CIBC Caribbean Annual Report 2024

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Corporate Profile

CIBC Caribbean is a relationship bank offering a full range of market leading financial services through our Corporate Banking, Personal and Business Banking and Wealth Management segments. We are located in eleven (11) countries around the Caribbean, providing banking services through approximately 2,700 employees in 48 branches and offices. We are one of the largest regionally listed financial services institutions in the English and Dutch speaking Caribbean, with US$13 billion in assets and market capitalization of US$1.7 billion.
We also have a representative office in Hong Kong focused on business development and relationship management for our fund administration business. The face of banking is changing throughout the world and CIBC Caribbean intends to lead these changes with the expertise, integrity and knowledge gained from banking in the Caribbean since 1836.

Vision

To be the first choice for financial services in the region by putting our clients at the centre of everything we do.

Purpose

Our purpose is to help make your ambition a reality.

Values

- Trust - Trust is the foundation of any mutually beneficial and productive relationship. Honesty and integrity in the way we work with each other for our mutual benefit, and ultimately for the benefit of our clients, will create that trust.
- Accountability - We apply critical thinking and good judgement when meeting our clients' needs and when engaging with each other, taking responsibility and accepting that we are collectively accountable for the outcome. It is not only what we do, but how we go about doing it, applying urgency and agility to solving our clients' problems. This is our bank.
- Collaboration - Our guiding principle is simple – One team, One bank! We believe in CIBC Caribbean and work together to promote a sense of pride and purpose in all we do for our clients and for our Bank. We work cross-functionally in collective interest of the best outcomes for clients, employees and the community.
- Client Focus - At CIBC Caribbean we put our clients at the center of all we do, as we strive to build trusting and enduring relationships that help our clients achieve their ambitions.
- Innovation - Innovation is a part of our identity. Our culture of innovation nurtures, and harnesses, the innate creativity of our people and is focused on generating value for our clients and communities, driving technological progress and capitalizing on an increasingly dynamic environment. We innovate in a way that is collaborative, inclusive and establishes a path to a sustainable future.

Strategic Priorities

We have four key strategic priorities: focus on our clients, building on our technology base to create a regionally leading digital experience for our clients, simplifying the way we do business and investing in our people.

- Client Relationships – We aim to grow our share of wallet with our existing clients, attract new clients and further improve sales and service capability by creating a personalized, responsive and easy experience.
- Modern Everyday Banking Experience – We are building digital capabilities across our sales and delivery channels to provide our clients with a modern relationship bank creating strong connections and offering the very best solutions through our people and the very best technology.
- Simplification – We are optimizing our footprint, processes and cost structure by simplifying the way we do business. We aim to remove paper from our processes, and we are investing in next generation compliance and customer onboarding experiences.
- People – We ensure business continuity and growth by developing our people.

2024 highlights

$747M
Total revenue

$278M
Reported net income

$285M
Adjusted net income

18.6%
Return on equity

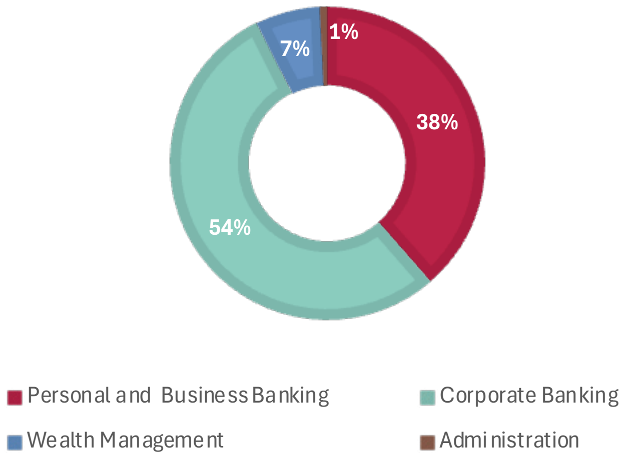
19.1%
Adjusted Return on equity

$1.7B
Market capitalization

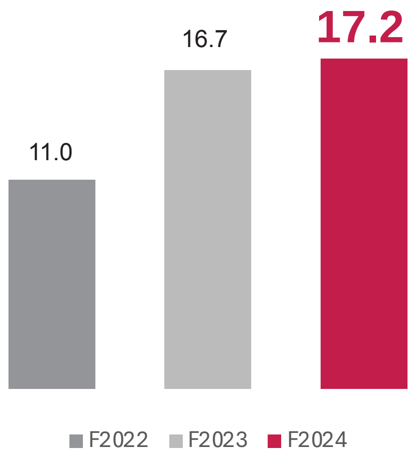
509K
Clients

2024 performance at a glance

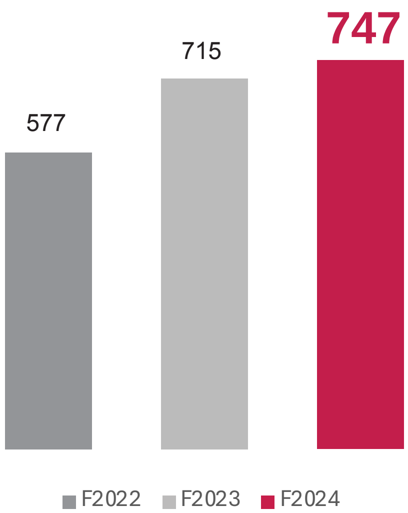
Business mix (% reported revenue)



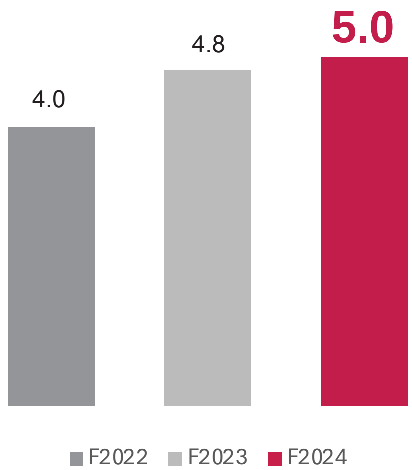
Reported earnings per share (cents)



Reported Revenue ($ millions)



Dividend (cents/share)



2024 Highlights

Caring for our Clients

Our business has focused on highlighting what sets us apart from our competition: our people who are committed to exceptional personal service, tailoring solutions to our clients' needs, as well as being at the forefront of digital banking.

As a modern relationship bank, we have been able to deliver next-generation, digitized consumer financial solutions which have contributed to an overall stellar year's performance.

Client Experience

Our business places the client at the center of everything we do. We offer personalized service and work closely with our clients to make their dreams a reality in an ever-changing environment. The profile of our clients and their choice of channels continues to evolve and we've continued to ensure that we support both our teams and our clients to deliver on the commitment of being a modern relationship bank offering the best solutions through our people and the very best technology.

We have been focused on digitally transforming our bank and on supporting the creation of new data-driven business models built around digital client engagement. This has allowed us to deliver next generation, digitized consumer financial solutions ensuring we remain competitive and relevant in this fast-emerging digital world.

We support our client proposition with an enviable product mix that continues to resonate with our platinum, personal and business banking clients. We have built the best digital banking platform in our region to support our bank's delivery of services digitally, with ease, flexibility, adaptability and of course, security.

This is what our clients expect of a modern bank, but technology is only as good as its people, and we are proud to say that we offer a brand of relationship management unique in modern banking, that affirms our client-centric approach to business and commitment to helping our clients realize their business and financial goals.

Similar to the transformation underway to digitally enhance our client sales and service capabilities, we are working apace on a number of initiatives geared toward improving the processes and technologies that our teams use to support our clients and internal partners.

We have committed further investments in simplification, automation, and security across our bank.

These robust changes offer us opportunities to innovate and transform ourselves and will provide our clients with value-added, new and differentiated products and services. We have continued our investment in both our bricks and mortar premises as well as our virtual spaces to ensure that the client experience in either space is first class.

In doing so, our bank is leveraging agile methodologies to deliver products and services faster to market that will allow us to remain people and results focused and most importantly, competitive.

Key updates as at October 2024 are as follows:

- Digital Banking transaction volumes have grown 16% year over year (YOY) to 33M

- Branch Over-The-Counter (OTC) transaction volumes have decreased by 20% YOY
- Digital Banking transaction volumes now represent 94% of all transactions done by clients with OTC manual transaction representing 6% of all transactions

We successfully delivered 8,551 loans and 1,732 cards to our clients via the digital channels, representing a 35% YOY increase in Loans and 129% YOY increase in Card Sales, with over 16K clients served in an average time to decisions remaining below 5 minutes.

Personal and Business Banking

Our business puts a strong emphasis on our clients as they are the most important stakeholders. We offer personalized service and work closely with our clients to make their dreams a reality in an ever-changing environment. The profile of our clients has changed post-COVID and their choice of channels has changed. We have continued to ensure that we support both our teams and clients to deliver on the commitment of being a modern relationship bank, offering the best solutions through our people and the very best technology.

We have built the best digital banking platform in our region to support our bank's delivery of services digitally, with ease, flexibility, adaptability and of course, security.

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Key updates as at October 2024 are as follows:

- Personal Online Banking active clients grew by 24K YOY to 241K or 73% of all active personal clients
- Digital transaction volumes have increased by 16% while OTC manual transactions have decreased by 20%. The ratio of digital to OTC transactions now stands at 95% to 5%
- Bill payment volumes are trending up 15% YOY
- Record Year of loan originations $562M

Digital Banking Highlights

Overall CIBC Caribbean Digital Banking Strategy Aims & Objectives F2024

CIBC Caribbean's Digital Banking Transformation Strategy aims to deliver seamless, secure, convenient and personalized customer experiences to our customers. This is done using next-gen solutions built-by-us-for-us to reduce the time from ideation to implementation. This approach provides our clients with tools specifically built for their needs, and not retrofitted from other markets need.

Our goals for the past year have focused on further integrating digital and data into our core operating model by:

1. Creating user friendly digital options featuring 10-minutes or less solutions for several products and services we offer our clients digitally.
2. Using a data-driven approach to enable digital fulfilment of several banking products and services with a max of three (3) touches or less by our clients.

Objectives successfully completed this year included:
Digitized several customer journeys – including delivery of a new self-service Digital Client Onboarding & Deposit Account Opening solution for our Corporate Clients.

Adopted Artificial Intelligence (AI)/Machine Learning (ML) and implemented several Generative AI and ML models in our Digital Sales & Marketing solutions and our Digital Lending Apps.

Optimized and scaled our online and mobile banking platforms – Delivered several upgrades of our Online & Mobile Banking App to better meet customer expectations around easy account access, fast issue resolution and secure and efficient transaction execution.

Developed our talent, enhanced our technology and evolved our operating model – continued investment in upskilling our employees and acquiring expert talent in the digital and data space, upgrading our development tools and platforms and embedding and scaling Agile across our business.

CIBC Personal Online Banking & Mobile Banking Application
Strategic self-serve updates to our key digital banking solution

CIBC Caribbean's digital presence is enhanced by the simplicity, ease and functionality of our Online and Mobile Banking solution. Currently 72% of our clients use our online and mobile banking, an increase of 10% YOY. Today over 94% of client transactions are done electronically (increase of 2% YOY) with only 6% being done over the counter.

In examining how to continuously improve our Award-Winning application, we sought this year to expand the services available online to our clients to now include several activities previously only available to clients in-branch.

1. Self-Serve New Account Opening
This enhancement allows existing clients to open new chequing and savings accounts in less than 3 minutes, via Digital Banking thus eliminating the need to physically visit a branch.

2. Self-Serve Card Replacement
Clients that may have lost/stolen/damaged their credit card no longer need to visit the branch to complete forms to request a replacement card. They can request replacement cards via Online Banking/Mobile App and the new card is generated, printed and delivered or collected by the client.

3. Self-Serve Unscheduled Loan Payments
Clients can make additional, unscheduled payments to existing Personal loan facilities from Online Banking. Clients have the freedom to make up to one unscheduled payment each month, without needing to visit the branch. Payments are real-time and the client will see a reduction in their principal immediately.

4. Self-Serve Cross Border Payment Tracking
Clients can now track their international payments in real-time providing insight on payment status, payment location and certainty

on credit. Our Digital Banking solutions are now integrated via API to our SWIFT GPI (Global Payments Innovation) upgrade on our payments hub. Clients now have better oversight and monitoring of wire transactions at every stage of the transaction process - from start to finish. Clients can now check transfer statuses, receive updates and confirmation at completion of transfer. Clients are also notified when additional action is required of them in the instance of cancelled/ rejected wires. First FI in the Caribbean region to offer this capability.

5. Realtime Payments
Clients can send and receive payments in 3 minutes or less via Realtime Payments (RTP) transfers to several banks and credit unions. Clients receive notifications in real-time of the success/failure of the outgoing payments and notifications for all incoming payments.

How are our clients benefiting from Digital
Faster Access to Credit: Our clients have benefited from getting loans in not just record time, without hassle, but by having access to Credit 24/7 they have been able to fulfil their needs as they arise and at a time and location convenient to them.

Easier & Faster Onboarding for Corporate Clients: Our clients now have access to a modern best-in-class digital platform through which they can onboard themselves including a user-friendly UX, document upload, workflow, eSignature and Realtime status updates.

Client Experience: CIBC Caribbean has taken some of the most time-consuming activities and activities often requiring a Branch visit and digitized them, freeing up valuable time for our clients. In several instances we are also personalizing these interactions to fit our client's profile.

Self-Serve Options: By providing and promoting these channels/ features to transact efficiently online, we are providing clients with the power to manage their affairs themselves while still providing safety, security and any needed support.

Digital Sales & Marketing: Our investments in Data Science and in enhancing our Digital Sales & Marketing capability means we now send clients tailored personalized offers through our leveraging of GenAI models. Clients can now receive offers via their social media channels or emails and these offers are tailored to them.

Realtime Payments & Access to Payments Status: Clients are benefiting from access to faster cross border payments (via SWIFT GPI) and real-time domestic payments with RTP and immediate access to payments status information.

Bank Resources: With these updates and new services, our team members can focus more of their energy on serving those clients who may not want a digital solution and prefer an in-Branch interaction. Benefits to team members also include better work-life balance.

Care Centre Service: We are seeing a reduction in both traffic and wait-time experienced by clients calling our contact centre. Our team can therefore focus more time on each client interaction. We also help clients navigate the digital options, which then turn on their self-serve superpower.

Increased Locations: By adding ABMs to more locations, strategically deploying Dual Dispenser machines at key locations and then adding drop box options for Express Business Deposits we have made banking easier and our community larger.

How are we distinguishing ourselves in the region
Financial Inclusion & Community Outreach: focused on democratizing access to financial services, working with governments and NGOs to facilitate easier access to banking. Led efforts on financial literacy for young people, digital banking for the elderly, public awareness campaigns on issues like Fraud and Cybersecurity and supported several community hackathons, science fairs and exhibitions.

Best Banking App: Our Mobile Banking App is the highest rated of any Caribbean Bank in the App Stores: Apple - 4.8 and Android - 4.7.

Innovation: focused on building a culture around encouraging experimentation and innovation. This has led to achieving many firsts, e.g. first bank in our region to harness Generative AI for hyper-personalized digital marketing offers to clients and the only bank offering clients peer-to-peer transfers using email and telephone.

Digital Leadership: Act as thought leaders in several areas: Digital Identity, Payments, Cybersecurity and AI to support wider government led digitization efforts.

Talent Development - Support several University programmes in Digital, Data and Cyber (scholarships, funding research, internships) and we hire several new graduates annually.

Wealth Management

Our Wealth Management teams had solid results this year across the majority of the businesses. With the declining interest rates in the US expected to continue in the upcoming months, the private wealth business will play a key role in generating additional fee-based income to offset margin compression. We feel confident that our enhanced value proposition and the expanded geographical coverage with a new organizational structure will effectively support the bank's business growth in the region while managing costs and risks prudently.

PWM team exceeded revenue and operating profit plans in 2024 by 7.5% and 3% respectively (PWM - Private Banking, Discretionary Portfolio Management and Investment Advisory). In the Investment Advisory business, Assets under Administration/Management grew to $2.1 billion which were 26%/$421MM above 2024 plan.

The Fund Administration business has remained a critical pillar and continues to deliver high-value support to its fund administration clients. The client base has been expanded during the year by 20 new clients. Our trust companies in Bahamas and Cayman continue to demonstrate resilience in a challenging environment through disciplined financial management pursuing strategic growth initiatives and leveraging opportunities to offer tailored solutions through cross-selling to address a broader range of client financial needs.

Corporate Banking

Following the rebrand of the bank in early 2024, the name of our business segment was changed to Corporate Banking. This encompasses our Corporate, Investment Banking, International Corporate Banking and Forex & Derivative Sales service lines. Our team consists of 210 experienced professionals positioned across our regional footprint, offering a comprehensive suite of financial services tailored to meet the needs of our corporate and sovereign clients across the Caribbean. The Corporate Banking team is focused on delivering convenient and innovative corporate, credit and investment banking solutions, cash management, foreign exchange and derivatives services to support our clients.

Our team supports a wide range of industries, including energy and utilities, tourism and hospitality infrastructure, real estate and construction, manufacturing and distribution, healthcare and telecommunications. By providing tailored financial solutions such as financing, advisory services and trade finance, CIBC Caribbean helps businesses in these sectors achieve their goals and contribute to the region's economic growth.

The Caribbean has shown financial resilience in 2024 despite global economic uncertainties. The region experienced moderate economic growth, driven by tourism recovery, increased foreign direct investment and a focus on sustainable development. Inflation rates have stabilized and interest rates have been adjusted to support economic activity. However, challenges such as climate change and structural bottlenecks remain, necessitating continued investment in sustainable infrastructure and economic diversification. CIBC Caribbean's strategic initiatives align with these regional priorities, positioning the bank as a key player in fostering economic stability, building resiliency and driving growth in the Caribbean.

In fiscal 2024, we saw a notable increase in new corporate loan bookings to achieve a total of US$1.2 billion, driven by strong demand across various industries. However, overall portfolio growth remained flat and was adversely impacted by higher loan paydowns. This trend was primarily due to higher interest rates on US Dollar loans which led some of our more financially liquid clients to repay their loans earlier than anticipated to reduce borrowing costs. Despite these challenges, the bank continued to support its clients with tailored financial solutions, maintaining a robust pipeline of new business opportunities.

Our Investment Banking team was successful in arranging over US$1 billion across 20 transactions during the year, in multiple sectors ranging from hospitality to utilities to sovereign lending. The team was also instrumental in assisting our parent, CIBC, in its role as sole placement and structuring agent for an US$80 million notes issuance for Caribbean Utilities Company (CUC), the electric utility provider in Grand Cayman, representing the inaugural issuance of a green bond for CUC and for the Cayman Islands market. This transaction was awarded "Debt Deal of the Year – Caribbean" by Global Banking and Markets.

We continued to invest in innovative technology that enables us to provide banking products and services in a convenient and tailored way. We became the first commercial bank in the region to provide a Digital Client Onboarding solution for its non-personal customers. This positions CIBC Caribbean as an industry leader and allows us to re-engineer client onboarding, reduce paperwork and streamline account opening for corporate and business clients. We also introduced Salesforce Financial Services Cloud, a world-leading Customer Relationship Management (CRM) platform, to enhance our relationship management activities leading to better client experience.

Sustainable Finance remains a highly strategic focus for the bank as more emphasis is placed on financing solutions for sustainability initiatives in our region. To this end, we were delighted to announce in June 2024 a partnership between CIBC Caribbean and IDB Invest, the private sector finance arm of the Inter-American Development Bank. This Memorandum of Understanding creates a framework of cooperation between our two institutions and will focus on promoting renewable energy and energy efficiency; bolstering climate-resilient financing; the development of critical infrastructure projects in the region; supporting biodiversity and ecosystem services; and promoting areas of cooperation such as financial & advisory services and Public-Private Partnerships.

We continued to demonstrate our bank's commitment to building sustainability, supporting the region's energy transition and resilient infrastructural development through our participation in numerous regional conferences and forums. CIBC Caribbean was once again a sponsor of the Caribbean Renewable Energy Forum (CREF); title sponsor of the 8th Caribbean Infrastructure Forum (CARIF); and sponsor or participant in other investment promotion and energy-related events around the region. At CARIF, our team collaborated with colleagues from CIBC Capital Markets to host a workshop that provided insights into global trends in sustainable finance and carbon trading markets.

CIBC Caribbean also participated in and hosted various business forums in line with our strategic objective to support our clients. This included an event focused on the property and commercial insurance sector and the increase in cybersecurity threats. Regional insurance industry and cybersecurity experts addressed the latest trends and challenges in these areas and proposed best practices for risk mitigation and proactive strategies to mitigate against potential financial losses. This initiative underscores the bank's commitment to supporting our clients to navigate current and emerging risks and build more resilient businesses.

Caring for our Employees

Our Culture of Care has been at work in 2024. Our "The Culture of Care is You!" has set the tone for how we live the values to care for each other, our clients and our community to fulfil our purpose of making ambitions real.

We have heard and listened to what our employees have told us we have done well, the things we need to work on and the values they wish to live to deliver our strategy. Through working groups, our employees developed two pivotal statements that will define and solidify the concept of our Culture of Care: our Culture Statement and Employee Value Proposition (EVP). These statements state clearly who we are, and how we will work together as a team supporting our bank and community.

We have also been focused on the continuous development of our teams, increased engagement activities to support work-life balance, focused attention on the levers that influence the engagement of employees, inclusion and further simplification of our processes.

Transforming our Culture

- We have conducted Executive Reflection workshops at the Senior Leadership and Executive level to launch the Culture Statement, the revised values and competencies and consider how they can model this for the business.
- We are asking employees to volunteer to be Change Champions so they can help to foster this in every sphere of the Bank.
- We have launched various initiatives focused on expanding our

Our Employee Value Proposition

We are a Caribbean bank providing global solutions:
We are rooted in the Caribbean, with a goal to build our people, our communities and the wider region. We work together to help our clients realize their goals.

We connect people with a digital banking experience:
We don't just dream big, we lead in technology and innovation with a strong digital platform. We provide innovative best-in-class solutions with a Caribbean flair.

From our executives to our newest team members, we pride ourselves on a culture of strong communication and engagement across our footprint. With you in mind, we regularly evaluate and seek to improve our employee programmes, benefits and rewards. We take seriously our role as our clients' financial coach, yet we still know how to have fun.

Bring your energy and expertise and we'll provide the benefits, tools and like-minded personalities to bring dynamic visions to life.

#CaribbeanAtHeart **#WeAreWinning** **#CultureOfCare**

Our CIBC Caribbean Culture

Our Culture of care is you! Together, we are our Culture of Care! We live it every day through our values as we strive to develop and coach our employees to make their ambitions and those of our clients and the community a reality. We innovate, we collaborate and act with integrity to bring the best products and services to our clients, improve the way we work with each other and foster trust. We each pledge to take accountability and responsibility, so we all feel valued and supported.

Our focus is on safeguarding the sustainability of our bank for future generations, through delivering collective needs. Because this is our bank.

#WeAreWinning **#GivingGrace** **#CultureOfCareIsYou**

Agile methodology and Agile Centre of Excellence to promote employee understanding of Agile and its application in their everyday work activities.
- The Amazing Ideas programme was relaunched as Innovate-A-thon encouraging our team members to develop ideas that can assist in driving the company strategy.

Our Employee Wellness & Inclusion programs have continued to be a key focus in 2024
- We executed a Wellness fair "Your Wellness; our Action" which looked at all aspects of health and wellness and provided an overview of the health insurance programme.
- The Zest Wellness programme was also re-launched through a wellness day including hybrid educational seminars which addressed menopause, occupational safety, self-care, mental wellness and our health insurance scheme.
- We also created interactive sessions to drive ownership and participation in personal wellness transformation, managing stress and work life integration.

Employee Experience, Inclusion and Recognition
- For Employee Appreciation Week, which is an annual event to celebrate our employees, we recorded a 35% increase in the number of activities and overall participation. Our informal post-episodic survey recorded an NPS of 85% which was an increase of over 20% in 2023.
- Our ten Annual CEO Awardees were hosted in Barbados for a few days of engagement culminating in the awards ceremony. We simultaneously launched the Radiate Your Excellence programme which seeks to motivate and inspire potential awardees to continue to thrive for success.
- We continue to place an emphasis on proactive communication through CEO'S weekly blog, a monthly CHRO communication and regular enterprise-wide and targeted communications from the other members of EXCO and selected members of the Senior Leadership Team, in addition to regular townhalls and team meetings with leadership focused on two-way communications, and our Let's Chat series

Employee Attraction and Development
- We launched a new Chief Commercial Office Programme through our Talent & Development programme which was an 18-month rotation geared towards attracting and developing talent for our Corporate Banking and Personal & Business Banking critical roles.
- The CIBC Caribbean Career Development Expo entered its fourth year as our flagship talent development event, under the theme "Be Bold: Ownership for Action" for 2024.
- We continued the development of our leaders through various development activities such as the Manager Learning Moments curriculum to develop our leaders, a Courageous Leadership series for our Senior Leaders as well as 360-degree Assessment Reviews to aid development of leadership competencies.
- We continued our Summer Internship Programme to University Students affording 73 of them the opportunity to get hands on experience in their areas of interest for a period of three months.

Simplification
- We implemented several behind-the-scenes enhancements to our Human Resources Information System to improve functionality, efficiency, and user experience. These updates focused on streamlining processes, increasing system reliability, and enabling more robust data reporting and analysis.

As the "Coach that Cares" our focus will be concentrated on our people strategy where we continue to transform our agile centres of excellence through the simplification of our processes, continual opportunities for our employees to innovate and create, coupled with ongoing recognition and appreciation of our teams.

Environmental, Social and Governance

CIBC Caribbean is dedicated to maintaining strong environmental standards, conducting our activities in an environmentally and socially responsible manner, and contributing to long-term value for our clients, employees, communities and our shareholders. We are activating our resources to create positive change, contributing to a more secure, equitable and sustainable future

As a testament, we have been and continue to be at the forefront of financing sustainability. To date, we have co-arranged and invested in transactions totaling over US$822 million, comprising US$676 million in wind and solar projects across the region and US$146 million in debt for nature financing towards marine conservation. Our parent, CIBC, has been a signatory on the UN Principles for Responsible Investment since 2018 and is a founding signatory on the 2050 Net Zero Banking Alliance.

In 2024, we advanced partnerships to accelerate climate resiliency. We signed a memorandum of understanding with IDB Invest to collaborate on advancing sustainable development in the Caribbean and presented on the topic of building climate resilience at their biannual Sustainability Week conference.

We remained actively engaged in supporting a number of causes across our business footprint through our charitable arm, the ComTrust Foundation. This support ranged from formal activities through Memoranda of Understanding (MOUs) to employee volunteering activities through the Adopt-a-Cause programme.

From a governance perspective, our Board has overarching responsibility for our Environmental, Social and Governance (ESG) strategic direction, and our Executive Committee is accountable for executing ESG strategy. We have an ESG Council, comprised of Subject Matter Experts from the Senior Leadership Team who support executive management by specifying and revising ESG strategic initiatives and assessing them according to their areas of expertise. We have strengthened our ongoing process of integrating ESG considerations into our Credit Risk, Enterprise Risk Management and our Board Risk Committee frameworks – all within the ambit of our regulators.

A rebranded and refreshed CIBC Caribbean remained deeply engaged with the communities where the bank is located over the past year.

Through its charitable arm the FirstCaribbean ComTrust Foundation, the bank once again committed around USD one million to support various charities, educational institutions and social and community-based organisations and offer disaster relief across its eleven-member regional footprint and beyond.

Funds were equally allocated with roughly 50% being allocated to regional projects and disaster relief and the other half to County Management teams to support outreach activities in each territory.

In August, Hurricane Beryl roared through the region causing considerable damage in Jamaica and the coastal and fishing infrastructure of Barbados. The hurricane also caused severe destruction in Grenada and St Vincent and the Grenadines. CIBC Caribbean provided disaster relief funding to all of the affected islands. Even though the bank no longer operates in Grenada or St Vincent and the Grenadines, they remain part of our Caribbean family.

The bank renewed its commitment to the region's youth with the signing of another three-year Memorandum of Understanding with the Latin American and Caribbean Alliance of YMCAs to support youth development activities and continued support for the University of the West Indies, The King's Trust (formerly The Prince's Trust), Youth Business Caribbean, Healthy Caribbean Coalition, Barbados Family Planning Association and Hands Across the Sea.

Please see our ESG Performance Highlights on page 13 for a more detailed account of our ESG activity over the past year.

Financial Highlights

US $ millions, except per share amounts, as at or for the year ended October 31		2024*	2023*	2022	2021	2020
Common share information						
Per share (US cents)	- basic and diluted earnings/(loss)	17.2	16.7	11.0	7.7	(10.1)
	- adjusted basic and diluted earnings	17.7	16.6	11.6	8.6	1.0
	- regular dividends paid	5.0	4.8	4.0	1.0	5.0
	- special dividend paid	-	-	-	-	3.2
Share price (US cents)	- closing	105	99	79	90	100
Shares outstanding (thousands)	- end of the period	1,577,095	1,577,095	1,577,095	1,577,095	1,577,095
Market capitalisation		1,659	1,556	1,240	1,419	1,577
Value measures **						
Dividend yield (dividends per share/share price)		4.8%	4.8%	5.1%	1.1%	5.0%
Dividend payout ratio (dividends/net income)		28.4%	27.7%	35.8%	12.5%	n/m
Adjusted dividend payout ratio (dividends/adjusted net income)		27.7%	28.1%	33.7%	11.3%	492.8%
Financial results						
Total revenue		747	715	577	543	548
Credit loss expense on financial assets		3	11	10	17	150
Impairment of intangible assets		-	-	-	-	175
Operating expenses		442	415	378	385	371
Net income/(loss) for the year		278	270	176	126	(159)
Adjusted net income for the year (1) (2) (3) (4) (5)		285	267	187	140	16
Financial measures						
Efficiency ratio (operating expenses/total revenue)		59.2%	58.0%	65.5%	70.9%	67.7%
Return on equity (net income/average equity)		18.6%	21.5%	15.2%	11.7%	-14.0%
Adjusted return on equity (adjusted net income/average equity)		19.1%	21.3%	16.2%	13.0%	1.4%
Net interest margin (net interest income/average total assets)		4.2%	4.0%	2.9%	2.9%	3.2%
Statement of Financial Position Information						
Loans and advances to customers		6,963	6,633	6,650	6,501	6,374
Total assets		13,309	12,521	13,131	12,856	12,179
Deposits & other borrowed funds		11,286	10,533	11,429	11,059	10,844
Debt issued		-	27	27	27	76
Total equity		1,632	1,353	1,159	1,151	1,009
Statement of Financial Position quality measures						
Common equity to risk weighted assets		18.5%	16.9%	14.5%	13.9%	12.9%
Risk weighted assets		8,824	7,998	8,001	8,254	7,836
Tier I capital ratio		17.8%	17.2%	14.8%	13.0%	12.3%
Tier I and II capital ratio		20.0%	18.9%	16.4%	15.7%	14.5%
Other information						
Full time equivalent employees (#)		2,688	2,598	2,654	2,796	2,982

* Financial highlights for the years October 31, 2024, October 31, 2023 and October 31, 2022 represent continuing operations (due to the Held for Sale Classification) where relevant

** - excludes special dividends

Adjusted net income excludes:

(1) 2024 - net expenses related to the announced divestitures of $7.7million

(2) 2023 - net gains related to the announced divestitures of $3 million

(3) 2022 - provisions related to the announced divestitures of $11million

(4) 2021 - restructuring charge of $10 million, provisions related to the announced divestitures of $5 million and income tax credit of $1 million

(5) 2020 - Goodwill impairment $175 million

2024 ESG performance highlights

Environmental

- To date, arranged or participated in bilateral and syndicated financing transactions totaling US$676 million in Renewable Energy. Our committed and drawn financing stands at US$197 million contributing to an estimated installed capacity of 213 MW.
- Financed 94 Renewable Energy loans totaling US$2 million, to date, for residential and small commercial rooftop solar PV installations.
- Funded 241 Electric Vehicles for a total value of US$7.5 million and 123 Hybrid Vehicles funded for a total value of US$4.1 million.
- Continued delivering on paper reductions through elimination of paper statements/use of paper within the organization
- Presented at the launch of Jamaica's Green, Social and Sustainability-Linked (GSS+) Bond Guide, the first sustainable financing guide in the English-speaking Caribbean
- In May 2024, CIBC Caribbean and IDB Invest signed a Memorandum of Understanding to develop areas of cooperation on sustainability development initiatives for the Caribbean region.
- Hosted and participated in numerous events to advance the renewable energy adoption, sustainability and sustainable infrastructure, notably the Caribbean Renewable Energy Forum (CREF) 2024 and the Caribbean Infrastructure Forum (CARIF) 2024
- Organized and led business forum and webinar for corporate banking clients on Navigating Insurance Market Risks and Cybersecurity Threats in the Caribbean
- Continued to play a critical role in regional capacity-building, delivering training for the Climate Finance Access Network (CFAN) cohort of advisors and joining the IDB Invest Sustainability Week in Manuas, Brazil to present on Building Climate Resilience within the financial services sector of the Caribbean

Social

- Contributed US$2.7 million to the community ComTrust Foundation causes including the University of the West Indies (UWI), SickKids and to the disaster relief efforts in St. Vincent, Grenada and Jamaica and to assisting affected fisherfolk in Barbados after the passage of Hurricane Beryl
- Hosted or sponsored events to advance diversity and inclusion, among them, a deaf awareness workshop for customer facing teams and an introduction to sign language course
- Introduced Wellness in Action programme focused on creating initiatives to support our team members in supporting and managing their overall wellness
- Re-launched the Adopt-a-Cause employee volunteer programme, aligning it with the United Nations Sustainable Development Goals
- Continued sponsorship of the regional Walk for the Cure cancer drive, the largest, regional fundraiser devoted to combat cancer in the communities we serve

Governance

- Maintained best in class governance practices cooperating with our regulators as they develop ESG related regulatory requirements
- Participated in regional workshops on integrating climate-related financial risks
- Augmented our risk management team with specific climate and environmental risk expertise and our strategy team with ESG expertise
- Enhanced ESG disclosure with the publication of our first annual ESG report

We have partnered with a number of organizations as part of our social mandate under the ESG agenda

King's Trust (formerly the Prince's Trust) – Provided Team Programme Funding of USD 100,000 to assist with the employability programmes in Barbados and Jamaica.

SickKids Caribbean Initiative – The MOU came to an end this fiscal with the final disbursement of the 5-year USD 1 million commitment. 41 Nurses trained, five pediatricians trained, seven telemedicine facilities completed, 699 case consultations, 567 specialised diagnostic tests completed, 131,640 Newborn Sickel Cell Disease Screening tests conducted, 917 patients registered in local oncology databases. Seven local data managers hired, and seven custom-built local databases established and maintained in SCI partner hospitals.

YMCA - CIBC Caribbean and the YMCA signed a new three-year MOU for a total of USD 60,000 to support youth after school programmes in Barbados, Grand Bahama, Cayman Islands, Jamaica and Trinidad and Tobago. The programmes will foster Academic Enrichment and 21st Century Skills, Character Development and Culture of Peace, Promoting Health and Well-being, Family Strengthening and Parental Engagement, Promoting Positive Role Models and Community Service.

Barbados Youth Business Trust – The BYBT received USD 100,000 for business development grants and training programmes. They supported 147 beneficiaries – 74 per cent female and 26 per cent male. Five secondary schools participated in entrepreneurship programmes. The GEW Programme hosted 103 participants over 14 events.

Hands Across the Sea - Hands Across the Sea received USD 34,000 to provide help to special education projects and to construct or refurbish libraries in nine schools across three countries: St Lucia, St. Kitts and Nevis and Antigua and Barbuda.

Barbados Family Planning Association – The BFPA received USD 25,000 for year three of a five-year commitment to support its work.

University of the West Indies – The bank is in the process of renewing another three-year MOU with the UWI after the previous one expired this year. The bank remains the largest doner of undergraduate scholarships (15 scholarships worth USD 2,500 each), as well as post graduate scholarships and graduate research funding. A new scholarship for business students in the name of former CEO, Colette Delaney, was awarded to three students. Provided support for the distinguished International Women's Day lecture and night market.

Walk for the Cure – This event remains solidly the region's largest cancer care and fundraising activity drawing thousands of walkers and runners to streets across the bank's eleven-member regional footprint for the 13th edition. Through sponsorship as well as numerous fundraising activities organized by staff volunteers, we have moved the regional tally to over USD 5.3 million raised over the years of the walk.

Message from the Chair of the Board

"Our Bank has delivered on its strategy of transforming itself into the region's premier multi-channel financial services institution"

Brian McDonough Chair of the Board

Fiscal year 2024 has seen significant achievements in the transformation of our bank for the future. In addition to major progress in our continuing journey towards becoming a modern relationship bank, we have completed our geographic transformation, with the divestment of our businesses in the Dutch Caribbean.

We are excited to have completed the re-branding of our bank to CIBC Caribbean, that more closely aligns us with our parent CIBC and our ongoing work to building a culture of servicing our clients within a strong risk framework.

Your Board has observed with satisfaction the work that Mark St. Hill, our CEO, and his team have done towards creating an improved bank for the future. I had the privilege of attending the re-branding ceremony at the headquarters in Barbados, and I was encouraged by the enthusiastic support of the CIBC Caribbean team for management's strategy and plans for the future.

The global economy remained buoyant in the first nine months of 2024 in the face of broadening geopolitical and geoeconomic tensions, and the potential for increased trade fragmentation among some of the larger economies, all of which may have a trickle down effect on Caribbean economies.

Economic growth in the Caribbean moderated in the first half of 2024, and while the uncertainty around the overall outlook has increased, the International Monetary Fund (IMF) projects that global economic growth will stabilise at 3.2% over the next year.

The improved economic output spawned improved public debt positions in the Caribbean, relative to peaks in the aftermath of the pandemic. Public debt-to-GDP ratios either fell below pre-pandemic levels or are expected to do so by the end of 2024 in most markets. After riding the wave of recovery from the pandemic, economic activity in the Caribbean is projected to grow more moderately in 2025, with regional inflation projected to continue to soften. However, potential threats to the global economy raise more uncertainty in the overall regional economic outlook.

We will continue to ensure our bank maintains a strong financial position to ensure we are able to respond to economic headwinds and take advantage of any opportunities that may arise.

Consideration of Environmental, Social and Governance (ESG) factors is a means of ensuring long-term value. As a result, ESG continues to be a heightened area of investment for our bank. The

Board supports the enhanced governance structures management has put in place to further operationalize the bank's ESG strategy and manage the risks associated with ESG considerations.

The Caribbean continues to grapple with elevated environmental and climate risks. These risks manifest as progressively severe, frequent hurricanes, chronic periods of drought and challenges accessing climate finance. The bank took steps to mitigate the financial risk transmitted by both: physical risks i.e. the risk of damage to the built environment, infrastructure and supply chains and transition risks, for example the risk related to the move to a low-carbon economy.

We are also pleased that our bank, as one of the region's largest financial services institutions, continues to capture opportunities to finance resilience across our regional footprint, advancing both adaptation and mitigation. As the alignment of ESG strategy with commercial strategic goals continues, I look forward to resulting growth.

The Board is pleased with the continued strong financial performance this year. CIBC Caribbean achieved an adjusted net income of $285.2 million representing an increase over the previous year's, adjusted net income of $267.0 million.

The Bank's Tier 1 and Total Capital ratios remain strong at 17.8% and 20.0%, in excess of applicable regulatory requirements. We remain committed to maintaining a strong capital position.

There have been some changes to the composition of the Board during the year. The Board of Directors of CIBC Caribbean Bank Limited wishes to express gratitude to Mr. Alasdair Robertson who resigned effective October 31, 2024 and Mr. Achilles Perry whose resignation became effective November 1, 2024.

Mr. Michael Capatides joins the Board effective November 1, 2024. Michael retired as Vice-Chair, CIBC Bank USA in 2023, after nearly 30 years at CIBC. He held multiple senior positions as a member of CIBC's Executive Committee, including Senior Executive Vice-President & Group Head, CIBC U.S. Region, and Senior Executive Vice-President, Chief Administrative Officer & General Counsel, Administration. We welcome Michael to the Board.

On behalf of the Board, I wish to commend Mark St. Hill, our CEO, and the Executive Committee team for their expert management of the company over the fiscal, and for their efforts to cement in the bank the type of company culture that demonstrates caring for all stakeholders. Equally, I wish to extend congratulations to all levels of management, and all of our employees who once again displayed the level of commitment, teamwork and dedication that is needed for the ongoing success of the bank.

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Brian McDonough
Chair of the Board

Message from the Chief Executive Officer

"Culture of Care embodies who we are, how we engage with our clients, how we treat each other and how we behave as corporate citizens."

Mark St. Hill Chief Executive Officer

2024 marked the completion of a significant transformation program which involved the rationalization and consolidation of business lines and markets along with large investments in our technology platforms to enhance client experience and improve operational effectiveness. This culminated in our rebrand to CIBC Caribbean, and although we now operate across a smaller geographical footprint, we are a bigger bank with the largest loan portfolio and highest number of customers in our history.

