



CIMB
&
YOU



CIMB

ANNUAL REPORT
TWENTY FOURTEEN



58th



Annual General Meeting of CIMB Group Holdings Berhad

Grand Ballroom, Level 3A, Connexion @ Nexus,
No.7, Jalan Kerinchi, Bangsar South City,
59200 Kuala Lumpur,
on Tuesday, 28 April 2015 at 9.30 a.m.

CIMB & YOU

CIMB & You captures the relationship that we have with our customers across all walks of life to support you in building a better future. We go the extra mile to delight our customers. It embodies the relationship between our bank and its employees, anchored in a harmonious and nurturing environment in which we work together in mutual respect.

CIMB & You is the shared experience that says, "Together we are better."

Our cover is a celebration of the CIMB family.



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Leadership

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VISION

To be the leading
ASEAN company

MISSION

To provide universal banking services as a high-performing, institutionalised and integrated company located in ASEAN and key markets beyond, and to champion the acceleration of ASEAN integration and the region's links to the rest of the world

OUR VALUES

CUSTOMER-CENTRIC

We exist to serve our customers and we sell products and services that our customers understand and value.

HIGH PERFORMANCE

We work hard and we work strategically for customers, staff and other stakeholders.

ENABLING PEOPLE

We empower and align our people to innovate and deliver value in their workplace as well as for the community they serve.

STRENGTH IN DIVERSITY

We have respect for different cultures, we value varied perspectives and we recognise diversity as a source of strength.

INTEGRITY

We are honest, respectful and professional in everything we do because integrity is the founding value of CIMB Group.

CIMB Group is a leading ASEAN universal bank, with arguably the largest Asia Pacific investment banking network. It is also a world leader in Islamic finance.

The Group is headquartered in Kuala Lumpur, Malaysia, and offers consumer banking, wholesale banking, Islamic banking and asset management products and services. It is the fifth largest banking group by assets in ASEAN and, as at the end of 2014, has over 40,000 staff and approximately 13 million customers.

Products and services are complemented by partnerships and alliances with various leading companies including AirAsia Indonesia, AIS, Howden and Sun Life Malaysia.

CIMB Group Holdings Berhad has been listed on the main market of Bursa Malaysia since 1987 and was one of the largest companies at the end of 2014 with a market capitalisation of RM46.3 billion. Total assets at the end of 2014 were RM414.2 billion, with total shareholders' funds of RM37.4 billion and total Islamic assets of RM61.3 billion.

Major shareholders at the end of 2014 were Khazanah Nasional with 29.31%, Employees Provident Fund (EPF) with 14.65%, Kumpulan Wang Persaraan (KWP) with 3.58% and Mitsubishi UFJ Financial Group with 4.61%.

CI

P

MB

OTHER MARKETS

- Bahrain • Colombo • Hong Kong • London
- Melbourne • Mumbai • New York • Shanghai
- Seoul • Sydney • Taipei

PROFILE

ASEAN MARKETS

- Malaysia • Indonesia • Singapore • Thailand
- Brunei • Cambodia • Myanmar • Vietnam • Laos

HIGHLIGHTS

LEADERSHIP TRANSITION

Dato' Sri Nazir Razak took over as Chairman of CIMB Group and was succeeded as Group CEO by Tengku Dato' Zafrul Aziz.

Refer to Investor Relations page 008.

ASEAN EXPANSION

CIMB Group established itself in Lao PDR with the opening of the CIMB Thai – Vientiane branch. This expanded the Group's presence to 9 out of 10 ASEAN nations.

Refer to Performance Review by Group Chief Executive Officer page 032.

A NEW HOME

CIMB officially opened its new 40-storey corporate headquarters, Menara CIMB, in conjunction with the 40th anniversary of the Group's investment banking franchise.

Refer to Corporate Milestones page 017.

INNOVATION IN ISLAMIC FINANCE

CIMB Islamic was a lead manager in the world's first socially responsible Sukuk that raised USD500 million to help immunise children against preventable diseases.

Refer to Business Review – CIMB Islamic page 059.

GOOD CORPORATE GOVERNANCE

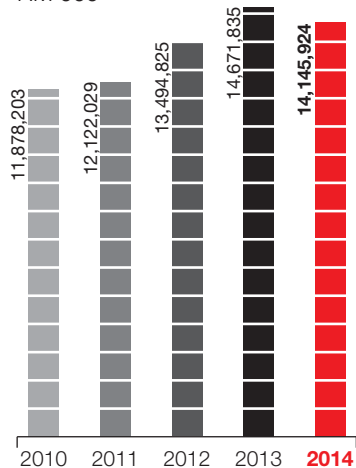
CIMB Group received the Top Corporate Governance Overall Recognition Award in the 2014 Malaysia-ASEAN Corporate Governance Report issued by the MSWG.

Refer to Statement on Corporate Governance page 136.

2014 FINANCIAL HIGHLIGHTS

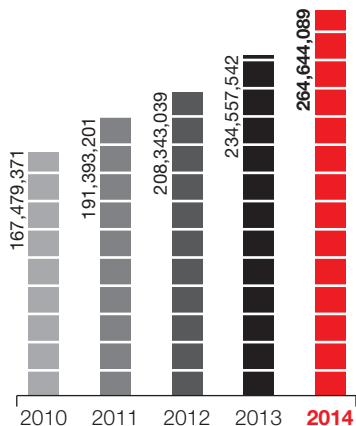
Operating Income

RM'000



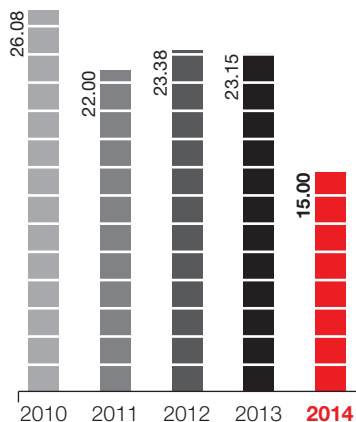
Gross Loans

RM'000



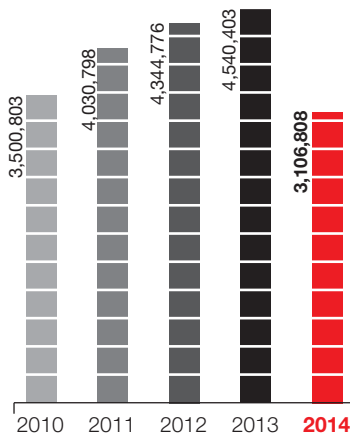
Gross Dividend Per Share

Sen



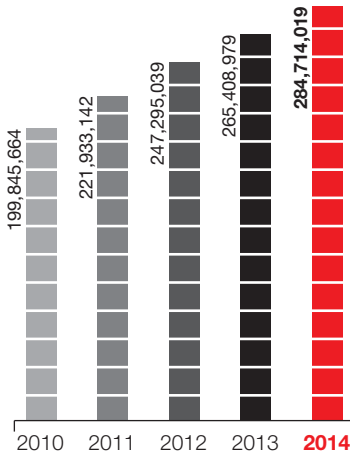
Net Profit

RM'000



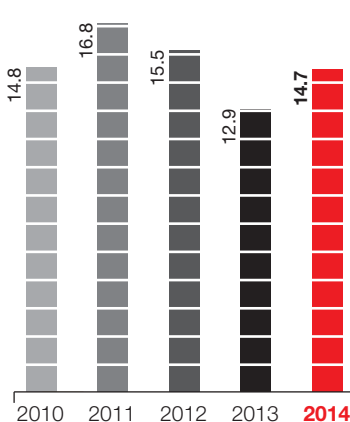
Deposits From Customers^{^^}

RM'000



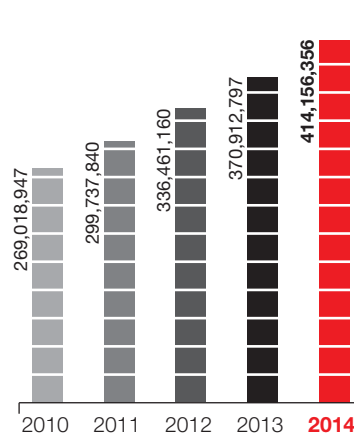
Total Capital Ratio (CIMB Bank)*

%



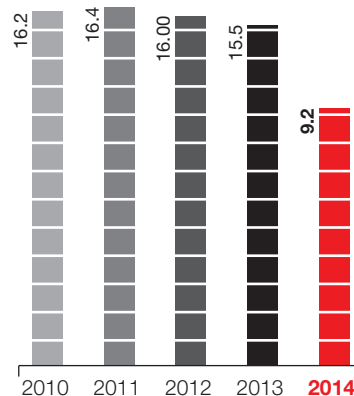
Total Assets

RM'000



ROE

%



^{^^} Include structured investments classified as "Financial liabilities designated as fair value"

* The capital ratio has not taken into account the effect of reinvestment of excess cash into CIMB Bank, pursuant to DRS implementation by CIMBGH on the proposed second interim dividend for financial years ended 31 December 2012 to 31 December 2014
For 2013 and 2014, based on Basel III for 2012 and prior, based on Basel II

23 January

THURSDAY

Additional listing of 500,000,000 new ordinary shares of RM1.00 each, via private placement

25 February

TUESDAY

Announcement of the unaudited consolidated financial results for the fourth quarter and financial year ended 31 December 2013

Financial

ALEND A

14 March

FRIDAY

Notice of book closure for single tier second interim dividend of 10.33 sen per share for the financial year ended 31 December 2013

21 March

FRIDAY

Notice of 57th Annual General Meeting and issuance of Annual Report for the financial year ended 31 December 2013

26 March

WEDNESDAY

Date of entitlement for the single tier second interim dividend of 10.33 sen per share for the financial year ended 31 December 2013

28 March

FRIDAY

Notice of election in relation to the Dividend Reinvestment Scheme. Scheme provides the shareholders with the option to elect to reinvest their cash dividend in new ordinary shares of RM1.00 each

15 April

TUESDAY

57th Annual General Meeting

23 April

WEDNESDAY

Payment of the single tier second interim dividend of 10.33 sen per share for the financial year ended 31 December 2013

24 April

THURSDAY

Additional listing of 107,176,094 new ordinary shares of RM1.00 each, via the Dividend Reinvestment Scheme

22 May

THURSDAY

Announcement of the unaudited consolidated financial results for the first quarter ended 31 March 2014

29 August

FRIDAY

Announcement of the unaudited consolidated financial results for the second quarter and half year ended 30 June 2014

23 September

TUESDAY

Notice of book closure for the single tier first interim dividend of 10.00 sen per share for the financial year ended 31 December 2014

30 September

TUESDAY

Date of entitlement for the single tier first interim dividend of 10.00 sen per share for the financial year ended 31 December 2014

29 October

WEDNESDAY

Payment of the single tier first interim dividend of 10.00 sen per share for the financial year ended 31 December 2014

30 October

THURSDAY

Additional listing of 87,228,960 new ordinary shares of RM1.00 each, via the Dividend Reinvestment Scheme

18 November

TUESDAY

Announcement of the unaudited consolidated financial results for the third quarter ended 30 September 2014

INVESTOR RELATIONS

The Board of Directors addressing shareholders at the 57th AGM.



With various global events and a slew of internal developments, 2014 was arguably the most difficult to navigate from an Investor Relations perspective in recent years. The year kicked off with a capital raising exercise when the Group raised RM3.55 billion from a private placement of 500 million new shares in January. Other major internal developments which required significant investor engagement included the high-profile leadership transition announcement where Dato' Sri Nazir Razak relinquished his position as Group CEO to take over as Chairman of the Group, followed by the appointment of Tengku Dato' Zafrul Tengku Abdul Aziz as Group CEO. The announcement of commencement of merger negotiations with RHB Capital and Malaysian Building Society Berhad (MBSB) stole the headlines for the second half of 2014 and ensured that the Investor Relations team was permanently engaged with the investment community. The termination of our proposed dual listing on the Stock Exchange of Thailand in early 2014 was another material event which necessitated substantial investor engagement.

From an external perspective, we had to contend with issues pertaining to regulatory changes in various jurisdictions, intensified Basel III capital requirements, the political developments in Indonesia, various events in Thailand including a military coup and a subsequent economic downturn, currency fluctuations in the Group's operating countries as well as the global downturn in commodity prices, most notably oil.

The announcement of weaker quarterly financial performances over 2014 added further responsibilities on the Investor Relations team. We ensured that the investment community was continuously updated with as much clarity as possible on the state of operations in all business lines and countries, especially in Indonesia where asset quality was a pertinent concern.

CIMB Group is a strong advocate of stakeholder engagement to ensure that all investors are provided with equal and clear distribution of information and data points, to allow them to make the best investment decision possible. As a long-standing practice, institutional investors are provided with opportunities to question and discuss wide ranging operational and macro economic matters with members of senior management. For 2014, investor relations activities were led by the then Group Chief Executive Dato' Sri Nazir Razak, CEO of Corporate Banking & Treasury Markets Dato' Lee Kok Kwan, the Group CFO Kenny Kim and the Group Deputy CFO Shahnaz Jammal. They are supported by the Investor Relations team and selected members of senior management across the Group where necessary.

Significant events:

Date	Event	Type of Meeting
13 January 2014	Issuance of 500 million new shares via a private placement exercise, raising RM3.55 billion.	Bursa Announcement
25 February 2014	Announcement to abort CIMB Group's proposed dual listing on the Stock Exchange of Thailand in light of the market conditions.	Bursa Announcement
3 July 2014	A leadership transition plan taking effect on 1 September 2014. Tan Sri Md Nor Yusof, Chairman of CIMB Group, retired from the Board of Directors and joined the Group's International Advisory Panel (IAP). Dato' Sri Nazir Razak took over as Chairman of CIMB Group and relinquished his position as Group CEO.	Bursa Announcement
10 July 2014	CIMB Group, RHB Capital and MBSB announced the approval from Bank Negara Malaysia to commence discussions with the aim of merging the businesses of both RHB and CIMB as well as creating an enlarged Islamic Banking franchise with MBSB.	Bursa Announcement
29 August 2014	Appointment of Tengku Dato' Zafrul Tengku Abdul Aziz as Acting Group CEO.	Bursa Announcement
8 October 2014	Application made to Bank Negara Malaysia to seek approval for the proposed three-way merger between CIMB Group, RHB Capital and MBSB.	Bursa Announcement and Conference Call

ANALYST BRIEFINGS

The Group conducted four live briefings for analysts and the media in 2014 during the announcement of its quarterly financial results. These included conference call facilities for analysts and fund managers who were not able to attend in person. We also ensured that the financial results, analyst presentations and press releases were sent to interested parties and made available immediately on the Group's Investor Relations website.

Results Announcement:

Date	Event	Type of Meeting
22 May 2014	CIMB Group 1Q14 Results	Conference Call
29 August 2014	CIMB Group 2Q14 Results	Analyst Briefing and Conference Call
18 November 2014	CIMB Group 3Q14 Results	Conference Call
27 February 2015	CIMB Group 4Q14 Results	Analyst Briefing and Conference Call

AGM/EGM

CIMB Group held its 57th Annual General Meeting (AGM) on 15 April 2014 where the CEO presented the 2013 financial performance and outlined the Group's priorities for 2014. Senior management and the Board of Directors took note of many opinions and feedback from shareholders as well as addressed a long list of queries on both the financial performance and operational strategies.

INVESTOR MEETINGS

For 2014, the Group conducted 66 in-house meetings where we met 229 analysts and fund managers, which was lower than the previous year as the weaker equity markets resulted in reduced foreign institutional investor visits. This was evident in the higher number of analysts and investors engaged over teleconferences. In upholding best practices, we continued to update both the buy and sell-side in pre-closed period meetings to ensure that the investment community is kept up-to-date on latest developments.

No. of meetings/No. of FMs and analysts

	2013		2014	
	Meetings	FM/Analysts	Meetings	FM/Analysts
In-house meetings	106	392	66	229
Conferences	70	221	72	177
Non-deal roadshows	15	57	11	43
Teleconferences	13	24	16	109
Total	204	694	165	558

CONFERENCES AND ROADSHOWS

Despite senior management's tight schedules arising from the proposed merger negotiations in the second half of the year, we maintained a policy of taking as many opportunities as possible to engage both local and foreign investors by spending time on the road in Malaysia and internationally. It was pertinent that senior management made the effort to seek out investors in their home countries to provide updates on Group developments, financial performance and share views on the operating environment. We participated in eight investor conferences around the globe in 2014 with two non-deal roadshows in London and Singapore in March and September 2014.

In totality, we had 83 investor meetings on the road, meeting 220 sell-side investors during the year. Our emphasis on share register analysis ensures that the investor relations initiatives target specific shareholders and allows senior management's views and opinions to be adequately imparted to the right existing and potential shareholders.

Conferences and Roadshows

Date	Event	Location	Organiser
8 January 2014	CIMB Malaysia Corporate Day	Kuala Lumpur	CIMB
9 January 2014	JP Morgan ASEAN Financials Corporate Access Days	Singapore	JP Morgan
3-4 March 2014	CIMB Annual Asia Pacific Leaders' Conference	New York	CIMB
6 March 2014	Bank of America Merrill Lynch ASEAN Stars Conference	Singapore	Bank of America Merrill Lynch
6-7 March 2014	Non-Deal Roadshow	London	CIMB
27 March 2014	Credit Suisse Annual Asian Investment Conference	Hong Kong	Credit Suisse
9-10 June 2014	Invest Malaysia	Kuala Lumpur	CIMB and Bursa Malaysia
19-21 September 2014	Non-Deal Roadshow	Singapore	CIMB
20-21 November 2014	CIMB Annual Asia Pacific Leaders' Conference	London	CIMB
4 December 2014	Credit Suisse APAC Financial Corporate Day	Hong Kong	Credit Suisse

RESEARCH COVERAGE

CIMB Group remains a core coverage for the investment community on Bursa Malaysia with 28 analysts and research houses keeping the stock under coverage as at end December 2014. Coupled with the corporate developments during the year, CIMB Group remained at the forefront of investors eyeballs throughout the year.

No Research House

- 1 Affin Research
- 2 AllianceDBS Research
- 3 AmResearch
- 4 Bernstein Research
- 5 Citi Investment Research
- 6 CLSA Securities
- 7 Credit Suisse Securities
- 8 Deutsche Securities
- 9 Goldman Sachs
- 10 Hong Leong Investment Bank
- 11 HSBC
- 12 JP Morgan Securities
- 13 KAF-Seagroatt & Campbell Securities
- 14 Kenanga Investment Bank
- 15 Macquarie Capital Securities
- 16 Maybank Investment Bank
- 17 Merrill Lynch
- 18 MIDF Amanah Investment Bank
- 19 Morgan Stanley Asia
- 20 M&A Securities
- 21 Nomura Securities
- 22 Public Investment Bank
- 23 RHB Research
- 24 S&P Capital IQ
- 25 Standard Chartered
- 26 TA Securities
- 27 UBS Securities
- 28 UOB Kay Hian

CREDIT RATING

The Investor Relations team played a heightened role in engaging Credit Rating companies to ensure that the Group's messaging and financial performance analysis are disseminated equally across all external stakeholders. We continued to engage with six local, regional and global rating agencies, namely: RAM Ratings, Malaysian Rating Corporation (MARC), Dagong Global Credit Rating, Standard and Poor's (S&P), Fitch Ratings and Moody's Investors Services.



Alpha Southeast Asia's Institutional Investor Corporate awards for Most Organised IR and Strongest Adherence to Corporate Governance.

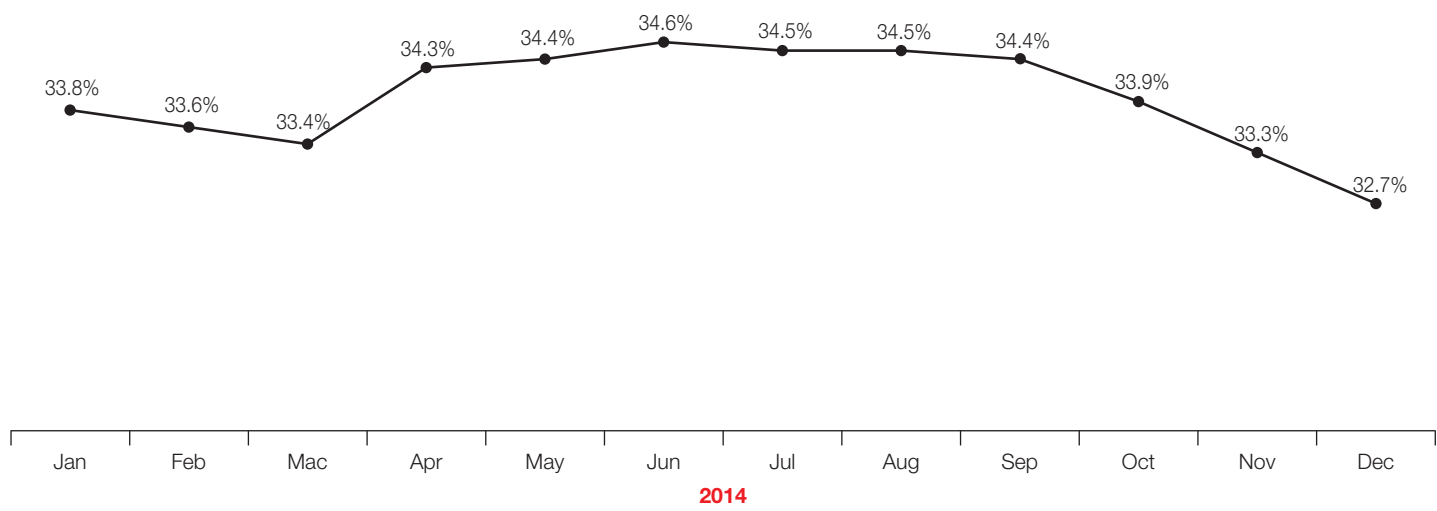
RECOGNITION

Despite a very difficult year, the Group's Investor Relations initiatives were recognised by two awards from Alpha Southeast Asia Magazine for Most Organised IR and Strongest Adherence to Corporate Governance.

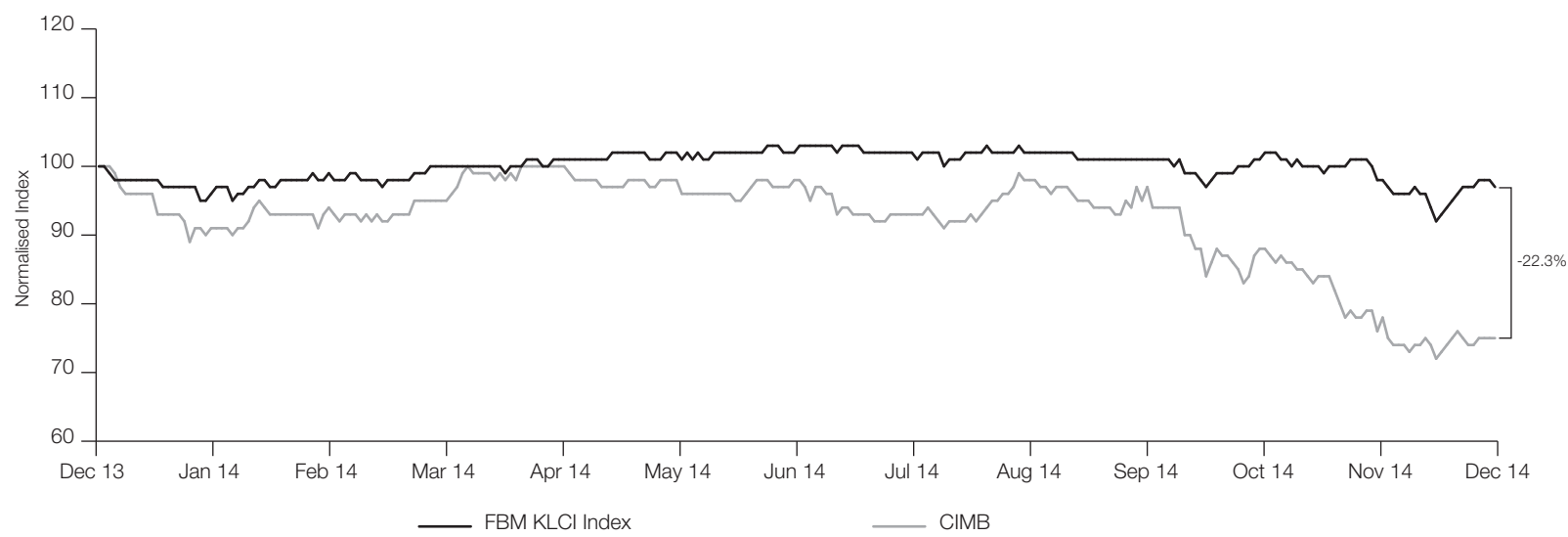
FOREIGN SHAREHOLDING AND SHARE PRICE PERFORMANCE

The relatively turbulent share price weakness coupled with uncertainties surrounding the proposed merger, translated to a marked decline in the Group's foreign shareholding, closing 2014 at a year-low of 32.7% with a year-high of 34.6% as at end June 2014. The stock 2014 price performance was impacted by several factors, namely the downturn in regional and global equity market conditions, the weaker operational financial performance as well as market uncertainty on developments surrounding the proposed merger talks.

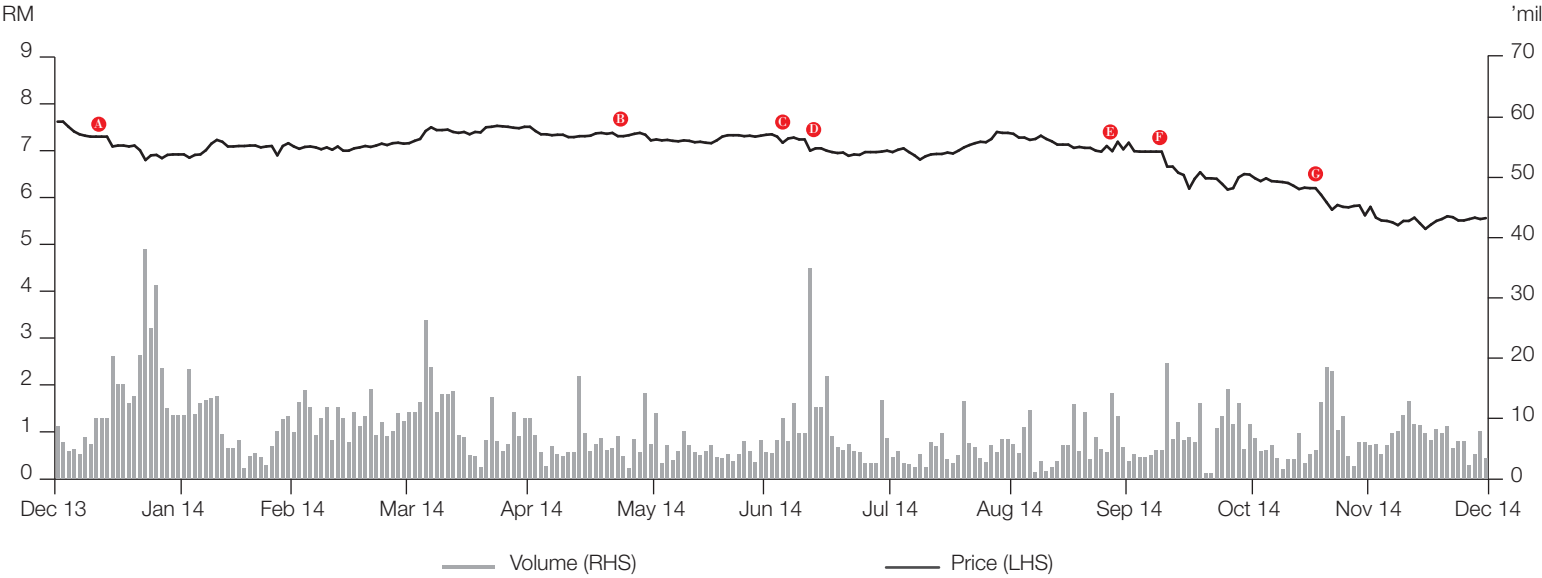
Foreign Shareholding (January 2014 – December 2014)



Shareholders' Returns (1 January 2014 – 31 December 2014)



Share Price (1 January 2014 – 31 December 2014)



Date	Event	Type of Meeting
Ⓐ 13 January 2014	Issuance of 500 million new shares via a private placement exercise, raising RM3.55 billion.	Bursa Announcement
Ⓑ 22 May 2014	CIMB Group 1Q14 Results.	Conference Call
Ⓒ 3 July 2014	A leadership transition plan taking effect on 1 September 2014. Tan Sri Md Nor Yusof, Chairman of CIMB Group, retired from the Board of Directors and joined the Group's International Advisory Panel (IAP). Dato' Sri Nazir Razak took over as Chairman of CIMB Group and relinquished his position as Group CEO.	Bursa Announcement
Ⓓ 10 July 2014	CIMB Group, RHB Capital and MBSB announced the approval from Bank Negara Malaysia to commence discussions with the aim of merging the businesses of both RHB and CIMB as well as creating an enlarged Islamic Banking franchise with MBSB.	Bursa Announcement
Ⓔ 29 August 2014	Appointment of Tengku Dato' Zafrul Tengku Abdul Aziz as Acting Group CEO.	Bursa Announcement
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Ⓕ 8 October 2014	Application made to Bank Negara Malaysia to seek approval for the proposed three-way merger between CIMB Group, RHB Capital and MBSB.	Bursa Announcement and Conference Call
Ⓖ 18 November 2014	CIMB Group 3Q14 Results.	Conference Call

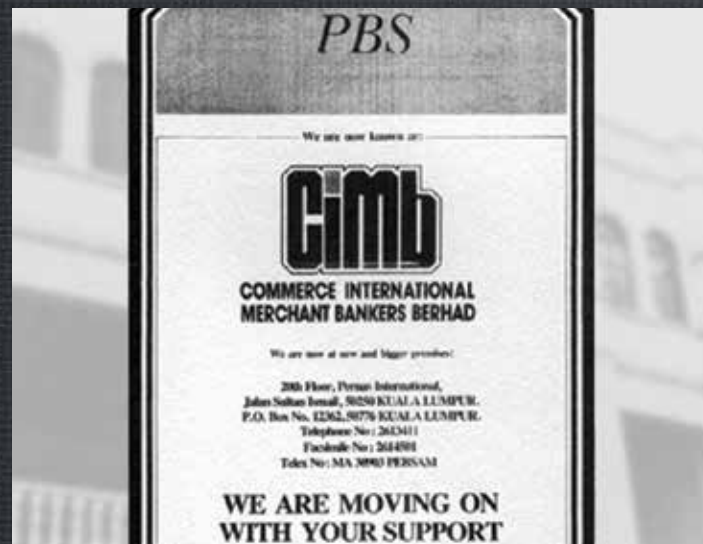
CORPORATE MILESTONES AND OUR RICH HERITAGE

1974



Pertanian Baring Sanwa Multinational Bank (PBSM) established in Kuala Lumpur and launched by Prime Minister Tun Abdul Razak Hussein.

1986



PBSM changes name to Commerce International Merchant Bankers Berhad (CIMB) after acquisition by Bank of Commerce.

1987



Bank of Commerce successfully lists on Bursa Malaysia.

1991



Bank of Commerce merges with United Asian Bank. In a major restructure, the merged banks become Bank of Commerce (Malaysia) Berhad, under holding company Commerce-Asset Holding Berhad (CAHB). CIMB becomes a separate CAHB subsidiary.

1999



Bank of Commerce (Malaysia) Berhad merges with Bank Bumiputra Malaysia Berhad to form Bumiputra-Commerce Bank Berhad.

2002



CAHB takes a majority stake in Indonesia's PT Bank Niaga Tbk.

2003



CIMB lists on Bursa Malaysia. The listing lasts only three years and delivers returns of 340% to shareholders.

2005



CIMB acquires GK Goh Securities in Singapore. (Shown in picture). In a major corporate restructure to create a universal bank, CIMB acquires sister company Bumiputra-Commerce Bank from holding company CAHB. Holding company CAHB is renamed Bumiputra-Commerce Holdings Berhad.

2006



CIMB acquires Southern Bank. The new-look CIMB Group launches in the presence of the Malaysian Prime Minister Dato' Sri Abdullah Ahmad Badawi.

2008



CIMB Niaga established through a merger between Bank Niaga and Bank Lippo. (Shown in picture). CIMB Group acquires BankThai and the following year renames it CIMB Thai.

2009



CIMB Group launches retail banking operations in Singapore. (Shown in picture). CIMB Group acquires a 19.99% stake in the Bank of Yingkou, China. Holding company BCHB is renamed as CIMB Group Holdings Berhad.

2010



CIMB Group launches banking operations in Cambodia, bringing retail banking presence to five ASEAN nations – Malaysia, Indonesia, Singapore, Thailand and Cambodia.

2012



CIMB Group starts the acquisition of most of the Asia Pacific cash equities and associated investment banking businesses of the Royal Bank of Scotland, and expands or adds operations in Sydney, Melbourne, Hong Kong, London and New York. (Sydney office opening in picture). CIMB Group acquires SICCO Securities, a Thai stock broking company.

2013



CIMB Group completes its Asia Pacific investment banking platform with new operations in Taiwan and India and Korea. The Group moves into its new headquarters in Menara CIMB, located at the high-tech hub of Kuala Lumpur Sentral.

2014



CIMB Group begins operations in Lao PDR with the opening of CIMB Thai – Vientiane Branch. This is CIMB Thai's first foreign branch and extends CIMB Group's presence to 9 out of 10 ASEAN nations.



CIMB officially launches its 40-storey headquarters in conjunction with the 40th anniversary of CIMB Group's investment banking franchise. The ceremony was officiated by Prime Minister Dato' Sri Najib Tun Razak, whose father Tun Abdul Razak Hussein had launched CIMB's precursor bank in 1974.

Tan Sri Md Nor Yusof joined the Board of CIMB on 27 June 2006 and retired as the Chairman/ Non-Independent Non-Executive Director on 31 August 2014. In appreciation for his years of service to CIMB and to commemorate this remarkable contribution to the bank, a farewell was organised at Auditorium Menara CIMB at which time the auditorium was renamed Dewan Md Nor. We at CIMB are honoured and deeply grateful to have Tan Sri Md Nor as part of our family. We wish him every success in life. Thank you, Chief.

*Terima kasih,
Chief*



Dewan Md Nor



CODE OF ETHICS AND CONDUCT

SUMMARY

CIMB Group and its employees adhere to Bank Negara Malaysia's Code of Ethics BNM/GP7, which promotes proper standards of conduct and sound and prudent business practices among financial institutions.

As a custodian of public funds, a financial institution has the responsibility to safeguard its integrity and credibility. In the business of banking, the vital ingredient is confidence: confidence of the public in the safety of their deposits, and confidence in the integrity and professional conduct of their bankers.

The public trust placed on the managers of financial institutions involves a heavy responsibility. They owe it to customers to see to it that their institutions are professionally managed and soundly based. The directors, officers and employees of the financial institution, thus, must be seen to conduct their business with the highest level of moral behaviour. While bankers may be guided by certain informal, time-tested and generally accepted code of ethics to attain a level of conduct expected of them, the diversity and complexity of today's banking world requires that these ethical rules be codified and issued as written guidelines in order to promote and maintain a uniform ethical standard.

SIX PRINCIPLES

i To avoid conflict of interest

Including outside financial interests, other business interests, other employment, entertainment and gifts, corporate directorships, trusteeships.

ii To avoid misuse of position

Including the use of the institution's name or facilities for personal advantage, or speculation in commodities, gold, silver, foreign exchange or securities.

iii To prevent misuse of information

Including a prohibition on dealing in securities of any company listed or pending listing where there is privileged information that would likely bring about a material change in the market price of the shares or other securities of the company if that information was publicly available. Also a prohibition on using insider information to influence another person to deal in the shares or securities concerned, and a prohibition on communicating such information to any other person who does not require such information in discharging their duty.

iv To ensure integrity of records and transactions

Including a responsibility that accounting records and reports must be complete and accurate, must not obscure the true nature of any transaction and must not mislead on true authorisation limits or approvals by relevant authorities. In addition, the spirit and letter of relevant legislation must be strictly observed, and all records and files of the financial institution must be accessed and used only for management-approved purposes.

v To ensure confidentiality of communication and transactions

Including a responsibility to maintain the confidentiality of relations and dealings with customers and take every precaution to protect the confidentiality of customer information and transactions and ensure that secrets, copyrighted material, correspondence, accounts and dealings are not disclosed, except when disclosure is required by law, and are not used in any way for personal gain.

vi To ensure fair and equitable treatment

Including a responsibility that all business dealings with current and potential customers, with other members of staff or with those who may have cause to rely on the financial institution, be conducted fairly and equitably. Any transactions with insiders or related interests should be avoided, and if they go ahead, must be in full compliance with the law, judged on normal business criteria basis and be fully documented and duly authorised by the Board of Directors or an independent party.

COMMITMENT TO SERVICE QUALITY AND EXCELLENCE

CIMB Group is a universal bank, and banking is a people-driven business. Everyone in Team CIMB has a role serving our clients and customers, or supporting people who serve our clients and customers directly.

Since CIMB Group's early days, customers and clients have been core to everything we do. The first of our five CIMB Group Values is that we are customer-centric. We exist for our clients and customers and we sell products and services that our clients and customers understand and value. Even ancillary activities such as securities trading are developed with the ultimate objective of enhancing the quality of products and services we can serve our clients and customers.

The second of our CIMB Group values is high performance. We work hard and we work strategically for customers, clients, staff and other stakeholders. Internally, we measure, differentiate and recognise our people according to their individual contributions while aligning everyone to the performance of the company as a whole. Clients and customers can therefore expect our people to always strive to excel in their service levels.

In placing the needs of our clients and customers first, we have segmented our response to ensure that we can serve them in the manner to which they are accustomed.

Our Corporate Client Solutions is tasked with managing all the needs of our corporate clientele. They are responsible for ensuring that clients are delivered the right customised financial solutions, often by bundling products across various product units within the firm. For smaller companies we have different product teams leading client relationship management depending on the client's primary requirements, and then cross-selling other suitable products of the Group. At the other end of the spectrum, in retail banking, we also have a segmented range of service levels and channels to cater to the needs of our customers, from private banking to mass market banking and from branches to CIMB Clicks.



**TOGETHER FOR A
BRIGHTER FUTURE**



CLIVE
& KYO



A portrait of a middle-aged man with grey hair, smiling and wearing a dark suit, white shirt, and a red tie with white polka dots. He is sitting on a light-colored sofa. The background is a simple, modern interior with a window.

CHAI



Dear Shareholders,

I am honoured to be writing my first letter to you as the Chairman of CIMB Group after 15 years of reporting to you as the Group CEO. I am grateful that the board has given me the opportunity to become Chairman, to lend my experience to guide and oversee management and thus continue to play an active role in this company that I love, that has been my entire 25-year working life.

NAZIR RAZAK
Chairman

MESSAGE FROM THE **RMAN**





A NEW ERA

When we chose “Into A New Era” as the theme of our annual report last year, we were signaling change. But even I was not anticipating that so much would happen in 2014 – leadership transition yes, but not also the sharp drop in our Indonesian earnings, not the dearth in capital market deal flow, not the fall off in our share price, not a potential merger exercise and not the rapid shift in the global context that we now operate in.

GLOBAL CONTEXT

The golden era of economic integration and international partnership that began in the 1990’s has come to an end in 2014; maybe earlier but I think consensus opinion shifted decisively this year. We have seen the emergence of new geopolitical fault lines – between old Soviet states, between sects within Islam, between nationalists and unionists in Europe and many, many more. There is growing dismay about what the end of the so called “Great Recession” will do to innocent emerging countries. International tensions are rising also because we don’t seem to be able to manage our global commons – disease, natural resources, cyberspace and the environment – and growing income inequality has become the clear and present danger to capitalism. At the same time, the breadth and velocity of technological advances are inspiring and empowering but also disruptive and ominous. Businesses need new networks and strategies to understand and navigate the new global context.

2014 PERFORMANCE

2014 was one of our least successful years in financial terms due to the significant decline in earnings at CIMB Niaga. Investment banking, Treasury & Markets and CIMB Thai also fell short of targets. Out-performances at the Malaysian consumer bank and CIMB Singapore amongst others were not enough to avoid a Y-o-Y decline in earnings and net ROE was only 9.2% compared to our target of 13.5%. Revenues declined slightly by 1% Y-o-Y, costs were contained at 0.6% higher than last year (on a business as usual basis) and loan loss charge shot up to 58bps from 28bps in 2013.

At the end of the year when we looked ahead into 2015 we decided that our priority must be to ensure that we have a robust balance sheet going into a potentially difficult year for ASEAN, especially our two biggest markets, Malaysia and Indonesia. We therefore took a more conservative view of our assets, adjusting via additional provisioning for the impact of depreciated regional currencies, lower oil and commodity prices and so on to improve our coverage levels – Group loan loss coverage ended the year at 82.7% versus 74.2% at end September 2014. We coincided this move with the

*With Tan Sri Md Nor and GMC members
after chairing my last GMC meeting.*



Caught up in the selfie phenomenon after hosting undergraduates at CIMB Bank.

normalisation of our regulatory reserve levels at CIMB Bank and CIMB Islamic, which boosted capital by some RM1.6 billion. Combined with various other 2014 capital management initiatives, our Group CET1 is now 10.1%, significantly stronger than 8.0% at the end of 2013.

Beyond the headline numbers there were some excellent success stories and strong performances – Islamic investment banking where we led sovereign Sukuk for UK, Indonesia, Hong Kong and Turkey; Indonesia transaction banking; cost containment at Malaysia consumer bank; Singapore commercial banking that grew spectacularly; various awards; market share improvements and so on. There were also some very important breakthroughs this year such as the installation of our new core banking system in Malaysia (our regional 1Platform project), expansion of our Shanghai and Hong Kong operations, opening of CIMB Thai – Vientiane branch in Laos, our tie up with AIS, Thailand's largest mobile service provider, and the official launch of Menara CIMB, our new Group headquarters in KL Sentral.

EXPANSION PLANS

On 14 January 2015 we announced cessation of merger discussions between CIMB, RHB and Malaysia Building Society. We decided not to proceed with the merger as we were not able to reaffirm the potential synergies that we targeted for various reasons including the deterioration of the macro environment. It is always disappointing when deals get called off after so much time and energy have been expended but I think this demonstrated our uncompromising focus on value – the deal had to make commercial sense for stakeholders and in our final analysis it could not meet the targets we set in terms of medium term ROE enhancement, capital formation and so on, based on robust and realistic assumptions of the next few years.

Moving forward, with ASEAN as our core market, we remain committed to establishing a banking presence in each and every ASEAN country – Philippines, Vietnam and Myanmar being the missing pieces. While we are looking for opportunities, the timing of entry into each of these markets will depend on the respective local regulations and the appropriate entry strategy that we choose to adopt – new license or acquisition of existing banking operations. Beyond this, I do not foresee any other non-organic expansionary move.

RECALIBRATE AND T18

Although we were busy with the merger discussions, we remained focused on the Strategic Review exercise that I listed as one of our priorities of last year. With the merger behind us, it is full steam ahead for what we have termed our “Target 18 (T18)” project.

We have chosen “Recalibrate” as our corporate theme for 2015, the first year for our T18 project when we will make and bed down big internal changes. CIMB 2.0 which we introduced in 2013 was about growth and synergies and while our revamp of Malaysian consumer banking and CBTM have been successful, our APAC regional investment banking expansion has not. Our regional operating platform similarly continued to prioritise growth and not regional efficiencies and sharing of resources across borders. We must now recalibrate for an environment where revenues are going to be tougher to earn, so squeezing costs and efficiencies will take centre stage in 2015.

2015 will set the foundation for accelerated growth in the following 3 years towards our key T18 targets of ROE >15%, CET1 >11%, cost-to-income ~50% and 60% income contribution from consumer banking. And we are moving quickly to recalibrate – we have already announced a new organisation structure and cost cuts worth about 30% of the annual operating expense of our investment banking division, which started with the closure of our Australia operations.



Zafrul and I presenting our guest of honour, YAB Dato' Sri Najib Razak, a souvenir after the Menara CIMB launch ceremony.



Azlina and I with CIMB Foundation kids during CIMB's buka puasa ceremony at Ar-Rahah mosque.

Strengthening the firm's culture will also be a major priority of T18. After years of expansion of business and manpower, it is time that we pay attention to developing a common culture across the firm, across all the borders we operate in. Ultimately – strategy, operating model and culture are the three essential legs of any business and all three have to be continuously refined and improved in tandem.

2015

At our various planning forums towards the end of last year, we were already preparing for a tough 2015 for emerging markets as the monetary stimulant we enjoyed for so many years gets progressively withdrawn and exports have to adjust to a slower China, disappointing Japan and an even more anemic Europe. Then came the oil price shock that on paper will negatively impact our biggest market, Malaysia.

I do not think we should be pessimistic about 2015 though. It is an exciting different challenge. The winners will be those who didn't get too carried away in the good times, adjust for new realities quickly and navigate the challenges well. We can and should be one of the winners.

Tougher times will test our mettle and it is an opportunity to stand out from the crowd. The Asian Financial Crisis of the late 1990's was when CIMB excelled and distanced itself from the competition. This time it is a different global context and we are playing in a different league, of premier ASEAN universal banks and not just Malaysian investment banks, but the principles are the same.

There are also positive events to anticipate in 2015, including the fact that we will finally see the normalisation of global capital flows after an extraordinary aftermath of the Great Recession – thus, an end to the long “capital overhang” as it were. In our region we will celebrate the coming of the ASEAN Economic Community, a milestone in the process for integration of the 10 ASEAN economies. As the “ASEAN For You” bank, we are designed to both help catalyse and benefit from greater flows of economic activity within the region.

FINAL REMARKS

I would like to place on record here our gratitude to Tan Sri Md Nor Yusof, my predecessor as Chairman of this company. I have worked closely with Md Nor since I joined CIMB in 1989 during which time he was CEO of Bank of Commerce (now CIMB Bank). He then served as CIMB Group Chairman from 2006 to 2014. Over the course of 25 years that he was with us in many different capacities, Md Nor has earned enormous respect from everyone who worked for him and with him. I am sure shareholders will also recognise him as someone who served us with great distinction.

May I also place on record our appreciation to Datuk Dr. Syed Muhamad Syed Abdul Kadir, Dato' Hamzah Bakar and Katsumi Hatao who have retired as directors of CIMB Group. I am pleased that Dr. Syed Muhamad is able to continue as Chairman of CIMB Islamic while Hamzah remains in close proximity, being on the board of some of our key clients, and Hatao-san continues to be a member of senior management of Bank of Tokyo Mitsubishi, our strategic shareholder.

I would like to welcome our newly appointed directors, Robert Neil Coombe, Kenji Kobayashi, Joseph Dominic Silva and Teoh Su Yin. They bring a new range of experience and expertise, and I believe that we have now put together arguably the best balanced board in the history of this firm.

Last but certainly not least, I'd like to welcome and congratulate Tengku Dato' Zafrul on his appointment as Group Chief Executive Officer. The Group CEO of today's CIMB requires savvy networking, boundless energy and new perspectives and that is what Zafrul brings. The board is confident in his leadership and we hope shareholders will also fully extend their trust and support to him.

Yours sincerely

Nazir Razak

27 February 2015



PERFORMANCE REVIEW BY
GROUP
CHIEF
EXECUTIVE
OFFICER

TENGGU ZAFRUL AZIZ
Group Chief Executive Officer/Executive Director

Dear Shareholders,

I feel privileged and humbled to pen my first message to you as Group Chief Executive Officer of CIMB Group. I would like to take this opportunity to record my heartfelt appreciation and gratitude to the Board for entrusting me with the responsibility of leading this dynamic Company into its next phase of growth. I would also like to pay tribute to Dato' Sri Nazir Razak, my predecessor and mentor, who has made CIMB what it is today. I look forward to working closely with him in his new capacity as Chairman, as we continue to build CIMB as the leading ASEAN franchise.



Together with YAB Dato' Sri Najib Razak, Prime Minister of Malaysia and Dato' Sri Nazir Razak, our Chairman at CIMB Classic 2014.

The operating environment and the financial services industry has evolved rapidly in the last 12 months, bringing both challenges and opportunities. Growth and employment are starting to firm up in the United States, while Europe and Japan continue to struggle. The Chinese economy slowed, although absolute growth levels remained strong at 7.4%. The second half of 2014 also saw oil prices plunge from over USD100 a barrel to just above USD40 a barrel, ending a four-year period of stability.

In our key ASEAN markets, we had general elections in Indonesia, the military coup and economic downturn in Thailand, currency volatility due to the continued strengthening of US dollar, as well as the end of the commodity super cycle, notably for coal and oil. It made for a challenging operating environment, especially in Malaysia and Indonesia.

2014 was also a year of change for CIMB. We saw the Group undergo a leadership transition, expansion of our operations in Hong Kong and China, and the establishment of our foothold in Lao PDR with the opening of the CIMB Vientiane branch. We also looked at a possible merger, but after careful and thorough deliberation, ceased discussions, as we were not able to arrive at a value-creating transaction for all stakeholders in light of the economic conditions. The changes have continued into 2015, with the closure of our Australian operations in a bid to streamline and refocus our Investment Banking platform.

Financially, we saw deterioration in asset quality, primarily due to an increase in provisioning for commodity-related loans in Indonesia. Our Investment Banking operations also faced significant challenges in earnings given the weak capital markets and the dearth of large corporate exercises as compared to previous years, contributing to a contraction in income. While faced with challenges in some areas, we did particularly well in several others, notably Singapore and Malaysia Consumer Banking.

FINANCIAL PERFORMANCE

The Group posted Business-as-Usual (BAU) revenue of RM14.0 billion and Profit Before Tax (PBT) of RM4.3 billion, a decrease of 1.0% and 23.0% respectively year-on-year (Y-o-Y), attributed to weaker non-interest income, as well as increased corporate banking provisions and goodwill impairment. FY14 BAU pre-provisioning operating profit was 3.2% lower Y-o-Y, and we reported BAU net profit contraction of 24.6%. This translated to a BAU net Return on Equity (ROE) of 9.3% or 9.2% if we include exceptional items.

Net interest income grew 6.1% Y-o-Y to RM10.0 billion on the back of steady loans and credit growth, but was partially offset by lower net interest margins (NIM). Non-interest income declined by 14.9% on a BAU basis, largely due to weaker capital market revenues at Treasury & Markets and Investment Banking, as well as lower bancassurance fees in Indonesia following the implementation of new regulations. Operating costs, however, were well-contained due to better controls, rising only marginally by 0.6% Y-o-Y excluding exceptional items. The Group's BAU cost to income ratio was marginally higher at 59.1% compared to 58.2% in FY13 mainly due to lower income.

The Group's Regional Consumer Bank PBT was 0.6% lower Y-o-Y at RM2.3 billion. The Malaysia consumer operations grew 7.5% Y-o-Y, while both the Singapore and Thailand consumer operations posted strong turnarounds to profitability in 2014 from losses previously. BAU PBT for Regional Wholesale Banking declined by 40.9% Y-o-Y to RM1.6 billion attributed to increased corporate banking provisions and softer capital market conditions.

CIMB Niaga's PBT declined 45.1% Y-o-Y to IDR3,200 billion, as loans growth and steady NIMs were offset by weaker non-interest income and a sharp rise in corporate loan provisions. CIMB Thai's PBT declined 12.2% to THB1.2 billion due to the absence of exceptional gains accounted for in 2013. Excluding exceptional items, CIMB Thai's PBT grew by 26.5% Y-o-Y. Total PBT contribution from Singapore rose by 40.4% to RM323 million on stronger consumer and commercial banking growth offsetting weak securities.

Excluding the "bad bank", the Group's total gross loans expanded 13.2% Y-o-Y. Commercial banking loans increased 17.6%, while retail loans and wholesale loans grew 14.1% and 9.5% respectively. Total Group deposits grew by 7.3% Y-o-Y, with CASA growing by 8.6% Y-o-Y. The Group's CASA ratio stood at 34.7%, while overall net interest margin was marginally lower at 2.81%, compared to 2.85% in FY13.

The Group's allowances for impairment losses were 130.3% higher at RM1,522 million in FY14 compared to RM661 million in FY13, mainly from our corporate loans exposure in Indonesia and Malaysia as well as lower writebacks from the "bad bank" book. The Group's total loan loss charge was 58bps, up from 28bps previously. The Group's gross impairment ratio stood at 3.1% for FY14, compared to 3.2% in FY13, with an allowance coverage of 82.7%.

The Group maintained its 40% dividend payout policy, declaring total FY14 dividends amounting to RM1.3 billion or 15.0 sen per share. The interim dividend of 10.0 sen was paid in October 2014, and the remaining 5.0 sen will be paid by May 2015, with the shareholders either opting for payment via cash or the Dividend Reinvestment Scheme (DRS).

As at 31 December 2014, CIMB Group's total capital ratio stood at 15.1% while its Common Equity Tier 1 (CET1) capital ratio stood at 10.1% (after inclusion of FY14 net profits and proposed DRS), much stronger than the 8.0% CET1 we started with at the beginning of the year.

2014 HIGHLIGHTS

Regional Businesses & Functions

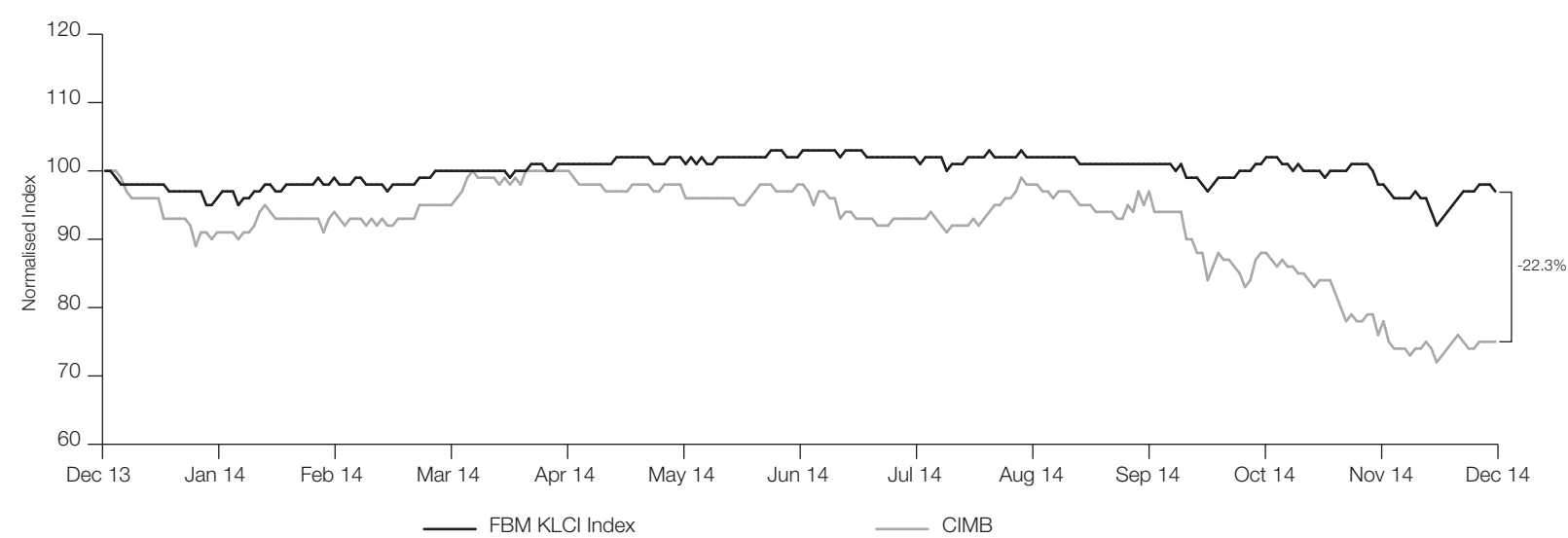
Consumer Banking

Our Consumer Banking franchise was the largest revenue contributor to CIMB Group in 2014, delivering revenue in excess of RM8 billion for the first time. PBT contracted by 0.6% Y-o-Y, having to contend with higher loan provisions, lower writebacks, while faced with lower fee income from Banca and higher cost of funds in Niaga. Excluding Group Special Asset Management, our PBT would have recorded a growth of 0.8% in 2014. Our retail loan growth was 14.1% for the year.

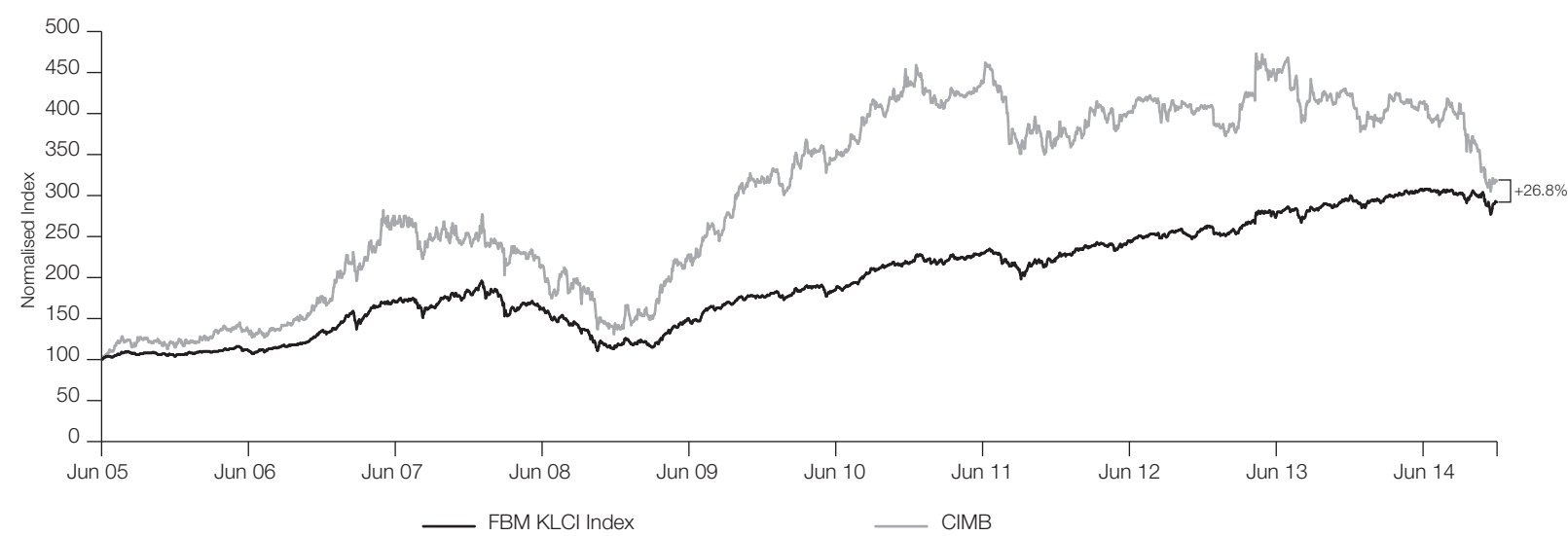
We continued to focus on improving efficiencies, and further invested in our technology and digital banking capabilities. We have started to see dividends from these investments in the form of cost synergies and quicker time-to-market in product offerings. Our award-winning digital and mobile banking products such as CIMB Clicks and Rekening Ponsel in Indonesia continue to exhibit strong growth, and our Retail CASA grew by 5.4% Y-o-Y. Our tie up with Advanced Info Services Plc. (AIS), Thailand's top mobile service provider gives us the potential to tap into its 43 million-strong subscriber base. With our customers' preference shifting towards digital banking, we were able to manage our costs through branch rationalisation, while still growing our customer base and touch points. This has also enabled us to better serve our clients by offering services such as cross-border account opening, ATM access throughout ASEAN, real-time fund transfers as well as overseas mortgages, where we can provide financing to our customers in Malaysia, Singapore and Indonesia to purchase properties in Malaysia, Singapore, Australia and UK.

The Group's Private Banking business recorded a 66% Y-o-Y growth in PBT in 2014 while Assets under Management (AUM) continued on its uptrend, growing 25% Y-o-Y. We leveraged on our regional network to offer clients cross-border collateralisation facilities that allow assets to be pledged onshore and loans disbursed offshore. This facility has helped high net worth clients unlock asset value for their wealth enhancement.

Shareholders' Returns (1 January 2014 – 31 December 2014)



Long Term Value Creation (Total Shareholder Return)



Wealth management performed well in Malaysia as revenue grew by 15% Y-o-Y driven by strong growth in sales of unit trusts, ASN and bancassurance. Singapore also charted commendable results in this area with fees growing 43% Y-o-Y driven by increased sales of insurance and investments while Thailand managed to grow its customer base by 50% with a Y-o-Y growth of 30% in assets under management.

In the commercial banking space, PBT in our key markets of Malaysia, Singapore and Thailand posted strong double-digit growth. We are confident in the potential of growing this segment further, and will look to expand our operations in the space. We also established ASEAN Business Solutions (ABS) to further strengthen our “ASEAN For You” value proposition, providing access and facilitating connectivity to businesses operating within ASEAN region.

Wholesale Banking

Our Wholesale Banking operations had to face a challenging landscape in most of our core ASEAN markets. Weaker corporate earnings across the region continued, as global demand was tempered by the subdued economic outlook, with low volatility across global markets and continued softness in the commodities market. In response, higher provisions were made in our corporate bank in Indonesia and Malaysia. As a result, our profitability experienced a contraction of 40.9% to RM1.6 billion excluding exceptional items. While we fell short of our financial targets this year, our Wholesale Bank maintained leading positions in Malaysia. Corporate loans growth for the year was also at a commendable 9.5%, and corporate deposits including Bills of Exchange grew 12.0%.

CIMB today is well-positioned to cater to our clients' ASEAN aspirations. We saw strong growth momentum in regional transaction banking services, especially in Singapore. CIMB was awarded Best Trade Bank in Malaysia, Indonesia and Singapore as well as Best Supply Chain Finance Bank and Islamic Trade Bank in Asia Pacific by Trade Finance Awards for Excellence. We were recognised as the Best Cash Management Bank in Malaysia in the Asiamoney 2014 poll and Indonesia Domestic Cash Management Bank of the Year by Asian Banking & Finance Awards 2014.

In 2014, we regained our leadership of the global Sukuk market, with a market share of 15.4%, winning an unprecedented number of high profile and ground breaking sovereign Sukuk transactions, such as those by the Governments of the United Kingdom, Hong Kong, Indonesia and Turkey, and being recognised as the Best Bond House in ASEAN by Alpha Southeast Asia and Sukuk House of the Year (Asia Pacific) by the Asset. Despite the challenging capital markets and regional economic conditions, in Malaysia, CIMB held the No. 1 ranking for Equities Capital Markets (ECM) and Mergers & Acquisitions (M&A) and we were 4th on the ASEAN ECM league table.

We maintained our position as a top provider of FX services in Malaysia as well as our leadership in the Malaysian Ringgit Private Debt Securities (PDS) secondary sales market, while making good progress in developing the SGD bond franchise. In the derivatives and structured solution business, CIMB continued to be recognised as the market leader in Malaysia, while gaining traction in Indonesia and Thailand. On the Asset Management front, CIMB-



My visit to Jalan Tuanku Abdul Rahman branch along with Dato' Sulaiman Tahir, Head of Consumer Sales & Distribution of CIMB Bank (second from right) and Nor Azzam Jalil, Regional Director 1 (far right) as part of our staff engagement initiative.

Principal's total AUM grew by 8% to RM50.7 billion, whilst our Indonesian and Thai subsidiaries' total AUM grew by 68% and 66% respectively. Whilst 2014 has been a challenging year, CIMB-Principal (Malaysia) has maintained its industry ranking at No. 2 in terms of AUM.

We undertook a holistic review of the Investment Banking business in 2014. As part of the long-term strategic review programme, known as Project 360, the Investment Banking division deployed a client-led strategy in our core ASEAN markets while focusing on key products in non-ASEAN markets. Project 360 will reposition the Investment Banking business to be able to compete effectively in Asia moving forward, with a focus on key strategic offerings such as mobile trading platforms, as well as low touch and algorithmic trading.

Strategic Investments

We divested a 49% stake in our insurance broking entity, CIMB Insurance Brokers at a gain of RM61.0 million. CIMB Private Equity also made a breakthrough investment by purchasing a minority stake in PT Modern Internasional Tbk, the listed retail operator and owner of the largest 7-Eleven convenience store chain in Indonesia.

Touch n' Go's Profit After Tax to CIMB Group grew by 6.0% on the back of higher revenue from toll and parking commission, and sales of customised cards. The contribution from Bank of Yingkou also grew by 19.4% due to stronger interest income from higher loan growth and fixed income investments. We also launched Asia Investment Growth Fund LP, a unique investment platform catering to Japanese investors seeking investment opportunities in ASEAN.

Performance By Geography

Malaysia

In Malaysia, our PBT recorded a 9.8% contraction Y-o-Y, excluding gains from exceptional items. The Consumer Banking business grew its PBT by 7.5% by focusing on cross-selling opportunities, and lowered its cost to income ratio by 2.7% by embarking on stringent cost management strategies. We maintained our market positions for credit cards, ASB, Auto Finance and SME loans, while Enterprise Banking loans saw strong growth of 34.1%. Our focus on digital and electronic channels to grow deposits is starting to gain momentum, with 3.4% growth on consumer deposits recorded for the year, despite facing intense competition and moderating industry growth.

On the Wholesale front, CIMB participated in a number of notable deals including KLCC REIT's RM3.0 billion Sukuk issuance, SapuraKencana Petroleum Berhad's USD898 million acquisition of Newfield Malaysia Holding Inc., Bumi Armada Berhad's RM2 billion rights issuance and 7-Eleven Malaysia Holdings' RM834 million IPO. Our Malaysian corporate loan book experienced a contraction of 9.7% whilst corporate deposits registered an increase of 17%. In terms of transaction banking, we launched JomPay and Distribution Card, and introduced BizChannel@CIMB LITE, a simplified version of our electronic regional transaction banking platform to cater to our SME customers' needs.

Singapore

Our operations in Singapore continue to grow from strength to strength, with PBT up by 40.4% Y-o-Y, while we worked hard to achieve reduction in our Cost-to-Income ratio by 520bps. On the consumer banking front, consumer deposits grew by 31.8%, fee income from wealth management increased by 43% Y-o-Y, and we enhanced our range of high net worth and retirement planning products. With the launch of the Visa Signature card which offers lifestyle benefits to the mass affluent segment, our card base grew 25%, and our cards and personal financing asset base grew 3 times that of the industry.

Corporate deposits grew by 32.8% to SGD2.4 billion while we continued to gain momentum in terms of transaction banking and commercial banking. We also started offering FAST, an instant electronic funds transfer service that enables customers to transfer funds from bank to bank almost instantly. We also clinched a number of major deals, including the SGD361.6 million QUE Commercial Real Estate Investment Trust IPO and Sound Global Ltd's SGD903.0 million voluntary delisting from SGX-ST.

Indonesia

With the weakening of the Rupiah, Bank Indonesia raising its policy rates to its highest in 6 years, and weak commodity prices, our Indonesian financial results were disappointing. CIMB Niaga posted a PBT contraction of 45.1% Y-o-Y from lower NOI and higher provisioning. The high interest rate environment, tight liquidity and the changes to regulations in bancassurance, were some of the factors contributing to our drop in PBT.

We continue to pursue our digital and branchless banking strategy in Indonesia, with 83% of our customer transactions now conducted via non-branch channels, and the number of CIMB Clicks and Go Mobile users increasing by 41.0% and 58.7% Y-o-Y respectively. We entered into strategic partnerships with two of the largest convenience store networks in the country, Alfamart and Indomaret, and through their 19,000 outlets nationwide, our customers are now able to make cash deposits and withdrawals with increased convenience. Our loans and deposits grew by 12.4% and 6.7% Y-o-Y respectively, while we registered a 29.3% increase in credit card loan base.

Corporate banking loans grew by 26.2% Y-o-Y, as we focused on growing USD loans to counter the tightening margins on IDR loans. We actively promoted and supported cross-border transactions by leveraging on CIMB's regional capabilities to register significant growth in cross-border revenues. In the capital markets, CIMB participated in the Government of Indonesia's inaugural USD1.5 billion Global Sukuk, as well as Bank Bukopin's IDR1.8 trillion rights issue and PT Link Net Tbk's USD455 million secondary placement.

Thailand

CIMB Thai PBT fell by 12.2% Y-o-Y, although when excluding exceptional profits in 2013 from our legacy Thai Asset Management Corporation, our PBT grew by 26.5% Y-o-Y, driven by the traction in our Wholesale business and the turnaround of our Consumer business. We focused on improving branch efficiency throughout the year, and saw our loans and deposits outperforming the industry, growing at 11.0% and 20.9% respectively. We also launched two flagship branches, one-stop financial and advisory service centres, to further build out our affluent segment. CIMB Thai introduced "Beat Banking," an innovative mobile banking platform in collaboration with AIS, the largest mobile operator in the country.

Our Wholesale Banking operations in Thailand gained significant traction in 2014, winning the Best Structured Product House in Thailand from The Asset Triple A Awards, Best Derivatives House in the Stock Exchange of Thailand Awards, and Best Equity Deal of the Year 2014 in Southeast Asia awarded by Alpha SEA for Carabao Group's IPO. Our Thai Asset Management subsidiary entered into a sale and purchase agreement to acquire Finansia Asset Management Ltd to improve our scale and market presence.

Other Geographies

We are very pleased with CIMB Cambodia, which turned profitable and exceeded all of our key targets in 2014. Loans and deposits both recorded high growth, while non-performing loans were contained, and we enhanced our product suite to include Corporate and Transaction Banking services. CIMB Cambodia is the first international bank in the country to be headed by a Cambodian national.

With the opening of our branch in Lao PDR on 29 August 2014, we are one step closer to completing our ASEAN footprint. We continue to seek opportunities to deepen our presence across the ASEAN region, particularly in Philippines, Myanmar and Vietnam.

We opened CIMB's first mainland China branch in Shanghai and expanded our Hong Kong operations in 2014. Our strategy focused on regional customers from ASEAN with business interests in North Asia, and vice versa, particularly in China and Hong Kong, providing lending and treasury services needs. We have had a promising start thus far, and we have seen a number of deals successfully executed in these two extremely competitive markets.

CIMB successfully completed a number of transactions in North Asia, including China Development Bank's CNH1.0 billion Dim Sum bond issuance, Harbin Bank Co. Ltd.'s USD1.13 billion IPO, and the USD261.0 million IPO of Nirvana Asia Ltd., a Malaysian company listed on HKEX.

CIMB also did well in South Asia, with our involvement in TPG Capital's USD117 million acquisition of the controlling stake in Union Bank of Colombo PLC., which was the largest M&A transaction in the financial services sector in Sri Lanka in 2014. Meanwhile, CIMB India's growth is on track as it continues to support our domestic and international clients through its investment banking, research and equities brokerage offerings. Our office in London achieved a significant win, executing a landmark Islamic financing deal with the UK government's first ever sovereign Sukuk issuance.

On 9 February 2015 we made the difficult decision to close our operations in Australia, following our review of CIMB's Asia Pacific investment banking business. This was a necessary move, as the realities of today's capital markets and the absence of sufficient flows did not justify the cost of having a presence in Australia. Despite this, we will continue to support our clients seeking access to the Australian market via our continued strategic alliance with Morgans Financial Ltd.

Business Enablers

CIMB continues to augment its business enablers to provide an efficient and supportive ecosystem for business growth. In 2014, we launched 1Platform successfully in Malaysia, which involved over 12,000 staff and 1,500 processes, following similar successes in Singapore and Thailand. 1Platform is a single regionally-integrated banking platform, which has enabled us to streamline our bank-wide processes, as well as to enhance cross-selling abilities.

We further enhanced our risk management policies and frameworks in 2014, including our integrated stress-testing framework, credit risk portfolio analytics capabilities and retail portfolio management tools. We also improved on the adequacy, efficiency and effectiveness of our Group Internal Audit function, where we were awarded the ISO 9001:2008 Certification for internal audit services. I am pleased to say that CIMB is the first Malaysian financial institution to achieve this for its internal audit function.

To further build the CIMB brand, we hosted a number of successful flagship events throughout 2014. The CIMB Classic continues to grow in stature after becoming a full-fledged PGA TOUR event. It is now part of the ASEAN calendar of international sporting events, attracting some of the best names in golf, and enthusiasts from all over the world. 2014 saw the fifth successful

installment of this marquee ASEAN sporting event, which saw approximately 40,000 attendees, including our key clients, and was telecasted to almost 1 billion households globally. We also hosted our regional running event in Malaysia, Indonesia and Singapore, The CIMB Color Run, which drew a commendable total of 50,000 participants from across the region.

Corporate Responsibility

CIMB renewed its focus on corporate responsibility programmes, supporting the region's community, education and sporting initiatives, amongst other things. In 2014, CIMB disbursed RM10.2 million in grants through CIMB Foundation in Malaysia, in addition to RM7.5 million disbursed through other channels and geographies including Indonesia, Singapore, Thailand, and Cambodia.

Last year, we spent more than RM2 million on various education initiatives, including 6 new regional scholarships and sponsorship of 10 schools in Malaysia under the Pintar programme, which was initiated to provide quality education for children in rural schools. We are pleased to note that these schools have performed particularly well and many have been recognised as some of the best schools in their respective states.

CMB Foundation also spent 36% of our grants on its sports initiatives, which continue to yield good results, particularly in the 2014 Asian Games, where Nicol David clinched the gold medal for Malaysia in the squash women's team event for the third consecutive time. On the youth sports development front, participants of CIMB's Junior Sports Development Programme collected a total of 168 gold, 110 silver and 72 bronze medals in various events throughout year. We also launched CIMB Pan-Disability Football to encourage a healthy lifestyle and competition amongst athletes with disabilities.



Handing over care packages to YAB Dato' Haji Ahmad Yakob, Kelantan Chief Minister at his official residence during our humanitarian visit to the flood affected areas in the East Coast of Peninsular Malaysia.

During the recent floods in the East Coast of Peninsular Malaysia, CIMB pitched in early on with financial support to Mercy Malaysia and the Malaysian Red Crescent Society, which distributed emergency relief supplies to the affected areas. CIMB Foundation organised a food donation drive which resulted in 78 tonnes of food donated by the public being shipped across to those who needed supplies. Once the waters had receded, our involvement continued through partnerships with NGOs to rebuild homes, and with University of Malaya to install tube wells for clean, drinking water.

NOTABLE AWARDS

- **Best Bank in Malaysia by Euromoney Awards for Excellence 2014**
- **Best Islamic Bank in Asia by Asiamoney Best Bank Awards 2014**
- **Best Private Bank in Malaysia by PWM & The Banker Global Private Banking Awards 2014**
- **Best Retail Broker in Singapore by Securities Investors Association Singapore (SIAS)**
- **Best Overall Trade Finance Bank in Asia Pacific by Trade Finance Awards for Excellence 2014**
- **Asset Management Company of the Year by The Asset Triple A Asset Servicing, Fund Management & Investor Awards 2014**
- **Best Islamic Investment Bank in Asia Pacific by The Asset Triple A Islamic Finance Awards 2014**
- **Best Management Trainee/Graduate Programme for CIMB Fusion by Malaysia's 100 Leading Employer Awards 2014**
- **Top Overall Corporate Governance by MSWG - ASEAN Corporate Governance Index 2014**

MID TERM ECONOMIC PROSPECTS

The US economy is recovering, with growth picking up and jobs being created, fuelling speculation on when the Federal Reserve will end over 6 years of near-zero interest rates. Europe, on the other hand, faces a real threat of deflation. In Asia, our two largest economies also have issues to contend with. The outcome of Japan's Abenomics is still uncertain, while China is slowing and is expected to continue doing so this year, as it rebalances its economy away from being investment-led to placing a larger emphasis on consumption. Years of over-investment have left China with an overhang of debt and excess capacity, and dealing with them will likely put disinflationary pressure on the economy. As one of ASEAN's largest trading



Feeling the excitement during my first hand experience with the CIMB Colour Run.

partners and a key player in regional supply chains, developments in China will need to be watched carefully. Other uncertainties involve the likely direction of currencies and if stability can be found in commodity prices. In all likelihood, the US dollar still has some strength ahead and that will put pressure on regional currencies. Also, if oil price weakness translates into weakness in other commodity prices, especially palm oil and LNG, the Malaysian and Indonesian economies will face some pressure.

Given this challenging environment, we anticipate moderate economic growth in our core ASEAN markets in 2015. Although Thailand's growth should rise, albeit from a low base, as should Singapore's growth from stronger exports, recovery in both markets is likely to be "U" shaped. For Malaysia and Indonesia, it is expected to be more challenging. Malaysia is set to introduce the Goods and Services Tax (GST), which is expected to result in short-term inflationary pressures. Besides that, with weaker commodity prices, fiscal spending is likely to be slower and sentiment on the ground is likely to be less optimistic. Indonesia is also likely to have to contend with a weaker domestic economy, as commodity prices stay soft and foreign direct investments takes time to have an effect.

Over a longer horizon, however, we continue to remain optimistic on ASEAN's prospects. The region should fare relatively well despite capital outflows that may take place when the US Federal Reserve eventually raises rates. Balance sheets are robust, currencies float and can adjust, short-term debt is covered by reserves, and local bond markets should provide an early warning of any problems. Structurally, ASEAN benefits from a young population and a rising middle class, while the economies are open with a diversified export base in terms of both product and export markets.

CIMB'S MID TERM STRATEGIES & PRIORITIES

The financial services sector will continue to face a challenging operating environment, from a number of aspects, including stricter regulations, accelerating shifts in consumer preferences, as well as competition from non-banking players. In anticipation of these challenges, CIMB is taking a holistic approach to reposition and refresh itself, both externally and internally. The management has formulated a mid-term plan, named Target 2018 (T18), which will enable us to achieve our goals of being a leader in our home market, with deep presence in ASEAN and strategic links to Asia Pacific and beyond.

Our T18 strategy is centred around a number of key strategic imperatives to grow our revenue base while recalibrating internally to achieve cost efficiencies. Digital consumer banking will be a key growth driver for CIMB. Having established a solid banking platform and foundation over the last 2 years via 1Platform in Malaysia, Singapore and Thailand, with Indonesia coming on stream by 2016, we have already started to execute our digital strategy, which is expected to bring significant uplift. Small to Medium-sized Enterprises (SME) is another focus area for us moving forward, as is transaction banking. Both of these levers build on and support our ASEAN ambitions, and place us on a solid footing to grow in line with the anticipated

improvement in trade flows once the ASEAN Economic Community is realised. A significant part of the T18 strategy will be focused on managing our costs to preserve margins, given that income growth is expected to track the slower economic growth. Culture at CIMB has been, and will continue to be, a critical component in enabling the achievement of our business strategy. We will continue to focus on attracting and developing the best talent in the industry, fostering an environment where teamwork will continue to thrive, and delivering market-leading service excellence to our customers.

While our aspirations remain ambitious, we will need to carefully balance between profitability, resilience and efficiency, especially given the current challenging operating environment. As a firm, we have set the bar high with an ROE target of more than 15% by 2018, along with a cost-to-income ratio target of less than 50%, CET1 target of more than 11% and income contribution from consumer bank of 60%. As a first step on the T18 journey, 2015 will be the year we recalibrate CIMB, with a major reorganisation of the business announced in February 2015, and a number of cost management measures already in progress, beginning with the consolidation and refocusing of our Investment Banking platform. We have also started 2015 on a much better footing in terms of capital with CET1 and Total Capital at 10.1% and 15.1% respectively, achieved through the Dividend Reinvestment Scheme and a capital raising exercise in the early 2014.

ACKNOWLEDGEMENTS

On behalf of the management of CIMB Group, I would like to record my deepest appreciation to our stakeholders, particularly to our shareholders, customers, investors, regulators and the local communities, for being with us through both the good and challenging times. To our Board members and International Advisory Panel, my sincere gratitude for the insight and counsel provided to the Group.

I would like to express my appreciation to Dato' Sri Nazir Razak for his support throughout my transition into the role of Group Chief Executive Officer. His dedication and visionary leadership in guiding CIMB thus far has created a solid platform for us to build upon, and I look forward to continue working together with him in his new role as Chairman of the Group and as a Board member of Khazanah Nasional.

To all my colleagues in #TeamCIMB, thank you for your unwavering support, and your strong commitment to CIMB. I feel honoured to be a part of this dynamic and performance-driven team, and I am very much looking forward to working together with you to take CIMB into its next chapter of growth.



Tengku Zafrul Aziz

27 February 2015



Exchanging ideas and thoughts with CIMB colleagues over breakfast during my 'Tuesday Chats' session.

Earnings Summary Y-o-Y*

(RM'mil)	FY14 BAU*	FY13 BAU*	Y-o-Y
Net interest income	9,962	9,391	6.1%
Non-interest income	4,057	4,766	(14.9%)
Operating income	14,019	14,157	(1.0%)
Overhead expenses	(8,292)	(8,241)	0.6%
PPOP	5,727	5,916	(3.2%)
Loan impairment	(1,522)	(661)	130.3%
Other provisions	(51)	(65)	(21.5%)
Share of JV/Associates	123	361	(65.9%)
PBT (BAU)*	4,277	5,551	(23.0%)
Net profit (BAU)*	3,159	4,188	(24.6%)
PBT	4,276	5,849	(26.9%)
Net profit	3,107	4,540	(31.6%)

Note: * Excluding exceptional items

PBT by Segments*^

PBT (RM'mil)	FY14 BAU*	FY13 BAU*	Y-o-Y
Consumer Banking	2,258	2,271	(0.6%)
Malaysia	1,850	1,721	7.5%
Indonesia	298	578	(48.4%)
Thailand	20	(23)	n.a.
Singapore	77	(8)	n.a.
Others	13	3	333.3%
Wholesale Banking	1,606	2,718	(40.9%)
Investment Banking	(21)	204	n.a.
Corporate Banking	700	1,382	(49.3%)
Treasury & Markets	927	1,132	(18.1%)
Investments	413	562	(26.5%)
PBT (BAU)*	4,277	5,551	(23.0%)
PBT	4,276	5,849	(26.9%)

Notes: * Excluding exceptional items
^ Estimated

Key Ratios

%	FY14	FY13
ROE^	9.2	15.5
NIM^*	2.81	2.85
Non-interest income/total income	29.6	36.0
Cost to income	58.6	57.6
Cost to income (BAU)**	59.1	58.2
Allowance coverage	82.7	84.8
Loan loss charge^	0.58	0.28
Gross impaired loans ratio	3.1	3.2
Net impaired loans ratio (Net of IA and PA)	0.5	0.5
Average shareholders' funds (RM'mil)	33,817	29,324
ROA^	0.79	1.28
Book value per share (RM)	4.44	3.92
Loan to Deposit (LDR)	93.0	88.4
CASA ratio	34.7	34.3

Notes: ^ Annualised
* Daily Average
** Excluding exceptional items

CIMB Group's Credit Ratings

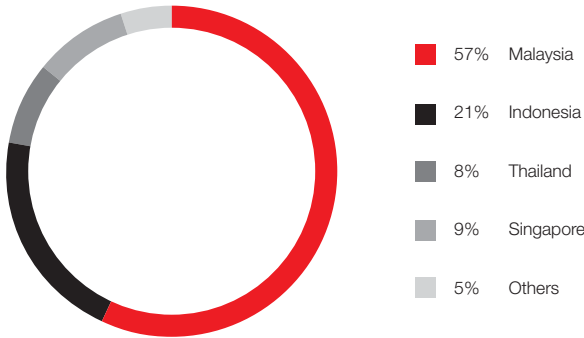
Rating Agency	Issuer Rating
Domestic	
RAM	
CIMB Group Holdings	AA ₁
CIMB Bank	AAA
CIMB Investment Bank	AAA
MARC	
CIMB Bank	AAA
Fitch	
CIMB Niaga	AAA(idn)
CIMB Thai	AA-(tha)
International	
Moody's	
CIMB Bank	A3
CIMB Investment Bank	A3
S&P	
CIMB Bank	A-
CIMB Investment Bank	A-
Fitch	
CIMB Niaga	BBB
Dagong	
CIMB Bank	AA-

Gross Loans Growth

Division/Products (RM'bil)	31 Dec 14	31 Dec 13	Y-o-Y
Retail Financial Services (50.9%)	133.3	116.8	14.1%
Mortgages	63.1	55.7	13.3%
Term Loans	29.5	25.7	14.8%
Auto	21.0	19.6	7.1%
Credit Cards	7.6	6.4	18.8%
Micro Credit	4.2	3.8	10.5%
Enterprise	5.5	4.1	34.1%
Others	2.4	1.5	60.0%
Commercial Banking (17.9%)	46.8	39.8	17.6%
Corporate (31.2%)	81.9	74.8	9.5%
Gross Loans*	262.0	231.4	13.2%

Notes: * Gross loans excludes bad bank
Based on geographical location of counterparty, excluding bad bank
^ In local currency
~ Excluding FX fluctuations
** Inclusive of Labuan, London, Cambodia, HK & Shanghai

Loans by Country as at 31 Dec 2014#



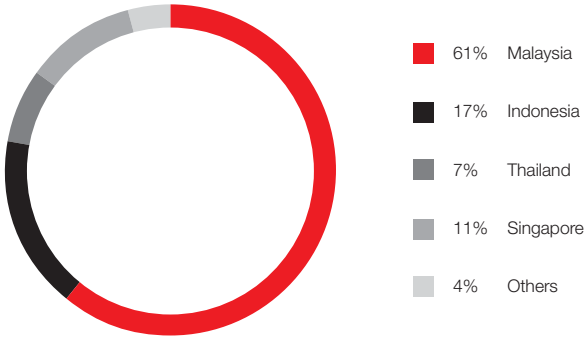
Y-o-Y Growth	Loans*
Malaysia	7.1%
Indonesia^	12.4%
Thailand^	11.0%
Singapore^	14.5%
Others**	53.9%
Group~	11.4%

Deposits Growth

Divisions/Products (RM'bil)	31 Dec 14	31 Dec 13	Y-o-Y
Retail Financial Services (39.2%)	111.5	103.6	7.6%
Current	17.9	17.8	0.6%
Savings	31.1	28.7	8.4%
Fixed & Structured Deposits	62.5	57.1	9.5%
Commercial & Enterprise Banking (20.1%)	57.2	49.6	15.3%
Wholesale# (40.7%)	116.0	112.2	3.4%
Total	284.7	265.4	7.3%

Notes: ^ In local currency
~ Excludes FX fluctuations
Includes deposits with options classified as derivatives in MY & SG
** Inclusive of Labuan, London, Cambodia, HK & Shanghai

Deposits by Country as at 31 Dec 2014



Y-o-Y Growth	Deposits
Malaysia	2.7%
Indonesia^	6.7%
Thailand^	20.9%
Singapore^	36.5%
Others**	(34.0%)
Group~	6.1%

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NESS REVIEW

BUSINESS REVIEW 2014

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CIMB GROUP'S REGIONAL UNIVERSAL BANKING CAPABILITIES

CIMB Group today has operations across ASEAN under several corporate entities. These include CIMB Investment Bank, CIMB Bank, CIMB Islamic, CIMB Niaga, CIMB Securities International and CIMB Thai.

