consulting firms, the Directors' Register maintained by FIDE Forum, BNM and Permodalan Insurans Deposit Malaysia as well as CIMB's affiliations with professional associations. This is in addition to candidates that may be recommended by incumbent Board members, major shareholders and its Management. The authority for the GNRC to engage external sources is enshrined in its Terms of Reference, under Paragraph 3.2.</p> <p>Notwithstanding the source of the candidates, the candidates will be put through a rigorous recruiting exercise where the candidates will undergo several rounds of interviews by the GNRC and selected Board Members. They will be assessed against the Board's requirements and whether the candidate would be a right fit for the Board, guided by a formal and transparent policies and internal processes.</p> <p>Upon successful completion of the recruitment process, the GNRC shall recommend the nomination of new candidate(s) to the Board for approval, before an application for approval is submitted to BNM and/or other regulatory authorities.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The assessment criteria on the suitability of a Director to remain as a Board member is in accordance with Bank Negara Malaysia Corporate Governance Policy Document and the Group's Fit and Proper Policies and Procedures for Key Responsible Persons.</p> <p>The GNRC considered the following criteria in determining the eligibility of the Directors to stand for re-election at the 68th AGM:</p> <ul style="list-style-type: none">(a) The individual Director's skill sets and competency in specialised areas of practise and level of contribution to the Board through their knowledge, skills, expertise and experience;(b) The level of independence demonstrated by the Directors, and their ability to act in the best interest of the Company;(c) Probity, personal integrity and reputation, where the Directors must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness; and(d) Financial integrity, where the Directors must manage their debts or financial affairs prudently. <p>The GNRC had also conducted an assessment on the independence of the Independent Directors seeking re-election at the 68th AGM based on the criteria set by the Board Charter which is consistent with the Main Market Listing Requirements of Bursa Malaysia and BNM Corporate Governance Policy Document. The Board had assessed the Directors' commitment in discharging their respective roles effectively. The retiring Directors abstained from the deliberation and decision on their own eligibility to stand for re-election at the relevant GNRC and Board meetings, where applicable.</p> <p>For the 68th AGM, three (3) Directors have been identified to stand for re-election under Article 81 of the Company's Constitution, as follows:</p> <ul style="list-style-type: none">(a) Tan Sri Mohd. Nasir Ahmad

	<p>(b) Didi Syafruddin Yahya (c) Shulamite N K Khoo</p> <p>Three (3) other Directors have been identified to stand for re-election under Article 88 of the Company's Constitution:</p> <p>(a) YM Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz (b) Muhammad Novan Amirudin (c) Lyn Therese McGrath</p> <p>The Board was satisfied that the above Directors seeking re-election have maintained their independence in the financial year ended 31 December 2024.</p> <p>The statements justifying the Directors' re-election are set out in the Statement Accompanying Notice of AGM section of the CIMB Annual Report 2024.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>The GNRC is currently chaired by an Independent Director, Didi Syafruddin Yahya, who is concurrently the Senior Independent Director.</p> <p>His responsibilities as the GNRC Chair, amongst others, are to lead the oversight of all matters concerning the Board, Board Committees, individual Directors, Chief Executive Officers/Executive Directors and Senior Management of the Group, including their appointment as well as their respective remuneration packages.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board maintained the minimum 30% women representation, in line with the MCCG's recommendation.</p> <p>As at 31 December 2024, there are four (4) female Directors out of 11 Directors, which represents 36% female representation on the Board. These female Directors are:</p> <ul style="list-style-type: none">(a) Shulamite Khoo (Independent Director)(b) Ho Yuet Mee (Independent Director)(c) Datin Azlina Mahmad (Independent Director)(d) Lyn Therese McGrath (Independent Director) (<i>Appointed on 1 October 2024</i>)
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p><u>Board</u></p> <p>The Board understands the importance of diversity in its composition, and upholds its commitment to embrace such diversity in all aspects of its operations. The presence of directors from diverse backgrounds, ethnicities, nationalities and gender on the Board engenders a wider range of perspectives in the Board's deliberations, thereby contributing towards effective discharge of its duties and responsibilities. Through this, the Board believes that a truly diverse and inclusive board will ensure that CIMB retains its competitive advantage. For this, the Board has adopted the Board Diversity Framework, which sets out the principles on diversity on the Boards, providing a foundation for determining the optimum composition of the Board and, when possible, should be balanced appropriately.</p> <p>The five (5) key principles outlined in the Board Diversity Framework are independence, skills and experience, gender, cultural background and age to ensure that the Group leverages the full spectrum of all available talent.</p> <p>To achieve the objective of the Board Diversity Framework, the Board continues to benefit from the Board Composition and Skill Set Framework established in December 2022. The latter Framework serves as a guiding map to analyse the current Board composition and the industry experience and skill set available on the Board, with a view to identifying actions required to engender the appropriate size and composition, experience, skill set and diversity across the Boards within CIMB Group. It also acts as a useful tool for succession planning in terms of selection of candidates based on the Board's needs. The Board Composition and Skill Set Framework will be reviewed annually and amended as and when required to accommodate updates and changes to reflect business needs, market dynamics as well as regulatory landscape.</p> <p>On gender diversity, the Board currently exceeds the target of 30% women representation as recommended by the MCCG with the following four (4) female Directors, out of a total of 11 Directors on the Board in FYE 2024:</p> <ul style="list-style-type: none">(a) Shulamite Khoo (Independent Director)(b) Ho Yuet Mee (Independent Director)

	<p>(c) Datin Azlina Mahmad (Independent Director) (d) Lyn Therese McGrath (Independent Director) (<i>Appointed on 1 October 2024</i>)</p> <p>The Board Diversity Framework is available on CIMB's corporate website at www.cimb.com.</p> <p><u>GEXCO's Membership</u></p> <p>CIMB has in place a Group Employee Diversity & Inclusion Policy which promotes diversity, in this context, it refers to gender, age, background, belief, ethnicity, skill, and ability that cover employees from all levels.</p> <p>As at 31 December 2024 there are two (2) or 14.3% women representation in GEXCO's membership.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The annual Board Effectiveness Assessment (BEA) is a fundamental and indispensable process that assesses the effectiveness of the Board, its Committees and individual Directors. Through this rigorous exercise, the Board can address critical issues pertaining to leadership, core competencies, skill-sets, attributes, delegation of duties and responsibilities, and thorough reviews of existing Board processes. These insights will serve as a foundation for the journey towards achieving a high-performing Board.</p> <p>The Board has delegated the responsibility of conducting the annual exercise of BEA to the GNRC. The CIMB Annual Evaluation Manual serves as a guiding tool in carrying out the BEA exercise, in compliance with regulatory requirements. The Manual also prescribes that the BEA exercise be driven by an external firm once every three (3) years to provide an independent perspective on the Board's effectiveness and to benefit from insights on how peer boards perform.</p> <p>The GNRC, facilitated by the Group Company Secretary, had rolled out the BEA exercise internally for FYE 2023. The evaluation process encompassed a broad range of the following key areas:</p> <ul style="list-style-type: none">(i) Effectiveness of the Board;(ii) Boardroom Dynamics;(iii) Effectiveness of the Board's Relationship with the Executive Director/Group CEO;(iv) Performance of the Chairperson;(v) Effectiveness of Board Committees; and(vi) Directors' Self and Peer Assessment. <p>The result of the BEA affirmed the effectiveness of the Board, Board Committees, the Chairperson and individual Directors in the</p>

	<p>discharge of their roles for FYE 2024. The findings and results of the BEA were summarised and presented to the GNRC and thereafter to the Board.</p> <p>Key areas where the Board could improve were identified from the exercise, as follows:</p> <ul style="list-style-type: none"> (i) To increase the Board’s emphasis and focus on framing CIMB’s strategic direction and priorities for the Group; (ii) To streamline the Board’s delegation of responsibilities to Board Committees to ensure that the Board discharges its functions effectively and optimise time during Board meetings on important issues; (iii) To consider recruiting Directors with expertise in behavioural science; (iv) To introduce more targeted Board learning programs, interactive sharing sessions, offsite engagements, and insights from subject matter experts to deepen understanding and proficiency in key topical trends such as ESG, Digitalisation, Cybersecurity, and others; and (v) To schedule more interactive engagement sessions between the Board and Management to facilitate alignment of objectives and provide better oversight and support. <p>The GNRC and the Board have taken note of the findings and results of the BEA and addressed them in an appropriate manner. The conclusion drawn from the BEA also stands as a compass in the re-appointment of the Directors, membership on Board Committees’ and potential restructuring of Board/Board Committees.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