For the year ended October 31, 2024, the bank reported net income of $277.5 million, up $7.6 million or 3% from prior year's reported net income of $269.9 million. Adjusted net income was $285.2 million, after excluding net expenses of $7.7 million related to the previously announced divestitures, compared with adjusted net income[1] of $267.0 million at the end of 2023.

Overall, this year's record financial performance has been positively impacted by solid performing loan growth, higher US interest margins and a favourable provision for credit losses. Revenue performed well year-over-year as loan originations increased, and we benefited from a sustained uplift in other income. However, US interest rates are anticipated to fall in 2025 and may impact our revenue momentum; but could also promote increased credit demand in the market.

We experienced higher operating expenses due to higher employee-related costs, spend on strategic investments, activity-based costs and other costs associated with protecting the bank in a highly regulated environment. The provision for credit losses was significantly down from the prior year mainly due to a non-recurring account recovery in The Bahamas. Our credit quality remains strong.

Economic growth in the Caribbean advanced at a moderate pace in 2024, as output in most markets already completed their recovery cycles following the COVID-19 pandemic. Tourism remains the primary engine of expansion, while robust construction activity also continues to buttress growth. Additionally, regional inflation continues to soften. The regional outlook remains stable, but potential threats to the global economy like commodity price shocks and/or slower global growth could negatively impact prospects.

The Board of Directors approved a quarterly dividend of $0.0125 per share, bringing the total dividend to $0.05 per share for the year demonstrating the Bank's strong financial position and commitment to shareholder return. The dividend will be paid on January 17, 2025, to shareholders of record on December 27, 2024. The Bank's Tier 1 and Total Capital ratios remain strong at 17.8.% and 20.0%, respectively, in excess of applicable regulatory requirements

Our strategy focuses on deepening client relationships, enhancing our digital banking offerings, simplifying operations and investing in our people is the foundation on which these results were built.

Client Relationships

Our mantra of putting the client at the centre of everything we do drives our unwavering commitment to client service. This year we refreshed our value proposition to our Platinum clients to deliver upgraded service. Relationship Managers received training on eligibility criteria, modernized service elements and client engagement tools, including data analytics-based reporting for tailoring solutions for clients.

The Client Resolution Centre – a self-service online portal that allows clients to lodge complaints or compliments and have these addressed through a structured process with executive oversight continues to perform well. We welcome the increased feedback from our clients, as we maintain a 10-day resolution rate of 96%.

We have made no secret of our intent to grow our business in Jamaica, the largest English-speaking market in the Caribbean. I am pleased to report that Jamaica accounted for 30% of the new clients the bank added this year.

With the integration of Environmental, Social and Governance (ESG) into our core strategy sustainable lending is top on our agenda. That's why in May this year, we signed an MOU with IDB Invest signaling a significant step toward collaborative efforts in advancing sustainable development across the Caribbean region. This partnership also aims to bolster climate-resilience.

Modern Everyday Banking

The LoanStore – our automated platform that allows borrowers to complete an online loan applications, and once approved receive the funds in less than ten minutes – performed very well with loans disbursed increasing by almost 35%.

We continue to make enhancements to our internet and mobile banking platforms. With Corporate Online, among other user experience upgrades, clients can now make payments to multiple credit cards at once via a single file upload.

Simplification

Artificial Intelligence (AI) and Advanced Automation (AA) have achieved widespread use in business today. Our bank is also on the journey. To improve efficiency and effectiveness, we continue to automate mundane processes with repetitive tasks prone to manual errors. Our Digital Client Onboarding application is fully end-to-end digital in markets where regulations allow. Applicants perform identity verification online and no visit to the branch is required.

People

Our bank would not be what it is today without the investments we have made in our people. This year, not only did we continue the leadership development programmes, we also advanced the rollout of our Culture of Care. Culture of Care embodies who we are, how we engage with our clients, how we treat each other and how we behave as corporate citizens.

I wish to sincerely thank all our clients, employees, shareholders and directors for their continued support in making our Bank the best franchise in the Caribbean.

Mark St. Hill
Chief Executive Officer

[1]Prior year reported net income was adjusted for net gains from divestitures of $2.9 million

The Board of Directors

Seated: Mark St. Hill (CEO), and Brian McDonough (Chair). Back Row: left to right: Paula Rajkumarsingh, Brian Clarke (General Counsel and Group Corporate Secretary), Willem (Pim) van der Burg, Wayne Lee, John Silverthorn, Alasdair Roberston and Christopher de Caires. Missing is Craig Tony Gomez.

BRIAN McDONOUGH, Chair of the Board Canada Non-Independent

Brian McDonough retired from the Canadian Imperial Bank of Commerce (CIBC) in May of 2019.

Brian was previously the Executive Vice-President, CRO Global Credit Risk Management, at the Bank's parent company, CIBC. He led CIBC's Corporate and Commercial Adjudication globally and was responsible for assessment, adjudication and monitoring of credit risk in Wholesale Banking and Commercial Banking for CIBC.

Brian joined CIBC in 1983, has held various senior positions in Risk Management, and was appointed to the position of Executive Vice-President, Wholesale Credit and Investment Risk Management in July 2008.

He is a graduate of McGill University, University of Alberta and University of Toronto.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2013	4/4	0/1*
Board Committee Memberships		
Committee memberships		
• Audit Committee	4/4	0/0
• Risk Committee - Chair	4/4	0/4

Interlocking/Other Current Directorships	Former Directorships
None	None

* Directors residing in Canada cannot participate in meetings from Canada and could not arrange to attend in person due to short notice given for the interim meetings.

CHRISTOPHER DE CAIRES, Barbados Lead Independent Director

Chris de Caires is the Chair and Managing Director of Fednav International Ltd, an international shipping company.

Chris was previously senior vice president of the Interamericana Trading Corporation, a partner of PricewaterhouseCoopers and finance manager of The Barbados Light & Power Company Ltd. He has also served as a director of Sagicor Financial Corporation, Banks Holdings Ltd., Trinidad Cement Ltd. and Scotia Insurance (Barbados) Ltd.

Chris has served as chair of several Government owned corporations, including the Barbados Tourism Investment Inc., World Cup Barbados Inc. and the Caribbean Broadcasting Corporation. He was Chair of the Barbados Private Sector Association, the National Initiative of Service Excellence, the Barbados Entrepreneurship Foundation and was president of the Institute of Chartered Accountants in Barbados.

He holds a Masters degree in business administration from the Henley Management College and qualified as a Chartered Accountant with the Institute of Chartered Accountants in England and Wales.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2018	4/4	1/1
Board Committee Memberships		
Committee memberships		
• Audit Committee	4/4	0/0
• Compensation Committee	4/4	1/1
• Nominating and Corporate Governance Committee	4/4	0/0
• Risk Committee	4/4	3/4

Interlocking/Other Current Directorships	Former Directorships
Fednav Ltd. and subsidiaries	Banks Holdings Limited Barbados Entrepreneurship Foundation Barbados Private Sector Association – Chair Barbados Tourism Investment Inc. – Chair Caribbean Broadcasting Corporation Fednav subsidiaries ICC Cricket World Cup – local organizing committee – Chair Sagicor Financial Corporation Scotia Insurance (Barbados) Ltd. Trinidad Cement Limited

CRAIG GOMEZ, The Bahamas Independent

Craig A. (Tony) Gomez is the Managing Partner of Baker Tilly, Chartered Accountants, Nassau, Bahamas.

Craig is responsible for the firm's overall practice and the management of its day-to-day operations. The firm provides audit, accounting, consulting, corporate restructuring (liquidations and receiverships) and other professional services to a broad range of clients in The Bahamas and internationally. The firm is an independent member of Baker Tilly International.

Craig is a graduate of Minnesota State University at Mankato, Minnesota, where he earned a Bachelor of Science degree in Accounting and subsequently qualified as a Certified Public Accountant in the state of Minnesota, U.S.A. He began his career as a staff accountant with PriceWaterhouseCoopers, Minneapolis, Minnesota, USA, prior to returning to The Bahamas.

He is a member of the Bahamas Institute of Chartered Accountants (BICA); a member of the American Institute of Certified Public Accountants (AICPA) and a member of Insol International. He is Chair of Bahamas Central Securities Depository; a director with Minnesota State University Foundation, Minnesota, USA and Chair of its Audit Committee. Craig is also the former President of Bahamas Red Cross Society; former Deputy Chair of Bank of The Bahamas Limited and former Chair of The Bahamas Financial Services Board (BFSB).

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2018	4/4	1/1
Board Committee Memberships		
Committee memberships		
• Audit Committee	4/4	0/0
• Compensation Committee	4/4	1/1
• Nominating and Corporate Governance Committee	4/4	0/0
• Risk Committee	4/4	3/4

Interlocking/Other Current Directorships	Former Directorships
Bahamas Central Securities Depository - Chair	Bahamas Financial Services Board (BFSB) - Chair
CIBC Caribbean Bank (Bahamas) Limited	Bank of Bahamas - Deputy Chairman
CIBC Caribbean Trust Company (Bahamas) Limited	
Minnesota State University	
Foundation - Audit Committee Chair	

WAYNE LEE, United Kingdom Non-Independent

Wayne Lee is Managing Director and Head, Europe & Asia Pacific Region, CIBC Capital Markets.

Wayne 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.

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

Wayne is a member of CIBC Capital Markets Executive Committee. In addition, Wayne serves as a Director of CIBC Caribbean Bank Limited., Wayne is very active in the business community having been elected President of the Canada-UK Chamber of Commerce, he also serves as an elected Council Member of the London Chamber of Commerce and Industry, and member of the Governors' Council of the Canadian Chamber of Commerce in Hong Kong. Wayne is passionate about education, gender equality and inclusion within the finance industry and he currently serves as Director on the Global Board of 100 Women in Finance, and as a member of the McGill University UK and Europe Regional Advisory Board.

Wayne received a Bachelor of Commerce degree from the McGill University (Montreal) 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.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2021	4/4	1/1
Current Board Committee Memberships		
• Audit Committee	4/4	0/0
• Risk Committee	4/4	2/4

Interlocking/Other Current Directorships	Former Directorships
100 Women in Finance Global Association	CIBC World Markets Inc.
100 Women in Finance – Hong Kong Foundation Limited	Canadian Chamber of Commerce in Hong Kong
100 Women in Finance – Singapore Ltd.	CIBC World Markets Limited (formerly CIBC World Markets PLC)
Canada-United Kingdom Chamber of Commerce	CIBC Finance Luxembourg S.à r.l.
Canadian Eastern Finance Limited	
Casuarina Investments Limited	
CIBC Australia Holdings Ltd	
CIBC Australia Ltd	
CIBC Capital Markets (Europe) S.A.	
CIBC World Markets (Japan) Inc.	
CIBC World Markets Advisory (Beijing) Ltd	
CEF Holdings Limited and related entities	
Goodfortune Corporation	
Major Results Corporation	
McGill University Regional (Europe and Asia) Advisory Board	

ACHILLES PERRY, United States Non-Independent

Achilles Perry is Vice President, General Counsel of CIBC Capital Markets (US, Europe & APAC).

Achilles Perry joined CIBC in 2003 as a lawyer in the New York office, supporting CIBC Capital Markets. In 2007 he became the head of CIBC's US Legal team and, over the span of his career at the Bank, he has handled CIBC's major US legal matters, including mergers & acquisitions, business expansions and divestments, litigation and regulatory matters. He is currently the General Counsel of CIBC Capital Markets for the USA, Europe and APAC, as well as the General Manager of CIBC's New York Branch.

Achilles attended Brandeis University for his undergraduate education and obtained his law degree at the Fordham University School of Law, where he is a member of the Board of Directors of the Alumni Association. He is also a director of Only Make Believe, a not-for-profit that transforms the lives of disabled children through the power of interactive theatre.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2021	3/4[1]	0/1
Current Board Committee Memberships		
• Compensation Committee	3/4	0/1
• Nominating and Corporate Governance Committee	3/4	0/0

Interlocking/Other Current Directorships	Former Directorships
Only Make Believe Fordham University School of Law Alumni Association	None

[1] Achilles resigned from the board effective November 1, 2024.

PAULA RAJKUMARSINGH, Trinidad & Tobago Independent

Paula Rajkumarsingh is a Management Consultant. Paula is a business executive with over 20 years of experience at the executive level.

Paula was an executive director and the Group CFO for Massy Holdings Ltd. and its subsidiaries for over 12 years. She currently serves as a non-executive director on several boards including CIBC Caribbean Bank (Trinidad and Tobago) Ltd, CG United Insurance (Regional) Ltd , CG United Insurance T&T Ltd., St Joseph Convent Cluny Board of Management as well as two other boards with regional businesses namely WeldFab Limited and Amaranth Business Solutions Ltd. She previously served on several boards in the region including the publicly listed parent company of the Massy Group of companies and several of its main subsidiaries.

She also served on the Trinidad and Tobago Chamber of Commerce, National Productivity Council, International Women Forum (T&T Chapter), the Financial Council of the Archdiocese of Trinidad and Tobago, Development Finance Corporation and the Sugar Manufacturing Company as well as a private Equity Fund. She has extensive business experience in the areas of strategic financial management, performance management, enterprise risk management, and mergers & acquisitions.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2008	4/4	1/1
Board Committee Memberships		
Committee memberships June - December		
• Audit Committee	4/4	0/0
• Compensation Committee	4/4	1/1
• Nominating and Corporate Governance Committee	4/4	0/0
• Risk Committee	4/4	4/4

Interlocking/Other Current Directorships	Former Directorships
CIBC Caribbean Bank (Trinidad and Tobago) Limited	Massy Holdings Ltd.
Amaranth Business Solutions Ltd.	DevCap- A private Equity Fund
St. Joseph Convent Cluny Schools Board of Management	Financial Council of the Roman Catholic Church of Trinidad and Tobago
Weldfab Limited	National Productivity Council
CG United Insurance T&T Ltd.	Sugar Manufacturing Company
CG United Insurance (Regional) Ltd.	Trinidad & Tobago Chamber of Industry and Commerce
	International Women Forum (T&T Chapter)

ALASDAIR ROBERTSON, Cayman Islands Independent

Alasdair Robertson is a retired Global Managing Partner of Maples and Calder.

Alasdair served as the Global Managing Partner of Maples and Calder from 2015 to 2019, and as Chairman and Director of Maples FS Limited, a leading specialised fiduciary and fund services provider, during the same period. He was also a member of the Global Management Committee from 2011 to 2019.

His legal practice focused on corporate finance, structured investment funds, funds finance and regulation. He retired from Maples in December 2020. He joined Maples and Calder in Hong Kong in 1999, before moving to the Cayman Islands office in 2001. He was elected as partner in 2004. He previously worked for Clifford Chance in London and Hong Kong. Alasdair was recommended by the PLC Which Lawyer, IFLR1000, Chambers Global and Legal 500.

Alasdair has served as President of the Cayman Islands Law Society and was elected to the council of the Cayman Islands Legal Practitioners Association, following the merger of the Caymanian Bar Association and the Cayman Islands Law Society. He is also secretary of the Financial Services Legislative Committee in the Cayman Islands. Alasdair graduated from Edinburgh University, Scotland LLB with honours and obtained a distinction at the College of Law in the Legal Practice course. He attended school at Strathallan School, Perthshire. He is admitted as a solicitor in England and Wales, as a solicitor in Scotland, as a solicitor in Hong Kong, as a solicitor in Ireland and as an attorney-at-law in the Cayman Islands.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2023	2/4[1]	0/1
Board Committee Memberships		
Committee memberships June - December		
• Audit Committee	1/4	0/0
• Compensation Committee	1/4	0/1
• Nominating and Corporate Governance Committee	1/4	0/0
• Risk Committee	1/4	2/4

Interlocking/Other Current Directorships

Aicla Cayman Ltd.
Aicla (Cayman) 2 Ltd.
Aicla (Cayman) 3 Ltd.
Aicla Holdings Ltd.
Aicla Securities Ltd.
Bemin (101) Limited
Bemin (102) Limited
BlueSeas Trust Company Ltd.
Blue Jay Holdings Ltd.
Brunneria Limited
Cannwood Properties Limited
Cara (Cayman) PTC Limited
CIBC Caribbean Bank (Cayman) Limited
CIBC Caribbean Bank and Trust Company (Cayman) Limited

Former Directorships

Cayman Junior Rugby Development Limited
EastWest Trust Company Ltd.
Edinbur Holdings Ltd.
General Oriental Realisation Limited
Keepers Estates Ltd. (In liquidation)
Malback Investments Ltd.
Ormeley Holdings Limited
Reda Holdings Limited
Verton Holdings Limited
Verton A Limited
Verton B Limited
Verton J Limited
Verton Z Limited
Reda A Limited
Reda B Limited
Reda C Limited
Reda D Limited
Reda K Limited
Reda Z Limited

[1] Alasdair resigned from the CIBC Caribbean boards effective October 31, 2024.

JOHN SILVERTHORN, Canada Non-Independent

John Silverthorn is former Senior Vice President, HR Advisory Services & Talent Development at CIBC.

John, in this capacity had responsibility for leading HR Business Leader support across CIBC's Strategic Business Units and Functional Groups as well as Employee and Labour Relations, and Training Development across CIBC. John also led CIBC's Return to Office work efforts through the pandemic. John was previously Senior Vice President, Human Resources for CIBC Talent Management and prior to that, Senior Vice President, HR, Retail Markets.

He retired from CIBC on November 1st, 2022. Prior to joining CIBC in September 2006, John spent over 20 years with IBM, where he held a variety of senior Human Resource leadership positions in both Canada and the United States, and across IBM's services, consulting and sales organizations.

John has a Masters in Business Administration from York University. He served as a government appointed Trustee of the McMichael Canadian Art Collection and Chair of the HR Committee from 2011 to 2019, and as a Board Director and Chair of the HR Committee for CIBC Mellon since September 2022.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2023	4/4	1/1
Board Committee Memberships		
Committee memberships • Compensation Committee	4/4	1/1

Interlocking/Other Current Directorships	Former Directorships
CIBC Mellon Honey Harbour Boat Club	McMichael Board of Trustees

MARK ST. HILL, Barbados Non-Independent

Mark St. Hill was appointed Chief Executive Officer of CIBC Caribbean with effect from November 1, 2022.

Prior to this, Mark was appointed Managing Director, Retail & Business Banking in May 2013 where he had responsibility for the development and growth of CIBC Caribbean's Retail & Business Banking operations including the Bank's cards issuing business.

Previous to his appointment as Managing Director, Retail & Business Banking, Mark was the Barbados Country Manager and Managing Director of CIBC Caribbean's Barbados Operating Company. Previous to that he was the Director, International Banking with responsibility for the leadership and development of the International Banking (Personal & Corporate) offering across the six centers in The Bahamas, Barbados, British Virgin Islands, Cayman, Curacao and Turks and Caicos Islands.

In addition to his executive portfolio, Mark serves as Chair of CIBC Caribbean Bank (Bahamas) Limited, CIBC Caribbean Bank (Cayman) Limited, CIBC Caribbean Bank and Trust (Cayman) Limited and FirstCaribbean International Finance Corporation (Leeward & Windward) Limited along with being a director of CIBC Caribbean Trust Company (Bahamas) Limited. He is also the Chair of the FirstCaribbean International ComTrust Foundation Limited, a registered charitable foundation which manages the Bank's corporate giving program.

An experienced banker with 33 years in various positions spanning Insurance Brokerage, Retail Banking, Corporate Banking, Credit Risk, International Banking and Wealth Management, Mark has also held senior management positions in several countries in the Caribbean such as Grenada, British Virgin Islands and Barbados.

Mark is a Fellow of the British Institute of Chartered Secretaries and Administrators, a graduate of the FirstCaribbean Executive Leadership Program with Wharton Business School and has also completed the Masters Certificate Program in Financial Services Leadership in conjunction with Schulich School of Business and CIBC. He is also the President of the Barbados Hockey Federation.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2018	4/4	1/1
Board Committee Memberships		
Risk Committee	4/4	3/4

Interlocking/Other Current Directorships	Former Directorships
FirstCaribbean International Finance Corporation (Leeward & Winward) Limited- Chair FirstCaribbean International ComTrust Foundation Limited - Chair CIBC Caribbean Bank (Bahamas) Limited - Chair CIBC Caribbean Trust Company (Bahamas) Limited CIBC Caribbean Bank (Cayman) Limited - Chair CIBC Caribbean Bank and Trust Company (Cayman) Limited - Chair	CIBC Reinsurance Company Limited CIBC Caribbean Bank (Barbados) Limited - Chair CIBC Caribbean Wealth Management Bank (Barbados) Limited - Chair CIBC Caribbean Bank (Trinidad and Tobago) Limited CIBC Caribbean Bank (Jamaica) Limited - Chair

WILLEM 'PIM' VAN DER BURG, Cayman Islands Non-Independent

Willem 'Pim' van der Burg was appointed Chief Commercial Officer on November 1, 2022.

Prior to that Pim was Managing Director, Corporate & Investment Banking and the Managing Director for the Dutch Caribbean for CIBC Caribbean.

Pim has over 25 years of banking experience and held a variety of international senior positions within the Dutch banking group ABN AMRO, in the areas of Corporate & Investment Banking and Wealth Management.

For that bank, he was responsible for implementation of the Transactional Banking concept in the Latin American region with a focus on the eastern part of South America and the Caribbean basin, and for the sale of the ABN AMRO businesses in the Dutch Caribbean. After the acquisition of the international activities of ABN AMRO in the region by CIBC Caribbean in 2006, Pim joined CIBC Caribbean and was responsible for the integration of the acquired organization.

Pim received a Law degree in business and civil law at Erasmus University Law School in Rotterdam, The Netherlands. He also participated in the Strategic Management in Banking program at INSEAD, Fontainebleau, and is a graduate of the FirstCaribbean Executive Education program at the Wharton School of the University of Pennsylvania.

Year Joined Board	2024 Meeting Attendance	
	Overall Attendance	Interim Meetings
2022	4/4	0/1
Board Committee Memberships		
Committee memberships		
None	N/A	N/A

Interlocking/Other Current Directorships	Former Directorships
CIBC Caribbean Bank and Trust (Cayman) Limited	CIBC Caribbean Bank (Barbados) Limited
CIBC Caribbean Bank (Cayman) Limited	CIBC Caribbean Wealth Management Bank (Barbados) Limited
CIBC Caribbean Bank (Trinidad and Tobago) Limited	

Executive Committee Team

L to R : Esan Peters, Mark St. Hill, Patrick McKenna, Donna Wellington, Brian Clarke, Janine Billy, Carl Lewis, Willem “Pim” van der Burg and Khadija Bourne.

JACQUI BEND

The Bahamas

Dr. Jacqui Bend was appointed Managing Director, Bahamas Operating Company on April 1, 2021.

Jacqui is a seasoned banker with over 30 years of experience in the financial industry. Dr. Bend's skills lie in building lasting relationships, strong financial acumen, and a track record of delivering results. Dr. Bend promotes a culture of transformational leadership, developing high-performing teams, and optimizing digital solutions to increase efficiencies and revenue.

Dr. Bend held several senior roles across the bank and in her previous role as Director, Retail & Business Banking Channels, she was responsible for branch operations, people development, strategic initiatives and process improvement, risk and compliance, expense management, digital banking, and the Customer Care & Service Centers.

As Executive Sponsor of the bank's Women's Network, Dr. Bend's mandate is to foster the growth and sustainability of the senior female leaders by exploring the unique issues facing women in the Caribbean context, providing networking opportunities, mentorship, professional development, and other support services.

Dr. Bend holds a Bachelor of Commerce in Financial Services from Nipissing University, a Master of Business Administration (Hons.) from the University of Leicester, a Master's Certificate in Strategic Organizational Change from the University of Michigan, and a Doctor of Business Administration in leadership from Walden University. Dr. Bend is also an Associate of the Canadian Institute of Bankers and a Certified John Maxwell Coach, Speaker, Trainer. In her spare time, Dr. Bend enjoys spending time with family, volunteering, fitness, and sports.

JANINE BILLY

Barbados

Janine Billy MSc, MCIPD was appointed Chief Human Resource Officer – People, Culture and Brand on 1 November 2023.

She brings to the Executive team almost three decades of extensive leadership experience in Financial Services, Multilateral Development Banks, Airline and Retail industries.

Prior to returning to CIBC Caribbean, Janine served as Head of Talent Acquisition at the Inter-American Development Bank (IDB). Her responsibilities include defining and executing the global talent acquisition strategy, as well as reviewing and leading high visibility projects designed to improve the Recruitment Process of the Bank and Talent Acquisition System. In her capacity, she led targeted recruitment drives towards the Black, Indigenous and People of Color (BIPOC) communities and earnest efforts to position them in roles that are meaningful. In her previous role at CIBC Caribbean International Bank, she held responsibility for Talent Acquisition and Development. During that period, she designed and implemented a robust Talent Management Strategy, driving key strategic initiatives to support the business in its digital transformation efforts while building a culture of learning and performance. Eighteen months into the role, the role was expanded to include responsibility for the Labor Relations and Organisation Development functions and for driving the HR strategy. She successfully supported the Director of Labor Relations through the negotiation and settlement of three outstanding contracts and the negotiation of terms of divestment with the local unions in some of the five Eastern Caribbean islands.

In her previous HR roles, Janine's track record included her ability to effectively define and market the Employer Value Proposition, design and build organizational capacity through focused Organizational Development and Talent Management strategies, lead change efforts and drive culture and employee engagement through strong collaboration and influencing competency. In her general management roles, Janine held the role of Country Manager, American Airlines - Antigua, which she aptly led for five years. This role allowed her to hone her commercial acumen as evident in her transformation of the Antiguan operations from a loss leader into a profitable entity with an engaged and performance driven team.

Janine holds an MSC Business Psychology, University of South Wales, is a Certified Coach and a Chartered Member of the Chartered Institute of Personnel and Development (CIPD).

KHADIJA BOURNE

Barbados

Khadija Bourne was appointed Chief Auditor on April 1, 2021

Khadija is a career banker with over 25 years' experience. She was appointed to the role of Chief Auditor in April 2021 with overall responsibility for leading the Internal Audit function and providing an independent and objective assessment of the Bank's controls and processes over its business objectives, operations, technology systems and risk framework.

Since joining CIBC Caribbean in March 2000, as a Customer Service Manager, Khadija has held a number of progressively senior leadership roles in Retail Banking and Operations where she made significant contributions to advancing the Bank's strategic initiatives, revenue growth, development of people and ensuring that the Bank maintained a robust compliance and risk management environment.

In 2011, Khadija joined the Risk Management team where she continued to spearhead the development, implementation and strengthening of the Bank's risk, control and governance practices. Prior to her appointment, Khadija held the role of Director, Operational Risk, where she led a team of highly skilled professionals responsible for maintaining oversight of the Bank's operational risk framework and key supporting programmes and also for providing guidance on operational matters to the various Business Lines.

Khadija holds an MBA from Durham University, the Chartered Banker MBA with merit, specializing in Banking and Finance from the University of Bangor and a Global Master's in Blockchain Technologies from the Zigurat Institute of Technology. She is a member of the Institute of Internal Auditors, a member of the Chartered Institute of Bankers in Scotland (CIOBS) and holds the Chartered Banker designation.

BRIAN CLARKE

Barbados

Brian Clarke has been CIBC Caribbean's General Counsel & Group Corporate Secretary since June 2012.

Brian oversees all legal, board, corporate governance, securities commission and stock exchange matters in the Caribbean. He chairs the Bank's Reputation & Legal Risk Committee and sits on the boards of CIBC Caribbean Bank (Bahamas) Limited and CIBC Caribbean Trust Company (Bahamas) Limited.

Brian was a founding partner of a leading law firm in Barbados, a director of CIBC Caribbean Bank Limited, a lieutenant in the Coast Guard Reserve of the Barbados Defence Force, a member of the Barbados Income Tax Appeal Board, the Advisory Board of the Barbados Salvation Army and the Pension Committee of the Barbados Defence Force.

Brian graduated from the University of the West Indies in 1984, and the Norman Manley Law School in 1986. He is a King's Counsel.

NIGEL HOLNESS

Jamaica

Nigel Holness was appointed Managing Director for the Jamaica Operating Company in October 2010.

He is responsible for delivering financial solutions that drive profitable and sustainable growth, through the Jamaica Commercial Bank Operations.

Nigel's experience in the financial services industry in Jamaica and the Caribbean, spans over 33 years and covers the areas of Treasury Management, Operations, General Retail and Corporate Banking. He is widely recognized as a strong leader in the domestic market.

Nigel first joined the CIBC FirstCaribbean family "formerly CIBC", in 1988, and has enjoyed a very successful career with this institution, navigating his way through various segments through the application of diligence and hard work, which has led to his current position as a Senior Executive having full accountability for Corporate & Investment Banking, Retail & Business Banking and Support units based in Jamaica.

Prior to his appointment as Managing Director, he was the Jamaica Country Treasurer having returned to his native island, after efficaciously supporting the expansion of the Regional Treasury Sales and Trading Segment in the Barbados Head Office.

Nigel has been exposed to a number of formal training and development programs locally and internationally, and completed a Masters Certificate in Financial Services Leadership with York University, and is a MCBI - Chartered Banker, having completed a MBA in May 2021.

CARL LEWIS

Barbados

Carl was appointed Chief Financial Officer on April 1, 2021. He has over 25 years' experience in the finance and banking sectors and immediately prior to this role served as the Bank's Chief Auditor.

Carl is currently responsible for overall financial leadership and oversight, as well as reporting, tax and financial planning for all legal entities within the Bank. He is also accountable for Treasury in matters related to the composition and usage of the Bank's balance sheet resources. Carl chairs the Group's Asset and Liability Committee and is also Chairman of CIBC Caribbean Bank (Barbados) Limited and CIBC Caribbean Wealth Management Bank (Barbados) Limited. He is also a Director of CIBC Caribbean Bank (Trinidad and Tobago) Limited.

Carl joined the Bank in 1998 and during his career has held several senior roles in Finance and Strategy including Head - Strategy, Financial Planning and Analysis and Chief Accountant. He also played a key Finance role in the formation of CIBC Caribbean in 2002. Carl also gained considerable knowledge of the business after taking up leadership roles in Corporate Banking between 2006 and 2013. Prior to joining CIBC Caribbean, Carl worked at KPMG for several years in the audit and assurance practice.

Carl is a Canadian Certified Public Accountant and is a fellow of the local Institute of Chartered Accountants of Barbados. He also received executive education at the Wharton School of Business at the University of Pennsylvania and is also a graduate of the CIBC FirstCaribbean Executive Leadership program also conducted at the Wharton School of Business.

MARK McINTYRE

The Cayman Islands

Mark McIntyre was appointed Managing Director, Cayman Islands Operating Company in 2018.

Mark has primary responsibility and accountability for our operations in the Cayman Islands, British Virgin Islands, Curacao and Sint Maarten.

An experienced financial services executive and dynamic leader, Mark has enjoyed a deep and diverse career within the Caribbean Capital Markets and Financial Services industry over the past thirty-six years and has a proven track record of developing high-performance teams and achieving consistent results in very demanding and competitive environments.

Mark also has a reputation of being an excellent negotiator and problem-solver and held appointments of increasing seniority across all business segments of the Bank. His professional experience honed his skills in Retail, Corporate and International Banking, Wealth Management, Strategic Management, Executive Negotiation and People Management. Mark also previously served as Corporate Secretary for the Cayman Operating Company Board of Directors and Wealth Management Director for CIBC Caribbean in the Cayman Islands and BVI.

He was headhunted by HSBC in 2007 to establish its banking presence in the Cayman Islands where he served as both Head of Corporate Banking and Head of Business Development - Caribbean Markets before returning to CIBC FirstCaribbean to assume the role of Managing Director, Cayman Islands early in 2012. Mark also currently serves on the Board of CIBC Caribbean Bank and Trust Company (Cayman) Limited and the Executive Committee of the Cayman Islands Bankers Association having served as its President during 2014-16.

Mark, an MBA graduate, has also benefitted from a number of executive development and specialized training programmes with several international academic organizations and institutions. These include the Chartered Institute of Bankers in the United Kingdom, Euromoney, The Wharton School, University of Pennsylvania where he was awarded a Certificate of Professional Development and participated on the FirstCaribbean Executive Development Programme and most recently at the Schulich School of Business, York University, where he earned a Master's Certificate in Financial Services Leadership.

PATRICK McKENNA

Barbados

As Chief Risk Officer, Patrick McKenna oversees risk for CIBC Caribbean.

Prior to joining CIBC Caribbean, Patrick was Senior Vice President overseeing risk for CIBC's Wealth Management Business.

Patrick has over 40 years of banking experience in a variety of Front Office and Risk Management roles. Prior to joining CIBC, Patrick was the CRO and subsequently the Chief Oversight and Control Executive for JP Morgan Asset Management.

Prior to that he held a variety of Senior Risk Management positions at Deutsche Bank including CRO for the Americas, Co-head of the Asset Reduction and Restructuring program, and Global Credit Risk Head for a variety of Business areas (including Hedge Funds, FIs, Securitization, Private Clients, and Emerging Markets).

He is a past member of several Risk Management organizations including: the RMA New York Chapter Board of Governors, the CRO Buy Side Risk Managers Forum and The Professional Risk Managers' International Association.

Patrick graduated from University of California at Los Angeles (UCLA) with a B.A. in Political Science and completed the Columbia Senior Executive Program (CSEP) in 2003.

ESAN PETERS

Barbados

Esan Peters was appointed Chief Information Officer & Managing Director, Technology, Infrastructure & Innovation with effect from February 1, 2018.

Esan is the Chief Information Officer (CIO) and Managing Director of Technology, Infrastructure & Innovation for CIBC Caribbean International Bank charged with the leadership of the bank's Technology, Operations, Cybersecurity, Fraud Risk Management, Enterprise Program Delivery, Enterprise Payments, Cards & Cash Management organizations.

Esan's responsibilities include the efficient, reliable running of the bank, protecting CIBC Caribbean from risks, growing the banks Payments business and proactively partnering with the bank's lines of business to accelerate growth by transforming how the bank operates in meeting clients' and team members' evolving needs.

Esan also has responsibility for the execution of CIBC Caribbean's Digital & Data Strategy which is focused on creating new business models and the adoption of innovative technologies to radically transform the bank's operations and ways of working to drive enhanced client and employee experience, increased business growth and improved efficiency.

Esan is passionate about technology and working collaboratively with partners to leverage technology to make a meaningful impact on people's lives and to positively impact society. Current areas of focus include Digital & Payments Technologies, Data & AI, Cybersecurity and Cloud Computing.

Esan holds a First Class Honors bachelor's degree in Mathematics & Computer Science from University of the West Indies – Barbados.

ANTHONY SEERAJ

Trinidad and Tobago

Anthony Seeraj was appointed Managing Director of the Trinidad Operating Company in April 2015.

Anthony has over 39 years' experience in corporate banking and has been a key contributor to the development of the Corporate footprint and the Bank's profile in Trinidad and Tobago, bringing several new key relationships to the Bank.

Anthony first joined the Corporate Banking team in January 2008 and prior to this, worked for two large local banks as a Senior Manager with responsibility for state enterprises, regional business and energy financing.

He is responsible for structuring and arranging large deals for the Government of the Republic of Trinidad and Tobago, several state enterprises and large corporations in the Caribbean, meeting the Bank's clients' complex financial needs and providing them with access to various innovative solutions.

He has worked on both syndicated loan and capital market transactions for large regional public and private corporations.

Prior to his appointment as Managing Director, Anthony served as Director, Corporate Banking, Trinidad and Tobago and the Dutch Antilles. He is an Associate of the Chartered Institute of Bankers (UK) and holder of an MBA with specialization in Finance from the University of Lincoln.

MARK ST. HILL

Barbados

Mark St. Hill was appointed Chief Executive Officer of CIBC Caribbean with effect from November 1, 2022.

Prior to this, Mark was appointed Managing Director, Retail & Business Banking in May 2013 where he had responsibility for the development and growth of CIBC Caribbean's Retail & Business Banking operations including the Bank's cards issuing business.

Previous to his appointment as Managing Director, Retail & Business Banking, Mark was the Barbados Country Manager and Managing Director of CIBC Caribbean's Barbados Operating Company. Previous to that he was the Director, International Banking with responsibility for the leadership and development of the International Banking (Personal & Corporate) offering across the six centers in The Bahamas, Barbados, British Virgin Islands, Cayman, Curacao and Turks and Caicos Islands.

In addition to his executive portfolio, Mark serves as Chair of CIBC Caribbean Bank (Bahamas) Limited, CIBC Caribbean Bank (Cayman) Limited, CIBC Caribbean Bank and Trust (Cayman) Limited and FirstCaribbean International Finance Corporation (Leeward & Windward) Limited along with being a director of CIBC Caribbean Trust Company (Bahamas) Limited. He is also the Chair of the FirstCaribbean International ComTrust Foundation Limited, a registered charitable foundation which manages the Bank's corporate giving program.

An experienced banker with 34 years in various positions spanning Insurance Brokerage, Retail Banking, Corporate Banking, Credit Risk, International Banking and Wealth Management, Mark has also held senior management positions in several countries in the Caribbean such as Grenada, British Virgin Islands and Barbados.

Mark is a Fellow of the British Institute of Chartered Secretaries and Administrators, a graduate of the FirstCaribbean Executive Leadership Program with Wharton Business School and has also completed the Master's Certificate Program in Financial Services Leadership in conjunction with Schulich School of Business and CIBC.

WILLEM 'PIM' VAN DER BURG

Cayman Islands

Willem 'Pim' van der Burg was appointed Chief Commercial Officer on November 1, 2022.

Prior to that Pim was Managing Director, Corporate & Investment Banking and Managing Director for the Dutch Caribbean for CIBC Caribbean.

Pim has over 25 years of banking experience and held a variety of international senior positions within the Dutch banking group ABN AMRO, in the areas of Corporate & Investment Banking and Wealth Management.

For that bank, he was responsible for implementation of the Transactional Banking concept in the Latin American region with a focus on the eastern part of South America and the Caribbean basin, and for the sale of the ABN AMRO businesses in the Dutch Caribbean. After the acquisition of the international activities of ABN AMRO in the region by CIBC FirstCaribbean in 2006, Pim joined CIBC Caribbean and was responsible for the integration of the acquired organization.

Pim received a Law degree in business and civil law at Erasmus University Law School in Rotterdam, The Netherlands. He also participated in the Strategic Management in Banking program at INSEAD, Fontainebleau, and is a graduate of the FirstCaribbean Executive Education program at the Wharton School of the University of Pennsylvania.

DONNA WELLINGTON

Barbados

Donna Wellington was appointed Managing Director, Barbados and Eastern Caribbean in June 2013.

Donna joined CIBC Caribbean in 2005, after working 15 years in the financial services industry at Sagicor, EY Caribbean and PwC in Barbados. In June 2013, she was appointed to her current role as Managing Director.

In this position, Donna has responsibility for revenue generation and regulatory affairs across all key segments of the banking operations of the Barbados Operating Company in 4 countries (Barbados, Antigua, St Kitts and St Lucia). Donna's current passion is the digital transformation agenda as well as renewable energy and corporate lending for climate sustainability, areas requiring urgent focus for countries in the Barbados Operating company and wider bank.

A seasoned corporate banker with 35 years' experience in the financial services industry, Donna also has a strong accounting background with a BSc in Accounting from the University of the West Indies. She is a member of the Certified Professional Accountants Association of Canada (CPA) and holds a Master's Certificate in Financial Leadership from Schulich Business School, York University.

Management's discussion & analysis

Management's discussion and analysis (MD&A) is provided to enable readers to assess CIBC Caribbean's financial condition and results of operations as at and for the year ended October 31, 2024, compared with prior years. The MD&A should be read in conjunction with the audited consolidated financial statements included in this Annual Report. The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) and are expressed in thousands of United States dollars. Certain comparative amounts have been reclassified to conform to the presentation adopted in the current year.

Overview

CIBC Caribbean Bank Limited (formerly CIBC FirstCaribbean International Bank Limited) is a leading Caribbean financial institution providing individual and business clients with a full range of products and services through our four (4) segments Personal and Business Banking, Corporate Banking, Wealth Management and Administration. Our business segments service clients in eleven (11) countries through our eight (8) operating companies located in The Bahamas, Barbados, The Cayman Islands, Jamaica and Trinidad and Tobago (collectively, the "Group").

The business segments and geographic operating companies are supported by the Administration segment which includes Finance, Risk, Technology, Innovation & Infrastructure, Treasury, and other support units. Highlights and commentary on business segments can be found in the 2024 Highlights Section of this annual report.

The following discussion and analysis is based on the Group's overall results and financial position with commentary referring to segments and geographic operations when deemed relevant.

