



2024 Annual Report

Financial Report
(U.S. Version)
Year ended 30 June 2024

Commonwealth Bank of Australia

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Introduction

The Commonwealth Bank of Australia Financial Report (US Version) - Year Ended 30 June 2024, which contains the Financial Statements for the years ended 30 June 2022, 2023 and 2024 and as at 30 June 2023 and 2024 (the "2024 Financial Report") should be read in conjunction with:

- The Commonwealth Bank of Australia Financial Report (US Version) – Year Ended 30 June 2023, which contains the Financial Statements for the years ended 30 June 2021, 2022 and 2023 and as at 30 June 2022 and 2023 (the "2023 Financial Report"); and
- The Commonwealth Bank of Australia Basel III Pillar 3 Capital Adequacy and Risk Disclosures as at 30 June 2024 in each case, as found on the US Investor Website located at:
www.commbank.com.au/usinvestors (the "US Investor Website").

Board of Directors

A strong, diverse team with a broad and complementary mix of skills and experience.

Paul O'Malley

BCom, M.App Finance, ACA

Chair and Independent Non-Executive Director



Appointed: 1 January 2019, Chair from 10 August 2022

Board Committees:    

Age: 60 years **Residence:** Melbourne, Australia

Contribution to the Board

Paul has broad executive leadership and operational experience. He served as Managing Director and Chief Executive Officer of BlueScope Steel Ltd for 10 years, after joining the company as Chief Financial Officer. Previously, he was the Chief Executive Officer of TXU Energy, a subsidiary of TXU Corp based in Dallas, Texas. Paul has a strong background in finance and accounting, having worked in investment banking and audit. Paul is a former Director of the Worldsteel Association, Chair of its Nominating Committee, and Trustee of the Melbourne Cricket Ground Trust.

Current external appointments

Nil.

Directorships of other listed entities in the last three years

Coles Group Limited (October 2020–October 2023).

Matt Comyn

BAV, MCom, EMBA, GMP

Managing Director and Chief Executive Officer



Appointed: 9 April 2018

Age: 48 years **Residence:** Sydney, Australia

Contribution to the Board

Matt has over 23 years' experience in banking across business, institutional and retail, and has held a number of senior leadership roles since joining the Bank in 1999. From 2012, until Matt's appointment as Chief Executive Officer, he was Group Executive Retail Banking Services and led the development of digital products and services for the Bank. Between 2006 and 2010, Matt was Managing Director of the Bank's online share trading business, CommSec, overseeing a significant modernisation of its technology platform, and growing market share and profitability.






Current external appointments

Director of the Business Council of Australia and Financial Markets Foundation for Children.

Directorships of other listed entities in the last three years

Nil.

Committees

 Nominations  Audit  Risk & Compliance  People & Remuneration  Committee Chair

Genevieve Bell AO retired as a Non-Executive Director on 31 October 2023.

Lyn Cobley

BEc, GAICD

Independent Non-Executive Director

**Appointed:** 1 October 2022**Board Committees:** ◆ ◆**Age:** 61 years **Residence:** Sydney, Australia**Contribution to the Board**

Lyn is an experienced banking and financial services leader with over 30 years' experience in senior positions at Australian and global banks. During her career, Lyn was the CEO of Westpac Institutional Bank, Group Treasurer of Commonwealth Bank of Australia, as well as holding senior positions at Barclays Capital and Citibank Ltd. In these roles, Lyn developed extensive knowledge of financial markets, managing through uncertainty, and creating greater balance sheet strength and resilience to support customers and stakeholders.

Current external appointments

Council member and Chair of the finance and facilities committee at Macquarie University, and an Advisory Member, EXL APAC Advisory Council.

Directorships of other listed entities in the last three years

Nil.

Julie Galbo

LLM, Executive Management Program (INSEAD)

Independent Non-Executive Director

**Appointed:** 1 September 2021**Board Committees:** ◆ ◆**Age:** 53 years **Residence:** Copenhagen, Denmark**Contribution to the Board**

Julie is an experienced financial services professional with substantial banking, strategy, risk and regulatory experience. She brings more than 20 years' experience as an Executive and a Director in major European financial services organisations. Julie held a number of leadership positions with Nordea Bank Abp, including the role of Group Chief Risk Officer. She served with the Danish Financial Services Authority, as Deputy Director General, and served on the Management Board of the European Securities and Markets Authority. Julie is the former Chairman of the board of Fundamental Fondsmæglerselskab A/S.

Current external appointments

Chairperson of Gro Capital, and a Senior Advisor to the European Union Global AML/CFT Facility.

Directorships of other listed entities in the last three years

Trifork AG (November 2020–present), Velliv A/S (March 2021–March 2023), UniCredit SpA (April 2024–present), and DNB Bank ASA (June 2020–April 2024).

Peter Harmer

Harvard Advanced Management Program

Independent Non-Executive Director

**Appointed:** 1 March 2021**Board Committees:** ◆ ◆ ◆**Age:** 63 years **Residence:** Sydney, Australia**Contribution to the Board**

Peter brings a diversity of thought in the areas of risk, customer perspectives and environmental, social and governance practices. He has significant experience in customer service and innovation within the insurance segment and financial services, and a deep understanding of environmental principles. Peter was previously Managing Director and Chief Executive Officer of Insurance Australia Group Ltd (IAG). Peter joined IAG in 2010 and held a number of senior roles.

Current external appointments

Director of Lawcover Insurance Pty Ltd, a member of the Bain Advisory Council, and an Advisory Member, EXL APAC Advisory Council.

Directorships of other listed entities in the last three years

nib holdings ltd (July 2021–present), and AUB Group Limited (July 2021–present).

Board of Directors continued

Simon Moutter

BSc, BE (Hons), ME

Independent Non-Executive Director



Appointed: 1 September 2020

Board Committees: ◆ ◆

Age: 64 years **Residence:** Auckland, New Zealand

Contribution to the Board

Simon has extensive leadership experience in technology, process effectiveness and business strategy. Simon was Managing Director of Spark New Zealand, where he held this position for seven years until 2019. He is also a former Chief Executive Officer of Auckland International Airport and has previously held senior management roles in telecommunications and energy companies.

Current external appointments

Chair of Kainga Ora, Housing New Zealand Ltd and Housing New Zealand Build Ltd, and Chair of three privately owned businesses – Smart Environmental Group Ltd, Les Mills International Ltd, and Designer Wardrobe Ltd.

Directorships of other listed entities in the last three years

Nil.

Mary Padbury

BA LLB (Hons), GAICD

Independent Non-Executive Director



Appointed: 14 June 2016

Board Committees: ◆ ◆

Age: 65 years **Residence:** Melbourne, Australia

Contribution to the Board

Mary is an intellectual property and trade practices lawyer with over 35 years' international legal, governance and technology experience. Mary served as the Chairman of Ashurst Australia before its full merger with Ashurst LLP, and was the global Vice Chairman of the post-merger firm. She retired as a Partner of Ashurst at the end of April 2018.

Current external appointments

Chairman of the Macfarlane Burnet Institute for Medical Research and Public Health Ltd, Board member of the Brandenburg Ensemble (Australian Brandenburg Orchestra), the Richmond Football Club, and its wholly owned subsidiary, Aligned Leisure Pty Ltd.

Directorships of other listed entities in the last three years

Nil.

Anne Templeman-Jones

BCom, EMBA, MRM, CA, FAICD

Independent Non-Executive Director



Appointed: 5 March 2018

Board Committees:  

Age: 63 years **Residence:** Sydney, Australia

Contribution to the Board

Anne is an experienced listed company director and chair with substantial enterprise risk, governance and strategy experience in banking and financial services, engineering services in the energy sector, pharmaceuticals and manufacturing. During her 30-year executive career, Anne held senior leadership positions in corporate and private banking including Westpac Banking Corporation, ANZ and Bank of Singapore. She is the former Chairman of Commonwealth Bank's financial advice companies.

Current external appointments

Non-Executive Director of the Cyber Security Research Centre Ltd, New South Wales Treasury Corporation, and director of the Australia-Israel Chamber of Commerce New South Wales Division.

Directorships of other listed entities in the last three years

Metals Acquisition Limited (22 July 2024–present), Worley Ltd (November 2017–July 2024), Trifork AG (April 2022–present), Blackmores Ltd (Chair: October 2020–November 2022), and G.U.D. Holdings Ltd (August 2015–August 2021).

Rob Whitfield AM

BCom, Grad Dip Banking, Grad Dip Fin, AMP, SF Fin, FAICD

Independent Non-Executive Director



Appointed: 4 September 2017

Board Committees:   

Age: 59 years **Residence:** Sydney, Australia

Contribution to the Board

Rob has extensive leadership experience across banking, finance and risk in both the private and public sectors. During Rob's 30 year executive career with Westpac Banking Corporation he held a number of senior leadership positions, including CEO of Westpac Institutional Bank, Chief Risk Officer and Group Treasurer. Rob is a former Chair and Director of New South Wales Treasury Corporation, former Secretary of NSW Treasury, and former Secretary of NSW Industrial Relations.

Current external appointments

Member of the Council of the Australian National University (effective from 1 July 2024).

Directorships of other listed entities in the last three years

GPT Group (May 2020–May 2024) and Transurban Ltd (November 2020–present).

Directors' report

The Directors of the Commonwealth Bank of Australia present their report, together with the Financial report of the Commonwealth Bank of Australia (the Bank) and of the Group, being the Bank and its controlled entities, for the year ended 30 June 2024.

Principal activities

We serve more than 17 million customers with a focus on providing retail and commercial banking services predominantly in Australia, and in New Zealand through our subsidiary ASB. Our products and services are provided through our divisions, Retail Banking Services, Business Banking, Institutional Banking and Markets, and ASB New Zealand.

Simpler, better foundations

We have undertaken and completed a number of transactions that are consistent with our strategy to focus on our core banking business.

On 1 May 2024, the Group completed the sale of its 99% shareholding in PT Bank Commonwealth (PTBC) to PT Bank OCBC NISP Tbk (OCBC Indonesia), a subsidiary of Oversea Chinese Banking Corp (OCBC).

There have been no other significant changes in the nature of the principal activities of the Group during the financial year.

✦ For further details, refer to Note 1.1 and Note 11.3 in the *Financial report* on pages 52 and 188, respectively.

Operating and financial review

Group profit

The Group's statutory net profit after tax for the financial year ended 30 June 2024 was \$9,394 million, a decrease of \$604 million or 6% on the prior year. Statutory net profit after tax from continuing operations for the financial year ended 30 June 2024 was \$9,481 million, a decrease of \$615 million or 6% on the prior year. The decrease was driven by a 2% reduction in total operating income and a 2% increase in operating expenses, partly offset by a 28% decrease in loan impairment expense.