In our core markets of Malaysia, Indonesia, Singapore and Thailand, our business lines are organised primarily across Consumer Banking as well as Wholesale Banking, which comprises of Corporate Client Solutions; Investment Banking; Corporate Banking, Treasury and Markets; and Group Strategy and Strategic Investments.

Our support functions include Group Chief Executive's Office, Group Finance, Group Corporate Resources, Group Risk, Group Information and Operations, Group Internal Audit, Group Marketing and Communications, and Group General Counsel.

CIMB Islamic operates in parallel, in line with CIMB Group's dual banking model. As such, we have highlighted CIMB Islamic's achievements under a separate section.

CIMB Group serves as a universal bank to approximately 13 million consumers, corporates and institutions across Malaysia, Indonesia, Singapore, Thailand, Cambodia and London. In our other markets, we provide a specialised range of services, catering to the particular needs of each market.

CONSUMER BANKING

Operating across Malaysia, Indonesia, Singapore, Thailand, and including branches in Cambodia and London, our consumer banking franchise remains the largest revenue contributor to CIMB Group in 2014. For the year, the franchise charted commendable growth, achieved amidst a tougher credit environment, thinning net interest margins, intensifying competition, and stricter regulations.

Our Malaysia and Singapore consumer banking franchise had a stellar year, delivering record revenues in excess of RM5 billion for the first time, coupled with strong PBT growth. A big part of our success was driven by a clear and unparalleled focus on execution through collaborative efforts across the entire team. Our achievements were facilitated through the optimisation of returns from our balance sheet, expansion of fee income opportunities, smart cost management and increasing share of customers' wallet. Digital banking continued to be an important agenda in both Malaysia and Singapore with the promulgation of many breakthrough services, making us the digital bank of choice for savvy customers. Malaysia was also crowned Best Domestic Bank in Malaysia by Euromoney and Bank of The Year by The Banker, amongst other awards. As for Singapore, we were recognised as the Best Foreign Cash Management Bank in Singapore for the Asiamoney Cash Management Poll 2014 and Best Trade Bank in Singapore at the Trade Finance Awards for Excellence 2014.

CONSUMER BANKING

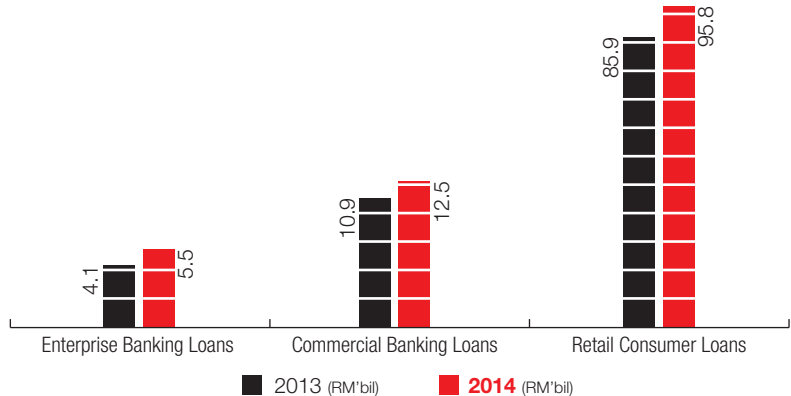
With unfavourable conditions and externalities in Indonesia, we continued to manage our internal operations closely with an emphasis on improving our efficiencies. Key investments in technology and digital banking capabilities were made in order to promote digital mediums and offerings in our key markets. We have begun realising returns in Indonesia from the investments, not only in better cost efficiencies but also in our ability to provide some of the best digital banking products and services to our customers. Regionally, our customers enjoy flagship services such as CIMB Clicks and Rekening Ponsel. These award winning products continue to chart strong growth and acceptance, while also facilitating CASA growth. In terms of total number of transaction, in 2011, 64% of transaction were made through alternate channels and this number increased to 83% in 2014.

As for Thailand, we registered strong income growth despite challenging market conditions, similar to Indonesia. The year was eventful for our Thailand operations with the launch of a new mobile banking platform, Beat Banking, a partnership with the country's top mobile service provider; the launch of a new credit card; and the implementation of a sales competency enhancement course. Our branches saw improved sales productivity with good traction in loans growth, fees and Preferred customer base.

The ASEAN Business Solutions (ABS) was established to further strengthen our "ASEAN For You" value proposition. Through this, we were able to facilitate an array of value added services for our regional customers and businesses across ASEAN.

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Malaysia Consumer Banking Indicators



MALAYSIA

Malaysia's growth was driven by initiatives targeting more profitable segments, together with increased cross-selling efforts enabled by decision management. Revenue and PBT for the Malaysian operations charted a 6% and 8% growth Y-o-Y respectively. We continued to be a strong contender in loans with an impressive 34% and 15% growth in Enterprise Banking and Commercial Banking respectively. We also continued to grow our market share and improve our rankings for credit cards, ASB, Auto Finance and SME loans. These are remarkable achievements given that it was also underpinned by continuous stringent cost management strategies, evidenced by our cost-to-income ratio which continued to trend downwards by 3%, following a strong 6% decrease in 2013.

We have helped drive the national cashless agenda via debit card. There was strong growth traction as our debit card base increased by 39% and spending grew 77% Y-o-Y. In intensifying efforts to drive deposits, we undertook an array of initiatives to sign up new customers across multiple channels and segments.

We also recorded a 21% CIMB Clicks users growth, our flagship internet banking website. This is a result of the various efforts to establish ourselves as the bank of choice for digitally savvy retail customers. In this space, we also continued to amplify the significance of digital banking with the new CIMB Bank website; enhance CIMB Clicks; simplify account opening through KWIK, an online banking platform; and create a platform for easy mobile phone-based fund transfer service, OctoSend. For business customers, our digital banking continued to chart new territories through our mobile point-of-sale solution, Plug n Pay, the first of its kind in Malaysia. Additionally, BizChannel@CIMB, our comprehensive internet banking service for business enterprises was further enhanced with the introduction of the BizChannel@CIMB LITE package. Through this, we were able to provide a much more simplified e-banking experience for businesses, while enabling them to manage their accounts and perform seamless transactions.

2014 was also a year of enhanced productivity as we undertook significant reengineering initiatives to improve efficiencies at branches, credit operations and back office functions. This helped simplify processes, improve efficiencies and reduce redundant practices. As a result, our customer experience at branches improved with faster service turnaround time.

We continued to prioritise talent by building development plans & targeted initiatives. Additionally, we ran various leadership programs & implemented a Talent Review Council to monitor progression and succession. We also introduced an upward mobility scheme for non-executives to promote improved career development & progression. 2014 was a year of amplified on-the-ground engagement by senior management through frequent branch visits, staff-wide video conferencing as well as robust internal communication and updates. We strongly believe that these combined initiatives have helped unite and motivate staff, contributing towards finishing the year on a strong note.

INDONESIA

Despite a less favourable economic situation in Indonesia, we concluded the year with a PBT of IDR1.1 trillion and grew our loan assets by 7% Y-o-Y to IDR121.0 trillion.

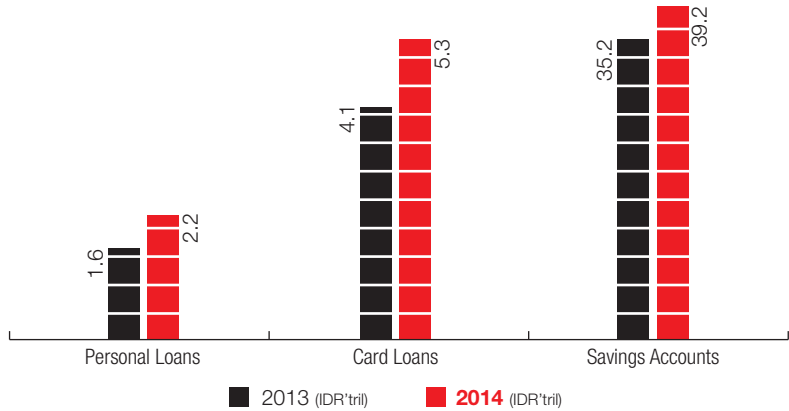
We pride ourselves as being one of the few leading banks in Indonesia that continuously promote the concept of branchless banking. With a range of full-fledged products, transactions performed at branchless channels now account for 83% of total customers transactions.

Rekening Ponsel, the mobile wallet service that we launched in 2013, continued to cement CIMB Niaga as the leading digital bank in Indonesia. We collaborated with the two of the largest retail chain networks in Indonesia, Alfamart and Indomaret Group and expanded our service to also provide cash deposit and withdrawal capabilities at more than 19,000 outlets across the country. Our registered mobile wallet users grew by 146% Y-o-Y to 674,000 users. In total, we reached 9.4 million transactions annually which represents a 351% growth from the previous year.

Through our various customer-focused efforts, we were able to improve the penetration rate and number of registered customers of by 30% and 59% respectively. By year end, 51% of our entire list of retail customers registered for our internet and/or mobile banking channels.

On the liability side, we grew our deposits portfolio by 8%, reaching IDR140.0 trillion. We also launched the first time deposit (TD) that can be opened online. We made it accessible for our customers by enabling access to TD through CIMB Clicks. In 2014, we reached more than 10,000 customers with more than IDR1 trillion deposit balance. We also introduced ON Account, the first online savings account in Indonesia, offering a

Indonesia Consumer Banking Indicators



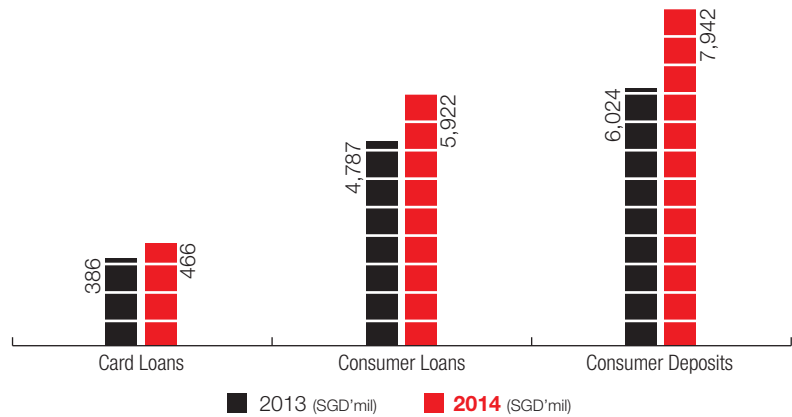
seamless account opening process with attractive interest rates. Additionally, we improved our debit card offerings by providing the best exchange rate among peers and also the enablement of e-commerce transactions with ease.

On the asset side, our personal loan portfolio expanded by 37% to IDR2.2 trillion with a NPL rate of 2%. We are now the fourth largest personal loan provider in the country with a 9% market share. Additionally, we maintained our mortgage business and remained the fifth largest provider with a 7% market share as well as a portfolio book of IDR22.5 trillion. Our credit card business continued to gain market share and cemented as us the fourth largest bank in terms of the number of issued cards, with 1.8 million cards in the market. This is an improvement from the year before when we stood as the fifth largest bank with a card loans growth of 29% to IDR5.3 trillion.

Commercial banking faced a challenging 2014, having to endure currency turbulence and the decline of selected commodity prices. However, under these circumstances, we still managed to grow our loan book by 6% Y-o-Y to IDR36.1 trillion while keeping our NPL at 3.3%. We remain confident that we will be able to identify opportunities in various sectors that will allow a healthy growth of our commercial banking business.

In 2015, we look forward to broadening our digital frontier through our new initiative, the Digital Sales Enablement. Through this initiative, we will expand our distribution network and enter the new frontier of banking which is largely digitalised. Seamless banking experiences for our customers through branchless channels will enable online purchases to be carried out with virtual cards, facilitate instant loan approvals, allow customers to open savings account as well as perform cash deposits and withdrawals digitally.

Singapore Consumer Banking Indicators



SINGAPORE

2014 was another good year for the Singapore franchise with loans growing 24% Y-o-Y. Deposits also continued on its uptrend, registering a 32% increase Y-o-Y with commercial deposits once again being the major contributor, growing 74% Y-o-Y. In addition, the franchise registered a positive turnaround in profitability with a PBT of SGD30 million in 2014.

In retail banking, fee income from wealth management increased by 43% Y-o-Y, driven by strong growth in sales of insurance and other investment products. With our enhanced range of high net worth and retirement planning products, insurance premiums collected increased three-fold to SGD140 million. A total of SGD1.3 billion of investment products were transacted in 2014, of which almost half were contributed by bonds. Revenue from bonds increased by 41% Y-o-Y as investors opted for fixed income investments in search of higher yields. Despite cooling measures dampening the local property market, our Singapore dollar denominated loans for properties in Malaysia, London and Australia managed to gain traction with a 200% Y-o-Y increase.

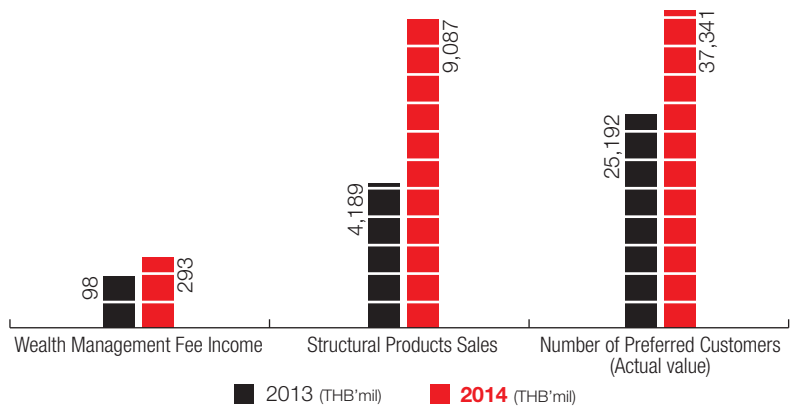
In 2014, together with 13 other participating banks, we successfully launched Fast and Secured Transfers (FAST), an instant electronic funds transfer service, initiated by Monetary Authority of Singapore (MAS). We also continued to reinforce our ASEAN banking proposition and have seen growth especially in the Singapore-Malaysia corridor. In particular, an increasingly popular service is the online real-time transfer of funds between Singapore and Malaysia accounts through CIMB Clicks internet and mobile banking. To date, 92% of our customers have signed up for internet banking, of which 46% are active users.

Our commercial banking business delivered a solid performance in 2014, registering a 77% Y-o-Y growth in revenue fuelled primarily by transaction banking and loans growth. Corporate users on our electronic banking platform grew by 70% Y-o-Y as we continued to leverage on technology to offer our clients greater banking convenience. In turn the growth in users helped to drive transaction volumes and deposits up 548% and 71% Y-o-Y respectively. We continued to garner industry awards in 2014 such as Best Foreign Cash Management Bank in Singapore, as voted by large-sized corporates, for the Asiamoney Cash Management Poll 2014 and Best Trade Bank in Singapore at the Trade Finance Awards for Excellence 2014.

We further strengthened our SME franchise with our suite of innovative products and services. In 2014, we launched an interest-bearing current account coupled with a Singapore Government co-sponsored loan insurance scheme. Within the same year we also managed to bring our debt capital market capabilities to the commercial banking space as we helped to raise more than SGD300 million under the Medium Term Notes (MTN) Programme.

Our credit cards and personal financing business sustained its growth momentum in terms of cards and asset base. With the launch of the Visa Signature card which offers lifestyle benefits to the mass and mass affluent segment, our card base grew 25% to 245,400. Asset base on the other hand grew three times that of the industry. Cashlite continued to play a significant role in asset growth as we continued to offer our customers competitive risk-based pricing. While we have always remained focused on growing the business, we are equally cognisant of the importance of balancing risk and reward. Hence, in 2014, we implemented a series of risk mitigating initiatives to further improve asset quality. Looking ahead, 2015 will be a challenging year as we need to navigate through the Do Not Call (DNC) registry provisions, which are under the Personal Data Protection Act (PDPA) as well as MAS' new unsecured guidelines. Nevertheless, we believe there are still many opportunities that we can capitalise on, with the key focus being customer experience and service quality.

Thailand Consumer Banking Indicators



THAILAND

2014 was a challenging year for our operations in Thailand with the highly competitive market as well as macroeconomic challenges and political instability. However, we managed to record an income growth of 22% Y-o-Y, and we turned profitable with a PBT of THB177.5 million.

Throughout the year, we sequentially introduced various customer-focused initiatives to the market. We saw the successful launch of two of our iconic flagship branches for the affluent segment, both of which are located in the heart of Bangkok’s central business districts. These mega branches represent our one-stop financial and advisory service centre, offering a full range of services for our customers which vary from the middle class to the affluent segments.

We also introduced Beat Banking, a breakthrough banking platform on mobile devices through our branchless mass customer acquisition model. Beat Banking is a collaboration with AIS, the biggest telecommunication service provider in Thailand. Through our work with AIS, we will triple our customer base by leveraging on their strong nationwide reach.

We saw the successful implementation of Project Next, a sales competency enhancement course which was rolled out to all branches throughout the year. Upon completion of Project Next, we recognised a significant improvement in our branch sales productivity. We also experienced a doubling of sales of investment products with the average sales increasing from THB76 million to THB139 million. As a result, profitability per branch improved by 98% Y-o-Y to THB4 million. As for our total secured loan portfolio, we saw a growth of 27% Y-o-Y. This was due to an improvement in our sales efforts as well as productivity levels. Loan NII revenue also grew by 38% Y-o-Y, and contributed to 79% of our overall revenue for the year.

2014 marked a milestone for us as we successfully launched our credit cards and positioned it as “The Credit Card for Travellers”. By partnering strategically with key partners such as the Tourism Authority of Thailand, Canon, and Dusit Hotel Chain, we were able to offer our customers, particularly avid travellers, a range of rewards and discounts.

Our Preferred segment, which is the strategic focus of the bank, showed an impressive 50% Y-o-Y growth in number of customers as well as a 30% Y-o-Y increase in asset under management (AUM). This resulted in a remarkable 200% growth in total revenue from our investment and insurance products. Additionally, these revenues contributed to 9% of our overall revenue for the year as well as 36% of NOI revenue in 2014.

As a regional bank, we continued to efficiently and effectively refer our Preferred customers across the Group as part of ABS. In 2014, our customers grew their AUM in other CIMB transacting countries. With Singapore and Malaysia as one of the key countries, we recorded an AUM worth THB30 million. We also continued to offer discounts and benefits from regional merchants to our credit card holders, ensuring that our customers were able to enjoy our regional network of products and services.

OTHER BRANCHES

For 2014, our Cambodian operations experienced an exceptional year. We exceeded all key targets and after four years of operation, we recorded our first year of positive growth in PBT. This was contributed by high NOI growth of 52%, effective cost management and a strong asset quality, with NPL of almost 0%. We saw our loans increase by 55% Y-o-Y. In particular, our mortgage portfolio increased its share with a 173% growth Y-o-Y. As for deposits, we experienced a 38% Y-o-Y growth. We also successfully obtained a considerable retail customer base deposit growth of 24% Y-o-Y.

We have worked continuously on a strategic level to improve customer service and operational efficiency as well as to build sustainable value creation. We consistently rewarded our customers for their continuous support, especially the Preferred segment, by organising corporate events around consumer lifestyle.

We also took a firm stance on promoting an inclusive culture and implementing staff engagement initiatives, including CIMB Family Day, Town Hall, sports and recreational events, CSR projects as well as employment reward and recognition programme. We also continued to build an organisation with local talent and with the recent appointment of our Cambodian operation’s Chief Executive Officer, we are now the first international bank in Cambodia to be headed by a local.

Our CIMB Bank London branch delivered another record year in 2014. We successfully registered revenues of GBP5.5 million with a Y-o-Y PBT growth of 32%. This was underpinned by an increase in mortgages by 50% Y-o-Y while our asset quality remained healthy with 0% NPL. Also, through effective cost management, we made significant investments in people and IT while still ensuring that our total operating expenditure was effectively managed. This was done simultaneously with efforts to improve our cost-to-income ratio. Remittances processed by our branch increased 25% Y-o-Y. Furthermore, we saw positive traction in harnessing the Group's expertise in Islamic finance and successfully won several UK deals.

In 2015, we expect to see continued robust loan growth. This will be driven by an increasing appetite from ASEAN investors to invest in the UK as well as Europe. Internally, we aim to deploy new capabilities and services to better facilitate our ASEAN customers' cross-border banking needs. We also aim to improve operational efficiencies and enhance processes as well as controls, in line with the UK regulatory environment.

REGIONAL

To further strengthen and complement our efforts to converge our ASEAN expertise and network, ABS was established. ABS seeks to substantiate our "ASEAN For You" value proposition by providing our individual & commercial clients with breakthrough services such as pre-arrival or cross-border account opening & referrals; easy cash access via CIMB's vast regional ATM network, offering customers free withdrawals with the best FX rates, cross-border OTC withdrawals or deposits; real-time fund transfers; same day remittance service; and regional information touch points for better service. As a result, we have been able to build a truly regional banking relationship and customer experience. 2014 saw positive traction for our regional efforts, with regional ATM transactions growing 26% Y-o-Y. Referral efforts between countries have also intensified with a Y-o-Y regional customer base growth of 53% and 43% for Preferred Banking and Commercial Banking respectively. Customers from Malaysia & Singapore were also able to open accounts in both countries and seamlessly view, transact and transfer instantly from single sign-on via CIMB Clicks. This led to a 61% Y-o-Y user base growth, which resulted in transactions growing by 60%.

Our "ASEAN For You" proposition also translated strongly via our regional cards rewards proposition with enhanced hotel stays, dining and golf deals. We continued to expand our rewards offering to loyal customers by adding more participating golf courses and hotels. As of the year end, we had 29 golf courses and 35 hotels participating in our regional rewards programme. Concurrently, we continued to see growth in our Overseas Mortgage portfolio, supported by our wide range of new offerings. For example, we introduced SGD loans for properties in Australia, RM loans for Singapore properties, and secured tie ups with big & reputable developers that were involved in projects in the UK and Australia. To add towards an already comprehensive regional banking solution, we continued to expand our regional proprietary money transfer service, SpeedSend, by expanding our network of remittance outlets and partners across the many global corridors. As such, SpeedSend transactions charted a strong growth momentum of 29% Y-o-Y.

As we proliferated our customer-focused regional offerings through products and services, we also maintained a balance with our internal efforts by implementing regional staff and Relationship Manager secondments, largely between Malaysia, Singapore and Thailand. We also continued to reward best performers in the region through initiatives such as the Regional CEO Challenge which promotes the idea of pooling best practices and the sharing of top performers success stories across the region.

CORPORATE CLIENT SOLUTIONS AND INVESTMENT BANKING

Corporate Client Solutions

The Corporate Client Solutions (CCS) division is the single focal point of contact for the Group's corporate and institutional clientele. Our dedicated sector-based coverage teams market the Group's comprehensive suite of investment and corporate banking products. The division is responsible for originating deal proposals and delivering holistic and optimal financial solutions. As we develop new client relationships, we also expand existing corporate relationships to include coverage of vendors, customers, employees and other stakeholders. CCS' fully-integrated regional operating model together with strong local country networks, connects our CCS teams across Asia Pacific to provide extended client coverage on cross-border mandates.

Investment Banking

The Investment Banking division represents a number of products within the overall wholesale offerings to clients. This includes Advisory and Equity Capital Markets, Group Equities as well as Group Asset Management.

Advisory and Equity Capital Markets

The Advisory and Equity Capital Markets teams have deep expertise in corporate finance, mergers and acquisitions (M&A), equity capital markets (ECM) and are supported by our sector specialists. Our product and sector teams work together with CCS in the origination and execution of products with our targeted clients.

Despite the challenging capital markets and regional economic conditions, 2014 was another year of achievements where we were at the forefront of a number of notable transactions. In Malaysia, CIMB held the No. 1 ranking in all three categories for ECM, M&A and DCM, fourth on the ASEAN ECM league table, and eighth on the ASEAN IPO table.

As the Malaysian investment banking powerhouse, CIMB's notable deals for 2014 included Goldis Berhad's RM2,600.0 million acquisition of equity interest in IGB Corporation Berhad; Malaysia Airports Holdings Berhad's RM1,008.2 million acquisition of a 40% equity stake in each of the two Turkish airports, Istanbul Sabiha Gokcen and LGM Havalimani; SapuraKencana Petroleum Berhad's USD898.0 million acquisition of Newfield Malaysia Holding Inc.; Uni.Asia Capital Sdn Bhd's RM375.0 million disposal of a 68.1% stake in Uni.Asia General Insurance Berhad and RM518.0 million disposal of Uni.Asia Life Assurance Berhad; JT International Holding BV's RM850.0 million acquisition of JT International Berhad; UEM Group Berhad's RM628.0 million disposal of Opus Group Berhad; and UEM Builders Berhad's RM500.0 million disposal of Projek Penyelenggaraan Lebuhraya Berhad.

CIMB led IPOs, such as the RM1,050.0 million Boustead Plantations Berhad IPO as Joint Underwriter; the award winning RM843.0 million 7-Eleven Malaysia Holdings Berhad IPO as Joint Bookrunner for institutional offering; and the RM127.0 million Tanah Makmur Berhad IPO as Principal Adviser. Other notable equity transactions include Bumi Armada Berhad's RM1,980.0 million renounceable rights issue, the largest O&G equity fundraising in South East Asia in 2014; Malaysia Airports Holdings Berhad's RM980.0 million new shares placement; and Khasera Baru Sdn Bhd's RM818.0 million existing shares placement.

WHOLESALE BANKI

Regionally, our capabilities to deliver value to our clients featured prominently in ASEAN M&A deals such as B. Grimm Power Ltd.'s USD162.9 million acquisition of power assets in Thailand and Singapore's Sound Global Ltd.'s SGD903.0 million voluntary delisting from SGX-ST. Beyond ASEAN, we are pleased to have completed TPG Capital's USD117.0 million acquisition of an equity stake in Union Bank of Colombo PLC, the largest M&A transaction in the Sri Lankan financial sector for the year. In Australia, we completed the Saputo Inc.'s AUD603.0 million acquisition of Warrnambool Cheese & Butter Factory Ltd. Our ability to leverage on our regional connections to bring together buyers and sellers from across borders was also featured in Australia's SEEK Limited's USD586.0 million acquisition of Job Street Corporation Berhad.

Our regional equity capital market teams continued to generate formidable investor interest and capital funding for our clients in significant IPO and secondary market transactions. In Singapore, CIMB was the Joint Global Coordinator and Joint Bookrunner for the SGD361.6 million OUE Commercial Real Estate Investment Trust IPO. Our Thailand team listed the THB13,000.0 million IPO of Bangkok Airways as well as the award winning THB7,000.0 million Carabao Group Pcl IPO where CIMB was the Co-financial Adviser and sole International Bookrunner. In Indonesia, notable equity transactions include Bank Bukopin's IDR1.8 trillion rights issue and PT Link Net Tbk's USD455.0 million secondary share placement.

In Hong Kong, CIMB led in five IPOs as Joint Bookrunner, including the USD1.1 billion Harbin Bank Co. Ltd. IPO and the USD261.0 million Nirvana Asia Ltd. IPO, the first Malaysian company in bereavement care service to list on the HKSE since 2009. The Australian team also successfully led four IPOs as Bookrunner, including the award winning AUD2,300.0 million IPO of Healthscope Ltd., the largest ever Australian healthcare sector IPO; the AUD112.7 million Smartgroup IPO; the AUD102.0 million Lovisa Holdings Ltd. IPO; and the AUD114.0 million Centuria Metropolitan REIT IPO.

For the year, we won 31 regional and domestic awards comprising 16 house awards and 15 deal awards. Notable regional awards won were Best Islamic Investment Bank (APAC) and Sukuk House of the Year (APAC) from The Asset Triple A as well as Best Islamic Bank in ASEAN and Best Bond House in ASEAN from Alpha SEA. Among the domestic house awards were the Best Investment Bank from Euromoney, Finance Asia, Alpha SEA, The Asset Triple A and Global Finance (for eighth consecutive year); Best Islamic Investment Bank from Global Finance, Best Equity House from The Asset Triple A; and Best Bond House from Asia Money. Deal awards received included Best Equity Deal of the Year in South East Asia for Carabao Group Pcl's THB7,000.0 million IPO; Best Deal in Australia for Healthscope Ltd. AUD2,300.0 million IPO; Asiamoney Regional IPO of the Year for China Huishan Dairy's USD1,500.0 million IPO; Best Islamic REIT Deal of the Year in South East Asia for KLCC REIT's RM3,000.0 million Sukuk; Best Sovereign Bond of the Year in South East Asia for Republic of Indonesia's USD1,500.0 million Trust Certificates; Islamic Deal of the Year for International Islamic Liquidity Management Corporation's USD490.0 million Sukuk; Real Estate Deal of the Year in Asia Pacific for SP Setia's RM700.0 million Islamic Perpetual Notes; and Islamic Finance Deal of the Year in Asia Pacific for Cagamas Berhad's RM3,800.0 million multi-tenor Sukuk.

Group Equities

Group Equities includes Institutional Equities, Retail Equities, Futures Broking, and Equity Financing Services. Our Institutional team serves clients throughout the Asia Pacific region as well as global investors in Asia Pacific Equities. The Group also serves our retail clients in major ASEAN markets.

2014 proved to be a challenging year for ASEAN equities. Despite this, our cash equities division recorded an increase in revenue and wallet share.

In terms of market share, we continued to maintain our dominance in ASEAN with a No. 1 position in Singapore and No. 2 in Indonesia. We also continued to improve our rankings in Thailand, moving from the seventh to the third position. As for Malaysia, we achieved a strong second position in 2014.

Driving our growth was the successful roll out of our advanced execution services for institutional clients. We successfully provided low touch and algorithmic trading in ninth markets across APAC. This reduced the cost of trading for our institutional clients. Our extensive APAC platform provided clients with speed and accuracy in execution as well as simultaneous access to all the key markets in this region. We also provided bespoke services for algorithmic trading where we built solutions specific to each client's needs.

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The Wholesale Bank comprises three business divisions namely, Corporate Client Solutions (CCS), Investment Banking (IB) and Corporate Banking, Treasury & Markets (CBTM).

Investment Banking Notable Transactions



Sapurakencana Petroleum Berhad

USD898 million acquisition of the entire issued and outstanding common shares of Newfield Malaysia Holding Inc. from Newfield International Holdings Inc



SEEK Limited

RM1.9 billion acquisition of 100% of the online employment businesses of JobStreet Corporation Berhad in Malaysia, Singapore, Indonesia, Philippines and Vietnam



CARABAO GROUP Carabao Group pcl

THB7.0 billion IPO on The Stock Exchange of Thailand



Harbin Bank Co., Ltd.

USD1.13 billion IPO on Hong Kong Stock Exchange



Cagamas Berhad

USD2.5 billion Multi-Currency Medium Term Note Programme issued via Cagamas Global P.L.C. and USD2.5 billion Multi-Currency Sukuk Issuance Programme issued via Cagamas Global Sukuk Berhad



TNB Western Energy Berhad

RM3.655 billion Sukuk issuance under the Islamic Principles of Ijarah and Wakalah

We continued to attract strong interest with our flagship conferences such as the CIMB Asia-Pac Conference and Invest Malaysia held in Kuala Lumpur. Our 2-day Bali Conference featured Indonesian corporates and had a record turnout of over 200 institutional clients and 57 corporate clients with over 600 conference meetings. We also ran our 12th Annual Asia Pacific Leader's Conference in London.

On the retail front, together with consumer banking, our broadened product offerings were well received. We continued to strive towards providing a seamless service to retail clients from both banking and investment perspectives. We continued investing in technology to create a multi-asset, multi-trading platform for our retail clients. Also, we enhanced our i*Trade@CIMB platform to provide access to eight exchanges in six countries. Additionally, we expanded our range of product offerings, such as CFD trading in new markets.

In 2014, we won numerous awards, including Best Retail Broker in Singapore by the Securities Investors Association Singapore and Alpha SEA Best Financial Institution Awards; Best Broker in Malaysia by Bursa Malaysia and Asia Money Broker's Poll; and The Asset Triple A Country Awards in Indonesia. In Thailand, we were awarded Best Derivatives House by the SET Awards.

It was also an excellent year for our research team, winning coveted awards from Asia Money and Starmine. This included Best Overall Country Research for Malaysia by Asia Money and the second most awarded broker for Singapore by Starmine. Many of our analysts from Malaysia, Singapore, Thailand and Australia also came out tops in their respective categories in the Asia Money Broker's Poll. At the Starmine Awards, our analysts also received awards such as No.1 Top Stock Picker in Industrials, Technology, Retail & Consumer Products as well as No.1 Top Earnings Estimator in Financials and Industrials in Singapore.

Looking ahead at 2015, it is likely to be another challenging year for the region due to mixed signals from the global economy. A sharp tightening of global financial liquidity is also likely to cause capital outflows and further volatility. Despite the expected tough market conditions, we expect to continue our revenue momentum and growth in wallet share for the Equities group.

Group Asset Management

Group Asset Management provides retail and institutional fund management services to our clients.

CIMB-Principal is one of the largest asset management companies in Malaysia and has a regional footprint covering Singapore, Indonesia and Thailand. CIMB-Principal Group's vision is "to be the Preferred Regional Asset Management and Retirement Service Provider delivering Superior Customer Experience" whilst CIMB-Principal Islamic's vision is "to be the most valued Global Islamic Asset Management Company delivering Superior Experience".

In 2014, CIMB-Principal's total group AUM grew by 8% to RM50.7 billion while our Indonesian and Thailand subsidiaries' total AUM grew by 68% and 66% respectively. Although 2014 has been a challenging year, CIMB-Principal (Malaysia) managed to maintain its industry ranking at No. 2 in

terms of AUM. We recorded a sales growth of 38% for both unit trust (UT) and private retirement schemes (PRS). Our Thai subsidiary entered into a sales and purchase agreement to acquire another Thai asset management firm, Finansia Asset Management Ltd to improve our scale and market presence.

We continued to be recognised as a significant player in the asset management industry and was awarded Best Asset Manager in Southeast Asia from Alpha Southeast Asia for the 5th consecutive year as well as Asset Management Company of the Year at The Asset Triple A Awards 2014. CIMB-Principal also received awards in two fund categories at the Morningstar Fund Awards 2014 as well as in eight fund categories at the Edge-Lipper Fund Awards 2014.

CIMB-Principal Islamic was recognised as a leader in Islamic asset management, winning a number of awards in 2014 which included Best Asset Management Company from Global Finance in conjunction with the World's Best Islamic Financial Institutions 2014 Awards for the fifth consecutive year, as well as Islamic Asset Management House of the Year (APAC) at The Asset Triple A Islamic Finance Awards 2014 for the second year running.

Stepping into our 20th year of operations, CIMB-Principal has identified that the key focus going forward will be to enhance customer experience by strengthening our operational structure and capitalising on our valued assets across region.

Initiatives

In 2014, the Investment Banking division conducted an in-depth review and reset its long term aspirations and regional strategies. As part of the long term strategic review programme, known as Project 360, the Investment Banking division deployed a client-led strategy in our ASEAN markets while focusing on key products in non-ASEAN markets. Amongst the key strategic thrusts are Wholesale Banking collaboration, redefining of business models, streamlining the cost base, strengthening of business enablers and infrastructure, and revamping of people practices and culture. The transformation programme kicked-off in mid-2014 and the initiatives is well into implementation. Project 360 will reposition the Investment Banking business to be able to compete effectively at the global level moving forward. There will be a focus on key strategic offerings such as mobile trading platforms, as well as low touch and algorithmic trading. We have also initiated the consolidation and refocusing of the Investment Banking business which included the closure of our Australian offices and selected streamlining across the platform.

CORPORATE BANKING, TREASURY & MARKET

The Corporate Banking, Treasury & Markets (CBTM) division is responsible for corporate banking; transaction banking; securities services; the Group's markets, sales and trading businesses in interest rates, credit, foreign exchange, commodities, equities and their derivatives; debt capital markets; fixed income investments; and treasury and funding operations for the Group.

Corporate Banking

Malaysia

In 2014, our Malaysian corporate loan book decreased by 10%. However, including loans in our Labuan and London branches and excluding government loans, we achieved a loan growth of 11% while corporate deposits, including deposits in Labuan and London branches, registered an increase of 7%. Growth in loans was largely due to the funding of capital expenditure, business expansion, refinancing and M&A transactions via syndicated corporate loans, overseas development financing and loans to companies undergoing corporate exercises. We remained focused on growing the loan book profitability while embracing positive credit risk management, in line with CIMB's risk appetite.

Indonesia

Our Indonesia corporate loan portfolio grew by more than 26% despite continued economic slowdown in 2014. The working capital loan increased by 6% to reach 41% of the total loan portfolio, resulting in higher than industry CASA growth. Additionally, we actively promoted and supported cross-border transactions and recorded a 95% growth in cross-border revenues. Going forward, we will continue to strengthen our loan portfolio prudently through clearly defined target market criteria. There will also be continued emphasis on growing working capital loans while reducing the reliance on investment term loans. We also look to gain more current operating accounts and generate an increase in cross-selling opportunities.

Singapore

For corporate banking Singapore, we achieved a deposit growth of 33% while loan portfolio grew moderately by 5% on the back of major loan repayments. We saw a significant improvement in trade volume with a growth of 16%. This was due to customers' trade flow, mainly between China and Singapore. We also saw good momentum for cross-border collaboration, supporting our customers across the border not only in Singapore but also in our other core markets. Our key business strategy remains understanding our customers' requirement and providing valuable financial solutions and banking services.

Thailand

Despite Thailand's economy coming under pressure and investments being cautiously limited due to political unrest, our Thailand corporate banking's total income increased 26% Y-o-Y. This stemmed mainly from Deposit NII and Non-NII revenue from financial advisory services and structured derivatives products. Deposit balances and NII grew 25% and 53% respectively, while our loan portfolio decreased slightly from the previous year. This was mainly due to our prudent risk management practice. Our cross border income more than tripled as a result of strong team focus and collaboration within the ASEAN region.

Regional Transaction Banking

Trade Finance revenue grew by 35% despite challenging global conditions. This was driven mostly by exports businesses and structured trade, with Singapore recording the strongest revenue growth of 144% Y-o-Y. Additionally, our Malaysian operations carried out the first Bank Payment Obligation (BPO) transaction in the country and also significantly increased our RMB trade financing market share to 48%. Also, Malaysia followed

Indonesia's successes in supply chain financing. In 2014, we won various notable awards including Best Trade Finance Solution for the Year in Southeast Asia by SEA Alpha as well as The Assets Triple A's Best Risk Management Solution for Trade Finance Malaysia. We were proud to be recognised as the Best Trade Bank in Malaysia, Indonesia and Singapore by Trade Finance Award for Excellence, in addition to being awarded Best Supply Chain Finance Bank and Islamic Trade Bank in Asia Pacific.

Overall, Cash Management grew 4% Y-o-Y with significant growth in Singapore and Cambodia. In Malaysia we launched JomPay and Distribution Card while taking part in Bank Negara Malaysia's e-Payment drive and GST implementation. We introduced BizChannel@CIMB LITE Package, a simplified version of our electronic regional transaction banking platform which caters to our SME customers needs. Also, the successful rollout of Plug n Pay won us the Editor's Triple Star Award by the Assets in Malaysia, together with the award for Malaysia's Best Cash Management Bank. For the Asiamoney 2014 poll, we were also voted Best Cash Management Bank in Malaysia, Singapore and Thailand as well as Best Overall Cross Border Cash Management Service in Malaysia and Thailand.

Credit Markets

We firmly maintained our top position in the ASEAN local currency debt capital markets for the fourth consecutive year. We also topped the global league tables for Sukuk, marked a decade of undisputed leadership as No. 1 in Malaysian domestic bonds on the Bloomberg League tables and top two in Indonesia. We continued to collect accolades from international financial publications such as Best Bond House in ASEAN by Alpha Southeast Asia, our third consecutive win; Sukuk House of the Year (APAC) by The Asset, the third year running since 2012; and Best Bond House in Malaysia by Finance Asia, The Asset and IFR Asia.

Despite a lower number of large scale project/infrastructure financing bond and debt restructuring opportunities, we won an unprecedented number of high profile and ground breaking Global Sukuk transactions by the Government of the United Kingdom, the Government of Hong Kong, the Republic of Indonesia and the Republic of Turkey. Furthermore, we brought innovative landmark transactions to the market. These included the USD500 million Sukuk by the International Finance Facility for Immunisation Company; two issues of USD1.5 billion Trust Certificates by Islamic Development Bank; USD300 million Sukuk issuance by Export-Import Bank of Malaysia Berhad; RM400 million Tier 2 Subordinated Debt issuance by CIMB Thai Bank PCL; USD500 million Exchangeable Sukuk by Khazanah Nasional Berhad; RM1 billion Perpetual Sukuk Musharakah issuance by Malaysia Airports Holdings Berhad; RM715 million Perpetual Sukuk Musharakah issuance by DRB HICOM Berhad; USD25 million and JPY2.5 billion Sukuk Wakalah by Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad. RMB1 billion Bonds by China Development Bank Corporation; USD500 million Bonds by Cagamas Global PLC; THB5 billion Senior Unsecured Debentures by TPI Polene PCL; IDR4.0 trillion Bonds by Indonesia Eximbank; and IDR500 billion Bonds by PT Ciputra Residence with an International Finance Corporation partial guarantee.

On the Loan Markets and Syndication front, we achieved a top 10 position in Bloomberg's ASEAN 2014 bookrunner league table as we deepened our

CBTM Notable Transactions



Government of the Hong Kong Special Administrative Region of the People's Republic of China

USD1.0 billion Trust Certificates due 2019 issued via Hong Kong
Sukuk 2014 Limited



Government of the Republic of Indonesia

USD1.5 billion Trust Certificates due 2024 issued via Perusahaan Penerbit
SBSN Indonesia III



China Development Bank Corporation

CNH1.0 billion Bonds due 2017



Battersea Phase 2 Holding Company Limited

GBP750 million Financing Facilities for the development of the
Battersea Phase 2 Project

Battersea Phase 3 Holding Company Limited

GBP600 million Financing Facilities for the development of the
Battersea Phase 3 Project



PT ADARO ENERGY TBK

USD1.0 billion 7 year Term Loan Club Facility



SapuraKencana TMC Sdn Bhd

RM16.5 billion Senior Multi-Currency Term and Revolving Facilities

ASEAN loan market footprint and No. 2 position on the Malaysian bookrunner league table with a market share of 18%. Notable deals lead-arranged by us included the GBP1.35 billion term financing for the development of Battersea Power Station of Phase 2 and Phase 3; the USD5.5 billion term financing for SapuraKencana TMC Sdn Bhd; the USD1.0 billion term financing for PT Adaro Indonesia; the RM1.1 billion term financing for Perusahaan Otomobil Nasional Sdn Bhd and the SGD680 million term financing for OUE Commercial Reit.

Treasury Markets

In 2014, our foreign exchange franchise continued to grow strongly. We emerged with the largest FX market share in Malaysia with FX volumes increasing by 23% during the year. Corporate customers and other financial institutions acknowledged us as Malaysia's Best Domestic Provider of FX Services and FX Option in the Asiamoney FX poll for the seventh consecutive year and fifth consecutive year respectively. Our Indonesia, Singapore and Thailand teams did equally well in the FX poll, emerging as the top providers of FX Services in-country. We were also proud to have our proprietary remittance platform, SpeedSend, named the No. 2 Remittance Service Provider in Intra-ASEAN remittance business due to the extensive ASEAN corridors coverage we offer. In total, we have 13,378 touch points, enabling remittance between 16 countries.

For Global Derivatives Sales, we enjoyed good returns on cross-border commodities transactions through healthy collaboration synergies from our ASEAN network and wholesale business franchise. Thailand marked a significant 93% revenue growth Y-o-Y supported by consistent commodity hedging flow and new rate hedging flow.

Our Global Institutional Sales maintained leadership in RM Private Debt Securities (PDS) secondary sales market, while making good progress in developing SGD bond franchise. Structured investment sales continued to see healthy traction from cash-rich institutions in Thailand. We also successfully won five seats in The Assets' Best Sales Person league table.

For the year, we strengthened our liquidity position via the establishment of a new USD5 billion eMTN programme of which we issued USD237.6 million. Various initiatives were put in place to widen both the breadth and depth of our funding sources.

In the derivatives and structured solution business, CIMB continued to be recognised as the market leader in Malaysia. We were awarded the Structured Product Asia Award for Best in Malaysia and House of the Year for Malaysia by Asia Risk for the eighth and ninth consecutive years respectively. Our ASEAN regionalisation efforts also gained us the recognition of House of the Year for Indonesia by Asia Risk for the third consecutive year, Structured Product Asia Award for Best in Indonesia and Best Structured Product House for Thailand by The Asset.

Equity Derivatives Group

Although we reduced our number of structured warrants issued to 124, we maintained our position as the top issuer and market-maker of structured warrants sold in Malaysia for the year. In Thailand, we continued to see progress since the initiation of our derivative warrant business in 2013. Also, CIMB Securities (Thailand) Co. issued 10 derivative warrants in 2014.



CIMB Group's Ranking Across Regional Capital Markets

Malaysia	Rank
Cash Equities	2
IPO	5
ECM	1
M&A	1
Syndication^	3
DCM	1
Sukuk	1
FX	1



Indonesia	Rank
Cash Equities	2
IPO	12
ECM	8
M&A	20
Syndication^	12
DCM	2



Singapore	Rank
Cash Equities	1
IPO	13
ECM	14
M&A	25
Syndication^	18
DCM	7



Thailand	Rank
Cash Equities	3
IPO	11
ECM	13
M&A	17
Syndication^	8
DCM	7



ASEAN	Rank
Cash Equities	2
IPO	8
ECM	4
M&A	5
Syndication^	9
DCM (Local currency)	1

Sources: Dealogic, Bloomberg, Central Banks, Local Stock Exchanges and internal data
Note: ^ Mandated lead arranger

GROUP STRATEGY & STRATEGIC INVESTMENTS

Group Strategy & Strategic Investments (GSSI)

- Navigating CIMB Group's strategic direction
- Driving strategic investments for the Group

STRATEGIC INITIATIVES

In 2014, our Group Strategy and Strategic Investments (GSSI) division led a comprehensive Strategic Review exercise on the mid-term direction for CIMB Group. A taskforce chaired by the Group Chief Executive Officer was setup to articulate our mid-term strategy to understand CIMB's current context, define our aspirations and objectives as well as develop our strategic options and priorities. The result of the strategic review is now encapsulated in our Target 2018 (T18). T18 serves as the strategic blueprint for the Group as we navigate through the coming years to become a leading financial services provider in the region.

We made further progress with our insurance business optimisation strategy. Recently, we divested a 49% stake in our insurance broking entity, CIMB Insurance Brokers Sdn. Bhd. to Howden Broking Group, a leading international wholesale and reinsurance broker. This partnership will enable CIMB to tap Howden's global expertise, allowing us to offer more comprehensive insurance solutions to our corporate clientele.

STRATEGIC INVESTMENTS

We continued to identify strategic investment opportunities that would add value and grow our business ecosystem. Via CIMB Private Equity, we took a minority stake in PT Modern Internasional Tbk, the listed retail operator and owner of the 7-Eleven convenience store franchise in Indonesia. The Indonesian retail chain continued to demonstrate robust growth in sales, new store openings and related infrastructure development, with our CIMB Niaga team actively supporting and participating in this growth.

Our other strategic investments also continued to show positive results. Touch 'n Go consolidated its position as the leading electronic payments system provider for micro payments. This was particularly evident with the success of its retail strategy where the number of merchant partners and reload channels increased by over 100% and 50% respectively, leading to a notable rise in card transactions and reloads. Also, Touch 'n Go recently completed Phase 1 of the Commercial Back Office upgrade that will enable the company to elevate its capabilities in ticketing and payments clearing, along with additional functionalities.

We realised our investments in the Tune Money venture during the year and currently retain a 9.4% stake in Tune Insurance Holdings Berhad. Additionally, our investment in Bank of Yingkou in China continued to perform well, driven mainly by the growth in its investment income.

PRIVATE EQUITY

In 2014, we sustained the momentum in building our private equity business and strengthened the team with new senior hires. Having made strong inroads in building our bench strength, we look forward to launching other new investment strategies that will accentuate our ASEAN proposition further.

We made an investment with a significant minority stake in the R.E.A.L Education Group (REAL) for our CIMB National Equity Fund. REAL is a full-fledged education service provider offering quality integrated education from preschool to secondary levels. As for Bangsar Capital Holdings (L) Limited, a private equity joint venture between CIMB Group and Hong Leong Financial Group, the fund continued to evaluate opportunistic and strategic stakes with a robust deal pipeline that leveraged on the business ecosystem of both partners.

We made good strides in terms of developing new investment strategies that leverage on our position as a leading ASEAN financial institution. Our latest PE platform, AIGF LP, was launched recently and is a unique investment platform for Japanese investors seeking investments in Southeast Asian opportunities. Mitsubishi Corporation and Development Bank of Japan Inc. are our partners in the fund. We also launched the Asia Security Fund, a niche fund that will identify investment opportunities in the securities services industry within Asia.

Our independent funds, which are managed through our fund management subsidiaries, continued business expansion. The highlight for CIMB-Mapletree Sdn. Bhd. was the completion and opening of our latest investment, Jaya Shopping Centre in Selangor, Malaysia. The redevelopment and new positioning of this nostalgic neighbourhood shopping mall can best be described as a showcase of our people-centric focus in the way it engages its surrounding community.

CIMB-TrustCapital Advisors Singapore Pte. Ltd. successfully completed two prime property transactions for our latest fund, the Australian Office Fund No. 2 (AOF2) in Brisbane and Sydney. Our inaugural fund, the Australian Office Fund 1 (AOF1) continued to perform well and our portfolio of assets across four major Australian cities saw an improvement in the portfolio occupancy rate to a solid 92%, resulting in a valuation uplift.

Capital Advisors Partners Asia Pte. Ltd. (CapAsia), our infrastructure fund manager, reaffirmed its position as a leading renewable energy investor with investments in three wind parks, two of which have been commissioned and the third in advanced stages of construction. In addition, its solar power investments in Malaysia including a stake in the roof-top solar facility at Kuala Lumpur International Airport, have come on-line. We also continued to focus on the Environmental, Social and Governance aspects of our investments. For example, our investee company in the Philippines launched a Social Engagement Programme aimed at supporting the local communities that surround the area of the wind farm through education, vocational training and employment initiatives.

Selected Funds



AIGF



Recent Investments



Christmas Showcase at Jaya Shopping Centre with children from Rumah Hope Orphanage together with Miss Malaysia World 2014, Dewi Liana Serietha.

CIMB ISLAMIC

CIMB Islamic is the global Islamic banking and finance franchise with an extensive suite of innovative Shariah-compliant products and services encompassing consumer banking, investment banking, asset management, banca-takaful, private banking and wealth management solutions. Our customers range from personal, commercial, large corporate governments; to institutional customers across ASEAN, the Middle East, South Asia, the Asia Pacific; to global financial centres and countries where our ASEAN customers have significant business and investment dealings.

We closed the year as the world leader in Islamic finance. We are the largest Islamic investment bank by activities and arranger of Sukuk (Islamic bonds) as well as by number of deals and volume. We are also one of the most diversified Islamic fund houses, offering equity, fixed income, and cash management solutions. Despite subdued market sentiments and difficult operating environments in our core markets globally, CIMB Islamic performed commendably well across all areas of focus in 2014.

We continued to grow, anchored by the franchise's main operating entity, CIMB Islamic Bank Berhad, which delivered PBT of RM526 million, a Y-o-Y increase of 7%. This is mainly attributable to effective cost management, improvement in asset quality and an increase in fee based income. We also saw a steady growth in our balance sheet with Islamic financing assets growing by 3% Y-o-Y while Islamic deposits grew by 7% Y-o-Y.

We maintained our position as the second largest Islamic bank by assets and the largest Islamic investment bank in Malaysia. With 85% of total assets, Malaysia continued to be the biggest contributor to our business in 2014, with increased contribution from overseas business, namely from Indonesia and Singapore, contributing 4% and 9% respectively.

In Singapore, under CIMB Bank Singapore, we continued to see remarkable development in our Islamic financing business which grew 77% Y-o-Y. This cemented our position as one of the largest Islamic finance players in the country. Islamic financing made up 6% of CIMB Singapore's financing assets while Islamic deposits constituted 7% of total Singapore deposits. We also successfully broadened our Singapore Islamic offerings with the launch of

the Business and Corporate Wadiah current accounts as well as the Takaful Personal Accident (PA) coverage, which is free with any fresh funds deposit of SGD5,000 into our retail Islamic deposit account.

Our business in Indonesia saw a 21% increase in the number of deposit and financing accounts. As for the number of Islamic credit cards holders, we saw a growth of 36.1% under our Islamic banking sub-brand, CIMB Niaga Syariah. In 2014, in line with CIMB's overall initiative to improve product and service delivery, we consciously slowed down our asset growth to focus on building a new core banking system for our business. We have also launched into the initial phase of our plans to spin off the business into a separate legal entity by 2017, earlier than the legal deadline imposed by Indonesian authorities, to take advantage of expected industry growth.

We have enhanced our capacity and capability in the provision of Islamic finance advisory services by expanding our scope of activities in the areas of Shariah and Islamic Legal. There is a new and specialised expertise within CIMB, which is crucial in facilitating proper management of related risks inherent in Islamic finance activities, internally and externally in order to lay the groundwork for international expansion into new Islamic finance products and services.

We maintained our strong foothold in Malaysia, Singapore and Indonesia's Sukuk markets. For Malaysia, we successfully topped the Ringgit Sukuk market league table by delivering 29.4% of all Sukuk issuances in terms of value. As for Singapore and Indonesia, we cemented ourselves the second and third position respectively in the Singapore dollar and Rupiah Sukuk

markets. On the global Sukuk front, we retained the industry's number one position, with 15.4% of the total global Sukuk issued.

2014 was an excellent year in terms of international cross-border deals. We participated in landmark sovereign Sukuk deals, including those issued by the Government of Hong Kong, United Kingdom, Indonesia and Republic of Turkey. We also carried out two global Sukuk issuances for a supranational organisation, the Islamic Development Bank. Additionally, we managed the world's first socially responsible Sukuk issued by the International Finance Facility for Immunisation. Our ability to undertake and successfully execute deals of notable international stature is a testament to our focus on becoming a global people-centric bank, necessitating strong rapport and understanding with our stakeholders.

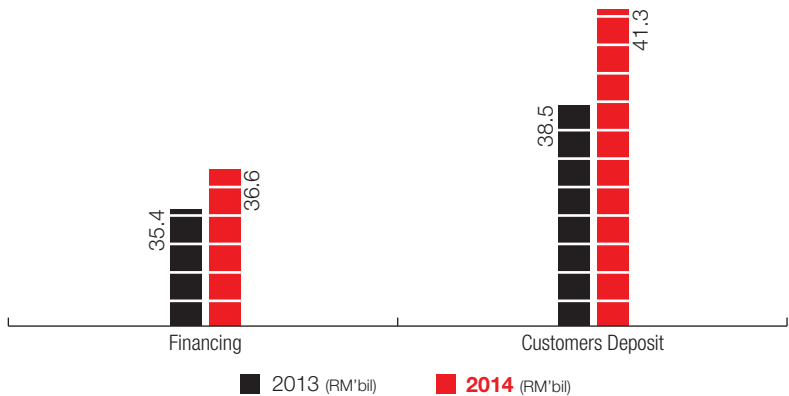
On the corporate banking front, we continued to participate in various syndicated cross-border transactions, including the largest Islamic financing as well as one of the largest real estate financing transactions of 2014 in the United Kingdom, Battersea's GBP532 million Islamic syndicated facility.

We received an additional 80 house and deal awards, which include Best Islamic Finance Bank in South East Asia by Alpha Southeast Asia, Best Islamic Bank in Asia by Asiamoney, and Best Islamic Finance House by Finance Asia, cementing CIMB Islamic as the most awarded Islamic finance franchise in the world.

We remain conscious of the need to give back to the community and do so under various Corporate Responsibility initiatives. We gave a grant totalling RM1.5 million to the International Centre for Education in Islamic Finance (INCEIF) called CIMB Islamic-INCEIF Centre for Islamic Banking Studies (CICIBS). The main objective of CICIBS is to carry out, publish and disseminate high-quality research related to Islamic banking practices, issues, product development, regulatory framework and their respective roles in optimising financial inclusion within the society. We also gave RM1 million to MERCY Malaysia, a non-governmental organisation (NGO) that has been providing relief in the devastated and conflict-razed Gaza Strip. The donation was to provide immediate medical assistance, and was also used to assess other requirements of the affected population such as food and nutritional neccessities.

When the East Coast states in Peninsular Malaysia were hit by devastating floods late in 2014, CIMB Islamic was also quick to contribute to the relief efforts. Immediate financial aid of RM250,000 was provided. Our staff were also on-the-ground, working tirelessly with colleagues throughout CIMB to help pack, transport and deliver material aid to the flood victims. We have since increased our contribution to the flood relief to RM1.3 million. Of this amount, a substantial amount was allocated for affected CIMB staff, while the remaining amount was set aside for general recovery efforts and relief for other flood victims. In responding to the plight of flood victims, many CIMB staff forged a bond that transcended business units and saw all of us working together for the greater good of the community that we serve.

CIMB Islamic Bank Financing & Deposits



Malaysian Sukuk League Table

No	Underwriter	Market Share (%)	Amount (RM Million)	Number of Issues
1	CIMB	29.4	18,246	108
2	Maybank	22.7	14,048	94
3	AmInvestment Bank Bhd	14.2	8,802	65

Global Sukuk League Table

No	Underwriter	Market Share (%)	Amount (USD Million)	Number of Issues
1	CIMB	15.4	7,142	118
2	HSBC Bank PLC	12.4	5,769	52
3	Maybank	9.9	4,594	98

SUPPORT DIVISIONS

Capital and Balance Sheet Management

In 2014, our Capital and Balance Sheet Management (CBSM) division continued to centralise the capital and balance sheet management functions of the Group while operating as an independent unit working in parallel with the Group's business units.

We expanded the role of managing the Group's net interest income and net interest margin on the non-traded market risk book (banking book), independently monitored the performance of business lines and measured the return on Cost of Funds (COF) from the Group's different business activities and client segments. Through our regional offices, we continued to implement a Group-wide Funds Transfer Pricing (FTP) framework as a pricing tool and managed the structural interest rate and liquidity maturity mismatches for on-and off-balance sheet exposures.

The Group places a strong emphasis on maintaining capital targets comfortably above the Basel III requirements. There is also a clear focus on meeting the requirements of the regulators, shareholders and external credit rating agencies as well as the needs of the business units. We demonstrated our commitment to these requirements through our continuous effort in keeping an optimal capital position. In Jan 2014, we successfully completed a private placement of new ordinary shares amounting to RM3.55 billion. Our Dividend Reinvestment Scheme (DRS) also continued in 2014, generating an additional RM1.29 billion of capital which reinforced the capital position of the Group. Additionally, risk-weighted assets (RWA) optimisation initiatives during the year achieved substantial credit RWA savings. CIMB Bank's CET1, Tier 1 and Total Capital ratios were 11.2%, 12.6% and 14.7% respectively; CIMB Thai's CET1, Tier 1 and Total Capital ratios were 10.1%, 10.1% and 15.2% respectively; and CIMB Niaga's Basel II Tier 1 and Total Capital ratios were 13.3% and 15.6% respectively.

To complement the Group's regulatory capital review, we remained diligent in carrying out the Internal Capital Adequacy Assessment Process to assess and improve economic capital adequacy as well. Through this process, the Group's material risks against its capital position will be effectively assessed and monitored.

As part of an effort to streamline capital management efforts within the Group, CIMB Group shares capital management initiatives with our subsidiaries, and through cross-border collaborative efforts, we were able to make capital management more effective and efficient. In July 2014, CIMB Thai issued RM-denominated Basel III compliant Tier 2 subordinated debt of RM400 million (THB4 billion) to replace the old-style subordinated debt of THB2.5 billion that was called in March 2014. We foresee similar efforts to materialise in the coming years as CIMB Group continues to forge stronger ties with regional stakeholders.

The Group's double leverage and gearing ratios also continued to improve to 111.4% and 12.7% respectively, largely owing to a sizeable increase in shareholders' funds. This was largely due to the private placement in January and the stable dividend income from CIMB Bank as well as the repayment of outstanding Commercial Papers (CP) amounting to RM700 million over the year.



ASEAN Business Club (ABC) delegates and the Malaysian Prime Minister, Dato' Sri Najib Razak during the ABC delegation in Kuala Lumpur.

CIMB ASEAN Research Institute

Our think tank for businesses in ASEAN, CIMB Research Institute (CARI), continued to build its credibility in support of the advancement and acceleration of the ASEAN integration agenda.

CARI is the secretariat to the ASEAN Business Club (ABC), a platform for ASEAN business leaders to network and to engage with the policy makers for the implementation of ASEAN Economic Community (AEC) 2015. The ABC led delegations of business leaders to the Philippines and Malaysia to call on President Benigno S. Aquino III, Prime Minister Najib Razak, and also held roundtable discussions with cabinet members of the respective countries.

We successfully held the ABC Forum 2014 in Singapore early September with the theme “ASEAN Game Changers”. which focused on resolving trade and industry issues of the ASEAN Economic Community (AEC). CARI also managed to secure twenty five partnerships, including Bloomberg TV, as our media partner.

For a second year, the year-long exercise of our Lifting-The-Barriers initiative yielded another set of sectoral reports aimed at examining the gaps in each sector. Also, to make our report findings from the previous year more accessible, CARI collaborated with Khon Kaen University of Thailand to release Thai translations of the 6 LTB reports of 2013. Additionally, we held another six Lifting-The-Barriers Roundtables, which focused on Legal and Tax, Automotive and Manufacturing, Financial Services and Capital Market, Minerals, Oil and Gas, Food and Beverages and Retail sectors.

CARI also provided strategic input and assistance for the CIMB Youth Leadership Summit (CYLS), a roundtable session with the US ASEAN Senior Advisor, H.E. Larry Dinger and the handover ceremony of chairmanship to the ASEAN Business Advisory Council Malaysia.

CARI was also invited to present at several key ASEAN meetings and conferences such as the Senior Economic Officials Meeting (SEOM) in Indonesia and the ASEAN Economic Ministers Meeting. Other conferences the Chairman and CARI presented at include the 11th ASEAN Leadership Forum in Myanmar, the “AEC Pioneers – Let’s talk policy” forum in Philippines, “AEC 2015 – Where Is Tourism Heading” seminar, and seminar on China-ASEAN infrastructure interconnection organised by Ministry of Commerce, China.

GROUP FINANCE

In 2014, the Group Finance Management System (GFMS) enabled us to further enhance and streamline the financial and management reporting processes across operations both locally and regionally. Following the successful implementation in our Singapore Branch as well as CIMB Niaga over the last two years, the initiative was expanded to our other regional operations such as Shanghai, Hong Kong, Labuan, CIMB Securities Singapore and iCIMB.

The Malaysian roll out of GFMS has combined our operations onto one common platform and is timely in preparation for the forthcoming Goods and Services Tax (GST) implementation in 2015. Additionally, the roll out of GFMS regionally created value via cost and operational synergies, in line with our efforts to streamline the varying local finance activities across the region.

The implementation of GST in Malaysia was one of our main focus in 2014 and with that in mind, we successfully progressed through a series of milestones, which has positioned us comfortably to meet the 1 April 2015 deadline. With continued effort and commitment, we will strive towards an efficient and successful implementation in 2015.

Following the issuance of IFRS 9 by the International Accounting Standard Board (IASB) in 2014, the Group has commenced the IFRS 9 readiness assessment regionally and is currently in the planning stage of the IFRS 9 project.

Our Capital Planning & Monitoring department proactively reviewed and managed the capital position of CIMB Group and its key subsidiaries. In 2014, the team was involved in the regionalisation of International Capital Adequacy Assessment Process (ICAAP), aiding the regional capital teams in developing their capital management and planning framework.

On a lighter note, we organised the 2014 Group Finance Games & Amazing Hunt which has driven greater cohesion and collaboration amongst our employees. It was also a year of pride and achievement with CIMB being awarded the Overall Excellence Annual Report (Silver) by the National Annual Corporate Report Awards (NACRA) Malaysia, a first for Group Finance.

In 2015, we will establish a regional capital working committee to regionalise capital initiatives across the Group. In addition, CIMB Niaga will be implementing Basel III and this upcoming change has already been incorporated into our three-year capital plan.

GROUP CORPORATE RESOURCES

Our motivated and talented workforce was one of the drivers of CIMB's success in 2014. For a firm as big and fast-moving as CIMB, we strongly believe that shaping our corporate culture is increasingly critical for both business growth and sustainability.

Our initiative to recalibrate and fortify CIMB's culture called "A Better CIMB", or ABC for short, began with both employees and our own leaders. We diagnosed our existing culture, determining strengths we can harness as well as risks we need to proactively mitigate. We also agreed on the business imperatives that we will accelerate by working with and within our culture. Three critical Group-wide behaviours were selected to help us achieve our aspirations.

Firstly, we aspire to 'go the extra mile' to delight our customers. Secondly, we will respect each other, engage openly, and work together. Thirdly, we noted the importance of consistently recognising each other's efforts and always backing each other up. Having formally adopted these behaviours, informal networks are now being set up across the Group to bring these behaviours to life.

We also launched our refreshed CIMB Competency Framework, which is now more reflective of CIMB's business needs, and cultural and regional aspirations. Our Competency Dictionary is a tool that will help our 40,000-plus employees across various businesses and geographies better understand the firm's expectations. It also provides clarity on the competencies our employees need to succeed in their current jobs and to climb the corporate ladder. The framework was applied immediately for recruitment and talent development in 2014, and will be used for performance assessment from 2015 onwards.



Group Chief People Officer, Hamidah Naziadin, together with CIMB ACE Best Trainees for 2014, driver Rostam Md Jamal (left) and customer service representative Mohd Jihan Mohd Yusoff (right) at their graduation ceremony at UNIRAZAK.

In August, we successfully carried out our Employee Engagement Survey with the support of an external consultant. While we received the highest response ever, with the participation of 91% of our employees, our survey score dipped slightly from the 81% we received in 2011 to 79% in 2014. We saw improvements in areas such as rewards and recognition, empowerment, supervision and leadership. However, there is still room for improvement in areas such as culture, teamwork and training. While our scores are still higher than the norms of global financial services companies, we see the results as an affirmation for the need to recalibrate and continue engaging with our employees while remaining focused on areas that are meaningful.

Talent development remained a high priority for us throughout the year. The launch of our Treasury Academy in November, the latest among our virtual academies, will help to enhance professional skills. Another successful launch for us was the CIMB Accelerated Career Enhancement (CIMB ACE), an upward mobility scheme to progress our non-executive employees in terms of skills, productivity, and career opportunities. The programme supports Program Majudiri 1Malaysia (PR1ME), Malaysia's national agenda, whereby government-linked companies commit to help non-executives grow professionally and propel Malaysia towards becoming a high-income nation. A total of 200 of our employees have successfully undergone the pilot. The Treasury Academy and CIMB ACE are of course additions to our long list of talent development programmes such as the Essentials of Universal Banker for our first-line managers, Accelerated Universal Banker for middle managers (customised by Nanyang Business School), and our CIMB-INSEAD collaboration for senior management.

Affirmation of our efforts include the award for Best Management Trainee/ Graduate Programme at Malaysia's 100 Leading Graduate Employers Awards 2014 for our management trainee programme, CIMB Fusion. This programme offers fresh graduates employment opportunity in two different industries at sign-up. While CIMB accepted the award, it is one that is shared with our partners, PwC, Accenture, HP, ZICOLaw, FCB Kuala Lumpur and Teach for Malaysia. Additionally, at the international level, CIMB Group was recognised as one of the 50 Leading Companies for Women in APEC.

CIMB has also always believed in enhancing the communities in which we serve. We launched the multi-track CIMB Bumiputera Entrepreneur Skills Transformation Programme (CIMB BEST) to help Bumiputera entrepreneurs build successful enterprises. Through CIMB BEST, we equip them with knowledge in finance, business development and management, markets and funding. We also commit to providing scholarships for deserving participants to pursue undergraduate studies at UNIRAZAK.

GROUP RISK

Group Risk is responsible for identifying, measuring, analysing, controlling, monitoring and reporting the material risks to which the Group is exposed. Our teams are engaged in the early stages of the risk-taking process to provide independent input and assessments, working to ensure the Group's strategic objectives are aligned with our approved risk appetite.

Due to the Group's increasing size and complexity, compounded by an ever-challenging external environment, we further institutionalised the change agenda we initiated in 2013. We enhanced the level of engagement with our Board Risk Committee by conducting reviews into key risk areas of the Group and the tools being deployed to mitigate these risks. This allowed for a robust board level discussion around risk appetite. Part of the discussion included a risk setting exercise that kicked off the annual budget process. We also improved the risk governance structure, allowing more thorough Group-wide deliberation at a specialised risk level.

By leveraging on our Group-wide risk-operating model, we saw that our highly specialised 'Centres of Excellence' (CoEs), complemented by in-country Chief Risk Officers (CROs), gained significant traction and recognition from various stakeholders for their effectiveness. The revised structure ensured full alignment with stakeholders and provided us with the ability to drive consistent enhancements to our Enterprise Wide Risk Management framework.

The Risk Playbook outlines a number of yearly critical projects designed to mitigate some of the top risks facing the Group. Additionally, it assists the Group in meeting our overall strategic objectives. During the year, we successfully completed a number of projects under the 2014 Risk Playbook. Our projects were very much focused on risk culture, operationalising the risk appetite framework, strengthening key processes around credit risk, and embedding our enhanced operational risk framework.

The institutionalisation of key Group-wide policies, processes and tools was also improved. For example, we enhanced our integrated stress test framework, improved our credit risk portfolio analytics, added new retail risk portfolio management tools and enhanced our Shariah Risk and Reputational Risk frameworks. We continuously enhance our risk infrastructure, as detailed in our Risk Technology Roadmap.

GROUP INFORMATION & OPERATIONS

Our two main thrusts in 2014 were to increase internal efficiency as well as to improve our customers' banking experience through digital innovation.

The first goal, an increase in internal efficiency, successfully saw us through the launch of 1Platform Malaysia, our key priority for the year. We replaced 5 legacy core banking applications with an integrated, streamlined solution and the scope spanned over 1,500 bank-wide processes, involving approximately 12,000 staff. We achieved a smooth cutover with no disruption to customers or the business and with 1Platform in place, we have improved our ability to gain a single-view of all products and services that a customer has with CIMB. In turn, we are now able to provide customers with a single view of all their investments as well as any borrowings with the bank. In less than one year since the cutover, we are already reaping the benefits of greater agility and reduced cost, a result of the improved architecture. Regionally, this common platform will enable us to create a consistent experience and convenience for our customers across borders. We delivered substantial cost reductions in both technology and operations from decommissioning our legacy core banking and by capturing 1Platform's process efficiencies.

Developing Operations Management Excellence (DOME) is the methodology we have been using since 2009 to adapt manufacturing best practices, including Lean Six Sigma, to achieve excellence in operations. As a result, we have seen operational cost in the Consumer Bank in Malaysia not just improve in terms of the ratio of Operation Cost to Group Revenue, but we are also seeing costs shrink on an absolute basis. We have been proliferating DOME across markets as well as to our wholesale banking operations.

Our second goal, focusing on digital innovation, fuelled us to launch Beat Banking in Thailand in partnership with telco company, Advance Info Services (AIS). Our customers in Thailand can now enjoy an interest-bearing virtual account-cum-stored-value-card on their mobile phones. Our other notable success was Plug n Pay, Malaysia's first ever mobile phone based point-of-sale solution. We have progressed in our roadmap to use analytics to improve the relevance and personalisation of our offers and interactions with customers. We also secured a provisional patent on our technology approach to maintain customer lifecycle data for analytics. Additionally, we ran a successful pilot to empower product managers to independently run powerful analytics. In turn, these analytics allow optimal business decisions and promotions to be made for our credit cards business without IT assistance. Additionally, we were able to increase credit card usage for our

customers by extending highly personalised value propositions. We also implemented a technology branch at KLIA2, Malaysia's newly launched international airport hub, that has seen a positive ramp up in business.

Looking forward to 2015, we will retain our focus on enhancing the banking experience for our customers with digital innovation and also continuously improve the robustness and cost efficiency of our technology platform and operation services.

GROUP INTERNAL AUDIT

Group Internal Audit is responsible for providing independent appraisals on the adequacy, efficiency and effectiveness of the internal control systems implemented by management. We evaluate the Group's control environment, risk assessment practices, control activities, information sources, communication effectiveness, and monitoring practices.

In 2014, we completed 406 assignments covering audits of all key operations and investigations into specific areas. To ensure that we reinforced the importance of risk, governance and internal control awareness, we conducted various training initiatives for the Group's employees such as session on "Embedding Risk Appreciation & Compliance Culture" during Group Orientations, and training on "Risk & Control" for regional offices. Also, in collaboration with the Learning & Talent Development Department of Group Corporate Resources, 36 selected Branch Managers participated in a number of branch audit assignments together with us as part of the revised Branch Manager attachment programme.

We saw 17 staff in our pioneer batch seeking Islamic Finance Qualifications, supported by the Islamic Banking and Finance Institute Malaysia (IBFIM), successfully passed the foundation and intermediate level examinations. Of the 17, 14 of the staff sat for the advanced level examination in January 2015 and are currently awaiting their results. The second batch of our staff will undergo this programme which is scheduled to commence in early 2015.

Together with Group Compliance and Group Risk, we hosted the 6th Regional Compliance, Audit and Risk (CAR) Summit in Penang, Malaysia, which was attended by 206 participants from all the countries where CIMB Group has a presence. These participants ranged from senior and middle management from Compliance, Internal Audit, Risk and Legal functions as well as members of Audit Committees of the CIMB Group, various senior personnel from other Divisions and our external auditor, PricewaterhouseCoopers Malaysia. Our objective was to facilitate better interaction, sharing of business risks and concerns, experiences, best practices and exchange of ideas amongst the participants. We also hosted the yearly Regional Internal Audit Summit as well as the yearly Regional Audit Planning Session. The key purpose of the summit and planning session was to gather key personnel from regional offices to discuss each country's audit best practices, regulatory environment, key challenges and the implementation of identified audit best practices.

We underwent an external assessment of our internal audit activity by a top 3 accounting firm in Malaysia and based on their Internal Audit Maturity Model comprising of 5 levels, namely Leading, Advanced, Established, Developing, and Basic, the findings showed that we scored 22% for Leading and Advanced practices, 72% for Established practices and 6% for Developing practices. We have subsequently developed a set of strategic enablers, based on recommendations from the accounting firm and other best practices, to further enhance our existing practices.

As a means to objectively evaluate our service quality and to ensure we continue to improve our service delivery, we appointed a leading certification body to conduct an assessment on our quality management system in 2014 and have been awarded the ISO 9001:2008 Certification for internal audit services, a landmark as it is the first for any Malaysian financial institution.

GROUP MARKETING & COMMUNICATIONS

Group Marketing & Communications drives the enlarged positioning, marketing and communications agenda of CIMB Group. By working alongside the various businesses across the Group, we ensure accurate positioning of the franchise and consistent messaging to all stakeholders.

We continued to emphasise franchise positioning and to that extent we created a Content Strategy practise to elevate the importance of continuously serving up the right content to our stakeholders. We expect this to become increasingly critical and a point of differentiation for CIMB Group as we track the behaviour of our customers, the content they are consuming and the channels they are using to access particular pieces of content.

Our key sponsorship activities across the region continued to drive strong traction for the brand. The CIMB Classic, in its fifth year has matured into a full-fledged PGA TOUR event and more importantly has become a marquee entry in the ASEAN calendar of international sporting events. In addition to that, we scaled The CIMB Color Run upwards. We are happy to report that over 50,000 people participated in our Color Runs across the region in 2014.

A key event in the 2014 calendar was of course the FIFA World Cup. We took advantage of the football craze that hit the region by running aggressive marketing and communications campaigns, especially in Malaysia and Indonesia, which resulted in our brands being even more relevant to our customers in those markets.

Our continuous leadership on the internet, particularly in the social media space experienced high growth. This led to our follower base growing to over 2.5 million people and we have solid plans in place to continue to leverage on this even more. In 2014, we also revamped the Group's website, to be more in line with consumer trends.



The winner of CIMB Classic 2014, Ryan Moore (fourth from the right).

Internal communications has been a core focus for us and in 2014, the over-40,000 employees of CIMB Group across the region were migrated onto a single intranet platform. We expect our intranet to become a core instrument in driving greater synergies and communications within the firm in the years to come.

Looking forward, 2015 is the year for ASEAN with the ASEAN Economic Community (AEC) becoming a reality. Our 'ASEAN For You' positioning was cemented in anticipation of the AEC and we have spent a large portion of 2014 preparing for the various "ASEAN" campaigns and activities that we will execute in 2015.

GENERAL COUNSEL

Our General Counsel Division consists of Group Legal and Group Company Secretarial. For 2014, Group Legal continued to work closely with various business units and support divisions and successfully completed numerous transactions, projects and initiatives undertaken by the Group. We also reviewed the Group's internal policies and participated in or worked with the relevant local and regional business units to ensure the continuous standardisation of various legal documents within the Group. As for Group Company Secretarial, we continued to provide support to the various Boards in the Group as well as advisory on governance matters. This included compliance to laws and regulatory requirements, together with the Board's duties and responsibilities.

Our people and talent remained our key focus, both for the team members within the General Counsel division as well as colleagues in other divisions of the Group. For the latter, we conducted various training sessions for them which ranged from laws and guidelines for capital markets, Financial Services Act 2013 (FSA), Personal Data Protection Act (PDPA), ISDA master agreements, land law, security documentation of credit facilities as well as the participation of internal working groups who are designing e-learning courses on relevant legal topics. Group Company Secretarial facilitated the Board's training and development agenda to ensure that the Boards were kept abreast with the latest laws and guidelines.

In addition, we also organised presentations by external law firms (both local and international law firms) for our division as well as other relevant divisions, to obtain better familiarity of recent legal or regulatory changes. In addition, they were able to deepen their understanding of areas of law which are relevant to them. These presentations covered areas such as international securities laws, Basel III framework, companies legislation, due diligence exercise for securities and comfort letters, leveraged financing, Indonesian foreign investment laws, Thai laws relating to cross border lending and derivatives, international dispute resolution, competition laws and others.

Members of the Division also provided feedback in relation to proposed laws or guidelines as well as any proposed changes by various regulatory authorities. These members also participated in various discussions and working groups of local and regional associations, such as Asia Securities Industry & Financial Markets Association, International Capital Market Association, Malaysian Investment Banks Association, Association of Banks Malaysia and Companies Commission of Malaysia Corporate Practice Consultative Forum. They were also speakers for various external conferences such as International Malaysia Law Conference and Asian Legal Business Malaysia In-House Legal Summit.

We also received external recognition from ALB Malaysia Law Awards for our achievements, namely The In House Team of the Year award and The Banking and Financial Services In House Team of the Year award. Additionally, we assisted the Group in obtaining Top 5 Overall Corporate Governance Rating for PLCs by Minority Shareholder Watchdog Group (MSWG) and Top 5 in the ASEAN Corporate Governance Scorecard.