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

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied																							
Explanation on application of the practice	:	<p>Directors' Remuneration Framework</p> <p>CIMB ensures that the remuneration packages of its Directors are both competitive and commensurate with their responsibilities and contributions. The CIMB Group Directors' Remuneration Framework sets out the methodology and formula on how retainer fees, Chairperson's premium and meeting fees are derived, as follows:</p> <ul style="list-style-type: none"> • Comparison against CIMB's industry peers; • BNM FIDE Forum Directors' Remuneration Report 2015 formula; and • Back testing the data against closest peers. <p>This Framework is tailored to recognise the contribution of the Directors in relation to their fiduciary duties and statutory responsibilities, risks, and time commitment. It was approved by the shareholders at the 60th Annual General Meeting held in 2017.</p> <p>The Group's current Directors' Remuneration Framework is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #c00000; color: white;"> <th style="text-align: left;">CIMB</th> <th></th> <th style="text-align: center;">Retainer Fees (RM per annum)</th> <th style="text-align: center;">Chairperson's Premium (RM per annum)</th> <th style="text-align: center;">Meeting Fees (RM per meeting)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Board</td> <td>Chairperson[#] *</td> <td style="text-align: right;">170,000</td> <td style="text-align: right;">510,000</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td>Member[#]</td> <td style="text-align: right;">170,000</td> <td style="text-align: center;">N/A</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td rowspan="2">Board Committees</td> <td>Chairperson</td> <td style="text-align: center;">N/A</td> <td style="text-align: right;">100,000</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td>Member</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> <td style="text-align: right;">5,000</td> </tr> </tbody> </table> <p><i>Notes:</i> [#] All Board members (excluding Executive Director and any Director who serves as an Executive elsewhere) are eligible to medical benefits i.e., outpatient and dental, hospitalisation, and executive health screening. * Chairperson also receives benefits-in-kind which include, car maintenance, petrol and toll cards, personal driver, leave passage, corporate club membership fees, mobile phone and bill, personal bodyguard and security guard.</p> <p>The Board noted that the last review of the Remuneration Framework was completed in 2021 and agreed that a thorough review was therefore timely. With the approval of the Board and following the initial review in February 2024, an external firm was appointed in Q3 2024 to perform a more detailed benchmarking exercise against the Group's peers. The review of the Remuneration Framework is</p>	CIMB		Retainer Fees (RM per annum)	Chairperson's Premium (RM per annum)	Meeting Fees (RM per meeting)	Board	Chairperson [#] *	170,000	510,000	5,000	Member [#]	170,000	N/A	5,000	Board Committees	Chairperson	N/A	100,000	5,000	Member	N/A	N/A	5,000
CIMB		Retainer Fees (RM per annum)	Chairperson's Premium (RM per annum)	Meeting Fees (RM per meeting)																					
Board	Chairperson [#] *	170,000	510,000	5,000																					
	Member [#]	170,000	N/A	5,000																					
Board Committees	Chairperson	N/A	100,000	5,000																					
	Member	N/A	N/A	5,000																					

pivotal in maintaining market competitiveness as well as to attract and retain talent on the Board, and to recognise the Directors' contribution and time spent at Board and Board Committee meetings.

The Directors are also safeguarded by Directors' and Officers' liability insurance for any liabilities incurred in discharging their duties, excluding instances of fraud, dishonesty, and any personal profit or advantage. The details of each Director's received/receivable remuneration and the insurance premium are disclosed under Notes of the Financial Statement 2024.

Employee Remuneration Policy

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

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

Components of Remuneration

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

Components	Composition	Purpose and Approach
Fixed	Consists of base salary and fixed allowances	<ul style="list-style-type: none"> Determined based on skills, competencies, responsibilities and performance of the employee, taking into consideration market competitive levels.
Variable	Payable through annual cash bonus and share-based plans (through participation in the Equity Ownership Plan and/or Long Term Incentive Plan, as described below)	<ul style="list-style-type: none"> Purpose of motivating, rewarding and retaining high-performing employees who generate shareholder value and contribute to the success of the Group.

- Performance-based and not guaranteed, reflecting the individual employee's performance and business unit or function performance as well as the Group's results.
- Portions of cash bonus may be subject to deferral.
- Based on a selection criterion, shares and/or share options may be awarded to employees through participation in the Group's Equity Ownership Plan and/or Long Term Incentive Plan.

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

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

Shares under EOP are released progressively to the participants over three (3) years. Over the last five (5) years, 43 million shares (0.4% of issued ordinary shares of the Group) have been transferred to senior management employees via EOP.

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

Any deferred variable remuneration (cash bonus, shares and/or share options) that has been awarded to employees (whether paid and/or vested, or unpaid and/or unvested) is subject to forfeiture, adjustment or clawback in the event of:

- Resignation or cessation of employment with the Group
- Misconduct
- Material restatement of financial results
- Breach of statutory or fiduciary duties
- Material adverse impact on the reputation or interest of the Group

The mean annual compensation of all employees (excluding Group CEO) is broadly RM181,000. The ratio between the total annual compensation of the Group CEO and the mean annual compensation of all employees (excluding Group CEO) is 57.

Measurement of Performance

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

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

For each employee, performance is tracked through a set of balanced goals. In addition to financial targets, goals in the scorecard usually include measures on customer experience, long-term initiatives (where progress of milestones or ROI may be monitored), risk management and process controls, audit and compliance findings, as well as people-related measures. Our Group performance management process comprises agile performance conversations through periodic check-ins between manager and staff throughout the year and concludes with an annual year-end performance assessment of each individual through the Group's performance management framework, which is based on the meeting of individual goals in the scorecard and qualitative feedback. Alongside individual scorecards, we also adopt a team-based appraisal through our collective scorecards, which are aligned with key targets for the year and are reviewed annually.

For the Group CEO, performance is likewise measured through a scorecard, which covers measures on ROE, cost, risk and controls, customer experience and strategic initiatives – the assessment of the scorecard forms the basis of the Group CEO's variable compensation.

Determination of Variable Remuneration

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

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

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

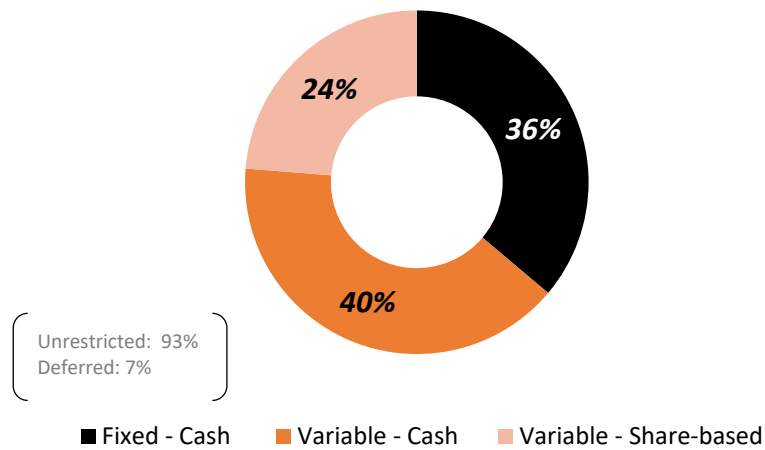
The control functions of Audit, Compliance and Risk operate independently from the business units at CIMB, and have appropriate authority to carry out their individual functions without intervention from the business units. To prevent conflict of interest, the remuneration of employees in these control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

SENIOR OFFICERS AND MATERIAL RISK TAKERS

Summary of 2024 Remuneration Outcome

Breakdown of remuneration awarded to SOs and MRTs for 2024:

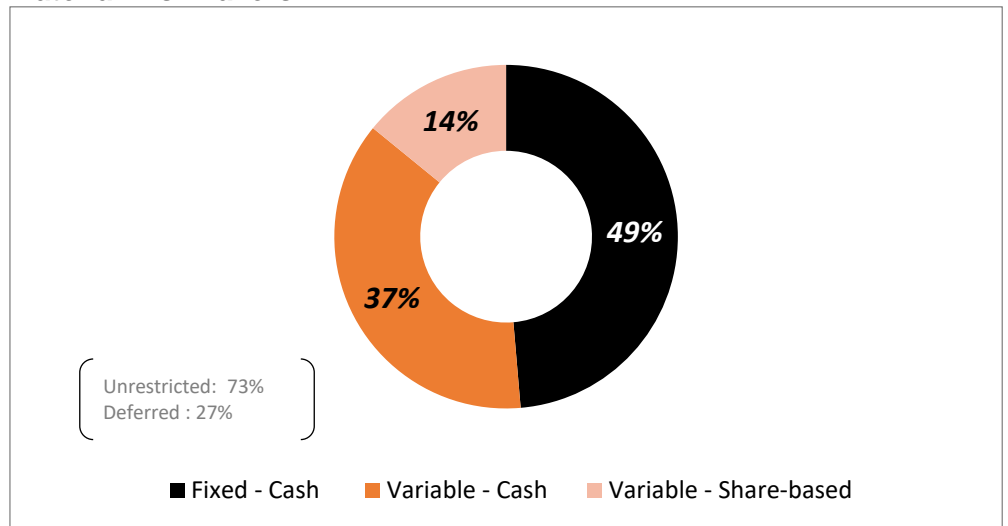
Senior Officers



SOs of the Group are defined as the Group CEO, EDs and members of GEXCO and key direct reports of the Group CEO.

