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CIBC

Annual & General Meeting Speech

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Check against delivery

Good morning.

2003 should go down in CIBC's 137 year history as one of our best ever. As our results for 2003 and the first quarter of 2004 make clear, we are executing on our strategy, our strategy is working and we have the financial results to prove it.

2003 should go down in CIBC's history as one of our best ever...but it won't. We stumbled where it counts in 2003, and that is in the intangible and invaluable realms of trust and reputation.

I want to speak to you today about both the good and the bad. I want to speak to you about the strategy we put in place two years ago. I want to speak to you about what we're doing to continue executing on that plan to create wealth for our shareholders, value for our customers and opportunity for our employees. I want to speak to you about what we are doing to set a new standard not just for CIBC, but for our industry in terms of corporate governance. But most of all, I want to speak to you about people.

I've been a part of CIBC for a long time... almost 35 years. Even before that, CIBC was a big part of my upbringing. My father worked for CIBC his entire career. In fact, my dad's last posting was here in Winnipeg – he was the first Regional General Manager at 1 Lombard Street headquarters. All of this is to say that the bank has been an important part of my life as far back as I can remember. And so I know in my bones that CIBC is much more than a bank. It's a community of people with a shared goal....

In one of CIBC's meeting rooms, there's a photo of a branch during the Yukon gold rush. It's literally a shack in the middle of nowhere. Standing proudly outside in the snow, are CIBC employees...in their suits.

There's another picture of CIBC people in Calgary during the Spanish flu epidemic of 1918. The employees are wearing surgical masks with their suits.

Someday, I know people will look back in the same way at the CIBC employees who pitched in to help their communities during the SARs crisis...the forest fires out West...the blackout in Ontario and New York...and Hurricane Juan.

I've always been very proud to be part of this community called CIBC – and I still am. But recent events... unacceptable events... have shaken our community.

I am speaking principally of events like Enron and the mutual funds trading scandal. It doesn't matter to me that scores of other banks and professional firms were also involved with Enron. Nor do I take any comfort from the fact that those employees who were involved in the mutual fund issue have been dismissed and are no longer with CIBC.

I am immensely proud of what we have accomplished in so many areas of activity. But I am equally dismayed by these events, and I am absolutely determined not only to resolve them, but to do everything in my power to prevent their recurrence.

What I care about – and I care about it deeply and personally – is that people have the highest respect for our institution...for our community of people. The world has changed. As little as five years ago, companies were encouraged by shareholders, the media and each other to be aggressive, to take risks, to test limits. This spirit produced the greatest bull market in history – and some extraordinary business achievements. But as we have all seen, it was not without its perils.

In today's world, companies across Canada, the US and around the world know that we must hold ourselves to a higher standard of conduct.

Values, sound corporate governance and ethical conduct have always been important at CIBC. In the wake of recent events, they have become my top priority. In recent weeks, we launched sweeping new measures to further tighten our controls and compliance procedures.

We've introduced a legal and reputation risk policy and we have committed the resources to ensure that all of our activities pass the highest ethical tests.

Some of the steps we have taken stem from commitments made to regulators in order to settle the Enron matter. Others have been taken at our own initiative and have been designed to ensure that we set a standard that is equivalent -- if not superior -- to any other major financial institution in North America.

This is not rhetoric...it is a fundamental part of our business strategy. As we announced the other day, we are investing an additional \$50 million ... above and beyond our normal course spending ... to achieve this goal.

This investment comes on top of a corporate governance culture that has received strong endorsements from the Report on Business Magazine and the Rotman School of Management. In 2004, CIBC was one of only seven Canadian companies named a Triple Crown Winner. This means we are included in the Dow Jones Sustainability Index, the FTSE4Good Global Index and in the Corporate Knights 50 Best Citizens listing ... in large part because of our corporate governance and corporate citizenship.

I am proud of this recognition, but I know we can and will do better. I am also proud of our financial performance, which led to the best total return to shareholders of any major Canadian bank – not only in the last year, but over the last four years.

But above all, I am proud of our people.

I said earlier that CIBC is a community of people with a shared goal. We know what we are and what we are capable of, and so this is our goal: to be the best bank in the eyes of our customers.

Great products and services alone won't get us there. Caring about what matters to our customers will. This means being a good corporate citizen. And it means providing the service and financial advice to help customers achieve their goals.

This year, we chose to have our annual meeting in Winnipeg, a city that will be the home of the Canadian Museum of Human Rights... a great legacy of the late Dr. Israel Asper. CIBC is proud to play a role in this museum through our \$1 million commitment.

