



# Investor Presentation

February 25, 2022



# Forward-Looking Statements

**A NOTE ABOUT FORWARD-LOOKING STATEMENTS:** From time to time, we make written or oral forward-looking statements within the meaning of certain securities laws, including in this Investor Presentation, in other filings with Canadian securities regulators or the SEC and in other communications. All such statements are made pursuant to the “safe harbour” provisions of, and are intended to be forward-looking statements under applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements made in the “Financial performance overview – Economic outlook”, “Financial performance overview – Significant events”, “Financial performance overview – Financial results review”, “Financial performance overview – Review of quarterly financial information”, “Financial condition – Capital management”, “Management of risk – Risk overview”, “Management of risk – Top and emerging risks”, “Management of risk – Credit risk”, “Management of risk – Market risk”, “Management of risk – Liquidity risk”, “Accounting and control matters – Critical accounting policies and estimates”, “Accounting and control matters – Accounting developments”, and “Accounting and control matters – Other regulatory developments” sections of our Q1/22 Report to Shareholders and other statements about our operations, business lines, financial condition, risk management, priorities, targets and commitments (including with respect to net-zero emissions), ongoing objectives, strategies, the regulatory environment in which we operate and outlook for calendar year 2022 and subsequent periods. Forward-looking statements are typically identified by the words “believe”, “expect”, “anticipate”, “intend”, “estimate”, “forecast”, “target”, “objective” and other similar expressions or future or conditional verbs such as “will”, “should”, “would” and “could”. By their nature, these statements require us to make assumptions, including the economic assumptions set out in the “Financial performance overview – Economic outlook” section of our Q1/22 Report to Shareholders, and are subject to inherent risks and uncertainties that may be general or specific. Given the continuing impact of the coronavirus (COVID-19) pandemic on the global economy, financial markets, and our business, results of operations, reputation and financial condition, there is inherently more uncertainty associated with our assumptions as compared to prior periods. A variety of factors, many of which are beyond our control, affect our operations, performance and results, and could cause actual results to differ materially from the expectations expressed in any of our forward-looking statements. These factors include: the occurrence, continuance or intensification of public health emergencies, such as the COVID-19 pandemic, and any related government policies and actions; credit, market, liquidity, strategic, insurance, operational, reputation, conduct and legal, regulatory and environmental risk; currency value and interest rate fluctuations, including as a result of market and oil price volatility; the effectiveness and adequacy of our risk management and valuation models and processes; legislative or regulatory developments in the jurisdictions where we operate, including the Organisation for Economic Co-operation and Development Common Reporting Standard, and regulatory reforms in the United Kingdom and Europe, the Basel Committee on Banking Supervision’s global standards for capital and liquidity reform, and those relating to bank recapitalization legislation and the payments system in Canada; amendments to, and interpretations of, risk-based capital guidelines and reporting instructions, and interest rate and liquidity regulatory guidance; the resolution of legal and regulatory proceedings and related matters; the effect of changes to accounting standards, rules and interpretations; changes in our estimates of reserves and allowances; changes in tax laws; changes to our credit ratings; political conditions and developments, including changes relating to economic or trade matters; the possible effect on our business of international conflicts and terrorism; natural disasters, disruptions to public infrastructure and other catastrophic events; reliance on third parties to provide components of our business infrastructure; potential disruptions to our information technology systems and services; increasing cyber security risks which may include theft or disclosure of assets, unauthorized access to sensitive information, or operational disruption; social media risk; losses incurred as a result of internal or external fraud; anti-money laundering; the accuracy and completeness of information provided to us concerning clients and counterparties; the failure of third parties to comply with their obligations to us and our affiliates or associates; intensifying competition from established competitors and new entrants in the financial services industry including through internet and mobile banking; technological change; global capital market activity; changes in monetary and economic policy; general business and economic conditions worldwide, as well as in Canada, the U.S. and other countries where we have operations, including increasing Canadian household debt levels and global credit risks; climate change and other environmental and social risks; inflationary pressures; global supply-chain disruptions; our success in developing and introducing new products and services, expanding existing distribution channels, developing new distribution channels and realizing increased revenue from these channels; changes in client spending and saving habits; our ability to attract and retain key employees and executives; our ability to successfully execute our strategies and complete and integrate acquisitions and joint ventures; the risk that expected benefits of an acquisition, merger or divestiture will not be realized within the expected time frame or at all; and our ability to anticipate and manage the risks associated with these factors. This list is not exhaustive of the factors that may affect any of our forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on our forward-looking statements. Any forward-looking statements contained in this Investor Presentation represent the views of management only as of the date hereof and are presented for the purpose of assisting our shareholders and financial analysts in understanding our financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. We do not undertake to update any forward-looking statement that is contained in this Investor Presentation or in other communications except as required by law.

Investor Relations contacts:

Geoff Weiss, Senior Vice-President

416 980-5093

Visit the Investor Relations section at [www.cibc.com/en/about-cibc/investor-relations.html](http://www.cibc.com/en/about-cibc/investor-relations.html)





# About CIBC



# A Leading Canadian Financial Institution






## OUR GOAL

Deliver superior client experience and top-tier shareholder returns while maintaining our financial strength

## OUR PURPOSE

To help make our clients' ambitions a reality

## OUR STRATEGIC PRIORITIES

-  **Elevating the client experience** in an increasingly digital world
-  Focusing on **high-growth, high-touch client** segments
-  Investing in **future differentiators** within faster growing markets



Note: All amounts are in Canadian dollars unless otherwise indicated. <sup>1</sup> As of 1/31/2022. <sup>2</sup> Rolling 5-year compound annual growth rate on Pre-Provision Pre-Tax Earnings (PPPT) as of Q1/22. <sup>3</sup> Forrester Digital Experience Review: Canadian Mobile Banking Apps for 2021.

# Our Strategic Business Units

## Canadian Personal & Business Banking

- Providing clients across Canada with financial advice, products and services through advice centres, mobile, online and remote channels
- Helping our clients achieve their ambitions each and every day

## Canadian Commercial Banking & Wealth Management

- High-touch, relationship-oriented commercial banking and wealth management, and asset management
- Building and enhancing client relationships and generating long-term consistent growth

## U.S. Commercial Banking & Wealth Management

- High-touch, relationship-oriented commercial, personal and small business banking, and wealth management services
- Developing deep, profitable relationships leveraging full complement of products and services

## Capital Markets

- Integrated global markets products and services, investment banking, corporate banking solutions and top-ranked research. Includes Direct Financial Services to deliver digitally enabled capabilities.
- Delivering best-in-class insight, advice and execution

### DIVERSE CLIENTELE

**Consumer Banking •  
Small Businesses • Entrepreneurs**



**Middle-Market Companies •  
Entrepreneurs • High-Net-Worth  
Individuals and Families • Institutional  
Investors**



**Middle-Market Companies •  
Entrepreneurs • High-Net-Worth  
Individuals and Families •  
Executives**



**Corporate • Government •  
Institutional Investors**



# Why Invest in CIBC?



Strong execution of strategy accelerating profitable growth



Diversified businesses with leading Canadian and growing U.S. platform



Flexible, strong balance sheet and prudent risk management



Culture of connectivity and innovation delivering leading high-touch, modern-day solutions



Established competitive advantages in faster growing, future differentiators



An ESG strategy focused on creating positive change



Leadership driving a culture of accountability and continuous improvement



# Strong Execution of Strategy Accelerating Profitable Growth

## Medium-term financial objectives

Earnings Growth

Return on Equity

Operating Leverage<sup>2</sup>

Dividend Payout Ratio<sup>2</sup>

TSR

Basel III CET1 Ratio

Target<sup>1</sup>

5% - 10%

15%+

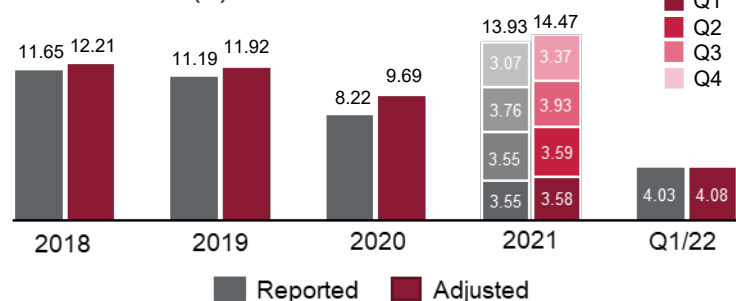
Positive

40%-50%

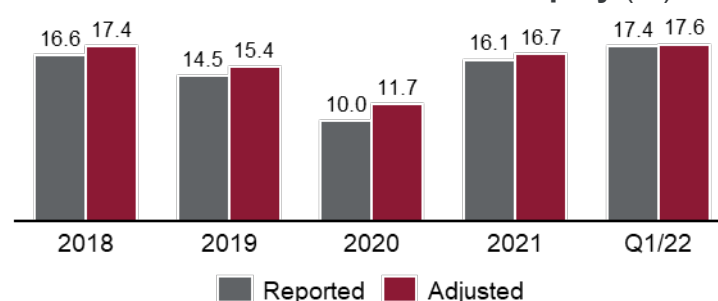
Outperform  
S&P/TSX  
Composite Banks  
Index<sup>3</sup>

Strong buffer to  
regulatory  
minimum

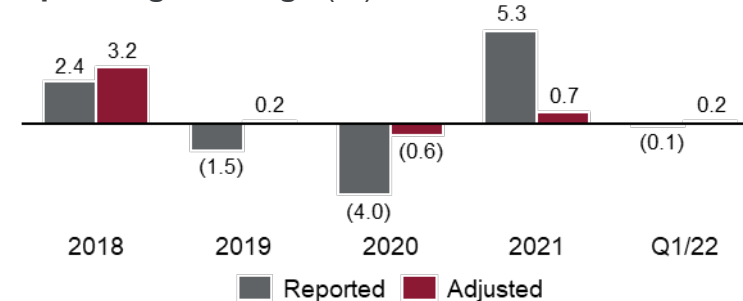
### Diluted EPS (\$)



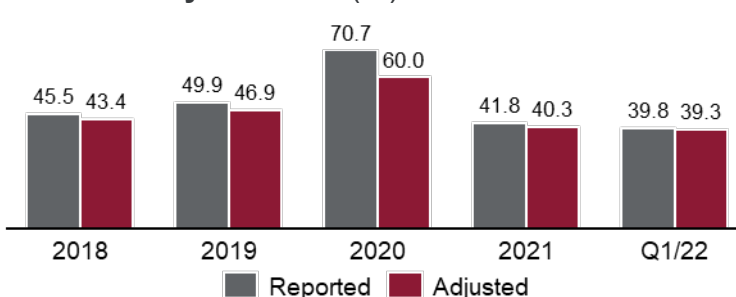
### Return on Common Shareholders' Equity (%)



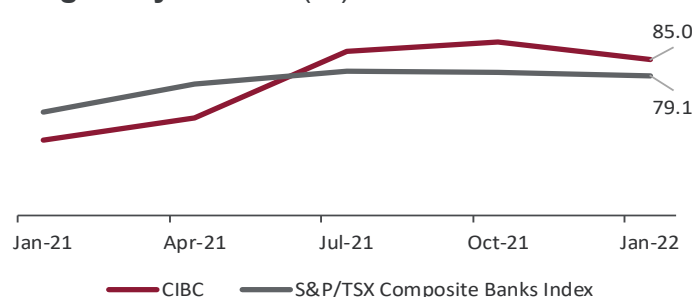
### Operating Leverage (%)



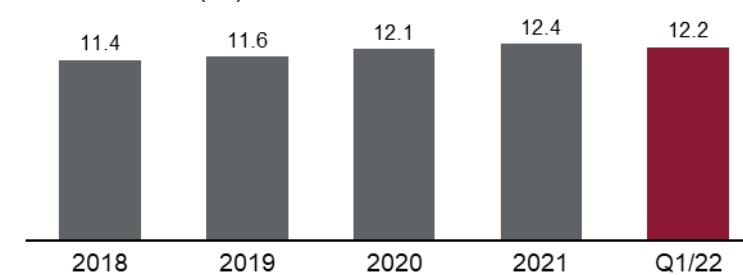
### Dividend Payout Ratio (%)



### Rolling five-year TSR (%)



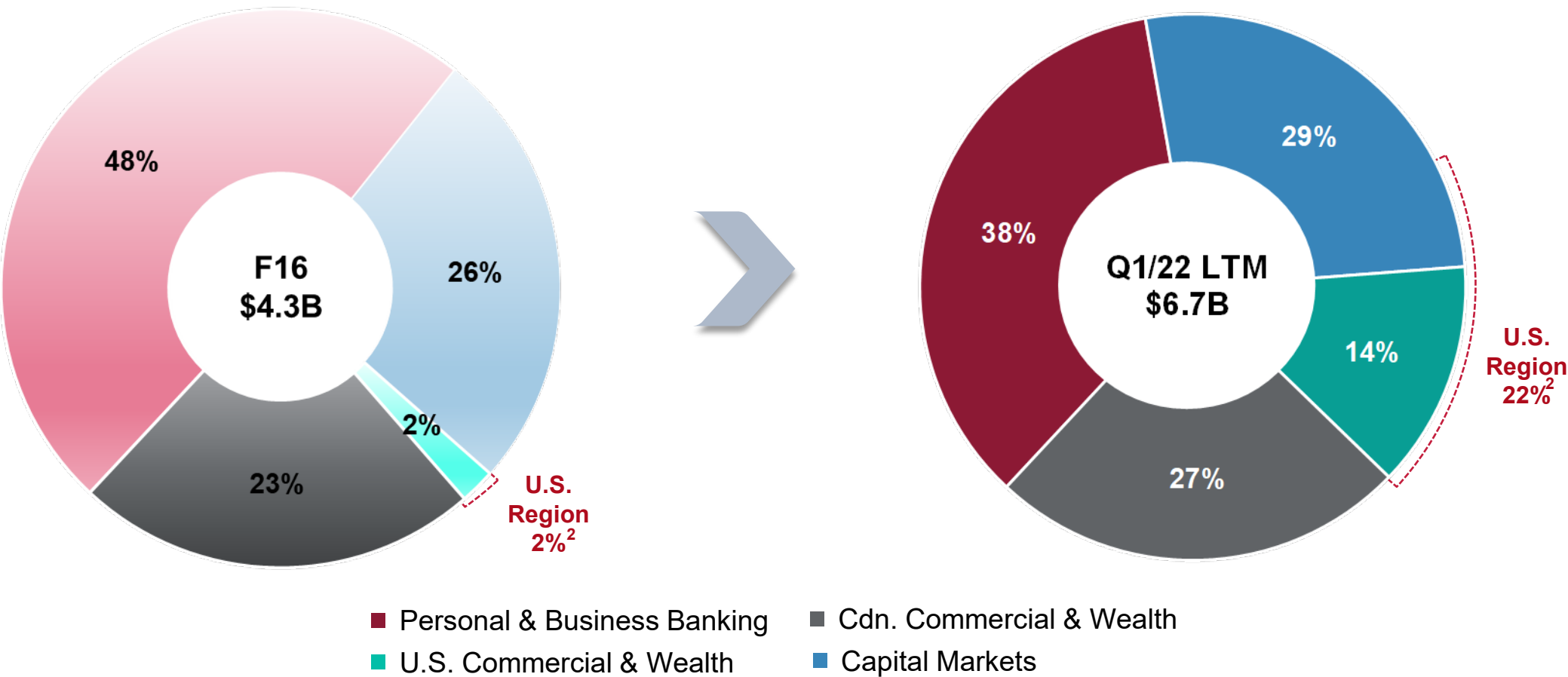
### CET1 Ratio (%)





# Diversified Businesses with Leading Canadian and Growing U.S. Platform

Net Income by Strategic Business Unit<sup>1</sup>

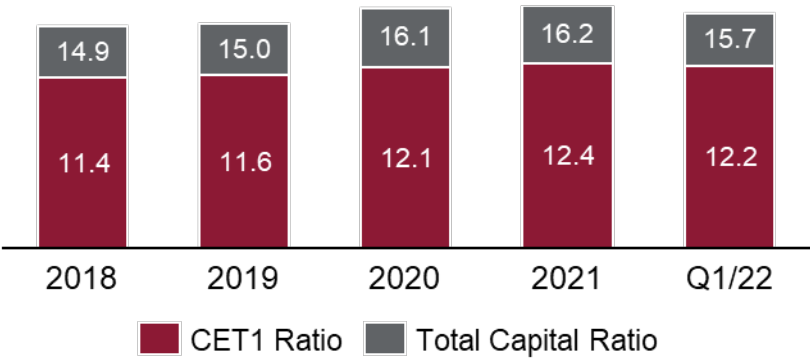






# Flexible, Strong Balance Sheet and Prudent Risk Management

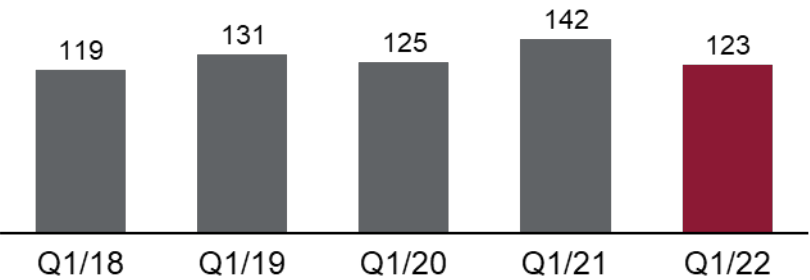
Strong Capital Ratios (%)



Strong Credit Ratings

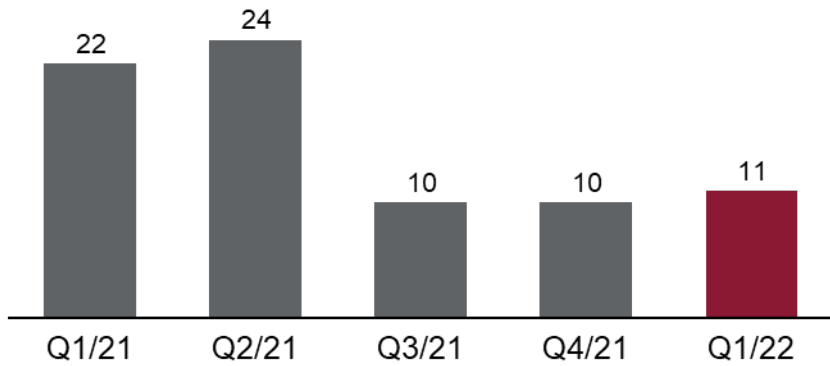
Agency	Rating <sup>1</sup>
Moody's	Aa2 (Senior <sup>2</sup> A2), Stable
S&P	A+ (Senior <sup>2</sup> , A-), Stable
Fitch	AA (Senior <sup>2</sup> , AA-), Stable
DBRS	AA (Senior <sup>2</sup> AA(low)), Stable

Liquidity Coverage Ratio (LCR) (%)



For the quarter ended January 31, 2022, our three-month daily average LCR was 123% compared to 142% for the same period last year. The decrease was driven by improving economic conditions and the return of our LCR to pre-pandemic levels.

PCL Ratio on Impaired (bps)





# Culture of Connectivity and Innovation Delivering Leading High-Touch, Modern-Day Solutions



CIBC Square, CIBC's new global headquarters

## Leveraging technology and data to modernize and enhance client experience

- **CIBC GoalPlanner**, our comprehensive financial planning platform, driving improved mutual fund net flow and client experience scores
- **New installment option feature with VISA** on qualifying purchases during checkout, building on the popularity of CIBC's post-purchase installment plan, CIBC Pace-It
- **CIBC Insights**, a new feature utilizing AI and machine learning to provide mobile banking clients with insights to make more informed financial decisions
- **Digital identity verification**, offering fast, easy and secure onboarding for new CIBC clients using our website or mobile banking app

## Innovative solutions to support growth

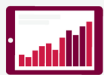
- Continued **investment in our travel and non-travel cards** to further enhance our offer and provide flexibility to our clients
- In our **Direct Financial Services business**, including U.S. dollar accounts, new and expanded services in remittances and foreign exchange; and enhanced our Global Money Transfer capabilities by enabling real-time, direct money transfers to eligible VISA debit and credit cards
- Together with NEO Exchange and CIBC Mellon, **launched the first-ever Canadian Depositary Receipts**, allowing Canadians to invest in global companies through fractional share ownership with a built-in notional currency hedge

## Investing in leading edge technologies

- **Cloud-first strategy** enabling faster, real time, data-driven decisions and enhancing the client experience



# Established Competitive Advantages in Faster Growing, Future Differentiators



## Direct Financial Services

- Offering digital-first banking services with Simplii, CIBC Investor's Edge, and our Alternate Solutions Group (FX payment solutions)
- Building deep and loyal relationships with digitally savvy clients who prefer self-serve options
- Delivering double digit revenue growth through a continued focus on innovation and delivering fintech-like services
- Agile and modular approach to strategy and technology
- Leveraging data analytics to enrich the client experience and drive personalized client offerings
- Simplii's NPS increasing twofold since 2018; leveraging this strong momentum and brand perception to franchise clients and deepen relationships



## Innovation Banking

- Providing capital and strategic advice to the North American innovation economy
- Strong momentum with annual growth in excess of 100%
- Growing our team to support new client acquisition and serve the needs of our key sponsor relationships
- Differentiated cross-border business model, with increased connectivity driving high conversion rates on wealth management referrals
- Enhancing the client experiences with simpler, streamlined processes



## Renewables and Sustainable Finance

- Dedicated expertise and finance to support our corporate clients in their sustainability goals
  - #1 in Canada for sustainable finance
- Leading franchise to support renewables sector
  - #1 in Canada and top-10 in North American renewables and advisory
- Doubled our commitment to mobilizing sustainable finance to a target of \$300 billion by 2030
- Founding member of Project Carbon, a blockchain-enabled carbon offset marketplace
- First bank to launch ESG-linked MLGICs



# An ESG Strategy Focused on Creating Positive Change

## Ambitions in Action

We're activating our resources to create positive change for our team, our clients, our communities and our planet, contributing to a more secure, equitable and sustainable future where everyone's ambitions are made real.

