CIBC CAPITAL MARKETS (EUROPE) S.A. — PILLAR 3 DISCLOSURES

For the year ended
31 October 2025

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Acronyms

ALCo	Asset and Liability Committee
ALM	Asset and Liability Management
AML	Anti Money Laundering
ASF	Available Stable Funding
ATF	Anti-Terrorist Financing
Authorised Management	CEO, CRO and COO of CIBC Lux
BCL	Banque Centrale de Luxembourg
BCM	Business Continuity Management
BIC	Business Indicator Component
CB	Corporate Banking
CCO	Chief Compliance Officer
CFP	Contingency Funding Plan
CIBC, CIBC Group	Canadian Imperial Bank of Commerce group of companies
CIBC Europe	The European operations of CIBC, including CIBC Capital Markets (Europe) S.A. and CIBC London Branch
CIBC Lux	CIBC Capital Markets (Europe) S.A., a wholly owned subsidiary of CIBC
CIRA	Change Initiative Risk Assessment
CMRM	Capital Markets Risk Management
CRD	Capital Requirements Directive
CRM	Credit Risk Management
CRO	Chief Risk Officer
CRR	Capital Requirements Regulation
CSSF	Commission de Surveillance du Secteur Financier
CVA	Credit Valuation Adjustment
DLA	Delegated Limit Authorities
EBA	European Banking Authority
ECL	Expected Credit Loss
eGRC	Enterprise Governance, Risk and Compliance solution
ERMF	European Risk Management Framework
ERR	Enterprise Risk Reporting
ExCo	Executive Committee (Luxembourg, unless otherwise stated)
HQLA	High Quality Liquid Assets
ICAAP	Internal Capital Adequacy Assessment Process
ILAAP	Individual Liquidity Adequacy Assessment Process
KRI	Key Risk Indicator
LAB	Liquid Asset Buffer
LCR	Liquidity Coverage Ratio

MAT	Minimum Acceptable Terms
MRT	Material Risk Taker
NSFR	Net Stable Funding Ratio
RAG	Remuneration Advisory Group
RAS	Risk Appetite Statement
RSF	Required Stable Funding
RLR	Reputation and Legal Risk
RP	Recovery Plan
RWA / RWEA	Risk Weighted Assets / Risk Weighted Exposure Amounts
SVP	Senior Vice President
VP	Vice President

1. Overview

1.1. Introduction

CIBC Capital Markets (Europe) S.A. (CIBC Lux) is a wholly owned subsidiary of Canadian Imperial Bank of Commerce (CIBC), a bank incorporated pursuant to the Bank Act Canada. CIBC Lux is a Luxembourg Bank, authorised by the European Central Bank (the ECB) and supervised by the Luxembourg Financial Supervisory Authority (Commission de Surveillance du Secteur Financier) under the oversight of the ECB.

As an authorised credit institution, CIBC Lux enjoys the right to engage in financial service activities in other EEA member states on the basis of its home state authorisation under the CRD (*2013/36/EU*, amended 2019/878/EU). It is also subject to the provisions of other EU directives, such as the Markets in Financial Instruments Directive (MiFID).

CIBC Lux is incorporated under the laws of Luxembourg (registration number B236326). Its head office and registered office is 2C Rue Albert Borschette, Luxembourg, L-1246. CIBC Lux currently has no subsidiaries or branches. The term CIBC Europe is used throughout this document to represent the European operations of CIBC Group, including CIBC Lux.

The reporting date of this document is 31 October 2025, aligned with CIBC Lux statutory year end.

1.2. Background

The Capital Requirements Regulation (CRR) rules include a public disclosure requirement known as “Pillar 3”. These rules are designed to promote market discipline through disclosure of key information about risk exposures and the risk management processes.

When producing the Pillar 3 disclosures, CIBC Lux is required to comply with the consolidated Basel Framework, including the updated Pillar 3 disclosure requirements, which were mostly introduced in Regulation (EU) 575/2013 by Regulation (EU) 2019/876 of the European Parliament and of the Council. The amendment to the regulation specified by EU2024/1623 (CRR3) came into effect from January 2025 and the results are reflected in the tables and ratios presented herein.

CIBC Lux applies the standardised approach for the calculation of credit and counterparty credit risk, market risk and credit valuation adjustment (CVA) risk. It uses a new standardised approach for the calculation of operational risk incorporating a Business Indicator Component (BIC). CIBC Lux does not have any securitisation or crypto asset business and has no counterparties deemed to be shadow banking. While it does have specialised lending (as defined in Article 147(8) of the CRR), since it reports credit risk under the standardised approach no additional disclosures are required beyond the inclusion of these exposures in the credit risk templates disclosed in this document.

1.3. Senior Management Attestation

Senior management of CIBC Lux hereby attest that the Bank has made the disclosures required under Part Eight of Regulation (EU) No 575/2013 (the Capital Requirements Regulation, CRR). These disclosures have been prepared in accordance with the institution’s formal policies and internal processes, systems, and controls.

The following elements have been considered:

Governance and Oversight: The institution maintains a Disclosure Policy approved by its Board, which defines roles and responsibilities for the preparation, review, and approval of these disclosures.

Scope and Frequency: Disclosures are prepared on the appropriate frequency and cover all requirements set out in Part Eight of the CRR.

Data Integrity and Validation: Disclosures are based on data drawn from verified internal and external sources. The accuracy and completeness of data are ensured through established control mechanisms including periodic independent review by the internal audit function.

Approval Process: these disclosures are subject to review and approval by senior management prior to publication.

Public Accessibility: Disclosures are published on the institution's website and are accessible to all stakeholders.

Ongoing Review: The Bank's Disclosure Policy is reviewed at least annually, or more frequently if required by regulatory changes or internal developments.

This statement is provided in accordance with Article 431(3) of the CRR.

The Executive Committee (ExCo) of CIBC Lux approved this document on 17 April 2026.

1.4. Scope of application

In line with prudential guidelines, prudential reporting of CIBC Lux is prepared on a solo unconsolidated basis.

1.5. Frequency and location of disclosure

The frequency of issue of Pillar 3 disclosures for CIBC Lux has been considered. It has not been deemed necessary to increase the frequency of disclosure beyond the annual requirement as set out in Article 433 of the CRR.

Pillar 3 disclosures for CIBC Lux are published annually on CIBC's website once approved https://cibccm.com/en/disclosures/europe/. In accordance with ITS EBA/ITS/2025/01, Pillar 3 disclosures for the bank will also be uploaded to the EBA's Pillar 3 Data Hub[1]

CIBC Lux has a formal policy to ensure that it remains in compliance with the requirements in Title I of Part Eight of the CRR in preparing this disclosure document. This Pillar 3 policy is reviewed annually by authorised management with final approval from the CIBC Lux Board of Directors (the Board). CIBC Lux prepares its accounts under IFRS.

1.6. Summary of key capital metrics and ratios

As at 31 October 2025, CIBC Lux had a credit rating of Aa2 (Moody's) and AA-(Fitch).

The following tables provide an overview of the key capital metrics and ratios for CIBC Lux as at 31 October 2025. Figures and tables throughout this document are presented in Canadian Dollars (C$) and as at the reporting date unless otherwise stated.

Template EU KM1 – Key Metrics Template

Available own funds (amounts)	31-Oct-25	31-Oct-24
Common Equity Tier 1 (CET1) capital	1,954,596,083	1,346,898,404
Tier 1 capital	1,954,596,083	1,346,898,404
Total capital	1,954,596,083	1,346,898,404

Risk-weighted exposure amounts	31-Oct-25	31-Oct-24
Total risk-weighted exposure amount	3,060,819,983	2,105,623,279

[1] https://edap-public.eba.europa.eu/ExternalLinks/index?id=Mg==&rhversion=20260323102832-2

Capital ratios (as a percentage of risk-weighted exposure amount)	31-Oct-25	31-Oct-24
Common Equity Tier 1 ratio (%)	63.86%	63.97%
Tier 1 ratio (%)	63.86%	63.97%
Total capital ratio (%)	63.86%	63.97%

Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)	31-Oct-25	31-Oct-24
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	0%	0%
of which: to be made up of CET1 capital (percentage points)	0%	0%
of which: to be made up of Tier 1 capital (percentage points)	0%	0%
Total SREP own funds requirements (%)	8%	8%

Combined buffer requirement (as a percentage of risk-weighted exposure amount)	31-Oct-25	31-Oct-24
Capital conservation buffer (%)	2.50%	2.50%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0%	0%
Institution specific countercyclical capital buffer (%)	0.71%	0.88%
Systemic risk buffer (%)	0%	0%
Global Systemically Important Institution buffer (%)	0%	0%
Other Systemically Important Institution buffer	0%	0%
Combined buffer requirement (%)	3.21%	3.32%
Overall capital requirements (%)	11.21%	11.32%
CET1 available after meeting the total SREP own funds requirements (%)	59.36%	59.47%

Leverage ratio	31-Oct-25	31-Oct-24
Total exposure measure	6,149,586,394	3,964,204,558
Leverage ratio (%)	31.78%	33.98%

Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)	31-Oct-25	31-Oct-24
Additional own funds requirements to address the risk of excessive leverage (%)	0%	0%
of which: to be made up of CET1 capital (percentage points)	0%	0%
Total SREP leverage ratio requirements (%)	3.00%	3.00%

Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)	31-Oct-25	31-Oct-24
Leverage ratio buffer requirement (%)	0%	0%
Overall leverage ratio requirements (%)	3.00%	3.00%

Liquidity Coverage Ratio	31-Oct-25	31-Oct-24
Total high-quality liquid assets (HQLA) (Weighted value - average)	1,695,911,576	1,409,285,173
Cash outflows - Total weighted value	1,620,390,589	1,216,954,091
Cash inflows - Total weighted value	1,072,978,659	714,751,892
Total net cash outflows (adjusted value)	547,411,930	502,202,198
Liquidity coverage ratio (%)	309.81%	280.86%

Net Stable Funding Ratio	31-Oct-25	31-Oct-24
Total available stable funding	3,415,948,183	1,741,536,054
Total required stable funding	2,359,273,722	1,086,292,882
NSFR ratio (%)	144.79%	160.32%

2. Risk management objectives, policies and reporting

2.1. Introduction to Risk Management

Effective risk management is deeply embedded in the businesses of CIBC Lux. CIBC Lux plans and controls its capital resources and capital requirement to strict guidelines. Risk and related balance sheet resources are managed within tolerance levels established by Senior Management (comprising Authorised Management and ExCo) and approved by the Board.

The Board has directed that CIBC Lux maintain a generous buffer between its capital resource requirement under CRD and its capital resources. This is achieved through a comprehensive framework of measurement, monitoring and control policies, procedures and standards that support active and effective management of risk and balance sheet resources.

Key risk management policies are approved or renewed by ExCo and by Board where required on behalf of CIBC Lux.

CIBC Lux ensures sound risk management by adhering to the CIBC Lux Risk Management Framework Policy and Risk Appetite Framework (collectively the Framework). The Framework is intended to ensure risks are appropriately identified, measured, monitored and controlled in accordance with CIBC's risk appetite.

Within this Framework, there are a series of additional overarching framework documents for most risk types that set out the key principles for managing the associated risks and the key risk policies and limits for that risk type. These frameworks and key policies are supported by standards, guidelines, processes, procedures and controls that govern day-to-day business activities undertaken by Risk Management representatives.

The Risk Management function of CIBC Lux, headed by CIBC Lux Chief Risk Officer (CRO), is conducted by local Risk Management representatives who act independently from the lines of business. Risk Management work with CIBC Group risk functions and with the lines of business to ensure business and risk strategies are aligned, and that the risk profile is reflective of the approved risk appetite. Risk Management is structured to align with the risk types and complexity of the respective lines of businesses.

In addition to Risk Management, CIBC maintains an Enterprise Governance, Risk and Compliance solution (eGRC) which is a database of CIBC's key internal controls that mitigate the risks the business could face. These controls are assessed and attested to on a regular basis and includes the operations of CIBC Lux.

Further information about the overall risk profile and its association with the business strategy of CIBC Lux, over and above what is disclosed below, can be found in the Directors' Report in the CIBC Lux's Annual Report and Accounts 2025.

2.2. Risk culture

CIBC Lux strives to achieve a consistent and effective risk culture throughout the organisation, promoted through both formal and informal channels. Each year all employees are required to complete formal training on reputational risk, code of conduct, anti-money laundering and other key risk topics. This enables all employees to develop a basic knowledge of risk management in support of the risk culture. In addition to this mandatory training, all material related to risk culture (i.e. Conduct & Culture Framework, RAS, Risk Management priorities, principles, policies and procedures) is communicated through the CIBC intranet, internal news releases and communications from CIBC Lux Senior Management.

CIBC Lux's RAS is reviewed annually by ExCo and the Board and communicated to all employees. In addition, performance against this RAS is reviewed on an ongoing basis and at least at every quarterly Board meeting.

2.3. Risk appetite

The risk profile and risk appetite associated with the business strategy of CIBC continues to be a focus of management. As part of this, CIBC has developed a concise RAS, which contains metrics to define risk tolerance levels and facilitate assessment of the risk profile against the risk appetite.

In alignment with the CIBC RAS, CIBC Lux has developed its own RAS (CIBC Lux RAS). Adherence to CIBC Lux's RAS ensures sound risk management across all risk categories in CIBC Lux, supported by strong capital and funding positions. It also defines how business will be conducted, consistent with the following objectives:

- Risk-controlled growth for CIBC Lux in businesses within our strategy
- Earn a leading reputation with clients by providing focused coverage and pro-active solutions based on clients' needs
- Recruit, retain, and develop leading professionals that embrace a relentless pursuit of excellence for our bank
- Invest in technology, data and infrastructure to protect our platform and provide the best possible service to our clients
- Develop client solutions without exposing stakeholders to unnecessary risks or complexity as the first line of defence
- Escalate issues on a timely basis to the appropriate risk, governance or control function
- Meeting / exceeding stakeholders' expectations with respect to the Environment, Social and Governance (ESG) criteria including setting / sharing targets, and reporting progress towards these targets

CIBC Lux's RAS is updated annually in conjunction with the strategic planning cycle and is approved by the Board. On a quarterly basis, the Board, the Asset & Liability Committee (ALCo) and the ExCo receive and review reporting on CIBC Lux's risk profile against the risk appetite targets and limits.

A number of Early Warning Indicators (EWIs) are also included and monitored as metrics in CIBC Lux's RAS and included in the quarterly presentations to the above-named Committees, and to the Board. An example of these metrics are set out in the table below as at 31 October 2025:

Capital	Management limit	Management EWIs	CSSF / EBA limits
1. Common Equity Tier 1 (CET1) ratio	>20%	≥40%	≥8%
2. Large exposure limit a. Largest client / group of connected clients as % of CET1 b. Intragroup (Parent Bank and London Branch)	a. ≤20% b. ≤$2B	a. n/a b. ≤$1.5B	a. ≤25% b. n/a
3. Leverage ratio	>5%	≥10%	>3%

Credit	Management limit	Management EWIs	CSSF / EBA limits
4. Loan losses as % of average outstanding loans (12-months trailing)	<0.25%	n/a	n/a
5. Expected losses as % of average outstanding loans	<0.55%	n/a	n/a
6. Non-performing loans as % outstanding loans	<1.5%	n/a	n/a

Market (C$)	Management limit	Management EWIs	CSSF / EBA limits
7. Trading VaR	<$1MM	>$0.5MM	n/a
8. Stressed non-trading losses (1-month)	<$25MM	n/a	n/a
Liquidity & funding (C$ or %)	**Management limit**	**Management EWIs**	**CSSF / EBA limits**
9. Liquid coverage ratio (LCR) monthly average	>110%	≥130%	>100%
10. Minimum liquidity horizon under stress (consolidated currencies)	80 days	>95 days	n/a
11. Net Stable Funding Ratio	>100%	>130%	>100%

Operational (C$)	Management limit	Management EWIs	CSSF / EBA limits
12. Quarterly operational losses, 12 month rolling:	<$600k	n/a	n/a
13.Number of past due high-risk deficiencies	0	n/a	n/a
14.High risk SOX significant deficiencies or material weaknesses	0	n/a	n/a
15.Quarterly unauthorised transactions (market, credit, product)	≤1	n/a	n/a
16. Number of regionally owned critical arrangements with a high-risk deficiency “pilot”	≤1	n/a	n/a

Climate	Management limit	Management EWIs	CSSF / EBA limits
17.Weighted average portfolio climate transaction score[2]	<6	n/a	n/a
18.Number of corporate loans poorly positioned[3] for carbon transition	0	n/a	n/a

At 31/10/2025, CIBC was not in breach of any regulatory risk limits. Two RAS credit metrics breached internal EWI and management limits. The breaches relate to provisions booked against one single corporate client, impacting our conservative Stage 3 and NPL internal management RAS limits. All other RAS limits were compliant as at reporting date.

No transactions have been identified in CIBC Lux which would have a material impact on the risk profile of CIBC Lux (including reputational risk) or the distribution of risks within the group.

[2] As defined by CIBC’s carbon scoring method. “advanced and strong positioning are <6”

[3] As defined by CIBC’s carbon scoring method. “poor positioning is 9-10”

2.4. Three Lines of Defence Model

CIBC Lux's approach to enterprise-wide risk management aligns with the three lines of defence model:

- First line of defence (1^{st} LOD) – Lines of business and functional groups (referred to as "1A" in the three lines of defence model) own the risk and are accountable and responsible for managing all risks associated with their activities including identifying, assessing, mitigating and controlling them.
- Governance and control groups within the 1^{st} LOD who facilitate risk management processes are referred to as "1B".
- Second line of defence (2^{nd} LOD) - Risk Management and other functional groups are responsible for providing guidance and effective independent oversight and challenge of the enterprise-wide risks inherent in the 1^{st} LOD's activities.
- Third line of defence (3^{rd} LOD) – CIBC's Internal Audit function provides an independent assessment of the design and operating effectiveness of risk management controls, processes and systems.

Although the three LOD groups function independently in monitoring and providing oversight of the risks, a strong risk culture and good communication between them are important characteristics of effective risk management.

Generally, functional groups should not perform 1^{st} LOD activities on behalf of the lines of business; in occasional situations where this is necessary, another independent and qualified group should act as the 2^{nd} LOD.

Similarly, when functional groups perform 1^{st} LOD activities to manage and mitigate risks within their own area of responsibility, appropriate 2^{nd} LOD responsibilities should be established.

2.5. Risk Management function

CIBC Lux faces a variety of risks across all areas of business. Primary risks include credit, market, funding and liquidity, capital management, operational (including business interruption risk and continuity planning), conduct risk, reputational and legal risks, regulatory compliance risk, plus various corporate risks such as those associated with environmental / climate change risk management and outsourcing arrangements.

Risk management for CIBC Lux is conducted by a local Risk Management function which is independent from the Lines of Business (LOB) and falls under the oversight of the CIBC Lux Chief Risk Officer. Risk Management partners with the LOB to ensure business and risk strategies are aligned, and that the risk profile is reflective of the approved CIBC Lux RAS.

The Risk Management function is structured to align with the risk types and complexity of the respective LOBs.

Risk updates are provided to the ExCo monthly and by the RAS update quarterly to ALCo and the Board.

2.5.1. Corporate Credit risk

CIBC Group's Credit Risk Management Policy describes the overarching principles and policies for Credit Risk Management (CRM). These form the foundation for segment specific portfolio limits, lending standards and guidelines.

The CRO is responsible for CRM and has local oversight of corporate credit risks in CIBC Lux. Monthly, the CRO reports to ExCo on material credit risk matters including material credit transactions, compliance with limits, portfolio trends, impaired loans and credit loss provisioning levels.

2.5.2. Capital Markets risk

CIBC Group's Capital Markets Risk Management (CMRM) Policies describes the policies for ensuring market risk and trading credit risks under the CMRM mandate are appropriately measured, approved, monitored and controlled.

The VP of Capital Market Risk Management, Europe and Asia, is responsible for trading credit risk in CIBC Europe and provides necessary reporting assistance to the CIBC Lux CRO to oversee those risks. Monthly, the CRO reports to ExCo on material trading credit risk matters including material trading credit transactions, compliance with limits and portfolio trends, and changes to limits.

2.5.2.1. Trading credit risk

The CIBC Group's CMRM Policies describe the requirements for the management of Trading Credit Risk, Market Risk and associated stress tests in support of the Enterprise Risk Management Framework and RAS. As with other Risk functions this is overseen for CIBC Lux by the CIBC Lux CRO.

2.5.2.2. Market risk

Within the CIBC Group CMRM Polices, the standards for Market Risk Management are outlined. These relate to the identification and measurement of the various types of market risk, and the establishment of limits within which overall exposures are managed. Explicit risk tolerance levels are expressed in terms of both statistically based Value-at-Risk (VaR) measures and potential worst-case stress losses, as well as notional or other limits as appropriate.

Local oversight reports of trading and non-trading market risk is provided by the Head of Market and Liquidity Risk, Europe and Asia, CMRM to the CIBC Lux CRO. The CIBC Lux CRO is accountable for accurately identifying and reporting market risks as they relate to the business. Management of market risk is governed by limits, delegated by the CIBC EVP, CRO, CMRM, and authorised by the CIBC Europe SEVP and CRO.

2.5.3. Funding and liquidity risk / asset liability management

The CIBC Group Liquidity Risk Management Policy outlines key elements of CIBC's approach to managing liquidity risk. The liquidity risk management strategies followed by CIBC Lux seek to ensure that a sufficient amount of unencumbered liquid assets are available to meet anticipated liquidity needs in both stable and stressed conditions for a minimum period of time determined by ALCo and by the Board.

Supplemental to the Liquidity Risk Management Policy is the CIBC Global Contingency Funding Plan (CFP). The CFP clearly sets out the strategies for addressing liquidity shortfalls in emergency situations. CIBC Lux has documented its own CFP, which is reviewed annually by ALCo and the Board.

The Treasury function is distinct from Risk Management in CIBC Lux. Its remit includes the management of CIBC Lux's liquidity and funding risks as well as structural interest rate and FX risk and associated risk positions. Oversight of treasury / liquidity risk management in CIBC Lux is provided by the CIBC Lux Head of Treasury in conjunction with CMRM Europe and CIBC Lux CRO.

2.6. Capital management

Capital management in CIBC Lux is assessed through its ICAAP (Internal Capital Adequacy Assessment Process). The ICAAP aims to assess the capital requirements for CIBC Lux under both current state and future conditions. The ICAAP contains stresses to assess impact to CIBC Lux's balance sheet and to make an assessment of the viability of CIBC Lux's business model over a three year period. The ICAAP is undertaken by CIBC Lux senior management with contributions from subject matter expert experts from CMRM, CRM, Treasury, Legal, Business Management, Compliance and Finance. Local oversight is provided by ExCo and the Board.

2.7. Operational risk

Operational risk is inherent in all of CIBC's activities and is the risk of loss resulting from people, inadequate or failed internal processes and systems, or from external events. Operational Risk for CIBC Lux is governed by the **Operational Risk Management and Operational Resilience**. As with other Risk functions this is overseen for CIBC Lux by the CIBC Lux CRO.

Strategic business units and functional groups own their risks and are accountable and responsible for identifying, measuring, mitigating, monitoring and reporting operational risks using a common set of operational risk categories and terminology set out in CIBC's Operational Risk Assessment Methodology and Operational Risk Taxonomy User Guide.

2.8. Compliance risk

The authorised management is in charge of effective, sound and prudent day-to-day management of the activities (and inherent risks) of CIBC Lux. This management is exercised in compliance with strategies and guiding principles approved by the supervisory body and the applicable regulations. All decisions of the authorised management are documented.

In addition, the Chief Compliance Officer (CCO) has implemented policies and procedures to comply with regulatory requirements in the region. The CCO has established the Compliance Charter, which describes the purpose of the Compliance department, and its core functions and responsibilities as a second line of defence.

2.9. Financial crime risk

The Bank has implemented local Anti-Money Laundering (AML), and Combatting the Financing of Terrorist (CFT) policies and procedures (see section 2.10 and 2.23.11 for further detail) covering both regional and Enterprise requirements, which all CIBC Lux employees must follow.

2.10. Money laundering & terrorist financing risk

CSSF Regulation No 20-05 requires CIBC Lux to appoint a Responsible du Respect (RR) to ensure that the Bank complies with the applicable AML and CFT obligations, who must be at Authorized Management or Board of Directors level. The Authorised Manager responsible for Compliance and Risk for CIBC Lux has been designated as RR. The same CSSF Regulation requires CIBC Lux to appoint a person(s) responsible for the control of compliance with the AML and CFT obligations or the Responsible du Contrôle (RC), which is the CCO of the bank. The CCO has implemented a control framework (encompassing policies & procedures, risk assessment, controls, advisory, reporting and training & awareness) to satisfy these requirements.