Nature of the business

The Group offers traditional banking solutions in the markets in which it operates. It maintains capital in excess of the regulatory minimum requirements and deploys this capital together with other deposits in interest earning assets within its managed risk appetite. The main geographic markets in which the Group operates and where it is regarded as one of the largest banks are Barbados, The Bahamas, and The Cayman Islands. The macroeconomic environments in these territories influence the Group and its results. The Group is also affected by the global macroeconomic environment to the extent it affects the drivers of financial risks to which the Bank is exposed such as credit and liquidity risk and other market risks such as currency risk, interest rate risk and pricing risk.

Objectives and strategies

The Group continues to focus on four strategic priorities to address market trends: Focusing on our relationships with our clients, building our technology base to create a regionally leading digital and modern day experience for our clients, simplifying the way we do business and developing our people.

Resources, risks and relationships

The Group utilizes its balance sheet and invests in its employees and systems to meet client needs and sustain long-term success. The goal is to also maintain strong capital and liquidity positions. The Group aims to constantly balance the objectives of holding a prudent amount of excess capital for unexpected events and environmental uncertainties, investing in core businesses and returning capital to shareholders.

The Group faces a wide variety of risks (including credit, market, compliance, operational, and liquidity) across the businesses. Identifying and understanding risks and their impact allows the Group 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 achieving consistent and sustainable long-term performance, while remaining within risk appetite. Further discussion on the Group's approach to managing risk is highlighted under the section heading "Risk Management Approach".

Review of results, performance measures and indicators

Review of the Consolidated Statement of Income

$ Millions except per share amounts, as at or for the year ended October 31	2024	2023
Total revenue	**747**	715
Net income for the year	**278**	270
Net income for the year from continuing operations	**276**	261
Adjusted net income for the year from continuing operations	**283**	258
Net income for the year attributable to the equity holders of the parent	**271**	264
Adjusted net income for the year attributable to the equity holders of the parent	**278**	261
Basic and diluted earnings per share (cents)	**17.2**	16.7
Adjusted basic and diluted earnings per share (cents)	**17.7**	16.6
Dividend per share (cents)	**5.0**	4.8
Closing share price per share (cents)	**105**	99
Return on equity	**18.6%**	21.5%
Adjusted return on equity	**19.1%**	21.3%
Efficiency ratio	**59.2%**	58.0%
Tier I capital ratio	**17.8%**	17.2%
Total capital ratio	**20.0%**	18.9%

Items of note in 2024 included provisions and other costs related to divestitures of $15.2 million offset by gains on divestitures of $7.5 million. Items of note in 2023 included gains on divestitures of $11.3 million, offset by provisions and other costs related divestitures of $8.4 million.

The year over year results from continuing operations were affected by certain significant items as follows:
- $29 million increase in net interest income due primarily to increases in interest-bearing assets and higher US interest rate margins
- $2 million increase in operating income due primarily to increased transaction-based fees
- $8 million decrease in credit loss expense as the current year reflected improved collection activity, favourable economic forecasts and model updates
- $27 million increase in operating expenses due to higher employee-related costs, spend on strategic investments, activity-based costs and other costs associated with protecting the bank
- $2 million decrease in taxes due to lower taxable income in some jurisdictions, along with impact of changes in tax rates and the impact of closure of a few territories offset by an increase in uncertain tax positions

Net interest income and margin

$ millions for the year ended October 31	2024	2023
Average total assets	**12,915**	12,826
Net interest income	**541**	512
Net interest margin	**4.2%**	4.0%

Net interest margin on average assets was up 0.2% primarily as a result of increases in interest-bearing assets (cash, securities, loans) and higher US interest margins.

Operating income

$ millions for the year ended October 31	2024	2023
Net fee and commission income	**126**	121
Foreign exchange earnings	**77**	77
Other	**3**	6
	206	204

Operating income increased year-on-year by $2 million (1%) primarily due to increased transaction-based fees (i.e. deposit services fees and card services fees).

Operating expenses

$ millions for the year ended October 31	2024	2023
Staff costs		
Salaries	**162**	164
Benefits & other	**38**	32
	200	196
Property and equipment expenses	**53**	47
Depreciation	**35**	33
Business taxes	**48**	47
Professional fees	**28**	28
Communications	**14**	12
Other	**64**	52
	442	415

Operating expenses increased year-on-year by $27 million (7%). The significant movements were due to higher employee-related costs, spend on strategic investments, depreciation, activity-based costs, communications, ongoing technology infrastructure cost, non-credit losses and armoured car expenses.

Credit loss expense on financial assets

$ millions for the year ended October 31	**2024**	2023
Expense on impaired loans – Stage 3		
Mortgages	**3**	11
Personal	**8**	10
Business & Sovereign	**(4)**	7
	7	28
Release on non-impaired loans		
Stage 1	**1**	(8)
Stage 2	**(2)**	(11)
	(1)	(19)
Total loans credit loss expense	**6**	9
(Release)/Expense on debt securities		
Stage 1	**-**	1
Stage 2	**(1)**	-
Stage 3	**(2)**	1
Total debt securities credit loss (release)/expense	**(3)**	2

Credit loss expense on impaired loans decreased by $21 million primarily due a significant non-recurring account recovery in The Bahamas and lower levels of stage migration. Credit loss expense on non-impaired loans increased by $18 million largely based on updated model assumptions favourably impacting the prior year.

The ratio of expected credit loss allowances to gross loans was 3.0% in 2024 and 3.4% in 2023. Non-performing loans to gross loans decreased to 3.3% at the end of 2024 compared to 3.7% as at 2023.

Debt securities credit loss expense decreased by $5 million due to the passage of time to maturity of underlying securities and updated model assumptions.

Income tax expense

$ millions for the year ended October 31	**2024**	2023
Income tax expense	27	29
Income before tax from continuing operations	302	290
Effective tax rate	8.9%	10.0%

Income tax expense has decreased year-on-year by $2 million. The decrease in taxes is largely due to lower taxable income in taxable jurisdictions, offset by an increase in uncertain tax positions.

Barbados Tax Proposals

In May 2024, Barbados enacted a Qualified Domestic Minimum Top-up Tax ("QDMTT") in accordance with the OECD's Pillar Two initiative. This QDMTT is applicable to income years beginning on or after January 1, 2024 and will result in an effective tax rate of 15% of net income for the Group's Barbados entities as calculated under the relevant legislation (based on the OECD's GLoBE rules). Under this regime the income of constituent entities of in-scope MNEs may not be subject to the QDMTT until an Income Inclusion Rule applies in the jurisdiction of the Ultimate Parent Entity, which for our Group is Canada. Accordingly, the QDMTT does not apply to the Group's entities in Barbados until FY2025.

The Bahamas has also indicated an intention to implement a domestic corporation tax for constituent entities of in-scope MNEs in accordance with the OECD's Pillar Two initiative. However, this has not been legislated to date.

Review of the Consolidated Statement of Comprehensive Income

$ millions for the year ended October 31	**2024**	2023
Net income for the year	**278**	270
Other comprehensive income		
Net gains on debt securities at fair value through other comprehensive income	**11**	7
Net exchange losses on translation of foreign operations	**(3)**	(1)
Re-measurement gains/(losses) on retirement benefit plans	**75**	(6)
Other comprehensive income	**83**	-
Total comprehensive income	**361**	270

Other comprehensive income increased year-on-year as a result of significant re-measurement gains on retirement benefit plans primarily due to higher returns on plan assets due to improved investment performance, as well as net gains realized from the measurement of debt securities at fair value. The Bank conducts business in two jurisdictions (Jamaica and Trinidad) that have functional currencies that float against the United States (US) dollar. The Jamaica dollar weakened by 2.0% year-on-year, while the Trinidad dollar remained relatively stable. This has resulted in higher exchange losses of $2 million in the current year.

Review of the Consolidated Statement of Financial Position

$ millions for the year ended October 31	**2024**	2023
Assets		
Cash and balances with banks	**2,407**	2,262
Securities	**3,169**	2,847
Loans and advances to customers:		
Mortgages	**2,236**	2,155
Personal	**756**	688
Business & Sovereign	**4,181**	4,023
Provision for impairment (net of recoveries and write-offs)	**(210)**	(232)
	12,539	11,743
Other assets	**614**	541
	13,153	12,284
Assets of disposal group classified as held for sale and discontinued operations	**156**	237
	13,309	12,521
Liabilities and equity		
Customer deposits		
Individuals	**3,907**	3,748
Business & Sovereign	**7,213**	6,766
Banks	**141**	1
Interest payable	**25**	18
	11,286	10,533
Debt securities in issue	**-**	27
Other liabilities	**268**	245
Liabilities of a disposal group classified as held for sale and discontinued operations	**122**	364
Non-controlling interests	**39**	33
Equity attributable to equity holders of the parent	**1,594**	1,319
	13,309	12,521

Total assets increased by $788 million (6%) across loans, securities and cash balances resulting from increased loan origination activity and the management of deposit inflows into the Bank.

Customer deposits increased by $753 million (7%) due to digitally enabled and other targeted deposit raising initiatives. Additionally, increased levels of liquidity were generally noted across Individual and Business demand deposit product categories.

Equity attributable to equity holders of the parent has increased year-on-year by $275 million (20%) due mainly to total comprehensive income for the year of $361 million before non-controlling interests, offset by dividends of $79 million.

Our capital strength protects our depositors and creditors from risks inherent in our business, allows us to absorb unexpected losses and enables us to take advantage of attractive business opportunities. The Group continues to maintain strong capital ratios of Tier I and Tier I & II of 17.8% and 20.0% respectively at the end of 2024, in excess of regulatory requirements.

Business Segment Overview

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment.

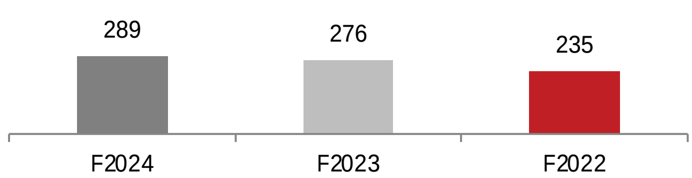
Transactions between the business segments are on normal commercial terms and conditions.

Personal & Business Banking

Personal & Business Banking includes the Retail Channels, Business Banking and the Cards Issuing business. The segment provides a full range of financial products and services to individuals which can be accessed through our network of branches and ABMs, as well as through internet and telephone banking channels inclusive of our Mobile Banking App. Business Banking clients are provided with products and services to satisfy their day-to-day operational and working capital business needs.

Total revenues increased year-on-year by $13 million or 5% primarily due to higher income on performing loans, net funds transfer pricing earnings and cards income. Net income increased year-on-year by $11 million driven by higher revenues and lower operating expenses.

Total Revenues ($Millions)



Net income ($Millions)

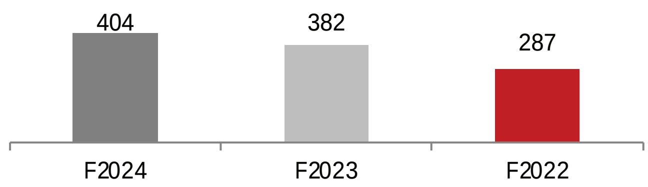
Corporate Banking

Corporate & Investment Banking includes Corporate & International Corporate Banking, Investment Banking, Forex & Derivative Sales and the Merchant Services business. The segment provides a full range of corporate and commercial banking services to large and mid-size corporate businesses, governments, financial institutions, international trading companies and private wealth vehicles throughout the Caribbean. International Corporate Banking is a specialized business that services non-domestic, international corporate and institutional clients (such as Offshore Mutual Funds, Hedge Funds, Captives and IBCs) in 6 jurisdictions with core banking, international payments & cash management, lending, standby letters of credits, and investment management products.

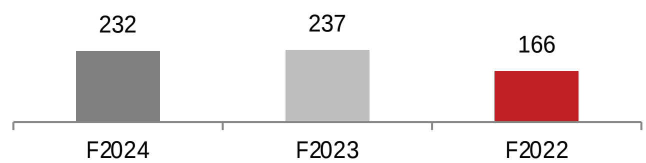
Investment Banking services provides debt, equity, capital markets and corporate finance products and services to large corporations, financial institutions and governments. Clients are also provided with foreign exchange, derivative and other risk mitigating products through the Forex & Derivative Sales Group.

Total revenues increased year-on-year by $22 million or 6% primarily due to higher income on performing loans, net funds transfer pricing earnings and cards income. However, net income decreased year-on-year by $5 million primarily due to higher indirect expenses and a lower level of credit loss releases compared to the prior year.

Total Revenues ($Millions)



Net income ($Millions)

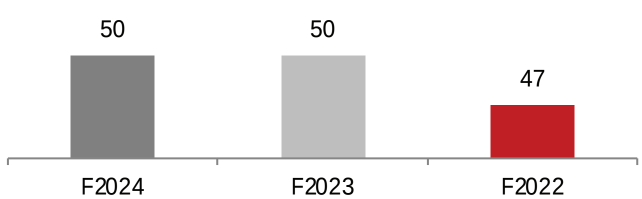


Wealth Management

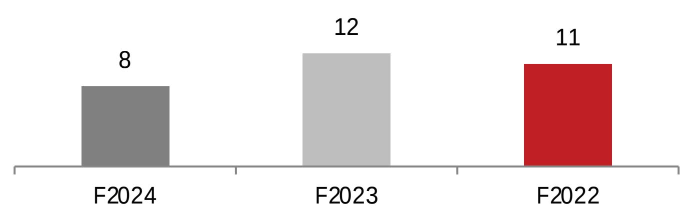
Wealth Management comprises Private Wealth Management, Investment Management and Bank & Trust. Dedicated Wealth Management relationship managers provide traditional core banking, complex credit, investment advice, discretionary portfolio management, trust services and wealth planning to the high and ultra-high net worth clients.

Total revenue remained flat year-over-year. Net income decreased year-over-year by $4 million as a result of higher credit loss expenses.

Total Revenues ($Millions)



Net income ($Millions)



Administration

The Administration segment includes Finance, Human Resources, Risk, Technology, Innovation & Infrastructure, Treasury, and other units, which support the business segments. The revenues and expenses of the functional groups are generally allocated to the business segments.

The Administration segment retains earnings or losses on excess capital and the offset to capital charges allocated to the business segments.

Treasury is responsible for balance sheet and liquidity risk management for the Group. Securities and cash placements are normally held within the Treasury unit included in the Administration segment.

Risk Management Approach

The Group assumes a variety of risks in its ordinary business activities. Risk is defined as any event that could: damage the core earnings capacity of the Group; increase earnings or cash flow volatility; reduce capital; threaten business reputation or viability; and/or breach regulatory or legal obligations.

The Group's approach to risk management is based on sound banking principles and a robust governance structure. Risk is managed within tolerance levels established by our management committees and approved by the Board of Directors and its committees (the Board). This is achieved through a comprehensive framework of measurement, monitoring and control policies, procedures and processes. Further information on credit, market and liquidity risks within the Group can be found in note 32 of the consolidated financial statements.

Primary responsibility for the identification and assessment of risk lies with line management in our various strategic business units. This includes environmental risk transmitted through financial risk categories, including but not limited to credit risk, reputational risk, market risk and liquidity risk. The Risk Management department, which reports to the Chief Risk Officer, develops risk policies and procedures and provides independent oversight, analysis and adjudication through teams which manage credit risk, market risk and operational risk.

The Group's risk management policies and procedures are designed to identify and analyse these risks, to set appropriate risk limits and to monitor and enhance risk management practices to reflect changes in markets, products and evolving best practice.

A robust control and governance structure is embedded within each strategic business unit. Representatives from Risk Management interact with the senior leadership of each strategic business unit in order to identify and manage risks in the respective businesses. This approach is supported by enterprise-wide reporting.

Credit Risk

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. Credit risk primarily arises from direct lending activities, as well as trading, investment and hedging activities.

Credit risk is managed and controlled on the basis of established credit processes and policies operating within a framework of delegated authorities. In addition to approving the Group's key credit policies and setting credit risk appetites and tolerances, the Risk Committee of the Board also delegates credit approval limits to the Credit Committee of the Group. The Credit Committee is chaired by the Chief Risk Officer or the Chief Credit Officer (delegate). There is appropriate segregation of duties between customer-facing functions responsible for originating and managing exposures, the Credit Risk Management function responsible for credit adjudication and oversight, with credit reporting and credit provisioning administered by Risk Reporting and Risk Analytics (Risk Management units), the Operations function responsible for disbursing loans and safekeeping security and the Technology function responsible for the supporting data, data architecture and model monitoring (subject to Credit Risk Management review). The Group applies the three lines of defense model to risk governance, and this includes the Group's exposure to credit portfolio related environmental risk, inclusive of climate-related risk and involves safeguarding against assets being stranded by environmental degradation or the physical effects of climate change (physical risk) and policy changes (transition risk).

Credit grading, scoring and monitoring systems facilitate the early identification and management of deterioration in loan quality. Delinquent facilities are subject to oversight by specialised loan restructuring teams (which fall within Risk Management). Non-performing loan classification is generally automated and operates in line with regulatory and accounting standards. Credit provisions are independently calculated by Risk Management in accordance with IFRS Accounting Standards (IFRS) for statutory reporting and various regulatory requirements.

Market Risk

Market risk is the measurement of potential loss arising from adverse movements in interest rates, foreign exchange rates, equity and commodity prices, and credit spread risk in the Group's investment portfolios. It arises in trading activities, as well as in the natural course of wholesale and retail business. The principal aim of the Group's market risk management activities is to limit the adverse impact of interest rate and exchange rate movements on profitability and shareholder value and to enhance earnings within defined limits.

The Risk Committee of the Board reviews market risk strategy and establishes overall limits. It approves key policies, oversees the measurement, monitoring and control regime, and delegates market risk limits to the Chief Risk Officer.

There is no single risk measure that captures all aspects of market risk. The Group uses several risk measures including Value at Risk ('VaR'), sensitivity measures and stress testing. Market risks are managed by setting limits based upon the specific markets and products where the Group is involved, as well as the amount of the Group's capital at risk. These measurement methodologies utilise international best practice. There is a centralised, dedicated Market Risk Management team charged with the responsibility to ensure that the risk measurement methodologies used are appropriate for the risks being taken and that appropriate measurement, monitoring and control procedures are in place.

Compliance Risk

Compliance risk is associated with the failure to comply with laws, regulations, rules, and the codes of ethics and conduct applicable to our business activities. Such failures can give rise to legal or regulatory sanctions, material financial loss, or a loss of reputation to the Group.

Primary responsibility for compliance lies with territorial line management. The compliance team within the Risk Management department is tasked with identifying the compliance obligations in each country where the Group operates. It also provides advice and guidance to the business lines on compliance risks and the development of appropriate policies and procedures to ensure compliance with all legislation and internal code of conduct and ethics policies. It independently assesses and monitors compliance and reports to the Risk Committee of the Board.

Operational Risk

The Group defines operational risk as the measurement of potential loss or damaged reputation from failed or inadequate internal processes, people and systems or from external events. Operational risks are inherent in all activities within the Group, including in outsourced activities and in all interactions with external parties.

Strong internal governance and controls, including a fraud framework, operational risk testing and trained staff are the key to successful operational risk management. Each strategic business unit is primarily responsible for identifying, assessing and managing operational risks in that business unit. An Operational Risk Management team develops and maintains the framework for identifying, monitoring and controlling operational risks and supports each business unit in implementing the framework and raising awareness of operational risks. This team also sets policy and monitors compliance. Operational risk management activities across the Group are reported regularly to the Audit Committee and Risk Committee.

The Group's operational risk management framework includes ongoing monitoring through self-assessment of control deficiencies and weaknesses, and the tracking of incidents and loss events to ensure that, once identified, control deficiencies are communicated and remedied in a timely fashion across the Group.

Liquidity Risk

Liquidity risk is defined as the risk that the Group will experience difficulty in financing its assets and meeting its contractual payment obligations, or will only be able to do so at an unacceptably high cost. The Group is exposed to liquidity risk through our general funding activities and in the management of our assets and liabilities.

The Group's exposure to liquidity risk is governed by a Liquidity Management Policy and Framework approved by the Board. The operation of the policy is delegated to Management in the form of the Asset and Liability Committee (ALCO). The Group and individual operating companies' ALCOs are responsible for monitoring liquidity risk and adherence to the Liquidity Management Policy. Day-to- day management of liquidity is handled by the Treasury team.

The Group performs stress tests and scenario analysis to evaluate the impact of stresses on its liquidity position.
These tests are at both a Group specific and Operating company level. The results are independently reviewed by the market risk function and reported to the Board quarterly.

Environmental risk

The physical effects of climate change along with regulations designed to mitigate its negative impacts will have a measurable impact on communities and the regional economy. The physical risks of climate change resulting from severe weather events and systemic issues such as rising sea levels can impact profitability through disruptions in our own operations and damage to critical infrastructure. Transition risks, which arise as society adjusts towards a low-carbon future, can impact the financial health of our clients as changes in policy and technology aimed at limiting global warming can increase their operating costs and reduce profitability, while translating into potentially higher credit losses for the bank. We are also exposed to reputational risks due to changing stakeholder expectations related to action or inaction in addressing climate-related risks.

Consolidated Financial Statements

Details of the notes to the consolidated financial statements

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CIBC CARIBBEAN BANK LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of CIBC Caribbean Bank Limited ("the Bank") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at October 31, 2024, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at October 31, 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants' ("IESBA") International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CIBC CARIBBEAN BANK LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Expected credit loss allowances	
Related disclosures in the consolidated financial statements are included in Note 2.4, Summary of material accounting policy information, Impairment of financial assets, Note 14, Securities, Note 15, Loans and advances to customers and Note 32, Financial risk management. IFRS 9 uses an expected credit loss ("ECL") model which requires significant management judgment and incorporation of forward-looking information. IFRS 9 requires the Group to record an allowance for ECLs for all loans and advances to customers and other financial assets not held at fair value through profit and loss, together with loan commitments and financial guarantee contracts. This is a key audit matter as the estimation of ECLs is inherently uncertain and requires the application of judgment and use of subjective assumptions by management. Furthermore, models used to determine credit impairment are complex, and certain inputs used are not fully observable. Management compensates for any model and data deficiencies by applying judgmental overlays to ECL model outputs.	• We evaluated the modelling techniques and methodologies developed by the Group in order to estimate ECLs and assessed their compliance with the requirements of IFRS 9. • We tested the completeness and accuracy of data input from the underlying systems to the models used to determine the ECLs. We assessed the reasonableness of the methodologies and assumptions applied in determining 12 month and lifetime probabilities of default (PD), loss given default (LGD), exposure at default (EAD) and the determination of when a loan has experienced a significant increase in credit risk (SICR). • We assessed external source data and assumptions, particularly with respect to forward looking information (FLI) by comparing to independent sources. • We involved our internal credit risk specialists to assist us in evaluating whether the methodology and assumptions used in significant models that estimate ECL were consistent with the requirements of IFRS, the Bank's own historical data and industry standards. This included an assessment of the thresholds used to determine a SICR and the evaluation of management's expert credit judgment in ensuring that amounts recorded were reflective of the credit quality and macroeconomic trends, amongst other factors. We also assessed the reasonableness of the generation of FLI and evaluated the probability weights used in the ECL models. On a sample basis, we recalculated the ECL to test the mathematical accuracy of management's models. • We assessed the reasonableness of all qualitative adjustments or overlays derived outside of specific model output. • We used our internal specialists to assess the methodology used and values obtained for third party appraisals of real estate held as collateral for loans. • We assessed the adequacy of disclosures in the consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CIBC CARIBBEAN BANK LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Fair value of investment securities and derivative financial instruments and hedge accounting	
Related disclosures in the consolidated financial statements are included in Note 2.4, Summary of material accounting policy information, Derivative financial instruments and hedge accounting, Debt instruments at FVOCI, Equity instruments at FVOCI, Note 12, Derivative financial instruments, Note 14, Securities and Note 32, Financial risk management. This is a key audit matter due to the complexity of valuation models used to determine fair value. These valuation models can be subjective in nature and involve observable and unobservable data and various assumptions. These include the valuation of financial instruments with higher estimation uncertainty for which observable market prices or market parameters are not available. The use of different valuation techniques and assumptions could result in significantly different estimates of fair value. Inaccurate application of hedge accounting rules could result in incorrect classification and could have a significant impact on the consolidated statement of comprehensive income. The associated risk management disclosure is also complex and dependent upon high quality data.	• We tested the effectiveness of controls over valuation and monthly hedge effectiveness ensuring all hedge accounting criteria were met and in compliance with IAS 39 (IFRS 9 for hedge accounting deferred). • We reviewed the market prices applied to the Bank's debt securities by comparing the prices used to an independent external source. • We involved our internal valuation specialists who tested the reasonableness of hedge effectiveness and the fair value of all derivatives held by the Bank. We also used our internal valuation specialists to assess the reasonableness of the fair value of securities which did not have observable market prices. • We assessed the adequacy of the disclosures in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CIBC CARIBBEAN BANK LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Other information included in the Group's 2024 Annual Report

Management is responsible for the other information included in the 2024 Annual report. The other information consists of the Chairman's and Chief Executive Officer's messages and Management's Discussion and Analysis included in the Group's 2024 Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS Accounting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Audit and Governance Committee ("Audit Committee") is responsible for overseeing the Bank's financial reporting process.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CIBC CARIBBEAN BANK LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Building a better working world

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CIBC CARIBBEAN BANK LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CIBC CARIBBEAN BANK LIMITED

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Adrienne D'Arcy.

Ernst + Young Ltd

Bridgetown
BARBADOS
December 16, 2024

Consolidated Statement of Income

For the year ended October 31, 2024
(Expressed in thousands of United States dollars, except as noted)

	Notes	**2024**	2023
Interest and similar income		**$ 621,154**	$ 566,244
Interest and similar expense		**80,227**	54,325
Net interest income	3	**540,927**	511,919
Operating income	4	**205,638**	203,544
		$ 746,565	$ 715,463
Operating expenses	5	**441,611**	414,504
Credit loss expense on financial assets	14,15	**2,667**	11,183
		$ 444,278	$ 425,687
Income before taxation from continuing operations		**302,287**	289,776
Income tax expense	6	**26,572**	29,015
Net income for the year from continuing operations		**$ 275,715**	$ 260,761
Net income from discontinued operations	33	**6,912**	4,727
Net (loss)/income from discontinuing operations	33	**(5,114)**	4,422
Net income for the year		**$ 277,513**	$ 269,910
Net income for the year attributable to:			
Equity holders of the parent		**$ 270,990**	$ 264,056
Non-controlling interests		**6,523**	5,854
		$ 277,513	$ 269,910
Basic and diluted earnings per share from continuing operations attributable to the equity holders of the parent for the year (expressed in cents per share)	7	**17.1**	16.2
Basic and diluted earnings per share attributable to the equity holders of the parent for the year (expressed in cents per share)	7	**17.2**	16.7

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended October 31, 2024
(Expressed in thousands of United States dollars, except as noted)

	Notes	2024	2023
Net income for the year		**$ 277,513**	$ 269,910
Other comprehensive income (net of tax) to be reclassified to net income or loss in subsequent periods			
Net gains on debt securities at fair value through other comprehensive income		**10,835**	7,202
Net losses on derivatives designated as cash flow hedges		**(28)**	-
Net exchange losses on translation of foreign operations		**(2,416)**	(1,082)
Net other comprehensive income (net of tax) to be reclassified to net income or loss in subsequent periods	8,9	**8,391**	6,120
Other comprehensive income/(loss) (net of tax) not to be reclassified to net income or loss in subsequent periods			
Re-measurement gains/(losses) on retirement benefit plans		**74,873**	(5,575)
Net other comprehensive income/(loss) (net of tax) not to be reclassified to net income or loss in subsequent periods		**74,873**	(5,575)
Other comprehensive income for the year, net of tax		**83,264**	545
Comprehensive income for the year, net of tax		**$ 360,777**	$ 270,455
Comprehensive income for the year attributable to:			
Continuing operations		**357,067**	263,491
Discontinued operations	33	**8,824**	4,705
Discontinuing operations	33	**(5,114)**	2,259
		$ 360,777	$ 270,455
Comprehensive income for the year attributable to:			
Equity holders of the parent		**$ 353,327**	$ 264,341
Non-controlling interests		**7,450**	6,114
		$ 360,777	$ 270,455

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Financial Position

As at October 31, 2024
(Expressed in thousands of United States dollars, except as noted)

	Notes	**2024**	2023
Assets			
Cash and balances with Central Banks	10	**$ 1,495,999**	$ 1,498,217
Due from banks	11	**911,191**	763,347
Derivative financial instruments	12	**4,161**	9,987
Other assets	13	**152,838**	155,213
Taxation recoverable		**27,786**	29,675
Securities	14	**3,169,444**	2,846,655
Loans and advances to customers	15	**6,962,869**	6,633,855
Property and equipment	16	**211,549**	210,899
Deferred tax assets	17	**22,366**	20,278
Retirement benefit assets	18	**150,284**	71,996
Intangible assets	19	**44,372**	44,372
		$ 13,152,859	$ 12,284,494
Assets of disposal group classified as held for sale and discontinued operations	33	**156,426**	236,614
Total assets		**$ 13,309,285**	$ 12,521,108
Liabilities			
Derivative financial instruments	12	**$ 3,672**	$ 9,154
Customer deposits	20	**11,286,331**	10,533,327
Other liabilities	21	**224,617**	204,165
Taxation payable		**1,268**	4,058
Deferred tax liabilities	17	**20,552**	8,765
Debt securities in issue	22	**-**	26,599
Retirement benefit obligations	18	**18,661**	18,654
		$ 11,555,101	$ 10,804,722
Liabilities of disposal group classified as held for sale and discontinued operations	33	**121,883**	363,867
Total liabilities		**$ 11,676,984**	$ 11,168,589
Equity attributable to equity holders of the parent			
Issued capital	23	**$ 1,193,149**	$ 1,193,149
Reserves	24	**(31,646)**	(144,853)
Retained earnings		**432,195**	270,999
		1,593,698	1,319,295
Non-controlling interests		**38,603**	33,224
Total equity		**1,632,301**	1,352,519
Total liabilities and equity		**$ 13,309,285**	$ 12,521,108

The accompanying notes are an integral part of the consolidated financial statements.

Approved by the Board of Directors on December 16, 2024

Mark St.Hill
Chief Executive Officer

Chris De Caires
Director

Consolidated Statement of Changes in Equity

For the year ended October 31, 2024
(Expressed in thousands of United States dollars, except as noted)

	Notes		Attributable to equity holders of the parent			
		Issued capital	Reserves	Retained earnings	Non-controlling interests	Total equity
Balance at October 31, 2022		$ 1,193,149	$ (178,338)	$ 115,085	$ 29,181	$ 1,159,077
Net income for the year		-	-	264,056	5,854	269,910
Other comprehensive income for the year, net of tax		-	285	-	260	545
Total comprehensive income		-	285	264,056	6,114	270,455
Transfer to reserves	24	-	33,200	(33,200)	-	-
Equity dividends	25	-	-	(74,942)	-	(74,942)
Dividends of subsidiary		-	-	-	(2,071)	(2,071)
Balance at October 31, 2023		$ 1,193,149	$ (144,853)	$ 270,999	$ 33,224	$ 1,352,519
Net income for the year		-	-	270,990	6,523	277,513
Other comprehensive income for the year, net of tax		-	82,337	-	927	83,264
Total comprehensive income		-	82,337	270,990	7,450	360,777
Transfer to reserves	24	-	30,870	(30,870)	-	-
Equity dividends	25	-	-	(78,924)	-	(78,924)
Dividends of subsidiary		-	-	-	(2,071)	(2,071)
Balance at October 31, 2024		$ 1,193,149	$ (31,646)	$ 432,195	$ 38,603	$ 1,632,301

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended October 31, 2024
(Expressed in thousands of United States dollars, except as noted)

	2024	2023
Cash flows from operating activities		
Income before taxation from continuing operations	**$ 302,287**	$ 289,776
Income before taxation from discontinued and discontinuing operations	**1,476**	11,515
Credit loss (release)/expense on financial assets	**(3,246)**	14,131
Depreciation of property and equipment	**45,708**	36,112
Net losses on disposals of property and equipment	**305**	1,938
Net gains on disposals of investment securities	**(28)**	-
Net hedging gains	**-**	(51)
Basis adjustments amortization	**297**	(1,177)
Interest income earned on investment securities	**(141,085)**	(118,064)
Interest expense incurred on lease liabilities, other borrowed funds and debt securities	**1,095**	1,755
Net cash flows from operating activities before changes in operating assets and liabilities from continuing operations	**206,809**	235,935
Changes in operating assets and liabilities:		
- net decrease in due from banks	**16,575**	1,802
- net (increase)/decrease in loans and advances to customers	**(330,080)**	8,105
- net decrease/(increase) in other assets	**438**	(26,849)
- net increase/(decrease) in customer deposits	**753,004**	(895,419)
- net increase in other liabilities	**31,992**	39,709
Income taxes paid	**(19,908)**	(34,600)
Net cash from/(used in) operating activities from continuing operations	**658,830**	(671,317)
Cash flows from investing activities		
Purchases of property and equipment	**(46,663)**	(56,074)
Purchases of securities	**(29,453,494)**	(12,519,223)
Proceeds from disposals and redemption of securities	**29,149,802**	12,620,318
Interest income received on securities	**136,839**	118,885
Net cash (used in)/from investing activities from continuing operations	**(213,516)**	163,906
Cash flows from financing activities		
Interest expense paid on other borrowed funds and debt securities	**(1,557)**	(1,755)
Net repayments on other borrowed funds and debt securities (note 22)	**(26,137)**	-
Dividends paid to equity holders of the parent	**(78,924)**	(74,942)
Dividends paid to non-controlling interests	**(2,071)**	(2,071)
Payment of principal portion of lease liabilities	**(10,211)**	(10,758)
Net cash used in financing activities from continuing operations	**(118,900)**	(89,526)
Net increase/(decrease) in cash and cash equivalents for the year from continuing operations	**326,414**	(596,937)
Net (decrease)/increase in cash and cash equivalents for the year from held for sale and discontinued operations	**(161,796)**	134,532
Effect of exchange rate changes on cash and cash equivalents	**(2,416)**	(1,082)
Cash and cash equivalents, beginning of year	**1,880,386**	2,343,873
Cash and cash equivalents from held for sale and discontinued operations	**10,644**	132,966
Cash and cash equivalents, end of year (note 10)	**$ 2,053,232**	$ 2,013,352

The accompanying notes are an integral part of the consolidated financial statements.

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Note 1 General Information

CIBC Caribbean Bank Limited (formerly FirstCaribbean International Bank Limited) and its subsidiaries (the "Group") are registered under the relevant financial and corporate legislation of 11 countries in the Caribbean to carry on banking and other related activities. CIBC Caribbean Bank Limited (the "Bank"), is a company incorporated and domiciled in Barbados at Warrens, St. Michael. The parent company and controlling party of the Bank is CIBC Investments (Cayman) Limited, which holds 91.7% of the Bank's issued shares and is a company incorporated in Cayman. The ultimate parent company is Canadian Imperial Bank of Commerce ("CIBC").

The Bank has a primary listing on the Barbados and Trinidad Stock Exchanges. These consolidated financial statements have been authorised for issue by the Board of Directors on December 16, 2024. The Board of Directors has the power to amend these consolidated financial statements after issue, if required.

Note 2 Basis of preparation and summary of material accounting policies

2.1 Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis, except for debt instruments carried at fair value through other comprehensive income (FVOCI), financial assets and liabilities at fair value through profit or loss (FVPL) and derivative financial instruments, which have all been measured at fair value. The consolidated financial statements are presented in United States dollars, and all values are rounded to the nearest thousand, except where otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional consolidated statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in the consolidated financial statements.

The Group has prepared its consolidated financial statement on the basis that it will continue to operate as a going concern.

Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries as at October 31, 2024 (the "reporting date"). The financial statements of the subsidiaries are prepared for the same reporting year as the Bank, using consistent accounting policies.

Subsidiaries

All subsidiaries, which are those companies controlled by the Bank, have been fully consolidated. The principal subsidiaries of the Bank are disclosed in Note 34.

Control is achieved when the Bank is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Bank controls an investee if and only if the Bank has:

1) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); 2) Exposure, or rights, to variable returns from its involvement with the investee; and 3) The ability to use its power over the investee to affect its returns.

When the Bank has less than a majority of the voting or similar rights of an investee, the Bank considers all relevant facts and circumstances in assessing whether it has power over an investee, including: 1) The contractual arrangement with the other vote holders of the investee; 2) Rights arising from other contractual arrangements; 3) The Bank's voting rights and potential voting rights.

The Bank reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Bank obtains control over the subsidiary and ceases when the Bank loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Bank gains control until the date the Bank ceases to control the subsidiary.

All inter-company transactions, balances and unrealised surpluses and deficits on transactions and balances have been eliminated. Non-controlling interests represent the portion of profit or loss and net assets not owned, directly or indirectly, by the Bank and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from equity attributable to equity holders of the parent.

Any further excess losses were attributable to the parent, unless the non-controlling interests had a binding obligation to cover

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these. With effect from November 1, 2009, losses are attributed to the non-controlling interests even if that results in a deficit balance.

Transactions with non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Interests in the equity of subsidiaries not attributable to the parent are reported in consolidated equity as non-controlling interests. Profits or losses attributable to non-controlling interests are reported in the consolidated statement of comprehensive income.

Transactions with jointly controlled entities

IFRS 3 Business Combinations does not apply to a business combination of entities or businesses under common control. A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

The Group accounts for the acquisition of commonly controlled entities as follows:

- The assets, liabilities, income and expenses of a subsidiary are included in the consolidated financial statements prospectively from the acquisition date.
- The assets and liabilities of the subsidiaries are reflected in the consolidated financial statements at their carrying amounts and are not revalued to fair value.
- No new goodwill is recognised as a result of the combination. Instead, any difference between the fair value of consideration and the carrying value of the net assets is reflected as an adjustment to retained earnings.

2.2 Material accounting judgements and estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make certain material estimates and judgements that affect amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Other disclosures relating to the Group's exposure to risks and uncertainties include:

- Capital management Note 23
- Financial risk management Note 32
- Sensitivity analyses Notes 18 and 32

The estimates and judgements that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value of financial instruments

Certain financial instruments are recorded at fair value using valuation techniques in which current market transactions or observable market data are not available. Their fair value is determined using a valuation model that has been tested against prices or inputs to actual market transactions and using the Group's best estimates of the most appropriate model assumptions. Models are adjusted to reflect the spread for bid and ask prices to reflect costs to close out positions, counterparty credit, liquidity spread and limitations in the model.

Impairment losses on financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

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The Group's Expected Credit Loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Group's internal credit grading model, which assigns a Probability of Default (PD) to the individual grades
- The Group's criteria for assessing if there has been a significant increase in credit risk, and therefore allowances for financial assets should be measured on a Lifetime ECL (LTECL) basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effect on Probability of Default (PDs), Exposure at Default (EADs) and Loss Given Default (LGDs)
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Retirement benefit obligations

Accounting for some retirement benefit obligations requires the use of actuarial techniques to make a reliable estimate of the amount of benefit that employees have earned in return for their service in the current and prior periods. These actuarial assumptions are based on management's best estimates of the variables that will determine the ultimate cost of providing post-employment benefits and comprise both demographic and financial assumptions. This includes assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Variations in the financial assumptions can cause material adjustments in future years, if it is determined that the actual experience differed from the estimate.

In determining the appropriate discount rate, management considers the interest rates of government bonds, in the absence of corporate bonds, in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about retirement benefit obligations are given in Note 18.

Income taxes

The Group is subject to taxation in various jurisdictions and significant estimates are required in determining the provision for income taxes. Where the final tax outcome is different from the amounts that were initially recorded, such differences will affect the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for all deductible temporary differences and unused carry-forward tax losses, to the extent that it is probable that taxable profits will be available against which the deferred tax assets may be utilised.

Management's judgement is required to determine the amount of the deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Uncertainty in tax positions may arise as tax legislation is subject to interpretation. Estimating uncertain tax provisions requires management judgement to be applied in the interpretation of tax laws across the various jurisdictions in which the Group operates. This includes significant judgement in the determination of whether it is probable that the Group's tax filing positions will be sustained relating to certain complex tax positions and when probable, the measurement of such provision when recognised.

Intangible assets

The Group's consolidated financial statements include goodwill arising from acquisitions. In accordance with IAS 36, goodwill is reviewed for impairment annually using the "value-in-use" method. This requires the use of estimates for determination of future cash flows expected to arise from each cash-generating unit and an appropriate discount rate to calculate present value.

2.3 Adoption of new accounting policies

The accounting policies adopted are consistent with those of the previous financial year with the exception of those affected by new and amended standards and interpretations. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

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International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12

On May 23, 2023 the IASB issued "International Tax Reform—Pillar Two Model Rules", which amended IAS 12 "Income Taxes" (IAS 12), to provide temporary relief from the accounting and disclosure for deferred taxes arising from the implementation of Pillar Two model rules published by the Organisation for Economic Co-Operation and Development. The Bank has adopted this amendment and applied the exception to recognizing and disclosing deferred taxes related to Pillar Two income taxes. Further amendments require certain additional disclosures on Pillar Two income tax exposures as of the Bank's fiscal year beginning November 1, 2024 as the relevant laws have been enacted in the relevant jurisdictions (Barbados and Canada) and will become effective from that date.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by (i) replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and (ii) adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments did not have a material impact on the Group's consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the consolidated financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments did not have a material impact on the Group's consolidated financial statements.