*We are putting our environmental, social, and governance (ESG) commitments into action by:*







# Leadership Driving a Culture of Accountability and Continuous Improvement



**Victor Dodig**

President & CEO  
Joined: 2005

[Read bio >](#)



**Hratch Panossian**

SEVP & CFO  
2011

[Read bio >](#)



**Shawn Beber**

SEVP & Chief Risk Officer  
2002

[Read bio >](#)



**Michael Capatides**

SEVP & Group Head,  
U.S. Region  
President & CEO, CIBC Bank USA  
1996

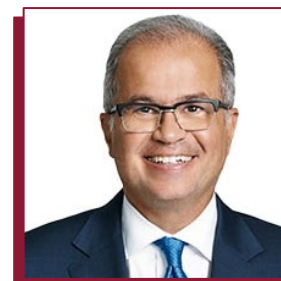
[Read bio >](#)



**Laura Dottori-Attanasio**

SEVP & Group Head,  
Personal & Business Banking,  
Canada  
2013

[Read bio >](#)



**Jon Hountalas**

SEVP & Group Head,  
Commercial Banking &  
Wealth Management,  
Canada  
2010

[Read bio >](#)



**Harry Culham**

SEVP & Group Head,  
Capital Markets  
2008

[Read bio >](#)



**Christina Kramer**

SEVP, Technology,  
Infrastructure &  
Innovation  
1987

[Read bio >](#)



**Sandy Sharman**

SEVP & Group Head,  
People, Culture &  
Brand  
2014

[Read bio >](#)



**Kikelomo Lawal**

EVP & Chief Legal Officer  
2020

[Read bio >](#)

# Engaged and Diverse Board of Directors...



**Katharine Stevenson**

Chair of the Board, CIBC  
Former Sr. Financial Exec.,  
Nortel Networks  
2011



**Charles  
Brindamour**

Chief Executive Officer,  
Intact Financial Corp.  
2020



**Nanci Caldwell**

Former EVP & Chief  
Marketing Officer,  
Peoplesoft, Inc.  
2015



**Michelle Collins**

President, Cambium  
LLC  
2017



**Patrick  
Daniel**

Former President  
& CEO,  
Enbridge Inc.  
2009



**Luc  
Desjardins**

President & CEO,  
Superior Plus Corp.  
2009



**Victor  
Dodig**

President & CEO,  
CIBC  
2014



**Kevin  
Kelly**

Former Lead  
Director, Ontario  
Securities Comm.  
2013



**Christine  
Larsen**

Former Sr. Advisor  
to the CEO,  
First Data Corp  
2016



**Nicholas  
Le Pan**

Former  
Superintendent,  
Financial Inst. CAN  
2008



**Jane  
Peverett**

Former President  
& CEO,  
BCTC  
2009



**Mary Lou  
Maher**

Canadian Managing  
Partner,  
KPMG  
2021



**Martine  
Tourcotte**

Former Vice Chair,  
Quebec of BCE &  
Bell Canada  
2014

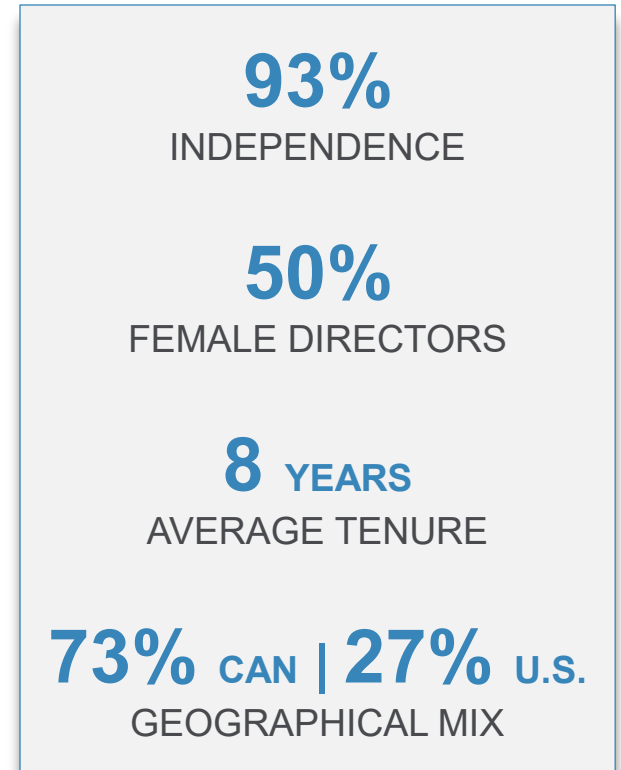
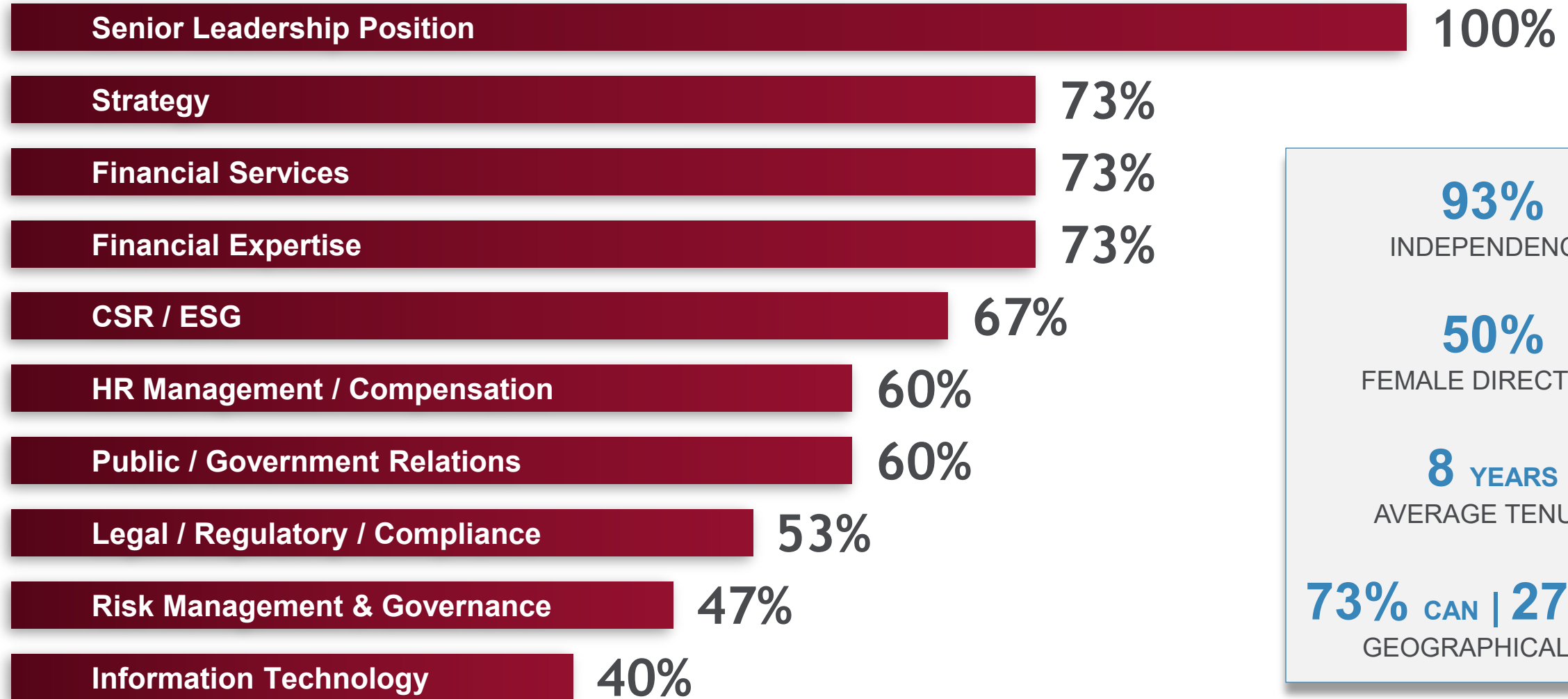


**Barry  
Zubrow**

President, ITB  
LLC  
2015



## ...with Deep Industry Expertise and Capabilities Supporting our Long-Term Profitable Growth Strategy



# Continuous Improvement Driving Shareholder Value

## Deepening Client Experience to Drive Growth

Growth Metrics	2018	Q1/22
Loans (\$B)	382	483
Deposits (\$B)	461	650
AUA (\$B)	2,304	3,010

## Investing in Process Improvements to Drive Efficiency

Efficiency Metrics	2018	Q1/22
Reported Efficiency Ratio	57.5%	55.0%
Adjusted Efficiency Ratio	55.6%	53.8%
Sales to Service Ratio <sup>1</sup>	63.3%	67.8%

## Winning at Relationships



Meeting client needs both sides of the border



Deepening Commercial & Strategic Client relationships



US CIBC Private Wealth #4 by Barron's (Registered Investment Advisor)



CIBC #1 in Mobile Banking (2<sup>nd</sup> year in a row)



Strategic partnership with leading retailer

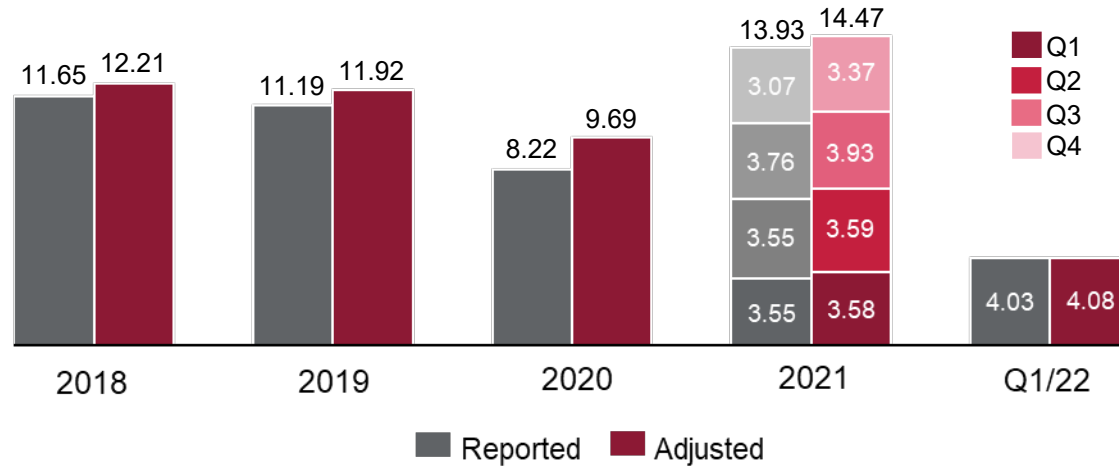


# Financial Performance

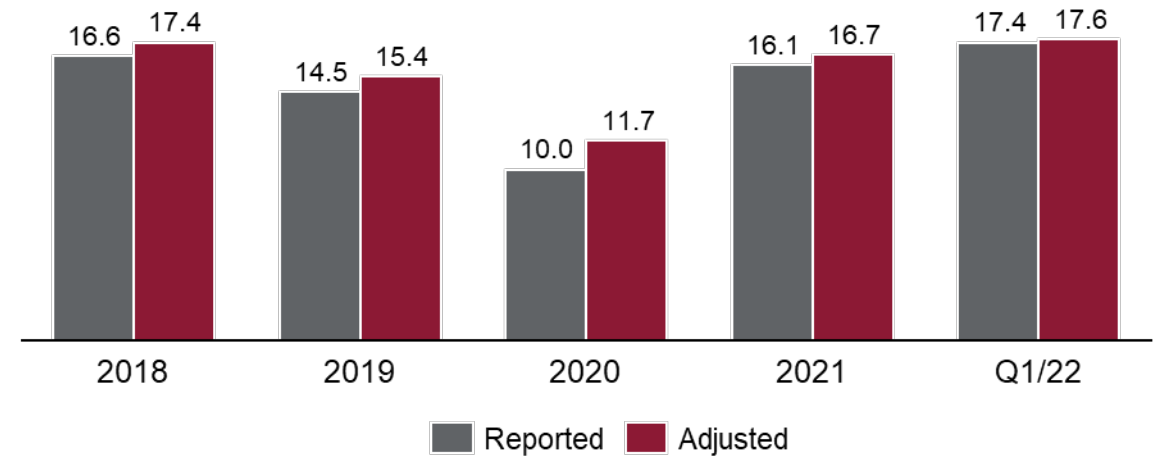


# Solid returns to shareholders...

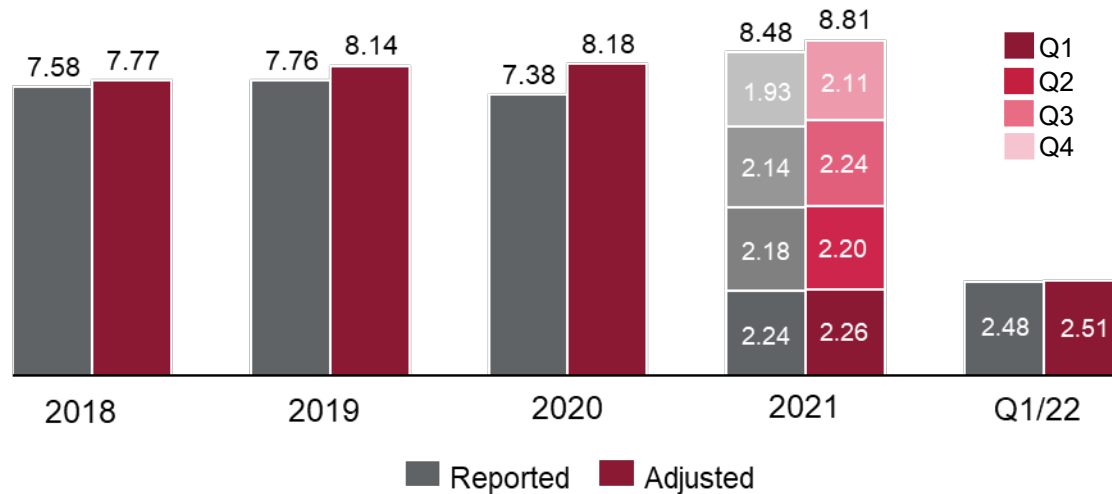
## Diluted EPS<sup>1,2</sup> (\$)



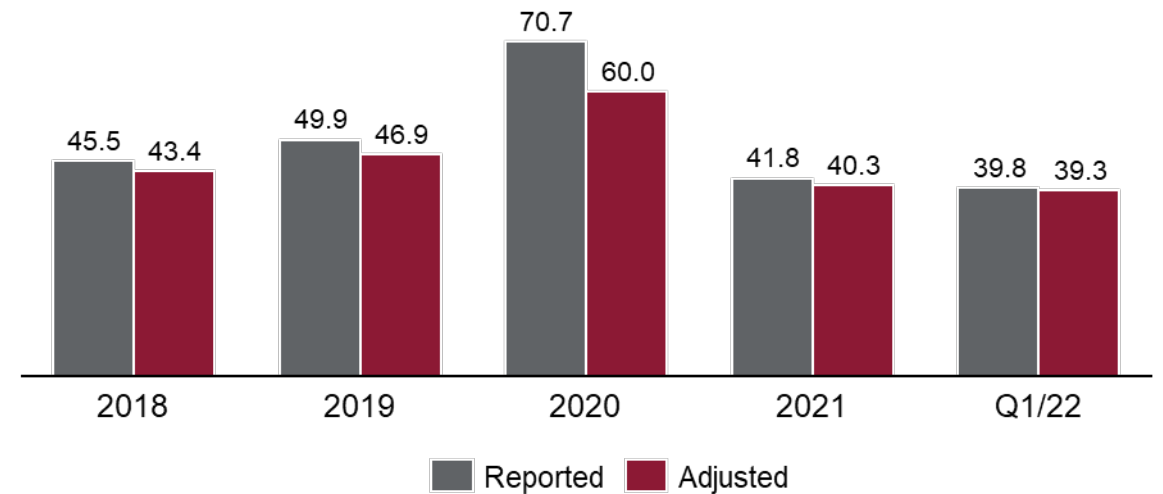
## Return on Equity<sup>1,2</sup> (%)



## Pre-Provision Pre-Tax Earnings<sup>1,2</sup> (\$B)

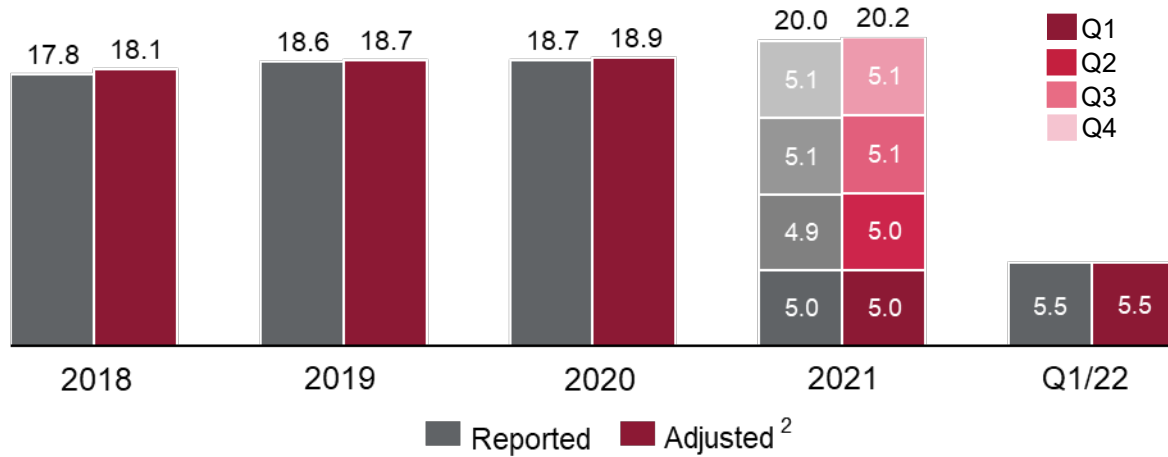


## Dividend Payout Ratio<sup>1,2,3</sup> (%)

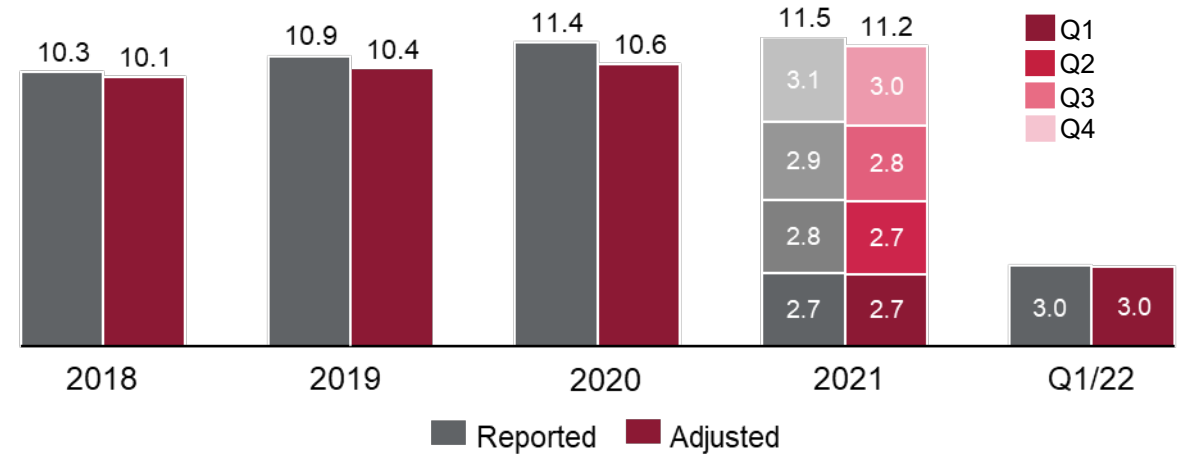


...generated through investments in top-line growth and improving efficiency...