Statutory net profit after tax complies with the requirements of the *Corporations Act 2001* (Cth), Australian Accounting Standards and International Financial Reporting Standards (IFRS). The cash net profit after tax is management's preferred measure of the Group's financial performance. It excludes items that are non-recurring in nature and are not considered representative of the Group's ongoing financial performance (non-cash items). We use the cash net profit after tax to present a clear and consistent view of our financial performance from period to period.

The Group's cash net profit after tax including discontinued operations for the year ended 30 June 2024 was \$9,847 million, a decrease of \$243 million or 2% on the prior year. Excluding discontinued operations, cash net profit after tax for the year ended 30 June 2024 was \$9,836 million, a decrease of \$236 million or 2% on the prior year.

Cash to statutory profit reconciliation

Statutory net profit after tax includes the following non-cash items:

	Continuing operations ¹		Total including discontinued operations ¹	
	FY24	FY23	FY24	FY23
Net profit after tax – cash basis	9,836	10,072	9,847	10,090
(Loss)/gain on acquisition, disposal, closure and demerger of businesses and associates (classified as discontinued operations)	(372)	32	(470)	(84)
Hedging and IFRS volatility	17	(8)	17	(8)
Net profit after tax – statutory basis	9,481	10,096	9,394	9,998

1 Comparative information has been revised to reflect the change detailed in Note 1.1 in the *Financial report*.

Non-cash items include:

- **(Loss)/gain on acquisition, disposal, closure and demerger of businesses and associates (classified as discontinued operations):** Gains and losses on these transactions are inclusive of foreign exchange impacts, impairments, restructuring, separation and transaction costs and cover both controlled businesses and associates classified as discontinued operations.
- **Hedging and IFRS volatility:** Hedging and IFRS volatility represents timing differences between fair value movements on qualifying economic hedges and the underlying exposure. To qualify as an economic hedge, the terms and/or risk profile must match or be substantially the same as the underlying exposure.

Assets and liabilities

Home loans increased \$12 billion or 2%, reflecting our continued focus on retaining existing customers in a highly competitive market coupled with strong growth in our new digital-only proprietary offering Unloan.

Business and corporate loans increased \$5 billion or 2% driven by growth in Business Banking reflecting diversified growth across a number of industries.

Deposits increased \$18 billion or 2%, primarily driven by continued growth in savings and investment deposits reflecting greater customer demand for higher yielding deposits.

Debt issues increased \$22 billion or 18% reflecting funding requirements following the maturity of the RBA Term Funding Facility.

Total Group assets and liabilities (\$m)	As at ¹		
	30 Jun 24	30 Jun 23	% change
Home loans	664,701	652,218	▲ 2%
Consumer finance	16,762	17,042	▼ 2%
Business and corporate loans	266,025	261,512	▲ 2%
Total Group lending	947,488	930,772	▲ 2%
Other assets (including held for sale)	306,588	321,651	▼ 5%
Total assets	1,254,076	1,252,423	–
Deposits	881,621	863,295	▲ 2%
Debt issues	144,530	122,267	▲ 18%
Term funding from central banks	4,228	54,220	▼ 92%
Other liabilities	150,609	141,008	▲ 7%
Total liabilities	1,180,988	1,180,790	–

¹ Comparative information has been revised to reflect the change detailed in Note 1.1 in the *Financial report*.

Other than the information included in the operating and financial review and throughout this Annual Report by cross reference, information on other likely developments, business strategies and prospects for future financial years of the Group's operations has not been included in this report as it would be likely to result in unreasonable prejudice to the Group.

Dividends

Details of dividends paid and dividends determined are outlined in Note 8.4 in the *Financial report* on pages 130–131.

Directors' report (continued)

Litigation and regulatory matters

A number of litigation proceedings against the Group are continuing. The proceedings include the defence of seven class actions. These include two separate shareholder class action proceedings (judgment was determined in CBA's favour on 10 May 2024 and the applicants have filed an appeal from that judgment), two class actions in relation to superannuation products, two class actions related to financial advice (one of which had an initial trial in March 2024 with judgment reserved), as well as a class action commenced in New Zealand against ASB Bank regarding disclosure of loan variations.

There are also ongoing matters where regulators or other bodies are investigating whether CBA, ASB or another Group entity has breached laws, regulatory, or other obligations. Where a breach has occurred, regulators or other bodies may impose, or apply to a Court for, fines and/or other sanctions, or may require remediation. The Group is also party to certain enforceable undertakings and one compliance program with a regulator and continues to receive various notices and requests for information from its regulators as part of both industry-wide and Group-specific reviews.

In addition to possible regulatory actions and reviews, there may also be financial exposure to claims by customers, third parties and shareholders and this could include further class actions, customer remediation or claims for compensation or other remedies. The outcomes and total costs associated with such regulatory actions and reviews, and possible claims remain uncertain.

The Board continues to monitor each of these proceedings and investigations. The Group also continues to engage with its regulators and other bodies in relation to the matters under investigation.

✦ For further information about some of the more significant litigation and regulatory matters referred to above, refer to Note 7.1 in the *Financial report* on pages 117–121.

Change in state of affairs

The significant changes in the state of affairs of the Group during the financial year are:

- Changes in the nature of principal activities outlined in the *Simpler, better foundations* section on page 7.
- Changes to the Board as outlined in the *Our approach to corporate governance* section on pages 3–6.

Events subsequent to reporting date

The Directors have determined a fully franked final dividend of 250 cents per share amounting to \$4,184 million. The Bank expects the Dividend Reinvestment Plan (DRP) for the final dividend for the year ended 30 June 2024 will be satisfied in full by an on-market purchase of shares of approximately \$560 million.

On 14 August 2024, the Bank announced a 12 month extension of the on-market share buy-back of up to \$1 billion of shares announced on 9 August 2023 (of which \$282 million was completed during the year ended 30 June 2024). The Bank reserves the right to vary, suspend or terminate the buy-back at any time.

The Directors are not aware of any other matter or circumstance that has occurred since 30 June 2024, that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Environmental reporting

We are subject to the Federal Government's National Greenhouse and Energy Reporting (NGER) scheme. The scheme makes it mandatory for controlling corporations to report annually on greenhouse gas emissions, energy production and energy consumption, if they exceed certain threshold levels. Our NGER submission is independently audited and submitted before the deadline to ensure that the Group meets the NGER requirements.

We do not believe that we are subject to any other significant environmental reporting regulations under the law of the Commonwealth or of a State or Territory of Australia.

Modern slavery reporting

We are subject to *Australia's Modern Slavery Act 2018* (Cth) and as required by that legislation, we published our 2023 Modern Slavery Statement (Statement) in December 2023. The Statement outlines the actions taken by the Group to identify, assess and mitigate modern slavery and human trafficking risks in our operations and supply chain, over the financial year ended 30 June 2023. This disclosure builds upon our annual reporting for the *UK Modern Slavery Act 2015*, having published our first Modern Slavery and Human Trafficking Statement in 2016. We remain focused on this critical issue and will continue to report in line with legislative requirements.

Directors and Directors' meetings

The Board of the Commonwealth Bank of Australia met 12 times during the year ended 30 June 2024. In addition, Directors attended Board strategy sessions and special purpose committee meetings during the year.

The following table includes:

- names of the Directors holding office at any time during, or since the end of, the financial year; and
- the number of scheduled and unscheduled Board and Board Committee meetings held during the financial year for which each Director was a member of the Board or relevant Board Committee and eligible to attend, and the number of meetings attended by each Director.

All Directors may attend Board Committee meetings (with the exception of the Nominations Committee) even if they are not a member of the relevant Committee. The table below excludes the attendance of those Directors who attended meetings of Board Committees of which they are not a member.

Director	Board				Committees									
	Scheduled meetings		Unscheduled meetings ¹		Risk & Compliance		Audit		People & Remuneration		Nominations		Concurrent	
	Held ²	Attended	Held ³	Attended	Held ²	Attended	Held ²	Attended	Held ²	Attended	Held ²	Attended	Held ⁴	Attended
Paul O'Malley	9	9	3	3	7	7	8	8	7	7	6	6	2	2
Matt Comyn	9	9	3	3										
Genevieve Bell AO ⁵	2	2	3	2					3	3	2	2		
Lyn Cobley ⁶	9	9	3	3	5	5	6	6					2	2
Julie Galbo	9	9	3	3	7	7	8	8					2	2
Peter Harmer ⁷	9	9	3	3			8	8	7	7	4	4	2	2
Simon Moutter	9	9	3	3	7	7			7	7			2	2
Mary Padbury	9	9	3	3					7	7	6	6	2	2
Anne Templeman-Jones	9	9	3	3	7	7	8	8					2	2
Rob Whitfield AM	9	9	3	3	7	7	8	8			6	6	2	2

1 Out of cycle Board meetings typically called for a special purpose that do not form part of the Board approved yearly planner.

2 The number of scheduled meetings held during the time the Director was a member of the Board or of the relevant committee.

3 The number of unscheduled meetings held during the time the Director was a member of the Board.

4 The number of concurrent meetings of the four Board Committees held during the time the Director was a member of the relevant Committee.

5 Genevieve Bell retired effective 31 October 2023.

6 Lyn Cobley was appointed as a member of the Audit and the Risk & Compliance Committees on 1 October 2023.

7 Peter Harmer was appointed as a member of the Nominations Committee on 1 November 2023.

✦ Details of current Directors, their experience, qualifications, directorships of other listed entities and any special responsibilities (including Board Committee memberships) and other external appointments, are set out in the *Board of directors* section on pages 3–6.

Directors' report (continued)

Options and share rights outstanding

There are no options over Bank shares on issue as at the date of this report. As at the date of this report, there are 1,031,251 share rights outstanding in relation to Bank ordinary shares and no employee options. Holders of outstanding share rights in relation to the Bank's ordinary shares do not have any rights under the share rights to participate in any share issue or interest of the Bank.

Directors' interests in contracts

A number of Directors have given written notices stating that they hold office in specified companies and accordingly are to be regarded as having an interest in any contract or proposed contract that may be made between the Group and any of those companies.

Directors' and officers' indemnity and insurance

Constitution

The Directors, as named on pages 3–6 of this report, and the Company Secretaries of the Bank, referred to below, are indemnified under the Constitution of the Commonwealth Bank of Australia (the Constitution), as are all current and former Directors and Executive Officers of the Bank (as defined in the Constitution).

The indemnity extends to such other officers or former officers of the Bank, or of its related bodies corporate, as the CBA Board in each case determines (each, including the Directors and Company Secretaries, is defined as an 'Officer' for the purpose of this section).

The Officers are indemnified by the Bank on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses incurred by the Officer as an officer of the Bank or of a related body corporate.

Deeds of indemnity

An individual deed of indemnity, on substantially the same terms as those provided in the Constitution, has been provided to each Director and Company Secretary of the Bank, the Australian based non-executive directors and company secretaries of CBA subsidiaries and to each Group Executive.

The Bank has also executed an indemnity deed poll, which provides indemnification to certain other officers on substantially the same terms as those provided in the Constitution. The Bank's Directors, and other individuals described in the preceding paragraph, rely on the terms of their individual deed of indemnity and not the indemnity deed poll.