Total remuneration awarded to 19 SOs for the FYE 2024 was RM 123.1 million.

Material Risk Takers



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

Total remuneration awarded to 60 MRTs for the FYE 2024 was RM 180.1 million.

Variable compensation of the Group CEO and senior leaders is made up of short-term bonuses and long-term incentives, and at least 40% of this variable compensation is deferred, comprising a mix of shares/share options and cash.

Quantitative Disclosures for 2024

Table 1: Guaranteed Bonuses, Sign-on Bonuses and Severance Payments

Category	SOs	MRTs
----------	-----	------

Number of guaranteed bonuses	-	-
Number of sign-on bonuses	-	2
Number of severance payments	-	-
Total amount of above payments made during the FYE 2024 (RM'000)	-	3,369

Table 2: Breakdown of Deferred Remuneration

Category	SOs (RM'000)	MRTs (RM'000)
Total amount of outstanding deferred remuneration		
• Cash	7,699	33,480
• Shares	64,393	57,799
Total amount of deferred remuneration paid out during the financial year	2,040	9,117
• Cash	31,760	25,633
• Shares		
Outstanding deferred remuneration (performance adjustments):		
• Of which exposed to ex-post adjustments	100%	100%
• Reductions in current year due to ex-post adjustments (explicit)	-	-
• Reductions in current year due to ex-post adjustments (implicit)	-	-
Outstanding retained remuneration (performance adjustments):		
• Of which exposed to ex-post adjustments	-	-
• Reductions in current year due to ex-post adjustments (explicit)	-	-
• Reductions in current year due to ex-post adjustments (implicit)	-	-

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

Table 3: Breakdown of Group CEO's Remuneration

Name	Category	Cash (RM'000)	Shares (RM'000)	Other Emoluments ¹ (RM'000)	Total (RM'000)
Dato' Abdul Rahman Ahmad (for the period from 1 January to 30 June 2024)	Fixed remuneration	1,546	-	389	1,935
	Variable remuneration				
	• Non-deferred	1,941	-	233	2,174
	• Deferred	-	-	-	-
	Total remuneration award for FYE 2024	3,487	-	622	4,109
	Deferred Variable remuneration				
	Vested/Exercised	-	2,719 ²	-	2,719
	Total remuneration received for FYE 2024	3,487	2,719	622	6,828

Deferred variable and conditional award under the Group's LTIP (for alignment with long-term performance, as described earlier)

408,000 performance shares and 5,591,500 share options (awarded in 2021) were vested on 31 March 2024, and were subjected to the following conditions:

Performance shares - meeting ROE targets

Share options - exercise price of RM4.96

¹ Other emoluments include EPF contributions and benefits-in-kind

² Derived from the market price at vesting multiplied by the number of share units vested.

Name	Category	Cash (RM'000)	Shares (RM'000)	Other Emoluments ¹ (RM'000)	Total (RM'000)
Novan	Fixed remuneration	1,395 ²	-	258	1,653
Amirudin	Variable remuneration				
(for the period from 1 July to 31 December 2024)	<ul style="list-style-type: none"> • Non-deferred • Deferred 	2,284 ²	-	274	2,558
		-	1,957 ²	-	1,957
	Total remuneration award for FYE 2024	3,679	1,957	532	6,168
	Deferred remuneration				
	Variable remuneration				
	<ul style="list-style-type: none"> • Vested/Exercised 	-	769 ³	-	769
	Total remuneration received for FYE 2024	3,679	2,726	532	6,937

Deferred variable and conditional award under the Group's LTIP (for alignment with long-term performance, as described earlier)

181,000 performance shares and 840,000 share options (awarded in 2022) will be vested on 31 March 2025, and are subjected to the following conditions:

Performance shares - meeting ROE targets

Share options - exercise price of RM5.75

¹ Other emoluments include EPF contributions and benefits-in-kind

² Attributed to the role of Group CEO for the period from 1 July to 31 December 2024

³ Derived from the difference between market price (on vesting or exercise, whichever lower) and exercise price multiplied by the number of share option units exercised

The following table summarises the Group CEO's shareholdings as at 31 December 2024:

Name	Shares held Beneficially (Units)	Unvested EOP Shares Not Subject to Performance Measures (Units)	Total Shares (Units)	Value of Shares (as at 31 December 2024) as a Percentage of Annual Salary	Unvested LTIP Shares and Share Options Subject to Performance Measures (Units)
Novan Amirudin	540,230	96,990	637,220	230%	181,000 (performance shares) 840,000 (share options)

Taking into consideration the value of unvested LTIP awards (share options and shares which are subject to performance conditions as disclosed in the financial statements), the shareholdings of the Group CEO as at 31 December 2024 is 312% of annual salary.

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

Intended Outcome

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

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

Practice 7.2

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

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

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

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The remuneration payable to the Board of Directors in FYE 2024 are as follows: <i>Notes:</i> <ul style="list-style-type: none">- <i>Non-Independent Non-Executive Director (NINED)</i>- <i>Independent Non-Executive Director (INED)</i>- <i>Executive Director (ED)</i>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Mohd Nasir Ahmad	NINED	170	130	-	510	13	-	823	406	271	-	693	13	=	1383
2	Dato' Lee Kok Kwan	NINED	170	120	-	-	-	-	290	460	325	-	-	-	=	785
3	Dato' Mohamed Ross Mohd Din	INED	170	250	-	50	-	-	470	310	350	-	190	26	=	876
4	Afzal bin Abdul Rahim	INED	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Didi Syafruddin Yahya	INED	170	188	-	200	-	-	558	679	523	-	602	128	=	1932
6	Shulamite Khoo	INED	170	128	-	-	-	-	298	170	128	-	-	-	=	298
7	Ho Yuet Mee	INED	170	340	-	100	-	-	610	170	340	-	100	-	=	610
8	Datin Azlina Mahmad	INED	170	223	-	50	-	-	443	217	253	-	50	-	=	520
9	Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz <i>(Appointed on 1 July 2024)</i>	NINED	85	45	-	-	-	-	130	195	166	-	99	-	=	460
10	Lyn Therese McGrath <i>(Appointed on 1 October 2024)</i>	INED	42	25	-	-	-	-	67	42	25	-	-	-	=	67
11	Dato' Abdul Rahman Ahmad <i>(Resigned on 30 June 2024)</i>	ED	-	-	-	-	-	-	-	-	-	6686	-	142	-	6828
12	Novan Amirudin <i>(Appointed on 1 July 2024)</i>	ED	-	-	-	-	-	-	-	-	-	6902	-	35	-	6937
13																
14																
15																

Intended Outcome

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

Practice 8.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board has decided not to disclose, on a named basis, the top five (5) Senior Management's remuneration components including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.</p> <p>Across the Group, however, CIMB currently discloses the remuneration of the following Key Senior Management positions in their respective financial statements, as follows:</p> <ol style="list-style-type: none">1. CEO, CIMB Group Holdings Berhad;2. ED, CIMB Bank Berhad;3. ED, CIMB Investment Bank Berhad; and4. CEO, CIMB Islamic Bank Berhad. <p>The Board believes that disclosure of remuneration of these key executives' is neither to CIMB's advantage nor in its business interests, given the sensitive nature of such information and the fierce competition for talent in the banking industry.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board will closely monitor developments in the market in respect of such disclosure for future considerations.
Timeframe	:	Monitoring of market developments is on on-going basis.