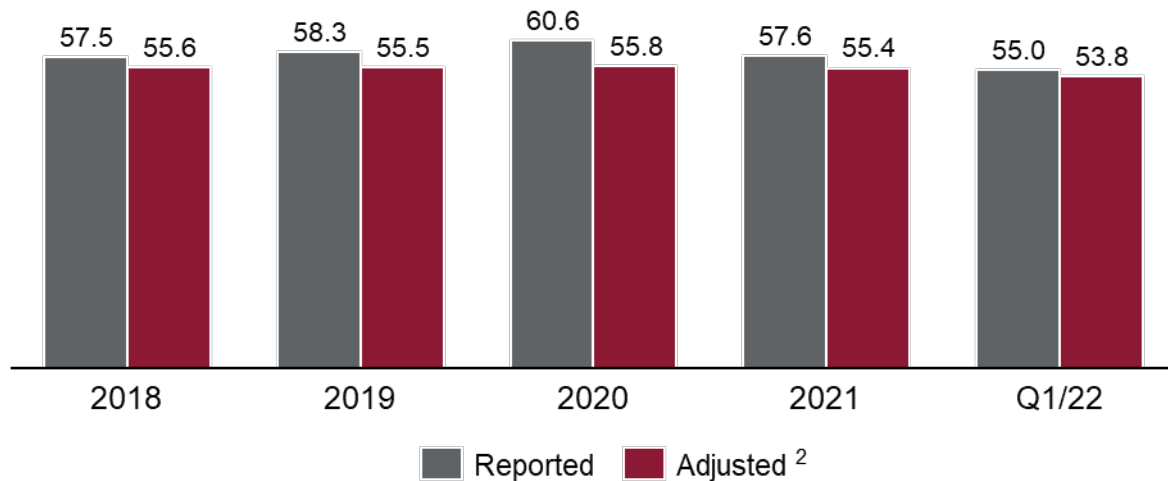
**Revenue (TEB)<sup>1,3</sup> (\$B)**



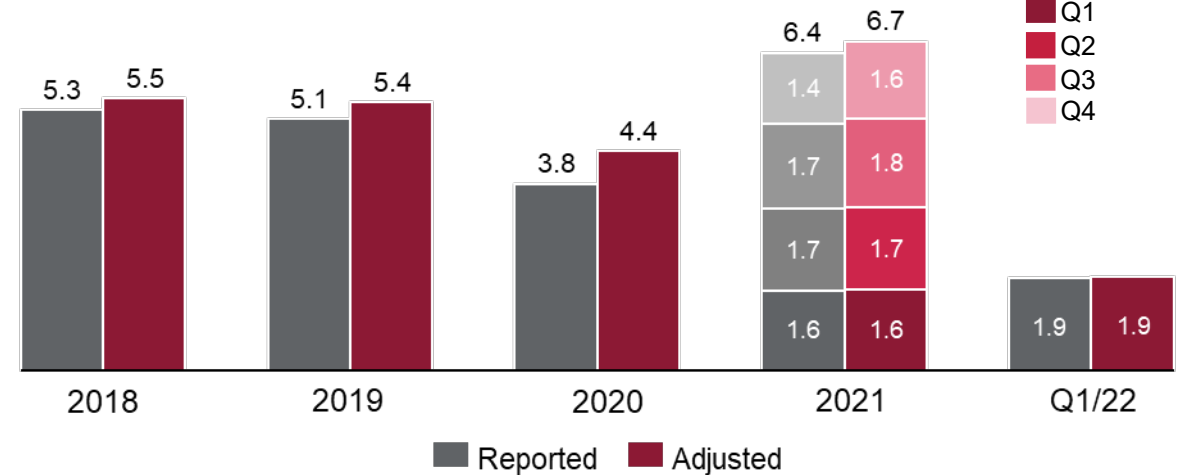
**Non-Interest Expenses<sup>1,3</sup> (\$B)**



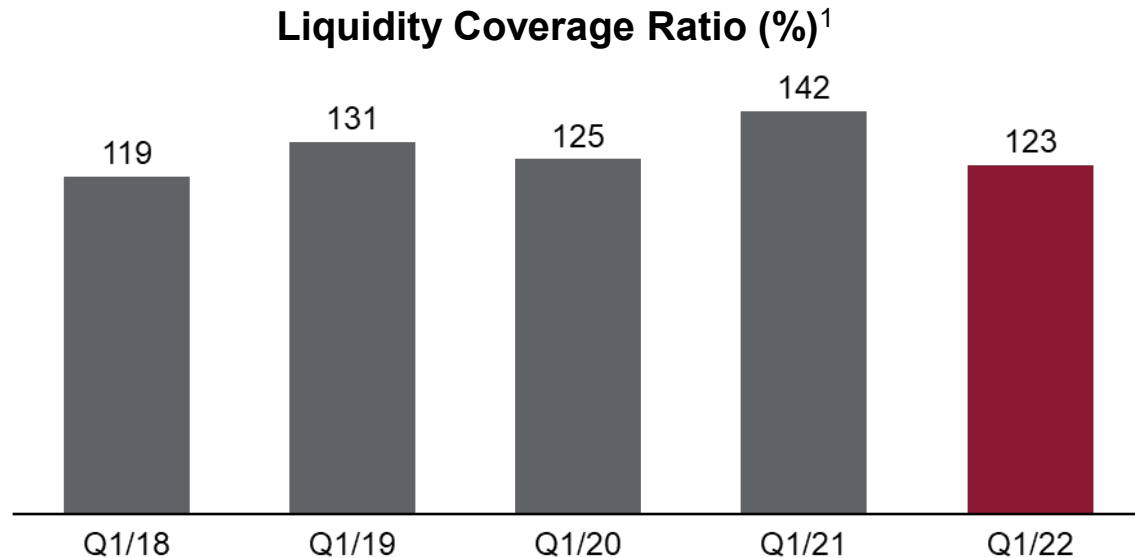
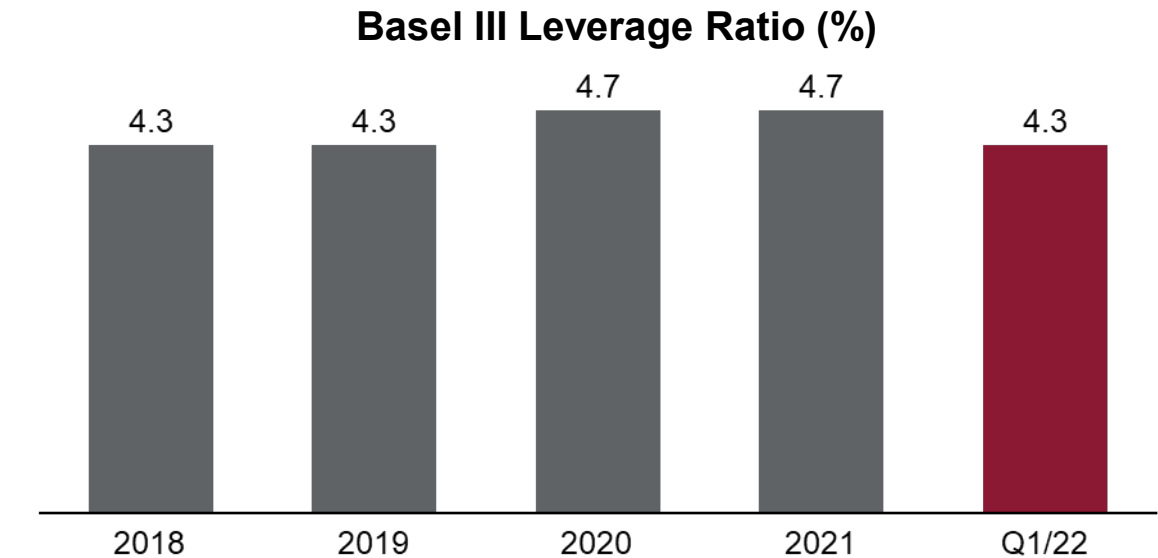
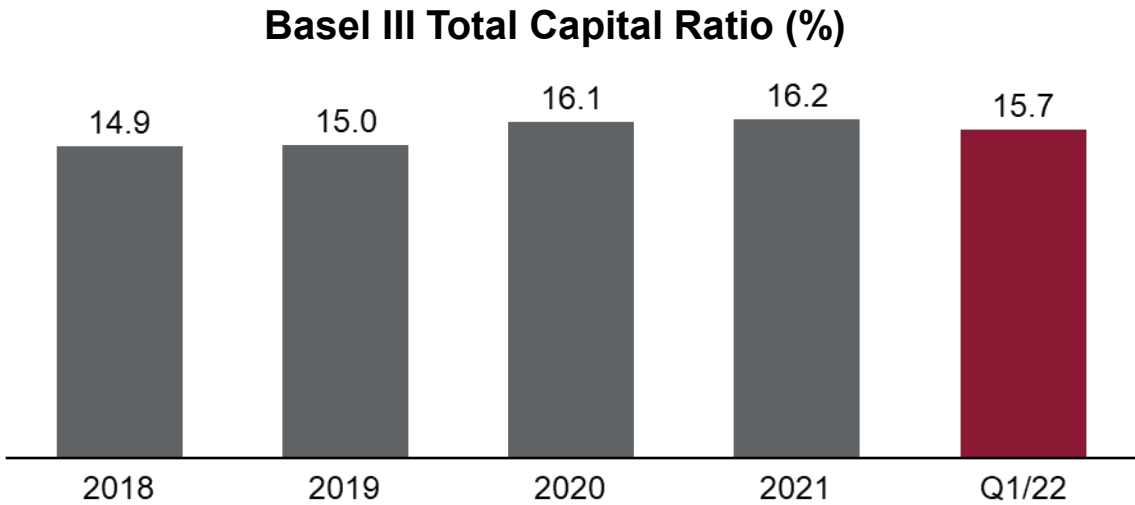
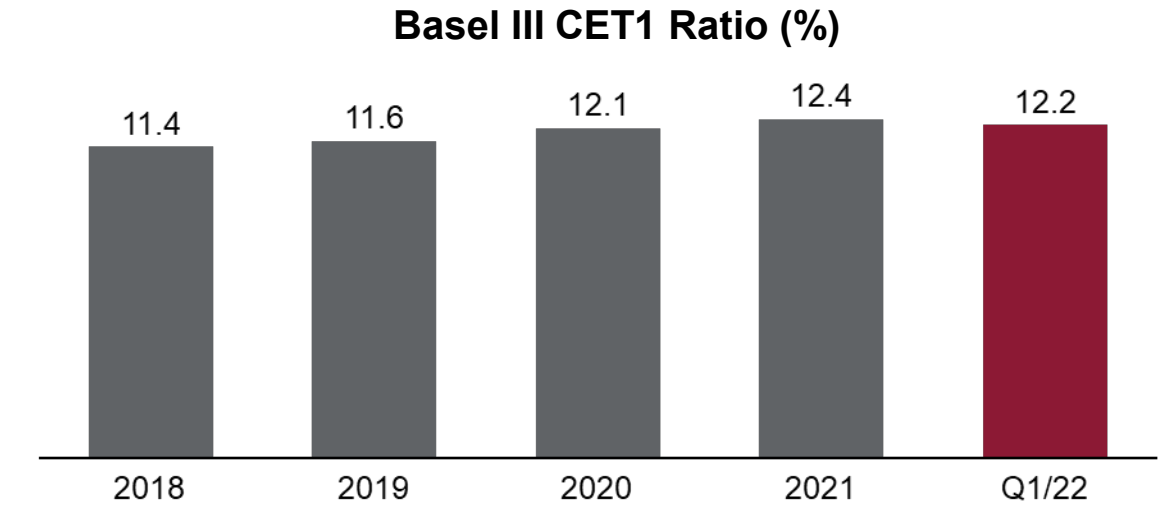
**Efficiency Ratio (TEB)<sup>1,3</sup> (%)**



**Net Income<sup>1,3</sup> (\$B)**



...underpinned by a commitment to balance sheet strength...

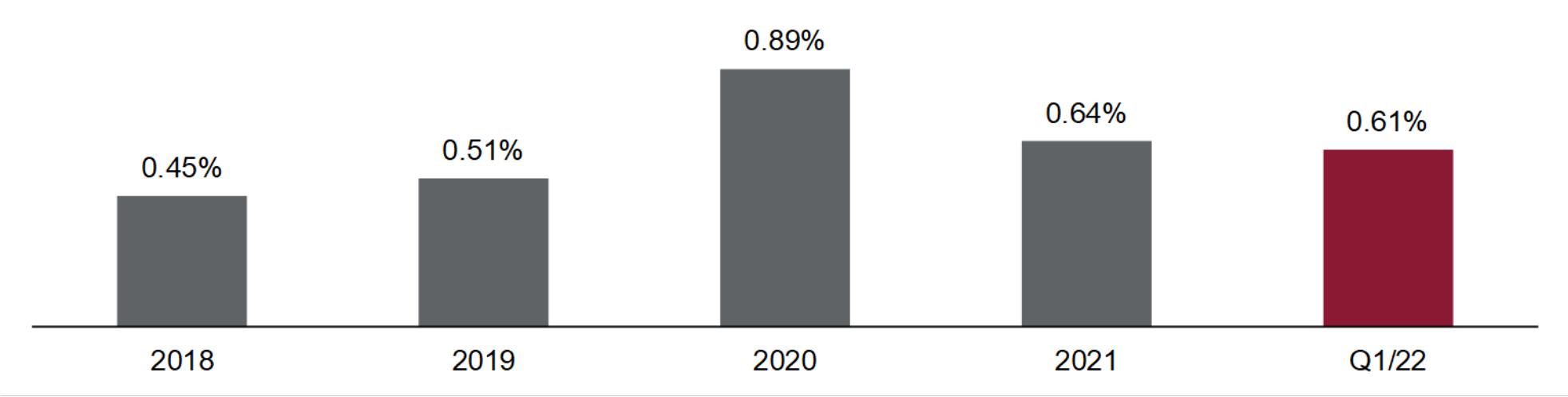


<sup>1</sup> For the quarter ended January 31, 2022, our three-month daily average LCR was 123% compared to 142% for the same period last year. The decrease was driven by improving economic conditions and the return of our LCR to pre-pandemic levels.

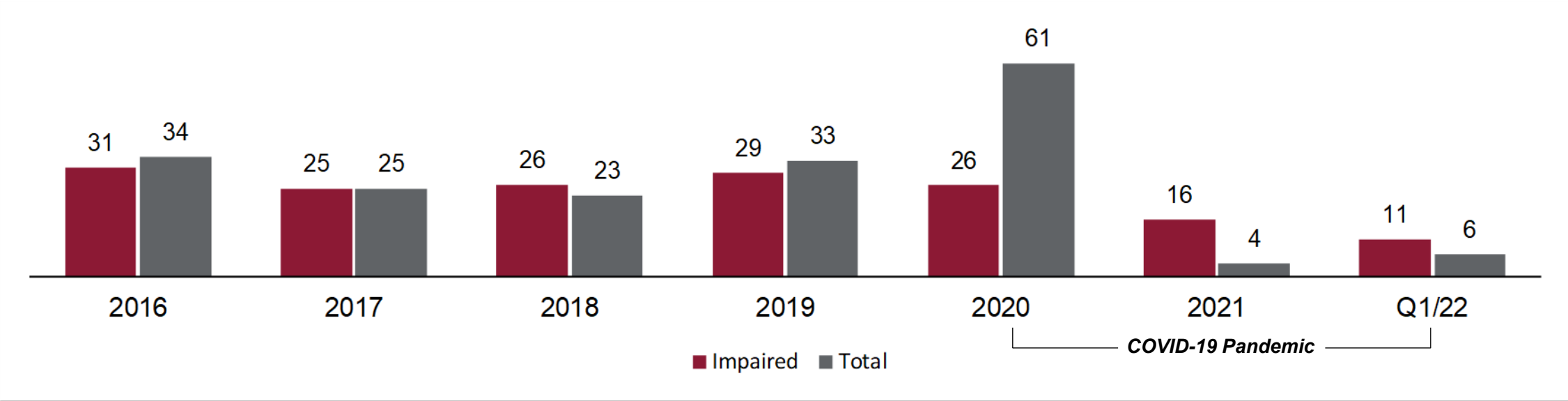


...and prudent risk management

Allowance for Credit Losses/Gross Loans<sup>1,2</sup>

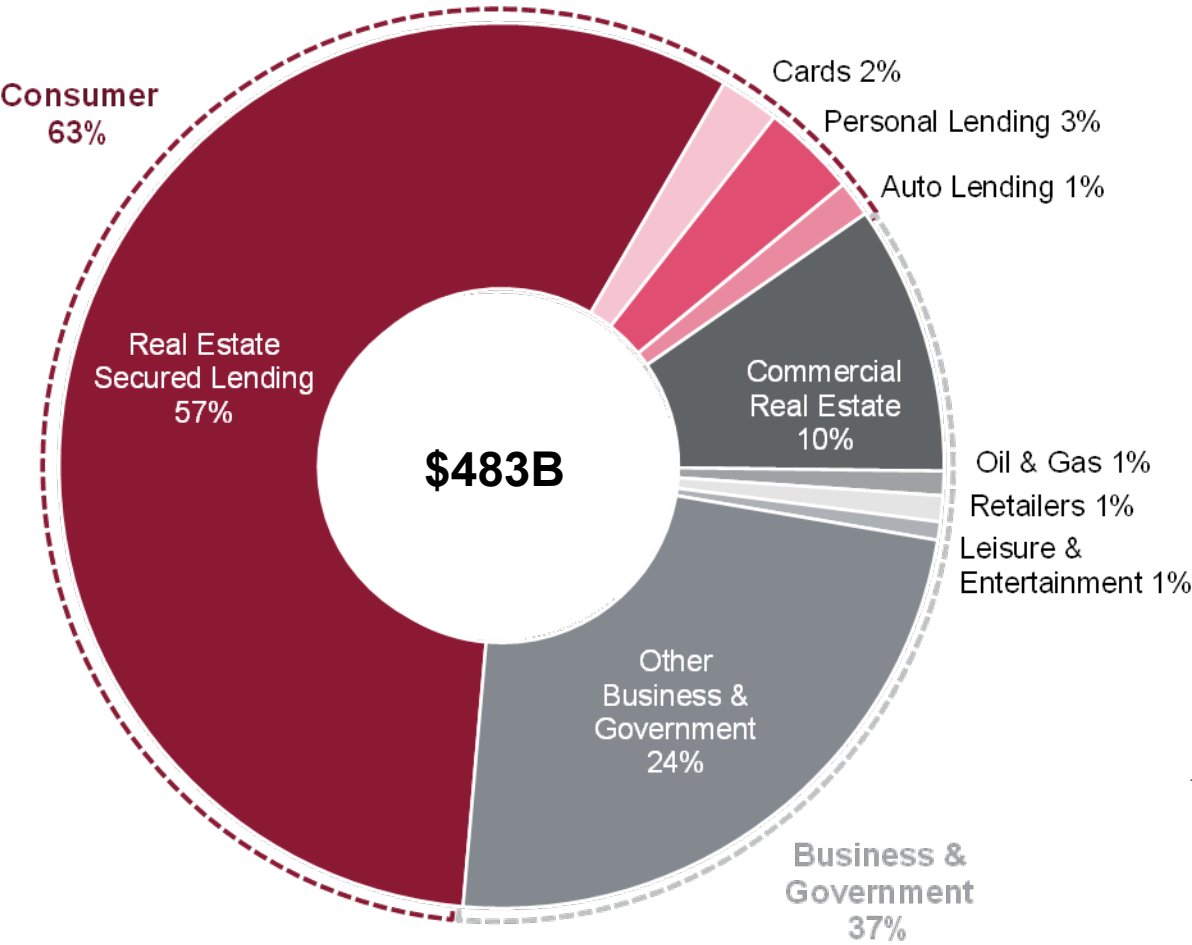


Loan Loss Ratio<sup>2,3,4</sup> (bps)



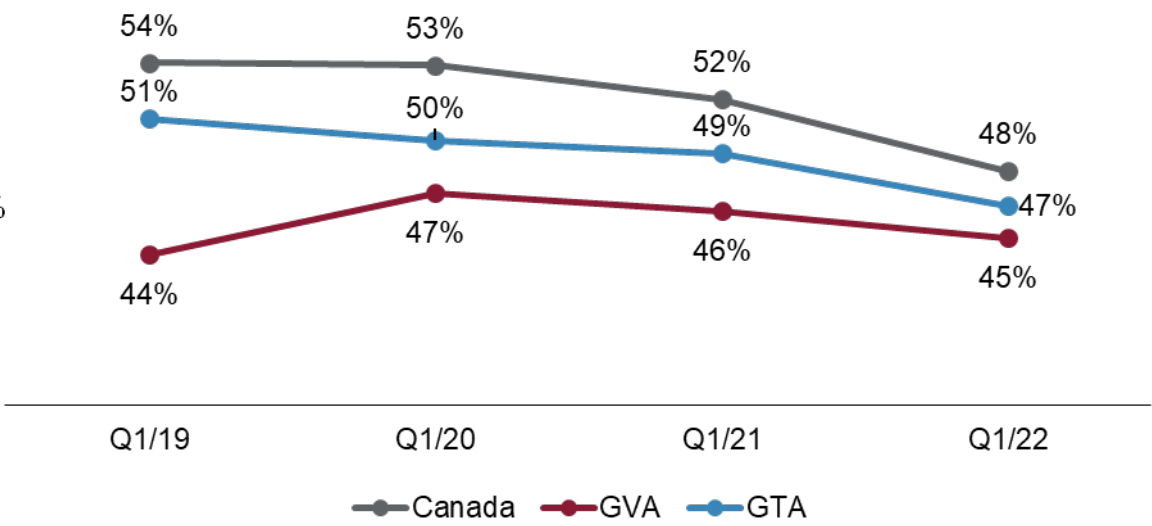
# Lending portfolio is well diversified

Overall Loan Mix (Outstanding)



- Nearly two-thirds of our portfolio is consumer lending composed mainly of mortgages, with uninsured having an average loan-to-value of 48%
- Oil and gas is 1% of the loan portfolio; 55% investment grade<sup>1</sup>
- The balance of our portfolio is in business and government lending with an average risk rating equivalent<sup>1</sup> to a BBB, with minimal exposure to the leisure and entertainment sectors

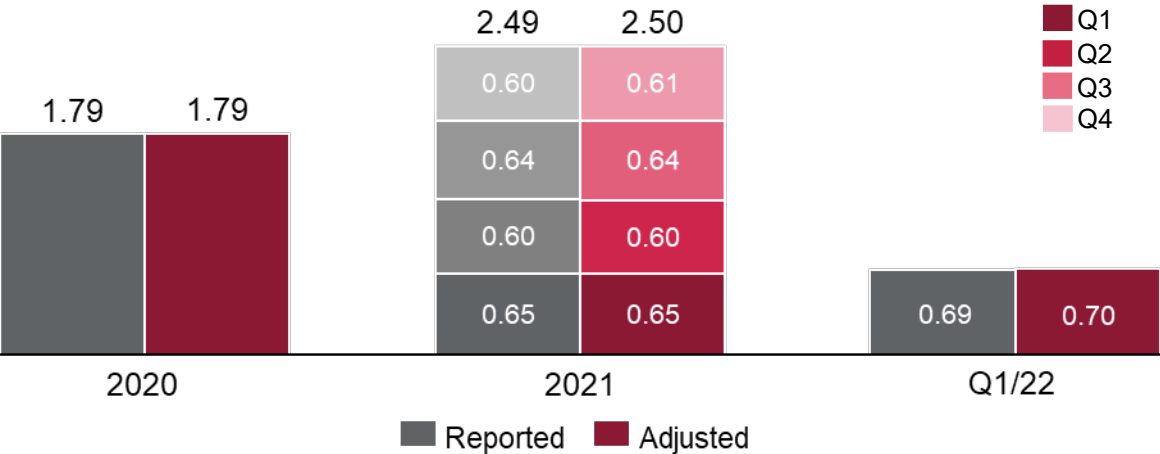
Canadian Uninsured Mortgage Loan-To-Value Ratios



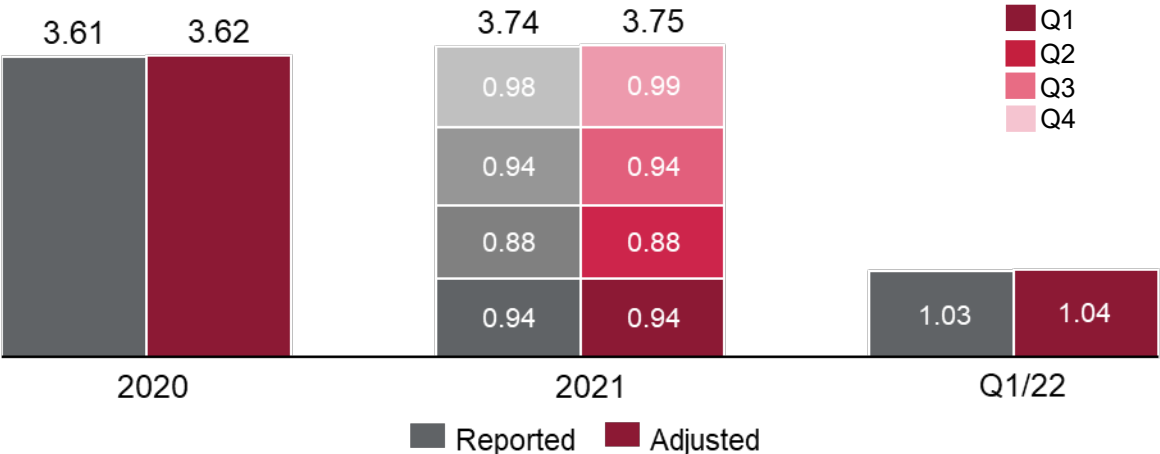
<sup>1</sup> Incorporates security pledged; equivalent to S&P/Moody's rating of BBB/Baa2