2.11. Reputational and legal risk

Reputation risk is the risk of negative publicity regarding CIBC's business conduct or practices which, whether true or not, could significantly harm CIBC's reputation as a leading financial institution, or could materially and adversely affect CIBC's business, operations or financial condition. CIBC Lux is governed by the CIBC Reputation Risk Management Framework, supplemented by the Global Reputation and Legal Risk (GRLR) Policy.

2.12. ESG risk

2.12.1. Business strategy and processes

2.12.1.1. Institution's integration of the identified environmental risk, including physical risks and transition risks

CIBC Lux actively aligns with the CIBC Group's sustainability strategy, placing a key focus on supporting our clients with their transition to a sustainable, low carbon future. See CIBC Group's 2025 Sustainability Report for additional information. In support of this strategy, CIBC Lux has adopted metrics and targets for tracking our alignment with, and contribution towards, Group sustainability goals including financed emissions and sustainable financing.

As part of our business strategy, CIBC Lux is committed to continuously reviewing and enhancing our approach to the management of environmental risks. Through these efforts, we aim to support our clients in their energy transition journey, while ensuring we continue to operate within our defined risk appetite.

2.12.1.2. Institution's integration of the identified social risk

Social risk is the potential for negative impact on our financial position, operations, legal and regulatory compliance, or reputation stemming from social considerations associated with CIBC, an activity, transaction, product, client, third party, or supplier. These social considerations include, but are not limited to human rights (for example, modern slavery, including forced labour and child labour, human trafficking, freedom of opinion and expression), and the social impacts related to climate change.

CIBC Lux is committed to respecting human rights and stands against slavery and human trafficking throughout our business and supply chains. CIBC's Global Environmental and Social Framework is an internal policy document that sets out how we develop and implement our sustainability priorities and related policies. It describes how environmental and social risks are managed.

2.12.2. Governance

2.12.2.1. Institution's integration of the identified environmental risk, including physical risks and transition risks

Environmental risk has been formally embedded within CIBC Lux's internal governance framework through the introduction of a local Environmental Risk Management Framework. This document sets out our risk management principles and updates and clarifies our governance responsibilities across the Three Lines of Defence, committees and individuals. To ensure that individuals have the appropriate knowledge and skills to enact the responsibilities set out in the framework, environmental risk training is provided to staff in support of strengthening the risk culture. The key governance forum for overseeing these risks is the regional Climate Risk Committee ("CRC") which addresses regulatory, strategic and client-related climate risk issues and is a sub-committee of the Lux ExCo.

Environmental risk is also incorporated into the RAS which includes carbon scoring metrics to support the management of environmental drivers of Credit Risk. Additional reporting to support management's oversight of material environmental risks is provided to the regional Climate Risk Committee on a quarterly basis.

2.12.2.2. Institution's integration of the identified social risk

We comply with all applicable human rights laws and standards in the jurisdictions in which we operate, including those addressing forced labour, child labour, and human trafficking (collectively referred to as "Modern Slavery"), pay equity, employment equity, health and safety, discrimination, and harassment. We expect our team members, clients, suppliers, and other third parties with whom we have a business relationship to share our commitment to respect human rights and to mitigate Modern Slavery risks. More information can be found in the CIBC on Human Rights: Modern Slavery and Human Trafficking Statement, which is available on our website. CIBC also publicly reports in accordance with applicable human rights legislation, including the United Kingdom's Modern Slavery Act 2015, the Australian Modern Slavery Act 2018, and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act.

Additionally our Supplier Code of Conduct sets out the principles, standards and behaviours that we expect our suppliers to adhere to. We strive to work with Suppliers[4] who share our values, comply with applicable laws, and employ high standards of ethical and professional behaviour. Suppliers who cannot demonstrate these commitments to protecting human rights may become ineligible to do business with CIBC. Engagements with third parties and suppliers are managed through a structured process that includes risk assessments, selection and due diligence, ongoing monitoring, and relationship management. These activities ensure that all third-party and supplier relationships remain aligned with CIBC's risk management policies.

2.12.2.3. Institution's integration of the identified governance risk

Governance is a priority for CIBC Lux and our approach is outlined in Sections 2.19 to 2.20 of this report.

The management of governance risks is embedded within the code of conduct. CIBC's Code of Conduct (Code) is an important reference point in our culture and sets out an integrated framework of key principles, policies, guidelines and processes designed to empower team members to act in a manner consistent with the highest standards of ethical and professional conduct. Each year, all team members must attest that they have read, understood and continually abide by our Code. We also have mechanisms in place to detect and identify potential violations of our Code, which are reviewed through the appropriate channels, in accordance with applicable laws and CIBC policies, guidelines and processes, to determine outcomes and consequences.

Governance risk is also relevant to CIBC's interactions with its counterparties, clients and suppliers. The risks arising from financial crime such as anti-money laundering, anti-terrorist financing, anti-bribery and anti-corruption and sanctions prevention are managed through robust governance, effective risk procedures and policies and internal control mechanisms. Associated reputational and legal risks are managed by a global policy that applies to all potential transactions involving CIBC with its clients.

2.12.3. Risk management

2.12.3.1. Institution's integration of the identified environmental risk, including physical risks and transition risks

CIBC Lux's approach to managing environmental risks has been developed in line with the expectations set out with the CSSF's Circular 21/773 and is being enhanced in line with emerging industry practices and the

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[4] A Supplier is defined as an organization, including their representatives, employees, and subcontractors, who supply goods and services to the CIBC, its subsidiaries, or affiliates.

EBA’s Guidelines on the management of ESG risks. As part of this process we are developing a Transition Plan and adopting a number of additional ESG risk monitoring metrics. One of the new ESG risk monitoring metrics will track our total exposure to entities operating in fossil fuel sectors, which amounted to 8.8% of our outstanding corporate exposures as at Q4 (CAD 147 million).

A key component of CIBC Lux’s ESG risk management approach is our annual ESG risk materiality assessment process. The assessment considers how ESG risks could impact each of our financial and non-financial risk types across a range of scenarios and time horizons. Identified risks are then monitored and managed through internal reporting. Additionally, the materiality assessment processes is supported by an annual quantitative climate stress testing exercise that feeds into the capital analysis under our Internal Capital Adequacy Assessment Process (ICAAP).

CIBC’s credit assessments are informed by our internal Carbon Risk Scoring Methodology which considers our clients’ climate-related risk profiles across the short, medium and long-term. Carbon scoring takes place each time a new corporate client relationship is onboarded and is reviewed annually as part of our standard credit review processes. Scores are reviewed by our credit risk management team as part of the credit adjudication process and are fed into our RAS and broader strategic discussions within the bank. In 2025, this process has been enhanced through the implementation of the Transition Planning Assessment and Engagement Framework which applies to our oil & gas and power generation counterparties.

CIBC’s High Carbon Risk Review committee, made up of representatives from strategic business units and risk management, oversees the management of higher carbon risk clients (with scores of 8 or higher).

2.12.3.2. Institution's integration of the identified social risk

CIBC Lux considers social risk assessments in accordance with CIBC’s commitment as a signatory to the Equator Principles (adopted in 2003) in our project finance and project-related corporate loans. An escalation process is in place for transactions with the potential to have significant environmental and social risk, with escalation up to the Reputation and Legal Risks Committee for senior executive review, if required.

Certain social risks, such as child labour or human rights violations, are also a component of third-party risk management and are identified, assessed, mitigated, monitored, and reported as per CIBC’s Third Party Risk Management Policy, as well as through our Supplier Code of Conduct.

2.12.3.3. Institution's integration of the identified governance risk

The risks arising from the governance performance of our counterparties is considered throughout our risk management processes. CIBC’s approach to assessing the corporate governance of our counterparties is set out in our Corporate and Commercial Banking Credit Standards and Guidelines. As part of our credit application processes counterparties’ governance arrangements are considered including the corporate governance structure, management competence, and succession planning.

Equally, all new clients are assessed for bribery and corruption concerns, and, where appropriate, will be reviewed as part of the reputational risk process. Similarly, the extent to which the bank engages with third parties, due diligence is conducted with regard to the counterparty’s controls and whether engaging with the counterparty is within risk appetite.

2.13. Board declaration – adequacy of the risk management arrangements

Subject to the recommendation from the ExCo, the Board formally approves the CIBC Lux Risk Management Framework (RMF) every two years. The last RMF was approved in FY2025. The RMF defines the accountabilities of risk governance and key controls for business conducted through CIBC Lux’s office. In addition, it defines how the processes surrounding governance in CIBC Lux are linked to CIBC Group. The CIBC Lux RMF closely follows that of CIBC Group.

The adoption and approval of this RMF document reflects CIBC Lux management’s confidence in the risk management and systems in place for the entity.

2.14. The Board

Ultimate responsibility for the activities of CIBC Lux rests with its Board. The members of the Board have a duty to among other things promote the success of CIBC Lux for the benefit of its shareholders and stakeholders as a whole. The Board ensures the execution of CIBC Lux's activities and business continuity, ensuring sound central administration and internal governance arrangements in line with the Luxembourg national regulatory and legislative provisions. The Board, directly and through its committees and the Chair of the Board, provides direction to management, generally through the ExCo to pursue the best interests of CIBC Lux and have regard to:

- the likely consequences of any decision in the long term;
- interests of CIBC Lux's employees;
- the need to foster CIBC Lux's business relationships with suppliers, customers and others;
- the impact of CIBC Lux's operations on the community, a society and the environment;
- the desirability of CIBC Lux maintaining a reputation for high standards of business conduct;
- the need to act fairly between members of CIBC Lux; and

The Board have delegated the management and formal decision-making responsibilities to ExCo. Together, Authorised Management and ExCo provide leadership, direction and guidance to CIBC Lux.

2.15. Board – Recruitment policy

Recruitment to the Board combines an assessment of both technical capability and competence and is based on the principles of equity and diversity as set out in CIBC's Global Hiring Policy. Board appointments are made by a collective decision of the Board.

2.16. Diversity policy

CIBC Group & CIBC Lux are committed to creating an inclusive workforce with teams that reflect the clients and communities we serve, in accordance with CIBC local and global policies, procedures and regulatory requirements. We work hard to invest in building our team's inclusive leadership capabilities and practice inclusive talent management. To ensure we engage a wide array of experiences, skills, talents and knowledge that help us build a modern, relationship-oriented bank, this policy is intended to promote diversity across CIBC Lux, including within the Management Body, consistent with Article 38-2(8) of the law of 5 April 1993 on the financial sector, as amended, and the joint EBA and ESMA guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06).

CIBC is committed to inclusion and diversity, and actively works to embed these principles into our global human capital strategy. At CIBC, inclusion is a priority from the top to all levels of our organisation through our Inclusion Leadership Council, chaired by the CIBC Group President & CEO, which oversees the implementation of the bank's global inclusion strategy. In keeping with this commitment, CIBC Lux helps provide a workplace that is fair, respectful and free from discrimination, and expressly prohibits discrimination in all forms, in accordance with our Discrimination, Harassment and Violence Prevention Policy (Europe and Asia Pacific).

Senior management from CIBC Lux are active participants of the European Inclusion and Wellbeing Council and women make up 40% of the CIBC Lux Board of Directors and 28% of the total share of employees (data as at 31 October 2025).

CIBC Lux is also a signatory to the Luxembourg Women in Finance Charter and pledged 30% female representation in senior management by 31/10/2026 and 40% female Board representation by 31/10/2028.

2.17. Board members skills and expertise

Thomas Pellequer

Mr. Pellequer is Managing Director and Chief Executive Officer of CIBC Capital Markets Europe S.A.
Mr. Pellequer joined CIBC in 2009 in London and has held leading positions in the Global Markets distribution space being successively Head of Continental European Sales before becoming Head of CIBC's Corporate Solutions Group in Europe and Asia. Prior to joining CIBC he worked for major financial institutions in London and Paris (RBS/ABN Amro, Santander and Commerzbank).

Mr. Pellequer has a Masters in Mathematics and Mechanics as well as DESS in Finance from University Pierre et Marie Curie (Paris VI). He also spent time studying finance in New York (Baruch College) as well as actuarial science in Paris (Conservatoire National des Arts et Métiers).

Wayne Lee

Mr. Lee is Managing Director and Head, International Banking. He is responsible for CIBC's business and operations in the Europe and Asia Pacific Regions, with offices in London, Hong Kong, Luxembourg, Sydney, Tokyo, Singapore, Beijing and Shanghai. In addition, Mr. Lee has oversight for CIBC Caribbean, a relationship bank operating in 10 markets around the Caribbean.

Mr. Lee joined CIBC in 2001 and has held increasingly senior and international positions. His previous roles at CIBC included Head of Europe and Asia Pacific and Chief Financial Officer of Capital Markets.

Mr. Lee is very active in the international business community, and he is elected President of the Canada-UK Chamber of Commerce, Council Member of the London Chamber of Commerce and Industry, Member of the International Markets Steering Board of the City of London and Member of the Governors' Council of the Canadian Chamber of Commerce in Hong Kong.

Mr. Lee is passionate about education, gender equality and inclusion within the finance industry and currently serves as Director on the Global Board of 100 Women in Finance and as a Member of the Advisory Board for the London School of Economics and Political Science's The Inclusion Institute. Mr. Lee previously served on the Regional Advisory Board of McGill University.

Mr. Lee received a Bachelor of Commerce degree from McGill University and is a Chartered Accountant and a Chartered Financial Analyst. He has lived and worked in Toronto, New York, Hong Kong and is now based in London.

Marci Squires

Ms. Squires is Senior Vice President and Chief Administrative Officer for CIBC Capital Markets. She is responsible for CIBC's administrative and operating activities for Capital Markets which includes establishing and maintain a robust Governance and Controls program for Capital Markets globally, leading Business Management teams to support business activities and growth across the business lines, overseeing first line surveillance teams to comply with global regulatory requirements, leading Client Onboarding for Capital Markets globally, leading Business Architecture to support business growth and system enhancements, leading Trade Control and Regulatory Change activities across the globe, and overseeing and managing strategic and regulatory planning for the business.

Ms. Squires joined CIBC in 2000 and has held increasingly senior positions across the bank in Capital Markets, Finance and Risk Management. She is based in Toronto following a three-year assignment in London as Managing Director and Chief Administrative Officer for the Europe and Asia Pacific regions.

Ms. Squires is a Director of CIBC Luxembourg S.A. She has previously served as a Director of CIBC Securities Inc. and CIBC Investor Services Inc. In addition, she has several years of experience serving as a Director of the Board and Chair of the Risk Management Committee for a Canadian not-for-profit association in Health Care. Ms. Squires received an Honours Bachelor of Commerce degree from Carleton University (Ottawa) and is a Chartered Financial Analyst. She has lived and worked in Toronto for most of her career outside of her assignment in London, United Kingdom.

Kevin Mol

Mr. Mol is Managing Director & Global Head of CIBC's Global Delta 1 trading business with additional responsibility for securities lending. He serves as a Director of CIBC Capital Markets Europe S.A. in Luxembourg. Mr. Mol joined CIBC in 1999 and has held various positions within the Equity Derivative business in Global Markets.

Mr. Mol is a Chartered Financial Analyst (CFA).

Virginie Lagrange

Ms. Lagrange is Chair of the Board of ILA The Luxembourg Institute of Governance, and is an Independent Director certified by ILA and INSEAD, as well as a former Qualified Auditor. She sits on Boards, audit / risk committees and renumeration / nomination committees of several banks, insurance companies and management companies. She has over 30 years of experience in the Bank and Investment Fund industry in Luxembourg. She started as bank auditor at Ernst & Young in 1993. In 2000 she joined UBS Luxembourg as Head Internal Audit and then as Chief Risk Officer. In 2009 she became Chief Financial Officer at Credit Suisse Luxembourg and in 2010 she joined Nomura Bank Luxembourg as Chief Internal Auditor before being promoted Chief Administrative Officer. She holds a Master in Management from the French Ecole de Commerce of Marseille.

2.18. Number of directorships held by members of the Board

Name	Title	Position held with CIBC Lux	Directorships Executive[5]	Directorships Non-Executive
Thomas Pellequer	Executive Director	Managing Director, Chief Executive Officer - CIBC Lux	-	-
Wayne Lee	Non-Executive Director	Managing Director, Head of Europe and Asia-Pacific	-	24
Marci Squires	Non-Executive Director	Senior Vice President and Chief Administrative Officer	-	-
Kevin Mol	Non-Executive Director	Managing Director	-	-
Virginie Lagrange	Independent Non-Executive Director	Non-Executive Director	-	8

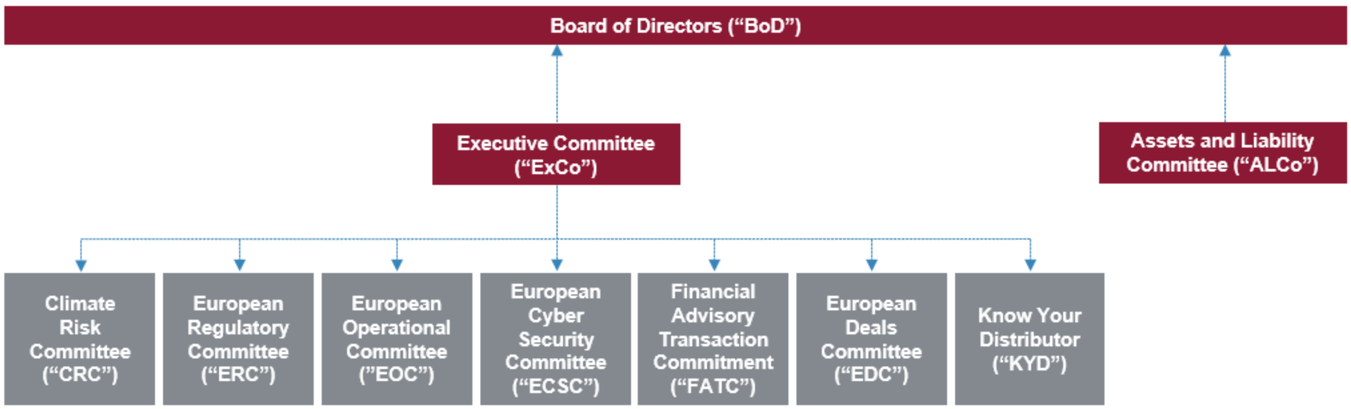
[5] This excludes the Director's role in CIBC Lux

2.19. CIBC Lux Governance Structure

The governance structure of CIBC Lux comprises a Board of Directors (one independent non-executive, three non-executive and one executive director). The board has delegated the day-to-day management responsibility to the Executive Committee (ExCo) and the Asset and Liabilities Committee (ALCo). Reporting to the Exco are the Sustainability Committee, European Regulatory Committee, European Operational Committee, European Deals Committee and the European Cyber Security Committee. The role of each is further expanded in section 2.20.

Current structure is as follows:

CIBC Capital Markets (Europe) S.A. Governance Structure



Control Framework

CIBC Group has established the Control Framework to ensure that Management follows a consistent approach in determining, with reasonable assurance, that CIBC’s internal control environment is designed and operating effectively. This includes the operations of CIBC Lux. Activities supporting the Control Framework provide reasonable assurance that CIBC meets its management control objectives of producing accurate, timely and reliable financial and non-financial internal and external reports, complying with all applicable laws and regulations, and having effective operations. The internal control environment must be managed and evaluated through the Control Management Process and in accordance with the Control and Deficiency Management Policy to ensure it operates effectively.

Global Operational Risk Management (GORM) and Internal Audit report on the status of controls to senior management, senior management committees and to the Board; the Chief Compliance Officer also reports on regulatory compliance risk.

2.20. Roles of CIBC Lux Committees

2.20.1. Asset and Liability Committee (ALCo)

The Board of CIBC Lux has established an ALCo which reports directly to it. The mandate of the ALCo is to ensure that CIBC Lux operates with sufficient levels of liquidity for current and future business both under normal and stressed market environments. The ALCo also reviews the interest rate risk, market risk, credit risk and aggregate balance sheet of the entity to ensure that the risk within CIBC Lux is compliant with the Board approved CIBC Lux RAS. Current members are as follows:

Committee Role	Title
Executive Chair:	Head of Treasury
Committee Members:	Managing Director, Chief Executive Officer – CIBC Lux Chief Operating Officer – CIBC Lux Chief Risk Officer – CIBC Lux Head of Finance (CFO) – CIBC Lux Head of Corporate Banking – CIBC Lux
Attendees:	Senior representatives from CIBC Europe business lines, as required

2.20.2. Luxembourg Executive Management Committee (ExCo)

Monthly governance ExCo meetings are held to review management, oversight and risk reports from each area of the business and infrastructure group.

ExCo is accountable to the authorised managers and the Board for the fulfilment of its mandate. The Chair of ExCo is the Managing Director (CEO) of CIBC Lux. Summary updates are provided by the Chair, heads of business and functional groups to facilitate governance, oversight and direction.

Committee Role	Title
Executive Chair:	Managing Director, Chief Executive Officer – CIBC Lux
Committee Members:	Chief Operating Officer – CIBC Lux Chief Risk Officer – CIBC Lux Chief Compliance Officer – CIBC Lux Head of Finance (CFO) – CIBC Lux Head of Corporate Banking – CIBC Lux Head of Treasury – CIBC Lux Head of Technology – CIBC Lux
Attendees:	Other senior representatives from CIBC Europe business lines, as required

2.20.3. European Regulatory Committee (ERC)

The ERC is comprised of heads and key staff of CIBC's European Business and Infrastructure groups, providing a forum to discuss regulatory matters and directives relating to CIBC's Europe operations, including CIBC Lux, and potential impacts on the European business model. It considers external factors such as upcoming regulatory developments and work to effectively accommodate the changes. Quarterly updates and recommendations are provided to ExCo and to the Board. CIBC Lux is represented on the ERC by the CIBC Lux COO, CRO, CFO and CCO.

2.20.4. European Operating Committee (EOC)

The CIBC Europe ExCo established the EOC as a sub-committee of ExCo to: review the operational support of business activities executed through the European office, including CIBC Lux; ensure operational efficiency across all infrastructure groups within the region; consider specific business and regional operational issues and risks for resolution; review material risk assessments; and review proposals impacting the CIBC Lux entity booking model. CIBC Lux is represented on the EOC by the CIBC Lux COO, CRO, CFO and CCO. Material items impacting CIBC Lux would be escalated as required to the ExCo. The Chair of ExCo would then make any approved recommendations to the Board at each quarterly meeting, or when required.

2.20.5. European Deals Committee (EDC)

The Head of CIBC Europe and Asia-Pacific has established the EDC to consider all capital requests associated with credit commitments provided by Business and Corporate Banking prior to obtaining Credit Risk Management approvals and presenting commitments to clients. The EDC's mandate is to ensure compliance with applicable CIBC policies, procedures and regulatory requirements, including reviewing transactions in accordance with CIBC's Global Reputation and Legal Risks Policy and associated procedures including consideration as to whether escalation to the Reputation and Legal Risk (RLR) Committee is required. The EDC also screens proposed credit commitments, including contingent (trading) lines and associated daily settlement limits, of all clients who have borrowing relationships with Corporate Banking, with the goal of ensuring efficient and profitable allocation of CIBC's capital while maximizing profit opportunities ('share of wallet') across all CIBC businesses, including CIBC Lux. It also ensures co-ordination with, and input from, key CIBC business groups as it pertains to historical and forecasted business opportunities, and account coverage strategies and provides local oversight. Membership of the committee is at the discretion of the Executive Chair, and it is noted that the CIBC Lux CEO and CRO have right of veto over any CIBC Lux deals. Current members are as follows:

Committee role	Title
Executive Chair (voting):	Head of Corporate Banking Europe and Asia
Voting Members[6]:	Head of Europe and Asia-Pacific Chief Risk Officer, Europe and Asia, CRM CFO, Europe and Asia Head of Legal, Europe Head of Distribution, Europe and Asia Head of Investment Banking Europe CEO CIBC Capital Markets (Europe) S.A. CRO CIBC Capital Markets (Europe) S.A.

2.20.6. Climate Risk Committee (CRC)

The Climate Risk Committee ("CRC") is a sub-committee of the Luxembourg ExCo, UK Management Committee and Asia Pacific Management Committee. The CRC provides a forum for addressing regulatory, strategic and client-related climate risk issues for the Europe and APAC regions. It also acts as a forum for Toronto-based members of the CRC to understand industry best practice and regulatory expectations from the regions, and for those individuals to communicate bank wide initiatives and progress to the CRC. Membership of the CRC comprises the CIBC Lux CRO and Heads of Business and Infrastructure Risk Heads from the European, Asian and Australian offices. Meetings are held on a quarterly basis. Minutes of each meeting are maintained.