**ENDLESS
POSSIBILITIES
TOGETHER**



ACTUAL VS TARGETS FOR 2014

	FY14 ACTUAL	FY14 TARGETS
ROE	9.2%	13.5-14.0%
TSR	-22.3%>FBM KLCI	>FBM KLCI
Dividend Payout Ratio	40%	40%
Total Loans Growth*	13.2%	14%
Loan Loss Charge	0.58%	35-40bps
Total Capital (CIMB Group)	15.1%	>13%
CET 1 (CIMB Group)	10.1%	>8.5%
Leverage (CIMB Group)**	15.8x	<20x

Notes:

* Excluding bad bank

** As per Basel 3, Formula = (On and Off Balance Sheet exposure – Reg Adjustments)/Tier 1 Capital

FIVE YEAR GROUP FINANCIAL HIGHLIGHTS

Key Highlights	Financial Year Ended 31 December				
	MFRS Framework			FRS Framework	
	2014 RM'000	2013 RM'000	2012* RM'000	2011** RM'000	2010** RM'000
Consolidated Statement of Income					
Operating income	14,145,924	14,671,835	13,494,825	12,122,029	11,878,203
Overheads	8,291,963	8,457,870	7,612,099	6,629,912	6,613,304
Profit before allowances	5,853,961	6,213,965	5,882,726	5,492,117	5,264,899
Allowance for impairment losses on loans, advances and financing	1,522,068	660,607	329,098	487,343	607,176
Profit before taxation	4,276,423	5,849,229	5,677,893 [^]	5,203,142	4,626,717
Net profit for the financial year	3,106,808	4,540,403	4,344,776	4,030,798	3,500,803
Consolidated Statement of Financial Position					
Gross loans, advances and financing	264,644,089	234,557,542	208,343,039	191,393,201	167,479,371
Total assets	414,156,356	370,912,797	336,461,160	299,737,840	269,018,947
Deposits from customers ^{^^}	284,714,019	265,408,979	247,295,039	221,933,142	199,845,664
Total liabilities	375,765,233	339,684,237	307,194,841	272,874,680	244,715,748
Shareholders' funds	37,360,436	30,271,098	28,292,994	25,936,470	23,229,966
Commitments and contingencies	702,740,799	526,572,598	460,550,153	414,197,407	349,069,257
Financial Ratios (%)					
Common equity tier 1 ratio (CIMB Bank) [#]	11.2	9.6	n/a	n/a	n/a
Tier 1 ratio (CIMB Bank) [#]	12.6	11.6	n/a	n/a	n/a
Total capital ratio (CIMB Bank) [#]	14.7	12.9	n/a	n/a	n/a
Core capital ratio (CIMB Bank) [#]	n/a	n/a	12.4	14.5	13.9
Risk-weighted capital ratio (CIMB Bank) [#]	n/a	n/a	15.5	16.8	14.8
Return on average equity	9.2	15.5	16.0	16.4	16.2
Return on average total assets	0.79	1.28	1.37	1.42	1.38
Net interest margin	2.80	2.85	3.07	3.12	3.34
Cost to income ratio	58.6	57.6	56.4	54.7	55.7
Gross impaired/non-performing loans to gross loans	3.1	3.2	3.8	5.1	6.1
Allowance coverage ratio	82.7	84.8	82.8	81.1	81.1
Loan loss charge	0.58	0.28	0.16	0.25	0.36
Loan deposit ratio	93.0	88.4	84.2	86.2	83.8
Net tangible assets per share (RM)	3.28	2.67	2.47	2.15	1.81
Book value per share (RM)	4.44	3.92	3.81	3.49	3.13
CASA ratio	34.7	34.3	34.7	34.2	32.7
Other Information					
Earnings per share (sen)					
– basic	37.5	60.0	58.5	54.2	48.7
Gross dividend per share (sen)	15.00	23.15 ^{^^^}	23.38	22.00	26.08
Dividend payout ratio (%)	40	40	40	41	55
Number of shares in issue ('000)	8,423,751	7,729,346	7,432,775	7,432,775	7,432,775
Weighted average number of shares in issue ('000)	8,288,256	7,570,924	7,432,772	7,432,772	7,186,034
Non Financial Highlights					
Share price at year-end (RM)	5.56	7.62	7.63	7.44	8.50
Number of employees	41,669	40,804	41,993	40,244	36,984

* The comparatives have been restated to reflect the adoption of MFRS10, MFRS 11 and MFRS 119

** The comparatives are before adoption of MFRS 1

[^] Profit before taxation is inclusive of discontinuing operations

^{^^} Include structured investments classified as "Financial liabilities designated as fair value"

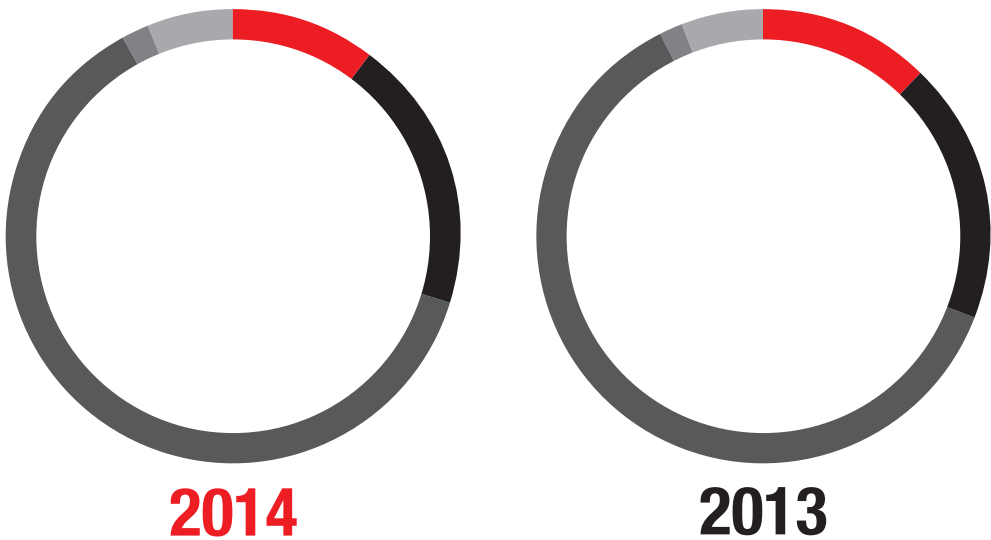
^{^^^} Based on the enlarged 8,229,341,531 ordinary shares, arising from the issuance of 500 million new ordinary shares pursuant to the private placement exercise completed in January 2014

[#] The capital ratio has not taken into account the effect of reinvestment of excess cash into CIMB Bank, pursuant to DRS implementation by CIMB Group on the proposed second interim dividend for financial years 2012 to 2014

For financial years 2013 and 2014, the capital ratios are based on revised guideline on capital adequacy framework issued by BNM on 28 November 2012, which took effect beginning 1 January 2013. The revised guideline is in compliance with BASEL III. The comparative capital adequacy ratios were based on capital adequacy framework which was in compliance with Basel II

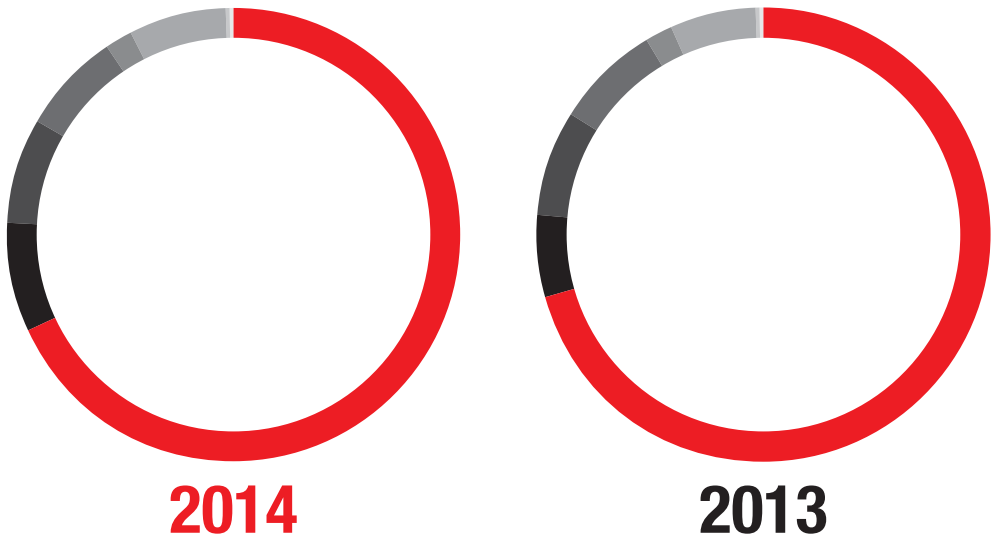
SIMPLIFIED GROUP STATEMENTS OF FINANCIAL POSITION

Assets



2014	2013	
10.2%	12.3%	Cash and balances with banks and reverse repurchase agreements
18.0%	17.4%	Portfolio of financial investments
62.3%	61.6%	Loans, advances and financing
1.7%	1.7%	Statutory deposits with central banks
7.8%	7.0%	Other assets (including intangible assets)

Liabilities & Equity



2014	2013	
68.1%	70.9%	Deposits from customers
7.8%	5.6%	Deposits from banks
7.7%	7.7%	Bills and acceptances payable and other liabilities
7.1%	7.3%	Debt securities issued and other borrowed funds
2.0%	2.1%	Share capital
7.0%	6.1%	Reserves
0.1%	0.1%	Preference shares
0.2%	0.2%	Non-controlling interests

KEY INTEREST BEARING ASSETS AND LIABILITIES

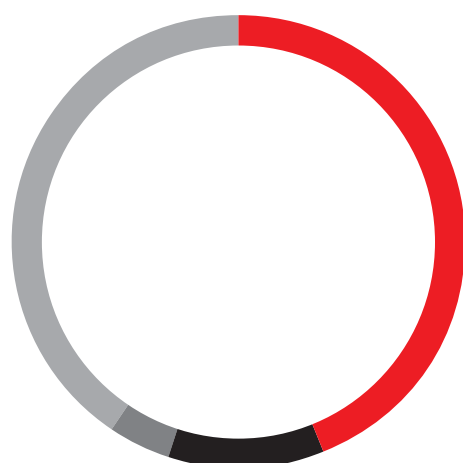
RM million	FY14		
	As at 31 Dec RM' million	Effective interest rate %	Interest income/ expense RM' million
Interest earning assets:			
Cash and short-term funds & deposits and placements with banks and other financial institutions	37,702	1.89	734
Financial assets held for trading	23,804	2.78	704
Financial investments available-for-sale	32,287	4.02	1,231
Financial investments held-to-maturity	18,262	4.58	679
Loans, advances and financing	258,015	6.39	15,037
Interest bearing liabilities:			
Deposits from customers and financial liabilities designated at fair value	285,759	2.55	6,934
Deposits and placements of banks and other financial institutions	32,150	1.27	318
Bonds, debentures and other borrowings	16,957	3.67	567
Subordinated notes	12,582	5.26	652

RM million	FY13		
	As at 31 Dec RM' million	Effective interest rate %	Interest income/ expense RM' million
Interest earning assets:			
Cash and short-term funds & deposits and placements with banks and other financial institutions	37,468	2.08	875
Financial assets held for trading	23,403	2.58	635
Financial investments available-for-sale	30,334	3.92	1,203
Financial investments held-to-maturity	10,821	4.32	388
Loans, advances and financing	228,432	6.42	13,721
Interest bearing liabilities:			
Deposits from customers and financial liabilities designated at fair value	265,136	2.30	6,127
Deposits and placements of banks and other financial institutions	20,728	1.77	251
Bonds, debentures and other borrowings	15,263	3.79	507
Subordinated notes	12,067	4.98	625

VALUE ADDED STATEMENTS



2014



2013

2014

50.0%

12.0%

5.0%

33.0%

2013

44.0%

11.2%

4.3%

40.5%

To Employees:

Personnel costs

To the Government:

Taxation

To Providers of Capital:

Dividends paid to shareholders

Non-controlling interests

To Reinvest to the Group:

Dividend reinvestment plan

Depreciation

Retained earnings

	2014 RM'000	2013 RM'000
Value added		
Net interest income	8,655,548	7,954,146
Income from Islamic banking operations	1,461,278	1,592,863
Net non-interest income	4,029,098	5,124,826
Overheads excluding personnel costs and depreciation	(3,360,284)	(3,238,946)
Allowances for impairment losses on loans, advances and financing	(1,522,068)	(660,607)
Other allowances made	(178,823)	(65,567)
Share of results of joint ventures	(1,942)	55,170
Share of results of associates	125,295	306,268
Value added available for distribution	9,208,102	11,068,153
Distribution of Value Added		
To employees:		
Personnel costs	4,609,571	4,875,564
To the Government:		
Taxation	1,101,866	1,240,407
To providers of capital:		
Cash dividends paid to shareholders	390,327	405,999
Non-controlling interests	67,749	68,419
To reinvest to the Group:		
Dividend reinvestment plan	1,293,416	1,936,496
Depreciation	322,108	343,360
Retained earnings	1,423,065	2,197,908
Value added available for distribution	9,208,102	11,068,153

QUARTERLY FINANCIAL PERFORMANCE

RM'000	2014			
	Q1	Q2	Q3	Q4
Operating revenue	3,538,053	3,407,174	3,528,596	3,672,101
Net interest income	2,066,765	2,175,463	2,171,051	2,242,269
Net non-interest income and income from Islamic banking operations	1,471,288	1,231,711	1,357,545	1,429,832
Overheads	(2,010,943)	(2,007,882)	(2,033,896)	(2,239,242)
Profit before taxation	1,431,069	1,281,153	1,179,263	384,938
Net profit attributable to equity holders of the Company	1,066,282	949,938	890,270	200,318
Earning per share (sen)	13.15	11.36	10.68	2.38
Dividend per share (sen)	–	10.00	–	5.00

RM'000	2013			
	Q1	Q2	Q3	Q4
Operating revenue	3,945,320	3,444,227	3,485,070	3,797,218
Net interest income	1,896,624	1,975,551	2,033,643	2,048,328
Net non-interest income and income from Islamic banking operations	2,048,696	1,468,676	1,451,427	1,748,890
Overheads	(2,219,589)	(2,042,431)	(2,059,290)	(2,136,560)
Profit before taxation	1,718,494	1,386,423	1,386,257	1,358,055
Net profit attributable to equity holders of the Company	1,386,178	1,054,267	1,061,691	1,038,267
Earning per share (sen)	18.65	13.98	13.94	13.50
Dividend per share (sen)	–	12.82	–	10.33

CAPITAL MANAGEMENT

OVERVIEW

Capital management at CIMB Group ("Group") remains focused on maintaining a healthy capital position through building an efficient capital structure. The capital position and structure of the Group are designed to meet the requirements of the Group's shareholders, customers, regulators and external rating agencies. Guided by CIMB Group's Capital Management Framework, the objectives of capital management are as follows:

- To maintain a strong capital base for the Group and its entities to (1) meet regulatory capital requirements at all times; (2) realise returns to shareholders through sustainable return on equity and stable dividend payout; and (3) be able to withstand stressed economic and market conditions.
- To sustain adequate levels of capital that is allocated efficiently across the business units and subsidiaries to (1) support the organic growth of the Group's business units and subsidiaries; (2) take advantage of opportunities of strategic acquisitions and new businesses; and (3) optimise the return on capital for the Group.
- To maintain capital at optimal levels to meet requirements of other stakeholders of the Group, including rating agencies and customers.

The Group's regulated banking entities have always maintained a set of internal capital targets which provide a strong buffer above the minimum regulatory requirements. The table below shows the relevant capital ratios of each of the regulated banking entities of the Group in comparison to the minimum level required by the respective central banks under the Basel III framework.

Capital Ratios (After Proposed Dividend)	Common Equity Tier 1		Tier 1		Total Capital	
	As at 31 December 2014	Minimum Regulatory Ratio	As at 31 December 2014	Minimum Regulatory Ratio	As at 31 December 2014	Minimum Regulatory Ratio
CIMB Bank	11.19%	4.00%	12.64%	5.50%	14.66%	8.00%
CIMB Islamic	11.45%	4.00%	12.34%	5.50%	15.49%	8.00%
CIMB Investment Bank	29.45%	4.00%	29.45%	5.50%	29.45%	8.00%
CIMB Niaga *	N/A	N/A	13.33%	6.00%	15.58%	8.00%
CIMB Thai (consolidated)	10.10%	4.50%	10.10%	6.00%	15.17%	8.50%

* CIMB Niaga's capital ratios are computed based on Basel II as per Bank Indonesia's requirements.

KEY INITIATIVES

Our goal is to continuously build capital towards full implementation of Basel III requirements, whilst optimising the use of capital. Tools that are employed to achieve this include (1) active liability management to address debt that requires replacement with the enforced Basel III guidelines; (2) issuance of Basel III instruments; (3) dividend reinvestment scheme; (4) risk-weighted assets (RWA) optimisation; and (5) analysis of Group-wide impact of stress scenarios with different levels of severity.

Key capital management initiatives that were undertaken during the financial year include:

- New equity capital of RM3.55 billion was raised in January 2014, further strengthening the Group's capital position.
- The Dividend Reinvestment Scheme (DRS) was continued in 2014 with a reinvestment rate averaging 76.8%, reflecting investor confidence in the Group and generating an additional RM1.3 billion of capital.
- CIMB Thai's THB2.5 billion Basel II subordinated debt was called in March 2014 and replaced with Basel III subordinated debt of RM400 million (THB4 billion) in July 2014 under the RM2 billion Tier 2 Subordinated Debt Programme, marking one of the many cross-border collaborative efforts in capital management across the Group.

The Group achieved significant savings in credit and market risk-weighted assets (RWA) through optimisation initiatives during the year largely through internal model recalibration and system enhancements. In 2014, the Group made further advancements in implementing the Internal Ratings Based Approach by product to account for its RWA, which better reflects the risk profile of the Group.

DIVIDENDS FOR 2014

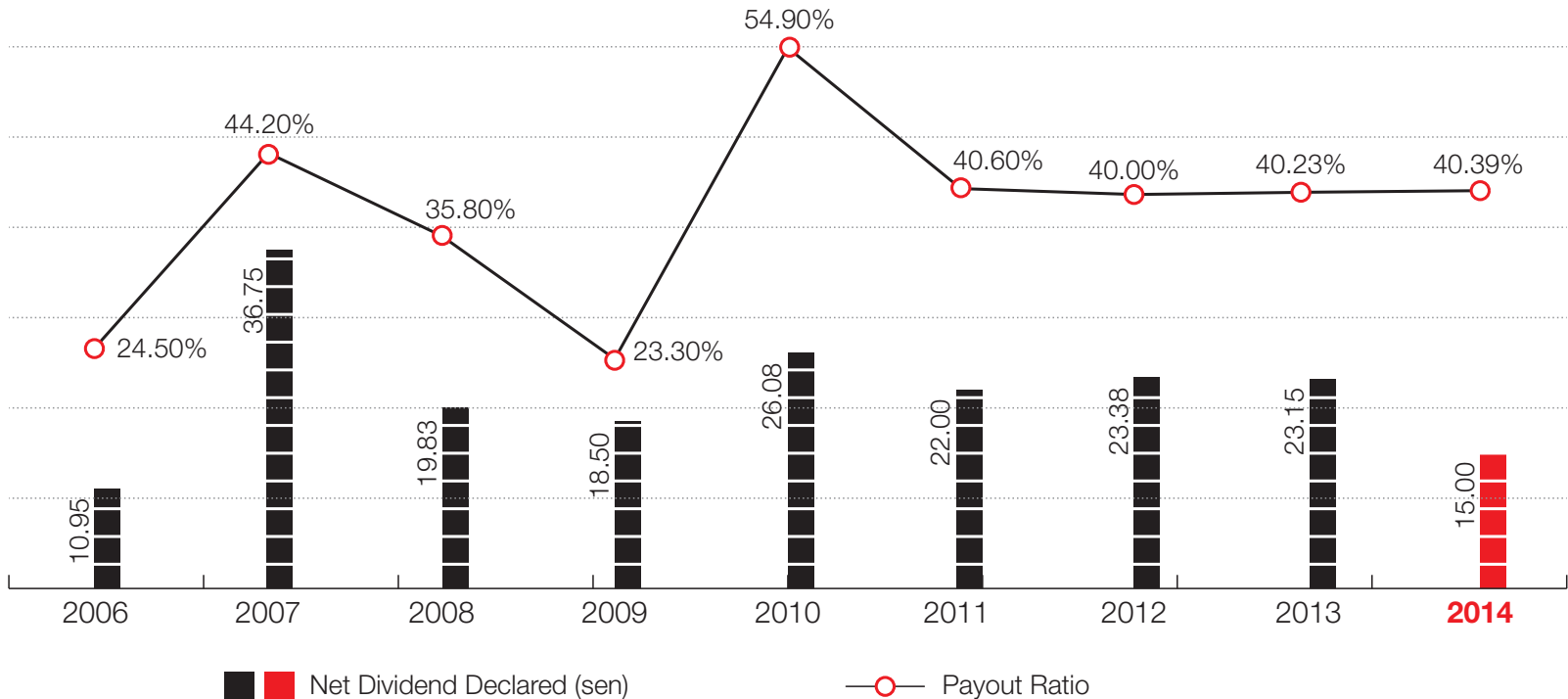
DIVIDEND POLICY

CIMB Group has been maintaining a dividend payout of around 40% since 2011. For the financial year ended 31 December 2014, the first interim single tier dividend of 10.00 sen per ordinary share, on 8,336,517,525 ordinary shares amounted to RM833,651,753 was approved by the Board of Directors on 11 August 2014. The dividend consisted of an electable portion of 10.00 sen per ordinary share which shareholders could elect to reinvest in new ordinary shares in accordance with the Dividend Reinvestment Scheme (DRS). Following the completion of the DRS, a total cash dividend of RM242,239,404 was paid on 29 October 2014.

A second interim single tier dividend of 5.00 sen per ordinary share, on 8,423,746,385 ordinary shares amounting to RM421,187,319 in respect of the financial year ended 2014 was approved by the Board of Directors on 30 January 2015 and Bank Negara Malaysia on 18 February 2015. The second interim single tier dividend will be payable in April 2015 and will consist of an electable portion of 5.00 sen per ordinary share which shareholders can elect to reinvest in new ordinary shares in accordance with the DRS.

DIVIDEND REINVESTMENT SCHEME (DRS)

The DRS was implemented since 2013 to provide shareholders with an option to reinvest the dividends into new ordinary shares of CIMB and at the same time, help preserve the Group's capital. It was first made applicable to the Group's second interim dividend for the financial year ended 2012. The dividend reinvestment rate has been encouraging, with an average rate of 80%.



CREDIT RATINGS

CIMB BANK BERHAD

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Malaysian Rating Corporation Berhad (MARC)	August 2014	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM5.0 billion Subordinated Debt & Junior Sukuk Programmes 4. RM4.0 billion Perpetual Non-Innovative Tier 1 Stapled Capital Securities 5. RM1.0 billion Innovative Tier-1 Capital Securities 6. RM10.0 billion Tier-2 Basel III Compliant Subordinated Debt Programme	AAA MARC-1 AA+/AA+ _{IS} AA AA AA+	Stable
RAM Rating Services Berhad (RAM)	October 2014	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM10.0 billion Tier 2 Basel III Compliant Subordinated Debt Programme	AAA P1 AA ₁	Stable
Moody's Investors Service (Moody's)	August 2014	1. Long-term Rating: Bank Deposits – Foreign Currency 2. Short-term Rating: Bank Deposits – Foreign Currency 3. Long-term Rating: Bank Deposits – Domestic Currency 4. Short-term Rating: Bank Deposits – Domestic Currency 5. Bank Financial Strength 6. Baseline Credit Assessment 7. Adjusted Baseline Credit Assessment 8. USD1.0 billion Multi-Currency Euro Medium Term Notes Programme 9. USD350 million 5-year Senior Unsecured Notes 10. USD5.0 billion Euro Medium Term Note Programme (Senior Unsecured/Subordinated)	A3 P-2 A1 P-1 C- baa1 baa1 (P)A3 A3 (P)A3/ Baa3	Positive Stable Stable Positive
Standard & Poor's Ratings Services (S&P)	December 2014	1. Long-term Foreign Currency Rating 2. Short-term Foreign Currency Rating 3. Long-term Local Currency Rating 4. Short-term Local Currency Rating 5. Long-term ASEAN Regional Scale Rating 6. Short-term ASEAN Regional Scale Rating 7. USD350 million 5-year Senior Unsecured Notes	A- A-2 A- A-2 axAA axA-1 A-	Stable
Dagong Global Credit Rating Co. Ltd. (Dagong)	January 2015	1. Long-term Foreign Currency Rating 2. Long-term Local Currency Rating	AA- AA	Stable

CIMB GROUP HOLDINGS BERHAD

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
RAM Rating Services Berhad (RAM)	October 2014	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM3.0 billion Subordinated Notes Programme 4. RM6.0 billion Conventional and Islamic Commercial Papers/ Medium-term Notes Programme	AA ₁ P1 AA ₃ AA ₁ /P1	Stable
Moody's Investors Service (Moody's)	July 2014	1. Long-term Issuer Rating 2. Short-term Issuer Rating	A3 P-2	Stable

CIMB INVESTMENT BANK

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
RAM Rating Services Berhad (RAM)	October 2014	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating	AAA P1	Stable
Moody's Investors Service (Moody's)	June 2014	1. Long-term Issuer Rating 2. Short-term Issuer Rating	A3 P-2	Stable
Standard & Poor's Ratings Services (S&P)	December 2014	1. Long-term Foreign Currency Rating 2. Short-term Foreign Currency Rating 3. Long-term Local Currency Rating 4. Short-term Local Currency Rating 5. Long-term ASEAN Regional Scale Rating 6. Short-term ASEAN Regional Scale Rating	A- A-2 A- A-2 axAA axA-1	Stable

CIMB ISLAMIC BANK

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Malaysian Rating Corporation Berhad (MARC)	August 2014	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating 3. RM2.0 billion Tier 2 Junior Sukuk Programme	AAA MARC-1 AA ₊ _{IS}	Stable
RAM Rating Services Berhad (RAM)	October 2014	1. Long-term Financial Institution Rating 2. Short-term Financial Institution Rating	AAA P1	Stable
Moody's Investors Service (Moody's)	November 2014	1. Long-term Rating: Bank Deposits – Foreign Currency 2. Short-term Rating: Bank Deposits – Foreign Currency 3. Long-term Rating: Bank Deposits – Domestic Currency 4. Short-term Rating: Bank Deposits – Domestic Currency 5. Bank Financial Strength 6. Baseline Credit Assessment 7. Adjusted Baseline Credit Assessment	A3 P-2 A1 P-1 D+ ba1 baa1	Positive Stable Stable

CIMB THAI

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Fitch Ratings	March 2015	- Long-term National Rating - Short-term National Rating - THB3.0 billion 4.80% Subordinated Lower Tier - THB3.0 billion 5.35% Subordinated Lower Tier 2 - THB2.5 billion Subordinated Upper Tier 2 - THB10.0 billion Unsecured Subordinated Short-term Debenture Programme	AA-(tha) F1+(tha) A+(tha) A+(tha) A(thai) F1+(tha)	Stable
Moody's Investors Service (Moody's)	November 2014	- Long-term Rating: Bank Deposits – Foreign Currency - Short-term Rating: Bank Deposits – Foreign Currency - Long-term Rating: Bank Deposits – Domestic Currency - Short-term Rating: Bank Deposits – Domestic Currency - Bank Financial Strength - Baseline Credit Assessment - Adjusted Baseline Credit Assessment	Baa2 P-2 Baa2 P-2 D ba2 baa2	Stable
RAM Rating Services Berhad (RAM)	October 2014	- Long-term Financial Institution Rating - Short-term Financial Institution Rating - RM2.0 billion Basel III Compliant Tier 2 Subordinated Notes Programme	AA ₂ P1 AA ₃	Stable

CIMB NIAGA

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Moody's Investors Service (Moody's)	January 2014	- Issuer Rating - Long-term Bank Deposits - Short-term Bank Deposits - Bank Financial Strength - Baseline Credit Assessment - Adjusted Baseline Credit Assessment	Baa3 Baa3 P-3 D ba2 ba1	Stable
Fitch Ratings	April 2014	- Long-term Foreign Currency Rating - Short-term Foreign Currency Rating - Long-term National Rating - Short-term National Rating - Viability Rating - Support Rating - Senior Unsecured Bonds - IDR8.0 trillion Senior Unsecured Debt Programme - IDR1.6 trillion Subordinated Debt II - IDR1.38 trillion Subordinated Debt	BBB F3 AAA(idn) F1+(idn) bb 2 AAA(idn) AAA(idn) AA(idn) AA(idn)	Stable

BALANCE SHEET MANAGEMENT

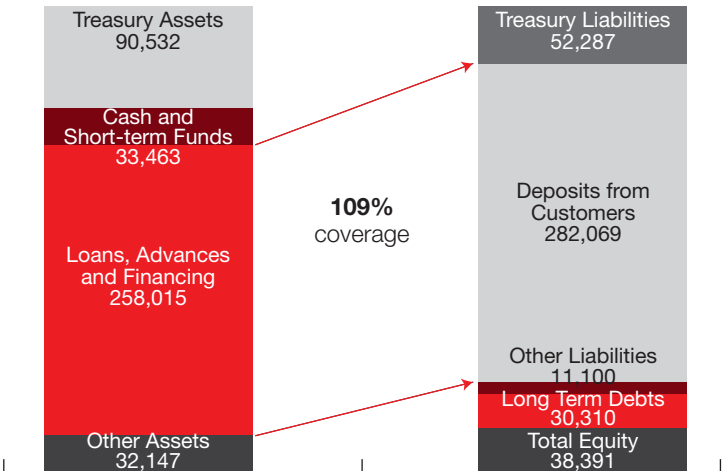
FUNDS TRANSFER PRICING (FTP)

Balance sheet management continued to be guided by best-practice FTP principles in implementing a group-wide FTP regime. The Group Asset Liability Committee continued to oversee and refine the group-wide FTP Policy to guide country Asset Liability Committees in administering their respective local FTP frameworks. The FTP framework is designed to ensure that real costs and benefits of the bank’s interest rate and liquidity positions are allocated to all product and business lines appropriately.

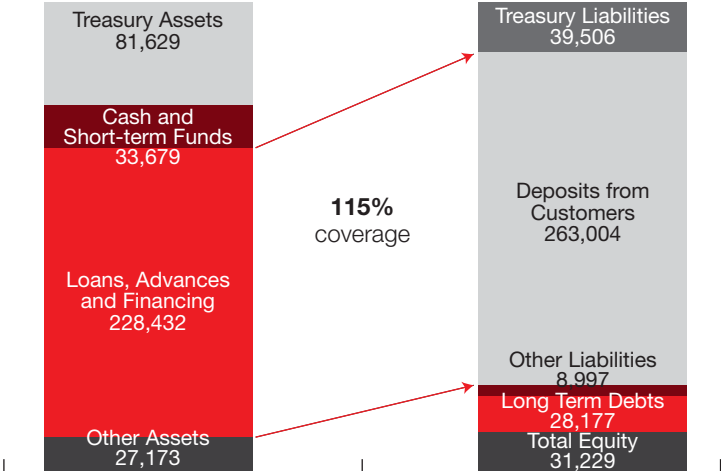
LOAN AND DEPOSIT BOOK FUNDING STRUCTURE – 2014

Loans are the largest component of the Group’s assets and are generally funded by core customer deposits. In 2014, we saw excess coverage of 9%, down from 15% in 2013, but still reflecting a comfortable buffer in funding the loan book.

Year 2014



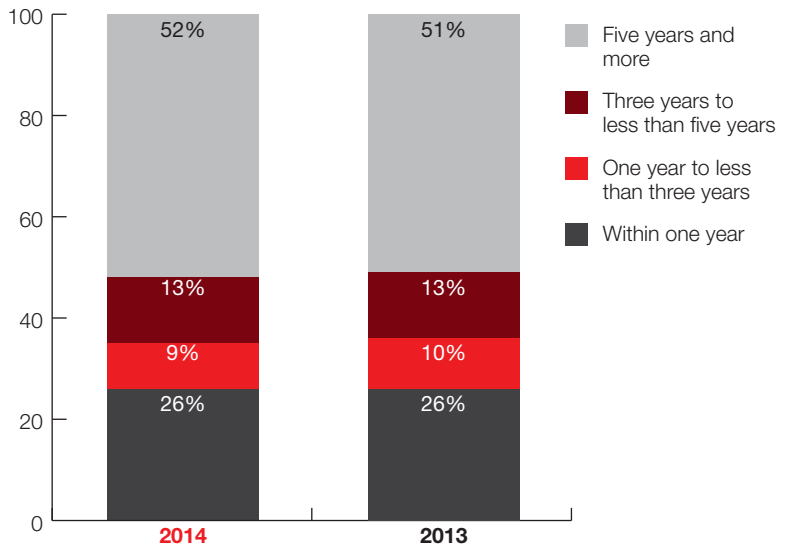
Year 2013



GROSS LOANS COMPOSITION BY MATURITY

CIMB Group’s total gross loans, advances & financing has grown by RM30.1 billion or 12.8% from RM234.6 billion as at the end of 2013 to RM264.6 billion as at the end of 2014. Longer tenor loans remained a significant proportion of total gross loans, with loans with tenor longer than one year representing 74% of total gross loans.

Gross Loans Composition by Maturity



CIMB SHARE INFORMATION

● COMPANY NAME:

CIMB Group Holdings Berhad

● STOCK NAME:

CIMB

● STOCK CODE:

1023

(BURSA MALAYSIA)

● TICKER CODE:

CIMB MK

(BLOOMBERG)

CIMB.KL

(REUTERS)

● FINANCIAL YEAR END:

31 December

● SHARE REGISTRAR:

Symphony Share Registrars Sdn Bhd

LEVEL 6, SYMPHONY HOUSE,
PUSAT DAGANGAN DANA 1,
JALAN PJU 1A/46,
47301 PETALING JAYA,
SELANGOR DARUL EHSAN

● PRIMARY CONTACT PERSON FOR INVESTOR RELATIONS:

Steven Tan

HEAD OF INVESTOR RELATIONS
TEL: 603-2261 9696
EMAIL: steven.tan@cimb.com

Share Related Key Highlights

	FY14	FY13
Total Shareholders' Returns (%)	-24.9	4.0
Market Capitalisation as at 31 December (RM' billion)	46.8	58.9
Closing Price as at 31 December (RM)	5.56	7.62
Highest Closing Price (RM)	7.62	8.65
Average Closing Price (RM)	6.90	7.71
Lowest Closing Price (RM)	5.33	6.98

LONG TERM VALUE CREATION

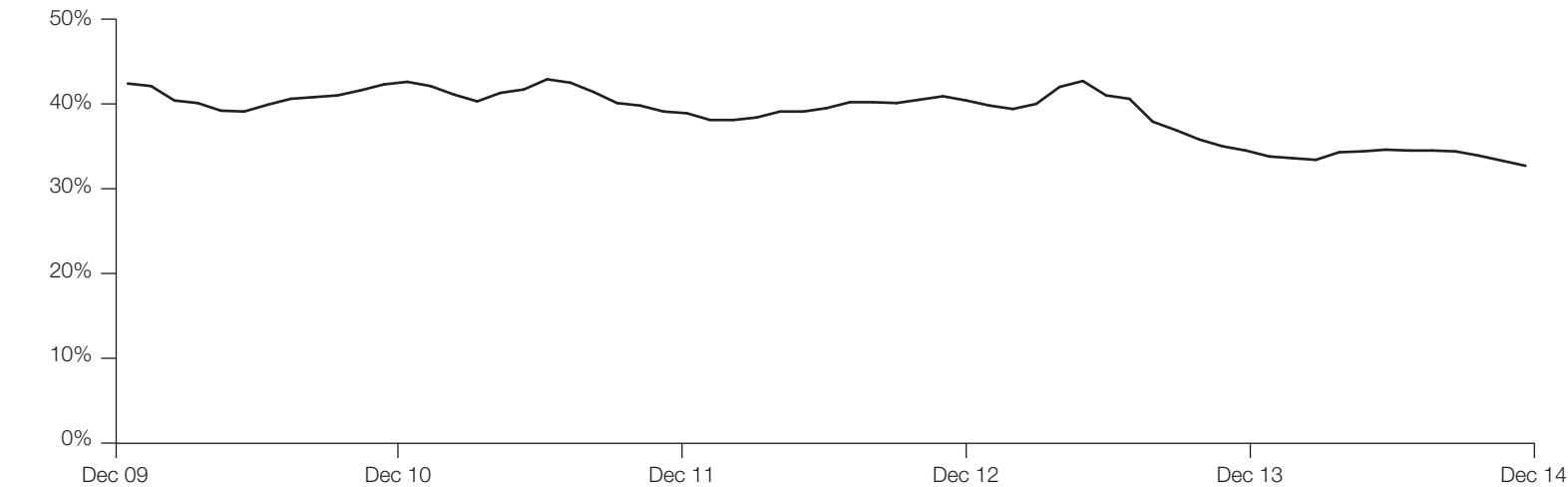
Shareholders' Returns (6 June 2005* – 31 December 2014)



Note: * Date of announcement of the M&A between CIMB Berhad and CAHB

	1 YEAR	8.5 YEARS
CIMB	-24.9%	218.3%
FBM KLCI	-2.6%	191.5%

Foreign Shareholding (December 2009 – December 2014)



CIMB Group

Quarterly RESULTS ANNOUNCEMENTS

Tentative Dates

20 MAY 2015

1Q15 RESULTS
ANNOUNCEMENT

25 AUGUST 2015

2Q15 RESULTS
ANNOUNCEMENT

12 NOVEMBER 2015

3Q15 RESULTS
ANNOUNCEMENT

FEBRUARY 2016

4Q15 RESULTS
ANNOUNCEMENT

CIMB STRATEGIC DIRECTION & INITIATIVES

CIMB’s mid-term strategy is encapsulated under T18, short for Target 2018. The product of a strategic review that began in January 2014, T18 was crafted to propel CIMB’s next level growth, in anticipation of the headwinds and challenges to the traditional banking model.

T18 reinforces CIMB’s ambition to be a leader in its home market with deep presence in ASEAN and strategic links to Asia and beyond. By 2018, CIMB aims to achieve the following:

- Top 5 ASEAN bank by asset size
- Top 2 in Malaysia by asset size
- Present in all 10 ASEAN markets
- Hold a strategic Asian presence
- Global Islamic banking leader

To manage the trade-offs between profitability, resiliency, efficiency and diversification, the Board has approved the following set of financial targets under the T18 plan. By 2018, CIMB aims to achieve:

>15%	>11%	~50%	60%
ROE	CET1	Cost-to-income	Income contribution from Consumer Banking

2015: RECALIBRATING CIMB.

The first step in CIMB’s 3-year journey towards T18 is to RECALIBRATE, before it can ‘Accelerate’ and ‘Realise’ the T18 targets. In summary, Recalibrate means that at every level CIMB must:

1. REASSESS targets and objectives
2. REPRIORITISE what needs to be done
3. RETHINK methods & approach to be more effective
4. REENERGISE our minds

re·cal·i·brate

/ˌrēˈkalibrāt/

To carefully plan or devise (something) again or differently

Synonyms: Modify, change, transform, adjust, reshape, revamp, revise, amend

To achieve these targets, CIMB will focus on key business drivers, which will bring significant uplift to the business, namely Commercial and SME Banking, Transaction Banking and Digital Banking. This will be supported by a focus on three main business enablers: Network & Regional Operating Model, Technology and Talent & Culture.



STRATEGIC INITIATIVES

SMAC

The banking sector is going through an exciting time of tremendous change due to rapid advancements in technology. These technologies are enabling financial innovation at an unprecedented rate, the most significant of which is the integration of financial services into the ecosystems of consumers and corporates and greater inclusiveness whether on the demand side into under/unbanked territory or from the supply side with models like crowd-funding. The smart financial services innovators have seen enthusiastic and rapid adoption, with both banks and fintech-startups managing to steal away market share from established players in niche areas.

The enabling technologies that are digitising financial services invariably embrace elements of social, mobility, analytics or cloud (commonly abbreviated as “SMAC”). At CIMB, we firmly believe a new world order will be built by those who use SMAC to revolutionise customer experience in banking. Smart SMAC adopters will create disruption at a magnitude that makes it difficult for competition to react. CIMB is building a SMAC platform to position us to create order-of-magnitude improvements to customer experience. CIMB is already seeing some fruits from the initial capabilities of our SMAC platform, with new services such as CIMB Messenger being launched in February, a first in ASEAN. CIMB Messenger is a new XMPP Chat-based module in our mobile banking app which allows WhatsApp or WeChat-like capabilities that have been customised to be relevant in a financial services context.

RISK PLAYBOOK

The CIMB Risk Playbook addresses top-level risks that could potentially challenge the realisation of the Group's strategies and priorities.

The Risk Playbook for 2014 focused on risk culture, operationalising the risk appetite framework, strengthening key processes around credit risk, and embedding our enhanced operational risk framework.

In 2014, the Risk Playbook implementation continued to build on the achievements and progress made in 2013. Engagement at all levels, ranging from the Board, senior management and staff, increased through these projects, resulting in better alignment between strategy, business and risk.

The key achievements of the Risk Playbook 2014 are summarised as follows:

- **Better Alignment:** The Risk Appetite Statement for key business units were launched on a pilot basis. With this in place, risk boundaries aligned to the business unit risk appetite were established and cascaded to guide day-to-day operations and risk-taking activities.

- **Improved Standardisation:** There were improvements to the standardisation of credit processes and frameworks across the region that strengthened the identification, assessment and management of credit risk. The improvements to the credit process resulted in greater accountability and collaboration between risk management and business.
- **Increased Risk Awareness:** Whilst the Top Risks continued to be discussed at Senior Management level, the Risk Appetite Principles were communicated to every staff in the region via e-Learning. This promoted greater risk awareness and provided a key reference for resources required to put the Risk Appetite Principles into practice.
- **Improved Operational Risk Framework:** With the revised framework, a more robust approach for the identification and management of operational risk has been put in place. This improved the visibility of the operational risks in the Group and the mitigating actions being taken.

INTERNATIONAL ADVISORY PANEL (IAP)

CIMB's International Advisory Panel (IAP) met in Taipei, Taiwan for the 9th IAP meeting. CIMB has had an Investment Banking presence in Taipei since 2012 and we took the opportunity to host key North Asian clients over a networking dinner at the Silks Palace, National Palace Museum.

Against the backdrop of a challenging operating environment, the IAP discussed key highlights as well as strategies to recalibrate in our markets. Recalibration must happen on multiple fronts - internal recalibration to ensure efficiency, calibration with the market to ensure alignment to demand and trends, calibration to the competition in terms of being aware of competitor moves and developments as well as calibration to other industries to catalyse innovation.

T18

We introduced our mid-term strategic blueprint to the IAP for their feedback and guidance – T18, a set of targets and focus areas to achieve our desired state in 2018. The IAP advised that in developing the strategic direction, to consider the 'leap frog' rather than linear incremental approach as well as factor in challenges that could slow down progress.



IAP members deliberating during the meeting.

Market updates and Review

Across the core markets, the IAP cautioned on exposure to high risk segments, ensuring the right expertise and risk management frameworks are in place, as well as effective execution of partnerships such as our partnership with a Telco in Thailand which could bring scale and a differentiated offering to our customers. Strategic linkages to Asia are important to reinforce the ASEAN positioning, but it is important to identify the right niche in these markets to participate in.

Strategic Initiatives

i. Culture

The IAP commended our culture transformation initiatives stressing that the right culture is imperative in defining the identity of the organisation as well as instills a sense of belonging for the employees. Change must come from the heart as well as be driven top down starting with senior management. However the IAP suggested shortening the execution timeline to minimise uncertainty and disruption during the implementation period. They also suggested informal feedback sessions with staff as well as out of office activities to foster closer ties among the employees.

ii. Digital

We presented a progress update on our digital strategy as well as discussed rising trends around customisation and localisation. The IAP highlighted the importance of adapting our business model to address evolving customer behaviour as well as emphasis on the emotive experience and Corporate Social Responsibility (CSR). The lines are blurring between financial institutions and technology players who are encroaching into the space as they are more nimble and agile, unencumbered by regulation. As such, we must be quick to develop a response to be able to compete effectively.

Wrapping up the meeting, the IAP concluded that 2015 will be a challenging year on many fronts - falling oil prices, tightening liquidity, asset quality concerns coupled with the uncertain geopolitical outlook globally as well as threats of cyber warfare. The key to weathering the storm will be the ability to anticipate and recognise what is around the corner and ensure adequate preparation and contingency plans are in place.

ABOUT THE IAP

The IAP was set up in 2006 to assist the Board and top management in formulating strategies and generating ideas in line with CIMB Group's international business operations and expansion. Led by its Chairman, Tun Musa Hitam, the composition of IAP is made up of members of various nationalities whose combined experience spans a broad spectrum including the financial markets, industry, policy formulation and academia, both domestically and internationally.

International Advisory Panel Members

1	Tun Musa Hitam	Chairman of UM Land and former Deputy Prime Minister of Malaysia
2	Tan Sri Andrew Sheng	President, Fung Global Institute and former Chairman of the Securities and Futures Commission of Hong Kong
3	Datuk Tong Kooi Ong	Executive Chairman, Sunrise Berhad and Co-Chairman, The Edge Asia
4	Glenn Yusuf	President Director of Lonsum, Director CIMB Group, Former Chairman of IBRA
5	Robby Djohan	CEO PT CitraInvesta Adhidana, Former President and CEO of Bank Niaga
6	Tira Wannamethee	Executive Director, Chaitalay Hotel Company Limited
7	Tan Sri Rainer Althoff	Managing Director of Jatro AG, Former President and Chief Executive Officer of Siemens Malaysia Sdn Bhd
8	Watanan Petersik	Director, Asia Capital Advisory Pte Ltd, Independent Director, CIMB Group
9	Rex Auyeung	President, Asia and Senior Vice President of the Principal Financial Group
10	Nicholas RH Bloy	Co-Founder and Managing Partner of Navis Capital Partner Limited
11	Dr. Roberto F. de Ocampo	Founding Partner and Director of the Centennial Group and former Secretary of Finance of the Philippines
12	Goh Geok Khim	Chairman, GK Goh Holdings Limited
13	Tan Sri Md Nor Yusof	Former Chairman of CIMB Group Holdings Berhad, Director of Khazanah Nasional, Chairman of Malaysian Airline System Berhad



Courtesy Call on President Benigno S. Aquino III.

CIMB ASEAN RESEARCH INSTITUTE

The CIMB Research Institute (CARI) continues to build its credibility as a think tank for businesses in ASEAN in support of the advancement and acceleration of the ASEAN integration agenda.

Serving as the secretariat, CARI was able to raise the international profile and brand mindshare of the ASEAN Business Club (ABC) among C-Suite corporates and policy makers through various engagement activities. Significantly, CARI's Lifting-The-Barriers reports were publicly acknowledged and cited by the Prime Minister of Malaysia YAB Dato' Sri Najib Razak as a useful reference for Malaysia, Chair of ASEAN to take stock on the progress and gaps of ASEAN integration.

Newly appointed Chairman, Tan Sri Dr. Munir Majid has officially taken up the position for the next 2 years effective from 1 February 2014. Also as the Chair of ASEAN Business Advisory Council, Tan Sri Dr. Munir has significantly raised CARI's profile through his column and various media interviews in the region.

Outreach and Advocacy

One of the highlights in 2014 is the ABC Delegation to Manila. In May, ABC led a 50 member delegation of business leaders to Philippines and called on President Benigno S. Aquino III at the Malacanang, the official residence of the President. The ABC delegation also held a roundtable discussion with three members of the Philippine Cabinet, Cesar V. Purisima, Secretary of Finance; Amando Tetango Jr., Governor of Central Bank; and Gregory Domingo, Secretary of Trade & Industry. Hosted by the Ayala Corporation and Bank of the Philippine Islands (BPI), the ABC country visit coincided with the World Economic Forum East Asia Summit in the Philippines and was held in conjunction with Ayala Corporation's 180th founding anniversary.

Riding on the success of the inaugural Network ASEAN Forum 2013, ABC Forum 2014 was held in Singapore early September this year with the theme of "ASEAN Game Changers". The forum continues to focus on resolving trade

and industry issues of ASEAN Economic Community (AEC). The forum attracted over 350 participants, and over 50 speakers and role players including ministers and top corporate leaders in the region. The extended two-day forum held another six Lifting-The-Barriers Roundtables, a sector specific gap analysis of the current trade barriers and bottlenecks impeding an integrated market. The sectors focused in the Lifting-The-Barriers initiative 2014 are Legal and Tax, Automotive and Manufacturing, Financial Services and Capital Market, Minerals, Oil and Gas, Food and Beverages and Retail.

ASEAN Business Club also had the honour of having Tan Sri Dr. Zeti Akhtar Aziz Governor Bank Negara Malaysia speak at the ASEAN Business Club Corporate Networking Lunch hosted by CIMB Group, in conjunction with a special ABC delegation visiting Malaysia. Members of the ASEAN Business Club had rare opportunity to call on two cabinet ministers of Malaysia, namely Dato' Sri Mustapa Mohamed and Dato' Sri Idris Jala, as well as meeting with Prime Minister Najib Razak.

Year 2014 also saw CARI building advocacy efforts through a series of collaboration with CIMB business units and external stakeholders. CARI provided strategic input as a knowledge partner to a number of key ASEAN events including CIMB Youth Leadership Summit (CYLS), a roundtable session with the US ASEAN Senior Advisor, H.E. Larry Dinger and the handover ceremony of chairmanship to Asean Business Advisory Council Malaysia (ASEAN BAC) witnessed by Prime Minister Najib Razak.

Research and Publications

For a second year, the year-long exercise of Lifting-The-Barriers initiative spearheaded by CARI and the ABC yielded another set of seven sectoral reports aimed at examining the gaps in each sector. These reports were launched on 1 December 2014 by Secretary General of Minister of International Trade and Industry (MITI), Datuk Dr. Sta Maria. CARI also collaborated with the E-Saan Center for Business and Economics Research, Khon Kaen University of Thailand in releasing the Thai translation of LTB reports 2013.

STRATEGIC ALLIANCES



maple^{tree}
shaping & sharing

maxis

M
THE MELIUM GROUP



Allianz

Sun Life Financial

AirAsia



Principal
Financial Group



ThaiCARDIF Life Assurance



Bank of Tokyo-Mitsubishi UFJ

howden

THE ROHATYN GROUP





**BUILDING BETTER
LIVES TOGETHER**

BOARD OF DIRECTORS

Tan Sri Dato' Md Nor Yusof

Chairman/
Non-Independent Non-Executive Director
(Resigned on 31 August 2014)

Dato' Sri Nazir Razak

Chairman/
Non-Independent Non-Executive Director
(Resigned as Group Managing Director/
Chief Executive Officer on 31 August 2014)
(Appointed as Chairman/Non-Independent
Non-Executive Director on 1 September 2014)

Tengku Dato' Zafrul Tengku Abdul Aziz

Group Chief Executive Officer/
Executive Director
(Appointed on 27 February 2015)

Dato' Zainal Abidin Putih

Senior Independent Director
(Re-designated as Senior Independent
Director on 7 April 2014)

Datuk Dr Syed Muhamad Syed Abdul Kadir

Non-Independent Non-Executive Director
(Re-designated as Non-Independent Non-
Executive Director on 7 April 2014)
(Retired on 30 June 2014)

Dato' Hamzah Bakar

Independent Director
(Retired on 15 April 2014)

Dato' Robert Cheim Dau Meng

Non-Independent Non-Executive Director
(Resigned on 27 February 2015)

Glenn Muhammad Surya Yusuf

Independent Director

Watanan Petersik

Independent Director

Katsumi Hatao

Non-Independent Non-Executive Director
(Retired on 25 February 2014)

Robert Neil Coombe

Independent Director
(Appointed on 16 April 2014)

Kenji Kobayashi

Non-Independent Non-Executive Director
(Appointed on 16 April 2014)

Joseph Dominic Silva

Non-Independent Non-Executive Director
(Appointed on 30 June 2014)

Teoh Su Yin

Independent Director
(Appointed on 8 October 2014)



CORPORAT INFOR

as at 27 February 2015

AUDIT COMMITTEE

Dato' Zainal Abidin Putih
Chairman/
Senior Independent Director

Dato' Hamzah Bakar
Independent Director
(Retired on 15 April 2014)

Datuk Dr Syed Muhamad Syed Abdul Kadir
Non-Independent Non-Executive Director
(Retired on 30 June 2014)

Watanan Petersik
Independent Director
(Appointed on 15 April 2014)

Dato' Robert Cheim Dau Meng
Non-Independent Non-Executive Director
(Appointed on 30 June 2014, resigned on 27 February 2015)

Glenn Muhammad Surya Yusuf
Independent Director
(Appointed on 27 February 2015)

BOARD RISK COMMITTEE

Dato' Hamzah Bakar
Chairman/
Independent Director
(Retired on 15 April 2014)

Glenn Muhammad Surya Yusuf
Chairman/
Independent Director
(Appointed as Chairman on 15 April 2014)

Tan Sri Dato' Md Nor Yusof
Non-Independent Non-Executive Director
(Resigned on 31 August 2014)

Datuk Dr Syed Muhamad Syed Abdul Kadir
Non-Independent Non-Executive Director
(Retired on 30 June 2014)

Dato' Zainal Abidin Putih
Senior Independent Director

Dato' Robert Cheim Dau Meng
Non-Independent Non-Executive Director
(Resigned on 27 February 2015)

Watanan Petersik
Independent Director

Katsumi Hatao
Non-Independent Non-Executive Director
(Retired on 25 February 2014)

Robert Neil Coombe
Independent Director
(Appointed on 16 April 2014)

Kenji Kobayashi
Non-Independent Non-Executive Director
(Appointed on 16 April 2014)

Joseph Dominic Silva
Non-Independent Non-Executive Director
(Appointed on 30 June 2014)

Dato' Sri Nazir Razak
Non-Independent Non-Executive Director
(Appointed on 1 September 2014)

Teoh Su Yin
Independent Director
(Appointed on 8 October 2014)

GROUP NOMINATION AND REMUNERATION COMMITTEE

Datuk Dr Syed Muhamad Syed Abdul Kadir
Chairman/
Non-Independent Non-Executive Director
(Retired on 30 June 2014)

Dato' Zainal Abidin Putih
Chairman/
Senior Independent Director
(Appointed as Chairman on 15 April 2014)

Dato' Hamzah Bakar
Independent Director
(Retired on 15 April 2014)

Glenn Muhammad Surya Yusuf
Independent Director

Dato' Robert Cheim Dau Meng
Non-Independent Non-Executive Director
(Resigned on 27 February 2015)

Watanan Petersik
Independent Director
(Appointed on 15 April 2014)

Joseph Dominic Silva
Non-Independent Non-Executive Director
(Appointed on 30 June 2014)

Teoh Su Yin
Independent Director
(Appointed on 27 February 2015)

GROUP COMPENSATION REVIEW COMMITTEE

Dato' Hamzah Bakar
Chairman/
Independent Director
(Retired on 15 April 2014)

Dato' Sri Nazir Razak
Chairman/
Non-Independent Non-Executive Director
(Appointed as Chairman on 1 September 2014)

Dato' Zainal Abidin Putih
Senior Independent Director

Dato' Robert Cheim Dau Meng
Non-Independent Non-Executive Director
(Resigned on 27 February 2015)

Datuk Dr Syed Muhamad Syed Abdul Kadir
Non-Independent Non-Executive Director
(Appointed on 1 September 2014)

E MATION

BOARD EXECUTIVE COMMITTEE**Dato' Sri Nazir Razak**

Chairman/
Non-Independent Non-Executive Director
(Appointed as Chairman on 8 October 2014)

Dato' Robert Cheim Dau Meng

Non-Independent Non-Executive Director
(Appointed on 8 October 2014, resigned on 27 February 2015)

Teoh Su Yin

Independent Director
(Appointed on 8 October 2014)

Tengku Dato' Zafrul Tengku Abdul Aziz

Group Chief Executive Officer/
Executive Director
(Appointed on 27 February 2015)

GROUP COMPANY SECRETARY

Datin Rossaya Mohd Nashir
LS 0007591

REGISTERED OFFICE

Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur
Malaysia
Tel : 603-2261 0085
Fax : 603-2261 0099
Website : www.cimb.com
Investor Relations : ir@cimb.com
Senior Independent Director :
cimbSID@cimb.com
www.facebook.com/CIMBMalaysia
www.twitter.com/CIMB_Assists

REGISTRAR**Symphony Share Registrars Sdn. Bhd.**

Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel: 603-7841 8000
Fax: 603-7841 8151/52

AUDITORS**PricewaterhouseCoopers**

Level 10, 1 Sentral, Jalan Travers
Kuala Lumpur Sentral
PO Box 10192
50706 Kuala Lumpur

STOCK EXCHANGE LISTING

Listed on Main Market of Bursa
Malaysia Securities Berhad since
3 November 1987

GROUP MANAGEMENT COMMITTEE**Tengku Dato' Zafrul Tengku Abdul Aziz**

Group Chief Executive Officer/
Executive Director

Dato' Robert Cheim Dau Meng

Adviser, Investment Banking

Dato' Lee Kok Kwan

Chief Executive Officer,
Corporate Banking, Treasury &
Markets

Renzo Christopher Viegas

Chief Executive Officer,
Consumer Banking

Arwin Rasyid

Country Head, Indonesia/
President Director & Chief Executive
Officer, CIMB Niaga

Subhak Siwaraksa

Country Head, Thailand/
President & Chief Executive Officer,
CIMB Thai Bank

Mak Lye Mun

Country Head, Singapore/
Chief Executive Officer, CIMB Bank,
Singapore

Kenny Kim

Group Chief Financial Officer/
Chief Executive Officer, Group
Strategy and Strategic Investments

Dato' Kong Sooi Lin

Deputy Chief Executive Officer,
CIMB Investment Bank/
Co-Head, Corporate Client
Solutions/Advisory

Badlisyah Abdul Ghani

Chief Executive Officer, Group
Islamic Banking/
Chief Executive Officer, CIMB Islamic
Bank/Country Head, Middle East
and Brunei

Iswaraan Suppiah

Group Chief Information &
Operations Officer

Hamidah Naziadin

Group Chief People Officer

David Richard Thomas

Group Chief Risk Officer

Effendy Shahul Hamid

Group Chief Marketing &
Communications Officer

Lim Tiang Siew

Group Chief Internal Auditor

Shahnaz Jammal

Deputy Group Chief Financial
Officer/Head of Capital and Balance
Sheet Management

Lee Chin Tok

Group General Counsel

BOARD SHARIAH COMMITTEE**Sheikh Associate Professor Dr Mohamed Azam Mohamed Adil**

Chairman
(Appointed on 1 November 2014)

Sheikh Professor Dr Mohammad Hashim Kamali**Sheikh Dr Nedham Yaqoobi****Sheikh Dr Haji Mohd Nai'm Haji Mokhtar****Sheikh Associate Professor Dr Shafaa Musa****Sheikh Dr Yousef Abdullah Al Shubaily****Sheikha Professor Dr Noor Inayah Yaakub****Sheikh Muhamad Taufik Ridlo**
(Appointed on 1 April 2014)**Sheikh Professor Dato' Dr Sudin Haron**

(Appointed on 1 November 2014)

BOARDS OF MAJOR SUBSIDIARIES



CIMB BANK BERHAD

Chairman

Dato' Zainal Abidin Putih
Independent Director

Dato' Sulaiman Mohd Tahir
Executive Director
(Resigned on 30 May 2014)

Joseph Dominic Silva
Non-Independent Non-Executive Director
(Resigned on 22 September 2014)

Members

Dato' Sri Nazir Razak
Deputy Chairman/Non-Independent Non-Executive Director
(Resigned as Chief Executive Officer/Executive Director on 31 August 2014)
(Re-designated as Deputy Chairman/Non-Independent Non-Executive Director on 1 September 2014)

Datuk Dr Syed Muhamad Syed Abdul Kadir
Non-Independent Non-Executive Director
(Re-designated as Non-Independent Non-Executive Director on 7 April 2014)

Ahmad Zulqarnain Che On
Non-Independent Non-Executive Director
(Appointed on 22 September 2014)

Renzo Christopher Viegas
Executive Director

Rosnah Dato' Kamarul Zaman
Independent Director

Dato' Sri Amrin Awaluddin
Independent Director
(Appointed on 11 November 2014)

Venkatachalam Krishnakumar
Independent Director

Secretary
Datin Rossaya Mohd Nashir

Grace Yeoh Cheng Geok
Independent Director



CIMB INVESTMENT BANK BERHAD

Chairman

Dato' Hamzah Bakar
Independent Director
(Retired on 25 September 2014)

Members

Tengku Dato' Zafrul Tengku Abdul Aziz
Chief Executive Officer/Executive Director

Nadzirah Abd Rashid
Independent Director
(Appointed on 15 September 2014)

Dato' Sri Nazir Razak
(Appointed as Non-Independent Non-Executive Director on 25 September 2014)
(Re-designated as Chairman on 26 September 2014)

Dato' Zainal Abidin Putih
Independent Director

Dato' David Chua Ming Huat
Independent Director
(Appointed on 13 February 2015)

Habibah Abdul
Independent Director

Secretary
Datin Rossaya Mohd Nashir

Zahardin Oмарdin
Independent Director
(Retired on 5 May 2014)

 CIMB ISLAMIC
CIMB ISLAMIC BANK BERHAD**Chairman**

Datuk Dr Syed Muhamad Syed Abdul Kadir
Non-Independent Non-Executive Director
(Re-designated as Non-Independent Non-Executive Director on 7 April 2014)

Members

Badlisyah Abdul Ghani
Chief Executive Officer/Executive Director

Dato' Sulaiman Mohd Tahir
Non-Independent Non-Executive Director
(Resigned on 24 January 2014)

Raja Shaharul Niza Raja Abdul Aziz
Independent Director

Habibah Abdul
Independent Director

Rosnah Dato' Kamarul Zaman
Independent Director
(Appointed on 28 March 2014)

Professor Dato' Dr Sudin Haron
Independent Director
(Appointed on 5 November 2014)

Associate Professor Dr Mohamed Azam
 Mohamed Adil
Independent Director
(Appointed on 5 November 2014)

Secretary

Datin Rossaya Mohd Nashir

 CIMB NIAGA
PT BANK CIMB NIAGA TBK**President Commissioner**

Dato' Sri Nazir Razak
Non-Independent Non-Executive Commissioner

Members

Glenn Muhammad Surya Yusuf
Vice President Commissioner
Independent Commissioner

Roy Edu Tirtadji
Independent Commissioner

Sri Hartina Urip Simeon
Independent Commissioner

Zulkifli M Ali
Independent Commissioner

Primoehadi Notowidigdo
Independent Commissioner

Joseph Dominic Silva
Non-Independent Non-Executive Commissioner
(Resigned on 15 September 2014)

Hamidah Naziadin
Non-Independent Non-Executive Commissioner
(Resigned on 15 September 2014)

Ahmad Zulqarnain Onn
Non-Independent Non-Executive Commissioner
(Appointed on 15 September 2014)

David Richard Thomas
Non-Independent Non-Executive Commissioner
(Appointed on 15 September 2014)

Corporate Secretary

Rudy Hutagalung



CIMB THAI BANK PUBLIC COMPANY LIMITED

Chairman

Chakramon Phasukavanich
Executive Director
(Resigned on 28 August 2014)

Dato' Robert Cheim Dau Meng
Non-Independent Non-Executive
(Re-designated as Chairman on
29 September 2014)

Members

Subhak Siwaraksa
President/Chief Executive Officer

Sukont Kanjana-Huttakit
Independent Director

Dato' Shaarani Ibrahim
Independent Director

Watanan Petersik
Independent Director

Kenny Kim
Non-Independent Non-Executive Director

Chitrapongse Kwangsukstith
Independent Director
(Appointed on 11 April 2014)

Sopawadee Lertmanaschai
Independent Director
(Appointed on 11 April 2014)

Serena Tan Mei Shwen
Non-Independent Director
(Appointed on 6 May 2014)

Secretary

Thaphop Kleesuwan



CIMB BANK PLC

Chairman

Dato' Shaarani Ibrahim
Independent Director

Members

Dato' Wira Zainal Abidin Mahamad Zain
Independent Director

Yew Wan Kup
Non-Independent Executive Director
(Resigned on 29 January 2015)

Dr Mey Kalyan
Independent Director

Kua Wei Jin
Non-Independent Non-Executive Director

Bun Yin
Non-Independent Executive Director
(Appointed on 29 January 2015)

Joint Secretaries

Ly Sophea
Datin Rossaya Mohd Nashir

CORPORATE PROFILE



CIMB GROUP

CIMB Group is a leading ASEAN universal bank, with arguably the largest Asia Pacific investment banking network. It is also a world leader in Islamic finance.

The Group is headquartered in Kuala Lumpur, Malaysia, and offers consumer banking, wholesale banking, Islamic banking and asset management products and services. It is the fifth largest banking group by assets in ASEAN and, as at the end of 2014, has over 40,000 staff and approximately 13 million customers.

Products and services are complemented by partnerships and alliances with various leading companies including AirAsia Indonesia, AIS, Howden and Sun Life Malaysia.

CIMB Group Holdings Berhad has been listed on the main market of Bursa Malaysia since 1987 and was one of the largest companies at the end of 2014 with a market capitalisation of RM46.3 billion. Total assets at the end of 2014 were RM414.2 billion, with total shareholders' funds of RM37.4 billion and total Islamic assets of RM61.3 billion.

Major shareholders at the end of 2014 were Khazanah Nasional with 29.31%, Employees Provident Fund (EPF) with 14.65%, Kumpulan Wang Persaraan (KWAP) with 3.58% and Mitsubishi UFJ Financial Group with 4.61%.



CIMB BANK

CIMB Bank is the Group's commercial bank in Malaysia. It also has branches in Singapore and London and representative offices in Shanghai, Yangon and Mumbai.



CIMB INVESTMENT BANK

CIMB investment banking franchise operates in 18 countries across Asia Pacific. CIMB Securities International serves institutional clients throughout the Asia Pacific region as well as global investors in the Asia Pacific equity markets.



CIMB ISLAMIC

CIMB Islamic is the Group's global Islamic banking and finance franchise. It operates in parallel with the Group's universal banking platform.



CIMB NIAGA

CIMB Niaga is the Group's banking franchise in Indonesia. It has been listed on the Indonesia Stock Exchange since 1989 and was the fifth largest bank in Indonesia by assets at the end of 2014.



CIMB THAI

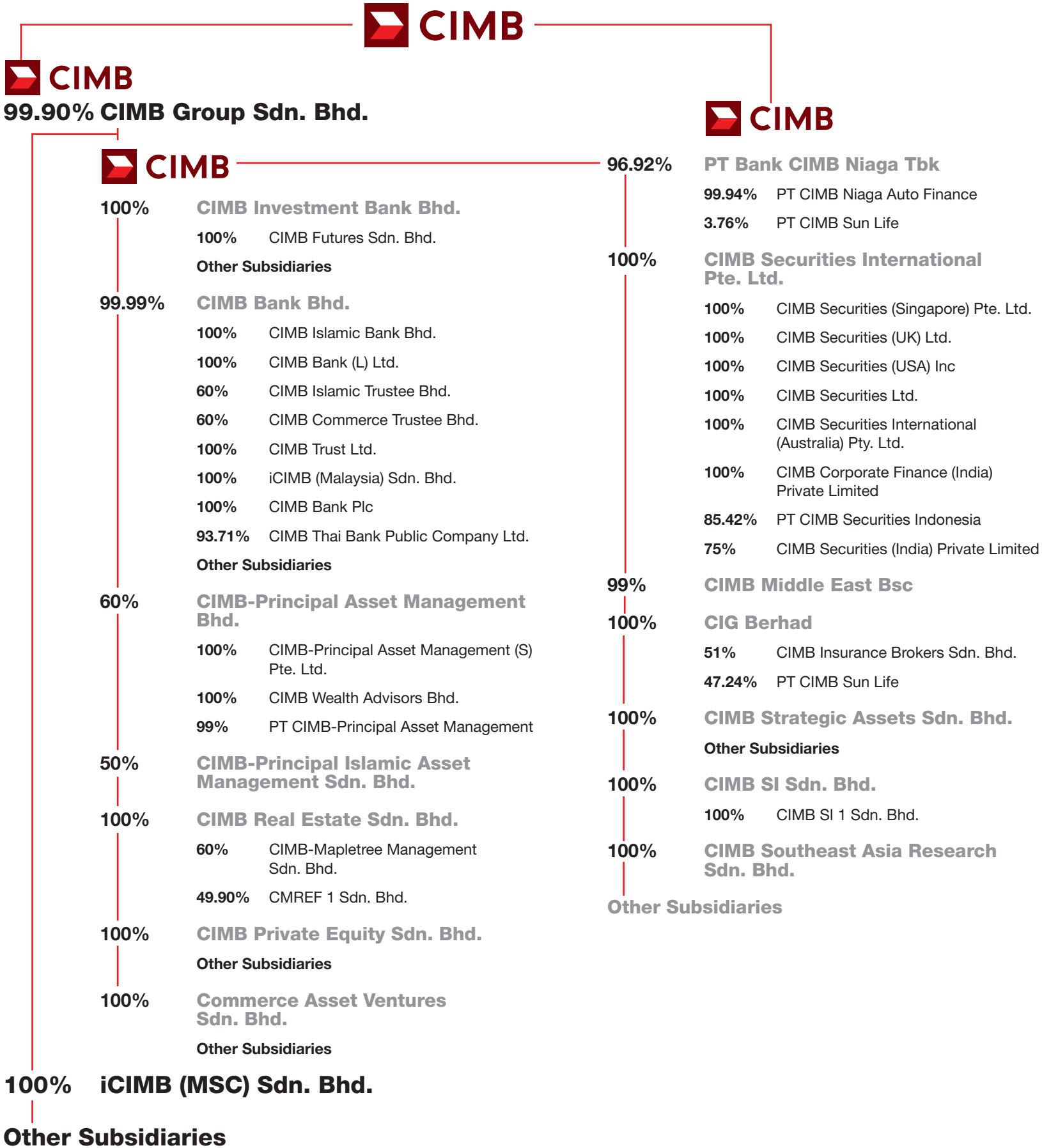
CIMB Thai is the Group's banking franchise in Thailand. It has been listed on the Stock Exchange of Thailand and was the ninth largest bank in Thailand by assets at the end of 2014.



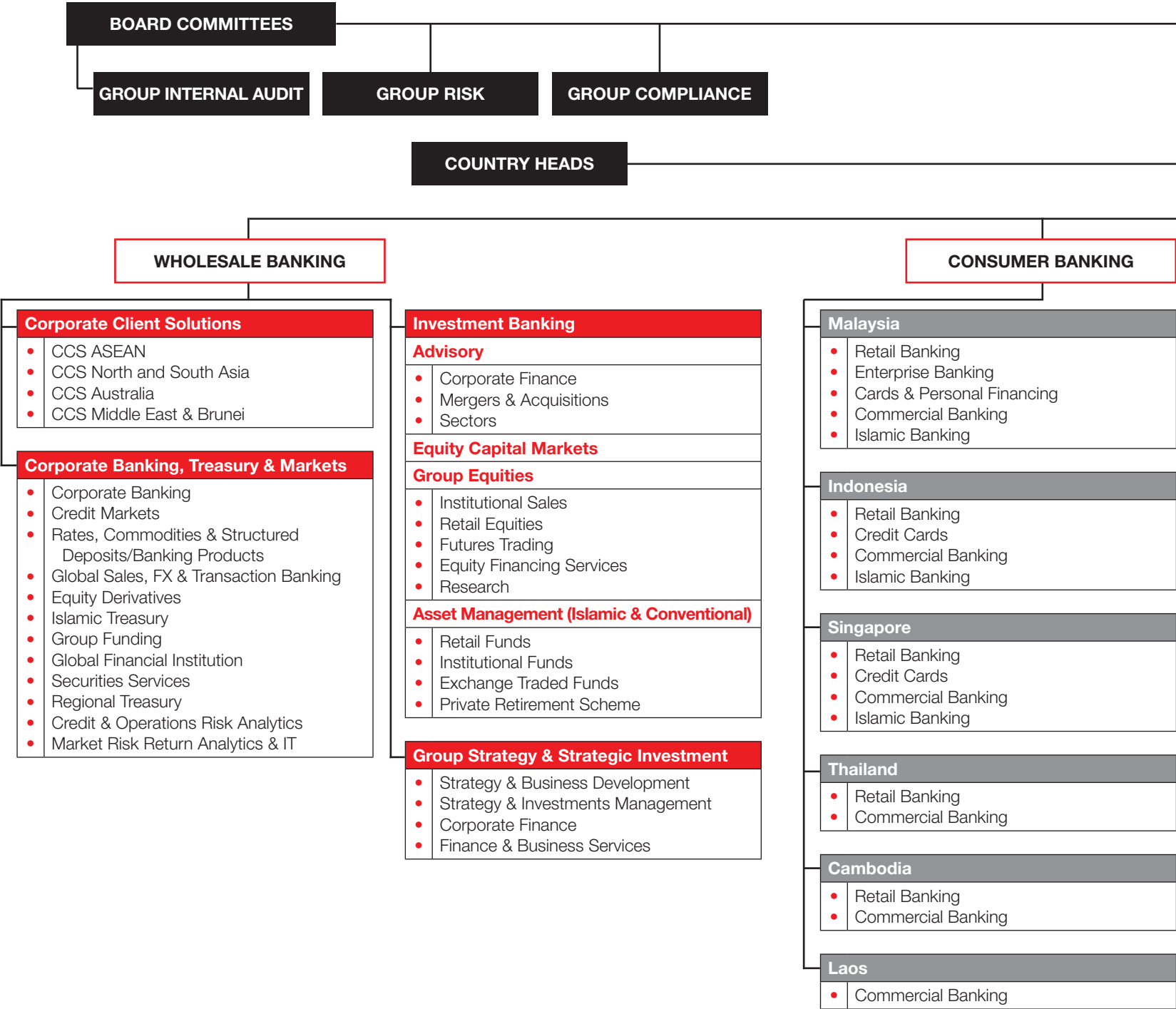
CIMB CAMBODIA

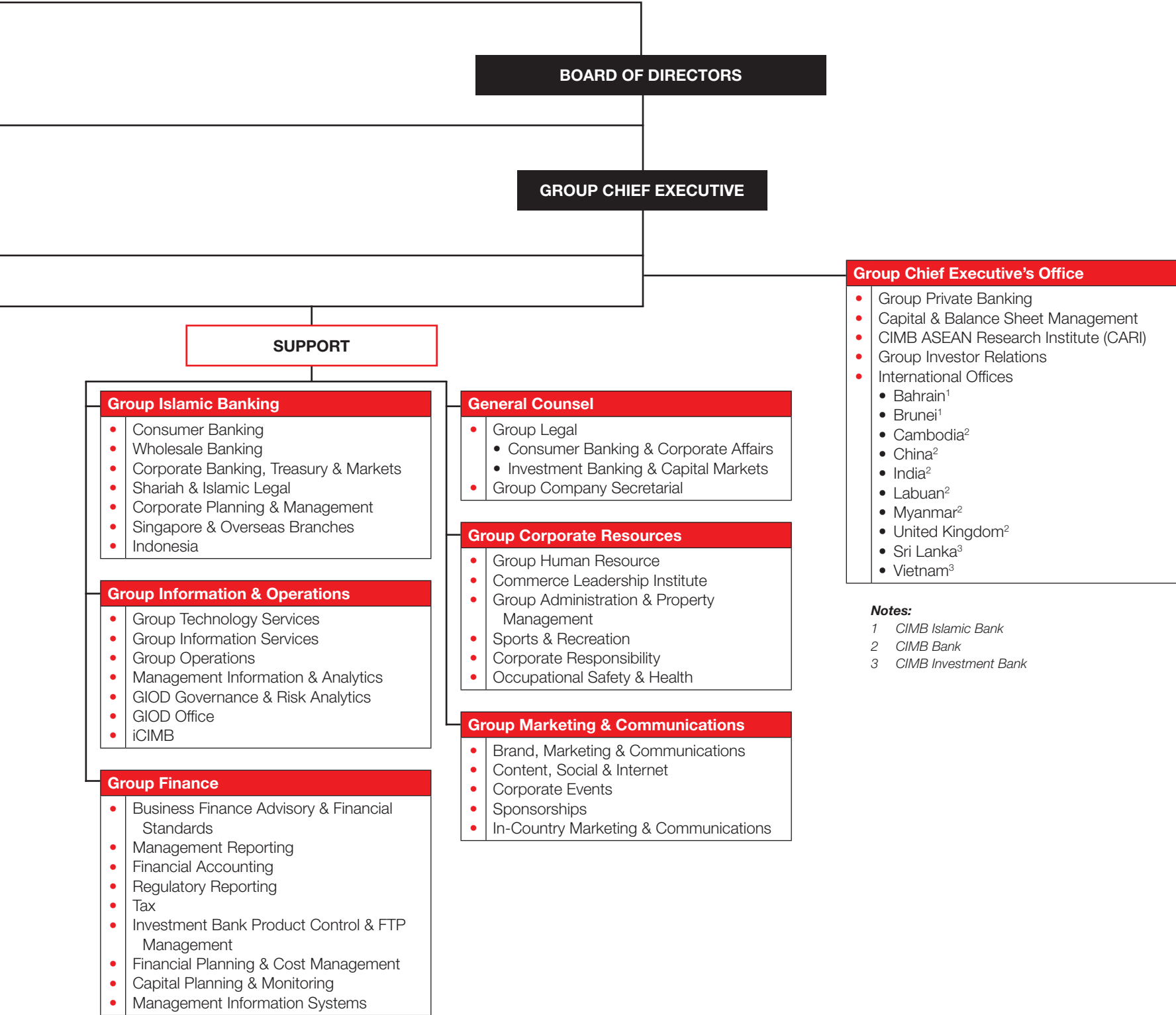
CIMB Cambodia is the Group's banking franchise in Cambodia. It started operations in 2010 and has expanded to 11 branches in five major cities across the country. CIMB Cambodia offers a focused list of products in consumer banking, which constitutes its primary business.

CORPORATE STRUCTURE



CIMB GROUP ORGANISATION STRUCTURE





Notes:
¹ CIMB Islamic Bank
² CIMB Bank
³ CIMB Investment Bank



LEADER



SHIP

From left:

- Teoh Su Yin • Dato' Sri Nazir Razak
- Joseph Dominic Silva • Dato' Robert Cheim Dau Meng • Kenji Kobayashi
- Tengku Dato' Zafrul Tengku Abdul Aziz
- Robert Neil Coombe • Dato' Zainal Abidin Putih • Glenn Muhammad Surya Yusuf • Watanan Petersik

DATO' SRI NAZIR RAZAK

Chairman/Non-Independent
Non-Executive Director

**TENGGU DATO' ZAFRUL
TENGGU ABDUL AZIZ**

Group Chief Executive Officer/Executive Director

DATO' ZAINAL ABIDIN PUTIH

Senior Independent Director

DATO' ROBERT CHEIM DAU MENG

Non-Independent Non-Executive Director

**GLENN MUHAMMAD SURYA
YUSUF**

Independent Director

WATANAN PETERSIK

Independent Director

KENJI KOBAYASHI

Non-Independent Non-Executive Director

ROBERT NEIL COOMBE

Independent Director

JOSEPH DOMINIC SILVA

Non-Independent Non-Executive Director

TEOH SU YIN

Independent Director

PROFILE BOARD OF DIRECTORS

DATO' SRI NAZIR RAZAK

Chairman/Non-Independent Non-Executive Director



- 48 years old, Malaysian
- Joined the Board on 27 January 2006
- Attended all 13 Board Meetings held in 2014
- Chairman of the Board Executive Committee and Group Compensation Review Committee
- Member of the Board Risk Committee

Dato' Sri Nazir Razak was appointed to the Board on 27 January 2006 as a Non-Independent Non-Executive Director and was then appointed as the Group Managing Director/Chief Executive Officer of CIMB on 7 November 2006. He resigned as the Group Managing Director/Chief Executive Officer of CIMB on 31 August 2014. On 1 September 2014 he was re-designated and named Chairman/Non-Independent Non-Executive Director of CIMB following the retirement of Tan Sri Dato' Md Nor Yusof as the Chairman/Non-Independent Non-Executive Director on 31 August 2014. He is also the President Commissioner of PT Bank CIMB Niaga Tbk.

Dato' Sri Nazir graduated from the University of Bristol with a Bachelor of Science (Hons) degree and obtained a Master of Philosophy (MPhil) from the University of Cambridge.

He joined the corporate advisory department of Commerce International Merchant Bankers Berhad (now known as CIMB Investment Bank Berhad) in 1989 and managed various fund raising, privatisation, listing and corporate restructuring exercises. In 1993, he transferred to the bank's stockbroking arm where he rose to the position of Executive Director. He moved back to CIMB Investment Bank Berhad as Deputy Chief Executive on 1 June 1996 and became Chief Executive on 1 June 1999. He assumed the position of Group Chief Executive of CIMB on 7 November 2006.

During his tenure as Group Managing Director/Chief Executive Officer of CIMB, Dato' Sri Nazir has been recognised as Malaysia's top executive/CEO on several occasions. He was the youngest recipient of FinanceAsia's 'Lifetime Achievement Award' in 2009 and was also awarded Euromoney's 2012 'Outstanding Achievement Award' in recognition of his outstanding contribution to the Asian Financial Markets.

Dato' Sri Nazir was recently appointed as a Director of Khazanah Nasional Berhad. He holds directorships in various CIMB companies and is a member of the Investment Panel and Chairman of the Investment Panel Risk Committee of the Employees Provident Fund Board. He is also an Executive Committee member of the Malaysia International Islamic Financial Centre and a Trustee of the Rahah Foundation and the Pride Foundation.

He does not have any family relationship with any other directors and/or major shareholders of the Company, except being the brother of Dato' Sri Mohd Najib Tun Hj Abdul Razak, the Chairman of Khazanah Nasional Berhad.

TENGGU DATO' ZAFRUL TENGGU ABDUL AZIZ

Group Chief Executive Officer/Executive Director

- 42 years old, Malaysian
- Joined the Board on 27 February 2015
- Member of the Board Executive Committee

Tengku Dato' Zafrul Tengku Abdul Aziz is the Group Chief Executive Officer/Executive Director of CIMB Group. He is also the Chief Executive Officer/Executive Director of CIMB Investment Bank Berhad.

Tengku Dato' Zafrul graduated from the University of Bristol, United Kingdom with a Bachelor of Science (Hons) Economics and Accounting and obtained a Master of Arts (MA) in Finance and Management from the University of Exeter, United Kingdom.

He was previously the Chief Executive Officer of Maybank Investment Bank Berhad and Maybank Kim Eng Holdings. Prior to joining Maybank, he was the Group Director of Kenanga Holdings Berhad. He was also the Chief Executive Officer and a shareholder of Tune Money Sdn Bhd, which he joined after serving as the Head of Investment Banking in Citigroup Malaysia. Tengku Dato' Zafrul also served as Group Managing Director of Avenue Capital Resources (now ECM Libra), and the Chief Executive Officer of Avenue Securities and Chairman of Avenue Asset Management.

Tengku Dato' Zafrul was awarded the Malaysian Business Leadership Award 2009 for the investment banking sector, the APEA 2008 Most Promising Entrepreneurship Award by Enterprise Asia and the Technology Business Review ASEAN CEO Award 2008. He is currently the President of the Kuala Lumpur Business Club, a member of the Advisory Board to the Faculty of Business and Accounting, University Malaya, Chairman of Enactus Malaysia, a non-profit organisation aimed at grooming university students into future leaders, Board member of the Malaysian Investment Development Authority and Board member of Perbadanan PRIMA Malaysia. Tengku Dato' Zafrul is also Chairman of CIMB-Principal Asset Management Berhad and a Director of Cagamas Holdings Berhad.

He does not have any family relationship with any other directors and/or major shareholders of the Company.



- 69 years old, Malaysian
- Joined the Board on 7 November 2006
- Attended all 13 Board Meetings held in 2014
- Chairman of the Audit Committee and Group Nomination and Remuneration Committee
- Member of the Board Risk Committee and Group Compensation Review Committee

Dato' Zainal Abidin Putih qualified as a Chartered Accountant from the Institute of Chartered Accountants in England and Wales and is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

He is the Chairman of CIMB Bank Berhad, Touch 'n Go Sdn Bhd, Southeast Asia Special Asset Management Berhad and a Director of CIMB Investment Bank Berhad.

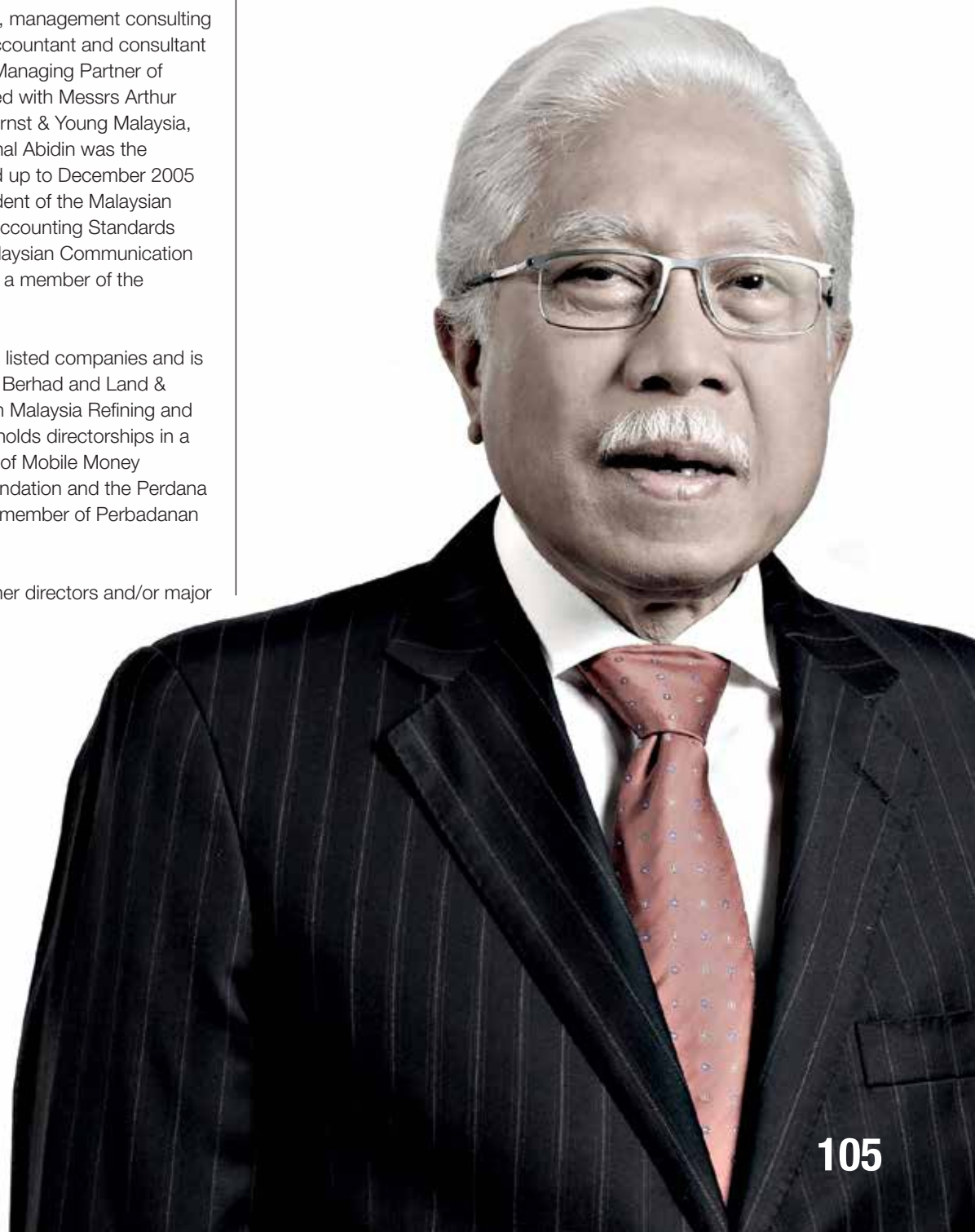
Dato' Zainal Abidin has extensive experience in audit, management consulting and taxation, having been involved as a practicing accountant and consultant throughout his career. He was formerly the Country Managing Partner of Messrs Hanafiah Raslan and Mohamad which merged with Messrs Arthur Andersen in 1990 and was an Adviser with Messrs Ernst & Young Malaysia, until his retirement on 31 December 2004. Dato' Zainal Abidin was the Chairman of Pengurusan Danaharta Nasional Berhad up to December 2005 when it ceased operations. He is also the past President of the Malaysian Institute of Certified Public Accountants, Malaysian Accounting Standards Board and previously served as a member of the Malaysian Communication and Multimedia Commission. He was also previously a member of the Investment Panel of the Employees Provident Fund.

Dato' Zainal Abidin sits on the Boards of other public listed companies and is currently the Chairman of Dutch Lady Milk Industries Berhad and Land & General Berhad. He also sits on the Boards of Petron Malaysia Refining and Marketing Berhad and Tenaga Nasional Berhad. He holds directorships in a number of private companies including as Chairman of Mobile Money International Sdn Bhd. He is a Trustee of the IJN Foundation and the Perdana Leadership Foundation. Dato' Zainal Abidin is also a member of Perbadanan Putrajaya.

He does not have any family relationship with any other directors and/or major shareholders of the Company.

DATO' ZAINAL ABIDIN PUTIH

Senior Independent Director



DATO' ROBERT CHEIM DAU MENG

Non-Independent Non-Executive Director

- 63 years old, Malaysian
- Joined the Board on 7 November 2006
- Attended 12 out of 13 Board Meetings held in 2014
- Member of the Board Risk Committee, Audit Committee, Group Nomination and Remuneration Committee, Group Compensation Review Committee and Board Executive Committee

Dato' Robert Cheim is a Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Accountants.

He is the Adviser for the Investment Banking Division of the Group, Chairman of CIMB Thai Bank Public Company Limited and holds directorships in various CIMB companies.

Dato' Robert Cheim joined Commerce International Merchant Bankers Berhad (now known as CIMB Investment Bank Berhad) in 1984 and held the position of Head of Corporate Finance, General Manager and Executive Director, before assuming the position of Chief Executive Officer from 1993 to 1999. From 1999 to 2006, he was an Executive Director of CIMB Investment Bank Berhad. Prior to joining CIMB Investment Bank Berhad, Dato' Robert Cheim served in various management positions with the former United Asian Bank Berhad (now known as CIMB Bank Berhad) between 1977 and 1984. He has also worked in various accounting firms in London, England.

He is also the Chairman and Independent Director of Tanjong PLC and Trustee of Yu Cai Foundation.

He does not have any family relationship with any other directors and/or major shareholders of the Company.

Dato' Robert Cheim resigned from the Board on 27 February 2015.



GLENN MUHAMMAD SURYA YUSUF

Independent Director



- 59 years old, Indonesian
- Joined the Board on 25 January 2010
- Attended 12 out of 13 Board Meetings held in 2014
- Chairman of the Board Risk Committee
- Member of the Audit Committee and Group Nomination and Remuneration Committee

Glenn Muhammad Surya Yusuf graduated from the University of the Philippines in Manila with a Bachelor's degree in Economics and earned his Master's degree in Business Management from the Asian Institute of Management, Manila.

Glenn has served on CIMB's International Advisory Panel since 2006 and was Deputy Chairman of the Bank Niaga – Bank Lippo Integration Steering Committee in 2008. He has been a Commissioner of PT Bank CIMB Niaga Tbk since April 2010 and assumed his current position as Vice President Commissioner in June 2012.

He is a prominent figure in the Indonesian corporate scene, having over 30 years of experience in the corporate and financial sectors, including a tenure at the then PT Bank Niaga Tbk (1985-1994) where he rose to the position of Finance Director, Director General Financial Institutions, Ministry of Finance in 1998 and served as the third Chairman of the Indonesian Bank Restructuring Agency (IBRA) from 1998 to 2000.

He has served as President Director/CEO PT PP London Sumatera Indonesia, Tbk from June 2003 to May 2007, President Director/CEO PT Danareksa (Persero) from 1995 to 2001, Director at PT Bahana Pembinaan Usaha Indonesia from 1994 to 1995 and Finance Director at PT Bank Niaga Tbk from 1991 to 1994.

