

Director's Report

Proxies

Shareholders of the Company entitled to attend and vote at the meeting are entitled to appoint one or more proxies to attend and, in a poll, to vote instead of them. A proxy need not also be a shareholder. Any instrument appointing a proxy must be received at the office of the Registrar & Transfer Agent, Barbados Central Securities Depository Inc., 8th Avenue, Belleville, St. Michael, Barbados, not less than 48 hours before the meeting. Members who return completed proxy forms are not precluded, subsequently if they so wish, from attending the meeting instead of their proxies and voting in person. In the event of a poll, their proxies' votes lodged with the Registrar & Transfer Agent will be excluded.

Documents Available for Inspection

There are no service contracts granted by the Company, or its subsidiary companies, to any director.

Registered Office

Michael Mansoor Building, Warrens, St. Michael, Barbados, West Indies.

Directors

Mr. David Arnold resigned from the Board on September 7, 2017, due to additional responsibilities arising from his new position at CIBC. The Board appointed Ms. Lynne Kilpatrick, Executive Vice-President at CIBC, to fill the casual vacancy arising from Mr. Arnold's resignation.

Mr. Rik Parkhill and Ms Christina Kramer both resigned from the board effective as of the close of the board meeting held on December 8, 2017. Mr. Parkhill resigned due to increasing professional commitments, and Ms Kramer due to additional responsibilities arising from her new role as Senior Executive Vice-President and Group Head, Personal and Small Business Banking at CIBC.

The Board appointed Ms. Colette Delaney, the Company's Chief Operating Officer, and Mr. Blair Cowan, CIBC's Senior Vice-President, Corporate Finance, Commercial Banking, to fill the casual vacancies arising from Mr. Parkhill's and Ms. Kramer's resignations.

Independent director Sir Allan Fields, who, having provided fifteen years of sterling service, would not have been eligible for re-election, decided to retire effective December 22, 2017. The Board appointed Mr. Christopher de Caires as an independent director to fill the casual vacancy arising from Sir Allan's resignation, on February 14, 2018.

If the NYSE Listing (described below) occurs, it is anticipated that one to two non-independent directors will step down and be replaced with new independent directors nominated by the Company's Audit & Governance Committee in order to align the composition of the Company's Board with expectations for NYSE listed companies.

Directors' Interests

As of October 31, 2017, particulars of directors' shareholdings in the issued capital of the Company are as follows:

Common Shares of No Par Value

	Beneficial Interest	Non Beneficial Interest
Directors		
1. Gary Brown	nil	nil
2. Brian Clarke	nil	nil
3. Sir Allan Fields	1,000	nil
4. Ms. Lynne Kilpatrick	nil	nil
5. Ms. Christina Kramer	nil	nil
6. Mr. Brian McDonough	nil	nil
7. Mr. Douglas Parkhill	nil	nil
8. Paula Rajkumarsingh	nil	nil

Director's Report

	Beneficial Interest	Non Beneficial Interest
9. David Ritch	nil	nil
10. G. Diane Stewart	nil	nil

Senior Management

1. Neil Brennan	nil	nil
2. Gary Brown	nil	nil
3. Brian Clarke	nil	nil
4. Colette Delaney	nil	nil
5. Ben Douangprachanh	nil	nil
6. Nigel Holness	nil	nil
7. Mark McIntyre	nil	nil
8. Patrick McKenna	nil	nil
9. Jude Pinto	nil	nil
10. Marie Rodland-Allen	nil	nil
11. Anthony Seeraj	nil	nil
12. Mark St. Hill	2,830	nil
13. Trevor Torzsas	nil	nil
14. Willem M Van der Burg	12,465	nil
15. Donna Wellington	nil	nil
16. Douglas Williamson	nil	nil
17. Daniel Wright	nil	nil