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	The Audit Committee is currently chaired by Datin Azlina Mahmad with effect from 1 July 2024, succeeding Dato' Mohamed Ross who was re-designated to member of the Committee. The third member of the Audit Committee is Ho Yuet Mee, and all members of the Committee are Independent Directors. Datin Azlina is not the Chairperson of the Board.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee must ensure that the objectivity, independence and effectiveness of the External Auditors are maintained throughout their appointment. As per the Board Charter, the Audit Committee will not appoint former key audit partner as its member unless the former key partner has observed a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.</p> <p>None of the current Members of the Board were former key audit partners of CIMB. Hence, there is no such person being appointed as a member of the Audit Committee.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice		<p>Group Corporate Assurance Division (GCAD) and Group Finance Division will jointly perform on an annual basis the exercise of the re-appointment of the External Auditor by assessing its suitability, objectivity and independence. The External Auditor is assessed in accordance with the Bank Negara Malaysia Guidelines on Corporate Governance for Licensed Institution and Guidelines on Appointment of External Auditors in respect of its audits of CIMB's Malaysian entities. The said Guidelines require the Audit Committee to assess whether the External Auditor meets the qualification requirements, which include independence, objectivity and performance.</p> <p>In its assessment, the Audit Committee considered several factors before recommending the re-appointment of the External Auditor, as follows:</p> <ul style="list-style-type: none">(a) Level of knowledge, capabilities, experience and quality of previous work;(b) Level of engagement with Audit Committee;(c) Ability to provide constructive observations, implications and recommendations in areas requiring improvements;(d) Adequacy in audit coverage and effectiveness in planning and conduct of audit;(e) Ability to perform audit work within agreed timeframe;(f) Non-audit services rendered by the External Auditor did not impede independence; and(g) The External Auditor demonstrated unbiased stance when interpreting standards/ policies adopted by the company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The Audit Committee is currently chaired by Datin Azlina Mahmud and the other two (2) members are Dato' Mohamed Ross Mohd Din and Ho Yuet Mee, all of whom are Independent Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee is chaired by Datin Azlina Mahmad, and the other members are Dato' Mohamed Ross Mohd Din and Ho Yuet Mee. All of the Audit Committee members have extensive working experience obtained from various industries particularly banking and finance which greatly reinforces their skills and knowledge when it comes to discharging their duties as members of the Audit Committee.</p> <p>The Chairperson of the Audit Committee began her career in J.P Morgan Chase Bank Berhad and worked her way up until her retirement as an Executive Director, Global Corporate Bank of J.P Morgan in 2021. Datin Azlina is also a Member on Bursa Malaysia's Risk Management Committee, Nomination and Remuneration Committee and Regulatory & Conflicts Committee.</p> <p>Dato' Mohamed Ross, on the other hand, has over 50 years of relevant banking and finance experience and was a Group Head of Audit in one of the global banks. Post his retirement, Dato' Mohamed Ross assumed the role of Executive Director and Senior Advisor of HSBC Amanah Takaful Malaysia Sdn Bhd until December 2008. Simultaneously, he served as an Independent Director of HSBC Amanah Malaysia Berhad until April 2016, chairing the Risk Committee and contributing as a member of the Audit and Nominations Committee. Currently, Dato' Mohamed Ross sits on an Advisory Board for a Private Equity Fund as an Independent Member. Additionally, he serves as a Trustee on the Board of Lembaga Zakat Selangor and as an Independent Director on the Board of an asset management company. In early 2021, he was appointed as a member of the Investment Panel of Kumpulan Wang Persaraan (Diperbadankan) (KWAP).</p> <p>Ho Yuet Mee is a certified public accountant and has spent a large part of her career in Big 4 international accounting firms. During her</p>

	<p>tenure at EY, she held various leadership positions, including serving as an audit partner for major government-linked companies and multinational clients. Additionally, she served as a Pacific Regional Partner at EY, focusing on the implementation of global IT projects and oversaw the audit independence function regionally for an extended period.</p> <p>All Audit Committee members are aware of the need to continuously develop and increase their knowledge to keep themselves updated of relevant developments.</p> <p>The profiles of the Audit Committee members are available on CIMB's corporate website at www.cimb.com</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board continues to be involved in identifying the Group's principal risks and ensuring the implementation of appropriate internal controls and mitigation measures, whilst taking into consideration ESG requirements.</p> <p><u>Risk Management</u></p> <p>CIMB employs a Group Enterprise-Wide Risk Management Framework (Group EWRM) as a standardised approach to effectively manage its risks and opportunities. The framework provides the Board and Management with tools to anticipate and manage both existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.</p> <p>The BRCC is chaired by Didi Syafruddin Yahya who is responsible to provide oversight and advice to the Board and the Management in respect of risks including the strategy for future risks, risk appetite and management of compliance risk. As at 31 December 2024, the BRCC comprises five (5) members, of whom four (4) members (including the Chairperson) are Independent Directors.</p> <p><u>Internal Control</u></p> <p>GCAD reports independently to the Group's Audit Committee as well as the Banking Group Audit Committee. It provides an independent appraisal on the adequacy and effectiveness of internal controls, risk management, and governance processes implemented by Management.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p><u>Risk Management</u></p> <p>CIMB employs a Group Enterprise-Wide Risk Management Framework (Group EWRM) as a standardised approach to effectively manage its risks and opportunities. The framework provides the Board and Management with tools to anticipate and manage both existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.</p> <p>The design of the framework incorporates a complementary “top-down strategic” and “bottom-up tactical” risk management approach.</p> <p>The key features of the framework include:</p> <ul style="list-style-type: none">(a) Risk Culture – The Group embraces risk management as an integral part of its culture and decision-making process. The Group’s risk management philosophy is embodied in the “Three Lines-of-Defence” approach, whereby risks are managed initially from the onset of risk-taking activities. There is clear accountability of risk ownership across the Group.(b) Governance & Organisation – A strong governance structure is important to ensure an effective and consistent implementation of the framework. The Board is ultimately responsible for the Group’s strategic direction, which is supported by the risk appetite and relevant risk management frameworks, policies, methodologies/ standards, and procedures. The Board is assisted by several risk committees and control functions in ensuring that the Group’s risk management framework is effectively implemented.(c) Risk Appetite – Defined as the amount and type of risks that the Group is able and willing to accept in pursuit of its strategic and business objectives. Risk appetite is set in

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

(d) Risk Management Process –

- Business Planning: Risk management is central to the business planning process, including setting frameworks for risk appetite, risk posture, new products and business activities.
- Risk Identification & Assessment: Risks are systematically identified and assessed through the robust application of the Group's risk frameworks, policies, methodologies/standards and procedures.
- Risk Measurement: Risks are measured and aggregated using the Group-wide methodologies across each of the risk types, including stress testing.
- Risk Management & Control: Risk management limits and controls are used to manage risk exposures within the risk appetite set by the Board. Risk management limits and controls are regularly monitored and reviewed against evolving business needs, market conditions and regulatory changes. Corrective actions (such as establishing plans to cushion the impact, employing mechanisms to reduce the likelihood and/or impact to an acceptable level, moving it to third party and/or ceasing the activity that causes the risk etc.) are taken to mitigate risks. This can be achieved by positioning various control tools to reduce the likelihood of an occurrence or the impact of the risk. The various control tools are accepting, treating, transferring and/or terminating the risk.
- Risk Monitoring & Reporting: Risks on an individual, as well as on a portfolio basis, are regularly monitored and reported to ensure they remain within the Group's risk appetite.

(e) Risk Management Infrastructure –

- Risk Frameworks, Policies, Methodologies/Standards, and Procedures: These are in place to address all areas of material risks. Frameworks provide broad objectives and overarching risk management architecture for managing risks. Well-defined risk policies by risk type provide the principles by which the Group manages its risks. Methodologies/Standards provide specific directions that help support and enforce policies whilst procedures provide more detailed guidance on the implementation of policies.
- People: Attracting the right talent and skills is key to ensuring a well-functioning risk framework. The organisation continuously evolves and proactively

	<p>responds to the increasing complexity of the Group, as well as the economic and regulatory environment.</p> <ul style="list-style-type: none"> • Technology and Data: Appropriate technology and sound data management support risk management activities. <p><u>Internal Control</u></p> <p>Adequacy and effectiveness of internal control: The internal audit function, GCAD, provides independent appraisal on the adequacy and effectiveness of internal controls, risk management and governance processes implemented by Management.</p> <p>GCAD's scope of audit coverage encompasses all business and support units, including subsidiaries and overseas branches lacking independent audit units. The selection of audit areas within the audit universe is based on an annual audit plan approved by the CIMB Group AC and the Banking Group AC. The annual audit plan is developed based on assessment of risks, exposures and CIMB Group strategies using a risk-based assessment methodology. GCAD also undertakes investigations and ad-hoc reviews upon request from Management, the Board, or regulators.</p> <p>The audit report represents final product of an audit assignment, encompassing the audit scope, evaluation of the internal control system, detailed audit observations, management actions, and timelines for implementing GCAD's recommendations. The CIMB Group AC or the Banking Group AC (as appropriate) reviews regulatory breaches identified, significant exceptions or non-compliances, ascertaining appropriate and prompt remedial actions by the management.</p> <p><u>Conclusion</u></p> <p>The Board, through the AC, BRCC and the Board Shariah Committee, confirms that it has reviewed the effectiveness of the risk management and internal control framework and regards the Group's internal control system as adequate in safeguarding shareholders' interests and the Group's assets. The Board also confirms that an effective ongoing process for identifying, evaluating, and managing significant risks in CIMB Group is in place and is committed to continuously reviewing all controls, namely compliance and risk management controls.</p> <p>Further information on the Group EWRM and Internal Control can be found in the Statement of Risk Management and Internal Control of CIMB Annual Report 2024.</p>
<p>Explanation for departure :</p>	

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

Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The BRCC consists of five (5) members, of whom three (3) members or 60% (including the Chairperson) are Independent Directors. The BRCC members are:</p> <ul style="list-style-type: none">(a) Didi Syafruddin Yahya (Chairperson/Independent Director)(b) Tan Sri Mohd Nasir Ahmad (Non-Independent Director)(c) Dato' Mohamed Ross Mohd Din (Independent Director)(d) Dato' Lee Kok Kwan (Non-Independent Director)(e) Lyn Therese McGrath (Independent Director) (<i>Appointed on 1 October 2024</i>) <p>The primary responsibility of the BRCC is to ensure that the integrated risk management functions within the Group are effectively discharged. The BRCC assists the Board in, among others, formulating and reviewing the risk strategy of the organisation, approving and reviewing Group risk management policies, setting risk appetite, reviewing risk profile and ensuring a "risk-awareness" culture is embedded within CIMB.</p>