# Financial Highlights: Canadian Personal and Business Banking

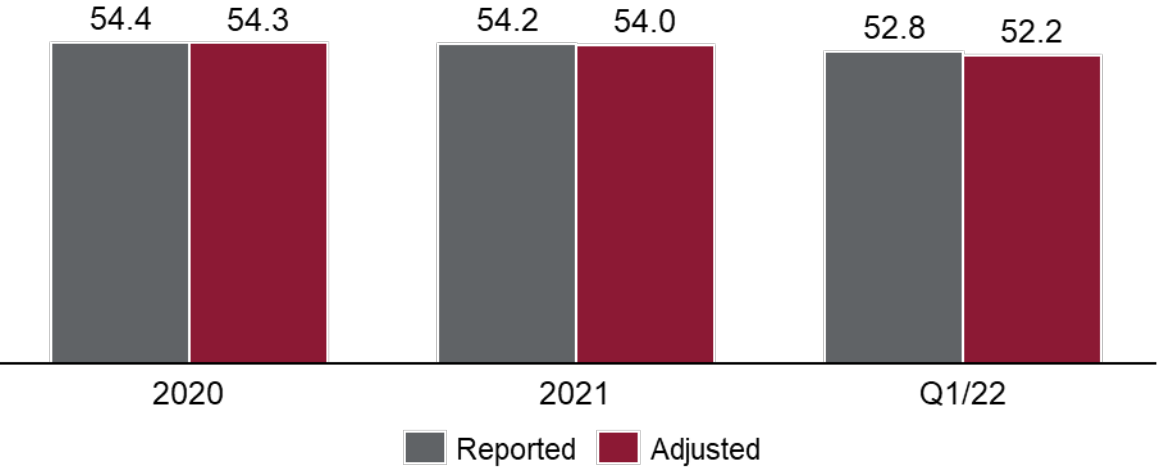
Net Income<sup>1,2</sup> (\$B)



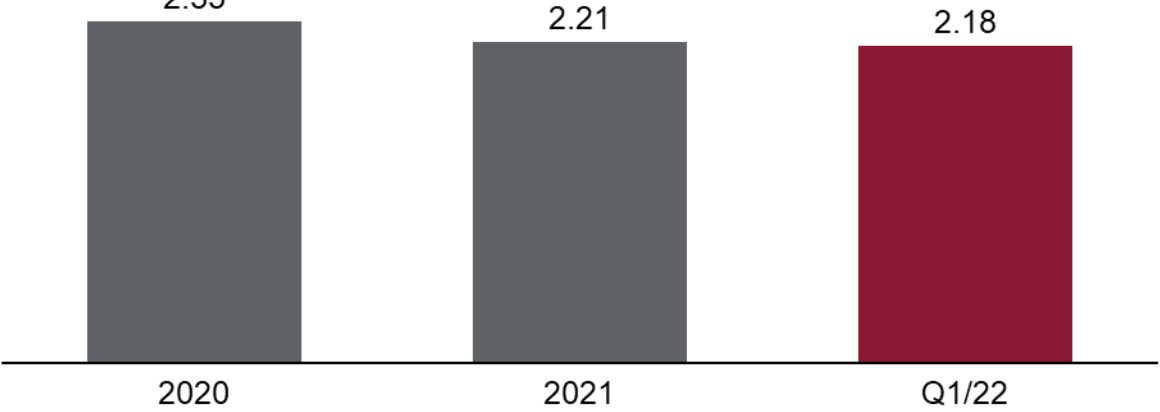
Pre-Provision Pre-Tax Earnings<sup>1,2</sup> (\$B)



Efficiency Ratio<sup>1,2</sup> (%)



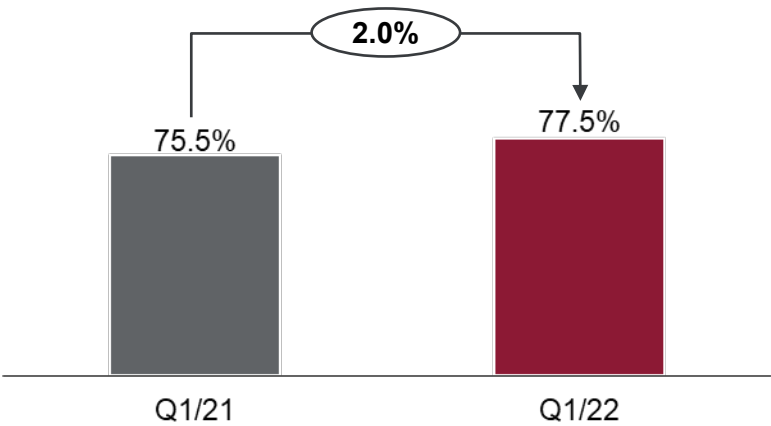
NIM<sup>2</sup> (%)



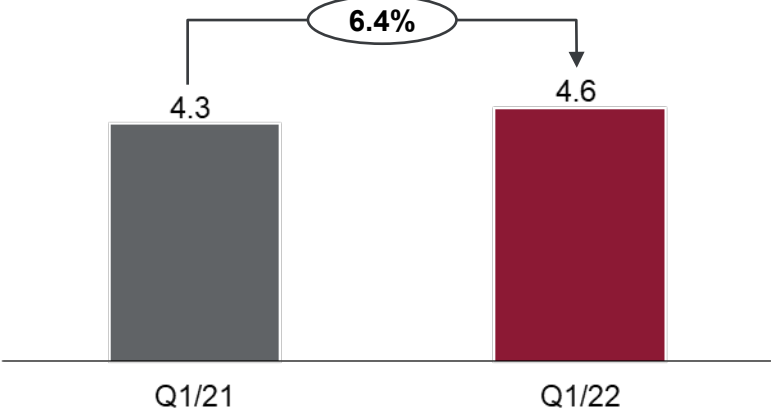
<sup>1</sup> Adjusted results are non-GAAP measures. See non-GAAP section of CIBC's Q1/22 Report to Shareholders. Certain prior period amounts have been revised. <sup>2</sup> Results were affected by economic impacts from COVID-19 pandemic.

# Growing digital engagement and adoption<sup>1</sup>

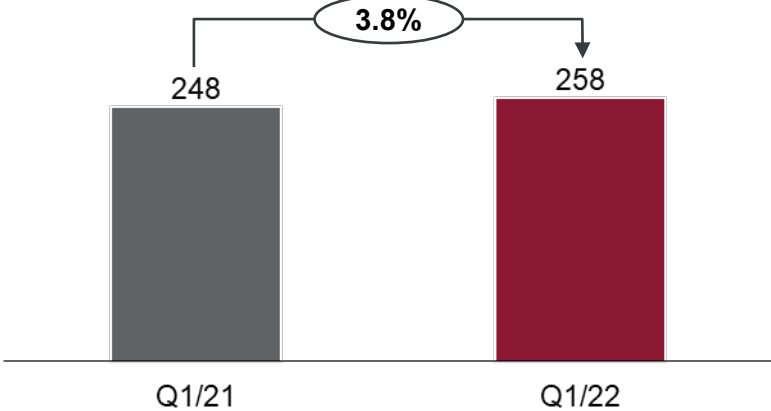
Digital Adoption Rate<sup>2</sup>



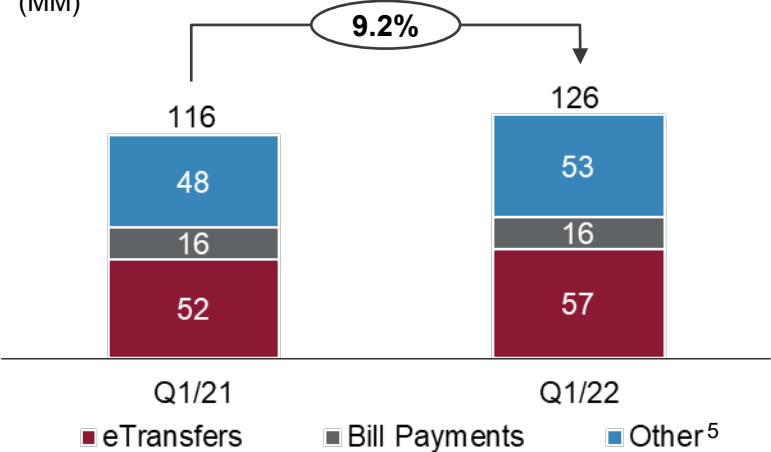
Active Digital Banking Users<sup>3</sup>  
(MM)



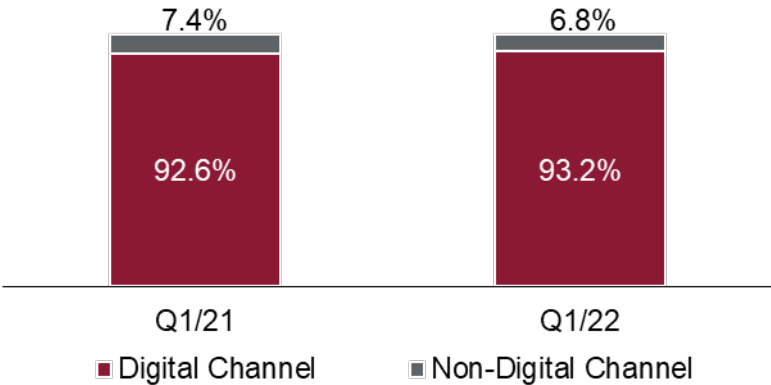
Digital Channel Usage  
(# of Sessions, MM)



Digital Transactions<sup>4</sup>  
(MM)



Transactions by Channel<sup>4</sup>

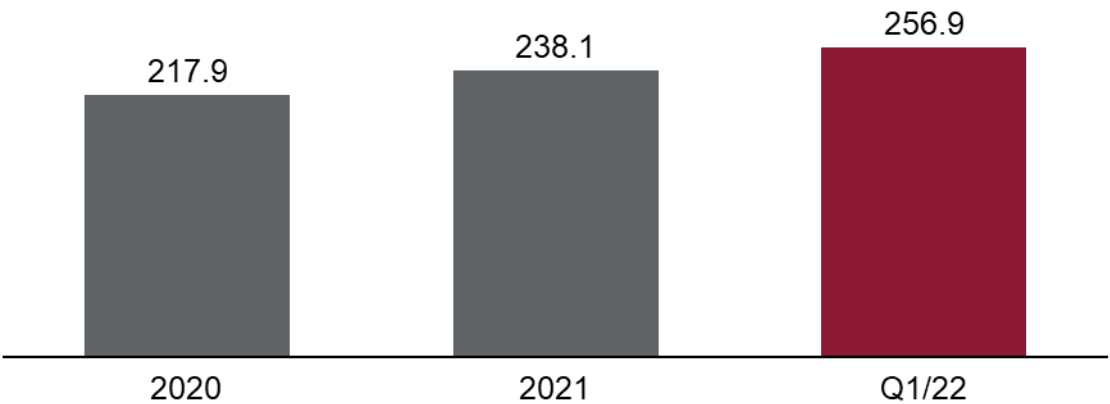


<sup>1</sup> Canadian Personal Banking excluding Simplii Financial. <sup>2</sup> Digital Adoption Rate calculated using 90-day active users. <sup>3</sup> Active Digital Users represent the 90-day Active clients in Canadian Personal Banking. <sup>4</sup> Reflect financial transactions only. <sup>5</sup> Other includes transfers and eDeposits.

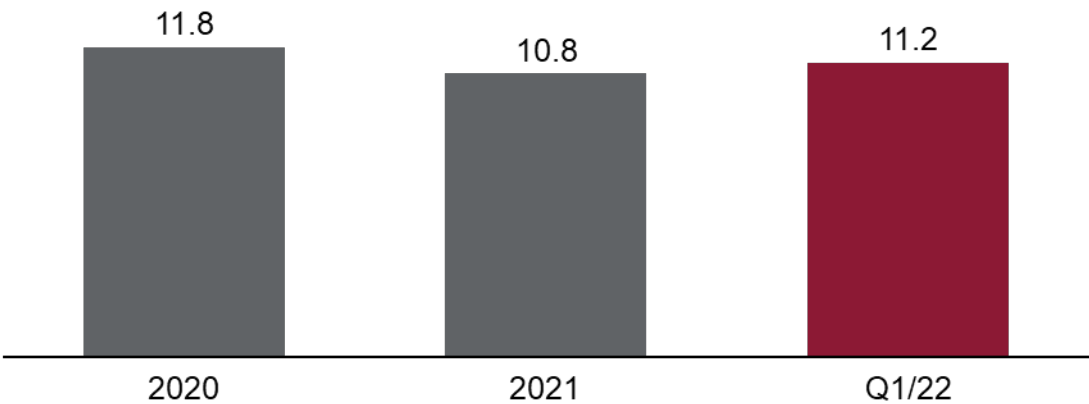


# Financial Highlights: Canadian Personal and Business Banking

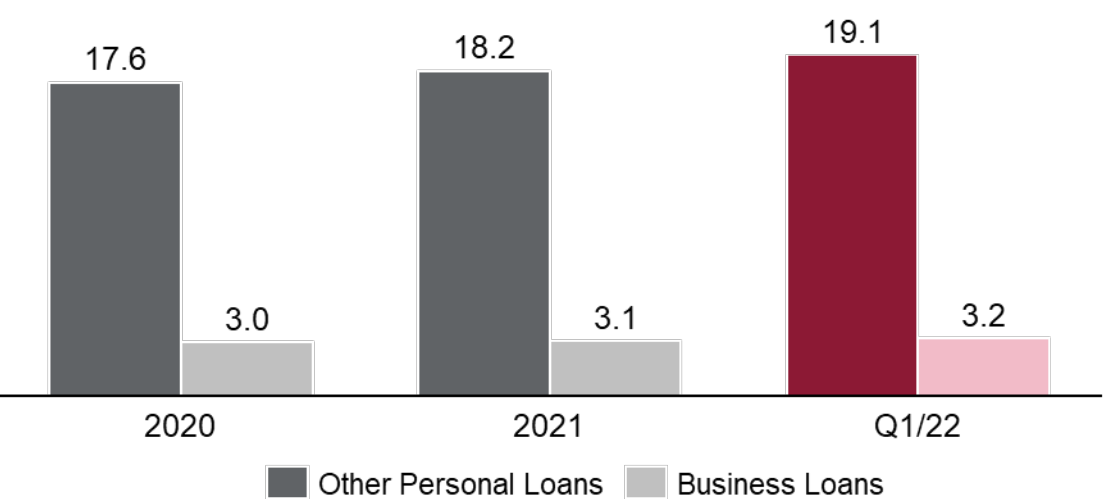
Real Estate Secured Personal Loans<sup>1</sup> (\$B)



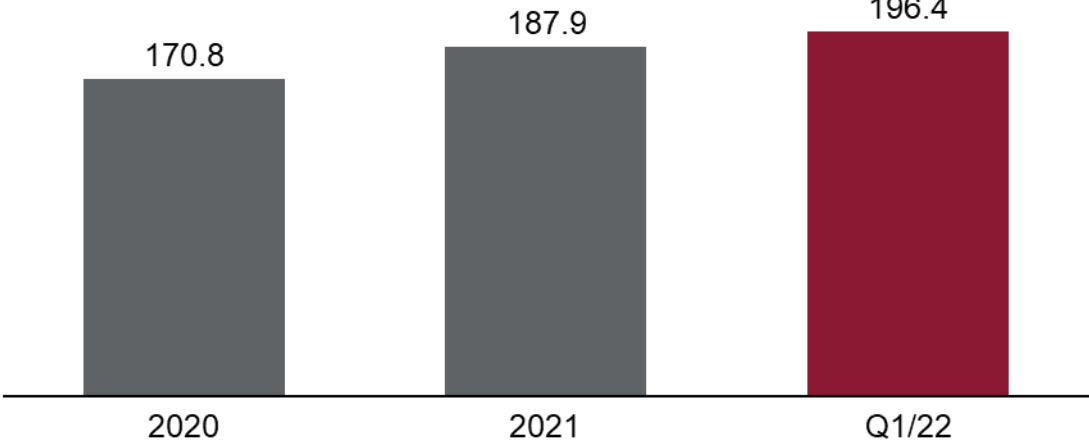
Credit Card Loans<sup>1</sup> (\$B)



Other Personal and Business Loans<sup>1</sup> (\$B)

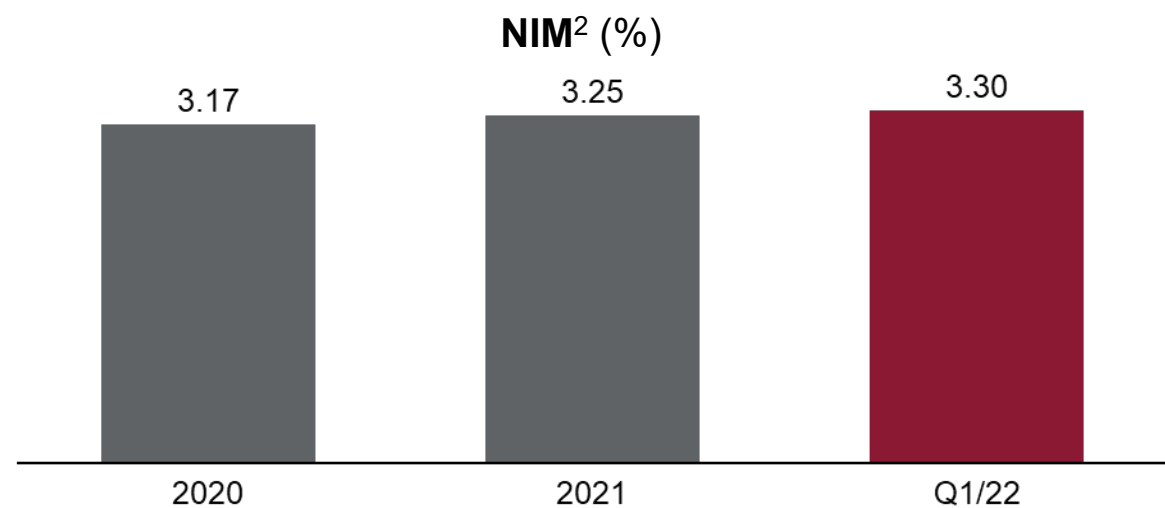
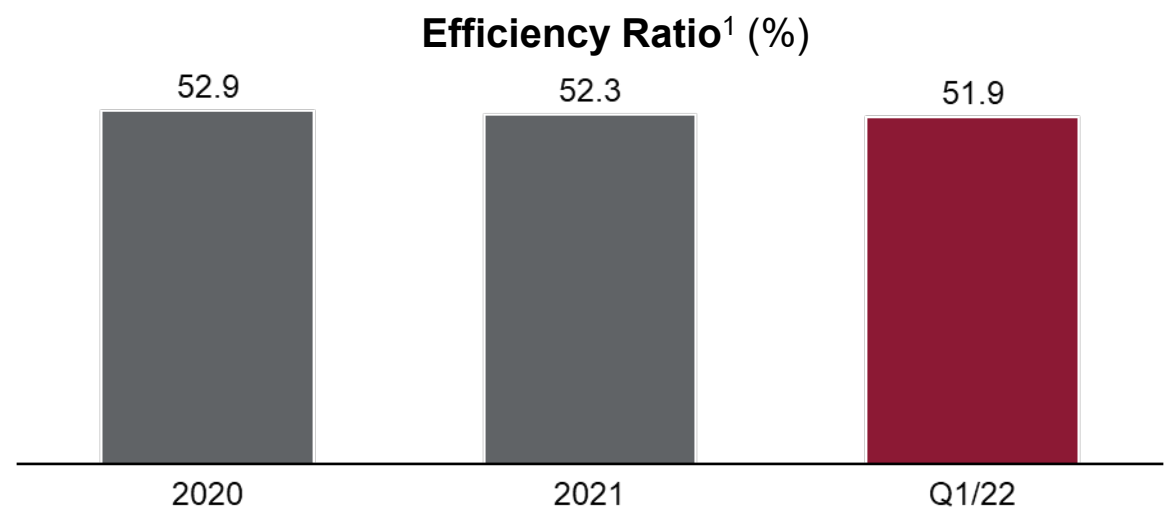
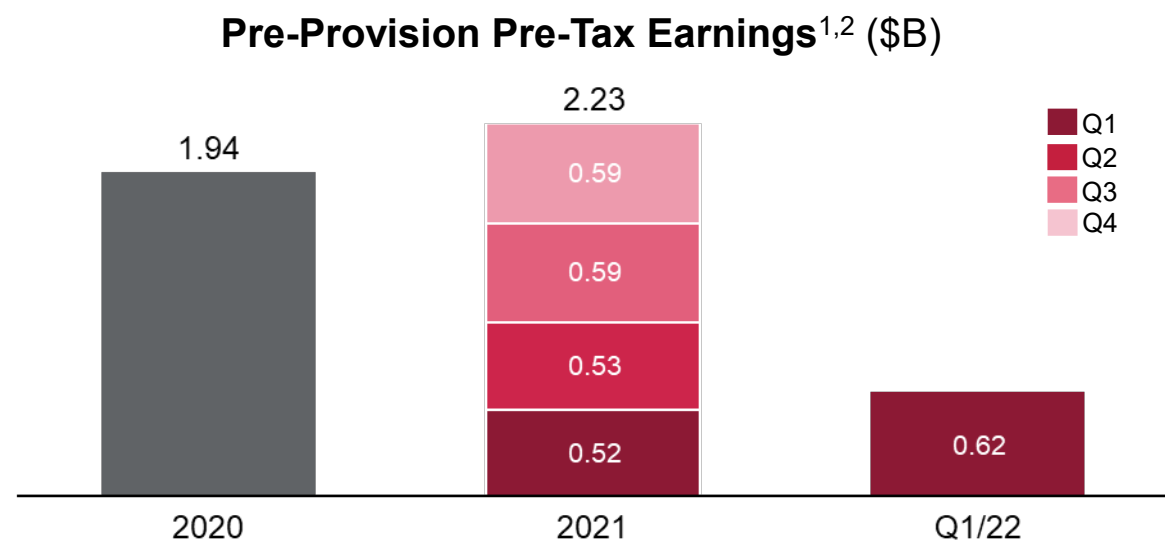
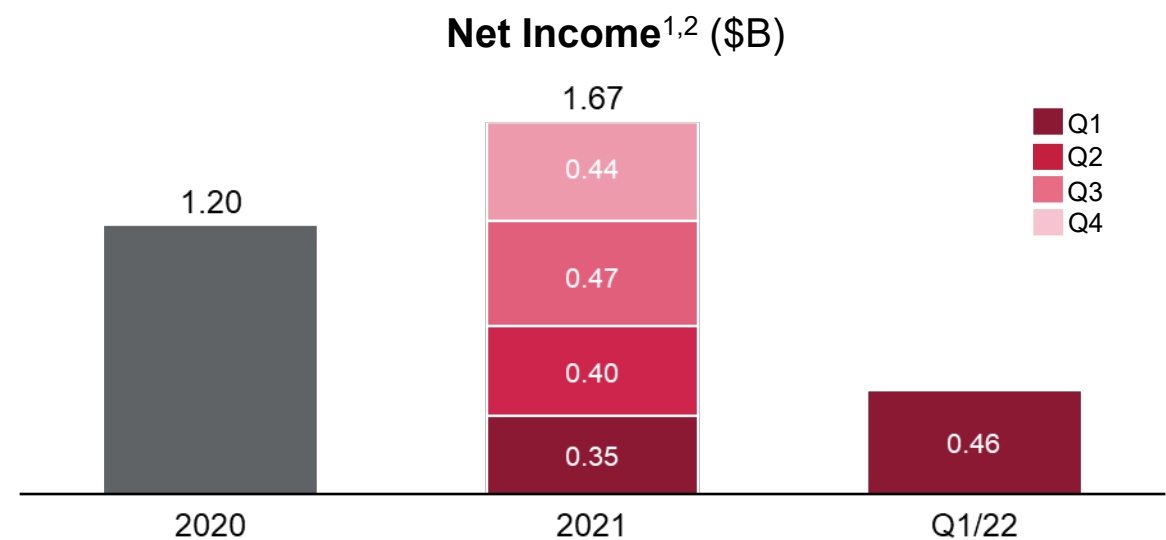