[6] Or a designated alternative representative

2.20.7. European Cyber Security Committee (ECSC)

The quarterly European Cyber Security Committee (ECSC) meeting is the primary point for in-region Senior Management discussion for cyber security issues and governance matters pertaining to Europe. A monthly Cyber Dashboard for Luxembourg is also provided to the Lux COO, CRO and ExCo highlighting any key items of note for the region. The CIBC Lux COO and CRO is a member of the ECSC and represents Lux interests.

The ECSC is a formal sub-committee of the Lux ExCo. The Lux COO is accountable for regularly reporting on ECSC activity to the Lux ExCo. The responsibilities of the ECSC include prioritising cyber security initiatives and activities relative to other regional priorities, reviewing security metrics and initiating actions to address any local security issues and understanding local cyber security-related regulatory demands, requirements and guidance; and ensuring appropriate actions to address are in place.

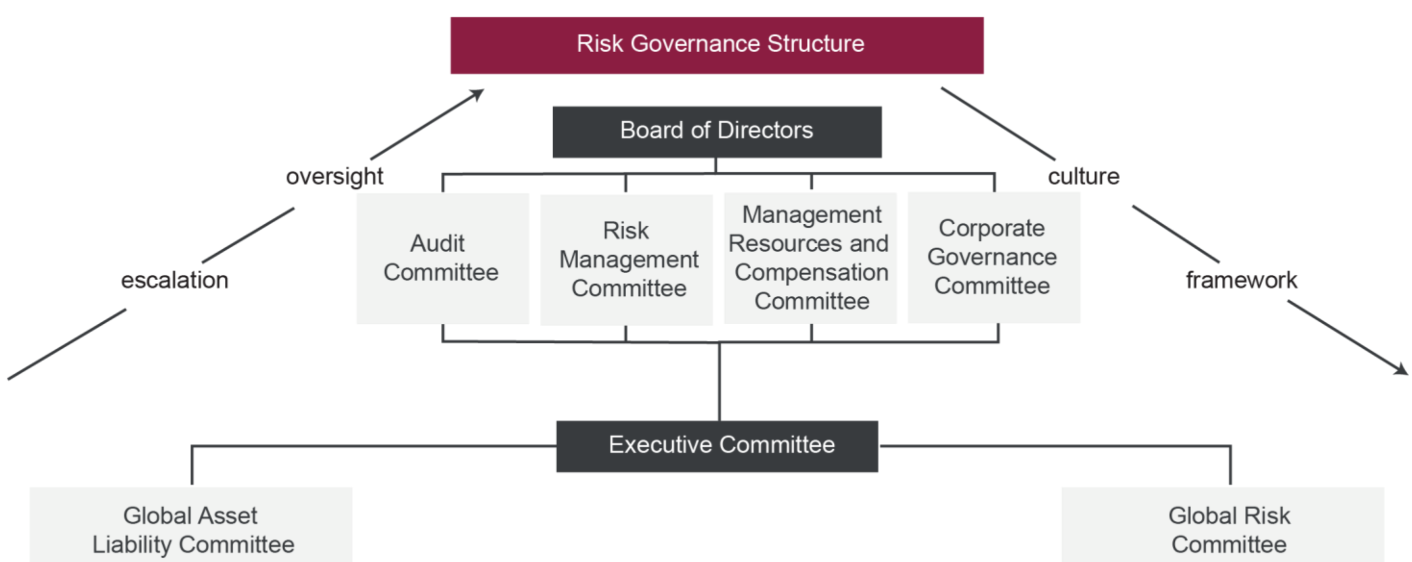
2.21. Communication of Risk Information to Management

Managing risk is a shared responsibility at CIBC. Business units and risk management work together to ensure the business strategies are aligned with the risk appetite of CIBC. Regular and transparent risk reporting and discussions at senior management committees facilitate communication of risks and discussions of risk management strategies within the organisation.

The following areas of risk are reported via dashboards and the RAS to the ALCo and ExCo at least quarterly: Funding and Liquidity Management Risk, IRRBB Risk, Credit Risk, Operational Risk, Market and Trading Risk and Capital Management Credit Risk. The Lux CRO presents the Board with a Risk Update, following the presentation of these updates. In addition, the Board is presented with the CIBC Lux's RAS for review quarterly and approval annually.

The governance structure for risk management in CIBC Lux is supplemented by the CIBC Risk Governance Structure and is described in detail in the European Risk Management Framework.

CIBC Group's Risk Governance Structure is shown below and outlines the flow of information to the appropriate committees and senior management body. The CIBC Board delegate certain matters to its Audit Committee, Risk Management Committee, Management Resources and Compensation Committee and Corporate Governance Committee. Below this is the CIBC Executive Committee and its sub-committees the Global Asset and Liability Committee and Global Risk Committee. All of these provide oversight and governance as part of the risk governance structure and help set the group risk culture and framework.



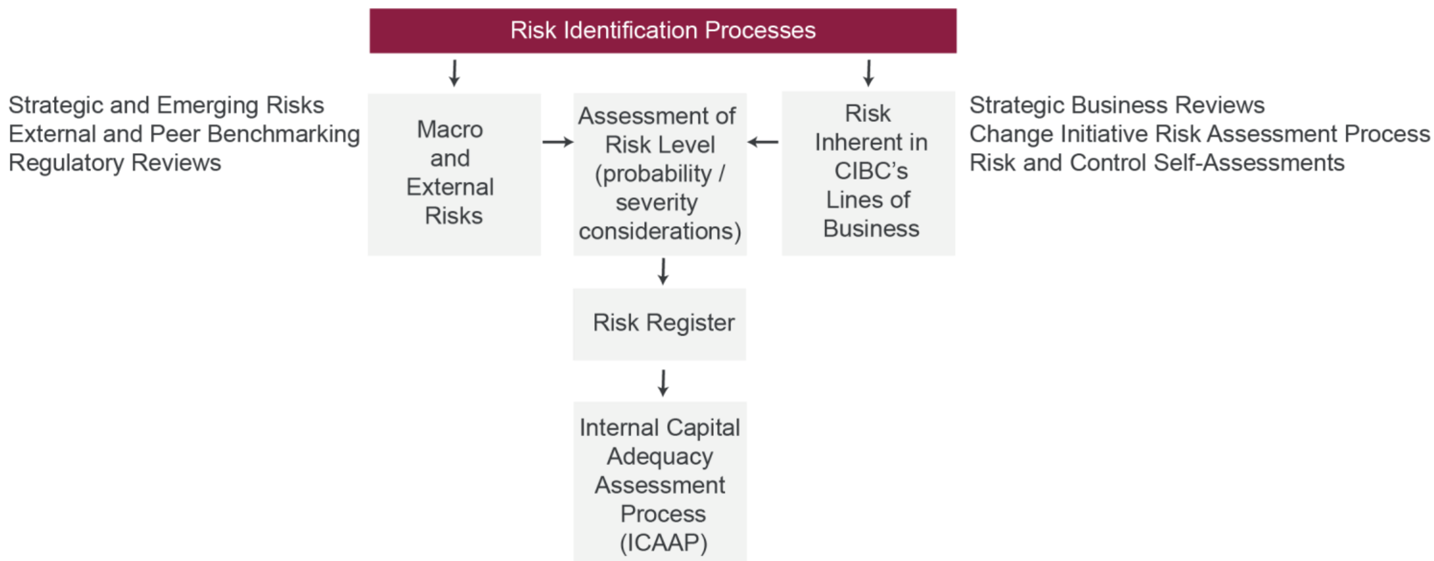
2.22. Risk Measurement and Management

Risk identification and measurement is an important element of the Risk Management Framework. Risk identification is a continuous process, generally achieved through regular assessments of risks, ongoing monitoring of portfolios, assessment of risk in new business activities and processes, assessment of risk in complex and unusual business transactions and the regular monitoring of the overall risk profile.

Enterprise Risk Reporting (ERR) maintains a Risk Register that lists all material risks facing CIBC by line of business. The inventory is based on the risks inherent in CIBC's businesses and is updated annually, to reflect changes in the nature of the risks faced by the business.

The risk identification process is outlined in the diagram. CIBC Lux takes a combination of macro and external risks and inherent risks which are combined to form an assessment of Risk Level. Factors such as strategic reviews, benchmarking, regulatory and internal reviews provide data points. This then feeds the risk register and ultimately is captured in the CIBC Lux ICAAP.

CIBC Capital Markets (Europe) S.A. Risk Identification Process



CIBC uses a combination of external vendor and internally developed systems to enable the front office to manage risks associated with its trading and non-trading risk exposures. Within Risk Management, CIBC has purchased an external vendor solution to measure the market and credit risk associated with its trading and non-trading activities. This includes stress testing, VaR analysis for market risk and a quantification of current and future portfolio value following default for credit risk.

Methodologies, models and techniques are subject to independent assessment and review to ensure:

- the underlying logic remains sound;
- that model risks have been identified and managed; and
- the use of the models continues to be appropriate and outputs are valid.

2.23. Risk management polices

2.23.1. Overview

CIBC faces a wide variety of risks across its businesses. Identifying and understanding risks and their impacts allow CIBC to frame its risk appetite and risk management practices. Defining acceptable levels of risk, and establishing sound principles, policies and practices for managing risks, is fundamental to CIBC achieving consistent and sustainable long-term performance, while remaining within its risk appetite. The CIBC Risk Management Framework (RMF) sets out CIBC's approach to achieving these objectives.

The CIBC Enterprise Risk Appetite Framework (RAF), sets out the overall approach to risk appetite and provides a common understanding among stakeholders of how risk appetite is established, managed and governed at CIBC. The CIBC RAS supports the RMF which sets out CIBC's approach to risk management, and is in turn supported by risk limits, policies, standards, procedures, processes and controls.

Risk Appetite Statement (RAS)

CIBC's RAS is established, managed and governed as per the RAF. The RAS articulates the aggregate level and types of risk CIBC is willing to assume, or to avoid, in pursuit of its strategy and business objectives and sets the basic goals and measurement metrics, which define tolerance levels for various risks.

CIBC's RAS is defined by management and approved by the CIBC Board; it is reviewed at least annually. Reporting against CIBC's RAS metrics is provided quarterly to the GRC, the Risk Management Committee of the CIBC Board (RMC) and the CIBC Board.

Risk Frameworks, Policies and Limits

The CIBC RAS is also the foundation for the comprehensive framework of risk limits, policies, standards and procedures, set out by type of risk: Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Reputation Risk, Regulatory Compliance Risk and Other Risks. Key risk frameworks, policies and limits, as identified by CIBC management, are updated on a regular basis and are approved by the Senior Executive Vice-President and Chief Risk Officer (CRO), RMC or the CIBC Board. For most risk types, policy (or framework) documents set out the key principles for managing the associated risks. These are supported by standards, guidelines, processes, procedures and controls that govern day-to-day activities in CIBC's businesses.

The Risk Policy and Limits Framework (see Risk Policy and Limits Framework) ensures risks are appropriately identified, measured, monitored and controlled in accordance with CIBC's risk appetite.

Risk Policy and Limits Framework

Risk appetite framework[1]

Key supporting CIBC policies and limits

Credit Risk	Market Risk	Liquidity Risk	Operational Risk	Reputation Risk	Regulatory Compliance Risk[7]	Other Risks
• Credit Risk Management Policy[2] • Common risk / Concentration risk Limits for credit exposures[3] • Expected credit loss policy[3] • Investment and lending authority[1] • Portfolio concentration limits for credit exposures[2] • Residential Mortgage Underwriting Policy[3] • Trading Credit Risk Management Policy[2,6]	• Market Risk Management Policy[2,6] • Annual review of markets risk limits[2] • Structural interest rate risk management policy[3] • Structural foreign exchange risk management policy	• Liquidity Risk Management Policy[1] • Liquidity Limits[1] • Funding Limits[1] • Pledging Policy[3] • Pledging Limits[2]	• Operational Risk Management Framework[2] • Business Continuity Management Policy[2,7] • Code of Conduct[1,7] • Control Framework[1] • Control Management Policy • Conduct and Culture Risk Framework[7] • Data Lifecycle Management Policy[7] • Financial Accounting and Reporting Policy[7] • Fraud Management Policy[4] • Information/Cyber Security Risk Policy[2] • Integrity and Security Framework[2] • Issue Management Policy • Model Risk and Validation Policy[2] • Project, Program and Portfolio Management Policy • Physical Security Policy • Risk Data Management and Reporting Policy[2,7] • Technology Risk Management Policy[2] • Third Party Risk Management Policy[2]	• Global Reputation Risk Management Framework[2] • Global reputation and legal risks policy[3]	• Regulatory compliance management policy[2] • Anti-bribery and anti-corruption policy[4] • Enterprise Anti-Money Laundering, Anti-Terrorist Financing and Sanctions Framework[2] • Enterprise Anti-Money Laundering and Anti-Terrorist Financing Policy[3] • Enterprise Sanctions Policy[3] • Compliance Risk Management Framework[3] • Global Privacy Management Framework[3] • Global Privacy Policy[7]	• Corporate environmental policy[3] • Global Environmental and Social Framework • Insurance / reinsurance risk management policy[3] **Supporting policies** • Capital policy[1] • Economic capital policy[3] • Enterprise-wide stress testing policy[3]

[1] Approved by the CIBC Board of Directors

[2] Approved / reviewed by the Risk Management Committee of the CIBC Board (RMC) s

[3] Approved by the CIBC CRO

[4] Approved by the CIBC Audit Committee

[5] Regulatory Compliance is defined as one of the 17 Operational Risk Types

[6] Full name of the Policy is Trading Credit Risk Management and Market Risk Management Policy

[7] Operational Risk type policies that are not owned by Global Operational Risk Management

Highlights of these policies and limits applicable to the operations of CIBC Lux are outlined in the following sections.

In addition to the group-wide Risk policies listed above, CIBC Lux has its own local policies and/or supplements where deemed necessary.

2.23.2. Credit risk policies and limits

Credit risk arises from CIBC Lux's direct lending and trading activities and is defined as the risk of financial loss due to a borrower or counterparty failing to meet its obligations in accordance with contractual terms.

To control credit risk, prudent credit risk management principles are used as a base to establish policies, standards and guidelines that govern credit activities as outlined by CIBC's CRM Policy.

CIBC Lux is guided by the CIBC enterprise-wide limits with respect to acceptable exposures of their business activities.

CIBC's Management Limits are assessed on an ongoing basis to ensure effective monitoring of exposures as risks emerge or change. Exposures above Management Limits require the approval of the SEVP, CRO CIBC Group. CIBC Lux may also impose lower limits to reflect the nature of the exposures and target markets. Tiering of limits provides for an appropriate hierarchy of decision making.

CIBC also has set limits to mitigate against the risk of developing adverse concentrations. Concentrations can arise by borrower, where large, single name credit exposures create vulnerability to deterioration in the credit worthiness of one or more large clients. Concentrations can also arise by country, product or activity, and in the case of business loans, by industry, where potential correlations of exposure create vulnerability to event-driven deterioration across a portfolio. Concentration Risk Limits and Common Risk Limits apply to control concentration risk.

Lending Portfolio Concentration Limits Policy has been established and outlines the requirements at CIBC Lux that must be followed to prevent adverse concentrations of corporate banking initiated loans by Country and Industry Sector and to ensure that existing concentrations are within approved limits and in accordance with CIBC Lux's RAS.

Country Limits also apply to control exposures to countries outside of Canada and the United States. These are reviewed regularly and updates distributed amongst the business and Risk Management.

CIBC Lux has ongoing regard to the local regulatory requirements and guidance of the CSSF in its application of the CIBC Risk Policy and Limits Framework and other policies.

Credit approval authority is granted by the SEVP, CRO CIBC and is further delegated in writing to risk adjudicators with the appropriate level of experience and expertise relative to the type and size of credit. Credit approval authority for CIBC Lux's activities is delegated from the EVP, CRO CMRM to the SVP, CRO Europe and Asia and to the CIBC Lux CRO in respect of the mandates of CMRM and CRM.

Credit exposures within CIBC Lux are monitored daily against approved limits. Summary reports, highlighting concentrations and changes in credit risk exposure, are presented by the CIBC Lux CRO to ExCo on a monthly basis and to ALCo and the Board quarterly.

2.23.3. Capital Markets risk policies and limits

Market risk is the risk of economic financial loss in our trading and non-trading portfolios from adverse changes in underlying market factors, including interest rates, foreign exchange rates, equity market prices, commodity prices and credit spreads.

Trading credit risk is the counterparty credit risk resulting from all trading and treasury investing activities.

The CMRM policies set out key principles, the overall limits structure and specific roles and responsibilities, for the measurement, management and control of market risk and trading credit risk and comprise the following:

- Market Risk Management Policy; and
- Trading Credit Risk Policy.

Trading credit risk and market risk exposures are monitored against approved limits on a daily basis and reviewed by CMRM Europe and CIBC Lux Risk management before being reported to the CIBC Lux CRO. CMRM Europe follow the established excess management protocol when required. Summary trading and market risk information is produced and reviewed at least quarterly by ExCo. Limit excesses or unauthorised trading above limits are reported to CMRM Europe and CIBC Lux CRO.

2.23.4. Structural Interest Rate Risk Management Policy

SIRR primarily consists of the risk arising due to mismatches in assets and liabilities, which do not arise from Trading and Trading related businesses.

The SIRR Policy applies to CIBC Lux.

A specific CIBC Lux SIRR Policy which defines SIRR, describes the management principles and objectives, governance structure and approach to SIRR management including identification, measurement, control as well as monitoring and reporting requirements and sets out CIBC Lux's approach to SIRR management.

2.23.5. Structural FX Risk Management Policy

Structural FX risk is primarily the risk inherent in net investment in foreign operations due to changes in FX rates. The Structural FX Risk Management Policy describes the management principles, measures, benchmarking strategy, high-level reporting requirements, the requirements for monitoring and oversight as well as detailed roles and accountabilities for the management of structural FX risks.

2.23.6. Interest Rate Risk in the Banking Book

Interest rate risk in the Banking Book (IRRBB) is compared with the Tier 1 capital of CIBC Lux. Interest Rate Stress Scenarios are run at least quarterly against the Banking Book as per Basel recommendations and EBA prescribed shocks following the publication of CSSF 24/848 and CSSF 24/849.

2.23.7. Liquidity Risk Management Policy and limits

Liquidity risk is the risk of having insufficient cash or its equivalent in a timely and cost-effective manner to meet financial obligations as they fall due.

The CIBC Liquidity Risk Management Policy outlines key elements of CIBC Group's approach to managing liquidity risk. The policy incorporates RAS metrics for liquidity risk management as well as other RMC and management approved limits, such as funding limits, to further control liquidity risk.

The liquidity risk management strategies followed by CIBC Lux seek to ensure that a sufficient amount of unencumbered liquid assets are available to meet anticipated liquidity needs in both stable and stressed conditions for a minimum period of time determined by ALCo and by the Board. In addition, the liquidity risk management strategies seek to ensure that CIBC Lux is compliant with local regulatory requirements.

The Liquid Asset Buffer (LAB) Policy defines CIBC Lux's approach to managing the LAB as it relates to liquidity risk management and LAB regulatory requirements. It is the primary reference with regards to the risk-related LAB approach of CIBC Lux and includes key responsible parties for the oversight and policy / programme review cycles. Details of the LAB and any movements, breaches and repositioning will be identified to the ALCo as part of the regular agenda. On a quarterly basis, the ALCo report will be summarised and reported to the Board.

The CIBC Lux Contingency Funding Plan (CFP) sets out the strategies for addressing liquidity shortfalls in emergency situations. The CFP outlines policies to manage the liquidity requirement under CIBC Lux's stress scenario, establishes clear lines of responsibility, includes clear invocation and escalation procedures and is operationally robust. The CFP is aligned with the requirements of the Basel Committee on Banking Supervision (BCBS) Principles for Sound Liquidity Risk Management and Supervision. ALCo and the Board review and approve the CFP for CIBC Lux and ensure it is compliant with local regulatory requirements.

CIBC Group's Pledging Policy and associated pledging limits set out CIBC's approach to pledging and the consolidated aggregate gross and net maximum pledging limits.

2.23.8. Operational Risk Management Policy

The CIBC Lux Risk Management Framework sets out CIBC Lux's approach to operational risk management. CIBC global Operational Risk Management Framework & Operational Resilience (ORMORF) outlines the framework, requirements and roles and responsibilities in managing operational risk in CIBC. Oversight of operational risk and operational resilience is managed by the European team of Global Operational Risk Management (GORM).

2.23.9. Reputational risk management policies

CIBC Lux follows CIBC's Reputation Risk Management Framework supplemented by the CIBC Global Reputation and Legal Risks (GRLR) Policy and related procedures, as well as the CIBC AML and ATF policies. In addition, CIBC Lux follows the CIBC Lux Conduct & Culture Framework, and CIBC's Global Code of Conduct, Confidentiality and Privacy Policy, Information Security Policy, Fraud Management Policy and Marketing and Advertising Policy.

2.23.10. Regulatory Compliance Management Policy

Regulatory compliance risk refers to the risk of CIBC Lux's potential non-conformance with applicable regulatory requirements. Regulatory requirements are requirements contained in laws and regulations and other prescribed regulatory practices that are applicable to CIBC Lux and require CIBC Lux to do (or prohibit it from doing) certain things or to act or conduct its affairs in a particular manner.

The CIBC Regulatory Compliance Management (RCM) Policy sets out CIBC's regulatory compliance philosophy and RCM framework. The RCM Policy describes how CIBC identifies and risk assesses regulatory requirements, maps them to controls and oversees compliance. European regional regulatory compliance is monitored via the European Regulatory Committee of which the CIBC Lux CRO, COO, CCO and CFO are members.

At the Parent Bank level, Compliance reports to the CIBC Risk Management Committee (RMC) on a quarterly basis, expressing opinions concerning the adequacy and design and operating effectiveness of CIBC's RCM framework. At CIBC Lux level, Compliance reports to the Exco and to the Board at least on a quarterly basis.

2.23.11. Anti-Money Laundering and Anti-Terrorist Financing Policy

CIBC is committed to adhering to all regulatory requirements pertaining to AML and CTF and to implementing best practices to minimise the impact of Money Laundering and Terrorist Financing activities within the reach of CIBC. As such, all CIBC lines of business must execute their role in preventing Money Laundering and Terrorist Financing by being diligent in their dealings with clients and by being aware of and complying with applicable laws related to AML and CTF activities, including all reporting requirements and standards.

The AML and CTF Policy establishes a framework and sets out the requirements for promoting compliance with regulatory requirements relating to AML and CFT. CIBC Lux adheres to the Global AML and CFT policies, as well as policies implemented locally.

2.23.12. Anti-Bribery and Anti-Corruption Policy

CIBC is committed to conducting its business in compliance with applicable regulatory requirements related to the prevention of bribery and corruption.

CIBC Lux executes on this commitment by following the CIBC Anti-Bribery and Anti-Corruption (ABAC) Policy, which sets out the various components that make up CIBC's ABAC regulatory compliance program, including minimum standards of conduct relating to the giving and receiving of gifts or entertainment.

In addition, CIBC Lux has its own regional (Luxembourg / UK) Gifts and Hospitality Policy, which all CIBC Lux employees must adhere to, in addition to the CIBC ABAC Policy and the Luxembourg / UK Conflicts of Interest policy.

2.23.13. Policies for other risks

CIBC maintains other policies, which set out how other risks are managed. These include Corporate Environmental Policy, Model Risk and Validation Policy, Procurement and Supplier Governance Policy, Insurance / Reinsurance Risk Management Policy, Capital Policy, Economic Capital Policy, Stress Testing Policy and Risk Data and Reporting Framework and Management Policy.

CIBC Lux has specific Business Continuity Management (BCM) plans which align to the CIBC BCM Policy. CIBC Lux must regularly assess its exposure to business interruption risk and take appropriate action to minimise and control the risk. These requirements align with CIBC's BCM Program.

2.24. Risk management reporting

To monitor CIBC Lux's risk profile and facilitate evaluation against the CIBC Lux RAS, measurement metrics have been established with quarterly reporting against these metrics provided to ExCo, ALCo and the Board. This reporting enables decisions on growth and risk mitigation strategies. The type and frequency of this reporting is set out below by type:

2.24.1. Market risk reporting

Daily market risk reports highlight VaR, stress results and sensitivities per business and are distributed to desk heads, the CIBC Lux CRO, CIBC Lux CEO, the Head of Europe and Asia-Pacific, the SVP CRO, CMRM Europe and Asia and the Head of Capital Markets Trading (CMT), Europe. In addition, market risk limit and exposure reports are reviewed by traders and CMRM staff in Luxembourg and other CIBC locations as required.