Intended Outcome

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

Practice 11.1

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

Application	: Applied
Explanation on application of the practice	<p>The Group Chief Internal Auditor (GCIA) reports functionally to the AC and administratively to the Group CEO. All internal auditors similarly are placed under the direct authority and supervision of the AC through the GCIA.</p> <p>GCAD's authority, independence & objectivity and responsibilities are stipulated in the Audit Charter approved by the Board.</p> <p>The duties of the AC in overseeing the internal audit function includes:</p> <ul style="list-style-type: none">(a) ensure the internal audit function is well placed to undertake review or investigation on behalf of the AC, and be placed under the direct authority and supervision of the AC;(b) approve the internal audit function's policy;(c) review and approve the audit scope, procedures frequency and the annual internal audit plan;(d) oversee the effectiveness of the Internal Audit functions, staff competency requirements and adequacy of audit resources, and that internal audit has the necessary authority to carry out its work;(e) review key audit reports and ensure that senior management is taking necessary corrective actions in a timely manner to address control weaknesses, non-compliance with laws, regulatory requirements, policies and other problems identified by the internal audit and other control functions;(f) note significant disagreements between the Group Chief Internal Auditor and the rest of the senior management team, irrespective of whether these have been resolved, in order to identify any impact, the disagreements may have on the audit process or findings;(g) ensure compliance with relevant guidelines on internal audit issued by BNM, BMSB and Securities Commission, and that the reports of internal auditors should not be subject to clearance by Management;(h) establish a mechanism to assess the performance and effectiveness of the internal audit function;(i) evaluate the performance and decide on the remuneration package of the Group Chief Internal Auditor; and(j) approve the appointment, transfer and dismissal of Group

	Chief Internal Auditor and to be informed of the resignation of any Department Head in GCAD and to provide the resigning staff member an opportunity to submit their reasons for resigning.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>GCAD, headed by the GCIA, reports independently to the CIMB Group Audit Committee and the Banking Group Audit Committee, and operates independently from the activities and operations of the business and other support units. The primary responsibility of GCAD is to independently appraise the adequacy and effectiveness of risk management, control, and governance processes implemented by Management. The GCIA administratively reports to the Group CEO to maintain independence from Management</p> <p>GCAD adheres to the mandatory elements of The Institute of Internal Auditor’s (IIA) International Professional Practices Framework (IPPF) including its Standards, Core Principles for the Professional Practice of Internal Auditing, Definition of Internal Auditing, and Code of Ethics, as well as other relevant regulatory guidelines.</p> <p>The GCIA, Amran bin Mohamad, is the person responsible for internal audit function in CIMB. He is a member of the Malaysian Institute of Certified Public Accountants, the Institute of Internal Auditors Malaysia and the Malaysian Institute of Accountants. As at 31 December 2024, GCAD had a staff strength of 166 individuals from diverse backgrounds and qualifications. 62% of the auditors possess at least one (1) relevant certification, including 64 staff whom have obtained the Certification for Bank Auditors by the Asian Institute of Chartered Bankers.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group's investor relations activities ensure regular, effective and fair communication with shareholders, analysts, fund managers and stakeholders. Quarterly results briefing sessions are conducted for analysts and fund managers after lodgement of results to Bursa Malaysia and is made available online on the investor relations website. All press statements and quarterly financial statements are published on the CIMB Group's corporate website and the Bursa Securities website. A dedicated Investor Relations team supports the Group CEO and Group Chief Financial Officer in maintaining a close and active dialogue with external stakeholders.</p> <p>CIMB Group has designed a structured approach to communication in the CIMB Group Communication Policy. This Policy sets out the principles of communication, the various mediums of communication, policies and procedures relating to the dissemination of information to the shareholders, media and other stakeholders, step-by-step approach in handling material information and the mechanism used to gauge external opinions. The Policy also ensures the dissemination of information that is factual, accurate and clear in a timely manner, and the Policy strictly prohibits individual or selective dissemination.</p> <p>CIMB Group continued to engage with its stakeholders actively via various avenues in 2024, including hosting 15 regular larger-group conference calls, 8 pre-closed period meetings with the domestic buy- and sell-side, 4 quarterly financial announcement investor conference calls, 13 in-house meetings, attendance at 25 virtual and physical investor conferences as well as 50 meetings on non-deal roadshows. These are in addition to the Management's engagement with 497 analysts and fund managers during the year.</p> <p>Furthermore, CIMB has a dedicated section on its website in line with the Group's commitment to upholding the highest standards of corporate governance and stakeholder engagement. The Investors Relations (https://www.cimb.com/en/investor-relations/overview.html) section seeks to provide the most pertinent</p>

	financial and relevant information such as Company Announcements, Financial Information, Annual Reports and Shareholding Information among others for the benefit of the public and its shareholders. There is also an avenue for investors to share feedback and submit queries.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board ensures that shareholders are given sufficient notice and time to consider the resolutions that will be discussed and tabled at the AGM for decision.</p> <p>The AGM Notice includes details of the resolutions proposed, along with any relevant information and reports. CIMB held its 67th AGM on 29 April 2024 with the Notice and Agenda of the AGM delivered to the shareholders on 28 March 2024, this being 28 days before the Meeting. The Notice and Agenda were also published in the local English and Bahasa Malaysia newspapers and made available on CIMB's website at www.cimb.com.</p> <p>The 67th AGM was held virtually as per the Guidance and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers (Guidance Note) issued by the Securities Commission Malaysia.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The 67th AGM held on 29 April 2024 was attended by all Directors, Management and 2514 shareholders as per the Attendance List recorded and kept at the registered office.</p> <p>The Chairperson, who chaired the proceedings, provided fair opportunity and time to all shareholders to exercise their rights to raise questions and make recommendations. The proceedings of the 67th AGM were recorded in the minutes of the meeting and was made available within two (2) weeks after the AGM on CIMB's website at www.cimb.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>CIMB leverages technology to facilitate greater shareholders’ participation and the quality of proceedings of its General Meetings.</p> <p>Resolutions during the 67th AGM were arrived at via online electronic poll voting to enable all Shareholders to cast their votes. The Share Registrar, Boardroom Share Registrars Sdn Bhd (Boardroom), acted as the Poll Administrator to conduct the online electronic polling process and Deloitte Risk Advisory Sdn Bhd was appointed as the Scrutineer to verify the poll results. The employment of third parties in conducting the electronic polling ensured that any cyber risks were mitigated as much as possible.</p> <p>The Group continuously reviews its cyber defence capabilities to protect customer data security and strengthen its resilience against potential cyber threats. CIMB remains vigilant and alert to cyber threats, with close monitoring by the dedicated Cyber Security Defence Centre and Threat Monitoring & Intelligence unit. The security awareness program continues to be strengthened and enhanced to equip staff with the necessary skills to detect and appropriately respond in a timely manner to malicious attempts targeting end-users. The Group also collaborates closely with relevant authorities and industry players with the objective of staying abreast with current trends with a view to enhancing protection, detection, and response capabilities for cyber resiliency.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>At the 67th AGM held on 29 April 2024, the Chairperson commenced the meeting, which was held virtually, by welcoming and expressing thanks to all the Shareholders for their continued support and for their attendance.</p> <p>The Chairperson then proceeded to highlight during his proceeding that global economic recovery in 2023 was driven by external factors such as resilient US economic performance, supply chain normalization, lower energy prices, healthy consumer finances, and the reopening of the Chinese economy. Despite inflation concerns, global GDP and employment exceeded expectations, with wage growth remaining strong. However, risks such as inflation resurgence and geopolitical instability persisted. CIMB, under its Forward23+ Strategy, embraced a transformative period, positioning itself to become the leading specialized bank in ASEAN within two years. The Group navigated dynamic market challenges, focusing on sustainable growth, adaptability, and the creation of long-term value for stakeholders.</p> <p>CIMB's transformation into a premier ASEAN financial institution over the last several years was marked by resilience and strong leadership in the face of numerous challenges. The Group prioritized customer-centric solutions, operational and risk management improvements, and fostering a strong organizational culture centered on EPICC values (this being "Enabling Talent, Passion, Integrity & Accountability, Collaboration, and Customer Centricity"). The Group's sustainability efforts earned recognition, and we had advanced its social impact initiatives, such as sustainability-linked financing for small and medium enterprises and educational support. Leadership changes, including new board appointments, underscored the Group's commitment to fostering diversity and robust governance. CIMB remained focused on its growth strategy,</p>

aiming for sustainable returns, improved performance, and deeper stakeholder engagement in 2024.

The Group CEO then took the opportunity to engage the Shareholders by giving a presentation on the following:

- (a) CIMB Today;
- (b) Forward 23+ Journey and FYE 2023 Performance;
- (c) Journey Towards a Purpose Driven Organisation; and
- (d) CIMB Going Forward.