2.4 Summary of material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below:

Foreign currency translation

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that currency. The functional currency of the Bank is the United States dollar; and the consolidated financial statements are presented in United States dollars as this currency is universally accepted and recognised in all the territories in which the Group operates.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at rates prevailing at the reporting date and non-monetary assets and liabilities are translated at historic rates. Revenue and expenses denominated in foreign currencies are translated into the Bank's functional currency and then converted to the Group's presentation currency using prevailing average monthly exchange rates. Realised and unrealised gains and losses on foreign currency positions are reported in income of the current year. Translation differences on non-monetary items, such as equities classified as debt securities at FVOCI, are included in the debt securities revaluation reserve in equity.

Group companies

The results and financial position of all Group entities, which have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date.
- Income and expenses for each statement of comprehensive income or statement of income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is sold, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of income as part of the gain or loss on sale.

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts and interest rate swaps to manage its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives are taken directly to the consolidated statement of income, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income. For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk).
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- The Group elected, as a policy choice permitted under IFRS 9, to continue to apply hedge accounting in accordance with IAS 39.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed at inception and on a monthly basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. A hedge is considered to be highly effective if the changes in fair value or cash flows attributable to the hedged risk are expected to be offset by the hedging instrument in a range of 80% to 125%. Hedge ineffectiveness can arise from:

- Differences in timing of cash flows of hedged items and hedging instruments
- Different interest rate curves applied to discount the hedged items and hedging instruments
- Derivatives used as hedging instruments having a non-nil fair value at the time of designation
- The effect of changes in counterparties' credit risk on the fair values of hedging instruments or hedged items

Hedges, which meet the Group's strict criteria for hedge accounting, are accounted for as follows:

Fair value hedge

For hedging relationships which are designated and qualify as fair value hedges and that prove to be highly effective in relation to the hedged risk, changes in the fair value of the derivatives are recorded in the consolidated statement of income, along with the corresponding change in fair value of the hedged asset or liability that is attributable to that specific hedged risk. If the hedge no longer meets the criteria for hedge accounting, an adjustment to the carrying amount of a hedged interest-bearing financial instrument is amortised to net profit or loss over the remaining period to maturity.

Cash flow hedge

We designate cash flow hedges as part of interest rate risk management strategies that use derivatives to mitigate our risk from variable cash flows by effectively converting certain variable-rate financial instruments to fixed-rate financial instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of income. Amounts accumulated in other comprehensive income are recycled to the consolidated statement of income in the periods in which the hedged item will affect profit or loss (for example, when the forecast sale that is hedged takes place). When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in the consolidated statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately transferred to the consolidated statement of income.Certain derivative instruments do not qualify for hedge accounting or are not so designated, and changes in the fair value of these derivatives are included in net trading gains or losses within operating income.

IBOR reform

Interest rate benchmarks including the London Interbank Offered Rate (LIBOR) and other similar benchmarks, were being reformed and replaced by new risk-free rates that are largely based on traded markets. The U.K.'s Financial Conduct Authority (FCA) originally announced in July 2017 that it would not compel banks to submit LIBOR rates after December 2021. In March 2021, the FCA and the ICE Benchmark Administrator (IBA) announced the dates for the cessation or loss of representativeness of various LIBOR rates including that certain non-USD LIBORs will cease on December 31, 2021 and that most USD LIBOR tenors will cease on June 30, 2023. As IBORs are widely referenced by large volumes of derivative, loan and cash products, the transition presents a number of risks to the Group and the industry as a whole. The Group has established a comprehensive enterprise-wide program to manage and coordinate all aspects of the transition, including the identification and mitigation of these risks.

Following the decision by global regulators to phase out IBORs and replace them with alternative reference rates, the Group established a project to manage the transition for any of its contracts that could be affected. The project was sponsored by the Managing Director Corporate & Investment Banking and was led by senior representatives from functions across the Group including the client facing teams, Legal, Finance, Operations and Technology. The project provided monthly progress updates to the Managing Board and bi-annually to the Audit Committee. During 2023, the Group successfully completed the transition of its IBOR exposure to RFRs, transitioning the London Interbank Offered Rate "LIBOR" interest rate benchmarks to the Secured Overnight Financing Rate "SOFR".

IBOR reform exposes the Group to various risks, which the project is managing and monitoring closely. These risks include but are not limited to the following:

- Market risk as new basis risks emerge due to the IBOR reform
- Conduct risk arising from discussions with clients and market counterparties due to the amendments required to existing contracts necessary to effect IBOR reform
- Legal risk arising as contracts are revised based on final amended terms
- Financial risk to the Group and its clients that markets are disrupted due to IBOR reform giving rise to financial losses
- Pricing risk from the potential lack of market information if liquidity in IBORs reduces and RFRs are illiquid and unobservable
- Operational risk arising from changes to the Group's IT systems and processes (current or newly introduced), also the risk of payments being disrupted if an IBOR ceases to be available
- Accounting risk if the Group's hedging relationships fail and from unrepresentative income statement volatility as financial instruments transition to RFRs

IBOR Reform Phase 1 and Phase 2

The Group applied IBOR reform Phase 1 and Phase 2 for the first time in the year ended October 31, 2021. During the period prior to the replacement of Interbank Offered Rates (IBORs) with an alternative risk-free rate (RFR), IBOR reform Phase 1 provides reliefs for hedging relationships directly affected by interest rate benchmark reform. IBOR reform Phase 2 provides temporary reliefs that allow the Group's hedging relationships to continue upon the replacement of an existing interest rate benchmark with a RFR. A hedging relationship is affected if IBOR reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. The reliefs require that for the purpose of determining whether a forecast transaction is highly probable, it is assumed that the IBOR on which the hedged cash flows are based is not altered as a result of IBOR reform.

IBOR reform Phase 1 requires that for hedging relationships affected by IBOR reform, the Group must assume that for the purpose of assessing expected future hedge effectiveness, the interest rate is not altered as a result of IBOR reform. Also, the Group is not required to discontinue the hedging relationship if the results of the assessment of retrospective hedge effectiveness fall outside the range of 80% to 125%, although any hedge ineffectiveness must be recognised in profit or loss, as normal. The reliefs cease to apply once certain conditions are met. These include when the uncertainty arising from IBOR reform is no longer present with respect to the timing and amount of the benchmark-based cash flows of the hedged item, if the hedging relationship is discontinued or once amounts in the cash flow hedge reserve have been released.

Interest income and expense

Interest income and expense are recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and financial instruments designated at FVPL. Interest income on financial assets measured at FVOCI are also recorded by using the EIR method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. When calculating the EIR, we estimate future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

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The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Bank recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges). If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the consolidated statement of financial position with an increase or reduction in interest income. The adjustment is subsequently amortised through interest and similar income in the consolidated statement of income.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired (as set out in Note 15) and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cure (as outlined in Note 15) and are no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

Interest income on financial assets mandatorily required to be measured at FVPL is recognised using the contractual interest rate.

Fee and commission income

The recognition of fee and commission income is determined by the purpose of the fee or commission and the terms specified in the contract with the customer. Revenue is recognised when, or as, a performance obligation is satisfied by transferring control of the service to the customer, in the amount of the consideration to which we expect to be entitled. Revenue may therefore be recognised at a point in time upon completion of the service or over time as the services are provided. When revenue is recognised over time, we are generally required to provide the services each period and we therefore measure our progress towards completion of the service based upon the time elapsed. When another party is involved in providing a service to a customer, we determine whether the nature of our performance obligation is that of a principal or an agent. If we control the service before it is transferred to the customer, we are acting as the principal and present revenue separately from the amount paid to the other party; otherwise we are the agent and present revenue net of the amount paid to the other party. Income, which forms an integral part of the effective interest rate of a financial instrument continues to be recognised as an adjustment to the effective interest rate.

Underwriting and advisory fees are earned on debt and equity securities placements and transaction-based advisory services. Underwriting fees are typically recognised at the point in time when the transaction is completed. Advisory fees are generally recognised as revenue over the period of the engagement as the related services are provided or at the point in time when the transaction is completed.

Deposit services fees arise from personal and business deposit accounts and cash management services. Monthly and annual fees are recognised over the period that the related services are provided. Transactional fees are recognised at the point in time the related services are provided.

Credit services fees consist of loan syndication fees, loan commitment fees, negotiation & collection fees, credit advisory fees, letters of credit and guarantees & bonds fees. Credit fees are generally recognised over the period that the related services are provided, except for loan syndication fees, which are typically recognised at the point in time that the financing placement is completed. Letters of credit and guarantees & bonds fees are charged annually and covers a one-year period starting on the date that the contract was first issued.

Card fees primarily include interchange income, over limit fees, cash advance fees, and annual fees. Card fees are recognised at the point in time the related services are provided, except for annual fees, which are recognised over the 12-month period to which they relate. The cost of credit card loyalty points is recognised as a reduction of interchange income when the loyalty points are issued for both self-managed and third-party loyalty points programs. Credit card loyalty point liabilities are recognised for self-managed loyalty point programs and are subject to periodic re-measurement to reflect the expected cost of redemption as this expectation changes over time.

Investment management fees are primarily based on the respective value of the assets under management (AUM) or assets under administration (AUA) and are recognised over the period that the related services are provided. Investment management fees are generally calculated based on point-in-time AUM and AUA balances. Custodial fees are recognised as revenue over the applicable service period, which is generally the contract term.

Customer loyalty programmes

The Group offers customer points programmes through its Credit Card products. A portion of the net fee revenues are deferred in relation to award credits under customer loyalty programmes as a separately identifiable revenue component. The amount deferred represents the fair value of the award credits and is recognised when the awards are utilised or are expired.

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Financial instruments: initial recognition

Date of recognition

Financial assets and liabilities, with the exception of loans and advances to customers and customer deposits, are initially recognised on the settlement date, which is the date that an asset is delivered to or by the Group. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans and advances to customers are recognised when funds are transferred to the customers' accounts. The Group recognises balances due to customers when funds are transferred to the Bank.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value except in the case of financial assets and financial liabilities recorded at FVPL, where transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Group accounts for the Day 1 profit or loss, as described below.

Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net trading income. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- FVOCI
- FVPL

The Group classifies and measures its derivative and trading portfolio at FVPL as explained in summary of accounting policies. The Group may designate financial instruments at FVPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities, other than loan commitments and financial guarantees are measured at amortised cost.

Financial assets and liabilities

Due from banks, Loans and advances to customers, Financial investments at amortised cost

The Group only measures due from banks, loans and advances to customers and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

The details of these conditions are outlined below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed

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- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI (solely payments of principal and interest) test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To perform the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

Derivatives recorded at fair value through profit or loss

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e. the 'underlying')
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors
- It is settled at a future date

The Group uses derivative financial instruments to manage its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The Group enters into derivative transactions with various counterparties including the parent, CIBC. These include interest rate swaps, futures, credit default swaps, cross-currency swaps, forward foreign exchange contracts and options on interest rates, foreign currencies and equities. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately in Note 12. Changes in the fair value of derivatives are included in net trading income unless hedge accounting is applied. Hedge accounting disclosures are provided in Note 12.

Debt instruments at FVOCI

The Group applies the category under IFRS 9 of debt instruments measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. The ECL calculation for debt instruments at FVOCI is shown in Note 14. Where the Group holds more than one investment in the same security, they are deemed to be disposed of on a first–in first–out basis. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

Equity instruments at FVOCI

Upon initial recognition, the Group occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other

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operating income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Debt issued and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issued funds, and costs that are an integral part of the effective interest rate. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

Disclosures for the Group's issued debt are set out in Note 22.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. Management only designates an instrument at FVPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis,or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, or
- The liabilities contain one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited

Financial assets and financial liabilities at FVPL are recorded in the consolidated statement of financial position at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVPL due to changes in the Group's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVPL is accrued in interest income or interest expense respectively using the EIR, taking into account any discount/premium and qualifying transaction costs being an integral part of the instrument. Interest earned on assets mandatorily required to be measured at FVPL is recorded using the contractual interest rate. Dividend income from equity instruments measured at FVPL is recorded in profit or loss as other operating income when the right to the payment has been established.

Financial guarantees, letters of credit and undrawn loan commitments

The Group issues financial guarantees, letters of credit and loan commitments.

The Group's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation and an ECL allowance.

Undrawn loan commitments and letters of credits are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. These contracts are in the scope of the ECL requirements and attract allowances based on credit quality.

The nominal contractual value of financial guarantees, letters of credit and undrawn loan commitments, where the loan agreed to be provided is on market terms, is not recorded in the consolidated statement of financial position. The nominal values of these instruments together with the corresponding ECLs are disclosed in Note 15.

Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Group previously reclassified one of its financial assets from loans and advances to debt instruments at amortised cost. No financial liabilities were reclassified.

Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 2 for ECL measurement purposes, unless the new loan is deemed to be purchased or originated credit impaired (POCI).

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When assessing whether or not to derecognise a loan to a customer, the Group considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition other than for substantial modification

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.
The Group has transferred the financial asset if and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset, or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay. If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Group would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

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Impairment of financial assets

Overview of the ECL principles

The Group records an allowance for expected credit losses for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined in Note 15. The Group's policies for determining if there has been a significant increase in credit risk are set out in Note 32.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

Where the financial asset meets the definition of POCI, the allowance is based on the change in the ECLs over the life of the asset.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. This is further explained in Note 32.

Based on the above process, the Group allocates its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

- **Stage 1:** When loans are first recognised, the Group recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- **Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- **Stage 3:** Loans considered credit-impaired (as outlined in Note 15).The Group records an allowance for the LTECLs.
- **POCI:** Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses. ECL allowances for POCI assets are reported in Stage 3.

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

The calculation of ECLs

The Group calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- **PD** - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PDs is further explained in Note 32.
- **EAD** - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- **LGD** - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

  When estimating the ECLs, the Group considers among other factors the risk rating category and aging of the financial asset. Each of these is associated with different PDs, EADs and LGDs. When relevant, it also incorporates how defaulted loans and investments are expected to be recovered, including the value of collateral or the amount that might be received for selling the asset.

  With the exception of credit cards and other revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Group has the legal right to call it earlier. The mechanics of the ECL method are summarised below:

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- **Stage 1:** The 12m ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.
- **Stage 2:** When a financial asset has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
- **Stage 3:** For financial assets considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.
- **POCI:** These are financial assets that are credit impaired on initial recognition. The Group only recognises the cumulative changes in lifetime ECLs since initial recognition, based on probability-weighting scenarios, discounted by the credit adjusted EIR.
- **Loan commitments and letters of credit:** When estimating 12mECL for undrawn loan commitments, the Group applies the PD and LGD to the undrawn amount, and this amount is discounted at an approximation to the expected EIR on the loan. For credit cards and revolving facilities that include both a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments and letters of credit, the ECL is recognised within Provisions.
- **Financial guarantee contracts:** The Group estimates ECLs by applying the PD and LGD to the exposure, and this amount is discounted at an approximation to the interest rate relevant to the exposure. The ECLs related to financial guarantee contracts are recognised within credit loss on financial assets.

Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the consolidated statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

Purchased or originated credit impaired financial assets (POCI)

For POCI financial assets, the Group only recognises the cumulative changes in LTECL since initial recognition in the loss allowance.

Credit cards and other revolving facilities

The Group's product offering includes a variety of corporate and retail overdraft and credit cards facilities, in which the Group has the right to cancel and/or reduce the facilities with one day's notice. The Group does not limit its exposure to credit losses to the contractual notice period, but instead calculates ECL over a period that reflects the Group's expectations of the customers' behaviour, its likelihood of default and the Group's future risk mitigation procedures, which could include reducing or cancelling the facilities.

The ongoing assessment of whether a significant increase in credit risk has occurred for revolving facilities is similar to other lending products. This is based on shifts in the customer's internal credit grade or history of delinquency, as explained in Note 32, but greater emphasis is also given to qualitative factors such as changes in usage. The calculation of ECLs, including the estimation of the expected period of exposure and discount rate is made, on a collective basis for corporate and retail products. The collective assessments are made separately for portfolios of facilities with similar credit risk characteristics.

Forward looking information

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as but not limited to:

- GDP growth or nominal GDP
- Unemployment rate
- Consumer price index and inflation
- Interest rates

For the majority of our loan portfolios, our forecast of forward-looking information variables is established from a "base case" or most likely scenario. For most of the forward-looking information variables related to the Group's businesses, we have forecast scenarios by individual territories. In forming the "base case" scenario, we consider the forecasts of monetary authorities such as the International Monetary Fund (IMF), World Bank and regional regulatory/ statutory bodies. We then derive reasonably possible "upside case" and "downside case" scenarios using the historical performance of variables that are above and below our "base case" along with the application of management judgment.

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A probability weighting is assigned to our "base case", "upside case" and "downside case" scenarios based on management judgment.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the consolidated financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. The use of management overlays requires the application of significant expert judgment that may impact on the amount and timing of the ECL allowance being recognised. As such, overlays are continuously reviewed for relevance and accuracy.

Collateral valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Group's consolidated statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis. Details of the impact of the Group's various credit enhancements are disclosed in Note 15.

The Group's credit risk management policies include requirements relating to collateral valuation and management, including verification requirements and legal certainty. Valuations are updated periodically depending upon the nature of the collateral. Management monitors the market value of collateral and requests additional collateral in accordance with the underlying agreement during its periodic review of loan accounts in arrears. Policies are in place to monitor the existence of undesirable concentration in the collateral supporting the Group's credit exposure.

Collateral repossessed

The Group's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in line with the Group's policy.

In its normal course of business, the Group does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the consolidated statement of financial position.

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has judged that there is no realistic prospect of future recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

Forborne and modified loans

The Group sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession of or to otherwise enforce collection of collateral. The Group considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Group would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms.

It is the Group's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off.

When the loan has been renegotiated or modified but not derecognised, the Group also reassesses whether there has been a significant increase in credit risk, as set out in Note 32. The Group also considers whether the assets should be classified as Stage 3. Once an asset has been classified as forborne, it will remain forborne for a minimum probation period according to the regulatory rules in each country. In order for the loan to be reclassified out of the forborne category, the customer has to meet all of the following criteria:

- All of its facilities have to be considered performing
- The probation period has passed from the date the forborne contract was considered performing

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- Regular payments of more than an insignificant amount of principal or interest have been made during at least half of the probation period
- The customer does not have any contract that is more than 30 days past due

Details of forborne assets are disclosed in Note 32. If modifications are substantial, the loan is derecognised.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Sale and repurchase agreements

Securities sold subject to linked repurchase agreements (“repos”) are retained in the consolidated financial statements as investment securities and the counterparty liability is included in other borrowed funds. Securities purchased under agreements to resell are recorded as loans and advances to other banks or customers as appropriate. The difference between sale and repurchase price is treated as interest and accrued over the life of repurchase agreements using the effective interest method.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. An intangible asset is only recognised when its cost can be reliably measured and it is probable that the expected future economic benefits attributable to it will flow to the Group. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Intangible assets acquired in business combinations prior to November 1, 2009 are accounted for as follows:

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the acquired subsidiary undertaking at the date of acquisition and is reported in the consolidated statement of financial position as an intangible asset. Goodwill is tested annually for impairment at third quarter or when circumstances indicate that the carrying value may be impaired and carried at cost less accumulated impairment losses. Goodwill is allocated to the lowest levels for which there are separately identifiable cash flows (cash-generating units) for the purpose of impairment testing.

An impairment loss is recognised for the amount by which the asset’s carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value-in-use.

Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probably. They are stated at the lower of carrying amount and fair value less costs to sell.

Property and equipment

All property and equipment is stated at historical cost less accumulated depreciation, with the exception of land which is not depreciated. Historical cost includes expenditures that are directly attributable to the acquisition of the items. Land and buildings comprise mainly of branches and offices. Subsequent costs are included in the asset’s carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated statement of income during the financial period in which they are incurred. Right-of use assets are presented together with property and equipment in the consolidated statement of financial position. Refer to the accounting policy for leases below.

Depreciation of owned assets is computed on the straight-line method at rates considered adequate to write- off the cost of depreciable assets, less salvage, over their estimated useful lives.
The annual rates used are:

-	Buildings	2½%
-	Leasehold Improvements	10% or over the life of the lease
-	Equipment, furniture and vehicles	20 - 50%

Right-of-use assets are depreciated over the life of the lease.

Depreciation methods, useful lives and residual values are reviewed at each annual reporting date and are adjusted if appropriate. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The asset's recoverable amount is the higher of the asset's fair value less costs to sell and the value-in-use.

Gains and losses on disposal of property and equipment are determined by reference to its carrying amount and are taken into account in determining net income.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group leases various buildings for extended periods. Contracts may contain both lease and non-lease components, however where the Group has a lease, it has elected not to separate these components and instead accounts for these as a single lease component.

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are presented within Note 16 Property and equipment and are subject to similar impairment in line with the Group's impairment policy for non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The lease liabilities are presented within Other liabilities on the consolidated statement of financial position.

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As a lessor
Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Determination of the lease term for lease contracts with renewal and termination options (As a lessee)
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific adjustments (such as the subsidiary's stand-alone credit rating, or to reflect the terms and conditions of the lease).

To determine the incremental borrowing rate, the Group uses a build-up approach, which incorporates internal Funds Transfer Pricing (FTP) methodology to derive the discount rates, which are further duration adjusted to better reflect the amortizing nature of the lease portfolio. The approach makes adjustments specific to the lease, e.g. term, country and currency.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Finance leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Amounts due from lessees under finance leases mainly relate to the leasing of vehicles & equipment and are recorded under loans and advances to customers in the consolidated statement of financial position at the amount of the net investment in the leases.

At the commencement of the lease term, the Group recognizes finance leases at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. To calculate the present value of the lease payments, the interest rate stipulated in the finance lease is used. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment in the lease.

Restructuring provisions
Restructuring provisions are recognised only when the recognition criteria for provisions are fulfilled. The Group has a constructive obligation when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline. Furthermore, the employees affected have been notified of the plan's main features. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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Retirement benefit obligations

Pension obligations

The Group operates a number of pension plans, the assets of which are generally held in separate trustee-administered funds. The pension plans are generally funded by payments from the relevant Group companies, taking account of the recommendations of independent qualified actuaries. The Group has both defined benefit plans and defined contribution plans. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The asset or liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets, together with adjustments for unrecognised actuarial gains/losses and past service cost. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates of government securities, which have terms to maturity approximating the terms of the related liability. Most of the pension plans are final salary plans and the charge for such pension plans, representing the net periodic pension cost less employee contributions, is included in staff costs.

Re-measurements, comprising where applicable of actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest), are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as part of staff costs in the consolidated statement of income:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

For defined contribution plans, the Group makes contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due and as such are included in staff costs. The Group's contributions to the defined contribution pension plans are charged to the consolidated statement of income in the year to which they relate.

Other post-retirement obligations

Some Group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that for defined benefit pension plans. These obligations are valued annually by independent qualified actuaries.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

The principal temporary differences arise from depreciation on property and equipment, revaluation of certain financial assets and liabilities, provisions for pensions and tax losses carried forward; and in relation to acquisitions, on the difference between the fair values of the net assets acquired and their tax base. Currently enacted or substantially enacted tax rates are used to determine deferred taxes.

Tax payable on profits, based on the applicable tax law in each jurisdiction, is recognised as an expense in the period in which profits arise. Deferred tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the tax losses can be utilised.

Deferred tax related to fair value re-measurement of FVOCI debt securities, which is charged or credited directly to other comprehensive income, is also credited or charged directly to other comprehensive income and is subsequently recognised in the

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consolidated statement of income together with the realised gain or loss.

Accumulated other comprehensive income

AOCI is included on the consolidated balance sheet as a separate component of total equity, net of income tax. It includes net unrealized gains and losses on FVOCI debt and equity securities, the effective portion of gains and losses on derivative instruments designated within effective cash flow hedges under IAS 39, unrealized foreign currency translation gains and losses on foreign operations with a functional currency other than the United States dollar, net of gains or losses on related hedges and net gains or losses on post-employment defined benefit plans.

Liabilities and equity

We classify financial instruments as a liability or equity based on the substance of the contractual arrangement. An instrument is classified as a liability if it is a contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities at potentially unfavourable terms. A contract is also classified as a liability if it is a non-derivative and could obligate us to deliver a variable number of our own shares or it is a derivative other than one that can be settled by the delivery of a fixed amount of cash or another financial asset for a fixed number of our own equity

Share capital

Share issue costs

Shares issued for cash are accounted for at the issue price less any transaction costs associated with the issue. Shares issued as consideration for the purchase of assets, or a business, are recorded at the market price on the date of issue.

Dividends on common shares

Dividends on common shares are recognised in equity in the period in which they are declared. Dividends for the year that are declared after the reporting date are not reflected in these consolidated financial statements.

Earnings per share

Basic and diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the parent by the weighted average number of common shares (excluding treasury shares) outstanding during the year.

Share-based payments

Compensation is provided to certain employees and directors in the form of share-based awards. Awards granted are converted into Performance Share Units based on our parent's CIBC share price at the award date. The Performance Share units also attract notional dividends which are reinvested in additional share units. The compensation expense for share-based awards is recognized from the service commencement date to the earlier of the contractual vesting date or the employee's retirement eligible date. For grants regularly awarded in the annual incentive compensation cycle (annual incentive grant), the service commencement date is considered to be the start of the fiscal year that precedes the fiscal year in which the grant is made. The service commencement date in respect of special awards granted outside of the annual cycle is the grant date. The amount of compensation expense recognized is based on management's best estimate of the number of share-based awards expected to vest, including estimates of expected forfeitures, which are revised periodically as appropriate. For the annual incentive grant, compensation expense is recognized from the service commencement date based on the estimated fair value of the forthcoming grant with the estimated fair value adjusted to the actual fair value at the grant date.

Under the Performance Share Unit (PSU) plan, where grants are settled in the cash equivalent of CIBC common shares, changes in the obligation which arise from fluctuations in the market price of CIBC common shares, and revised estimates of the performance factor, net of related hedges, are recognized in the consolidated statement of income as compensation expense in proportion to the award recognized. The performance factor ranges from 75% to 125% of the initial number of units awarded based on the Bank's performance.

Fiduciary activities

The Group commonly acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these consolidated financial statements, as they are not assets of the Group.

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Provisions and contingent liabilities

In the ordinary course of its business, the Group is a party to a number of legal proceedings, including regulatory investigations in which claims for substantial monetary damages are asserted against CIBC and its subsidiaries. Legal provisions are established if, in the opinion of management, it is both probable that an outflow of economic benefits will be required to resolve the matter and a reliable estimate can be made of the amount of the obligation. If the reliable estimate of probable loss involves a range of potential outcomes within which a specific amount appears to be a better estimate, that amount is accrued. If no specific amount within the range of potential outcomes appears to be a better estimate than any other amount, the midpoint in the range is accrued. In some instances, however, it is not possible either to determine whether an obligation is probable or to reliably estimate the amount of loss, in which case no accrual can be made.

While there is inherent difficulty in predicting the outcome of legal proceedings, based on current knowledge and in consultation with legal counsel, we do not expect the outcome of these matters, individually or in aggregate, to have a material adverse effect on our consolidated financial statements. However, the outcome of these matters, individually or in aggregate, may be material to our operating results for a particular reporting period. We regularly assess the adequacy of our litigation accruals and make the necessary adjustments to incorporate new information as it becomes available.

Segment reporting

Business segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the business segments of an entity. The Group has determined the Group's Executive Committee as its chief operating decision-maker.

Interest income is reported net within revenue as management primarily relies on net interest income as a performance measure and not the gross income and expense.

All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated on consolidation. Income and expenses directly associated with each segment are included in determining business segment performance.

Fair value measurement

The Group measures financial instruments, such as, derivatives, and FVOCI debt securities at fair value at each consolidated statement of financial position date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 32. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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Comparatives
Where necessary, comparative figures have been adjusted to comply with changes in presentation in the current year.

2.5 Standards issued but not yet effective
The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Classification of Liabilities as Current or Non-current with Covenants – Amendments to IAS 1
In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The amendments are not expected to have an impact on the Group's consolidated financial statements.

Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures which specify disclosure requirements to enhance the current requirements, with the intention of assisting users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments require an entity to provide information on the impact of finance supplier arrangements on liabilities and cashflow, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024. The amendments are not expected to have a material impact on the Group's consolidated financial statements.

Lease Liability in a Sale and Leaseback- Amendments to IFRS 16
In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) which specifies the requirements for the measurement of the lease liability arising from a sale and leaseback arrangement by the seller-lessee to ensure any gain or loss relating to the right of use retained is not recognized.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024. The amendments are not expected to have a material impact on the Group's consolidated financial statements.

Lack of exchangeability – Amendments to IAS 21
In August 2023, the Board issued amendments to IAS 21 relating to lack of exchangeability of currency. The amendment states a currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments specify how an entity should assess whether a currency is exchangeable and how a spot exchange rate should be determined when there is a lack of exchangeability. The amendments are effective for annual reporting periods beginning on or after January 1, 2025. The Group is currently assessing the impact of these amendments and plans to adopt the new amendment on the required effective date.

Classification and Measurement of Financial Instruments– Amendments to IFRS 9 and IFRS 7
In May 2024, the Board issued amendments to IFRS 9 and IFRS 7 relating to classification and measurement of financial instruments. The amendment clarifies that a financial liability should be derecognized on the settlement date (the date when the liability is cancelled, repaid, expired). It also provides a policy option to derecognize financial liabilities settled through electronic payment systems before the settlement date. The amendments also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and indicated how non-recourse assets and contractually linked instruments should be treated. Finally, the amendments provide the requirements for additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at FVOCI. The amendments are effective for annual

reporting periods beginning on or after January 1, 2026. The Group is currently assessing the impact of these amendments and plans to adopt the new amendment on the required effective date.

Presentation and Disclosure in Financial Statements– IFRS 18
In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation in Financial Statements. IFRS 18 aims to provide new categories and subtotals in the statement of profit or loss, provide requirements for disclosure of management-defined performance measure as well as include requirements for the location, aggregation and disaggregation of financial information within an entity's financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027. The Group is currently assessing the impact of this standard and plans to adopt the new standard on the required effective date.

IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information" and IFRS S2 "Climate-related Disclosures"
In June 2023 the IFRS Foundation's International Sustainability Standards Board (ISSB) issued its inaugural standards IFRS S1 and IFRS S2 which are designed to enable companies to communicate sustainability-related risks. IFRS S1 addresses the content and presentation requirements for sustainability disclosures more broadly, whereas IFRS S2 focuses specifically on climate-related disclosure. IFRS S1 indicates that disclosures on sustainability-related financial information is required for any company which prepares general purpose financial statements along with comparative information that reflects updated estimates when providing sustainability-related financial disclosures. Transition relief was introduced in IFRS S1 that would allow an entity to report on only climate-related risks and opportunities (as set out in IFRS S2 Climate-related Disclosures) excluding comparative information in the first year it applies IFRS S1 and IFRS S2. The entity would be required to provide information about its other sustainability-related risks and opportunities in the second year it applies the two Standards. The standards are effective for annual reporting periods beginning on or after January 1, 2024. The Group is currently assessing the impact of these standards and plans to adopt the new standards on the required effective date.

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Note 3 Net interest income

	2024	2023
Interest and similar income		
Cash, balances with Central Banks and due from banks	**$ 36,285**	$ 30,826
Securities	**136,812**	112,584
Loans and advances to customers	**448,057**	422,834
	$ 621,154	$ 566,244
Interest and similar expense		
Customer deposits	**$ 79,146**	$ 52,627
Debt securities in issue	**1,065**	1,521
Other	**16**	177
	80,227	54,325
	$ 540,927	$ 511,919

Note 4 Operating income

	2024	2023
Net fee and commission income	**$ 125,693**	$ 121,344
Foreign exchange commissions	**77,136**	77,238
Foreign exchange revaluation net gains/(losses)	**77**	(48)
Net trading losses	**(119)**	(1,229)
Net gains on disposals of securities	**32**	-
Net hedging gains (note 12)	**-**	51
Basis Adjustments (Amortization)	**(297)**	1,177
Other operating income	**3,116**	5,011
	$ 205,638	$ 203,544

Net trading losses have arisen from either disposals and/or changes in the fair value on derivatives held for trading which include failed hedges.

Net gains on disposal of securities have arisen from disposals of fair value through other comprehensive income (FVOCI) debt securities.

Net hedging gains have arisen from the difference between the changes in fair value of hedged items in respect of the hedged risk against changes in fair value of the associated hedging instruments. Adjustments to the carrying value of a hedge item is referred to as basis adjustments, Basis adjustments on discontinued hedges are amortized over the life of the hedged item.

Analysis of net fee and commission income:

	2024	2023
Underwriting	**$ 1,817**	$ 1,742
Deposit services	**56,824**	54,762
Credit services	**5,126**	4,968
Card services	**34,256**	32,218
Fiduciary & investment management	**21,351**	22,961
Other	**6,319**	4,693
	$ 125,693	$ 121,344

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Note 5 Operating expenses

	2024	2023
Staff costs	**$ 200,317**	$ 195,863
Property and equipment expenses	**53,492**	46,604
Depreciation (note 16)	**35,448**	33,192
Other operating expenses	**152,354**	138,845
	$ 441,611	$ 414,504

Analysis of staff costs:

	2024	2023
Salaries	**$ 159,888**	$ 157,569
Pension costs - defined contribution plans (note 18)	**7,409**	6,031
Pension costs - defined benefit plans (note 18)	**1,511**	(156)
Post-retirement medical benefits charge (note 18)	**1,265**	1,380
Other share and cash-based benefits	**1,729**	1,498
Risk benefits	**8,270**	8,034
Severance, including staff-related restructuring costs	**2,169**	5,722
Other staff related costs	**18,076**	15,785
	$ 200,317	$ 195,863

Severance excludes $6,389 (2023 - $7,445) related to the severance provision from discontinuing and discontinued operations.

Analysis of other operating expenses:

	2024	2023
Business taxes	**$ 47,845**	$ 47,177
Professional fees	**28,001**	27,653
Advertising and marketing	**5,345**	3,773
Business development and travel	**2,528**	2,548
Communications	**14,028**	12,098
Net losses on sale of property and equipment	**305**	1,938
Consumer related expenses	**6,445**	6,162
Non-credit losses	**6,524**	4,310
Outside services	**17,202**	15,672
Other	**24,131**	17,514
	$ 152,354	$ 138,845

Other operating expenses include expenses relating to short-term leases of $44 (2023 - $109) and leases of low-value assets of $1,862 (2023 - $1,377).

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Note 6 Income tax expense

	2024	2023
The components of income tax expense for the year are:		
Current tax charge	**$ 25,015**	$ 23,441
Deferred tax charge	**1,722**	4,614
Prior year tax (credit)/charge	**(165)**	960
	$ 26,572	$ 29,015

Tax on the Group's income before tax differs from the theoretical amount that would arise using the Barbados statutory tax rate as follows:

	2024	2023
Income before taxation from continuing operations	**$ 302,287**	$ 289,776
Tax calculated at the statutory tax rate of 5.5%	**16,626**	15,938
Effect of different tax rates in other countries	**(1,703)**	(3,150)
Effect of income not subject to tax	**(9,970)**	(1,627)
Effect of change in tax rates	**(1,937)**	-
Re-measurement of deferred tax	**1,748**	(210)
Effect of taxes at various rates	**11,065**	10,502
Effect of sliding scale rate	**(410)**	(404)
Other	**1,434**	3,134
(Over)/under provision of prior year current tax liability	**(118)**	1,018
Over provision of prior year deferred tax liability	**-**	(23)
Tax losses expiring unutilised	**(123)**	-
Movement in deferred tax asset not recognised	**8,555**	1,704
Effect of expenses not deductible for tax purposes	**1,405**	2,133
	$ 26,572	$ 29,015

Note 7 Earnings per share

The following table shows the income and share data used in the basic earnings per share calculations:

Basic and diluted earnings per share

	2024	2023
Net income attributable to equity holders of the parent from continuing operations	**$ 269,192**	$ 254,907
Weighted average number of common shares (thousands)	**1,577,095**	1,577,095
Basic and diluted earnings per share (expressed in cents per share) from continuing operations	**17.1**	16.2

	2024	2023
Net income attributable to equity holders of the parent	**$ 270,990**	$ 264,056
Weighted average number of common shares (thousands)	**1,577,095**	1,577,095
Basic and diluted earnings per share (expressed in cents per share)	**17.2**	16.7

There are no potentially dilutive instruments.

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Note 8 Components of other comprehensive income, net of tax

		2024		2023
Debt securities at fair value through other comprehensive income, net of tax:				
Net gains arising during the year	**$**	**10,835**	$	7,202
Reclassification to the consolidated income statement		**-**		-
		10,835		7,202
Attributable to:				
Equity holders of the parent	**$**	**10,778**	$	7,110
Non-controlling interests		**57**		92
		10,835		7,202
Net change in cash flow hedges through other comprehensive income, net of tax:				
Net losses arising during the year	**$**	**(28)**	$	-
Reclassification to the consolidated income statement		**-**		-
		(28)		-
Attributable to:				
Equity holders of the parent	**$**	**(28)**	$	-
Non-controlling interests		**-**		-
		(28)		-
Net exchange losses on translation of foreign operations, net of tax				
Attributable to:				
Equity holders of the parent	**$**	**(2,416)**	$	(1,082)
Non-controlling interests		**-**		-
		(2,416)		(1,082)
Other comprehensive income for the year, net of tax	**$**	**8,391**	$	6,120

Note 9 Income tax effects relating to other comprehensive income

		2024		2023
Debt securities at fair value through other comprehensive income, net of tax:				
Before	**$**	**11,832**	$	7,032
Tax (credit)/charge		**(997)**		170
After tax		**10,835**		7,202
Net exchange (losses) on translation of foreign operations, net of tax				
Before and after tax		**(2,416)**		(1,082)
Net losses on cash flow hedges, net of tax				
Before and after tax		**(28)**		-
Other comprehensive income for the year, net of tax	**$**	**8,391**	$	6,120

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Note 10 Cash and balances with Central Banks

	2024	2023
Cash	**$ 140,132**	$ 135,973
Deposits with Central Banks - interest bearing	**120,851**	147,371
Deposits with Central Banks - non-interest bearing	**1,235,016**	1,214,873
Cash and balances with Central Banks	**1,495,999**	1,498,217
Less: Mandatory reserve deposits with Central Banks	**(364,602)**	(381,178)
Included in cash and cash equivalents as per below	**$ 1,131,397**	$ 1,117,039

Mandatory reserve deposits with Central Banks represent the Group's regulatory requirement to maintain a percentage of deposit liabilities as cash and/or deposits with Central Banks. These funds are not available to finance the Group's day-to day operations and as such are excluded from cash resources to arrive at cash and cash equivalents.

Cash and cash equivalents

	2024	2023
Cash and balances with Central Banks as per above	**$ 1,131,397**	$ 1,117,039
Due from banks (note 11)	**911,191**	763,347
	2,042,588	1,880,386
Cash and cash equivalents classified as assets of disposal group held for sale and discontinuing operations (note 33)	**10,644**	132,966
	$ 2,053,232	$ 2,013,352

Note 11 Due from banks

	2024	2023
Included in cash and cash equivalents (note 10)	**$ 911,191**	$ 763,347

The average effective yield on these amounts during the year was 2.2% (2023 – 2.6%).

Note 12 Derivative financial instruments

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities, together with their notional amounts. The notional amount recorded gross, is the amount of a derivative's underlying asset, reference rate or index that is the basis upon which changes in the value of derivatives are measured.

2024	**Notional amount**	**Assets**	**Liabilities**
Interest rate swaps - Cash Flow Hedges	$ 12,651	$ 124	$ 169
Interest rate swaps	488,663	2,464	1,967
Foreign exchange forwards	184,560	-	34
Interest rate options	42,668	1,043	1,043
Commodity options	37,002	530	459
	$ 765,544	$ 4,161	$ 3,672

2023	Notional amount	Assets	Liabilities
Interest rate swaps	$ 455,999	$ 7,743	$ 6,922
Interest rate options	46,666	2,081	2,081
Commodity options	3,180	163	151
	$ 505,845	$ 9,987	$ 9,154

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The Group has positions in the following types of derivatives and they are measured at fair value through profit or loss:

Interest rate swaps

Interest rate swaps are contractual agreements between two parties to exchange movements in interest rates.

Interest rate options

Interest rate options are contractual agreements, which convey the right, but not the obligation, to pay or receive a specified amount calculated from movements in interest rates.

Foreign exchange forwards

Foreign exchange forwards are contractual agreements to buy or sell a specified amount of foreign currency at a future date, at an exchange rate fixed at inception of the contract.

Commodity options

Commodity options are contractual agreements, which convey the right, but not the obligation to pay or receive a specified amount calculated with reference to changes in commodity prices.