2.24.2. Trading Credit Risk reporting

Daily credit risk reports are produced by CMRM Europe and the CIBC Lux Credit Risk Manager, highlighting any counterparties in excess of limit, and distributed to the Head of CMT, Europe and the Heads of the trading desks and to the Lux CRO.

2.24.3. CRM reporting

The CIBC Group CRO is accountable for accurate and timely corporate credit risk reporting using staff and systems as appropriate across CIBC. Locally, accountability sits with the CIBC Lux CRO. The CIBC Lux CRO reports monthly to ExCo and quarterly to the Board, on material credit risk matters including material credit transactions, compliance with limits, portfolio trends, impaired loans and credit loss provisioning levels.

2.24.4. Overall CIBC Lux portfolio reporting

CRM Europe provides summary reporting of the corporate loan portfolio along with associated contingent lines on a monthly basis to the CIBC Lux CRO which is presented in summary form to the ExCo monthly. On a daily basis CRM monitors balance changes booked by Loan Operations in CIBC's main loan booking system.

This reporting details total authorised and total drawn exposure to individual borrower groups, banded by risk rating, country risk, industry groupings and by facility types. Exposures booked within CIBC Lux are separately identified within the overall portfolio. Notable month-on-month changes given new commitments, repayments or amendments are flagged within each report.

In accordance with the Quarterly High Risk Review Reporting Procedures, the SVP, CRO Europe and Asia's team, including where appropriate the CIBC Lux CRO, along with Corporate Banking prepare risk reporting for the High Risk portfolio names. These detail the nature of CIBC's exposure, underlying borrower financial performance, historic and prospective risk rating analysis, collateral cover and where necessary provisioning rationale, along with current and future action plans for the management of the files concerned. These reports are circulated quarterly to the CIBC Lux CEO and CRO, Internal Audit, the SVP, Head of Special Loans, CRM, the Head of Europe and Asia-Pacific, the EVP and CRO Global CRM, the MD and Head of Corporate Banking (CB) and the SEVP, CRO CIBC.

2.24.5. Stress testing

Stress testing supplements other risk management tools by providing an estimate of tail loss. At least annually, enterprise-wide stress testing is conducted based on a number of enterprise-wide stress scenarios, featuring a range of severities. The stress testing program is integrated with CIBC's Recovery Plan (RP) and for preparation of specific RP related scenarios. Other enterprise-wide scenarios are performed on an ad-hoc basis as emerging risks are identified through CIBC's risk identification processes. Results of stress testing are interpreted in the context of CIBC's risk appetite and specific risk appetite metrics including metrics for capital adequacy. Enterprise-wide stress testing, capital planning and financial planning processes combine to form a comprehensive information system. Other enterprise-wide scenarios are performed on an ad-hoc basis as emerging risks are identified through the risk identification processes.

Additionally, stress testing and scenario analysis of Market Risk exposure and Trading Credit Risk exposure are conducted regularly via the Capital Markets Stress Testing Committee (CMSTC). These include historical and hypothetical scenarios and single factor shocks. Stress testing satisfies CIBC's need to assess risk in extreme, but plausible, scenarios. Market Risk and Trading Credit Risk stress testing measures the impact that large and extreme moves in market variables have on portfolio valuation. Stress scenarios typically assume that no actions are taken during the stress horizon. However, management action may be considered for specific scenarios to add further clarity to the results.

Stress testing results are used to inform management decision making, including potential risk mitigation strategies. The stress tests utilise CIBC's macro-economic stresses and supplements them with additional stresses relevant to CIBC Lux's portfolio and/or local macro-economic conditions (e.g. default of the largest corporate loan), which are incorporated into CIBC Lux's Recovery Plan. The impact and results of CIBC Lux's stress testing are also documented in its annual ICAAP and ILAAP.

3. Capital resources

3.1. Objectives, policies and processes

CIBC Lux's objective is to employ a strong and efficient capital base. Capital is managed in accordance with policies established by the Board. These policies relate to capital strength, capital mix and dividends. Each policy has associated guidelines, and capital is monitored continuously for compliance.

Each year a capital plan and three-year outlook are developed by senior management in conjunction with the preparation of the ICAAP. This encompasses all the associated elements of capital: forecasts of sources and uses, maturities, redemptions, new issuances, corporate initiatives and business growth. The capital plan is stress-tested in various ways to ensure that it is sufficiently robust under all reasonable scenarios. All of the elements of capital are monitored throughout the year, and the capital plan is adjusted as appropriate.

The capital adequacy is determined by rules and minimum standards prescribed by the Regulator under Regulation (EU) 2019/876 of the European Parliament and of the Council, amending Regulation (EU) No 575/2013. The amendment to the regulation specified by EU2024/1623 (CRR3) came into effect from 1st January 2025.

3.2. Structure of regulatory capital

Regulatory capital consists solely of Core Equity Tier 1 instruments less certain deductions. The components of CIBC Lux's regulatory capital are set out below:

Template EU CC1 – Composition of regulatory own funds

Common Equity Tier 1 (CET1) capital: instruments and reserves	Amounts
Capital instruments and the related share premium accounts	1,757,000,000
of which: C$1 ordinary shares	1,757,000,000
Retained earnings	154,828,644
Accumulated other comprehensive income (and other reserves)	53,311,477
Funds for general banking risk	-
Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-
Minority interests (amount allowed in consolidated CET1)	-
Independently reviewed interim profits net of any foreseeable charge or dividend	-
Common Equity Tier 1 (CET1) capital before regulatory adjustments	1,965,140,121

Common Equity Tier 1 (CET1) capital: regulatory adjustments	Amounts
Additional value adjustments (negative amount)	-1,069,701
Intangible assets (net of related tax liability) (negative amount)	-
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-
Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-
Negative amounts resulting from the calculation of expected loss amounts	-
Any increase in equity that results from securitised assets (negative amount)	-
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-
Defined-benefit pension fund assets (negative amount)	-
Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-
Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-
Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-
Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-
Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-
of which: qualifying holdings outside the financial sector (negative amount)	-
of which: securitisation positions (negative amount)	-
of which: free deliveries (negative amount)	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-
Amount exceeding the 17,65% threshold (negative amount)	-
of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-
of which: deferred tax assets arising from temporary differences	-
Losses for the current financial year (negative amount)	-
Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-
Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-
Other regulatory adjustments[8]	-9,474,337
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-10,544,039
Common Equity Tier 1 (CET1) capital	1,954,596,083

[8] Adjustment related to non-performing exposure

Common Equity Tier 1 (CET1) capital: regulatory adjustments	Amounts
Additional Tier 1 (AT1) capital: instruments	**Amounts**
Capital instruments and the related share premium accounts	-
of which: classified as equity under applicable accounting standards	-
of which: classified as liabilities under applicable accounting standards	-
Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-
Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1	-
Amount of qualifying items referred to in Article 494b(1) subject to phase out from AT1	-
Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-
of which: instruments issued by subsidiaries subject to phase out	-
Additional Tier 1 (AT1) capital before regulatory adjustments	-

Additional Tier 1 (AT1) capital: regulatory adjustments	Amounts
Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	-
Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-
Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-
Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-
Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-
Other regulatory adjustments to AT1 capital	-
Total regulatory adjustments to Additional Tier 1 (AT1) capital	-
Additional Tier 1 (AT1) capital	-
Tier 1 capital (T1 = CET1 + AT1)	1,954,596,083

Tier 2 (T2) capital: instruments	Amounts
Capital instruments and the related share premium accounts	-
Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	-
Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2	-
Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2	-
Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-
of which: instruments issued by subsidiaries subject to phase out	-
Credit risk adjustments	-
Tier 2 (T2) capital before regulatory adjustments	-

Tier 2 (T2) capital: regulatory adjustments	Amounts
Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-
Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-
Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-
Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-
Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-
Other regulatory adjustments to T2 capital	-
Total regulatory adjustments to Tier 2 (T2) capital	-
Tier 2 (T2) capital	-
Total capital (TC = T1 + T2)	1,954,596,083
Total risk exposure amount	3,060,819,983

Capital ratios and requirements including buffers	Ratios
Common Equity Tier 1	63.86%
Tier 1	63.86%
Total capital	63.86%
Institution CET1 overall capital requirements	7.71%
of which: capital conservation buffer requirement	2.50%
of which: countercyclical capital buffer requirement	0.71%
of which: systemic risk buffer requirement	-

Capital ratios and requirements including buffers	Ratios
of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	-
of which: additional own funds requirements to address the risks other than the risk of excessive leverage	-
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	59.36%

Amounts below the thresholds for deduction (before risk weighting)	Amounts
Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-
Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-
Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	-

Applicable caps on the inclusion of provisions in Tier 2	Amounts
Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-
Cap on inclusion of credit risk adjustments in T2 under standardised approach	35,310,665
Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-
Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-

Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)	Amounts
Current cap on CET1 instruments subject to phase out arrangements	-
Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-
Current cap on AT1 instruments subject to phase out arrangements	-
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-
Current cap on T2 instruments subject to phase out arrangements	-
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-

3.2.1. Permanent Share Capital

The issued share capital of the entity:

Share Capital Class	Share Capital Amount
1,688,053,830 ordinary shares of C$1 each	C$1,688,053,830

3.2.2. P&L and other reserves

The reserves carried forward comprise current year audited P&L, brought forward retained earnings, accumulated other comprehensive income, legal and tax reserve.

3.2.3. Reconciliation of regulatory own funds to balance sheet in the audited financial statements

Template EU CC2: Reconciliation of regulatory own funds to balance sheet in the audited financial statements

Description	a & b Balance sheet as in published financial statements in C$'000	C Reference
Assets – Breakdown by asset classes according to the balance sheet in the published financial statements		
Cash and balances with central banks	1,368,764	-
Due from banks	13,778	-
Settlement accounts	558,292	-
Derivative financial assets	640,414	-
Debt securities at fair value through other comprehensive income	47,996	-
Debt securities at amortised cost	7,146	-
Equity securities at fair value through profit and loss	893,444	-
Loans and advances to non-banks	1,658,796	-
Reverse repurchase agreements	316,420	-
Other assets	354,376	-
Property and equipment	2,246	-
Total assets	**5,861,672**	-
Liabilities – Breakdown by liability classes according to the balance sheet in the published financial statements		
Settlement accounts	541,780	-
Deposits from banks	2,206,419	-
Derivative financial liabilities	727,903	-
Other liabilities	382,172	-
Current tax liabilities	36,953	-
Accrued expenses	1,305	-
Total liabilities	**3,896,532**	-
Shareholders' Equity		
Share capital	1,688,054	-
Share premium	68,946	-
Retained earnings	86,851	2
Profit for the year	67,977	-
Accumulated other comprehensive income	(22)	-
Legal reserve	7,316	3
Tax reserve	46,018	3
Total shareholders' equity	**1,965,140**	-
Total liabilities and shareholders' equity	**5,861,672**	-

3.2.4. Prudent Valuation Adjustment (PVA)

The Prudential Valuation Adjustment (PVA) is an Additional Valuation Adjustment (AVA) mandated under Article 105(14) of Regulation (EU) No 575/2013 (Capital Requirements Regulation — CRR) which is deducted from Common Equity Tier 1 (CET1) capital.

Under the Simplified Approach adopted by CIBC Lux it is calculated as 0.1% of the aggregate absolute value of fair valued positions held.

Template EU PV1: Prudent valuation adjustments (PVA)

Category level AVA	Risk category: Equity	Risk category: Interest Rates	Risk category: Foreign exchange	Risk category: Credit	Risk category: Commodities	Category level AVA - Valuation uncertainty: Unearned credit spreads AVA	Category level AVA - Valuation uncertainty: Investment and funding costs AVA	Total category level post-diversification	Total category level post-diversification: Of which: Total core approach in the trading book	Total category level post-diversification: Of which: Total core approach in the banking book
Market price uncertainty	-	-	-	-	-	-	-	-	-	-
Close-out cost	-	-	-	-	-	-	-	-	-	-
Concentrated positions	-	-	-	-	-	-	-	-	-	-
Early termination	-	-	-	-	-	-	-	-	-	-
Model risk	-	-	-	-	-	-	-	-	-	-
Operational risk	-	-	-	-	-	-	-	-	-	-
Future administrative costs	-	-	-	-	-	-	-	-	-	-
Total Additional Valuation Adjustments (AVAs)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,069,701	-	-

3.2.5. Dividends

Common share dividends are declared at the discretion of the Board. No dividend was declared or paid during the year.

As at 31 October 2025 there were no current impediments to the movement of capital resources or repayments of liabilities between CIBC and CIBC Lux other than the non-distributable legal reserve.

In addition, CIBC Lux management maintain a Net Wealth Tax reserve from its historic retained earnings for which there are limitations on distribution as dividends for a period of five years from the point of designation.

4. Capital requirements

4.1. Adequacy of Capital

To assess the adequacy of the firm's capital both to support current activities and activities which may be executed in the future, CIBC Lux performs an Internal Capital Adequacy Assessment Process (ICAAP). The Board has delegated the preparation of the ICAAP to ExCo whilst retaining overall ownership.

The ICAAP assessment has been undertaken by CIBC Lux Senior Management, including representatives from CMRM, CRM, Treasury, Legal, Business Management, Compliance, Finance and the business. The ICAAP document has been reviewed by ExCo and approved by the Board.

The ICAAP seeks to determine the composition and the total level of capital required by CIBC Lux to meet its business objectives and comply with its regulatory requirements. The review encompassed the following areas:

- Assessment of the adequacy of Tier 1 capital under Basel III (Pillar 1 Risks)
- Identification and assessment of risks not currently captured under the normative Pillar 2 risk assessment
- Assessment of the adequacy of the capital resources requirement under stress scenarios

The review is based on a three-year forecast, encompassing projected revenues, costs and projected balance sheet by business and associated RWA. Within this forecast, the possibility and associated costs that a business could be restructured, retrenched or closed down is considered. The impact of ongoing global geopolitical tensions on CIBC Lux's operations have been considered in its 2025 ICAAP and documented therein. The ICAAP is reviewed on an annual basis, or as required in the event of a significant change in strategy.

Credit and counterparty risk, market risk, operational risk, CVA risk, Interest Rate Risk in the Banking Book, liquidity risk, concentration risk, regulatory compliance risk and group risk are considered by Senior Management to be the significant risks faced by CIBC Lux. The market and credit risk impact to capital adequacy is assessed using a severe stagflation scenario. CIBC Lux's credit risk capital requirement is further recalculated using an idiosyncratic stress event.

The results of the ICAAP confirm that CIBC Lux is adequately capitalised and, under its current capital framework, able to absorb both additional losses and capital charges arising from potential stress scenarios.

In addition to the ICAAP and as noted in this document, the Board has formulated a RAS which identifies key metrics to monitor and control the risk appetite of CIBC Lux. The RAS sets out the management target for CIBC Lux's capital ratio to ensure management and the Board are adequately monitoring the firm's internal capital position.

CIBC Lux has an effective credit management policy to ensure that exposures are maintained within the regulatory limits.

4.2. External credit rating agency

The External Credit Assessment Institution (ECAI) used by CIBC Lux for ratings is Standard & Poor's (S&P). These ratings are used in addition to CIBC Lux's internal counterparty ratings to determine the credit quality of counterparties for the following exposure classes:

- Central governments or central banks
- Regional governments or local authorities
- Public sector entities
- Multilateral development banks
- Institutions
- Corporates
- Other items

CIBC Lux did not have exposures to any other exposure classes.

S&P is recognised by the CSSF as an eligible credit assessment institution for the purposes of calculating credit risk requirements under the standardised approach. The external ratings provided by S&P are then mapped to prescribed credit quality steps based on which the applicable risk weight is derived for each of the relevant exposures.

Credit quality step	S&P's assessments
1	AAA to AA-
2	A+ to A-
3	BBB+ to BBB-
4	BB+ to BB-
5	B+ to B-
6	CCC+ and below

As an input to regulatory capital calculations, current ratings are monitored regularly, no less than on a semi-annual basis.

4.3. Risk weighted assets and minimum capital requirements

Under Basel III, CIBC Lux applies the standardised approach to credit risk, market risk and CVA risk. Operational risk is calculated under the BIC approach.

As at 31 October 2025 the Risk Weighted Assets and associated minimum capital requirements (8% of risk weighted assets) were as follows:

Template EU OV1 – Overview of total risk exposure amounts

Description	Risk weighted exposure amounts (RWEAs) 31-Oct-25	Risk weighted exposure amounts (RWEAs) 31-Oct-24	Total own funds requirements 31-Oct-25
Credit risk (excluding CCR)	2,368,265,637	1,587,674,524	189,461,251
Of which the standardised approach	2,368,265,637	1,587,674,524	189,461,251
Of which the Foundation IRB (F-IRB) approach	-	-	-
Of which: slotting approach	-	-	-
Of which: equities under the simple risk weighted approach	-	-	-
Of which the Advanced IRB (A-IRB) approach	-	-	-
Counterparty credit risk - CCR	456,587,615	350,420,010	36,530,580
Of which the standardised approach	456,561,052	342,206,024	36,530,620
Of which internal model method (IMM)	-	-	-
Of which exposures to a CCP	26,563	-	2,125
Of which credit valuation adjustment - CVA	-	8,213,986[9]	-
Of which other CCR	-	-	-
Credit valuation adjustments risk - CVA risk	25,523,302	-	2,041,864
Of which the standardised approach (SA)	.	-	-
Of which the basic approach (F-BA and R-BA)	25,523,302	-	2,041,864
Of which the simplified approach	-	-	-
Settlement risk	-	-	-
Securitisation exposures in the non-trading book (after the cap)	-	-	-
Of which SEC-IRBA approach	-	-	-
Of which SEC-ERBA (including IAA)	-	-	-
Of which SEC-SA approach	-	-	-
Of which 1250% / deduction	-	-	-
Position, foreign exchange and commodities risks (Market risk)	-	-	-
Of which the standardised approach	-	-	-
Of which IMA	-	-	-
Large exposures	-	-	-
Operational risk	210,443,491	167,528,745	16,835,479
Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	-	-	-
Total	**3,060,819,983**	**2,105,623,279**	**244,865,599**

Increases are due to year-on-year organic growth of underlying business activities. CIBC Parent made a capital injection of C$550mm in June 2025.

[9] CRR2 CVA calculation

5. Management of credit risk

5.1. Background

CIBC Lux credit risk primarily arises from direct lending activities, and to a lesser extent, from trading, investment and hedging activities. Credit risk is defined as the risk of financial loss due to a borrower or counterparty failing to meet its obligations in accordance with agreed terms.

5.2. Governance

To control credit risk in alignment with CIBC Group's risk appetite, CIBC has implemented overarching policies and standards. In addition to these policies and standards, CIBC Lux has established its own risk appetite and limits to control local credit concentrations. Key policies and limits are subject to annual review and approval by the CIBC Group Risk Management Committee (RMC) of CIBC's Board of Directors. CIBC Lux key risk management policies are subject to review and approved by ExCo and CIBC Lux Board of Directors.

CIBC's Credit Risk Management Framework describes CIBC's overall approach to managing credit risk and supports the establishment of sound credit risk management principles. It also establishes an effective framework for managing credit risk, including documented policies, standards and guidelines, processes and controls, as well as limits to operationalise the credit risk management principles in line with CIBC's credit risk strategy.

5.3. Process and control

5.3.1. Credit risk management

The CIBC Lux CRO provides independent review of Lux deals under delegated approval authorities granted by the SVP, CRO Europe and Asia. The CIBC Lux CRO has right of veto over any CIBC Lux deals. Credits above the CIBC Lux CRO's delegated authorities are recommended to the SVP, CRO Europe and Asia. For amounts above the SVP, CRO Europe and Asia limits, credits are presented up the chain dependent on size of limits. Delegated lending authorities are risk rating based and are reviewed annually. The CIBC Lux CRO has the ability to delegate authority to appropriately skilled staff members. Use of delegated authorities in Europe is communicated to the SVP, CRO Europe and VP, CRM on a monthly basis.

Furthermore, Credit Portfolio Monitoring is also achieved through monthly portfolio reports to ExCo and quarterly report to the Board.

Formal risk rating guidelines are amongst the tools used to manage credit risk. All credit exposures are monitored on an ongoing basis to ensure compliance with the terms and conditions of the credit agreement, including limits and repayment terms, and to facilitate the early identification of deteriorating accounts. At least annually, a formal risk assessment, including review of assigned ratings is documented. Higher risk-rated accounts are subject to closer monitoring and are reviewed at least quarterly.

5.3.2. Non-trading credit risk

Within the non-trading book, qualified personnel in CIBC Europe and CIBC Lux undertake a detailed assessment of credit transactions and assign internal risk ratings according to an approved methodology. All loans have ratings appropriate for their businesses which reflect probability of default of the counterparty, loss given default and probability of loss of the credit facility. In addition, final allocation of a designated limit takes into consideration concentration limits which are established for individual borrowers or groups of related borrowers.

The internal risk ratings standardise the quantification of risk across portfolios. They are also used in monitoring the portfolios and are key inputs used in the risk-based models for the attribution of the credit risk component of economic capital. The risk ratings also affect the level of approval of authority needed and thus seniority of approval personnel required.

Internal risk ratings of corporate credit counterparties are reviewed at least annually. Graded problem loan lists are used to monitor accounts where the counterparty represents heightened levels of risk. Such higher risk accounts are reviewed quarterly or more frequently as per CIBC's High Risk reporting protocol. Distressed accounts are monitored on a continuous basis and any changes are reported immediately for decision making.

Credit risk exposures are also monitored against CIBC Lux Industry sector and country portfolio concentration limits to prevent adverse concentrations which are reviewed annually.

An overview of the corporate credit portfolio is presented to the ExCo on a monthly basis and to the Board on a quarterly basis.

5.3.3. Trading credit risk

With regards to trading credit risk, the independent review and where necessary adjudication of CIBC Lux trading credit limits is conducted by the CIBC Lux Credit Risk Manager and reported to the CIBC Lux CRO. CMRM DLA are delegated via the VP, CMRM Europe and Asia while local oversight is through the CIBC Lux CRO. Counterparty Risk Appetite are monitored against concentration limits established for individual counterparties or related groups, industry sectors, countries, geographic regions and selected products.

Counterparty credit exposures are monitored on a daily basis. Unapproved excesses of trading credit lines are escalated within the global control governance and processes are in place to sanction those involved.

5.4. Credit risk mitigation

Credit risk mitigation is applied to repos / reverse repos, securities lending / borrowing and derivative trades. CIBC Lux only trades these products under market standard documentation such as Global Master Repurchase Agreement (GMRA) for repos / reverse repos, predominantly Global Master Securities Lending Agreement (GMSLA) for stock lending / borrowing (although some Overseas Securities Lending Agreements are in place), and International Swaps and Derivatives Agreement / Credit Support Annex (ISDA/CSA where applicable) for derivatives. CIBC has established MAT documentation terms per master trading documentation which are described in the CIBC Trading Documentation Procedures. MAT depend on counterparty type and product traded. All non MAT negotiated terms in trading documentation are pre-approved by CMRM. All counterparties are assigned an internal risk rating, a credit limit and tenor for each product, and be subject to periodic credit management including annual reviews.

With respect to repos / reverse repos and securities lending / borrowing business, credit risk is mitigated by the underlying security. With respect to derivative trades, credit risk is mitigated by daily collateral.

CIBC Group's CRM policies and procedures are described in the CIBC Lux Risk Management Framework. This ensures compliance with Part 3, Title II, Chapter 4 of the CRR and is signed off by the Board and ExCo.

In the event of an exposure exceeding the credit limits in place due to market movements, credit mitigation strategies are adopted to bring the credit risk back within comfort levels promptly.

5.5. Policies, procedures and standards

CIBC has a comprehensive framework of risk polices and limits (Risk Policy and Limits Framework) which sets out policies by type of risk: credit risk, capital markets risk, liquidity risk, operational risk, reputation risk and other / corporate risks.

Within this Risk Policy and Limits Framework, there are a series of additional overarching documents for most risk types that set out the key principles for managing the associated risks. These frameworks and key policies are supported by standards, guidelines, processes, procedures and controls that govern day-to-day business activities undertaken by Risk Management officers. These documents are intended to ensure risks are appropriately identified, measured, monitored and controlled in accordance with risk appetite.

The Risk Policy and Limits Framework is utilised by CIBC Lux as applicable, with related standards in place covering lending to the large corporate sector.

5.6. Measurement, monitoring and control

Risk Management provide enterprise-wide adjudication and oversight of management of credit risk in the trading and credit portfolios. Adjudication and portfolio management decisions are based on the risk appetite, as reflected in policies, standards and limits. Lending authorities are controlled to ensure decisions are made by qualified and experienced personnel.