The Deed Poll has been executed by the Bank in favour of each:

- secretary and senior manager of the Bank;
- director, secretary or senior manager of a related body corporate of the Bank;
- person who, at the request of the Bank or a related body corporate, acts as Director, secretary or senior manager of a body corporate which is not a related body corporate of the Bank (in which case the indemnity operates only in excess of protection provided by that body corporate); and
- person who, at the request of a related body corporate of the Bank, acts as a member of the compliance committee of a registered scheme for which the related body corporate of the Bank is the responsible entity.

In the case of a subsidiary or partly-owned subsidiary of the Bank, where a director, company secretary or a senior manager of that entity holds such a position as a nominee of or due to being nominated by an entity which is not a related body corporate of the Bank, the indemnity deed poll will not apply to that person unless the Bank's CEO has certified that the indemnity will apply to that person.

Insurance

The Bank has, during the financial year, paid an insurance premium in respect of a Directors' and Officers' liability and company reimbursement insurance policy for the benefit of the Bank and persons defined in the insurance policy who include Directors, Company Secretaries, Officers and certain employees of the Bank and related bodies corporate. The insurance is appropriate pursuant to section 199B of the *Corporations Act 2001* (Cth). In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy, including the nature of the liability insured against and the amount of the premium.

Proceedings on behalf of the Bank

No application has been made under section 237 of the *Corporations Act 2001* (Cth) in respect of the Bank, and there are no proceedings that a person has brought or intervened in on behalf of the Bank under that section.

Rounding and presentation of amounts

Commonwealth Bank is an entity to which *ASIC Corporations Instrument 2016/191 (Instrument)* dated 24 March 2016, relating to the rounding of amounts in Directors' reports and Financial reports, applies. Pursuant to this Instrument, amounts in this Directors' report and the accompanying financial report have been rounded to the nearest million dollars, unless indicated otherwise.

Company secretaries

Karen O'Flynn was appointed Company Secretary of the Bank on 1 September 2023. Karen is also the Bank's Group General Counsel and Group Executive, Legal & Group Secretariat.

Qualifications: BA, LLB.

Vicki Clarkson was appointed Company Secretary of the Bank on 3 March 2022. Vicki has extensive listed company experience. Prior to joining the Bank, Vicki held senior legal, corporate governance and company secretary roles at Bank of Queensland, Aurizon Holdings Limited, Flight Centre Limited and Shine Corporate Ltd. Vicki is a member of the Governance Institute of Australia's Legislative Review Committee.

Qualifications: BA, LLB, Grad. Dip. Legal Practice, Grad. Dip. Corp. Gov, FGIA, GAICD, FCIS.

Remuneration report



Dear Shareholder

In the 2024 financial year, we supported our customers and communities while delivering sustainable returns to shareholders, as reflected in our remuneration outcomes.

In this section

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On behalf of the Board, I am pleased to present the 2024 Remuneration Report.

For the 2024 financial year, our drive for sustainable performance has underpinned shareholder outcomes, made gains in consumer customer advocacy, delivered positive people and cultural outcomes and a strong reputation score, as measured by RepTrak.

As a Board, we ensure executive remuneration outcomes reflect an appropriate balance of financial and non-financial performance, backed by sound risk management. We made adjustments to scorecard weightings for the 2024 financial year, increasing the weighting on shareholder measures to 50% for the CEO and a number of our Executive Leadership Team (ELT) while maintaining a material weighting on non-financial performance.

In addition, the Board commissioned an independent review of financial target setting in the 2024 financial year to evaluate market practice. We have also continued to evolve our governance approach to support robust and balanced challenge of performance and risk outcomes at our concurrent meeting, with an elevated focus on the behaviours that drive positive risk outcomes.

Financial performance

The Group Cash Net Profit After Tax (NPAT) performance was above target

at \$9,847 million, and our Profit After Capital Charge (PACC) outcome was below target at \$5,558 million. The Bank's capital position remains well above Australian Prudential Regulatory Authority (APRA) requirements for resilience, safety and confidence.

Total Shareholder Return (TSR) over the period 1 July 2020 to 30 June 2024 was 112.22%.

+ Additional detail on our TSR peer groups can be found in the [2021 Remuneration Report](#).

Our results demonstrate disciplined execution of our strategic priorities, and we are well positioned to meet our customers' needs while also investing for the future.

The Board closely monitored macroeconomic factors and the Group's financial performance throughout the 2024 financial year, and modified our approach to setting 'Threshold' and 'Above Expectations' performance targets following the independent review to ensure financial targets are stretching and appropriate for the market context in which they are set.

Non-financial performance

We believe that lead indicators of sustainable future performance and value creation are essential to assessing and rewarding executives, consistent with APRA's position on non-financial measures.

Most importantly, during the 2024 financial year, we maintained our top ranking relative to the other major banks in Consumer and Institutional categories as measured by net promoter score (NPS).

Our corporate reputation, as measured independently by RepTrak, remains strong relative to our peers.

✦ Additional detail on our performance outcomes can be found on page 19.

Gender pay gap and improving representation

Our organisation-wide median gender pay gap of 29.9% was published by the Workplace Gender Equality Agency (WGEA) for the first time this year, and reflects many factors influencing the gender pay gap more broadly, including the types of roles performed by women, the seniority of those roles and the composition of the workforce. On an aggregate level, we have achieved gender pay equity on a 'like for like basis' – that is men and women are paid equally for performing the same or comparable work. We remain dedicated to closing the gender pay gap and promoting gender equality. We are continuing to advance gender representation across leadership roles, and work with various external bodies to support more women to enter the workforce to help diversify Australia's talent pool.

Remuneration framework

For the 2024 financial year, the Board adjusted the ELT's short-term variable remuneration (STVR) scorecard weightings to create an appropriate balance of individual and collective measures, and reduce the number of performance measures to ensure a tighter focus on measurable outcomes. For the CEO and Group Executives of our customer-facing businesses and the Financial Services, Technology and Operations support units, financial measures in the STVR scorecard were increased from 40% to 50%.

During the year, the Board undertook a review and streamlined the concurrent meetings of the Board Committees. A thorough review of risk matters is undertaken incorporating input by the Group Chief Risk Officer and Group Auditor with consideration of both positive and negative risk behaviours and outcomes, including

remuneration consequences where justified. This is consistent with the Group's commitment to do the right thing for our customers, people, communities and shareholders.

For the 2024 financial year, progress against the Environment & Social framework has been incorporated into our risk and reputation modifier.

The Board considered significant risk matters, executive accountability and remuneration adjustments during the 2024 financial year. No upward or downward adjustments were made to Executive STVR due to reputation or risk-related matters.

✦ Additional detail on risk and remuneration adjustments can be found on page 41.

Performance and remuneration outcomes

The Board considered financial and non-financial performance outcomes both in the context of the 2024 financial year and over a multi-year period and approved:

- Executive KMP received no fixed remuneration increases in the 2024 financial year.
- FY24 STVR outcomes ranging between 77% and 84% of maximum, with no downward adjustments for risk matters.
- FY24 long-term alignment remuneration (LTAR) grants awarded with no reduction, consistent with the design and objective to reinforce individual people & leadership and strategy execution performance. Final outcomes will be assessed prior to vesting on 30 June 2027.
- Vesting of the FY21 LTAR award for the first time since its introduction in the 2021 financial year. The vesting outcome was not reduced following Board review of Executive conduct and risk outcomes.
- The FY21 long-term variable remuneration (LTVR) performance outcome of 100%, which reflects TSR performance of 85th and 87.5th percentile over the long term relative to the two comparator groups. The performance rights are not released to the CEO and Group Executives until the end of the relevant holding period.

FY24 realised remuneration for the CEO and Group Executives incorporates deferred STVR and the FY20 LTVR vesting at 92.5% on relative TSR, employee engagement and trust and reputation performance over the four-year period ending

30 June 2023 (92.1% for CEO ASB), as reported in our 2023 financial year Remuneration Report. The face value of the LTVR award at vesting was 24.28% higher than at the start of the performance period due to the increase in share price during the period (from \$82.57 at allocation to \$102.62). The TSR over this same period was 42.87%.

✦ Additional detail on executive remuneration outcomes can be found on pages 19–20.

Non-Executive Director fees

The Board determined to increase base fees for Board members (not including the Board Chair) by 7.4%, effective 1 January 2024 to reflect external market movements. This was the first increase to base fees for Board members since the 2015 financial year. There was no change to other Board fees or the Board fee pool.

✦ Additional detail on the Directors' fees is provided on page 38.

Looking forward

As the Bank continues to make progress on building tomorrow's bank today for our customers, our priorities as a People & Remuneration Committee remain committed to ensuring our people and remuneration strategies and practices continue to attract and retain the best talent, motivate our people to deliver long-term sustainable performance and reward them for doing the right thing.

We recognise that closing the gender pay gap requires a long term commitment across the Bank and partnerships with government, industry, education providers and community groups to support more girls and women to participate in the workforce with skills highly sought after in the Australian market.

The Board continues to monitor our remuneration framework to ensure it remains fit for purpose, delivers on our remuneration principles, including to attract and retain exceptional talent, and reflects stakeholder perspectives.

I invite you to read the Remuneration Report and welcome your feedback.



Simon Moutter
People & Remuneration
Committee Chair

Our Executive remuneration framework

Designed to attract and retain exceptional talent, align with and deliver sustainable shareholder returns and meet regulatory requirements.

Our remuneration principles



Aligned with shareholder value creation



Market competitive to attract and retain exceptional talent



Reward sustainable outperformance



Recognise the role of non-financial drivers in longer-term value creation



Simple and transparent



Reflect the Group's strategy and values

Fixed Remuneration (FR)

Purpose

Provides market competitive remuneration to attract and retain high quality talent while reflecting role scope and accountabilities.

Description

Base remuneration and superannuation (or KiwiSaver for the CEO ASB), reviewed annually against relevant comparator group remuneration benchmarks.

✚ For further information please see page 26.

Mix

FR: 30%	STVR	LTAR	LTVR
---------	------	------	------

Instrument and deferral

CEO

Cash
100%



Group Executives and CEO ASB

Cash
100%



Short-Term Variable Remuneration (STVR)

Purpose

Varies remuneration outcomes in line with annual performance achievement, with material weighting to financial and non-financial outcomes across shareholder, customer, people & leadership and strategy execution measures.

Description

Target opportunity of 75% of FR with maximum opportunity of 94% of FR (125% of target STVR), based on balanced performance scorecard, risk scorecard and values assessment.

✚ For further information please see page 26.

Mix

FR	CASH: 14%	SHARES: 14%	LTAR	LTVR
----	-----------	-------------	------	------

CEO

Cash
50%



Group Executives and CEO ASB

Cash
50%



← Subject to in-year adjustments, malus and clawback. →
Refer to page 26.