As at October 31, 2024 and 2023, there was no cash collateral pledged with counterparties that have one-way collateral posting arrangements.

Derivative financial instruments held or issued for hedging purposes

As part of its asset and liability management, the Group uses derivatives for hedging purposes in order to reduce its exposure to specified risks. Fair value hedges are used by the Group to protect against changes in the fair value of specific financial assets due to movements in interest rates. Cash flow hedges are used by the Group to manage the exposure to variability in future cash flows as a result of expected changes in the floating interest rates attached to the hedged items (e.g floating rate loans). The financial assets hedged for interest rate risk include fixed interest rate loans and are hedged by interest rate swaps.

The following table shows the net losses recognised in the consolidated statement of other comprehensive income related to derivatives in live cash flow hedging relationships that existed as at October 31:

		2024		2023
Recorded in other comprehensive Income:				
Beginning balance of cash flow hedges	**$**	**-**	$	-
Change in the value of the hedging instrument recognized in OCI (before and after tax)		**(28)**		-
Ending balance of cash flow hedges in other comprehensive income	**$**	**(28)**	$	-

The following table shows the net gains and losses recognised in income related to derivatives in live fair value hedging relationships that existed as at October 31:

		2024		2023
Recorded in Operating Income:				
Recognised (losses) on hedging instruments	**$**	**-**	$	(282)
Recognised gains on hedge item		**-**		333
Net gains recognised on fair value hedges	**$**	**-**	$	51

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Note 13 Other assets

	2024	2023
Prepayments and deferred items	$ 22,913	$ 24,130
Other accounts receivable	129,925	131,083
	$ 152,838	$ 155,213

Note 14 Securities

2024	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Securities measured at FVOCI:				
Government securities				
- Regional	$ 25,367	$ 349,832	$ -	$ 375,199
- Non Regional	1,500,957	-	-	1,500,957
Total Government securities	1,526,324	349,832	-	1,876,156
Corporate debt securities	765,868	20,730	-	786,598
Total debt securities	$ 2,292,192	$ 370,562	$ -	$ 2,662,754
Equity securities – unquoted	1,043	-	-	1,043
Total securities at FVOCI	$ 2,293,235	$ 370,562	$ -	$ 2,663,797
Securities amortised cost:				
Government debt securities at amortized cost	$ 144,288	$ -	$ 324,394	$ 468,682
Corporate debt securities at amortized cost	-	22,134	-	22,134
Total securities amortized cost	$ 144,288	$ 22,134	$ 324,394	$ 490,816
Securities at FVPL				
Corporate debt securities at FVPL	$ 2,124	$ -	$ -	$ 2,124
Total Securities at FVPL	$ 2,124	$ -	$ -	$ 2,124
Total Securities FVOCI, FVPL & amortized cost	$ 2,439,647	$ 392,696	$ 324,394	$ 3,156,737
Add: Interest receivable				12,707
Total	$ 2,439,647	$ 392,696	$ 324,394	$ 3,169,444

2023	Stage 1	Stage 2	Stage 3	Total
Securities measured at FVOCI:				
Government securities				
- Regional	$ 29,417	$ 264,636	$ -	$ 294,053
- Non Regional	1,330,099	-	-	1,330,099
Total Government securities	1,359,516	264,636	-	1,624,152
Corporate debt securities	690,008	7,120	-	697,128
Total debt securities	$ 2,049,524	$ 271,756	$ -	$ 2,321,280
Equity securities – unquoted	912	-	-	912
Total securities at FVOCI	$ 2,050,436	$ 271,756	$ -	$ 2,322,192
Securities amortised cost:				
Government debt securities at amortized cost	$ 143,992	$ -	$ 344,269	$ 488,261
Corporate debt securities at amortized cost	4,996	20,648	-	25,644
Total securities amortized cost	$ 148,988	$ 20,648	$ 344,269	$ 513,905
Securities at FVPL				
Corporate debt securities at FVPL	2,127	-	-	2,127
Total securities at FVPL	2,127	-	-	2,127
Total securities FVOCI, FVPL & amortized cost	$ 2,201,551	$ 292,404	$ 344,269	$ 2,838,224
Add: Interest receivable				8,431
Total	$ 2,201,551	$ 292,404	$ 344,269	$ 2,846,655

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Allowance for credit losses on securities

The tables below provide a reconciliation of the opening balance to the closing balance of the ECL allowances for debt securities measured at FVOCI and at amortised cost:

2024

	Stage 1 Collective provision 12 month ECL performing	**Stage 2** Collective provision lifetime ECL performing	**Stage 3** Collective and individual provision lifetime ECL credit impaired	**Total**
Debt Securities at FVOCI				
Balance at beginning of year	$ 986	$ 14,442	$ -	$ 15,428
Originations net of repayments and other derecognitions	43	(409)	-	(366)
Changes in model	-	-	-	-
Net remeasurement	38	(689)	-	(651)
Transfers				
- to 12-month ECL	-	-	-	-
- to lifetime ECL non-credit impaired	-	-	-	-
- to lifetime ECL credit impaired	-	-	-	-
Credit loss release	81	(1,098)	-	(1,017)
Foreign exchange and other	(21)	(909)	-	(930)
Balance at end of year	$ 1,046	$ 12,435	$ -	$ 13,481
Debt Securities at Amortised Cost				
Balance at beginning of year	$ 3,967	$ 223	$ 10,020	$ 14,210
Originations net of repayments and other derecognitions	(56)	-	-	(56)
Changes in model	-	-	-	-
Net remeasurement	(375)	210	(1,625)	(1,790)
Transfers				
- to 12-month ECL	-	-	-	-
- to lifetime ECL non-credit impaired	-	-	-	-
- to lifetime ECL credit impaired	-	-	-	-
Credit loss release	(431)	210	(1,625)	(1,846)
Foreign exchange and other	(1)	(223)	-	(224)
Balance at end of year	$ 3,535	$ 210	$ 8,395	$ 12,140

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2023

	Stage 1 Collective provision 12 month ECL performing	Stage 2 Collective provision lifetime ECL performing	Stage 3 Collective and individual provision lifetime ECL credit impaired	Total
Securities at FVOCI				
Balance at beginning of year	$ 2,247	$ 14,619	$ -	$ 16,866
Originations net of repayments and other derecognitions	(22)	(70)	-	(92)
Changes in model	-	-	-	-
Net remeasurement	(1,196)	(176)	-	(1,372)
Transfers	-	-	-	-
- to 12-month ECL	-	-	-	-
- to lifetime ECL non-credit impaired	-	-	-	-
- to lifetime ECL credit impaired	-	-	-	-
Credit loss release	(1,218)	(246)	-	(1,464)
Foreign exchange and other	(43)	69	-	26
Balance at end of year	$ 986	$ 14,442	$ -	$ 15,428
Securities at Amortised Cost				
Balance at beginning of year	$ 1,324	$ -	$ 9,069	$ 10,393
Originations net of repayments and other derecognitions	3,005	-	-	3,005
Changes in model	-	-	-	-
Net remeasurement	(105)	(34)	951	812
Transfers	-	-	-	-
- to 12-month ECL	-	-	-	-
- to lifetime ECL non-credit impaired	-	-	-	-
- to lifetime ECL credit impaired	-	-	-	-
Credit loss expense	2,900	(34)	951	3,817
Foreign exchange and other	(257)	257	-	-
Balance at end of year	$ 3,967	$ 223	$ 10,020	$ 14,210

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The average effective yield during the year on debt securities was 4.42% (2023 – 4.93%). The Group has a regulatory reserve requirement to maintain a percentage of deposit liabilities in cash or in the form of Government securities. At October 31, 2024 the reserve requirement amounted to $630,236 (2023 - $682,867) of which $364,602 (2023 - $380,677) is included within cash and balances with Central Banks (note 10).

The movement in debt securities at FVPL, FVOCI and amortized cost (excluding interest receivable) is summarised as follows:

	2024	2023
Balance, beginning of year	**$ 2,838,224**	$ 2,936,621
Additions (purchases, changes in fair value and foreign exchange)	**29,453,494**	12,519,223
Disposals (sales and redemptions)	**(29,134,981)**	(12,617,620)
Balance end of year	**$ 3,156,737**	$ 2,838,224

Note 15 Loans and advances to customers

2024	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Residential mortgages				
Gross loans	$ 1,934,732	$ 161,475	$ 140,124	$ 2,236,331
ECL allowance	(22,916)	(7,664)	(75,931)	(106,511)
Net residential mortgages	1,911,816	153,811	64,193	2,129,820
Personal				
Gross loans	709,425	24,444	22,554	756,423
ECL allowance	(12,668)	(1,900)	(13,613)	(28,181)
Net personal	696,757	22,544	8,941	728,242
Business & Sovereign				
Gross loans	3,526,681	589,169	64,552	4,180,402
ECL allowance	(27,752)	(13,457)	(34,901)	(76,110)
Net business & sovereign	3,498,929	575,712	29,651	4,104,292
Total net loans				
Gross loans	$ 6,170,838	$ 775,088	$ 227,230	$ 7,173,156
ECL allowance	(63,336)	(23,021)	(124,445)	(210,802)
Net Loans	6,107,502	752,067	102,785	6,962,354
Add: Interest receivable				35,519
Less: Unearned fee income				(35,004)
Total				$ 6,962,869

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2023	Stage 1	Stage 2	Stage 3	Total
Residential mortgages				
Gross loans	$ 1,856,033	$ 155,634	$ 142,979	$ 2,154,646
ECL allowance	(23,447)	(9,217)	(77,518)	(110,182)
Net residential mortgages	1,832,586	146,417	65,461	2,044,464
Personal				
Gross loans	642,124	21,636	24,691	688,451
ECL allowance	(13,253)	(2,216)	(15,424)	(30,893)
Net personal	628,871	19,420	9,267	657,558
Business & Sovereign				
Gross loans	3,287,625	652,396	83,447	4,023,468
ECL allowance	(30,958)	(21,725)	(42,949)	(95,632)
Net business & sovereign	3,256,667	630,671	40,498	3,927,836
Total net loans				
Gross loans	$ 5,785,782	$ 829,666	$ 251,117	$ 6,866,565
ECL allowance	(67,658)	(33,158)	(135,891)	(236,707)
Net Loans	5,718,124	796,508	115,226	6,629,858
Add: Interest receivable				34,630
Less: Unearned fee income				(30,633)
Total				$ 6,633,855

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2024	Stage 1 Collective provision 12 month ECL performing	Stage 2 Collective provision lifetime ECL performing	Stage 3 Collective and individual provision lifetime ECL credit impaired	Total
Residential mortgages				
Balance at beginning of year	$ 23,447	$ 9,217	$ 77,518	$ 110,182
Originations net of repayments and other derecognitions	2,495	(285)	(1,299)	911
Changes in model	-	-	-	-
Net remeasurement	(4,865)	(258)	6,199	1,076
Transfers				
- to 12-month ECL	4,297	(3,503)	(794)	-
- to lifetime ECL non-credit impaired	(1,601)	4,252	(2,651)	-
- to lifetime ECL credit impaired	(40)	(1,391)	1,431	-
Credit loss expense	286	(1,185)	2,886	1,987
Write-offs	-	-	1,355	1,355
Recoveries	-	-	-	-
Interest income on impaired loans	-	-	(4,135)	(4,135)
Foreign exchange and other	(817)	(368)	(1,693)	(2,878)
Balance at end of year	$ 22,916	$ 7,664	$ 75,931	$ 106,511
Personal				
Balance at beginning of year	$ 9,978	$ 912	$ 15,348	$ 26,238
Originations net of repayments and other derecognitions	2,121	(58)	(849)	1,214
Changes in model	-	-	-	-
Net remeasurement	(1,844)	680	3,502	2,338
Transfers				
- to 12-month ECL	479	(403)	(76)	-
- to lifetime ECL non-credit impaired	(598)	669	(71)	-
- to lifetime ECL credit impaired	(46)	(280)	326	-
Credit loss expense	112	608	2,832	3,552
Write-offs	-	-	(3,647)	(3,647)
Recoveries	-	-	37	37
Interest income on impaired loans	-	-	(545)	(545)
Foreign exchange and other	(875)	(923)	(636)	(2,434)
Balance at end of year	$ 9,215	$ 597	$ 13,389	$ 23,201

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2024

	Stage 1 Collective provision 12 month ECL performing	**Stage 2** Collective provision lifetime ECL performing	**Stage 3** Collective and individual provision lifetime ECL credit impaired	**Total**
Credit card				
Balance at beginning of year	$ 3,275	$ 1,304	$ 76	$ 4,655
Originations net of repayments and other derecognitions	(42)	53	-	11
Changes in model	-	-	-	-
Net remeasurement	328	(14)	4,940	5,254
Transfers				
- to 12-month ECL	-	-	-	-
- to lifetime ECL non-credit impaired	-	-	-	-
- to lifetime ECL credit impaired	-	-	-	-
Credit loss expense	286	39	4,940	5,265
Write-offs	-	-	(7,456)	(7,456)
Recoveries	-	-	2,454	2,454
Interest income on impaired loans	-	-	-	-
Foreign exchange and other	(108)	(40)	210	62
Balance at end of year	$ 3,453	$ 1,303	$ 224	$ 4,980
Business and government				
Balance at beginning of year	$ 30,958	$ 21,725	$ 42,949	$ 95,632
Originations net of repayments and other derecognitions	5,008	(1,086)	(3,630)	292
Changes in model	-	-	-	-
Net remeasurement	(4,950)	(62)	(554)	(5,566)
Transfers				
- to 12-month ECL	2,162	(1,990)	(172)	-
- to lifetime ECL non-credit impaired	(2,051)	2,068	(17)	-
- to lifetime ECL credit impaired	(33)	(238)	271	-
Credit loss release	136	(1,308)	(4,102)	(5,274)
Write-offs	-	-	138	138
Recoveries	-	-	66	66
Interest income on impaired loans	-	-	(1,857)	(1,857)
Foreign exchange and other	(3,342)	(6,960)	(2,293)	(12,595)
Balance at end of year	$ 27,752	$ 13,457	$ 34,901	$ 76,110
Total ECL allowance	$ 63,336	$ 23,021	$ 124,445	$ 210,802

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(Expressed in thousands of United States dollars, except as noted)

2024

	Stage 1 Collective provision 12 month ECL performing	**Stage 2** Collective provision lifetime ECL performing	**Stage 3** Collective and individual provision lifetime ECL credit impaired	**Total**
Total Bank				
Balance at beginning of year	$ 67,658	$ 33,158	$ 135,891	$ 236,707
Originations net of repayments and other derecognitions	9,582	(1,376)	(5,778)	2,428
Changes in model	-	-	-	-
Net remeasurement	(11,331)	346	14,087	3,102
Transfers				
- to 12-month ECL	6,938	(5,896)	(1,042)	-
- to lifetime ECL non-credit impaired	(4,250)	6,989	(2,739)	-
- to lifetime ECL credit impaired	(119)	(1,909)	2,028	-
Credit loss expense	820	(1,846)	6,556	5,530
Write-offs	-	-	(9,610)	(9,610)
Recoveries	-	-	2,557	2,557
Interest income on impaired loans	-	-	(6,537)	(6,537)
Foreign exchange and other	(5,142)	(8,291)	(4,412)	(17,845)
Balance at end of year	$ 63,336	$ 23,021	$ 124,445	$ 210,802
Total ECL allowance	$ 63,336	$ 23,021	$ 124,445	$ 210,802
Comprises:				
Loans	$ 58,274	$ 21,055	$ 124,445	$ 203,774
Undrawn credit facilities	5,062	1,966	-	7,028

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2023

	Stage 1 Collective provision 12 month ECL performing	Stage 2 Collective provision lifetime ECL performing	Stage 3 Collective and individual provision lifetime ECL credit impaired	Total
Residential mortgages				
Balance at beginning of year	$ 21,473	$ 7,755	$ 85,491	$ 114,719
Originations net of repayments and other derecognitions	1,953	(9)	(477)	1,467
Changes in model	415	26	789	1,230
Net remeasurement	(1,893)	3,077	11,104	12,288
Transfers				
- to 12-month ECL	3,776	(3,248)	(528)	-
- to lifetime ECL non-credit impaired	(1,520)	3,202	(1,682)	-
- to lifetime ECL credit impaired	(35)	(1,523)	1,558	-
Credit loss expense	2,696	1,525	10,764	14,985
Net (write-offs)/recoveries	-	-	(10,316)	(10,316)
Interest income on impaired loans	-	-	(4,417)	(4,417)
Foreign exchange and other	(722)	(63)	(4,004)	(4,789)
Balance at end of year	$ 23,447	$ 9,217	$ 77,518	$ 110,182
Personal				
Balance at beginning of year	$ 10,004	$ 1,249	$ 26,200	$ 37,453
Originations net of repayments and other derecognitions	2,728	(94)	(965)	1,669
Changes in model	(381)	(34)	(220)	(635)
Net remeasurement	(2,323)	279	6,312	4,268
Transfers				
- to 12-month ECL	956	(858)	(98)	-
- to lifetime ECL non-credit impaired	(714)	844	(130)	-
- to lifetime ECL credit impaired	(34)	(425)	459	-
Credit loss expense	232	(288)	5,358	5,302
Net (write-offs)/recoveries	-	-	(15,175)	(15,175)
Interest income on impaired loans	-	-	(710)	(710)
Foreign exchange and other	(258)	(49)	(325)	(632)
Balance at end of year	$ 9,978	$ 912	$ 15,348	$ 26,238

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2023

	Stage 1 Collective provision 12 month ECL performing	Stage 2 Collective provision lifetime ECL performing	Stage 3 Collective and individual provision lifetime ECL credit impaired	Total
Credit card				
Balance at beginning of year	$ 3,027	$ 1,640	$ 173	$ 4,840
Originations net of repayments and other derecognitions	6	57	-	63
Changes in model	-	-	-	-
Net remeasurement	267	(405)	4,352	4,214
Transfers				
- to 12-month ECL	-	-	-	-
- to lifetime ECL non-credit impaired	-	-	-	-
- to lifetime ECL credit impaired	-	-	-	-
Credit loss expense	273	(348)	4,352	4,277
Net (write-offs)/recoveries	-	-	(4,286)	(4,286)
Interest income on impaired loans	-	-	-	-
Foreign exchange and other	(25)	12	(163)	(176)
Balance at end of year	$ 3,275	$ 1,304	$ 76	$ 4,655
Business and government				
Balance at beginning of year	$ 43,270	$ 34,575	$ 41,965	$ 119,810
Originations net of repayments and other derecognitions	4,836	199	(1,161)	3,874
Changes in model	(1,200)	(436)	84	(1,552)
Net remeasurement	(19,075)	(6,321)	7,306	(18,090)
Transfers				
- to 12-month ECL	5,890	(5,730)	(160)	-
- to lifetime ECL non-credit impaired	(2,004)	2,325	(321)	-
- to lifetime ECL credit impaired	(61)	(1,511)	1,572	-
Credit loss release	(11,614)	(11,474)	7,320	(15,768)
Net (write-offs)/recoveries	-	-	(9,494)	(9,494)
Interest income on impaired loans	-	-	(3,288)	(3,288)
Foreign exchange and other	(698)	(1,376)	6,446	4,372
Balance at end of year	$ 30,958	$ 21,725	$ 42,949	$ 95,632
Total ECL allowance	$ 67,658	$ 33,158	$ 135,891	$ 236,707

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2023	Stage 1 Collective provision 12 month ECL performing	Stage 2 Collective provision lifetime ECL performing	Stage 3 Collective and individual provision lifetime ECL credit impaired	Total
Total Bank				
Balance at beginning of year	$ 77,774	$ 45,219	$ 153,829	$ 276,822
Originations net of repayments and other derecognitions	9,523	153	(2,604)	7,072
Changes in model	(1,166)	(445)	654	(957)
Net remeasurement	(23,023)	(3,371)	29,075	2,681
Transfers				
- to 12-month ECL	10,623	(9,837)	(786)	-
- to lifetime ECL non-credit impaired	(4,239)	6,373	(2,134)	-
- to lifetime ECL credit impaired	(131)	(3,458)	3,589	-
Credit loss expense	(8,413)	(10,585)	27,794	8,796
Net (write-offs)/recoveries	-	-	(39,271)	(39,271)
Interest income on impaired loans	-	-	(8,415)	(8,415)
Foreign exchange and other	(1,703)	(1,476)	1,954	(1,125)
Balance at end of year	$ 67,658	$ 33,158	$ 135,891	$ 236,707
Total ECL allowance	$ 67,658	$ 33,158	$ 135,891	$ 236,707
Comprises:				
Loans	$ 62,464	$ 31,173	$ 135,891	$ 229,528
Undrawn credit facilities	5,194	1,985	-	7,179

Impaired loans

	2024			2023		
	Gross impaired	**Stage 3 allowance**	**Net impaired**	Gross impaired	Stage 3 allowance	Net impaired
Residential mortgages	**$ 140,124**	**$ 75,931**	**$ 64,193**	$ 142,979	$ 77,518	$ 65,461
Personal	**22,554**	**13,613**	**8,941**	24,691	15,424	9,267
Business & Sovereign	**64,552**	**34,901**	**29,651**	83,447	42,949	40,498
Total impaired loans	**$ 227,230**	**$ 124,445**	**$ 102,785**	$ 251,117	$ 135,891	$ 115,226

The average interest yield during the year on loans and advances was 6.6%% (2023 – 6.5%). Impaired loans as at October 31, 2024 amounted to $227,230 (2023 - $251,117). Interest taken to income on impaired loans during the year amounted to $6,537 (2023 – $8,415) which is fully provisioned for.

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Contractually past due loans but not impaired
This comprises loans where repayment of principal or payment of interest is contractually in arrears. The following tables provides an aging analysis of the contractually past due but not impaired loans:

2024	**Residential Mortgages**	**Personal Loans**	**Business & Sovereign**	**Total**
Less than 30 days	$ 55,604	$ 11,892	$ 52,921	$ 120,417
31 – 60 days	60,987	8,087	20,074	89,148
61 – 89 days	30,600	4,598	22,253	57,451
	$ 147,191	$ 24,577	$ 95,248	$ 267,016

2023	**Residential Mortgages**	**Personal Loans**	**Business & Sovereign**	**Total**
Less than 30 days	$ 51,409	$ 8,321	$ 64,630	$ 124,360
31 – 60 days	72,059	8,223	22,459	102,741
61 – 89 days	43,099	4,432	5,059	52,590
	$ 166,567	$ 20,976	$ 92,148	$ 279,691

Loans and advances to customers include finance lease receivables:

	2024	2023
No later than 1 year	**$ -**	$ 1,203
Later than 1 year and no later than 5 years	**457**	1,033
Gross investment in finance leases	**457**	2,236
Unearned finance income on finance leases	**(11)**	(106)
Net investment in finance leases	**$ 446**	$ 2,130

During the year ended October 31, 2024, $713 (2023 - $679) of lease income was recorded in net income.

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Note 16 | Property and equipment

2024	Land and buildings	Equipment, Furniture and vehicles	Leasehold improvements	Right of use assets (Buildings)	Total
Cost					
Balance, beginning of year	$ 96,351	$ 432,978	$ 47,837	$ 66,227	$ 643,393
Purchases	1,772	69,101	2,857	731	74,461
Disposals	-	(24,052)	(2,420)	(2,897)	(29,369)
Modifications, net transfers/write off (*)	(24)	(31,282)	(1,910)	4,820	(28,396)
Balance, end of year	$ 98,099	$ 446,745	46,364	$ 68,881	$ 660,089
Accumulated depreciation					
Balance, beginning of year	$ 44,493	$ 308,905	$ 40,246	$ 38,850	$ 432,494
Depreciation	2,182	31,698	2,248	9,580	45,708
Disposals	-	(23,848)	(2,123)	(2,876)	(28,847)
Modifications, net transfers/write off (*)	(197)	(13)	(386)	(219)	(815)
Balance, end of year	$ 46,478	$ 316,742	$ 39,985	$ 45,335	$ 448,540
Net book, value end of year	$ 51,621	$ 130,003	$ 6,379	$ 23,546	$ 211,549

2023	Land and buildings	Equipment, Furniture and vehicles	Leasehold improvements	Right of use assets (Buildings)	Total
Cost					
Balance, beginning of year	$ 98,403	$ 423,286	$ 46,831	$ 57,721	$ 626,241
Purchases	296	63,116	3,584	371	67,367
Disposals	(5,202)	(47,063)	(284)	(1,207)	(53,756)
Modifications, net transfers/write off (*)	2,854	(6,361)	(2,294)	9,342	3,541
Balance, end of year	$ 96,351	$ 432,978	$ 47,837	$ 66,227	$ 643,393
Accumulated depreciation					
Balance, beginning of year	$ 43,970	$ 319,939	$ 39,308	$ 30,149	$ 433,366
Depreciation	2,779	21,721	1,670	9,942	36,112
Disposals	(2,256)	(32,755)	(732)	(1,170)	(36,913)
Modifications, net transfers/write off (*)	-	-	-	(71)	(71)
Balance, end of year	$ 44,493	$ 308,905	$ 40,246	$ 38,850	$ 432,494
Net book, value end of year	$ 51,858	$ 124,073	$ 7,591	$ 27,377	$ 210,899

**This refers to lease modifications, transfers as well as net write-offs of fully depreciated assets, which are no longer in use by the Group.*

This note also provides information for operating leases where the group is a lessee. There are no operating leases where the group is a lessor. Included as part of equipment, furniture and vehicles is an amount for $36,549 (2023 - $46,443) relating to systems development costs and work in progress which is incomplete, not yet in operation and on which no depreciation has been charged.

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Note 17 | Deferred tax assets/(liabilities)

The movement on the net deferred tax assets was as follows:

	2024	2023
Net deferred tax position, beginning of year	**$ 11,513**	$ 14,064
Deferred tax credit to statement of income for the year from continuing operations	**(1,722)**	(5,081)
Deferred tax charge/(credit) to statement of income for the year from discontinuing/discontinued operations	**322**	(1,279)
Deferred tax (credit)/charge to other comprehensive income for the year	**(8,299)**	3,809
Net deferred tax position, end of year	**$ 1,814**	$ 11,513

Represented by:

	2024	2023
Deferred tax assets	**$ 22,366**	$ 20,278
Deferred tax liabilities	**(20,552)**	(8,765)
Net deferred tax position, end of year	**$ 1,814**	$ 11,513

The components of the net deferred tax position are:

	2024	2023
Accelerated tax depreciation	**$(1,551)**	$ 1,008
ECL allowances	**9,910**	8,988
Other provisions	**3,462**	2,934
Tax losses carried forward	**6,373**	4,883
Pension and other post-retirement benefit assets	**(15,666)**	(6,413)
Changes in fair value of debt securities in other comprehensive income	**(714)**	113
	$ 1,814	$ 11,513

Deferred tax assets and liabilities are assessed by entity for presentation in our consolidated balance sheet. As a result, the net deferred tax assets of $1,814 (2023- $11,513) are presented in the consolidated balance sheet as deferred tax assets of $22,366 (2023- $20,278) and deferred tax liabilities of $20,552 (2023- $8,765)

The deferred tax assets include assets established on tax losses carried forward of $3,381 (2023 - $1,584), which will expire over the next seven years. The Group has tax losses of $468,555 (2023 - $506,670) from continuing operations and $77,321 (2023 - $68,650) from discontinued operations, for which no deferred tax assets have been recognized due to uncertainty of their recoverability. These losses will expire over the next seven to ten years.

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Note 18 | Retirement benefit assets and obligations

The Group has insured group health plans and a number of pension schemes established and regulated by relevant legislation in the territories in which the Group operates. The pension schemes are a mixture of defined benefit and defined contribution plans.

Plan characteristics, funding and risks

The benefits that members receive at retirement under the defined contribution plans depend on their account balances at retirement and the cost of purchasing an annuity. Most of the defined benefit pension plans are non-contributory and allow for additional voluntary contributions with benefits dependent on either highest average annual pensionable earnings in the last ten years of membership or highest inflation adjusted salary in any one of the last three years of membership. The defined benefit plans are fully integrated with the benefits provided by any national insurance or social security schemes in the different countries that are covered by the plans. The insured health plans allow for retirees to continue receiving health benefits during retirement. The plans require contributions to separate funds, are administered independently and are valued by independent actuaries every three years using the projected unit credit method.

Benefit changes

There were no other material changes to the terms of the Group's defined benefit pension or post-retirement medical benefit plans in 2024 and 2023.

Risks

The defined benefit pension and post-retirement medical benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk, market risk (investment risk) and health care cost inflation risk arising in the relevant sectors.

Plan governance

The Group is responsible for the establishment of the plans and oversight of their administration. The Bank's Board of Directors has delegated powers and authorities to a Pension Steering Committee ("PSC") as set out in its mandate to that committee. The PSC has established Management Committees ("MC") and an Investment Sub-Committee ("ISC") as advisory sub-committees and delegated to each of them certain of its responsibilities in connection with the management and administration of the relevant plans and the investment of plan assets. A separate trust fund has been established for each plan to receive and invest contributions and pay benefits due under each plan. All benefits are calculated and paid out in accordance with the rules of the pension plan. Funds are physically held by a trustee or trustees (whether corporate or individual) as appointed in accordance with the Trust Deeds. Each year, the PSC with input from the ISC and MC reviews the level of funding in the plans. Such a review includes the asset-liability matching strategy and investment risk management policy. The PSC decides its contribution based on the results of this annual review. The plan assets include significant investments in quoted equity shares and bonds.

Amounts recognised on the consolidated statement of financial position

The following tables present the financial position of our defined benefit pension and post-retirement medical benefit plans in which the Group operates.

The total expense relating to the contributory plans charged for the year for continuing operations was $7,409 (2023 - $6,031), which represents contributions to defined contribution plans by the Group at rates specified in the rules of the plan. Refer to note 5.

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	Defined benefit pension plans		Post-retirement medical benefits	
	2024	2023	**2024**	2023
Fair value of the plan assets	**$ 509,111**	$ 423,483	**$ -**	$ -
Present value of the obligations	**(358,827)**	(351,487)	**(18,661)**	(18,654)
Net retirement benefit assets/(obligations)	**$ 150,284**	$ 71,996	**(18,661)**	$ (18,654)

The pension plan assets include the Bank's common shares with a fair value of $1,868 (2023 - $1,841).

Changes in the fair value of the defined benefit pension plan assets were as follows:

	2024	2023
Opening fair value of plan assets	**$ 423,483**	$ 409,090
Actual return on plan assets	**124,449**	35,557
Contributions by employer	**(1,491)**	(838)
Benefits paid	**(17,547)**	(19,056)
Foreign exchange translation losses	**(868)**	(463)
Actuarial losses	**(1,207)**	-
Effect of asset ceiling	**(16,637)**	-
Plan administration costs	**(1,071)**	(807)
Closing fair value of plan assets	**$ 509,111**	$ 423,483

Changes in the present value of the obligations for defined benefit pension plans were as follows:

	2024	2023
Opening obligations	**$ (351,487)**	$ (326,538)
Interest cost on defined benefit obligation	**(25,298)**	(22,916)
Current service costs	**(5,445)**	(5,015)
Past service costs	**-**	(354)
Benefits paid	**17,547**	19,056
Foreign exchange translation gains	**594**	267
Actuarial gains/(losses) on obligations	**5,290**	(15,949)
Contributions by employee	**(28)**	(38)
Closing obligations	**$ (358,827)**	$ (351,487)

Changes in the present value of the obligations for post-retirement medical benefits were as follows:

	2024	2023
Opening obligations	**$ (18,654)**	$ (18,630)
Interest costs	**(1,255)**	(1,245)
Current service costs	**(7)**	(9)
Past service costs	**-**	(121)
Benefits paid	**940**	923
Foreign exchange translation gains	**-**	15
Actuarial gains on obligations	**315**	413
Closing obligations	**$ (18,661)**	$ (18,654)

The Bank expects to contribute $nil (2023 - $nil) to its defined benefit pension plans in the following year as the plans are on a contribution holiday. The Plan Actuary of the Bank has recommended that the defined benefit contribution holiday continues for the next year. The contribution holiday is expected to last for two years if the existing surplus is to be fully amortised, and will be re-evaluated during the next triennial valuation.

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	Defined benefit pension plans		Post-retirement medical benefits	
	2024	2023	**2024**	2023
Current service costs	**$ 5,445**	$ 5,015	**$ 7**	$ 9
Past service costs	**-**	354	**-**	121
Interest costs on defined benefit obligation	**25,298**	22,916	**1,255**	1,245
Interest income on plan assets	**(30,303)**	(29,248)	**-**	-
Foreign exchange translation gains	**-**	-	**3**	5
Plan administration costs	**1,071**	807	**-**	-
Total amount included in staff costs (note 5)	**$ 1,511**	$ (156)	**$ 1,265**	$ 1,380
Actual return on plan assets	**$ 124,449**	$ 35,557	**$ -**	$ -

The gross re-measurement gain recognised in the consolidated statement of other comprehensive income including minority interest, was as follows:

	Defined benefit pension plans		Post-retirement medical benefits	
	2024	2023	**2024**	2023
Actuarial gain on defined benefit obligation arising from:				
- Financial assumptions	**$ (2,417)**	$ 8,755	**$ 26**	$ (43)
- Demographic assumptions	**-**	-	**(3)**	(4)
- Experience adjustments	**(2,052)**	7,193	**(328)**	(360)
- Foreign exchange losses/(gains)	**129**	217	**(10)**	(6)
Effect of asset ceiling	**16,637**	-	**-**	-
- Return on plan assets excluding interest income	**(94,135)**	(6,309)	**-**	-
Gross re-measurement (gains)/losses in OCI	**$ (81,838)**	$ 9,856	**$ (315)**	$ (413)

The movements in the net asset/(obligations) recognised in the consolidated statement of financial position were as follows:

	Defined benefit pension plans		Post-retirement medical benefits	
	2024	2023	**2024**	2023
Balance, beginning of year	**$ 71,996**	$ 82,552	**$ (18,654)**	$ (18,630)
Charge for the year	**(1,511)**	156	**(1,265)**	(1,380)
Contributions by employer	**(1,491)**	(838)	**-**	-
Contributions by employee	**(28)**	(38)	**-**	-
Benefits paid	**-**	-	**940**	923
Foreign exchange translation gains	**(520)**	20	**3**	20
Effect on statement of Other Comprehensive Income	**81,838**	(9,856)	**315**	413
Balance, end of year	**$ 150,284**	$ 71,996	**$ (18,661)**	$ (18,654)

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The breakdown of the gross obligations between active members and inactive and retired members is as follows:

	Defined benefit pension plans		Post-retirement medical benefits	
	2024	2023	**2024**	2023
Active members	**$ (152,396)**	$ (149,456)	**$ (81)**	$ (84)
Inactive and retired members	**(206,431)**	(202,031)	**(18,580)**	(18,570)
	$ (358,827)	$ (351,487)	**$ (18,661)**	$ (18,654)

The average duration of the net asset/(obligation) at the end of the reporting year

	Defined benefit pension plans		Post-retirement medical benefits	
	2024	2023	**2024**	2023
Average duration, in years	**13**	14	**10**	11

The major categories of plan assets and the actual ($ in thousands and %) fair value of total plan assets were as follows:

	Main				Bahamas				Jamaica			
	2024		2023		**2024**		2023		**2024**		2023	
	$	**%**	$	%	**$**	**%**	$	%	**$**	**%**	$	%
Quoted Equity instruments												
- Canada	**-**	**-**	-	-	**-**	**-**	-	-	**205**	**1%**	150	0%
- International	**95**	**0%**	81	0%	**970**	**1%**	1,314	1%	**6,833**	**17%**	6,802	18%
Quoted Debt instruments												
- Government bonds	**28,504**	**8%**	22,411	9%	**446**	**0%**	767	1%	**7,433**	**19%**	6,878	18%
- Corporate bonds	**-**	**-**	-	-	**-**	**-**	-	-	**3,730**	**9%**	4,414	12%
- Inflation Adj. bonds	**-**	**-**	-	-	**-**	**-**	-	-	**1,945**	**5%**	1,936	5%
Investment Funds												
- U.S. Equity	**193,311**	**56%**	115,201	48%	**64,361**	**53%**	70,747	48%	**-**	**-**	-	-
- International Equity	**64,856**	**19%**	42,682	18%	**24,850**	**20%**	29,871	20%	**-**	**-**	-	-
- Fixed Income	**34,449**	**10%**	35,845	15%	**32,179**	**26%**	42,895	29%	**-**	**-**	-	-
Other												
- Cash and Cash equiv.	**24,754**	**7%**	22,834	10%	**445**	**0%**	1,131	1%	**8,048**	**20%**	6,354	17%
- Other	**-**	**-**	-	-	**-**	**-**	-	-	**11,697**	**29%**	11,170	30%
	345,969	**100%**	239,054	100%	**123,251**	**100%**	146,725	100%	**39,891**	**100%**	37,704	100%

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The principal actuarial assumptions used at the reporting date for the Group's plans are influenced significantly by the regions that each plan serves, and the specific assumptions therefore were as follows:

	Defined benefit pension plans	
	2024	2023
Discount rate	**5.23 - 11.00%**	6.02 - 11.50%
Future salary increases	**4.0 - 8.0%**	4.0 - 8.5%
Future pension increases	**0.0 – 4.5%**	0.0 - 6.375%

	Post-retirement medical benefits	
	2024	2023
Discount rate	**5.23 - 11.00%**	6.02 - 11.50%
Premium escalation rate	**6.0%**	6.0%
Existing retiree age	**55 - 65**	55 - 65

A quantitative sensitivity analysis for significant assumptions as at October 31, 2024 is as shown below:

Assumption	Sensitivity level	Impact on net defined benefit pension plans		Impact on Post-retirement medical benefits	
		Increase	Decrease	Increase	Decrease
Discount rate	1%	(44,876)	55,461	(1,674)	1,977
Future salary increases	0.50%	5,541	(5,245)	n/a	n/a
Future pension increases	0.50%	18,819	(15,792)	n/a	n/a
Premium escalation rate	1%	n/a	n/a	1,879	(1,623)
Existing retiree age	1	9,138	n/a	811	n/a

* n/a - not applicable

The sensitivity analysis presented above is indicative only, and should be considered with caution as they have been calculated in isolation without changes in other assumptions. In practice, changes in one assumption may result in changes in another, which may magnify or counteract the disclosed sensitivities.
The sensitivity analysis has been determined based on a method that extrapolates the impact on the net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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The following payments are expected benefit payments to be made in the future years out of the defined benefit plan obligation:

		2024		2023
Within the next 12 months	$	**13,297**	$	12,580
Between 2 and 5 years		**63,905**		60,597
Between 5 and 10 years		**121,922**		114,782
Total expected payment	$	**199,124**	$	187,959

CIBC Caribbean Bank Limited Retirement Plan

The last actuarial valuation was conducted as at November 1, 2022 and revealed a fund surplus of $10,467.

FirstCaribbean International Bank (Bahamas) Limited Retirement Plan

The last actuarial valuation was conducted as at November 1, 2022 and revealed a fund surplus of $28,900.

FirstCaribbean International Bank (Jamaica) Limited Retirement Plan

The last actuarial valuation was conducted as at November 1, 2021 and revealed a fund surplus of $16,878.

Note 19 | Intangible assets

		2024		2023
Goodwill				
Cost, beginning and end of year	$	**44,372**	$	44,372
Net book value, beginning and end of year	$	**44,372**	$	44,372

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to country of operation. The goodwill of $44,372 is allocated to the Cayman CGU.

The carrying amount of goodwill is reviewed annually for impairment and whenever there are events or changes in circumstances, which indicate that the carrying amount may not be recoverable. The goodwill impairment test is performed by comparing the recoverable amount of the CGU to which goodwill has been allocated, with the carrying amount of the CGU including goodwill, with any deficiency recognised as impairment to goodwill. The recoverable amount for each CGU has been determined using value-in-use calculations that are estimated using five-year cash flow projections along with an estimate of capital required to support ongoing operations. The five-year cash flow projections have been approved by management.

Based on the impairment testing performed during the fourth quarter of fiscal 2024, we have determined that the estimated recoverable amount of the Cayman CGU was in excess of its carrying amount. As a result, no impairment charge was recognised during 2024.

Key assumptions used for value-in-use calculations

A description of each assumption on which management has based its cash flow projections for the period covered by the most recent forecasts is noted below. Key assumptions are those to which the CGU's recoverable amount is most sensitive, which include the discount and growth rates. The discount rates were determined based on the following primary factors: (i) the risk-free rate, (ii) an equity risk premium, (iii) beta adjustment to the equity risk premium based on a review of betas of comparable financial institutions in the region, and (iv) a country risk premium. The terminal growth rates were based on management's expectations of real growth rates.

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	Discount Rate (%)		Growth Rate (%)	
	2024	2023	**2024**	2023
Cayman	**9.9**	10.4	**2.3**	1.6

Estimation of the recoverable amount is an area of significant judgment. Reductions in the estimated recoverable amount could arise from various factors, such as, reductions in forecasted cash flows, an increase in the assumed level of required capital, and any adverse changes to the discount rate or the growth rate, either in isolation or in any combination thereof.