Deposits<sup>1</sup> (\$B)



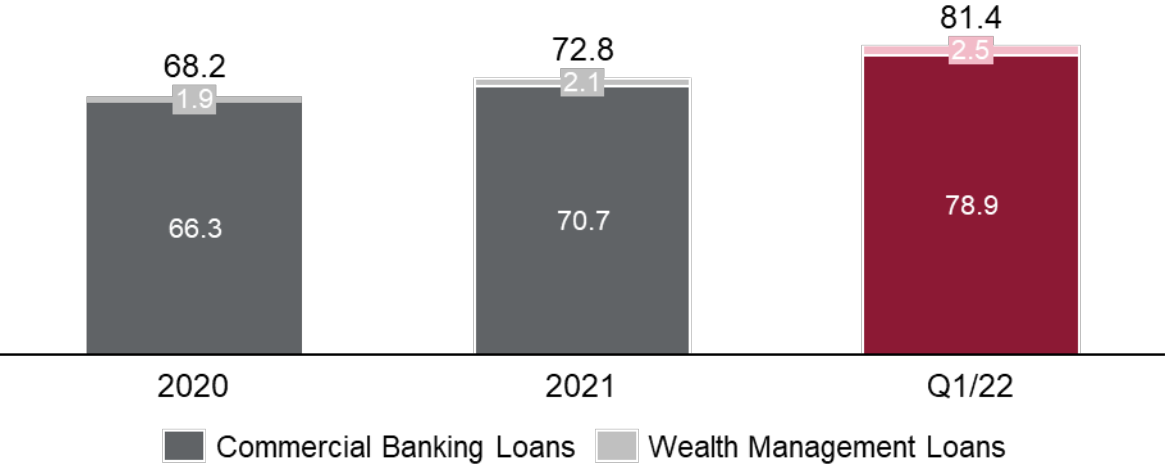
<sup>1</sup> Results were affected by economic impacts from COVID-19 pandemic. Certain prior period information has been revised.

# Financial Highlights: Canadian Commercial Banking and Wealth Management

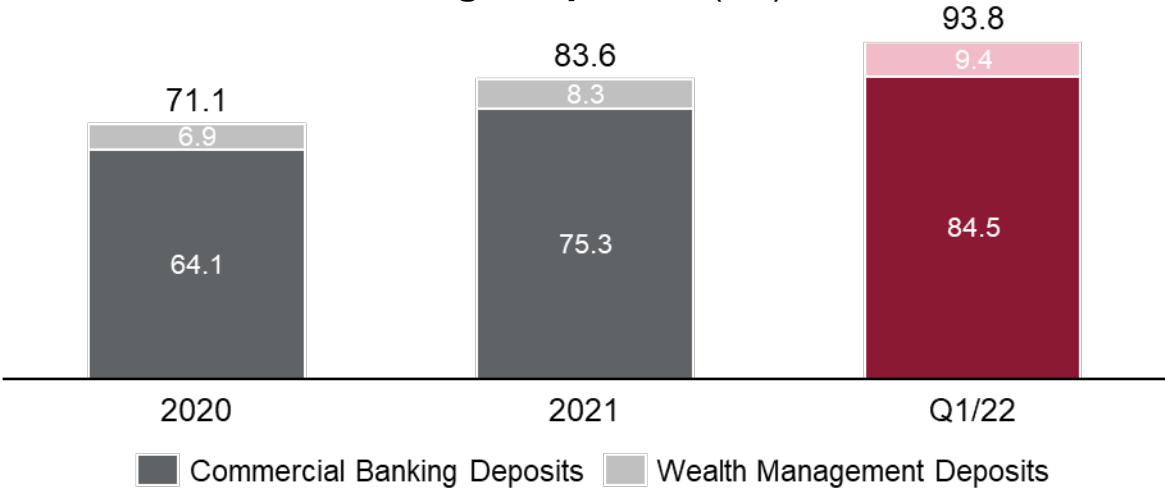


# Financial Highlights: Canadian Commercial Banking and Wealth Management

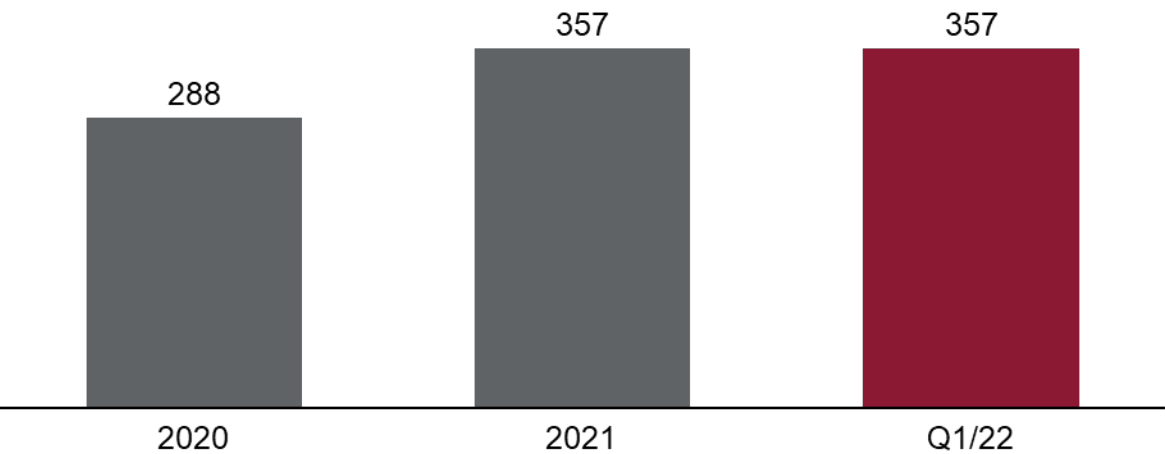
Average Loans<sup>1</sup> (\$B)



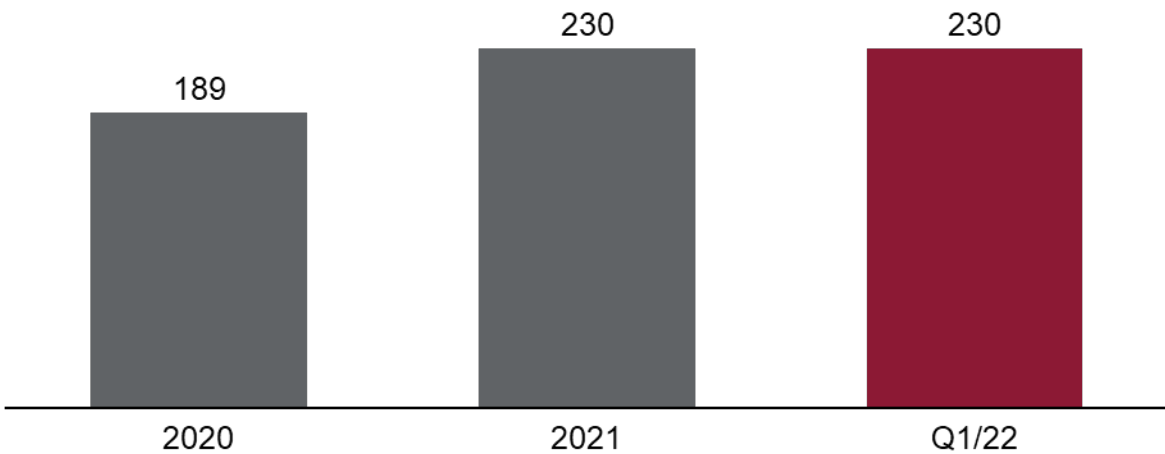
Average Deposits<sup>1</sup> (\$B)



Wealth Management: AUA<sup>2</sup> (\$B)

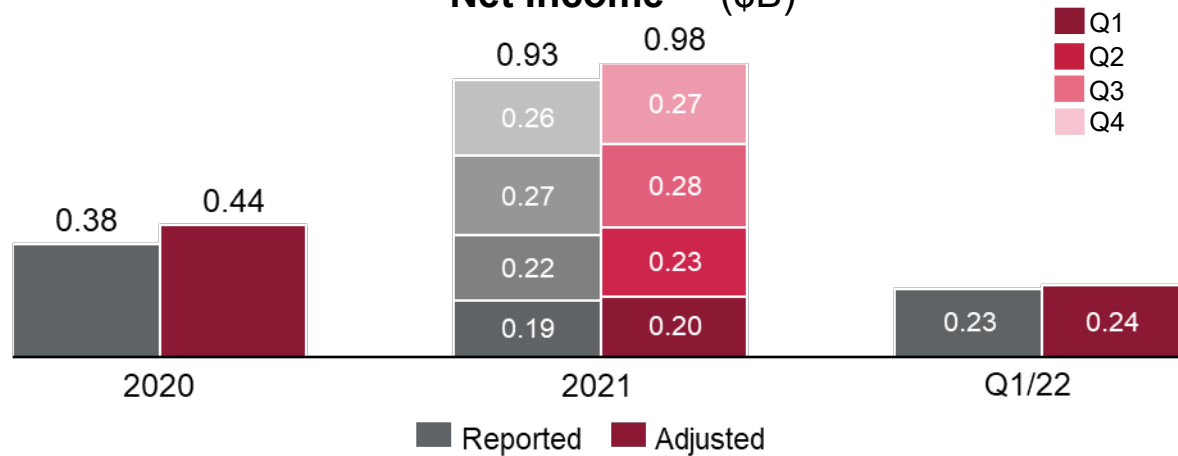


Wealth Management: AUM<sup>2</sup> (\$B)

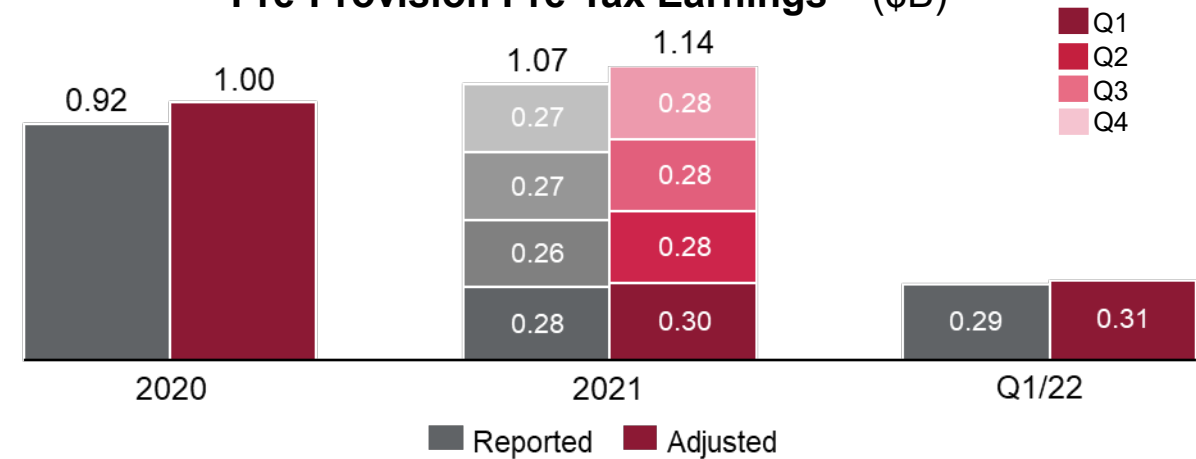


# Financial Highlights: U.S. Commercial Banking and Wealth Management

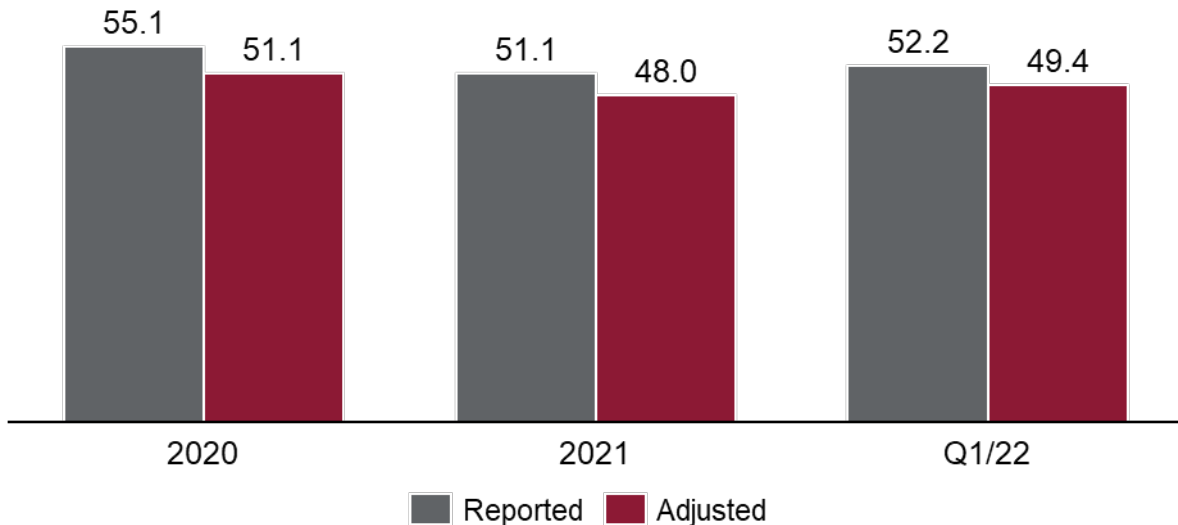
**Net Income<sup>1, 2</sup> (\$B)**



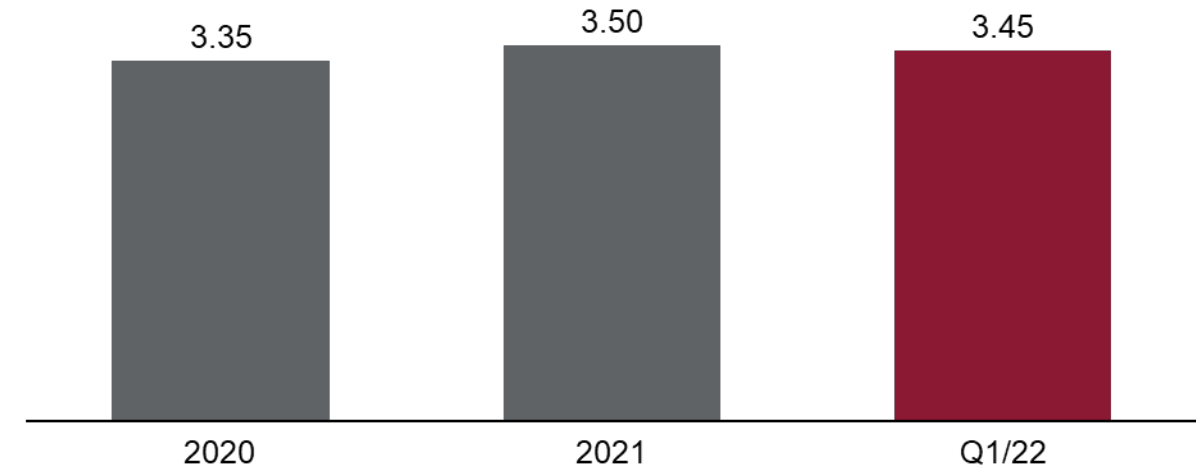
**Pre-Provision Pre-Tax Earnings<sup>1,2</sup> (\$B)**



**Efficiency Ratio<sup>1, 2</sup> (%)**

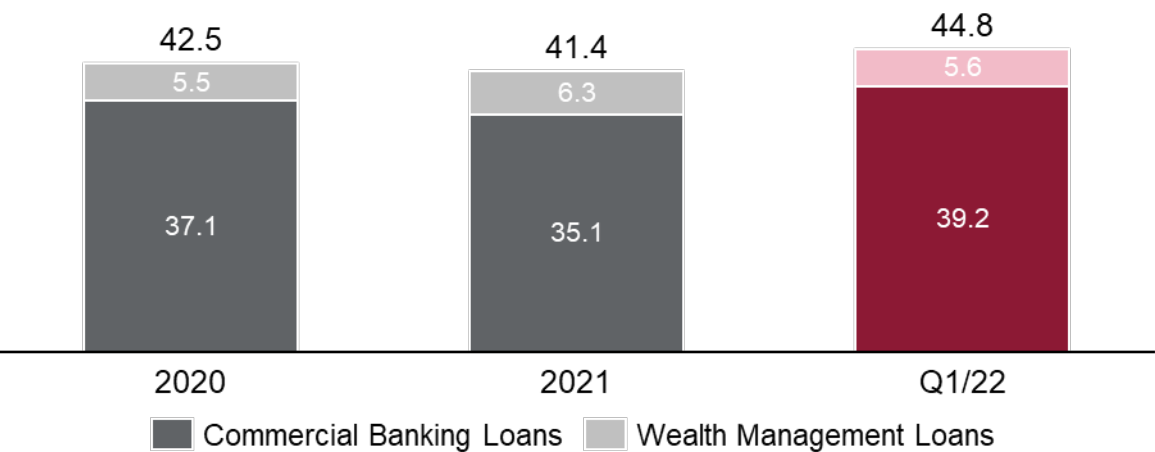


**NIM<sup>2</sup> (%)**

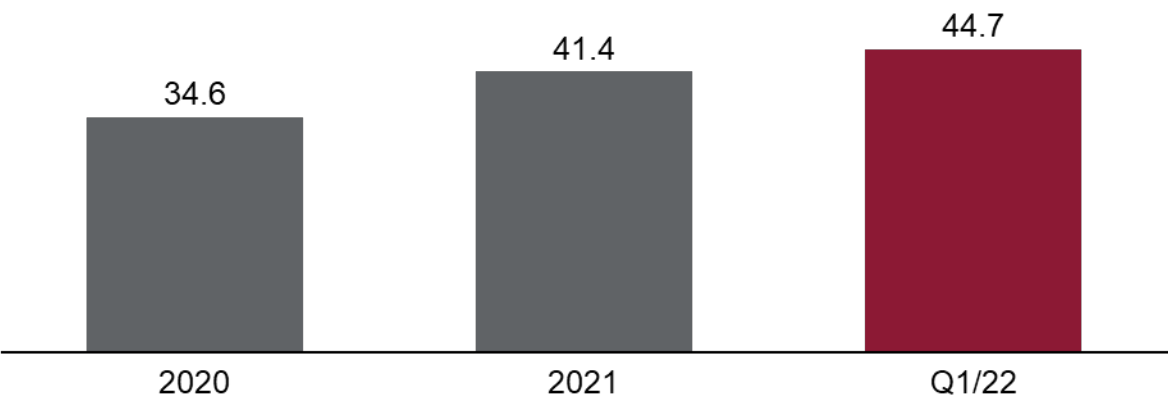


# Financial Highlights: U.S. Commercial Banking and Wealth Management

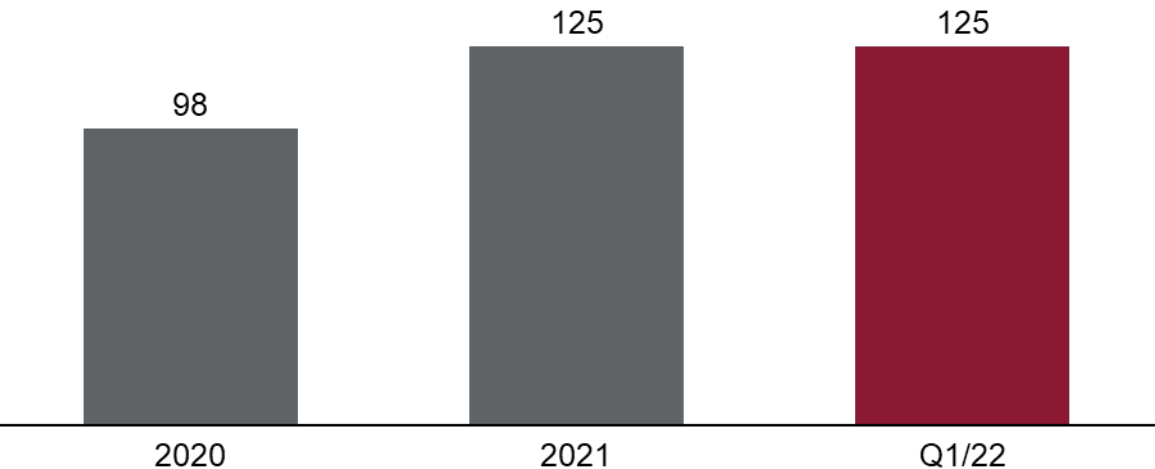
Average Loans<sup>1</sup> (\$B)