To the people of Winnipeg here today...our customers, our friends and neighbours and our employees, ... you have no doubt heard our plans to build a new, seven and a half million dollar branch at the corner of Empress and Ellice (Ellis). This will be a new state-of-the-art facility with a complete range of services, from regular banking to personal financial advice and small business account management. It is wheelchair accessible and there is ample free parking. It also offers longer hours of service than our typical branches and it will be open for the full day on Saturdays. This branch will replace four others that we are closing because they either need extensive refurbishment or their locations will not sustain and grow our business.

We believe that this is the right decision for our customers and our shareholders. We also know that it will inconvenience some of our customers. But CIBC has been part of Winnipeg since 1881. We are part of this community, and we accept the responsibility that comes with that. So, we are honouring that relationship

- by funding a transit service so that our customers can access our new full-service branch
- by donating our branch at 888 Main Street to the Mount Carmel community health clinic and keeping a bank machine there
- and with a significant donation to a local research project that looks at community-banking for low income neighborhoods

And we will continue to talk with our neighbours and customers in Winnipeg to find the right solutions for them and for CIBC.

To the CIBC shareholders here today, let me share with you our progress toward our four strategic objectives: reducing risk ; changing our business mix; improving productivity; and earnings growth in our core businesses.

Our risk profile is dropping, thanks to successes on a number of fronts. Our corporate loan and merchant banking portfolios are significantly smaller, our credit quality has improved and our capital foundation is strong. We will continue with this strategy and not be swayed by improving markets.

To stabilize our earnings growth, we're shifting capital so that retail and wealth management businesses will eventually have 70% of the

bank's capital. CIBC World Markets' lower risk strategy and business model is working. The results demonstrate that.

We also improved our productivity in 2003 and are looking at reducing our expense base more over the next two to three years.

As Tom Woods mentioned a moment ago:

- We had the best total return to shareholders of the major Canadian banks during 2003 – 58%.
- We reduced our exposure to large corporate loans – we have already surpassed the goal we set in 2002 to reduce this portfolio.
- We continue to maintain prudent capital levels – our important Tier 1 capital ratio has increased further from the year end to 11.1%
- We increased the dividends on our common shares by 22% - up to 50 cents per share ... and have raised our dividend payout target range to 40-50%.
- All our businesses performed strongly in 2003 – we continue to be successful in shifting resources to our retail businesses – 65% of our capital now supports these businesses ... up from 50% at the end of 2002.

You know, my belief in CIBC and its capacity to be the best has always been based on our employees. Of all the things I do in my job as CEO, meeting and talking to employees who serve our customers is what rekindles my energy and my excitement about our future. It also helps drive a strategy that has been developed and executed by a

broader and deeper team of people than has traditionally been the norm at CIBC.

Let me tell you some things about our employees.

Our employees are those in retail banking who, despite fierce competition, found ways to improve customer satisfaction and increase revenues.

They are the people in our wealth management business – including a team of more than 2500 dedicated financial advisors - who continue to grow our client base by delivering high value advice and excellent products.

They are the people in CIBC World Markets...who achieved number one ranking in Canada in equity financings for the third year in a rowand in the US, Europe and Asia, those who have worked successfully to reposition the business for profitability and long-term success.

So our strategy is working.

But our people's contribution extends farther than all of this. They're the ones who make a great effort in their communities, year after year, for events like the CIBC Run for the Cure, the Children's Miracle and the United Way.

They embody what we stand for.

To the employees of CIBC, I would like to say, thank you, and believe in what you do and how it matters, every day, to the almost nine million customers who bank with us. Your belief ... what we stand for is what CIBC is about.

It's why we all get up in the morning, all 37,000 of us. We have a responsibility and a trust to help our customers and communities...to fulfill our duties to our shareholders...and to honour these relationships day in and day out through our decisions and our behaviour.

Last year was a difficult one for CIBC. It was difficult for me personally to see the bank I lead and the people I care about be criticized. But it was also a year where our performance gives me an enormous sense of confidence we are on the right track and that our future is bright.

Thank you.

A Note About Forward Looking-Statements

This presentation contains forward-looking statements which are made pursuant to the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about the operations, business lines, financial condition, risk management, priorities, targets, ongoing objectives, strategies and outlook of CIBC for 2004 and subsequent periods. Forward-looking statements are typically identified by the words "believe", "expect", "anticipate", "intend", "estimate", and other similar expressions or future or conditional verbs such as "will", "should", "would" and "could". These statements are subject to risks and uncertainties. Actual results may differ materially due to a variety of factors, including legislative or regulatory developments, competition, technological change, global capital markets activity, interest rates, and general economic conditions in Canada, North America or internationally. This list is not exhaustive of the factors that may affect any of CIBC's forward-looking statements. These and other factors should be considered carefully and you should not place undue reliance on CIBC's forward-looking statements. CIBC does not undertake to update any forward-looking statement.