Note 20 | Customer deposits

	Payable on demand	Payable after notice	Payable at a fixed date	**2024 Total**	2023 Total
Individuals	$ 1,053,457	$ 2,182,277	$ 671,381	**$ 3,907,115**	$ 3,747,642
Business & Sovereign	4,617,819	795,317	1,799,927	**7,213,063**	6,765,630
Banks	3,425	1	137,588	**141,014**	1,565
	5,674,701	2,977,595	2,608,896	**11,261,192**	10,514,837
Add: Interest payable	659	355	24,125	**25,139**	18,490
	$ 5,675,360	$ 2,977,950	$ 2,633,021	**$ 11,286,331**	$ 10,533,327

These customer deposits are measured at amortised cost.

The average effective rate of interest on customer deposits during the year was 0.8% (2023 - 0.6%).

Note 21 | Other liabilities

	2024	2023
Accounts payable and accruals	**$ 195,141**	$ 165,937
Lease liabilities (i)	**24,006**	27,958
Restructuring costs (ii)	**5,323**	9,874
Amounts due to related parties	**147**	396
	$ 224,617	$ 204,165

(i) Lease Liabilities
Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2024	2023
Balance, beginning of the year	**$ 27,958**	$ 28,335
Additions	**731**	371
Terminations	**(23)**	(3)
Modifications	**4,807**	9,237
Accretion of interest	**744**	776
Payments	**(10,211)**	(10,758)
Balance, end of year	**$ 24,006**	$ 27,958

The maturity analysis of lease liabilities is disclosed in Note 32 and the future rental commitments (undiscounted) under these leases in Note 29.

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Total expenditure related to leases which are not recognised on the consolidated statement of financial position due to the recognition exemption per the IFRS 16 practical expedients are outlined below:

		2024		2023
Expenses relating to short-term leases included in administrative expenses	$	44	$	109
Expenses relating to leases of low-value assets not shown above as short-term		1,862		1,377
Expenses relating to variable lease payments not included in lease liability payments		77		15
	$	1,983	$	1,501

The Group had total cash outflows for leases of $10.2 million (2023 - $10.8 million).

(ii) Restructuring costs
Included in other liabilities is a restructuring provision for severance of $5,323 (2023 - $9,874) resulting from the Group's restructuring efforts to improve efficiency and optimize its network. During the year, net additions to the severance provisions totaled $6,313 (2023 –$7,700) and payments from the severance provision totaled $10,864 (2023 - $6,056).

(iii) Amounts due to related parties
The amounts due to related parties are due to CIBC entities and are interest-free with no fixed terms of repayment.

Note 22 | Debt securities in issue

		2024		2023
Subordinated notes issued	**$**	**-**	$	26,137
Add: Interest payable		**-**		462
	$	**-**	$	26,599

The Group no longer holds any debt issues as at October 31, 2024.

The Group previously held TTD$175 million in subordinated debt which was issued in July 2018. The effective interest rate was 5.75% (2023: 5.75%).

The Group has not had any defaults of principal, interest or other breaches with respect to these instruments during the years ended 2024 and 2023.

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The below tables show the changes during the year for the debt securities in issue, including the changes from financing cash flows.

	1 November 2023	Cash outflows	Foreign exchange movement	New issues	Other	**31 October 2024**
Debt securities in issue	$ 26,137	$ (26,137)	-	-	-	-

	1 November 2022	Cash outflows	Foreign exchange movement	New issues	Other	31 October 2023
Debt securities in issue	$ 26,137	$ -	$ -	$ -	$ -	$ 26,137

Note 23 Issued capital

	2024	2023
Balance, beginning and end of year	$ 1,193,149	$ 1,193,149

The Bank is entitled to issue an unlimited number of common shares with no par value. Common shareholders are entitled to attend and vote at all meetings of shareholders. Common shareholders have one vote for each share owned.

The Bank has 1,577,094,570 common shares issued and outstanding at the end of both years.

Capital

Objectives, policies and procedures

Capital strength provides protection for depositors and creditors and allows the Group to undertake profitable business opportunities as they arise. Our objective is to employ a strong and efficient capital base.

No changes were made in the objectives, policies or processes for managing capital during the years ended October 31, 2024 and 2023.

Regulatory requirements

Our regulatory capital requirements are determined in accordance with guidelines issued by our banking regulators across the region and in the case of Barbados, by the Central Bank of Barbados. These guidelines evolved from the framework of risk-based capital standards developed by the Basel Committee-Bank for International Settlement (BIS).

BIS standards require that banks maintain minimum Tier I and Tier I & Tier II ratios of 4% and 8% respectively. The Central Bank of Barbados has established that CIBC Caribbean Bank Limited maintains minimum ratios of 5% and 10% respectively. During the year, we have complied in full with all of our minimum regulatory capital ratio requirements.

Regulatory capital

Regulatory capital consists of Tier I and Tier II capital, less certain deductions. Tier I capital comprises common stock, retained earnings, cash flow hedges and non-controlling interests in consolidated subsidiaries, less goodwill and other deductions. Tier II capital principally comprises hybrid capital instruments such as subordinated debt and general provisions and 45% of revaluation reserves on debt securities measured at FVOCI.

As at October 31, 2024, Tier I and Tier I & II capital ratios were 17.8% and 20.0% respectively (2023 – 17.2% and 18.9% respectively).

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Note 24 Reserves

	2024	2023
Statutory and general banking reserves	**$ 413,397**	$ 382,527
Revaluation reserve - debt securities measured at FVOCI	**11,885**	1,107
Revaluation reserve – cash flow hedges	**(28)**	-
Revaluation reserve – buildings	**2,846**	2,846
Translation reserve	**(83,810)**	(81,394)
Contributed surplus reserve	**3,119**	3,119
Retirement benefit reserve	**84,573**	10,570
Reverse acquisition reserve	**(463,628)**	(463,628)
	$ (31,646)	$ (144,853)

Statutory and general banking reserves

	2024	2023
Balance, beginning of year	**$ 382,527**	$ 349,327
Transfers from retained earnings	**30,870**	33,200
Balance, end of year	**$ 413,397**	$ 382,527

Statutory reserves represent accumulated transfers from retained earnings in accordance with local legislation and general banking reserves represent transfers from retained earnings to meet qualifying capital requirements under local legislation, which are not distributable.

Revaluation reserve - debt securities measured at FVOCI

	2024	2023
Balance, beginning of year	**$ 1,107**	$ (6,003)
Net fair value gains	**10,778**	7,110
Balance, end of year	**$ 11,885**	$ 1,107

Unrealised gains and losses arising from changes in the fair value of debt securities measured at fair value through OCI are recognised in other comprehensive income and are reflected in the revaluation reserve.

Revaluation reserve – cash flow hedges

	2024	2023
Balance, beginning of year	**$ -**	$ -
Net hedging losses	**(28)**	-
Balance, end of year	**$ (28)**	$ -

Revaluation reserve – buildings

	2024	2023
Balance, beginning and end of year	**$ 2,846**	$ 2,846

This reserve represents the carrying amount arising on revaluation of buildings recognised in other comprehensive income.

Translation reserve

	2024	2023
Balance, beginning of year	**$ (81,394)**	$ (80,312)
Net exchange losses on translation of foreign operations	**(2,416)**	(1,082)
Balance, end of year	**$ (83,810)**	$ (81,394)

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On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recognised in other comprehensive income and are reflected in the translation reserve.

Contributed surplus reserve

	2024	2023
Balance, beginning and end of year	**$ 3,119**	$ 3,119

This reserve represents the settlement of certain obligations on behalf of the Bank by the parent.

Retirement benefit reserve

	2024	2023
Balance, beginning of year	**$ 10,570**	$ 16,313
Re-measurement losses on retirement benefit plans	**74,003**	(5,743)
Balance, end of year	**$ 84,573**	$ 10,570

Gains and losses arising from re-measurement of retirement benefit plans excluding non-controlling interest in other comprehensive income are reflected in this reserve.

Reverse acquisition reserve

	2024	2023
Balance, beginning and end of year	**$ (463,628)**	$ (463,628)

Under the combination on October 11, 2002, CIBC West Indies became the legal parent company with Barclays transferring its operations to subsidiaries of CIBC West Indies in exchange, ultimately, for common shares and newly created classes of non-voting and preference shares of CIBC West Indies. Barclays was identified as the acquirer as the fair value of its business prior to the combination was significantly greater than the fair value of CIBC West Indies' business and as a result, Barclays had the greater economic interest. This situation is described by IFRS as a reverse acquisition.

In accordance with IFRS, the equity of the Bank at October 11, 2002 (the date of the combination) comprised the equity of Barclays ($135,290) together with the fair value of the consideration given to acquire CIBC West Indies ($848,149). However, legally the share capital and statutory reserves of the Bank comprise the issued share capital and statutory reserves of CIBC West Indies plus the shares issued to effect the combination, recorded at fair value. The reverse acquisition reserve is therefore the difference between the legally required share capital and statutory reserves together with the retained earnings of Barclays, and the equity of the Bank presented in accordance with IFRS.

Note 25 | Dividends

The total recurring dividend paid for 2024 was $0.05 per common share (2023 - $0.0475).

Note 26 | Other employee benefits

Long-term incentive plan

The Group operates a long-term incentive plan, whereby under the rules of the plan, cash-based awards are granted to employees on a discretionary basis and vest over varying periods. Effective from the 2019 award, which vested in 2022 and other subsequent awards, business performance criteria was applied over the vesting criteria with the amount ultimately vested determined by the cumulative business performance over the three-year vesting period.

Effective fiscal 2024 for awards granted in December 2023 and onwards, the Bank implemented a new incentive compensation plan where awards granted were converted into Performance Share Units based on our parent's (CIBC) share price at the award date. The performance criteria will continue to be applied over the three-year vesting period based on the average business performance factors. The Performance Share units attract notional dividends which are reinvested in additional share units. These awards will continue to be cash settled.

The awards granted in 2024 amounted to $3,379 (2023 - $3,362). The amounts expensed during the year related to awards under the long-term incentive plan were $3,944 (2023 - $7,540).

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Employee share purchase plan

Under our employee share purchase plan, qualifying employees can choose each year to have up to 10% of their eligible earnings withheld to purchase common shares in the Group. The Group matches 50% of the employee's contribution amount, up to a maximum contribution of 6% of eligible earnings, depending upon length of service and job level. The Group's contributions vest after employees have two years of continuous participation in the plan, and all subsequent contributions vest immediately. All contributions are paid into a trust and used by the plan trustees to purchase common shares in the open market. The Group's contributions are expensed as incurred and totaled $1,732 in 2024 (2023 - $1,509).

Note 27 Related party transactions and balances

The Group's major shareholder is CIBC.

A number of banking transactions are entered into with related parties in the normal course of business. The key related party balances and transactions included in the Group's financials are disclosed below.

	Directors and key management personnel		Major shareholder	
	2024	2023	**2024**	2023
Asset balances:				
Cash and due from banks	**$ -**	$ -	**$ 157,047**	$ 265,057
Loans and advances to customers	**5,489**	6,984	**-**	-
Derivative financial instruments	**-**	-	**3,383**	9,920
Liability balances:				
Customer deposits	**9,930**	10,739	**10,365**	12,176
Derivative financial instruments	**-**	-	**493**	-
Due to banks	**-**	-	**147**	397
Revenue transactions:				
Interest income earned	**145**	222	**7,435**	6,196
Other revenue	**1**	2	**-**	-
Other (expense)/income from derivative relationship	**-**	-	**(6,418)**	146
Expense transactions:				
Interest expense incurred	**83**	121	**-**	-
Other expenses for banking and support services	**-**	-	**3,572**	4,117

The Group obtains a number of services through its parent, CIBC. These services include infrastructure hosting, corporate credit and operational support, cards application support, project management, information security management and other miscellaneous services. The cost of these services amounted to $4,338 (2023 - $4,671) of which $766 (2023 - $554) relates to system development costs and capital expenditure.

Key management compensation	**2024**	2023
Salaries and other short-term benefits	**$ 6,217**	$ 6,313
Post-employment benefits	**389**	355
Long-term incentive benefits	**2,073**	1,990
	$ 8,679	$ 8,658

Non-executive directors' remuneration

A listing of the members of the Board of Directors is included within the Group's Annual Report. In 2024, the total remuneration for the non-executive directors was $646 (2023 - $496). The executive director's remuneration is included under key management compensation.

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Note 28 Commitments, guarantees and contingent liabilities

The Group conducts business involving letters of credit, guarantees, performance bonds and indemnities, which are not reflected in the consolidated statement of financial position.

	2024	2023
Letters of credit	**$ 79,113**	$ 84,971
Loan commitments	**1,474,631**	1,126,620
Guarantees and indemnities	**175,701**	63,095
	$ 1,729,445	$ 1,274,686

The Group is the subject of legal actions arising in the normal course of business. Management considers that the liability, if any, of these actions would not be material, beyond what is already provided for in these statements.

Note 29 Future rental commitments under operating leases

As at October 31, the Group held leases on buildings for extended periods. The leases have an average life of between 1 and 10 years. There are no restrictions placed upon the lessee by entering into these contracts. The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. As at October 31, 2024 and 2023 there are no material extension options expected not to be exercised or termination options expected to be exercised. The future rental commitments (undiscounted) under these leases were as follows:

	2024	2023
Not later than 1 year	**$ 7,845**	$ 8,798
Later than 1 year and less than 5 years	**13,550**	15,447
Later than 5 years	**4,245**	5,744
	$ 25,640	$ 29,989

Leases not yet commenced to which the Group is committed amount to $1.1 million as at October 31, 2024 (2023 - $1.1 million).

Note 30 Fiduciary activities

The Group provides custody and trustee discretionary investment management services to third parties. Those assets that are held in a fiduciary capacity are not included in these consolidated financial statements. At the reporting date, the Group had on behalf of third parties investment assets under administration of $69,492,486 (2023 - $62,464,895) and investment assets under management of $1,834,770 (2023-$782,183).

Note 31 Business segments

The Group's operations are organized into four segments: Personal and Business Banking ("PBB"), Corporate Banking ("CB") and Wealth Management ("WM"), which are supported by the functional units within the Administration ("Admin") segment (which includes Treasury, Finance, Technology, Innovation & Infrastructure, Risk and Other). PBB, CB, and WM are charged or credited by Treasury with a market-based cost of funds on assets, liabilities and capital, respectively. The offset of these charges or credits are reported in the Treasury function within the Admin segment.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. We review our transfer pricing methodologies on an ongoing basis to ensure they reflect changing market environments and industry practices. Transactions between the business segments are on normal commercial terms and conditions.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the consolidated statement of financial position, but exclude intangible assets. Securities and cash placements are normally held within the Treasury unit within the Admin segment.

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2024 Segment reporting

2024	PBB	CB	WM	Admin	Total
External revenue	$ 164,371	$ 194,013	$ 13,149	$ 169,394	$ 540,927
Internal revenue	38,818	117,892	5,083	(161,793)	-
Net interest income	203,189	311,905	18,232	7,601	540,927
Operating income	85,792	91,751	31,889	(3,794)	205,638
Total revenue	$ 288,981	$ 403,656	$ 50,121	$ 3,807	$ 746,565
Depreciation	7,814	1,669	1,456	24,509	35,448
Operating expenses	88,587	42,736	25,630	249,210	406,163
Indirect expenses	145,639	124,118	13,715	(283,472)	-
Credit loss expense on financial assets	12,497	(7,135)	156	(2,851)	2,667
Income before taxation	34,444	242,268	9,164	16,411	302,287
Income tax expense	(4,175)	18,530	83	12,134	26,572
Net income for the year from continuing operations	38,619	223,738	9,081	4,277	277,715
Net income from discontinued operations	(339)	5,782	(869)	2,338	6,912
Net loss from discontinuing operations	(2,320)	2,925	-	(5,719)	(5,114)
Net income for the year	$ 35,960	$ 232,445	$ 8,212	$ 896	$ 277,513

Total assets and liabilities by segment are as follows:

2024	PBB	CB	WM	Admin	Total
Segment assets	$ 3,793,454	$ 4,153,987	$ 300,945	$ 4,904,473	$ 13,152,859
Segment assets of disposal group classified as held for sale	72,001	73,781	-	10,644	156,426
Total segment assets	$ 3,865,455	$ 4,227,768	$ 300,945	$ 4,915,117	$ 13,309,285
Segment liabilities	4,323,657	6,380,027	414,263	437,154	11,555,101
Segment liabilities of disposal group classified as held for sale	34,645	33,364	-	53,874	121,883
Total segment liabilities	$ 4,358,302	$ 6,413,391	$ 414,263	$ 491,028	$ 11,676,984

2023 Segment reporting

2023	PBB	CB	WM	Admin	Total
External revenue	$ 159,909	$ 194,533	$ 12,850	$ 144,627	$ 511,919
Internal revenue	32,868	98,318	5,585	(136,771)	-
Net interest income	192,777	292,851	18,435	7,856	511,919
Operating income	83,134	88,929	31,863	(382)	203,544
Total revenue	$ 275,911	$ 381,780	$ 50,298	$ 7,474	$ 715,463
Depreciation	7,414	1,110	1,436	23,232	33,192
Operating expenses	91,176	40,394	25,825	223,917	381,312
Indirect expenses	126,352	111,620	12,775	(250,747)	-
Credit loss expense on financial assets	28,661	(19,468)	(409)	2,399	11,183
Income before taxation	22,308	248,124	10,671	8,673	289,776
Income tax expense	(3,101)	20,802	(9)	11,323	29,015
Net income for the year from continuing operations	25,409	227,322	10,680	(2,650)	260,761
Net income from discontinued operations	1,226	940	-	2,561	4,727
Net income from discontinuing operations	(1,251)	8,669	1,000	(3,996)	4,422
Net income for the year	$ 25,384	$ 236,931	$ 11,680	$ (4,085)	$ 269,910

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Total assets and liabilities by segment are as follows:

2023	PBB	CB	WM	Admin	Total
Segment assets	$ 2,674,599	$ 3,986,832	$ 243,239	$ 5,379,824	$ 12,284,494
Segment assets of disposal group classified as discontinued operations	17,270	86,070	307	132,967	236,614
Total segment assets	$ 2,691,869	$ 4,072,902	$ 243,546	$ 5,512,791	$ 12,521,108
Segment liabilities	4,225,817	5,904,375	442,696	231,834	10,804,722
Segment liabilities of disposal group classified as discontinued operations	29,152	121,230	143,733	69,752	363,867
Total segment liabilities	$ 4,254,969	$ 6,025,605	$ 586,429	$ 301,586	$ 11,168,589

Note 32 | Financial risk management

Introduction

Risk is inherent in the Group's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk, market risk, and operating risk.

By its nature, the Group's activities are principally related to the use of financial instruments. The Group accepts deposits from customers at both fixed and floating rates and for various periods and seeks to earn above average interest margins by investing these funds in high quality assets. The Group seeks to increase these margins by consolidating short- term funds and lending for longer periods at higher rates whilst maintaining sufficient liquidity to meet all claims that might fall due.

The Group also seeks to raise its interest margins by obtaining above average margins, net of provisions, through lending to commercial and retail borrowers with a range of credit standings. The Group also enters into guarantees and other commitments such as letters of credit and performance and other bonds.

Credit risk

Credit risk primarily arises from direct lending activities, as well as 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. Financial loss can also occur directly and indirectly through the stranding of assets which were used to secure credit facility limits. These stranded assets are assets (or collateral) that have suffered material impairment in value and/or write-downs due to environmental reasons, unsustainable practices and/or otherwise climate-related events/impacts including physical or transition risk. The Group adopts sound banking principles and robust governance as described earlier in the Risk Management Approach section.

Process and control

The Risk Management Team is responsible for the provision of the Group's adjudication, oversight and management of credit risk within its portfolios. The Credit Executive Committee (CrExCo) contributes to the monitoring of credit metrics and the proactive discussion of credit portfolio related matters.

The Risk Management Team is guided by the Group's Delegation of Authority policy, which is based on the levels of exposure and risk. Credits above the discretion delegated to certain front-line employees are approved by Risk Management and where applicable by the Credit Committee and the Risk Committee of the Board.

The Risk Committee also has the responsibility for approving credit policies and key risk limits including portfolio limits, which are reviewed annually.

Credit risk limits

Credit risk limits are established for all loans (mortgages, personal, business & sovereign) for the purposes of diversification and managing concentration. Limits are also established for individual borrowers, groups of related borrowers, industry sectors, individual countries and geographic regions and also for products and portfolios. Such risks are monitored on a revolving basis and the limits are subject to an annual or more frequent review.

The exposure to any one counterparty including banks and brokers is further restricted by sub-limits, which include exposures not recognised in the consolidated statement of financial position, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

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Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Exposure to credit risk is also managed in part by obtaining collateral including corporate and personal guarantees.

Credit Valuation Adjustment (CVA)

A CVA is determined using the fair value based exposure we have on derivative contracts. We believe that we have made appropriate fair value adjustments to date. The establishment of fair value adjustments involves estimates that are based on accounting processes and judgments by management. We evaluate the adequacy of the fair value adjustments on an ongoing basis. Market and economic conditions relating to derivative counterparties may change in the future, which could result in significant future losses. The CVA is driven off market-observed credit spreads or proxy credit spreads and our assessment of the net counterparty credit risk exposure. In assessing this exposure, we also take into account credit mitigants such as collateral, master netting arrangements, and settlements through clearing houses.

Collateral

The Group employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advanced, which is common practice. The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances to customers are:

- Mortgages over residential properties
- Charges over business assets such as premises, inventory, accounts receivable and equipment
- Charges over financial instruments such as debt securities and equities

The Group's credit risk management policies include requirements relating to collateral valuation and management, including verification requirements and legal certainty. Valuations are updated periodically depending upon the nature of the collateral. Management monitors the market value of collateral and requests additional collateral in accordance with the underlying agreement during its periodic review of loan accounts in arrears. Policies are in place to monitor the existence of undesirable concentration in the collateral supporting the Group's credit exposure. As at October 31, 2024, 89% of stage 3 impaired loans were either fully or partially collateralised (2023: 90%).

Geographic distribution

The following table provides a geographic distribution of gross drawn and undrawn loans and advances to customers, which therefore excludes provisions for impairment, interest receivable and unearned fee income.

			2024			2023
	Drawn	Undrawn	**Gross maximum exposure**	Drawn	Undrawn	Gross maximum exposure
Barbados	**$ 925,579**	**$ 204,449**	**$ 1,130,028**	$ 908,947	$ 179,446	$ 1,088,393
Bahamas	**1,961,741**	**266,987**	**2,228,728**	1,866,374	162,579	2,028,953
Cayman	**1,810,874**	**510,637**	**2,321,511**	1,419,302	395,546	1,814,848
Eastern Caribbean	**748,974**	**124,657**	**873,631**	689,622	107,156	796,778
Jamaica	**720,274**	**109,424**	**829,698**	588,717	79,920	668,637
BVI	**226,354**	**153,220**	**379,574**	207,118	62,525	269,643
Curaçao	**-**	**-**	**-**	239,259	27,650	266,909
Trinidad	**486,276**	**47,465**	**533,741**	461,656	49,843	511,499
Other	**293,084**	**57,792**	**350,876**	485,570	61,955	547,525
	$ 7,173,156	**$ 1,474,631**	**$ 8,647,787**	$ 6,866,565	$ 1,126,620	$ 7,993,185

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Exposures by industry groups

The following table provides an industry-wide breakdown of gross drawn and undrawn loans and advances to customers, which therefore excludes provisions for impairment, interest receivable and unearned fee income.

			2024			2023
	Drawn	Undrawn	**Gross maximum exposure**	Drawn	Undrawn	Gross maximum exposure
Agriculture	**$ 29,557**	**$ 2,493**	**$ 32,050**	$ 14,373	$ 2,020	$ 16,393
Sovereign	**525,665**	**123,021**	**648,686**	566,767	42,788	609,555
Construction	**452,088**	**91,591**	**543,679**	438,614	117,994	556,608
Distribution	**522,557**	**218,370**	**740,927**	459,209	145,688	604,897
Education	**3,101**	**98**	**3,199**	3,704	64	3,768
Electricity, gas & water	**379,235**	**56,700**	**435,935**	477,129	73,760	550,889
Fishing	**234**	**82**	**316**	384	83	467
Health & social work	**13,438**	**5**	**13,442**	15,532	2	15,534
Hotels & restaurants	**477,854**	**133,257**	**611,111**	413,107	49,659	462,766
Individuals & individual trusts	**2,792,795**	**413,407**	**3,206,202**	2,652,492	310,349	2,962,841
Manufacturing	**239,149**	**64,171**	**303,320**	142,322	59,154	201,476
Mining & quarrying	**143,639**	**1,878**	**145,517**	128,916	1,187	130,103
Miscellaneous	**492,610**	**93,503**	**586,113**	472,883	122,552	595,435
Other depository Corporations	**-**	**3,900**	**3,900**	-	25	25
Other financial Corporations	**358,824**	**53,645**	**412,469**	368,344	41,583	409,927
Real estate, renting & other activities	**469,845**	**102,849**	**572,694**	478,895	120,966	599,861
Recreational, personal & community work	**2,007**	**138**	**2,145**	1,987	76	2,063
Transport, storage & Communications	**270,558**	**115,523**	**386,081**	231,907	38,670	270,577
	$ 7,173,156	**$ 1,474,631**	**$ 8,647,787**	$ 6,866,565	$ 1,126,620	$ 7,993,185

Derivatives

The Group maintains strict control limits on net open derivative positions, that is, the difference between purchase and sale contracts, by both amount and term. At any one time the amount subject to credit risk is limited to the current fair value of instruments that are favourable to the Group (i.e. assets), which in relation to derivatives is only a small fraction of the contract or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is usually obtained for credit risk exposures on these instruments.

Master-netting arrangements

The Group restricts its exposure to credit losses by entering into master-netting arrangements with counterparties with whom it undertakes a significant volume of transactions. Master-netting arrangements do not generally result in an offset of consolidated statement of financial position assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favourable contracts is reduced by a master-netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Group's overall exposure to credit risk on derivative instruments subject to master-netting arrangements can change substantially within a short period since it is affected by each transaction subject to the arrangement.

Credit-related instruments

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit, which represent irrevocable assurances that the Group will make payments in the event that a customer cannot

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meet its obligations to third parties, carry the same credit risk as loans. Documentary and commercial letters of credit, which are written undertakings by the Group on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions, are collateralised by the underlying shipments of goods or appropriate assets to which they relate and therefore carry less risk than a direct borrowing.

Commitments to extend credit represent the unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term of maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

Maximum exposure to credit risk

The following table shows the maximum exposure to credit risk for the components of the consolidated statement of financial position. The maximum exposure is shown gross, before the effect of mitigation through the use of master netting and collateral arrangements. Where financial instruments are recorded at fair value, the amounts shown represent the current credit risk exposure but not the maximum risk exposure that could arise in the future as a result of changes in values.

	2024	2023
Balances with Central Banks	**$ 1,355,867**	$ 1,362,244
Due from banks	**911,191**	763,347
Derivative financial instruments	**4,161**	9,987
Securities		
- Government debt securities	**2,344,838**	2,112,413
- Other debt securities	**810,856**	724,900
- Interest receivable	**12,707**	8,431
Loans and advances to customers		
- Mortgages	**2,236,331**	2,154,646
- Personal loans	**756,423**	688,451
- Business & Sovereign loans	**4,180,402**	4,023,468
- Interest receivable	**35,519**	34,630
Other assets	**129,925**	131,083
Total	**12,778,220**	12,013,600
Commitments, guarantees and contingent liabilities (Note 28)	**1,729,445**	1,274,686
Total credit risk exposure	**$ 14,507,665**	$ 13,288,286

Geographical concentration

The following table reflects additional geographical concentration information.

2024	Total assets	Total liabilities	Commitments guarantees and contingent liabilities	Total revenues	Capital expenditure*	Non-current assets**
Barbados	3,557,543	2,685,869	237,356	210,352	8,766	76,673
Bahamas	3,396,025	2,748,872	354,726	185,485	2,300	31,266
Cayman	2,929,409	2,549,183	591,487	169,902	3,092	72,332
Eastern Caribbean	1,358,875	1,248,061	142,396	59,595	824	24,109
Jamaica	1,185,886	1,053,495	139,228	70,200	8,872	24,675
BVI	576,249	456,780	153,976	38,677	398	9,717
Curacao	156,325	41,196	-	-	-	-
Trinidad	624,721	530,745	48,142	24,805	268	7,271
Other	1,750,964	1,537,834	62,134	98,007	583	14,720
	15,535,997	12,852,035	1,729,445	857,023	25,103	260,763
Eliminations	(2,226,712)	(1,175,051)	-	(110,458)	-	(4,842)
	13,309,285	11,676,984	1,729,445	746,565	25,103	255,921

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2023	Total assets	Total liabilities	Commitments guarantees and contingent liabilities	Total revenues	Capital expenditure*	Non-current assets**
Barbados	$ 3,723,161	$ 2,936,774	$ 214,783	$ 238,339	$ 8,911	$ 88,402
Bahamas	3,078,311	2,524,255	193,554	178,929	2,695	31,916
Cayman	2,868,715	2,522,847	431,407	155,395	229	69,350
Eastern Caribbean	964,716	875,640	129,822	53,735	1,047	14,444
Jamaica	1,081,201	976,593	96,048	67,034	3,748	21,067
BVI	550,503	452,966	63,671	40,258	406	7,735
Curacao	569,663	460,350	27,650	-	29	6,254
Trinidad	687,798	593,209	50,999	25,087	524	5,868
Other	1,633,460	1,436,319	66,752	99,661	(232)	15,376
	15,157,528	12,778,953	1,274,686	858,438	17,357	260,412
Eliminations	(2,636,420)	(1,610,364)	-	(142,975)	-	(5,141)
	$ 12,521,108	$ 11,168,589	$ 1,274,686	$ 715,463	$ 17,357	$ 255,271

* Capital expenditure is shown by geographical area in which the property and equipment or intangible assets are located.

** Non-current assets relate only to property and equipment and intangible assets.

Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. This section should be read in conjunction with the Summary of material accounting policies.

Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- Internal rating of the borrower indicating default or near-default
- The borrower requesting emergency funding from the Group
- The borrower having past due liabilities to public creditors or employees
- The borrower is deceased
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral
- A material decrease in the borrower's turnover or the loss of a major customer
- A covenant breach not waived by the Group
- The debtor (or any legal entity within the debtor's group) filing for bankruptcy application/protection
- Debtor's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties

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It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria has been present for at least twelve consecutive months. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the obligor risk rating (ORR) if available or the days past due and delinquency criteria in the Group's policy, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

The Group's internal rating and probability of default (PD) estimation process

The Group's Credit Risk Department operates its internal rating models. The Group monitors all corporate facilities with a value exceeding US$250,000, which are assigned an ORR of 1 to 9 under the Group's internal rating system. The models used incorporate both qualitative and quantitative information and, in addition to information specific to the borrower, utilise supplemental external information that could affect the borrower's behaviour. This internal rating system is also mapped to Moody's and Standard and Poor's ratings. Movement in a facility's ORR from origination to the reporting date is what determines the stage assigned to that facility. Staging for facilities that do not have an ORR is based on historical days past due and delinquency. The Group calculates 12-month and lifetime PDs on a product by country basis. 12-month PDs are determined using historical default data and then incorporate forward-looking information. Lifetime PDs are determined by applying a scaling factor to the 12-month PDs forward looking factor. Lifetime PDs are also capped at a 10-year maturity.

Treasury, trading and interbank relationships

The Group's treasury, trading and interbank relationships and counterparties comprise financial services institutions, Groups, broker-dealers, exchanges and clearing-houses. For these relationships, the Group's credit risk department analyses publicly available information such as financial information and other external data, for example, the rating of Moody's and Standard and Poor's, and assigns the internal rating, as shown in the credit quality table.

Corporate and small business lending

For corporate banking loans, the borrowers are assessed by specialised credit risk employees of the Group. The credit risk assessment is based on a credit scoring model that takes into account various historical, current and forward-looking information such as:

- Historical financial information together with forecasts and budgets prepared by the client. This financial information includes realised and expected results, solvency ratios, liquidity ratios and any other relevant ratios to measure the client's financial performance. Some of these indicators are captured in covenants with the clients and are, therefore, measured with greater attention.
- Any publicly available information on the clients from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bonds or press releases and articles.
- Any macro-economic or geopolitical information, for example, GDP growth relevant for the specific industry and geographical segments where the client operates.
- Any other objectively supportable information on the quality and abilities of the client's management relevant for the company's performance.

The complexity and granularity of the rating techniques vary based on the exposure of the Group and the complexity and size of the customer. Some of the less complex small business loans are rated within the Group's models for retail products.

Consumer lending and retail mortgages

Consumer lending comprises unsecured personal loans, credit cards and overdrafts. These products along with retail mortgages and some of the less complex small business lending are rated by an automated scorecard tool primarily driven by days past due. Other key inputs into the models are:

- Consumer lending products: use of limits and volatility thereof, GDP growth, unemployment rates, changes in personal income/salary levels based on records of current accounts, personal indebtedness and expected interest repricing.
- Retail mortgages: GDP growth, unemployment rates, changes in personal income/salary levels based on records of current accounts, personal indebtedness and expected interest repricing.

Credit quality

For the retail portfolio, which includes residential mortgages and personal loans, the Group's assessment of credit quality is in line with the IFRS 9 methodology for staging which is based on days past due and trends to support significant increases in credit risk on a more forward-looking basis. The trends are established in order to avoid volatility in the movement of significant increases in credit risk. All retail loans on which repayment of principal or payment of interest is contractually 30 days in arrears are automatically migrated to Stage 2.

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For the business & sovereign loans and securities, a mapping between the obligor risk rating grades used by the Group and the external agencies' ratings is shown in the table below. As part of the Group's risk-rating methodology, the risk assessed includes a review of external ratings of the obligor. The obligor rating assessment takes into consideration the Group's financial assessment of the obligor, the industry, and the economic environment of the country in which the obligor operates. In certain circumstances, where a guarantee from a third party exists, both the obligor and the guarantor will be assessed. Deterioration or improvement in the risk ratings or adjustments to the risk rating downgrade thresholds used to determine a significant increase in credit risk can cause significant migration of loans and securities between Stage 1 and Stage 2, which in turn can have a significant impact on the amount of ECL allowances recognised. All business & sovereign loans on which repayment of principal or payment of interest is contractually 30 days in arrears are automatically migrated to stage 2 regardless of ORR movement.

	Loans and advances to customers
Grade description	Days past due
Very low (Stage 1)	0
Low (Stage 1)	1-29
Medium (Stage 2)	30-60[1]
High (Stage 2)	61-89
Default (Stage 3)	90+

	Business & Sovereign loans and Securities		
Grade description	Standard & Poor's equivalent	Moody's Investor Services	Internal ORRs
Investment grade	AAA to BBB-	Aaa to Baa3	1.0 to 4.0
Non-investment grade	BB+ to C	Ba to C	5.0 to 8.0
Default	D	D	9.0
Not rated	No obligor risk rating (ORR)		

This risk-rating system is used for portfolio management, risk-limit setting, product pricing, and in the determination of economic capital. The effectiveness of the risk-rating system and the parameters associated with the risk ratings are monitored within Risk Management and are subject to an annual review.

[1]Includes accounts subject to trends for significant increases in credit risk less than 29 days past due at reporting date

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The table below shows the credit quality by class of asset for gross loans and advances to customers, based on the risk rating, systems, trends and the methodology to support performing credits, along with significant increases in credit risk. Amounts provided are before allowance for credit losses, after credit risk mitigation, valuation adjustments related to the financial guarantors, and collateral on agreements.

2024	Stage 1	Stage 2	Stage 3	Total
Residential mortgages				
- Very low	1,722,274	-	-	1,722,274
- Low	212,458	-	-	212,458
- Medium	-	124,587	-	124,587
- High	-	36,888	-	36,888
- Default	-	-	140,124	140,124
Gross residential mortgages	1,934,732	161,475	140,124	2,236,331
Personal (including cards)				
- Very low	661,179	-	-	661,179
- Low	48,246	-	-	48,246
- Medium	-	16,267	-	16,267
- High	-	8,177	-	8,177
- Default	-	-	22,554	22,554
Gross personal	709,425	24,444	22,554	756,423
Business and Sovereign				
- Investment Grade	611,715	2,443	-	614,158
- Non-Investment Grade	2,765,388	577,148	-	3,342,536
- Default	-	-	64,552	64,552
- Not rated	149,578	9,578	-	159,156
Gross business and sovereign	3,526,681	589,169	64,552	4,180,402
Total gross amount of loans	6,170,838	775,088	227,230	7,173,156

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2023	Stage 1	Stage 2	Stage 3	Total
Residential mortgages				
- Very low	$ 1,663,388	$ -	$ -	$ 1,663,388
- Low	192,645	-	-	192,645
- Medium	-	120,998	-	120,998
- High	-	34,636	-	34,636
- Default	-	-	142,979	142,979
Gross residential mortgages	$ 1,856,033	$ 155,634	$ 142,979	$ 2,154,646
Personal				
- Very low	$ 590,584	$ -	$ -	$ 590,584
- Low	51,540	-	-	51,540
- Medium	-	14,618	-	14,618
- High	-	7,017	-	7,017
- Default	-	-	24,691	24,691
Gross personal	$ 642,124	$ 21,636	$ 24,691	$ 688,451
Business and Sovereign				
- Investment Grade	$ 598,672	$ -	$ -	$ 598,672
- Non-Investment Grade	2,522,291	642,342	-	3,164,633
- Default	-	-	83,447	83,447
- Not rated	166,662	10,054	-	176,716
Gross business and sovereign	$ 3,287,625	$ 652,396	$ 83,447	$ 4,023,468
Total gross amount of loans	$ 5,785,783	$ 829,665	$ 251,117	$ 6,866,565

For our Business & Sovereign loans, we employ risk ratings in managing our credit portfolio. Business borrowers with elevated default risk are monitored on our Early Warning List. Early Warning List characteristics include borrowers exhibiting a significant decline in revenue, income, or cash flow or where we have doubts as to the continuing viability of the business. Early Warning List customers are often, but not always, also delinquent. As of October 31, 2024, Early Warning List customers in the medium to high risk category amounted to $160,385 (2023 - $181,267). The Group also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset which involves assessment of a customer's historical days past due and delinquency pattern. If contractual payments are more than 30 days past due and the trends of delinquency over the lifetime of the loan indicates increased risk, the credit risk is deemed to have increased significantly. When estimating ECLs on a collective basis for a group of similar assets the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

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The following table highlights credit quality of securities based on the risk rating, systems, trends and the methodology to support performing securities, along with significant increases in credit risk.

2024	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Securities				
- Investment Grade	$ 2,334,886	$ -	$ -	$ 2,334,886
- Non-Investment Grade	103,718	392,696	-	496,414
- Default	-	-	324,394	324,394
- Not rated	1,043	-	-	1,043
Gross Securities	$ 2,439,647	$ 392,696	$ 324,394	$ 3,156,737

2023	Stage 1	Stage 2	Stage 3	Total
Securities				
- Investment Grade	$ 2,079,659	$ -	$ -	$ 2,079,659
- Non-Investment Grade	120,980	292,404	-	413,384
- Default	-	-	344,269	344,269
- Not rated	912	-	-	912
Gross Securities	$ 2,201,551	$ 292,404	$ 344,269	$ 2,838,224

Model adjustments

The Group considers the use and nature of material additional adjustments, which are used to capture factors not specifically embedded in the models used. While many adjustments are part of the normal modelling process (for example, to adjust PDs as defined for capital purposes to accounting requirements or to incorporate forward- looking information), management may determine that additional, post-modelling adjustments are needed to reflect macro-economic or other factors which are not adequately addressed by the current models such as management overlays for unexpected events e.g. hurricanes and the economic stress overlay. Such adjustments would result in an increase or decrease in the overall ECLs.

From time to time, we may modify the contractual terms of loans classified as stage 2 and stage 3 for which the borrower has experienced financial difficulties, through the granting of a concession in the form of below-market rates or terms that we would not otherwise have considered.

During the year ended October 31, 2024, loans classified as stage 2 or stage 3 with an amortised cost of $7 million (2023: $16 million) were either modified through the granting of a financial concession in response to the borrower having experienced financial difficulties or were subject to the client relief programs in response to COVID-19, in each case before the time modification or deferred. In addition, the gross carrying amount of previously modified of deferred stage 2 or stage 3 loans that have returned to stage 1 during the year ended October 31, 2024 was $41 million (2023: $107 million).

Impact on regulatory capital

Annually, the base Capital Plan is assessed under a central stress scenario with ranges (mild recession & severe recession) as part of stress testing. The results of the stress tests are taken into consideration when setting the annual capital targets and may, by extension, have an effect on the quantum or timing of planned capital initiatives. The following key assumptions are adversely varied under each recession scenario (mild & severe) to arrive at Capital Plan results:

i. Changes in GDP growth rates are assumed to directionally affect performing loan growth rates and fee income levels.
ii. Changes in interest rates are assumed to impact net interest income based on the proportion of hard vs. soft currency balance split for interest sensitive assets and liabilities, namely cash placements, securities, loans and deposit liabilities.
iii. Changes in GDP growth rates are assumed to impact non-performing loans growth rates, which in turn affect interest income and provision for credit losses.