In government service, Glenn was the Head of the Minister of Finance Assistance Team for Financial Sector Restructuring, Department of Finance, Republic of Indonesia from October 2001 to October 2002.

He was the Head of Investment Banking of PT Bank Niaga Tbk from 1989 to 1991, General Manager Los Angeles Agency of PT Bank Niaga Tbk from 1985 to 1989 and Manager Citicorp Capital Markets Group in Indonesia from 1983 to 1985. He was Senior Partner of PT Nusantara Capital from June 2007 to 2010 and assumed the position of President Commissioner at PT Polyprima Karyareksa from June 2004 to 2010.

He does not have any family relationship with any other directors and/or major shareholders of the Company.

WATANAN PETERSIK

Independent Director

- 54 years old, Thai
- Joined the Board on 25 January 2010
- Attended 12 out of 13 Board Meetings held in 2014
- Member of the Board Risk Committee, Audit Committee and Group Nomination and Remuneration Committee

Watanan Petersik graduated from Bryn Mawr College, Pennsylvania, United States of America with a Bachelor of Arts degree (Magna Cum Laude).

She joined the Board of CIMB Thai Bank Public Company Limited in 2007 as a nominee of TPG Capital. She is currently an Independent Director and Chairman of the Nomination and Remuneration Committee of CIMB Thai Bank Public Company Limited.

She has been in the financial services industry spanning for over 30 years with her last full-time at Goldman Sachs. She is currently a Senior Adviser to TPG Capital.

She does not have any family relationship with any other directors and/or major shareholders of the Company.



KENJI KOBAYASHI

Non-Independent Non-Executive Director

- 50 years old, Japanese
- Joined the Board on 16 April 2014
- Since appointed, attended 6 out of 8 Board Meetings held in 2014
- Member of the Board Risk Committee

Kenji Kobayashi graduated from the International Christian University, Tokyo, Japan with Bachelor of Liberal Arts in 1988.

He is the General Manager of Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU), heading the Asian Risk Management and Compliance Division for Asia & Oceania as well as for East Asia. He is also the General Manager of Mitsubishi UFJ Financial Group, Inc. (MUFG), a head of the Risk Management Office for both Asia & Oceania and East Asia. As the head of these divisions, Kobayashi is responsible for the planning, promotion, guidance, support, and overall control of comprehensive management/operation of various risks including credit risk, market risk, fund liquidity risk, operational risk and compliance issues in the Asian regions.

He does not have any conflict of interest with the Company, except by virtue of being a representative of BTMU and MUFG.



ROBERT NEIL COOMBE

Independent Director

- 51 years old, Australian
- Joined the Board on 16 April 2014
- Since appointed, attended 7 out of 8 Board Meetings held in 2014
- Member of the Board Risk Committee

Robert Neil Coombe graduated from the University of Technology, Sydney, Australia with a Bachelor of Laws degree (Honours).

He has over 30 years of corporate experience in Australia and Asia including over 10 years in a Chief Executive Officer capacity. He is currently the Chief Executive Officer of QSRH Ltd which owns and operates 3 iconic brands in the Quick Service Restaurant Sector with 18,000 people employed throughout 600 restaurants in Australia and New Zealand.

Prior to joining QSRH Ltd, he spent 2 years running Westpac's Retail, Business and Agri banking operations throughout Australia. For the 6 years before that, he was the CEO of BT Financial Group, responsible for all of Westpac's funds management, financial planning, insurance, private banking, broking, platform and superannuation businesses in Australia.

Robert is a founding Director and Deputy Chairman of the Australia Indigenous Education Foundation, Deputy Chairman of Surfing Australia and a member of the Advisory Board to the UTS Faculty of Law.

In 2011, he was awarded the prestigious UTS Alumni of the Year for Excellence in recognition of his achievements in the business community and social sector.

He does not have any family relationship with any other directors and/or major shareholders of the Company.



JOSEPH DOMINIC SILVA

Non-Independent Non-Executive Director

- 50 years old, Malaysian
- Joined the Board on 30 June 2014
- Since appointed, attended all 7 Board Meetings held in 2014
- Member of the Board Risk Committee and Group Nomination and Remuneration Committee

Joseph Dominic Silva graduated in Finance from University of Wales, United Kingdom and completed his Senior Management Programme at Henley Management College, United Kingdom.

He joined Khazanah Nasional Berhad in August 2008 and is currently Executive Director and Head of Investments at Khazanah Nasional Berhad. He currently serves as a Director on the Boards of CIMB Group Sdn Bhd, ASTRO Holdings Sdn Bhd, Iskandar Malaysia Studios Sdn Bhd, Aur Ventures Sdn Bhd, Avicennia Capital Sdn Bhd, Satang Investments Ltd, Greatville Pte Ltd (Singapore), PT Pantai Damai (Indonesia) Tanjung Jara Investments Limited (Hong Kong), Khazanah India Advisors Pte Ltd (India) and IDFC Limited (India).

Prior to joining Khazanah Nasional Berhad, he spent 18 years in the banking sector in regional and international roles across the areas of relationship management, structured finance, capital markets, risk and portfolio management and strategic business development.

He does not have any conflict of interest with the Company, except by virtue of being a representative of Khazanah Nasional Berhad.



TEOH SU YIN

Independent Director



- 43 years old, Malaysian
- Joined the Board on 8 October 2014
- Since appointed, attended all 3 Board Meetings held in 2014
- Member of the Board Risk Committee, Board Executive Committee and Group Nomination and Remuneration Committee

Teoh Su Yin graduated with a Bachelor of Arts (Hons) in Business Studies from Sheffield Hallam University, England. Her other qualifications includes as Licensed Investment Adviser and Chartered Institute of Marketing (UK).

She has almost 20 years experience in equity research and investments. Su Yin began her career with JP Morgan Malaysia as a Junior Analyst in 1994. In 2000, she became Head of Research with sector coverage experience in infrastructure, plantations, power, gaming, real estate and conglomerates.

In 2002, she left JP Morgan to join Deutsche Bank Malaysia Berhad, initially as a Senior Analyst and later as Managing Director, Head of Malaysia and ASEAN Equity Research. As individual analyst, Su Yin was ranked Top 3 by Asiamoney in 2008 and 2009. She currently serves on the Board of Albizia ASEAN Opportunities Fund in Singapore.

She does not have any family relationship with any other directors and/or major shareholders of the Company.

Note on Board of Directors:

Family Relationship:

Save as disclosed, none of the Directors have any family relationship with any Director and/or major shareholder of the Company.

Conflict of Interest:

Save as disclosed, none of the Directors have any conflict of interest with the Company.

Conviction for Offences:

None of the Directors have convictions for any offences for the past 10 years.

DATIN ROSSAYA MOHD NASHIR

Group Company Secretary

Datin Rossaya Mohd Nashir, 46, is CIMB's Group Company Secretary. She supports the Chairman and the Board and advises them on their fiduciary duties and responsibilities, including compliance to laws and regulatory requirements. She monitors corporate governance developments and assists the Board in tailoring governance practices in the Group to meet the Board's needs and investor expectations. She also acts as Secretary to various Board Committees as well as the Group Management Committee and plays a liaison role between the Board and its key stakeholders, both in Malaysia and in the Group's regional operations.

She has been with CIMB since 2002, when she joined the Corporate Legal Services Unit and later set up the Company Secretarial Department. She has more than 20 years of experience in corporate secretarial practice and takes an active interest in advocating greater participation of women in the boardroom. Datin Rossaya started her career with Time Engineering Group and subsequently joined Permodalan Nasional Berhad, where she assumed the position of Joint Company Secretary for several of its subsidiaries.

Datin Rossaya graduated with a Bachelor of Laws degree, majoring in Business Law from Coventry University, United Kingdom. She is also an affiliate of the Malaysian Institute of Chartered Secretaries and Administrators and serves as a member of the Companies Commission of Malaysia's Corporate Practice Consultative Forum, representing the interests of Government Linked Companies under the auspices of Khazanah Nasional Berhad.



**SHEIKH ASSOCIATE PROFESSOR
DR MOHAMED AZAM MOHAMED
ADIL**

Chairman

**SHEIKH PROFESSOR DR
MOHAMMAD HASHIM KAMALI**

SHEIKH DR NEDHAM YAQOOBI

**SHEIKH DR HAJI MOHD
NAI'M HAJI MOKHTAR**

**SHEIKH ASSOCIATE PROFESSOR
DR SHAFAAI BIN MUSA**

**SHEIKH DR YOUSEF ABDULLAH
AL SHUBAILY**

**SHEIKHA PROFESSOR DR NOOR
INAYAH YAAKUB**

SHEIKH MUHAMAD TAUFIK RIDLO

**SHEIKH PROFESSOR DATO' DR
SUDIN HARON**



GROUP SHARIAH COMMITTEE



SHEIKH ASSOCIATE PROFESSOR DR MOHAMED AZAM MOHAMED ADIL

Chairman

Sheikh Associate Professor Dr Mohamed Azam Mohamed Adil was appointed as Independent Director of CIMB Islamic Bank Berhad on 5 November 2014 and is the Chairman of the Group Shariah Committee. He currently serves as Deputy Chief Executive Officer cum Principal Fellow of the International Institute of Advanced Islamic Studies Malaysia.

He began his career as a lecturer at Universiti Teknologi MARA (UiTM), Shah Alam, Malaysia in 1990 and was promoted to Associate Professor in 2008. He held several administrative posts in UiTM, where he was the Head of Islamic Studies Unit, Centre for Preparatory Studies from 1997 to 2001, the Coordinator for Minor and Elective Programmes at ACIS from 2006 to 2011 and later became the Head of Programme for Minor, Elective and Postgraduate Studies from 2011 to 2012.

Sheikh Associate Professor Dr Mohamed Azam is also a Fellow of the Accounting Research Institute (ARI) and Institute of Zakat Studies, UiTM and member of the Research Ethics Committee, UiTM.

He sits on the Selangor Religious Council (MAIS) Legal Committee, Shari'ah Community of the Attorney General's Chambers and on several Editorial Boards such as Shari'ah Journal, University of Malaya, Global Journal of al-Thaqafah, Kolej Universiti Sultan Azlan Shah, Jurnal Fikrah, UiTM and ESTEEM Journal, UiTM, Penang.

Sheikh Associate Professor Dr Mohamed Azam was appointed on the panel of the Industrial Court of Malaysia from 2007 to 2009, and was awarded the Fulbright Visiting Award by the Council for International Exchange of Scholars, Washington, DC, USA in 2007. He is currently the President, Academy of Islamic Studies, University of Malaya's Alumni.

He obtained his Bachelor's degree in Shar'ia and Law from the University of Malaya, and his Master of Laws and Ph.D degrees from the School of Oriental and African Studies (SOAS), University of London, England.



SHEIKH PROFESSOR DR MOHAMMAD HASHIM KAMALI

Sheikh Professor Dr Mohammad Hashim Kamali is a Canadian and holds Malaysian permanent residence. He is the Founding Chief Executive Officer of the International Institute of Advanced Islamic Studies and a member of the Securities Commission Shariah Advisory Council for the period of July 2010 to June 2012. He formerly served as a Professor of International Institute of Islamic Thought and Civilisation and Ahmad Ibrahim Kulliyah of Laws, International Islamic University, Malaysia. He has been teaching Islamic law and jurisprudence since 1985.

He holds a 1st Class, Bachelor of Arts Honours degree in Law and Political Science from Kabul University, Afghanistan, Master of Laws degree from the London School of Economics, United Kingdom and a Ph.D in Islamic Law from the School of Oriental & African Studies, University of London, United Kingdom. He is also a renowned writer in the area of Islamic law and jurisprudence and has written many books and articles on the subject.



SHEIKH DR NEDHAM YAQOOBI

Sheikh Dr Nedham Yaqoobi is a Bahrain national and renowned Shariah scholar. He sits on various Shariah boards of Islamic banking and financial institutions globally including the Dow Jones Islamic Market Indexes, the Accounting and Auditing Organisation for Islamic Financial Institutions and the International Islamic Financial Market. He is the author of several articles and publications on Islamic finance and other sciences, in English and Arabic. He was educated in classical Shariah in his native Bahrain and in Makkah under the guidance of eminent scholars, including Sheikh Abdulla

al-Farisi, Sheikh Yusuf al-Siddiqi, Sheikh Muhammed Saleh al-Abbasi, Sheikh Muhamed Yasin al Fadani (Makkah), Sheikh Habib-ur-Rahman A. Zaini (India), Sheikh Abdulla bin Al-Siddiq Al-Ghumar (Morocco), and others.

He has a Bachelor of Arts degree in Economics and Comparative Religion, a Master of Science degree in Finance from McGill University, Montreal, Canada and a Ph.D in Islamic Law from the University of Wales, United Kingdom.



SHEIKH DR HAJI MOHD NAI'M HAJI MOKHTAR

Sheikh Dr Haji Mohd Nai'm Haji Mokhtar is a Malaysian and is currently the Chief Judge of the Selangor Syariah Court and Director of the Family Support Division, Malaysian Shariah Judiciary Department, Prime Minister's Department. He served as a lecturer at the Ahmad Ibrahim Kuliyyah of Laws, International Islamic University, Malaysia from 1990 to 1997. He then joined Messrs Zulkifli Yong, Azmi & Co. as a Shariah lawyer before being appointed as a Shariah judge in 1998.

He was a research officer at the Malaysian Shariah Judiciary Department, Prime Minister's Department from 2003 to 2004, as well as a Shariah Subordinate Court Judge for Federal Territory from 2007 to 2008, and a

Shariah Prosecutor, Federal Territory and a Shariah Officer in 2008, before assuming his current position. He also served as Visiting Fellow, Islamic Legal Studies Programme at Harvard Law School, Harvard University, USA and as Chevening Visiting Fellow, Oxford Centre for Islamic Studies, Oxford University in 2008/2009.

He holds a Bachelor of Laws degree from the International Islamic University Malaysia, a Master of Laws degree from the University of London, United Kingdom and a Ph.D in Shariah from Universiti Kebangsaan Malaysia. He also holds a Diploma in Shariah Law & Practice and a Diploma in Administration and Islamic Judiciary, both from Islamic University Malaysia.

SHEIKH ASSOCIATE PROFESSOR DR SHAFAAI BIN MUSA



Sheikh Associate Professor Dr Shafai Musa is a Malaysian, currently serving as Chief Executive Officer at the Johor Institute of Integrity, Leadership and Training, an institute under Johor Chief Minister's Office. He is the Chairman of Sun Life Malaysia Takaful Berhad Shariah Committee. He has more than fifteen years of experience in teaching Islamic law and jurisprudence and has written several research papers and articles. He also served as a member of the Shariah Expert Panel for the Department of Islamic Development Malaysia since 2005. He formerly served as Executive Director, Centre for

Continuing Education, International Islamic University Malaysia and Chief Executive Officer, International Islamic College cum Chief Executive Officer, International Islamic University Malaysia Higher Education Sdn. Bhd.

Sheikh Associate Professor Dr Shafai received his Bachelor's degree in Shariah from the University of Al-Azhar, Egypt, a Master's degree in Comparative Laws from International Islamic University, Malaysia and a Ph.D from the Glasgow Caledonian University, United Kingdom.

SHEIKH DR YOUSEF ABDULLAH AL SHUBAILY



Sheikh Dr Yousef Abdullah Al Shubaily, a citizen of the Kingdom of Saudi Arabia, currently lectures at the Comparative Jurisprudence Department, High Institute of Judiciary, Imam Muhammad Bin Saud Islamic University in the Kingdom of Saudi Arabia. He also serves as a Co-operating Professor for the American Open University.

Beyond his academic career, Sheikh Dr Yousef has extensive experience in serving on various Shariah boards of a number of banks and financial institutions in the Kingdom of Saudi Arabia, Bahrain, Kuwait, the United Arab Emirates, Qatar, the United States of America and the United Kingdom. Sheikh Dr Yousef has written many books, academic papers and articles on

Islamic jurisprudence and commercial law and has actively participated in numerous seminars and conventions in related areas. He also participates in religious and economic programmes on television and radio in the Kingdom of Saudi Arabia and abroad.

He obtained a Bachelor's degree from the Faculty of Shariah and Fundamentals of Islam and a Master's degree from the Department of Comparative Jurisprudence at Imam Muhammad Bin Saud Islamic University, Riyadh, Kingdom of Saudi Arabia in 1993 and 1996, respectively. In 2001, he obtained a Ph.D in Islamic Jurisprudence from the same university.



SHEIKHA PROFESSOR DR NOOR INAYAH YAAKUB

Sheikha Professor Dr Noor Inayah Yaakub is a Malaysian, currently attached as a Professor at Pusat Kebijaksanaan Sejagat (Global Wisdom Centre), Universiti Islam Malaysia.

She received her Bachelor of Shariah Laws (Hons) and Bachelor of Laws (Hons) degrees from International Islamic University, Malaysia, Master of Comparative Conventional & Banking Laws from University of Bristol, United Kingdom and Ph.D in Comparative Conventional & Islamic Banking Law of Guarantee from the University of Manchester, United Kingdom. She holds a certificate of Product Management from "ISIS INNOVATION" Centre, University of Oxford, United Kingdom.

She was admitted to the Malaysian Bar as an Advocate & Solicitor of the High Court of Malaya in 1996 and in the same year she qualified as a Shariah Lawyer. She practised law with Messrs. Abraham Ooi and Co. from 1996 to 1997 before joining Universiti Kebangsaan Malaysia as a lecturer in 1998.

She has more than 15 years of experience in teaching Islamic Law, Islamic and Conventional Banking Law, Takaful and Insurance Law, Equity & Trust Law and Business Law and Ethics. She has produced several academic research papers and articles mainly on the subject of Islamic and conventional banking law, and takaful and insurance law of which some of her papers have been presented in Islamic banking and finance proceedings, conferences and published in Malaysian and International journals.



SHEIKH MUHAMAD TAUFIK RIDLO

Sheikh Muhamad Taufik Ridlo is an Indonesian Islamic scholar who is currently Chairman of Yayasan Bina Tsaqofah Legal Institution of SEBI (Shariah Economic Banking Institute) College. He is also a Senior Consultant in SEBI Consulting as well as Senior Trainer at the Management Zakat Institute (IMZ), Indonesia. He teaches Islamic Jurisprudence, Islamic law of transaction, Islamic Banking Management, Introduction to Islamic economy and any subject on Zakat and waqf. He received his first degree of Islamic studies from University of Mu'tah, Jordan in 1996 and obtained his postgraduate qualifications in Islamic Banking from Arab Academy for Banking and Financial Sciences, Jordan in 1999.

He has been actively involved in the development of Islamic finance both domestically and in the international arena. He also participate as a speaker in conferences and seminars about Islamic finance. He is currently a Pleno member at National Shariah Board (Dewan Syariah Nasional) (DSN-MUI), the Chairman of Syariah Supervisory Board (DPS) at – P.T. Asuransi Sinar Mas Syariah, a Member of Syariah Supervisory Board at CIMB Niaga Auto Finance Shariah and also the Chairman of Syariah Supervisory Board at P T Permodalan BMT Ventura.



SHEIKH PROFESSOR DATO' DR SUDIN HARON

Sheikh Professor Dato' Dr Sudin Haron was appointed an Independent Director of CIMB Islamic Bank Berhad on 5 November 2014 and is a Member of the Group Shariah Committee. He is currently the Special Adviser to University College Bestari, Terengganu and Founding Chairman of the Malaysian Waqaf Federation. He is a world renowned scholar in Islamic banking & finance and business & management. He has published more than 10 books and 70 articles in international journals.

Sheikh Professor Dato' Dr Sudin was the founding Chief Executive Officer of Perbadanan Tabung Pendidikan Tinggi Nasional and in 2006, was appointed as Deputy Chief Executive of the International Centre for Education in Islamic Finance. He was previously attached to Bank Negara Malaysia as a Specialist in the Islamic Banking and Takaful Department from 2005 to 2006. Before joining Bank Negara Malaysia, he served in various capacities as an academician and administrator at the Universiti Utara Malaysia. Prior to that, he was a banker for more than 12 years and his last post was as branch manager. Sheikh Professor Dato' Dr Sudin was also a consultant with the Asian Institute of Finance, an organisation established by Bank Negara Malaysia for the purpose of elevating human capital in the Malaysian financial industry.

Sheikh Professor Dato' Dr Sudin sits on the Board of Trustee of the Malaysian Waqaf Foundation and is a Member of the Shariah Committee for Bank Persatuan Malaysia Berhad and an Independent Director of Melati Ehsan Holdings Berhad, a public company listed on Bursa Malaysia. At the international level, Sheikh Professor Dato' Dr Sudin was previously Chairman of the International Advisory Panel of the Russian International Centre for Islamic Economics and Finance, and on several occasions, was appointed by Islamic Development Bank, Jeddah, as their resource person in training related to Islamic banking and finance. He has made an important contribution to the world by writing a landmark text book entitled "Islamic Banking and Finance System", and this book is also available in Russian, Mandarin and Uzbek versions.

Sheikh Professor Dato' Dr Sudin obtained his Bachelor in Economics – General degree and Bachelor of Economics (Accounting) (Hons) degree from Universiti Kebangsaan Malaysia. He obtained his Master of Business Administration degree from Northrop University, Los Angeles, USA, and his Ph.D in Economic Studies-Finance and Banking from University of New England, Australia.

DATO' LEE KOK KWAN

Chief Executive Officer,
Corporate Banking, Treasury & Markets

RENZO CHRISTOPHER VIEGAS

Chief Executive Officer,
Consumer Banking

ARWIN RASYID

Country Head, Indonesia/
President Director & Chief Executive Officer,
PT Bank CIMB Niaga Tbk

SUBHAK SIWARASKA

Country Head, Thailand/
President & Chief Executive Officer,
CIMB Thai Bank PCL

MAK LYE MUN

Country Head, Singapore/
Chief Executive Officer,
CIMB Bank, Singapore

KENNY KIM

Group Chief Financial Officer/
Chief Executive Officer, Group Strategy and
Strategic Investments

DATO' KONG SOOI LIN

Deputy Chief Executive Officer,
CIMB Investment Bank/
Co-Head, Corporate Client Solutions/Advisory

BADLISYAH ABDUL GHANI

Chief Executive Officer, Group Islamic Banking/
Chief Executive Officer, CIMB Islamic Bank

ISWARAAN SUPPIAH

Group Chief Information & Operations Officer

HAMIDAH NAZIADIN

Group Chief People Officer

DAVID RICHARD THOMAS

Group Chief Risk Officer

EFFENDY SHAHUL HAMID

Group Chief Marketing & Communications Officer

LIM TIANG SIEW

Group Chief Internal Auditor

SHAHNAZ JAMMAL

Deputy Group Chief Financial Officer/
Head of Capital and Balance Sheet Management

LEE CHIN TOK

Group General Counsel



GROUP MANAGEMENT COMMITTEE

MY2014

Treasury & Markets customer flows continue to grow significantly in both product range and volume. After seven years as a universal bank, CIMB has emerged as the largest Foreign Exchange bank in Malaysia, is ASEAN's biggest local currency bond house (fourth consecutive year) and is the world's largest Sukuk house.

For Corporate Banking, it has been a difficult year as we made provisions for legacy loans in Indonesia, Malaysia and Thailand. For the year, corporate loans grew 10% while deposits increased 12%. In particular, Corporate Current Account balances increased as we continue to improve on our ability to better service the day-to-day transactional needs of our corporate customers in addition to their financing, FX and hedging requirements. This includes the launching of the new Regional Transaction Banking system and the strong growth in Trade Finance especially in Singapore and Indonesia and we are today the largest Renminbi trade financing bank in Malaysia. The regional platform continues to be a major area of focus as we strive to better deliver cross-border for our corporate customers loans, cash management, trade financing, FX, bond funding, equity and hedging solutions across the ASEAN region.

Dato' Lee Kok Kwan is the Chief Executive Officer of Corporate Banking, Treasury & Markets. His key areas of responsibility include the markets, sales and trading businesses in interest rates, credit, foreign exchange, equity, commodities and their derivatives; debt capital markets; corporate banking; commercial banking, Singapore; transaction banking; securities services; as well as the fixed income investments, treasury and funding operations of the Group.

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

Dato' Lee is 49 years old and holds a BBA Joint Honours (1st Class) degree and a Master of Business Administration from Simon Fraser University of Canada. He is also the President of the Financial Markets Association of Malaysia, Vice-Chair of the ASEAN+3 Bond Market Forum (established under the auspice of the ASEAN+3 Bond Markets Initiative to promote development of cross-border activities in the ASEAN+3 local currency bond markets) and a board member of Asia Securities Industry and Financial Markets Association.

DATO' LEE KOK KWAN

Chief Executive Officer, Corporate Banking, Treasury & Markets

A portrait of Renzo Christopher Viegas, a middle-aged man with a mustache and glasses, wearing a dark suit, white shirt, and a red patterned tie. He is smiling and looking towards the camera. The background is a blurred indoor setting.

RENZO CHRISTOPHER VIEGAS

Chief Executive Officer, Consumer Banking

Renzo Christopher Viegas is the Chief Executive Officer of Consumer Banking. He heads consumer banking in Malaysia and also oversees operations in Singapore and Cambodia.

His areas of responsibility include the development and smooth implementation of overall business strategies for consumer banking in Malaysia, Singapore and Cambodia. He is also responsible for the overall performance of Malaysian consumer banking, from planning and management to day-to-day operations.

Viegas has extensive experience in the banking industry and started his working career with Citibank in 1985, where he progressively held senior positions in various Asia Pacific countries including regional responsibilities. In 2008, he joined a Malaysian bank where he rose to the position of Deputy Managing Director before joining CIMB Group. He joined CIMB Group in April 2012.

He is 53 years old and holds a Bachelor of Commerce degree from the University of Bombay. He is also a Fellow of the Institute of Chartered Accountants of India.

MY2014

I am extremely proud of MY2014 as I witnessed the consumer franchise grow from strength to strength. We have become more efficient in optimising balance sheet returns, exploiting opportunities, controlling expenses and increasing share of wallet while delivering superior customer experience. A big part of our success in 2014 is attributed to a well communicated strategy that united and mobilised a staff force of 12,000 driving hard towards achieving our franchise's goals. It is my personal mission that we continue to develop talent and to take this franchise to greater heights by embracing quality as a key part of our culture. We will also continue our lead and innovation in driving digital channels and new frontiers.

ARWIN RASYID

Country Head, Indonesia/
President Director & Chief Executive Officer,
PT Bank CIMB Niaga Tbk

Arwin Rasyid is the President Director and Chief Executive Officer of PT Bank CIMB Niaga Tbk.

Arwin's main role and duties are to establish long-term strategies for the bank, including assessing the corporate strategies for product and service developments of various business segments in Indonesia. He also provides policy directions and guidelines for operational support, customer service, information technology, system and processes, legal, financial, human resources, and compliance.

He served as the President Director of PT Telekomunikasi Indonesia Tbk until 2007. Prior to this, he was the Vice President Director of PT Bank Negara Indonesia Tbk, and President Director of PT Bank Danamon Tbk. He began his career with Bank of America in 1980 and subsequently joined Bank Niaga in 1987. During the first 11-year period at Bank Niaga, he became the Vice President Director and also held responsibilities for the Bank Recapitalisation Program. In 1999, Arwin became the Expert Staff at the Indonesian Bank Restructuring Agency (IBRA), responsible for risk management in Asset Management Investment and Asset Management Credit, as well as Forensic Investigation. He later became the Vice Chairman of IBRA in 2000.

Arwin is 58 years old, holds a Bachelor's degree in Development Studies from the Faculty of Economics at University of Indonesia, and holds a Master of Arts degree in International Economics and a Master of Business Administration degree in International Business from the University of Hawaii, USA. He has attended several noteworthy executive programmes from Harvard Business School, Wharton Business School and INSEAD.

MY2014

2014 was a challenging year for the banking industry in Indonesia, with many business activities reporting declining results. However, we successfully turned around our performance in the last quarter of 2014. I'm pleased to report that our credit cards and personal loan business grew consistently, while trade finance income increased by 50% Y-o-Y. Our branchless channels continued to gain traction and in corporate banking, for the first time, we successfully secured a mandate for a Global Sukuk Bond from the Government of Indonesia.

We also introduced a new corporate tagline "Inovasi dari Hati" that has shown that innovation drives people at CIMB Niaga to deliver the best products and services to customers.

A portrait of Subhak Siwaraksa, a middle-aged man with dark hair, wearing a dark suit, white shirt, and a red striped tie. He is smiling slightly and looking towards the camera. The background is blurred, showing green foliage.

SUBHAK SIWARAKSA

Country Head, Thailand/
President and Chief Executive Officer,
CIMB Thai Bank PCL

MY2014

In 2014, I've seen the collaboration across CIMB continue to generate benefits greater than the sum of its parts. I am proud to introduce CIMB Thai Vientiane Branch, the first foreign branch of CIMB Thai. This year, we partnered with AIS, Thailand's largest mobile service provider, to launch Beat Banking, an innovative service to meet the changing lifestyle of the new generation. We have also seen substantial interest from regional investors to invest in Thai projects and Thai companies as well as from Thai investors to venture offshore, and CIMB is well poised to play a very powerful connecting role in these deals.

Subhak Siwaraksa is the President and Chief Executive Officer of CIMB Thai Bank PCL and the Country Head for Thailand.

Subhak is also the Chairman and the Director of Sathorn Asset Management Co., Ltd. He is the Board Governor, Member of Audit Committee and Member of Corporate Governance and Social Responsibility Committee of the Stock Exchange of Thailand (SET). Previously, he was the Board Governor of the SET and a member of its Audit Committee during 2011-2013. He was also the Director of the Export-Import Bank of Thailand, as well as the Chairman of the Board of Directors of TMB Asset Management Company Limited. Prior to joining CIMB Thai, Subhak was at TMB Bank PCL from 1990, where he was the Chief Executive Officer and President from 2003 to 2008.

Subhak is 58 years old and holds a Ph.D. in Economics from the University of Pennsylvania, USA, a Master's degree in Law and Diplomacy from the Fletcher School of Law and Diplomacy, Tufts University, USA, and a Bachelor's degree in English Literature (Honors Program) and Economics from Georgetown University, USA.

A portrait of Mak Lye Mun, a middle-aged man with short dark hair and glasses, wearing a dark suit, white shirt, and a patterned tie. He is looking directly at the camera with a slight smile. The background is blurred, showing what appears to be a window with vertical bars.

MAK LYE MUN

Country Head, Singapore/
Chief Executive Officer, CIMB Bank, Singapore

MY2014

CIMB Singapore put in another solid performance in 2014 with Treasury, Corporate Banking, Commercial Banking and Credit Cards being our top revenue contributors. We celebrated our fifth anniversary of Consumer Banking last year and I am pleased to say that our retail business has now turned profitable. To cap off the year, we marked our 24th quarter of continuous growth and today, we account for more than seven percent of the entire Group's profit before tax.

We also succeeded at substantially narrowing down the losses of our Private Banking business. Going forward, we will need to further strengthen the business to achieve profitability.

Mak Lye Mun is the Chief Executive Officer of CIMB Bank, Singapore and Country Head of CIMB Singapore. In addition to these roles, his portfolio was further expanded in 2013 to include the oversight of CIMB Group's Private Banking business within the region.

Lye Mun is also director of CIMB Securities (Singapore) Pte. Ltd. and holds non-executive directorships in Boardroom Limited and Tat Hong Holdings Ltd. He joined CIMB following the acquisition of GK Goh Securities Pte. Ltd. in 2005, where he served as the Head of Corporate Finance. Previously, Lye Mun was Head of Mergers & Acquisitions Advisory Department with the then Development Bank of Singapore (now DBS Bank Ltd). He held various senior positions in the corporate finance divisions of Vickers Ballas & Co. Pte. Ltd., Ernst & Young, Oversea-Chinese Banking Corporation Limited and Citicorp Investment Bank (Singapore) Limited.

Lye Mun is 57 years old and holds a Bachelor of Civil Engineering Degree (1st Class Honours) from the University of Malaya, Malaysia and a Master of Business Administration Degree from the University of Texas at Austin, USA. He is also a Charterholder of CFA Singapore.

A portrait of Kenny Kim, a middle-aged man with dark hair, wearing a dark suit, white shirt, and a striped tie. He is looking slightly to the right of the camera with a neutral expression. The background is blurred, showing what appears to be an office setting with windows.

KENNY KIM

Group Chief Financial Officer/
Chief Executive Officer,
Group Strategy and Strategic Investments

Kenny Kim is the Group Chief Financial Officer and Chief Executive Officer of Group Strategy and Strategic Investments of CIMB Group. He is also a Director of CIMB Thai Bank PCL, Touch 'n Go Sdn. Bhd., Capital Advisors Partners Asia Pte. Ltd. and CIMB-Mapletree Management Sdn. Bhd.

As Group Chief Financial Officer, Kenny oversees the finance functions of CIMB Group, which spans across financial reporting and budgeting, finance operations and the provision of strategic advice on tax, accounting, capital planning and other financial matters for the Group.

As Chief Executive Officer of Group Strategy & Strategic Investments, he is responsible for identifying, developing, executing and managing the Group's key strategic initiatives both domestically and regionally, as well as overseeing the Group's strategic investments and business development initiatives including the Private Equity fund management business.

Kenny is 47 years old and is a fellow of the Association of Chartered Certified Accountants, United Kingdom, a member of the Malaysian Institute of Accountants and a member of the Institute of Chartered Accountants in England and Wales' Corporate Finance Faculty. He holds a Master of Science in Finance from the University of Lancaster, United Kingdom.

MY2014

2014 was a challenging yet fulfilling year for Group Strategy and Strategic Investments (GSSI) and Group Finance (GF).

Our GSSI team led a taskforce to conduct a strategic business review. This culminated in our next mid-term business strategy blueprint that will help us strengthen our market position in a competitive environment. For our private equity business, we added two new investment strategies and completed two investments during the year.

On the Group Finance front, we extended the Group Finance Management System (GFMS) to more overseas branches, and are now able to manage our financial reporting processes more efficiently across all entities. We were also focused on ensuring that the Group is GST ready.

DATO' KONG SOOI LIN

Deputy Chief Executive Officer,
CIMB Investment Bank/
Co-Head, Corporate Client Solutions/Advisory

MY2014

My 2014 was a year splashed with many colourful and interesting sets of circumstances ranging from managing our business environment in markets tested by geo-political, socio and economic undertones to the restructuring of CCS. We responded by transforming our coverage teams from a relationship-based model to client-led model and realigned them with new sector-based portfolios. I see this transformation which we have undertaken to be of great benefit to our clients as our bankers serving them have in-depth industry knowledge of them and their ecosystems, and the financial services and product knowledge to complement their business strategies. I am especially pleased that we continued winning many of the notable regional and domestic house and deal awards for the year particularly retaining our prestigious Best Investment Bank title.

Dato' Kong became Deputy Chief Executive Officer of CIMB Investment Bank in September 2011 and is the Regional Head of Corporate Client Solutions Division for Asia Pacific region. She is a member of both the CIMB Group Management Committee and CIMB Investment Bank Management Committee. She chairs the Investment Bank's Business Review Group Committee and is a member of the Capital Commitments Committee. Dato' Kong was appointed as Chairperson of CIMB Private Limited Sri Lanka in January 2012. In October 2012, she was appointed as director in all three of CIMB Group's subsidiaries in Australia, namely CIMB Securities International (Australia) Pty. Ltd., CIMB Corporate Finance (Australia) Ltd. and CIMB Capital Markets (Australia) Ltd. She also serves as a Commissioner on the Board of Commissioners of CIMB Securities Indonesia.

Being the leader for corporate client coverage for Asia Pacific, Dato' Kong is responsible for management and integration of client relationships to strategic marketing and building of the Bank's brand value and market share.

Backed by 26 years of investment banking experience, Dato' Kong has extensive equity and debt transaction expertise, having advised on numerous highly profiled and industry-shaping corporate exercises in Malaysia and Asia Pacific.

Dato' Kong joined CIMB in 1994 from Bumiputra Merchant Bankers Berhad where she was actively involved in debt capital market, project financing and corporate banking transactions. She began her career at Ernst and Young and Arthur Andersen.

Dato' Kong is 54 years old and graduated with an honours degree in Commerce from the University of New South Wales, Australia.

A portrait of Badlisyah Abdul Ghani, a man with dark hair and glasses, wearing a dark suit, white shirt, and a patterned tie. He is smiling slightly and looking towards the camera.

BADLISYAH ABDUL GHANI

Chief Executive Officer, Group Islamic Banking/
Chief Executive Officer, CIMB Islamic Bank/
Country Head, Middle East and Brunei

MY2014

My 2014 was both rewarding and challenging. It was another record year for CIMB Islamic across all areas of activities. We had a prolific year in the Sukuk market where we facilitated 4 sovereign nation and territories to raise Sukuk which included inaugural issuances for Hong Kong and the United Kingdom. We also helped raise 3 Sukuk for international supranational bodies, including the world's first socially responsible Sukuk to raise funds for children's immunisation projects in the world's poorest countries. At the same time, our balance sheet continued to grow positively across all our core markets despite the difficult operating environment. All in all, it was a good year.

Badlisyah leads, manages and oversees the overall Islamic banking and finance franchise of CIMB known as CIMB Islamic, which is anchored by CIMB Islamic Bank Berhad. CIMB Islamic operates as a parallel franchise to the Group's conventional operations and covers Islamic wholesale banking, Islamic consumer banking and Islamic asset management.

As the Country Head of the Middle East and Brunei he manages and oversees the overall business of CIMB in those markets.

Badlisyah has 18 years of domestic, regional and global banking experience. He joined CIMB in the Corporate Finance Division in 2002. Prior to that, he worked in the Labuan International Business and Financial Centre with the offshore subsidiary of Bank Islam Malaysia Berhad in various capacities in credit, structured finance, capital markets and syndications.

Badlisyah sits on the Islamic Capital Market Consultative Panel of Bursa Malaysia, a Council Member of the Association of Islamic Banks in Malaysia, Chairman of the Islamic Capital Market Committee of the Malaysian Investment Banking Association, member of the Standing Group on Accounting for Islamic finance at the Malaysian Accounting Standards Board, member of the Islamic Finance Committee of the Malaysia Institute of Accountants and industry representative member of the Law Harmonisation Committee of Bank Negara Malaysia.

He is a Member of the Board of Director of the Islamic Banking and Finance Institute of Malaysia (IBFIM) and the President of the Chartered Institute of Islamic Finance (CIIF).

He has been recognised by various top international publications as 'Islamic Banker of the Year' and 'Top 20 Pioneer in Islamic finance'. He has won many awards through the years including the most recent awards for 'Outstanding Contribution to Islamic Finance' award for his role in the Islamic financial markets globally.

Badlisyah is 41 years old and holds a Bachelor of Laws degree from the University of Leeds, United Kingdom. He is an alumnus of the ICLIF Leadership and Governance Program and the Co-Founder of the UKEC.

ISWARAAN SUPPIAH

Group Chief Information & Operations Officer

Iswaraan Suppiah is the Group Chief Information & Operations Officer.

Iswaraan is custodian of the Group's regionally integrated technology and operating vision to deliver a unified, seamless financial services value proposition across our footprint. He oversees operations, information technology, transformation, business process development and operational governance & assurance functions for CIMB Group's businesses. He heads a staff force of about 8,000 people across the Group's regional footprint.

He started his career with the accountancy firm Arthur Andersen in 1984. He joined the Bank of Commerce in 1990 and moved to CIMB Securities in 1994. The positions he held there included Executive Director of Operations and Head of Equity Risk Management, before he assumed the position of Head of Strategic Risk and Compliance with CIMB.

Iswaraan is 51 years old and a member of the Malaysian Institute of Certified Public Accountants, Malaysian Institute of Accountants and Financial Planning Association of Malaysia.

MY2014

2014 has been a defining year in CIMB's technology roadmap. The pinnacle was the successful launch of 1Platform which replaced five legacy applications and embedded powerful product bundling and pricing capabilities. 1Platform is now in a majority of our main markets, enhancing our position as a seamless ASEAN bank.

Our other successes in digital innovation were Beat Banking in Thailand, allowing us to offer customers an interest-bearing mobile phone wallet, and Plug n Pay in Malaysia, the mobile phone based point-of-sale solution giving businesses of any size an affordable way to accept card payments.

Looking ahead, I believe that within the next few years a large proportion of our services will be offered digitally, powered by highly automated processing.

Hamidah Naziadin is the Group Chief People Officer and the Head of Group Corporate Resources.

As Head of Group Corporate Resources, Hamidah holds regional responsibilities for Group Human Resource, Group Administration & Property Management, and Sports & Recreation. She also oversees the Commerce Leadership Institute and corporate responsibility initiatives.

Hamidah has 28 years of experience in human resource in the financial industry, of which she spent 24 years with the Group. She transformed Human Resource from an administrative function into a strategic business partner and a key enabler for CIMB's rapid growth and success. She works closely with business to develop effective people strategies to meet business needs.

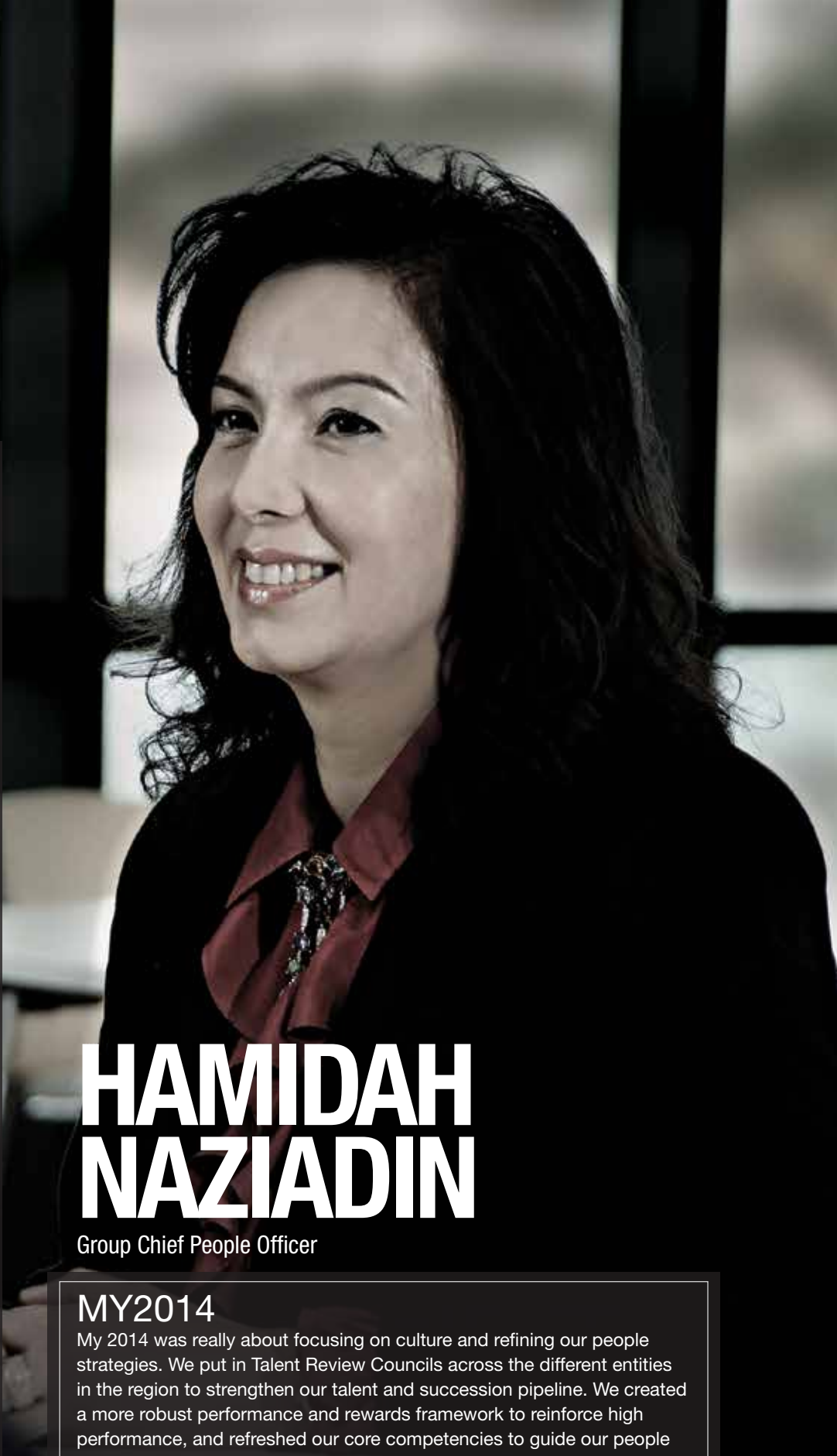
Besides rolling out numerous leadership programmes, she recently launched the Treasury & Markets Academy, the latest in a series of academies set up to knowledge-share and skills-build across the region. These academies, including the Credit Academy and the Corporate Advisory Academy, also help to institutionalise CIMB.

A firm believer of diversity, Hamidah spearheaded the Global Mobility Scheme that allows staff to enjoy work exposure across functions and geographies. She created the award-winning CIMB Fusion, a management trainee programme that offers careers with two employers from different industries.

Under her leadership, CIMB Group was recognised as one of the 50 leading companies for women in APEC. The strength of CIMB's gender diversity may be attributed to strong planning and policies under her.

Hamidah believes that CIMB should always support its stakeholders, recently launching the CIMB BEST (Bumiputera Entrepreneurs Skills Transformation) to help meet Malaysia's national agenda to up-skill Bumiputera entrepreneurs. She continues to participate in industry-expert sharing sessions and career talks.

Hamidah is 51 years old and holds a Bachelor of Laws degree from the University of Wolverhampton, United Kingdom.

A portrait of Hamidah Naziadin, a woman with dark, wavy hair, smiling and looking slightly to the right. She is wearing a dark blazer over a red collared shirt with a patterned tie. The background is a blurred office setting with windows.

HAMIDAH NAZIADIN

Group Chief People Officer

MY2014

My 2014 was really about focusing on culture and refining our people strategies. We put in Talent Review Councils across the different entities in the region to strengthen our talent and succession pipeline. We created a more robust performance and rewards framework to reinforce high performance, and refreshed our core competencies to guide our people to where CIMB wants to be tomorrow. And I am writing my account of the year from my office at Menara CIMB, our new corporate HQ, designed to represent our strong and diverse cultural heritage and regional identity. Definitely an icon all CIMBians can be proud of.

DAVID RICHARD THOMAS

Group Chief Risk Officer

David Thomas is the Group Chief Risk Officer. The Group Risk Division oversees the risk management function of CIMB Group, including credit, market, operational, Shariah and asset liability management risk, as well as risk analytics and infrastructure.

The Group Risk Division is responsible for ensuring consistent implementation of the Group's risk management policies and frameworks, including operationalising the Risk Appetite Statement. The Division identifies, assesses, measures, controls and reports the material risks that may impact the Group's business operations, profitability, capital and reputation.

Prior to joining the Group, Mr. Thomas served as the Chief Risk Officer, Asia Pacific for the Royal Bank of Scotland as well as the Chief Credit Officer, Asia Pacific for Bank of America. Throughout his 21 year tenure in Asia, he has held various senior level risk positions based in Hong Kong, Taiwan, Thailand and Singapore. Mr. Thomas currently sits on the Board of Commissioners of CIMB Niaga.

MY2014

In 2014, we successfully implemented the Group Risk operating model, which has facilitated enhanced engagement with key stakeholders and improved our ability to manage risk at a more granular Group-wide level. We significantly strengthened our capabilities in a number of risk areas through strategic hiring and the introduction of new risk frameworks aimed at global best practices. We also conducted robust discussions around risk appetite and risk culture at the board level and throughout the Group. These are critical foundations as we head into a more challenging economic and regulatory environment.

Effendy Shahul Hamid is Group Chief Marketing & Communications Officer.

In this role, Effendy oversees the marketing and communications infrastructure of CIMB. His areas of responsibility cover the entire spectrum of strategic marketing and communications, including brand management, content and internet strategies, marketing, sponsorships, events, media relations, internal communications and annual reporting. He drives channel activation functions within the Group, ensuring all customer touch points are consistent and effectively portrayed. He also manages franchise-wide efforts to ensure a consistent and differentiated CIMB brand for all of the Group's businesses across the region.

Prior to assuming his current role, Effendy was an investment banker and a corporate development professional. He was most recently a Director in CIMB Group's Investment Banking Division, primarily focusing on corporate advisory and origination. Previously, Effendy also served with several companies in a corporate development capacity, mostly involved in merger and acquisition activities across Asia Pacific and general business expansion initiatives.

Effendy is 42 years old and has spent most of his professional life in a regional capacity, working in Hong Kong, Singapore and Malaysia. On full scholarship, Effendy graduated with Honours in Electronic Engineering with Optoelectronics from University College London, and is also an alumni of the CIMB-INSEAD Leadership Programme.

MY2014

The challenging business environment in 2014 required the marketing and communications functions across the Group to be at its most agile. As such, I spent much of 2014 across the region ensuring our businesses were communicating in the most relevant fashion, emphasising accurate stakeholders' engagement. The year also saw several strategic structural additions to keep us ahead, like the creation of a Content Strategy arm for the Group.

We stayed strong in our areas of strength - excelled in building internet infrastructures, traded up The CIMB Classic and continued to dominate our ASEAN position. Our 'ASEAN For You' tagline was built for the ASEAN Economic Community that takes shape in 2015. I am happy to tell you that your CIMB Group is ready for this, and I'm looking forward to an eventful 2015.

A portrait of Effendy Shahul Hamid, a man with short dark hair and glasses, wearing a dark suit, white shirt, and a striped tie. He is smiling slightly and looking towards the camera. The background is a soft-focus indoor setting.

EFFENDY SHAHUL HAMID

Group Chief Marketing & Communications Officer

LIM TIANG SIEW

Group Chief Internal Auditor

Lim Tiang Siew is the Group Chief Internal Auditor. He ensures that the Group Internal Audit Division supports the CIMB Group Audit Committee in discharging its responsibilities, as well as managing its governance, risk and control functions. He oversees a staff force of approximately 170 people in Malaysia as well as regional Internal Audit functions.

Tiang Siew joined CIMB Investment Bank in January 1991 as an assistant manager in the Corporate Finance Department and rose to head of department. Following the acquisition of Bumiputra-Commerce Bank by CIMB and the subsequent merger with Southern Bank, Tiang Siew was appointed as Group Chief Financial Officer, a position he held for approximately two years before being appointed the Group Chief Internal Auditor. He started his career in 1976 with a major accounting firm, where he spent some 10 years including 18 months overseas before moving into the corporate finance industry in 1987. His tenure in corporate finance involved mergers, acquisitions and fund raising transactions for some of the largest companies listed on Bursa Malaysia then. He was actively involved in the formulation and amendments to guidelines, regulations and law reforms in relation to capital market matters during his tenure in Corporate Finance.

Tiang Siew, 58 years old, is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He is also an examiner for the Malaysian Institute of Certified Public Accountants, a position he has held for more than 20 years.

MY2014

In 2014, we affirmed our focus on the quality of our people and processes through the award of the ISO 9001:2008 Certificate for Internal Audit Services, a first for a financial institution in Malaysia, and through the conclusion by a top 3 accounting firm in Malaysia that 22% of our activities meets Leading and Advanced practices and 72% meets Established practices.

Setting a firm foundation is very important as, looking ahead, we expect our manpower resources to continue to be stretched as we are constrained by cost cutting measures and will face significant challenges in attracting suitably qualified personnel in a market that is lacking skilled auditors.

Shahnaz is the Deputy Group Chief Financial Officer and Head of Capital and Balance Sheet Management of CIMB Group.

Shahnaz joined CIMB Group in March 2009 and has worked in various capacities in CIMB Group, including Group Risk Management, Corporate Client Solutions and PT CIMB Niaga, Indonesia. He has over 15 years of banking experience, covering M&A Advisory, Risk Advisory, Trading and Risk Management. Prior to joining CIMB Group, Shahnaz was with Goldman Sachs in London. He has also worked at Bankers Trust and Dresdner Kleinwort Wasserstein in London, as well as ABN AMRO Bank in Kuala Lumpur.

Shahnaz is 40 years old and holds Bachelor (Double First Class) and Master of Arts degrees in Economics from the University of Cambridge and an MPhil in Economics from the University of Oxford.

MY2014

2014 was a simultaneously exhilarating and challenging year. Through a combination of foresight and fortune, CIMB Group raised RM3.55 billion of equity in January 2014 via a private placement, significantly strengthening our capital base ahead of the testing market environment that characterised 2014. We also strengthened the capital position of CIMB Thai in July 2014, through the first ringgit-denominated Basel 3 compliant Tier 2 issuance by an offshore bank. And we continued to offer our well-received Dividend Reinvestment Scheme to our shareholders.

We grew our balance sheet solidly in 2014, across all our core markets and we did so in a measured and sustainable fashion, such that Net Interest Margin compression was well-managed across the board.

Key to all this has been the continued enhancement of our capital and balance sheet management infrastructure, capabilities and analytics (including our RAROC, FTP and ICAAP frameworks to name a few), which ensures that we are always well-equipped for the market and regulatory challenges that lie before us.

SHAHNAZ JAMMAL

Deputy Group Chief Financial Officer/
Head of Capital and Balance Sheet Management



LEE CHIN TOK

Group General Counsel

Lee Chin Tok is the Group General Counsel for CIMB Group. In this role, Chin Tok provides the strategic leadership for Group Legal and Group Company Secretarial as well as legal and regulatory issues that apply to the Group.

Prior to his appointment as the Group General Counsel, Chin Tok was with the Capital Markets Department of CIMB since 1996 and was later appointed as the Co-Head of Debt Capital Markets in the Corporate Banking, Treasury & Markets Division, a role which he had helmed from 2002 to April 2014. In his role as Co-Head of Debt Capital Markets, Chin Tok was responsible for the debt capital markets and equity-linked origination franchises of CIMB Group across Southeast Asia, North Asia, Australia and Middle East.

Before he joined CIMB in 1996, Chin Tok spent about 6 years working in various law firms, namely Mallesons Stephen Jaques (Australia), Drew & Napier (Singapore) and Rashid & Lee (Kuala Lumpur) with primary focus in the areas of banking, capital markets and corporate finance.

Chin Tok is 49 years old and holds two degrees, a Bachelor of Law (Hons) degree and a Bachelor of Commerce degree from the University of Melbourne, Australia.

MY2014

As the new Group General Counsel, I have started the journey by encouraging my colleagues in the General Counsel Division to become as good as they can be. Our focus has been to build our technical knowledge and soft skills to assist CIMB Group in achieving its goals.

From that perspective, there is much to be gained by supporting each other in the path of continuous learning, building strong relationship both internally and externally, and helping each other where possible.

Our people are a very important part of our Group and thus how we treat and nurture them deserves our attention, effort and time. I hope to continue this approach for 2015 and beyond.

STATEMENT ON CORPORATE GOVERNANCE

(pursuant to Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

CIMB is fully committed to continuously implementing a sound Corporate Governance Framework to support the Group's pursuit of achieving long-term and sustainable value. It is important that this framework is supported by the right culture, values and behaviours at the top and throughout the entire organisation.



CIMB Group Holdings Berhad (CIMB) is fully committed to continuously implementing a sound Corporate Governance Framework to support the Group's pursuit of achieving long-term and sustainable value. It is important that this framework is supported by the right culture, values and behaviours at the top and throughout the entire organisation.

For the financial year ended 31 December 2014, CIMB's Corporate Governance Framework is guided by the following requirements and guidelines:

- Malaysian Code of Corporate Governance 2012 (MCCG 2012).
- Bank Negara Malaysia (BNM)'s Revised Guidelines on Corporate Governance for Licensed Institutions (BNM CG Guidelines).
- Green Book on Enhancing Board Effectiveness (Green Book) by the Putrajaya Committee on Government-Linked Companies (GLC)'s High Performance.
- Corporate Governance Guide Towards Boardroom Excellence 2nd Edition (CG Guide) by Bursa Malaysia.
- Minority Shareholders Watchdog Group (MSWG)'s Malaysia-ASEAN Corporate Governance Scorecard.
- Developments in market practice and regulation.

A testament to the Group's strong commitment in employing high corporate governance standards, CIMB had received several accolades in 2014. CIMB was ranked in the top 5 amongst the Top 50 public-listed companies in Malaysia in the 2014 Malaysia-ASEAN Corporate Governance Report issued by the MSWG. The report assesses the state of corporate governance practices of the Top 50 public-listed companies based on globally accepted parameters of corporate governance as well as other international best practices.



The Group Company Secretary accepting the Corporate Governance Overall Recognition Award at the MSWG-ASEAN Corporate Governance 2014 Awards ceremony.

Several other awards received in 2014 in Corporate Governance, Risk and Investor Relations, further attest to CIMB's group-wide efforts in raising the bar in corporate governance practices.

Corporate Governance

- Top Corporate Governance Overall Recognition Award – MSWG.
- Top Exemplary Environmental, Social and Governance Practices Award – MSWG.
- Best Designed Annual Report (Platinum): CIMB Group – National Annual Corporate Report Awards (NACRA).
- Overall Excellence Award (Silver): CIMB Group – NACRA.
- Top 50 Leading Companies for Women in APEC – Japan's Ministry of Economy, Trade & Industry (METI).
- Banking and Financial Services In-house team of the year: CIMB Group – Asian Legal Business Malaysia Law Awards.

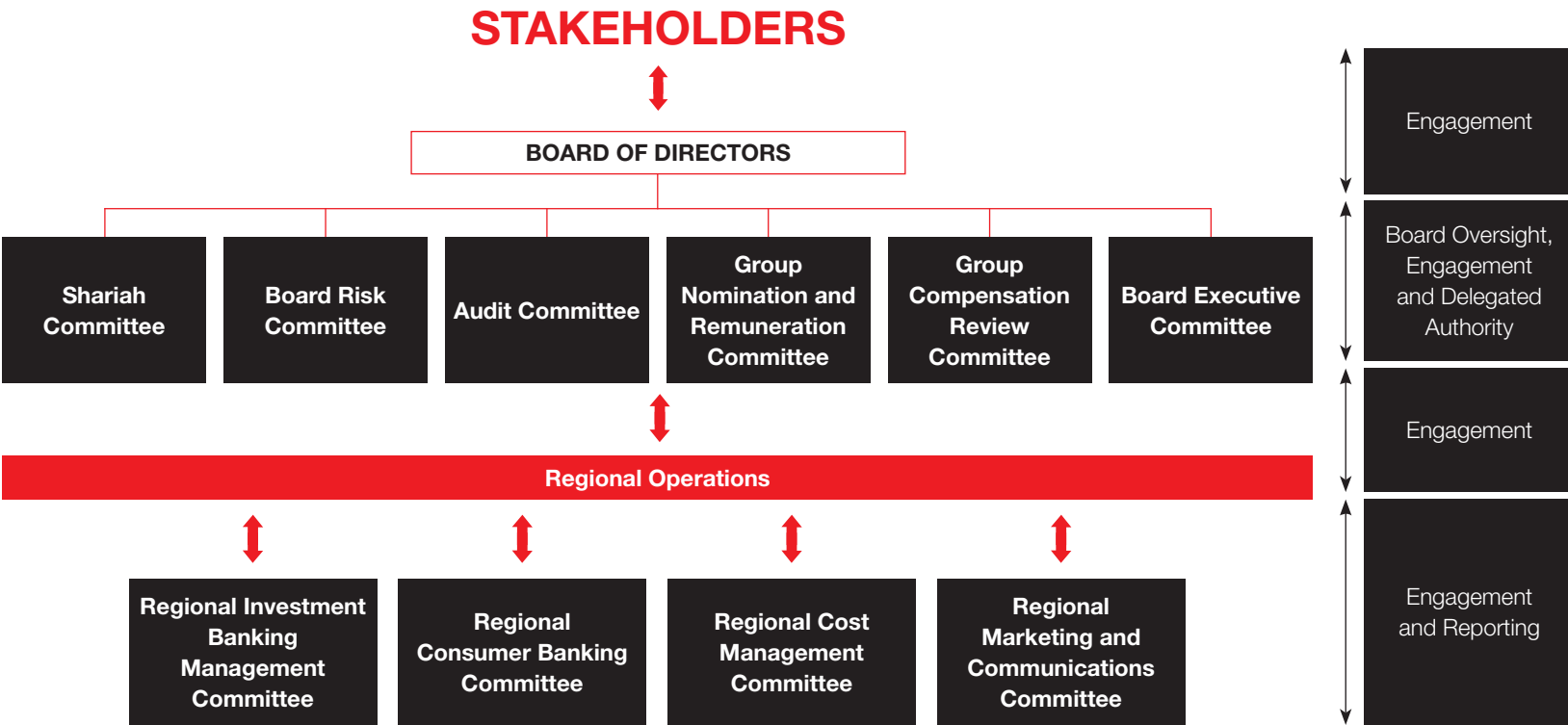
Risk

- Best Risk Management Solution in Malaysia: Anggerik Masyhur – The Asset Triple A Treasury, Trade & Risk Management Awards.

Investor Relations

- Most Organised Investor Relations & Strongest Adherence to Corporate Governance – Alpha Southeast Asia Institutional Investor Corporate Awards.

CIMB’S GOVERNANCE FRAMEWORK



The Shareholders, Board of Directors and Group Chief Executive Officer/ Executive Director are responsible for the control and management of CIMB.

The ultimate decision-making authority rests with the Shareholders at the Annual General Meeting where the re-appointment of the Board of Directors and appointment of external auditors are approved. The Board of Directors oversees and appraises CIMB’s overall strategic direction and performance. The Group Chief Executive Officer/Executive Director is responsible for managing CIMB’s business and ensuring the implementation of its strategic and operational targets.

SHAREHOLDERS’ RIGHTS

CIMB is cognisant of the importance of the protection of Shareholders’ rights and promotion of exercising such rights. The basic legal rights comprises amongst others, the right to buy, sell, or transfer securities held, the right to receive dividend and the right to attend Shareholders’ meetings.

In accordance with the Companies Act, 1965, CIMB’s Shareholders exercise their decision-making powers at general meetings. Shareholders attend meetings in person or through an appointed proxy or authorised representative. Each share entitles the holder to one vote.

Matters reserved for Shareholders’ approval at the Annual General Meeting include the following:

- The adoption of Financial Statements.
- Distribution of final dividend, if any.
- The election and re-election of Directors.
- Payment of fees to Directors.
- Appointment/re-appointment of External Auditors.

When considered necessary by the Board of Directors, or when requested in writing by the Shareholders representing at least one-tenth of all of the Company's shares, an Extraordinary General Meeting is convened to address specific matters.

In 2014, CIMB held its Annual General Meeting on 15 April 2014, which was attended by all the Directors, Group Management Committee members and 2,385 Shareholders. The Chairman, who chaired the proceedings at the Annual General Meeting, provided a fair opportunity and time to all Shareholders in exercising their rights to raise questions and make recommendations. The proceedings at the Annual General Meeting were recorded in the minutes of the meeting and disclosed to Shareholders on CIMB's website within two weeks after the meeting.

In accordance with Part B.1.1(B) of the ASEAN Corporate Governance Scorecard, Notice and Agenda of the Annual General Meeting was delivered to the Shareholders at least 28 days before the meeting.

The Notice and Agenda was also published in the local English and Bahasa Malaysia newspapers and made available on CIMB's website at www.cimb.com. The Notice and Agenda was accompanied by explanatory notes and a statement explaining the rationale behind each Agenda item requiring Shareholders' approval.

BOARD OF DIRECTORS

CIMB is governed by a Board of Directors which is responsible for creating and delivering sustainable shareholder value through the management of the Group's businesses.

Board Composition and Balance

The Board is of the view that the size of the Board is appropriate, given the current scope and geographical footprint of the Group's operations.

CIMB's Board comprises nine Directors, of whom five are independent including two woman Directors. The Chairman, who was previously the Group Managing Director/Chief Executive Officer is Non-Independent. Two Non-Independent Directors are nominees of Khazanah Nasional Berhad and The Bank of Tokyo-Mitsubishi UFJ, Ltd and Mitsubishi UFJ Financial Group, Inc. respectively, while one Non-Independent Director is the Group Chief Executive Officer/Executive Director of CIMB. CIMB does not have a policy to allow non-controlling Shareholder(s) a right to nominate candidates to the Board.

The composition of the Board saw the following changes in 2014:

- Datuk Dr. Syed Muhammad Syed Abdul Kadir, who has served more than 9 years in one the Group's banking entity, was re-designated as Non-Independent Non-Executive Director on 7 April 2014. Subsequently, Datuk Dr. Syed Muhammad retired from the Board upon the expiry of the tenure of his directorship on 30 June 2014.
- Dato' Zainal Abidin Putih was re-designated as Senior Independent Director replacing Datuk Dr. Syed Muhammad on 7 April 2014.

- In accordance with the Board's term of reference on Director's age limit of 70 years, Dato' Hamzah Bakar, having attained the age of 70 years, retired from the Board on 15 April 2014.
- Kenji Kobayashi, a nominee of The Bank of Tokyo-Mitsubishi UFJ-Ltd and Mitsubishi UFJ Financial Group, Inc., was appointed as Non-Independent Non-Executive Director on 16 April 2014, to represent the interests of The Bank of Tokyo-Mitsubishi UFJ-Ltd on the Board of CIMB. Kobayashi succeeds Katsumi Hatao who retired from the Board on 25 February 2014.
- Robert Neil Coombe was appointed as Independent Director on 16 April 2014.
- Joseph Dominic Silva, a nominee of Khazanah Nasional Berhad, was appointed as Non-Independent Non-Executive Director on 30 June 2014.
- Tan Sri Md Nor Md Yusof resigned as Chairman/Non-Independent Non-Executive Director on 31 August 2014.
- Dato' Sri Nazir Razak resigned as Group Managing Director/Chief Executive Officer on 31 August 2014, and was appointed to succeed Tan Sri Md Nor as Chairman/Non-Independent Non-Executive Director on 1 September 2014.
- Teoh Su Yin was appointed as Independent Director on 8 October 2014.
- Dato' Robert Cheim Dau Meng resigned as Non-Independent Non-Executive Director on 27 February 2015.
- Tengku Dato' Zafrul Tengku Abdul Aziz was appointed as Group Chief Executive Officer/Executive Director on 27 February 2015.

Independent Directors constitute more than half of the composition of the Board, in line with MCGG 2012's recommendation and exceeds the minimum number required under the Bursa Malaysia Securities Berhad (Bursa Securities) Main Market Listing Requirements (MMLR), BNM CG Guidelines and BNM's Shariah Governance Framework for Islamic Financial Institutions (collectively 'BNM Guidelines') and The Green Book.

The higher proportion of Independent Directors enables a balanced and objective consideration of issues and enhanced accountability in the decision-making process at CIMB and mitigates any possible conflict of interest. Independent Directors provide the necessary check and balance in ensuring that CIMB operates in a safe and sound manner, and bring new perspectives from other businesses that may enhance the effectiveness of the Board.

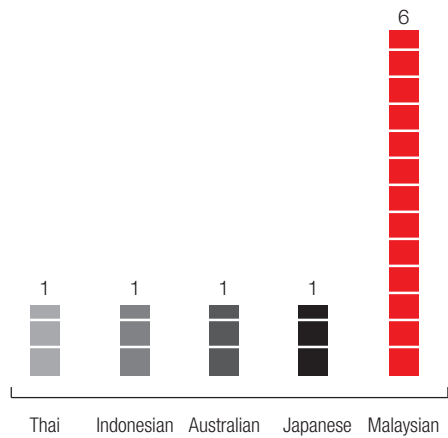
Board Diversity

The Board believes that a Board made up of highly qualified Directors from diverse backgrounds and whom reflect the changing population and demographics of the markets in which CIMB operates and CIMB's evolving customer and employee base, promotes better governance.

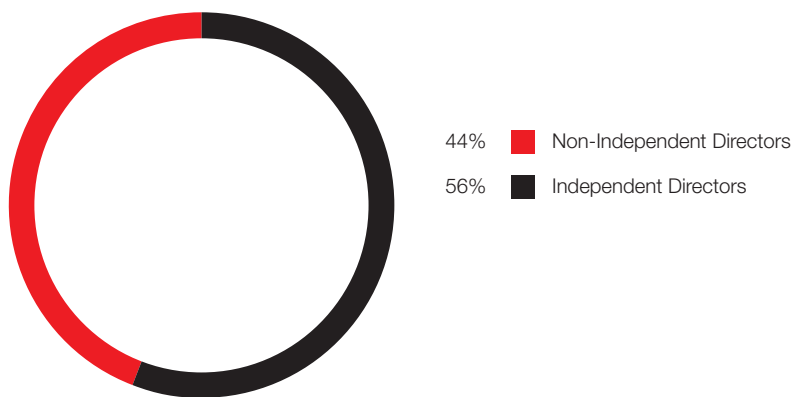
The diversity in the composition of the Board ensures the good use of the differences in the wide range of skills, regional and industry experience, background, gender and other attributes of the Directors. The experience and background of Directors are described in their profiles as set out on pages 102 to 112.

The following diagram gives a brief overview of CIMB's Board diversity in terms of age, ethnicity/nationality, independence and skills/experience.

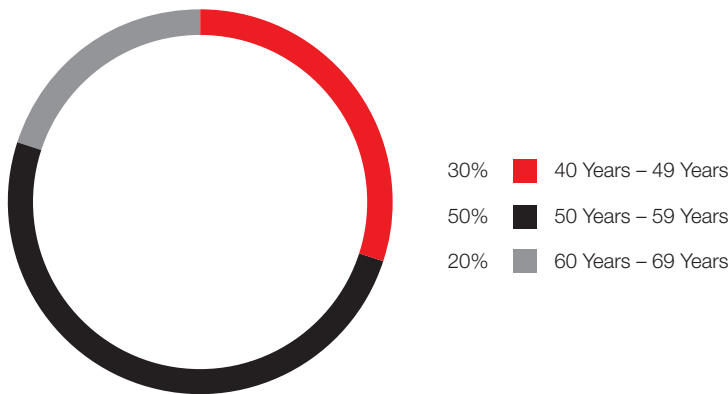
Board Members' Nationality



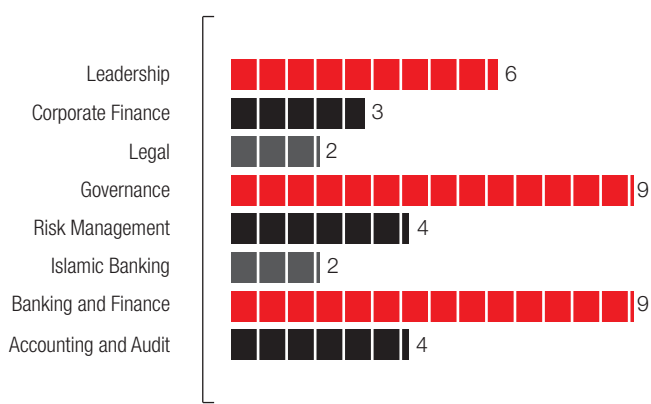
Board Composition



Board Members' Age Group



Board Members' Industry/Background Experience



Directors' Independence

The Board, in considering the independence of a Director, needs to also determine that the Director does not have a material relationship with CIMB, other than solely as a consequence of being a Director. CIMB has also adopted a policy that limits its Independent Directors' tenure to a maximum of nine years.

The Board, through the Group Nomination and Remuneration Committee, assesses the independence of its Independent Directors annually, using the Board and Board Committee Effectiveness Assessment questionnaire. The assessment takes into account the individual Director's ability to exercise independent judgement to enhance the Board's accountability as well as other additional criteria, as follows:

- The individual is free from any business or other relationship which can materially pose any conflict of interest or interfere with the exercise of Director's judgement or will be disadvantageous to CIMB or CIMB's interest.
- The individual's ability to provide objective challenges and constructive feedback to Management, focusing on root cause of issues and potential actions required to rectify the issues discussed.
- The individual's readiness to challenge others' assumptions, beliefs or viewpoints for the good of CIMB.
- The individual has a good understanding of CIMB's businesses and affairs to enable him or her to properly evaluate information and responses provided by Management.

As a result of the assessment, the Board is satisfied with the level of independence demonstrated by all of its Independent Directors and that they are free from business relationships or other circumstances that could materially interfere with their exercise of objective, unfettered and independent judgement. The assessment further affirms that the Independent Directors are independent of Management and major/substantial shareholders.

Any Director who considers that he or she has or may have a conflict of interest or a material personal interest in any matter concerning CIMB, is required to give the Board and/or the Group Company Secretary immediate notice of such interest.

Details on the independent status of the Board, their roles in Board Committees and their attendance at meetings in 2014 are as follows:

	Position	Date of Board Appointment	Independent of the company/Major Shareholder	Attendance at meetings					
				Board	AC	BRC	GNRC	GCRC	Board EXCO
Tan Sri Dato' Md Nor Yusof <i>* Resigned on 31 August 2014</i>	Chairman/ Non-Independent Non-Executive Director	27 June 2006	No (Nominee of Khazanah Nasional Berhad)	10/10	–	4/4	–	–	–
Dato' Sri Nazir Razak <i>* Resigned as Group Managing Director/Chief Executive Officer on 31 August 2014</i> <i>* Appointed as Chairman on 1 September 2014</i>	Chairman/ Non-Independent Non-Executive Director	27 January 2006	No (Group Managing Director/Chief Executive Officer until 31 August 2014)	13/13	–	1/1	–	4/4 Chair	2/2 Chair
Tengku Dato' Zafrul Tengku Abdul Aziz	Executive Director	27 February 2015	No (Group Chief Executive Officer/ Executive Director)	–	–	–	–	–	–
Dato' Zainal Abidin Putih <i>* Re-designated as Senior Independent Director on 7 April 2014</i> <i>* Appointed as Chairman of GNRC on 15 April 2014</i>	Senior Independent Director	7 November 2006	Yes	13/13	14/14 Chair	5/5	8/8 Chair	3/4	–
Datuk Dr Syed Muhamad Syed Abdul Kadir <i>* Re-designated as Non-Independent Non-Executive Director on 7 April 2014</i> <i>* Retired on 30 June 2014</i>	Non-Independent Director	7 November 2006	Yes	6/6	6/6	3/3	5/5	2/2	–
Dato' Hamzah Bakar <i>* Retired on 15 April 2014</i>	Independent Director	7 November 2006	Yes	4/4	4/4	2/2	5/5	2/2	–
Dato' Robert Cheim Dau Meng <i>* Resigned on 27 February 2015</i>	Non-Independent Non-Executive Director	7 November 2006	No (Adviser to CIMB)	12/13	8/8	5/5	8/8	3/4	2/2
Glenn Muhammad Surya Yusuf <i>* Appointed as Chairman of BRC on 15 April 2014</i> <i>* Appointed as Member of AC on 27 February 2015</i>	Independent Director	25 January 2010	Yes	12/13	–	3/5 Chair	8/8	–	–
Watanan Petersik	Independent Director	25 January 2010	Yes	12/13	7/10	4/5	2/3	–	–
Katsumi Hatao <i>* Retired on 25 February 2014</i>	Non-Independent Non-Executive Director	23 February 2012	No (Nominee of The Bank of Tokyo-Mitsubishi UFJ, Ltd, and Mitsubishi UFJ Financial Group, Inc.)	2/2	–	1/1	–	–	–
Robert Neil Coombe	Independent Director	16 April 2014	Yes	7/8	–	3/3	–	–	–

	Position	Date of Board Appointment	Independent of the company/Major Shareholder	Attendance at meetings					
				Board	AC	BRC	GNRC	GCRC	Board EXCO
Kenji Kobayashi	Non-Independent Non-Executive Director	16 April 2014	No (Nominee of The Bank of Tokyo-Mitsubishi UFJ, Ltd, and Mitsubishi UFJ Financial Group, Inc.)	6/8	–	3/5	–	–	–
Joseph Dominic Silva	Non-Independent Non-Executive Director	30 June 2014	No (Nominee of Khazanah Nasional Berhad)	7/7	–	2/2	2/3	–	–
Teoh Su Yin * Appointed on Board Executive Committee on 30 October 2014 * Appointed as Member of GNRC and Board Executive Committee on 27 February 2015	Independent Director	8 October 2014	Yes	3/3	1/1	–	–	–	2/2

Segregation of positions of Chairman and Group Chief Executive Officer/Executive Director

CIMB's leadership model adopts a clear division of responsibilities between the Chairman and the Group Chief Executive Officer/Executive Director, which ensures an appropriate balance of power, increased accountability and enhanced independence in decision-making. The positions of Chairman and Group Chief Executive Officer/Executive Director are held by different individuals with distinct and separate roles to enhance governance and transparency, so that no individual or group dominates Board proceedings.

Chairman

Tan Sri Dato' Md Nor Yusof helmed the Board as Chairman until 31 August 2014, having held office since 27 June 2006. As part of CIMB's Leadership Transition Plan which was announced on 3 July 2014, Tan Sri Dato' Md Nor Yusof resigned as Chairman and on 1 September 2014, was succeeded by Dato' Sri Nazir Razak who earlier resigned as the Company's Group Managing Director/Chief Executive Officer.

As Chairman, Dato' Sri Nazir Razak provides clear and distinct leadership to the Board with respect to CIMB's strategic growth. He maintains open lines of communication with Senior Management, and ensures that the Board and its Committees function effectively. The Chairman provides support, advice and has a healthy relationship with the Group Chief Executive Officer/Executive Director. The Chairman oversees, guides and advises the Group Chief Executive Officer/Executive Director and Senior Management especially in strategic matters. He also encourages constructive relations within the Board, and between the Board and Senior Management. Directors and members of the Group Management Committee have the opportunity to interact through CIMB's corporate events, scheduled Board meetings and at the Annual Management Summit. Dato' Sri Nazir encourages effective dialogues between the Shareholders, Board members and Management at the Shareholders meeting.

Group Chief Executive Officer/Executive Director

The Group Chief Executive Officer/Executive Director, Tengku Dato' Zafrul Tengku Abdul Aziz, heads the Group Management Committee, which is the highest management committee in CIMB. He is responsible for leading the development and execution of CIMB's long-term strategy with a view to creating Shareholder value. The Group Chief Executive Officer/Executive Director's leadership role also entails being ultimately responsible for all the day-to-day management decisions and for implementing the long and short-term plans in the Group. Tengku Dato' Zafrul also acts as a direct liaison between the Board and Management; and communicates to the Board on behalf of Management. He also communicates on behalf of CIMB to Shareholders, employees and other stakeholders.

Senior Independent Director

Dato' Zainal Abidin Putih joined the Board on 7 November 2006 and assumed the role of Senior Independent Director on 7 April 2014.

Dato' Zainal Abidin serves as the point of contact between Independent Directors and the Chairman on sensitive issues and acts as a designated contact to whom stakeholders' concerns or queries may be raised, as an alternative to the formal channel of communication with stakeholders.

The role of the Senior Independent Director is included in the Board Charter which is accessible on CIMB's website.

Stakeholders' queries can be e-mailed directly to the Senior Independent Director at cimbSID@cimb.com or directed to the following address:

Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur
Malaysia

Appointments to the Board

The Group Nomination and Remuneration Committee is responsible for screening and proposing to the Board qualified candidates to serve as Directors and members of Board Committees based on the candidates' knowledge, capabilities and experience required for the position falling vacant, and in the case of Independent Directors, their independence. The screening process is in accordance with the BNM Guidelines and CIMB's Fit and Proper Policies and Procedures for Key Responsible Persons. The policy sets out a formal and transparent process for the appointment, re-appointment and annual assessment of Chairman, Directors, CEOs/ Executive Directors, Board Shariah Committee members and Key Senior Management.

Detailed assessments are conducted on candidates with the relevant skill sets, expertise and experience to fill the gaps and the Group Nomination and Remuneration Committee recommends the appointments for the Board's approval.

The appointment and re-appointment of Directors are subject to BNM's vetting and prior approval.

Re-appointment and Re-election of Directors

Directors appointed during the year are subjected to election by the Shareholders at their first Annual General Meeting after their appointments. The election of each director is conducted separately, unless the Shareholders recommend the election to be carried out in a single motion. Each year, one-third of the Directors who have been the longest in office since their last election, retire from office at the Annual General Meeting, and being eligible, may offer themselves for re-election by the Shareholders. Proposals for the re-appointment and re-election of Directors are reviewed and assessed by the Group Nomination and Remuneration Committee who will recommend the proposal to the Board and thereafter to the Shareholders for approval. In line with the requirement of the MMLR, no Director should serve more than 3 years without seeking re-election at the Annual General Meeting.

Pursuant to Article 76 of the Company's Articles of Association and paragraph 7.26(2) of the MMLR, Dato' Zainal Abidin Putih shall retire at the forthcoming Annual General Meeting of the Company and being eligible, has offered himself for re-election. Pursuant to Article 83 of the Articles of Association and paragraph 7.26(2) of the MMLR, Kenji Kobayashi, Robert Neil Coombe, Joseph Dominic Silva, Teoh Su Yin and Tengku Dato' Zafrul Tengku Abdul Aziz shall retire at the forthcoming Annual General Meeting of the Company and being eligible, have offered themselves for re-election.

BOARD CHARTER

The Board has adopted a Board Charter which sets how its role, powers and responsibilities are exercised, having regard to principles of good governance, international best practice and applicable laws.

The Board Charter promotes high standards of governance and clarifies, amongst others, the roles and responsibilities of the Board and Board Committees. The Board Charter serves not only as a reminder of the Board's and Board Committees' roles and responsibilities but also sets out the expectations that the Board has of each Director and Board Committees including expected competencies, behaviours and time commitment.

The Board has also delegated specific authority to several Board Committees. Notwithstanding this delegation of authority, the Board remains responsible for its fiduciary duties.

The Board Charter comprises, amongst others, the following areas:

- Roles of the Board and Committees
- Roles of Chairman and Group Chief Executive
- Board Composition and Terms of Reference
- Directors' Code of Ethics
- Stakeholder Communication
- Directors' Selection Criteria
- Terms and Tenure of Appointment
- Succession Planning
- Board Effectiveness Assessment
- Training and Development
- Processes of the Board

The Board Charter also sets out the roles and responsibilities of the Board that have been expanded and are in line with the MCCG 2012, and a schedule of matters reserved for the Board's decision.

The Board Charter is subject to review by the Board from time to time to ensure CIMB remains at the forefront of best practices in governance.

The CIMB Board Charter is available at CIMB's website at www.cimb.com.

Code of Conduct

The Board recognises its role in establishing ethical values that support a culture of integrity, fairness, trust, forthrightness and pursuit of excellence. To this, the Board has formalised a Code of Conduct which sets out the principles and standards of behaviour that are expected of all employees of the Group when dealing with customers, business associates, regulators and colleagues. The principles covered in the Code of Conduct include professional integrity, confidentiality, conflicts of interest, fair dealings with customers and whistle blowing.

All employees are responsible for familiarising themselves with and complying with the Code of Conduct as well as any other policies that may be prescribed from time to time.

Details of the Code of Conduct can be found in CIMB's website at www.cimb.com.

Number of Directorships

In line with the MMLR and the Green Book, the number of directorship for each Director is limited to five in public-listed companies and 10 in non-listed companies to ensure the Directors have the time to focus and fulfil their responsibilities effectively. None of the Directors currently serve on five or more public-listed companies. The Group Chief Executive Officer/Executive Director adheres strictly to the BNM CG Guidelines on the limit of directorships. He holds two other directorships within the CIMB Group of companies. The Group Company Secretary monitors the number of directorships held by each Director and advises the Directors on new appointments and ensures that the Group Nomination and Remuneration Committee has no objection to the said appointments before the Directors accept any additional directorship.

The Board is informed of changes to the directorships held by its members on a quarterly basis and is satisfied that the current external directorships held by the Board members do not impair their ability to contribute to the Company and that the Directors are able to devote sufficient time to the Company in discharging their roles and responsibilities effectively.

MEETINGS AND SUPPLY OF INFORMATION TO THE BOARD

There were 6 scheduled Board meetings and 7 Special Board meetings held in 2014. Key matters discussed at these meetings include financial performance, annual budget, corporate and risk strategy, business plans, significant operational matters, capital-related matters and potential acquisitions/divestments.

Regular reports received by the Board at scheduled meetings include:

- Presentations by the Group Chief Executive Officer/Executive Director on the Group's business and operations.
- Presentations by the Group Chief Financial Officer on financial performance and significant financial updates.
- Presentations by Senior Management and external consultants on key areas of concern such as impending changes in market conditions as well as corporate governance, capital, tax, accounting, risk, listing and other regulations, which may have an impact on the Group's affairs.

The meetings of the Board and Board Committees are scheduled in advance at least in the 3rd Quarter of the preceding year for the Directors to plan their schedules. In addition, Special Board meetings are held when necessary, to deliberate on major transactions and ad-hoc matters that require the Board's urgent attention and decisions. A Special Board meeting is held in the 4th Quarter of each year to plan and discuss CIMB's Business Strategy, together with the Business Plan and Budget for the ensuing year.

A key highlight of the Board's activities is the Annual Management Summit offsite which gives the Directors the opportunity to interact with CIMB's senior management. Information on the Annual Management Summit is on page 145.

Directors participate in Board meetings in person, and if they are unable to attend in person, the Directors have the option to participate via tele-conference or tele-presence, as allowed under Article 99 of the Company's Articles of Association. In the event Directors are unable to attend in person or participate via teleconference due to unavoidable circumstances, they are encouraged to provide feedback to the Chairman on matters to be deliberated for their views to be given due consideration at the meetings. Board approvals for routine matters in the ordinary course of business are sometimes obtained through resolutions approved by circulation as permitted under the Company's Articles of Association.

Dealings in Securities

CIMB has adopted a more stringent policy in relation to dealings in securities by Directors and Key Senior Management than that required by the MMLR. The Directors and Key Senior Management who have access to price-sensitive information of the Company and any other listed companies are strictly prohibited from dealing in the securities of the Company and that of other listed companies. In addition, no dealing in the securities of the Company by Directors and Key Senior Management is permitted during closed periods, which commences 30 calendar days before the targeted date of the announcement of the quarterly results up to the date of the announcement.

Dealings by Directors and Key Senior Management are reported to the Group Company Secretary within three business days and announced immediately through Bursa upon receipt of such notice. Dealings by Directors and Key Senior Management in the Company's shares are disclosed to the Board on a quarterly basis.