Top Ten Shareholders as at October 31, 2017

Shareholder	Total Shareholding	Rank
CIBC Investments (Cayman) Limited	1,445,725,257	1
National Insurance Board (Barbados)	12,819,355	2
Sagicor Equity Fund	10,932,208	3
Guardian Life of the Caribbean Limited	10,692,448	4
National Insurance Board (Trinidad & Tobago)	7,000,000	5
Trinidad & Tobago Unit Trust Corporation - FUS	6,050,818	6
ESPP Main Plan (FirstCaribbean)	5,866,998	7
RBTT Trust Ltd. - T964	3,000,000	8
Trin Trust Limited A/C 1088	3,025,000	9
Sagicor Life (Life of Barbados)	2,441,144	10

Financial Results and Dividends

The Company's consolidated net profit for the period ending October 31, 2017 amounted to \$141.5MM. All statutory requirements for the period have been fulfilled.

The Company declared a final dividend of \$0.025 per common share for the period ending October 31, 2017. An interim dividend of \$0.025 per common share was also paid in the 2017 fiscal period. Total dividend for the period was \$0.05 per common share.

The final dividend was paid on January 26, 2018 to shareholders of record as at December 21, 2017.

Share Capital

The Bank is entitled to issue an unlimited number of common shares with no par value. The Bank has 1,577,094,570 common shares issued and outstanding as at the end of the 2017 financial year.

CIBC Investments (Cayman) Limited is the majority shareholder of the Company, now holding 91.67% of the Company's issued and outstanding common shares as of October 31, 2017.

Substantial Interest as at October 31, 2017*

Common shares of no par value

1. CIBC Investments (Cayman) Limited
1,445,725,257 (91.67%)

*"Substantial Interest" means a holding of 5% or more of the Company's issued share capital.

Auditors

Messrs. Ernst & Young, Chartered Accountants, served as external auditors of the Company for the 2017 financial year. A resolution relating to the re-appointment of Ernst & Young Ltd. as auditors for the 2018 financial year will be proposed.

Possible Listing of Shares of the Company on the New York Stock Exchange

The Company and the Company's majority shareholder, CIBC Investments (Cayman) Limited and its parent company, Canadian Imperial Bank of Commerce (together "CIBC") are evaluating a possible public sale of a portion of their common shares in the Company on the New York Stock Exchange (the "NYSE"). Such a transaction would involve the Company's registration with the United States Securities and Exchange Commission and the listing of the common shares to be sold on the New York Stock Exchange (the "NYSE Listing"). No determination has yet been made as to whether or not the NYSE Listing will occur. There are, however, certain actions the Company will need to take in the event that the Company and CIBC do decide to proceed with the NYSE Listing. Accordingly, the Company is seeking the authorization of our shareholders for the Company's Board of Directors and officers to take or cause to be taken the following actions if the Board of Directors determines to proceed with the NYSE Listing.

Shareholders should note that no determination has been made to proceed with the NYSE Listing. If the Company's Board determines, in its sole discretion, not to proceed with the NYSE Listing, the Company will not be obligated to proceed with any of the following actions for which shareholder authorization is being sought.

Amendment of Articles of Incorporation. If the NYSE Listing is to occur, it is proposed that the Company's Articles of Incorporation be amended in accordance with the Articles of Amendment substantially in the form included with the Notice of Meeting of which this Director's Report forms a part (the "Articles of Amendment"). The primary changes contemplated by such Articles of Amendment are as follows:

- A conversion and consolidation of the Company's common shares such that each thirty (30) issued and outstanding common shares of the Company would be converted and consolidated into one common share of the Company (the "Reverse Split");
- Provision for the payment to shareholders of an amount in cash equal to the market value of each fractional share that results from the Reverse Split, none of which fractional shares will be issued, with such market value determined by the directors in accordance with the Articles of Amendment;
- Elimination of the Company's authority to issue Non-Voting Class A Shares (none of which are issued and outstanding at the date hereof); and
- Institution of provisions for the imposition and enforcement of liens by the Company in respect of breaches of obligations under the *Financial Institutions Act* of Barbados that preclude the acquisition of more than 10% of any class of the Company's shares without the approval of the Minister of Finance of Barbados.