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The Group meets regulatory ratio and policy liquidity metrics such as the Structural Liquidity Ratio and Liquidity Horizon. The Group anticipates that regional regulators will continue implementation of Basel Liquidity metrics in the near future and continually updates internal processes to ensure compliance with these ratios.

The Group also monitors and reports to senior management its leverage ratio monthly with quarterly reporting to the Board of Directors.

Market Risk

Market risk is defined as the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables. Market risk arises from positions in securities and derivatives in addition to our core retail, wealth and corporate businesses. The key risks to the Group are foreign exchange, interest rate and credit spread. Market risk within the Bank is a centralized group that is independent from the front line. The following sections give a comprehensive review of the Group's exposures.

Policies and Standards

The Group has a comprehensive policy for market risk management related to the identification, measurement, monitoring and control of market risks. This policy is reviewed and approved every year by the Risk Committee of the Board of Directors. The Board limits, which are approved annually, are used by the Bank to establish explicit risk tolerances expressed in term of the three main risk measures mentioned below. There is a three-tiered approach to limits at the Bank. The highest level is set at the Board. The second tier is delegated by the Chief Risk Officer and the third tier to the Business Unit, which limits traders to specific products and size of deals. These limits are documented through a formal delegation letter and monitored using the Group's treasury system.

Process & Control

Market risk measures are monitored with differing degrees of frequency dependent upon the nature of the risk. FX positions, credit spread exposure and stress tests are all measured daily whereas others such as profit and loss measures and the traded credit are performed monthly. Detailed market risk compliance reports are produced and circulated to senior management monthly and a summary version supplied to the Board quarterly.

Risk Measurement

The bank has four main measures of market risk:

- Value at Risk (VaR), wherever feasible VaR enables the meaningful comparison of the risks in different asset classes;
- Outright position, used predominantly for FX;
- Sensitivity to a 1 basis point move in a curve, used for both interest rate and credit spread risk;
- Stress scenarios based upon a combination of theoretical situations and historical events.

Position

This risk measure is used predominantly for the Group's foreign exchange business. This measure, monitored daily, focuses upon the outright long or short position in each currency from either the spot/trading position and on a structural basis. Any forward contracts or FX swaps are also incorporated. There are also notional position limits on the size of the bond portfolios.

Sensitivity

The main two measures utilized by the Group are the DV01 (delta value of a 1 basis point move, also known as the PV01 or present value of a 1 basis point move) and the CSDV01 (credit spread delta of a 1 basis point move). The DV01 measure is calculated for a 1 basis point move down in the yield curve. This generates the change in economic value by individual currency of a parallel shift down in the related yield curve. As curves rarely move in a parallel fashion it is measured across different tenors to ensure that there is no further curve risk; for example, a long position in the short end of the curve offset by a short position in the longer tenors. This is then utilized within the scenario analysis. The sensitivities are calculated on a post-structural basis that includes structural assumptions for core balances of non-contractual maturity positions. The CSDV01 sensitivity is a way to measure the risk of the interest rate spread between Treasury securities and the non-Treasury securities in the bond portfolio widening or narrowing.

Stress Testing & Scenario Analysis

Stress testing and scenario analysis are designed to add insight to possible outcomes of abnormal (or tail event) market conditions and to highlight where risk concentrations could be of concern. The Group has three distinct approaches to this which are as follows:

- For the hard currency testing it utilizes the suite of measures that the parent company has developed. The stress testing measures the effect on the hard currency portfolio values over a wide range of extreme moves in market prices. The stress testing methodology

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assumes no actions are taken or can be taken during the event to mitigate the risk, reflecting the decreased liquidity that frequently accompanies market shocks. The Scenario Analysis approach for the Group's hard currency exposures simulate an impact on earnings of extreme market events up to a period of one month. Scenarios are developed using actual historical data during periods of market disruption or are based upon hypothetical occurrence of economic or political events or natural disasters and are designed by economists, business leaders and risk managers. These tests are run daily.

- The Local Currency Stress Tests are designed on a similar, but smaller scale. For interest rate stresses, Market Risk in conjunction with Treasury consider the market data over approximately the last 10 years and identify the greatest curve or data point moves over both sixty and single days. These are then applied to the existing positions/sensitivities of the Group. This is performed daily and reported monthly as they do not tend to change rapidly.

- For Foreign Exchange Stresses, the Group considers what the effect of a currency coming off a peg would have on the earnings of the Group. This is largely judgmental, as it has happened so infrequently in the region and it is supplemented by some historical reviews both within the region and in other areas where pegged currency regimes exist or have existed.

Summary of Key Market Risks
The following market risks are considered by management the most significant for the Group arising from the various currencies, yield curves and spreads throughout the regional and broader international markets:
(i) The risk of credit spreads widening in a similar fashion to the Credit Crisis of 2008 on bonds held within the investment portfolios,
(ii) The low probability, high impact of a peg breaking between the USD and a local currency, particularly the BSD, impacting the structural long position of the bank.

Foreign Exchange Risk
Foreign Exchange (or currency) Risk is defined as the risk that the value of a financial instrument will fluctuate as a result of changes in foreign exchange rates. A significant number of the regional currencies are pegged to the USD and hence the VaR measure is not appropriate resulting in more emphasis being placed on the overall position limit and related stress tests. The Board has set limits on positions by currency. These positions are monitored daily and the Forex & Derivatives Sales department are solely responsible for the hedging of the exposure of the Group.

The Group also uses a measure to quantify non-trading foreign exchange risk, also referred to as Structural Foreign Exchange Risk. This considers the effect of currency change on the Group's investment in foreign operations, retained earnings and profit derived throughout the year. Due to the size of investments in the Cayman, Bahamas and Barbados this significantly increases the Group's exposure to these currencies and is reflected in the "Structural FX Position" columns. The increase in Barbados dollar trading position is due to the regulatory requirement to sell foreign currency earnings in Barbados.

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The following table highlights the currencies that the Bank had significant exposures to at October 31, 2024. It also highlights the metrics used by the Group to measure, monitor and control that risk.

2024

Currency	Trading Position Long/(Short) vs USD	VaR	Stressed Loss	Structural Position	Total FX Position (Structural +Trading)
Cayman Island dollars	41,645	Pegged	3,786	336,807	378,452
Trinidad and Tobago dollars	(20,116)	221	1,749	93,899	73,783
Netherlands Antillean guilder	20,720	Pegged	3,453	144,965	165,685
Barbados dollars	163,490	Pegged	37,729	207,632	371,122
Bahamian dollars	2,863	Pegged	661	647,164	650,027
Jamaican dollars	(27,564)	353	2,397	132,335	104,771
East Caribbean dollars	(128,077)	Pegged	11,137	107,642	(20,435)

2023

Currency	Trading Position Long/(Short) vs USD	VaR	Stressed Loss	Structural Position	Total FX Position (Structural +Trading)
Cayman Island dollars	13,054	Pegged	1,305	307,235	320,289
Trinidad and Tobago dollars	(18,051)	184	1,444	94,589	76,538
Netherlands Antillean guilder	750	Pegged	150	142,060	142,810
Barbados dollars	146,850	Pegged	44,055	175,391	322,241
Bahamian dollars	3,194	Pegged	958	553,014	556,208
Jamaican dollars	(18,679)	230	1,494	104,608	85,929
Eastern Caribbean dollars	(165,660)	Pegged	13,253	85,842	(79,818)

Interest Rate Risk

As described earlier, the Group utilizes a combination of high-level Board limits to monitor risk as well as the more granular Chief Risk Officer's limits. The key interest rate risk measures are shown in the tables below with the second being a subset highlighting the currencies where the Group has their most significant Interest Rate Exposures.

	2024	2023
Market Risk Metrics		
Interest rate VaR – total	**3,420**	5,771
Interest rate stress worst case loss of value – Hard Currency 1 day	**112**	209
Interest rate stress worst case loss of value – Hard Currency 60 days	**8,513**	34,836
Interest rate stress worst case loss of value – Local Currency 1 day	**6,790**	6,588
Interest rate stress worst case loss of value – Local Currency 60 days	**36,041**	36,532
1 Month Stress	**41,359**	42,315
DV01 Hard Currency	**(42)**	(166)
DV01 Local Currency	**(84)**	(86)

*United States Dollar – 60 Day stressed loss represents the Hard Currency (USD/EUR/CAD) loss. VaR is conventionally reported as a positive number.

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Currency	DV01	VaR	2024 60 day stressed loss	DV01	VaR	2023 60 day stressed loss
United States dollars*	**(39)**	**6,221**	**8,513**	(145)	6,835	34,836
Trinidad and Tobago dollars	**12**	**47**	**1,770**	12	56	1,776
Netherlands Antillean guider	**10**	**457**	**905**	(19)	0	1,886
Barbados dollars	**(70)**	**1,207**	**16,018**	(35)	0	17,245
Bahamian dollars	**(14)**	**23**	**1,050**	(16)	13	1,212
Jamaican dollars	**7**	**1,961**	**9,017**	6	376	7,722
Eastern Caribbean dollars	**5**	**280**	**533**	(4)	332	432
Cayman Island dollars	**(34)**	**214**	**6,748**	(31)	93	6,258

*United States Dollar – 60 Day stressed loss represents the Hard Currency (USD/EUR/CAD) loss. VaR is conventionally reported as a positive number.

Credit Spread Risk
Credit Spread exists as the benchmark curve and the reference asset curves either converge or diverge. The Group has two portfolios that have a material amount of credit spread risk. This risk is measured using an estimated CSDV01 and stress scenarios. The results are reported daily to Senior Management.

Credit spread risk by Operating Company (OPCO)

2024

	Regional Hard Currency Bonds			**Non-Regional Hard Currency Bonds**			**Total**		
	Notional	**Credit Spread DV01**	**Stress Loss**	**Notional**	**Credit Spread DV01**	**Stress Loss**	**Notional**	**Credit Spread DV01**	**Stress Loss**
Bahamas	$ 103,245	$ 51	$ 10,373	$ 159,000	$ 33	$ 6,510	$ 262,245	$ 84	$ 16,883
Cayman	144,395	38	8,803	124,600	15	2,942	268,995	53	11,745
Barbados	32,172	3	698	266,900	52	10,307	299,072	55	11,005
Offshore	7,500	2	305	59,500	11	2,277	67,000	13	2,582
Trinidad	-	-	-	10,000	-	55	10,000	-	55
Jamaica	-	-	-	-	-	-	-	-	-
Total	$ 287,312	$ 94	$ 20,179	$ 620,000	$ 111	$ 22,091	$ 907,312	$ 205	$ 42,270

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Credit spread risk by OPCO

2023

	Regional Hard Currency Bonds			Non-Regional Hard Currency Bonds			Total		
	Notional	Credit Spread DV01	Stress Loss	Notional	Credit Spread DV01	Stress Loss	Notional	Credit Spread DV01	Stress Loss
Bahamas	$ 91,026	$ 50	$ 10,327	$ 122,000	$ 11	$ 2,194	$ 213,026	$ 61	$ 12,521
Cayman	152,523	24	5,807	203,760	16	3,285	356,283	40	9,092
Barbados	72,572	4	1,018	144,740	10	1,934	217,312	14	2,952
Offshore	15,121	2	447	31,000	2	334	46,121	4	781
Trinidad	-	-	-	10,000	1	231	10,000	1	231
Jamaica	-	-	-	-	-	-	-	-	-
Total	$ 331,242	$ 80	$ 17,599	$ 511,500	$ 40	$ 7,978	$ 842,742	$ 120	$ 25,577

At fiscal year end the weighted average rating of the positions in the Regional Hard Currency Portfolio is AA-.

The average weighted maturity is 2 years. The weighted average rating of the positions in the Non-Regional Hard Currency Portfolio remained AA+. The average weighted maturity is 1 year.

Derivatives held for ALM purposes

Where derivatives are held as hedges against either sizeable loans from core businesses or to reduce Interest Risk Exposure to USD denominated local bond issues and if the transactions meet the regulatory criteria, then the Bank applies Hedge Accounting.

We designate fair value hedges primarily as part of interest rate risk management strategies that use derivatives to hedge changes in the fair value of financial instruments with fixed interest rates. Changes in fair value attributed to the hedged interest rate risk are accounted for as basis adjustments to the hedged financial instruments and are included in Net interest income.

We designate cash flow hedges as part of interest rate risk management strategies that use derivatives to mitigate our risk from variable cash flows by effectively converting certain variable-rate financial instruments to fixed-rate financial instruments.

The effective portion of the change in fair value of the derivative instrument is recognized in OCI until the variability in cash flows being hedged is recognized in the consolidated statement of income in future accounting periods, at which time an appropriate portion of the amount that was in accumulated other comprehensive income (AOCI) is reclassified into the consolidated statement of income. The ineffective portion of the change in fair value of the hedging derivative is included in Net interest income Derivative hedges that do not qualify for Hedge Accounting treatment are considered to be Economic Hedges and are recorded at Market Value on the Statement of Financial Position with changes in the fair value reflected through profits or losses. It should be noted that these are only Interest Rate Risk Hedges and other risks such as Credit Spread on the underlying bond positions still exist and are measured separately.

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Currency concentrations of assets, liabilities and commitments, guarantees and contingent liabilities:

2024	EC	BDS	CAY	BAH	US	JA	Other	Total
Assets								
Cash and balances with Central Banks	$ 145,718	$ 466,884	$ 5,642	$ 538,732	$ 153,770	$ 76,123	$ 109,130	$ 1,495,999
Due from banks	9,549	3,382	207	129	635,490	535	261,899	911,191
Derivative financial instruments	-	-	-	-	4,161	-	-	4,161
Other assets	(63,821)	18,200	9,978	15,179	146,400	11,911	14,991	152,838
Taxation recoverable	15,770	7,033	128	-	676	32	4,147	27,786
Securities	4,889	552,584	-	353,259	2,210,655	8,875	39,182	3,169,444
Loans and advances to customers	617,342	856,396	502,549	1,379,040	2,893,025	467,080	247,437	6,962,869
Property and equipment	22,832	65,512	12,954	31,712	52,231	17,709	8,599	211,549
Deferred tax assets	8,722	5,176	-	-	939	4,794	2,735	22,366
Retirement benefit assets	18,292	2,542	-	27,240	81,422	18,241	2,547	150,284
Intangible Assets	-	44,372	-	-	-	-	-	44,372
	779,293	2,022,081	531,458	2,345,291	6,178,769	605,300	690,667	13,152,859
Assets of disposal group classified as held for sale	-	-	-	-	-	-	156,426	156,426
Total assets	**$ 779,293**	**$ 2,022,081**	**$531,458**	**$2,345,291**	**$ 6,178,769**	**$605,300**	**$ 847,093**	**$13,309,285**
Liabilities								
Derivative financial instruments	$ -	$ -	$ -	$ -	$ 3,672	$ -	$ -	$ 3,672
Customer deposits	688,614	1,842,588	439,221	1,828,487	5,316,727	503,234	667,460	11,286,331
Other liabilities	(134,922)	251,034	22,152	(72,600)	147,150	(21,409)	33,212	224,617
Taxation payable	146	(5,396)	128	-	7,283	1,365	(2,258)	1,268
Deferred tax liabilities	1,909	5,540	-	-	3,999	8,651	453	20,552
Debt securities in issue	-	-	-	-	-	-	-	-
Retirement benefit obligations	1,755	3,239	-	6,748	6,056	502	361	18,661
	557,502	2,097,005	461,501	1,762,635	5,484,887	492,343	699,228	11,555,101
Liabilities of disposal group classified as held for sale	-	-	-	-	-	-	121,883	121,883
Total liabilities	**$ 557,502**	**$2,097,005**	**$461,501**	**$1,762,635**	**$ 5,484,887**	**$492,343**	**$ 821,111**	**$11,676,984**
Net assets/(liabilities)	**$ 221,791**	**$ (74,924)**	**$ 69,957**	**$ 582,656**	**$ 693,882**	**$112,957**	**$ 25,982**	**$ 1,632,301**
Commitments, guarantees and contingent liabilities	**$ 132,436**	**$ 194,898**	**$ 45,438**	**$ 332,577**	**$ 878,002**	**$116,863**	**$ 29,231**	**$ 1,729,445**

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Currency concentrations of assets, liabilities and commitments, guarantees and contingent liabilities:

2023	EC	BDS	CAY	BAH	US	JA	Other	Total
Assets								
Cash and balances with Central Banks	$ 101,643	$ 424,534	$ 5,455	$ 559,532	$ 138,726	$109,745	$ 158,582	$ 1,498,217
Due from banks	7,439	(1,210)	(431)	(1,065)	320,921	602	437,091	763,347
Derivative financial instruments	-	-	-	-	9,987	-	-	9,987
Other assets	(7,101)	80,529	9,536	23,134	47,180	5,732	(3,797)	155,213
Taxation recoverable	17,354	5,290	128	-	245	11	6,647	29,675
Securities	7,803	567,236	-	251,910	1,979,981	16,186	23,539	2,846,655
Loans and advances to customers	506,264	837,199	436,956	1,319,868	2,803,087	352,729	377,752	6,633,855
Property and equipment	17,104	84,886	11,735	31,712	39,534	16,006	9,922	210,899
Deferred tax assets	9,653	4,213	-	-	(454)	3,929	2,937	20,278
Retirement benefit assets	12,422	6,665	(319)	43,657	(9,986)	17,010	2,547	71,996
Intangible Assets	-	44,372	-	-	-	-	-	44,372
	672,581	2,053,714	463,060	2,228,748	5,329,221	521,950	1,015,220	12,284,494
Assets of disposal group classified as discontinued operations	-	-	-	-	126,374	-	110,240	236,614
Total assets	$ 672,581	$ 2,053,714	$463,060	$2,228,748	$ 5,455,595	$ 521,950	$1,125,460	$12,521,108
Liabilities								
Derivative financial instruments	$ -	$ -	$ -	$ -	$ 9,154	$ -	$ -	$ 9,154
Customer deposits	615,633	1,818,325	399,225	1,754,172	4,667,816	427,793	850,363	10,533,327
Other liabilities	(138,724)	238,902	42,412	(73,669)	151,768	(11,309)	(5,215)	204,165
Taxation payable	146	(5,209)	128	-	5,470	324	3,199	4,058
Deferred tax liabilities	3,723	792	-	-	(3,135)	6,601	784	8,765
Debt securities in issue	-	-	-	-	-	-	26,599	26,599
Retirement benefit obligations	1,937	2,134	826	8,188	4,735	469	365	18,654
	482,715	2,054,944	442,591	1,688,691	4,835,808	423,878	876,095	10,804,722
Liabilities of disposal group classified as discontinued operations	-	-	-	-	162,762	-	201,105	363,867
Total liabilities	$ 482,715	$2,054,944	$442,591	$1,688,691	$ 4,998,570	$423,878	$1,077,200	$11,168,589
Net assets/(liabilities)	$ 189,866	$ (1,230)	$ 20,469	$ 540,057	$ 457,025	$ 98,072	$ 48,260	$ 1,352,519
Commitments, guarantees and contingent liabilities	$ 114,587	$ 171,110	$ 39,059	$ 168,839	$ 669,556	$ 71,866	$ 39,669	$ 1,274,686

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Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Limits are set on the level of mismatch of interest rate repricing that may be undertaken, which are monitored on an ongoing basis.

Expected repricing and maturity dates do not differ significantly from the contract dates, except for the maturity of deposits up to one month, which represent balances on current accounts considered by the Group as a relatively stable core source of funding for its operations.

Liquidity risk

Liquidity risk arises from the Group's general funding activities in the course of managing assets and liabilities. It is the risk of having insufficient cash resources to meet current financial obligations without raising funds at unfavourable rates or selling assets on a forced basis.

The Group's liquidity management strategies seek to maintain sufficient liquid financial resources to continually fund the consolidated statement of financial position under both normal and stressed market environments.

Process and control

Actual and anticipated inflows and outflows of funds generated from exposures including those not recognised in the consolidated statement of financial position are managed on a daily basis within specific short-term asset/liability mismatch limits by operational entity.

Potential cash flows under various stress scenarios are modelled using carrying amounts recognised in the consolidated statement of financial position. On a consolidated basis, prescribed liquidity levels under a selected benchmark stress scenario are maintained for a minimum time horizon.

Risk measurement

The Group's liquidity measurement system provides daily liquidity risk exposure reports for monitoring and review by the Treasury department. The Group's Assets and Liabilities Committee (ALCO) is responsible for recommending the liquidity ratio targets, the stress scenarios and the contingency funding plans. The Group's Board of Directors is ultimately responsible for the Group's liquidity.

The Group manages liquidity risk by maintaining a significant base of core customer deposits, liquid assets and access to contingent funding as part of its management of risk. Each operational entity has internally established specific liquidity requirements that are approved by the Group's ALCO and reviewed annually.

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The table below analyses the assets, liabilities and commitments, guarantees and contingent liabilities of the Group into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

2024	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Assets					
Cash and balances with Central Banks	$ 1,495,999	$ -	$ -	$ -	$ 1,495,999
Due from banks	853,354	53,689	4,148	-	911,191
Derivative financial instruments	537	402	1,909	1,313	4,161
Other assets	151,998	297	109	434	152,838
Taxation recoverable	27,786	-	-	-	27,786
Securities	1,211,520	95,645	650,618	1,211,661	3,169,444
Loans and advances to customers	724,184	84,663	2,072,152	4,081,870	6,962,869
Property and equipment	111,368	906	17,090	82,185	211,549
Deferred tax assets	17,787	-	4,353	226	22,366
Retirement benefit assets	87,544	-	-	62,740	150,284
Intangible assets	-	-	-	44,372	44,372
Assets of disposal group classified as held for sale	-	156,426	-	-	156,426
Total Assets	$ 4,682,077	$ 392,028	$ 2,750,379	$ 5,484,801	$ 13,309,285
Liabilities					
Derivative financial instruments	$ 719	$ 221	$ 1,557	$ 1,175	$ 3,672
Customer deposits	8,960,789	115	2,324,742	685	11,286,331
Other liabilities	223,570	792	115	140	224,617
Taxation payable	1,268	-	-	-	1,268
Deferred tax liabilities	14,382	-	6,170	-	20,552
Debt securities in issue	-	-	-	-	-
Retirement benefit obligations	-	-	-	18,661	18,661
Liabilities of disposal group classified as held for sale	-	121,883	-	-	121,883
Total liabilities	**$ 9,200,728**	**$ 123,011**	**$ 2,332,584**	**$ 20,661**	**$ 11,676,984**
Net assets/(liabilities)	**$ (4,518,651)**	**$ 269,017**	**$ 417,795**	**$ 5,464,140**	**$ 1,632,301**
Commitments, guarantees and contingent liabilities	**$ 200,013**	**$ 180,886**	**$ 227,219**	**$ 1,121,327**	**$ 1,729,445**

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2023	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Assets					
Cash and balances with Central Banks	$ 1,498,217	$ -	$ -	$ -	$ 1,498,217
Due from banks	763,347	-	-	-	763,347
Derivative financial instruments	163	1,126	6,274	2,424	9,987
Other assets	153,083	378	427	1,325	155,213
Taxation recoverable	29,675	-	-	-	29,675
Securities	1,055,966	327,195	266,784	1,196,710	2,846,655
Loans and advances to customers	1,076,014	256,271	2,027,498	3,274,072	6,633,855
Property and equipment	72,369	3,323	33,112	102,095	210,899
Deferred tax assets	13,634	-	6,336	308	20,278
Retirement benefit assets	30,757	-	-	41,239	71,996
Intangible assets	-	-	-	44,372	44,372
Assets of disposal group classified as held for sale and discontinuing operations	-	236,614	-	-	236,614
Total Assets	$ 4,693,225	$ 824,907	$ 2,340,431	$ 4,662,545	$ 12,521,108
Liabilities					
Derivative financial instruments	$ 491	$ 1,044	$ 5,427	$ 2,192	$ 9,154
Customer deposits	9,960,837	475,353	96,215	922	10,533,327
Other liabilities	196,516	2,451	5,113	85	204,165
Taxation payable	4,186	-	-	(128)	4,058
Deferred tax liabilities	1,315	-	6,682	768	8,765
Debt securities in issue	-	461	26,138	-	26,599
Retirement benefit obligations	-	-	-	18,654	18,654
Liabilities of disposal group classified as held for sale and discontinuing operations	-	363,867	-	-	363,867
Total liabilities	$ 10,163,345	$ 843,176	$ 139,575	$ 22,493	$ 11,168,589
Net assets/(liabilities)	$ (5,470,120)	$ (18,269)	$ 2,200,856	$ 4,640,052	$ 1,352,519
Commitments, guarantees and contingent liabilities (Note 28)	$ 153,443	$ 115,382	$ 241,430	$ 764,431	$ 1,274,686

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Fair values of financial assets and liabilities

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, between market participants in an orderly transaction in the principal market at the measurement date under current market conditions (i.e., the exit price).

The determination of fair value requires judgment and is based on market information, where available and appropriate. Fair value measurements are categorized into three levels within a fair value hierarchy (Level 1, 2 or 3) based on the valuation inputs used in measuring the fair value, as outlined below:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities we can access at the measurement date. Bid prices, ask prices or prices within the bid and ask, which are the most representative of the fair value, are used as appropriate to measure fair value. Fair value is best evidenced by an independent quoted market price for the same instrument in an active market. An active market is one where transactions are occurring with sufficient frequency and volume to provide quoted prices on an ongoing basis.
- Level 2 - Quoted prices for identical assets or liabilities in markets that are inactive or observable market quotes for similar instruments, or use of valuation technique where all significant inputs are observable. Inactive markets may be characterized by a significant decline in the volume and level of observed trading activity or through large or erratic bid/offer spreads. In instances where traded markets do not exist or are not considered sufficiently active, we measure fair value using valuation models.
- Level 3 - Non-observable or indicative prices or use of valuation technique where one or more significant inputs are non-observable.

The table below presents the level in the fair value hierarchy into which the fair values of financial instruments that are carried at and disclosed at fair value on the consolidated statement of financial position, are categorized.

	Level 1 Quoted market price	Level 2 Valuation technique- observable market input	Level 3 Valuation technique- non-observable market input	Total 2024
Financial Assets				
Cash and balances with Central Banks	1,495,999	-	-	1,495,999
Due from banks	911,191	-	-	911,191
Derivative financial instruments	-	4,161	-	4,161
Debt Securities at FVOCI	-	2,663,797	-	2,663,797
Securities at FVPL	2,124	-	-	2,124
Debt Securities at amortised cost	50,468	36,459	377,768	464,695
Loans and advances to customers	-	-	6,884,798	6,884,798
Assets of disposal group classified as held for sale	-	-	154,899	154,899
Total Financial Assets	$ 2,459,782	$ 2,704,417	$ 7,417,465	$ 12,581,664
Financial Liabilities				
Derivative financial instruments	-	3,672	-	3,672
Customer Deposits	-	-	11,307,777	11,307,777
Debt securities in issue	-	-	-	-
Assets of disposal group classified as held for sale	-	-	121,979	121,979
Total Financial Liabilities	$ -	$ 3,672	$ 11,429,756	$ 11,433,428

*Financial assets with carrying values that approximate fair value.

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	Level 1 Quoted market price	Level 2 Valuation technique- observable market input	Level 3 Valuation technique- non-observable market input	Total 2023
Financial Assets				
Cash and balances with Central Banks	1,498,217	-	-	1,498,217
Due from banks	763,347	-	-	763,347
Derivative financial instruments	-	9,987	-	9,987
Debt Securities at FVOCI	-	2,322,192	-	2,322,192
Debt Securities at FVPL	2,127	-	-	2,127
Debt Securities at amortised cost	5,928	79,394	394,801	480,124
Loans and advances to customers	-	-	6,519,686	6,519,686
Assets of disposal group classified as discontinued operations	-	-	253,279	253,279
Total Financial Assets	$ 2,269,619	$ 2,411,573	$ 7,167,766	$ 11,848,959
Financial Liabilities				
Derivative financial instruments	-	9,154	-	9,154
Customer Deposits	-	-	10,556,228	10,556,228
Debt securities in issue	-	30,123	-	30,123
Liabilities of disposal group classified as discontinued operations	-	-	364,479	364,479
Total Financial Liabilities	$ -	$ 39,277	$ 10,920,707	$ 10,959,984

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Transfers between levels in the fair value hierarchy are deemed to have occurred at the beginning of the year in which the transfer occurred. Transfers between levels can occur as a result of additional or new information regarding valuation inputs and changes in their observability.

2024	Carrying value	Fair value	Fair value over/(under) carrying value
Financial assets			
Cash and balances with Central Banks	$ 1,495,999	$ 1,495,999	$ -
Due from banks	911,191	911,191	-
Derivative financial instruments	4,161	4,161	-
Securities at FVOCI	2,663,797	2,663,797	-
Securities at FVPL	2,124	2,124	-
Securities at amortised cost	490,816	464,695	(26,121)
Loans and advances to customers	6,962,869	6,884,798	(78,071)
Assets of disposal group classified as held for sale	156,426	154,899	(1,527)
Total financials assets	$ 12,687,383	$ 12,581,664	$ (105,719)
Financial liabilities			
Derivative financial instruments	$ 3,672	$ 3,672	$ -
Customer deposits	11,286,331	11,307,777	21,446
Debt securities in issue	-	-	-
Liabilities of disposal group classified as held for sale	121,883	121,979	96
Total financial liabilities	$ 11,411,886	$ 11,433,428	$ 21,542

2023	Carrying value	Fair value	Fair value over/(under) carrying value
Financial assets			
Cash and balances with Central Banks	$ 1,498,217	$ 1,498,217	$ -
Due from banks	763,347	763,347	-
Derivative financial instruments	9,987	9,987	-
Securities at FVOCI	2,322,192	2,322,192	-
Securities at FVPL	2,127	2,127	-
Securities at amortised cost	513,905	480,124	(33,781)
Loans and advances to customers	6,633,855	6,519,686	(114,169)
Assets of disposal group classified as discontinued operations	236,614	253,279	16,665
Total financials assets	$ 11,980,244	$ 11,848,959	$ (131,285)
Financial liabilities			
Derivative financial instruments	$ 9,154	$ 9,154	$ -
Customer deposits	10,533,327	10,556,228	22,901
Debt securities in issue	26,599	30,123	3,524
Liabilities of disposal group classified as discontinued operations	363,867	364,479	612
Total financial liabilities	$ 10,932,947	$ 10,959,984	$ 27,037

Quantitative information about significant non-observable inputs

Valuation techniques using one or more non-observable inputs are used for a number of financial instruments. The following table discloses the valuation techniques and quantitative information about the significant non-observable inputs used in Level 3 financial instruments:

For the year ended October 31, 2024
(Expressed in thousands of United States dollars, except as noted)

2024					Range of inputs	
As at October 31,	Amortised cost	Fair value	Valuation technique	Key non-observable inputs	Low	High
Loans and advances to customers	6,962,869	6,884,798	Market proxy	Market proxy	3.0%	24.8%
Customer Deposits	11,286,331	11,307,777	Market proxy	Market proxy	0.0%	1.6%
Securities at amortised cost	490,816	464,695	Market proxy or direct broker quote	Market proxy or direct broker quote	1.7%	8.4%
Equity securities	1,043	1,043	n/a	n/a	n/a	n/a
Assets of disposal group classified as held for sale	156,426	154,899	Market proxy	Market proxy	4.0%	13.0%
Liabilities of disposal group classified as held for sale	121,883	121,979	Market proxy	Market proxy	0.0%	0.7%

2023					Range of inputs	
As at October 31,	Amortised cost	Fair value	Valuation technique	Key non-observable inputs	Low	High
Loans and advances to customers	6,633,855	6,519,686	Market proxy	Market proxy	3.0%	24.7%
Customer Deposits	10,533,327	10,556,228	Market proxy	Market proxy	0.0%	1.6%
Securities at amortised cost	513,905	480,124	Market proxy or direct broker quote	Market proxy or direct broker quote	1.8%	5.6%
Equity securities	912	912	n/a	n/a	n/a	n/a
Assets of disposal group classified as discontinued operations	236,614	253,279	Market proxy	Market proxy	4.0%	8.38%
Liabilities of disposal group classified as discontinued operations	363,867	364,479	Market proxy	Market proxy	0.0%	1.6%

These financial assets and liabilities are carried at amortised cost and as such, sensitivity analysis on the inter-relationships between significant non-observable inputs and the sensitivity of fair value to changes in those inputs is not necessary.

Financial instruments recorded at fair value

The following is a description of the determination of fair value for financial instruments, which are recorded at fair value using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the instruments:

- ***Derivative financial instruments***

  Derivative products valued using a valuation technique with market observable inputs are interest rate swaps and foreign exchange forward contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves.

- ***Debt instruments at FVOCI***

  Debt instruments at FVOCI are valued using a valuation technique or pricing models primarily consisting of debt securities. These assets are valued using models which sometimes only incorporate data observable in the market and at other times use both observable and non-observable data. The non-observable inputs to the models include assumptions about liquidity and price disclosure, counterparty credit spreads and sector specific risks.

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Fair value of financial instruments not carried at fair value
The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the consolidated financial statements:

- ***Securities at amortised cost***
  The fair value of securities recorded at amortised cost is based on quoted bid or ask market prices where available in an active market. Securities for which quotes in an active market are not available are valued using all reasonably available market information.

- ***Loans and advances to customers***
  Loans and advances to customers are stated net of provisions for impairment. The estimated fair values of loans and advances to customers represents the discounted amount of estimated future cash flows expected to be received.

- ***Customer deposits and other borrowed funds***
  The estimated fair value of customer deposits and other borrowed funds is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and maturity.

- ***Debt securities in issue***
  The fair value is calculated using a discounted cash flow model based on a current interest rate yield curve appropriate for the remaining term to maturity.

Note 33 | Held for Sale and Discontinuing/Discontinued Operations

On October 31, 2023 the Bank publicly announced the decision of the Board of Directors to sell the banking assets of CIBC FirstCaribbean International Bank (Cayman) Limited's operations in St. Maarten and Curacao to Orco Bank N.V. As at October 31, 2023 and October 31, 2024, the Bank classified the banking assets of the Curacao and St. Maarten operations as "Held for Sale" on the Consolidated Statement of Financial Position, respectively.

On May 24, 2024, the Bank completed the sale of its banking assets in Curacao to Curacao-based, Orco Bank N.V.

Additionally, the sale of the Dominica retail performing loans portfolio to the National Bank of Dominica, which was agreed on October 27, 2023 was completed on July 12, 2024.

Refer to the table below which outlines the details of the transactions associated with the sale of the banking operations/assets of the discontinued operations:

Discontinued Operation	Date Discontinued	Transaction Details	Gain/loss from sale of operations/Banking assets
Aruba	February 25, 2022	Sale of banking assets	Nil
Dominica	- January 31, 2023 - June 3, 2023 - July 12, 2024	- Closure of Operations - Sale of the property - Sale of the performing loan portfolio	Nil $1.4 million gain $0.2 million loss
St. Vincent	March 25, 2023	Sale of banking assets	$6.2 million gain
Grenada	July 14, 2023	Sale of banking assets	$3.7 million gain
Curacao	May 24, 2024	Sale of banking assets	$5.7 million gain

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The Bank recognised a severance provision of $6,389 (2023- $7,624) from discontinuing/discontinued operations. This cost is recognised in the consolidated statement of income.

The classes of assets and liabilities classified as held for sale and discontinued operations are as follows:

(a) Assets of disposal group classified as held for sale and discontinued operations

	2024	2023
Cash and balances with Central bank	**$ 5,027**	$ 50,078
Due from banks	**5,617**	82,888
Loans and advances to customers	**145,782**	103,648
Total	**$ 156,426**	$ 236,614

(b) Liabilities of disposal group classified as held for sale and discontinued operations

	2024	2023
Customer deposits	**$ 121,883**	$ 363,867
Total	**$ 121,883**	$ 363,867

The financial results of the discontinuing and discontinued operations are presented below

	2024	2023
Interest and similar income	**$ 32,247**	$ 45,082
Interest and similar expense	**12,121**	14,830
Net interest income	**20,126**	30,252
Operating income	**10,094**	16,550
	30,220	46,802
Operating expenses	**34,657**	32,339
Credit loss (release)/expense on financial assets	**(5,913)**	2,948
	28,744	35,287
Income before taxation	**1,476**	11,515
Income tax (credit)/expense	**(322)**	2,366
Income for the year from discontinuing/discontinued operations	**$ 1,798**	$ 9,149

	2024	2023
Income for the year from discontinuing and discontinued operations	**$ 1,798**	$ 9,149
Other comprehensive income/(loss) (net of tax) to be reclassified to net income or losses in subsequent periods		
Net gains/(losses) on debt securities at fair value through OCI	**1,912**	(2,185)
Net other comprehensive income/(loss) (net of tax) to be reclassified to net income or loss in subsequent periods	**1,912**	(2,185)
Comprehensive income for the year, net tax from discontinuing and discontinued operations	**$ 3,710**	$ 6,964

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Cash flows from held for sale and discontinued operations

		2024		2023
Net income before tax from discontinuing/discontinued operations	**$**	**1,476**	$	11,515
Net cash flows from operating activities before changes in operating assets and liabilities from held for sale and discontinued operations		**1,476**		11,515
Changes in operating assets and liabilities from held for sale and discontinued operations				
- net (increase)/decrease in loans and advances to customers		**(42,134)**		27,120
- net (decrease)/increase in customer deposits		**(241,984)**		69,519
Income taxes received/paid		**322**		(2,366)
Net cash (used in)/from operating activities from held for sale and discontinued operations	**$**	**(282,320)**	$	105,788
Cash flows from investing activities from held for sale and discontinued operations				
Proceeds from disposal of property and equipment		**-**		2,909
Proceed from disposals and redemption of securities		**-**		564
Net cash from investing activities from held for sale and discontinued operations		**-**		3,473
Net (decrease)/increase in cash equivalents	**$**	**(282,320)**	$	109,261
Movement of assets/liabilities of disposal group not classified as held for sale and discontinued operations		**159,998**		(144,251)
Cash and cash equivalents, beginning of year from held for sale and discontinued operations		**132,966**		167,956
Cash and cash equivalents, end of year from held for sale and discontinued operations	**$**	**10,644**	$	132,966

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Note 34 | Principal subsidiary undertakings

On July 18, 2024, the Bank announced that it had officially changed its legal name to CIBC Caribbean Bank Limited, effective July 11, 2024. The new legal name aligns with the recent adoption of the CIBC brand. In addition, the wholly owned subsidiaries changed their legal name during the year and are noted in the table below:

CIBC Caribbean Bank Limited	Barbados
CIBC Caribbean Wealth Management Bank (Barbados) Limited	Barbados
CIBC Caribbean Bank (Barbados) Limited	Barbados
FirstCaribbean International Finance Corporation (Leeward & Windward) Limited	St. Lucia
CIBC Caribbean Bank (Bahamas) Limited (95.2%)	Bahamas
Sentry Insurance Brokers Ltd	Bahamas
FirstCaribbean International (Bahamas) Nominees Company Limited	Bahamas
CIBC Caribbean Trust Company (Bahamas) Limited	Bahamas
March Limited	Bahamas
Commerce Services Limited	Bahamas
Corporate Associates Limited	Bahamas
FirstCaribbean International Land Holdings (TCI) Limited	Turks & Caicos Islands
CIBC Caribbean Bank (Jamaica) Limited	Jamaica
FirstCaribbean International Securities Limited	Jamaica
CIBC Caribbean Bank (Trinidad and Tobago) Limited	Trinidad
CIBC Caribbean Bank (Cayman) Limited	Cayman Islands
FirstCaribbean International (Cayman) Nominees Company Limited	Cayman Islands
CIBC Caribbean Bank and Trust Company (Cayman) Limited	Cayman Islands
Commerce Advisory Services Limited	Cayman Islands
Commerce Corporate Services Limited	Cayman Islands
Commerce Management Services Limited	Cayman Islands
CIBC Fund Administration Services Asia Limited	Hong Kong
FirstCaribbean International Finance Corporation (Netherlands Antilles) N.V.	Netherlands Antilles
FirstCaribbean International Bank (Curaçao) N.V.	Netherlands Antilles

All subsidiaries are wholly owned unless otherwise stated.

Introduction to the Corporate Governance Statement

It is important that you, our shareholders, understand how the Board of Directors of CIBC Caribbean (the “Board”) fulfills its corporate governance oversight responsibilities.

The governance framework that guides the Board is described in CIBC Caribbean’s Corporate Governance Statement, which follows this introduction.