Conflict of Interest

A Director who has interest, either direct or indirect, in any proposal or transaction being considered declares his or her interest and abstains from participating in discussions and any decision-making on that proposal. The minutes of meeting will reflect as such.

Access to Information and Advice

Prior to each Board and Board Committee meeting, Directors are provided with complete and relevant information concerning financial performance, updates on corporate development, business progress, risk, compliance and proposals. The Board is given sufficient time to evaluate the reports and proposals and if necessary, request additional information. This enables the Board to discharge its responsibilities effectively. The minimum information provided to the Board on proposals to be deliberated includes objective, background, key issues, rationale as well as financial and non-financial impact of the proposals for the Board to make informed and effective decisions.

The Directors have unrestricted access to the advice and services of the Group Company Secretary in discharging their duties effectively. The Directors may communicate directly with Key Senior Management to seek advice and request further information as well as updates on any aspect of CIMB's operations and business concerns.

In addition, the Directors have the right to seek independent advice on specific matters that in their opinion require unbiased evaluation, at the expense of CIMB. A formal procedure is in place to facilitate them in seeking independent professional advice. A copy of the report or independent advice will be made available to the Chairman and, if deemed appropriate, be circulated to all Directors for deliberation.

Annual Management Summit

Directors, together with other senior leaders across CIMB, meet every year at the Annual Management Summit. The Annual Management Summit provides an avenue for the Directors to interact directly with the senior managers and foster stronger relationships with all heads, whereby division heads present their various new business strategies and synergistic opportunities. The various key messages and business strategies put forward at the Annual Management Summit will be considered thoroughly to form key thrusts for the business plan and budget. Upon deliberation and approval by the Board, these recommendations and plans will then be cascaded to the business divisions for execution.

Company Secretary

The Group Company Secretary is responsible for advising and assisting the Board on matters relating to the affairs of the Company, including matters pertaining to governance and best practices, boardroom effectiveness and Directors' duties and responsibilities. All Directors have access to the advice and services of the Group Company Secretary, whose appointment and removal is a matter reserved for the Board.

The Group Company Secretary, Datin Rossaya Mohd Nashir, was appointed to assume her role in 2002, and has more than 20 years' experience in corporate secretarial practice. She holds a Bachelor of Laws degree from Coventry University, United Kingdom, is an affiliate of the Malaysian Institute of Chartered Secretaries and Administrators and has been active in the Companies Commission Malaysia's Corporate Practice Consultative Forum.

Datin Rossaya's main duties include ensuring that Board, Board Committees and Shareholders' meetings are properly convened in accordance with the laws and best practices and that records of proceedings at the Board, Board Committees and Shareholders' meetings are duly minuted and kept. She oversees the corporate secretarial practices in the relevant companies in the Group, with support from the respective regional Company Secretaries.

The Group Company Secretary also facilitates the communication of key decisions and policies between the Board, Board Committees and Senior Management. Apart from assisting the Chairman in formulating agendas and conduct of Board, Board Committees and Shareholders' meetings, the Group Company Secretary also undertakes the following roles in three main key areas:

Company

- Facilitating highest standards of governance practices among CIMB entities and identifying areas for enhancements.
- Ensuring that CIMB complies with the statutory obligations under the relevant laws and regulations.
- Monitoring and ensuring that CIMB's governance framework complies with the MCGG 2012, BNM Guidelines, the MMLR and the relevant laws, regulations and guidelines.
- Maintaining the safekeeping of statutory records of the companies within CIMB in compliance with applicable laws and regulations.

Board

- Managing Board and Shareholder processes group-wide.
- Ensuring procedures for the appointment of Directors is adhered to.
- Organising induction programmes for new Directors.
- Organising and assisting in Directors' Training.
- Updating the Board of Directors on any developments and changes in laws, regulations and guidelines pertaining to the statutory duties and code of conduct of Directors, Boards and Shareholders' Meetings, and its impact to CIMB's business in the jurisdictions within which CIMB operates.
- Assisting Directors and Senior Management in the execution of various corporate proposals by ensuring Board decisions and instructions are properly carried out and communicated.
- Point of contact for source of information in assisting the Board in its decision-making processes.

Shareholders

- Assisting in managing shareholders' communication and resolving their enquiries.
- Organising shareholders' meeting as well as the preparation of the meeting's agenda, invitation to the meeting, documents required for the meeting, the Annual Report, and the minutes of the meeting.
- Managing relationship with external stakeholders.

In ensuring the uniformity of Board conduct and effective boardroom practices throughout CIMB, the Group Company Secretary has oversight on the overall corporate secretarial functions of CIMB, both in Malaysia and in countries where CIMB operates. The Group Company Secretary also serves as an adviser and support centre to the regional company secretaries on matters pertaining to governance and facilitates the flow and sharing of information among the regional Boards and Committees.

TRAINING AND DEVELOPMENT OF DIRECTORS

CIMB places importance on on-going development of its Directors and encourages Directors to participate in courses or activities as this will serve to enhance their knowledge and performance as members of the Board and Board Committees. CIMB regularly keeps Directors informed of relevant training courses for their consideration. The role to review the training needs and professional development of Directors is delegated to the Group Nomination and Remuneration Committee.

Newly appointed Directors receive an information pack comprising corporate information of CIMB, the Board Charter as well as other relevant documents. A comprehensive and tailored induction is arranged as part of the on-boarding programme for every new Director to familiarise him or her with the discharge of his or her duties and to introduce to them CIMB's business, operations, challenges and governance practice and arrangements, amongst others. Directors are also given the opportunity to visit CIMB's regional entities to familiarise themselves and have a holistic view of the Group's regional businesses.

During the induction programme, the relevant Heads of Divisions brief the Directors on the functions and areas of responsibility of their respective divisions. This serves to familiarise the Directors with the operations and organisational structure of CIMB as well as to provide them with a platform in establishing effective channel of communication and interaction with Key Senior Management.

The Group Company Secretary facilitates the Directors' attendance in training programmes, briefings, workshops and seminars that are conducted in-house or by external providers. A comprehensive list of training programmes covering topics relevant to the Directors is sent to all Directors at the beginning of the financial year. CIMB's Directors have actively participated in programmes organised by regulators and industry associations such as the BNM/Financial Institutions Directors' Education (BNM/FIDE) programme, Malaysian Directors' Academy (MINDA) programme, as well as training and conferences of Bursa Securities and the Securities Commission.

Details of training programmes attended by the Directors in 2014 and time spent for each of the Directors are summarised as follows:

Titles/Topics	Mode of Training	Duration
Banking and Finance - Institut Bank-Bank Malaysia's Interview on Talent and Skills Requirement for the Banking Sector in Malaysia. - FIDE Forum Group Discussion on Building a Talent Pool of Directors. - Ministry of International Trade & Industry and Bank Negara Malaysia Engagement Session with Banking Institutions. - The Development Bank of Singapore Asian Insights Conference, Singapore.	Course Forum Forum Conference	1 Day 1 Day 1 Day 1 Day
Compliance and Regulatory - Anti-Money Laundering and Anti-Terrorism Financing Updates for Directors. - Goods & Services Tax Awareness Briefing by Ernst & Young. - EURO Directors Training on Goods & Services Tax.	Workshop Briefing Workshop	1 Day 1 Day 1 Day
Corporate Governance - Mandatory Accreditation Programme for Directors of Public Listed Companies. - CIMB Group Director Induction Programme. - Seminar on Implementation of Minimum Wages: Lessons Learnt from ASEAN Member States. - MINDA Breakfast Talk – Great Companies Deserve Great Boards with Beverly A. Behan. - MINDA – Women Directors' Convention 2014. 6th Annual Corporate Governance Summit by Asian World Summit Sdn Bhd.	Course Course Seminar Talk Conference Conference	2 Days 1 Day 1 Day 1 Day 1 Day 2 Days
Economics - Singapore Summit 2014 – Global Asia Confluence. - BNM-FIDE Forum Dialogue – Economic and Financial Services Sector: Trends and Challenges Moving Forward.	Conference Conference	2 Days 1 Day

Titles/Topics	Mode of Training	Duration
Marketing and Branding		
• Brand Council Workshop.	Workshop	1 Day
• Brand Positioning Workshop.	Workshop	1 Day
• BI Worldwide Customer Engagement Workshop.	Workshop	1 Day
Islamic Banking and Finance		
• Panel discussion organised by the Oxford Centre of Islamic Studies.	Conference	1 Day
• Global Islamic Finance Forum 2014.	Forum	3 Days
• 11th Kuala Lumpur Islamic Finance Forum 2014.	Forum	1 Day
Leadership and Business Transformation Management		
• CIMB Asia Pacific Leaders' Conference, New York.	Conference	4 Days
• Khazanah Megatrends Forum 2014 – Scaling the Efficiency Frontier.	Forum	1 Day
• CIMB-INSEAD Leadership Programme Cohort 5 Capstone.	Workshop	1 Day
• ASEAN Forum on Social Entrepreneurship.	Forum	2 Days
• Inspiring Identity Workshop.	Workshop	1 Day
• MINDA's Corporate Directors' Programme on Human Capital 2014.	Workshop	1 Day
Audit, Compliance and Risk Management		
• CIMB Group: Risk Posture Workshop.	Workshop	1 Day
• CIMB Regional Compliance, Audit and Risk Conference 2014.	Conference	1 Day
• Board Risk Intelligence – Risk Governance into Practice, Asian World Summit.	Conference	2 Days
• Malaysian Accounting Standards Board Roundtable Discussion on Financial Reporting.	Forum	1 Day

Titles/Topics	Mode of Training	Duration
Investment		
• Invest Malaysia/APAC Conference.	Conference	2 Days
• Stock Exchange of Thailand, New Investment Opportunities for Sustainable Growth.	Conference	3 Days
• Australian Indigenous Education Foundation Investment Committee Conference.	Conference	1 Day
• Bursa Board Continuous Education Programme: Derivatives Trading, Global Trends and Moving Forward.	Course	1 Day

Time Spent on Training

Directors	Time Spent**
Tan Sri Dato' Md Nor Yusof ¹	3 Days
Dato' Sri Nazir Razak	24 Days
Dato' Zainal Abidin Putih	14 Days
Datuk Dr Syed Muhamad Syed Abdul Kadir ²	28 Days
Dato' Hamzah Bakar ³	2 Days
Dato' Robert Cheim Dau Meng ⁴	15 Days
Glenn Muhammad Surya Yusuf	4 Days
Watanan Petersik	12 Days
Katsumi Hatao ⁵	–
Robert Neil Coombe ⁶	20 Days
Kenji Kobayashi ⁶	4 Days
Joseph Dominic Silva ⁷	4 Days
Teoh Su Yin ⁸	6 Days

Note:

*1 Resigned on 31 August 2014.

*2 Retired on 30 June 2014.

*3 Retired on 15 April 2014.

*4 Resigned on 27 February 2015.

*5 Retired on 25 February 2014.

*6 Appointed on 16 April 2014.

*7 Appointed on 30 June 2014.

*8 Appointed on 8 October 2014.

DIRECTORS’ REMUNERATION

The Level and Make-up of Remuneration

CIMB has established a remuneration framework for its Directors and Key Senior Management. This framework includes fees, monthly and meeting allowances for Non-Executive Directors which are based on industry standards and set by reference to the responsibilities taken on by them. The framework is sufficient to attract and retain Directors for their contributions to CIMB.

In order that the remuneration framework remains competitive and consistent with CIMB’s high performance culture, objective and strategy, the framework for Non-Executive Directors is reviewed periodically or at least once every 3 years to ensure that they remain market-competitive. The remuneration for Non-Executive Directors or any proposed increase in the remuneration is tabled to the Shareholders for approval.

In reviewing the remuneration package, the criteria in determining the fee quantum is based on the Directors’ responsibilities and accountability to the Shareholders, membership in Board Committees, expertise, performance, risk, complexity and scope of business of CIMB. Where necessary, independent advisers or consultants are engaged to provide independent advice to the Group Nomination and Remuneration Committee on specific areas. To avoid any conflict of interest, no individual Director has any influence on the decision pertaining to his or her own remuneration. The remuneration of the Directors in office during the financial year is also disclosed in CIMB’s Financial Statements.

Details of the remuneration package for 2014 are as follows:

	Directors’ Fees (per annum) (RM)	Other Remuneration (per month) (RM)	Meeting Allowance (per meeting) (RM)
Board			
Chairman	90,000	30,000	3,000
Members	90,000	–	3,000
Audit Committee			
Chairman	12,000	–	3,000
Members	12,000	–	2,000
Group Nomination and Remuneration Committee			
Chairman	12,000	–	1,000
Members	12,000	–	1,000
Board Risk Committee			
Chairman	12,000	–	3,000
Members	12,000	–	2,000
Board Executive Committee			
Chairman	–	3,000	3,000
Members	–	2,000	2,000

Independent Directors do not receive options, performance-related shares or bonuses from CIMB.

The aggregate remuneration paid to the Directors by CIMB and its subsidiaries in 2014, is as follows:

	Fees RM	Salary and/ or Other Remuneration RM	Benefits- in-Kind RM	Total RM
Non-Executive Directors				
Tan Sri Dato' Md Nor Yusof ^{*1}	84,000	280,000	28,207	392,207
Dato' Sri Nazir Razak ^{*2}	321,458	2,342,806	64,903	2,729,167
Dato' Zainal Abidin Putih	282,000	483,000	36,700	801,700
Datuk Dr Syed Muhamad Syed Abdul Kadir ^{*3}	194,600	452,400	26,500	673,500
Dato' Hamzah Bakar ^{*4}	78,084	177,333	40,909	296,326
Dato' Robert Cheim Dau Meng ^{*5}	–	592,464	50,806	643,270
Glenn Muhammad Surya Yusuf	332,607	339,531	74,350	746,488
Watanan Petersik	138,000	219,398	–	357,398
Katsumi Hatao ^{*6}	17,982	9,000	–	26,982
Robert Neil Coombe ^{*7}	80,750	28,000	–	108,750
Kenji Kobayashi ^{*7}	80,750	22,000	–	102,750
Joseph Dominic Silva ^{*8}	98,282	88,000	–	186,282
Teoh Su Yin ^{*9}	26,354	23,548	–	49,902
Executive Director				
Tengku Dato' Zafrul Tengku Abdul Aziz ^{*10}	–	–	–	–
Grand Total	1,734,867	5,057,480	322,375	7,114,722

Notes:

*1 Resigned on 31 August 2014.

*2 Includes Dato' Sri Nazir Razak's salary and benefits-in-kind as Group Managing Director/Chief Executive Officer, which were paid by CIMB Investment Bank Berhad for the period from 1 January to 31 August 2014. He resigned as Group Managing Director/Chief Executive Officer on 31 August 2014 and was appointed as Chairman on 1 September 2014.

*3 Re-designated as Non-Independent Non-Executive Director on 7 April 2014. Retired on 30 June 2014.

*4 Retired on 15 April 2014.

*5 Dato' Robert Cheim Dau Meng held an executive position in the CIMB banking group and his salary and benefits-in-kind were paid by CIMB Investment Bank Berhad. He resigned from the Board and relinquished all his executive positions in the Group on 27 February 2015.

*6 Retired on 25 February 2014.

*7 Appointed on 16 April 2014.

*8 Appointed on 30 June 2014.

*9 Appointed on 8 October 2014.

*10 Appointed on 27 February 2015.

BOARD COMMITTEES

The Board delegates some of its authority to Board Committees but without abdicating its responsibility. This delegation ensures that adequate time is devoted by the Board members for independent oversight of specific matters, especially the key control functions. All the Board Committees that are required by regulations are chaired by Independent Directors, who are responsible for the effective operations of the Committees and the fulfilment of their duties which are clearly outlined in the Terms of Reference approved by the Board. The Terms of Reference of the Board Committees are regularly reviewed to ensure they remain aligned with CIMB's corporate mission and vision.

Board Committee members are appointed by the Board on the recommendation of the Group Nomination and Remuneration Committee,

which will review the composition of each Committee from time to time. Committee members are expected to attend each Committee meeting, unless there are exceptional circumstances that prevent them from doing so.

The Chairmen of the Board Committees report on matters dealt with at their respective Board Committee Meetings to the Board. Minutes of the Audit Committee, Board Risk Committee, Group Nomination and Remuneration Committee and Board Executive Committee meetings are also presented at the Board meetings for further discussion and direction, if any. The Board accepts that while these Committees have the authority to deliberate on matters delegated to them, all recommendations and/or decisions made by these Committees are brought to the attention of the Board, which is collectively responsible for CIMB's business, strategy, risk management, operational and financial performance.

The Board Committees are as follows:

Board Committee	Main areas of Oversight	Composition	Further Information
Audit Committee (AC)	- Financial Reporting - Internal controls - Internal audit function - External audit	Comprises 3 members of whom 2 members (including the AC Chairman) are Independent Directors. All members are Non-Executive Directors.	See page 150 of this Annual Report for further information on the composition, responsibilities and activities of the AC.
Board Risk Committee (BRC)	- Risk appetite - Risk governance - Risk frameworks - Risk management practices and policies	Comprises 8 members of whom 4 members (including the BRC Chairman) are Independent Directors. All members are Non-Executive Directors.	See page 151 of this Annual Report for further information on the composition, responsibilities and activities of the BRC.
Group Nomination and Remuneration Committee (GNRC)	- Membership and performance of Board and Board Committees - Independence of Director - Fit & proper assessment of Directors, CEO/ED and Shariah Committee Members - Succession planning for Key Senior Management	Comprises 5 members of whom 4 members (including the GNRC Chairman) are Independent Directors. All members are Non-Executive Directors.	See pages 151 to 153 of this Annual Report for further information on the composition, responsibilities and activities of the GNRC.
Group Compensation Review Committee (GCRC)	- Compensation policies - Remuneration framework for employees - Fit & proper assessment of Key Responsible Persons - Management development and succession planning	Comprises 4 members of whom 1 member is an Independent Director.	See pages 154 to 155 of this Annual Report for further information on the composition, responsibilities and activities of the GCRC.
Board Executive Committee	- Review and provide input and guidance in the implementation and monitoring of strategy(ies) - Review strategy, business plans & budget of the Group - Review potential investments, mergers, acquisitions and divestitures of businesses and other assets of the Group	Comprises 3 members of whom 1 member is an Independent Director.	See page 153 of this Annual Report for further information on the composition, responsibilities and activities of the Board Executive Committee.

Audit Committee

The Audit Committee is chaired by Dato' Zainal Abidin Putih and the members are Watanan Petersik and Glenn Muhammad Surya Yusuf, all of whom are Independent Directors.

All members have the relevant accounting or related financial management experience or expertise, with the Chairman having more than 30 years of extensive experience in audit, management consulting and taxation.

The Audit Committee met 14 times in 2014 to deliberate on matters relating to CIMB. The Audit Committee also met the External Auditors on two other occasions in 2014 without the presence of Key Senior Management.

The Audit Committee keeps the Board informed of its activities and recommendations from time to time. A summary of the activities undertaken by the Audit Committee during the financial year under review and its terms of reference are set out in the Audit Committee Report on pages 186 to 187 of the Annual Report.

Board Risk Committee

The Board Risk Committee is chaired by Glenn Muhammad Surya Yusuf and comprises eight members who are Non-Executive Directors, five of whom are independent. The Board Risk Committee is responsible for formulating and reviewing the risk management policies and risk strategy of CIMB.

The Board Risk Committee, together with the Group Chief Risk Officer, defines the risk management objectives across risk categories and business lines with a view of setting the Group’s risk appetite. The Board Risk Committee reviews the overall risk profile on a periodic basis and approves the methodology to be followed for risk-based economic capital computation and the contingency plan for dealing with various events. In formulating the risk strategy, the Board Risk Committee ensures due regard is given to “risk-aware” culture and discipline.

Details of CIMB’s Risk Management Framework are elaborated on pages 173 to 182 of this Annual Report.

Group Nomination and Remuneration Committee

The Group Nomination and Remuneration Committee is chaired by Dato’ Zainal Abidin Putih and the members are Glenn Muhammad Surya Yusuf, Watanan Petersik, Joseph Dominic Silva and Teoh Su Yin, all of whom are Non-Executive Directors. Four out of five members, including the Chairman, are Independent Directors.

The Group Nomination and Remuneration Committee recognises the importance of an appropriate balance and diversity of skills, backgrounds, industry knowledge, experience, professional qualifications, gender and nationalities in building an effective Board. It is responsible for selecting suitable candidates and proposing them to the Board for their nomination as members of the Board and Board Committees as well as Key Senior Management. It also determines the framework for the remuneration for the Non-Executive Directors and the Group Chief Executive. The Group Nomination and Remuneration Committee 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.

The Group Nomination and Remuneration Committee has established policies, criteria and a clear methodology in accordance with its terms of reference and the relevant regulatory requirements which provide the guidelines and framework for the Committee in discharging its duties, as follows:

Nomination Procedure

The Group Nomination and Remuneration Committee is responsible for assisting the Board in maintaining an effective Board which contributes to the successful oversight and stewardship of CIMB. It ensures that the Board has an appropriate mix of skills and experience to be a competent decision-making body.

Prior to recommending the nomination of a new Director, the Group Nomination and Remuneration Committee undertakes a meticulous and comprehensive appraisal of the candidate based on a set of criteria adopted by the Board. In selecting and nominating the proposed candidates for the Board, Board Committees and Key Senior Management positions, the Group Nomination and Remuneration Committee takes into consideration the specific qualifications, knowledge, abilities, skills, experience and expertise of each individual as well as their leadership, vision and attitude towards CIMB, with the view that such qualities would be beneficial to CIMB’s operations. The Group Nomination and Remuneration Committee also takes into consideration the appropriate size, structure and composition of the Board which is not only well-balanced and supportive of good governance and efficient management, but also complies with regulatory requirements and is suitable for the changing business environment. CIMB leverages on industry database and CIMB’s Independent Directors’ network to source for new candidates for Board appointments.

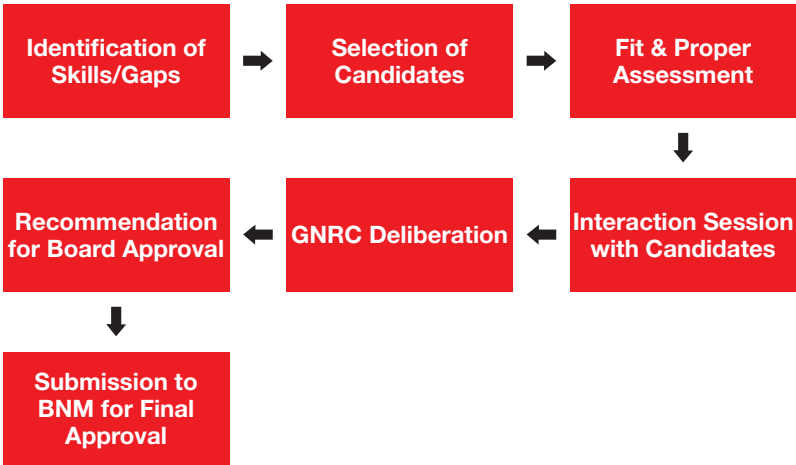
The Chairman of the Group Nomination and Remuneration Committee conducts an interaction session with the proposed candidates and assesses the candidates based on the following criteria:

- Relevant skills and experience
- Competency in specialised areas of practice
- Track record of success
- Independence (where relevant) and objectivity
- Willingness to challenge prevailing opinion
- Consistent availability
- Sound judgement and broad perspective
- Integrity

Non-Executive Directors are expected to confirm and undertake that they will have sufficient time to meet the Board’s expectations and will seek the Chairman’s approval before accepting any new external directorship or taking up additional roles.

The process for identifying and nominating new candidates for appointments entails the following steps:

Nomination Framework



The Fit and Proper Policy for Key Responsible Persons adopted by CIMB sets out the guidelines for the re-appointment and re-election of Directors who are eligible for re-appointment. In considering the proposed re-appointment or re-election, the Group Nomination and Remuneration Committee conducts assessment on the Directors based on the following criteria:

- Contribution in terms of knowledge in specific areas
- Time commitment by the Directors
- Independence and conflict of interest
- Training attended by the Directors

The Terms of Reference of the Group Nomination and Remuneration Committee with regard to its nomination role are as follows:

- Establishing clear, formal and transparent procedures for the re-election and appointment of the Directors.
- Establishing minimum requirements for the Board, namely required mix of skills, experience, qualifications and other core competencies required of each Director. The Group Nomination and Remuneration Committee is also responsible for establishing the minimum requirements for the CEO. The requirements and criteria should be approved by the full Board.
- Recommending and assessing the nominees for directorship, Board Committee members as well as nominees for the CEO and ensuring compliance with Section 55 Financial Services Act, 2013 and Section 68 of the Islamic Financial Services Act, 2013. This includes assessing Directors for re-appointment, before an application for approval is submitted to BNM. The actual decision as to who shall be nominated should be the responsibility of the Board. Subsequent to the assessment, in the event there are changes concerning a Director that would affect his contribution and attendance to the Board, the Chairman shall request a follow-up assessment on the Director, as and when required.
- Overseeing the overall composition of the Boards and the Board Committees in terms of the appropriate size and skills, gender diversity and the balance between Executive Directors, Non-Executive Directors and Independent Directors through annual reviews.
- Recommending to the Board the removal of a Director/CEO from the Board/Management and Key Senior Management if the Director/CEO and Key Senior Management are ineffective, errant and negligent in discharging their responsibilities.
- Establishing a mechanism for the formal assessment of the effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board, the contribution of the Board's various Committees and the performance of the CEO and other Key Senior Management. Annual assessment should be conducted based on an objective performance criterion. Such performance criteria should be approved by the full Board.

- Reviewing the suitability of Independent Directors to remain on the Boards and Board Committees, when they have reached the maximum tenure as determined by the Board. The Group Nomination and Remuneration Committee may, at its discretion, recommend to extend the Directors' tenure for the approval of the respective Boards and BNM, where necessary, subject to the approval by the respective shareholders.
- Facilitating induction programmes for new Directors and reviewing training programmes and ensuring that all Directors receive continuous training in order for them to keep abreast with the latest developments in the industry.
- Overseeing the appointment, succession planning and performance evaluation of Key Senior Management officers.
- Whenever key expatriates at CIMB's financial institutions are employed, to ensure there is in place a process for the transfer of expertise and skills from the expatriates to the staff of the financial institutions.
- Assessing on an annual basis that the Directors and Key Senior Management officers are not disqualified under Section 55 of the Financial Services Act, 2013 and/or Section 68 of the Islamic Financial Services Act, 2013.
- The Group Nomination and Remuneration Committee recommends all nominations to the Board for decision.

Remuneration Procedure

The Group Nomination and Remuneration Committee is responsible for recommending the remuneration and other benefit packages of Independent Directors, Group Chief Executive Officer/Executive Director and Key Senior Management, for approval by the Board.

The remuneration packages of the Group Chief Executive Officer/Executive Director and Key Senior Management, which include salaries, allowances, bonuses, options and benefits-in-kind, are linked to their individual performance and that of CIMB's. Any salary review will take into consideration industry standards and benchmarked against peers to remain competitive. The remuneration framework for Directors is as explained on page 148.

In reviewing and determining the remuneration package, the Group Nomination and Remuneration Committee takes into consideration the Directors' responsibilities and accountability to shareholders, membership in Board Committees, expertise, performance, risk, complexity and scope of business of CIMB. The compensation framework of the Group Chief Executive Officer/Executive Director and Key Senior Management are linked to their Key Performance Indicators (KPIs) and designed to promote long-term success of CIMB as well as individual performance.

The Terms of Reference of the Group Nomination and Remuneration Committee with regard to its remuneration role are as follows:

- Recommending a framework of remuneration for Directors, CEO and Key Senior Management of CIMB for the full Board's approval. The remuneration framework should support CIMB's culture, objectives and strategy and should reflect the responsibility and commitment, which goes with Board membership and responsibilities of the CEO and Key Senior Management. The framework should cover all aspects of remuneration including Director's fees, salaries, allowances, bonuses, options and benefits-in-kind.
- Recommending specific remuneration packages for Key Senior Management. The remuneration package should be structured such that it is competitive and consistent with CIMB's culture, objectives and strategy. Salary scales drawn up should be within the scope of the general taking. As for non-executive Directors and independent Directors, the level of remuneration should be linked to the level of responsibilities undertaken and contribution to the effective functioning of the Board. In addition, the remuneration of each Board member may differ based on their level of expertise, knowledge and experience.
- Conducting performance-related reviews to assess the effectiveness of the Boards, the Committees of the Board and individual Directors on an annual basis.
- Recommending to the Board the appointment and remuneration of Shariah Committee members of the Islamic subsidiaries, and external advisers as advised and deemed necessary to fulfill its obligation and responsibilities. Annual/periodic reviews of the remuneration shall be conducted by the Committee, if deemed necessary.

In 2014, the activities of Group Nomination and Remuneration Committee included the following:

Nomination Matters

- Conducting individual Assessment of Directors eligible for appointment and re-appointment by BNM.
- Conducting Annual Assessment of Directors eligible for re-appointment at Annual General Meeting.
- Conducting Annual Assessment of Directors, Chief Executive Officer/ Executive Directors, Group Shariah Committee members and Key Senior Management as part of CIMB's Fit and Proper Assessment of Key Responsible Persons.
- Evaluating new candidates to be appointed as Directors, Group Shariah Committee members and Key Senior Management positions.

Remuneration Matters

- Setting of Key Performance Indicators for the Group Chief Executive Officer and the Executive Directors of CIMB.
- Appraising and determining the compensation package for the Chief Executive Officer and Executive Directors of CIMB.

Board Executive Committee

In 2014, the Board approved the establishment of the Board Executive Committee with the delegated authority to act on its behalf to ensure that the decisions of the Board, strategic matters, business plans, budgets, daily business and operational issues are carried out, implemented and/or monitored efficiently and effectively by the Group's management and that the requirements of good corporate governance practices are observed.

The Board Executive Committee is chaired by Dato' Sri Nazir Razak and the members are Teoh Su Yin and Tengku Dato' Zafrul Tengku Abdul Aziz.

The primary role of the Board Executive Committee is to oversee the implementation and monitoring of the Board's decisions and to provide strategic guidance for the Group as delegated by the Board in its Terms of Reference.

The key responsibilities of the Board Executive Committee included the following:

- Review and provide input and guidance in the implementation and monitoring of the strategy(ies) and all other matters approved by the Board.
- Review the strategic and business plans and budgets of the Group.
- Review potential investments, mergers, acquisitions and divestitures of businesses and other assets of the Group.
- Review management reports from business and support units on key initiatives undertaken by the Group.
- Monitor and evaluate political, economic and business conditions and developments in the financial markets on an on-going basis and to discuss with the management of the Group to ensure that any potential material impact is identified and managed accordingly.
- Consider other matters or undertake such duties and responsibilities as required from time to time by the Board.

The Board Executive Committee met 2 times in 2014.

Board Effectiveness Assessment

The Board undertakes a formal and comprehensive annual assessment of its own performance, its Committees and individual Directors.

The Group Nomination and Remuneration Committee review annually, the effectiveness of the Board and Board Committees as well as the performance of individual Directors. CIMB has introduced the Board Effectiveness Assessment (BEA) questionnaire for evaluation of the performance of the Board, Board Committees and individual Directors.

The evaluation involves Directors completing the BEA questionnaire, which covers the Board's and Board Committees' processes, the effectiveness and contribution of each of the Directors to the Board and Board Committees.

The Directors' responses are collated and a comprehensive summary of the findings and recommendations is submitted to the Group Nomination and Remuneration Committee for deliberation, after which, the findings and recommendations are escalated to the Board and Board Committees for further review and proposed actions. The deliberations of the Group Nomination and Remuneration Committee on the findings of the BEA are duly minuted at the meetings of the Group Nomination and Remuneration Committee, Board and Board Committees respectively.

Recommendations affecting the company's management and operations arising from the BEA exercise are communicated to Management for implementation.

Succession Planning

The Group Nomination and Remuneration Committee oversees the succession planning of Key Senior Management positions across CIMB. Together with the Talent Review Board, the Group Nomination and Remuneration Committee is committed to building a strong senior leadership bench.

The Terms of Reference of the Talent Review Board are as follows:

- Review and endorse strategic talent management related policies that ensure the right managers and leaders are in the right roles at the right time, and the Group has the talents required to grow the organisation in order to meet its mission, vision and strategic plan.
- Ensure issues related to talent management are undertaken with a strategic perspective that is in line with the business objectives and expectations of the various stakeholders across the Region.
- Endorse key strategic decisions regarding the acquisition, development and retention of key talents of our Group's leadership team.
- Provide oversight on leadership development initiatives for building 'leadership succession pipeline' in the short, middle and long-term horizon (immediate, 1 to 2 years, 3 to 5 years).
- Mandate a coaching and mentoring culture across the Group to institutionalise CIMB and to engage leaders to contribute to the future success and sustainability of the Group.

In 2014, the focus was to increase the effectiveness of the existing Talent Management Framework by:

- Instilling greater rigour and consistency in our talent management process.
- Establishing Talent Review Councils to execute end-to-end talent management at the country level/key business divisions.

As such, seven Talent Review Councils have been set up within the core businesses and regional business units.

The Terms of Reference of the Talent Review Council are as follows:

- Drive implementation of Talent Management Framework.
- Nominate and agree on talent and successor listings.
- Commit to development interventions.
- Meet bi-annually to review progress and endorse decisions.

CIMB intensified its initiative in validating leadership capabilities through talent assessments and providing feedback coaching for the talent pool through the CIMB Executive Assessment Centre with the primary objectives of building leadership competencies and embedding leadership culture across CIMB to support the corporate vision of becoming the leading ASEAN company. The talents will be allowed to identify relevant development opportunities and create their learning paths through post-assessment feedback coaching; followed by a three-way career conversation with their supervisor and Group Human Resource. Agreed development actions are documented and tracked via Individual Development Plans. The Assessment Centre conducts assessments and provides feedback coaching through its own internal pool of assessors, in partnership with globally-recognised consultants.

In terms of leadership development, CIMB continued to groom its future leaders through its flagship leadership programme, the CIMB-INSEAD Leadership Programme (CLP) which was launched in 2010. The programme boasts 105 CLP alumni with 26 more senior executives enrolled in the current cohort.

Core leadership development initiatives transcend beyond the senior leadership group to permeate into every level of management to build and develop a deep pool of talent across the organisation. Regional team building programmes and universal banking capabilities are core focus areas for developing the next generation of CIMB leaders.

Further details on CIMB Group's Human Capital and Talent Development initiatives are set out on pages 198 to 201 of the Annual Report.

Group Compensation Review Committee

The Group Compensation Review Committee is chaired by Dato' Sri Nazir Razak and the members are Dato' Zainal Abidin Putih, Datuk Dr. Syed Muhammad Syed Abdul Kadir and Tengku Dato' Zafrul Tengku Abdul Aziz.

The Group Compensation Review Committee assists the Board in ensuring that there is a common oversight of the employees' remuneration and compensation framework. The Group Compensation Review Committee also determines the provision and allocation of staff bonuses as well as salary increments and adjustments.

The Terms of Reference of the Group Compensation Review Committee are as follows:

- Overseeing the remuneration packages for all grades of employees in CIMB (except Group Chief Executive and Executive Directors).
- Ensuring that the remuneration packages are consistent with CIMB's objectives and strategies.
- Ensuring that the compensation framework is continually reviewed and benchmarked against best industry standards.
- Recommending related staff remuneration packages to the respective Boards in the CIMB Group for approval.
- Conduct Fit and Proper assessment on Key Responsible Persons other than Directors, Shariah Committee members, Chief Executive Officers/ Executive Directors, to comply with the BNM's Fit and Proper Guidelines for Key Responsible Persons.

Other Group Committees

CIMB has also established other Board and Management Committees to assist the Board and Management in managing CIMB's activities and operations. The composition of the Group Committees is regularly reviewed and revised to ensure the Committees operate effectively.

Group Shariah Committee

The Group Shariah Committee was established to cater for CIMB's Islamic banking and capital markets businesses. The Group Shariah Committee resides at CIMB Islamic Bank Berhad and is leveraged by the Group.

This establishment is in compliance with BNM's Shariah Governance Framework for Islamic Financial Institutions, the Guidelines on the Governance of Shariah Committee for Islamic Financial Institutions (BNM Shariah Guidelines), and Islamic Financial Services Act 2013. The objective of the establishment of the Group Shariah Committee is to ensure that the operations of the Islamic banking and capital markets' businesses of CIMB are Shariah-compliant. In advising on such matters, the Group Shariah Committee ensures that the rulings relating to the Islamic banking and capital markets products and services comply with the judgements or the ijtiḥad of the relevant Shariah authorities, including the Shariah Advisory Council of BNM and Securities Commission in Malaysia, the Fatwa issued by Dewan Syariah Nasional – Majelis Ulama Indonesia and the Brunei State Mufti's Office, wherever applicable. The Group Shariah Committee also takes into consideration Shariah Courts' judgements and rulings published by the National and State Fatwa Councils, Dewan Syariah Nasional – Majelis Ulama Indonesia and the Brunei State Mufti's Office.

The members of the Group Shariah Committee and their attendance at meetings held in 2014 are as follows:

Members	Nationality	Attendance at Meetings
Sheikh Associate Professor Dr Mohamed Azam Mohamed Adil (Chairman)* ¹	Malaysian	1/1
Sheikh Professor Dr Mohammad Hashim Kamali	Canadian (Malaysian Permanent Resident)	6/6
Sheikh Dr Nedham Mohamed Saleh Abdul Rahman Yaqoobi	Bahraini	6/6
Sheikh Dr Haji Mohd Nai'm Haji Mokhtar	Malaysian	5/6
Sheikh Associate Professor Dr Shafaai Musa	Malaysian	5/6
Sheikh Dr Yousef Abdullah Al Shubaily	Saudi Arabian	5/6
Sheikha Professor Dr Noor Inayah Yaakub	Malaysian	6/6
Sheikh Muhamad Taufik Ridlo* ²	Indonesian	5/5
Sheikh Professor Dato' Dr Sudin Haron* ¹	Malaysian	1/1

Note:

*¹ Appointed on 1 November 2014.

*² Appointed on 1 April 2014.

International Advisory Panel

The International Advisory Panel (IAP) acts as an advisory body to CIMB's Senior Management in the formulation and implementation of its international policies. The IAP meets annually to review CIMB's international strategies and plans. The IAP comprises members of various nationalities whose combined experiences span a broad spectrum including the financial markets, industry, policy formulation and academia, both domestically and internationally. The members are as follows:

- Tun Musa Hitam (Chairman)
- Tan Sri Andrew Sheng
- Datuk Tong Kooi Ong
- Glenn Muhammad Surya Yusuf
- Goh Geok Khim
- Tan Sri Rainer Althoff
- Robby Djohan

- Tira Wannamethee
- Watanan Petersik
- Rex Auyeung
- Nicholas Rupert Heylett Bloy
- Dr. Roberto F. de Ocampo
- Tan Sri Dato' Md Nor Yusof

Detailed explanation of the IAP activities and its focus in 2014 are set out on pages 084 to 085 of the Annual Report.

Management Committees

The following Management Committees have been established to assist the Group Chief Executive Officer and Management in managing the various businesses and support activities in CIMB:

Group Wide Committees

- Group Management Committee
- Group Executive Committee
- Group Risk Committee
- Group IT Strategy Committee
- Group Human Resource Committee
- Group Operational Risk Committee
- Group Credit Committee
- Group Underwriting Committee
- Group ALCO Committee
- Group Market Risk Committee
- Group Credit Policy & Portfolio Risk Committee
- Group Reputation Risk Committee

Regional Committees

- Regional Consumer Banking Committee
- Regional Cost Management Committee
- Regional Marketing and Communications Committee
- Regional Investment Banking Management Committee
- Corporate Banking, Treasury and Markets Management Committee
- Crisis Management Committee
- Disciplinary Committee
- IT Prioritisation Committee
- Occupational Safety and Health Committee

PROACTIVE COMMUNICATION WITH STAKEHOLDERS

CIMB recognises the various rights and roles of its stakeholders, both internally and externally.

Shareholders

The Board ensures that shareholders and the investing public are continuously kept up-to-date and informed on CIMB's business strategy and direction. Two-way communication with the shareholders is essential in ensuring successful implementation of CIMB's strategies and helps to foster shareholders' confidence in CIMB's success.

In an effort to raise the level of corporate credibility and governance as well as investor confidence, CIMB has designed a structured approach to communication in the CIMB Group Communication Policy. This Policy clearly sets out the principles of communication, the various mediums of communication, policies and procedures relating to 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. It is CIMB's policy to ensure dissemination of information which is factual, accurate and clear in a timely manner. Material information is to be accessed equally by all stakeholders through broad public dissemination and the Policy strictly prohibits individual or selective dissemination. Contacts and communication with stakeholders are conducted through the designated spokespersons approved by the Board or the Group Chief Executive Officer/Executive Director.

Investor Relations

Investor Relations has the primary responsibility for managing and engaging institutional shareholders led by the Group Chief Executive Officer/Executive Director, supported by the Head of Investor Relations and other Key Senior Management. This is achieved through a combination of regular analyst briefings and conference calls during the announcement of quarterly financial results, investor conferences and road shows both locally and outside Malaysia, and direct one-to-one meetings and teleconferences with institutional shareholders. Investor meetings are designed to reach out not only to existing shareholders but former and prospective shareholders. The Group Company Secretary plays her role in maintaining close contact with individual shareholders and engages them prior to Shareholders' Meetings to enable them to convey their views and feedback to the Board effectively. Major Shareholders' views are also sought and the Board is kept informed by means of regular Board and Board Committee meetings.

Another important method of communication with shareholders is the publication of the Annual Report which contains comprehensive information on CIMB such as its financial performance and review, corporate milestones, business reviews, governance framework and growth strategies. CIMB also utilises its corporate website to communicate with the public, as part of its initiatives to promote environmental awareness and reduce carbon footprint. There is a dedicated section for Corporate Governance within the CIMB website where various materials including the Code of Conduct and the Board Charter are publicly made available. The quarterly financial results, annual reports, notices of general meetings, circulars to shareholders, notification of change in substantial shareholders, and other information which are announced via BursaLINK are also accessible at www.cimb.com. CIMB ensures that its website is current, informative and contains information relevant to all shareholders. Corporate news, stock information and analyst coverage are also made available under the Investor Relations section for the information of the investing public.

All shareholders and retail investors have the opportunity to meet the Directors and Key Senior Management at its Annual General Meeting to raise their concerns and queries about the Company. The Annual General Meeting also provides the individual shareholders an opportunity to view CIMB up close as the Group Chief Executive Officer/Executive Director presents CIMB's financial performance which includes its performance overview, key accomplishments, strategic overview of the year, future prospects, priorities and targets for the year ahead. From the Company's perspective, the Annual General Meeting serves as a forum for Directors and Key Senior Management to engage with shareholders personally to understand their needs and seek their feedback. The Board welcomes questions and feedback from Shareholders during and at the end of the Annual General Meeting and ensures their queries are responded to in a proper manner.

The turnout at the Company's Annual General Meetings has seen an increasing trend Y-o-Y, as a result of CIMB's efforts to encourage increased Shareholders' participation and interaction. With this in mind, the Board takes cognisance in serving a longer notice period for the Annual General Meetings than the statutory minimum notice period. The Chairman, together with the Senior Independent Director, ensures that the Board is accessible to Shareholders and an open channel of communication is cultivated.

Release of Annual Reports and Quarterly Financial Results

Annual Reports	Date of Issue/Release
Annual Report 2013	(Date of notice of AGM) 24 March 2014
Annual Report 2014	(Date of notice of AGM) 27 March 2015
2014 Quarterly Results	Date of Issue/Release
First Quarter	22 May 2014
Second Quarter	29 August 2014
Third Quarter	18 November 2014
Fourth Quarter	17 February 2015

The primary contacts for Investor Relations are as follows:

Tengku Dato' Zafrul Tengku Abdul Aziz

Group Chief Executive Officer/Executive Director

Tel: 603-2261 8646

Email: zafrul.aziz@cimb.com

Shahnaz Jammal

Deputy Group Chief Financial Officer/

Head of Capital and Balance Sheet Management

Tel: 603-2261 8998

Email: shahnaz.jammal@cimb.com

Steven Tan Chek Chye

Head of Investor Relations

Tel: 603-2261 9696

Email: steven.tan@cimb.com

Investor Relations Activities in 2014

	Number of meetings/ roadshows	Number of fund managers/ analysts met
Conference meetings	83	220
Non-deal road show meetings	11	43
Direct one-on-one meetings	66	229
Tele-conferences	17	109

CIMB's Investor Relations activities are set out on pages 008 to 013 of the Annual Report.

Employee Engagement and Inclusiveness

As a responsible and caring employer, CIMB realises and appreciates the immense contribution of its employees who form the core driving force of the organisation. With this in mind, CIMB gives due regard to the importance of employee engagement and talent development and at the same time provides opportunities to create inclusiveness in the workplace. CIMB believes that creating an engaged workforce and inclusive culture will not only add value by boosting the overall productivity, but will also reduce risks that may have a damaging impact to CIMB's reputation.

Further details on Employee Engagement are in Human Capital Growth and Talent Development Initiatives section of this Annual Report.

Corporate Responsibility

As a good corporate citizen, CIMB has shifted its focus from giving back to the community to addressing the concerns of stakeholders regarding issues impacting the long-term sustainability of CIMB's business and customers.

The other stakeholders of CIMB include customers, government bodies, regulators, consumer groups, non-governmental organisations (NGOs), suppliers and the media.

Towards this end, CIMB publishes a comprehensive Sustainability Report outlining in detail the efforts and initiatives of CIMB as a responsible corporate citizen for the benefit of its stakeholders. The Sustainability Report, which forms part of CIMB's Annual Report, provides a clear, comprehensive and transparent representation of CIMB's contributions.

The Sustainability Report also discloses CIMB's workplace practices, including the extent of which diversity in the workplace is managed in terms of gender, ethnicity/nationality and age.

CIMB's contributions to the community as part of its corporate responsibility initiatives continue to be a strong focus area. In 2014, CIMB Foundation, which is tasked with implementing CIMB's initiatives in this area, spent RM3 million for community initiatives under its main pillar of Community Development.

The audited accounts of CIMB Foundation are published as part of this Annual Report and are contained in the Sustainability Report, together with a report on the activities of the CIMB Foundation.

ACCOUNTABILITY AND AUDIT

Financial Reporting

Pursuant to the Companies Act, 1965, the Financial Services Act, 2013 and the Islamic Financial Services Act, 2013, Financial Statements for each financial year are prepared in accordance with the Malaysian Accounting Standards Board's (MASB) Approved Accounting Standards and the BNM Guidelines. The Financial Statements are prepared on a going concern basis and give a true and fair view of the state of affairs of CIMB as at 31 December 2014.

Appropriate accounting policies have been applied consistently in preparing the Financial Statements, supported by reasonable and prudent judgement and estimates. The Directors have overall responsibilities for taking such steps as are reasonably open to them to safeguard the assets of CIMB and have ensured that CIMB's financial reporting presents a balanced and comprehensive assessment of its financial position and prospects.

The Audit Committee assists the Board in overseeing the financial reporting, internal control, risk management and governance processes. The Audit Committee reviews the quarterly, semi-annual and year-end financial results, audit plan, audit report, functions of GIAD, status of major credit facilities granted, related party transactions, conflict of interest situations and independence of external auditors. Within three months of the close of the financial year, the Audit Committee submits a written confirmation to BNM that CIMB has complied with BNM's requirements on financial reporting.

Based on the Audit Committee's recommendation and confirmation, the Board is satisfied that it has met its obligation to present a balanced and understandable assessment of CIMB's position and prospects in preparing the Financial Statements, reflected in the Directors' Report as set out on pages 013 to 020 of the Financial Statements section of the Annual Report.

Related Party Transactions

All related party transactions (RPTs), including transactions with Directors and employees, are conducted at arm's length basis and in accordance with CIMB's Policy and Procedures on RPTs. This policy ensures that RPTs are undertaken in the best interest of CIMB and the Shareholders, and determines the mechanism to monitor and report on such transactions. The Group Company Secretary together with Group Strategy and Corporate Finance assist Management in ensuring RPTs are conducted in line with the Policy and the relevant laws and requirements, before it is submitted to the Audit Committee for review and deliberation, prior to obtaining the Board's approval.

Details of the RPTs if any, are set out under Note 42 to the Financial Statements which are in the Financial Statements section of the Annual Report.

Internal Control

The Board is responsible for establishing a sound system of internal control and in determining CIMB's level of risk tolerance as well as to continuously identify, assess and monitor key business risks to safeguard shareholders' investments and CIMB's assets. These functions are carried out by the Audit Committee and Board Risk Committee which are responsible for risk management functions, financial reporting, disclosures, regulatory compliance and internal control processes. To achieve this, the Board ensures that the business processes, risk management, policies and procedures, and control mechanisms are adequate and appropriate through periodic testing and assessment.

The size, geographical presence and complexity of the business of CIMB as well as the dynamic operating environment require the Board to constantly review and monitor the effectiveness of its system of internal controls. Regular self-testing and high level risk assessment are conducted, followed by review and update on a periodic basis. CIMB had during the year under review, invested considerable time in areas of core banking system replacement, security monitoring and data loss prevention.

Based on the review undertaken throughout the year, the Board concluded that CIMB's system of internal controls is adequate in meeting its changing needs and regulatory requirements. The Statement on Risk Management and Internal Control on pages 163 to 172 of the Annual Report clearly sets out the various internal control processes and explains the control mechanisms in place in pursuing CIMB's objectives.

Matters pertaining to Internal Controls can be addressed to the following persons overseeing Internal Controls matters:

Internal Control:

Lim Tiang Siew

Group Chief Internal Auditor

Tel: 603-2619 3288

Email: tiangsiew.lim@cimb.com

Risk Management:**David Richard Thomas***Group Chief Risk Officer*

Tel: 603-2261 7180

Email: david.thomas@cimb.com

Operational Control and Information Technology Security:**Iswaraan Suppiah***Group Chief Information and Operations Officer*

Tel: 603-2261 7777

Email: iswaraan.suppiah@cimb.com

Whistle-Blowing Policy

A well-disciplined and professional workforce is the cornerstone of the success of CIMB. All employees of CIMB are expected to be vigilant about any wrongdoings, malpractices or irregularities at the workplace and report such instances promptly through designated channels for immediate rectification or for other necessary measures in minimising potential financial or reputational loss.

The whistle-blowing policy provides employees of CIMB with accessible avenue to report on suspected fraud, corruption, dishonest practices or other similar matters. It aims to encourage the reporting of such matters in good faith, with the confidence that employees making such reports will, to the extent possible, be protected from reprisal.

Reporting may be made by telephone call or e-mail to the Group Chief Internal Auditor or in the event that it is associated with the Group Chief Internal Auditor, to the Group Chief Executive Officer/Executive Director.

Relationship with Internal and External Auditors

The Group Internal Audit Division (GIAD) performs the internal audit function and conducts regular audits on the risk management, internal control and governance processes implemented by Management and reports significant findings to the Audit Committee with recommended corrective actions. Management is responsible to ensure that corrective actions on reported weaknesses are executed within an appropriate time frame. The deadlines committed by Management on corrective actions are closely monitored. Any undue delays have to be explained to the Audit Committee.

GIAD also assists the Board in overseeing that Management has in place a sound risk management, internal control and governance system. The internal audit function is reviewed periodically by the Audit Committee to ensure its adequacy and competency in performing its role.

GIAD works closely with CIMB's External Auditors on audit and internal control issues. The External Auditors review the effectiveness of CIMB's internal controls and risk management during the audit exercise. Any material non-compliance with procedures and regulations noted during the audit, as well as any internal control weaknesses, are reported together with the recommendations by the External Auditors to the Audit Committee and Management for Management's consideration and action. The Audit Committee ensures that high risk audit issues are given top priority for Management's action.

The Board and the Audit Committee maintain a formal and appropriate relationship with the External Auditors. For the period under review, the Audit Committee had 2 meetings with the External Auditors without the presence of Management. This has encouraged a greater exchange of independent, open views and opinions/dialogue between both parties. Apart from that, the External Auditors are also invited to attend CIMB's meetings such as Audit Committee meetings (where appropriate) and Annual General Meetings. The Audit Committee reviews the independence of External Auditors annually and ensures that any provision of non-audit services by the External Auditors is not in conflict with their audit function. The Audit Committee also ensures that there is a rotation of the Engagement Partner and the Concurring Partner of the External Auditors at least once every 5 years.

CIMB has established a framework for the appointment/re-appointment of External Auditors, which is in line with BNM Guidelines and Guidelines for the Appointment/Reappointment of External Auditors by Banking Institutions, which require the Audit Committee to assess the independence, objectivity and performance of External Auditors. The assessment also facilitates BNM in processing CIMB Group's application for appointment/re-appointment of External Auditors.

The framework contains detailed procedures to assess the independence and service level of the External Auditors, which amongst others, include reviewing the External Auditors' performance and quality of work, timeliness of service deliverables, non-audit services provided and the Engagement Partner's and the Concurring Partner's rotation. The External Auditors' service level is rated based on respondent's satisfaction with their service as CIMB Group's External Auditor. An Assessment Questionnaire is issued to selected personnel across the Group who have a working relationship with the External Auditors, who are then requested to review the service level of the External Auditors and confirm that the External Auditors have a reasonable understanding of CIMB's business and are able to support CIMB from an accounting standpoint.

CONCLUSION

The Board is fully satisfied that in 2014 CIMB had observed good governance practices in accordance with the principles and recommendations of MCCG 2012, the MMLR, BNM Guidelines, Green Book, MSWG's Malaysia-ASEAN Corporate Governance Scorecard and Bursa Malaysia's 2nd Edition CG Guide.

This Statement on Corporate Governance was approved by the Board of Directors on 13 February 2015.

COMPLIANCE WITH THE MALAYSIAN CODE ON CORPORATE GOVERNANCE 2012

The table below outlines CIMB's compliance with the MCCG 2012:

Principle 1 – Establish Clear Roles and Responsibilities

MCCG Recommendations	Status of Compliance	Remarks
Recommendation 1.1 – The Board should establish clear functions reserved for the Board and those delegated to management.	Complied	- The Terms of Reference of the Board and Board Committees have been established. - Schedule of Matters Reserved for the Board is incorporated in the Board Charter.
Recommendation 1.2 – The Board should establish clear roles and responsibilities in discharging its fiduciary and leadership functions.	Complied	Roles and Responsibilities of the Board are incorporated in the Board Charter.
Recommendation 1.3 – The Board should formalise ethical standards through a Code of Conduct and ensure its compliance.	Complied	The Board has approved its Code of Ethics which is incorporated in the Board Charter and Code of Conduct for employees, and is available in the Company's website.
Recommendation 1.4 – The Board should ensure that the company's strategies promote sustainability.	Complied	Sustainability strategies are encapsulated in CIMB's Vision and Mission and forms part of the published Corporate Responsibility Report.
Recommendation 1.5 – The Board should have procedures to allow its members access to information and advice.	Complied	Procedure for Directors to seek Independent Advice has been established.
Recommendation 1.6 – The Board should ensure it is supported by a suitably qualified and competent Company Secretary.	Complied	The Board is supported by a qualified and competent Company Secretary.
Recommendation 1.7 – The Board should formalise, periodically review and make public its Board charter.	Complied	The Board Charter has been formalised and is subject to review every 2 years, and is available in the Company's website.

Principle 2 – Strengthen Composition

MCCG Recommendations	Status of Compliance	Remarks
Recommendation 2.1 – The Board should establish a Nominating Committee which should comprise exclusively of Non-Executive directors, a majority of whom must be independent.	Complied	- Members of the Group Nomination and Remuneration Committee comprise only Non-Executive Directors. - Four (4) of the total five (5) members of the Group Nomination and Remuneration Committee are Independent Directors.
Recommendation 2.2 – The Nominating Committee should develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors.	Complied	- The Terms of Reference of the Group Nomination and Remuneration Committee is in line with this recommendation. - The criteria on the recruitment process and annual assessment of Directors is contained in the Policy and Procedures Manual on Fit and Proper Test for Key Responsible Persons.
Recommendation 2.3 – The Board should establish formal and transparent remuneration policies and procedures to attract and retain Directors.	Complied	- The Terms of Reference of the Group Nomination and Remuneration Committee is in line with this recommendation. - A Remuneration Framework has been established and is subject to review every 3 years.

Principle 3 – Reinforce Independence

MCCG Recommendations	Status of Compliance	Remarks
Recommendation 3.1 – The Board should undertake an assessment of its Independent Directors annually.	Complied	The Group Nomination and Remuneration Committee undertakes assessment of all Directors' annually via the Board Effectiveness Assessment exercise.
Recommendation 3.2 – The tenure of an Independent Director should not exceed a cumulative term of nine years. Upon completion of the nine years, an Independent Director may continue to serve on the Board subject to the director's re-designation as a Non-Independent director.	Complied	The tenure of an Independent Director is capped at nine years and this is incorporated in the Terms of Reference of the Group Nomination and Remuneration Committee and the Board.
Recommendation 3.3 – The Board must justify and seek shareholders' approval in the event it retains as an Independent Director, a person who has served in that capacity for more than nine years.	Complied	The Terms of Reference of the Group Nomination and Remuneration Committee and the Board is in line with this recommendation.
Recommendation 3.4 – The positions of Chairman and CEO should be held by different individuals, and the Chairman must be a Non-Executive member of the Board.	Complied	- The positions of Chairman and Group Chief Executive are held by different individuals. - The Chairman is a Non-Independent Non-Executive member of the Board.
Recommendation 3.5 – The Board must comprise a majority of Independent Directors where the Chairman of the Board is not an Independent Director.	Complied	- The Chairman is a Non-Independent Non-Executive member of the Board - The Independent Directors make up 56% of the total Board composition.

Principle 4 – Foster Commitment

MCCG Recommendations	Status of Compliance	Remarks
Recommendation 4.1 – The Board should set out expectations on time commitment for its members and protocols for accepting new directorships.	Complied	This recommendation is incorporated in the Terms of Reference of the Group Nomination and Remuneration Committee and Policy and Procedures Manual on Fit and Proper Test for Key Responsible Persons.
Recommendation 4.2 – The Board should ensure its members have access to appropriate continuing education programmes.	Complied	The Company Secretary facilitates the Directors' participation in training programmes and ensures the Directors undergo ongoing training.

Principle 5 – Uphold Integrity in Financial Reporting

MCCG Recommendations	Status of Compliance	Remarks
Recommendation 5.1 – The Audit Committee should ensure financial statements comply with applicable financial reporting standards.	Complied	Directors' Responsibility Statement in relation to financial reporting standards is tabled to the Audit Committee during presentation of Annual Audited Financial Statements.
Recommendation 5.2 – The Audit Committee should have policies and procedures to assess the suitability and independence of external auditors.	Complied	Procedures to assess the suitability, independence and performance of external auditors have been established.

Principle 6 – Recognise and Manage Risks

MCCG Recommendations	Status of Compliance	Remarks
Recommendation 6.1 – The Board should establish a sound framework to manage risks.	Complied	The long-term (3-5 years) Risk Appetite Statement and the annual Risk Appetite Review forms part of the Terms of Reference of the Board. Through the Board Risk Committee the Board has established a framework to formulate and review risk management policies and risk strategies.
Recommendation 6.2 – The Board should establish an internal audit function which reports directly to the Audit Committee.	Complied	The Group Internal Audit Division reports directly to the Audit Committee.

Principle 7 – Ensure Timely and High Quality Disclosure

MCCG Recommendations	Status of Compliance	Remarks
Recommendation 7.1 – The Board should ensure the Company has appropriate corporate disclosure policies and procedures.	Complied	This recommendation is reflected in the Group Communication Policy.
Recommendation 7.2 – The Board should encourage the Company to leverage on information technology for effective dissemination of information.	Complied	Information is disseminated via the Company's website, announcements made via Bursa LINK and social media such as Twitter and Facebook.

Principle 8 – Strengthen Relationship between Company and Shareholders

MCCG Recommendations	Status of Compliance	Remarks
Recommendation 8.1 – The Board should take reasonable steps to encourage shareholder participation at general meetings.	Complied	Serve longer than the required minimum notice period for shareholders' meetings when possible, and engage stakeholders prior to each meeting.
Recommendation 8.2 – The Board should encourage poll voting.	Complied	Poll voting is available upon request by the shareholders.
Recommendation 8.3 – The Board should promote effective communication and proactive engagements with shareholders.	Complied	Communication and engagement with shareholders are through Investor Conferences, Roadshows, Direct one-on-one meetings and Tele-conferences.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL



CIMB Group's 6th Regional Compliance, Audit and Risk Conference on 16 & 17 June 2014, in Penang, Malaysia.

BOARD RESPONSIBILITY

The Board is cognisant of its overall responsibility and oversight of CIMB Group's system of internal controls and is constantly keeping abreast with developments in areas of risk and governance. To this end, the Board continues to be involved in determining the Group's level of risk appetite and in identifying, assessing and monitoring key business risks to safeguard shareholders' investments and the Group's assets, in a manner which enables the CIMB Group to maximise profitable business opportunities. For this purpose, the Board has ensured the establishment of key processes for reviewing the effectiveness, adequacy and integrity of the Group's system of internal controls and risk management. Whilst it is not possible to eliminate risks of failure in achieving the Group's objectives, the system of internal controls is designed to reduce these risks by identifying, managing and controlling risks, including operational risk.

The Board is satisfied that CIMB Group has a sound system of internal controls in place that is functioning adequately and that integrity is maintained throughout the Group's business. A number of policies and procedures have been formalised to further enhance the system of internal controls and mitigate risks. Delegated Authority and authority limits are established to facilitate smooth daily banking and financing operations, trading activities, extension of credit facilities, restructuring, investments as well as acquisitions and disposals of assets. Periodic testing of the adequacy, effectiveness, efficiency and integrity of the internal controls systems and processes is conducted to ensure they are viable and robust, in line with the requirements of the guidance entitled Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by Bursa Malaysia Securities Berhad.

The Board has also obtained assurance from the Group Managing Director/ Chief Executive Officer and Group Chief Financial Officer that CIMB Group's risk management and internal controls system is operating adequately and effectively.

Risk Management and Control Framework

The Board recognises that sound risk management and internal controls are integral parts of CIMB Group's business and operations, and are critical in ensuring the Group's success and sustainable growth.

The emphasis upon a strong risk management culture is the foundation of the control mechanisms within the Group's Enterprise-Wide Risk Management ("EWRM") framework. The framework involves an on-going process of identifying, assessing, controlling, monitoring and reporting material risks affecting the achievement of the CIMB Group's business objectives. It provides the Board and the Senior Management with tools to anticipate and manage both the existing and potential risks, taking into consideration changing risk profiles and the Group's business strategies and risk appetite.

In order to further enhance the cultivation of a risk management culture within the organisation, CIMB Group adopts the three lines of defense model in implementing the EWRM framework, which provides clear accountability of risk management across the Group. The business and support units which are the first lines of defense are primarily responsible for the identification and management of risks within their day-to-day operations. Group Risk Division and Group Compliance Department, within the second line of defense provides oversight functions; including measuring, performing independent evaluation and monitoring and reporting to the Board and Senior Management, to ensure that the Group is conducting business and operating within the approved risk appetite and in compliance with the relevant regulations. Group Internal Audit Division, as the third line of defense, provides independent assurance to the Board that the internal controls and risk management activities are functioning as designed. The Board has also established the Board Risk Committee, whose responsibilities, amongst others, include overseeing the effective implementation of the EWRM framework.

INFORMATION TECHNOLOGY SECURITY

Information Security requires integrated strategy governing discipline over people, process and technology. In 2014, the Group enhanced its Information Security strategies planning on each of the three components for adequate overall risk mitigations.

In order to strengthen and enhance the level of information security management, in addition to adhering to Bank Negara Malaysia's Guidelines on Management of IT Environment, CIMB Group had developed a security architecture that integrates the technology processes by referencing the following renowned and recognised international technology, process and management standards. The standards include:

- a) ISO 27001 – Information security management system standard defined by ISO and internationally accepted best practice to demonstrate regulatory, compliance and effective risk management on information security;
- b) WebTrust – Globally recognised standard that can be applied, inter alia, on online privacy, security, business practices/transaction integrity, availability, confidentiality or non-repudiation.

In 2014, we successfully maintained our WebTrust certification for the CIMB Clicks retail banking platform and ISO 27001 certification for CIMB IT Security Operations. These certifications require consistent maintenance and enhancement to enable effective information security management. ISO 27001 requires management to systematically examine information security risks, taking into account the threats, vulnerabilities and impacts. A comprehensive suite of information security controls and risk treatments were designed and implemented to mitigate such risks.

In line with the banking business growth and IT Infrastructure expansions, our technology design was constantly reviewed in 2014 and improved to effectively mitigate both internal and external risks and threats. The improvement is evidenced by completion of some major IT Security Blueprint components and security control enhancement projects, such as network admission controls, security monitoring, database security tool, firewall change monitoring and application source code security review tool. In addition, we have also established a Security Operation Center to monitor and respond to potential cyber-attacks in a more effective manner.

At the network security level, additional firewalls and network access control lists were deployed to manage security domains for group users and network resources in a logical and physical manner and allow restrictions on access and authorisation at the network. CIMB Group is further leveraging on Enterprise End-Point Anti-Malware, Data Loss Prevention system, Intrusion Prevention System and Content filtering on Web and email technology which can significantly mitigate the security risks when data traverses the network. The definition files and configurations of these tools were and continue to be updated as and when required to mitigate newly discovered vulnerabilities.

CIMB Group has implemented information security awareness programmes targeted at employees to raise awareness about privacy, leakage of information and security responsibility. These programmes consist of e-learning and periodic newsletters circulated within the Group.

KEY INTERNAL CONTROL PROCESSES

The key processes that the Board has established in reviewing the adequacy and integrity of the system of internal controls, including compliance with applicable laws, regulations, rules, directives and guidelines, are as follows:

• Audit Committee

The Group Audit Committee ("Group AC") comprises a majority of independent Non-Executive Directors. It is a Board-delegated committee empowered with the oversight of financial reporting, disclosure, regulatory compliance, risk management, governance practices and monitoring of internal control processes in CIMB Group. Senior Management, internal auditors and external auditors report to the Group AC on the effectiveness and efficiency of internal controls.

All significant and material findings by the internal auditors, external auditors and regulators are reported to the Group AC for review and deliberation. The Group AC reviews and ensures the implementation of Senior Management’s mitigation plans to safeguard the interests of the Group and upkeep proper governance. The management of business and support units that are rated as ‘Above Average Risk’ or ‘High Risk’ by internal audit are counseled by the Group AC.

The Group AC also reviews all related party transactions and audit and non-audit related fees proposed by the external auditors of CIMB Group. In addition, the Group AC conducts field visits including those overseas whenever necessary. This enables the Group AC to actively interact with the relevant staff on the expectations of the Group with regard to compliance, internal controls and risk management.

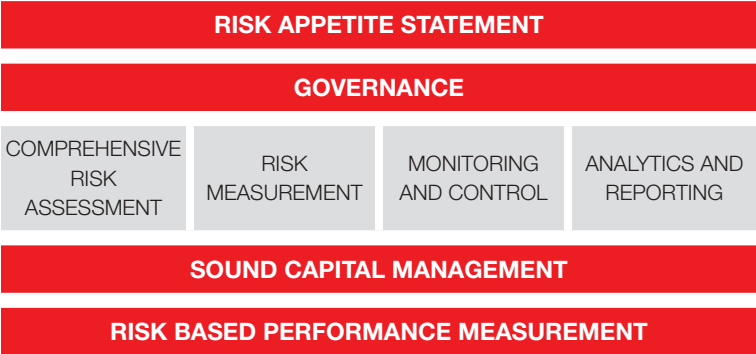
Presentations of business plans, current developments, operations, risks of the business and controls to mitigate risks are made by the relevant business and support units as and when deemed necessary by the Group AC.

The Group AC members also attend CIMB Group’s Annual Management Summit where key business and support units review their operations for the year and present strategies and plans for the coming year.

• **Enterprise-Wide Risk Management Framework**

CIMB Group employs the EWRM framework as a standardised approach to manage its risks and opportunities across the Group. The EWRM framework is consistently adopted by all risk management teams across all jurisdictions, save for some necessary adjustments as required by local regulations.

The key components of the EWRM framework are represented in the following diagram:



The design of the EWRM framework involves a complementary ‘top-down strategic’ and ‘bottom-up tactical’ risk management approach with formal policies and procedures addressing all areas of significant risk for the Group.

Overarching the EWRM framework are the Risk Appetite Statement and the Risk Governance Structure. Whilst risk appetite defines the amount and type of risks that CIMB Group is able and willing to accept in pursuit of its strategic and business objectives, a strong risk governance structure is what binds the EWRM framework together. The Board of Directors is ultimately responsible for CIMB Group’s risk management activities and provides strategic direction through the Risk Appetite Statement and relevant risk management frameworks for the Group. The implementation and administration of the EWRM framework are effected through the three lines of defense model with oversight by the risk governance structure which consists of various risk committees, as described below.

The centre of the EWRM framework is made up of four building blocks, namely Comprehensive Risk Assessment, Risk Measurement, Monitoring & Control, and Analytics & Reporting.

Comprehensive Risk Assessment provides the process for the identification of the Group’s material risks, from the perspective of impact on CIMB Group’s financial standing and reputation. Apart from the annual comprehensive risk assessment exercise, the Group’s material risks are identified on an on-going basis as well as part of the consideration for any strategic projects, including new product development.

Consistent and common methodologies of Risk Measurement allows the Group to aggregate and compare risks across business and support units, geographies and risk types. Further, it provides a tool for the Board and Senior Management to assess the sufficiency of its liquidity surplus and reserves and health of its capital position under various economic and financial situations.

Various risk management tools are employed to Monitor and Control the risk taking activities within the Group. These include limit monitoring, hedging strategies and clearly documented control processes. These controls are regularly monitored and reviewed in the face of changing business needs, market conditions and regulatory changes.

Timely reporting and meaningful analysis of risk positions are critical to enable the Board and Senior Management to exercise control over material exposures and make informed business decisions.

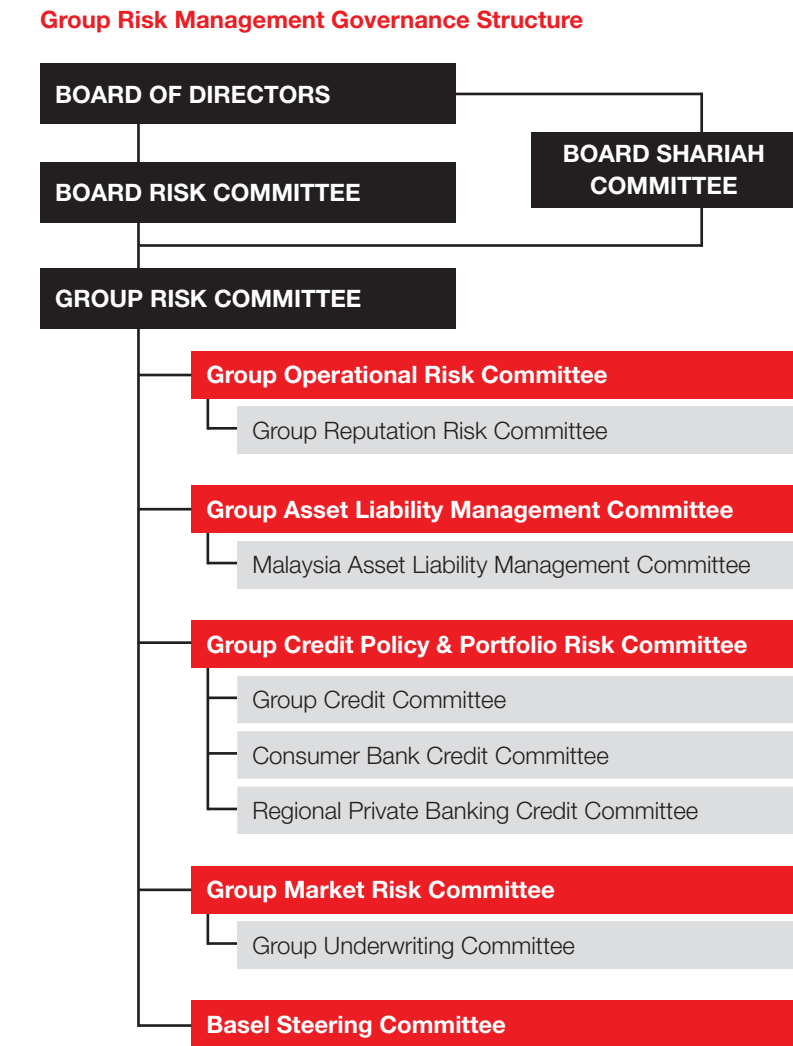
Sound Capital Management and Risk Based Performance Measurement form the base upon which the EWRM framework is built. CIMB Group’s capital resources are continuously assessed and managed to undertake its day-to-day business operations and risk-taking activities, including considerations for its business expansion and growth. Each year, internal capital targets will be set and capital will be allocated to each business and support units based on the respective business plans, budgeted profit and targeted Risk Adjusted Return on Capital. Business and support units’ economic profitability will be measured having considered both its risks and capital consumption. The adoption of a risk-based performance measurement allows for performance and profitability of different business and support units to be compared on a common yardstick.

• Risk Governance Structure

In May 2014, the Board had approved the amalgamation of the Group Wholesale Bank Risk Committee (“GWBRC”) and the Regional Credit Committee into the Group Credit Committee. The combined credit committee allows for greater efficiency and enables members to look at the Bank’s portfolio more holistically as they deliberate on proposals originating across locations under the Group. In addition, the Group Underwriting Committee was set up to focus on the deliberation of primary and secondary capital market transactions for debt and equity instruments.

Similar risk committees were set-up in each of the Group’s overseas subsidiaries in their respective jurisdictions. Whilst recognising the autonomy of local jurisdiction and compliance to local requirements, CIMB Group also strives to ensure a consistent and standardised approach in its risk governance process.

The revised structure of the CIMB Group Risk Committees is depicted as follows:



• Board Risk Committee

At the apex of the governance structure are the various Boards, which decide on the entity’s Risk Appetite corresponding to its business strategies. The Board Risk Committee (“BRC”) reports directly to each Board and assumes responsibility on behalf of the Board for the supervision of risk management and control activities. The BRC determines CIMB Group’s risk strategies, policies and methodologies, keeping them aligned with the principles within the Risk Appetite Statement. The BRC also oversees the implementation of the EWRM framework and provides strategic guidance and reviews the decisions of the Group Risk Committee.

In order to facilitate the effective implementation of the EWRM framework, the BRC has established various risk committees within the Group with distinct lines of responsibilities and functions, which are clearly defined in the terms of reference.

• Group Risk Committee

The responsibility of the supervision of the risk management functions is delegated to the Group Risk Committee (“GRC”), which reports directly to the BRC. The GRC performs the oversight function on overall risks undertaken by the Group in delivering its business plan vis-à-vis the stated risk appetite of CIMB Group. In this regard, the GRC reviews the Internal Capital Adequacy Assessment Process annually to ensure that all relevant risks have been identified and captured, and that CIMB Group has sufficient capital resources to undertake such risks in normal and stressed business conditions.

The GRC supervises the periodic group-wide stress testing exercises by endorsing the appropriate scenarios based on the projected macroeconomic conditions and recommending the results of the Stress Test exercise for the BRC’s approval.

The GRC is also responsible to recommend the Group’s Risk Appetite Statement to the BRC taking into consideration the budget, annual business plans and expected macroeconomic conditions. In implementing the Risk Appetite Statement across CIMB Group, GRC, supported by the Group Risk Division, encourages timely escalation of all events which may materially impact the Group’s financial condition or reputation to the GRC for appropriate action.

The GRC is further supported by specialised risk committees, namely Group Operational Risk Committee, Group Asset Liability Management Committee, Group Credit Policy & Portfolio Risk Committee, Group Market Risk Committee and Basel Steering Committee, with each committee overseeing and responsible for specific risk areas namely operational risk, liquidity risk, credit risk, market risk and capital risk.

- **Board Shariah Committee**

The Board Shariah Committee ("Shariah Committee") is responsible for overseeing all Shariah matters of the Group in accordance with the relevant regulatory frameworks in the jurisdictions where CIMB Group operates in. The Shariah Committee, amongst others, ensures that the Shariah rulings relating to Islamic banking and capital market products and services comply with the fundamental Shariah percepts and resolutions by the relevant Shariah authorities.

The Shariah Committee is assisted by the Group Shariah and Islamic Legal department that functions as an internal adviser on Shariah matters to all business and support units within the Group in carrying out their Islamic banking, capital market and finance activities. It serves as the intermediary between such units and the Shariah Committee. In addition to recommending the relevant and appropriate Shariah policies and procedures for the Shariah Committee's approval, the Group Shariah and Islamic Legal department also provides training across the Group on the Shariah Governance Framework (SGF).

The SGF is the enterprise-wide Shariah management plan consisting of Shariah governance mechanisms to be undertaken by relevant sections across the Group. The Group Shariah Compliance Policy and General Procedures Manual serves as a solid platform for all the processes under the SGF. The implementation of the SGF is effected through the following functions:

- a) Shariah Research & Secretariat;
- b) Shariah Review;
- c) Shariah Risk Management;
- d) Shariah Audit.

The Group Shariah and Islamic Legal department facilitates the implementation of Shariah Research & Secretariat, whilst Shariah Review, Shariah Risk Management and Shariah Audit functions are performed by the Group Compliance Department, Group Risk Management Division and Group Internal Audit Division respectively.

a) Shariah Research & Secretariat

The Shariah Research & Secretariat Unit comprises qualified Shariah officers who conduct the pre-product approval process, research, vetting of issues for submission and undertake administrative and secretarial duties relating to the Shariah Committee. This unit is divided into two functions:

- (i) *Research*
Responsible for performing in-depth research and studies on Shariah issues, including providing day-to-day Shariah advice and consultation to the business and support units and/or those involved in the product development process.

- (ii) *Secretariat*

Responsible for coordinating meetings, compiling proposal papers, disseminating Shariah decisions to relevant stakeholders and engaging with relevant parties who wish to deliberate issues with the Shariah Committee.

The responsibility also includes coordinating submission of proposals to the Group Nomination and Remuneration Committee, the respective Bank Boards and Bank Negara Malaysia on the appointment and reappointment of the Shariah Committee members.

In carrying out both tasks, the Shariah Research & Secretariat Unit is guided by the Shariah Compliance Policy and General Procedures Manual. All communication between CIMB Group and the Shariah Committee will be facilitated solely by this unit.

b) Shariah Review

In line with the Bank Negara Malaysia's Shariah Governance Framework for Islamic Financial Institutions, the Shariah Compliance Review Unit of the Group Compliance Department, comprising qualified Shariah officers, is responsible for conducting the Shariah compliance review function.

The Shariah Compliance Review unit has established the CIMB Group Shariah Compliance Review Policy and Procedures Manual which sets out the Shariah compliance review function, encompassing regular assessment on Shariah compliance in the activities and operations of CIMB Group, including examining and evaluating CIMB Group's level of compliance to the Shariah, remedial rectification measures to resolve non-compliances and control mechanisms to avoid recurrences.

In ensuring the activities and operations of the Group are Shariah compliant, the Shariah compliance review officer conducts pre and post-review of CIMB Group's activities and operations as per the Shariah compliance review work plan approved by the Shariah Committee and the respective Boards.

c) Shariah Risk Management

As part of the EWRM framework, Shariah non-compliance ("SNC") risk is identified as one of the material risks for CIMB Group, specifically under its Islamic banking business. In this regard, CIMB Group has established a dedicated Shariah Risk Management team to facilitate a systematic and consistent approach in managing SNC risk.

The Shariah Risk Management Framework ("SRMF") was implemented in July 2014. The SRMF articulates the objectives, mission, guiding principles, governance structure as well as methodology and approach adopted by CIMB Group in managing SNC risk. The SRMF defines SNC risk as the Group's possible failure to comply with Shariah rulings as determined by the relevant

Shariah Committees and as prescribed in the Group's internal policies and procedures. The SRMF also lists out incidents of SNC and illustrates the cause and impact of non-compliance with Shariah rulings as well as controls that have been put in place by CIMB Group to mitigate SNC risk. The framework provides guidance and enables the first line of defense to systematically identify, monitor and control SNC risks in their respective areas, thus minimising potential SNC events.

d) **Shariah Audit**

Group Internal Audit Division provides independent assurance on the efficiency and effectiveness of the internal control systems and related policies and procedures implemented by management governing Islamic products and services. Evaluation of governance, risk management, controls and compliance with Shariah rules and principles are carried out by conducting a process walk through, interviews with staff and testing of samples of transactions or documentations. Group Internal Audit Division provides recommendations for improvements and enhancements where appropriate. Findings related to Shariah products and services are reported to the Shariah Committee.

• **Board Executive Committee**

The Board Executive Committee was established by the CIMB Group Holdings Board in 2014 with the delegated authority to act on the Board's behalf to ensure that the decision of the Board, strategic matters, business plans, budgets, daily business and operational issues are carried out, implemented and/or monitored efficiently and effectively by Management and that the requirements of good corporate governance practices are observed.

The primary role of the Board Executive Committee is to oversee the implementation and monitoring of the Board's decisions and to provide strategic guidance for CIMB Group as delegated by the Board in its terms of reference.

• **Group Management Committee**

The Group Management Committee ("GMC") assists the Group Managing Director/Chief Executive Officer ("Group Chief Executive Officer") in ensuring that the daily operations of the Group are conducted in accordance with the corporate objectives, strategies, approved annual budget, applicable laws and regulations as well as CIMB Group's internal policies and procedures, that goes to the heart of how the Group conducts business. The results of core divisions and operating units are reported monthly at the GMC meetings and compared with the approved budget.

The GMC members review their respective business plans and report to the Group Chief Executive Officer the performance of their respective business divisions in line with the Group's strategy and other matters as directed by the Board and the Group Chief Executive Officer.

• **Internal Policies and Procedures**

Policies are formulated to govern standard day-to-day operations and to manage the expected risks of CIMB Group. As such, CIMB Group's policies are developed from the baseline of current regulatory requirements and industry best practices to govern the business and operations of the Group. The policies of the business and support units are documented, endorsed by the GRC and approved by the relevant Boards for implementation across the Group, where applicable. Operational procedures, on the other hand, are approved by the Group Operational Risk Committee for implementation. The approved policies and procedures are timely disseminated to stakeholders. Reviews and updates are performed regularly on approved policies and procedures with the intent to ensure continuous improvements in operational efficiency while taking into consideration the changing industry profile on regulatory requirements, risks and internal control measures for mitigation, and new products and services.

• **Performance Review**

The Boards of CIMB Group and its major subsidiaries receive periodic management reports which highlight the key financial and operating statistics, including legal and regulatory matters. The Boards deliberate on these matters and where necessary, ensure that prompt actions are taken in executing and resolving the matters in a timely and satisfactory manner. Each core division presents its respective management report at the monthly GMC meetings. The performance of each division is assessed against the approved budgets and corporate objectives; and justification is required for significant variances. The reviews cover, amongst others, monthly financial performance, new business proposals and listing of defaulted accounts as well as discussions on pertinent issues, strategy and corrective/improvement measures, if required.

• **Internal Audit**

Group Internal Audit Division ("GIAD") reports independently to the Group AC and is independent of the activities and operations of other business and support units. The principal responsibility of GIAD is to provide independent appraisal on the adequacy, efficiency and effectiveness of risk management, controls and governance processes implemented by Management. In evaluating internal controls, GIAD adopts the 5 components set out in the Internal Control Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"); namely control environment, risk assessment, control activities, information and communication, and monitoring activities. COSO is an internationally recognised organisation providing thought leadership and guidance on internal control, enterprise risk management and fraud deterrence.

GIAD's scope of coverage encompasses all business and support units, including subsidiaries that do not have their own audit units. The selection of the units to be audited from the audit universe is based on an annual audit plan that is approved by the Group AC. The annual audit plan is developed based on assessment of risks, exposures and strategies of CIMB Group. Units that are assessed to be high risk are subject to an annual audit, while those that are assessed to be medium or low risk are subject to a cycle audit. Notwithstanding the risk assessment, the annual audit plan will include units that must be audited annually due to regulatory requirements, recent incidence of fraud or 'High Risk' audit rating in the past year. GIAD also undertakes investigations into alleged fraud by staff, customers or third parties and recommends appropriate improvements to prevent recurrence and actions against persons responsible.

GIAD has unrestricted access to information required in the course of its work. GIAD's scope of work is established in accordance with The Institute of International Auditors' ("IIA") International Standards for the Professional Practice of Internal Auditing and relevant regulatory guidelines.

The Audit Report is the final product of an audit assignment, which provides the scope of audit work performed, a general evaluation of the system of internal controls together with detailed audit observations, response of management, and comments and recommendations by GIAD for improvement. The Group AC reviews and evaluates any exceptions or non-compliance raised by GIAD and monitors that appropriate and prompt remedial actions are taken by the management.

GIAD conducts training routinely for relevant staff of the Bank on governance and internal control matters.

The banking subsidiaries outside Malaysia have their own Audit Committees. These foreign banking subsidiaries have their own internal audit divisions. The asset management subsidiaries in Malaysia and overseas and the electronic collection system subsidiary in Malaysia also have their own audit committees but the internal audit function for these subsidiaries is carried out by GIAD. The Group AC meets with the relevant subsidiary's audit committee once a year to discuss governance and audit matters. The internal audit divisions of the foreign banking subsidiaries submit a report to the Group AC once every quarter. These internal audit divisions follow the same audit planning and audit rating methodology as GIAD with such modifications as necessary to suit local environment and regulations.

Periodically, an external assessment of GIAD's internal audit activity is conducted by a qualified external independent reviewer, with the most recent assessment being conducted in 2014 by a top 3 accounting firm in Malaysia. Based on the reviewer's Internal Audit Maturity Model comprising of 5 levels, namely Leading, Advanced, Established, Developing and Basic, the reviewer had concluded that in 22% GIAD meets Leading and Advanced practices, in 72% GIAD meets Established practices and in the balance of 6% GIAD meets Developing practices.

As a means to objectively evaluate its service quality and to ensure it continues to improve its service delivery, GIAD had appointed a leading certification body to conduct an assessment on its quality management system in 2014 and was awarded the ISO 9001:2008 Certification for internal audit services, a first for a financial institution in Malaysia.