The Chairperson then tabled the Audited Financial Statements for FYE 31 December 2023 and the Reports of the Directors and Auditors. The Chairperson informed that CIMB had published the Annual Report and its Audited Financial Statements for FYE 2023 to Bursa Malaysia on 28 March 2024 and subsequently uploaded onto CIMB's corporate 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) of the Companies Act 2016.

The Chairperson then shared that all the Directors and Senior Management were present at the 66th AGM to provide responses to the questions posed by shareholders via Boardroom Smart Investor Online Portal website www.boardroomlimited.com/my in relation to the agenda items for the 66th AGM, both prior to and during the said AGM.

The Chairperson also informed that the members, corporate representatives and proxies present had the right to speak and vote on the resolutions set out in the Notice of the 67th AGM dated 28 March 2024. The Chairperson advised shareholders that any queries regarding banking related matters should be directed to CIMB's dedicated email at cru@cimb.com.

The queries addressed during the 67th AGM were as follows:

Questions from Minority Shareholders Watch Group (MSWG)

The Chairperson mentioned that a letter with questions were received from MSWG, to which he invited Dato' Abdul Rahman to address them accordingly. Dato' Abdul Rahman Ahmad informed that CIMB had responded to MSWG's letter from MSWG which contained seven (7) questions, and shared the written responses during the AGM. A snapshot of the questions and responses were also provided online for the benefit of all shareholders.

Questions from Permodalan Nasional Berhad (PNB)

	<p>The Chairperson further shared that questions were also received from PNB and invited Dato' Abdul Rahman Ahmad to address them accordingly. Dato' Abdul Rahman informed that CIMB had responded to the five (5) questions raised by PNB in relation to the 67th AGM, and shared the written replies with the shareholders during the proceedings. A snapshot of the questions and responses were also provided online for the benefit of all shareholders.</p> <p><u>Pre-AGM Questions from Shareholders</u></p> <p>CIMB received pre-AGM questions from shareholders prior to the 67th AGM, of which the Group CEO, Group Chief Financial Officer and the Chairperson read the questions and answered on behalf of the Board.</p> <p><u>Online Questions from Shareholders during the AGM</u></p> <p>The Chairperson then opened the Questions and Answers (Q&A) session and invited shareholders to submit questions online for the Board/Management's response. The Chairperson informed that the Board would endeavour to respond to these questions.</p> <p>The questions posed online would be reviewed to avoid repetition of questions of similar in nature, and if they were lengthy, the Board would summarise them.</p> <p>The Chairperson further informed that CIMB had appointed the Independent Scrutineers, Messrs. Deloitte, to oversee and verify the Q&A process. The Board/Management then addressed 47 questions posed by the shareholders.</p> <p>The Chairperson thanked shareholders for all the questions posed and reiterated that if there were questions yet to be addressed, Management would revert via email soonest possible.</p> <p>After the Q&A session ended, the Chairperson declared that the Audited Financial Statements together with the Directors and Auditors Reports for the FYE 31 December 2023 were deemed received.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: <p>CIMB leverages technology to facilitate greater shareholders' participation and enhance the quality of proceedings of General Meetings.</p> <p>Resolutions during the 67th AGM were arrived at via online electronic poll voting to enable all shareholders to cast their votes. Boardroom had acted as the Poll Administrator to conduct the online electronic polling process and Messrs. Deloitte was appointed as the Scrutineer to verify the poll results.</p> <p>Despite the removal of the movement restrictions, CIMB had decided to conduct the 67th AGM virtually as part of efforts to embrace the new norm post COVID-19 and exercising caution to curb its spread. The meeting was held at the broadcast venue and streamed live, with online remote voting facilitated through the Remote Participation and Electronic Voting facilities available on Boardroom's website, Boardroom Smart Investor Online Portal at www.boardroomlimited.my.</p> <p>Shareholders were given the opportunity to post questions before and during the AGM via the online portal. All questions received pre-and during the AGM proceeding (except those that were repetitive and similar in nature) were broadcast on the screen for transparency purposes. CIMB endeavoured to respond to all questions received, and those that were not answered would be responded via email to the intended shareholder(s). Minutes of the AGM was published on CIMB's website, within 30 business days after the conclusion of the AGM.</p>

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: CIMB held its 67 th AGM on 29 April 2024 with the Notice and Agenda of the AGM delivered to the Shareholders on 28 March 2024. The proceedings of the AGM were minuted and the minutes were made available within 30 business days after the conclusion of the AGM on CIMB's website at www.cimb.com .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

Corporate Information as at 31 December 2024 (FYE 2024)

BOARD OF DIRECTORS

Board Composition

Directors	Designation
Tan Sri Mohd Nasir Ahmad	Chairperson / NINED
Dato' Mohamed Ross Mohd Din	INED
Dato' Lee Kok Kwan	NINED
Afzal Abdul Rahim	INED/SID
Didi Syafruddin Yahya	INED
Shulamite Khoo	INED
Ho Yuet Mee	INED
Datin Azlina Mahmad	INED
Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz	NINED
Lyn Therese McGrath	INED
Novan Amirudin	Group CEO/ED

Novan Amirudin was appointed as the Group CEO as well as the ED effective 1 July 2024 succeeding Dato' Abdul Rahman Ahmad following his resignation on 30 June 2024.

The following Directors were also appointed in 2024:

- Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz was appointed as an NINED as well as a Member of the GNRC on 1 July 2024; and
- Lyn Therese McGrath was appointed as an ID as well as a member of BRCC and GSGC on 1 October 2024.

The profiles of the Board of Directors and their external commitments are disclosed in the CIMB Annual Report 2024 which can be found on CIMB's corporate website at www.cimb.com.

Board of Directors' Interest in the Shares of CIMB

Save as disclosed below, none of the Directors have any interest in CIMB's shares in FYE 2024:

Directors	Number of CIMB Shares held as at 31 December 2024 [^]			
	Direct Interest		Indirect Interest	
	No of Shares Held	%*1	No of Shares Held	%*1
Non-Executive				
Datuk Mohd Nasir Bin Ahmad	-	-	-	-
Dato' Mohamed Ross Mohd Din	-	-	-	-
Dato' Lee Kok Kwan	385,710	*2	95,498*3	*2
Afzal Abdul Rahim	-	-	-	-
Didi Syafruddin Yahya	-	-	46,791*3	*2
Shulamite Khoo	-	-	-	-
Ho Yuet Mee	-	-	-	-
Datin Azlina Mahmad	-	-	-	-
Executive				
Muhammad Novan Amirudin	540,230	*2	-	-

Notes:

*1 Excludes 4,908 shares retained as treasury shares as at 28 February 2025.

*2 Less than 0.01%.

*3 Shareholdings through his spouse.

Roles and responsibilities of the Board

The roles and responsibilities of the Board are set out in the Board Charter which is available at www.cimb.com.

Directors' Development

The Board, with support of the GNRC and the Group Company Secretary, continuously monitors the frequency and quality of training sessions attended by its members. The Group Company Secretary reports the status of the trainings attended by each Board member on a quarterly basis. In FYE 2024, our Board members had attended training programmes in various areas including accounting and audit, capital market and financial industry, governance, information technology, Islamic Banking, leadership and strategy, risk management and sustainability. This commitment to ongoing education and development is a crucial element of our corporate strategy, enabling us to remain agile and responsive in a rapidly changing business environment.

2024 DIRECTORS' TRAINING FOCUS AREAS								
Accounting / Audit / Finance	Business Management / Corporate Leadership	Human Resources	Investment / Corporate Finance	Legal	Operations	Risk Management	Sustainability	Technology
23	12	11	11	11	8	20	31	25

Board Committees

Empowered by the Board Charter, the Board has delegated its authority to its Board Committees, each with a specific role and responsibility of assisting the Board in discharging its role and duties within the parameters set out in their respective terms of reference (TOR). The TOR of each Board Committee outlines the objective of the Board Committee, authority, conduct of meetings including quorum, voting requirements, and Board Committee membership, if any. All of our Board Committees comprise only Non-Executive Directors.

The TORs of the Board Committees are reviewed periodically and updated to ensure they are aligned with the latest regulatory provisions, policies, guidelines, and best practices. Any amendment made to the TOR of any Board Committee necessitate approval from the Board. As a Committee delegated by the Board, the Chairperson of each Board Committee will provide succinct updates to the Board during its meeting on significant matters discussed at the Board Committee meetings, which are typically scheduled before the Board meeting.

The members, objective(s), main areas of oversight, and key matters discussed at the Board Committees in FYE 2024 are summarised as follows:

(a) Audit Committee (AC)

Members:

1. Datin Azlina Mahmad – Chairperson / INED (*Re-designated on 1 July 2024*)
2. Dato' Mohamed Ross Mohd Din – Member / INED (*Re-designated on 1 July 2024*)
3. Ho Yuet Mee – Member / INED

Objective:

To support the Board in ensuring that there is a reliable and transparent financial reporting process, and to review the corporate governance practices and internal control system in ensuring checks and balances within the Group and its subsidiaries.