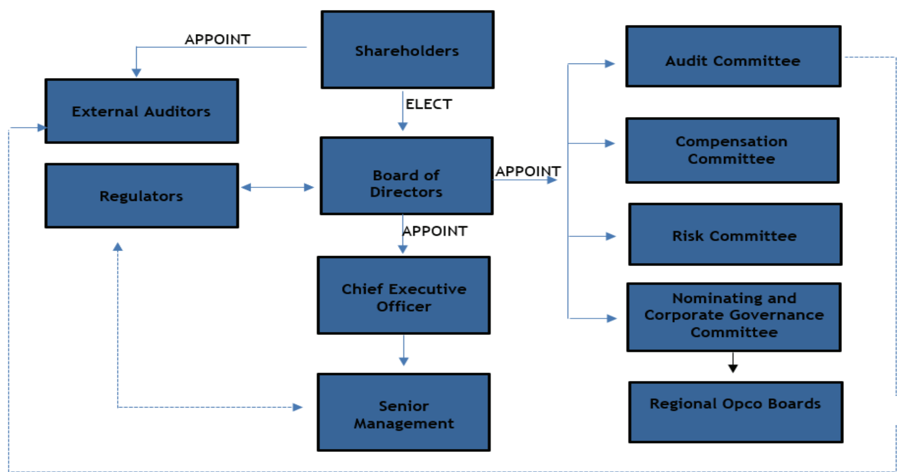
Certain documents are incorporated by reference into the Corporate Governance Statement and may be found on the Bank’s website at cibcfcib.com. These include:

1. Board of Directors Mandate
2. Audit Committee Mandate
3. Compensation Committee Mandate
4. Nominating and Corporate Governance Committee Mandate
5. Risk Committee Mandate
6. Chair of the Board of Directors Mandate
7. Board Committee Chair Mandate
8. Chief Executive Officer Mandate
9. Code of Conduct for Employees
10. Code of Ethics for Directors
11. Insider Trading Policy

This statement of corporate governance practices describes the governance framework that guides CIBC Caribbean's Board and management in fulfilling their obligation to CIBC Caribbean and its stakeholders. It was reviewed and approved by the Nominating and Corporate Governance Committee and the Board in December 2024.

1. Governance Structure

At the foundation of CIBC Caribbean's governance structure are knowledgeable, effective, independent and non-independent directors. Documenting clear roles and responsibilities for the Board and its committees assists the Board in supervising the management of CIBC Caribbean's business and affairs. This diagram provides a snapshot of how the Board interacts with management and CIBC Caribbean's stakeholders.



2. Board Composition

The composition of the Board and its committees is driven by legal and regulatory requirements and the strategic direction of CIBC Caribbean.

Legal requirements – The Board adheres to local and regional legal and regulatory requirements, guidelines and recommendations applicable to directors and the Board, including the legal and regulatory requirements of our lead central bank regulator, the Central Bank of Barbados, the Barbados Financial Services Commission and the Barbados Stock Exchange, as well as the legal and regulatory requirements, guidelines and recommendations of other central banks and regulators in the region.

Board size – CIBC Caribbean's by-laws require a minimum of ten directors and a maximum of eighteen directors, and that the majority of the Board's directors reside outside of Canada. The Board is comprised of ten directors, eight of whom permanently reside outside of Canada. Four of the Board's directors are independent, as required by the Central Bank of Barbados.

Board responsibilities

The Board is responsible for the management of the business and affairs of CIBC Caribbean and the overall direction and supervision of the CIBC Caribbean Group. The Board, directly and through its committees, provides direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the CIBC Caribbean Group.

Strategic planning – The Board oversees the development of CIBC Caribbean's strategic direction and priorities. Throughout the year, the Board reviews management's assessment of emerging trends, the CIBC Caribbean Group's environmental, social and governance strategy, the competitive environment, risk issues and significant business practices and products, culminating in the Board's review and approval of the strategic, financial and capital plans for the next fiscal year.

Risk management – With assistance from its committees, as applicable, the Board approves CIBC Caribbean's risk appetite and reviews management reports on material risks associated with CIBC Caribbean's business and operations, the implementation by management of systems to manage those risks and material deficiencies in the operation of those systems.

Human resources management – With assistance from its committees, as applicable, the Board reviews CIBC Caribbean's approach to human resources management, employment arrangements, compensation, and the succession planning process for senior management considering business performance, including its risk-related aspects and the extent to which management fosters a culture of integrity.

Corporate governance – At least annually, the Board reviews CIBC Caribbean's approach to corporate governance, including the governance principles and guidelines applicable to CIBC Caribbean.

Financial information – With assistance from its committees, the Board reviews CIBC Caribbean's internal controls relating to financial information, management reports on material deficiencies or material changes relating to those controls and the integrity of CIBC Caribbean's financial information and systems, the effectiveness of internal controls and management's assertion on internal control and disclosure procedures.

Board committees – The Board establishes committees and their mandates and is made aware of all material matters considered by the committees.

Director development and evaluation – Each director participates in CIBC Caribbean's orientation programme and director development sessions. Each year the Board engages in a process to evaluate Board performance to enhance its effectiveness, and at least quarterly all directors participate in interactive development sessions on a variety of relevant topics.

3. Director Independence

The Board believes that director independence is an important part of fulfilling its duty to supervise the management of CIBC Caribbean's business and affairs. The Board relies on regulatory requirements and guidance, best practices and good judgment to determine independence. A director is considered to be independent only where the Board determines that the director has no material relationship with CIBC Caribbean.

The Board and its committees also foster independence by:

- Having a non-executive Chair of the Board to oversee the operations and deliberations of the Board;
- Having a lead independent director
- Having independent directors on each of the Board's committees;
- Reviewing board interlocks;
- Conducting in camera sessions without management;
- Determining whether directors have a material interest in transactions;
- Having each of the Audit Committee and the Nominating and Corporate Governance Committee chaired by an independent director and comprised of a majority of independent members;
- Having the Nominating and Corporate Governance Committee nominate independent directors.

A majority of the members of the Audit Committee, the Compensation Committee, the Risk Committee and the Nominating and Corporate Governance Committee are independent.

Board interlocks and outside board membership

The Board does not limit the number of public companies on which a director sits. However, the Nominating and Corporate Governance Committee verifies that a director continues to fulfill his or her obligations to CIBC Caribbean's Board, and determines whether there are circumstances which would impair a director's ability to exercise independent judgment by reviewing the number of other public boards on which CIBC Caribbean's directors sit and the business relationship between CIBC Caribbean and those companies.

The Board believes disclosing other public company board memberships and interlocking board membership is important.

They are currently no interlocking board memberships among CIBC Caribbean's directors.

Conflicts of interest

To foster ethical and independent decision-making, CIBC Caribbean has a process in place to identify and deal with director conflicts of interest. Where a director or executive officer has an interest in a material transaction or agreement with CIBC Caribbean that is being considered by the Board or a Board committee, he or she discloses that interest and excuses himself or herself from the meeting while the Board or Board committee considers the transaction or agreement and does not vote on any resolution to approve that transaction or agreement.

4. Director Nomination Process

Nominating a new director for election

The Nominating and Corporate Governance Committee is responsible for recommending director candidates for election. In practice, before making a recommendation on a new director candidate, the Chair of the Board, the Chair of the Nominating and Corporate Governance Committee, and any other designated Board member(s) will agree on the skills and characteristics of a prospective director candidate. Once a candidate or candidates are identified, at the direction of the Chair of the Board, the Lead Independent Director or the Nominating and Corporate Governance Committee, the Group Corporate Secretary's office coordinates the due diligence process on the candidate. The due diligence process entails a review of certain information to:

- verify that the candidate has the qualifications to be a director of a bank under applicable law;
- assess existing or potential conflicts between the interests of the candidate and those of CIBC Caribbean;
- review the application of the Board's independence standards to the candidate;
- determine whether there are any public disclosure matters;
- conduct a background check on the candidate; and
- consider any potential matters that might have an adverse impact on the reputation of CIBC Caribbean.

During the process the Chair of the Board, the Chair of the Nominating and Corporate Governance Committee and other board members meet with the candidate to discuss his or her background, skill set, and ability to devote the time and commitment required to serve on CIBC Caribbean's Board. After completion of the due diligence process, the Group Corporate Secretary provides a written report to the Chair and to the Nominating and Corporate Governance Committee and the Committee assesses the candidate's suitability. The committee recommends the appointment of suitable candidates to the Board.

Meeting attendance record

Quarterly Board and committee meetings are scheduled approximately 2 years in advance. Interim meetings are scheduled as required. Members of the Board are expected to attend meetings of the Board and any Board committees of which the directors are members. This standard is not applied to attendance at interim Board or committee meetings that are called on short notice.

During fiscal 2024 the Board met five times. The Audit Committee met four times. The Risk Committee met eight times. The Compensation Committee met five times and the Nominating and Corporate Governance Committee met four times.

Scheduled quarterly meetings

Board Member	Board of Directors'	Audit Committee Meetings	Compensation Committee Meetings	Nominating and Corporate Governance Committee Meetings	Risk Committee Meetings
Brian McDonough[1]	4/4	4/4	4/4	4/4	4/4
Chris de Caires	4/4	4/4	4/4	4/4	4/4
Craig Gomez	4/4	4/4	4/4	4/4	4/4
Wayne Lee	4/4	4/4	Not a member	Not a member	4/4
Achilles Perry[2]	3/4	Not a member	3/4	3/4	Not a member
Paula Rajkumarsingh	4/4	4/4	4/4	4/4	4/4
Alasdair Robertson[3]	2/4	1/4	1/4	1/4	1/4
John Silverthorn	4/4	Not a member	4/4	Not a member	Not a member
Mark St. Hill	4/4	Not a member	2/4	2/4	2/4
Willem 'Pim' van der Burg	4/4	Not a member	Not a member	Not a member	Not a member
Lincoln Eatmon[4]	Not a member	4/4	Not a member	Not a member	Not a member

[1] Directors residing in Canada cannot participate in meetings from Canada and could not arrange to attend in person due to short notice given for the interim meetings.

[2] Resigned from the board effective November 1, 2024

[3] Resigned from the board effective October 31, 2024

[4] Member of the Audit Committee only

Interim meetings called at short notice

Board Member	Board of Directors' Meetings	Audit Committee Meetings	Compensation Committee Meetings	Nominating and Corporate Governance Committee Meetings	Risk Committee Meetings[1]
Chris de Caires	1/1	No meetings held at short notice	1/1	No meetings held at short notice	3/4
Craig Gomez	1/1	No meetings held at short notice	1/1	No meetings held at short notice	3/4
Wayne Lee	1/1	No meetings held at short notice	Not a member	Not a member	2/4
Brian McDonough	0/1	No meetings held at short notice	Not a member	Not a member	0/4
Achilles Perry	0/1	Not a member	0/1	No meetings held at short notice	Not a member
Paula Rajkumarsingh	1/1	No meetings held at short notice	1/1	No meetings held at short notice	4/4
Alasdair Robertson	0/1	No meetings held at short notice	0/1	No meetings held at short notice	2/4
John Silverthorn	1/1	Not a member	1/1	Not a member	Not a member
Mark St. Hill	1/1	Not a member	Not a member	Not a member	3/4
Willem 'Pim' van der Burg	1/1	Not a member	Not a member	Not a member	Not a member
Lincoln Eatmon	Not a member	No meetings held at short notice	Not a member	Not a member	Not a member

Annual Meeting
CIBC Caribbean's annual meeting was held virtually on March 15, 2024 and was attended by the Board. CIBC Caribbean's Chief Financial Officer and external auditor, Ernst & Young Ltd. ("EY"), were also present as well as other members of CIBC Caribbean's Executive Committee.

5. Director Tenure

Unless his or her tenure is sooner determined, a director holds office from the date on which he or she is first elected or appointed until the next annual meeting at which time he or she shall be eligible for re-election. A director may serve for up to fifteen years. The Board may, if determined in the best interest of the Bank, recommend a director for re-election for not more than five additional one-year terms after fifteen years of service. The Board recommends that Mrs. Paula Rajkumarsingh having served for 16 years, be elected for a second additional one-year term.

6. Annual Performance Evaluation of the Board

The Board of Directors Mandate requires the Board to conduct a review of the role of the Board and its committees, the methods and processes by which the Board fulfills its duties, the effectiveness of the Board structure and its directors, and the performance of the Chair of the Board against criteria the Board considers appropriate.

The Nominating and Corporate Governance Committee conducts this evaluation with the assistance of the Group Corporate Secretary. The evaluation addresses the performance and effectiveness of the Board, each Board committee and the Chair of the Board. The evaluation is based on confidential feedback obtained from a survey completed by each director and submitted to the Group Corporate Secretary.

The survey solicits feedback on what was done well, what could be done better and covers Board and committee structure and composition, Board leadership, the Board's relationship with the Chief Executive Officer, management, succession planning, strategic planning, risk management, operational performance and Board processes and effectiveness. The evaluation process helps identify opportunities of continuing Board and director development and forms the basis of any action plans for improving the Board's operations.

7. The Chief Executive Officer

The primary objectives of the Chief Executive Officer ("CEO") are to lead the management of CIBC Caribbean's operations, and to lead the implementation of resolutions, strategy and policies set by the Board. The Chief Executive Officer Mandate sets out the CEO's key accountabilities and responsibilities, which include duties relating to CIBC Caribbean's operational direction, strategy, ESG initiatives, financial performance and information, governance, risk management, risk appetite, human resources management, succession review, integrity of senior management, vision, mission, values and reputation, the executive committee, interaction with the Board and communication with stakeholders. The CEO is appointed by the Board, having considered the recommendations of the Compensation Committee. The Board and the Compensation Committee must be satisfied that the CEO is qualified in all respects to successfully discharge the requirements imposed by the Chief Executive Officer Mandate.

8. The Chair of the Board

The primary functions of the Chair of the Board are to facilitate the operations and deliberations of the Board and the satisfaction of the Board's functions and responsibilities under its mandate. The Chair of the Board of Directors Mandate sets out the Chair's key accountabilities and responsibilities, which include setting Board meeting agendas, chairing Board and shareholder meetings, leading director development, providing input on the integrity and suitability of potential director candidates, leading the Board in overseeing the development of CIBC Caribbean's strategic direction, process, plan, priorities and benchmarks, providing Board feedback to the CEO and communicating with shareholders, regulators and other stakeholders.

9. Lead Independent Director

Where the Chair is not independent, a lead independent director is appointed by the Board. The primary function of the lead independent director is to ensure that the objectivity of the Chair and the Board is maintained.

10. Board Committees

Each member of a committee is appointed by the Board on an annual basis and serves at the pleasure of the Board, or until the earlier of:

(a) the close of the next annual meeting of shareholders of CIBC Caribbean at which the member's term of office expires;

(b) the death of the member; or

(c) the resignation, disqualification or removal of the member from the committee or from the Board.

The Board may fill a vacancy in the membership of the committee. At the time of the annual appointment of the members of the committee, the Board appoints a chair of the committee.

Audit Committee

The Audit Committee is responsible for reviewing the integrity of the financial statements of CIBC Caribbean, related management's discussion and analysis and internal control over financial reporting, monitoring the system of internal control, monitoring compliance with legal and regulatory requirements, selecting external auditors for shareholder approval, reviewing the qualifications, independence and performance of the external auditors, reviewing the qualifications, independence and performance of the internal auditors, managing the determination the Bank's financial year, and monitoring the internal audit function and auditing, accounting and financial reporting processes generally. All members of the Audit Committee are financially literate.

The members of the Audit Committee are:

Chair:	Paula Rajkumarsingh (independent)
Membership:	Christopher de Caires (independent)
	Lincoln Eatmon (independent)[5]
	Craig Gomez (independent)
	Wayne Lee
	Brian McDonough
	Alasdair Robertson (independent)

Compensation Committee

The Compensation Committee is responsible for assisting the Board in fulfilling its governance and supervisory responsibilities relating to compensation of the Chief Executive Officer, the Chief Financial Officer and other executive officers and senior management. The committee is also responsible for assisting the Board in fulfilling its strategic oversight of the Bank's human capital, including overall employee compensation, the levels and degrees of participation in incentive compensation programs, including bonuses and stock plans, and oversight of management's progress in employee development and relations, and their alignment with the Bank's strategy of consistent, sustainable performance, its risk appetite and risk and control governance framework.[6]

The members of the Compensation Committee are:

Chair:	John Silverthorn
Membership:	Christopher de Caires (independent)
	Craig Gomez (independent)
	Achilles Perry
	Paula Rajkumarsingh (independent)
	Alasdair Robertson (independent)

[5] Mr. Lincoln Eatmon, a member of the Audit Committee, is the only committee member who is not a director of CIBC Caribbean Bank Limited. Mr. Eatmon is a member of the board of CIBC Caribbean Bank (Jamaica) Limited.

[6] Although not all the members of the Compensation Committee are independent, no member of the committee is a member of management, as recommended by the Barbados Stock Exchange Inc.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for assisting the Board in fulfilling its responsibilities relating to identifying individuals qualified to become directors and selecting, or recommending that the Board selects, the candidates for all directorships to be filled by the Board or by the shareholders. The committee is also responsible for taking a leadership role in shaping the corporate governance of the CIBC Caribbean Group. In addition, the committee is the nominating committee for membership in all boards of directors in the CIBC Caribbean Group.

The members of the Nominating and Corporate Governance Committee are:

Chair:	Christopher de Caires (independent)
Membership:	Craig Gomez (independent)
	Achilles Perry
	Paula Rajkumarsingh (independent)
	Alasdair Robertson (independent)

Risk Committee

The Risk Committee is responsible for overseeing and approving the enterprise-wide risk management practices to assist the Board in fulfilling its governance and supervisory responsibilities including strategic oversight of business risks and for reviewing and approving significant disposals, investments, changes in nature of business, expansion and major contracts. The committee is also responsible for the review of the performance of operations and technology functions, and the management of information security and for the review and monitoring of risks such as strategic, financial, credit, investment, market, security, treasury and liquidity, property, information technology, legal, regulatory, reputation, operational and other risks of the CIBC Caribbean Group.

The members of the Risk Committee are:

Chair:	Brian McDonough
Membership:	Christopher de Caires (independent)
	Craig Gomez (independent)
	Wayne Lee
	Paula Rajkumarsingh (independent)
	Alasdair Robertson (independent)
	Mark St. Hill

11. Board Access to Independent Advisors and Management

To assist the Board, the Chair of the Board, and the Board committees in satisfying their responsibilities and to foster their independence, the Board, the Chair of the Board and the Board committees have authority to retain and terminate external legal counsel, consultants or other advisors to assist them in fulfilling their responsibilities and to set and pay the compensation of these advisors without consulting or obtaining approval of management. The Board, the Chair of the Board and the Board Committees also have unrestricted access to management and employees of CIBC Caribbean, as well as the external auditors.

12. Director Orientation and Continuing Development

CIBC Caribbean's ongoing director development programme fosters the continuous education of Board members. The programme has two components:

1. New director orientation to assist new directors in becoming fully engaged as quickly as possible; and

2. Ongoing director development.

New director orientation

New directors are presented with an orientation package which includes the Board and committee mandates, the most recent CEO business update, current financial and capital plans, the most recent annual report, the Code of Ethics for Directors, the Code of Conduct, the Anti-Bribery and Anti-Corruption Policy, the Insider Trading Policy, the Related Party Policy, Conflict of Interest Policy, a description of the committee and Group structure, information on director and officer liability insurance, Board meeting dates, and any other material the Chair of the Board considers appropriate.

New directors may also attend various orientation meetings and, at the Chair of the Board's request, may be assigned a current Board member as mentor. They may also meet separately with each of the Chair of the Board, the Chief Executive Officer, the Chief Risk Officer, the Chief Financial Officer, the Group Corporate Secretary, one or more members of the Executive Committee or any other person the Chair of the Board considers appropriate.

Ongoing director development

Directors in the CIBC Caribbean group participate in the development sessions held during each quarterly Board meeting. The sessions are comprised of presentations by internal and external experts. One-on-one sessions between a director and an internal or external subject matter expert may be arranged at the request of the Chair of the Board or a committee chair. A director or committee member may contact the Group Corporate Secretary or the Chair of the Board about participating in an external education program or session related to development as a CIBC Caribbean director or committee member.

13. Director Compensation

The Compensation Committee reviews director compensation annually to assess whether it aligns with CIBC Caribbean's strategy imperative to deliver consistent and sustainable earnings, fosters prudent decision-making, and is competitive with other director compensation programmes and levels among regional financial institutions. The Compensation Committee recommends changes in director compensation to the Board for approval when considered appropriate or necessary to align with these objectives and recognize the workload, time, commitment and responsibility of the Board and committee members. The Compensation Committee may retain an independent external consultant to provide data and advice to that committee on its director compensation policy and practices.

The Board Chair and independent directors are paid a flat annual fee for attending all board and committee meetings, whether scheduled or not. Neither CIBC Caribbean executives, nor CIBC executives, who are directors, are paid fees. Independent committee chairs and committee members who are not directors are paid fees. The Board Chair, independent directors and independent committee members were paid an aggregate total of US$646,000 in FY 2024.

14. Approval of the CEO's Service Contract

The Compensation Committee reviews the performance and compensation of the Chief Executive Officer annually.

15. Organization of Management

An executive committee ("EXCO"), selected by the Board on the recommendation of the CEO, leads the execution of the Bank's business strategy. The EXCO is constituted as follows:

Chief Executive Officer	Mark St. Hill
Chief Human Resources Officer, People, Culture & Brand	Janine Billy
General Counsel & Group Corporate Secretary	Brian Clarke
Chief Financial Officer	Carl Lewis
Chief Risk Officer	Patrick McKenna
Chief Information Officer and Managing Director, Technology & Operations	Esan Peters
Chief Commercial Officer	Willem van der Burg
Managing Director, The Bahamas & TCI	Jacqueline Bend
Chief Auditor	Khadija Bourne
Managing Director, Jamaica	Nigel Holness
Managing Director, Cayman, BVI & Dutch Islands	Mark McIntyre
Managing Director, Trinidad	Anthony Seeraj
Managing Director, Barbados & Eastern Caribbean	Donna Wellington
Managing Director, Transformation, Governance & Control	Doug Williamson[7]

In addition to the above, a number of other senior management committees are in place to support the day-to-day management of the organization. These are:

- Asset Liability Committee
- Credit Committee
- Strategic Projects Office
- Operational Risk & Control Committee
- Reputational & Legal Risks Committee

[7] Mr. Doug Williamson was appointed Managing Director Governance & Control effective November 01, 2024.

Executive compensation

CIBC Caribbean's executive compensation philosophy is simple and consistent from year to year. The aim is to reward the CEO and senior leaders for delivering enhanced shareholder value through successful execution of the corporate strategy. Pay programmes are also designed to attract, retain and motivate key talent while aligning pay and performance.

It is the mandate of the Compensation Committee to make executive pay decisions and recommendations to the Board.

The elements of CIBC Caribbean's executive compensation programs are:

ELEMENT	PURPOSE	HOW IT IS DETERMINED
Base Salary	Provide competitive fixed pay	• Based on job scope, experience and market pay
Discretionary Variable Incentive Award (cash incentive and deferred cash incentive)	Align compensation with business and individual performance	• Absolute and relative business performance measured against balanced scorecard • Measures are weighted, vary by role, and are designed to promote strong alignment with CIBC Caribbean's corporate and business unit goals • Individual performance assessed against a series of Committee approved goals focused on strategy execution
Benefits and Perquisites	Investment in employee health, wellness and engagement	• A range of benefit programmes provided to all employees across the Caribbean to support health and well-being
Retirement Programmes	Contribute to financial security after retirement	• Competitive pension arrangements as provided to all employees in the Caribbean

CIBC Caribbean's discretionary variable incentive award elements are designed to reward performance over both the long and short term. In cases where a decision is taken to make a variable incentive award, the following considerations apply:

ELEMENT	PERFORMANCE MEASURES	DESCRIPTION

Annual Cash Incentive Award (50% of total incentive)	• Grant measures:
	  • Financial
	  • Risk
	  • Client
	  • Employee
	  • Strategy execution
		• Short term (annual)
		• Focused on:
		  • Profitability
		  • Growth
		  • Adherence to Risk Appetite
		  • Strategy execution
		  • Client and employee satisfaction

Deferred Cash Award (50% of total incentive)	• Grant measures:
	  • Financial
	  • Risk
	  • Client
	  • Employee
	  • Strategy/execution
	• Vesting measures:
	  • Cumulative company performance over vesting period using a range of financial performance measures
		• Long term
		• Deferred cash incentive award with 3 year (3) cliff vesting
		
		For awards vesting on or before 31 December 2025:
		• Each year over the vesting period business performance factor is applied to the initial grant to reflect the performance of the business over that year.
		• Business performance factor is determined based on a number of financial performance measures
		• At vesting the initial grant multiplied by the business performance factor for each of the three years of the vesting period is paid, subject to a maximum of 125% and minimum of 75% of the original award
		• Board retains discretion to adjust further to reflect extraordinary circumstances
		
		For awards vesting after 1 January 2026:
		• Awards granted from December 2023 onwards will be converted to Performance Share Units (PSUs) based on the CIBC share price at the award date.
		• Awards will attract notional dividends quarterly based on CIBCs share dividends which will be reinvested as additional PSUs.
		• Awards will be cash settled on vesting using the total number of PSUs at vesting x BPF 3-year calculation x CIBC share price at vesting
		• Business performance factor is determined based on a number of financial performance measures.
		• Business performance factor 3-year calculation is: (BPF Yr1 + BPF Yr2 + BPF Yr3)/3

16. CIBC Caribbean's Code of Conduct and Code of Ethics for Directors

CIBC Caribbean is committed to the highest standards of ethical and professional conduct. The Code of Conduct applies to all full and part time employees. The Code of Conduct also applies to consultants, independent contractors and temporary agency staff providing services to CIBC Caribbean.

The Code of Ethics for Directors applies to all members of the Board. When a new director joins the Board, he or she will be required to review the Code of Ethics for Directors and acknowledge in writing that he or she has reviewed it and agrees to abide by its terms.

All directors are required to review and attest to compliance with the applicable code annually.

Together, these codes establish the standards that govern the way employees and directors deal with each other, CIBC Caribbean shareholders, clients, suppliers, competitors and communities. The codes also address general conduct, conflicts of interest, information management, protection of CIBC Caribbean's assets and internal and regulatory investigations.

17. External Auditors: Oversight & Fees

The external auditors report to the Audit Committee.

Fees billed for professional services rendered by EY across its regional footprint for the consolidated financial statements years ended October 31, 2024 and October 31, 2023, are set out as follows:

Unaudited, $000's	**2024**	**2023**
Audit Fees (1)	3,083	3,072
Audit related fees (2)	260	262
Tax fees (3)	199	194
Total	3,542	3,528

(1) For the audit of CIBC Caribbean's annual financial statements and services normally provided by the principal auditor in connection with statutory and regulatory filings.

(2) For the assurance and related services that are reasonably related to the performance of the audit or review of CIBC Caribbean's financial statements.

(3) For tax compliance services.

18. Engagement of Non-Audit Services by External Auditors

CIBC Caribbean's Scope of Services of the Shareholders' Auditors Policy requires Audit Committee pre-approval of non-audit services provided by our external auditors.

19. Oversight of the Internal Audit function by the Audit Committee

Internal Audit function

The Audit Committee has ultimate responsibility for the Internal Audit function and oversees its performance.

Organizational Framework

At least annually, the Audit Committee will review Internal Audit's charter (developed in accordance with professional standards promulgated by the Institute of Internal Auditors), having regard to its role and an independent control function.

The Committee will also review the activities, staffing, organizational structure and credentials of Internal Audit.

At least annually, the Audit Committee will:

i. Review and approve the Internal Audit function's financial plan, staff resources.
ii. Receive and review reports on the status of significant findings, recommendations and Management's responses.

The Audit Committee will also review the extent to which Internal Audit has reviewed computer systems and applications, the security of such systems and applications, and contingency plans in the event of a systems breakdown.

Chief Auditor
At least annually, the Committee will review the goals, approve the Internal Audit Charter and review an assessment of the effectiveness and performance of the Chief Auditor and the Internal Audit function, as required. The Audit Committee will also have input into the performance evaluation of the Chief Auditor.

Organization Placement
Internal Audit is led by the Chief Auditor, who in turn reports directly to the Chief Auditor of CIBC, and to the Audit Committee. The Chief Auditor also reports administratively to the Chief Executive Officer.

The Chief Auditor has unencumbered access to the Audit Committee, and may freely discuss policies, audit findings recommendations, audit follow-up, guidance issues and any other matters deemed applicable.

Professional Standards and Independence
Internal Audit follows the professional standards of relevant professional organizations including:

i. The Institute of Internal Auditors (IIA) International Professional Practices Framework
ii. Code of Professional Ethics of the Information Systems Audit and Control Association (ISACA) and the Information Systems Audit and Assurance Standards as set forth by the ISACA.

Resources and skillset
The Audit Committee recognizes that professional standards require internal auditors to have knowledge of operations and appropriate expertise in the subject matter that is being audited. The Chief Auditor provides the Audit Committee with an annual report on personnel, including the sufficiency of resources, qualifications, certifications and development.

Independence
The Chief Auditor will periodically discuss standards of professional audit independence with the Audit Committee Chair and the Audit Committee. The Audit Committee also periodically reviews management's assessment of the independence and effectiveness of the Internal Audit function and evaluates the Chief Auditor's administrative reporting line.

Internal Audit will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair its independence.

Periodic Review
The Audit Committee is responsible for reviewing the effectiveness of the Internal Audit function and will ensure a quality assurance and improvement program has been established and review the results annually. Additionally, once every five years, the Committee will engage an independent third party to assess the Internal Audit function in accordance with professional standards promulgated by the Institute of Internal Auditors and in the context of regulatory expectations and practices of leading institutions. The Audit Committee will review the results of that assessment.

Audit Plan
The Audit Committee will review and approve the annual audit plan including the audit scope and all major changes to the plan presented by the Chief Auditor to ensure that it is appropriately risk based and addresses all relevant activities over a measurable cycle. The Audit Committee will review and discuss with the Chief Auditor the scope, progress and results of executing the Internal Audit plan.

The Chief Auditor, on a quarterly basis, will review the status of the audit plan and any changes needed, including a review of:

i. the results of audit activities, including any significant issues reported to Management and Management's response and/or corrective actions
ii. the status of identified control weaknesses
iii. the adequacy and degree of compliance with systems of internal control

20. Risk and Control Governance Framework

CIBC Caribbean's management follows a consistent approach in developing and determining, with reasonable assurance, that the Bank's risk and control environment is designed and operating effectively. It also provides key stakeholders with the structure required to assess the strength of CIBC Caribbean's Risk and Control Governance systems.

In addition, CIBC Caribbean has implemented the Risk and Control Governance Framework to help to ensure that its parent, CIBC, meets the requirements of the Sarbanes-Oxley Act (2002), for management to assess the effectiveness of the system of internal control.

The Framework has been developed based on the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) widely accepted "Enterprise Risk Management – Integrated Framework" (the COSO Framework) which is the most broadly used standard.

There are five (5) components to this Framework, these are defined as follows:

1. **Management Objectives** – The Bank's risk and control systems are designed to ensure the achievement of four categories of objectives:

    a) Effective Operations - The operations of CIBC Caribbean are effective in meeting its strategic objectives;

    b) Reliable Reporting - The financial reports provided to shareholders and other external stakeholders are accurate and reliable in all material respects;

    c) Regulatory Compliance - The conduct and actions of CIBC Caribbean's Board of Directors, executives, employees and contingent workers comply with all applicable laws and regulations; and

    d) Strategic Priorities – Allows the Bank to focus on our clients, build on our technology base to create a regionally leading digital experience for our clients, simplify the way we do business and invest in our people.

2. **Internal Environment** – The internal environment sets the foundation for how risk is viewed and encompasses the Bank's General Entity Controls (GEC), this is represented by three main components:

    a) Vision, Mission, Values and Strategic Priorities – Tone from the Top – the board of directors and executive management of the Bank has overall responsibility for the Bank including determining, approving and overseeing the Bank's strategic objectives, risk strategy, governance structure, corporate values and strategic priorities. This shapes the Risk and Control Governance Framework of the Bank.

    b) Risk Appetite – defines the level of risk the Bank is prepared to accept in pursuit of the Bank's mission, vision, strategic objectives and corporate values.

    c) Risk and Control related Policies and Limits - sets the boundaries for positive actions and behaviors of CIBC Caribbean employees and contingent workers in alignment with the Bank's Risk Appetite.

3. **Risk Identification and Control Management Activities** – This is the process to identify and assess risks and controls relevant to the achievement of the Bank's objectives, which has six elements:

    a) Risk Assessment, Documentation and Maintenance – determining what needs to be done (objectives/goals being assessed), determining what can go wrong (risks) and prioritizing what can go wrong (ranking). Control Activities must be documented and updated as changes occur;

    b) Monitoring and Testing – a robust monitoring and testing methodology must be designed and implemented to confirm risks are within acceptable thresholds and key controls are designed and operating effectively;

    c) Assessment – management must complete steps to determine whether or not their risks are within acceptable thresholds and the system of internal control is working effectively or if there are deficiencies that need to be identified;

d) Deficiency Management – once a deficiency has been identified, the severity of the issue must be determined, action plans to remediate should be documented and executed to ensure the issue is addressed;

e) Assertion – Accountable officers and executive management complete quarterly assertions on the state of controls and deficiencies within their respective strategic business units and Strategic Support Units; and

f) Procedures, Standards and Guidelines – Procedures, standards and guidelines are developed and implemented to support respective risk policies and limits.

4. **Stress Testing** – CIBC Caribbean performs stress tests and scenario analyses in order to gain a better understanding of the significant risks the Bank potentially faces under extreme conditions and to provide important input into the determination of related regulatory and economic capital requirements. Stress testing refers to shifting the values of individual parameters that affect our financial position and determining the effect on the business (for example, a doubling of staff turnover in a key, high dependence business function). Scenario analysis refers to a wider range of parameters being varied at the same time.

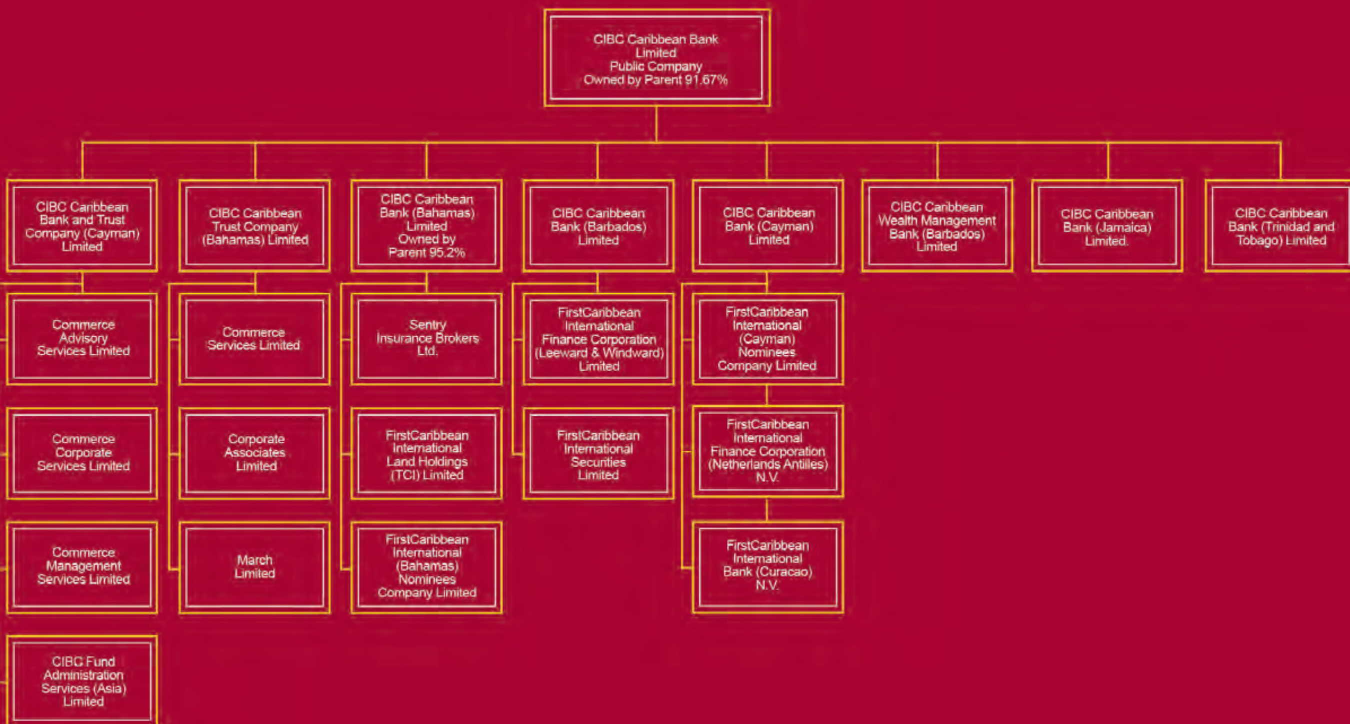
5. **Reporting** – The appropriate management information must be communicated to the Board and the executive management in a timely, complete, understandable and accurate manner so that they are equipped to make informed decisions.

21. Insider Trading

CIBC Caribbean's policy on insider trading can be found at cibcfcib.com.

CIBC Caribbean is in compliance with the Insider Trading Guidelines issued by the Barbados Stock Exchange Inc., which can be found at www.bse.com.bb.

OWNERSHIP STRUCTURE



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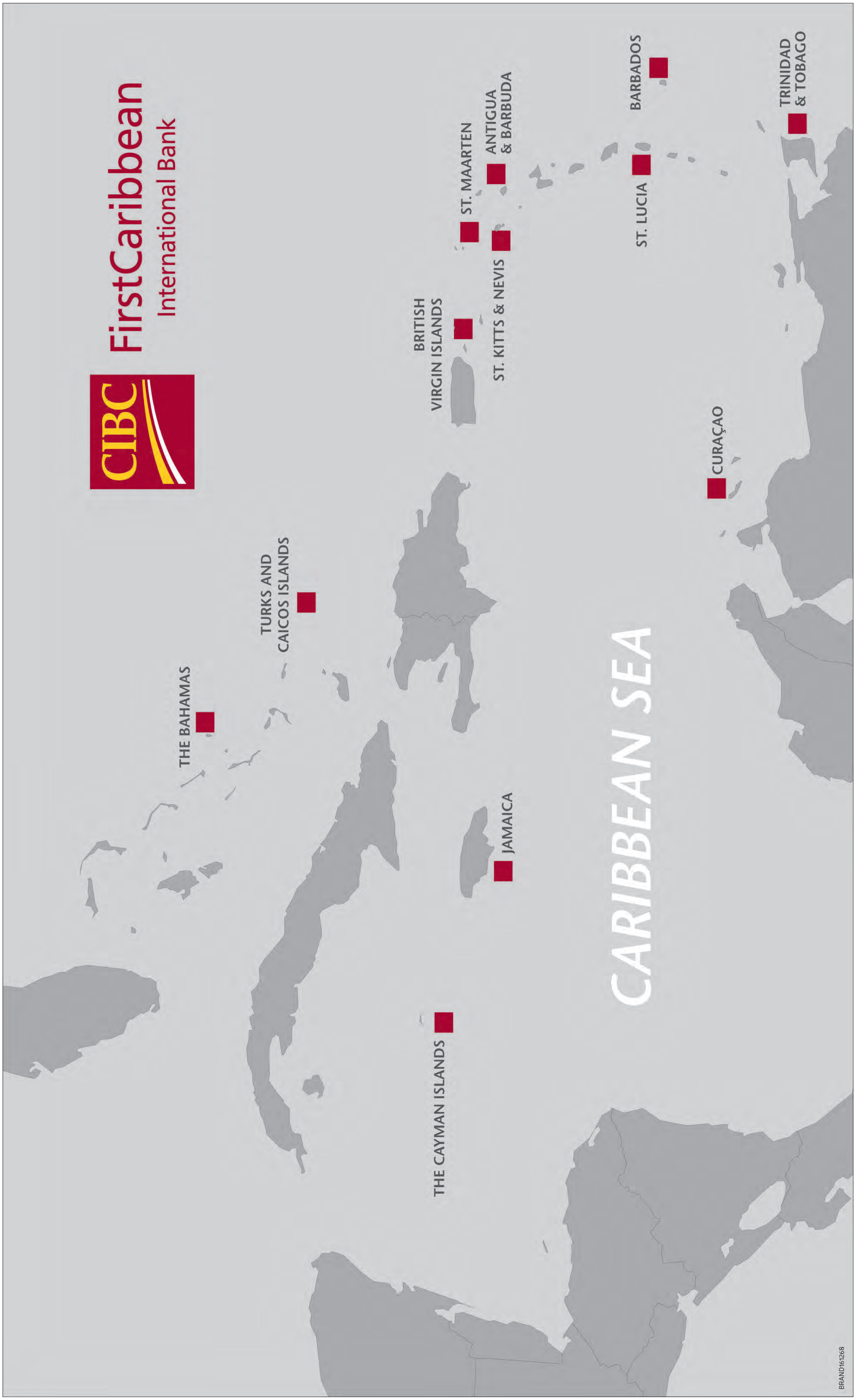
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