• **Group Compliance Framework**

The Board recognises that the compliance function forms an integral part of CIMB Group's risk management and internal controls, as a strong compliance culture reflects a corporate culture of high integrity and ethics.

The CIMB Group compliance function is driven by the Group Compliance ("GC") Department, which is headquartered in Malaysia. Its main function is to facilitate, advice, monitor and educate the business and support units/entities to act in accordance with laws, regulations and guidelines.

In line with good governance, the GC Department reports independently to the Board. Appropriate governance has also been established with clear reporting lines by the local and regional compliance officers to the Group Head of Compliance, in addition to their direct reporting lines to their respective local entity Boards, to the extent permitted by the regulations of the local jurisdictions.

As it is vital to have a robust and effective compliance framework in place to safeguard the interest of CIMB Group, stakeholders, customers/clients and employees, CIMB Group has in place a GC Framework whereby the setting of compliance policies and standards with appropriate mechanisms and tools are driven at the group level to ensure consistency in approach in managing compliance risk across the local and regional entities within CIMB Group. The GC Framework requires all the local and regional entities within the Group to adopt and implement the GC Policies and Procedures, Chinese Walls Policies and Procedures Manual and Conflict Management Policies and Procedures, which are reviewed on a periodic basis or as and when required to reflect current practices and the applicable legal/ regulatory requirements. Scheduled trainings are regularly conducted to create compliance awareness of the GC Framework and to facilitate its implementation within the Group.

Under the GC Framework, all business and support units/entities are required to establish a Compliance Matrix to ensure that CIMB Group complies with regulatory requirements. The Compliance Matrix is a document that encompasses relevant laws, regulations and guidelines that apply to the business and support units/entities. Business and support units/entities are also required to conduct a self-testing exercise on the Compliance Matrix and a verification of this self-testing is done independently by the GC Department. Additionally, the GC Department conducts scheduled compliance reviews on the business and support units/entities. GC has unrestricted access to all information, records and business premises of the Group and has the authorisation to speak to any employee of the Group about any conduct, business practice, ethical matter or other issue relevant to discharging GC's duties. The GC annual compliance work plan is tabled and approved by the respective entity Boards.

The respective entity Boards, as well as the CIMB Group Holdings Berhad Board, are provided with compliance reports on a regular basis to facilitate the Boards having a holistic and overall view of all compliance matters across the Group.

- **Group-Wide Chinese Walls Policy and Group Conflict Management Policy**

To mitigate any potential conflicts arising from the possession of confidential or material non-public price sensitive information ("MNPI"), the Group's fiduciary duty to its clients, as well as to mitigate any misuse of such information generally, CIMB Group has established the Group-wide Chinese Walls Policies and Procedures ("Chinese Walls P&P") and Conflict Management Policies and Procedures ("Conflict P&P") which are adopted and implemented in the relevant group entities in which CIMB Group has its presence.

The Chinese Walls P&P sets out policies and procedures to control the flow of confidential or MNPI within the Group to minimise the risk of breach of the insider trading laws. Employees are subjected to personal account dealing rules/policy.

The Conflict P&P sets out the policies and procedures to identify, minimise and manage conflicts and potential conflicts of interest which may arise in the course of the group entities carrying out its business activities. As part of the Conflict P&P, CIMB Group maintains a Permanent Insiders ("PI") Policy where such identified PIs are restricted from personal account dealings in all the MNPI deals undertaken by the Group across the various jurisdictions in which CIMB Group operates, regardless of whether such personnel are involved in such deals or otherwise.

- **Code of Ethics**

CIMB Group has adopted and institutionalised Bank Negara Malaysia's Code of Ethics for banking institutions in all its entities. It is the minimum code of conduct that is expected from all employees encompassing all aspects of its daily business operations. CIMB Group inculcates good and ethical banking standards in its employees from the moment they join the organisation, when they are required to acknowledge in writing their understanding of the code. The code is emphasised at the Group Orientation programme and training programmes when certain aspects are highlighted.

- **Human Resources Policies and Procedures**

The Human Resources Policies and Procedures ("HRPP") of CIMB Group provides clarity for the organisation in all aspects of the human resource management in the Group. CIMB Group reviews its HRPP periodically to ensure that the policies and procedures remain relevant, and appropriate controls are in place to manage operational risks.

Group Human Resource updates employees of changes to policies and procedures via email messages/memoranda. These policies and procedures are also easily accessible by all employees via CIMB Group's intranet portal, for employees to refer to at their convenience.

- **People Development**

CIMB Group acknowledges that people development is critical in ensuring that employees have the right competencies for the tasks they are entrusted with, and are able to exercise sound judgment when fulfilling those responsibilities.

E-learning provides staff the freedom of time and space to learn and update their knowledge at their convenience while meeting the organisation's needs for its employees who are spread across geography to be competent in key areas. In 2014, CIMB Group had introduced a new e-learning courseware entitled Introduction of CIMB Risk Appetite Principles. This courseware is one of the compulsory e-learning courseware related to banking and finance.

A new major HR development in 2014 was the launch of the CIMB Competency Framework, marked by the issue of a competency dictionary and a series of face-to-face communications and virtual communications. The framework embedded CIMB Group's vision, mission and values, and integrated within it, the Group's current priorities of networking, regional cooperation, cost management, and risk awareness.

Treasury is the heart of all financial institutions. In December 2014, CIMB Group had set up the virtual Treasury and Markets Academy. This academy is in addition to two virtual academies, the Credit Academy and Corporate Advisory Academy set up in 2013 for unified learning frameworks across the region. CIMB Group also launched the CIMB Accelerated Career Enhancement Programme, a structured upward mobility scheme for CIMB Group junior executives and non-executives. Meanwhile, middle management development enjoyed a new momentum given by CIMB Emerging ASEAN Leaders (CIMB Emerald), an award cum development programme for middle managers launched in 2013. All in all, the Group continued to ensure that talent development is carried out across hierarchy and functions.

Annual performance appraisal/review exercise is calendared to ensure that all employees are equipped with the right competencies to fulfill the tasks they are assigned, and if they are not, appropriate training, coaching or mentoring are given. Assessments are recorded on the online appraisal system for future reference and the charting of career development.

CIMB Group's remuneration philosophy aims to reinforce a pay-for-performance culture while ensuring appropriate risk-taking behaviour.

The governance is established on all remuneration-related matters through the Group Compensation Review Committee, which reviews and approves remuneration policies and payouts together with the Board of Directors. Decisions on variable remuneration are made based on the performance of the respective units in CIMB Group and taking into consideration two risk-adjusted performance measures i.e. Economic Profit and Risk Adjusted Return on Capital, which are incorporated in our balanced scorecards. The Committee is also guided on their decisions according to the advice and assessment provided by the Group's risk, audit and compliance functions on the respective units in CIMB Group.

CIMB Group has a deferred remuneration structure in place through an equity ownership plan, where the share awards are vested over 3 years. This share-based long term incentive plan applies to key personnel and senior management of CIMB Group, as well as identified material risk takers. The plan serves to align the interest of this group of employees to that of our shareholders and to increase focus towards long-term sustainability, as well as retaining them with CIMB Group.

- **Culture**

Integrity is one of the core values that are persistently emphasised by the Management. This goes beyond non-tolerance of fraud, and also covers professionalism, being honest and respectful. Many programmes and initiatives have been put in place to reinforce this value in employees. Through the practice of giving back, leaders share experiences that help others understand business issues from the perspective of integrity and also help each other deal with existing challenges. This is further emphasised via e-learning.

Where suspected fraud is detected, however, the Group ensures prompt investigations and disciplinary actions are taken against offending employees. Disciplinary actions taken can include dismissal of employment and filing of civil suit for the recovery of losses.

- **Whistle Blowing**

A well-disciplined and professional workforce is the cornerstone of a successful organisation. Therefore, all employees are expected to be vigilant about wrong doings, malpractices or irregularities at their workplace. All employees are made aware of CIMB Group's whistle blowing policy and its processes and to promptly report/disclose any such instances to the Management for immediate rectification or for other necessary measures in minimising potential financial or reputational loss. Meanwhile, the Group is wholly committed to ensure strict confidentiality and will not only protect the identity of the complainant but will also protect the complainant from any harassment and victimisation at work due to the disclosure.

- **Anti-Bribery and Corruption**

One of the core values of CIMB Group is integrity, and the Group will not tolerate any acts which are in breach of this value. CIMB Group firmly believes in acting professionally, fairly and with integrity in all business dealings and relationships. Whilst the Group already has in place various policies and processes, which address some of the issues relating to bribery and corruption, a more comprehensive policy to cover areas of concern is deemed necessary in view that the Group operates in many jurisdictions with anti-corruption laws. As such, in line with global best practices and good governance approach, CIMB Group has established the Anti-Bribery and Corruption Policy.

- **Business Continuity Management**

CIMB Group is committed in safeguarding the interests of all its key stakeholders, reputation of the organisation and value creating activities by ensuring an appropriate level of continuity on business processes and functions throughout the Group. The responsibilities for implementing and running the Business Continuity Management ("BCM") programme lies with the Board of Directors and Management.

A BCM framework is in place to outline and enforce minimum BCM requirements, procedures and practices on business and support units, so as to ensure the continuity of critical business functions and essential services within a specified timeframe in the event of major disruptions, thus ensuring;

- (i) customers expectations can be fulfilled and quality of services can be maintained to promote customer confidence;
- (ii) minimal impact on business operations during major disruption;
- (iii) reputation and image of CIMB Group will not be negatively affected, and
- (iv) regulatory compliance with BCM guidelines/principles/regulations.

The BCM framework is regularly updated and aligned with international standards, and BCM procedures and practices include analysing the business functions and identifying continuity strategies, responses, continuity culture, exercises and plan maintenance of each business and support units.

Pursuant to the BCM, Business Continuity Plans ("BCP") are documented for mission critical functions and processes, and Disaster Recovery Plans ("DRP") are documented for application systems. The BCP and DRP are rehearsed and tested on a regular basis.

The BCM department's, primary role is to ensure effective coordination and supervision of all BCM activities by introducing integrated and standardised BCM approach across the Group.

In addition, BCM workshops are conducted annually for business and support units across CIMB Group, with the support from the Crisis Management Committee and Group Human Resources, in efforts to increase employee awareness on their roles, responsibilities and accountabilities with respect to BCM.

- **Fraud Detection**

CIMB Group constantly monitors new trends and developments on fraud to implement controls and detection tools. In recent years, digital forensics has emerged as an essential tool for digital recoveries especially for the protection and investigation of evidence that had been deleted. In view of this threat, a Digital Forensic Lab has been set up to enable us to retrieve e-mail messages that had been deleted. A fraud intelligence system is used to detect suspicious staff transactions. The Key Risk Indicator ("KRI") depends not only on the latest local financial frauds but also financial frauds committed internationally. The KRI is dynamic, as it

changes according to the trend of international banking fraud and CIMB Group would be able to check on whether the latest modus operandi in banking fraud had been applied to defraud the bank.

• **Self-Assessment Review Program**

Self-Assessment Review Program (“ShARP”) is a tool to empower risk owners to perform Process Risk Analysis. This involves identification, assessment, mitigation, monitoring and reporting of operational risk at a process level. The objective of implementing ShARP is to ensure that our processes will become inherently stronger and hence the residual risk and failures will reduce. The risk owners identify the risk profiles that they are exposed to, based on processes of their respective business and support units.

Once the implementation of ShARP is completed in a business and support unit, the process of self-assessment will commence, through which the business and support unit will ensure that they foster a culture of continuous adherence to fit for purpose controls, in line with the Bank’s Risk Appetite.

The self-assessment results from ShARP are to be reported to the respective heads of business and support units along with the key risks of the respective units. Escalation of control breakdowns and significant risks is immediate rather than waiting for an event to occur.

Through an aggregation process across the business and support units, the division level risk profile is ascertained.

• **Anti-Money Laundering/CounterFinancing of Terrorism**

CIMB Group, places importance on, and is committed to enforcing an effective internal control system for Anti-Money Laundering/CounterFinancing of Terrorism (“AML/CFT”) in compliance with all related laws, regulations, guidelines and industry leading practices.

The Group AMLA Office function, a unit within the Group Compliance Department maintains the Group AML/CFT Policies and Procedures, duly approved by the Board to facilitate consistency in managing the AML/CFT compliance across the local and regional Reporting Institutions (“RIs”). The Group’s AML Compliance Officer and the alternate AML Compliance Officer appointed in accordance with Malaysian Laws and Regulations, facilitate the implementation and enforcement across the Group’s RIs.

Pursuant to the Group AML/CFT Policies and Procedures, the respective RIs are to adopt and implement the AML/CFT Compliance Programme framework which includes the establishment of documented policies and procedures on Customer Due Diligence (“CDD”), staff roles and responsibilities, including the roles and responsibilities of the AML/CFT Compliance Officer, monitoring and reporting of suspicious transactions, record retention, employee training and audits of the internal AML/CFT measures. In each country, the stricter of the local regulations or the Group Policy will apply.

CIMB Group’s AML/CFT systems and supporting systems facilitate the AML risk, customer and transaction monitoring framework, including Watchlist and Sanction Management, CDD or ‘Know Your Customer’, Account and Transaction AML/CFT Monitoring as well as Payment and Sanction Filtering.

CIMB Group’s AML/CFT and customer screening systems are supported with databases of sanctioned or high risk individuals and entities identified by international, regional and domestic regulators and law enforcement agencies, for purposes of due diligence and subject checking.

The Group’s Board and Senior Management and its RIs are aware and will continue to maintain adequate oversight of the AML/CFT measures undertaken by all RIs including enhancing the effectiveness of the internal controls, mechanisms and system to effectively combat money laundering and financing of terrorism activities.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Recommended Practice Guide (“RPG”) 5 (Revised) issued by the Malaysian Institute of Accountants. RPG 5 (Revised) does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of CIMB Group.

CONCLUSION

The Board, through the Audit Committee, Board Risk Committee and the Board Shariah Committee, confirms that it has reviewed the effectiveness of the risk management and internal control framework and considers CIMB Group’s system of internal control as adequate in safeguarding the shareholders’ interests and assets of the Group. The Board also confirms that there is an effective ongoing process for identification, evaluation and management of significant risks in the Group and is committed to ongoing review of the entire control, compliance and risk management controls.

RISK MANAGEMENT

RISK MANAGEMENT OVERVIEW

A robust and effective risk management system is critical for the Group to achieve continued profitability and sustainable growth in shareholder value in today’s globalised and interlinked financial and economic environment.

The Group embraces risk management as an integral component of the Group’s business, operations and decision-making process. In ensuring that the Group achieves optimum returns whilst operating within a sound business environment, the risk management teams are involved at the early stage of the risk taking process by providing independent input including relevant valuations, credit evaluations, new product assessments and quantification of capital requirements. These input enable the business units to assess the risk-vs-reward value of their propositions and thus enable risk to be priced appropriately in relation to the return.

The objectives of CIMB Group’s risk management activities are to:

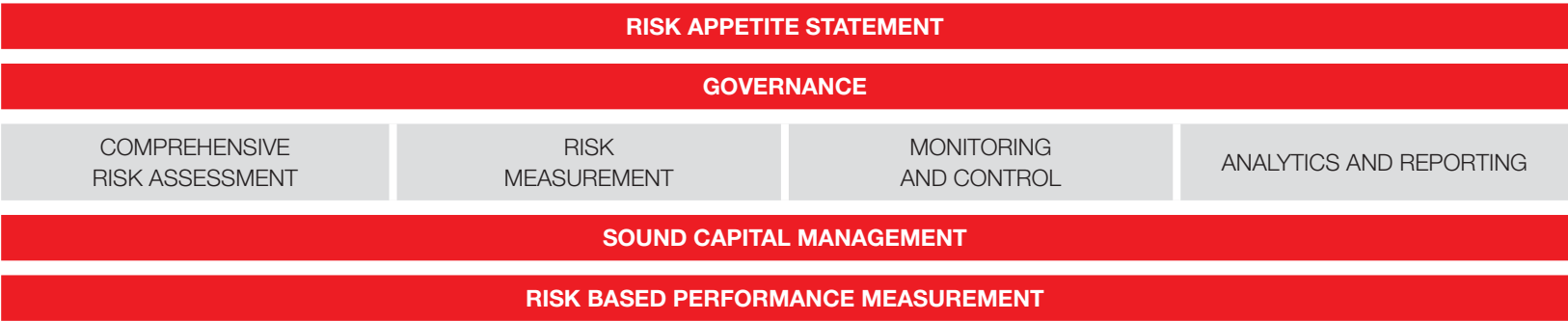
- Identify the various risk exposures and capital requirements;
- Ensure risk taking activities are consistent with risk policies and the aggregated risk position are within the risk appetite as approved by the Board; and
- Create shareholder value through proper allocation of capital and facilitate development of new businesses.

ENTERPRISE WIDE RISK MANAGEMENT FRAMEWORK

CIMB Group employs an Enterprise Wide Risk Management (EWRM) framework as a standardised approach to manage its risk and opportunity effectively. The EWRM framework provides the Board and Management with a tool to anticipate and manage both the existing and potential risks, taking into consideration changing risk profiles as dictated by changes in business strategies, operating and regulatory environment and functional activities.

The design of the EWRM framework involves complementary ‘top-down strategic’ and ‘bottom-up tactical’ risk management approach with formal policies and procedures addressing all areas of significant risks for the Group.

The key components of the Group’s EWRM framework are represented in the diagram below:



Overarching the EWRM framework are the Risk Appetite Statement and the Risk Governance Structure. Whilst risk appetite defines the amount and type of risks that the Group is able and willing to accept in pursuit of its strategic and business objectives, a strong risk governance structure is what binds the EWRM framework together. The Board of Directors is ultimately responsible for the Group's risk management activities, and provides strategic direction through the Risk Appetite Statement and relevant risk management frameworks for the Group. The implementation and administration of the EWRM framework are effected through the three lines of defence model with oversight by the risk governance structure which consists of various risk committees, as described below.

The centre of the EWRM framework is made up of four building blocks, namely Comprehensive Risk Assessment, Risk Measurement, Monitoring & Control, and Analytics & Reporting.

Comprehensive Risk Assessment provides the process for the identification of the Group's material risks, from the perspective of impact on the Group's financial standing and reputation.

Apart from the annual comprehensive risk assessment exercise, the Group's material risks are identified on an on-going basis as well as part of the consideration for any strategic projects, including new product development.

Consistent and common methodologies of Risk Measurement allow the Group to aggregate and compare risks across business units, geographies and risk types. Further, it provides a tool for the Board and Senior Management to assess the sufficiency of its liquidity surplus and reserves, and health of its capital position under various economic and financial situations.

Various risk management tools are employed to Monitor and Control the risk taking activities within the Group. These include limit monitoring, hedging strategies and clearly documented control processes. These controls are regularly monitored and reviewed in the face of changing business needs, market conditions and regulatory changes.

Timely reporting and meaningful analysis of risk positions are critical to enable the Board and Senior Management to exercise control over material exposures and make informed business decisions.

Sound Capital Management and Risk Based Performance Measurement form the base upon which the EWRM framework is built. The Group's capital resources are continuously assessed and managed to undertake its day-to-day business operations and risk-taking activities, including considerations for its business expansion and growth. Each year, internal capital targets will be set and capital will be allocated to each business units based on the respective business plans, budgeted profit and targeted Risk Adjusted Return on Capital (RAROC). Business units' economic profitability will be measured having considered both its risks and capital consumption. The adoption of a risk-based performance measurement allows for performance and profitability of different business units to be compared on a common yardstick.

RISK MANAGEMENT GOVERNANCE

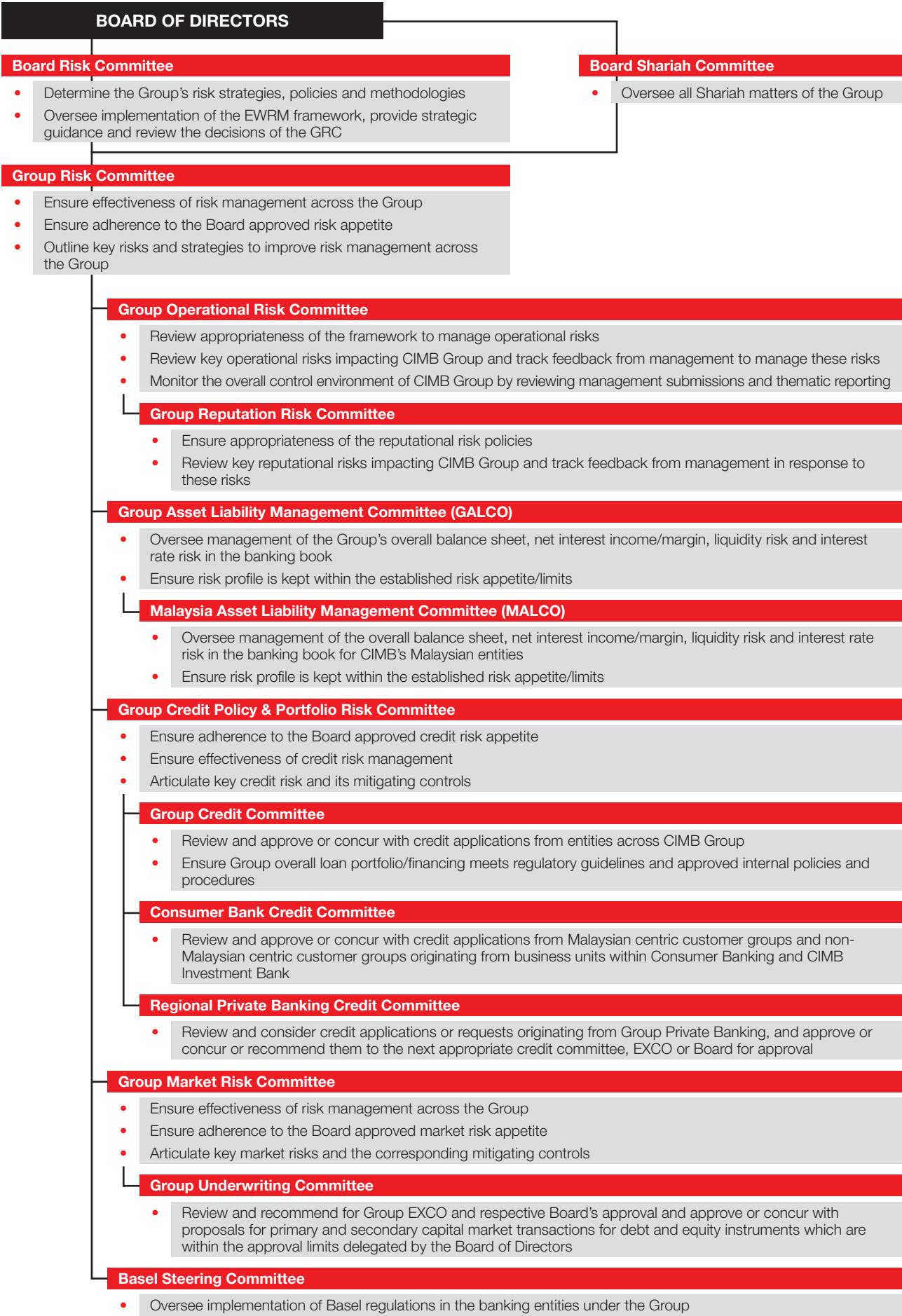
At the apex of the governance structure are the various Boards, which decide on the entity's Risk Appetite corresponding to its business strategies. The Board Risk Committee (BRC) reports directly to each Board and assumes responsibility on behalf of the Board for the supervision of risk management and control activities. The BRC determines the Group's risk strategies, policies and methodologies, keeping them aligned with the principles within the Risk Appetite Statement. The BRC also oversees the implementation of the EWRM framework and provides strategic guidance and reviews the decisions of the GRC.

In order to facilitate the effective implementation of the EWRM framework, the BRC has established various risk committees within the Group with distinct lines of responsibilities and functions, which are clearly defined in the terms of reference.

The responsibility of the supervision of risk management functions is delegated to the GRC comprising senior management of the Group and reports directly to the BRC. The GRC performs the oversight function on overall risks undertaken by the Group in delivering its business plan vis-à-vis the stated risk appetite of the Group. The GRC is further supported by specialised risk committees, namely Group Credit Policy & Portfolio Risk Committee (GCPRC), Group Market Risk Committee, Group Operational Risk Committee, Group Asset Liability Management Committee (GALCO) and Basel Steering Committee, each addressing one or more of the following:

- (i) Market risk, arising from fluctuations in the market value of the trading or investment exposure arising from changes to market risk factors such as interest rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility;
- (ii) Credit risk, arising from the possibility of losses due to the obligor, market counterparty or issuer of securities or other instruments held, failing to perform its contractual obligations to the Group;
- (iii) Liquidity risk, arising from a bank's inability to efficiently meet its present and future funding needs or regulatory obligations, when they become due, which may adversely affect its daily operations and incur unacceptable losses;
- (iv) Operational risk, arising from risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events;
- (v) Interest Rate Risk in the Banking Book, which is the current and potential risk to the Group's earning and economic value arising from movement in interest rates/benchmark rates;
- (vi) Capital Risk, arising from the failure of not meeting the minimum regulatory and internal requirements that could incur regulatory sanction of the Group, resulting in a potential capital charge; and
- (vii) Shariah Non-Compliance (SNC) Risk, arising from failure to comply with the Shariah rulings as determined by Shariah Advisory Council (SAC) of Bank Negara Malaysia (BNM) and Securities Commission (SC), Board Shariah Committee of the Group and other Shariah regulatory authorities of the jurisdictions in which the Group operates.

The roles and responsibilities of the committees and sub-committees are set out in the following chart:



The overseas subsidiaries' risk committees are set-up in a similar structure in their respective jurisdictions. Whilst recognising the autonomy of the local jurisdiction and compliance to local requirements, the Group also strives to ensure a consistent and standardised approach in its risk governance process. As such, the relevant Group and Regional committees have consultative and advisory responsibilities on regional matters across the Group. This structure increases regional communication, sharing of technical knowledge and support towards managing and responding to risk management issues, thus allowing the Board to have a comprehensive view of the activities in the Group.

THREE-LINES OF DEFENCE

The Group's risk management approach is based on the three-lines of defence concept whereby risks are managed from the point of risk-taking activities. This is to ensure clear accountability of risks across the Group and risk management as an enabler of the business units. As a first line of defence, the line management, including all business units and units which undertake client facing activities, are primarily responsible for risk management on a day-to-day basis by taking appropriate actions to mitigate risks through effective controls. The second line of defence provides oversight functions, performs independent monitoring of business activities and reporting to management to ensure that the Group is conducting business and operating within the approved appetite and in compliance to regulations. The third line of defence is Group Internal Audit Division which provides independent assurance to the Boards that the internal controls and risk management activities are functioning effectively.

THE ROLES OF GROUP CHIEF RISK OFFICER (CRO) AND GROUP RISK DIVISION (GRD)

Within the second line of defence is Group Risk Division (GRD), a function independent of business units that assists the Group's management and various risk committees in the monitoring and controlling of the Group's risk exposures.

The organisational structure of GRD is made of two major components, namely the Chief Risk Officers and the Risk Centres of Excellence.

GRD is headed by the Group Chief Risk Officer who is appointed by the Board to spearhead risk management functions and implementation of the EWRM. The CRO:

- a) Actively engages the Board and senior management on risk management issues and initiatives.
- b) Maintains an oversight on risk management functions across all entities within the Group. In each country of operations, there is a local Chief Risk Officer or a Country Risk Lead Officer, whose main function is to assess and manage the enterprise risk and regulators in the respective country.

The GRD teams are organised into several Risk Centres of Excellence (COE) in order to facilitate the implementation of the Group's EWRM framework. The Risk Centres of Excellence consisting of Risk Analytics & Infrastructure, Market Risk, Operational Risk, Asset Liability Management, Credit Risk and Shariah Risk Management Centres of Excellence are specialised teams of risk officers responsible for the active oversight of group-wide functional risk management.

a) Risk Analytics & Infrastructure Centre of Excellence

Risk Analytics & Infrastructure Centre of Excellence spearheads the Group's efforts towards Basel II implementation. In this regard, it develops and implements all internal rating and scoring models and closely monitors the performance of the rating and scoring models to ensure relevance to current market conditions and integrity of ratings. It also computes and aggregates the risk-weighted assets for credit risk for monthly regulatory reporting as well as projects the capital requirements for credit risk to support capital management planning and analysis.

Risk Analytics & Infrastructure Centre of Excellence monitors the non-retail credit risk profile of risk-taking activities in terms of asset quality, rating distribution and credit concentrations. In addition, it initiates and/or proposes its risk policies, risk measurement methodologies and risk limits to the Board for approval.

b) Market Risk Centre of Excellence

In propagating and ensuring compliance to the market risk framework, the Market Risk Centre of Excellence reviews treasury trading strategies, analyses positions and activities vis-à-vis changes in the financial market and performs mark-to-market valuation. It also coordinates capital market product deployments.

c) Operational Risk Centre of Excellence

The Operational Risk Centre of Excellence provides the methodology and process for the identification, assessment, reporting, mitigation and control of operational risks by the respective risk owners across the Group. It provides challenge and oversight over the execution of this framework by the first line of defence.

d) Asset Liability Management Centre of Excellence

It is primarily responsible for the independent monitoring and assessment of the Group's asset and liability management process governing liquidity risk and interest/benchmark rate risk as well as recommending policies and methodologies to manage the said risks.

e) Credit Risk Centre of Excellence

The Credit Risk Centre of Excellence is dedicated to the assessment, measurement, management and monitoring of credit risk of CIMB Group. It ensures a homogenous and consistent approach to:

- Credit Risk Policies and Procedures;
- Credit Risk Models;
- Credit Risk Methodologies; and
- Portfolio Analytics,

as well as a holistic and integrated approach to identification, assessment, decision-making and reporting of credit risk of the Group.

f) Shariah Risk Management Centre of Excellence

The Shariah Risk Management Centre of Excellence (SRM CoE) formulates Shariah Risk Management Framework (SRMF) and provides guidance and training on the SNC Risk Management (SRM) to enable the first line of defence to identify, assess, monitor and control SNC risk in their Islamic business operations and activities.

In addition to the above Risk Centres of Excellence, Regional Risk was established with the objective of overseeing the risk management functions of the regional offices as well as the Group's unit trust and securities businesses. Regional Risk also houses the validation team.

The regional offices and the respective teams in risk management units within the unit trust business and securities businesses identify, analyse, monitor, review and report the relevant material risk exposures of each individual country and/or businesses.

The Regional Risk Validation Team is independent from the risk taking units and model development team. The function of this unit is to perform validation, as guided by regulatory guidelines and industry best practices on Basel related risk models and components comprising credit risk, traded risk, non traded risk and other Basel related risk models. The unit provides recommendations to the modelling team and the business users and reports to Regional Risk. The findings and recommendations will be reported to GRC and BRC.

In ensuring a standardised approach to risk management across the Group, all risk management teams within the Group are required to conform to the Group's EWRM framework, subject to necessary adjustments required for local regulations. For branches and subsidiaries without any risk management department, all risk management activities will be centralised at the relevant Risk Centres of Excellence. Otherwise, the risk management activities will be performed by the local risk management team with matrix reporting line to the respective Risk Centres of Excellence.

KEY AREAS OF RISK MANAGEMENT

1. Credit Risk

Credit and counterparty risk, is defined as the possibility of losses due to the obligor, market counterparty or issuer of securities or other instruments held, failing to perform its contractual obligations to the Group.

Credit risk arises primarily from traditional financing activities through conventional loans, financing facilities, trade finance as well as commitments to support clients' obligations to third parties, i.e. guarantees.

In sales and trading activities, credit risk arises from the possibility that the Group's counterparties will not be able or willing to fulfil their obligation on transactions on or before settlement date. In derivative activities, credit risk arises when counterparties to derivative contracts, such as interest/profit rate swaps, are not able to or willing to fulfil their obligation to pay the positive fair value or receivable resulting from the execution of contract terms.

Credit risk may also arise where the downgrading of an entity's rating causes the fair value of the Group's investment in that entity's financial instruments to fall. Loans/Financing assets remain the most significant credit risk to which CIMB Group is exposed. Without effective credit risk management, the impact of the potential losses can be overwhelming.

Credit Risk Management

The purpose of credit risk management is to keep credit risk exposure to an acceptable level vis-à-vis the capital, and to ensure the returns commensurate with risks.

Consistent with the three-lines of defence model on risk management where risks are managed from the point of risk-taking activities, the Group implemented the Risk-based Delegated Authority Framework. This Framework promotes clarity of risk accountability whereby the business unit, being the first line of defence, manages risk in a proactive manner with GRD as a function independent from the business units as the second line of defence. This enhances the collaboration between GRD and the business units.

The Framework encompasses the introduction of Joint Delegated Authority, enhanced credit approval process and a clear set of policies and procedures that defines the limits and types of authority designated to the specific individuals.

The Group adopts a multi-tiered credit approving authority spanning from the delegated authorities at business level, joint delegated authorities holders between business units and GRD, to the various credit committees. The credit approving committees are set up to enhance the efficiency and effectiveness of the credit oversight as well as the credit approval process for all credit applications originating from the business units. Credit applications are independently evaluated by the Credit Risk Centre of Excellence team prior to submission to the relevant committees for approval.

The GRC with the support of GCPRC, Group Credit Committee, Consumer Bank Credit Committee, Regional Private Banking Credit Committee and GRD is responsible for ensuring adherence to the Board approved credit risk appetite as well as the effectiveness of credit risk management.

This amongst others includes the reviewing and analysing of portfolio trends, asset quality, watch-list reporting and policy review. It is also responsible for articulating key credit risks and mitigating controls.

Adherence to and compliance with single customer, country and global counterparty limits as well as the assessment of the quality of collateral are approaches adopted to address concentration risk to any large sector/industry, or to a particular counterparty group or individual.

Adherence to established credit limits is monitored daily by GRD, which combines all exposures for each counterparty or group, including off balance sheet items and potential exposures. Limits are also monitored based on rating classification of the obligor and/or counterparty.

It is a policy of the Group that all exposures must be rated or scored based on the appropriate internal rating models, where available. Retail exposures are managed on a portfolio basis and the risk rating models are designed to assess the credit worthiness and the likelihood of the obligors to repay their debts, performed by way of statistical analysis from credit bureau and demographic information of the obligors. The risk rating models for non-retail exposures are designed to assess the credit worthiness of the corporations or entities in paying their obligations, derived from risk factors such as financial history and demographics or company profile. These rating models are developed and implemented to standardise and enhance the credit underwriting and decision-making process for the Group's retail and non-retail exposures.

Credit reviews and rating are conducted on the credit exposures at least on an annual basis and more frequently when material information on the obligor or other external factors come to light.

The exposures are actively monitored, reviewed on a regular basis and reported regularly to GCPRC, GRC and BRC so that deteriorating exposures are identified, analysed and discussed with the relevant business units for appropriate remedial actions including recovery actions, if required.

Credit Risk Mitigation

The employment of various credit risk mitigation techniques such as appropriate credit structuring, and posting of collateral and/or third party support form an integral part of credit risk management process. Credit risk mitigants are taken where possible and are considered secondary recourse to the obligor for the credit risk underwritten.

(i) Collaterals/Securities

All extension of secured credit facilities as deemed prudent must be appropriately and adequately collateralised. A credit proposal is considered secured only when the entire proposal is fully covered by approved collateral/securities within their approved margins as set out in the relevant credit policy guides. GCC is empowered to approve any inclusion of new acceptable collaterals/securities.

Recognised collaterals include both financial and physical assets. Financial collaterals consist of mainly cash deposits, shares, unit trusts and debt securities, while physical collateral includes land and buildings and vehicles. Guarantors accepted are in line with BNM's CAF (Basel II – Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets) guidelines. Eligible credit protection is also used to mitigate credit losses in the event that the obligor/counterparty defaults.

(ii) Collateral Valuation and Management

The Group has in place policies which govern the determination of eligibility of various collaterals including credit protection, to be considered for credit risk mitigation which includes the minimum operational requirements that are required for the specific collaterals to be considered as effective risk mitigants.

The collateral is valued periodically ranging from daily to annually, depending on the type of collateral. Specifically for real estate properties, a framework for valuation of real estate properties is established to ensure adequate policies and procedures are in place for efficient and proper conduct of valuation of real estate properties and other related activities in relation to the interpretation, monitoring and management of valuation of real estate properties.

(iii) Netting

In mitigating the credit risks in swaps and derivative transactions, the Group enters into master agreements that provide for closeout and settlement netting arrangements with counterparties, whenever possible. A master agreement that governs all transactions between two parties, creates the greatest legal certainty that credit exposure will be netted. In effect, it enables the netting of outstanding obligations upon termination of outstanding transactions if an event of default occurs.

(iv) Portfolio diversification for better clarity

CIMB Group avoids unwanted credit or market risk concentrations by diversifying its portfolios through a number of measures. Amongst others, there are guidelines in place relating to maximum exposure to any counterparty, sectors and country.

(v) Off-Balance Sheet Exposures and Counterparty Credit Risk ("CCR")

Off-Balance Sheet exposures are exposures such as derivatives, trade facilities and undrawn commitments. The Group adopts the Current Exposure method to compute the capital requirement for CCR under BNM's guidelines on CAF (Basel II – Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets).

For credit derivatives and swaps transactions, the Group enters into master agreement with counterparties, whenever possible. Further, the Group may also enter into CSA with counterparties. The net credit exposure with each counterparty is monitored based on the threshold agreed in the master agreement and the Group may request for additional margin for any exposures above the agreed threshold, in accordance with the terms specified in the relevant Credit Support Annexes or the master agreement. The eligibility of collaterals and frequency calls are negotiated with the counterparty and endorsed by GCC.

2. Market Risk

Market risk is defined as any fluctuation in the market value of a trading or investment exposure arising from changes to market risk factors such as interest/benchmark profit rates, currency exchange rates, credit spreads, equity prices, commodities prices, and their associated volatility.

Market risk results from trading activities that can arise from customer-related businesses or from proprietary positions. The Group hedges the exposures to market risk by employing varied strategies, including the use of derivative instruments.

Market Risk Management

CIMB Group adopts various measures in its risk management process to manage market risk. An accurate and timely valuation of position is critical to providing the Group with its current market exposure. The GRC with the support of Group Market Risk Committee and Group Underwriting Committee ensure that the risk exposures undertaken by the Group is within the risk appetite approved by the Board. GRC, Group Market Risk Committee and Group Underwriting Committee, supported by the Market Risk Centre of Excellence in GRD is responsible to measure and control market risk of the Group through robust measurement and the setting of limits while facilitating business growth within a controlled and transparent risk management framework.

Market Risk Centre of Excellence values the exposure using market price or a pricing model where appropriate. The valuation process is carried out on all Held for Trading and Available for Sale positions on daily basis in compliance with the independent price verification requirements. These valuation methods are used in deriving the fair value to restate the security value to its current value for the purpose of calculating the profits and losses or to confirm that margins required are being met.

Treasury products approval processes will be led by the Market Risk Centre of Excellence to ensure operational readiness before launching. All new products are assessed by components and in totality to ensure financial risks are accurately identified, monitored and effectively managed.

All valuation methods and models used are validated by the Quantitative Analysts to assess its applicability to market conditions. The process includes verification of the inputs, assumptions used, programming codes and model reporting capability. Existing valuation models are reviewed at least on a yearly basis to ensure that they remain relevant to changing market conditions.

The Group also adopts a value-at-risk ("VAR") approach in the measurement of market risk. Back-testing is performed to validate and reassess the accuracy of the existing VAR model. VAR is a statistical measure of the potential losses that could occur as a result of movements in market rates and prices over a specified time horizon within a given confidence level. Back-testing involves the comparison of the daily model-generated VAR forecast against the actual or hypothetical profit or loss data over the corresponding period.

Stress testing is conducted to capture the potential market risk exposures from an unexpected market movement. In formulating stress scenario, consideration is given to various aspects of the market; for example identification of areas where unexpected losses can occur and areas where historical correlation may no longer hold true.

In addition to the above, Market Risk Centre of Excellence undertakes monitoring and oversight process at Group Treasury trading floors, which include reviewing treasury trading strategy, analysing positions and activities vis-à-vis changes in the financial markets, monitoring limits usage, assessing limits adequacy and verifying transaction prices.

3. Liquidity Risk

Liquidity risk is defined as the current and prospective risk to earnings, shareholder funds or the Group's reputation arising from the Group's inability to efficiently meet its present and future (both anticipated and unanticipated) funding needs or regulatory obligations when they are due, which may adversely affect its daily operations and incur unacceptable losses. Liquidity risk arises from mismatches in the timing of cash flows.

The objective of CIMB Group's liquidity risk management is to ensure that the Group can meet its cash obligation in a timely and cost-effective manner. To this end, the Group's liquidity risk management policy is to maintain high quality and well diversified portfolios of liquid assets and sources of funds under both normal business and stress conditions. Due to its large delivery network and marketing focus, the Group is able to maintain a diversified core deposit base comprising savings, demand and fixed deposits, thus providing the Group with a stable large funding base. The Group maintains some buffers of liquidity throughout the year to ensure safe and sound operations from a strategic, structural and tactical perspective.

The day-to-day responsibility for liquidity risk management and control in each individual entity is delegated to the respective Country Asset Liability Management Committee (Country ALCO) which subsequently report to Group Asset Liability Management Committee (GALCO). GALCO meets at least once a month to discuss the liquidity risk and funding profile of the Group. The Asset-Liability Management function, which is responsible for the independent monitoring of the Group liquidity risk profile, works closely with Treasury and Markets in its surveillance on market conditions. Business units are responsible for establishing and maintaining strong business relations with their respective depositors and key providers of funds. For overseas branches and subsidiaries, they should seek to be self-sufficient in funding at all times. Treasury and Markets only acts as a global provider of funds on a need-to or contingency basis. Each entity has to prudently manage its liquidity position to meet its daily operating needs. To take account of the differences in market and regulatory environments, each entity measures and forecasts its respective cash flows arising from the maturity profiles of assets, liabilities, off balance sheet commitments and derivatives over a variety of time horizons under normal business and stress conditions on a regular basis.

Liquidity risk undertaken by the Group is governed by a set of established liquidity risk appetite and Management Action Triggers (MATs). The MATs were established to alert management to potential and emerging liquidity pressures. The Group Liquidity Risk Management Policy is subjected to periodic review while the assumptions and the thresholds levels are regularly reviewed in response to regulatory changes and changing business needs and market conditions. Liquidity positions are monitored on a daily basis and complied with internal risk thresholds and regulatory requirements for liquidity risk.

The Group's contingency funding plan is in place to alert and to enable the management to act effectively and efficiently during a liquidity crisis and under adverse market conditions. The plan consists of two key components: an early warning system and a funding crisis management team. The early warning system is designed to alert the Group's management whenever the Group's liquidity position may be at risk. It provides the Group with the analytical framework to detect a likely liquidity problem and to evaluate the Group's funding needs and strategies in advance of a liquidity crisis. The early warning system is made up of a set of indicators (monitored against pre-determined thresholds) that can reliably signal the financial strength and stability of the Group. Consolidated stress test, including liquidity stress test, is performed on a semi-annual basis to identify vulnerable areas in its portfolio, gauge the financial impact and enable management to take pre-emptive actions. Two scenarios, namely bank specific crisis and systemic crisis, are modelled. The assumptions used, including run-off rates on deposits, draw down rates on undrawn commitments, and haircuts for marketable securities; are documented and the test results are submitted to the Country and Group ALCOs, the GRC, and the BRCs/Board of Directors of the Group. The test results to date have indicated that the Group possesses sufficient liquidity capacity to meet the liquidity requirements under various stress test conditions.

4. Interest Rate Risk in the Banking Book/Rate of Return Risk in the Banking Book (IRRBB/RORBB)

IRRBB/RORBB is defined as the current and potential risk to the Group's earnings and economic value arising from movement of interest rates/benchmark rates.

The Group manages its exposure of fluctuations in interest rates through policies established by Group Asset & Liability Management Committee ("GALCO"). IRRBB/RORBB undertaken by the Group is governed by an established risk appetite that defines the acceptable level of risk to be assumed by the Group. The risk appetite is established by the Board. GALCO is a Board delegated Committee which reports to the GRC. With the support from Asset Liability Management Centre of Excellence under GRD and Capital & Balance Sheet Management under CEO's Office, the GALCO is responsible for the review and monitoring of Group's balance sheet, business and hedging strategies, the overall interest rate risk/rate of return risk profile and ensuring that such risk profile is within the established risk appetite. Corporate Banking, Treasury and Markets ("CBTM") is responsible for day-to-day management of exposure and gapping activities, including execution of hedging strategies.

IRRBB/RORBB is measured by Economic Value of Equity (EVE) sensitivity. EVE sensitivity measures the long term impact of sudden interest/benchmark rates movement across the full maturity spectrum of the Group's assets and liabilities. It defines and quantifies interest rate risk/rate of return risk as the change in the economic value of equity (e.g. present value of potential future earnings and capital) as asset portfolio values and liability portfolio values would rise and fall with changes in interest/benchmark profit rates. Such measure helps the Group to quantify the risk and impact on capital with the focus on current banking book positions.

The Group's EVE sensitivity is computed by using a simulation method that analyses IRRBB/RORBB in terms of changes in the EVE resulting from various rate shock scenarios. Such method takes into account varying degree of rate sensitivities exist between banking book positions (basis risk), projected changes in cash flow behaviours (embedded optionality such as prepayment or roll-over of cash flows under various rate scenarios), non-parallel shifts of the yield curve (yield curve risk), and the existence of embedded floor/cap rates on specific products in the banking book.

Earnings at Risk (EaR): EaR measures the short term impact of sudden interest/profit benchmark rates movement on reported earnings over the next 12 months. It defines and quantifies interest rate risk/rate of return risk as the change in net interest income caused by changes in interest/benchmark profit rates.

The Group's EaR is computed by using a dynamic simulation method that analyses IRRBB/RORBB in terms of earnings (accrual basis) under various rate shock scenarios, taking into account future stream of projected business activities and volumes (e.g. flat or growth balance sheet). The EaR simulation also considers rate sensitivities among different products, cash flow behaviours, non-parallel shifts of the yield curve, and embedded floor/cap rates.

5. Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. It encompasses legal risk that also carries a Shariah component.

The Group manages operational risks through the following key measures:

- Sound risk management practices in accordance with Basel II and regulatory guidelines;
- Board and senior management oversight;
- Well-defined responsibilities for all personnel concerned;
- Establishment of a risk management culture;
- Deployment of ORM systems and tools including:
 - Operational Event and Loss Data Management;
 - Risk and Control Self-Assessment; and
 - Key Risk Indicators.

These tools form part of the operational risk framework that allows CIMB Group to effectively identify, measure, mitigate and report its operational risks.

Each new or varied product and changes to the process flow are subjected to a rigorous risk review through sign-offs from the relevant support units where all critical and relevant areas of risk are being appropriately identified and assessed independently from the risk takers or product owners.

The promotion of a risk management culture within the Group whereby the demand for integrity and honesty is non-negotiable remains the core theme in the Group's operational risk awareness programme. The e-learning module on operational risk management has enhanced the awareness of operational risk amongst the staff.

6. Shariah Non-Compliance Risk

Shariah non-compliance (SNC) risk is the risk that arises from the Group's failure to comply with the Shariah rulings as determined by SAC of BNM and SC, Board Shariah Committee and the relevant Shariah regulatory authorities of the jurisdictions in which the Group operates. SNC risk may lead to financial and non-financial impact to the Group such as reputation risk, higher capital charges imposed by regulators and non-recognition of income or earnings arising from SNC transactions. The appropriate treatment of any SNC income or earnings shall be advised and approved by the Board Shariah Committee, which may include channelling the income or earnings to charitable organisation or returning it to customers.

The Group has in place a Shariah Compliance Policy and General Procedures Manual that governs the roles and responsibilities of the Board Shariah Committee, overall Shariah compliance functions and Shariah governance processes of CIMB Group. Monitoring of Shariah compliance and Shariah governance is carried out through Shariah Compliance Review and Shariah Audit functions, supported by SRM control process and Group Shariah and Islamic Legal Department.

SRM is facilitated by the SRM CoE by implementing a systematic and consistent approach to the management of SNC. The objectives, mission, guiding principles, governance structure as well as methodology and approach adopted by the Group in managing SNC risk is articulated in the SRMF. In addition, SRM CoE provides training and guidance to enable the first line of defence to systematically identify, assess, monitor and control SNC, thus minimising the potential SNC events.

Apart from monitoring and analysing the SNC events/incidences submitted by Designated Compliance and Operational Risk Officers to Shariah Compliance Review Unit for decision by Board Shariah Committee and escalation to the relevant risk committees, SRM CoE also actively participates in the Islamic products and services development discussions to ensure that all SNC risk are appropriately identified, assessed, managed and mitigated. SRM CoE also reviews internal policies and procedures to ensure Shariah requirements are embedded in the documents that would guide business and support units in their Islamic operations and business activities. The new products and services as well as internal policies and procedures that are applicable to Islamic Business are subject to prior approval from Board Shariah Committee before implementation.

7. Reputation Risk

Reputation Risk is defined as the risk arising from a negative perception on the part of customers, counterparties, shareholders, debt-holders, regulators or other relevant parties that may adversely affect the Group's ability to maintain existing, or establish new, business relationships and continued access to sources of funding. This may arise through negative publicity, whether true or not, about its business practices, behaviours, operations, people, financial condition or the manner in which it handles crises. Reputation risk exists throughout the organisation and is essentially a function of the adequacy of the Group's internal risk management processes, as well as the manner and efficiency with which management responds to external influences.

The framework for managing reputational risk identifies the sources of reputational risks, and monitors and manages these within a defined risk appetite. The Group Reputation Risk Committee provides oversight over the framework execution.

8. Basel Implementation

Since July 2010, BNM has approved CIMB Group's migration to Internal Ratings-Based Approach (IRB) for credit risk. The Group's Basel Steering Committee which is chaired by the Group CRO provides oversight on the implementation initiatives across the Group with the assistance of various sub-committees. The Basel Steering Committee shall continue to oversee initiatives towards complying with the requirements, including for the Group's material overseas subsidiaries, within the stipulated timeframe.

The approach adopted by CIMB Bank Group for credit risk is Advanced Internal Ratings-Based Approach (A-IRB) for retail exposures and Foundation Internal Ratings-Based Approach (F-IRB) for corporate exposures whilst CIMB Investment Bank is currently on Standardised Approach. The Group's operational risk is based on the Basic Indicator Approach and the Group has progressively set the various foundations to move towards Basel II Standardised Approach. The Group's market risk is based on Standardised Approach.

As part of the Group's Internal Capital Adequacy Assessment Process (ICAAP), the EWRM framework has been further enhanced to include comprehensive risk assessment both annually and on an on-going basis. The annual assessment requires all business and support units to identify all material risks inherent in significant business activities as well as the effectiveness of the controls put in place.

As part of ICAAP implementation, the Capital Management Framework was established to document the methodology and processes in capital management, including a capital allocation process that optimises risk-adjusted return on capital. The Risk-based Performance Measurement is used to set KPIs for the business units and is linked to remuneration for the business units.

On 16 December 2010, the Basel Committee of Banking Supervision (BCBS) released the Basel III liquidity framework, introducing two new liquidity risk measures: the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). BCBS released the final text of the LCR in January 2013, with a phased-in implementation approach effective from 1 January 2015. NSFR will become a minimum standard by 1 January 2018 as per the final text on NSFR released in October 2014.

Following from the BCBS LCR guideline, in September 2014, BNM issued a Concept Paper on LCR outlining the phase in of LCR starting from June 2015 onwards. The LCR is intended to ensure that banks have sufficient high quality liquid assets (HQLA) to withstand an acute liquidity stress scenario over a 30-day horizon. The implementation of the Group's LCR framework is governed by the Group Asset Liability Management Committee (Group ALCO), which is chaired by the Group CEO.

The Group continues to build its balance sheet strength, technology and infrastructure to ensure that it is well-positioned to meet the LCR requirements within the regulatory timeframe. The Group's LCR strategy is focused on the HQLA, and stability of deposits and other funding sources, which are the critical components of the LCR. Although the implementation date is 1 June 2015, the Group has been computing and submitting the ratios to local and Group ALCO on a monthly basis.

AUDIT COMMITTEE REPORT

OVERVIEW

The Audit Committee of CIMB Group Holdings Berhad is committed to its role of ensuring high corporate governance practices and providing oversight on the Group’s financial reporting, risk management and internal control systems.

1. ATTENDANCE OF MEETINGS

The details of the Audit Committee membership and meetings held in 2014 are as follows:

Name of Committee Member	Status	Number of Committee Meetings	
		Held	Attended
Dato’ Zainal Abidin Putih	Chairman/Senior Independent Non-Executive	14	14
Datuk Dr. Syed Muhamad Syed Abdul Kadir <i>(retired on 30 June 2014)</i>	Non-Independent Non-Executive	6	6
Dato’ Hamzah Bakar <i>(retired on 15 April 2014)</i>	Independent Non-Executive	4	4
Watanan Petersik <i>(appointed on 15 April 2014)</i>	Independent Non-Executive	10	7
Dato’ Robert Cheim <i>(appointed on 30 June 2014)</i> <i>(resigned on 27 February 2015)</i>	Non-Independent Non-Executive	8	8
Glenn Muhammad Surya Yusuf <i>(appointed on 27 February 2015)</i>	Independent Non-Executive	–	–

In addition to the 14 meetings held to deliberate on matters relating to the Group, 18 other meetings were held to deliberate on matters relating to the three Malaysian banking institutions, making a total of 32 meetings for the year. Deliberations on reports tabled to the Committee were robust and detailed. 406 assignments were completed by the Group Internal Audit Division (GIAD) during the year and tabled to the Audit Committee.

The Chairman of the Audit Committee reports to the Board on matters deliberated during the Audit Committee meetings. Minutes of each meeting are also distributed to each member of the Board.

2. AUTHORITY

The Audit Committee is a Board delegated committee. The Audit Committee in discharging its duties has explicit authority to investigate any matter within its terms of reference. It has full access to and co-operation from Management and full discretion to invite any director or executive officer to attend its meetings. The Audit Committee shall have the necessary resources made available to it by the Group to enable it to discharge its functions effectively. The Audit Committee has full and unrestricted access to information and is able to obtain independent professional advice if necessary, with any expenses related thereto to be borne by the Group.

3. SUMMARY OF ACTIVITIES IN 2014

Audit Committee

- a. Reviewed and approved the annual audit plan, scope of work and resource requirements of GIAD.
- b. Reviewed GIAD's methodology in assessing the risk levels of the various auditable areas and ensured that audit emphasis was given on critical risk areas.
- c. Reviewed the adequacy and effectiveness of the system of controls, reporting and risk management to ensure there is a systematic methodology in identifying, assessing and mitigating risk areas.
- d. Reviewed the efficiency of operations and the economical utilisation of resources throughout the Group.
- e. Reviewed the appointment of external auditors and their independence, effectiveness and remuneration.
- f. Reviewed the external auditors' audit plan, scope of work and results of the annual audit for the Group.
- g. Met with the external auditors on 5 May 2014 and 11 September 2014 without the presence of the Group Management and Executive Directors to discuss relevant issues and obtain feedback.
- h. Reviewed the internal control issues identified by internal, external and regulatory auditors, as well as Management's response to audit recommendations and implementation of agreed action plans.
- i. Reviewed the financial statements of the Group on a quarterly basis and the draft announcements before recommending them for the Board's approval.
- j. Received quarterly updates from the Heads of Internal Audit of CIMB Niaga, CIMB Thai, CIMB Cambodia and CIMB Bank Singapore branch on their findings and make appropriate recommendations for improvements.
- k. Reviewed the proposals for non-audit services rendered by the external auditors.
- l. Reviewed write-off proposals as presented by the Management before recommending them for the Board's approval.
- m. Discussed and deliberated with relevant Heads of Divisions and Departments, where Heads presented their business strategies, operational concerns and challenges, and relevant Management action plans for the year.
- n. Attended meetings with the respective Audit Committees and Management of CIMB Niaga, CIMB Thai, CIMB Cambodia, CIMB Principal Asset Management and Touch 'n Go. In each of the meeting, businesses and issues of respective operations were presented and discussed.
- o. Reviewed related party transactions and the adequacy of the Group's procedures in identifying, monitoring, reporting and reviewing related party transactions.
- q. Ensured compliance with regulatory requirements and internal policies, and status update on follow up by Management on internal and external audit recommendations.
- r. Attended the Group's 6th Regional Compliance, Audit and Risk Summit where business risks and concerns, experiences, best practices were shared amongst the senior personnel from various business units and the external auditor, PricewaterhouseCoopers Malaysia.
- s. Attended the Group's Annual Management Summit where each business and support unit reviews its operations for the year and presents strategies and plans for the coming year.

4. TRAININGS

Listed below are the trainings which the members attended to keep abreast of latest developments:

Audit Committee Member	Trainings attended
Dato' Zainal Abidin Putih	• Companies Bill 2013 and Goods and Services Tax (GST) • BNM-FIDE FORUM Dialogue with Governor – Economic and Financial Services Sector: Trends and Challenges Moving Forward • CIMB 4th Annual Asia Pacific Conference and Invest Malaysia 2014 • MITI and BNM Engagement Session with Banking Institutions, Bank Negara Malaysia • CIMB Regional Compliance, Audit and Risk Summit 2014 • CIMB Group Risk Posture Workshop • Board Risk Intelligence – Risk Governance into Practice, Asian World Summit • GST Awareness Briefing by Ernst & Young • Anti-Money Laundering and Anti-Terrorism Financing Updates for Director
Datuk Dr. Syed Muhamad Syed Abdul Kadir	• Malaysia Accounting Standards Board (MASB) Roundtable Discussion on Financial Reporting • BNM-FIDE FORUM Dialogue with Governor – Economic and Financial Services Sector: Trends and Challenges Moving Forward • FIDE Forum Focus Group Discussion on “Building a Talent Pool of Directors: Directors Register” • CIMB 4th Annual Asia Pacific Conference and Invest Malaysia 2014 • CIMB Regional Compliance, Audit and Risk Summit 2014 • Bursa Board Continuous Education Programme: Derivatives Trading, Global Trends and Moving Forward • EURO Directors Training on GST • CIMB Group Risk Posture Workshop
Dato' Hamzah Bakar	• 6th Annual Corporate Governance Summit
Watanan Petersik	• DBS Asian Insights Conference, Singapore • Stock Exchange of Thailand, New Investment Opportunities for Sustainable Growth • Speaker for Civil Society Experience Summit • Speaker for Philanthropy in Asia Summit 2015 • Speaker for ASEAN Forum on Social Entrepreneurship
Dato' Robert Cheim	• Private Banking 1st Regional Offsite Meeting • FIDE Forum Focus Group Discussion on “Building a talent pool of Directors: Directors Register” • CIMB-INSEAD Leadership Program Cohort 5 Capstone • CIMB 4th Annual Asia Pacific Conference and Invest Malaysia 2014 • CIMB Group Risk Posture Workshop • Anti-Money Laundering and Anti-Terrorism Financing Updates for Director
Glenn Muhammad Surya Yusuf	• CIMB Group IAP (International Advisory Panel) 2014, Sri Lanka

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

1. COMPOSITION

The composition of the Audit Committee (AC) complies with the Listing Requirements, which states as follows:

- a. The Audit Committee must comprise of not fewer than 3 members.
- b. All Audit Committee members must be non-executive directors, with a majority of them being independent directors.
- c. At least one member of the Audit Committee must be a qualified accountant.

The Audit Committee has three (3) independent non-executive directors. The Chairman of the Committee, Dato’ Zainal Abidin Putih, an independent non-executive director, is a Chartered Accountant and a member of the Malaysian Institute of Accountants (MIA). Dato’ Robert Cheim, a non-independent non-executive director who resigned on 27 February 2015 is also a Chartered Accountant and a member of the MIA.

2. TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The responsibilities and duties of the Audit Committee are as follows:

Area	Responsibility
Internal controls/ risk management/governance	To review the effectiveness of internal controls, risk management processes and governance within the Group, taking into account the requirements in the Malaysian Code of Corporate Governance, Listing Requirements of Bursa Malaysia Securities Berhad, Bank Negara Malaysia Guidelines and other relevant guidelines issued by regulators.
Internal audit	(a) To 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) To review the adequacy of internal audit scope, internal audit plan, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work. (c) To review the results of the internal audit processes and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function. The reports of internal auditors are not subject to clearance by Management. (d) To oversee the functions of Group Internal Audit Division (GIAD) and ensure compliance with relevant guidelines on internal audit issued by Bursa Malaysia Securities Berhad, Bank Negara Malaysia and the Securities Commission. (e) To evaluate the performance and decide on the remuneration package of the Group Chief Internal Auditor. (f) To approve the appointment, transfer and dismissal of Group Chief Internal Auditor and to be informed of the resignation of any Department Head in GIAD, providing the resigning staff member an opportunity to submit his/her reasons for resigning.

Area	Responsibility
External audit	(a) To consider the appointment of external auditors, their remuneration and matters of resignation or dismissal. (b) To discuss and review with the external auditor before the audit commences the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved. (c) To assess objectivity, performance and independence of external auditors (eg by reviewing and assessing the various relationships between the external auditors and the Group or any other entity). (d) To approve the provision of non-audit services by the external auditors to the Company, evaluating whether such non-audit services would impair their independence. (e) To ensure that there are proper checks and balances in place so that the provision of non-audit services does not interfere with the exercise of independent judgment of the auditors. (f) To ensure that the financial statements are prepared in a timely and accurate manner with frequent reviews of the adequacy of allowances against contingencies and impaired assets. (g) To discuss problems and reservations arising from the interim and final audits, and any matter the external auditors may wish to discuss (in the absence of Management where necessary). (h) To review the external auditors' Internal Control Report and Management's response. (i) To meet with the external auditors at least twice a year without the presence of Management or Executive Directors to discuss any key concerns and obtain feedback.
Audit findings/internal control/compliance	To review the findings of major investigations, routine audit findings, internal controls and compliance issues reported by the internal, external and regulatory auditors, and to ascertain that appropriate and prompt remedial actions are taken by Management.
Others	(a) To engage on a continuous basis with Senior Management in order to be kept informed of matters affecting the Group. (b) To convene meetings with internal auditors, external auditors or both whenever deemed necessary. (c) To review the semi-annual and annual financial statements for submission to the Board of Directors of the Company and the respective Malaysian financial institutions within the CIMB Group Holdings Berhad and ensure prompt publication of annual financial statements. (d) To review the quarterly results of the Group, prior to the approval by the Board of Directors, focusing particularly on: – any change in accounting policies and practices. – significant adjustments arising from the audit. – the going concern assumption. – compliance with applicable financial reporting standards and other legal or regulatory requirements. (e) To review all related party transactions and keep the Board of Directors informed of such transactions.

SHARIAH COMMITTEE REPORT

The CIMB Group Board Shariah Committee (Group Shariah Committee), which was established under CIMB Islamic Bank Berhad, is tasked with the responsibility to assist CIMB Group's Board of Directors (the Board) in conducting oversight on Shariah matters pertaining to the Group's Islamic banking and financing activities. Although the Board is ultimately responsible and accountable for all Shariah matters under the Group, the Board relies on the independent advice of the Group Shariah Committee on the same.

The main role of the Group Shariah Committee is to assure and advise the Board that the Group's Islamic banking and finance operations do not contain elements or activities that are not permissible under Shariah. In undertaking their duties in overseeing the Islamic operations in Malaysia, the Board and the Group Shariah Committee shall be guided by the decisions, views and opinions of the Shariah Advisory Council of Bank Negara Malaysia, (BNM) the Securities Commission of Malaysia (SC) and the Labuan International Business and Financial Center, while for operations in other countries, they shall take into consideration the decisions, views and opinions of the relevant authority on Shariah matters (if any), sanctioned by law/regulation to be followed by the Group, and where such competent views and opinions on Shariah are not available, then they shall be guided by the Shariah as generally practiced in the respective countries as well as international best practice, where practicable.

The Group Shariah Committee is also responsible for providing an independent assessment that the operations of the Islamic banking and finance business of CIMB Group have been done in conformity with the Shariah, as decided and opined by the Group Shariah Committee and with such Notices, Rules, Standards, Guidelines and Frameworks on Shariah matters as announced and implemented by relevant financial regulators in the relevant jurisdictions that the Group's Islamic banking and finance businesses are undertaken at any point in time. The Group Shariah Committee consists of nine (9) Independent Members, two (2) of whom are members of the Board of Directors. All nine members (9) have the pre-requisite Shariah qualifications imposed by BNM.

Name of Group Shariah Committee Member	Nationality	Status	Number of Committee Meetings	
			Held	Attended
Sheikh Associate Professor Dr. Mohamed Azam Mohamed Adil	Malaysian	Chairman/ Independent Member <i>* Date Joined: 1 November 2014</i>	1	1
Sheikh Professor Dr. Mohammad Hashim Kamali	Canadian (Malaysia PR)	Independent Member	6	5
Sheikh Dr. Nedham Yaqoobi	Bahraini	Independent Member	6	4
Sheikh Dr. Haji Mohd Nai'm Haji Mokhtar	Malaysian	Independent Member	6	5
Sheikh Associate Professor Dr. Shafaai Musa	Malaysian	Independent Member	6	4
Sheikh Dr. Yousef Abdullah Al Shubaily	Saudi Arabian	Independent Member	6	6
Sheikha Professor Dr. Noor Inayah Yaakub	Malaysian	Independent Member	6	6
Sheikh Muhamad Taufik Ridlo	Indonesian	Independent Member <i>* Date Joined: 1 April 2014</i>	5	5
Sheikh Professor Dato' Dr. Sudin Haron	Malaysian	Independent Member <i>* Date Joined: 1 November 2014</i>	1	1

MAIN ACTIVITIES IN 2014

The Group Shariah Committee reviewed and advised on about 135 proposals by CIMB Group for new Islamic consumer banking products and services together with their documents; out of which 98 proposals were approved. The Group Shariah Committee also reviewed and advised on about 90 proposals by CIMB Group for new wholesale banking deals and their documents, out of which 72 proposals were approved.

The Group Shariah Committee also noted, reviewed and endorsed the following and was satisfied that each had been done effectively and in conformity to relevant requirements:

1. The allocation of profit and charging of losses relating to investment accounts;
2. All contracts, transactions and dealings entered into by CIMB Group during the year ended 31 December 2014;
3. All earnings that may have been realised from sources or by means prohibited by Shariah for purpose of disposal to charitable causes.

The Group Shariah Committee also reviewed and approved CIMB Group's new policies and procedures manual, including variations and amendments to the existing policies and procedures manual, and marketing and branding collaterals, sales brochures for products and campaign materials.

The Group Shariah Committee has also reviewed and updated the system of monitoring and reporting which provides the necessary internal controls in line with the Islamic Financial Services Act 2013 ("IFSA") and Shariah Governance Framework to ensure that any new Islamic financial transactions are properly authorised and transacted in accordance with the requirements of Shariah; the Group's assets and liabilities under its Islamic banking and finance balance sheets are safeguarded against possible Shariah non-compliance; and, that the day to day conduct of its Islamic banking and finance operations does not contradict Shariah principles.

The Group Shariah Committee also assessed the independent work carried out for Shariah Review and Shariah Audit under the established system of internal control, which included the examination, on a test basis, of each type of transaction, of relevant documentation and procedures adopted by CIMB Group. Apart from the above, the Group Shariah Committee also reviewed and approved CIMB Group Shariah Risk Management Framework, and also the revision of CIMB Group Shariah Compliance Policy and General Procedures Manual, CIMB Group Islamic Operational Risk Management Framework and CIMB Group Shariah Compliance Review Policies and Procedures Manual for 2014.

INTERNAL CONTROL FOR SHARIAH COMPLIANCE

In making an independent assessment and confirmation on Shariah compliance of the Islamic banking and finance business of the Group, the Group Shariah Committee recognises the importance of the need for CIMB Group to maintain and reinforce the highest possible standards of conduct in all of its actions, including the preparation and dissemination of statements presenting fairly the Shariah compliant status of its Islamic banking and finance businesses through the establishment of a system of internal controls that is augmented by written policies and procedures, the careful selection and training of Shariah qualified staff, the establishment of an organisational structure that provides an appropriate and well-defined division of responsibility within the Management and the effective communication of Shariah policies and guidelines to all staff throughout CIMB Group. The internal control system is based on the following parameters:

1. The Management has a professional and qualified staff of Shariah researchers that support the Group Shariah Committee in the decision making and deliberations process, providing check and balance through independent assessment of all matters to be presented to the Group Shariah Committee by the Management.
2. The Management has a Shariah review framework that operates on a front to back basis comprising of self-assessment/self-reporting mechanism and periodic independent review undertaken by Group Compliance Department under the Group General Counsel Division.
3. The Management has a robust Shariah risk management framework covering the first, second and third line of defenses with strong independent oversight undertaken by Group Risk Management as the second line of defense.
4. Availability of a strong team of internal auditors who conduct periodic Shariah audits of all the Group's Islamic banking and finance operations on a scheduled and periodic basis.

The Group Shariah Committee is further supported by external auditors that would have full and free access to, and meet periodically with the Group Shariah Committee as well as the Group Audit Committee to discuss their audit processes and findings as to the integrity of the Group's Shariah compliance in its Islamic banking and finance activities and the adequacy of the system of internal controls to detect non-compliance to Shariah.

TRAINING

Listed below are the seminars and training events which Group Shariah Committee Members attended to keep abreast of the latest market trends and developments:

Group Shariah Committee Member	Trainings attended
Sheikh Associate Professor Dr. Mohamed Azam Mohamed Adil	- Syarahan Pengajian Syariah by Prof. Emeritus Dato' Paduka Mahmood Zuhdi Abd Majid, UM, Kuala Lumpur, Malaysia. - Muzakarah Penasihat Syariah Kewangan Islam 2014 Kali ke 9, Kuala Lumpur, Malaysia. - KLIFF 2014, Kuala Lumpur, Malaysia. - Public Lecture by Prof. Johan Galtung, IAIS Malaysia, Kuala Lumpur, Malaysia. - JUST Intercivilisational Youth Leadership Programme (IYLP), IAIS Malaysia, Kuala Lumpur, Malaysia. - Public Lecture by Prof Suleyman Derin, Marmara University Istanbul, IAIS Malaysia, Kuala Lumpur, Malaysia. - CIMB Group Director Induction Programme, Kuala Lumpur, Malaysia. - Wacana Natrah, UM, Kuala Lumpur, Malaysia. - Seminar on Gender & Islamic Legal Reform, IAIS Malaysia, Kuala Lumpur, Malaysia. - Anti-Money Laundering & Anti-Terrorism Financing Updates for Director, Kuala Lumpur, Malaysia. - Public Lecture on Islam & the Future of Human Civilisation by Emeritus Professor Datuk Dr Osman Bakar, UBD, Brunei, IAIS Malaysia, Kuala Lumpur, Malaysia.
Sheikh Professor Dr. Mohammad Hashim Kamali	- Lecture on French Foreign Policy in the Challenging World: Moderation as Framework in addressing Non-Traditional Security Threats by Dr Pascal Boniface, Kuala Lumpur, Malaysia. - Dialogue on Diversity, Peace and Diplomacy, Putrajaya, Malaysia. - International Buddhist-Muslim Forum on Peace and Sustainability, Kuala Lumpur, Malaysia. - Shariah Advisers Workshop on "Ranking of Rights in Capital Market Products", Kuala Lumpur, Malaysia. - New Conversations in Islamic and Christian Political Thought Affections, Art and Contemporary Practice, Oxford, United Kingdom. - Workshop on Understanding Concept and Mechanics of Derivatives Market Products, Kuala Lumpur, Malaysia. - Peace and Security Forum 2013, Kuala Lumpur, Malaysia. - Intellectual Discourse on the Concept of Al-Wasatiyyah and the Place of Islamic Moderation, Kuala Lumpur, Malaysia. - Conference on the Transformation of Security and Fundamental Rights, Legislation Rights and Responsibilities: Between Hope and Challenges. - Public Forum on Middle East Revisited: Geo Strategic Implications, Democratic Transformation Challenge and Economic Potential (Case of Egypt). - Roundtable with the theme "Peaceful Co-Existence: The Experience of Moderation in India", Kuala Lumpur, Malaysia. - Presentation on "Constitutional Interpretation and Adjudication and the Relationship between Executive and Parliament during Karzai Administration" at Concept and Program: Afghan Legal Studies Conference, Kabul, Afghanistan. - Presentation on "Afghanistan's Constitution Ten Years On: What are the Issues?", Kabul, Afghanistan. - Presentation on "Catholics and Muslims in Dialogue" at Catholic-Muslim Forum III Seminar, the Vatican City, Rome, Italy. - Attended the Shariah Adviser's Programme – Seminar on Exploring the Potential of Gold as Underlying Asset in Islamic Capital Market Products, Kuala Lumpur, Malaysia. - Presentation on Environmental Care for Mankind's Benefit: The Islamic Perspective" at International Conference on Developing Synergies between Islam and Science & Technology for Mankind's Benefit, Kuala Lumpur, Malaysia. - Welcoming Remarks at International Conference on Developing Synergies between Islam and Science & Technology for Mankind's Benefit, Kuala Lumpur, Malaysia. - Attended a public lecture on "Global Tawbah" by Shaykh Hamzah Yusuf, PWTC, Kuala Lumpur, Malaysia. - Presented a talk on "Maqasid al-Shariah at the 5th Khazanah Islamic Finance & Investment Circle (KIFIC) meeting, Kajang, Malaysia. - Attended the 161st Shariah Advisory Council (SAC) Offsite Meeting, Langkawi, Malaysia.

Group Shariah Committee Member	Trainings attended
	• Opening Remarks at Workshop on Maqasid Al-Shariah: Youth and Civil Society Issues and Challenges, Kuala Lumpur, Malaysia. • Attended a lecture on Past Achievements and Present Challenges in the Muslim World by Dr Farhan Ahmad Nizami, Kuala Lumpur, Malaysia. • Opening Remarks at Public Lecture: “Constructing an Islamic Government and Rule of Law Index” by Imam Feisal Abdul Rauf, Kuala Lumpur, Malaysia. • Presentation at the Seminar on Women’s Leadership in Islam, Kuala Lumpur, Malaysia. • Opening Remarks at Public Lecture: “Women and Youth in Saudi Arabia: The Current Realities” by Ms. Ni’mah Ismail Nawwab, Kuala Lumpur, Malaysia. • Presentation on “Wasatiyyah and its Applications in Malaysia” at the Understanding Islam Seminar, Kuala Lumpur, Malaysia. • Opening Remarks at IAIS Public Lecture: “Peace Making Efforts among ASEAN Nations” by HE Emeritus Professor Surin Pitsuwan, Kuala Lumpur, Malaysia. • Opening Remarks at IAIS Public Lecture: “Islamic Education in the Intellectual Panorama of Turkey’s Higher Education: Ottoman Heritage, Recent Developments and Challenges” by Professor Dr Alparslan Acikgenc, Kuala Lumpur, Malaysia. • Presented a paper on “Shariah Regulations and Contemporary Reform of Waqf” at the 5th SC-OCIS Roundtable - Harnessing Waqf into a Bankable Social Financing and Investment Asset Class, Kuala Lumpur, Malaysia. • Attended the Forum for Promoting Peace in Muslim Societies, Abu Dhabi, UAE. • Welcoming Remarks and Presentation at the Music Spirituality and Islam, IAIS Malaysia, Kuala Lumpur, Malaysia. • Presentation on “Good Governance and Anti-Corruption Campaign in Afghanistan”, IAIS Malaysia, Kuala Lumpur, Malaysia. • Concluding Remarks and Recommendations at the International Conference, “Shari’ah Objectives (Maqasid Al-Shari’ah) in Mu’amalat and Contracts,” IAIS Malaysia, Kuala Lumpur, Malaysia. • Presented a paper on Maqasid Relating to Preservation of Wealth (Hifz al-Maal) at the International Conference, “Shari’ah Objectives (Maqasid Al-Shari’ah) in Mu’amalat and Contracts,” IAIS Malaysia, Kuala Lumpur, Malaysia. • Presented a paper on Maqasid al-Shari’ah: Methodology and Classifications at the International Conference, “Shari’ah Objectives (Maqasid Al-Shari’ah) in Mu’amalat and Contracts,” Kuala Lumpur, Malaysia.
Sheikh Dr. Nedham Yaqoobi	• AAOIFI Shariah Conference, Manama, Bahrain. • Dallah Barakah Symposium on Islamic Economy, Jeddah, Saudi Arabia. • Muzakarah Penasihat Syariah, Kuala Lumpur, Malaysia. • Kuala Lumpur Islamic Finance Forum 2013, Kuala Lumpur, Malaysia. • 9th International Shariah Scholars Forum, Kuala Lumpur, Malaysia
Sheikh Dr. Haji Mohd Nai’m Haji Mokhtar	• Persidangan Transformasi Perundangan Berhubung Dengan Keselamatan Dan Hak Asasi, Kuala Lumpur, Malaysia. • Bengkel Dalam Jawatankuasa Isu Harta Al-Mafqud (BMU), Kuala Lumpur, Malaysia. • Global Forum On Best Practices In One Stop Services 2013: Harnessing The Power Of Collaborative Innovation In One Stop Service (OSS), Subang Jaya, Malaysia. • Forum Kursus Pentadbiran Harta Pusaka Mengikut Perspektif Islam, Kuala Lumpur, Malaysia. • Slot Dinamika Perundangan, Kuala Lumpur, Malaysia. • Undang-Undang Jenayah Syariah Majlis Ilmu 2013, Bandar Seri Begawan, Brunei. • Seminar on Islamic Law in Practice with Global Perspective, Kuala Lumpur, Malaysia. • International Conference on Syariah Objectives (Maqasid Al-Syariah) in Muamalat and Contracts (IAIS), Kuala Lumpur, Malaysia. • Public Talk On Hudud Law by YABhg. Tun Abdul Hamid Mohamad, Former Chief Justice of Malaysia (IAIS), Kuala Lumpur, Malaysia. • Persidangan Imam Besar Peringkat Kebangsaan 2014, Shah Alam, Malaysia. • Forum Literasi Undang-Undang Syariah Bahagian Sokongan Jabatan Kehakiman Syariah Terengganu di Dewan Konvensyen (Panel), Kuala Terengganu, Malaysia. • Seminar Hak-Hak Wanita Sebelum, Semasa dan Selepas Perkahwinan di Jabatan Kehakiman Syariah Malaysia (Panel), Putrajaya, Malaysia.

Group Shariah Committee Member	Trainings attended
	• Conference on Legal and Judicial Legacies of Empire, London, United Kingdom. • Forum Untuk Kursus Mengenai Hak-Hak Wanita Dalam Undang-Undang Kekeluargaan Islam dan Sivil (Panel), Bangi, Malaysia. • Forum Majlis Perdana Ulama-Ulama dan Anugerah Masjid Malaysia 2014 Bersama YAB Perdana Menteri (Moderator), Putrajaya, Malaysia. • Seminar Kebangsaan Islam dan Tajdid 2014, Shah Alam, Malaysia. • Forum on “Women and the Law in Malaysia”, Kuala Lumpur, Malaysia. • Dialog Kinabalu Mengenai Isu-Isu Pendakwaan & Penguatkuasaan Undang-Undang Kesalahan Syariah, Kota Kinabalu, Malaysia. • Wacana Ilmu INTAN “Leadership and Transformation: Building Capabilities for The Future”, Kuala Lumpur, Malaysia. • Seminar Psikologi dan Kaunseling Kementerian Pendidikan Malaysia Tahun 2014: “Sejahtera di Rumah, Sejahtera di Tempat Kerja” (Penceramah), Shah Alam, Malaysia. • Forum Amalan Penamaan Harta Pusaka Orang Islam di Malaysia: Salah Guna atau Salah Tafsir Untuk Kursus Pentadbiran Harta Pusaka Mengikut Perspektif Syariah (Moderator), Bangi, Malaysia. • Program Psikologi Pembelajaran: “Keluarga Bahagia, Hidup Sejahtera” (Penceramah), Putrajaya, Malaysia. • Seminar “Entitlement & Division of Assets for Muslim”, Kuala Lumpur, Malaysia. • Seminar of The Working Party on Mediation in the Context of the Malta Process, Kuala Lumpur, Malaysia. • Muzakarah Fiqh, Sepang, Malaysia. • Seminar Keluarga Dalam Pelaksanaan Syariah 2014 (Ucaptive), Shah Alam, Malaysia. • Seminar Integriti Alam Perkahwinan (Panel), Melaka, Malaysia. • Seminar on Gender and Islamic Legal Reform, Kuala Lumpur, Malaysia. • Muzakarah Penolong Pendaftar Nikah Negeri Selangor 2014 : Peranan dan Fungsi Hakam Menurut Perspektif Islam di Intekma (Panel), Shah Alam, Malaysia. • Seminar Perkakasan Integriti Keluarga dan Kanak-Kanak 2014 (Ucaptive), Serdang, Malaysia. • Seminar Undang-Undang Jenayah Islam Kebangsaan 2014 i (Panel), Bangi, Malaysia.
Sheikh Associate Professor Dr. Shafaai Musa	• Bengkel Pemantapan Garis Panduan Hiburan, JAKIM. 2014, Bangi, Malaysia. • Muzakarah Panel Pakar Syariah JAKIM kali ke 85, Shah Alam, Malaysia. • Muzakarah Cendekiawan Syariah Nusantara 2014, Johor Bahru, Malaysia. • Muzakarah Panel Pakar Syariah JAKIM kali ke 86, Shah Alam, Malaysia. • Muzakarah Ahli Majlis Penasihat Syariah Institusi Kewangan di Malaysia kali ke 10, Kuala Lumpur, Malaysia. • Expert Panel Discussion for Focus Group Discussion Relating to Validation of a Framework for the Assessment of Claims for Construction Works Loss in Contractor's All Risk Takaful, Kuala Lumpur, Malaysia. • Corporate Directors Leadership Course, Kuala Lumpur, Malaysia. • Seminar Pelaburan Emas, Kuala Lumpur, Malaysia.
Sheikh Dr. Yousef Abdullah Al Shubaily	• AAOIFI Shariah Conference, Manama, Bahrain. • Dallah Barakah Symposium on Islamic Economy, Jeddah, Saudi Arabia. • 5th Abu Dhabi Islamic Bank Conference, Abu Dhabi, UAE. • 6th Shura Fiqh Conference, Kuwait City, Kuwait. • 6th Research and Studies Consulting Islamic Banking Conference, Doha, Qatar.
Sheikha Professor Dr. Noor Inayah Yaakub	• International Conference on Waqf, Putrajaya, Malaysia. • Muzakarah Penasihat Syariah, Kuala Lumpur, Malaysia.

Group Shariah Committee Member	Trainings attended
Sheikh Muhamad Taufik Ridlo	- Dewan Syariah Nasional (DSN) Ijtima' Sanawi (Annual Meeting) X "Peran Dewan Pengawas Syariah dalam Menyongsong Masyarakat Ekonomi ASEAN (MEA), Jakarta, Indonesia. - Kuala Lumpur Islamic Finance Forum, 2014, Muzakarah Penasihat Syariah Kewangan Islam, Kuala Lumpur, Malaysia. - Kuala Lumpur Summit 2014, "Civil State and the Islamic Perspective" Kuala Lumpur, Malaysia. - Round table discussion on Democrat Islamist Hosted by Global Movement of Moderates GMM in Partnership With Fiqh Department of the IIUM, 2014, Kuala Lumpur, Malaysia. - Summer camp for Indonesian Muslim Community in Netherlands, 2014, Wageningen, Netherlands. - Rapat pleno Dewan Syariah Nasional Majelis Ulama Indonesia (DSN MUI) putusan fatwa No. 95 tentang Surat Berharga Syariah Negara (SBSN) Wakalah, 2014, Jakarta, Indonesia. - Rapat pleno Dewan Syariah Nasional Majelis Ulama Indonesia (DSN MUI) putusan fatwa No. 94 "REPO Surat Berharga Syariah (SBS) berdasarkan prinsip Syariah, 2014, Jakarta, Indonesia. - Rapat Pleno Dewan Syariah Nasional Majelis Ulama Indonesia (DSN MUI) putusan fatwa No. 93, Keperantaraan "Wasathah" dalam bisnin property, 2014, Jakarta, Indonesia.
Professor Dato' Dr. Sudin Haron	- Melati Ehsan Bhd GST Workshop, Kuala Lumpur, Malaysia. - CIMB Group Director Induction Programme, Kuala Lumpur, Malaysia. - Anti-Money Laundering & Anti-Terrorism Financing Updates for Director, Kuala Lumpur, Malaysia.

TERMS OF REFERENCE OF THE GROUP SHARIAH COMMITTEE

Area	Responsibilities
Shariah Advisory	- To advise CIMB Group's Board of Directors and/or the Management on Shariah matters in order to ensure that the Islamic banking and finance business of CIMB Group are Shariah-compliant at all times. - To advise for the referral of issues to the Shariah Advisory Council BNM and/or any other competent authority on Shariah in any relevant financial regulators on any Shariah matter that requires their endorsement.
Settings of Policies and Framework	- To set the policies and procedures for CIMB Group's Islamic banking and finance business, to endorse the Shariah Compliance Manual and all the Manuals governing the Islamic banking business of CIMB Group including the Terms of Reference of the Group Shariah Committee and to suggest for their revision, improvement and updates from time to time as may be necessary. - To review and endorse BNM Shariah Governance Framework (SGF) as provided by various tools such as Shariah Compliance Manual and various implementation functions within CIMB Group including Shariah research, Shariah review, Shariah audit and Shariah risk management.
Shariah Rulings	- To ensure high standards in arriving at Shariah decisions through a proper Shariah deliberation process. - To supervise and monitor the decision making of the other Shariah Committees formed within CIMB Group in Malaysia or other jurisdictions.
Others	- To keep abreast of the latest development of Islamic banking business globally, regulatory changes affecting CIMB Group's business, the rulings made by the Shariah Advisory Councils of BNM and SC and the changes in the latest Shariah research, Ijtihad, Fatwas or findings. - To engage actively in deliberating Shariah issues presented before the Group Shariah Committee.