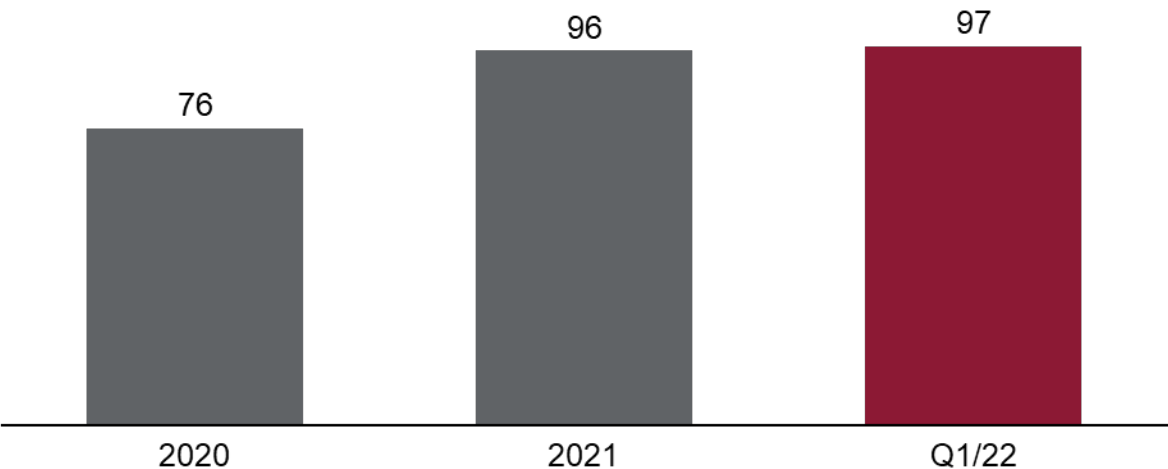
Average Deposits<sup>1,2</sup> (\$B)



U.S. Wealth Management: AUA<sup>1,3</sup> (\$B)



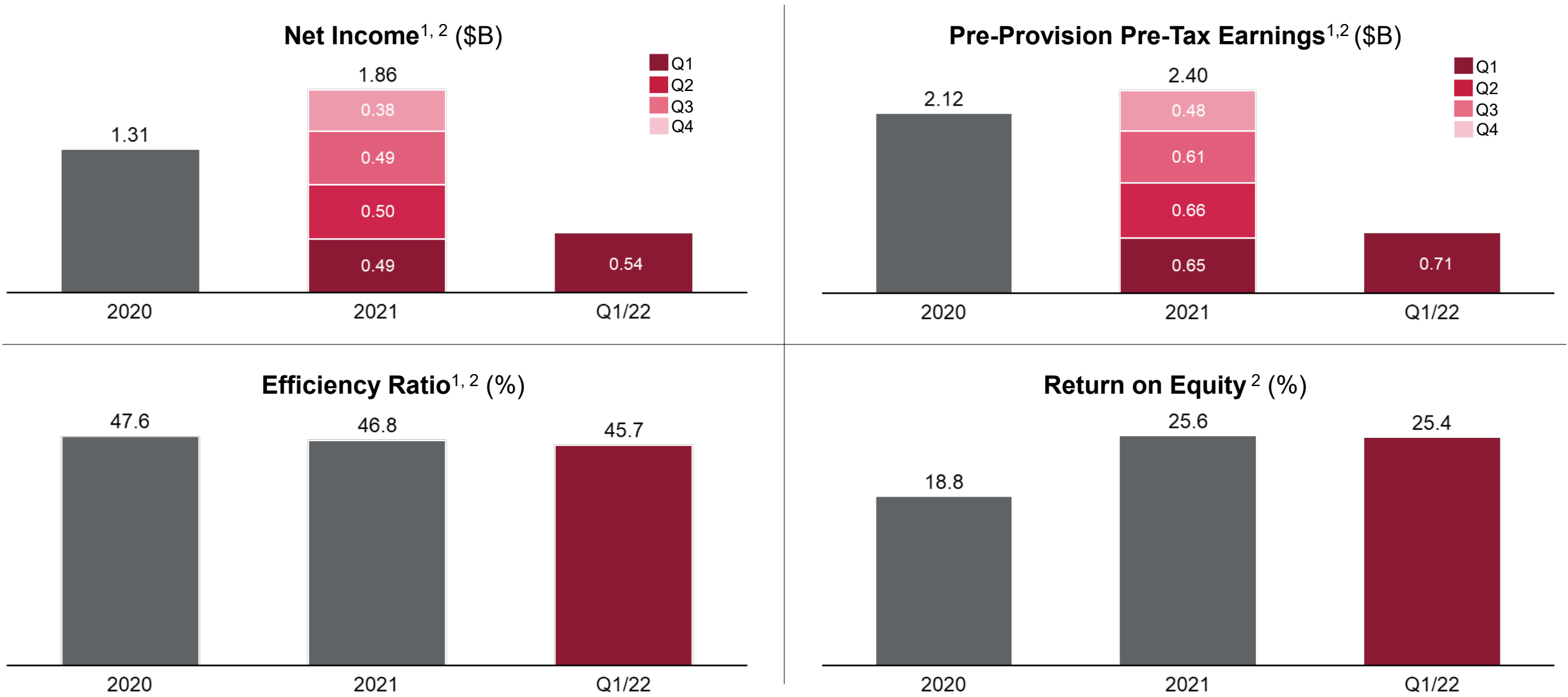
U.S. Wealth Management: AUM<sup>1,3</sup> (\$B)



<sup>1</sup> Results were affected by economic impacts from COVID-19 pandemic. <sup>2</sup> Certain prior period information has been revised. <sup>3</sup> Includes certain Canadian Commercial Banking and Wealth Management assets that U.S. Commercial Banking and Wealth Management provides sub-advisory services for. Assets Under Management (AUM) amounts are included in the amounts reported under Assets Under Administration (AUA).



# Financial Highlights: Capital Markets



<sup>1</sup> Metrics are on a reported and adjusted basis. Adjusted results are non-GAAP measures. See non-GAAP section of CIBC's Q1/22 Report to Shareholders. Certain prior period information has been revised.<sup>2</sup> Results were affected by COVID-19 pandemic economic impacts..

# Disciplined Capital Deployment Underpinned by Strong Balance Sheet and Funding



# Disciplined capital deployment

## Organic Growth

- Investing to strengthen our consumer business
- Focusing on high-return initiatives, particularly technology enhancements and process simplification
- Build on positive momentum in our North American Commercial Banking, Capital Markets, and US Private Wealth Management businesses

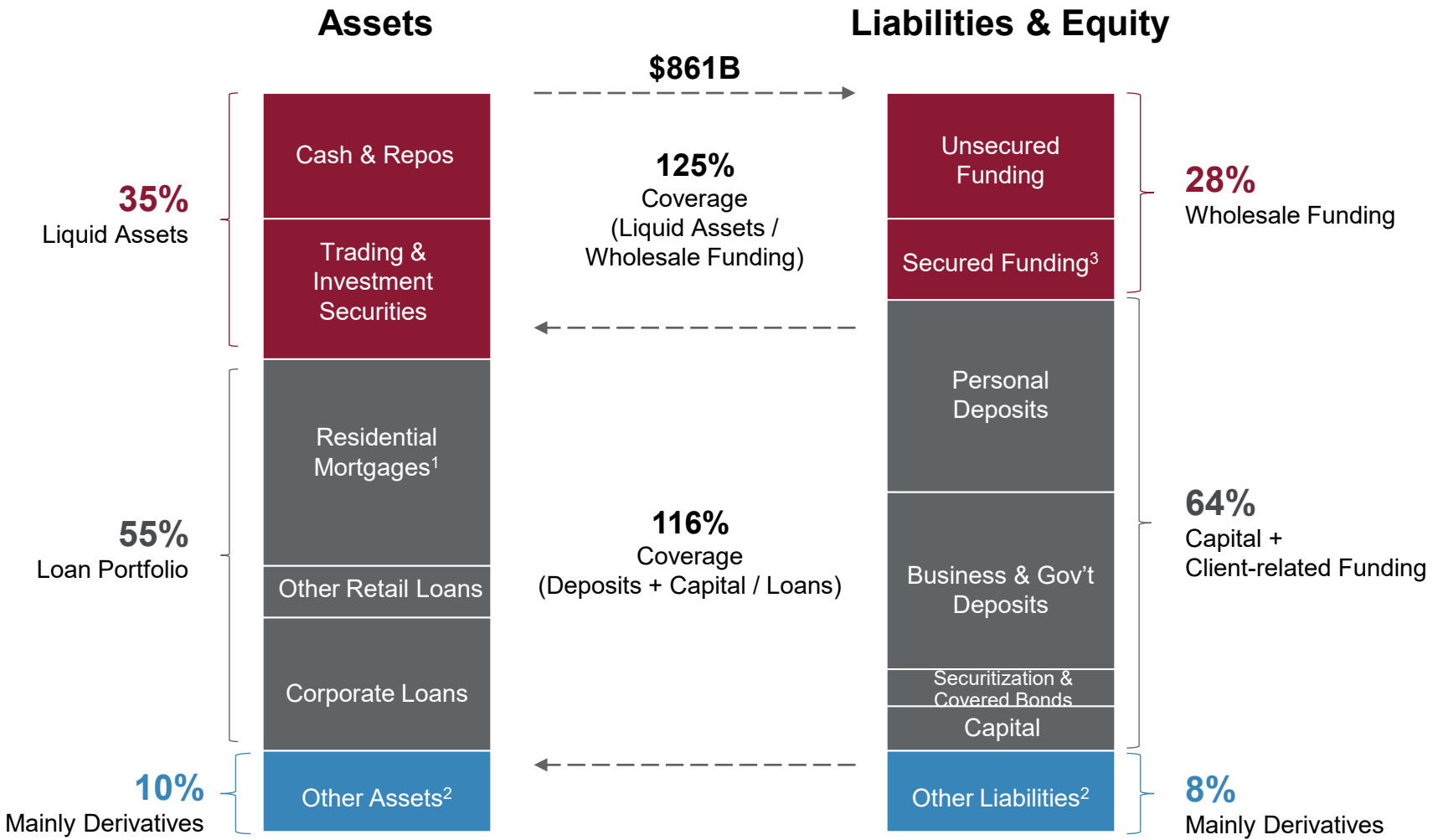
## Dividend Stability

- On November 4, 2021 OSFI announced a lifting of the restriction around dividend increases and share repurchases that had been introduced in March 2020 in response to the pandemic.
- With a CET1 ratio of 12.2%, we have abundant excess capital over and above the current regulatory minimum of 10.50%<sup>1</sup>
- Dividend payout ratio remains in the 40% - 50% target range

## Inorganic Growth

- **Near term:** do not expect any sizeable M&A in the U.S. as we continue to focus our capital allocation on supporting our clients and maintaining a dividend payout ratio in our target range
- **Long term:** will remain an option
  - Remain selective
  - Ensure right cultural and strategic fit

# High-Quality, Client-Driven Balance Sheet



# CIBC Funding Strategy and Sources

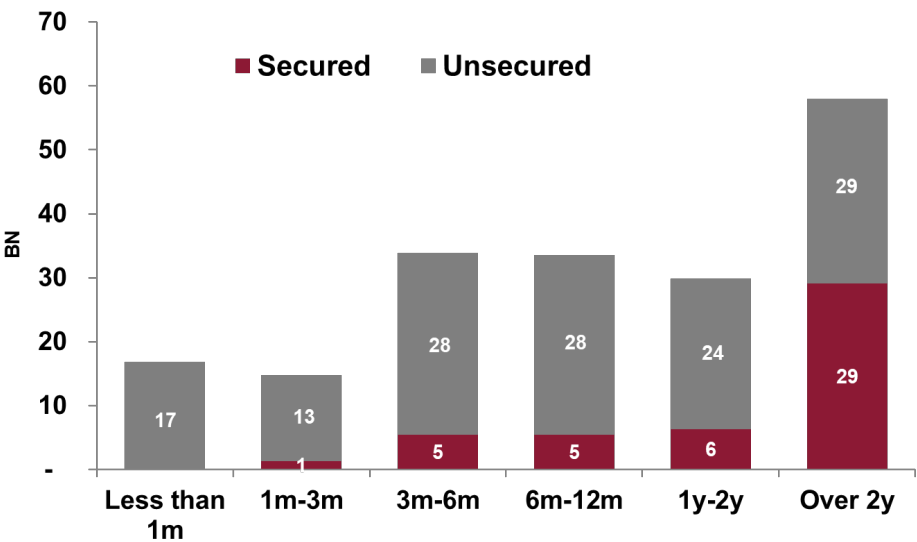
## Funding Strategy

- CIBC’s funding strategy includes access to funding through retail deposits and wholesale funding and deposits
- CIBC updates its three-year funding plan on at least a quarterly basis
- The wholesale funding strategy is to develop and maintain a sustainable funding base through which CIBC can access funding across many different depositors and investors, geographies, maturities, and funding instruments

Wholesale Funding Sources

Wholesale deposits Canada, U.S.	Credit card securitization Canada, U.S.
Global MTN programs	Mortgage securitization programs
Covered Bond program	Structured Notes

Wholesale Market (CAD Eq. 186.8BN), Maturity Profile



Source: CIBC Q1-2022 Report to Shareholders

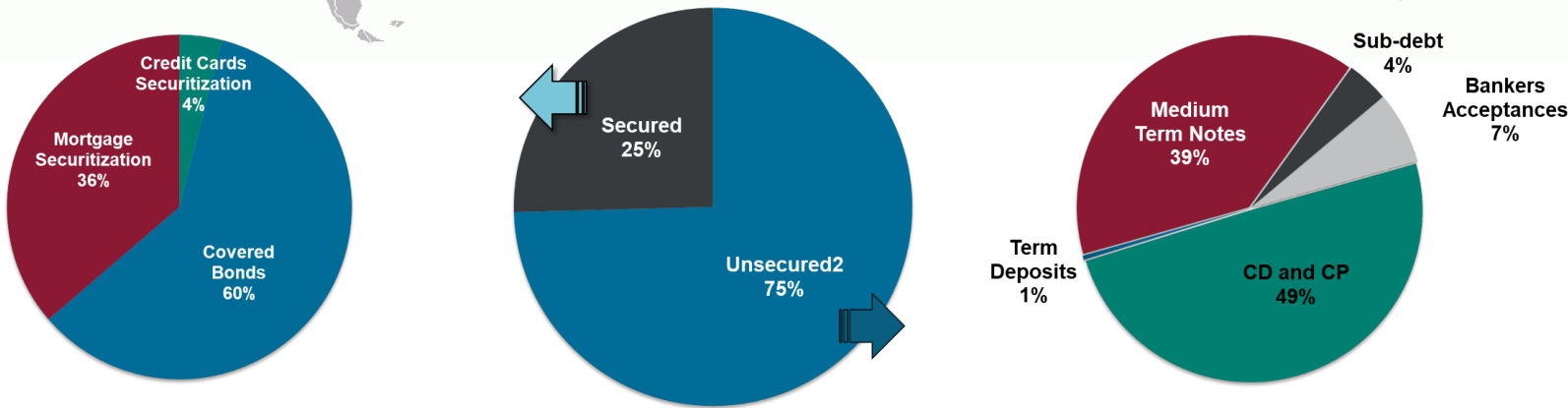


# Wholesale Funding Geography

## Wholesale Funding By Currency<sup>1</sup>



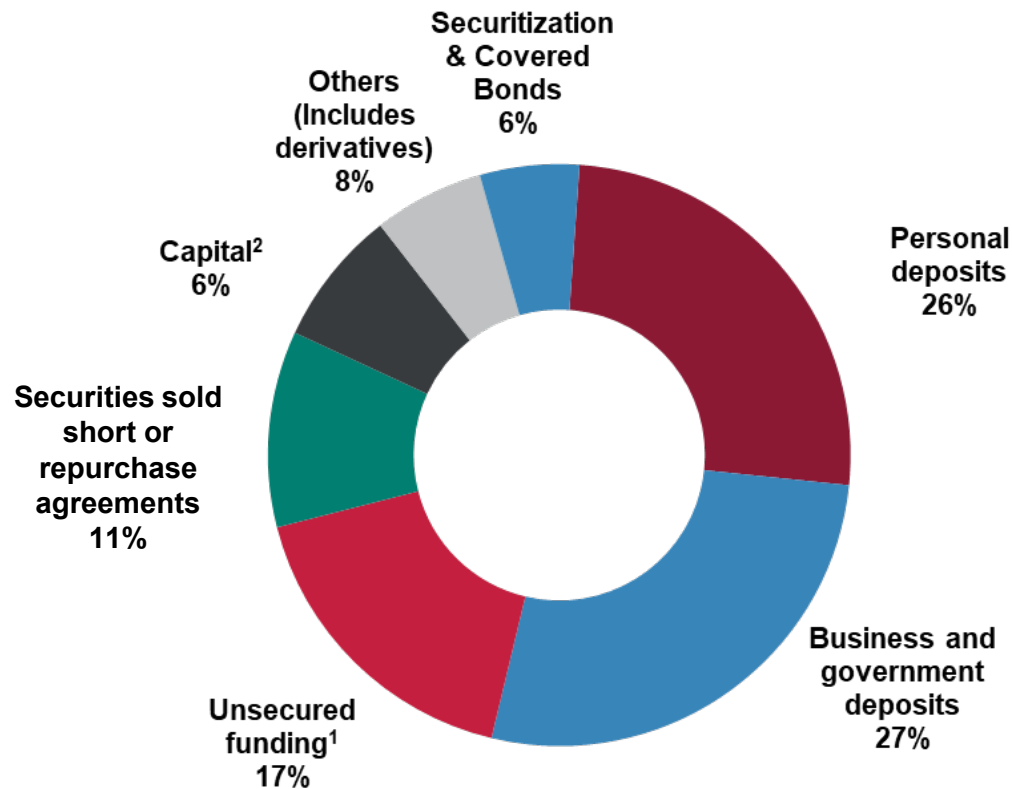
## Wholesale Funding By Product<sup>1,3</sup>



<sup>1</sup> Source: CIBC Q1-2022 Report to Shareholders <sup>2</sup> "Unsecured" includes Obligations related to securities sold short, Cash collateral on securities lent and Obligations related to securities under repurchase agreements.  
<sup>3</sup> Percentages may not add up to 100% due to rounding

# CIBC Funding Composition

Funding Sources – January 2022<sup>4</sup>



Funding Sources	BN
Personal deposits	220.1
Business and government deposits	233.4
Unsecured funding <sup>1</sup>	148.7
Securities sold short or repurchase agreements	94.0
Others (Includes derivatives)	65.2
Capital <sup>2</sup>	52.8
Securitization & Covered Bonds	47.5
<b>Total</b>	<b>861.7</b>

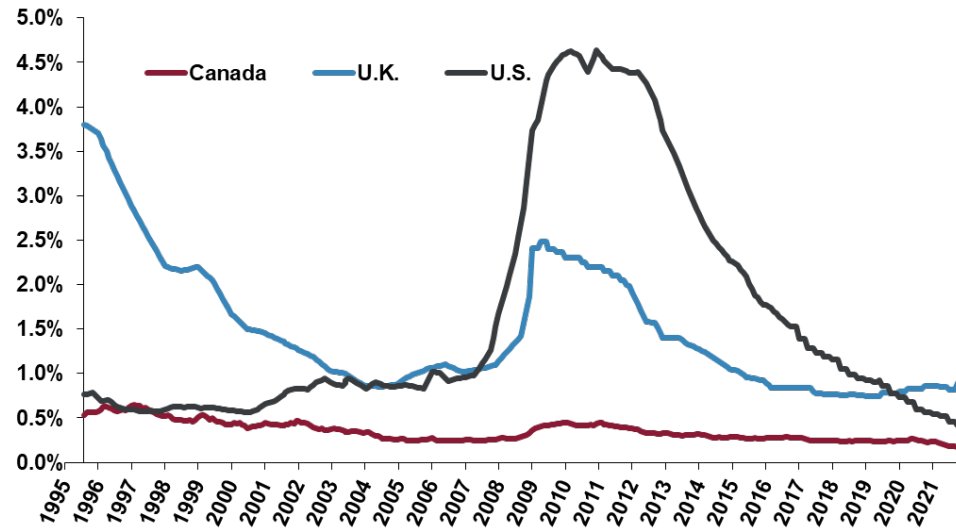
Wholesale market, currency <sup>3</sup>	BN
USD	99.5
CAD	47.7
Other	39.6
<b>Total</b>	<b>186.8</b>

# Canadian Mortgage Market



# Mortgage Market Performance and Urbanization Rates

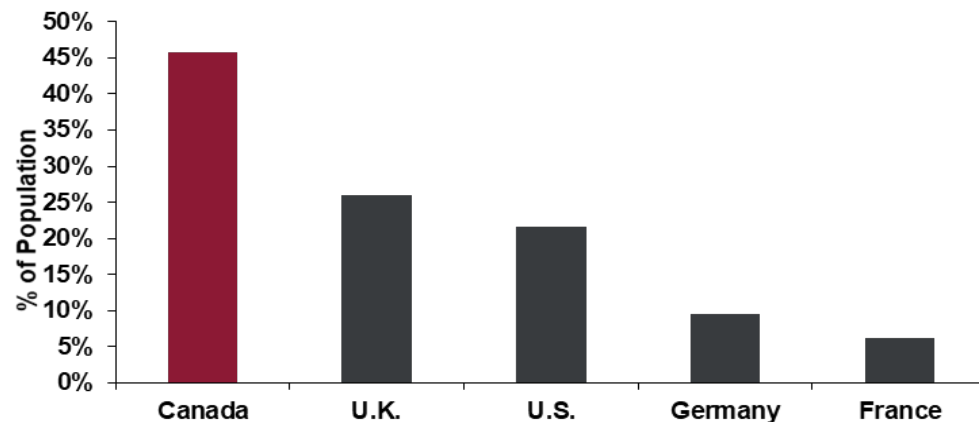
## Mortgage Arrears by Number of Mortgages<sup>2</sup>