Mandatory Shareholding Requirement (MSR)

Our MSR promotes alignment of the interests of the CEO and Group Executives with those of shareholders and supports sustained long-term value creation for the Group.

The CEO must accumulate CBA shares equal to 300% of FR, and Group Executives and the CEO ASB must accumulate shares equal to 200% of FR. All Executives have a five-year period from the date of their appointment to their respective roles, or from the date their FR increases by 15% or greater, to meet their MSR.

➤ Further details on Executive KMP shareholdings are provided on pages 21–22.

MSR as a proportion of FR



Group CEO



Group Executive and CEO ASB

Long-Term Alignment Remuneration (LTAR)

Purpose

Drives collective focus on increasing the value of CBA over time, and individual focus on people & leadership and strategy execution.

Description

Maximum opportunity of 70% of FR (subject to pre-grant and pre-vest assessments, and restriction period) which considers future financial factors and individual non-financial performance of people & leadership and strategy execution.

➤ For further information please see pages 27–28.

Mix

FR	STVR	LTAR: 21%	LTVR
----	------	-----------	------

CEO

Restricted share units
50%



Group Executives and CEO ASB

Restricted share units
100%



Long-Term Variable Remuneration (LTVR)

Purpose

Varies remuneration outcomes in line with longer-term performance measures, with a focus on relative shareholder returns to support sustainable long-term shareholder value.

Description

Maximum opportunity of 70% of FR. Assessed on relative TSR, measured against two equally-weighted comparator groups: a general ASX peer group and a financial services peer group, subject to a holding period after a four-year performance period.

➤ For further information please see pages 29–30.

Mix

FR	STVR	LTAR	LTVR: 21%
----	------	------	-----------

CEO

Performance period



Group Executives and CEO ASB

Performance period



← Subject to malus and clawback. Refer to pages 27 and 30. →

◆ Pre-vest assessment.

◆ Performance assessment.

Our Executive Key Management Personnel

The table below outlines the Executives who were Key Management Personnel (KMP) for the year ended 30 June 2024, including each individual's appointment and cessation date where applicable. KMP are defined as persons having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any Director (whether Executive or otherwise) of that entity.

Name	Position	Appointment Date	Cessation Date	Term as KMP
CEO				
Matt Comyn	Managing Director and Chief Executive Officer	9 April 2018	–	Full year
Current Group Executives and CEO ASB				
Alan Docherty	Group Chief Financial Officer	15 October 2018	–	Full year
Andrew Hinchliff	Group Executive, Institutional Banking and Markets	1 August 2018	–	Full year
Sian Lewis	Group Executive, Human Resources	1 August 2018	–	Full year
Gavin Munroe	Group Chief Information Officer	14 November 2022	–	Full year
Vittoria Shortt	Chief Executive Officer and Managing Director of ASB (CEO ASB)	3 February 2018	–	Full year
Angus Sullivan	Group Executive, Retail Banking Services	1 July 2018	–	Full year
Mike Vacy-Lyle	Group Executive, Business Banking	31 January 2020	–	Full year
Nigel Williams	Group Chief Risk Officer	5 November 2018	–	Full year
Former Group Executive				
David Cohen	Deputy Chief Executive Officer	5 November 2018	31 December 2023	Part year

Executive KMP exit

David Cohen ceased his KMP role effective 31 December 2023 by mutual agreement as announced to the market on 22 November 2023. David's exit arrangements were in accordance with his employment contract, applicable law and Group Remuneration Policy. Upon his exit, David received a contractual severance payment¹. No payments were made in lieu of notice of termination.

David is eligible for a pro-rated FY24 STVR award, pro-rated FY24 LTAR award and pro-rated FY24 LTVR award.

The pro-rated STVR deferral is in cash and aligned to the requirements of the Financial Accountability Regime (FAR)².

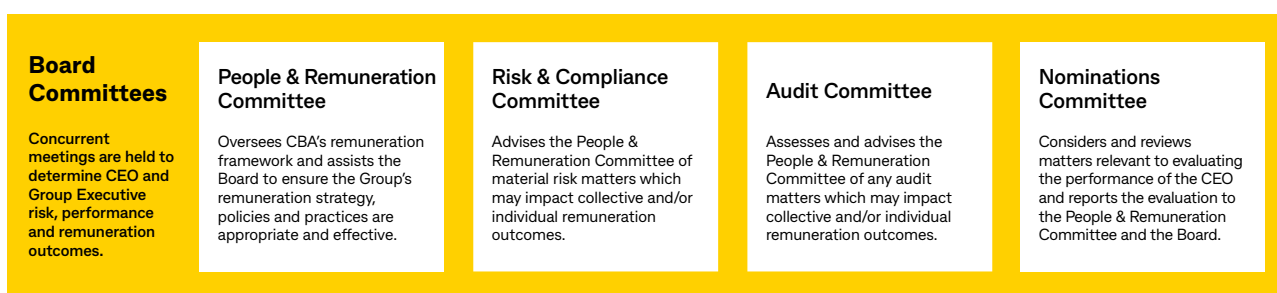
As a good leaver, unvested deferred awards remain on-foot³ to be vested per the original vesting schedule to allow for the review of, and adjustment for, risk or conduct in the future if required, subject to Board discretion.

- David Cohen's contractual severance pay is part of grandfathered arrangements where Group Executives were eligible for severance payments of six months' base remuneration if their employment is terminated by the Group, other than for misconduct or unsatisfactory performance.
- Under FAR, deferred remuneration obligations under the Banking Executive Accountability Regime (BEAR) continue to apply to remuneration arrangements in place prior to the first financial year that begins after 15 September 2024. In line with BEAR, any payment determined and paid in the ordinary course is subject to performance and Board risk and reputation review and is paid 60% in cash with the remaining 40% deferred as cash, vesting at least four years after the decision is made to make the relevant award.
- No accelerated or automatic vesting upon ceasing employment. The on-foot deferred awards will be assessed in the ordinary course at the end of the vesting period related to each award (as applicable). Final deferred award outcomes will be subject to performance (where applicable), and Board risk and reputation review. Deferred awards continue to be subject to malus and clawback.

Remuneration governance

CBA's remuneration governance framework

CBA Board



Risk & Remuneration Review Committee

Management committee that advises the Group CRO on material risk matters, including any that may impact remuneration outcomes for Executive General Managers and below levels.

Independent Remuneration Consultant

The People & Remuneration Committee may engage external advisors to provide information to assist the Committee in making remuneration decisions.

People & Remuneration Committee and Board oversight

The People & Remuneration Committee is the governing body for developing, monitoring and assessing the remuneration strategy and framework across CBA on behalf of the Board, ensuring that these are appropriate and effective. The role of the People & Remuneration Committee is to review, challenge, assess and, as appropriate, endorse the recommendations made by management for Board approval. The Board reviews, challenges, applies judgement and, as appropriate, approves the People & Remuneration Committee's recommendations.

The People & Remuneration Committee met formally seven times during the 2024 financial year with the following members (as at 30 June 2024): Simon Moutter (Chair), Peter Harmer, Paul O'Malley, Mary Padbury and Genevieve Bell (up until 31 October 2023). The responsibilities of the People & Remuneration Committee are outlined in its Charter, which is reviewed annually.

As part of the performance and risk review, and to support the determination of remuneration outcomes for the CEO and Group Executives, the People & Remuneration Committee meets concurrently with the Risk & Compliance, Audit, and Nominations Committees in February and June. These concurrent meetings provide an opportunity for the Committees to review and discuss relevant risk and audit matters that may warrant consideration in the People & Remuneration Committee's determination of remuneration outcomes. Information provided to the concurrent meetings supports determination of collective and/or individual remuneration adjustments and includes risk scorecard outcomes for the CEO and Group Executives, details of material risk matters presented by the Group CRO and outcomes of internal audit reviews conducted during the year presented by the Group Auditor.

The concurrent meeting process was reviewed during the 2024 financial year to consider the appropriate meeting structure to support the determination of appropriate remuneration outcomes and meet regulatory requirements. Following the review, the concurrent meeting agenda was streamlined to primarily focus on key risk and audit matters relevant to the CEO and each Group Executive's performance and remuneration outcomes to ensure due consideration is given to both exceptional and poor risk and audit outcomes and the context in which those outcomes occurred.

The Risk & Remuneration Review Committee, a management committee that advises the Group CRO, oversees assessment of accountability for material risk matters, including those impacting CBA's reputation, and application of remuneration adjustments as appropriate for employees at and below the Executive General Manager level.

In line with New Zealand regulatory requirements, the performance and remuneration arrangements and outcomes for the CEO ASB are determined and approved by the Board of ASB.

External advisors

During the 2024 financial year, external advisors were engaged to provide information to the People & Remuneration Committee to assist with making remuneration decisions. The People & Remuneration Committee did not seek or receive any remuneration recommendations from external advisors in the 2024 financial year.

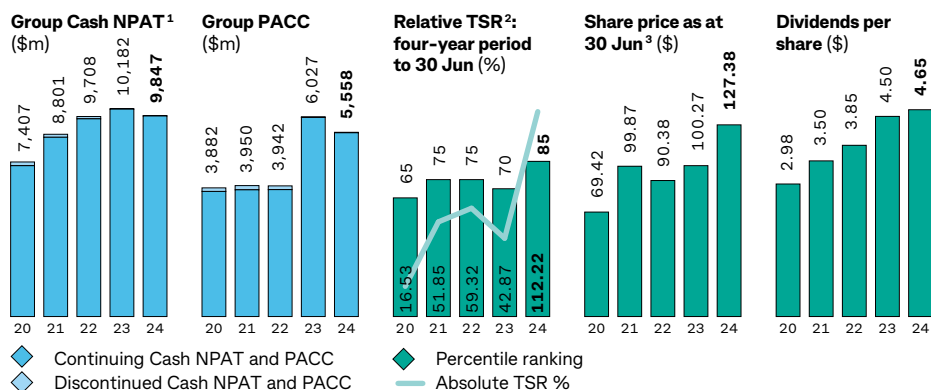
Group performance and remuneration

Our remuneration outcomes, including STVR, LTAR and LTVR, reflect sustained performance across both financial and non-financial measures. The graphs and table below illustrate the relationship between Executive remuneration outcomes and the Group's performance over the past five financial years.

Measures

Financial

Executive remuneration outcomes reflect sustained financial performance, with consistent operational execution and value delivery for shareholders. Financial targets are set by the Board considering Group strategic priorities, the economic environment and market expectations. Following a review, the method for setting financial performance targets for FY24 was adjusted to reflect better market practices.



1 Restated as disclosed in Note 1.1 in the financial statements.

2 Percentile ranking relative to general ASX peer group. The percentile ranking relative to the financial services peer group was 87.5 for FY24.