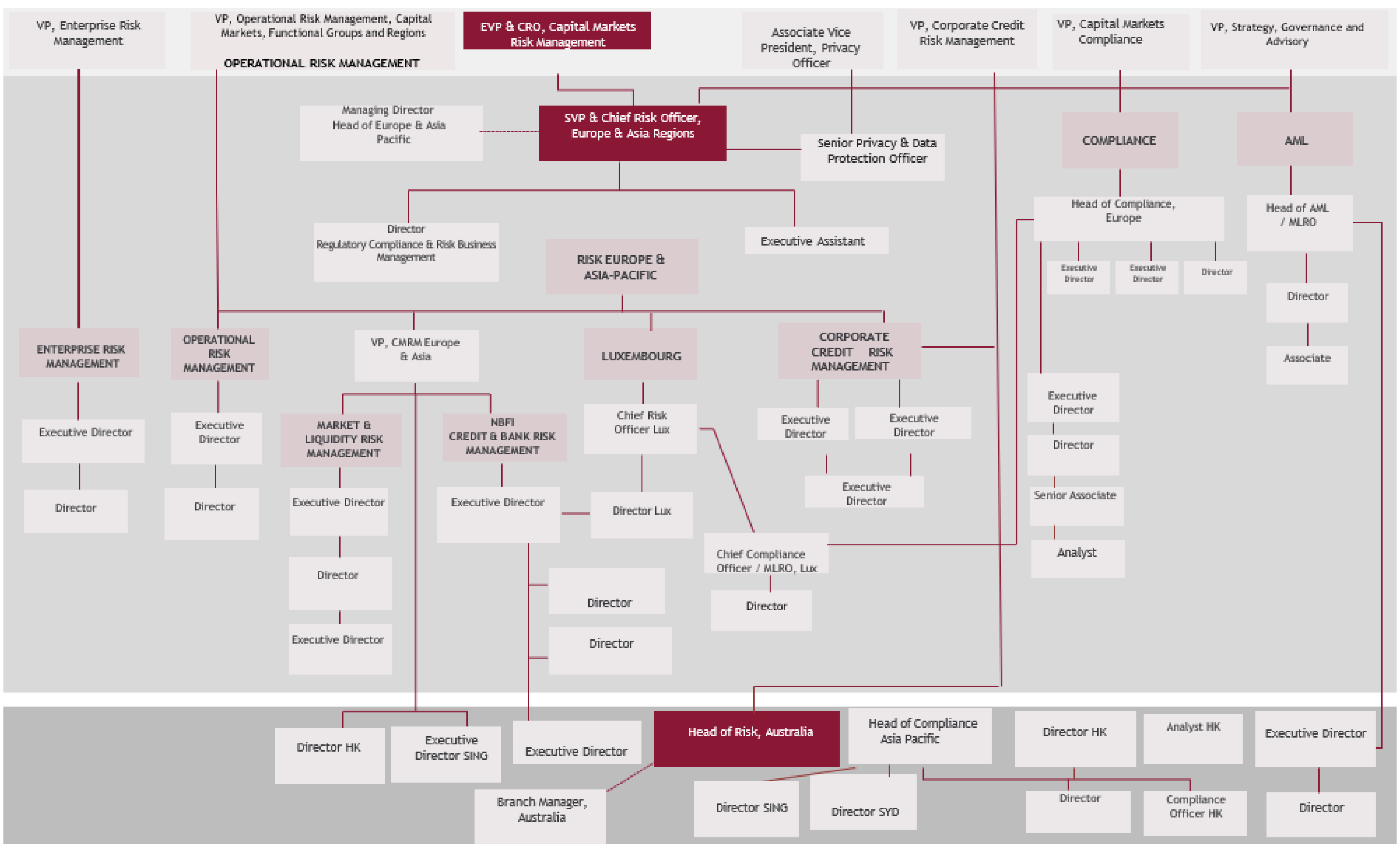
Models and market-based techniques are also used by CRM in the management of the credit risk. Higher risk or concentrated positions are reduced through the use of direct loan sales, credit derivative hedges or structured transactions. In addition, selected credit exposures may be added to the portfolio to enhance diversification and increase overall return.

5.7. Structure and organisation of the Risk Management function (including Credit)

CRO Europe and Asia

This diagram outlines the organisational structure of the CIBC Lux Risk Management (RM) function, which comprises the Lux CRO and team, and forms part of the wider European Risk Management team, headed by the SVP CRO Europe & Asia, ultimately falling under the EVP CRO Global Credit RM. In addition, other risk functions are covered at a Europe level as part of RM Europe and Asia, being Operational RM, Market and Liquidity RM, Credit and Bank RM and Corporate Credit RM with whom the Lux CRO and team engage directly.

Current Organisational Chart of Risk Management Function



In addition to the above, CIBC has a distinct Internal Audit Function, which operates outside of the risk management function and reports directly to the Board, thus forms the third line of defence. Internal Audit provides an independent assessment of the design and operating effectiveness of risk management controls, processes and systems. Annually, Internal Audit present their Audit Plan to the Board, which outlines their focus within the organisation for the coming year.

6. Capital buffers

6.1. Institution specific and geographical distribution countercyclical buffer

The following table details the geographical distribution of the credit exposures, after the application of relevant credit conversion factors, relevant for the calculation of the countercyclical capital buffer for CIBC Lux as at the 31 October 2025.

Template EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

Breakdown by country

Country	General credit exposures: Exposure value under the standardised approach	General credit exposures: Exposure value under the IRB approach	Relevant credit exposures – Market risk: Sum of long and short positions of trading book exposures for SA	Relevant credit exposures – Market risk: Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements: Relevant credit risk exposures – Credit risk	Own fund requirements: Relevant credit exposures – Market risk	Own fund requirements: Relevant credit exposures – Securitisation positions in the non-trading book	Own fund requirements: Total	Risk-weighted exposure amounts	Own fund requirements weights	Countercyclical Buffer Rate %
Canada	72,280,284	0	0	0	0	72,280,284	5,236,587	0	0	5,236,587	65,457,342	2.45%	0.00%
Finland	160,978,994	0	0	0	0	160,978,994	12,878,320	0	0	12,878,320	160,978,994	6.03%	0.00%
France	51,832,401	0	0	0	0	51,832,401	3,968,155	0	0	3,968,155	49,601,942	1.86%	1.00%
Germany	150,214,752	0	0	0	0	150,214,752	11,942,951	0	0	11,942,951	149,286,891	5.60%	0.75%
Ireland	18,645,584,	0	0	0	0	18,645,584,	1,491,657	0	0	1,491,647	18,645,584	0.70%	1.50%
Italy	601,236,910	0	0	0	0	601,236,910	46,852,471	0	0	46,852,471	585,655,889	21.95%	0.00%
Luxembourg	706,901,593	0	0	0	0	706,901,593	55,948,173	0	0	55,948,173	699,352,166	26.22%	0.50%
Netherlands	331,803,868	0	0	0	0	331,803,868	26,686,547	0	0	26,686,547	333,581,840	12.50%	2.00%
Norway	63,189,820	0	0	0	0	63,189,820	1,011,037	0	0	1,011,037	12,637,964	0.47%	2.50%
Poland	237,655,439	0	0	0	0	237,655,439	18,537,124	0	0	18,537,124	231,714,053	8.69%	1.00%
Portugal	7,973,173	0	0	0	0	7,973,173	621,907	0	0	621,907	7,773,844	0.29%	0.00%
Spain	91,594,053	0	0	0	0	91,594,053	6,303,967	0	0	6,303,967	78,799,583	2.95%	0.00%
Sweden	154,331,989	0	0	0	0	154,331,989	12,237,792	0	0	12,237,792	152,972,399	5.73%	2.00%
Switzerland	34,878,174	0	0	0	0	34,878,174	2,790,254	0	0	2,790,254	34,878,174	1.31%	0.00%
United Kingdom	57,305,407	0	0	0	0	57,305,407	4,478,376	0	0	4,478,376	55,979,702	2.10%	2.00%
United States	30,346,842	0	0	0	0	30,346,842	2,427,747	0	0	2,427,747	30,346,842	1.14%	0.00%
Total	**2,771,169,283**	**0**	**0**	**0**	**0**	**2,771,169,283**	**213,413,057**	**0**	**0**	**213,413,057**	**2,667,663,209**	**100%**	**-**

The below table summarises the institution specific countercyclical capital buffer calculation for CIBC Lux as at the 31 October 2025. Countercyclical buffer rates are periodically reviewed by the respective issuing bodies.

Template EU CCyB2 – Amount of institution-specific countercyclical capital buffer

Description	Amount
Total risk exposure amount (C$)	3,060,819,983
Institution specific countercyclical capital buffer rate (%)	0.7076%
Institution specific countercyclical capital buffer requirement (C$)	21,657,788

7. Credit and counterparty credit risk[10]

7.1. Risk rating of exposures

Qualified personnel undertake a detailed assessment of credit and counterparty credit transactions and assign internal risk ratings according to an approved methodology. All exposures have ratings appropriate for their businesses, which reflect probability of default of the counterparty and/or loss given default and/or probability of loss of the credit facility.

The internal risk ratings standardise the quantification of risk across portfolios. They are also used in monitoring the portfolios and are key inputs used in the risk-based models for the attribution of the credit and counterparty risk component of economic capital. The risk ratings also affect the level of seniority of approval personnel required.

7.2. Credit risk

[10] The amounts disclosed in section 7.3 may differ from the amounts disclosed in the Financial Statements as SFT exposure netting has been applied in accordance with Part 3 Title 1 Chapter 6 Section 7 of the CRR.

7.2.1. Total exposures by risk weight

The following tables detail the exposures, after applicable credit conversion factors have been applied by Credit Quality step under the Standardised Approach. The amounts in these tables may differ from the amounts disclosed in the Financial Statements due to the application of Credit Risk Mitigation and netting effects.

Template EU CR5 – Standardised approach

Exposure classes	Risk wt: 0%	Risk wt: 2%	Risk wt: 4%	Risk wt: 10%	Risk wt: 20%	Risk wt: 35%	Risk wt: 50%	Risk wt: 70%	Risk wt 75%	Risk wt: 100%	Risk wt: 150%	Risk wt: 250%	Risk wt: 370%	Risk wt: 1250%	Risk wt: Others	Total	Of which unrated
Central governments or central banks	1,417,088,086	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,417,088,086	1,417,088,086
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	-	-	-	-	1,058,041	-	-	-	-	-	-	-	-	-	-	1,058,041	-
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	65,403,779	-	-	-	-	-	-	-	-	-	27,295,460	92,699,239	27,295,460
Corporates	-		-	-	51,610,606	-	-	-	31,556,268	1,979,816,313	-	-	-	-	357,411,632	2,420,394,819	1,684,067,205
Of which: Specialised lending										105,088,542					357,411,632	462,500,174	462,500,174
Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured by mortgages on immovable property and ADC exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-	-	5,552,782	-	-	-	-	5,552,782	5,552,782
Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unit or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Exposure classes	Risk wt: 0%	Risk wt: 2%	Risk wt: 4%	Risk wt: 10%	Risk wt: 20%	Risk wt: 35%	Risk wt: 50%	Risk wt: 70%	Risk wt 75%	Risk wt: 100%	Risk wt: 150%	Risk wt: 250%	Risk wt: 370%	Risk wt: 1250%	Risk wt: Others	Total	Of which unrated
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	2,445,622	-	-	-	-	-	2,445,622	2,445,622
TOTAL	**1,417,088,086**	-	-	-	118,072,427	-	-	-	31,556,268	1,982,261,935	5,552,782	-	-	-	384,707,092	3,939,238,590	3,136,449,155

7.2.2. Total risk weighted assets by exposure class

The risk weighted assets and own funds capital requirement (8% of RWAs) as at 31 October 2025 are shown in the following table:

Template EU CR4 – Standardised approach – Credit risk exposure and CRM effects

Exposure classes	Exposures before CCF and before CRM: On-balance-sheet exposures	Exposures before CCF and before CRM: Off-balance-sheet exposures	Exposures post CCF and post CRM: On-balance-sheet exposures	Exposures post CCF and post CRM: Off-balance-sheet exposures	RWAs and RWAs density: RWEA	RWAs and RWAs density: RWEA density (%)
Central governments or central banks	1,417,088,086	-	1,417,088,086	-	-	-
Non-central government public sector entities	1,058,041		1,058,041		211,608	20%
Regional government or local authorities	-	-	-	-	-	-
Public sector entities	1,058,041	-	1,058,041	-	211,608	20%
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	65,403,779	-	65,403,779	27,295,460	21,269,394	23%
Corporates	1,660,000,583	1,921,353,464	1,648,937,868	771,456,951	2,336,009,841	97%
Of which: specialised lending	230,475,926	486,235,220	230,475,926	232,024,247	427,292,747	92%
Retail	-	-	-	-	-	-
Secured by mortgages on immovable property	-	-	-	-	-	-
Acquisition, Development and Construction (ADC)	4,362,510	2,975,678	4,362,510	1,190,271	8,329,172	150%
Exposures in default	-	-	-	-	-	-
Exposures associated with particularly high risk	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity	-	-	-	-	-	-
Other items	2,445,622	-	2,445,622	-	2,445,622	100%
TOTAL	**3,150,358,622**	**1,924,329,142**	**3,139,295,907**	**799,942,682**	**2,368,265,637**	**60%**

7.2.3. Geographical analysis of credit risk

Country risk reflects economic, political, social, institutional and other risks. Country risk ratings are formally reviewed at least annually at the CIBC level, although there is a quarterly meeting to monitor any changing risks of countries. Country risk is actively managed on a group-wide basis through limits on exposures to individual countries outside of North America. These limits establish the maximum amount of acceptable country risk including its sub-components, such as bank deposits and trade finance. The majority of credit risk exposure relates to the loan portfolio. However, CIBC Lux also engages in activities that expose the entity to off-balance sheet credit risk, including credit-related arrangements and derivative instruments. These exposures are managed through the credit risk management framework.

7.2.4. Analysis of non-financial loan exposures by industry

Template EU CQ5: Credit quality of loans and advances to non-financial corporations by industry

Description	Gross carrying amount	Gross carrying amount of which: non-performing	Gross carrying amount of which: non-performing of which: defaulted	Gross carrying amount of which: loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
Agriculture, forestry and fishing	-	-	-	-	-	-
Mining and quarrying	-	-	-	-	-	-
Manufacturing	3,479,109	-	-	3,479,109	-1,139	-
Electricity, gas, steam and air conditioning supply	282,659,241	-	-	282,659,241	-147,281	-
Water supply	-	-	-	-	-	-
Construction	27,954,993	-	-	27,954,993	-31,662	-
Wholesale and retail trade	20,449,023	-	-	20,449,023	-3,601	-
Transport and storage	32,043,004	-	-	32,043,004	-10,500	-
Accommodation and food service activities	-	-	-	-	-	-
Information and communication	72,192,991	-	-	72,192,991	-57,871	-
Real estate activities	-	-	-	-	-	-
Financial and insurance activities	-	-	-	-	-	-
Professional, scientific and technical activities	73,717,752	-	-	73,717,752	-37,985	-
Administrative and support service activities	17,509,828	-	-	17,509,828	-7,876	-
Public administration and defence, compulsory social security	-	-	-	-	-	-
Education	-	-	-	-	-	-
Human health services and social work activities	-	-	-	-	-	-
Arts, entertainment and recreation	-	-	-	-	-	-
Other services	-	-	-	-	-	-
Total	530,005,941	-	-	530,005,941	-297,914	-

The table above ties to the FINREP framework.

7.2.5. Credit risk exposures and CRM

Template EU CR3 – CRM techniques – Overview

Description	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
Loans and advances	3,921,159,375	327,445,374	316,420,124	11,025,249	-
Debt securities	55,142,071	-	-	-	-
Total	**3,976,301,446**	**327,445,374**	**316,420,124**	**11,025,249**	**-**
Of which non-performing exposures	64,635,012	-	-	-	-
Of which defaulted	-	-	-	-	-

7.3. Counterparty credit risk

7.3.1. Counterparty credit exposure

Counterparty credit exposure arises from interest rate, foreign exchange, hedging and portfolio management activities. Credit exposure on derivative contracts is measured and managed, taking into account both the current mark-to-market value of each contract, as well as a prudent estimate of potential future exposure for each transaction. This considers any legally enforceable risk-mitigating arrangements for each obligor such as netting and margin. Under such an agreement, collateral can be obtained from and/or pledged to CIBC Lux counterparties. This consists primarily of cash or marketable securities that are re-valued on a regular basis.

7.3.2. Counterparty credit risk exposure by approach

For off-balance sheet instruments, the maximum exposure is the mark-to-market plus a value for potential future exposure (PFE).

Template EU CCR1 – Analysis of CCR exposure by approach

Description	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU – Original Exposure Method (for derivatives)	-	-	n/a	1.4	-	-	-	-
EU – Simplified SA-CCR (for derivatives)	-	-	n/a	1.4	-	-	-	-
SA-CCR (for derivatives)	164,148,168	476,627,097	n/a	1.4	1,186,661,333	857,925,632	857,925,632	453,760,275
IMM (for derivatives and SFTs)	n/a	n/a	-	-	-	-	-	-
Of which securities financing transactions netting sets	n/a	n/a	-	n/a	-	-	-	-
Of which derivatives and long settlement transactions netting sets	n/a	n/a	-	n/a	-	-	-	-
Of which from contractual cross-product netting sets	n/a	n/a	-	n/a	-	-	-	-
Financial collateral simple method (for SFTs)	n/a	n/a	n/a	n/a	-	-	-	-
Financial collateral comprehensive method (for SFTs)	n/a	n/a	n/a	n/a	5,654,800	5,654,800	5,654,800	2,827,400
VaR for SFTs	n/a	n/a	n/a	n/a				
Total	**n/a**	**n/a**	**n/a**	**n/a**	**1,192,316,133**	**863,580,432**	**863,580,432**	**456,587,675**

7.3.3. Counterparty credit risk exposures by regulatory portfolios and risk weight

Template EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

Exposure classes	Risk weight: 0%	Risk weight: 2%	Risk weight: 4%	Risk weight: 10%	Risk weight: 20%	Risk weight: 50%	Risk weight: 70%	Risk weight: 75%	Risk weight: 100%	Risk weight: 150%	Risk weight: Others	Total exposure value
Central governments or central banks	96,173,050	-	-	-	-	-	-	-	-	-	-	96,173,050
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	-	-	-	-	10,521,172	-	-	-	-	-	-	10,521,172
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	1,328,156	-	-	504,483	6,344,660	-	16,370,751	-	-	401,291,422	425,839,473
Corporates	-	-	-	-	-	15,098,854	-	-	223,818,043	-	92,279,950	331,196,846
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-
Total exposure value	**96,173,050**	**1,328,156**	**-**	**-**	**11,025,656**	**21,443,514**	**-**	**16,370,751**	**223,818,043**	**-**	**493,571,372**	**863,580,233**

7.3.4. Counterparty credit risk exposures to CCPs

Template EU CCR8 – Exposures to CCPs

	Description	a Exposure Value	b RWEA
1	**Exposures to QCCPs (total)**	n/a	26,563
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,328,156	26,563
3	(i) OTC derivatives	1,328,156	26,563
4	(ii) Exchange-traded derivatives	-	-
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	n/a
8	Non-segregated initial margin	-	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**	n/a	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	n/a
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

7.4. Risk control

7.4.1. Derivatives

In the latter part of FY2024 the Bank commenced in a new product offering whereby it took positions on a principal basis in equity derivatives. Therefore, the Bank is exposed to market risk albeit on a small scale. In FY2025, CIBC Lux has seen growth in this exposure, with market risk remaining small and within approved market risk limits. For the rest of its business activity CIBC Lux has no market making activity and operates on a strict back-to-back model. The use of derivatives is predominately to support our clients' hedging or investment needs. In this case, CIBC Lux would seek to hedge its market risks by way of matching intra-group transactions as necessary.

CIBC Lux transacts both over-the-counter trades, being contracts that are privately negotiated between CIBC Lux and the counterparty, and exchange traded positions through regulated exchanges. Typically, these would include interest rate swaps, interest rate options, cross currency swaps and FX forwards.

Credit exposure arising from derivative activities is actively measured and monitored. All counterparties must be pre-approved by CMRM, assigned an internal risk rating, assigned a credit limit and tenor for each product, and be subject to periodic credit management reviews, including annual reviews. All ISDA and CSA documentation, defining the terms for collateral posting between counterparties in over-the-counter (OTC) derivatives trading are also approved independently by CRM and CMRM. In addition, a daily OTC Derivative Change Analysis report, which comprises of material changes to CIBC Lux's derivative exposures per counterparty, is widely circulated to CMRM, CRM, Specialised Credit and the business on a daily basis.

7.4.2. Past due

CIBC Lux deems a financial asset to be past due when a counterparty has failed to make a payment when contractually due. As at 31 October 2025 there were no such assets.

7.4.3. Impaired loans

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial re-organisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. The amount of the loss is measured as the difference between the asset's carrying value and the present value of estimated future cash flows.

CIBC Lux imposes a disciplined approach to risk by continuously monitoring all credit exposures and aggressively managing all non-performing accounts. As at 31 October 2025 there is one non-performing loan for which a prudential provision was booked based on a probability weighted average outcome of three valuation scenarios, in anticipation of a restructuring at a future date.

Template EU CR1: Performing and non-performing exposures and related provisions

Gross carrying amount / nominal amount

Description	Performing exposures	Performing exposures, Of which stage 1	Performing exposures, Of which stage 2	Non-performing exposures	Non-performing exposures, Of which stage 2	Non-performing exposures, Of which stage 3
Cash balances at central banks and other demand deposits	1,382,543,111	1,382,543,111	-	-	-	-
Loans and advances	**2,802,074,123**	**2,802,074,123**	**-**	**84,874,073**	**-**	**84,874,073**
Central banks	35,064,683	35,064,683	-	-	-	-
General governments	-	-	-	-	-	-
Credit institutions	781,389,008	781,389,008	-	-	-	-
Other financial corporations	1,455,614,491	1,455,614,491	-	84,874,073	-	84,874,073
Non-financial corporations	530,005,941	530,005,941	-	-	-	-
Of which SMEs	-	-	-	-	-	-
Households	-	-	-	-	-	-
Debt securities	**55,143,119**	**55,143,119**	**-**	**-**	**-**	**-**
Central banks	-	-	-	-	-	-
General governments	14,274,062	14,274,062	-	-	-	-
Credit institutions	33,722,335	33,722,335	-	-	-	-
Other financial corporations	7,146,722	7,146,722	-	-	-	-
Non-financial corporations	-	-	-	-	-	-
Off-balance-sheet exposures	**1,929,693,398**	**1,929,693,398**	**-**	**-**	**-**	**-**
Central banks	-	-	-	-	-	-
General governments	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Other financial corporations	733,997,978	733,997,978	-	-	-	-
Non-financial corporations	1,195,695,421	1,195,695,421	-	-	-	-
Households	-	-	-	-	-	-
Total	**6,169,453,752**	**6,169,453,752**	**-**	**84,874,073**	**-**	**84,874,073**

The table above ties to the FINREP framework.

Template EU CR1: Performing and non-performing exposures and related provisions

Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions

Description	Performing exposures – accumulated impairment and provisions	Performing exposures – accumulated impairment and provisions, Of which stage 1	Performing exposures – accumulated impairment and provisions, Of which stage 2	Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions, Of which stage 2	Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions, Of which stage 3
Cash balances at central banks and other demand deposits	-733	-316	-	-	-	-
Loans and advances	**-646,764**	**-646,764**	**-**	**-20,239,061**	**-**	**-20,239,061**
Central banks	-	-	-	-	-	-
General governments	-	-	-	-	-	-
Credit institutions	-206	-206	-	-	-	-
Other financial corporations	-348,643	-348,643	-	-20,239,061	-	-20,239,061
Non-financial corporations	-297,914	-297,914	-	-	-	-
Of which SMEs	-	-	-	-	-	-
Households	-	-	-	-	-	-
Debt securities	**-**	**-**	**-**	**-**	**-**	**-**
Central banks	-	-	-	-	-	-
General governments	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-
Non-financial corporations	-	-	-	-	-	-
Off-balance-sheet exposures	**365,615**	**365,615**	**-**	**-**	**-**	**-**
Central banks	-	-	-	-	-	-
General governments	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Other financial corporations	163,772	163,772	-	-	-	-
Non-financial corporations	201,842	201,842	-	-	-	-
Households	-	-	-	-	-	-
Total	-1,012,379	-1,012,379	-	**-20,239,061**	-	**-20,239,061**

The table above ties to the FINREP framework.