(b) Board Risk and Compliance Committee (BRCC)

Members:

1. Didi Syafruddin Yahya – Chairperson / INED
2. Tan Sri Mohd Nasir Ahmad – Member / NINED
3. Dato' Mohamed Ross Mohd Din – Member / INED
4. Dato' Lee Kok Kwan – Member / NINED
5. Lyn Therese McGrath – Member / INED (*Appointed on 1 October 2024*)

Objectives:

1. To provide oversight and advice to the Board and Management in respect of all risks undertaken by the Group and the strategy for future risks, including determination of risk appetite.
2. To provide oversight and advice to the Board and Management in respect of the management of compliance risk.

(c) Group Nomination and Remuneration Committee (GNRC)

Members:

1. Didi Syafruddin Yahya – Chairperson / INED
2. Dato' Mohamed Ross Mohd Din – Member / INED
3. Shulamite Khoo – Member / INED
4. Afzal Abdul Rahim – Member / SINED
5. Datin Azlina Mahmud – Member / INED
6. Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz – Member / NINED (*Appointed on 1 July 2024*)

Objectives:

1. To support the Board in carrying out its functions by providing a transparent and consistent procedure concerning the Board, Board Committees, individual Directors, Chief Executive Officer/Executive Director (CEO/ED) and Senior Management Officers (SMOs) pertaining to appointments and removals, composition and annual evaluation.
2. To support the Board in overseeing the design and operation of the Group's remuneration framework by providing a transparent and consistent procedure for developing Policies and Procedures for Directors, Members of the Board Committees and employees of the Group. The remuneration framework must be competitive and consistent with the culture, objectives, strategy and the existing remuneration guidelines and framework of the Group.
3. To review the remuneration of Directors of the main Boards of the Group, Members of the Board Committees, CEOs/EDs, SMOs and Material Risk Takers (MRTs), particularly on whether the remuneration remains appropriate vis-à-vis their contribution, taking into account the level of expertise, commitment and responsibilities undertaken.

(d) Group Sustainability and Governance Committee (GSGC)

Members:

1. Ho Yuet Mee – Chairperson / INED
2. Tan Sri Mohd Nasir Ahmad – Member / NINED
3. Didi Syafruddin Yahya – Member / INED
4. Dr. Nurmazilah Dato' Mahzan – Member / INED
5. Tan Ting Min – Member / INED
6. Lyn Therese McGrath – Member / INED (*Appointed on 1 October 2024*)

Objective:

The GSGC's primary objective is to assist the Board in fulfilling its responsibilities in:

1. Advocating and fostering the ethical conduct, integrity culture and sustainability mind-set across the Group.
2. Providing oversight, advice and direction in the development, implementation and monitoring of the strategies, framework, and policies with respect to integrity and governance, sustainability and climate change, and corporate responsibility of the Group.
3. Overseeing the management of bribery, corruption and sustainability and other related risks and the consequence management of breaches thereof.

The roles and responsibilities and terms of the Board Shariah Committee (BSC) are stated under the BSC Report in the CIMB Annual Report 2024. The terms of reference of the Board Committees can be found on CIMB's corporate website at www.cimb.com.

Board and Board Committees' Meetings

In 2024, CIMB's Board and Board Committee meetings were held both physically and virtually. Members of the Senior Management were also invited to attend selected Board meetings to support the Board with further information on the matters being deliberated. All Directors attended 75% of all Board Meetings in FYE 2024. The TOR of the Board sets out the conduct of meetings including quorum (at least 75% present of which one (1) must be an Independent Director), voting requirements and Board membership, if any.

The attendance of the Board members and Board committee members at the meetings in FYE 2024 are as follows:

Director	Attendance at Meetings				
	Board	Board Committee			
		BRCC	AC	GNRC	GSGC
Tan Sri Mohd Nasir Ahmad	15/15	7/7	-	-	4/5
Dato' Abdul Rahman Ahmad*	9/9	-	-	-	-
Novan Amirudin**	5/6	-	-	-	-
Dato' Mohamed Ross Mohd Din	15/15	6/7	19/20	12/12	-
Dato' Lee Kok Kwan	14/15	7/7	-	-	-
En. Afzal Abdul Rahim	13/15	-	-	12/12	-
En. Didi Syafruddin Yahya	15/15	7/7	-	12/12	5/5
Ms. Shulamite N K Khoo	15/15	-	-	12/12	-
Ms. Ho Yuet Mee	14/15	-	20/20	-	5/5
Datin Azlina Mahmud	15/15	-	20/20	11/12	-
Tengku Dato' Sri Azmil Zahrudin	6/6	-	-	3/3	-
Raja Abdul Aziz**					
Lyn Therese McGrath**	2/2	2/2	-	-	1/1

Notes:

BRCC – Board Risk and Compliance Committee

AC – Audit Committee

GNRC – Group Nomination and Remuneration Committee

GSGC – Group Sustainability and Governance Committee

*Dato' Abdul Rahman Ahmad resigned on 30 June 2024

**Novan Amirudin was appointed as an Executive Director, Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz was appointed as a Non-Independent Director on 1 July 2024 respectively, and Lyn Therese McGrath was appointed as an Independent Director of CIMB on 1 October 2024

INTERNAL CONTROL FRAMEWORK

The Internal Control Framework is set out in the Statement on Risk Management and Internal Control in the CIMB Annual Report 2024.

REMUNERATION

Directors' Remuneration Framework

CIMB ensures that our Directors' remuneration packages are both competitive and commensurate with their responsibilities and contributions. The CIMB Group Directors' Remuneration Framework sets out the methodology and formula on how retainer fees, Chairperson's premium and meeting fees are derived, as follows:

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

This Framework is tailored to recognise the Directors' contribution in discharging their fiduciary duties and statutory responsibilities, risks, and time commitment. The Directors' Remuneration Framework was approved by the shareholders at the 60th Annual General Meeting held in 2017.

The Group's current Directors' Remuneration Framework is as follows:

CIMB		Retainer Fees (RM per annum)	Chairperson's Premium (RM per annum)	Meeting Fees (RM per meeting)
Board	Chairperson [#] *	170,000	510,000	5,000
	Member [#]	170,000	N/A	5,000
Board Committees	Chairperson	N/A	100,000	5,000
	Member	N/A	N/A	5,000

Notes:

All Board members (excluding CIMB's ED and any Director who serves as an Executive elsewhere) are eligible to medical benefits i.e., outpatient and dental, hospitalisation, and executive health screening.

** The Chairperson also receives benefits-in-kind which include, car maintenance, petrol and toll cards, personal driver, leave passage, corporate club membership fees, mobile phone and bill, personal bodyguard and security guard.*

The Board noted that the last review of the Directors' Remuneration Framework was completed in 2021 and agreed that a thorough review was therefore timely. With the approval of the Board and following the initial review in February 2024, an external firm was appointed in Q3 2024 to perform a more detailed benchmarking exercise against the Group's peers. The review of the Directors' Remuneration Framework is pivotal in maintaining market competitiveness as well as to attract and retain talent on the Board, and to recognise the Directors' contribution and time spent at Board and Board Committee meetings.

The Directors are also safeguarded by Directors' and Officers' liability insurance for any liabilities incurred in discharging their duties, excluding instances of fraud, dishonesty, and any personal profit or advantage. The details of each Director's received/receivable remuneration and the insurance premium are disclosed under the Notes of the Financial Statement 2024.

Employee Remuneration Policy

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

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

Components of Remuneration

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

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

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

- aligning the interests of key personnel to that of shareholders;
- mitigating a short-term mind set and cultivating a focus towards long-term sustainability; and

- retaining key personnel with the Group.

Shares under EOP are released progressively to the participants over three (3) years. Over the last five (5) years, 43 million shares (0.4% of issued ordinary shares of the Group) have been transferred to senior management employees via EOP.

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

Any deferred variable remuneration (cash bonus, shares and/or share options) that has been awarded to employees (whether paid and/or vested, or unpaid and/or unvested) is subject to forfeiture, adjustment or clawback in the event of:

- Resignation or cessation of employment with the Group
- Misconduct
- Material restatement of financial results
- Breach of statutory or fiduciary duties
- Material adverse impact on the reputation or interest of the Group

The mean annual compensation of all employees (excluding Group CEO) is broadly RM181,000. The ratio between the total annual compensation of the Group CEO and the mean annual compensation of all employees (excluding Group CEO) is 57.

Measurement of Performance

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

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

For each employee, performance is tracked through a set of balanced goals. In addition to financial targets, goals in the scorecard usually include measures on customer experience, long-term initiatives (where progress of milestones or ROI may be monitored), risk management and process controls, audit and compliance findings, as well as people-related measures. Our Group performance management process comprises agile performance conversations through periodic check-ins between manager and staff throughout the year and concludes with an annual year-end performance assessment of each individual through the Group's performance management framework, which is based on the meeting of individual goals in the scorecard and qualitative feedback. Alongside individual scorecards, we also adopt a team-based appraisal through our collective scorecards, which are aligned with key targets for the year and are reviewed annually.