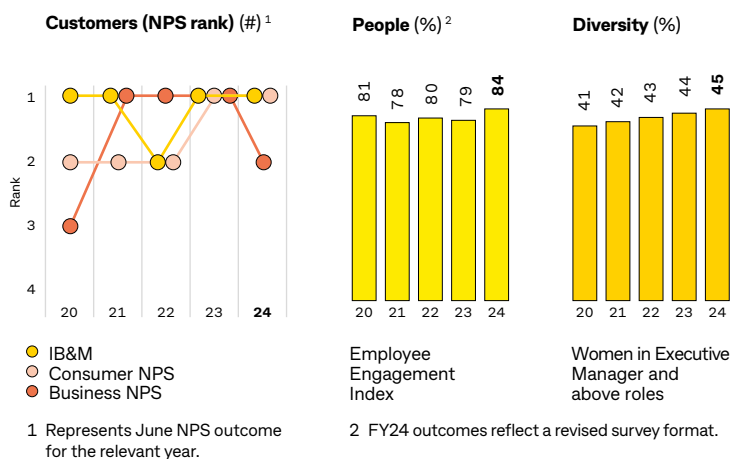
3 CBA opening share price 1 July 2019 was \$83.50.

Non-financial

Executive remuneration outcomes reflect non-financial performance in customer, people and leadership, strategy execution, risk and reputation and values.

Targets are set to maintain or increase a leading position relative to peers or absolute NPS levels. This supports alignment with shareholder interests as we advance our strategic priorities and create sustainable value for our customers, people and shareholders. Focusing on non-financial performance (in addition to financial performance) ensures compliance with APRA Prudential Standard CPS 511 requirements.

✚ Further details can be found on page 24.



Executive KMP remuneration

Remuneration outcomes	30 Jun 20	30 Jun 21	30 Jun 22	30 Jun 23	30 Jun 24
Fixed remuneration (FR) increase¹ (average %)	1.3%	5.1% ²	3.6%	1.3%	0%
▶ STVR outcome (average % of maximum)	60%	85% ³	85%	88%	81%
▶ LTAR vesting outcome (% of maximum)	n/a	n/a	n/a	n/a	100% ⁴
▶ LTVR performance outcome (% of maximum)	84%	87.5%	100%	92.5%	100% ⁴

1 Average increases for Key Management Personnel (KMP) excluding promotions.

2 Increased FR in combination with the reduced total remuneration opportunity and rebalanced pay-mix. Underlying FR average increase 1.4%.

3 Maximum STVR opportunity reduced from 150% to 125% of target for 2021 financial year impacting year-on-year comparisons of STVR outcome as a % of maximum.

4 The FY21 LTAR is the first LTAR grant under the executive remuneration framework introduced in FY21.

FY24 remuneration at a glance

CEO remuneration

Matt Comyn was appointed to the CEO role effective 9 April 2018. For the 2024 financial year, the CEO:

- Did not receive an increase to fixed remuneration and total target remuneration remained unchanged.
- Received variable remuneration relating to performance over the five-year period from 1 July 2019 to 30 June 2024.

Variable remuneration		Outcome ¹	Performance Period
Cash STVR	50% of FY24 Award	79%	1 July 2023 to 30 June 2024
Deferred STVR	25% of FY22 Award	87%	1 July 2021 to 30 June 2022
	25% of FY21 Award	87%	1 July 2020 to 30 June 2021
LTVR	100% of FY20 Award	92.5%	1 July 2019 to 30 June 2023

- Outcomes reflect performance (as a % of maximum) against financial and non-financial measures.
- FY24 total received remuneration is \$8.98 million with 72% (\$6.48 million) of total remuneration relating to performance, including awards deferred into equity from prior performance periods. See page 27 for further detail.
- Share price growth on deferred awards contributed \$1.10 million or 12% of FY24 total remuneration received².
- FY24 statutory remuneration is \$7.17 million, which reflects the accounting value of Matt Comyn's awards prepared in line with Australian Accounting Standards. See pages 31–32 for further detail.

1 STVR outcome reflects % of maximum performance opportunity. LTVR outcome reflects % of maximum vesting opportunity.

2 The market value of FY22 deferred STVR shares at grant was \$96.05 and \$101.35 at vesting. The market value of FY21 deferred STVR shares at grant was \$101.00 and \$101.35 at vesting. The market value of the FY20 LTVR performance rights at grant was \$80.34 and \$104.47 at vesting.

FY24 outcomes

Short-term variable remuneration (STVR)

CEO remuneration
STVR % of maximum **78.6%**

Group Executives (GEs) and CEO ASB remuneration
STVR % of maximum
76.7% to 83.6%

Long-term alignment remuneration (LTAR)

The LTAR vested for the first time with no reduction.

CEO: 50% of the FY21 LTAR grant remains in restriction until 30 June 2025.

GEs and CEO ASB: restriction period ends 30 June 2024 for the FY21 LTAR grant.

Long-term variable remuneration (LTVR)

FY21 LTVR reached the end of its performance period on 30 June 2024.

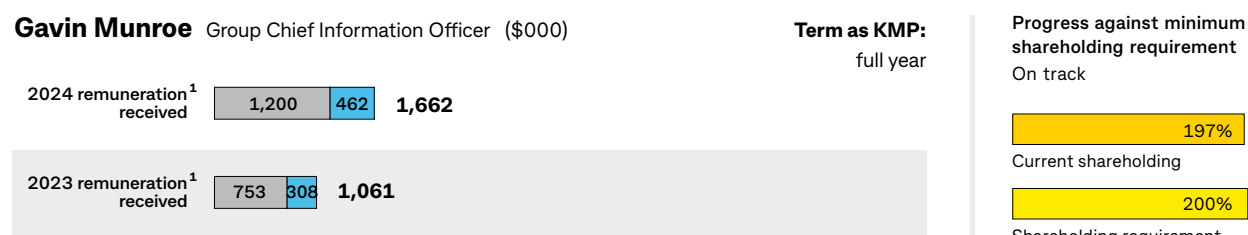
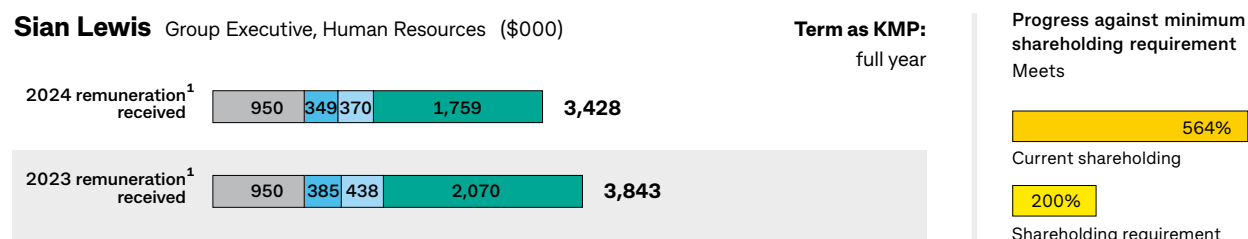
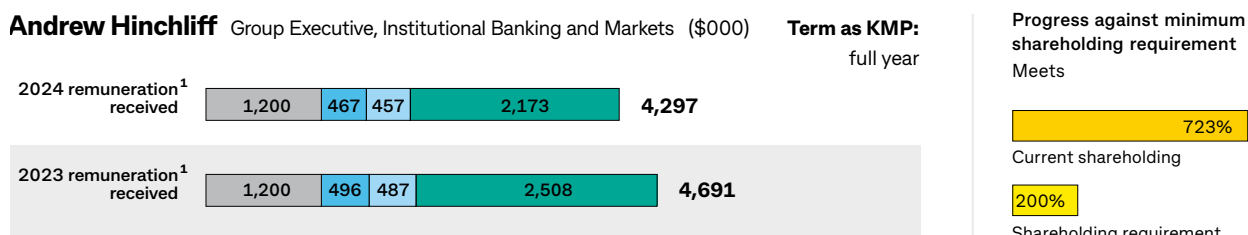
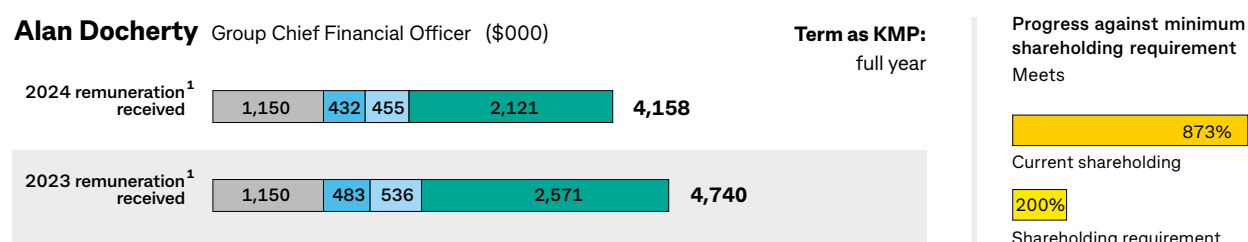
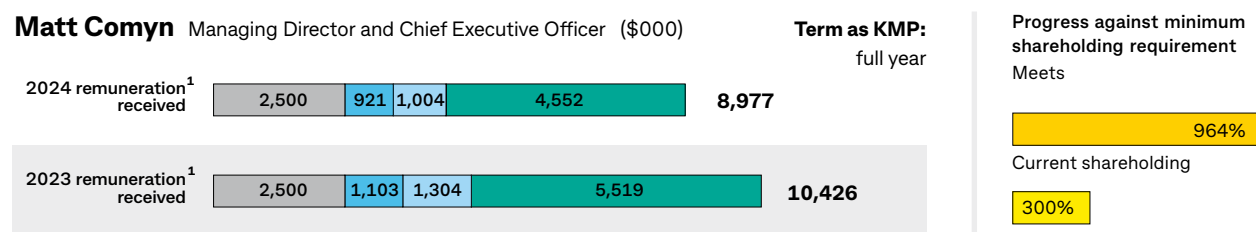
Performance outcome: **100%**





CEO: Performance rights are subject to a further holding period – 50% for two years and 50% for three years (to 30 June 2026 and 30 June 2027 respectively).

GEs and CEO ASB: Performance rights are subject to a further holding period – 50% for one year and 50% for two years (to 30 June 2025 and 30 June 2026 respectively).

Executive KMP remuneration snapshot

The Executive KMP remuneration snapshot provides details of remuneration received¹ during the financial years ended 30 June 2024 and 30 June 2023. This differs from the statutory remuneration table on pages 31–32, which presents remuneration in accordance with accounting standards (i.e. on an accruals basis). The basis of preparation is noted on page 23, excluding any one-off awards.