## Canadian mortgages consistently outperform U.S. and U.K. mortgages

- Low defaults and arrears reflect the strong Canadian credit culture
- Mortgage interest is generally not tax deductible, resulting in an incentive for mortgagors to limit their amount of mortgage debt
- In most provinces, lenders have robust legal recourse to recoup losses
- Mortgage arrears have steadily declined from high of 0.45% in 2009 to 0.17% in November 2021<sup>1</sup>

## Population in Top Four Cities<sup>3</sup>



## Canada has one of the highest urbanization rates in the G7

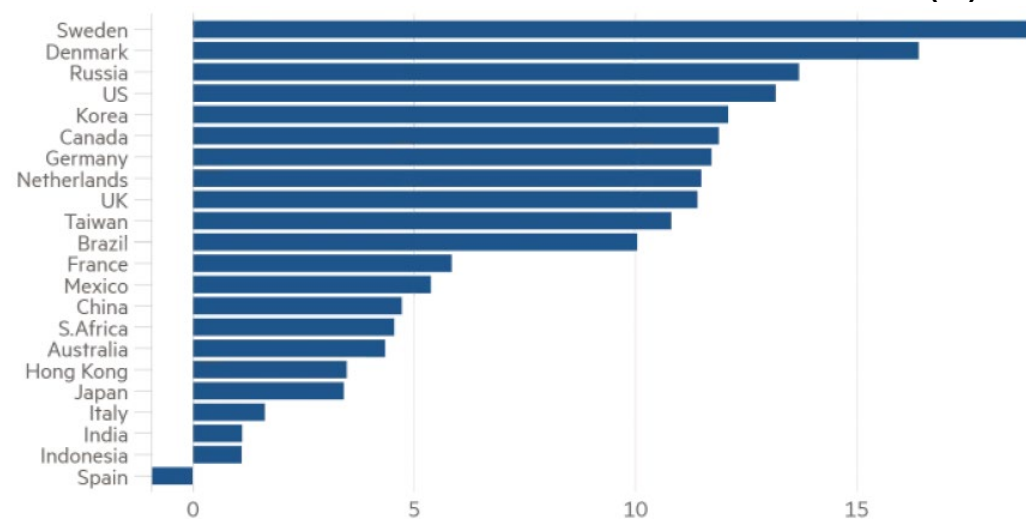
- Over 45% of the Canadian population lives in one of the four largest cities
- A greater rate of urbanization is a strong contributor to increases in property values

# Canadian House Prices

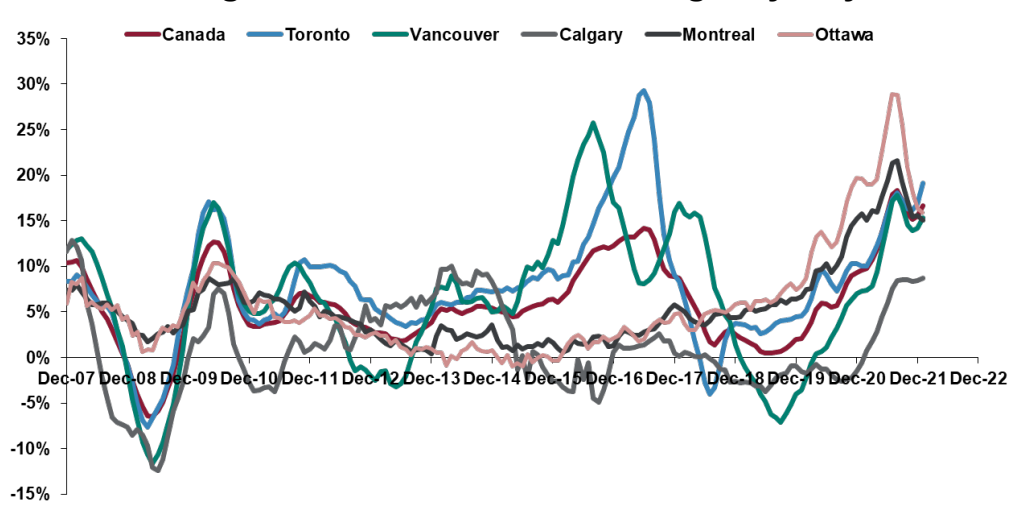
- Absolute price level is moderate compared to major global urban centers
- Canadian housing market among others that have experienced sharp rises in residential real estate values over the last year
- Growth rates of house prices in Canada have diverged across regions

Average Home Price <sup>2</sup>		
City	CAD	USD Eq. <sup>1</sup>
Canada	748K	593K
Toronto	1260K	999K
Vancouver	1255K	995K
Calgary	459K	364K
Montreal	530K	420K
Ottawa	690K	547K

Latest Year over Year Increases in House Prices (%)<sup>3</sup>

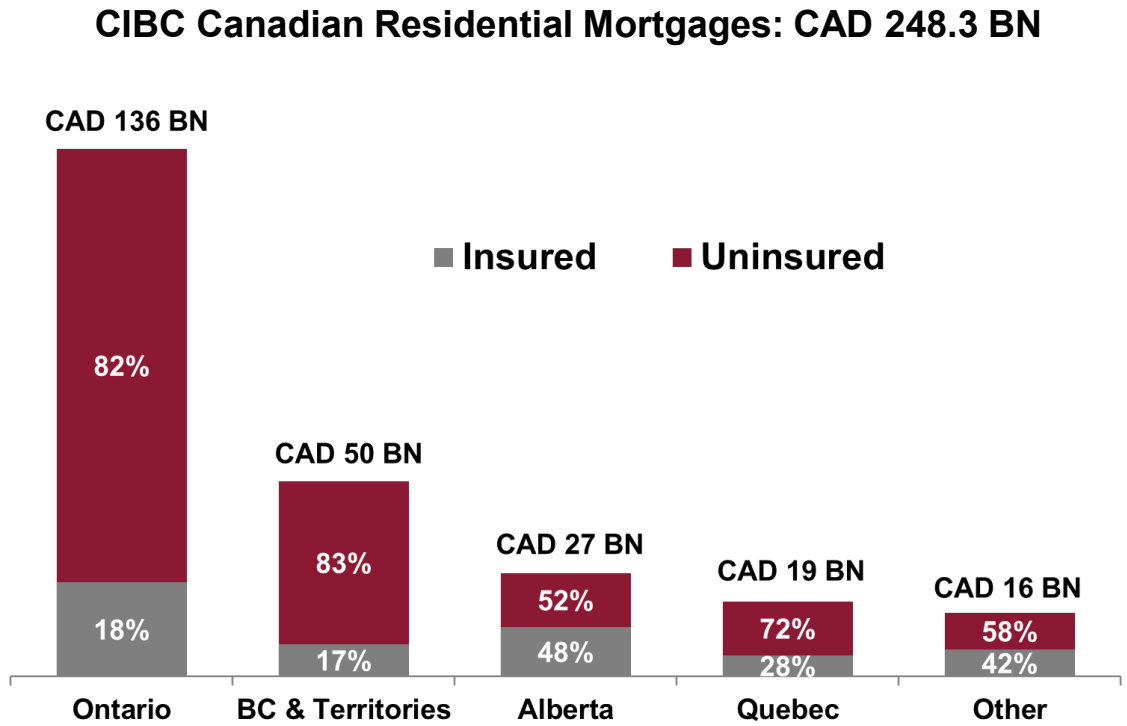


Housing Index Year over Year Change, by City<sup>4</sup>



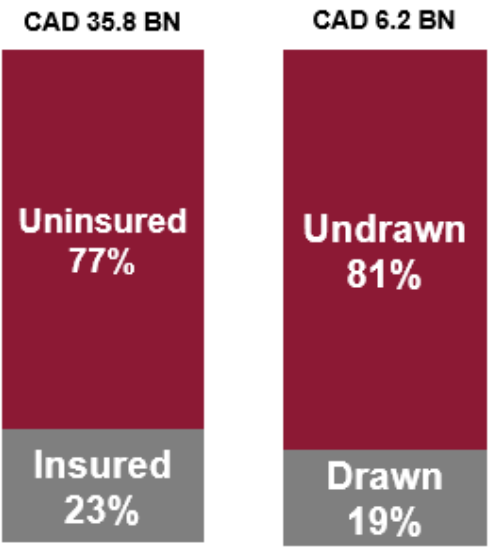


# CIBC's Mortgage Portfolio



**Condo Exposure: CAD 42.0 BN**

Condo Mortgages    Condo Developers



- 23% of CIBC's Canadian residential mortgage portfolio is insured, with 64% of insurance being provided by CMHC
- The average loan to value<sup>1</sup> of the uninsured portfolio is 48%
- The condo developer exposure is diversified across 102 projects
- Condos account for approximately 14.5% of the total mortgage portfolio

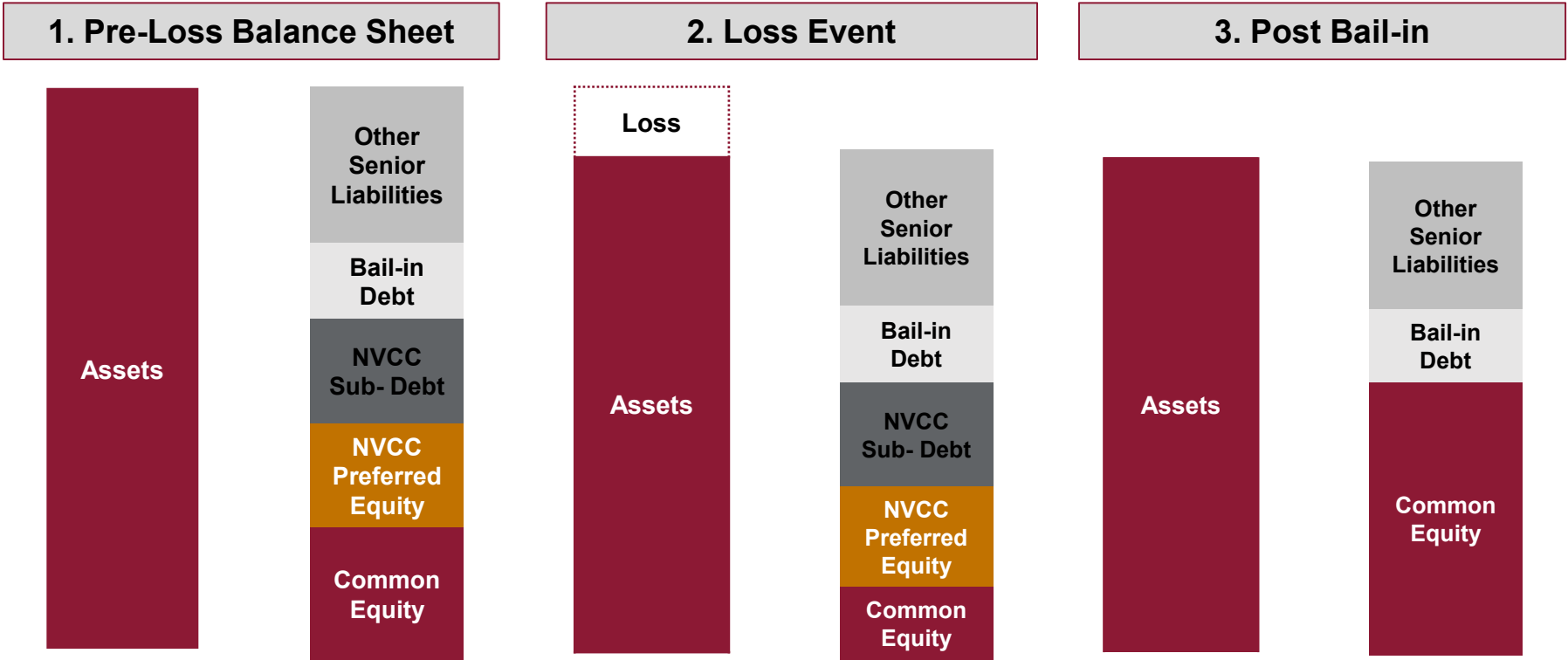
# Canadian Bail-in Regime Update



# How Bail-In Is Expected To Work

When OSFI deems a bank has ceased to or may be about to cease to continue to be viable, it may trigger temporary takeover of the bank and carry out the bail-in conversion of NVCC capital and bail-in debt to common equity.

- There are no write-down provisions in the framework
- Conversion formula under many scenarios may result in investor gains



Note: Diagram shown is for illustrative purposes only. It is not to scale nor does it update the magnitude of the bail-in security to match the loss.

# Canadian Bail-in Regime Update

**On April 18, 2018, Department of Finance published the bail-in regulations, and OSFI finalized the guidelines on Total Loss Absorbing Capacity (TLAC) and TLAC holdings.**

## **Department of Finance's bank recapitalization (bail-in) conversion regulations**

- Provide statutory powers to CDIC (through Governor in Council) to enact the bail-in regime including the ability to convert specified eligible shares and liabilities of D-SIBs into common shares in the event such bank becomes non-viable
- Bail-in eligible liabilities include tradable (with CUSIP/ISIN), unsecured debt with original maturity of over 400 days
- Excluded liabilities are covered bonds, consumer deposits, secured liabilities, derivatives, and structured notes<sup>1</sup>
- Effective on September 23, 2018

## **OSFI's TLAC Guideline**

- TLAC liabilities must be directly issued by the D-SIB, satisfy all of the requirements set out in the bail-in regulations, and have residual maturity greater than 365 days
- Minimum requirements:
  - $\text{TLAC ratio} = \text{TLAC measure} / \text{RWA} > 21.5\%$
  - $\text{TLAC leverage ratio} = \text{TLAC measure} / \text{Leverage exposure} > 6.75\%$
  - TLAC supervisory target ratio set at 24.00% RWA<sup>2</sup>
  - Effective Fiscal 2022. Public disclosure began in Q1 2019

## **OSFI's TLAC Holdings**

- Our investment in other G-SIBs and other Canadian D-SIB's TLAC instruments are to be deducted from our own tier 2 capital if our aggregate holding, together with investments in capital instruments of other FIs, exceed 10% of our own CET1 capital
- Implementation started in Q1 2019

# Canadian Bail-in Regime – Comparison to Other Jurisdictions

**Bail-in implementation in other jurisdictions has increased the riskiness of bail-inable bonds vs. non-bail-inable bonds:**

- Legislative changes prohibit bail-outs, increasing the probability that bail-in will be relied on
- The hierarchy of claims places bail-in debt below deposits and senior debt through structural subordination, legislation or contractual means
- Bail-in is expected to rely on write-down of securities, imposing certain losses on investors

**The Canadian framework differs from other jurisdictions on several points:**

- The Canadian government has not introduced legislation preventing bail-outs
- Canadian senior term debt will be issued in a single class and will not be subordinated to another class of senior term debt like other jurisdictions such as the US and Europe
- Canada does not have a depositor preference regime; bail-in debt does not rank lower than other liabilities
- No Creditor Worse Off principle provides that no creditor shall incur greater losses than under insolvency proceedings
- There are no write-down provisions in the framework
- Conversion formula under many scenarios may result in investor gains



# Environmental, Social, Governance (ESG) Focus



# Our Refocused ESG Strategy

## Ambitions in Action

We're activating our resources to create positive change for our team, our clients, our communities and our planet, contributing to a more secure, equitable and sustainable future where everyone's ambitions are made real.

*We are putting our environmental, social, and governance (ESG) commitments into action by:*



# 2021 ESG Performance Highlights

In 2021, we built on our longstanding commitment to ESG as a cornerstone of how we operate and create value for our stakeholders.



Top 10

in financing for the renewable energy industry across North America<sup>1</sup>



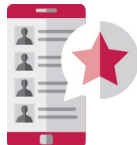
\$4.8B

in new loan authorizations to small and medium-sized enterprises (Canada)<sup>2</sup>



38%

women in board-approved executive roles (Global)



89%

our employee engagement score exceeded the Willis Towers Watson Global Financial Services Norm<sup>3</sup>



\$132.7M

invested in community organizations across Canada and the U.S.<sup>4</sup>



23%

visible minorities in board-approved executive roles (Canada)



Ranked A-

among the top-tier of global banks for climate actions by CDP



100%

of employees completed CIBC ethical training on our Code of Conduct<sup>5</sup>



Underwriting bank and coordinating arranger for the Western Spirit Wind power projects, sponsored by Pattern Energy, the largest single-phase renewable power build out in U.S. history

# We are aligned to international best practices

## Voluntary Memberships & Commitments:



## Frameworks:





# External recognition<sup>1</sup> of CIBC's commitment to sustainability



Dec/21 Climate Change Score = A-  
Up from B in 2019  
Ranked among top-tier of global banks



2021 ESG Rating = AA  
Industry Adjusted Score = 8.4  
Up from 7.5 in 2020  
Scale: CCC to AAA (best)



2021 ESG Risk Rating = 17.9 (low risk)  
or 13<sup>th</sup> percentile among banks  
Improved from 18.3 in 2020  
Scale: 1 or 1<sup>st</sup> percentile (best) to 40+



QualityScore: E = 1; S = 1; G = 1  
Scale: 1 (best) to 10  
Corporate Rating = C-  
(Industry: Leaders = C+; Peer Avg. = D)



FTSE4Good

2021 Rating = 4.1 or 83<sup>rd</sup> percentile  
Exceeds subsector (banks) averages  
Scale: 1 to 5 (best);  
100<sup>th</sup> percentile (best)



2021 ESG Score = 49  
Up from 42 in 2020  
Scale: 0 to 100 (best)  
Sector rank: 4/13

# Appendix

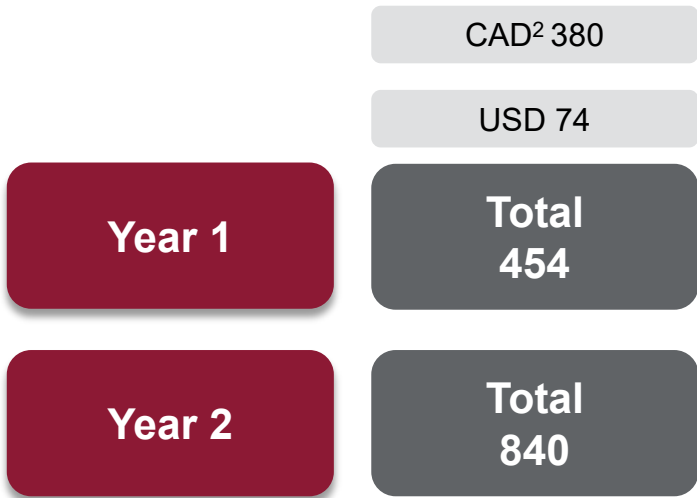




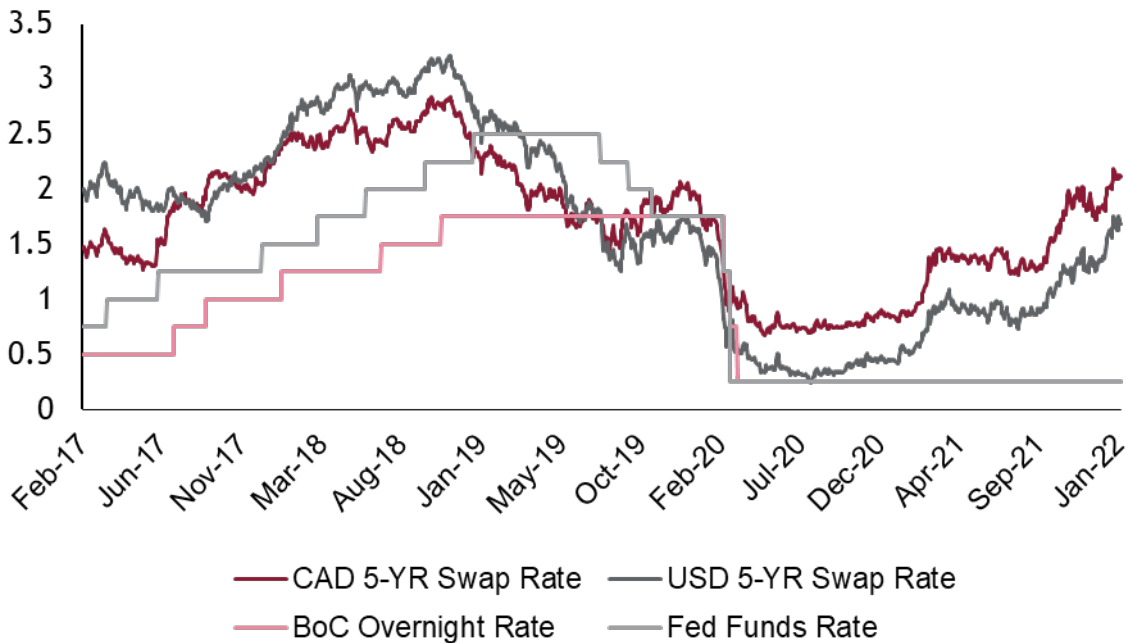
# Positioned to benefit from rising rates

- Year 1 benefit of \$454 million to our net interest income from an immediate and sustained 100 bps increase as at January 31, 2022, with approximately 60% driven by short rates
- Year 2 benefit from rising rates (+100 bps) of approximately \$840MM, driven primarily by long rates

## Net Interest Income Sensitivity to a +100 bps Shock (\$MM)<sup>1</sup>



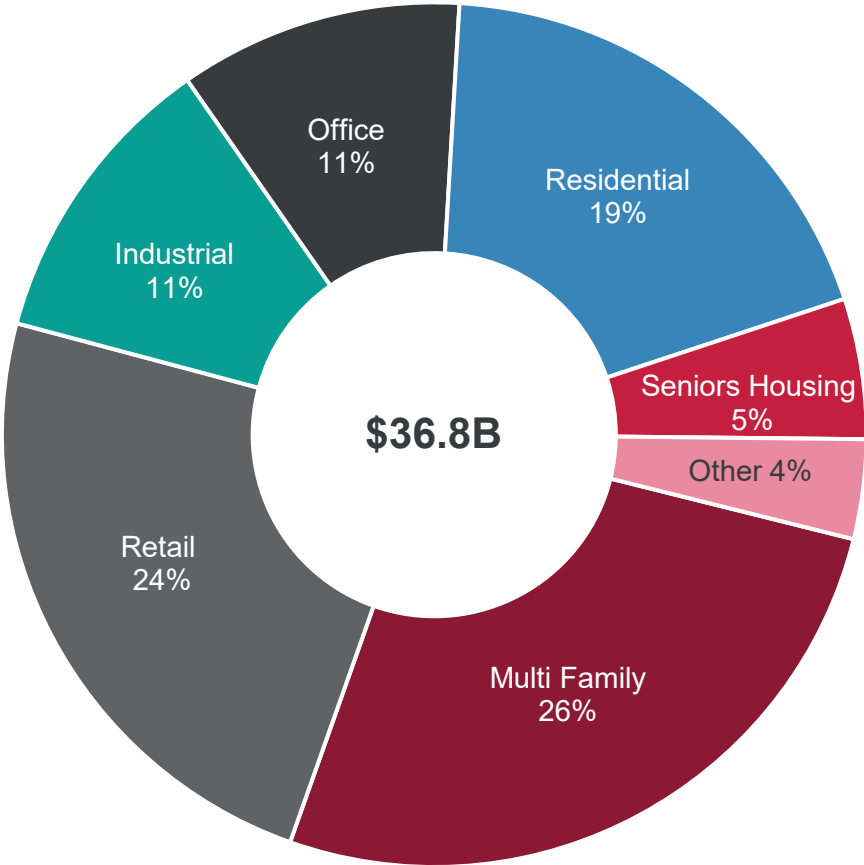
## Interest Rate Environment in Canada and the U.S.



