



Board of Directors Independence Standards

Current Issue:	May 2021	Last Update:	May 2020
Availability:	Board of Directors' website		
Approved by:	The Board of Directors		
Approval Date:	May 27, 2021		
Next Review:	May 2022		

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The Board of Directors has adopted independence standards (standards). These standards are derived from the Affiliated Persons Regulations under the *Bank Act* (Canada), the corporate governance rules of the New York Stock Exchange, the corporate governance guidelines of the Canadian Securities Administrators and the expectations contained in the Office of the Superintendent of Financial Institutions Canada (OSFI) Corporate Governance Guideline.

1.0 Composition

A substantial majority of the Board shall be independent as set out in these standards.

2.0 Determination by Board

A director is considered independent only where the Board affirmatively determines that the director has no material relationship with CIBC, including as a partner, shareholder or officer of an organization that has a relationship with CIBC. A “material relationship” is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment and includes an indirect material relationship. The Board shall make a determination concerning the independence of a director each year at the time the Board approves director nominees for inclusion in CIBC’s management proxy circular. Where a director joins the Board mid-year, the Board will make a determination regarding that director at that time.

3.0 Independence Standards

In determining whether a director is independent, the Board shall apply the standards set out below and consider all relevant facts and circumstances.

3.1. Employment Relationships

- 3.1.1. A director who is, or has been within the last three years, an employee or whose spouseⁱ is currently an employee of CIBC or its subsidiaries is not independent.
- 3.1.2. A director whose immediate family memberⁱⁱ is, or has been within the last three years, an executive officerⁱⁱⁱ of CIBC or its subsidiaries is not independent.
- 3.1.3. A director who received, or whose immediate family member received, more than the lesser of C\$75,000 or US\$120,000 in direct compensation from CIBC or any of its subsidiaries during any twelve month period within the last three years (other than compensation received by an immediate family member for service as an employee of CIBC or its subsidiaries) is not independent. Direct compensation does not include remuneration for acting as a member of the Board or any Board committees or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service, with CIBC or any of its subsidiaries provided such compensation is not contingent in any way on continued service. A director does not have to consider direct compensation paid to an immediate family member who is employed as a non-executive officer.
- 3.1.4. Employment as an interim Chair on a part-time basis or as an interim CEO does not disqualify a director from being independent following that employment.
- 3.1.5. A director who is, or has been within the last three years, or whose immediate family member is, or has been within the last three years, employed as an executive officer of another entity or company where any of CIBC’s present executive officers at the same

time serve or served on that entity's or company's compensation committee is not independent.

3.2. **Audit Firm Relationships**

3.2.1. ***Firm Partner***

A director who is, or whose immediate family member is, a partner of a firm that is the internal or external auditor of CIBC or any of its subsidiaries is not independent.

3.2.2. ***Firm Employee***

A director who is an employee of a firm that is the internal or external auditor of CIBC or any of its subsidiaries is not independent.

3.2.3. ***Audit Activities***

3.2.3.1. A director whose immediate family member is an employee of a firm that is the internal or external auditor of CIBC or any of its subsidiaries and personally works on the audit of CIBC or a subsidiary of CIBC is not independent.

3.2.3.2. A director whose spouse or child^{iv} who shares a home with the director who is an employee of a firm that is the internal or external auditor of CIBC or any of its subsidiaries and participates in such firm's audit, assurance or tax compliance (but not tax planning) practice is not independent.

3.2.3.3. A director who has been, or whose immediate family member has been, within the last three years a partner or employee of a firm that is the internal or external auditor of CIBC or any of its subsidiaries and personally worked on the audit of CIBC or a subsidiary of CIBC within that time is not independent.

3.3. **Supplier Relationships**

3.3.1. ***Payments to Suppliers and Other Vendors for Property and Services***

3.3.1.1. A director who is an employee, or whose immediate family member is an executive officer, of a company that makes payments to, or received payments from, CIBC for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of US\$1 million or 2% of such other company's consolidated gross revenues, is not independent. Both the payments and the consolidated gross revenues to be measured are those reported in the last completed fiscal year. The look-back provision applies solely to the financial relationship between CIBC and the director or immediate family member's current employer. It is not necessary to consider former employment of the director or immediate family member.