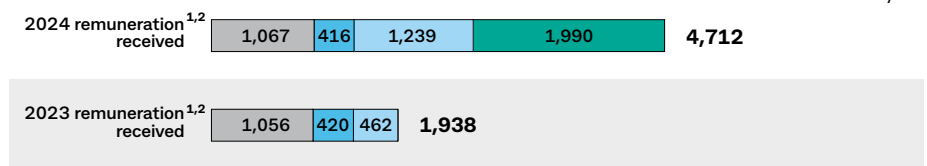


Key  FR  STVR – Cash  STVR – Deferred  LTVR

¹ Both 2024 and 2023 refer to the relevant financial year, and include fixed remuneration received, STVR cash portion paid, and equity awards which have vested during the year, including deferred STVR and LTVR awards. For 2024 this relates to the 2020 LTVR and for 2023 it relates to the 2019 LTVR.

2024 remuneration received includes vesting of the FY20 LTVR award. As reported in 2023, the FY20 LTVR award vested at 92.5% reflecting sustained strong financial and non-financial performance for the period from 1 July 2019 to 30 June 2023 being: relative TSR at the 70th percentile, Employee Engagement of 84% and RepTrak score of 100th percentile (peer group made up of 16 largest consumer facing ASX companies for CBA and 13 companies being the four largest financial institutions in New Zealand and nine largest New Zealand institutions for ASB. The positive TSR gateway was met for non-financial performance measures; CBA's absolute TSR for the four-year performance period to 30 June 2023 was 42.87%.

Vittoria Shortt Chief Executive Officer and Managing Director of ASB (\$000) **Term as KMP:** full year



Progress against minimum shareholding requirement
Meets

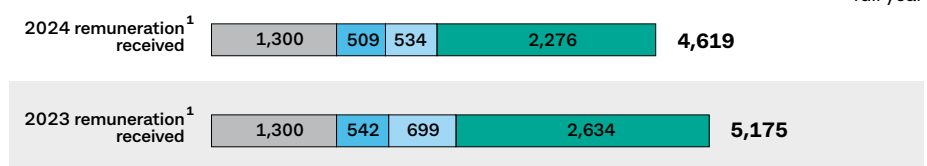


Current shareholding



Shareholding requirement

Angus Sullivan Group Executive, Retail Banking Services (\$000) **Term as KMP:** full year



Progress against minimum shareholding requirement
Meets

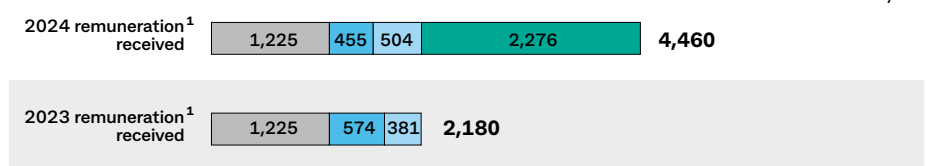


Current shareholding



Shareholding requirement

Mike Vacy-Lyle Group Executive, Business Banking (\$000) **Term as KMP:** full year



Progress against minimum shareholding requirement
Meets

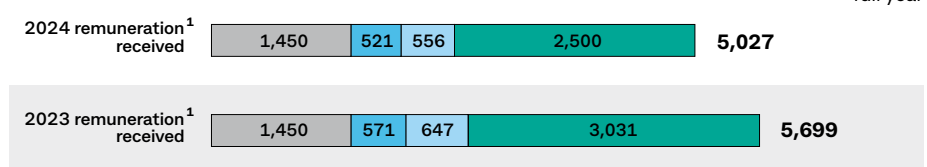


Current shareholding



Shareholding requirement

Nigel Williams Group Chief Risk Officer (\$000) **Term as KMP:** full year



Progress against minimum shareholding requirement
Meets



Current shareholding



Shareholding requirement

Key FR STVR – Cash STVR – Deferred LTVR

2 New Zealand dollar amounts have been converted to Australian dollars. For the CEO ASB, the FY20 LTVR award vested at 92.12% with trust and reputation at 88.46%.

Remuneration report (continued)

Remuneration received during the year by Executive KMP

The remuneration outcomes table below provides a summary of the remuneration received by the Executives in their KMP roles during the financial year ended 30 June 2024. It complements the Executive KMP remuneration snapshots on pages 21–22, which present remuneration received, and is prepared in accordance with the basis of preparation noted below, including any one-off awards. All remuneration presented in this report is in Australian dollars.

		Fixed remuneration a	Cash STVR b	Total cash payments c = a + b	Deferred awards ¹ d	Total remuneration received e = c + d	Previous years' awards forfeited or lapsed f
CEO							
Matt Comyn	30 Jun 24	2,500,000	920,860	3,420,860	5,556,027	8,976,887	(369,022)
	30 Jun 23	2,500,000	1,102,500	3,602,500	6,823,244	10,425,744	–
Current Group Executives and CEO ASB							
Alan Docherty	30 Jun 24	1,150,000	432,264	1,582,264	2,575,643	4,157,907	(171,889)
	30 Jun 23	1,150,000	483,000	1,633,000	3,107,769	4,740,769	–
Andrew Hinchliff	30 Jun 24	1,200,000	467,280	1,667,280	2,629,590	4,296,870	(176,096)
	30 Jun 23	1,200,000	496,350	1,696,350	2,994,968	4,691,318	–
Sian Lewis	30 Jun 24	950,000	349,072	1,299,072	2,128,793	3,427,865	(142,539)
	30 Jun 23	950,000	384,750	1,334,750	2,507,407	3,842,157	–
Gavin Munroe	30 Jun 24	1,200,000	462,308	1,662,308	154,152	1,816,460	–
	30 Jun 23	752,877	307,739	1,060,616	465,937	1,526,553	–
Vittoria Shortt ²	30 Jun 24	1,067,320	416,255	1,483,575	3,228,387	4,711,962	(170,247)
	30 Jun 23	1,055,838	419,696	1,475,534	462,068	1,937,602	–
Angus Sullivan	30 Jun 24	1,300,000	509,218	1,809,218	2,810,144	4,619,362	(184,511)
	30 Jun 23	1,300,000	542,100	1,842,100	3,332,837	5,174,937	–
Mike Vacy-Lyle	30 Jun 24	1,225,000	455,425	1,680,425	2,780,290	4,460,715	(184,511)
	30 Jun 23	1,225,000	574,219	1,799,219	381,145	2,180,364	–
Nigel Williams	30 Jun 24	1,450,000	521,402	1,971,402	3,056,226	5,027,628	(202,675)
	30 Jun 23	1,450,000	570,938	2,020,938	3,678,469	5,699,407	–
Former Group Executive							
David Cohen ³	30 Jun 24	628,415	290,521	918,937	2,990,309	3,909,246	(201,238)
	30 Jun 23	1,250,000	430,313	1,680,313	3,582,379	5,262,692	–

1 For Gavin Munroe this represents the portion of his cash and equity one-off awards which vested in the 2024 financial year. Gavin commenced as a KMP on 14 November 2022, FY23 remuneration reflects time in role.

2 Vittoria Shortt has an additional payment of \$12,488 of KiwiSaver payable on her cash STVR component (FY23 amount was \$12,591). Vittoria's remuneration is paid in New Zealand dollars. The values shown are impacted by movements in exchange rates.

3 David Cohen ceased being a KMP on 31 December 2023 and his remuneration reflects the time he was a KMP.

Basis of preparation

Cash payments	(a) Fixed remuneration: Base remuneration plus superannuation paid for the period as KMP. For the CEO ASB, contributions are made in line with the KiwiSaver employer contribution requirements.
	(b) Cash STVR: <ul style="list-style-type: none"> • For 2024: 50% of the 2024 financial year STVR (relates to performance during the 12 months to 30 June 2024). • For 2023: 50% of the 2023 financial year STVR (relates to performance during the 12 months to 30 June 2023).
Vesting of prior year awards	(d) Deferred awards: The value of all deferred awards that vested during the period as KMP. The value for equity awards shown is based on the volume weighted average closing price (VWACP) of the Group's ordinary shares over the five trading days preceding the vesting date. For the 2024 financial year, the awards vested values include: <ul style="list-style-type: none"> • the tranche of deferred STVR from the 2022 and 2021 financial years and 2019 financial year for the CEO ASB; • the 2020 LTVR award; and • one-off equity and one-off cash awards.
Awards forfeited or lapsed	(f) Previous years' awards forfeited or lapsed: The value of all unvested deferred equity awards that were forfeited or lapsed during the 2024 financial year as the performance or risk and reputation conditions were not met. The value shown is based on VWACP of the Group's ordinary shares over the five trading days preceding the date of forfeiture or lapse.

1. Variable remuneration outcomes for the financial year ended 30 June 2024

CEO short-term variable remuneration (STVR) performance outcomes

Reflective of Group financial and non-financial performance, the CEO's 2024 financial year STVR outcome is: 78.6% of maximum (98.2% of target).

Measure, rationale and commentary	Weight	Scorecard result			% of STVR maximum
		Threshold 50%	Target 100%	Above Expectations 125%	
Shareholder					
Delivery of disciplined financial performance with a continued focus on execution of the Group's strategic priorities in a challenging economic landscape:	25%	9,272	9,672	10,072	22.2%
<ul style="list-style-type: none"> Group cash NPAT – above Target (Actual: \$9,847 million) 		5,253	5,889	6,525	
<ul style="list-style-type: none"> Group underlying PACC – below Target (Actual: \$5,558 million). 	25%				14.8%
Customer					
NPS outcomes for Consumer, Business and Institutional customers, with reference to complaints remediation:	15%				10.8%
<ul style="list-style-type: none"> Consumer and IB&M NPS ranked #1 against major bank peers for 12 months, with BB holding #1 position for 11 months, declining to #2 in June. 					
People & Leadership					
Group Leadership measure results:	10%				8.8%
<ul style="list-style-type: none"> Employee engagement remains high at 84% Overall improvement on the identification, assessment and activation of talent across the Group Developing critical capabilities and building a diverse culture with 45% women in leadership roles. 					
Strategy Execution					
Strong progress on the delivery of Group strategic priorities, including:	25%				22.0%
<ul style="list-style-type: none"> Policy leadership and continued advocacy and engagement with government on issues including AI, scams and payments reform Ongoing innovation of products and services with achievement of #1 NPS for Consumer mobile and Business digital apps Technology strategy implementation enabling improvements in platforms, stability and resilience; deployment of applications at scale and speed while maintaining systems availability for customers Progress in line with our sustainability commitments Industry leading risk management practices, disciplined capital management and strengthened balance sheet settings. 					
Overall CEO scorecard STVR outcome					78.6%
Risk and reputation assessment					
<ul style="list-style-type: none"> Leadership of risk culture Progress against the Environmental & Social framework Risk and Reputation: RepTrak Score 			Fully met		No adjustment
Values assessment					
<ul style="list-style-type: none"> Demonstrated all individual and leadership guidelines within the Group's Values Continued to provide national industry leadership 			Exceptionally demonstrated		No adjustment
Overall CEO STVR scorecard outcome					78.6%

Remuneration report (continued)

Executive short-term variable remuneration (STVR) performance outcomes

The following table provides the 2024 financial year STVR outcomes for Executives for the period they were KMP. The minimum potential outcome is zero.