As a consequence of the Reverse Split, shareholders who own fewer than thirty (30) of the Company's common shares will cease to be shareholders and will be paid the market value of the fractional shares that they would otherwise receive in respect of their shares, as described above. The Company's shareholders are being asked to authorize Articles of Amendment and to permit and authorise the Company's Board of Directors to file or cause to be filed the Articles of Amendment if the Board of Directors determines to proceed with the NYSE Listing.

As the *Financial Institutions Act* of Barbados requires that approval of the Minister of Finance of Barbados be obtained before any person's interest exceeds 10% of any class of the Company's shares, the Articles of Amendment provide that any acquisition in excess of such 10% threshold giving rise to a breach of the Financial Institutions Act of Barbados will result in a lien on such shares and the right of the Company to exercise the shareholder rights in enforcement of that lien.

Changes to Exchange Listings. The Company has commenced the process of de-listing its common shares from the Eastern Caribbean Stock Exchange (the "ECSE"). It should be noted that the Company intends to de-list from the ECSE regardless of whether or not the NYSE Listing occurs. Shares of the Company that are held in the Eastern Caribbean Securities Depository will be transferred to the Barbados Central Securities Depository.

If the NYSE Listing is to occur, it is proposed that the Company's common shares be de-listed from the Trinidad and Tobago Stock Exchange (the "TTSE"). The Company has determined that it will be important to de-list the Company's common shares from the TTSE in connection with the NYSE Listing in order to improve market efficiencies and minimize the risk of inconsistent trading prices for the Company's common shares.

The Company also proposes to move the listing of its common shares in Barbados from the Barbados Stock Exchange (the "BSE") to the International Securities Market of the Barbados Stock Exchange (the "ISM"). Regarding these actions:

- *TTSE De-Listing.* We are seeking the authorization of our shareholders to de-list the Company's common shares from the TTSE (the "TTSE De-Listing") in the event the Board of Directors decides to proceed with the NYSE Listing. The TTSE De-Listing would have the following implications:
 - Common shares of the Company that are held in the Trinidad and Tobago Central Securities Depository would be transferred to the Barbados Central Securities Depository;
 - Shareholders in Trinidad and Tobago would no longer be able to trade the Company's common shares on the TTSE; and
 - Shareholders would be able to trade their common shares on the ISM, however trading of our common shares on the ISM will be denominated in US dollars, such that US dollars would be required to purchase the Company's common shares on the ISM and sales of Company's common shares on the ISM will be settled in US dollars.

The Company's shareholders are being asked to authorize the TTSE Delisting and to authorize and permit the Company's Board of Directors to take or cause to be taken all actions as may be necessary to de-list the Company's common shares from the TTSE if the Board of Directors determines to proceed with the NYSE Listing.

If the Company's shareholders approve the TTSE De-Listing and the Board of Directors decides to proceed with the NYSE Listing and the related TTSE De-Listing, the TTSE De-Listing will remain subject to approval by the TTSE and the Trinidad and Tobago Securities and Exchange Commission.

- *ISM Listing.* The Company is seeking the authorization of its shareholders for the registration and listing of all the Company's common shares on the ISM (the "ISM Listing"). The ISM Listing will require the re-denomination of the stated capital accounts maintained in respect of the Company's common shares into US Dollars, and the removal of the listing of its common shares on the main trading floor of the BSE. The implications of the removal of the listing of the common shares on the main trading floor of the BSE and the ISM Listing are set forth in fuller detail in the Circular (the "Withdrawal Circular") annexed hereto, which is issued in accordance with the Rules of the Barbados Stock Exchange.

The Company's shareholders are being asked to authorize the removal of the listing of the Company's common shares on the main trading floor of the BSE, and the related ISM Listing.