Template EU CR1: Performing and non-performing exposures and related provisions

Description	Accumulated partial write-off
Cash balances at central banks and other demand deposits	-
Loans and advances	-
Central banks	-
General governments	-
Credit institutions	-
Other financial corporations	-
Non-financial corporations	-
Of which SMEs	-
Households	-
Debt securities	-
Central banks	-
General governments	-
Credit institutions	-
Other financial corporations	-
Non-financial corporations	-
Off-balance-sheet exposures	n/a
Central banks	n/a
General governments	n/a
Credit institutions	n/a
Other financial corporations	n/a
Non-financial corporations	n/a
Households	n/a
Total	**-**

The table above ties to the FINREP framework.

Template EU CR1: Performing and non-performing exposures and related provisions

Collateral and financial guarantees received

Description	On performing exposures	On non-performing exposures
Cash balances at central banks and other demand deposits	-	-
Loans and advances	**327,445,374**	**-**
Central banks	-	-
General governments	-	-
Credit institutions	316,420,124	-
Other financial corporations	11,025,249	-
Non-financial corporations	-	-
Of which SMEs	-	-
Households	-	-
Debt securities	**-**	**-**
Central banks	-	-
General governments	-	-
Credit institutions	-	-
Other financial corporations	-	-
Non-financial corporations	-	-
Off-balance-sheet exposures	**39,869,453**	**-**
Central banks	-	-
General governments	-	-
Credit institutions	-	-
Other financial corporations	-	-
Non-financial corporations	39,869,453	-
Households	-	-
Total	**367,314,827**	**-**

The table above ties to the FINREP framework.

Template EU CQ3: Credit quality of performing and non-performing exposures by past due days

Gross carrying amount / Nominal amount

Description	Performing exposures	Performing exposures, Not past due or Past due < 30 days	Performing exposures, Past due > 30 days < 90 days	Non-performing exposures	Unlikely to pay that are not past-due or past-due < = 90 days	Past due > 90 days <= 180 days	Past due > 180 days < =1 year	Past due > 1 year <= 2 years	Past due > 2 year <= 5 years	Past due > 5 year <= 7 years	Past due > 7 years	Of which defaulted
Cash balances at central banks and other demand deposits	1,382,543,111	1,382,543,111	-	-	-	-	-	-	-	-	-	-
Loans and advances	**2,802,074,123**	**2,802,074,123**	**-**	**84,874,073**	**84,874,073**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Central banks	35,064,683	35,064,683	-	-	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	781,389,008	781,389,008	-	-	-	-	-	-	-	-	-	-
Other financial corporations	1,455,614,491	1,455,614,491	-	84,874,073	84,874,073	-	-	-	-	-	-	-
Non-financial corporations	530,005,941	530,005,941	-	-	-	-	-	-	-	-	-	-
Of which SMEs	-	-	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities	**55,143,119**	**55,143,119**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	14,274,062	14,274,062	-	-	-	-	-	-	-	-	-	-
Credit institutions	33,722,335	33,722,335	-	-	-	-	-	-	-	-	-	-
Other financial corporations	7,146,722	7,146,722	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures	**1,929,693,398**	**n/a**	**n/a**	**-**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**-**
Central banks	-	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
General governments	-	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Credit institutions	-	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Other financial corporations	733,997,978	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Non-financial corporations	1,195,695,421	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Households	-	n/a	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-
Total	**6,169,453,752**	**4,239,760,353**	**-**	**84,874,073**	**84,874,073**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

7.4.4. Provision for credit losses and Impairments

IFRS 9 “Financial Instruments” requires that impairment allowances are measured according to an expected loss model. This generally means impairments are recognised earlier than under the previous incurred loss model approach. Expected Credit Loss (ECL) incorporates forward looking information and considers various future macroeconomic scenarios to estimate unbiased expected losses. This involves the exercise of considerable judgement.

The calculation of ECL allowances is based on the expected value based on projected cash shortfalls discounted at the effective interest rate across three probability-weighted scenarios representing a downside scenario, an upside scenario and a base case.

The key inputs in the measurement of ECL allowances are as follows:

- The probability of default (PD) is an estimate of the likelihood of default over a given time horizon;
- The loss given default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time; and
- The exposure at default (EAD) is an estimate of the exposure at a future default date.

As part of the governance process, the CIBC Lux CRO, CIBC Lux CFO and the CIBC CRO Europe and Asia participate in a quarterly working group to review ECL, staging, overlays and forward-looking information as they relate to the CIBC Lux portfolio. Any items arising would be communicated to ExCo and the Board.

Further disclosures relating to ECL can be found in the Credit Risk note within the CIBC Lux’s 2025 Annual Report and Accounts.

7.5. Wrong-way risk

CIBC Lux is exposed to wrong-way risk when the exposure to a particular counterparty is positively correlated with the probability of default of that counterparty due to the nature of the transactions with the company. Should CIBC Lux be exposed to wrong-way risk with a derivative counterparty, the procedures in place subject those transactions to a more rigorous approval process. The exposure may be hedged with other derivatives to further mitigate the risk that can arise from these transactions.

A valuation adjustment is established for expected future credit losses from each of the derivative counterparties. The expected future credit loss is a function of the estimates of the expected loss / exposure in the event of default, and other factors such as risk mitigants.

7.6. Impact to collateral following a downgrade in credit rating

CIBC Lux is required to deliver collateral to certain counterparties in case of a downgrade to its current credit risk rating. The collateral requirement is based on mark-to-markets, valuations and collateral arrangement thresholds as applicable. If CIBC Lux is downgraded below the specified level and fails to make alternative arrangements that meet the requirements of the rating agencies, CIBC Lux could be required to provide funding into an escrow account to meet its liquidity commitments.

CIBC Lux’s current mark-to-market (mtm) exposure with its counterparts is such that an immediate one notch downgrade in its credit rating would not result in a requirement to place additional collateral.

7.7. Collateral

CIBC has specific guidelines and standards covering the management, enforceability, dispute resolution, escalation and reporting of collateral held to support both trading and credit product exposures. These include Master Netting Agreements and Related Collateral Agreements Guidelines and Standards and Over-The-Counter Derivatives Collateral (Margin) Dispute Resolution, Escalation and Reporting Guidelines and Standards.

CIBC Lux seeks to minimise its credit exposure to counterparts by using collateral service agreements, wherever possible. Collateral is marked to market regularly from published market information. Where published market information is not readily available appropriate external appraisals are commissioned from an approved list of value. Collateral comprises of cash in respect of derivative transactions and high quality debt securities in respect of repurchase transactions. CIBC Lux does not currently take or hold any collateral in respect of any other transactions.

To accurately quantify the risk involved in a secured transaction, the valuation of collateral takes into account all relevant factors including, but not limited to type, quality, liquidity, location, volatility, any correlation between the collateral value and the borrower or counterparty's performance and prior charges or liens. A risk-based approach is used to determine the frequency and method to inspect and verify the collateral and its value may be used. Characteristics of the underlying asset, such as volatility and location, are to be considered in establishing segment specific requirements. Roles and responsibilities as well as operational requirements regarding the specific aspects of collateral management vary substantially across different risk rating systems due to the nature of the underlying asset and credit facility requirements.

The market risk and credit concentrations within credit mitigation are monitored on a daily basis through the use of daily large exposure reporting. These processes are undertaken by the Luxembourg Finance team.

Pursuant to Article 493(3)(c) of the CRR, CIBC Lux was granted an exemption by the CSSF for intra-group large exposures to CIBC Parent and CIBC London Branch.

7.7.1. Collateral composition under standardised approach

Template EU CCR5 – Composition of collateral for CCR exposures

Collateral type	Collateral used in derivative transactions – Fair value of collateral received: Segregated	Collateral used in derivative transactions – Fair value of collateral received: Unsegregated	Collateral used in derivative transactions – Fair value of posted collateral: Segregated	Collateral used in derivative transactions – Fair value of posted collateral: Unsegregated	Collateral used in SFTs – Fair value of collateral received: Segregated	Collateral used in SFTs – Fair value of collateral received: Unsegregated	Collateral used in SFTs – Fair value of posted collateral: Segregated	Collateral used in SFTs – Fair value of posted collateral: Unsegregated
Cash – Domestic currency	-	226,682,035	-	275,917,412	-	-	-	-
Cash – Other currencies	-	8,129,179	-	9,542,950	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-	-	-
Other sovereign debt	-	-	-	25,582,680	-	318,082,459	-	
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	-
Total	**-**	**234,811,215**	**-**	**311,043,043**	**-**	**318,082,459**	**-**	**-**

7.8. General and specific credit risk adjustments

In line with CIBC's policies for management of higher risk accounts, (Quarterly High-Risk Review Reporting Procedures and Expected Credit Loss Policy), Corporate Banking Europe and CRM Europe provide a function across the European operations to monitor and manage higher risk and non-performing or impaired credits as these arise.

Certain higher risk names in CIBC Europe, including CIBC Lux where applicable, are also subject to refer notices within Loan Operations such that advances or roll-overs under committed but not fully drawn facilities are referred to the SVP, CRO Europe and Asia before being actioned.

Wherever there is an impact directly to CIBC Lux of impairment or write-off, the CIBC Lux CRO is engaged in any decision-making process.

As there is no specific Special Loans group based in Europe, the SVP, CRO Europe and Asia, CIBC Lux CRO and the local CRM team provide any day-to-day management and oversight of Special Loans accounts as the need arises.

7.9. Credit valuation risk adjustments

Credit Valuation Adjustment (CVA) as defined in Article 381 of the CRR is, 'an adjustment to the mid-market valuation of the portfolio of transactions with a counterparty and that adjustment reflects the current market value of the credit risk of the counterparty to the institution, but does not reflect the current market value of the credit risk of the institution to the counterparty'.

CIBC Lux calculates CVA risk in respect of over-the-counter derivatives using the standardised approach as defined in Article 384 of the CRR. The majority of these corporate entities with whom CIBC Lux have derivative contracts are exempt from the CVA charge because the transactions are below the threshold for clearing specified in Article 10(3) and 10(4) of the EMIR Directive (2013/36/EU, amended 2019/878/EU).

Template EU CVA 1 – Credit valuation adjustment risk under the Reduced Basic Approach (R-BA)

Description	Components of Own Funds Requirements	Own Funds Requirements
Aggregation of systematic components of CVA risk	4,651,674	-
Aggregation of idiosyncratic components of CVA risk	2,438,150	-
Total	-	2,041,864

8. Liquidity risk

8.1. Introduction

Liquidity risk is the risk arising from an inability to meet contractual or contingent financial obligations as they fall due, or only being able to meet these obligations at excessive costs. This may lead to an inability to support normal business activity. Liquidity risk may arise from a mismatch in the timing and amount of cash inflows and outflows.

8.2. Liquidity risk management and control

The Board have delegated the day-to-day management and formal decision making responsibilities to authorised management – the CEO, COO and CRO – and the ExCo.

The bank has developed policies, internal reporting and control processes to ensure compliance with liquidity regulations and adherence to its RAS. Daily monitoring combined with regular stress testing and scenario analysis play a central role in the assessment of liquidity risk. Oversight of these activities is provided by regular reporting to senior management, Risk Management, ALCo and the CIBC Lux Board. Any forecast, potential or actual breaches of the bank's Board approved metrics are escalated in accordance with the management and governance structure. Liquidity policies and metrics are reviewed regularly and where appropriate, approved by the bank's Board. Therefore, the Board formulates and approves the strategy to adequately cover relevant liquidity risks in the Bank's operations and, support its business plan and objectives in relation to risk taking and management including liquidity planning.

The management of liquidity risk within the bank is described in detail in the Internal Liquidity Adequacy Assessment Process (ILAAP) with annual update and review. It consists of controls covering the process for setting, monitoring and approving liquidity limits to ensure that the bank's RAS and relevant regulatory guidelines are respected at all times. The Contingency Funding Plan (CFP) for the bank references a number of EWI and the CIBC CFP framework, with annual review. The bank's CFP details testing and operational considerations as well as the invocation procedure. The bank employs a liquidity survival horizon reporting model, as well as compliance with regulatory metrics including the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR).

The bank maintains a Liquid Asset Buffer (LAB) portfolio of High Quality Liquid Assets (HQLA) including cash deposits held in a Banque Centrale du Luxembourg Reserve Account which ensure that CIBC Lux can manage liquidity effectively even during a stress environment. The LAB portfolio is comprised of assets with an appropriate currency mix and can be liquidated as required.

Treasury has a mandate to manage and where appropriate strengthen the bank's liquidity. Treasury is responsible for the execution of funding transactions and raising unsecured wholesale funds, primarily with short to intermediate tenor (i.e. 1-year and under). Treasury is responsible for the submission of liquidity reporting to the appropriate regulator and internal stakeholders, as well as daily management and monitoring of the liquidity position. CIBC Lux maintains a LAB which contains HQLA. This can be liquidated with the speed necessary to meet liabilities as they fall due. CIBC Lux also considers the currency denomination and the potential impact of stressed conditions on its ability to access foreign exchange and funding swap markets.

The CIBC Lux CEO and the CIBC Lux Head of Treasury both provide updates to the ALCo to evaluate on-going liquidity trends and requirements. These metrics and trends then form the basis of an ALCo discussion to ascertain if any material actions are required.

Treasury is responsible for the daily management and monitoring of the LAB, as well as instigating any liquidation (including HQLA1 bonds investment) or repo. Liquidation or repo activity may be driven by the need to test the liquidity of the assets or to test the CFP. The LAB portfolio is dynamic and related to the output of liquidity stress tests among other variables. As such, Treasury calibrates the size of the LAB and adjusts its currency composition on an ongoing basis, respecting internal and regulatory reporting limits.

8.2.1. Liquidity Risk Management assessment

To assess the adequacy of liquidity resources, existing sources and uses of liquidity are stressed against a number of scenarios, including ‘business as usual’ (“BAU”) which have been developed over time, and adopted in the ILAAP document. Appropriate stress test scenarios and assumptions for current market conditions are reviewed on a continual basis in conjunction with lines of business and management. These scenarios and the stress test results are presented to ALCo as part of the regular governance, challenge and review process prior to adoption and inclusion in the liquidity documentation. The Board reviews these as part of the ILAAP approval process.

CIBC Lux assesses material liquidity drivers and stressed liquidity needs before and after mitigation actions over a twelve month horizon. These stress tests have been developed over time. CIBC Lux employs the WKFS RiskPro system (provided by Wolters Kluwer Financial Services) to model the stress test scenarios on a regular basis. The RiskPro system has been employed by a variety of financial institutions including CIBC Lux for a number of years.

The central assumption is based on CIBC Lux’s business plan and a combination of severe but plausible liquidity stress tests.

8.2.2. Main liquidity risk drivers

Liquidity risk is managed by Treasury as a first line of defence on a daily basis, monitored by Risk Management as a second line of defence, reported to ALCo and authorised management and ultimately to the Board. The liquidity risk drivers are :

Liquidity mismatch: liquidity transformation whereby longer term assets are funded with shorter term liabilities. The assessment of this liquidity risk is part of the survival horizon assessment on cumulative liquidity gap.

Intragroup concentration and Wholesale Funding: CIBC Lux’s strong capital base, complemented by deposits taken from intra-group and external counterparties, are the Bank's main sources of funding to manage our obligations. At 31st Oct 2025, funding of C$2,699mn was required, of which 38% was sourced from the group. This funding gap / requirement is forecasted to grow steadily over the term of the business plan. CIBC Lux Treasury Dept will closely monitor the funding risk associated with the plan. Treasury maintains good communication channels with the main users of funding to assess any material change in projections, and plan for funding requirements while mindful of liquidity ratios and survival horizons. The targeted source of the growth in funding will be from corporate / non-bank deposits together with funds from central banks. In addition, when required, the bank has intragroup funding sources.

Marketable assets: Treasury maintains the LAB portfolio ensuring a suitable currency mix to meet CIBC Lux’s liquidity requirements. Assets held within Treasury portfolios, either outright or through reverse repos are classified as CIBC Lux's liquid resources. Treasury is therefore responsible for the management of the LAB/HQLA buffer. The LAB’s ability to satisfy CIBC Lux’s liquidity requirements under stress proves that it is adequate. CIBC Lux maintains an adequate LAB supplemented by other transferable assets and Euro cash held on CIBC Lux’s BCL Reserve account.

Intraday liquidity: Intra-day liquidity risk is defined as the risk that a firm is unable to meet its daily settlement obligations, for example, as a result of timing mismatches arising from direct and indirect membership of relevant payment or security settlement systems. It is important to ensure that sufficient liquidity is available to maintain normal payment activity if incoming payments are delayed until close to payment cut off times, or if credit lines are withdrawn (or require full collateralization) or large individual client’s default on their payments.

CIBC Lux actively manages its intra-day liquidity positions and related risks so that it is able to meet its payment and settlement obligations on a timely basis in both normal financial conditions and under the stress. Regular monitoring and reporting enables management to identify and prioritise the most time-critical payment and settlement obligations; and in relation to the currencies in which it is active to measure, monitor and deal with intra-day liquidity risk. CIBC Lux achieves this objective by measuring expected daily gross liquidity inflows and outflows, anticipating the intra-day timing of these flows where possible, and forecasting the range of potential net funding shortfalls that might arise at different points during the day.

Off balance sheet liquidity: Off balance sheet sources of liquidity risks include items which might cause demands for additional funding in the future. These include: Contingent liabilities such as guarantees, undrawn lending facilities and derivative instruments. Part of the liquidity stresses we apply to our survival horizon is a 40% drawdown on contingent liabilities.

8.2.3. Main liquidity risk drivers

The bank is a fully owned subsidiary of CIBC, rating: Aa2 / stable, and has its debt and payment obligations fully and irrevocably guaranteed by CIBC. The bank's funding strategy is a mix between deposits from established clients and intragroup.

8.3. Liquidity monitoring

8.3.1. Liquidity Adequacy Assessment Process

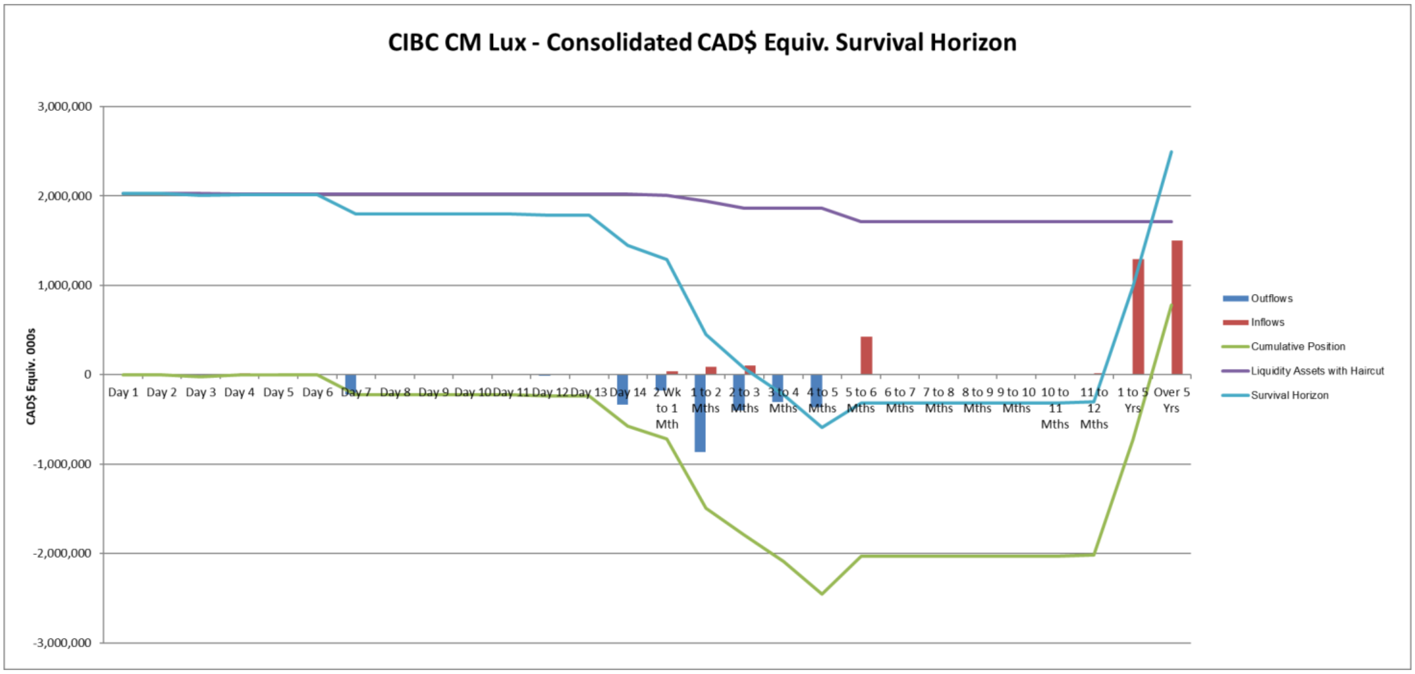
The ILAAP describes the regular daily liquidity monitoring combined with frequent stress testing and scenario analysis that plays a central role in the assessment and management of liquidity risk.

Liquidity Survival Horizons, Liquid Asset Buffer targets and holdings, maximum daily outflows and liquidity metrics are monitored and reported to stakeholders on a daily basis. Additionally, ALCo receives a regular report which demonstrates compliance with Regulatory and Management Liquidity limits.

Stress testing for a variety of market and idiosyncratic liquidity stress scenarios are detailed in the ILAAP. Appropriate stress test scenarios and assumptions for current market conditions are reviewed on a continual basis in conjunction with lines of business and management. These scenarios (and stress test results) are presented to ALCo and the Board on a quarterly basis (or more frequently, where appropriate) as part of the regular governance, challenge and review process, prior to adoption and inclusion. The Board reviews these as part of the ILAAP approval process. Material changes or breaches are escalated appropriately. Stress test results indicate that CIBC Lux will be able to meet all of its liabilities as they fall due and consequently meet its regulatory and liquidity obligations for the foreseeable future.

The output of the stress testing confirms that CIBC Lux is able to meet all of its liabilities as and when they fall due. We assess various stress scenarios for impact with factors described in section 8.2.1. Upon selection of the key risk drivers with material impact to business, we suggest three scenarios for each, which involve a CIBC idiosyncratic, a market-wide, and a combination of the two being the most severe. We then apply these scenarios, which are severe yet plausible, to our forecast liquidity position. Even under the combined stress of each risk driver, due to our strong capital base and back-to-back business model, we calculate our survival horizon to be greater than one year. CIBC Lux is comfortably able to survive all of the above individual idiosyncratic and market-wide stresses, and so, for simplicity, the following survival horizon shows the impact of worst case combination stresses. The most material risk drivers which impact CIBC Lux remain as Intra-group funding risk, Funding concentration and Cross currency risk.

The Market Wide and Combined stress tests have very similar impacts. The stress results based on these scenarios indicate that there will be limited or no material change to the liquidity value of the assets held in the LAB. Therefore, losses from a 'forced' sale (to meet liquidity objectives) will be small and not materially impair the business.



8.3.2. Contingency Funding Plan

The objective of the bank's CFP provides a road map to CIBC Lux's liquidity management functions to efficiently manage, escalate and execute liquidity actions.

Additionally, it aims to document the strategies which the bank will employ in order to ensure that a robust liquidity position is maintained even during a period of extreme liquidity stress. In the event that this stress cannot be survived the CFP highlights the transition to the Bank's Recovery and Resolution Plan (RRP) frameworks. Accordingly, the CFP actions outlined in these documents are linked to the bank's expected actions.

The bank, alongside CIBC London Branch and CIBC Parent Bank, may adopt an integrated and/or enterprise management approach to returning to target liquidity levels depending on:

- the nature and severity of the liquidity stress event or condition causing the stress event;
- relative impact on business segment financial performance and related impact on liquidity position and/or capital ratios;
- required contingency actions or recovery action plans.

The CFP sets out clear roles and responsibilities with regards to 'invoking' the plan and identifies sources of additional liquidity which may be accessed in a phased approach. 'Early Warning Indicators' are used to monitor potential liquidity tensions.