	STVR target \$	STVR maximum \$	STVR actual			STVR actual as a % of STVR target ² %	STVR actual as a % of STVR maximum ² %
			Total \$	Cash ¹ \$	Deferred \$		
CEO							
Matt Comyn	1,875,000	2,343,750	1,841,719	920,860	920,859	98%	79%
Current Group Executives and CEO ASB							
Alan Docherty	862,500	1,078,125	864,527	432,264	432,263	100%	80%
Andrew Hinchliff	900,000	1,125,000	934,560	467,280	467,280	104%	83%
Sian Lewis	712,500	890,625	698,143	349,072	349,071	98%	78%
Gavin Munroe	900,000	1,125,000	924,615	462,308	462,307	103%	82%
Vittoria Shortt ³	800,490	1,000,613	832,510	416,255	416,255	104%	83%
Angus Sullivan	975,000	1,218,750	1,018,436	509,218	509,218	104%	84%
Mike Vacy-Lyle	918,750	1,148,438	910,849	455,425	455,424	99%	79%
Nigel Williams	1,087,500	1,359,375	1,042,804	521,402	521,402	96%	77%
Former Group Executive							
David Cohen ⁴	471,311	589,139	484,202	290,521	193,681	103%	82%

1 Cash amounts will be paid in or around September 2024 for Australian-based Executives.

2 The percentage of 2024 financial year STVR forfeited (as a % of STVR target and maximum respectively): Matt Comyn 2% and 21%, Alan Docherty 0% and 20%, Andrew Hinchliff 0% and 17%, Sian Lewis 2% and 22%, Gavin Munroe 0% and 18%, Vittoria Shortt 0% and 17%, Angus Sullivan 0% and 16%, Mike Vacy-Lyle 1% and 21%, Nigel Williams 4% and 23%, David Cohen 0% and 18%.

3 Vittoria Shortt's remuneration is paid in New Zealand dollars. The values shown are impacted by movements in exchange rates.

4 David Cohen ceased being a KMP on 31 December 2023 and his remuneration reflects the time he was KMP. The deferred portion of David Cohen's 2024 STVR was deferred into cash in line with the Financial Accountability Regime (FAR) requirements.

Long-term alignment remuneration (LTAR) pre-grant assessment outcomes

The 2024 financial year LTAR awards were granted with no downward adjustment. The CEO LTAR is delivered in two equal tranches and is subject to a pre-vest assessment at the end of a four and five-year restriction period ending 30 June 2027 and 30 June 2028 respectively. The LTAR for Group Executives and CEO ASB is subject to a pre-vest assessment at the end of a four-year restriction period ending 30 June 2027.

The following table outlines the pre-grant assessment criteria and outcomes.

Pre-grant assessment	Outcome
Forward-looking financial considerations	Met
Threshold level individual non-financial performance	Met
Board discretion to adjust grant value downwards	No adjustment
Pre-grant assessment outcome	No downward adjustment

➤ Refer to page 28 for LTAR pre-grant assessment.

Long-term variable remuneration (LTVR) performance outcomes

The 2021 financial year LTVR award reached the end of its four-year performance period on 30 June 2024. The performance outcome was 100% for the CEO and Group Executives, including CEO ASB. CBA's performance outcome for the general ASX peer group was 100% and the financial services peer group was 100%. The performance rights that remain after performance test are subject to further holding periods for the CEO and Group Executives (including CEO ASB).

Performance measure	Percentage	Percentile ranking	Performance outcome
Relative TSR (general ASX peer group)	50%	85th percentile ranking relative to the peer group	100%
Relative TSR (financial services peer group)	50%	87.5th percentile ranking relative to the peer group	100%

2. Executive remuneration framework in detail

Fixed remuneration

Fixed remuneration (FR) comprises base remuneration (i.e. cash salary) and superannuation (KiwiSaver for the CEO ASB). FR is delivered in accordance with contractual terms and conditions of employment and is reviewed annually against relevant comparator group remuneration benchmarks. As part of the benchmark, the Group's size, scale and complexity relative to the comparator group are considered.

Short-term variable remuneration (STVR)

The table below outlines key features of the 2024 financial year STVR award for the CEO and all Executives. Refer to page 36 for treatment of STVR on cessation of employment.

Features	Approach																	
Purpose	Varies remuneration outcomes in line with annual performance achievement, with material weighting to financial and non-financial outcomes across shareholder, customer, people & leadership and strategy execution measures, incorporating both risk scorecard and values assessments. Recognises both the 'what' and the 'how' of performance.																	
Participants	CEO, Group Executives and CEO ASB																	
Opportunity	Target STVR: 75% of FR Maximum STVR: 94% of FR (125% of target STVR)																	
Performance measures and weightings	Individual STVR outcomes are determined on the basis of Group (or ASB for the CEO ASB) performance and individual performance through a balanced scorecard. The performance measures comprise a mix of financial and non-financial metrics linked to Group and business unit targets, aligned to the Group's strategy with the weightings varied by role. More information on the CEO's STVR scorecard can be found on page 110. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>Financial</th> <th>Non-financial (including customer, leadership and strategy)</th> </tr> </thead> <tbody> <tr> <td>CEO and business unit Group Executives¹</td> <td>50%</td> <td>50%</td> </tr> <tr> <td>Support unit² Group Executives</td> <td>40%–50%</td> <td>50%–60%</td> </tr> <tr> <td>Group CRO</td> <td>20%</td> <td>80%</td> </tr> <tr> <td>CEO ASB³</td> <td>50%</td> <td>50%</td> </tr> </tbody> </table>		Financial	Non-financial (including customer, leadership and strategy)	CEO and business unit Group Executives ¹	50%	50%	Support unit ² Group Executives	40%–50%	50%–60%	Group CRO	20%	80%	CEO ASB ³	50%	50%		
	Financial	Non-financial (including customer, leadership and strategy)																
CEO and business unit Group Executives ¹	50%	50%																
Support unit ² Group Executives	40%–50%	50%–60%																
Group CRO	20%	80%																
CEO ASB ³	50%	50%																
Risk and values assessment	Performance outcomes determined through assessment of the balanced scorecard are subject to the following gate/modifiers: <ul style="list-style-type: none"> Risk and Reputation⁴: the Board⁵ has discretion where appropriate to adjust Executive STVR outcomes through the Executive risk scorecard. Executive risk scorecard assessments include consideration of: risk culture and leadership; risk strategy/appetite; incidents and issues; the risk and control environment; and risk milestones. The Risk and Reputation modifier also includes consideration of Trust and Reputation outcomes that may warrant an adjustment to the Risk and Reputation assessment. In FY24, progress against the Environment & Social Framework (E&S) was introduced to the Risk and Reputation modifier to provide a more direct link to remuneration. Values: the Board⁵ has the discretion to adjust Executive STVR outcomes on the basis of an assessment of behaviours aligned with our Group values, where appropriate. 																	
Calculation of awards	STVR awards for all Executives are calculated as follows: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2">Opportunity</th> <th>Scorecard outcome</th> <th colspan="2">Risk and Reputation and Values assessment</th> <th>Final outcome</th> </tr> </thead> <tbody> <tr> <td>Fixed remuneration \$</td> <td>x</td> <td>Target STVR opportunity %</td> <td>x</td> <td>Performance result %⁶</td> <td>x</td> <td>Risk and Reputation result</td> <td>x</td> <td>Values result</td> <td>=</td> <td>Value of adjusted STVR award \$</td> </tr> </tbody> </table>	Opportunity		Scorecard outcome	Risk and Reputation and Values assessment		Final outcome	Fixed remuneration \$	x	Target STVR opportunity %	x	Performance result % ⁶	x	Risk and Reputation result	x	Values result	=	Value of adjusted STVR award \$
Opportunity		Scorecard outcome	Risk and Reputation and Values assessment		Final outcome													
Fixed remuneration \$	x	Target STVR opportunity %	x	Performance result % ⁶	x	Risk and Reputation result	x	Values result	=	Value of adjusted STVR award \$								
Deferral	50% of the STVR award is deferred and delivered in deferred shares that vest in equal tranches over one and two years. Deferred STVR shares have rights to dividends paid during the deferral period. All deferred STVR awards are subject to Board ⁵ risk and reputation review prior to vesting and continuous service. The Board also retains discretion to apply malus or clawback if considered appropriate.																	

1 Excluding support unit Group Executives, Group CRO and CEO ASB.

2 Includes Financial Services, Group Strategy, Human Resources, Legal and Group Secretariat, Marketing and Corporate Affairs, Operations and Technology.

3 The Financial category comprise a Risk and climate measure.

4 For the CEO ASB reputation is not included in the modifier as it is contained in the Customer measures of the scorecard.

5 'Board' is to be read as ASB Board in respect of discretion for the CEO ASB's STVR outcomes.

6 The Board retains discretion to adjust scorecard outcomes.

Remuneration report (continued)

Long-term alignment remuneration (LTAR)

The table below outlines key features of the 2024 financial year LTAR for the Executives. Refer to page 36 for treatment of LTAR on cessation of employment. The LTAR was introduced in the 2021 financial year to retain an appropriate focus on both financial and non-financial outcomes and drive collective absolute focus on the value of the Group over time. The LTAR is subject to pre-grant and pre-vest assessments.

Feature	Approach
Purpose	Drives collective focus on increasing the value of CBA over time, and individual focus on sustained leadership and strategy execution performance. The LTAR pre-grant and pre-vest assessments are designed to focus the Executives on non-financial performance, in particular leadership and strategy.
Participants	CEO, Group Executives and CEO ASB
Opportunity	Maximum opportunity of 70% of fixed remuneration (FR). The minimum potential outcome is zero.
Restriction period	CEO: Subject to a four and five-year restriction period, 50% from 1 July 2023 to 30 June 2027 and 50% to 30 June 2028. Group Executives and CEO ASB: Subject to a four-year restriction period from 1 July 2023 to 30 June 2027.
Pre-grant assessment	The LTAR award value is subject to a pre-grant assessment with downward adjustments applied to reflect material issues. The assessment considers future financial factors and individual non-financial performance of people & leadership and strategy execution.
Pre-vest assessment	The LTAR award is subject to a pre-vest assessment with potential for downward adjustments applied based on an assessment of non-financial performance over the restriction period. The assessment considers leadership and strategy performance and adjustments will be made for significant failures resulting in adverse material impacts taking into consideration the participants' actions or response to any matters identified.
Instrument	The LTAR award is granted as restricted share units (RSUs). Each RSU entitles the participant to receive one CBA share (or cash equivalent as determined by the Board) subject to the pre-vest assessment, malus review and continuous service prior to vesting.
Maximum face value allocation approach	<p>The number of RSUs granted is calculated as follows for the Executives:</p> $\text{FR \$ (at time of grant)} \times 70\% \div \text{Share price \$ (no discount applied)} = \text{Number of RSUs}$ <p>The share price used was the volume weighted average closing price of CBA's ordinary shares over the five trading days up to and including 1 July 2023 (\$99.19).</p>
Dividends and/or dividend equivalents	For every RSU that ultimately vests following the end of the restriction period and pre-vest assessment, the Executive will receive a payment equal to dividends paid by CBA over the restriction period/s in relation to the vested RSUs. Participants will not receive any franking credits or value in lieu of franking credits.
Board discretion	<p>The Board has discretion to determine that some or all of unvested awards will lapse in certain circumstances (malus) or apply clawback (repayments) to vested LTAR awards, including where, in the opinion of the Board:</p> <ul style="list-style-type: none"> • Vesting is not justified or supportable, having regard to the Executive's performance and/or conduct, the performance of the business unit or function (as relevant having regard to the participant's accountability or role), or overall Group performance. • There is a significant failure of financial or non-financial risk management, breach of accountability, fitness and propriety or compliance obligations. • Vesting will impact on the financial soundness of the Group or a member of the Group. • The Group is required or entitled to reclaim remuneration or reduce an Executive's remuneration outcome under law, regulation or Group policy. • A significant unexpected or unintended consequence or outcome has occurred which impacts the Group, including where original expected performance outcomes have not been realised.