FUNCTIONS & REPORTS

Internal Shariah Audit Function

In carrying out an audit, the Group Internal Audit Division (GIAD) provides independent assurance on the efficiency and effectiveness of the internal control systems and related policies and procedures implemented by Management governing Islamic products and services. Evaluation of governance, risk management, controls and compliance with Shariah rules and principles is carried out by conducting a process walk through, interviews with staff, and testing of samples of transactions or documentations. GIAD makes recommendations for improvements and enhancements where appropriate. Findings related to Islamic products and services are reported to the Group Shariah Committee. GIAD's scope of Shariah Audit coverage encompasses all business and support units that deal in Islamic products and services, except for CIMB Niaga which has its own internal audit division and CIMB Middle East (BSC) (C) for which its internal audit function is outsourced. All material findings arising from audits carried out by GIAD, whether relating to Islamic or conventional products and services are presented to the Group Audit Committee. The selection of the units to be audited from the audit universe is based on an annual audit plan that is developed based on assessment of risks, exposures and strategies of the Group. Units that are assessed to be high risk are subject to an annual audit, while those that are assessed to be medium or low risk are subject to a cycle audit. Notwithstanding the risk assessment, the annual audit plan will include units that must be audited annually due to regulatory requirements, recent incidence of fraud or 'High Risk' audit rating in the past year. GIAD also undertakes investigations into alleged frauds by staff, customers and third parties, and recommends appropriate improvements to prevent recurrence and actions against persons responsible.

Seventeen (17) staff in the pioneer batch seeking for Islamic Finance Qualifications, which is supported by the Islamic Banking and Finance Institute Malaysia (IBFIM) have successfully passed the foundation and intermediate level examinations. Fourteen (14) of these staff sat for the advanced level examination in January 2015 and are awaiting results. The second batch of GIAD staff will undergo this programme scheduled to commence in Quarter 1, 2015.

In 2014, an external assessment of GIAD's internal audit activity was conducted by a top 3 accounting firm in Malaysia. Based on their Internal Audit Maturity Model comprising of 5 levels, namely Leading, Advanced, Established, Developing, and Basic, they concluded that in 22% GIAD meets Leading and Advanced practices, in 72% GIAD meets Established practices and in the balance of 6% GIAD meets Developing practices.

As a means to objectively evaluate its service quality and to ensure it continues to improve its service delivery, GIAD appointed a leading certification body to conduct an assessment on its quality management system in 2014 and has been awarded the ISO 9001:2008 Certification for internal audit services, a first for a financial institution in Malaysia.

Internal Shariah Audit Reports

Audit reports prepared by GIAD specifically highlight Shariah related matters where applicable. During the year, 300 audit assignments covering Islamic products and services were completed by GIAD.

Internal Shariah Risk Management Function

Shariah Risk Management (SRM) is a function to systematically identify, measure, monitor and control Shariah non-compliance (SNC) risks in the Group's Islamic banking and financing activities to mitigate any possible SNC events. This control function is part of the Group's Enterprise-Wide Risk Management Framework. The Group adopts the BNM SGF definition of SRM and accordingly, scopes our SRM activities to manage risks of Shariah non-compliance.

Monitoring of Shariah compliance and Shariah governance is carried out through Shariah Review and Shariah Audit functions, supported by SRM Centre of Excellence (CoE) control process and Group Shariah & Islamic Legal Department. SRM CoE also actively participates in the Islamic product development discussions to ensure that all inherent SNC risks are appropriately identified, managed and controlled. In addition, SRM CoE reviews all P&P that are applicable to Islamic financial services and provides its sign off in ensuring SNC risk inherent in business processes are adequately identified and effectively controlled.

SRM CoE leverages on the existing ORM system for the Designated Compliance & Operational Risk Officer (DCORO) to register SNC risk inherent in their areas and assess the effectiveness of their existing controls in the Risk Control and Self Assessment (RCSA) report. All RCSAs submitted by the SBUs will be validated by SRM CoE taking into account existing controls that have been put in place.

Training on SNC risk will continue to be provided to DCORO and staff of SBUs to enhance their awareness, hence facilitating the risk identification and SNC event reporting.

SRM CoE and ORM CoE will jointly analyse the potential impact of any SNC events, based on the historical trends and actual SNC income. The effectiveness of existing controls will be reviewed and additional measures will be introduced, if necessary to avoid recurrences.

Internal Shariah Risk Management Reports

In July 2014, the CIMB Group Shariah Risk Management Framework (SRMF) was approved and implemented in Malaysia and Singapore. The SRMF articulates the objectives, mission, guiding principles, governance structure as well as methodology and approach adopted by the Group in managing SNC risk.

SNC risk is defined as the Group's possible failure to comply with Shariah rulings as determined by SAC of BNM and SC; Group Shariah Committee; other Shariah regulatory authorities of the jurisdiction in which the Group operates; and also as prescribed in our internal P&P. It may be due to people, process, system and external events. It exposes the Group to fund provider's withdrawals, loss of income or nullity of contracts leading to a diminished reputation or the limitation of business opportunities.

In this regards, the SRMF provides a systematic, consistent approach in the process and methodology for SRM across the Group, hence reducing its exposures to unexpected losses. Various control measures have been put in place to prevent, detect, escalate and rectify SNC events, where necessary. The SNC income, if any, will be purified as advised by the Group Shariah Committee.

Internal Shariah Compliance Review Function

In line with the Bank Negara Malaysia's Shariah Governance Framework for Islamic Financial Institutions, the Shariah Compliance Review Unit ("SCRU") of the Group Compliance Department, comprising qualified Shariah officers, is responsible for conducting the Shariah compliance review function.

Internal Shariah Compliance Review Reports

The SCRU has established the CIMB Group Shariah Compliance Review Policy and Procedures Manual which sets out the Shariah compliance review function, encompassing regular assessment on Shariah compliance in the activities and operations of CIMB Group, including examining and evaluating CIMB Group's level of compliance to the Shariah, remedial rectification measures to resolve non-compliances and control mechanisms to avoid recurrences.

In ensuring the activities and operations of CIMB Group are Shariah compliant, the Shariah compliance review officer shall conduct pre- and post-review of CIMB Group's activities and operations as per the Shariah compliance review work plan approved by the Group Shariah Committee and the respective Boards.

The Group Shariah Committee and the respective boards are provided with Shariah compliance reports on a regular basis to facilitate the Group Shariah Committee/Boards having a holistic and overall view of all Shariah compliance matters.

Shariah Research Function

The Shariah Research Function is undertaken by the Shariah Research Unit, which reports directly to the Group Shariah Committee and administratively to the Head of Group Shariah and Islamic Legal. The function basically assists and supports the Group Shariah Committee to conduct pre-approval review, perform in-depth comprehensive research and studies of Shariah issues in proposals submitted by various business and support units throughout CIMB Group for Group Shariah Committee's approval, providing an independent assessment of the same. This function ensures proper deliberation by the Group Shariah Committee. This also includes the provision of day-to-day advice based on the decisions and Shariah rulings of the Group Shariah Committee to those units throughout CIMB Group. This function also undertakes the administrative and secretarial matters relating to Group Shariah Committee. In carrying out its tasks, Shariah Research Unit is guided by the CIMB Group Shariah Compliance Policy and General Procedures Manual and the BNM SGF.

Shariah Research Reports

The Shariah Research Unit provides direct input to the Group Shariah Committee on issues related to new products, services, business deals, policies, procedures and marketing materials and reviews and conducts research where necessary to assist members of the Group Shariah Committee in making appropriate deliberations and decisions. Together with the Company Secretary under the Group General Counsel Division, the unit facilitates the issuance of Group Shariah Committee approvals where appropriate and disseminates such approvals to the relevant business units. In addition, the unit attends meetings and briefings on Shariah matters with industry regulators and associations, raises Shariah compliance awareness within CIMB Group and maintains records of Shariah rulings and decisions of the Group Shariah Committee for internal research and advisory purposes.





CIMB
&
YOU

TOGETHER
WE ARE BETTER


CIMB
FOUNDATION

HUMAN CAPITAL GROWTH AND TALENT DEVELOPMENT INITIATIVES

TALENT MANAGEMENT

In becoming a leading regional franchise, we need leaders with distinctive traits and competencies to have a competitive edge and to grow the organisation. This demands rigour and consistency in our talent management process as well as line management ownership and direct involvement in executing end-to-end talent management throughout the business.

In 2014, we set up Talent Review Councils across the Group's businesses to drive the execution of our Talent Management Framework. These councils take ownership of the talent management outcomes in their respective jurisdictions, including identifying and developing high potential candidates, addressing critical vacancies and succession concerns, strategic hiring and transition plans.

These councils are an integral part of the Group's talent management process. Overseen by the Talent Review Board, they are responsible for the review and endorsement of strategic talent management related policies, and ensuring that it is in line with the business objectives and expectations of the various stakeholders across the region.

TRAINING AND DEVELOPMENT

In 2014, CIMB Group spent about RM85 million on training. Over and above skills development, our training sessions are often platforms for regional networking and opportunities to promote strength in diversity.

We value both "Diversity Within Banking" and "Diversity Beyond Banking", and deliver our commitment to these values at the start of the careers of our management trainees.

In terms of "Diversity Within Banking", our flagship universal banking management training programme, The Complete Banker Programme™ (TCB), provides three tracks of career specialisation: Investment Banking, Consumer Banking and Asset Management. All three provide for rotation at both business and support units, and offer exceptional opportunities for peer learning and networking across cultures.

TCB started in Malaysia a decade ago, and later included Indonesia, Singapore and Thailand. In 2014, we expanded our TCB recruitment footprint to cover our Hong Kong and Australian offices.

A good banker is one with perspectives of other industries. Likewise, a young graduate who possesses banking knowledge and experience is also an asset to his company. On this principle of "Diversity Beyond Banking", we invented CIMB Fusion, which offers a unique proposition: employment opportunities in two different industries at sign-up.

From one partner in 2012, CIMB Fusion expanded to include five more big brands in 2013: PwC, Accenture, HP, FCB KL, ZICOLaw and Teach for Malaysia. In 2014, the programme was named the Best Graduate Management Trainee Programme by at the Malaysia's 100 Leading Graduate Employers Awards 2014.

Whether our management trainees are in TCB or CIMB Fusion, they embrace strength in diversity by working with colleagues of different academic disciplines, work experience, cultures, and nationalities. Through immersion in both support and business functions, they develop into truly broad-minded universal bankers.

As they move up, we have Essentials of Universal Banker for our junior managers, while our middle managers are groomed via the CIMB-Nanyang Technological University (NTU) Accelerated Universal Bankers Programme that also serves as a platform for networking and collaboration amongst middle management across the region since 2010. These programmes are also open to our experienced hires.

CIMB strongly believes that competent and engaged middle managers are critical to the success of an organisation, being the link between executives and senior management. CIMB-NTU has seen participants from Malaysia, Indonesia, Singapore, Thailand and Cambodia. This six-month programme builds on the universal banking perspective of CIMB, and offers cross-border and cross-department perspectives. In 2014, we also incorporated the Service Learning Project into the programme to give experiential learning of community service. The objectives are to create social networking within the community, in line with our corporate theme "Network CIMB", and to develop greater awareness of our corporate social responsibilities.



After two years with PwC, these CIMB Fusioners start their stint with CIMB with a warm welcome from its Group Chief People Officer, Hamidah Naziadin.

We also have the CIMB Emerging ASEAN Leaders Award (or CIMB Emerald Award) to recognise and reward our middle managers. Our first batch of CIMB Emerald Award recipients are undergoing special leadership grooming as part of their reward, and we will be selecting our second batch in 2015.

Our leaders are actively involved in coaching, mentoring and teaching our up-and-coming talent. They understand both CIMB Group and the intricacies of the banking industry. To help 'institutionalise' their knowledge, we established a dedicated leadership development centre, the Commerce Leadership Institute (CLI) which focuses on key leadership positions across the Group and the top one percent of managers Group-wide, in order to strengthen our leadership pipeline and to foster bonds between present and emerging leaders of the Group. Our top management talent participates in the CIMB-INSEAD Leadership Programme.

Our CIMB-INSEAD programme continues to groom our senior management with participation from Malaysia, Indonesia, Singapore, Thailand, Hong Kong, Vietnam and Australia.

A significant initiative in 2014, however, was the launch of CIMB Accelerated Career Enhancement (CIMB ACE), our upward mobility scheme for our non-executives in Malaysia. Targeting clerks and non-clericals such as tea ladies, messengers and drivers, CIMB ACE offers training and development, career progression pathways, and incentives for higher qualifications. Training and development covered Personal Effectiveness, Creating Value for Customers, and Appreciating Banking Business. This initiative supports the Malaysian Government's initiative of "Program Majudiri 1Malaysia" to uplift non-executives and make Malaysia a high income nation.

We are also proud to have launched our Treasury & Markets Academy in November 2014 to enhance our product value chain, from product creation through to distribution. This was our third academy, after the Credit Academy and Corporate Advisory Academy launched in 2013. These academies provide technical learning, allow the leveraging of knowledge "stored" in different parts of the organisation, and help institutionalise expertise across CIMB.

In 2014, we also launched our refreshed CIMB Competency Framework to further align the strategic and business needs of the organisation while providing greater clarity for staff in terms of development needs, and for performance assessment.



CIMB staff happily became art teachers for a day for underprivileged children living off Kota Kinabalu, as part of giving back to society. This was one of the activities by the alumni of Explorers Expedition programme organised by CLI to groom young leaders.

HOLISTIC REWARDS SYSTEM

Our comprehensive rewards system ensures that our people are competitively-remunerated while enjoying opportunities for learning and progression. As an organisation that places a premium on high performance, our rewards are performance-based. Variable bonus is paid based on how well the company, business units and individuals perform. We also offer share equity to our senior staff so that they enjoy commensurate rewards from the success of the organisation. We keep CIMB competitive with regular benchmarking exercises of our pay and benefits across the region.

CIMB offers broad-ranging employee benefits that enhance our people's personal and professional well-being. These benefits include, amongst others, hospitalisation, medical and dental benefits (including for families), extended maternity leave, staff rejuvenation programme (that provides for unpaid leave up to six months without loss of seniority or benefits), and special rates for car loans and home mortgages. Beyond the mandatory contribution to the Employee Provident Fund, Malaysians receive an extra 3% or 4% (depending on salary level) to a Private Retirement Fund.

We have a child care centre at Menara Bumiputra Commerce (MBC), and are looking to setting up another at Menara CIMB. We have mother's rooms at both buildings. Staff enjoy sporting and recreational activities regularly organised by our Sports & Recreation Department. We also have gymnasiums at both buildings and a physiotherapy room at Menara CIMB.

CIMB is a talent-obsessed organisation. Over and beyond the talent development programmes that CIMB organises for its staff, employees are also encouraged to seek higher education on their own. We gave out scholarships and sponsorships worth more than RM1 million in Malaysia for staff and their children in 2014.

DIVERSITY IN HUMAN CAPITAL GROWTH

Strength in diversity is one of CIMB's values. We respect different cultures, value varied perspectives, and recognise diversity as a source of strength across our network of employees. As a regional franchise, CIMB employees embrace multicultural perspectives to better serve our customers.

In practical terms, we deliver on CIMB's diversity by bringing people from different businesses and geographies together, to work and learn from each other at all levels of the company. Adopting a top-down and a bottom-up approach, we put people together in learning and training, on working committees, on special projects, management committees and also our Board of Directors. This is cemented through activities including sports and voluntary humanitarian efforts.

CIMB practises a people policy that harnesses local talents while treating diversity as an asset. As such, at the divisional level, CIMB strives for an employee ratio of 70% locals, 20% regional, and another 10% who are in leadership. The 20% regional employees include direct hires and our Global Employee Mobility participants.

Our Regional Committees strive for 30% non-locals, as this gives our leaders broader perspectives for their decision making. Our regional learning programmes also actively strive for 70% local and 30% regional in their learner composition.

Leadership training for our universal banker also focuses on diversity, i.e., what CIMB terms as 2 x 2 x 2 Principle (2 functions, 2 businesses, 2 geographies). This means senior leaders must serve in such capacities as they grow with CIMB.

We also take a holistic and blended approach to develop and deploy our people. Firstly, we have formal classroom-based training. Secondly, we encourage coaching, mentoring and exposure to various Group task forces and committees, and outward bound programmes. The third and possibly the most impactful component is on-the-job training, involving stretch assignments and regional mobility.

In 2014, we deployed 115 of our people on our Global Employee Mobility programme, enabling them to gain work experience in countries around the region. The deployment of talent across the region was mainly due to the completion of our 1Platform project in Malaysia and commencement in May 2014 in Indonesia and the opening of our Hong Kong branch.

Gender diversity is also something that CIMB is proud of. In Malaysia, 59% of our staff are women. Some 57% of our non-executives are women. At the junior management level, 64% are women while at the middle management, close to 50% are women.

Up the ladder, senior management (one level below C-suite), 42% are women. At the top executive level (C-suite) however, only 17% are women. At Group Management Committee, 13% are women, and at the board level, 22% of the seats are taken by women (with some women sitting on several boards).

The strength in gender diversity could be due to benefits and policies that women appreciate even if they are not specifically gender-targeted such as our Staff Rejuvenation Policy.

STAFF ENGAGEMENT

CIMB's culture has been an integral part of the bank's remarkable growth, as much as its strategy and operating model. With that understanding, CIMB has embarked on a project named "A Better CIMB" to recalibrate and strengthen its culture.

An engaged workforce is one that is aligned with the aspirations of the company. CIMB ensures that we engage our staff right at the start of their careers. Onboarding is a half day event, followed by a full-day orientation programme within the next few weeks, giving new employees a clear understanding of CIMB Group's strategic direction and values.

In 2014, we also launched a virtual onboarding portal to ensure a consistent onboarding message and to enhance the sense of unity in the Group. Equipped with the right information, new joiners can hit the ground running in their new jobs. In the phased roll-out, Malaysia and Singapore were the first countries to have the portal to be followed by Thailand and Indonesia soon.



Menara CIMB's staff gymnasium, which opens from 6.30am to 9.30pm (Mondays to Fridays), 8am to 1pm (Saturdays), is often packed after office hours. The gymnasium and physiotherapy room are some of the many facilities that enhance the well-being of our staff.

In a hyper-connected world, staff expects top management to speak to them directly. Both the Chairman and Group CEO have blogs, as do the country heads in Indonesia, Thailand and Singapore. The Group Chief People Officer also regularly engages staff through emails. CIMB has an intranet portal CIMBNET that can be accessed by employees across the globe. With a wider reach than any other internal platform, CIMBNET enables stronger collaboration and ensures better communication amongst our people.

To understand our staff better, we conducted a group-wide employee engagement survey in the second half of the year. The response was the highest in CIMB history. CIMB uses the results of the survey to continually improve ourselves. While we are above some global benchmarks for financial institutions, there are areas in which we can push ourselves to perform better.

One way of fostering goodwill is to have our employees from different businesses/units come together on non-work activities. This is done through two main channels: sports/recreational activities, and corporate responsibility/humanitarian acts.

Our Sports and Recreation Department organised many activities for staff. The highlight of the year was the CIMB SEA Games, which was hosted by Singapore and held at Iskandar, Malaysia.

Corporate social responsibility is part of CIMB's DNA. When we support people in our community, workplace, marketplace and environment, we build social sustainability and create long term value.

For more details on corporate responsibility and other aspects of the CIMB workplace, please read the accompanying Sustainability Report.

But over and above the direct contribution of CIMB as a corporate body, we encourage our employees to give back to the community and have a policy to reward community service days. We have Community Link projects that are proposed and championed by employees themselves.

During the year-end East Coast floods that displaced more than 220,000 people in peninsula Malaysia, CIMB employees rallied to support Mercy Malaysia and the Red Crescent Society by donating food and other essentials for flood victims through the CIMB Foundation. CIMB employees also set up a support network to help some 200 colleagues who were affected by the floods.

We also have a Staff Welfare Fund, which has helped many employees and their families get back on their feet after unexpected problems including natural disasters.

After a productive career, retirement is something our older employees look forward to. We hold pre-retirement programmes to ease retirees into the next phase of their lives. We also celebrate them and long service employees with awards and lunch.



CIMB ASEAN Stock Challenge 2014 finalists proudly show off their wins. With them are CIMB Group Chief People Officer, Hamidah Naziadin, and the judges.

TALENT DEVELOPMENT FOR CIMB MARKETPLACE

As a leader in banking, CIMB also supports talent development in the marketplace. Our CIMB ASEAN Stock Challenge provides university students in the region hands-on experience on cross border stock trading. We expanded our reach to include Cambodia in 2014 thus expanding the virtual stock challenge to universities in five countries.

As a responsible corporate citizen and answering the Malaysian government's call to support the growth of Bumiputera entrepreneurs, CIMB launched the CIMB Bumiputera Entrepreneur Skills Transformation (CIMB BEST) Programme that targets Bumiputera entrepreneurs of different levels of experience. The public can expect more programmes in 2015 alongside periodic public seminars by industry experts and sector specialists that would also serve as powerful business networking platforms. CIMB BEST would also give out scholarships to qualified and deserving CIMB BEST graduates.

And over and above this, in 2014, CIMB offered scholarships worth USD250,000 to five scholars from ASEAN, in the fields of botany, sports science, and fine arts.

RECOGNITION FOR CIMB'S HUMAN CAPITAL MANAGEMENT

CIMB was named as one of the 50 Leading Companies for Women in APEC by Japan's Ministry of Economy, Trade, and Industry. It was endorsed by APEC under the "Policy Partnership on Women and the Economy" aimed at raising awareness of women's contribution to business activities, and to contribute towards greater opportunities for women to take on more leadership roles and to be further included into economic activities.

CIMB Fusion was recognised as the Best Management Trainee/Graduate Programme at Malaysia's 100 Leading Graduate Employers Awards 2014.

CORPORATE RES



ATE PONSIBILITY

CORPORATE RESPONSIBILITY

Corporate responsibility is a belief that lies at the very heart of CIMB. It is not something we pay lip service to, but rather, something that we encourage our people to live and breathe. We believe that taking care of the people and communities we serve is of great importance. A happy, prosperous community is a good partner for us.



Young stars of CIMB YFA-Bintang Muda, our community football academy.

In the eight years of its existence, CIMB Foundation has made a difference to countless people in Malaysia and across the region. Our initiatives have helped millions raise their living standards and our education programmes have delivered great results for hundreds of poor, rural pupils.

In 2014, CIMB Foundation was involved in 65 community projects across Malaysia. The majority of these projects were run under our Community Link banner. Community Link leverages on our network of branches and

encourages staff and managers to reach out to the community to find out what they need. Once that information has been gathered, grants can be applied for from CIMB Foundation. All the approved initiatives are fully funded by the Foundation. This year we had a variety of projects such as Male Freshwater Prawn cultivation, a digital library for the deaf, futsal training for the disabled, preservation of a living museum in Melaka, feeding the poor in Brickfields and English theatre performances in schools.

In the world of sports, our juniors continued to do well, bringing home medals from the British Junior Open, the Japan Junior Open, the Asian Games and Youth Olympics. Squash led the way again this year not only for CIMB but also for the country, being the largest medal winning sport in 2014. Our football academy, YFA-Bintang Muda sent thirteen players to the Harimau Muda and state teams, making it the largest number ever for the academy. On the ground, YFB-Bintang Muda continued their hard work with wins in the 1MCC League for the U14s and a complete medal haul at the KL Junior League for the U7 to U12 teams. Every age group won a championship this year.

Our blind Paralympians also did us proud when they came back from the Hong Kong International Open Championships for football with a bronze medal.

One of the highlights of 2014 was the visit by Johan Cruyff, the famous former Dutch national footballer. He was in Kuala Lumpur for a separate function but made time to visit our Cruyff Court in Brickfields. He spent some time on the field with our junior footballers and our blind footballers, chatting and playing a little football with them.

Our prestigious CIMB Regional Scholarship awarded five new scholarships to five young and brilliant Southeast Asians who can now go on to read for their postgraduate degrees in the United Kingdom and China. These students went through a rigorous interview selection process with three interviews each in front of a regional panel. At the end, we awarded scholarships for Molecular Biology, Fine Art, Textile Arts, Dance Movement Psychotherapy and Forest Ecology and Conservation.



Johan Cruyff, famous former Dutch national footballer with our junior and blind footballers.



Staff at CIMB SEA Games 2014 which was held in Johor.

Our PINTAR partnership continues its success stories with poor, rural pupils being given access to extra English language classes and facilities from CIMB. In 2014, we adopted five schools in Kedah, bringing our total to ten, including the five in Perlis. Our contribution of PCs and English language software have gone a long way in encouraging these youngsters to use the language more often and with greater fluency. Our focus on English also led us to underwrite theatre performances in our adopted schools to encourage the children to sing, act and tell stories in English. All this promotes greater self-confidence and better results at the end of the year. 2014 was also the year we introduced non-academic awards for our PINTAR pupils. For the first time ever, awards were given to pupils with complete attendance records, pupils who represent the district, state or country; those who improved the most in terms of behaviour and those who did well in sports.

At the workplace CIMB continues to engage staff with self-defence classes, flower arranging classes and ketupat weaving classes. The CIMB SEA Games was held in Johor this year with enthusiastic participation from across our diverse network, ensuring that the bonds across CIMB remain strong.

SUSTAINABILITY REPORT EXCERPTS



COMMUNITY LINK: HEALTH

STOP HUNGER NOW

Stop Hunger Now is an international hunger relief organisation that coordinates the distribution of food and other life-saving aid around the world. The organisation's vision is a world without hunger; its mission is to end hunger in this lifetime. This can be achieved by providing food and life-saving aid to the world's most vulnerable and creating a global commitment to mobilise the necessary resources to stop hunger now.

COMMUNITY LINK: SOCIO-ECONOMIC

RUMAH AMAL HOPE GARDENING AGRICULTURAL PROGRAMME

The Rumah Amal Kulim was established in 1983 to cater to children with special needs. Rumah Amal Kulim has 58 students, of which 23 have been selected to join the Rumah Amal Hope Gardening Agricultural Programme. Most of these children are either slow learners, have Down's syndrome or are autistic. CIMB Foundation supported the Rumah Amal Hope Gardening Agricultural Programme to improve students' skills and generate sustained income for the centre.



COMMUNITY LINK: UNITY, CULTURE & HERITAGE

LIVING MUSEUM CONTENT DEVELOPMENT OF A POLYGLOT PRINTING PRESS IN MELAKA

CIMB Foundation helped TRP Heritage Sdn Bhd conserve the cultural heritage of a multilingual printing press known as The Royal Press, located in the historic city of Melaka. The project contextualises the social history of printing in Melaka, reflecting the unique social composition of this historic city. The project documents the interaction between languages that shaped the cultural formation of Melaka. The living museum is now open to the public and serves as an information centre, providing an intimate experience of the space and the craft.



EDUCATION

CIMB YOUNG LEADERS ASEAN SUMMIT

The CIMB Young Leaders ASEAN Summit is a learning opportunity offered to 50 of the most outstanding undergraduates from various educational institutions within the ASEAN region. The summit is modelled on the ASEAN Summit and coaches future leaders in the regional economic integration of ASEAN. Participants are exposed to and engaged with high level exercises that shape the region's supranational governance. These young leaders debated issues relating to the summit's theme of 'ASEAN as A Single Market: Diversity and Entrepreneurship'. This theme focused on the development of SMEs and innovation in a regional context.

SPORTS

SQUASH

CIMB has supported squash since 2005 when CIMB Investment Bank became the Rakan Sukan Squash in partnership with the National Sports Council (NSC) and the Squash Racquets Association of Malaysia (SRAM). The funding for the Junior Squash Development Programme is currently provided by CIMB Foundation.



REGIONAL CSR (THAILAND)

HEALTHCARE PROGRAMME

CIMB Thai held a health screening training workshop and exercise session which benefited the elderly and their caregivers. A talk was also delivered at Public Health Centre 19, Wong Sawang, Bangkok. CIMB Thai collaborated with the doctors of Folk Foundation and Institute of Continuous Education and Social Services, Thammasat University on a lecture discussing the prevention and treatment of osteoarthritis and Alzheimer's disease.

REGIONAL NOTABLE DEALS

REGIONAL M&A DEALS

Sapurakencana Petroleum Berhad

USD898 million acquisition of the entire issued and outstanding common shares of Newfield Malaysia Holding Inc. from Newfield International Holdings Inc



Malaysian Airline System Berhad

RM1.382 billion privatisation and subsequent delisting of Malaysian Airline System Berhad from the Main Market of Bursa Securities



Faber Group Berhad

RM500 million acquisition of 100% equity interest in Projek Penyelenggaraan Lebuhraya Berhad

RM651 million acquisition of 100% equity interest in Opus Group Berhad



Uni.Asia Capital Sdn Bhd

RM518 million disposal of 100% equity interest in Uni.Asia Life Assurance Berhad to Pramerica BSN Holdings Sdn Bhd

RM375 million disposal of its entire 68.1% equity interest in Uni.Asia General Insurance Berhad to Liberty Seguros, Compania de Seguros y Reaseguros, S.A.



Malaysia Airports Holdings Berhad

EUR209 million acquisition of 40% equity stake in İstanbul Sabiha Gökçen Uluslararası Havalimani Yatırım Yapım ve İşletme A.Ş. and 40% equity stake in LGM Havalimani İşletmeleri Ticaret ve Turizm A.Ş. in Turkey



Mobikom Sdn Bhd/ Telekom Malaysia Berhad

RM350 million subscription by Mobikom Sdn Bhd of new ordinary shares of RM1.00 each in Packet One Networks (Malaysia) Sdn Bhd, representing 55.3% of the enlarged issued share capital of Packet One Networks (Malaysia) Sdn Bhd

RM210 million subscription by Telekom Malaysia Berhad of an 8-year redeemable exchangeable secured bond programme, which may be exchangeable into Green Packet Berhad's stake in Packet One Networks (Malaysia) Sdn Bhd



Sime Darby Energy Sdn Bhd

RM300 million disposal of:

- (i) 75% equity interest in Port Dickson Power Berhad
- (ii) 100% equity interest in Sime Darby Biofuels Sdn Bhd



Corporate Travel Management

Adviser to the HKD354 million acquisition of the travel business of Westminster Travel Limited, jointly with RBS Morgans Corporation Limited



Singapore Medical Group Limited SGD7.6 million renounceable non-underwritten Rights Issue of up to 72.868 million New Ordinary Shares on the basis of one (1) Rights Shares for every two (2) Existing Ordinary Shares		Genting Hong Kong Limited Secondary listing by way of introduction of the Company on the Mainboard of the Singapore Exchange	
B.Grimm Power Limited USD162.9 million acquisition of 163 MW Gas Fired Cogeneration Power Plants in Thailand USD165 million Bridge and Term Loan Facilities for Acquisition Finance		TPG Capital USD117 million acquisition of a controlling stake up to 75% in Union Bank of Colombo PLC	TPG CAPITAL
SEEK Limited RM1.9 billion acquisition of 100% of the online employment businesses of JobStreet Corporation Berhad in Malaysia, Singapore, Indonesia, Philippines and Vietnam		Warrnambool Cheese & Butter Factory AUD603 million acquisition of Warrnambool Cheese & Butter Factory by Saputo Inc., representing a 108% takeover premium	

REGIONAL EQUITY DEALS

Public Bank Berhad

RM4.8 billion rights issue



CIMB Group Holdings Berhad

RM3.55 billion new shares placement



Bumi Armada Berhad

RM1.98 billion renounceable rights issue of Bumi Armada Berhad



Boustead Plantations Berhad

RM1.05 billion IPO on Bursa Malaysia



Malaysia Airports Holdings Berhad

RM980 million new shares placement



7-Eleven Malaysia Holdings Berhad

RM834 million IPO on Bursa Malaysia



Berjaya Auto Berhad

RM230 million shares placement by Berjaya Group Berhad

RM192 million shares placement by Berjaya Group Berhad



Axis REIT

RM288 million private placement



I-Bhd RM197 million rights issue	 I-Berhad	Tanah Makmur Berhad RM127 million IPO on Bursa Malaysia	 Tanah Makmur Berhad (841938-U)
Manara Malaysia I Limited RM90.6 million placement of AirAsia X Berhad's existing shares	MANARA MALAYSIA I LIMITED	Prestariang Berhad RM77 million primary placement	 PRESTARIANG®
PT Link Net Tbk USD455 million secondary share placement on Indonesia Stock Exchange		OUE Commercial Real Estate Investment Trust SGD361.6 million IPO on Singapore Stock Exchange	
EuroSports Global Limited SGD22.4 million IPO on Singapore Stock Exchange		Carabao Group Pcl THB7.0 billion IPO on The Stock Exchange of Thailand	 CARABAO GROUP

Alibaba Group Holding Limited USD25.0 billion IPO on New York Stock Exchange 	Harbin Bank Co., Ltd. USD1.13 billion IPO on Hong Kong Stock Exchange 
Sunshine 100 China Holdings Limited USD258 million IPO on Hong Kong Stock Exchange 	BAIOO Family Interactive Limited USD196 million IPO on Hong Kong Stock Exchange 
Hanhua Financial Holding Co., Ltd. USD240 million IPO on Hong Kong Stock Exchange 	Jiangnan Group Limited USD80 million of top-up placement 
Koradior Holdings Limited USD68 million IPO on the main board of Hong Kong Stock Exchange (Pre-shoe) 	Healthscope Limited AUD2.3 billion IPO on Australian Securities Exchange 

Centuria Metropolitan REIT

AUD114 million IPO on Australian Securities Exchange



Lovisa Holdings Limited

AUD102 million IPO on Australian Securities Exchange



Select Harvest Limited

AUD46.5 million fully underwritten institutional placement and non-underwritten shares purchase plan



REGIONAL DEBT DEALS

CIMB Bank Berhad

USD5.0 billion Euro Medium Term Note Programme

HKD1.13 billion Fixed Rate Notes due 2019

AUD100 million Fixed Rate Notes due 2019

HKD300 million Fixed Rate Notes due 2019

**SapuraKencana TMC Sdn Bhd**

RM16.5 billion Senior Multi-Currency Term and Revolving Facilities

**Cagamas Berhad**

USD2.5 billion Multi-Currency Medium Term Note Programme issued via Cagamas Global P.L.C.

USD2.5 billion Multi-Currency Sukuk Issuance Programme issued via Cagamas Global Sukuk Berhad

**Battersea Phase 2 Holding Company Limited**

GBP750 million Financing Facilities for the development of the Battersea Phase 2 Project

Battersea Phase 3 Holding Company Limited

GBP600 million Financing Facilities for the development of the Battersea Phase 3 Project

**Perbadanan Tabung Pendidikan Tinggi Nasional**

RM5.0 billion Islamic Medium Term Notes Programme irrevocably and unconditionally guaranteed by the Government of Malaysia

**TNB Western Energy Berhad**

RM3.655 billion Sukuk issuance under the Islamic Principles of Ijarah and Wakalah

**Export-Import Bank of Malaysia Berhad**

USD1.0 billion Multi-Currency Sukuk Programme issued via EXIM Sukuk Malaysia Berhad

**IJM Corporation Berhad**

RM3.0 billion Sukuk Murabahah Programme



KLCC Real Estate Investment Trust RM3.0 billion Sukuk Murabahah Programmes issued via Midciti Sukuk Berhad		QSR Brands (M) Holdings Sdn Bhd RM2.85 billion Syndicated Financing Facilities	
DRB-HICOM Berhad RM2.0 billion Subordinated Perpetual Sukuk Musharakah Programme		PETRONAS Dagangan Berhad RM2.0 billion Sukuk Programme	
Syarikat Prasarana Negara Berhad RM2.0 billion Islamic Medium Term Notes Programme irrevocably and unconditionally guaranteed by the Government of Malaysia		International Finance Facility for Immunisation Company USD500 million Trust Certificates due 2017 issued via IFFIm Sukuk Company Limited	
Khazanah Nasional Berhad USD500 million Exchangeable Trust Certificates due 2021 issued via Cahaya Capital Ltd	KHAZANAH NASIONAL BERHAD	Bumi Armada Capital Malaysia Sdn Bhd RM1.5 billion Unrated Sukuk Programme under the Shariah Principle of Murabahah, guaranteed by Bumi Armada Berhad	

Tan Chong Motor Holdings Berhad

RM1.5 billion Commercial Papers Programme and Medium Term Notes Programme


Perusahaan Otomobil Nasional Sdn Bhd

GBP207.25 million Syndicated Financing Facility in RM Equivalent


Government of the United Kingdom

GBP200 million Trust Certificates due 2019 issued via HM Treasury UK Sovereign Sukuk PLC


Gamuda Berhad

RM1.0 billion Islamic Commercial Papers Programme and Islamic Medium Term Notes Programme, guaranteed by Gamuda Berhad and issued via Temasek Eksklusif Sdn Bhd (with a sub-limit of up to RM500 million for the ICP Programme)


Malaysia Airports Holdings Berhad

RM1.0 billion Perpetual Subordinated Sukuk Musharakah


Mudajaya Corporation Berhad

RM1.0 billion Islamic Commercial Papers Programme and Islamic Medium Term Notes Programme


State Government of Sabah

RM1.0 billion Bonds due 2019


Suria KLCC Sdn Bhd

RM600 million Islamic Commercial Papers Programme and Islamic Medium Term Notes Programme (with a sub-limit of up to RM300 million for the ICP Programme)



China Development Bank Corporation

CNH1.0 billion Bonds due 2017


Media Chinese International Limited

RM500 million Medium Term Notes Programme


AEON Credit Service (M) Berhad

RM400 million Perpetual Sukuk Programme under the Islamic principle of Musharakah


Bellevue Sdn Bhd

RM170 million Medium Term Notes Programme via Great Realty Sdn Bhd backed by an unconditional and irrevocable guarantee from Danajamin Nasional Berhad


Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad

USD25 million Sukuk Wakalah Bi Al-Istithmar due 2015

JPY2.5 billion Sukuk Wakalah Bi Al-Istithmar due 2015


Government of the Republic of Indonesia

USD1.5 billion Trust Certificates due 2024 issued via Perusahaan Penerbit SBSN Indonesia III


PT ADARO ENERGY TBK

USD1.0 billion 7 year Term Loan Club Facility


Lembaga Pembiayaan Ekspor Indonesia

IDR4.0 trillion Senior Debt via 2nd Shelf Registration Programme Phase 1 of IDR24.0 trillion

IDR2.706 trillion Senior Debt via 2nd Shelf Registration Programme Phase 3 of IDR24.0 trillion



PT Astra Sedaya Finance

IDR2.5 trillion Senior Debt via 2nd Shelf
Registration Programme Phase 4 of
IDR10.0 trillion

IDR1.95 trillion Senior Debt via 2nd Shelf
Registration Programme Phase 3 of
IDR10.0 trillion

**PT Sarana Multigriya Finansial (Persero)**

IDR1.454 trillion Senior Debt via 2nd Shelf
Registration Programme Phase 5 of
IDR5.0 trillion

IDR565.0 billion Medium Term Notes VII

IDR297.0 billion Senior Debt via 2nd Shelf
Registration Programme Phase 3 of
IDR5.0 trillion

**Bumitama Agri Ltd**

RM500 million Sukuk Musharakah due 2019

**PT Federal International Finance**

IDR1.55 trillion Senior Debt via 1st Shelf
Registration Programme Phase 3 of
IDR10.0 trillion

**PT Agung Podomoro Land Tbk**

IDR750.0 billion Senior Debt via 1st Shelf
Registration Programme Phase 2 of
IDR2.5 trillion

IDR451.0 billion Senior Debt via 1st Shelf
Registration Programme Phase 3 of
IDR2.5 trillion

**PT Surya Artha Nusantara Finance**

IDR1.0 trillion Senior Debt via 1st Shelf
Registration Programme Phase 2 of
IDR2.0 trillion

**PT Profesional Telekomunikasi Indonesia**

IDR1.0 trillion Senior Debt I

**PT Sarana Multi Infrastruktur (Persero)**

IDR1.0 trillion Senior Debt I



PT Ciputra Residence IDR500.0 billion Senior Debt I		PT Indomobil Finance Indonesia IDR440.0 billion Senior Debt via 1st Shelf Registration Programme Phase 4 of IDR4.0 trillion	
Housing & Development Board SGD900 million 3.10% 10 year Medium Term Notes due March 2024 Issued under the SGD32 billion Multi-Currency Medium Term Note Programme SGD750 million 3.008% 7 year Medium Term Notes due March 2021 Issued under the SGD22.0 billion Multi-Currency Medium Term Note Programme	HOUSING & DEVELOPMENT BOARD	Nam Cheong Limited SGD200 million Senior Unsecured Fixed Rate Notes due 2019	
Gallant Venture Ltd SGD150 million Senior Unsecured Notes due 2017	GALLANT VENTURE LTD	Sabana Sukuk Pte Ltd SGD90 million Islamic Trust Certificates due 2018	
Ezion Holdings Limited SGD55 million Senior Unsecured Fixed Rate Medium Term Notes due 2020		Falcon Energy Group Limited SGD50 million 3NC2 Senior Unsecured Notes due 2017	FALCON ENERGY GROUP LIMITED

Bank for Agriculture & Agricultural Cooperatives

THB42.0 billion Guaranteed Debentures

THB32.6 billion Government Guaranteed Loan Bonds

THB10.0 billion Guaranteed Debentures

THB8.0 billion Guaranteed Debentures

**BANK FOR
AGRICULTURE &
AGRICULTURAL
COOPERATIVES**

CIMB Thai Bank PCL

RM2.0 billion Tier 2 Subordinated Debt Programme



Advanced Wireless Network Company Limited

THB16.6 billion Senior Unsecured Debentures



Ananda Development PCL

THB4.0 billion Senior Unsecured Debentures

THB2.395 billion Senior Unsecured Debentures



Krungthai Card PCL

THB4.0 billion Senior Unsecured Debentures

THB2.0 billion Senior Unsecured Debentures

THB100 million Senior Unsecured Debentures



TPI Polene PCL

THB5.0 billion Senior Unsecured Debentures



Property Perfect PCL

THB2.4 billion Senior Unsecured Debentures

THB2.2 billion Senior Unsecured Debentures



Quality Houses PCL

THB2.0 billion Senior Unsecured Debentures

THB1.97 billion Senior Unsecured Debentures

THB530 million Senior Unsecured Debentures



SPCG PCL

THB4.0 billion Senior Unsecured
Amortising Debentures



Home Product Center PCL

THB2.0 billion Senior Unsecured
Debentures

THB530 million Senior Unsecured
Debentures

THB520 million Senior Unsecured
Debentures



Asia Sermkij Leasing PCL

THB500 million Senior Unsecured Debentures
THB320 million Senior Unsecured Debentures
THB210 million Senior Unsecured Debentures
THB200 million Senior Unsecured Debentures
THB190 million Senior Unsecured Debentures
THB160 million Senior Unsecured Debentures
THB100 million Senior Unsecured Debentures



Prinsiri PCL

THB1.0 billion Senior Unsecured
Debentures

THB450 million Senior Unsecured
Debentures



SC Asset Corp PCL

THB800 million Senior Unsecured
Debentures

THB300 million Senior Unsecured
Debentures

THB300 million Senior Unsecured
Debentures



Aeon Thana Sinsap

THB1.2 billion Senior Unsecured
Debentures



**Expressway Authority of
Thailand**

THB1.0 billion Guaranteed Debentures

**EXPRESSWAY
AUTHORITY OF
THAILAND**

**Metropolitan Electricity
Authority**

THB1.0 billion Guaranteed Debentures

**METROPOLITAN
ELECTRICITY
AUTHORITY**

Thitikorn PCL THB900 million Senior Unsecured Debentures THB100 million Senior Unsecured Debentures THITIKORN PCL	Provincial Waterworks Authority THB400 million Guaranteed Debentures PROVINCIAL WATERWORKS AUTHORITY
TICON Industrial Connection PCL THB200 million Senior Unsecured Debentures TICON	Islamic Development Bank USD1.5 billion Trust Certificates due 2019 issued via IDB Trust Services Limited USD1.5 billion Trust Certificates due 2019 issued via IDB Trust Services Limited 
Republic of Turkey USD1.0 billion Lease Certificates due 2024 issued via Hazine Mustesarligi Varlik Kiralama Anonim Sirketi 	Government of the Hong Kong Special Administrative Region of the People's Republic of China USD1.0 billion Trust Certificates due 2019 issued via Hong Kong Sukuk 2014 Limited 
United Energy Group Limited SGD1.0 billion Medium Term Notes Programme and Inaugural Issuance of SGD100 million Senior Unsecured Notes due 2016 	SeekAsia Limited and Seek Asia Investment Pte Ltd USD125 million Syndicated Financing Facilities in SGD and HKD equivalent for the acquisition of Jobstreet.com Pte Ltd 

NOTABLE ACHIEVEMENTS



NOTABLE ACHIEVEMENTS

ALPHA SOUTHEAST ASIA

BEST FINANCIAL INSTITUTION AWARDS 2014

- **Best Investment Bank in Malaysia**
- **Best Bond House in Malaysia**
- **Best Islamic Finance Bank in Malaysia**
- **Best Equity House in Malaysia**
- **Best Private Wealth Management Bank in Malaysia**
- **Best Retail Broker in Singapore**
- **Special Marquee Award:**
Best Islamic Finance Bank in Southeast Asia
- **Special Marquee Award:**
Best Asset Manager in Southeast Asia

INSTITUTIONAL INVESTOR CORPORATE AWARDS 2014

- **Most Organised Investor Relations & Strongest Adherence to Corporate Governance**

DEAL AND SOLUTION AWARDS 2014

- **Best Equity Deal of the Year in Southeast Asia:**
Carabao Group's USD213 million IPO
- **Most Innovative Islamic Deal of the Year in Southeast Asia:**
Exim Bank of Malaysia's USD300 million Sukuk
- **Best Islamic REIT Deal of the Year in Southeast Asia:**
KLCC's RM3 billion Sukuk REIT
- **Best Sovereign Bond Deal of the Year in Southeast Asia:**
The Republic of Indonesia's USD1.5 billion Sukuk
- **Special Marquee Award:**
Best Islamic Bank in ASEAN
- **Special Marquee Award:**
Best Bond House in ASEAN
- **Special Marquee Award:**
Best Investment Bank in ASEAN

ASIA ASSET MANAGEMENT

BEST OF THE BEST AWARDS 2014

(Announced in 2015 in recognition of 2014's achievement)

- **Malaysia, Islamic Institutional Fund House of the Year**
- **Malaysia, CEO of the Year:**
Munirah Khairuddin, CIMB-Principal Asset Management

ASIA RISK

ANNUAL ASIA RISK AWARDS 2014

- **Malaysia House of the Year**
- **Indonesia House of the Year**

ASIAMONEY

BEST BANK AWARDS 2014

- **Best Islamic Bank in Asia**
- **Best Domestic Equity House in Malaysia**
- **Best Domestic Debt House in Malaysia**

CASH MANAGEMENT POLL AWARDS 2014

- **Best Local Cash Management Bank in Malaysia as voted by small-sized corporates**
- **Best Local Cash Management Bank in Malaysia as voted by medium-sized corporates**
- **Best Local Cash Management Bank in Malaysia as voted by large-sized corporates**
- **Best Overall Domestic Cash Management Services in Malaysia as voted by small-sized corporates**
- **Best Overall Domestic Cash Management Services in Malaysia as voted by medium-sized corporates**
- **Best Overall Domestic Cash Management Services in Malaysia as voted by large-sized corporates**
- **Best Overall Cross-Border Cash Management Services in Malaysia as voted by small-sized corporates**
- **Best Overall Cross-Border Cash Management Services in Malaysia as voted by medium-sized corporates**
- **Best Overall Cross-Border Cash Management Services in Malaysia as voted by large-sized corporates**

FIXED INCOME POLL AWARDS 2014

- **Best Sales Service in Credit Derivatives – Local Currency Bonds for RM**
- **Best Sales Service in Credit Derivatives – Local Currency Bonds for IDR**
- **Best Interest Rates Research & Market Coverage for CNH**
- **Best Interest Rates Research & Market Coverage for INR**
- **Best Interest Rates Research & Market Coverage for KRW**
- **Best Interest Rates Research & Market Coverage for RM**
- **Best Sales Service in Commodities Derivatives for RM**
- **Best Sales Service in Commodities Derivatives for THB**
- **Best Pricing for commodities Derivatives for IDR**
- **Best Pricing for commodities Derivatives for RM**
- **Best Pricing for commodities Derivatives for THB**
- **Overall Best for Credit in Malaysia**
- **Best for Credit Services in Malaysia**
- **Best for Credit Sales in Malaysia**
- **Best for Interest Rate Products and Sales in Malaysia**
- **Overall Best for Credit in Thailand**
- **Best for Credit Services in Thailand**

- Best for Credit Research and Market Coverage in Thailand
- Best for Credit Sales in Thailand
- Best for Credit Derivatives in Thailand
- Overall Best for Interest Rates in Thailand
- Best for Interest Rates Research in Thailand
- Best for Interest Rate Products and Sales in Thailand
- Best for Interest Rate Derivatives in Thailand

PRIVATE BANKING POLL AWARDS 2014

- Best Domestic Private Bank in Malaysia as voted by HNWI's with >USD1m
- Overall Best Private Bank in Malaysia as voted by HNWI's with >USD1-5m
- Overall Best Private Bank in Malaysia as voted by HNWI's with USD5.01-25m

FOREIGN EXCHANGE POLL AWARDS 2014

- Best Overall Domestic Provider of FX Services in Malaysia as voted by financial institutions
- Best Domestic Provider of FX Services in Malaysia as voted by corporates
- Best for Overall FX Strategist/Economist in Asia Pacific as voted by financial institutions and corporates:
Suresh Kumar Ramanathan
- Best for Overall FX Research Analyst in Asia Pacific as voted by financial institutions and corporates:
Suresh Kumar Ramanathan
- Best for Overall FX Sales Individual in Asia Pacific as voted by financial institutions and corporates:
Jessie Lim
- Best Domestic Provider of FX Options in Malaysia as voted by corporates
- Best Domestic Provider of FX Research and Market Coverage in Malaysia as voted by corporates

BROKERS POLL AWARDS 2014

- Best Local Brokerage in Malaysia
- Best for Overall Country Research in Malaysia
- Best Overall Services in Malaysia
- Best Execution in Malaysia
- Best Sales Trader in Singapore:
Roger Tay

COUNTRY DEAL AWARDS 2014

- Country Deal of the Year for Hong Kong:
The Government of Hong Kong Special Administrative Region of the People's Republic of China's USD1 billion Sukuk due 2019
- Country Deal of the Year for Malaysia:
7-Eleven Malaysia Holdings' RM834 million IPO

ASIAN BANKING & FINANCE

RETAIL BANKING AWARDS 2014

- Cards Payment Initiative of the Year in Malaysia
- Core Banking System Initiative of the Year in Malaysia

WHOLESALE BANKING AWARDS 2014

- Malaysia Domestic Technology & Operations Bank of the Year
- Malaysia Domestic Cash Management Bank of the Year
- Indonesia Domestic Cash Management Bank of the Year

ASIAN LEGAL BUSINESS

MALAYSIA LAW AWARDS 2014

- Debt Market Deal of the Year:
Islamic Commercial Papers and Islamic MTN Issuance by DanaInfra Nasional
- Malaysia Deal of the Year:
Islamic Commercial Papers and Islamic MTN Issuance by DanaInfra Nasional
- Islamic Finance Deal of the Year:
Islamic Commercial Papers and Islamic MTN Issuance by DanaInfra Nasional
- M&A Deal of the Year:
Combination and Integration of Tender Rig Businesses of Sapura Kencana and Seadrill
- Banking and Financial Services In-House Team of the Year
- Malaysia In-House Team of the Year

SOUTHEAST ASIA LAW AWARDS 2014

- Islamic Finance Deal of the Year:
DanaInfra Nasional's Establishment of Islamic CP and MTN Programme
- Southeast Asia M&A Deal of the Year:
Takeover of Fraser & Neave
- IPP Advisors PTE Ltd Award Singapore M&A Deal of the Year:
Takeover of Fraser & Neave
- Southeast Asia Deal of the Year:
Takeover of Fraser & Neave

BOND PRICING AGENCY MALAYSIA

BOND MARKET AWARDS 2014

- Top Lead Arranger

CIO 100

CIO 100 AWARDS 2014

- CIO 100 Honoree

CPI FINANCIAL**ISLAMIC BUSINESS AND FINANCE AWARDS 2014**

- Best Islamic Retail Bank in Asia
- Best Islamic Corporate Bank in Asia
- Best Sukuk Arranger in Asia

EUROMONEY**AWARDS FOR EXCELLENCE 2014**

- Best Investment Bank in Malaysia
- Best Bank in Malaysia

PRIVATE BANKING AND WEALTH MANAGEMENT SURVEY 2015

(Announced in 2015 in recognition of 2014's achievement)

- Best Asset Management in Malaysia
- Best Investment Banking Capabilities

FINANCEASIA**COUNTRY AWARDS FOR ACHIEVEMENT 2014**

- Best Investment Bank in Malaysia
- Best ECM House in Malaysia
- Best DCM House in Malaysia
- Best Foreign Exchange Bank in Malaysia
- Best Private Bank in Malaysia

HOUSE AND DEAL AWARDS 2014

- Best Islamic Finance House
- Best Islamic Financing:
Hong Kong Government's USD1 billion five-year Sukuk
- Best Project Financing:
Banten Power Plant USD730 million Debt Financing, Indonesia
- Best Malaysia Deal:
CIMB USD1.1 billion Primary Placement

GLOBALCAPITAL | ASIAMONEY**REGIONAL CAPITAL MARKETS AWARDS 2014**

- Best Sovereign Bond:
The Government of Hong Kong Special Administrative Region of the People's Republic of China's USD1 billion Sukuk due 2019

GLOBAL FINANCE**BEST INVESTMENT BANK AWARDS 2014**

- Best Investment Bank in Malaysia

BEST ISLAMIC FINANCIAL INSTITUTION AWARDS 2014

- Best Islamic Investment Bank in Malaysia
- Best Islamic Asset Management Company

IDC FINANCIAL INSIGHTS**FINANCIAL INSIGHTS INNOVATION AWARDS 2015**

(Announced in 2015 in recognition of 2014's achievement)

- Best Bank in Asia Pacific

INTERNATIONAL FINANCING REVIEW ASIA**COUNTRY AWARDS 2014**

- Malaysia Bond House of the Year

ISLAMIC FINANCE NEWS**DEALS OF THE YEAR AWARDS 2014**

- **Emerging Asia Deal of the Year:**
Hong Kong Government's USD1 billion Sukuk Ijarah
- **Indonesia Deal of the Year:**
Republic of Indonesia USD1.5 billion 144A Sukuk
- **Social Impact Deal of the Year:**
IFFIm USD500 million Sukuk
- **Murabahah Deal of the Year:**
EXIM USD300 million Sukuk Wakalah
- **Trade Finance Deal of the Year:**
EXIM USD300 million Sukuk Wakalah
- **Hybrid Deal of the Year:**
Cahaya Capital USD500 million Exchangeable Sukuk
- **Malaysia Deal of the Year:**
Midciti RM1.555 billion Sukuk Murabahah
- **Real Estate Deal of the Year:**
Midciti RM1.555 billion Sukuk Murabahah
- **Deal of the Year:**
HM Treasury UK GBP200 million Sovereign Sukuk
- **Sovereign Deal of the Year:**
HM Treasury UK GBP200 million Sovereign Sukuk
- **Sukuk Deal of the Year:**
HM Treasury UK GBP200 million Sovereign Sukuk
- **UK Deal of the Year:**
HM Treasury UK GBP200 million Sovereign Sukuk

BEST BANK POLL 2014

- Best Islamic Bank in Malaysia
- Best Islamic Trustee

JAPAN'S MINISTRY OF ECONOMY, TRADE & INDUSTRY (METI)

- **Top 50 Leading Companies for Women in APEC**

KLIFF**ISLAMIC FINANCE AWARDS 2014**

- **Most Outstanding Individual Contribution to Islamic Finance:**
Badlisyah Abdul Ghani
- **Most Outstanding Islamic Bank**

MALAYSIA'S 100**LEADING EMPLOYER AWARDS 2014**

- **Best Management Trainee/Graduate Programme:**
CIMB Fusion

MINORITY SHAREHOLDER WATCHDOG GROUP**ASEAN CORPORATE GOVERNANCE INDEX 2014**

- **Top Overall Corporate Governance**
- **Exemplary Environmental, Social and Governance Practices**

MORNINGSTAR, INC.**MORNINGSTAR MALAYSIA FUND AWARDS 2015**

(Announced in 2015 in recognition of 2014's achievement)

- **Best Asia Pacific Equity Fund:**
CIMB Principal Asia Pacific Dynamic Inc

NATIONAL ANNUAL CORPORATE REPORT AWARDS (NACRA) 2014

- **Overall Excellence Award (Silver)**
- **Best Designed Annual Report (Platinum)**

PERBADANAN NASIONAL BERHAD**PNB-ASNB STARZ AWARDS 2014**

- **Top 3 branches for ASN 2:**
Menara CIMB KL Sentral
- **Top 3 branches for ASN 2:**
CIMB Bundusan Square
- **Top 3 branches for ASN 3:**
CIMB Twin Towers, Sarawak
- **Top 3 branches for ASG:**
CIMB Country Heights

- **Top 3 branches for ASG:**

Menara CIMB KL Sentral

- **Top 3 branches with the highest sales for ASNB Variables:**

Menara CIMB KL Sentral

- **Top 3 branches with the highest sales for ASNB Variables:**

CIMB Country Heights

- **Top Branch with the highest number of transactions:**

CIMB Serian

- **Most Compliant Branch:**

CIMB Bundusan Square

- **Top Sales for ASN 2 (Individual):**

Menara CIMB KL Sentral (Chan Kah Kit-PRM)

- **Top Sales for ASN 2 (Individual):**

CIMB Bundusan Square (Lois Lim Shie Chee-PFC)

- **Top Sales for ASN 2 (Individual):**

CIMB Api-Api Centre (Cherilyn Epol-PRM)

- **Top Sales for ASG (Individual):**

Menara CIMB KL Sentral (Chan Kah Kit-PRM)

- **Top Sales for ASG (Individual):**

CIMB Country Heights (Chua Sui Hiu-PRM)

- **Top Sales for ASN 3 (Individual):**

CIMB Jalan Tuanku Abdul Rahman (Keith Lek Kok Weng-PRM)

- **Referral Award:**

CIMB Country Heights (Zeti Arni Syed Omar-CSO)

- **Referral Award:**

CIMB Pulau Tikus (Lim Bee Bee-CSR)

- **ASNB Award:**

Menara CIMB KL Sentral (Chan Kah Kit-PRM)

- **Best Managed Agent**

PIKOM**ICT LEADERSHIP AWARDS 2014**

- **ICT Project of the Year:**
1Platform

PRIVATE BANKER INTERNATIONAL**GLOBAL WEALTH AWARDS 2014**

- **Highly Commended Outstanding Private Bank, Southeast Asia**
- **Outstanding Young Private Banker:**
Wong Siew Fong

PWM & THE BANKER**GLOBAL PRIVATE BANKING AWARDS 2014**

- **Best Private Bank in Malaysia**

RETAIL BANKER INTERNATIONAL**RETAIL BANKER INTERNATIONAL TRAILBLAZER AWARDS 2014**

- **Highly Commended, Channel Excellence in Internet Banking – Overall**
- **Highly Commended Channel Excellence in Mobile Banking – Overall**
- **Highly Commended, Channel Excellence in Innovative Branch Offering**

SECURITIES INVESTORS ASSOCIATION SINGAPORE (SIAS)

- **Best Retail Broker in Singapore**

STRUCTURED PRODUCTS**ASIA AWARDS 2014**

- **Best in Malaysia**
- **Best in Indonesia**

THE ASIAN BANKER**TECHNOLOGY IMPLEMENTATION AWARDS 2014**

- **Best Smart Branch Project**

TRANSACTION BANKING AWARDS 2014

- **Best Cash Management Bank in Indonesia**

THE ASSET**TRIPLE A TREASURY, TRADE & RISK MANAGEMENT AWARDS 2014**

- **Best Service Providers for Trade Finance in Indonesia**
- **Best Service Providers for Cash Management in Malaysia**
- **Best Trade Finance Solution in Malaysia:**
Advance Autotronics Industries
- **Best Risk Management Solution in Malaysia:**
Anggerik Masyhur
- **Editors' Triple Star*:**
Plug n Pay

TRIPLE A ISLAMIC FINANCE AWARDS 2014

- **Best Sukuk House in Malaysia**
- **Best Islamic Investment Bank in Asia Pacific**
- **Best Islamic Asset Management House in Asia Pacific**
- **Best Sukuk House of the Year in Asia Pacific**
- **Best Islamic Deal of the Year:**
International Islamic Liquidity Management Corporation USD490 million Sukuk (USD2 million programme)
- **Best Islamic Equity:**
UMW Oil & Gas Corporation's RM2.7 billion IPO
- **Best Islamic Equity-Linked Deal:**
Khazanah Nasional's SGD600 million Zero-Coupon Exchangeable Sukuk
- **Best Islamic Structured Product:**
Callable Islamic Power Range Accrual with Inverse Floater NID-I (CIPRAIF)
- **Most Innovative Deal:**
Telekom Malaysia's RM200 million Sukuk
- **Most Highly Commended Innovative Deal:**
SP Setia's RM700 million Islamic Perpetual Notes
- **Highly Commended Best Deal in Malaysia:**
Cagamas Berhad's RM3.8 billion Multi-Tenor Sukuk
- **Highly Commended Best Deal in Malaysia:**
Danainfra Nasional's RM300 million Exchange-Traded Sukuk (RM8 billion programme)

TRIPLE A ASSET SERVICING, FUND MANAGEMENT & INVESTOR AWARDS 2014

- **Asset Management Company of the Year**

TRIPLE A PRIVATE BANKING, WEALTH MANAGEMENT & INVESTMENT AWARDS 2014

- **Best Private Bank in Malaysia**
- **Best Structured Product House in Malaysia**
- **Best Structured Product House in Thailand**
- **Highly Commended Structured Investment Product for Credit Callable 2014 Power Range Accrual with Flip Option**

BENCHMARK RESEARCH AWARDS 2014

- **Top House in the Secondary Market in Asian Currency Bonds for Government Bonds, Malaysia**
- **Top House in the Secondary Market for Corporate Bonds, Malaysia**
- **Investor's Choice for Primary Issues for Corporate Bonds, Malaysia**
- **Best Individual in Sales for Malaysian Ringgit Bonds:**
Steen Saw
- **Best Individual in Sales for Malaysian Ringgit Bonds:**
Shah Aminudin bin Dato' Md. Akhir
- **Highly Commended Individual in Sales for Malaysian Ringgit Bonds:**
Asma Dewi Sidon

- **Highly Commended Individual in Sales for Malaysian Ringgit Bonds:**
Edmund Liong Foo Boon
- **Highly Commended Individual in Sales for Malaysian Ringgit Bonds:**
Heidi Raman
- **Highly Commended Individual in Research for Malaysian Ringgit Bonds:**
Lee Heng Guie

TRIPLE A COUNTRY AWARDS 2014

- **Best Brokerage House in Indonesia**
- **Best Domestic Investment Bank in Malaysia**
- **Best Equity House in Malaysia**
- **Best Domestic Bond House in Malaysia**
- **Best Deal in Malaysia:**
7-Eleven Malaysia Holdings' RM834 million IPO
- **Best Deal in Australia:**
Healthscope Limited AUD2.26 billion IPO

REGIONAL AWARDS 2014

- **Best Convertible Bond:**
Khazanah Nasional USD500 million Exchangeable Sukuk into Tenaga Nasional

THE BANKER

DEAL OF THE YEAR AWARDS 2014

- **Islamic Finance Deal of the Year in Asia Pacific:**
Cagamas Berhad RM3.8 billion Multi-Tenor Sukuk
- **Real Estate Finance Deal of the Year in Asia Pacific:**
SP Setia RM700 million Islamic Perpetual Notes

BANK OF THE YEAR AWARDS 2014

- **Bank of the Year, Malaysia**

THE CORPORATE TREASURER

COUNTRY AWARDS 2014

(Announced in 2015 in recognition of 2014's achievement)

- **Best Bank in Malaysia**

THE EDGE

BEST DEALS OF THE YEAR 2014

- **Best IPO:**
7-Eleven Malaysia Holdings' RM834 million IPO on Bursa Malaysia

THOMSON REUTERS

GLOBAL ISLAMIC LIPPER FUND AWARDS 2014

- **Best Equity Asia Pacific ex-Japan Fund (2 years):**
CIMB Islamic Equity
- **Best Equity Asia Pacific ex-Japan Fund (3 years):**
CIMB Islamic Equity
- **Best Equity Asia Pacific ex-Japan Fund (5 years):**
CIMB Islamic Equity
- **Best Equity Emerging Markets Global Fund (2 years):**
CIMB Islamic Global Emerging Markets Equity
- **Best Equity Emerging Markets Global Fund (3 years):**
CIMB Islamic Global Emerging Markets Equity
- **Best Equity Malaysia (10 years):**
CIMB Islamic DALI Equity Growth

SUKUK SUMMIT AWARDS OF EXCELLENCE 2014

- **Best Islamic Financial Institution in Malaysia**

TRADE FINANCE

AWARDS FOR EXCELLENCE 2014

- **Best Overall Trade Finance Bank in Asia Pacific**
- **Best Islamic Trade Bank in Asia Pacific**
- **Best Supply Chain Finance Bank in Asia Pacific**
- **Best Trade Bank in Malaysia**
- **Best Trade Bank in Indonesia**
- **Best Trade Bank in Singapore**

WEALTHBRIEFINGASIA

SINGAPORE 2014 AWARDS

- **Regional Private Bank**
- **Leading Individual:**
Carolyn Leng
- **Rising Star:**
Christina Chong

WORLD CHINESE ECONOMIC FORUM

SPECIAL AWARDS 2014

- **Lifetime Achievement Award for Leadership in Banking and Financial Services:**
Dato' Sri Nazir Razak



CORPORATE



THE EVENT HIGHLIGHTS



GROUP EXPANSION



Kuantan: Official Collaboration for Plug n Pay Services between CIMB Bank and Pahang State Government

Dato' Sri Diraja Haji Adnan bin Haji Yaakob, Menteri Besar Pahang and Dato' Sri Nazir Razak, Chairman, CIMB Group, formalised an agreement that would allow the Pahang state government to collect dues via Plug n Pay by CIMB Bank. Henceforth state residents can pay for land assessments, summons or other state fees through debit and credit cards and not only through cash or cheque.



Vientiane: CIMB Thai Bank Vientiane Branch Opening

CIMB Thai Vientiane Branch, the first foreign branch of CIMB Thai, was officially opened in a ceremony presided over by Sonexay Sithphaxay, Deputy Governor, Bank of the Lao People's Democratic Republic. Also participating in the ceremony were CIMB Thai's Independent Directors Dato' Shaarani bin Ibrahim and Chitrapongse Kwangsukstith; Subhak Siwaraksa, President & CEO, CIMB Thai Bank, and Bualone Vongdalasaene, Mayor of Chanthabouly District. The Vientiane branch will serve both local and foreign customers who have investments in Lao PDR, offering full-fledged financial solutions to facilitate business operations and both domestic and overseas transactions.

Selangor: Launch of Asia News Network (ANN) e-Paper

The Star, Philippine Daily Inquirer, The Nation and Jakarta Post, 4 national newspapers from Malaysia, the Philippines, Thailand and Indonesia, joined forces to give readers stories from each country on a single platform, the CIMB-ASEAN ePaper. CIMB Group is the official partner for the collaboration that could reach 450 million people living in ASEAN. Present during the launch were Datuk Fu Ah Kiow, Chairman, Star Media Group; Dato' Sri Nazir Razak, Chairman, CIMB Group; Huang Hui Kang, China's Ambassador to Malaysia; Datuk Seri Wong Chun Wai, Group Managing Director, The Star Media Group; and Zhang Haizhou, Assistant to Publisher, China Daily Asia Weekly.



Selangor: Tesco Plug n Pay Launch

Tesco Malaysia launched a collaboration with CIMB to utilise Plug n Pay by CIMB Bank to receive payments for Tesco Online home deliveries. The launch was officiated by Tengku Dato' Zafrul, Group CEO, CIMB Group, and Georg Fischer, CEO, Tesco Malaysia.



Selangor: Grand Opening of CIMB Jaya Shopping Centre Branch

CIMB Bank Berhad opened a new branch in Jaya Shopping Centre. The ceremony was officiated by Dato' Sri Nazir Razak, Chairman, CIMB Group; and Datin Paduka Alinah Ahmad, Mayor of Petaling Jaya. Also present at the opening were Renzo Christopher Viegas, CEO, Consumer Banking; Dato' Sulaiman Mohd Tahir, Executive Director, Head of Consumer, Sales and Distribution, CIMB Bank; Raja Noorma Raja Othman, CEO, CIMB Mapletree Management; and Sydney Quays, Managing Director, Starbucks.

DEAL RELATED EVENTS



Kuala Lumpur: RM16.5 billion Senior Multi-Currency Term and Revolving Facilities Signing Ceremony

CIMB participated in the signing ceremony for the RM16.5 billion Senior Multi-Currency Term and Revolving Facilities for SapuraKencana TMC Sdn. Bhd. involving 13 local and international banks. CIMB acted as the joint coordinating bank, mandated lead arranger and financier of the Facilities.



Kuala Lumpur: Signing Ceremony between CIMB Investment Bank Berhad, Mitsubishi UFJ Securities PLC and Bank of Tokyo-Mitsubishi-UFJ (Malaysia) Berhad for the USD500 million Multi-Currency Sukuk Programme under the Shariah Principle of Wakalah Bi Al-Istithmar

CIMB Investment Bank Berhad, Mitsubishi UFJ Securities International PLC and Bank of Tokyo-Mitsubishi-UFJ (Malaysia) acted as the joint lead arrangers and joint lead managers for the programme. Present at the signing ceremony were Dato' Sri Nazir Razak, Chairman, CIMB Group; Mr. Naoki Nishida, President and CEO, Bank of Tokyo-Mitsubishi-UFJ; Mr. Yoshiaki Shincho, CEO, Mitsubishi UFJ Securities (Singapore) and Mr. Hideyaki Yamashita, Executive Vice President, Bank of Tokyo-Mitsubishi-UFJ (Malaysia) Berhad.



Kuala Lumpur: Kuala Lumpur Islamic Finance Forum 2014. MOU signing with International Centre for Education in Islamic Finance (INCEIF)

In conjunction with Kuala Lumpur Islamic Finance Forum (KLIFF) 2014, CIMB Islamic signed an MOU worth RM1.5 million with International Centre for Education in Islamic Finance (INCEIF) for the establishment and development of Islamic banking studies research centre called the CIMB Islamic-INCEIF Centre. CIMB Islamic received the Most Outstanding Islamic Bank award during the KLIFF 2014 awards ceremony dinner. Pictured are Mohd. Willieuddin Lim bin Johan Lim, Director of Corporate Planning & Management, CIMB Islamic; Badliyah Abdul Ghani, CEO, CIMB Islamic; Mohd. Zamree Mohd. Ishak, CEO, INCEIF; and Dr. Mohd-Pisal Zainal, Director, INCEIF.



Bangkok: Signing Ceremony and Press Conference between B.Grimm Power Limited and Sime Darby Berhad

B.Grimm Power Limited successfully acquired a 163MW power plant from Sime Darby Group in Laem Chabang Industrial Estate, Chonburi, Thailand. CIMB Bank acted as the sole financial advisor and sole lender for the deal. The acquisition establishes a strong footprint for B.Grimm Power to meet expected forthcoming increases in demand of electricity especially with the approaching of the ASEAN Economic Community in 2015.



Riyadh: IFN Saudi Forum 2014. MOU signing with Islamic Research & Training Institute (A Member of Islamic Development Bank Group)

In conjunction with IFN Saudi Forum 2014, CIMB Islamic signed a MOU with Islamic Research & Training Institute or (IRTI), a member of the Islamic Development Bank Group, to provide a grant worth USD100,000 for the development of an Islamic Finance Country Report (IFCR) for Malaysia and an IFCR for Indonesia. Pictured are Mohd. Willieuddin Lim bin Johan Lim, Director of Corporate Planning & Management, CIMB Islamic; Badlisyah Abdul Ghani, CEO, CIMB Islamic; Professor Azmi Omar, Director General, IRTI-IDB Group; and Prof. Turkhan Ali Abdul Manap, Senior Economist/ Researcher, IRTI-IDB Group. Badlisyah was also a panelist in the Forum's opening panel session, "Advancing Saudi Arabia's Progress in the Islamic Investment Landscape: A Global View."



Kuala Lumpur: Tanah Makmur Berhad Prospectus Launch

Tanah Makmur Berhad's RM127 million IPO involved CIMB Investment Bank acting as the principal adviser, sole placement agent, managing underwriter and joint underwriter for the listing. Present at the launch were Tengku Dato' Zafrul, Group CEO, CIMB Group; Tengku Tan Sri (Dr) Hajjah Meriam, Chairman, Tanah Makmur Berhad, Tengku Dato' Zubir, MD, Tanah Makmur Berhad; Dato' Kong Sooi Lin, Deputy CEO, CIMB Investment Bank; and members of the Tanah Makmur Berhad Board of Directors.



CONFERENCE & SEMINAR



Singapore: **ABC Forum 2014**

The ASEAN Business Club (ABC) in collaboration with AirAsia, Straits Trading and Ayala Corporation held the ABC Forum 2014 that gathered more than 300 top business leaders from the ASEAN region. With the theme of “ASEAN Game Changers” the Forum discussed trade and industry issues and lent its support towards the implementation of the ASEAN Economic Community. Dato’ Sri Nazir Razak, Chairman, CIMB Group, and Co-Chair Malaysia, ABC, attended the Forum together with Tan Sri Dr. Munir Majid, Chairman, CIMB ASEAN Research Institute (CARI).



Bangkok: **ASEAN Risk**

Asia Risk held the third annual ASEAN Risk Conference to share best practices in investment and risk management strategies in ASEAN markets among leading risk professionals. Subhak Siwaraksa, President & CEO, CIMB Thai Bank, delivered the keynote address and Sutee Losoponkul, Treasury Group Head, CIMB Thai Bank, participated in the Insurance Roundtable, “Balancing the hunt for yield with sound risk management.”



Kuala Lumpur: **CIMB Malaysia Corporate Day**

CIMB Malaysia Corporate Day was held at the Mandarin Oriental Kuala Lumpur. Tengku Dato' Zafrul, Group CEO, CIMB Group, attended the conference together with various industry experts and senior corporate representatives where they discussed strategies for economic growth and the opportunities of Malaysia's Economic Transformation Programmes in 2014.

Kuala Lumpur: **2nd ASEAN Domestic Bond Market Round Table Series**

CIMB Group sponsored the ASEAN Domestic Bond Market Roundtable Series 2014 which involved the Malaysian, Indonesian, Singaporean and Thai bond markets. The discussion included the latest market trends and how to expand each bond market in the future. The series comprised of events in Kuala Lumpur, Singapore, Bangkok and Jakarta.



Kuala Lumpur: **IFN Asia Forum 2014**

CIMB Islamic participated as a Lead Partner in the IFN Asia Forum 2014 which seeks to facilitate discussions on how to maximise the vast opportunities for Islamic finance in Asia and how to be at the forefront of the region's Islamic finance developments. Badlisyah Abdul Ghani, CEO, CIMB Islamic, participated in the Industry Titans Roundtable, "Islamic Finance 2015." The high level knowledge sharing at the Forum was turned into a special supplement that was circulated to all IFN subscribers.



Kuala Lumpur: Invest Malaysia Conference 2014

CIMB and Bursa Malaysia organised Invest Malaysia 2014 in June. The conference carried the tagline 'ASEAN's Multinational Marketplace' and hosted 1,989 participants from 95 companies in 12 markets across 11 sectors, who held 807 corporate meetings during the conference. The 4th CIMB APAC Conference was held concurrently with Invest Malaysia 2014.





PONSORSHIP & OTHER EVENT HIGHLIGHTS



Kuala Lumpur: The Edge Kuala Lumpur Rat Race and the Bursa Bull Charge

CIMB sponsored teams to take part in two charity races, The Edge Kuala Lumpur Rat Race and the Bursa Bull Charge. Tengku Dato' Zafrul, Group CEO, CIMB Group, competed in the CEO Races category together with CEOs and Managing Directors from other companies.



Jakarta: **CIMB Niaga Indonesian Masters**

The CIMB Niaga Indonesian Masters 2014 was held at the Royale Jakarta Golf Club. Indian pro Anirban Lahiri won the tournament with an eagle on the 18th hole. The total prizes for the event were USD750,000. Anirban received his trophy from Dato' Sri Nazir Razak, Chairman, CIMB Group, who was accompanied by Arwin Rashid, President Director and CEO, CIMB Niaga.

Surin Province: **Baan Huay Sing ICT Center Handover Ceremony**

CIMB Thai Bank renovated the Baan Huay Sing ICT Center and donated 10 computers for the Baan Huay Sing School, Sung Ka District, Surin Province. Mr. Narongchai Wongthanavimok, Chief Financial Officer, CIMB Thai Bank, participated in the handover event.





Kuala Lumpur: **SuperMokh The Musical**

SuperMokh The Musical, which sold out 17 shows last year, was staged once again with CIMB as the title sponsor. The performance tells the story of Malaysian legend and national hero, Mokhtar Dahari who was one of the nation's all-time greatest footballers.





Kuala Lumpur:

CIMB Malaysia Open Squash Championships

CIMB Group, the title sponsor of the CIMB Malaysian Open Squash Championships for the ninth straight year, has shown tremendous support to promote the advancement of squash in Malaysia. For the first time this tournament was held at NU Sentral mall in Kuala Lumpur Sentral.



Indonesia



Singapore



Kuala Lumpur



Kuala Lumpur



Singapore



Kuala Lumpur

Color Run 2014

CIMB Bank is the presenting sponsor of The Color Run KL, also known as the “Happiest 5K on the Planet.” The five kilometer fun run gathers participants who run through showers of coloured powder in a celebration of health and happiness. The Color Run was also held in Jakarta and Singapore.



Kuala Lumpur



**Kuala Lumpur: CIMB Classic 2014**

The 5th CIMB Classic saw 2013's winner, American Ryan Moore, emerge as champion once again. Moore became the first player to defend his title at the CIMB Classic. Moore received his trophy from Dato' Sri Najib Razak, Prime Minister of Malaysia, accompanied by Dato' Sri Nazir Razak, Chairman, CIMB Group. CIMB Classic 2014 was the first official PGA TOUR FedEx Cup event in Southeast Asia.





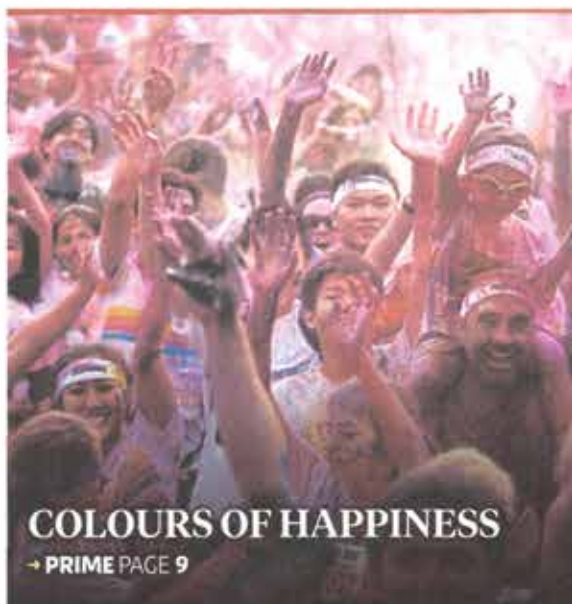




Kuala Lumpur: Launch of Menara CIMB & 40th Anniversary of Investment Banking

CIMB Group officially launched its new headquarters, Menara CIMB at KL Sentral. The event also commemorated the 40th anniversary of CIMB Group's investment banking franchise. The launch was officiated by Dato' Sri Najib Razak, Prime Minister of Malaysia.





COLOURS OF HAPPINESS

→ PRIME PAGE 9

Plug and Pay

> More convenience for Tesco Online customers with CIMB solution

TESCO (Malaysia) online customers now have added convenience when shopping for groceries online. The hypermarket and popular retailer teamed up with CIMB Bank to use its Plug n Pay service to facilitate payments for Tesco Online home deliveries.

Tesco is the first hypermarket in the country to offer the Plug n Pay payment method and CIMB Bank's Plug n Pay service is the country's first-ever chip-based mobile point-of-sale (mPOS) solution.

By using this feature, customers are assured of convenience and a secure way to pay for their Tesco purchases without using cash.

"We make every effort to delight our customers, and through our collaboration with CIMB, we believe we can make the shopping experience for our online customers even more seamless and enjoyable. We're very pleased to be able to provide the Plug n Pay by CIMB Bank payment method to all our Tesco Online customers where they can be assured of a safe and cashless transaction," said Tesco Malaysia CEO Georg Fischer.

Highly secure, the Plug n Pay

continuously being a better shopping experience for their customers. We hope this partnership will encourage more Malaysian businesses to adopt

Plug n Pay and in turn help boost the number of cashless transactions in the market," said CIMB Group acting group chief executive Tengku Datuk Zafrul Tengku Abdul Aziz.

In conjunction with the launch, CIMB Bank credit and debit card holders get to enjoy complimentary delivery with a minimum spend of RM50. They will also receive a RM50 Tesco e-coupon for the next minimum purchase of RM100. Additionally, customers paying with their CIMB Bank Visa credit card will receive an extra 10% cash rebate on their purchases.

These offers are valid for Tesco online purchases for a limited time only. The Plug n Pay payment method is available across Tesco Online Shopping home delivery services in Klang Valley. Inher Ram



Najib Tun Razak being honored on the Menara CIMB by CIMB Group chairman Datuk Seri Nazir Razak and group chief executive Datuk Zafrul Tengku Abdul Aziz after its launch in Kuala Lumpur yesterday. Pic by Asnadi Abidin

'CIMB can play active role in AEC'

SOURCE OF INSPIRATION: Lender provides stability for nation and region, says PM

KUALA LUMPUR

nificant employer in the country. "I hope other Malaysian businesses will draw inspiration from CIMB's story that they, too, will not settle for being a 'jaguh kampung' (village hero), but aspire to become regional champions, carrying the flag into new markets."

marks the bank's 40th anniversary. Also present were CIMB Group chairman Datuk Seri Nazir Razak, Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar, Bank Negara Malaysia governor Tan Sri Dr Zeti

13,000 in Colour Run

KUALA LUMPUR: More than 13,000 people participated in The Colour Run held for the first time in Malaysia at Padang Merbok yesterday. It was presented by CIMB and supported by Kuala Lumpur City Hall.

Founded in March 2011 in the United States, the event has been held in Europe, Singapore, Indonesia and China, among others.

Also known as "the happiest 5km on the Planet", it celebrates health, happiness, individuality and charity.

Participants came as early as 6am with the first wave of runners flagged off at 7am by Mayor Datuk Seri Ahmad Phasal Talib.

CIMB Group chief marketing and communications officer Effendy Shahul Hamid said Malaysia was the third country in which CIMB had organised The Colour Run.

Page 1 caption: Coloured powder being thrown at participants of the Colour Run at Padang Merbok, Kuala Lumpur, yesterday.

CIMB Thai and AIS sign deal on 'Beat Banking'



From left CIMB Thai senior executive VP and head of retail banking group Adisorn Semsichaiwong, senior executives VP and head of strategy and finance group Warangkajorn Wongsatitvong, Subhok, Semsichai, executive VP of marketing Pratthana Leetanpong and Advanced mPAY MO Suprecha Limpitjanakorn at the MOU signing ceremony



大马壁球赛 妮科昂首4强

对手欧咏芝，成功杀进半决赛。
的珍妮芭后，8强再以3比0轻取香港老
大马壁球女将妮科（右）在16强击败印度



MORE OUTLETS: CIMB Group chief executive Datuk Seri Nazir Razak (left) and Petaling Jaya City Council Mayor Datin Paduka Alinah Ahmad hitting the drums together to officiate the grand opening of CIMB Bank's branch at Jaya Shopping Centre, a development of CIMB-Mapletree Management, in Petaling Jaya on Wednesday. The Jaya Shopping Centre, developed by CIMB-Mapletree Management, opened its door to the public on April 28 this year.



AN AUSPICIOUS CELEBRATION ... CIMB Group Holdings Bhd group chief executive Datuk Seri Nazir Razak (centre) enjoying the Chinese New Year festivities with senior management and staff at Menara CIMB, the group's new headquarters, in KL Sentral recently.

CIMB Singapore comes of age, crucial link in parent group's Asean ambitions

SINGAPORE: CIMB Singapore, which has been a key player in the group's expansion into the region, is now a fully-fledged member of the group. The bank's success in the region is a testament to the group's vision and strategy. The bank's success in the region is a testament to the group's vision and strategy.



Nazir to be chairman in CIMB leadership transition plan

By Business Desk
business@mmmail.com.my

CIMB Group said it is undergoing a leadership transition phase in which Datuk Seri Nazir Razak, the current CEO, will relinquish his post to take over as chairman of the banking conglomerate.

Nazir will take over from Tan Sri Md Nor Yusoff from September 1, the bank said in a statement yesterday.

Nazir has held the position of CEO of the bank since 2008.

The banking group said it is taking the opportunity to reconfigure its leadership structure. In addition to being the chairman of CIMB Group, Nazir will chair an executive committee of the board that will focus on key strategic matters and enhance the overall board's oversight functions.

He will also continue to serve as president commissioner of PT Bank and CIMB Niaga and deputy chairman of CIMB Bank, and be nominated chairman of CIMB Investment Bank from September 1.



Nazir will take over as chairman of CIMB Group from September 1

CIMB IB's Asia-Pacific game plan

CIMB Investment Bank Bhd is ready to become a big player in Asia-Pacific and the man tasked with this challenging mandate is its new CEO, Tengku Datuk Zafrul Abdul Aziz. In this interview with Anna Taing, Adeline Paul Raj and Joyce Goh, Zafrul talks about the company's road map for growth.

Tough times

Zafrul, formerly the head of CIMB IB's largest rival at home, Maybank Investment Bank Bhd

(Maybank IB), comes on board at a challenging time — economic growth in Asean is slowing and the capital markets are softer, resulting in slower deal flows, while competition remains as intense as ever.

This was already apparent in the first quarter of this year, with Malaysia's six biggest banking groups by assets — including CIMB Group — collectively showing a 15.5% decline in non-interest income on a year-on-year basis, and 18% decline on a quarter-on-quarter basis, according to data compiled by Maybank IB Research.