- *Re-denomination of Securities and Trading in US Dollars.* In connection with the ISM Listing, the Company is seeking the authorization of its shareholders for the re-denomination of all of its common shares into United States Dollars so as to permit trading in the Company's common shares in one currency only. In relation to the proposed re-denomination, shareholders are specifically asked to note the following consequences of the re-denomination of the Common Shares in United States Dollars and the ISM Registration:
 - (1) All dividends and other payments in respect of the Company's common shares will be made in accordance with applicable exchange control laws and other currency controls. Specifically, shareholders resident in Barbados will not be entitled to receive payment in United States Dollars, and will be paid in Barbados Dollars, determined based on the prevailing exchange rate.
 - (2) Notwithstanding the foregoing, shareholders resident in any other applicable jurisdictions, shall only be entitled to receive payments in United States Dollars subject to the consents, permissions and authorisations granted under currency control and exchange control laws where applicable.
 - (3) The purchase of the Company's common shares by shareholders resident in Barbados and other applicable jurisdictions may require the potential purchaser to obtain further consents, permissions and authorisations under the applicable currency control and exchange control laws for the purchase of foreign currency and/or the ownership of foreign currency denominated securities.

The foregoing considerations are specifically relevant to Barbados resident shareholders. If the ISM Listing occurs, Barbados exchange control rules will require that shareholders who are Barbados residents obtain permission from the Barbados Exchange Control Authority to obtain US Dollars in order to purchase the Company's common shares. This may impede the ability of our existing Barbados resident shareholders to purchase additional common shares of the Company and may impede the ability of Barbados residents wishing to become shareholders of the Company to purchase the Company's common shares. Further, the Exchange Control Authority in Barbados has directed that all proceeds of sale of the Company's common shares by shareholders resident in Barbados are to be remitted to Barbados and converted into Barbados Dollars. In accordance with exchange control laws all dividends to shareholders resident in Barbados will be paid in Barbados Dollars, determined based on the prevailing official exchange rate.

- *Restrictions on Trading in U.S.* There will be certain limitations on the ability of holders of the Company's common shares that are not being registered in the U.S. in connection with the NYSE Listing to publicly sell their shares in the United States. These limitations will apply to the remaining common shares of the Company held by CIBC that are not included in the NYSE Listing. The Company's common shares not being registered under the U.S. Securities Act of 1933 (the "U.S. Securities Act") and listed on the NYSE in connection with the NYSE Listing will be considered "restricted securities" under U.S. securities laws. Holders will only be able to sell those shares pursuant to an effective registration statement filed with the U.S. Securities and Exchange Commission or an exemption from registration. The most common exemptions that would enable the sale of the Company's unregistered common shares publicly are Rule 144 under the U.S. Securities Act and Regulation S under the U.S. Securities Act.

Under Rule 144, in general, greater than 10% shareholders (such as CIBC) and directors and officers of the Company are subject to limitations on their ability to sell unregistered Company common

Director's Report

shares in the U.S. Beginning ninety (90) days after the date of the offering in connection with the NYSE Listing is priced, greater than 10% shareholders and directors and officers of the Company will be entitled to sell within any three month period a number of the Company's common shares that does not exceed the greater of: (1) 1.0% of the total number of the Company's common shares then issued and outstanding and (2) the average weekly trading volume of the common shares on the NYSE during the four (4) calendar weeks preceding the filing of a notice on Form 144 under the U.S Securities Act in connection with the sale. Any such sales are also subject to manner of sale provisions, notice requirements and the Company's compliance with its public reporting obligations in the U.S. These restrictions will not apply to holders of the Company's common shares who own fewer than 10% of the Company's common shares and are not officers or directors of the Company, provided that the Company remains in compliance with its public reporting obligations in the U.S.

Under Regulation S of the U.S Securities Act, holders of the Company's unregistered common shares would be able to sell those shares outside the U.S. to non-U.S. persons, however, for the buyer to resell those shares on the NYSE that transaction would still need to be registered or qualify for another exemption from registration.

Management Authorisation (Directors and Officers). In the event that the Board of Directors determines to proceed with the NYSE Listing, the Company is seeking authorization of its shareholders to permit the directors and the officers of the Company, and each of them, to take or cause to be taken all actions as may be deemed necessary, expedient, or advisable incidental to all matters approved at this meeting.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'BC', is written over a horizontal line.

Brian Clarke, QC
General Counsel & Corporate Secretary