8.4. Quantitative Information on LCR

Template EU LIQ1 Quantitative information of LCR

Description	Total unweighted value (average); Quarter ending on: 30-Sep-25	Total unweighted value (average); Quarter ending on: 30-Jun-25	Total unweighted value (average); Quarter ending on: 31-Mar-25	Total unweighted value (average); Quarter ending on: 31-Dec-24	Total weighted value (average); Quarter ending on: 30-Sep-25	Total weighted value (average); Quarter ending on: 30-Jun-25	Total weighted value (average); Quarter ending on: 31-Mar-25	Total weighted value (average); Quarter ending on: 31-Dec-24
Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12

High-quality liquid assets	Total unweighted value (average); Quarter ending on: 30-Sep-25	Total unweighted value (average); Quarter ending on: 30-Jun-25	Total unweighted value (average); Quarter ending on: 31-Mar-25	Total unweighted value (average); Quarter ending on: 31-Dec-24	Total weighted value (average); Quarter ending on: 30-Sep-25	Total weighted value (average); Quarter ending on: 30-Jun-25	Total weighted value (average); Quarter ending on: 31-Mar-25	Total weighted value (average); Quarter ending on: 31-Dec-24
Total high-quality liquid assets (HQLA)	n/a	n/a	n/a	n/a	1,779,293,467	1,563,237,152	1,347,053,178	1,248,624,670

Cash – Outflows	Total unweighted value (average); Quarter ending on: 30-Sep-25	Total unweighted value (average); Quarter ending on: 30-Jun-25	Total unweighted value (average); Quarter ending on: 31-Mar-25	Total unweighted value (average); Quarter ending on: 31-Dec-24	Total weighted value (average); Quarter ending on: 30-Sep-25	Total weighted value (average); Quarter ending on: 30-Jun-25	Total weighted value (average); Quarter ending on: 31-Mar-25	Total weighted value (average); Quarter ending on: 31-Dec-24
Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
Stable deposits	-	-	-	-	-	-	-	-
Less stable deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	375,127,236	339,333,148	342,260,434	294,766,128	245,894,766	246,092,001	294,494,758	256,723,240
Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
Non-operational deposits (all counterparties)	375,127,236	339,333,148	342,260,434	294,766,128	245,894,766	246,092,001	294,494,758	256,723,240
Unsecured debt	-	-	-	-	-	-	-	-
Secured wholesale funding	n/a	n/a	n/a	n/a	-	-	-	-
Additional requirements	645,520,173	576,052,760	440,070,040	361,243,499	645,520,173	576,052,760	440,070,040	361,243,499
Outflows related to derivative exposures and other collateral requirements	645,520,173	576,052,760	440,070,040	361,243,499	645,520,173	576,052,760	440,070,040	361,243,499
Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	1,448,935,888	1,306,903,396	1,261,799,850	1,272,990,120	144,893,589	130,690,340	126,179,985	127,299,012
Other contractual funding obligations	-	-	-	-	-	-	-	-

Cash – Outflows	Total unweighted value (average); Quarter ending on: 30-Sep-25	Total unweighted value (average); Quarter ending on: 30-Jun-25	Total unweighted value (average); Quarter ending on: 31-Mar-25	Total unweighted value (average); Quarter ending on: 31-Dec-24	Total weighted value (average); Quarter ending on: 30-Sep-25	Total weighted value (average); Quarter ending on: 30-Jun-25	Total weighted value (average); Quarter ending on: 31-Mar-25	Total weighted value (average); Quarter ending on: 31-Dec-24
Other contingent funding obligations	530,915,849	651,703,506	774,293,681	655,662,354	371,878,514	477,666,443	567,207,826	428,999,195
TOTAL CASH OUTFLOWS	n/a	n/a	n/a	n/a	1,404,054,886	1,471,807,002	1,398,169,234	1,260,455,520

Cash – Inflows	Total unweighted value (average); Quarter ending on: 30-Sep-25	Total unweighted value (average); Quarter ending on: 30-Jun-25	Total unweighted value (average); Quarter ending on: 31-Mar-25	Total unweighted value (average); Quarter ending on: 31-Dec-24	Total weighted value (average); Quarter ending on: 30-Sep-25	Total weighted value (average); Quarter ending on: 30-Jun-25	Total weighted value (average); Quarter ending on: 31-Mar-25	Total weighted value (average); Quarter ending on: 31-Dec-24
Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
Inflows from fully performing exposures	555,250,622	496,007,436	382,447,335	306,885,725	555,250,622	495,932,277	382,447,335	306,885,725
Other cash inflows	352,648,668	458,946,262	529,329,109	497,577,579	345,282,028	513,404,574	529,329,109	497,577,579
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)	n/a	n/a	n/a	n/a	-	-	-	-
(Excess inflows from a related specialised credit institution)	n/a	n/a	n/a	n/a	-	-	-	-
TOTAL CASH INFLOWS	908,550,440	955,604,848	911,776,443	804,678,507	871,759,148	966,553,136	911,776,443	804,570,905
Fully exempt inflows	-	-	-	-	-	-	-	-
Inflows subject to 90% cap	-	-	-	-	-	-	-	-
Inflows subject to 75% cap	**908,550,440**	**955,604,848**	**911,776,443**	**804,678,507**	**871,759,148**	**966,553,136**	**911,776,443**	**804,570,905**

Total adjusted value	Total unweighted value; Quarter ending on: 30-Sep-25	Total unweighted value; Quarter ending on: 30-Jun-25	Total unweighted value; Quarter ending on: 31-Mar-25	Total unweighted value; Quarter ending on: 31-Dec-24	Total weighted value; Quarter ending on: 30-Sep-25	Total weighted value; Quarter ending on: 30-Jun-25	Total weighted value; Quarter ending on: 31-Mar-25	Total weighted value; Quarter ending on: 31-Dec-24
LIQUIDITY BUFFER	n/a	n/a	n/a	n/a	2,025,522,444	2,640,498,938	1,679,737,372	1,311,342,607
TOTAL NET CASH OUTFLOWS	n/a	n/a	n/a	n/a	619,743,797	886,288,665	520,484,731	546,353,048
LIQUIDITY COVERAGE RATIO	n/a	n/a	n/a	n/a	326.83%	297.93%	322.73%	240.02%

8.5. Net Stable Funding Ratio

Template EU LIQ2 Net Stable Funding Ratio

Available stable funding (ASF) Items As at 31 October 2025	Unweighted value by residual maturity: No maturity	Unweighted value by residual maturity: < 6 months	Unweighted value by residual maturity: 6 months to < 1yr	Unweighted value by residual maturity: ≥ 1yr	Weighted value
Capital items and instruments	-	-	-	1,897,173,034	1,897,173,034
Own funds	-	-	-	1,897,173,034	1,897,173,034
Other capital instruments	n/a	-	-	-	-
Retail deposits	n/a	-	-	-	-
Stable deposits	n/a	-	-	-	-
Less stable deposits	n/a	-	-	-	-
Wholesale funding:	n/a	1,683,732,870	-	797,944,436	1,518,775,149
Operational deposits	n/a	-	-	-	-
Other wholesale funding	n/a	1,683,732,870	-	797,944,436	1,518,775,149
Interdependent liabilities	n/a	-	-	-	-
Other liabilities:	-	-	-	-	-
NSFR derivative liabilities	714,428,308	n/a	n/a	n/a	n/a
All other liabilities and capital instruments not included in the above categories	n/a	176,993,662	-	-	-
Total available stable funding (ASF)	n/a	n/a	n/a	n/a	**3,415,948,183**
Required stable funding (RSF) Items As at 31 October 2025	Unweighted value by residual maturity: No maturity	Unweighted value by residual maturity: < 6 months	Unweighted value by residual maturity: 6 months to < 1yr	Unweighted value by residual maturity: ≥ 1yr	Weighted value
Total high-quality liquid assets (HQLA)	n/a	n/a	n/a	n/a	2,029,946,381
Assets encumbered for more than 12m in cover pool	n/a	-	-	-	-
Deposits held at other financial institutions for operational purposes	n/a	-	-	-	-
Performing loans and securities:	n/a	-	-	-	-
Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut	n/a	-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions	n/a	-	-	-	-

Available stable funding (ASF) Items As at 31 October 2025	Unweighted value by residual maturity: No maturity	Unweighted value by residual maturity: < 6 months	Unweighted value by residual maturity: 6 months to < 1yr	Unweighted value by residual maturity: ≥ 1yr	Weighted value
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	n/a	30,246,889	215,729,740	1,431,539,884	1,545,806,772
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	n/a	-	-	-	-
Performing residential mortgages, of which:	n/a	-	-	-	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	n/a	-	-	-	-
Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products	n/a	-	-	797,944,436.00	678,252,770.60
Interdependent assets	n/a	-	-	-	-
Other assets:	-	-	-	-	-
Physical traded commodities	n/a	n/a	n/a	-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	n/a	-	-	-	-
NSFR derivative assets	n/a	647,788,955	-	-	32,389,448
NSFR derivative liabilities before deduction of variation margin posted	n/a	-	-	-	-
All other assets not included in the above categories	n/a	177,363,343	-	-	-
Off-balance sheet items	n/a	-	81,396,540	1,836,449,575.00	102,824,732
Total RSF	n/a	n/a	n/a	n/a	2,359,273,722
Net Stable Funding Ratio (%)	n/a	n/a	n/a	n/a	144.79%

9. Encumbered assets

9.1. Introduction

An asset is deemed encumbered if it has been pledged or if it is subject to any form of arrangement to secure, collateralise or credit enhance any transaction from which it cannot be freely withdrawn.

In the calculation of the median values used in the tables below, the quarterly values have been used as there are no significant fluctuations month-on-month.

9.2. Assets

Template EU AE1 Encumbered and unencumbered assets

	Description	Carrying amount of encumbered assets	Carrying amount of encumbered assets of which notionally eligible EHQLA and HQLA	Fair value of encumbered assets	Fair value of encumbered assets of which notionally eligible EHQLA and HQLA	Carrying amount of unencumbered assets	Carrying amount of unencumbered assets of which EHQLA and HQLA	Fair value of unencumbered assets	Fair value of unencumbered assets of which EHQLA and HQLA
010	Assets of the reporting institution	167,152,969	167,152,969	n/a	n/a	4,815,291,687	1,457,894,822	n/a	n/a
030	Equity instruments	-	-	-	-	-	-	-	-
040	Debt securities	-	-	-	-	250,978,341	245,450,092	250,978,341	247,768,031
050	of which: covered bonds	-	-	-	-	-	-	-	-
060	of which: securitisations	-	-	-	-	-	-	-	-
070	of which: issued by general governments	-	-	-	-	210,586,891	210,587,367	210,587,367	210,587,367
080	of which: issued by financial corporations	-	-	-	-	38,463,112	34,466,294	35,371,255	35,371,255
090	of which: issued by non-financial corporations	-	-	-	-	-	-	-	-
120	Other assets	167,150,598	167,150,598	n/a	n/a	4,028,038,236	1,201,000,167	n/a	n/a

9.3. Collateral

Template EU AE2 Collateral received and own debt securities issued

	Description	Fair value of encumbered collateral received or own debt securities issued; 010	Fair value of encumbered collateral received or own debt securities issued of which notionally eligible EHQLA and HQLA; 030	Unencumbered; Fair value of collateral received or own debt securities issued available for encumbrance; 040	Unencumbered; Fair value of collateral received or own debt securities issued available for encumbrance of which EHQLA and HQLA; 060
130	Collateral received by the disclosing institution	-	-	312,574,370	93,616,595
140	Loans on demand	-	-	-	-
150	Equity instruments	-	-	-	-
160	Debt securities	-	-	93,616,595	93,616,595
170	of which: covered bonds	-	-	-	-
180	of which: securitisations	-	-	-	-
190	of which: issued by general governments	-	-	93,616,595	93,616,595
200	of which: issued by financial corporations	-	-	-	-
210	of which: issued by non-financial corporations	-	-	-	-
220	Loans and advances other than loans on demand	-	-	-	-
230	Other collateral received	-	-	222,021,006	-
240	Own debt securities issued other than own covered bonds or securitisations	-	-	-	-
241	Own covered bonds and securitisation issued and not yet pledged	n/a	n/a	-	-
250	TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	-	-	n/a	n/a

9.4. Sources of encumbrance

Template EU AE3 – Sources of Encumbrance

	Description	Matching liabilities, contingent liabilities or securities lent; 010	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered; 030
010	Carrying amount of selected financial liabilities	-	-

10. Management of market risk

Market risk arises as a result of CIBC Lux's trading and treasury activities and encompasses all market related positioning and market-making activity. Market risk is defined as the potential for economic financial loss in the trading and non-trading portfolios from adverse changes in underlying market factors, including interest and foreign exchange rates, credit spreads and equity and commodity prices.

10.1. Governance, process and control

Local oversight of trading and non-trading market risk is provided by the VP, Europe and Asia CMRM. They are responsible for the provision of and to accurately identify and report the main market risks as they relate to the business. Management of market risk is governed by limits, delegated by the EVP, CRO, CMRM, and authorised by the SEVP and CRO, CIBC. Limits are reported and managed daily. Overall local responsibility and oversight is through the CIBC Lux CRO.

In addition, an overview of non-trading market risks is presented to ALCo and the Board by the CIBC Lux CRO on a quarterly basis. The ExCo is presented with an overview of market risks by the CIBC Lux CRO each month.

10.2. Risk monitoring

Market risk exposures are monitored daily against approved risk limits, and control processes are in place to ensure that only authorised activities are undertaken. Reports highlighting Value at Risk (VaR), stress results and key sensitivities are produced and distributed on a daily basis to traders and Risk Management personnel, including the CIBC Lux CRO and CEO, as well as the CIBC Head of Europe and Asia-Pacific and CIBC Head of CMT, Europe. Market risk exposures are reviewed quarterly by the Board and ALCo.

10.3. Policies and standards

CIBC Lux's market risk exposures are fully governed by group wide policy and there are no local policy exceptions. Policies and standards for market risk management relate to identification and measurement of the various types of market risk and the establishment of limits within which overall exposures are managed. Explicit risk tolerance levels are expressed in terms of both VaR measures and potential worst-case stress losses as well as notional or other limits as appropriate.

10.4. Trading activities

CIBC Lux holds positions in traded financial instruments to meet client investment and risk management needs. Trading revenue (net interest income or non-interest income) is generated from these transactions. Trading instruments are recorded at fair value.

10.5. Capital and risk measurement

With regards to trading credit risks, direct, negotiable and settlement risk exposures are measured on a notional basis, whilst contingent risk is calculated using Potential Exposure Factors (PEF), where the risk on a trade or portfolio of trades with any given counterparty is run through a simulator that takes into account the notional sizes of the trades and the remaining term to maturity. Each individual trading exposure is then allotted a limit, based on the risk exposure measured or calculated through the simulator, to accurately reflect CIBC's credit risk appetite. Each individual credit exposure is risk rated using the methodology adopted by CIBC.

10.6. Non-trading and other activities

Non-trading interest rate risk within CIBC Lux is taken as part of the Treasury function's daily funding and cash management activities and LAB book, as well as through Corp Banking loans issued. For the assessment of non-trading interest rate risk, standardised interest rate shocks - expressed in terms of threat to economic value and to changes in net interest income - are used. This includes parallel rate shocks to the yield curve (up and down), curve steepener and flattener shocks, and shocking short rates up and down. These shocks are as prescribed in EU RTS 2024/856. The results of these scenarios are presented to CIBC Lux ALCo on a quarterly basis. There is a RAS limit of 5% drop in Economic Value of Equity (EVE) in in these scenarios.

A similar set of scenarios (OSFI B12) are run on a weekly basis to give an early visibility into changes in the Bank's interest rate exposure profile.

CIBC Lux did not undertake business related to securitisation (CRR Article 449) or crypto-assets (CRR Article 451b).

10.7. Foreign exchange risk

Foreign exchange positions are taken to facilitate client needs and to hedge the foreign exchange risk inherent in daily trading activities.

10.8. Market Risk in the Trading Book

CIBC Lux does not envisage taking material open market risk in its trading books, and the majority of trades are to be executed on a back to back basis. For this activity, we have set a non-zero trading book VaR limit to account for potential client business. For trades that are not executed on a back-back-basis (e.g. Equity Forwards, Equity TRS), material risks are hedged (equity exposure).

Capital requirement for market risk

CIBC Lux calculates general market risk using the Maturity-Based calculation of general risk under Part 3, Title IV, Chapter 2, Section 2, Sub-Section 2 of the CRR[11].

Specific Interest Rate Risk is calculated using the Standard method under Part 3 Title IV Chapter 2, Section 1, Sub-Section 1 of the CRR.

Foreign Exchange Risk is calculated using the Standard method under Part 3 Title IV, Chapter 3 of the CRR.

Equity Risk is calculated using the Standard method under Part 3 Title IV Chapter 2, Section 3 of the CRR.

Market risk as at 31 October 2025 was de minimis (C$ 15k VaR).

[11] Capital Requirements Regulation (Regulation EU No. 575/2013)

11. Management of operational risk

11.1. Introduction

Operational risk is the loss resulting from inadequate or failed internal processes, systems, or from human error or external events. Operational risk is inherent in every business activity and process of CIBC Lux. Operational risk metrics are monitored by Operational Risk Management and form an integral part of the CIBC Lux RAS.

11.2. Governance

CIBC Lux's approach to enterprise-wide risk management is built on the group's approach and aligns with the three Lines of defence model (see also Section 2.4)

At parent level, CIBC's Global Risk Committee (GRC) and the Operational Risk and Control Committee (ORCC) and its related committees oversee operational risk matters, as well as the effectiveness of the internal control framework within the parameters and strategic objectives established by the CIBC ExCo. TheCIBC ExCo is accountable to the CIBC Board and its Audit Committee and the CIBC RMC for maintaining a strong internal control environment.

CIBC Group's approach to managing operational risk aligns with the model outlined in the Basel Committee on Banking Supervision's "Sound Practices for the Management and Supervision of Operational Risk" paper. This model advocates that sound operational risk management should rely on three lines of defence: (i) business line management; (ii) an independent corporate operational risk management function; and (iii) an independent review.

11.3. Three Lines of Defence Approach

Although the three lines of Defence groups function independently in monitoring and providing oversight of the risks, a strong risk culture and good communication between the three lines of Defence are important characteristics of effective operational risk management.

- **First Line of Defence (1st LOD)** – Management owns the risks and is accountable and responsible for identifying and assessing risks inherent in their activities in accordance with the CIBC Lux and CIBC risk appetite. In addition, Management establishes and maintains controls to mitigate such risks. Management may include governance groups within their business to facilitate Control Framework and other risk- related processes.

  Control Groups provide subject matter expertise to Management and/or implement / maintain enterprise-wide control programs and activities. While Control Groups collaborate with Management in identifying and managing risk, they also challenge risk decisions and risk mitigation strategies.

- Second Line of Defence (2nd LOD) is independent from the 1st LOD. and provides an enterprise-wide view of specific risk types, guidance and effective challenge to risk and control activities. Risk Management is the primary Second Line of Defence. Risk Management may leverage and/or rely on subject matter expertise of other groups (e.g. third parties or Control Groups) to better inform their independent assessments, as appropriate.

  Where the 2nd LOD also owns risks from their own activities, a designated Global Operational Risk Management Portfolio Manager will provide oversight and challenge.

  While independence is an important element of providing effective challenge, it is important that the 1st and 2nd Line of Defence, including Control Groups, work collaboratively through open and complete dialogue and provision of information needed to assess risks, controls and deficiencies. Where there are differing views regarding the level of risk and/or the effectiveness of controls, unresolved disputes should be escalated by the Business Unit, Control Groups and Risk Management to their respective senior management or, if appropriate, to the Operational Risk and Control Committee (ORCC) for resolution.

- **Third Line of Defence (3rd LOD)** – Internal Audit is the 3rd LOD and is responsible for providing Reasonable Assurance to senior management and the CIBC Audit Committee of the Board on the effectiveness of CIBC's governance practices, risk management processes, and internal control as a part of its risk-based audit plan and in accordance with its mandate as described in the Internal Audit Charter.

Each Line of Defence is responsible for ensuring an appropriate level of Management and Board reporting.

11.4. Policies and standards

In addition to the CIBC Lux Risk Management Framework policy, CIBC Lux adopts the group's comprehensive set of policies, procedures and standards that are designed to control operational risk associated with people, processes and systems, and to promote a sound internal control structure. Operational risks driven by people and processes are mitigated through human resources policies and practices, and operational procedural controls, respectively. Operational risks driven by systems are managed through controls over technology development and change management.

While operational risk can be mitigated through a sound internal control structure, it can never be fully eliminated. The risk of catastrophic loss is addressed through risk avoidance and control programs that reduce the probability or potential severity of such losses to acceptable levels. CIBC Lux maintains a comprehensive corporate insurance program to protect its earnings from potential high-severity losses arising from certain criminal activity, property loss or damage, or liability exposures. Each type of coverage is evaluated on the basis of a cost-benefit analysis. A global BCP is in place to ensure that key business functions will continue, and normal operations will be restored effectively and efficiently, in the event of a major disaster event affecting the operations. This BCP is regularly updated and tested.

11.5. Risk monitoring

Global Operational Risk Management has developed a KRI Framework to standardise specific operational risk metrics for the region. KRI's are used to monitor and report upon:

- unauthorised market and credit limit excesses and breaches against approved products.
- process failures during the trade settlement process, such as confirmation delays, trader cancels and corrects and collateral disputes

Indicators are constructed with pre-defined risk tolerance thresholds which are agreed with stakeholders. A risk dashboard including operational risk information is reported to the ExCo every month and to the Board on a quarterly basis. Operational Loss and Near Miss Incident Reports are also completed for CIBC Lux. Reports identify material operational risk issues, control failures, operational losses and policy breaches.

Operational risk is also assessed from deep dives (e.g. manual process reviews into businesses), and gap analysis against regulatory expectations (e.g. EBA standards on operational risk).

11.6. Risk measurement

CIBC Lux does not have a history of operational losses and uses prescribed approach under CRR3 to calculate Op risk. The basis for the operational risk RWA is the 3 year average of the Interest, Leases and Dividend Component, the Services Component and the Financial Component which collectively determine the Business Indicator Component (BIC). The Operational Risk RWA is then an increasing function of the BIC.

11.7. Capital requirement for operational risk

CIBC Lux calculates the Operational Risk capital requirement by using standardised approach for the calculation of operational risk incorporating a BIC as defined in section 11.6.

The RWA and capital requirements for operational risk as at 31 October 2025 appear below.

Template EU OR3 – Operational risk own funds requirements and risk exposure amounts

Description	
Business Indicator Component (BIC)	16,835,479
Alternative Standardised Approach (ASA) Own Funds Requirements (OROF) under Article 314(4)	-
Minimum Required Operational Risk Own Funds Requirements (OROF)	16,835,479
Operational Risk Exposure Amounts (REA)	210,443,491

12. Remuneration

12.1. Role of the CIBC Board

The CIBC Board of Directors and two of its sub-committees – the Management Resources and Compensation Committee (MRCC) and the Risk Management Committee (RMC) provide active oversight of CIBC's compensation process at a bank-wide level. Their responsibilities include:

- establishing the compensation governance process (MRCC);
- determining incentive compensation funding and allocations to the Strategic Business Units (SBU) and functional groups (MRCC, with input as required from the RMC, and CIBC Board);
- approving new material incentive compensation plans or material changes to existing material plans (MRCC and CIBC Board);
- reviewing CIBC, SBU and LOB adherence to CIBC's risk appetite and the underlying risks associated with business performance (MRCC and RMC)

The MRCC receives regular updates and ongoing education from management, their independent compensation advisor and other outside advisors on Financial Stability Board (FSB) and other regulatory requirements in the jurisdictions in which CIBC operates, including Luxembourg. The independent compensation advisor to the MRCC is Pay Governance LLC.

12.2. Role of the CIBC Lux Board

The CIBC Lux Board ("The Board) is comprised of five members, including one executive director, three non-executive directors and an independent non-executive director as described in section 2.17 Board members skills and expertise, and is responsible for adopting and maintaining the remuneration policy applicable to CIBC Lux and overseeing its implementation to ensure it is fully operating as intended, in line with: (i) the designated principles; and (ii) CSSF Circular 17/658.

The responsibilities of the Board with respect to remuneration include:

- reviewing, approving and ensuring remuneration policies for CIBC Lux are consistent with and promote effective risk management;
- reviewing, approving and ensuring remuneration policies for CIBC Lux do not encourage risk taking that exceeds the tolerated level of risks within CIBC Lux or of CIBC;
- having regard to the FSB Principles for Sound Compensation Practices, the Remuneration Policies set out in the Capital Requirements Directive, the guidelines on remuneration policies and practices set out by the European Banking Authority (EBA), the CSSF Circular 17/658 and any other applicable regulation or guidance as amended from time to time;
- ensuring that the risks associated with the operation of remuneration policies are considered;
- reviewing and approving the implementation of new divisional or local remuneration plans within CIBC Lux;
- reviewing and approving the proposed compensation pool allocation for CIBC Lux;
- reviewing and approving the methodology by which Luxembourg Material Risk Takers (Lux MRTs), under CSSF Circular 17/658 and Commission Delegated Regulation (EU) 604/2014, are identified and reviewing and approving the list of Lux MRTs;
- reviewing and approving decisions and proposals by the management of CIBC Lux in respect of the remuneration proposals for Lux MRTs; and,
- ensuring incentives provided by the remuneration policy and its underlying practices are in line with CIBC Lux's risk, capital and liquidity levels as well as with the likelihood and timing of earnings.