"The sovereign sukuk will have a maturity of five years and use the Al-Jara structure"

HM Treasury

CIMB to jointly arrange £200m British sukuk

MAIDEN ISSUE: Lender joins 4 global banks to make London an Islamic finance hub



(From left) Professor Datuk Mohd De Azhari Yusoff, Dr Aung Myint Lwin and Tengku Datuk Zafrul Tengku Abdul Aziz at the sponsorship event in Yungang.

BANKING ON TECHNOLOGY TO STAY AHEAD OF THE CURVE

CIMB Bank is turning itself into a bank of the future with the intelligent adoption of the latest technological trends, from cloud computing to big-data analytics

As the wider financial services industry is concerned, the future is already here. This sector has witnessed the most when it comes to using the latest and digital technology to reach out to customers and offer them more tailored, personalised services.

The digital revolution has led to the emergence of new business models and the need for banks to transform themselves into digital banks. CIMB Bank is leading the way in this transformation, with its focus on digital banking and digital marketing.

In every industry there are the innovators and the disruptors, and you can see this in the banking industry. CIMB Bank has managed to disrupt this industry and create a better banking experience for its customers.



3 Pantai Sentral Park condos up for grabs in CIMB contest

KUALA LUMPUR: CIMB Bank recently kicked off the "CIMB Ultimate Dream Contest", offering their new and existing customers a chance to win attractive prizes, including three monthly grand prizes of a brand new condominium at Pantai Sentral Park. The condominiums are worth more than RM700,000 each.

The campaign, which will run from today until February 28, also offers the bank's new and existing customers, 403 units of iPhone 6.

"We are constantly finding ways to serve our customers better," said a CIMB Bank spokesman.

CIMB Niaga, AirAsia Indonesia in credit card tie-up

PETALING JAYA: Three Malaysian-owned companies in Indonesia — PT Bank CIMB Niaga Tbk, AirAsia Indonesia and Think BIG Digital Sdn Bhd — have teamed up to introduce a co-branded credit card, namely CIMB Niaga-AirAsia BIG credit card that targets frequent travellers in the country.

Think BIG Digital is a joint venture between AirAsia and Time Money.

"As the travelling industry in Indonesia continues to grow, CIMB Niaga is addressing market demand for online credit card and ticket purchases," said CIMB Niaga president director Azzis Razid in a statement yesterday.

As of end of June 2014, CIMB Niaga had issued more than 1.6 million credit cards, representing a market share of 10.8% in Indonesia, he said.

CIMB Niaga, which is a unit of CIMB Group Holdings Bhd, had collaborated with AirAsia Indonesia in 2010 to launch the CIMB Niaga-AirAsia Savers account.

There were over 132,000 CIMB Niaga-AirAsia Savers accounts as of end-August 2014.

AirAsia Indonesia chief executive officer Satrio Widjantono said the partnership would increase AirAsia's customer base as a result of AirAsia BIG membership subscriptions as well as from CIMB Niaga's credit card members.



(From left) AirAsia Bhd co-founder and group CEO Sir Tony Fernandes, Widjantono, Razid and Think BIG Digital CEO Alice Goh flashing the newly-launched CIMB Niaga-AirAsia BIG co-branded credit card in Jakarta.

CIMB Group deploys new core banking system in Malaysia

by R KAMALAWANI

MALAYSIA'S second largest financial services provider CIMB Group Holdings Bhd has installed a new core banking system in Malaysia to upgrade capacity and service levels as well as harmonise its operating systems across the region.

Its group CEO Datuk Seri Nazir Razak said the massive installation exercise involving migration of data of over eight million customers was undertaken over the recent Chinese New Year (CNY) holidays.

"There is never a good time to perform a system migration," he said.



Nazir says the new operating system consolidates multiple legacy systems into 1 which will require much less 'down time' and operates at greater speeds.

Classic gaining momentum

TO BE HONORED: Pong has shown glimpses of the talent that should make him a contender for the title. He has won the tournament twice in the past, and he is currently ranked 10th in the world.

TO BE HONORED: Pong has shown glimpses of the talent that should make him a contender for the title. He has won the tournament twice in the past, and he is currently ranked 10th in the world.



REGIONAL EXPANSION: CIMB Group is launching the CIMB Thai Visa Premier credit card in a ceremony presided over by Bank of Laos deputy governor H.E. Somsay Sithphoumy (second from left). Other officials present include CIMB Thai president and chief executive officer Subhakar Manandhar, CIMB Thai managing director Chirapongchai Areegarnkijakul, member of Chaitanyin (Director) Rattana Vongpholwong and CIMB Thai independent director Datuk Shamsuddin Bin Shamsuddin. The group is the bank's first in Laos.

MEDIA HIGHLIGHTS

SHAREHOLDERS' STATISTICS

as at 13 February 2015

Authorised Share Capital : RM10,000,000,000
 Issued and Paid-up Share Capital : RM8,423,750,993 comprising 8,423,750,993 ordinary shares of RM1.00 each
 Class of Shares : Ordinary shares of RM1.00 each
 Voting Rights : One vote per ordinary share

ANALYSIS OF SHAREHOLDINGS (AS PER THE RECORD OF DEPOSITORS)

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Shares* ²
Less than 100	912	1.69	26,868	—* ¹
100 – 1,000	20,935	38.74	9,475,578	0.11
1,001 – 10,000	24,530	45.40	92,000,175	1.09
10,001 – 100,000	6,393	11.83	167,798,496	1.99
100,001 – 421,187,548	1,261	2.33	4,493,102,745	53.34
421,187,549 and above	2	—* ¹	3,661,347,131	43.46
Total	54,033	100.00	8,423,750,993	100.00

Notes:

*¹ Less than 0.01%.

*² Excludes 4,608 shares retained as treasury shares as at 13 February 2015.

DIRECTORS' SHAREHOLDINGS (AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS)

Name of Directors	No. of Shares Held			
	Direct Interest	%* ¹	Deemed Interest	%* ¹
Dato' Sri Nazir Razak	48,618,014	0.58	4,123,010* ³	0.05
Dato' Zainal Abidin Putih	83,991	—* ²	31,154* ⁴	—* ²
Dato' Robert Cheim Dau Meng	160,640	—* ²	84,998* ⁵	—* ²
Teoh Su Yin	—	—	107,719* ⁶	—* ²

Notes:

*¹ Excludes 4,608 shares retained as treasury shares as at 13 February 2015.

*² Less than 0.1%.

*³ These shares are held by his spouse.

*⁴ These shares are held by his spouse and child.

*⁵ These shares are held by his son.

*⁶ These shares are held by her spouse.

SUBSTANTIAL SHAREHOLDERS (AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

Name of Substantial Shareholders	No. of Shares Held			
	Direct	%*1	Indirect	%*1
Khazanah Nasional Berhad	2,468,902,651	29.31	–	–
Employees Provident Fund Board	1,313,752,242*2	15.60	–	–
Mitsubishi UFJ Financial Group, Inc	–	–	722,208,696*3	8.57

Notes:

*1 Excludes 4,608 shares retained as treasury shares as at 13 February 2015.

*2 Includes shares held through nominee.

*3 Deemed interested by virtue of Section 6A(4) of the Companies Act, 1965.

30 LARGEST SHAREHOLDERS (AS PER THE REGISTER OF MEMBERS AND RECORDS OF DEPOSITORS)

Name of Shareholders		No. of Shares Held	% of Issued Capital*1
1	Khazanah Nasional Berhad	2,468,902,651	29.31
2	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	1,192,444,480	14.16
3	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	388,122,414	4.61
4	Amanahraya Trustees Berhad Skim Amanah Saham Bumiputera	323,177,203	3.84
5	Kumpulan Wang Persaraan (Diperbadankan)	301,692,872	3.58
6	Amanahraya Trustees Berhad Amanah Saham Wawasan 2020	132,414,450	1.57
7	Cartaban Nominees (Asing) Sdn Bhd Exempt AN for State Street Bank & Trust Company (West CLT 0D67)	122,429,948	1.45
8	Amanahraya Trustees Berhad Amanah Saham Malaysia	120,855,303	1.43
9	Cartaban Nominees (Asing) Sdn Bhd GIC Private Limited for Government of Singapore (C)	102,347,834	1.21
10	HSBC Nominees (Asing) Sdn Bhd BBH and Co Boston for Vanguard Emerging Markets Stock Index Fund	97,577,348	1.16
11	Citigroup Nominees (Asing) Sdn Bhd CBHK for Fubon Life Insurance Co., Ltd	95,660,400	1.14
12	HSBC Nominees (Asing) Sdn Bhd TNTC for Saudi Arabian Monetary Agency	94,493,920	1.12
13	AmanahRaya Trustees Berhad AS 1Malaysia	86,621,515	1.03
14	HSBC Nominees (Asing) Sdn Bhd BNP Paribas Secs SVS Lux for Aberdeen Global	80,881,801	0.96
15	Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	68,715,020	0.82

Name of Shareholders		No. of Shares Held	% of Issued Capital*1
16	HSBC Nominees (Asing) Sdn Bhd Exempt AN for JP Morgan Chase Bank, National Association (U.S.A.)	67,165,392	0.80
17	Cartaban Nominees (Tempatan) Sdn Bhd Exempt AN for Eastspring Investments Berhad	66,702,360	0.79
18	HSBC Nominees (Asing) Sdn Bhd Exempt AN for The Bank of New York Mellon (Mellon Act)	52,258,090	0.62
19	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund DRNA for Aberdeen Emerging Markets Fund	46,713,542	0.55
20	HSBC Nominees (Asing) Sdn Bhd BBH (LUX) SCA for The Genesis Emerging Markets Investment Company	45,960,219	0.55
21	HSBC Nominees (Asing) Sdn Bhd Exempt AN for JP Morgan Chase Bank, National Association (JPMelab AIF APG)	42,718,229	0.51
22	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund 1LNO for The Genesis Group Trust Employee Benefit Plans	42,648,879	0.51
23	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (NOMURA)	41,382,664	0.49
24	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund AEM1 for Eastspring Investments Asia Oceanic High Dividend Equity Mother Fund	39,543,370	0.47
25	HSBC Nominees (Asing) Sdn Bhd Exempt AN for JP Morgan Chase Bank, National Association (Saudi Arabia)	37,184,158	0.44
26	HSBC Nominees (Tempatan) Sdn Bhd Mohamed Nazir bin Abdul Razak	34,023,596	0.40
27	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	32,425,101	0.38
28	Low Poh Weng	32,400,709	0.38
29	HSBC Nominees (Asing) Sdn Bhd HSBC BK PLC for Abu Dhabi Investment Authority (AGUS)	29,792,147	0.35
30	Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for AIA Bhd.	29,502,578	0.35
		6,316,758,193	74.99

Note:

*1 Excludes 4,608 shares retained as treasury shares as at 13 February 2015.

ADDITIONAL DISCLOSURES

(as at 31 December 2014 pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

During the financial year ended 31 December 2014, the Group has collectively issued the following instruments:

(a) THB Structured Debentures

During the financial year, CIMB Thai issued various unsecured structured debentures (designated at fair value) amounted to THB9.1 billion with embedded interest rates derivatives and early redemption option. The debentures will mature in five years from respective issuance dates. The debentures bear interest rates ranges from 0% – 6.6% per annum variable to index of THBFX 6 months, payable semi-annually. CIMB Thai has early redeemed structured debentures amounted to THB10.4 billion in 2014.

During the financial year, CIMB Thai Bank has also issued various unsecured structured debentures (not designated at fair value) amounted to THB340 million with embedded foreign exchange derivatives and early redemption option. The debentures will mature in 6 months to 1 year from respective issuance dates. The debentures bear interest rates ranges from 0% – 7.0%, depending on the underlying foreign exchange rates movements. CIMB Thai Bank has early redeemed structured debentures amounted to THB30 million during the financial year.

(b) THB Short-Term Debentures

During the financial year, CIMB Thai issued various unsecured short-term debentures amounted to THB76.0 billion with maturity ranging from 1 month to 6 months.

The debentures carry fixed interest rates of 2.20% to 2.57% payable at respective maturity dates.

During the financial year, CIMB Thai has early redeemed the short-term debentures amounted to THB82.5 billion.

(c) HKD300 million notes

On 14 May 2014, CIMB Bank issued HKD300 million 5-year senior unsecured notes under its USD1 billion nominal value Euro Medium Term Note Programme established on 27 January 2011. The notes will mature on 14 May 2019 (subject to adjustment in accordance with the modified following business day convention). It bears a fixed coupon rate of 2.70% per annum payable annually in arrears.

(d) HKD150 million notes

On 21 August 2014, CIMB Bank issued HKD150 million 5-year senior unsecured notes under its USD1 billion nominal value Euro Medium Term Note Programme established on 27 January 2011. The notes will mature on 21 August 2019 (subject to adjustment in accordance with the modified following business day convention). It bears a fixed coupon rate of 2.47% per annum payable annually in arrears.

(e) AUD100 million notes

On 25 September 2014, CIMB Bank Berhad issued AUD100 million 5-year senior fixed rate notes (the “Notes”) under its USD5.0 billion nominal value Euro Medium Term Note Programme established on 15 August 2014. The Notes will mature on 25 September 2019. It bears a coupon rate of 4.375% per annum payable annually in arrears.

(f) HKD1,130 million notes

On 20 November 2014, CIMB Bank Berhad issued HKD1,130 million 5-year senior fixed rate notes (the “Notes”) under its USD5.0 billion nominal value Euro Medium Term Note Programme established on 15 August 2014. The Notes will mature on 12 November 2019 (subject to adjustment in accordance with the modified following business day convention). The Notes bear a coupon rate of 2.46% per annum payable quarterly in arrears.

(g) Subordinated Notes 2014/2024 RM400 million

On 7 July 2014, CIMB Thai Bank issued RM400 million 10-years non callable 5 years Basel 3 compliant Tier 2 subordinated notes (“RM400 million Notes”) to their overseas investors. The RM400 million Notes carry fixed interest rate of 5.60% per annum payable every six months on 7 July 2014 and 7 January 2014.

The RM400 million Notes will mature on 5 July 2024. CIMB Thai Bank may exercise its right to early redeem the subordinated notes after 5 years subject to approval by the Bank of Thailand.

CIMB Thai Bank has an approval from Bank of Thailand to classify the RM400 million Notes as Tier II capital according to the correspondence For Kor Kor. (02) 453/2557.

2. SHARES BUY-BACK

Details of the shares purchased during the financial year ended 31 December 2014 are set out below:

Month	No. of CIMB Shares Purchased	Highest Price Paid per CIMB Share RM	Lowest Price Paid per CIMB Share RM	Average Price Paid per CIMB Share RM	Total Consideration* RM
January	–	–	–	–	–
March	–	–	–	–	–
April	100	6.20	6.20	6.20	661.19
May	–	–	–	–	–
June	–	–	–	–	–
July	–	–	–	–	–
August	–	–	–	–	–
October	–	–	–	–	–
November	100	7.30	7.30	7.30	771.22
December	–	–	–	–	–
Total	200			7.16	1,432.41

* Inclusive of transaction cost

All the shares purchased during the financial year ended 31 December 2014 were held as treasury shares. There were no resales of treasury shares made during the financial year.

Further details of the Shares Buy-Back and treasury shares are available in Note 31 to the Financial Statements which are in the Financial Statements section of the Annual Report and in the Statement Accompanying Notice of Annual General Meeting.

3. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

There were no options, warrants or convertible securities issued during the financial year by the Group.

4. AMERICAN DEPOSITORY RECEIPT (ADR) OR GLOBAL DEPOSITORY RECEIPT (GDR)

The Group did not sponsor any ADR or GDR programme during the financial year under review.

5. IMPOSITION OF SANCTION AND/OR PENALTIES

There were no public sanctions and/or material penalties imposed on the Company and its subsidiaries, Directors or Management by any regulatory body during the financial year under review.

6. NON-AUDIT FEES

Non-audit fees payable to the External Auditors, Messrs. PricewaterhouseCoopers and its affiliates amounted to RM3,265,000 for the Group and RM5,000 for the Company.

7. VARIATION IN RESULTS

There were no variation in results for the financial year ended 31 December 2014 from the unaudited results released on 27 February 2015.

8. PROFIT GUARANTEE

The Group did not receive any profit guarantee during the financial year ended 31 December 2014.

9. REVALUATION POLICY ON LANDED PROPERTIES

Please refer to the accounting policy on Property, Plant and Equipment in Notes K, L and N of the Summary of Significant Group Accounting Policies in the Financial Statements which are set out in the Financial Statements section of the Annual Report.

10. MATERIAL CONTRACTS

There were no material contracts entered into by CIMB Group and its subsidiaries involving Directors' and major shareholders' interest which were still subsisting as at the end of the financial year under review or which were entered into since the end of the previous financial year except as disclosed in Notes 48 and 49 to the Financial Statements which are in the Financial Statements section of the Annual Report.

INTERNAL POLICIES, PROCEDURES AND GUIDELINES

Policies are formulated to govern standard day-to-day operations and to manage the expected risks of CIMB Group. As such, the Group’s policies are developed from the baseline of current regulatory requirements and industry best practices to govern the business and operations of the Group.

The policies of our business units have been documented, endorsed by the Group Risk Committee (GRC) and approved by the Board for implementation across our Group, where relevant. Operational procedures are approved by Group Operational Risk Committee (GORC), for implementation. Approved policies and procedures are timely disseminated to affected stakeholders. Reviews and updates are performed regularly on approved policies, procedures and guidelines. This is done with the intent to ensure continuous improvements in operational efficiency while taking into consideration the changing industry profile on regulatory requirements, risks and internal control measures for mitigation, and new products and services.

Listed below are some of the Group’s key policies and procedures:

No.	Title	Description
1.	Group Administration & Property Management Policies & Procedures Manual	This document relates to the administrative operations of the Group and covers the operational policies governing procurement, property, maintenance services, security services, logistics, telecommunications, insurance and occupational safety and health administration.
2.	Group Accounting Policies & Accounting Guidelines Manual	This document defines the accounting concepts and policies that are consistent with Malaysia Financial Reporting Standards and Generally Accepted Accounting Practices.
3.	Group Outsourcing Policies & Procedures	This document sets out the framework for all outsourcing of banking operations of the Group in Malaysia in accordance to regulatory requirements.
4.	Group Business Continuity Management Policies & Procedures Manual	These documents provide the framework to assist in responding to a disruption, crisis and/or disaster and to resume critical business functions.
5.	Group Communications Policy	This document sets out the framework for the dissemination of information by the Group to its shareholders, media and other stakeholders. Information given by the Group to the general public shall always be timely, accurate, relevant and reliable so as to enable a properly informed view of how the Group is governed, its financial and operational performances, future prospects and key corporate developments.
6.	Group Crisis Communications Guidelines	Crises affect organisations in varying degrees and frequency. The challenge for the affected organisation is to manage these crises well in order to get back to the business of running the organisation as quickly as possible. CIMB Group has a Crisis Communications Guide to aid effective response and communication with affected stakeholders in a timely and consistent manner. It defines crisis, crisis classification, escalation procedures, and the establishment of a crisis communication management team and centre.
7.	Group Data Management Policies & Procedures Manual	These policies and procedures enable a structured approach to the management of data and dissemination of information throughout CIMB Group. The manual spells out the data governance and management information system frameworks.
8.	Group Anti-Money Laundering/ Counter Financing of Terrorism Policies & Procedures Manual	CIMB Group places importance on, and is committed to establishing an effective internal control system for AML/CFT in compliance with all related laws, regulations, guidelines and industry best practices. The Group AML/CFT policies encompasses all reporting institutions of CIMB Group, to ensure consistency in managing the AML/CFT compliance. The manual governs the appointment of anti-money laundering compliance officers, the monitoring and reporting of suspicious transactions, sanction management, record retention, employee training, risk and status reporting to Board and Senior Management and an independent audit of the internal AML/CFT measures.
9.	Employee’s Terms of Employment Policies Guidelines & Handbook	These documents set out the terms of employment for CIMB employees. These include recruitment terms such as emolument, retirement, working days and hours, office wear, conduct and discipline. The handbook sets out employment benefits including allowances and claims, medical benefits, benefits-in-kind, leave, and employee loans.
10.	Risk Management of Travel Policy	These documents address flight travel for staff in order to minimise the potential risks to CIMB Group in terms of continuity of leadership and operations. The policies cover senior management, staff at department levels and staff in general.

No.	Title	Description
11.	Policy & Procedure on Fit and Proper Criteria For Key Responsible Persons	This document sets out the procedures on Fit and Proper assessment for key responsible persons who are accountable or responsible for the management and oversight of the entities in the Group regulated by Financial Services Act 2013, Islamic Financial Services Act 2013 and Insurance Act 1996. These comprise Directors, members of the Shariah Committee, Chief Executive Officers/Executive Directors, any person performing a senior management function who has the primary or significant responsibility for the management and performance of significant business activities; and any person who has primary or significant responsibility of key control functions.
12.	Staff Rejuvenation Programme	These documents set out the rules and guidelines to allow staff to take a break from work without any loss in service or disadvantage in career progression.
13.	HR Policy on Staff Volunteerism	These documents set out the rules and guidelines to encourage staff to volunteer for CSR activities funded by CIMB Foundation. The policies provide recognition of time spent by staff on CSR activities. This is part of CIMB Group's effort to enhance community projects by contributing expertise, energy, enthusiasm and efforts of staff. Seven days of volunteering entitles staff to one day of annual leave in the following year.
14.	Staff Welfare Policy & Procedures	The Staff Welfare Fund is established to provide financial assistance to our staff and their family members to cope with high medical expenses, as a result of being involved in an accident or due to serious illness. The fund is also used to assist in loss/damage of property due to natural disasters e.g. fire/flood.
15.	Sexual Harrassment Policy & Guidelines	These documents set out the policies and guidelines to maintain a working environment which is free of sexual coercion and annoyance. CIMB Group is committed to ensure that all employees are protected from harassment of any kind and in particular from sexual harassment. The policy covers all CIMB Group employees including contract and temporary employees.
16.	Whistle Blowing Policy	These documents are in place to ensure CIMB Group has a disciplined and professional workforce. Under this policy, employees are required to promptly report incident of wrongdoings, malpractices or irregularities at their workplace to the Management for immediate rectification and action and the Management is committed to ensure strict confidentiality and will not only protect the identity of the complainants and will also protect the complainant from any harassment and victimisation at work due to the disclosure.
17.	Group Anti Bribery and Corruption Policy	This document sets out policy matters relating to the prevention of bribery and corruption, and sets out the responsibilities of Group employees and associated persons working for and on behalf of the Group, in observing and upholding the Group's position on anti-bribery and corruption.
18.	Group Related Party Transactions Policy & Procedure Manual	This document describes the broad principles governing transactions by the companies within the Group and its subsidiaries licensed pursuant to the Financial Services Act 2013 or Islamic Financial Services Act 2013 or the Companies Act 1965, or any equivalent Acts or Laws enforced locally and in the respective jurisdictions where CIMB Group operates. The manual establishes clear guidance on what constitutes a related party transaction and how such a transaction, if permitted, must be conducted to ensure compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Companies Act 1965.
19.	Group Chinese Walls Policies & Procedures Manual	This document sets out the policies and procedures to control the flow of confidential or material non public price sensitive information within the Group to minimise the risk of breach of the insider trading provisions under the Capital Markets and Services Act 2007 (CMSA) and handling of confidential information relating to a client of the Group.
20.	Group Shariah Compliance Policy & General Procedures Manual	This document defines and explains the overall framework applicable to the Islamic businesses of CIMB Group so that they can be conducted in the most effective manner and in line with the Shariah and the regulations of Bank Negara Malaysia (BNM), Securities Commission (SC), the rulings of both Shariah Advisory Councils of BNM and SC (SAC) and the rulings of Group Shariah Committee. Wherever appropriate, reference will also be made to the Shariah rulings issued by the Shariah authorities in other jurisdictions such as Dewan Shariah Nasional, Majelis Ulama Indonesia (DSN-MUI), the Shariah Committee at Authoriti Monetari Brunei Darussalam etc. based on the jurisdictional and locality requirements applicable to regional Islamic businesses of CIMB Group.

No.	Title	Description
21.	Corporate Banking, Treasury & Markets – Treasury & Markets Policies & Procedures Manual	This document defines the policies and procedures on activities carried out by Treasury & Markets department in relation to the Group's markets, sales and trading businesses in interest rates, credit, foreign exchange, commodities, equities and their derivatives, debt capital markets, fixed income investments, and treasury and funding operations for the Group.
22.	Group Conflict Management Policies and Procedures	This document sets out the policies and procedures to identify, minimise and manage conflicts and potential conflicts of interest which may arise in the course of the relevant divisions carrying out their business activities.
23.	Group Fraud Management Policies & Procedures	This document provides a guide on the escalation of any incidence of fraud that is suspected/committed within or against CIMB Group, including its subsidiaries.
24.	Group Information Technology Policy	This document governs all aspects of information technology within the Group and provides Management with direction and support in accordance with relevant laws, regulations and business requirements. It is designed to increase adherence to regulatory and internal requirements and ensures consistency in the Group's standards of operations and practices whilst at the same time facilitating sharing of information across the Group and improved controls across the Group when managing information technology. These are global best practices and in accordance with global standards such as COBIT, ITIL, CMMi, ISO etc. This document has been standardised across the Region to facilitate a Regional Operating Model.
25.	Group IT Risk Management Framework	This Framework provides a consistent and unified approach for developing and improving information risk management within the Group's business operations. It comprises of a systematic method to identify, analyse, evaluate, treat, monitor and communicate information risks associated with any activity, function or process, thereby enabling the Group to minimise its losses.
26.	Group Compliance Policies & Procedures	This document sets out the general compliance standards and requirements that govern the overall working of the Business and Support Units within CIMB Group with the objective of guiding the Business and Support Units on the compliance requirements to be adhered to in conducting their businesses. The Compliance framework includes self-testing matrices, management of non-compliances and ongoing compliance awareness.
27.	Group Competition Law Manual	The Malaysian Competition Act came into force in 2012 and has changed the business landscape in Malaysia and affected the way all Malaysian businesses operate. The Competition Law Manual provides an overview of the Competition Act and guides all business units within the Malaysian banking entities of CIMB Group to familiarise and understand the competition laws of Malaysia. It is a general guide on anti-competitive conduct, anti-competitive agreements and compliance reporting of any violations or breach of the Malaysian Competition Act.
28.	CIMB Group Liquidity Risk Management Policy	This is the primary reference document on matters relating to the key principles for the liquidity risk management framework of banking entities within CIMB Group. The policy sets out key approaches and critical areas for an integrated liquidity risk management process including liquidity risk strategies, management oversight, roles and responsibilities of various divisions/departments, risk controls and monitoring procedures to ensure that the Group has sufficient liquidity to meet its obligations as they fall due.
29.	Group Reputation Risk Management Policy	The policy sets out the Group's approach to identifying and managing its reputation risks within board set appetite. The policy leverages off existing Operational Risk Management tools and provides additional oversight and monitoring through a Group Reputation Risk Committee.
30.	Credit Policy Guide and Islamic Financing Policy Guide	These documents set out the broad Conventional and Islamic Credit/Financing Policies, applicable to the CIMB Group Conventional and Islamic Banking businesses, with the purpose to establish the discipline for orderly extension of credit, lending and financing activities.

No.	Title	Description
31.	Group Personal Data Protection Policy Manual	This document outlines the requirements of the Personal Data Protection Act 2010 (PDPA) and is intended to assist CIMB Group in meeting its statutory responsibilities as detailed in the PDPA. It serves as a general guide to the PDPA and CIMB Group's related processes and obligations to ensure that all staff within the relevant entities/divisions of the Group in Malaysia is familiar with, understand and comply with the personal data protection laws of Malaysia.
32.	CIMB Group Shariah Compliance Review Policies and Procedures Manual	This document defines and explains the overall Shariah compliance review framework applicable to the Islamic banking and finance businesses of CIMB Group to ensure Shariah compliance and handle Shariah non-compliance events.
33.	CIMB Group Enterprise-Wide Risk Management (EWRM) Framework	This describes the policies, guidelines and methodologies for managing risk across the Group. It provides guidance to the risk management teams towards achieving a common platform and consistent approach to risk management across the Group, provides an overview of each identified risk to promote clear and accountable risk management processes; and facilitates readiness and compliance to Bank Negara Malaysia other regulatory requirements.
34.	Group Market Risk Policy	The policy prescribes a consistent Group-wide framework to manage market risk across all CIMB entities. It serves as a primary reference document for the Group in establishing a sound operating environment for market risk activities that is consistent with the governance and control standards of the Group Risk Appetite Statement.
35.	Group Operational Risk Management Framework	This sets out the Group's overall guiding principles, governance, policies and procedures for managing Operational Risk. The framework provides various tools to allow the first line of defence to identify, assess, manage and report their operational risks consistently across the Group.
36.	Group Interest Rate Risk in the Banking Book Policy	This is the Group's primary reference document on the key principles for the interest rate risk management for the non-traded books. This policy also sets out the approving authority of risk policies, Board and management oversight, roles and responsibilities of divisions/departments, risk measurement methodologies, risk controls, monitoring and reporting procedures to ensure that the interest rate risk arising from the Group operations is properly identified, measured, monitored and managed over a range of potential changing interest environments including stress conditions.
37.	CIMB Group Shariah Risk Management Framework	This articulates the objectives, mission, guiding principles, governance structure as well as methodology and approach adopted by the Group in managing Shariah non-compliance risk.

TOP 10 PROPERTIES OWNED BY THE GROUP

Location	Description/Existing Use	Tenure/ Date of Expiry	Remaining Lease (years)	Age of Property (years)	Net Book Value (RM'000)	Year of Acquisition	Date of Revaluation
CIMBTHAI Langsuan Building 44 Langsuan Road Lumpini Patumwan, Bangkok 10330	25 storey office building with 1 basement level. Premises occupied by CIMB Thai Bank (Head Office Branch), CIMB Thai Bank's division offices and subsidiary company offices.	Freehold	Not Applicable	13	153,878	1999	Dec-11
Puri Indah Financial Tower LT.26 (01-12) JL.Puri Lingkar Dalam BLOK P-8 Jakarta	25 storey office building, CIMB Niaga owned 4 storey, building in progress contruction and available in 2015	–	–	Not Applicable	30,477	2012	Not Applicable
Menara BHL Jalan Sultan Ahmad Shah Pulau Pinang	11 floors of a 30 storey office buildings, comprising 4 floors at the podium block and 7 floors at the tower block. The podium block is occupied by CIMB Bank,(Menara BHL branch) and offices of CIMB Bank while the offices at the tower block are partly leased out.	Freehold	Not Applicable	18	29,198	1997	Lower Podium – Dec 2011 Higher Office – March 2013
Sinergy Building Jl. Sutera Barat Kav 17 Alam Sutera, Serpong Tangerang, Banten	20 storey office building, CIMB Niaga owned 7 Floors (GF, UG, 1st, 2nd, 3rd, 5th, 6th), used as CIMB Niaga Branch and Head Office business support.	Leasehold expiring on 2036 and 2041	Various	3	27,177	2012	–
Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Wilayah Persekutuan	10 storey office building leased out to a subsidiary.	Leasehold 99 years expiring on 24 June 2073	59	22	19,394	2002	Dec-14
Jl Ir H Juanda No. 165, Lebak, Bandung	CIMB Niaga Branch premises.	Leasehold expiring on 14 July 2041	27	4	14,414	2011	–
Bintaro Sektor VII Blok D1 No. 05, Tangerang	Land use for parking area of CIMB Niaga Head Office Bintaro.	Leasehold expiring consist of several land certificates: – 5 July 2017 – 30 Aug 2029 – 27 Dec 2015 – 26 Dec 2038 – 30 Dec 2029 – 24 July 2015 – 11 March 2023	Various	Not Applicable	14,094	2010	–
Jl Gajah Mada 18 Jakarta Pusat	4 storey office building. Used as CIMB Niaga Head Office and Branch.	Leasehold expiring on 17 January 2036	22	9	13,876	2006	Aug-05
86 Campden Hill Court Campden Hill Road Kensington, W8 7HW	Raised Ground Floor flat within a large six storey mansion block which, whilst forming one large building, is subdivided into sections and constructed around two open plan central quadrangles. Premises for short term residential use of Group visiting VIP.	Leasehold/999 years from March 1984 with a share of freehold in respect of the entire property	969	114	12,349	2009	Apr-12
No. 43, Lebuhr Pantai 10200 Georgetown Pulau Pinang	A five storey corner commercial building.	Freehold	Not Applicable	–	9,004		Dec-11

PAST AWARDS

ALB SOUTHEAST ASIA

DEAL AWARDS 2013

- **Equity Market Deal of the Year:**
USD3.1 billion Felda Global Ventures Holdings IPO
- **Islamic Finance Deal of the Year:**
Axiata Group Berhad's RMB1.0 billion Sukuk Issuance
- **Southeast Asia M&A Deal of the Year:**
AIA Acquisition of ING Group Malaysian Insurance Business

ALPHA SOUTHEAST ASIA

Financial Institution Awards 2013

- **Best Investment Bank in Malaysia**
- **Best Bond House in Malaysia**
- **Best Equity House in Malaysia**
- **Best Institutional Broker in Malaysia**
- **Best Retail Broker in Singapore**
- **Best Retail Broker in Indonesia**
- **Best Private Wealth Management Bank in Malaysia**
- **Special Marquee Awards:**
Best Islamic Finance Bank in Southeast Asia
- **Special Marquee Awards:**
Best Asset Manager in Southeast Asia

DEAL AND SOLUTION AWARDS 2013

- **Best Deal of the Year in Southeast Asia:**
Matahari Department Store's USD1.5 billion re-IPO
- **Best Islamic Finance Deal of the Year in Southeast Asia:**
DanaInfra ICP's RM300 million Exchange Traded Retail Sukuk
- **Best Bond Deal of the Year for Retail Investors in Southeast Asia:**
DanaInfra ICP's RM300 million Exchange Traded Retail Sukuk
- **Best IPO Deal of the Year in Southeast Asia:**
UMW Oil & Gas' USD820 million IPO
- **Best IPO Deal of the Year for Retail Investors in Southeast Asia:**
UMW Oil & Gas' USD820 million IPO
- **Best Islamic REIT Deal of the Year in Southeast Asia:**
KLCC Property Holdings Stapled Securities Restructuring
- **Best Mid-Cap Equity Deal of the Year in Southeast Asia:**
Sona Petroleum's RM550 million IPO
- **Best Trade Finance Solution of the Year in Southeast Asia**
- **Best Islamic Bank in ASEAN**
- **Best Bond House in ASEAN**
- **Best Equity house in ASEAN**
- **Most Innovative Islamic Finance Deal of the Year in Southeast Asia:**
Khazanah Nasional's (via Indah Capital Limited) SGD600 million Exchangeable Sukuk

INVESTOR CORPORATE AWARDS 2013

- **Most Organised Investor Relations**
- **Strongest Adherence to Corporate Governance**
- **Best CFO in Malaysia:**
Kenny Kim
- **Best CFO in Southeast Asia:**
Kenny Kim

ASIAN BANKING & FINANCE

WHOLESALE BANKING AWARDS 2013

- **Domestic Cash Management Bank of the Year in Malaysia**
- **Domestic Cash Management Bank of the Year in Indonesia**
- **Domestic Cash Trade Finance Bank of the Year in Indonesia**

ASIA RISK AWARDS

- **House of the Year, Malaysia**
- **House of the Year, Indonesia**

ASIAMONEY

BEST MANAGED COMPANY AWARDS 2013

- **Best Managed Company in Malaysia-Large-Cap: CIMB Group**
- **Best Executive in Malaysia: Dato' Sri Nazir Razak, CIMB Group**

BEST ISLAMIC BANK AWARDS 2013

- **Best Islamic Bank in Asia**
- **Best Islamic Bank in Malaysia**

BEST BANK AWARDS 2013

- **Best Equity House**

REGIONAL DEAL AWARDS 2013

- **Best IPO in the Region:**
China Huishan Dairy Holdings USD1.5 billion IPO

COUNTRY DEAL AWARDS 2013

- **Country Deal of the Year for Malaysia:**
Indah Capital SGD600 million Zero Coupon Exchangeable Sukuks due 2018
- **Country Deal of the Year for Hong Kong:**
China Huishan Dairy Holdings USD1.5 billion IPO
- **Country Deal of the Year for Indonesia:**
PT Matahari Department Store's USD1.5 billion re-IPO

FOREIGN EXCHANGE POLL 2013

- Best Overall Domestic Provider of FX Services in Malaysia as voted by financial institutions
- Best Domestic Provider of FX Services in Malaysia as voted by corporates
- Best Domestic Provider for FX Options in Malaysia voted by corporates
- Best Domestic Provider for FX Products and Services in Malaysia as voted by corporates
- Best Domestic Provider for FX Research & Market Coverage in Malaysia as voted by corporates
- Best FX Provider for FX Options in Thailand as voted by corporates
- Best for FX Options in Asia Pacific as voted by financial institutions

PRIVATE BANKING POLL 2013

- Best Domestic Private Bank in Malaysia

CASH MANAGEMENT POLL 2013

- Best Local Cash Management Bank in Malaysia as voted by small-sized corporates
- Best Local Cash Management Bank in Malaysia as voted by medium-sized corporates
- Best Local Cash Management Bank in Malaysia as voted by large-sized corporates
- Best Overall Domestic Cash Management Services in Malaysia as voted by small-sized corporates
- Best Overall Domestic Cash Management Services in Malaysia as by medium-sized corporates
- Best Overall Domestic Cash Management Services in Malaysia as by large-sized corporates
- Best Overall Cross-Border Cash Management Services in Malaysia as voted by small-sized corporates
- Best Overall Cross-Border Cash Management Services in Malaysia as voted by medium-sized corporates
- Best Overall Cross-Border Cash Management Services in Malaysia as voted by large-sized corporates
- Best Overall Domestic Cash Management Services in Indonesia as voted by medium-sized corporates
- Best Overall Domestic Cash Management Services in Thailand as voted by small-sized corporates
- Best Overall Domestic Cash Management Services in Thailand as voted by medium-sized corporates
- Best Overall Cross-Border Cash Management Services in Thailand as voted by small-sized corporates
- Best Overall Cross-Border Cash Management Services in Thailand as voted by medium-sized corporates

CORPORATE GOVERNANCE POLL AWARDS 2013

- Best for Shareholders' Rights and Equitable Treatment in Malaysia

FIXED INCOME POLL 2013

- Overall Best Sales Service in Credit Derivatives on the Local Currency Bonds for RM
- Overall Best Sales Service in Credit Derivatives on the Local Currency Bonds for IDR
- Overall Best Local Currency Interest Rates Market & Research Coverage for RM
- Overall Best Local Currency Interest Rates Market & Research Coverage for IDR
- Overall Best Local Currency Interest Rates Market & Research Coverage for THB
- Overall Best Sales Service in the Local Currency Commodities Derivatives for RM
- Overall Best Pricing for Local Currency Commodities Derivatives for RM
- Best for Credit Sales in Malaysia
- Best for Credit Research and Market Coverage in Malaysia
- Best for Interest Rates Derivatives in Malaysia
- Best for Credit Services in Indonesia
- Best for Credit Sales in Indonesia
- Best for Credit Derivatives in Indonesia
- Best for Credit Research and Market Coverage in Indonesia
- Best for Interest Rates Research in Thailand
- Best for Interest Rates Product & Sales in Thailand
- Best for Interest Rates Derivatives in Thailand
- Overall Best for Credit in Malaysia
- Overall Best for Credit in Indonesia
- Overall Best for Interest Rates in Thailand
- Overall Best Regional Credit Sales Person:

Foo Boon Liong

BROKERS POLL 2013

- **Best Local Brokerage in Malaysia**
- **Best for Overall Country Research in Malaysia**
- **Best Analyst in Malaysia:**
Terence Wong
- **Best Overall Sales Services in Malaysia**
- **Best Execution in Malaysia**
- **Best in Sales Trading in Malaysia**
- **Best Analyst in Indonesia:**
Erwan Teguh
- **The Most Improved Brokerage over the last 12 months in Singapore**
- **The Most Improved Brokerage over the last 12 months in Thailand**
- **Regional Best Sales Trader in Asia ex-Japan:**
Roger Tay

BPA TRAILBLAZER

- **Process Excellence in Collection and Debt Management in Malaysia**
- **Channel Excellence in Multi-Channel Integration in Malaysia**
- **Service Provider Excellence in Core Banking in Thailand**

BRAND FINANCE

- **No.1 Banking Brand in Malaysia**

EUROMONEY**AWARDS FOR EXCELLENCE 2013**

- **Best Investment Bank in Malaysia**

ISLAMIC FINANCE AWARDS 2014

(Announced in 2014 in recognition of 2013's achievement)

- **Best Islamic Bank In Asia**
- **Best Islamic Bank In Malaysia**
- **Most Innovative Deal:**
Khazanah's SGD600 million Exchangeable Sukuk into IHH
- **Best Project Finance Deal:**
Danainfra's RM300 million Exchange Traded Sukuk

EUROMONEY PRIVATE BANKING AND WEALTH MANAGEMENT SURVEY 2014

(Announced in 2014 in recognition of 2013's achievement)

- **Best Family Office Services in Malaysia**
- **Best Corporate Advisory for Private Banking Clients in Malaysia**
- **No.1 for High Net Worth II Clients (USD10 million to USD30 million) in Thailand**

FINANCEASIA**COUNTRY AWARDS 2013**

- **Best Investment Bank in Malaysia**
- **Best Bond House in Malaysia**
- **Best Equity House in Malaysia**
- **Best Private Bank in Malaysia**

DEAL AWARDS 2013

- **Best Malaysia Deal:**
Sun Life and Khazanah's SGD600 million acquisition of CIMB Aviva
- **Best Indonesia Deal:**
Matahari Department Store's USD1.5 billion re-IPO
- **Best Taiwan Deal:**
Advanced Semiconductor Engineering's USD400 million Convertible Bonds
- **Best Equity Deal:**
Matahari Department Store's USD1.5 billion re-IPO
- **Best Debt Finance Deal:**
Wesfarmers' Bunnings lease securitisation AUD304 million
- **Most Innovative Deal:**
Wesfarmers' Bunnings lease securitisation AUD304 million

GLOBAL FINANCE**CONSUMER INTERNET BANK AWARDS 2013**

- **Best Consumer Internet Bank in Malaysia**

REGIONAL SUB-CATEGORY WINNER

- **Best in Social Media in Asia**

GLOBAL ISLAMIC FINANCE AWARDS**DEAL OF THE YEAR AWARDS 2014**

- **Best Sukuk Deal 2013:**
Axiata Group Berhad (via Axiata SPV2 Berhad) RMB1.0 billion Sukuk issuance pursuant to a USD1.5 billion multi-currency Sukuk issuance programme

HR ASIA

- **Best Companies to Work for in Asia 2013**

IDC FINANCIAL INSIGHTS**FINANCIAL INSIGHTS INNOVATION AWARDS 2014**

(Announced in 2014 in recognition of 2013's achievement)

- **Best Payment Process:**
OctoSend

IFR ASIA**REGIONAL AWARDS 2013**

- **Domestic Bank of the Year, Asia**
- **Islamic Deal of the Year:**
Khazanah Nasional's SGD600 million Exchangeable Sukuk

COUNTRY AWARDS 2013

- **Malaysia Bond House of the Year**

INDONESIAN GOOD CORPORATE GOVERNANCE AWARD

- **Most Trusted Company in Indonesia**

INFOBANK MAGAZINE**INFOBANK AWARD 2013**

- **Platinum Trophy 2013:**
'Very Good' Financial Results – PT Bank CIMB Niaga

IR MAGAZINE

- **Best Investor Relations by a Malaysian Company**

ISLAMIC FINANCE NEWS

- **Best Islamic Bank in Malaysia**
- **Best Islamic Bank in Singapore**
- **Best Islamic Bank in Thailand**
- **Best Islamic Asset Management Company in Asia**
- **Best Overall Islamic Asset Management Company**

DEALS OF THE YEAR 2013

- **Malaysia Deal of the Year:**
DanaInfra Nasional's RM300 million Exchange Traded Sukuk (First Tranche)
- **Deal of The Year:**
International Islamic Liquidity Management Corporation (IILM) USD490 million Sukuk
- **Sukuk Deal of the Year:**
International Islamic Liquidity Management Corporation (IILM) USD490 million Sukuk
- **Wakalah Deal of the Year:**
PT Astra Sedaya Finance USD50 million Wakalah Syndicated Financing
- **Most Innovative Deal of the Year:**
Telekom Malaysia RM200 million Sukuk Wakalah Programme
- **Musharakah Deal of the Year:**
SP Setia RM700 million Sukuk Musharakah Programme
- **Perpetual Deal of the Year:**
SP Setia RM609 million Sukuk Musharakah (First Issuance)

KANGANEWS**KANGANEWS AWARDS 2013**

- **Securitisation Deal of the Year:**
Wesfarmers AUD270.89 million BPI No. 1

KEMENTERIAN BUNM

- **2012 Annual Report Award (Champion for Private Financial Company) – Listed in Indonesia**

KUALA LUMPUR ISLAMIC FINANCE FORUM 2013

- **Most Outstanding Islamic Bank**

MALAYSIA INVESTOR RELATIONS AWARDS**2013 LARGE CAP WINNER**

- **Best CEO for Investor Relations**
- **Best Company for Investor Relations**
- **Best Investor Relations Website**
- **Business Knowledge and Insights of Investor Relations Team**
- **Quality of One-on-One Meetings**

MALAYSIA'S 100**LEADING EMPLOYER AWARDS 2013**

- **Best Innovation on Campus**
- **Best Internship Experience:**

Abdul Qayyum Nur Zakri

MINORITY SHAREHOLDER WATCHDOG GROUP**MALAYSIA – ASEAN CORPORATE GOVERNANCE INDEX 2013**

- **CEO of the Year 2013:**
Dato' Sri Nazir Razak, CIMB Group
- **Best Environmental, Social and Corporate Governance**
- **Top Corporate Governance Transparency**
- **Top Overall Corporate Governance**

MORNINGSTAR, INC.**MORNINGSTAR MALAYSIA FUND AWARDS 2014**

(Announced in 2014 in recognition of 2013's achievement)

- **Best Asia Pacific Equity Fund:**
CIMB-Principal Equity Growth & Income Fund
- **Best Malaysia Equity Fund:**
CIMB-Principal Small Cap Fund

PRIVATE BANKER INTERNATIONAL**GLOBAL WEALTH AWARDS 2013**

- **Outstanding Young Private Banker:**
Sim Sin Hoe

PROJECT FINANCE**INTERNATIONAL AWARDS 2013**

- **Power Deal of the Year in Asia Pacific:**
Banten IPP

THE ASIAN BANKER**TRANSACTION BANKING AWARDS 2013**

- **Best Cash Management Bank in Malaysia**

THE ASSET**TRIPLE A TRANSACTION BANKING AWARDS 2013**

- **Best Service Providers – eSolutions Partner Bank in Malaysia**
- **Best Cash Management Solution in Malaysia**
- **Best Service Providers – Cash Management in Indonesia**

TRIPLE A ISLAMIC FINANCE AWARDS 2013

- **Islamic Bank of the Year**
- **Best Islamic Bank, Malaysia**
- **Best Islamic Investment Bank, Asia Pacific**
- **Islamic Asset Management House, Asia Pacific**
- **Sukuk House of the Year, Asia Pacific**
- **Best Islamic Deal Malaysia:**
Axiata Group's USD1 billion Offshore Renminbi Sukuk
- **Best Islamic Deal Bahrain:**
Bahrain Mumtalakat RM300 million Sukuk
- **Best Islamic Equity:**
IHH Healthcare's RM6.73 billion IPO
- **Best Islamic Equity Highly Commended:**
Felda Global Ventures USD3.1 billion IPO
- **Best Islamic Structured Product:**
168 Malaysian Infrastructure Income Protected Plus-i II
- **Best Islamic Project Finance:**
Malakoff Tanjung Bin Energy RM6.5 billion Loan and Sukuk Murabaha
- **Best Quasi Sovereign Sukuk:**
Khazanah Nasional's SGD600 million Seven Year Exchangeable Sukuk
- **Best Islamic Equity-Linked Deal:**
Khazanah Nasional's SGD600 million Seven Year Exchangeable Sukuk
- **Best Corporate Sukuk:**
Axiata Group's USD1 billion Offshore Renminbi Sukuk
- **Best Local Currency Sukuk:**
Danainfra Nasional's RM2.4 billion Sukuk

TRIPLE A PRIVATE BANKING, WEALTH MANAGEMENT AND INVESTMENT AWARDS 2013

- **Best Private Bank in Malaysia**
- **Derivatives House of the Year in Malaysia**
- **Structured Products House of the Year in Malaysia**
- **Best Structured Product in Malaysia:**
Rates – CIMB: Flippable Power Range Accrual

TRIPLE A REGIONAL HOUSE & DEAL AWARDS 2013

- **Best Secondary Offering:**
Matahari Department Store's USD1.5 billion re-IPO

COUNTRY AWARDS 2013

- **Best Domestic Investment Bank in Malaysia**
- **Best Domestic Bond House in Malaysia**
- **Best Equity House in Malaysia**
- **Best Deal in Indonesia:**
Matahari Department Store's USD1.5 billion re-IPO
- **Best Deal in Taiwan:**
Advanced Semiconductor Engineering's USD400 million Convertible Bonds

BENCHMARK RESEARCH AWARDS 2013

- **Top Bank Arranger:**
Quality and Number of Primary Corporate Bond Deals in Malaysia
- **Top Bank Arranger:**
Quality and Number of Primary Government Bond Deals in Malaysia
- **Top Bank in the Secondary Market for Corporate Bonds in Malaysia**

THE BANKER**ISLAMIC BANK OF THE YEAR AWARDS 2013**

- **Global and Asia Pacific Islamic Bank of the Year**
- **Islamic Bank of the Year in Asia**

THE EDGE**BEST DEALS OF THE YEAR 2013**

- **Best Privatisation Deal:**
Privatisation of both QSR Brands Bhd and KFC Holdings (M) Bhd through the acquisition of substantially all their assets and liabilities by Triple Platform Sdn Bhd
- **Best Share Placement:**
SapuraKencana Petroleum Berhad's RM1.64 billion placement
- **Best IPO:**
UMW Oil & Gas' RM2.72 billion IPO

THE EDGE – LIPPER MALAYSIA FUND AWARDS 2014

(Announced in 2014 in recognition of 2013's achievement)

- **The Best Equity Asia Pacific ex-Japan (3 years):**
CIMB Principal Equity Income
- **The Best Equity Global (3 years):**
CIMB-Principal Global Titans
- **The Best Equity Malaysia Small and Mid Caps (3 years):**
CIMB-Principal Small Cap
- **The Best Equity Asia Pacific ex-Japan (5 years):**
CIMB-Principal Equity Income
- **The Best Equity Malaysia (10 years):**
CIMB-Principal Equity
- **The Best Equity Asia Pacific ex-Japan Islamic (3 years):**
CIMB Islamic Equity
- **The Best Equity Asia Pacific ex-Japan Islamic (5 years):**
CIMB Islamic Equity
- **The Best Equity Malaysia Islamic (10 years):**
CIMB Islamic DALI Equity Growth

2013 BILLION RINGGIT CLUB CORPORATE AWARDS

- **Best CSR Initiatives**

THOMSON REUTERS**ISLAMIC ECONOMY AWARD**

- **Leading Islamic Bank:**
CIMB Islamic

TRADE FINANCE**AWARDS FOR EXCELLENCE 2013**

- **Best Trade Bank in Malaysia**
- **Best Islamic Trade Bank in Asia Pacific**

GROUP CORPORATE DIRECTORY

CIMB GROUP HOLDINGS BERHAD
CIMB INVESTMENT BANK BERHAD
CIMB FUTURES SDN. BHD.

Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia	Tel : 603 2261 8888 Fax : 603 2261 8899 Website : www.cimb.com
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CIMB BANK BERHAD
CIMB ISLAMIC BANK BERHAD

Menara Bumiputra-Commerce 11 Jalan Raja Laut 50350 Kuala Lumpur Malaysia	Tel : 603 2619 1188 Fax : 603 2619 2288 Website : www.cimb.com
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TOUCH 'N GO SDN. BHD.

Tower 6 Avenue 5, Bangsar South No. 8 Jalan Kerinchi 59200 Kuala Lumpur Malaysia	Tel : 603 2714 8000 Fax : 603 2714 8001 Website : www.touchngo.com.my
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PT BANK CIMB NIAGA TBK

Graha CIMB Niaga, 16th Floor Jl. Jend Sudirman Kav. 58 Jakarta 12190, Indonesia	Tel : 6221 250 5252 Fax : 6221 250 5202 Website : www.cimbniaga.com
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CIMB THAI BANK PUBLIC COMPANY LIMITED

44 Langsuan Road, Lumpini Pathumwan Bangkok 10330 Thailand	Tel : 662 638 8000/ 662 626 7000 Fax : 662 633 9026 Website : www.cimbthai.com
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CIMB BANK BERHAD
SINGAPORE BRANCH

#09-01, Singapore Land Tower 50 Raffles Place 048623 Singapore	Tel : 65 6337 5115 Fax : 65 6337 5335 Website : www.cimb.com
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CIMB BANK BERHAD
LONDON BRANCH

Ground Floor, 27 Knightsbridge London SW1X 7YB United Kingdom	Tel : 44 0 20 7201 3150 Fax : 44 0 20 7201 3151 Website : www.cimb.com
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CIMB BANK BERHAD
SHANGHAI BRANCH

Unit 1805-1807, AZIA Center 1233, Lujiazui Ring Road Pudong New District Shanghai, 200120, China	Tel : 8621 2026 1888 Fax : 8621 2026 1988 Website : www.cimb.com
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CIMB BANK BERHAD
HONG KONG BRANCH

Unit 6706B-08A, Level 67 International Commerce Centre 1 Austin Road, West Kowloon Hong Kong	Tel : 852 2586 7288 Fax : 852 2556 3863 Website : www.cimb.com
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CIMB THAI BANK
VIENTIANE BRANCH

010 Lanexang Avenue Unit 2 Ban Hatsadi Chanthabury District Vientiane, Lao PDR	Tel : 856 21 255 355 Fax : 856 21 255 356 Website : www.cimbthai.com
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CIMB BANK (L) LIMITED
CIMB BANK BERHAD, LABUAN OFFSHORE BRANCH

Level 14(A), Main Office Tower Financial Park Labuan Jalan Merdeka 87000 W P Labuan Malaysia	Tel : 6087 410 302/305 Fax : 6087 410 313 Website : www.cimb.com
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CIMB BANK PLC

20AB Corner Preah Norodom Boulevard & Street 118 Sangkat Phsar Chas Phnom Penh 12203 Kingdom of Cambodia	Tel : 855 23 988 388 Fax : 855 23 988 099 Website : www.cimbbank.com.kh
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CIMB MIDDLE EAST BSC (C)

304, Almoayyed Tower Seef District, Manama Kingdom of Bahrain	Tel : 00 973 17 567 111 Fax : 00 973 17 583 180 Website : www.cimb.com
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CIMB INVESTMENT BANK BERHAD
BRUNEI BRANCH

14th Floor, PGGM Building Jalan Kianggeh Bandar Seri Begawan BS8111 Brunei Darussalam	Tel : 673 224 1888 Fax : 673 224 0999 Website : www.cimb.com
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CIMB SECURITIES INTERNATIONAL PTE. LTD.**CIMB SECURITIES (SINGAPORE) PTE. LTD.**

#19-00, Singapore Land Tower	Tel : 65 6225 1228
50 Raffles Place 048623,	Fax : 65 6225 1522
Singapore	Website : www.cimb.com

CIMB SECURITIES LIMITED

Unit 7706-08, Level 77	Tel : 852 2868 0380
International Commerce Centre	Fax : 852 2537 1928
1 Austin Road	Website : www.cimb.com
West Kowloon	
Hong Kong	

CIMB SECURITIES (UK) LTD.

27 Knightsbridge	Tel : 4420 7201 2199
London SW1X 7YB	Fax : 4420 7201 2191
United Kingdom	Website : www.cimb.com

PT CIMB SECURITIES INDONESIA

The Indonesia Stock Exchange Building	Tel : 6221 515 1330
Tower II, 20th Floor	Fax : 6221 515 1335
Jl. Jend. Sudirman Kav. 52-53	Website : www.itradecimb.co.id
Jakarta 12190	
Indonesia	

CIMB SECURITIES (THAILAND) CO., LTD.

130-132, 1st & 2nd Floor	Tel : 66 841 9000
Sindhorn Tower 2	Fax : 66 841 9090
and 12th Floor, Sindhorn Tower 3	Website : www.cimbsecurities.com
Wireless Road, Lumpini	
Pathumwan, Bangkok 10330	

CIMB SECURITIES (USA), INC.

11th Floor	Tel : 1212 616 8600
540 Madison Avenue	Fax : 1212 616 8639
New York, NY 10022	Website : www.us.cimb.com
United States of America	

CIMB SECURITIES LIMITED**KOREA BRANCH**

15th Floor, S-Tower Building	Tel : 822 6730 6000
82 Saaemunan-ro	Fax : 822 6730 6182
Jongro-gu	Website : www.cimb.com
Seoul 110-700, South Korea	

CIMB VINASHIN SECURITIES LLC

1st Floor, Building 34T	Tel : 04 2221 0483
Trung Hoa Nhan Chinh	Fax : 04 2221 0484
Cau Giay District	Website : www.cimb.com
Hanoi, Vietnam	

CIMB SECURITIES (INDIA) PRIVATE LIMITED**CIMB CORPORATE FINANCE (INDIA) PRIVATE LIMITED**

B1203, The Capital	Tel : 91 22 6602 5100
Bandra Kurla Complex	Fax : 91 22 6602 5105
Mumbai 400051	Website : www.cimb.com
India	

CIMB SECURITIES INTERNATIONAL (AUSTRALIA) PTY LTD

Level 29, Aurora Place	Tel : 61 2 9694 5000
88 Phillip Street	Fax : 61 2 9694 5001
Sydney, NSW 2000	Website : www.cimb.com
Australia	

CIMB SECURITIES LIMITED**TAIWAN BRANCH**

76F-1, 101 Tower Building	Tel : 886 2 8729 8388
No. 7, Xin Yi Rd	Fax : 886 2 8729 8391
Sec. 5, Taipei	Website : www.cimb.com
Taiwan	

BANK OF YINGKOU CO., LTD.

15F-16F, Minmetals Building	Tel : 86 417 280 2079
No. 99, Xinhai Street	Fax : 86 417 282 7926
Coastal Industrial Base	Website : www.bankofyk.com
Yingkou, Liaoning, China	
Post Code 115000	

CIMB INSURANCE BROKERS SDN. BHD.

Level 15	Tel : 603 2619 1188
Menara Bumiputra-Commerce	Fax : 603 2692 3396
11 Jalan Raja Laut	Website : www.cimb.com
50350 Kuala Lumpur	
Malaysia	

CIMB TRUST LIMITED

Level 14(A), Main Office Tower	Tel : 6087 414 252
Financial Park Labuan	Fax : 6087 411 855
Jalan Merdeka	Website : www.cimb.com
87000 W P Labuan	
Malaysia	

CIMB ISLAMIC TRUSTEE BERHAD**CIMB COMMERCE TRUSTEES BERHAD**

Level 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur	Tel : 603 2261 8888 Fax : 603 2261 8899 Website : www.cimb.com
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CIMB-MAPLETREE MANAGEMENT SDN. BHD.**CMREF 1 SDN. BHD.****CMREF 2 SHARIAH SDN. BHD.**

10th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Malaysia	Tel : 603 2084 8888 Fax : 603 2084 8899 Website : www.cimb.com
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CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD**CIMB-PRINCIPAL ISLAMIC ASSET MANAGEMENT SDN. BHD.**

10th Floor, Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Malaysia	Tel : 603 2084 8888 Fax : 603 2084 8899 Website : www.cimb-principal.com.my
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CIMB-PRINCIPAL ASSET MANAGEMENT COMPANY LIMITED

44 CIMB Thai Building 16th Floor Langsuan Road Lumpini Pathumwan, Bangkok 10330 Thailand	Tel : 662 686 9595 Fax : 662 657 1307 Website : http://www.cimb-principal.co.th
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PT. CIMB-PRINCIPAL ASSET MANAGEMENT

Wisma GKBI, Suite 2201A 2nd Floor Jl Jend Sudirman, No. 28 Jakarta Pusat 10210 Indonesia	Tel : 6221 5790 1581 Fax : 6221 5790 1582 Website : http://www.cimb-principal.co.id/
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CIMB-PRINCIPAL ASSET MANAGEMENT (S) PTE. LTD.

50, Raffles Place #22-03A, Singapore Land Tower Singapore 048623	Tel : 65 6210 8488 Fax : 65 6210 8489 Website : www.cimb-principal.com.sg
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CAPITAL ADVISORS PARTNERS ASIA SDN. BHD.

2B-6-3, Level 6, Block 2B Plaza Sentral Jalan Stesen Sentral 5 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia	Tel : 603 2035 6873/ 603 2035 6868 Fax : 603 2035 6878 Website : www.capasia.com
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iCIMB (MALAYSIA) SDN. BHD.**iCIMB (MSC) SDN. BHD.**

19th Floor, Tower 5, Avenue 7 Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Malaysia	Tel : 603 2180 7198 Fax : 603 2180 7100 Website : www.cimb.com
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CIMB FOUNDATION

Level 17, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia	Tel : 603 2261 8888 Fax : 603 2261 8889 Website : www.cimbfoundation.com
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CIMB BANK BERHAD**YANGON REPRESENTATIVE OFFICE**

1008 Level 10 Sakura Tower Kyauktada Township, Yangon Myanmar	Tel : 951 255 430 Fax : 951 255 430 Website : www.cimb.com
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CIMB BANK BERHAD**MUMBAI REPRESENTATIVE OFFICE**

B1203, B Wing, 12th Floor The Capital Bandra Kurla Complex Bandra (East) Mumbai 400051 India	Tel : 91 22 6671 1570 Fax : 91 22 6671 1571 Website : www.cimb.com
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CIMB (PRIVATE) LIMITED

Level 33, West Tower World Trade Centre Echelon Square Colombo 01, Sri Lanka	Tel : 00 94 11 234 8888 Fax : 00 94 11 244 1801 Website : www.cimb.com
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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 58th Annual General Meeting of CIMB Group Holdings Berhad (“CIMB” or “the Company”) will be held at the Grand Ballroom, Level 3A, Connexion @ Nexus, No. 7, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur, on Tuesday, 28 April 2015 at 9.30 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2014 and the Reports of the Directors and Auditors thereon.
2. To re-elect Dato’ Zainal Abidin Putih who retires pursuant to Article 76 of the Company’s Articles of Association.
3. To re-elect the following Directors who retire pursuant to Article 83 of the Company’s Articles of Association:
 - 3.1 Kenji Kobayashi
 - 3.2 Robert Neil Coombe
 - 3.3 Joseph Dominic Silva
 - 3.4 Teoh Su Yin
 - 3.5 Tengku Dato’ Zafrul Tengku Abdul Aziz
4. To approve the payment of Directors’ fees amounting to RM809,235 for the financial year ended 31 December 2014.
5. To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company and to authorise the Directors to fix their remuneration.

Resolution 1 (Ordinary)

Resolution 2 (Ordinary)

Resolution 3 (Ordinary)

Resolution 4 (Ordinary)

Resolution 5 (Ordinary)

Resolution 6 (Ordinary)

Resolution 7 (Ordinary)

Resolution 8 (Ordinary)

Resolution 9 (Ordinary)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

6. Proposed renewal of the authority for Directors to issue shares
“THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being, subject always to the approval of all the relevant governmental and/or regulatory authorities.”

Resolution 10 (Ordinary)

7. Proposed renewal of the authority for Directors to allot and issue new Ordinary Shares of RM1.00 each in the Company (CIMB Shares) in relation to the Dividend Reinvestment Scheme that provides the shareholders of the Company with the option to elect to reinvest their cash dividend entitlements in new Ordinary Shares of RM1.00 each in the Company (Dividend Reinvestment Scheme).
“THAT pursuant to the Dividend Reinvestment Scheme (DRS) approved at the Extraordinary General Meeting held on 25 February 2013, approval be and is hereby given to the Company to allot and issue such number of new CIMB Shares for the DRS until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new CIMB Shares shall be fixed by the Directors at not more than 10% discount to the adjusted 5 day volume weighted average market price (VWAMP) of CIMB Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price and not less than the par value of CIMB Shares at the material time;

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

Resolution 11 (Ordinary)

8. Proposed renewal of the authority to purchase own shares.

“**THAT**, subject to the Companies Act, 1965 (as may be amended, modified or re-enacted from time to time), the Company’s Memorandum and Articles of Association and the requirements of the Bursa Malaysia Securities Berhad (Bursa Securities) and approvals of all the relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of RM1.00 each in the Company (Proposed Shares Buy-Back) as may be determined by the Board of Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Board of Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution does not exceed 10% of the total issued and paid-up share capital of the Company at any point in time and an amount not exceeding the total retained profits of approximately RM1,242 million and/or share premium account of approximately RM9,973 million of the Company based on the Audited Financial Statements for the financial year ended 31 December 2014 be allocated by the Company for the Proposed Shares Buy-Back **AND THAT** the ordinary shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and either subsequently be cancelled, distributed as dividends or re-sold on Bursa Securities **AND THAT** the Board of Directors of the Company be and are hereby empowered generally to do all acts and things to give effect to the Proposed Shares Buy-Back with full power to assent to any conditions, modifications, revaluations and/or amendments (if any) as may be imposed by the relevant authority with full power to do all such acts and things thereafter on any part of the shares bought back in accordance with the Companies Act, 1965, Articles of Association of the Company, Main Market Listing Requirements of Bursa Securities and any other rules and regulations that may be in force from time to time **AND THAT** such authority shall commence immediately upon passing of this ordinary resolution until:

- i. the conclusion of the next Annual General Meeting of the Company in 2016 at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- ii. the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- iii. revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

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

Resolution 12 (Ordinary)

9. To transact any other business of which due notice shall have been duly given in accordance with the Companies Act, 1965.

BY ORDER OF THE BOARD

Datin Rossaya Mohd Nashir

LS 0007591

Group Company Secretary

Kuala Lumpur

27 March 2015

NOTES:

Proxy

1. A member shall be entitled to appoint only one (1) proxy unless he/she has more than 1,000 shares in which case he/she may appoint up to five (5) proxies provided each proxy appointed shall represent at least 1,000 shares. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
2. Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A proxy may but need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if such appointor is a corporation, under its seal or the hand of its attorney.
4. The instrument appointing a proxy duly completed must be deposited at the Registrar's office at Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time appointed for holding the meeting.
5. For the purpose of determining a member who shall be entitled to attend the 58th Annual General Meeting, the Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 54(3) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a Record of Depositors as at 23 April 2015. Only a depositor whose name appears on the Record of Depositors as at 23 April 2015 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

EXPLANATORY NOTES

1. Resolution 10 – Proposed renewal of the authority for Directors to issue shares

The Resolution 10 is proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Section 132D of the Companies Act, 1965. The Resolution 10, if passed, will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without the need to convene a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The Company has issued 194,405,054 new shares pursuant to Section 132D of the Companies Act, 1965 under the general mandate sought at the 57th Annual General Meeting held on 15 April 2014, which will lapse upon the conclusion of the forthcoming 58th Annual General Meeting to be held on 28 April 2015.

The renewal for the general mandate, if granted, will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

2. Resolution 11 – Proposed renewal of the authority for Directors to allot and issue new Ordinary Shares of RM1.00 each in the Company in relation to the Dividend Reinvestment Scheme

This proposed Resolution 11 will give authority to the Directors to issue ordinary shares in the Company in respect of dividends to be declared, if any, under the Dividend Reinvestment Scheme, until the conclusion of the next Annual General Meeting. A renewal of this authority will be sought at subsequent Annual General Meeting.

3. Resolution 12 – Proposed renewal of the authority to purchase own shares

Resolution 12, if passed, will empower the Directors to purchase CIMB shares through Bursa Securities up to 10% of the issued and paid-up share capital of the Company. Details of the Proposed Shares Buy-Back are contained in the Statement Accompanying Notice of Annual General Meeting despatched to the shareholders together with the CIMB 2014 Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

PROPOSED RE-ELECTION FOR DIRECTORS PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The Profile of the Directors who are standing for re-election (as per Ordinary Resolutions 2 to 7 as stated in the Notice of Annual General Meeting) at the 58th Annual General Meeting of CIMB Group Holdings Berhad which will be held at Grand Ballroom, Level 3A, Connexion @ Nexus, No. 7 Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Tuesday, 28 April 2015 at 9.30 a.m. are stated on pages 102 to 112 of the Annual Report 2014.

The details of any interest in the securities of CIMB (if any) held by the said Directors are stated on pages 016 to 017 of the Directors' Report in the Financial Statements Report 2014.

PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ISSUE SHARES PURSUANT TO PARAGRAPH 6.03(3) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The details of the proposed renewal of the authority for Directors to issue shares by the Company under Section 132D of the Companies Act, 1965, are stated in the Explanatory Notes of the Notice of Annual General Meeting as set out on page 279 of this Annual Report.

PROPOSED SHARES BUY-BACK PURSUANT TO PARAGRAPH 12.06(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. INTRODUCTION

1.1 Renewal of Authority for CIMB to Purchase its Own Shares (Proposed Shares Buy-Back)

At the last Annual General Meeting of the Company held on 15 April 2014, the Company had obtained the shareholders' approval to purchase its own shares as may be determined by the Board of Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Board of Directors may deem fit and expedient in the interest of the Company, provided that the aggregate number of ordinary shares purchased and/or held does not exceed 10% of the total issued and paid-up share capital of the Company at any point in time and an amount not exceeding the total retained profits of approximately RM1,306 million and/or share premium account of approximately RM5,832 million based on the Audited Financial Statements of the Company for the financial year ended 31 December 2013.

The authority obtained by the Board of Directors for purchasing the Company's own shares in accordance with the Main Market Listing Requirements of Bursa Securities governing shares buy-back by listed companies, will lapse at the conclusion of the forthcoming 58th Annual General Meeting to be held on 28 April 2015, unless renewed by an ordinary resolution.

On 27 February 2015, the Company announced its intention to seek shareholders' approval at the forthcoming 58th Annual General Meeting, for the proposed renewal of the authority for the Company to purchase its own shares.

1.2 Purpose of Statement

The purpose of this Statement is to provide relevant information on the Proposed Shares Buy-Back and to seek your approval for the ordinary resolution to renew the authority for the Company to purchase its own shares, to be tabled at the forthcoming 58th Annual General Meeting. The notice of Annual General Meeting together with the Proxy Form is set out in this Annual Report.

2. DETAILS OF THE PROPOSED SHARES BUY-BACK

The Board proposes to seek shareholders' approval for a renewal of the authority to purchase and/or hold its own shares in aggregate of up to 10% of the issued and paid-up share capital of the Company at any point of time through Bursa Securities. Based on the issued and paid-up share capital of the Company as at 13 February 2015 of RM8,423,750,993 comprising 8,423,750,993 ordinary shares of RM1.00 each in the Company (CIMB Shares), a total of 842,375,099 CIMB Shares may be purchased by the Company pursuant to the Proposed Shares Buy-Back. The maximum number of shares that can be bought back under this authority will take into account the number of shares previously bought back and retained as treasury shares, if any.

Such authority, if approved, will be effective immediately upon passing of the ordinary resolution for the Proposed Shares Buy-Back until:

- (i) the conclusion of the next Annual General Meeting of CIMB in 2016 at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

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

The Board proposed to allocate an amount of up to retained profits and/or share premium account of the Company for the purchase of its own shares subject to Section 67A of the Companies Act, 1965 (as may be amended, modified or re-enacted from time to time) and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase (Prevailing Laws). The actual number of CIMB Shares to be purchased will depend on market conditions and sentiments of Bursa Securities as well as the retained profits and the share premium account and financial resources available to the Company. The audited retained profits of the Company as at 31 December 2014 was RM1,242 million whilst the audited share premium account of the Company as at 31 December 2014 was approximately RM9,973 million.

CIMB may only purchase its own shares at a price which is not more than 15% above the weighted average market price for the past 5 market days immediately preceding the date of the purchase(s). The Company may only re-sell the purchased shares held as treasury shares at a price which is (a) not less than the weighted average market price of CIMB Shares for the 5 market days immediately preceding the date of re-sale or (b) at a discounted price of not more than 5% to the weighted average market price of CIMB Shares for the 5 market days immediately prior to the re-sale, provided that the re-sale takes place not earlier than 30 days from the date of purchase and the re-sale price is not less than the cost of purchase of the CIMB Shares being re-sold. The Company shall, upon each purchase or re-sale of shares bought back, make the necessary announcements through Bursa Securities.

The Proposed Shares Buy-Back will allow the Board to exercise the power of the Company to purchase its own shares at any time within the abovementioned time period using internally generated funds and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined at a later date, depending on the availability of internally generated funds, actual number of CIMB Shares to be purchased, the anticipated future cash flows of the Group and other cost factors.

The CIMB Shares purchased and held as treasury shares may be distributed as share dividends, re-sold on Bursa Securities in accordance with the relevant rules of Bursa Securities, cancelled or continue to be retained as treasury shares. The decision whether to retain the purchased shares as treasury shares, to cancel the shares purchased, distribute the treasury shares as share dividends and/or re-sell the treasury shares on Bursa Securities will be made by the Board at the appropriate time.

The distribution of treasury shares as share dividends may be applied as a reduction of the retained profits or the share premium account of the Company. The treatment of the purchased shares held as treasury shares, this being to distribute as share dividends or to re-sell on Bursa Securities or both will in turn, depend on the availability of, amongst others, retained profits and share premium account of the Company.

While the purchased shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in any other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number of percentage of shares or of a class of shares in the Company for any purposes including, without limiting the generality of the provision of Section 67A of the Companies Act, 1965, the provisions of any law or requirements of the Articles of Association of the Company or the Main Market Listing Requirements of Bursa Securities governing substantial shareholding, takeovers, notices, the requisitioning of meetings, quorum for a meeting and the result of a vote on a resolution at a meeting.

The Proposed Shares Buy-Back will be carried out in accordance with the Prevailing Laws at the time of the purchase including compliance with the public shareholding spread as required by the Main Market Listing Requirements of Bursa Securities.

The public shareholding spread of the Company before and after the Proposed Shares Buy-Back is as follows:

	Before the Proposed Shares Buy-Back	After the Proposed Shares Buy-Back
Public shareholding spread	61.42% ^{*1}	51.42% ^{*2}

Notes:

^{*1} As at 13 February 2015.

^{*2} Based on the assumption that:

- (i) the Proposed Shares Buy-Back involves the aggregate purchase of 842,375,099 CIMB Shares (being 10% of issued and paid-up capital of the Company as at 13 February 2015) which are to be retained as treasury shares; and
- (ii) the number of CIMB Shares held by the Directors of CIMB, the substantial shareholders of CIMB and person connected to them remain unchanged.

3. RATIONALE FOR THE PROPOSED SHARES BUY-BACK

The Proposed Shares Buy-Back will enable CIMB to utilise its surplus financial resources to buy-back CIMB Shares. The increase in Earnings Per Share, if any, arising from the Proposed Shares Buy-Back is expected to benefit the shareholders of the Company.

The purchased shares can be held as treasury shares and re-sold on Bursa Securities to realise potential gain without affecting the total issued and paid-up share capital of the Company. The distribution of the treasury shares as share dividends may also serve to reward the shareholders of the Company.

4. EVALUATION OF THE PROPOSED SHARES BUY-BACK

4.1 Advantages

The potential advantages of the Proposed Shares Buy-Back are as follows:

- (i) Allow the Company to take preventive measures against excessive speculation, in particular when the Company's shares are undervalued;
- (ii) Allow the Company more flexibility in fine-tuning its capital structure;
- (iii) The resultant reduction of share capital base is expected to improve the earnings per share and may strengthen the net tangible assets of the remaining shares as well as the probability of declaring a higher quantum of dividend in the future;
- (iv) To stabilise a downward trend of the market price of the Company's shares;
- (v) Treasury shares can be treated as long-term investments. It makes business sense to invest in our own Company as the Board of Directors is confident of CIMB's future prospects and performance in the long term; and
- (vi) If the treasury shares are distributed as dividend by the Company, it may then serve to reward the shareholders of the Company.

4.2 Disadvantages

The potential disadvantages of the Proposed Shares Buy-Back are as follows:

- (i) The purchases can only be made out of distributable reserves resulting in a reduction of the amount available for distribution as dividends and bonus issues to shareholders; and
- (ii) The purchases of existing shares involve cash outflow from the Company which may otherwise be retained and used for the businesses of the Company.

Nevertheless, the Board of Directors will be mindful of the interests of the Company and its shareholders in exercising the authority to purchase its own shares.

5. EFFECTS OF PROPOSED SHARES BUY-BACK

Assuming that the Company buys back up to 842,375,099 CIMB Shares representing 10% of its issued and paid-up share capital as at 13 February 2015 and such shares purchased are cancelled or alternatively be retained as treasury shares or both, the effects of the Proposed Shares Buy-Back on the share capital, net tangible assets, working capital, earnings and substantial shareholders' and Directors' shareholdings are as set out below:

5.1 Share Capital

In the event that all CIMB Shares purchased are cancelled, the Proposed Shares Buy-Back will result in the issued and paid-up share capital of CIMB as at 13 February 2015 to be reduced from RM8,423,750,993 comprising 8,423,750,993 CIMB Shares to RM7,581,375,894 comprising 7,581,375,894 CIMB Shares. It is not expected to have any effect on the issued and paid-up share capital if all CIMB Shares purchased are to be retained as treasury shares.

The effects of the Proposed Shares Buy-Back on the issued and paid up share capital of CIMB are illustrated below:

	As per audited financial statements as at 31 December 2014	As at 13 February 2015	After share purchase and cancellation
Issued and paid-up share capital (RM)	8,423,750,993	8,423,750,993	7,581,375,894 ^{*1}

Note:

^{*1} Assuming up to 10% of the issued and paid-up share capital of CIMB or 842,375,099 CIMB Shares are purchased and cancelled.

5.2 Net Asset and Working Capital

The effects of the Proposed Shares Buy-Back on the net assets per share of CIMB are dependent on the purchase prices of CIMB Shares and the effective funding cost or loss in interest income to CIMB.

If all CIMB Shares purchased are to be cancelled or retained as treasury shares, the Proposed Shares Buy-Back will reduce the net assets per share when the purchase price exceeds the net assets per share at the relevant point in time. On the contrary, the net assets per share will be increased when the purchase price is less than the net assets per share at the relevant point in time.

The Proposed Shares Buy-Back will reduce the working capital of CIMB, the quantum of which will depend on the amount of financial resources to be utilised for the purchase of CIMB Shares.

5.3 Earnings Per Share

The effects of the Proposed Shares Buy-Back on the Earnings Per Share of CIMB are dependent on the purchase prices of CIMB Shares and the effective funding cost or loss in interest income to CIMB.

5.4 Substantial Shareholders' and Directors' Shareholdings

The effects of the Proposed Shares Buy-Back on the Substantial Shareholders' and Directors' shareholdings based on the Register of Substantial Shareholders and the Register of Directors' Shareholdings respectively as at 13 February 2015 are as follow:

Substantial Shareholders	No. of CIMB Shares Held							
	Before the Proposed Shares Buy-Back ^{*1}				After the Proposed Shares Buy-Back ^{*2}			
	Direct	%	Indirect	%	Direct	%	Indirect	%
Khazanah Nasional Berhad	2,468,902,651	29.31	–	–	2,468,902,651	32.57	–	–
Employees Provident Fund Board	1,313,752,242 ^{*3}	15.60	–	–	1,313,752,242	17.33	–	–
Mitsubishi UFJ Financial Group, Inc	–	–	722,208,696 ^{*4}	8.57	–	–	722,208,696	9.53

Notes:

^{*1} Adjusted for the number of treasury shares held as at 13 February 2015.

^{*2} Assuming that 10% of the issued and paid-up capital is purchased and retained as treasury shares.

^{*3} Includes shares held through nominees.

^{*4} Deemed interested in CIMB Shares held by other corporations by virtue of Section 6A(4) of the Companies Act, 1965.

Directors	Before the Proposed Shares Buy-Back ^{*1}		After the Proposed Shares Buy-Back ^{*2}	
	No. of CIMB Shares Held	%	No. of CIMB Shares Held	%
Dato' Sri Nazir Razak ^{*4}	52,741,024 ^{*4}	0.63	52,741,024 ^{*4}	0.70
Dato' Zainal Abidin Putih ^{*5}	115,145 ^{*5}	— ^{*3}	115,145 ^{*5}	— ^{*3}
Dato' Robert Cheim Dau Meng ^{*6}	245,638 ^{*6}	— ^{*3}	245,638 ^{*6}	— ^{*3}
Teoh Su Yin ^{*7}	107,719 ^{*7}	— ^{*3}	107,719 ^{*7}	— ^{*3}

Notes:

^{*1} Adjusted for the number of treasury shares held as at 13 February 2015.

^{*2} Assuming 10% of the issued and paid-up capital is purchased and retained as treasury shares.

^{*3} Less than 0.1%.

^{*4} Includes the shareholdings of his spouse.

^{*5} Includes the shareholdings of his spouse and child.

^{*6} Includes the shareholdings of his child.

^{*7} Shares held by her spouse.

Save as disclosed above, none of the Directors, substantial shareholders, and persons connected to the Directors and/or substantial shareholders held any CIMB Shares.

6. APPROVAL REQUIRED

The Proposed Shares Buy-Back is conditional upon the approval of the shareholders of CIMB at the forthcoming 58th Annual General Meeting.

7. SHARE PRICES

The monthly highest and lowest prices per share of CIMB Shares traded on Bursa Securities for the last twelve (12) months from March 2014 to February 2015 are as follows:

2014	High (RM)	Low (RM)
March	7.19	6.98
April	7.56	7.13
May	7.53	7.28
June	7.35	7.15
July	7.35	6.88
August	7.40	6.81
September	7.40	6.95
October	7.17	6.16
November	6.51	5.74
December	5.82	5.33
2015		
January	6.05	5.05
February	5.82	5.53

8. PURCHASES, RESALE AND CANCELLATION OF TREASURY SHARES MADE DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

During the financial year ended 31 December 2014, the Company purchased a total of 200 CIMB shares from the open market at an average price of RM7.16 per share or a total consideration of RM1,432.41. All the shares purchased were retained as treasury shares.

Information on shares purchased during the financial year ended 31 December 2014 is set out in the “Additional Disclosures”.

9. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors, substantial shareholders and/or persons connected to the Directors or substantial shareholders of the Company have any interest, direct or indirect in the Proposed Shares Buy-Back or the re-sale of treasury shares.

10. MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2010 (CODE)

The Proposed Shares Buy-Back if carried out in full (whether shares are cancelled or treated as treasury shares) may result in a substantial shareholder and/or parties acting in concert with it incurring a mandatory general offer obligation. In this respect, the Board is mindful of the provision under Practice Note 9 of the Code.

11. STATEMENT BY BURSA SECURITIES

Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

12. DIRECTORS' RECOMMENDATION

After having considered all aspects of the Proposed Shares Buy-Back, your Board is of the opinion that the Proposed Shares Buy-Back is in the best interest of the Company. Accordingly, they recommend that you vote in favour of the ordinary resolution for the Proposed Shares Buy-Back to be tabled at the forthcoming 58th Annual General Meeting.

PROXY FORM



CIMB GROUP HOLDINGS BERHAD (50841-W)
(Incorporated in Malaysia)

CDS Account No. _____

Number of Shares _____

I/We _____ (name of shareholder as per NRIC/ID, in capital letters)

NRIC No./ID No./Company No. _____ (new) _____ (old)

of _____ (full address)

being a member of CIMB Group Holdings Berhad ("CIMB" or "the Company"), hereby appoint _____

(name of proxy as per NRIC/ID, in capital letters) NRIC No./ID No. _____ (new) _____ (old)

or failing whom, _____

(name of proxy as per NRIC/ID, in capital letters) NRIC No./ID No. _____ (new) _____ (old) or

failing whom, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 58th Annual General Meeting of the Company to be held at Grand Ballroom, Level 3A, Connexion @ Nexus, No. 7, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Tuesday, 28 April 2015 at 9.30 a.m. or at any adjournment thereof.

My/our proxy is to vote as indicated below.

RESOLUTIONS		FOR	AGAINST
1. Receipt of Audited Financial Statements and Reports	Resolution 1		
2. Re-election of Dato' Zainal Abidin Putih who retire pursuant to Article 76 of the Company's Articles of Association	Resolution 2		
3. Re-election of Directors pursuant to Article 83 of the Company's Articles of Association:			
3.1 Kenji Kobayashi	Resolution 3		
3.2 Robert Neil Coombe	Resolution 4		
3.3 Joseph Dominic Silva	Resolution 5		
3.4 Teh Su Yin	Resolution 6		
3.5 Tengku Dato' Zafrul Tengku Abdul Aziz	Resolution 7		
4. Payment of Directors' Fees	Resolution 8		
5. Re-appointment of Auditors	Resolution 9		
6. Proposed renewal of the authority for Directors to issue shares	Resolution 10		
7. Proposed renewal of the authority for Directors to issue shares in relation to the Dividend Reinvestment Scheme	Resolution 11		
8. Proposed renewal of the authority to purchase own shares	Resolution 12		

(Please indicate with an "X" how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.)

Signature/Common Seal _____

Date: _____

NOTES:

- A member shall be entitled to appoint only one (1) proxy unless he/she has more than 1,000 shares in which case he/she may appoint up to five (5) proxies provided each proxy appointed shall represent at least 1,000 shares. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A proxy may but need not be a member of the Company.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if such appointor is a corporation, under its seal or the hand of its attorney.
- The instrument appointing a proxy duly completed must be deposited at the Registrar's office at Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time appointed for holding the meeting.
- For the purpose of determining a member who shall be entitled to attend the 58th Annual General Meeting, the Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 54(3) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a Record of Depositors as at 23 April 2015. Only a depositor whose name appears on the Record of Depositors as at 23 April 2015 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

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AFFIX
STAMP

The Share Registrars
SYMPHONY SHARE REGISTRARS SDN. BHD.
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

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