3.3.1.2. A director who provides, or whose spouse provides, goods or services to CIBC, or who is, or whose spouse is, a partner, employee or person with a substantial investment^v in a partnership or corporation that provides goods or services to CIBC where total annual billings to CIBC exceeds 10% of total annual billings of the director, director's spouse, partnership or corporation, as applicable, is not independent.

3.3.2. ***Charitable Donations and Sponsorships***

Contributions to tax exempt organizations will not be considered “payments” for the purposes of section 3.3.1.1. as long as CIBC discloses on its website or in its annual proxy circular any contributions CIBC made to a tax exempt organization in which any independent director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year exceeded the greater of US\$1 million or 2% of the tax exempt organization’s consolidated gross revenues.

3.4. **Lending Relationships**

3.4.1. ***Significant Borrower***

A director who is, or whose spouse is, a significant borrower^{vi}, an officer or employee of a significant borrower, or a person who controls one or more entities, which together, would be a significant borrower, is not independent.

3.4.2. ***Loan Not in Good Standing***

A director who has, or whose spouse has, a loan that is not in good standing^{vii} from CIBC or its subsidiaries, or who is or whose spouse is a director, officer, employee or person that controls an entity with a loan that is not in good standing from CIBC or its subsidiaries, is not independent.

3.5. **Significant Interest or Substantial Investment**

3.5.1. ***Significant Interest***

A director who has, or whose spouse has, a significant interest^{viii} in a class of shares of CIBC is not independent.

3.5.2. ***Substantial Investment***

A director who has, or whose spouse has, a substantial investment in an affiliate of CIBC is not independent.

3.6. **Audit Committee Members**

3.6.1. ***Additional Independence Requirements***

A director who serves as an Audit Committee member must meet additional independence requirements under rules of the Securities and Exchange Commission.

3.6.2. ***Compensatory Fees***

A director who accepts, directly or indirectly, any consulting, advisory or other compensatory fee^{ix} from CIBC or any CIBC subsidiary, (other than in his or her capacity as a member of the Board of Directors or a Board committee), is not independent for the purpose of serving as an Audit Committee member. Indirect acceptance of any compensatory fee includes acceptance by:

- 3.6.2.1. a spouse, or child sharing a home with the Audit Committee member; or
- 3.6.2.2. an entity in which the Audit Committee member is a partner, member, an officer such as a managing director occupying a comparable position or an executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to CIBC or any CIBC subsidiary.

3.6.3. **Affiliated Person**

A director who is an “affiliated”^x person of CIBC or a CIBC subsidiary is not independent for the purpose of serving as an Audit Committee member.

3.7. **Management Resource and Compensation Committee Members**

In determining whether a director is independent, the Board shall consider additional factors for a director who serves as a Management Resource and Compensation Committee member based on rules of the New York Stock Exchange. The Board shall consider:

- 3.7.1. the sources of a director’s compensation, including any consulting, advisory or other compensatory fee from CIBC or any other source that would impair the director’s ability to make independent judgments about executive compensation at CIBC;
- 3.7.2. whether the director is affiliated with CIBC, a CIBC subsidiary, or an affiliate of a CIBC subsidiary, and whether this relationship places the director under the control of CIBC or its senior management or otherwise creates a relationship that would impair the director’s ability to make independent judgments about executive compensation; and
- 3.7.3. any other factor that materially affects the director’s ability to be independent from management in connection with the duties of a Management Resources and Compensation Committee member.

4.0 **Immaterial Relationships**

The Board may determine that a director is independent where there are only immaterial relationships between the director and CIBC or its subsidiaries. The relationships listed below are considered immaterial and do not affect a director’s independence, unless otherwise determined by the Board for a specific director relationship. The fact that a particular relationship is not listed below does not mean that it affects the independence of a director.

4.1. **Routine Banking Services**

A director, his or her immediate family member or any entity the director or an immediate family member controls, receives personal banking services, extensions of credit and other financial services in the ordinary course of business from CIBC or a subsidiary, provided that such services: (i) are on market terms^{xi}; (ii) are in compliance with all applicable laws including the *Bank Act* (Canada) and the United States Sarbanes-Oxley Act of 2002; and (iii) in the case of an extension of credit, are in good standing and do not make the director a significant borrower.