Such review and approval also includes:

- reviewing and approving certain compensation elements for Lux MRTs, including annual incentive compensation awards allocated to Lux MRTs;
- the remuneration structures for senior officers working in the CIBC Lux Risk and Compliance functions to ensure that conflicts of interest do not arise;
- remuneration structures for CIBC Lux High Earners as defined by EBA guidelines and
- the Authorised Management functions, i.e. Lux CEO,, CRO and COO;
- any disclosures required to be made from time to time to the CSSF or any other relevant authority relating to the remuneration policy that has been adopted for CIBC Lux or the remuneration of Lux MRTs;
- a report from internal audit on CIBC Lux's level of compliance with Luxembourg remuneration regulations;
- giving due regard to the long-term interests of shareholders, investors and other stakeholders when making individual remuneration decisions pursuant to the remuneration policies within CIBC Lux; and
- giving due regard to any relevant legal or regulatory requirements, and associated guidance, as well as to the risk and risk management implications of its decisions.

The Authorised Management, together with the HR function, and with the involvement of the Control Functions, is responsible for the compliance of remuneration policies with laws and regulatory framework.

The Board meets at least quarterly and in FY2025 the Board held six meetings.

12.3. Overview of CIBC's Compensation Approach

CIBC's Compensation Philosophy, Methodology and Governance is comprised of three key principles that are intended to guide all steps of the compensation process, from plan design and variable incentive compensation pool determination through to individual award decisions:

- Support CIBC's ability to attract, motivate and retain the right talent;
- Pay for performance and encourage behaviours aligned with our purpose and employee value proposition; and,
- Align with CIBC's business strategy, risk appetite and the creation of sustainable shareholder value and the evolving regulatory environment.

Total compensation is evaluated relative to a peer group of companies of comparable size, scope, market presence and complexity. Variable incentive awards are based on a combination of individual, LOB, SBU and CIBC-wide performance. For all employees eligible for variable incentive awards, individual performance is assessed against:

- core accountabilities of the role (including employee engagement for managers of people) and annual goals which may include specific targets for sales focused roles; and
- demonstration of behaviours aligned with our purpose and employee value proposition, and compliance with CIBC's risk management, governance, control and policy requirements.

Cash and deferred equity based compensation awards are used to achieve pay and performance alignment. Senior executives, as well as other employees whose actions have a material impact on the risk exposure of CIBC, have a substantial portion of variable compensation (up to 80%) which is deferred in alignment with local regulatory requirement This ensures that future performance impacts final payouts.

Incentive compensation funding is designed to reflect a balanced consideration of CIBC's performance, the business environment, market conditions and competitive requirements.

- For employees on the Goals Performance Success (GPS) program under the Annual Incentive Plan (AIP), incentives are funded monthly based on achievement against CIBC's strategic priorities: financial strength and operational efficiency measured by adjusted Earnings per Share (EPS), adjusted operating leverage, adjusted revenue growth and, if applicable, SBU Net income Before Bonus and Tax (NIBBT); CIBC's Client Experience (CX) Index and Sustainability Index. These measures are used to formulaically determine Business Performance Factors (BPFs) which are used to calculate the incentive funding. This can be adjusted for qualitative funding factors.

- In the case of Capital Markets AIP, incentive funding is based on a percentage of Capital Markets NIBBT which can also be adjusted for qualitative factors.
- NIBBT is adjusted for items typically adjusted for by research analysts.
- When determining incentive funding at year end, the MRCC, with input as required from the RMC, and CIBC Board review:
  - Achievement against CIBC's strategic priorities which are formulaically calculated using BPFs for CIBC and for the SBUs for employees on GPS. For Capital Markets AIP, a NIBBT funding rate is used as a starting point to determine initial incentive funding. The NIBBT funding rate is normalised for any material organisational changes during the year.
  - Any qualitative adjustments for reported results vs. adjusted results, results vs. peers, material credit, market, operational, reputational and/or liquidity risk issues, the business environment and market conditions and competitive requirements.
  - Any discretionary adjustment recommended by the MRCC and the CIBC Board.
  - Independent assessments of performance from the CIBC CFO, CRO, Executive Vice-President, Purpose, Brand and Corporate Affairs and Senior Vice-President, Corporate Governance, including key considerations with regard to the quality and sustainability of earnings, an assessment of financial performance, adherence to CIBC's risk appetite and performance against client and sustainability metrics. The CIBC CRO's independent assessment is also reviewed by the RMC.
  - In addition, the assessment completed by the CRO identifies if there are any risk events that may warrant adjustments at the individual level.
- In addition, the MRCC holds a joint meeting with the RMC in October to review and discuss performance relative to plan, peers and prior year and to consider if there is a need for any adjustments for risk or other qualitative factors.

Compliance with risk appetite is a key component in assessing CIBC's performance for the year ended 31 October 2025, measured quantitatively against CIBC's Risk Appetite Targets, and qualitatively based on an assessment by the CIBC CRO.

Pay Governance LLC performs an annual assessment of CIBC's EPS goal. The assessment is presented to the MRCC annually. In addition, the MRCC and CIBC Board have discretion to recommend changes to the incentive funding at year end as noted above.

Future business performance impacts the final payouts as measured by CIBC's absolute business performance, business performance relative to its peer group of other Canadian Banks, and/or CIBC's share price.

12.4. Overview of CIBC Lux Remuneration Policy

The CIBC Lux Remuneration Policy ("Policy") sets out the remuneration practices and procedures applicable to CIBC Lux. The Policy is applicable to all employees of CIBC Lux, with specific provisions on variable remuneration applicable to Identified Staff (referred to as Lux MRTs).

The Policy is consistent with and promotes sound and effective risk management, through measures that do not encourage excessive risk taking. Furthermore, the Policy ensures alignment with and support of the business strategy, goals, values and long-term interest of CIBC and CIBC Lux, including underlying practices and procedures that are gender neutral and take into account environmental, social and governance risks. The Policy has been established on the basis of local legal and regulatory requirements and also takes into account general remuneration principles followed by CIBC with the objective to have a similar approach worldwide but in respect of local constraints and rules.

The Board is responsible for adopting and maintaining the Policy, and overseeing its implementation to ensure it is operating as intended. The Authorised Management, together with the HR function, and with the involvement of the Control Functions, is responsible for the compliance of this Policy with laws and regulatory framework. The Policy is presented to the Board annually for approval and subject to an annual central and independent review by the internal audit function.

12.5 CIBC Lux Material Risk Takers (Lux MRTs)

The identification of Lux MRTs is based on a thorough assessment of roles, responsibilities and actual mandates held by certain positions that may be deemed as having a material impact on CIBC Lux's risk profile. The annual identification of MRTs is conducted with due regard to criteria set out under Article 92(3) of the CRD V (as transposed under Article 38-5(2) of the LSF), as well as the qualitative and quantitative criteria set out in Articles 5 and 6 of Commission Delegated Regulation (EU) 2021/923 of 25 March 2021 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards setting out the criteria to define managerial responsibility, control functions, material business units and a significant impact on a material business unit's risk profile, and setting out criteria for identifying staff members or categories of staff whose professional activities have an impact on the institution's risk profile that is comparably as material as that of staff members or categories of staff referred to in Article 92(3) of that Directive.

12.6 Proportionality Principle

Certain remuneration requirements as defined by the law and clarified under the EBA Guidelines, may be subject to the proportionality principle, hence may allow the application of certain remuneration provisions in a proportionate manner. As per Article 94 (3) (a), CIBC Lux applies its remuneration practices in a manner and to the extent that are appropriate to its size, internal organisation and to the nature, scope and complexity of its activities. For the 2025 performance year, CIBC Lux chose to:

- neutralise the requirement of establishing a Remuneration Committee; and,
- apply certain other remuneration requirements, in a proportionate manner:
- deferral period of variable remuneration;
- deferral amount of variable remuneration; and
- variable remuneration payment in instruments.

12.7 Remuneration Structure and Design

Remuneration for CIBC Lux employees is comprised of fixed remuneration, including pension and benefits and variable remuneration. The remuneration is structured in a way to align with CIBC Lux's business strategy, long-term interests, underlying values of wealth preservation and sustainable growth, and does not exceed market standards for comparable banks without reason. The remuneration principles of the Policy aim at ensuring a balance between fixed and variable remuneration to decrease any risk from excessive risk taking and are defined in a manner as to not limit the ability of the bank to strengthen and / or to limit its capital base.

<u>Fixed Remuneration</u>

Fixed remuneration is defined as any remuneration, whether monetary or non-monetary, which an employee is entitled to receive based on the employee's relevant experience, general expectations of the employee's qualifications and organizational responsibilities. Fixed remuneration typically comprises:

- The employee's base salary, including any fixed allowances which are comparable to, and in practice considered, part of the base salary (e.g. could include role based allowances);

- Any pension benefits calculated on the basis of the employee's base salary or a part thereof (i.e. as defined under the Luxembourg Social Security Law (i.e. Pillar 1) or the Law of June 8 1999, as amended (i.e. Pillar 2)); and,
- Any non-pay benefits, which are granted or made available to the employee on a continuous basis (e.g. could include lunch arrangement, company car, health insurance, paid telephone, mobile and/or laptop, internet connection at home address, etc.).

Variable Remuneration

Variable remuneration is tied to performance measures on an individual basis as well as on a collective basis in accordance with predefined qualitative and quantitative objectives, including financial and non-financial criteria.

The global amount allocated to the variable remuneration depends on the performance of (i) CIBC, (ii) CIBC Lux (iii) the SBU and (iv) the individual. Individual performance will be assessed in order to determine the allocation of variable remuneration. This performance assessment will take into account both quantitative and qualitative criteria for all employees. Should the individual performance be negative, the variable remuneration may amount to zero.

Definition of the bonus pool is described in section 12.3 Overview of CIBC's Compensation Approach. Once the bank wide bonus pool has been defined, CIBC will make its proposal of allocation for CIBC Lux to the Board for review and approval. At the end of the year, the Board reviews the sum of the incentive awards (i.e. the CIBC Lux bonus pool funding) for CIBC Lux's employees and may recommend to the MRCC any changes that it feels are appropriate for CIBC Lux, taking into account CIBC Lux's business and risk performance. Prior to the proposal of annual incentive compensation awards to the Board, the Lux Chief Risk Officer assesses whether there are any material risk, control or conduct related matters that would impact remuneration and the Head of Finance assesses whether there are any significant losses or material restatements requiring the application of CIBC's clawback provisions.

Variable remuneration will consist of a single payment in cash, unless the employee / MRT is eligible to participate in medium / long-term incentive awards (e.g. could include Restricted Share Awards, Performance Share Units and Employee Stock Options based on job level and/or MRT status). Medium / long-term incentive awards will be subject to the following provisions:

- The instruments will be deferred over at least a 3 year period or more;
- The instruments shall vest fully at the end of the deferral period or on a pro-rata basis;
- The first vesting shall not occur sooner than 12 months after the start of the deferral period; and
- The instruments are subject to a retention period of 1 year (no less than 12 months) after the vesting where the beneficiaries shall not redeem their instruments.

Variable remuneration is subject to malus and clawback provisions, with specific provisions applicable to CIBC Lux MRTs.

Shareholding Requirements

CIBC Executives and Managing Directors are expected to hold a minimum amount of equity. CIBC's share ownership guidelines apply to employees globally that meet certain requirements.

Ratio between fixed and variable remuneration

CIBC Lux will ensure a balanced ratio between fixed and variable remuneration to prevent any excessive risk taking through increasing and incentivising the variable component. The total amount of the variable remuneration of MRTs may not exceed maximum of 100% of their total fixed remuneration. In some exceptional cases, variable remuneration of MRTs may exceed the 1:1 ratio, which in no case can exceed 200% of the total fixed remuneration with the appropriate approvals.

Guaranteed Variable Remuneration and Severance Payments

Guaranteed variable remuneration will be exceptional, and will only be allowed in connection with the hiring of new employees. Guaranteed variable remuneration will be limited to the first year of employment and only provided that the bank has a sound and strong capital base. Any kind of multi-year guarantees will not be permitted. Guaranteed variable remuneration constitutes variable remuneration and not fixed remuneration.

Severance payments will be made in alignment with applicable legislation and any applicable collective bargaining agreement. The amount of severance payments will be determined on the basis of an analysis conducted by HR, in collaboration with the relevant control and/or corporate functions. Such analysis will take into account the performance achieved over time by the employee and labour law and judicial implications.

12.8 Control Functions

Control Function employees shall be independent from the business units they oversee and have appropriate authority. The amount of variable remuneration of Control Functions employees will not be linked to the performances of the business units they monitor. In line with Article 196 of the EBA Guidelines, the total remuneration of the Independent Control Functions will be predominantly fixed, to reflect the nature of their responsibilities.

12.9 Performance Measurement

CIBC Lux will leverage the Goals Performance Success Program (“GPS”) used CIBC-wide. Notwithstanding the application of CIBC wide principles, CIBC Lux sets up Performance Measurement principles that reflect regulatory requirements under CRD V.

The various performance criteria used for defining variable remuneration are aligned with sound and effective risk management and compliance principles. The performance measures are designed in a way to avoid risk-taking that exceeds the level of tolerated risk of CIBC Lux.

The performance criteria consist of an appropriate combination of financial (quantitative) and non-financial (qualitative) performance criteria. The relative importance of each level / weighting given to the performance criteria is determined up-front and adequately balanced to take into account the employee's position and responsibilities. To the extent possible, the performance criteria include achievable objectives and measures on which the employee has some direct influence. Negative non-financial performance in the form of unethical or non-compliant behaviour must override any good financial performance generated by CIBC Lux and the SBU of the employee.

The performance assessment is set out in a multi-year framework in order to ensure that the assessment process is based on longer-term performance and that the actual payment of variable remuneration is spread over a period, which takes account of the underlying business cycle of CIBC Lux and its underlying business risks. Future business performance impacts the final payouts as measured by CIBC’s absolute business performance, business performance relative to its peer group of other Canadian Banks, and/or CIBC’s share price.

12.10 Quantitative information on remuneration

As per the guidelines in Article 450 (2) of the CRR, quantitative remuneration disclosures are reflective of the relative size, internal organisation, and the nature, scope and complexity of CIBC Lux in the period and without prejudice to Regulation (EU) 2016/679 of the European Parliament and of the Council.

The remuneration figures below reflect remuneration awarded to Lux MRTs. It has been adjusted for partial year MRTs to reflect their tenure in the MRT role.

Template EU REM1 – Remuneration awarded for the financial year

			a Management Function[12,13]	d Other identified staff
1	Fixed remuneration	Number of identified staff	15	20
2		Total fixed remuneration	4,112,974	5,366,294
3		Of which: cash-based	3,603,776	4,714,598
4		(Not applicable in the EU)	-	-
EU-4a		Of which: shares or equivalent ownership interests	-	-
5		Of which: share-linked instruments or equivalent non-cash instruments	-	-
EU-5x		Of which: other instruments	-	-
6		(Not applicable in the EU)	-	-
7		Of which: other forms	509,197	651,696
8		(Not applicable in the EU)	-	-
9	Variable remuneration	Number of identified staff	9	15
10		Total variable remuneration	2,225,589	3,534,971
11		Of which: cash-based	1,550,773	2,466,285
12		Of which: deferred	-	-
EU-13a		Of which: shares or equivalent ownership interests	-	-
EU-14a		Of which: deferred	-	-
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments	674,816	1,068,686
EU-14b		Of which: deferred	674,816	1,068,686
EU-14x		Of which: other instruments	-	-
EU-14y		Of which: deferred	-	-
15		Of which: other forms	-	-
16		Of which: deferred	-	-
17	Total remuneration (2 + 10)	-	6,338,563	8,901,265

[12] Only fees related to CIBC Lux have been included for Management Function members who are CIBC Lux Board members.

[13] Lux MRT Outsourced Functions are included in headcount but remuneration is excluded as they are compensated under their local remuneration rules, which are more onerous on the individual.

Template EU REM2 – Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

No special payments were made in the year ending 31 October 2025.

Template EU REM3 – Deferred remuneration

	Deferred and retained remuneration	a Total amount of deferred remuneration awarded for previous performance periods	b Of which due to vest in the financial year	c Of which vesting in subsequent financial years	d Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year[14]	e Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	f Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	EU - g Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	EU - h Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	**Management Function[15,16]**	4,780,393	1,401,242	3,379,151	-	-	743,124	1,161,504	1,248,136
2	Cash-based	-	-	-	-	-	-	-	-
3	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
4	Share-linked instruments or equivalent non-cash instruments	4,780,393	1,401,242	3,379,151	-	-	743,124	1,161,504	1,248,136
5	Other instruments	-	-	-	-	-	-	-	-
6	Other forms	-	-	-	-	-	-	-	-
19	**Other identified staff**	4,189,299	944,219	3,245,081	-	-	493,288	556,592	758,255
20	Cash-based	-	-	-	-	-	-	-	-
21	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
22	Share-linked instruments or equivalent non-cash instruments	4,189,299	944,219	3,245,081	-	-	493,288	556,592	758,255
23	Other instruments	-	-	-	-	-	-	-	-
24	Other forms	-	-	-	-	-	-	-	-
25	Total amount	8,969,692	2,345,461	6,624,231	-	-	1,236,412	1,718,095	2,006,391

[14] Adjustment at the CIBC wide level based on PSU vesting performance condition, not at the individual level, if any.

[15] Only fees related to CIBC Lux have been included for Management Function members who are CIBC Lux Board members.

[16] Lux MRT Outsourced Functions are included in headcount but remuneration is excluded as they are compensated under their local remuneration rules, which are more onerous on the individual.

Template EU REM4 – Remuneration of 1 million EUR or more per year

		a
-	**EUR**	**Identified staff that are high earners as set out in Article 450(i) CRR**
1	>=1,500,000 and <2,000,000	1

Template EU REM5 – Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		b Management Function[17,18]	c Total MB	d Investment banking[19]	e Retail banking	f Asset management	g Corporate functions and all other	j Total
				Business areas				
1	**Total number of identified staff**	-	-	-	-	-	-	**35**
2	**Of which: members of the MB**	15	15	-	-	-	-	-
3	**Of which: other senior management**	-	-	-	-	-	-	-
4	**Of which: other identified staff**	-	-	13	-	-	7	-
5	**Total remuneration of identified staff**	6,338,563	6,338,563	8,405,112	-	-	553,319	-
6	**Of which: variable remuneration**	2,225,589	2,225,589	3,539,566	-	-	52,570	-
7	**Of which: fixed remuneration**	4,112,974	4,112,974	4,865,546	-	-	500,749	-

[17] Only fees related to CIBC Lux have been included for Management Function members who are CIBC Lux Board members.

[18] Lux MRT Outsourced Functions are included in headcount but are remuneration is excluded as they are compensated under their local remuneration rules, which are more onerous on the individual.

[19] Investment Banking is a prescribed heading and for the purposes of CIBC Lux it is inclusive of all Capital Markets business staff.

13. Leverage

13.1. Introduction

CIBC Lux calculates and submits calendar quarter-end leverage ratio data to the CSSF and EBA as part of its COREP submissions. The leverage ratio is calculated and communicated to management quarterly for monitoring purposes using adjusted total assets and the Tier 1 Capital amounts.

The table below summarises CIBC Lux's leverage as at 31 October 2025. This template discloses the total exposure measure as well as a reconciliation of the total exposure measure to the published financial statements.

CRR Leverage Ratio – Disclosure template

Description	Value
Reference date	31 October 2025
Entity name	CIBC Capital Markets (Europe) SA
Level of application	Individual

Template EU LR1 – LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

	Applicable amount
Total assets as per published financial statements	5,861,671,786
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	541,779,740
Adjustment for eligible cash pooling transactions	-
Adjustments for derivative financial instruments	311,467,118
Adjustment for securities financing transactions (SFTs)	310,765,118
Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	819,849,712
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-1,069,701
(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
Other adjustments	300,552,780
Total exposure measure	**6,149,586,395**

Template EU LR2 – LRCom: Leverage ratio common disclosure

	CRR leverage ratio exposures 31 October 2025	CRR leverage ratio exposures 31 October 2024
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	4,351,911,538	2,682,990,663
Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-290,475,835	-102,398,522
(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
(General credit risk adjustments to on-balance sheet items)	-	-
(Asset amounts deducted in determining Tier 1 capital)	-	-373,343
Total on-balance sheet exposures (excluding derivatives and SFTs)	**4,061,435,703**	**2,580,218,797**

	CRR leverage ratio exposures 31 October 2025	CRR leverage ratio exposures 31 October 2024
Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	229,843,290	187,225,741
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	722,037,771	478,536,296
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
Exposure determined under Original Exposure Method	-	-
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
(Exempted CCP leg of client-cleared trade exposures) (original Exposure Method)	-	-
Adjusted effective notional amount of written credit derivatives	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
Total derivatives exposures	951,881,061	665,762,036

	CRR leverage ratio exposures 31 October 2025	CRR leverage ratio exposures 31 October 2024
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	316,419,918	-
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
Counterparty credit risk exposure for SFT assets	-	-
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
Agent transaction exposures	-	-
(Exempted CCP leg of client-cleared SFT exposure)	-	-
Total securities financing transaction exposures	316,419,918	-

	CRR leverage ratio exposures 31 October 2025	CRR leverage ratio exposures 31 October 2024
Off-balance sheet exposures at gross notional amount	1,929,693,398	2,540,150,784
(Adjustments for conversion to credit equivalent amounts)	-1,109,843,686	-1,821,927,060
(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
Off-balance sheet exposures	819,849,712	718,223,724

	CRR leverage ratio exposures 31 October 2025	CRR leverage ratio exposures 31 October 2024
(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	-	-
(Excluded exposures of public development banks (or units) – Public sector investments)	-	-
(Excluded exposures of public development banks (or units) – Promotional loans): • Promotional loans granted by a public development credit institution • Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State • Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
(Excluded passing-through promotional loan exposures by non-public development banks (or units)): • Promotional loans granted by a public development credit institution • Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State • Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
(Excluded guaranteed parts of exposures arising from export credits)	-	-
(Excluded excess collateral deposited at triparty agents)	-	-
(Excluded CSD related services of CSD / institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
(Total exempted exposures)	-	-

	CRR leverage ratio exposures 31 October 2025	CRR leverage ratio exposures 31 October 2024
Tier 1 capital	1,954,596,083	1,346,898,404
Total exposure measure	6,149,586,395	3,964,204,558

	CRR leverage ratio exposures 31 October 2025	CRR leverage ratio exposures 31 October 2024
Leverage ratio (%)	31.78%	33.98%
Leverage ratio (**excluding the impact of the exemption of public sector investments and promotional loans**) (%)	31.78%	33.98%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	31.78%	33.98%
Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
Additional own funds requirements to address the risk of excessive leverage (%)	**-**	**-**
of which: to be made up of CET1 capital (percentage points) (%)	**-**	**-**
Leverage ratio buffer requirement (%)	**-**	**-**
Overall leverage ratio requirement (%)	**3.00%**	**3.00%**

Choice on transitional arrangements and relevant exposures	CRR leverage ratio exposures 31 October 2025
Choice on transitional arrangements for the definition of the capital measure	Fully Phased-In

Template EU LR3 – LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

	CRR leverage ratio exposures
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	4,061,435,703
Trading book exposures	893,444,093
Banking book exposures, of which:	3,167,991,611
Covered bonds	-
Exposures treated as sovereigns	1,417,088,086
Exposures to regional governments, MDB, international organisations and PSE **not** treated as sovereigns	1,058,041
Institutions	65,403,779
Secured by mortgages of immovable properties	-
Retail exposures	-
Corporates	1,653,300,379
Exposures in default	-
Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	31,141,326

13.2. Processes used to manage risk of excessive leverage

The Board has set a comprehensive array of risk triggers within CIBC Lux's RAS. Included within these triggers is a leverage ratio metric which is calculated in accordance with Article 429 of the CRR as amended by Commission Delegated Regulation (EU) 2015/62.

The Board has set a significantly more conservative trigger leverage ratio than the minimum required under regulatory rules. This means that CIBC Lux will maintain a leverage ratio of at least 5% at all times. In the event of this trigger being breached, appropriate management actions would be instigated to restore the leverage ratio to a level above the trigger level.

CIBC's RAS dictates its approach to risk management and guides its activities. The RAS limits and metrics are set on an annual basis subject to review and approval by management and the CIBC Lux Board. CIBC Lux's RAS is aligned to CIBC Group's RAS. It is monitored on a quarterly basis by ALCo and reported to both ExCo and the Board on a quarterly basis.

13.3. Factors impacting the leverage ratio

CIBC Lux and its balance sheet are in a phase of controlled growth in line with management's strategy. Balances in the course of settlement and underwriting commitments may result in small fluctuations to the leverage ratio, however CIBC Lux's leverage ratio remains well above both the internal trigger and regulatory minimum.

End of document