For the Group CEO, performance is likewise measured through a scorecard, which covers measures on ROE, cost, risk and controls, customer experience and strategic initiatives – the assessment of the scorecard forms the basis of the Group CEO's variable compensation.

Determination of Variable Remuneration

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

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

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

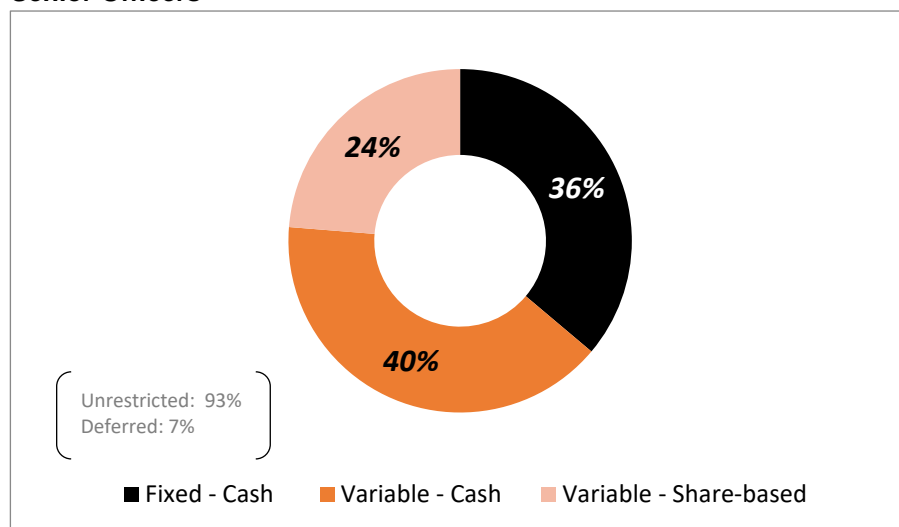
The control functions of Audit, Compliance and Risk operate independently from the business units in CIMB, and have appropriate authority to carry out their individual functions without intervention from the business units. To prevent conflict of interest, the remuneration of employees in these control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

SENIOR OFFICERS AND MATERIAL RISK TAKERS

Summary of 2024 Remuneration Outcome

Breakdown of remuneration awarded to SOs and MRTs for 2024:

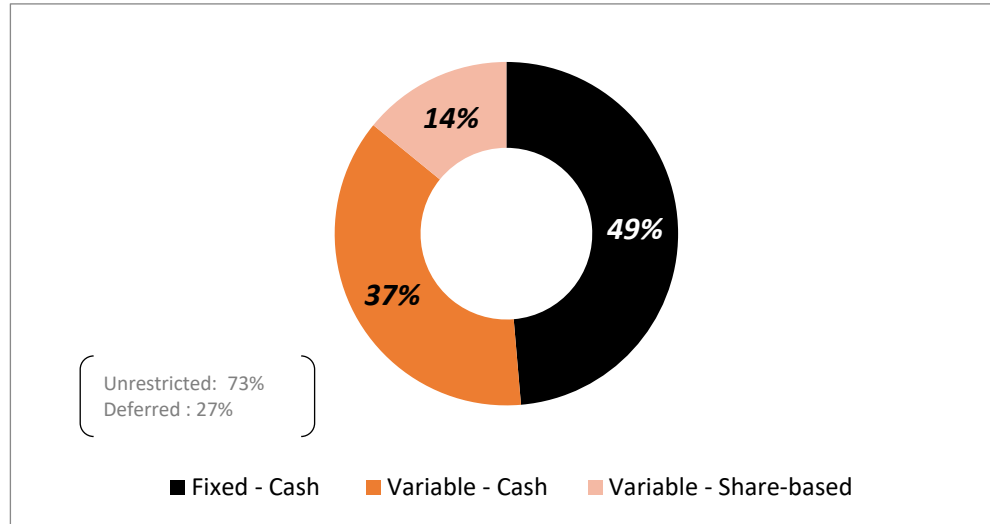
Senior Officers



SOs of the Group are defined as the Group CEO, EDs and members of GEXCO and key direct reports of the Group CEO.

Total remuneration awarded to 19 SOs for the FYE 2024 was RM 123.1 million.

Material Risk Takers



MRTs are defined as senior management and employees whose responsibilities have a material impact on the Group's performance and risk profile and employees whose responsibilities require them to take on material risk exposures on behalf of the Group.

Total remuneration awarded to 60 MRTs for the FYE 2024 was RM 180.1 million.

Variable compensation of the Group CEO and senior leaders is made up of short-term bonuses and long-term incentives, and at least 40% of this variable compensation is deferred, comprising a mix of shares/share options and cash.

Quantitative disclosures for 2024

Table 1: Guaranteed Bonuses, Sign-on Bonuses and Severance Payments

Category	SOs	MRTs
Number of guaranteed bonuses	-	-
Number of sign-on bonuses	-	2
Number of severance payments	-	-
Total amount of above payments made during the FYE 2024 (RM'000)	-	3,369

Table 2: Breakdown of Deferred Remuneration

Category	SOs (RM'000)	MRTs (RM'000)
Total amount of outstanding deferred remuneration		
• Cash	7,699	33,480
• Shares	64,393	57,799

Total amount of deferred remuneration paid out during the financial year		
• Cash	2,040	9,117
• Shares	31,760	25,633

Outstanding deferred remuneration (performance adjustments):		
• Of which exposed to ex-post adjustments	100%	100%
• Reductions in current year due to ex-post adjustments (explicit)	-	-
• Reductions in current year due to ex-post adjustments (implicit)	-	-

Outstanding retained remuneration (performance adjustments):		
• Of which exposed to ex-post adjustments	-	-
• Reductions in current year due to ex-post adjustments (explicit)	-	-
• Reductions in current year due to ex-post adjustments (implicit)	-	-

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

Table 3: Breakdown of Group CEO's Remuneration

Name	Category	Cash (RM'000)	Shares (RM'000)	Other Emoluments ¹ (RM'000)	Total (RM'000)
Dato' Abdul Rahman Ahmad (for the period from 1 January to 30 June 2024)	Fixed remuneration	1,546	-	389	1,935
	Variable remuneration				
	• Non-deferred	1,941	-	233	2,174
	• Deferred	-	-	-	-
	Total remuneration award for FYE 2024	3,487	-	622	4,109
	Deferred Variable remuneration				
	Vested/Exercised	-	2,719 ²	-	2,719
	Total remuneration received for FYE 2024	3,487	2,719	622	6,828

Deferred variable and conditional award under the Group's LTIP (for alignment with long-term performance, as described earlier)

408,000 performance shares and 5,591,500 share options (awarded in 2021) were vested on 31 March 2024, and were subjected to the following conditions:

- | | |
|--------------------|----------------------------|
| Performance shares | - meeting ROE targets |
| Share options | - exercise price of RM4.96 |

¹ Other emoluments include EPF contributions and benefits-in-kind.

² Derived from the market price at vesting multiplied by the number of share units vested.

Name	Category	Cash (RM'000)	Shares (RM'000)	Other Emoluments ¹ (RM'000)	Total (RM'000)
------	----------	---------------	-----------------	--	----------------

Novan Amirudin (for the period from 1 July to 31 December 2024)	Fixed remuneration	1,395 ²	-	258	1,653
	Variable remuneration				
	• Non-deferred				
	• Deferred	2,284 ²	-	274	2,558
		-	1,957 ²	-	1,957
	Total remuneration award for FYE 2024	3,679	1,957	532	6,168
	Deferred remuneration				
	• Vested/Exercised	-	769 ³	-	769
	Total remuneration received for FYE 2024	3,679	2,726	532	6,937

Deferred variable and conditional award under the Group's LTIP (for alignment with long-term performance, as described earlier)

181,000 performance shares and 840,000 share options (awarded in 2022) will be vested on 31 March 2025, and are subjected to the following conditions:

Performance shares - meeting ROE targets
Share options - exercise price of RM5.75

¹ Other emoluments include EPF contributions and benefits-in-kind.

² Attributed to the role of Group CEO for the period from 1st July 2024 to 31 December 2024.

³ Derived from the difference between market price (on vesting or exercise, whichever lower) and exercise price multiplied by the number of share option units exercised.

The following table summarises the Group CEO's shareholdings as at 31 December 2024:

Name	Shares held Beneficially (Units)	Unvested EOP Shares Not Subject to Performance Measures (Units)	Total Shares (Units)	Value of Shares (as at 31 December 2024) as a Percentage of Annual Salary	Unvested LTIP Shares and Share Options Subject to Performance Measures (Units)
Novan Amirudin	540,230	96,990	637,220	230%	181,000 (performance shares) 840,000 (share options)

Taking into consideration the value of unvested LTIP awards (share options and shares which are subject to performance conditions as disclosed in the financial statements), the shareholdings of the Group CEO as at 31 December 2024 is 312% of annual salary.