4.2. **Interest in Bank Sponsored Partnership or Fund**

A director, his or her immediate family member or any entity the director or an immediate family member controls, has an interest in a partnership or fund which is sponsored or managed by CIBC or a subsidiary, provided that the director acquired the interest and participates in the partnership or fund on terms no more favourable to the director than the terms upon which persons who are not directors of CIBC acquired their interests and participate in the partnership or fund.

4.3. **Employment of Immediate Family Member**

The employment of an immediate family member of a director with CIBC or a subsidiary of CIBC (provided the immediate family member is not the director’s spouse or an executive officer of CIBC or a subsidiary) if the compensation and benefits received by such person were established by CIBC in accordance with the compensation policies and practices applicable to CIBC employees in comparable positions.

4.4. Other Relationships

Any relationship of the kind described in sections 3.1.3. or 3.3. above that does not meet the monetary threshold described in the relevant section.

5.0 Maintenance and Review

These standards were last reviewed by the Corporate Governance Committee and approved by the Board on May 27, 2021.

ⁱ “Spouse” includes a common law partner.

ⁱⁱ “Immediate family member” includes a person’s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person’s home. When applying the three year look-back provisions, individuals who are no longer immediate family members because of legal separation or divorce, or those who have died or become incapacitated, need not be considered.

ⁱⁱⁱ “Executive officer” means a chair (other than an interim chair), vice-chair, president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president in charge of a principal business unit, division or function (such as sales, administration or finance), any officer of the company, its parent company, or its subsidiaries (or its general partner, in the case of a limited partnership, or its trustee, in the case of a trust) who performs a policy-making function, or any other person who performs a policy-making function.

^{iv} “Child” includes minor child, minor stepchild, child or stepchild.

^v A person has a “substantial investment” in a corporation if the person and any entities controlled by the person together beneficially own shares (i) to which are attached voting rights exceeding 10% of the voting rights attaching to outstanding voting shares of the corporation; or (ii) which represent ownership of more than 25% of the shareholders’ equity of the corporation. A person and any entities controlled by the person, has a substantial investment in an unincorporated entity where the aggregate of any ownership interests, however designated, into which the entity is divided exceeds 25% of all of the ownership interests into which the entity is divided.

^{vi} “Significant borrower” means (i) a natural person who has indebtedness for money borrowed from CIBC or a CIBC subsidiary, other than a loan secured by a mortgage on the person’s principal residence, the total principal of which exceeds 1/50 of 1% of CIBC’s regulatory capital; or (ii) an entity that has indebtedness for money borrowed from CIBC or a CIBC subsidiary, the total principal of which exceeds the greater of 1/20th of 1% of CIBC’s regulatory capital and 25% of the value of the entity’s assets.

^{vii} “A loan not in good standing” means a loan in respect of which (i) any payment of principal or interest is 90 days or more overdue; (ii) interest is not being accrued on the books of the lender because it is doubtful whether the principal or interest will be paid or recovered; or (iii) the rate of interest is reduced by the lender because the borrower is financially weak.

^{viii} A person has a “significant interest” in a class of shares of CIBC if the aggregate of (i) any shares of that class beneficially owned by the person; and (ii) any shares of that class beneficially owned by entities controlled by the person, exceeds 10 per cent of all of the outstanding shares of that class of shares of CIBC.

^{ix} “Compensatory fees” exclude fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with CIBC (provided such compensation is not contingent in any way on continued service).

^x An Audit Committee member is “affiliated” with CIBC or a CIBC subsidiary if he or she directly or indirectly, through one or more intermediaries, controls, or is controlled by or is under common control with, CIBC or a CIBC subsidiary. A person is not deemed to be in “control” of a specified person if the person is not the beneficial owner, directly or indirectly, of more than 10% of any class of voting equity securities and is not an “executive officer” of the specified person. An Audit Committee member is also affiliated if he or she is an executive officer of an affiliate of CIBC; an employee of an affiliate of CIBC; a general partner of an affiliate of CIBC; or a managing member of an affiliate of CIBC.

^{xi} “Market terms” means terms and conditions no less favourable to CIBC, and no more favourable to the client, than are made available to members of the public in the ordinary course of CIBC’s business. Market terms include terms and conditions made available in the ordinary course of business to clients, based upon particular characteristics of those clients, including (but not limited to) creditworthiness or value of the client to the firm for other reasons.