Source: Bloomberg

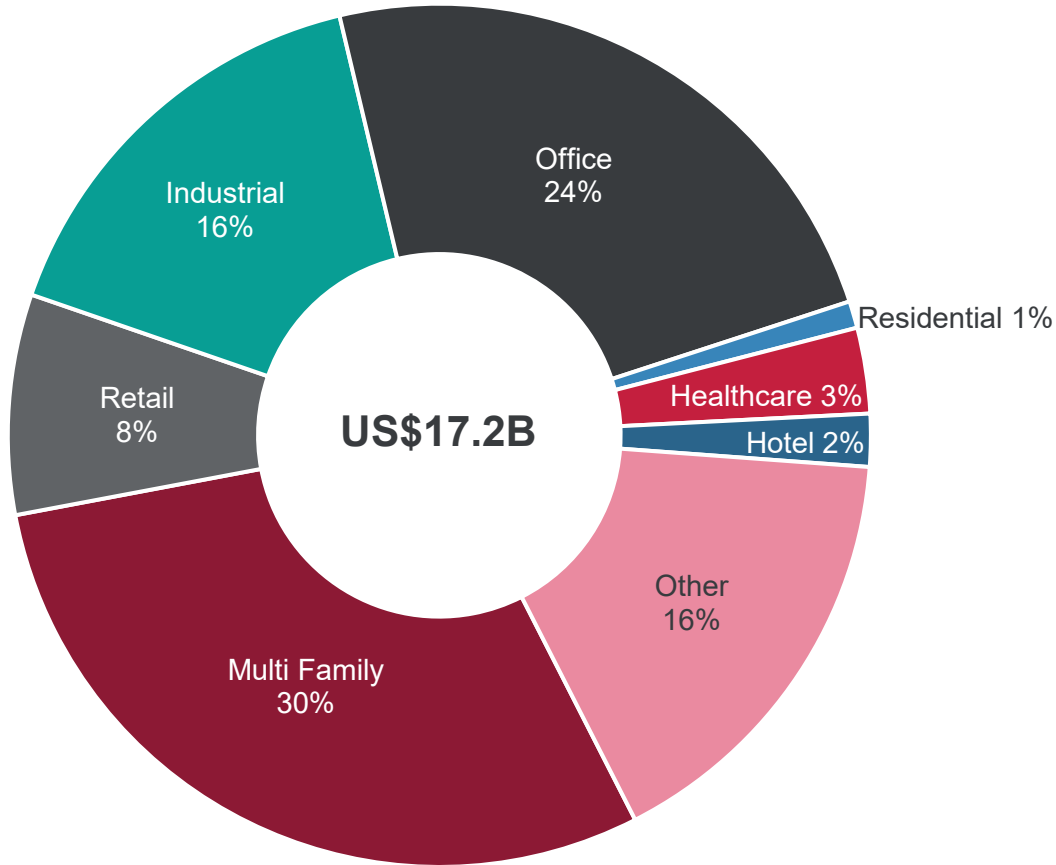
# Commercial Real Estate Exposure remains diversified

Canadian Commercial Real Estate Exposure by Sector<sup>1</sup>



• 70% of drawn loans investment grade<sup>3</sup>

U.S. Commercial Real Estate Exposure by Sector<sup>2</sup>



• 34% of drawn loans investment grade<sup>3</sup>

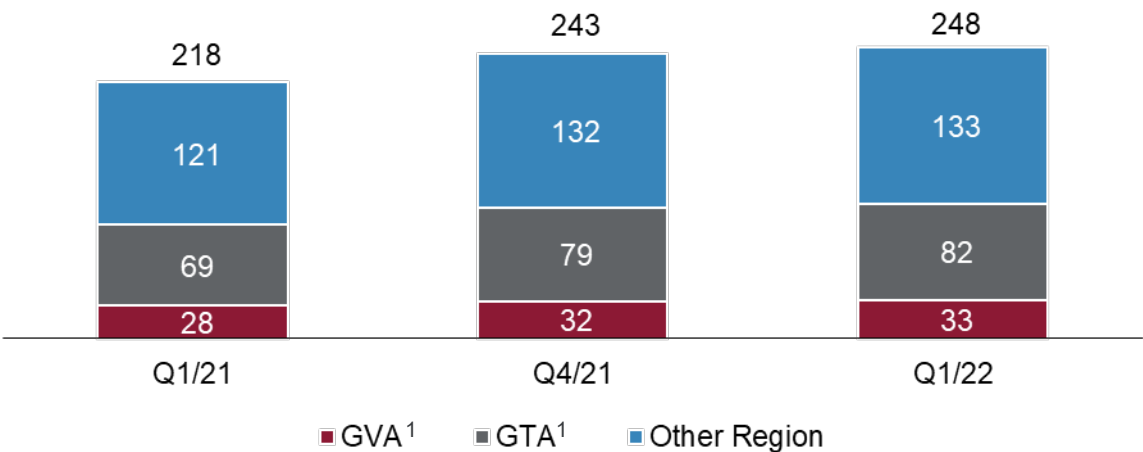
<sup>1</sup> Includes \$3.5B in Multi Family that is reported in residential mortgages in the Supplementary Financial Information package. <sup>2</sup> Includes US\$1.9B in loans that are reported in other industries in the Supplementary Financial Information package, but are included here because of the nature of the security. <sup>3</sup> Incorporates security pledged; equivalent to S&P/Moody's rating of BBB-/Baa3 or higher.

# Canadian Real Estate Secured Personal Lending

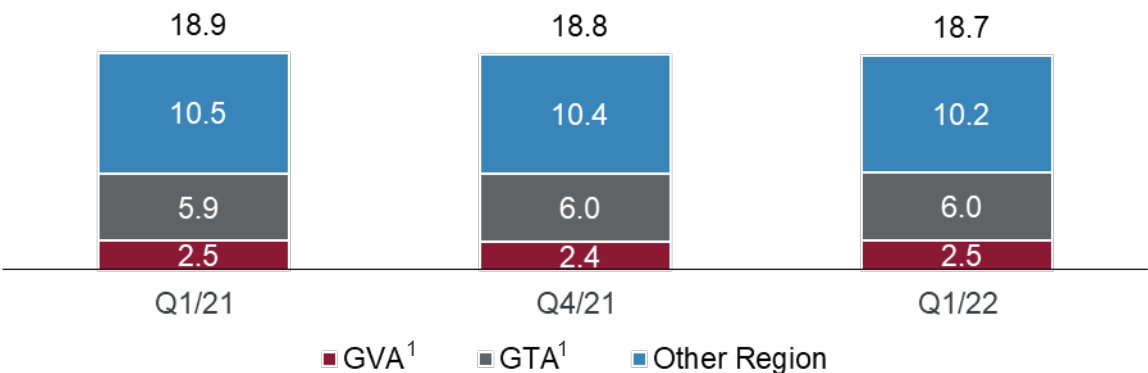
90+ Days Delinquency Rates	Q1/21	Q4/21	Q1/22
Total Mortgages	0.27%	0.17%	0.17%
Uninsured Mortgages	0.24%	0.14%	0.13%
Uninsured Mortgages in GVA <sup>1</sup>	0.14%	0.13%	0.11%
Uninsured Mortgages in GTA <sup>1</sup>	0.17%	0.08%	0.07%
Uninsured Mortgages in Oil Provinces <sup>2</sup>	0.60%	0.47%	0.48%

- The Greater Vancouver Area<sup>1</sup> (GVA) and Greater Toronto Area<sup>1</sup> (GTA) continue to outperform the Canadian average

Mortgage Balances (\$B; principal)

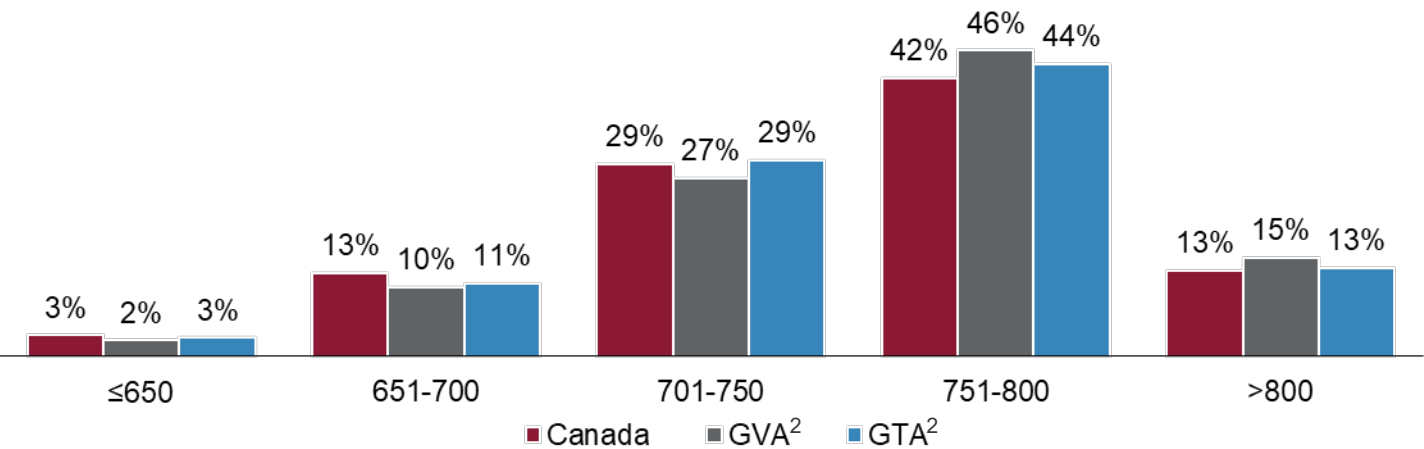


HELOC Balances (\$B; principal)



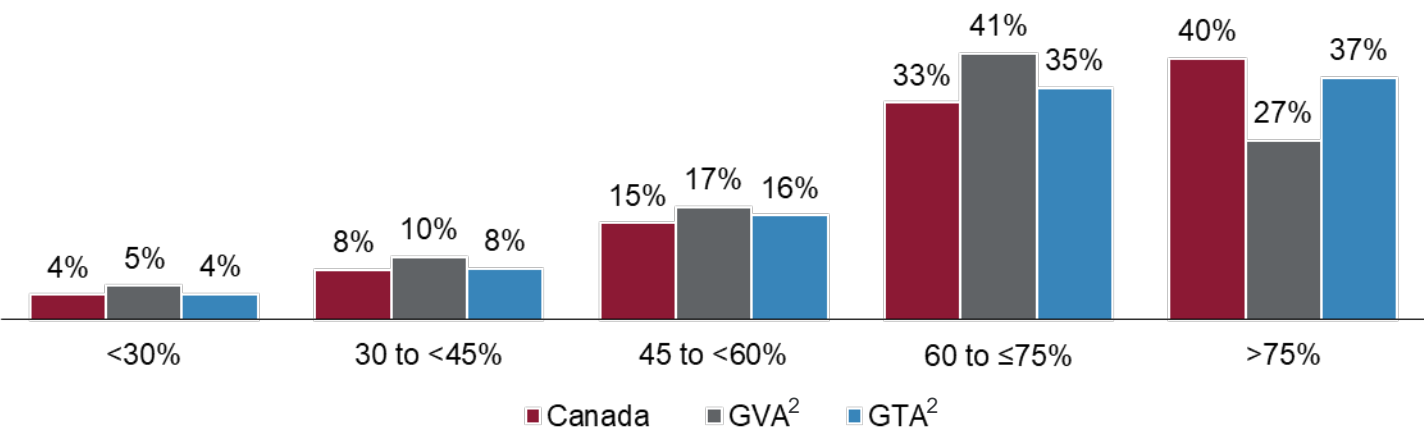
# Canadian Uninsured Residential Mortgages – Q1/22 Originations

FICO score Distribution



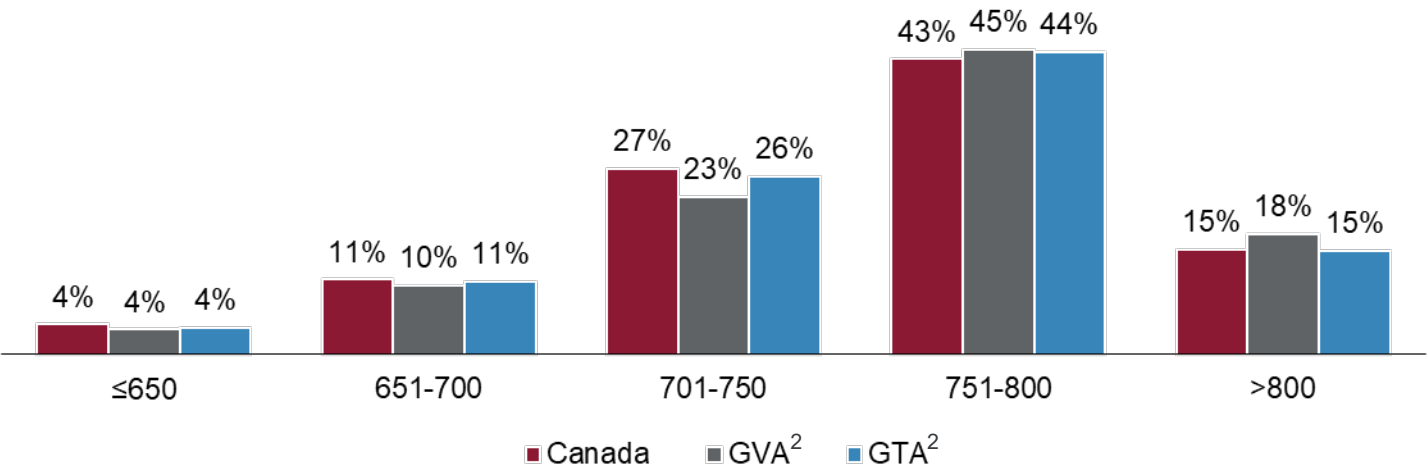
- Originations of \$17B in Q1/22
- Average LTV<sup>1</sup> in Canada: 66%
  - GVA<sup>2</sup>: 63%
  - GTA<sup>2</sup>: 65%

Loan-to-Value (LTV)<sup>1</sup> Distribution



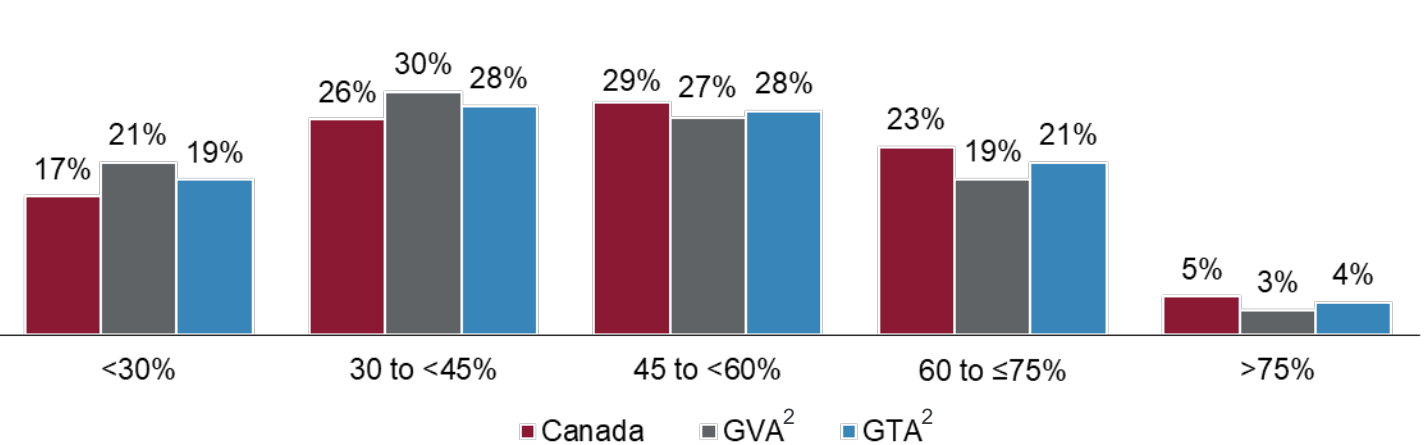
# Canadian Uninsured Residential Mortgages

FICO score Distribution



- Better current FICO score and LTV<sup>1</sup> distributions in GVA<sup>2</sup> and GTA<sup>2</sup> than the Canadian average
- Less than 1% of this portfolio has a FICO score of 650 or lower and an LTV<sup>1</sup> over 75%
- Average LTV<sup>1</sup> in Canada: 48%
  - GVA<sup>2</sup>: 45%
  - GTA<sup>2</sup>: 47%

Loan-to-Value (LTV)<sup>1</sup> Distribution



# Forward-looking Information Variables used to estimate our Expected Credit Loss<sup>1</sup>

Forward-Looking Information Variables	Avg. Value over the next 12 months	Avg. Value over the remaining forecast period	Avg. Value over the next 12 months	Avg. Value over the remaining forecast period	Avg. Value over the next 12 months	Avg. Value over the remaining forecast period
As at January 31, 2022	Base Case	Base Case	Upside Case	Upside Case	Downside Case	Downside Case
Canadian GDP YoY Growth	3.5%	2.4%	4.8%	2.9%	2.5%	1.8%
US GDP YoY Growth	3.9%	2.5%	5.0%	3.1%	2.1%	1.3%
Canadian Unemployment Rate	5.9%	5.9%	5.2%	5.5%	6.7%	6.6%
US Unemployment Rate	3.7%	3.8%	3.5%	3.3%	5.2%	4.7%
Canadian Housing Price Index Growth	5.1%	2.6%	10.3%	4.7%	2.6%	(0.3)%
S&P 500 Index Growth Rate	2.8%	4.6%	7.2%	6.9%	(4.1)%	(4.9)%
Canadian Household Debt Service Ratio	13.8%	14.5%	13.3%	14.3%	14.3%	14.8%
West Texas Intermediate Oil Price (US\$)	\$73	\$66	\$78	\$81	\$62	\$54
Forward-Looking Information Variables	Avg. Value over the next 12 months	Avg. Value over the remaining forecast period	Avg. Value over the next 12 months	Avg. Value over the remaining forecast period	Avg. Value over the next 12 months	Avg. Value over the remaining forecast period
As at October 31, 2021	Base Case	Base Case	Upside Case	Upside Case	Downside Case	Downside Case
Canadian GDP YoY Growth	4.2%	2.4%	5.6%	2.8%	3.1%	1.6%
US GDP YoY Growth	4.7%	2.2%	5.8%	3.3%	2.8%	1.3%
Canadian Unemployment Rate	6.4%	5.9%	6.0%	5.5%	7.3%	6.8%
US Unemployment Rate	4.4%	3.9%	3.8%	3.4%	6.0%	5.0%
Canadian Housing Price Index Growth	6.1%	2.8%	10.7%	6.3%	2.2%	(2.2)%
S&P 500 Index Growth Rate	6.1%	4.6%	10.3%	8.6%	(0.6)%	(1.7)%
Canadian Household Debt Service Ratio	13.6%	14.4%	13.0%	14.2%	14.1%	14.7%
West Texas Intermediate Oil Price (US\$)	\$69	\$64	\$74	\$81	\$56	\$54



## Q1/22 Items of Note

	Pre-Tax Effect (\$MM)	After-Tax & NCI Effect (\$MM)	EPS Effect (\$/Share)	Reporting Segments
Amortization of acquisition-related intangible assets	20	15	0.03	U.S. Commercial Banking & Wealth Management Corporate & Other
Transaction and integration-related costs associated with the acquisition of the Canadian Costco credit card portfolio	13	10	0.02	Personal & Business Banking
<b>Adjustment to Net Income attributable to common shareholders and EPS</b>	<b>33</b>	<b>25</b>	<b>0.05</b>	Not Applicable

# Non-GAAP Financial Measures

We use a number of financial measures to assess the performance of our business lines. Some measures are calculated in accordance with International Financial Reporting Standards (IFRS or GAAP), while other measures do not have a standardized meaning under GAAP, and accordingly, these measures may not be comparable to similar measures used by other companies. Investors may find these non-GAAP measures, which include non-GAAP financial measures and non-GAAP ratios as defined in National Instrument 52-112 “Non-GAAP and Other Financial Measures Disclosure”, useful in understanding how management views underlying business performance.

Management assesses results on a reported and adjusted basis and considers both as useful measures of performance. Adjusted measures, which include adjusted total revenue, adjusted provision for credit losses, adjusted non-interest expenses, adjusted income before income taxes, adjusted income taxes, adjusted net income and adjusted pre-provision, pre-tax earnings, remove items of note from reported results and are used to calculate our adjusted results. Adjusted measures represent non-GAAP measures.

Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found in the “Non-GAAP measures” section on pages 7 to 10 of our Q1/22 Management’s discussion and analysis (MD&A), available on SEDAR at [www.sedar.com](http://www.sedar.com).

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