LTAR – performance assessments

The following diagram illustrates the LTAR pre-grant and pre-vest assessments process to support robust decision making when granting and vesting LTAR awards to Executives.



Step 1

Step 2

Step 3

Step 4

Forward-looking financial considerations

Determine if any adjustment required as a result of material forward-looking financial considerations.

- Non-formulaic trigger to Board discretion
- Likely to impact all participants

Elements for consideration

Key financial metrics are used to determine the forward-looking financial assessment for the LTAR award, and may include, but are not limited to, share price, dividend forecast, capital and

other shareholder measures as set out in the CEO scorecard (refer to page 24).

Assessment outcomes	Impact
If no material issues identified	No adjustment
If potential material issues identified	Consider whether LTAR grant should be adjusted downwards

Step 1

Step 2

Step 3

Step 4

Threshold level individual non-financial performance

Determine if adjustment required as a result of individual contribution to non-financial performance outcomes relating to strategy and leadership.

- Formulaic trigger to consider if Board discretion is warranted
- Review on an individual level

Elements for consideration

- Leadership performance outcome for prior year's STVR scorecard
- Strategy Execution performance outcomes for prior year's STVR scorecard
- Thresholds set based on historical analysis, triggering discretionary overlay where outcomes are poor

STVR scorecard outcomes for Leadership or Strategy (non-financial)

Outcome	Impact
Outcome >70% of Target	No adjustment
Outcome between 50% and 70% of Target	Consider whether LTAR grant should be adjusted downwards by up to 20%
Outcome <50% of Target (i.e. Below Threshold)	Consider whether LTAR grant should be made

Step 1

Step 2

Step 3

Step 4

Board discretion to adjust grant value downwards based on Steps 1 and 2

Board to undertake assessment and apply judgement based on Steps 1 and 2.

- Non-formulaic Board determination
- May apply to select or all participants

Elements for consideration

Non-exhaustive list of issues for Board consideration and application of discretion may include:

- Broader assessment of non-financial performance not captured by STVR scorecard triggers
- Relevant context for prior year performance
- Historical and potential future performance
- Whether performance outcome is already appropriately impacting other elements of remuneration (e.g. STVR and LTVR)

Step 1

Step 2

Step 3

Step 4

Pre-vest assessment

Determine if any adjustments required based on a look-back review over the LTAR restricted period.

- Non-formulaic Board determination
- Review on an individual level

Elements for consideration

- Significant failures and resultant material adverse impacts in people & leadership
- Relevant context including the Board-endorsed strategy and leadership expectations

- Executive actions and/or response to any matters identified in Step 4, with consideration of external/internal operating context
- Adequate reflection of matters across the remuneration framework (e.g. STVR, LTAR pre-grant, deferred awards) over the relevant period

Inputs to support Board discretionary assessment

- Pre-grant LTAR assessments over the relevant period
- Board strategy reviews
- Indicators of People & Leadership
- Any other inputs as relevant

Remuneration report (continued)

Long-term variable remuneration (LTVR)

The table below outlines key features of the 2024 financial year LTVR for the Executives. Refer to page 36 for treatment of LTVR on cessation of employment.

Features	Approach
Purpose	Varies remuneration outcomes in line with longer-term performance achievement, with a focus on relative shareholder returns to support sustainable shareholder value over time.
Participants	CEO, Group Executives and CEO ASB
Opportunity	The maximum face value of LTVR that can be granted for the Executives is 70% of fixed remuneration (FR). The minimum potential outcome is zero.
Performance period	Subject to relative Total Shareholder Return (TSR) performance over four years from 1 July 2023 to 30 June 2027.
Holding period	<ul style="list-style-type: none"> CEO: performance rights that vest after performance testing (vested performance rights) will be exercised into ordinary CBA shares, which remain subject to a further two-year holding period (to 30 June 2029). Group Executives: vested performance rights will be exercised into ordinary CBA shares, which remain subject to a further one-year holding period (to 30 June 2028). CEO ASB: performance rights remain subject to a further one-year holding period (to 30 June 2028).
Performance measures and weightings	<ul style="list-style-type: none"> 50% measured against a general ASX peer group. 50% measured against a financial services peer group.
Instrument	Performance rights – each right entitles the participant to receive one CBA share, subject to vesting conditions.
Maximum face value allocation approach	<p>The number of performance rights granted to Executives is calculated as follows:</p> $\text{FR \$ (at time of grant)} \times 70\% \div \text{Share price \$ (no discount applied)} = \text{Number of performance rights}$ <p>The share price used was the volume weighted average closing price of CBA's ordinary shares over the five trading days up to and including 1 July 2023 (\$99.19).</p>
Dividends and/or dividend equivalents	<p>Performance rights do not receive dividends (or dividend equivalent payments) in relation to the performance period.</p> <p>CEO and Group Executives: Restricted Shares subject to the holding period have rights to dividends paid during the holding period.</p> <p>CEO ASB: For every Performance Right retained during the Holding Period (following performance testing), the CEO ASB will be entitled to receive a payment equal to dividends paid by CBA (not including the value of franking credits).</p>
Board discretion	<p>The Board has discretion to determine that some or all of the unvested awards will lapse in certain circumstances (malus) or apply clawback (repayments) to vested LTVR awards, including where, in the opinion of the Board:</p> <ul style="list-style-type: none"> Vesting is not justified or supportable, having regard to the Executive's performance and/or conduct, the performance of the business unit or function (as relevant having regard to the participant's accountability or role), or overall Group performance. A significant failure of financial or non-financial risk management, breach of accountability, fitness and propriety or compliance obligations. Vesting will impact on the financial soundness of the Group or a member of the Group. The Group is required or entitled to reclaim remuneration or reduce an Executive's remuneration outcome under law, regulation or Group policy. A significant unexpected or unintended consequence or outcome has occurred which impacts the Group, including where original expected performance outcomes have not been realised.

Performance measures Approach

Relative TSR

- Relative TSR provides a robust and easily quantifiable performance measure with strong alignment to shareholder value.
- TSR measures share price movement, dividends paid and any return of capital over a specific period.
- Relative TSR compares the ranking of CBA's TSR over the performance period with the TSR of other companies in a peer group.

Performance measure framework

Under the LTVR, performance rights are tested at year four and are subject to a further holding restriction. For the CEO and Group Executives, the performance rights will vest and be exercised to ordinary CBA shares subject to the holding period. For the CEO ASB, the performance rights will vest after the holding period has expired subject to vesting conditions.

Peer group ranking	Percentage of award subject to holding period
At the 75th percentile or higher	100%
Between the median and 75th percentile	Pro-rata from 50% to 100%
At the median	50%
Below the median	0%

Calculation of results

Each company in the peer group will be given a percentile ranking based on the growth in its TSR over the four-year performance period. TSR outcomes are calculated by an external provider.

TSR relative to a general ASX peer group

- The peer group is made up of the 20 largest companies on the ASX by market capitalisation at the beginning of the performance period, excluding resources companies and CBA. This cross-industry peer group has been chosen as it represents the typical portfolio of companies in which CBA's shareholders invest, and so provides relevant benchmarks for measuring CBA's TSR.
- The peer group at the beginning of the performance period for the relative TSR performance measure comprised (in alphabetic order):

– ANZ Group Holdings Limited	– REA Group Ltd
– Aristocrat Leisure Limited	– Sonic Healthcare Limited
– Brambles Limited	– Suncorp Group Limited
– Coles Group Limited	– Telstra Group Limited
– CSL Limited	– Transurban Group
– Goodman Group	– Wesfarmers Limited
– James Hardie Industries PLC	– Westpac Banking Corporation
– Macquarie Group Limited	– WiseTech Global Limited
– National Australia Bank Limited	– Woolworths Group Limited
– QBE Insurance Group Limited	– Xero Limited

A reserve bench company will be substituted (in order of market capitalisation as at the beginning of the performance period) into the peer group when a peer group company ceases to be listed on the ASX as a result of an acquisition, merger or other relevant corporate action or delisting. The reserve bench (in order of market capitalisation) comprised: Cochlear Limited, Origin Energy Limited, Computershare Limited, Insurance Australia Group Limited and ResMed Inc.

TSR relative to a financial services peer group

- The peer group is made up of the eight most comparable financial services companies listed on the ASX at the beginning of the performance period.
- The financial services peer group at the beginning of the performance period for the relative TSR performance measure comprised:

– AMP Limited	– Macquarie Group Limited
– ANZ Group Holdings Limited	– National Australia Bank Limited
– Bank of Queensland Limited	– Suncorp Group Limited
– Bendigo and Adelaide Bank Limited	– Westpac Banking Corporation

There is no reserve bench for this peer group.

The companies comprising each peer group are subject to change at the Board's discretion.

Remuneration report (continued)

3. Executive KMP statutory remuneration

Executive statutory remuneration accounting expense

The following statutory table details the statutory accounting expense of all remuneration-related items for Executive KMP. This includes remuneration costs in relation to both the 2023 and 2024 financial years. The table is different from the remuneration outcomes table on page 23, which shows the remuneration received in the 2024 financial year rather than the accrual accounting amounts determined in accordance with the Australian Accounting Standards. The table has been prepared and audited against the relevant Australian Accounting Standards. Refer to the footnotes below the table for more detail on each remuneration component.

		Short-term benefits				
		Base remuneration ^{1,2} \$	Non-monetary ³ \$	Cash STVR (at risk) ⁴ \$	Deferred STVR (at risk) ⁵ \$	Other ^{6,9} \$
CEO						
Matt Comyn	30 Jun 24	2,472,601	74,604	920,860	–	(29,421)
	30 Jun 23	2,474,708	70,526	1,102,500	–	9,031
Current Group Executives and CEO ASB						
Alan Docherty	30 Jun 24	1,122,601	17,842	432,264	–	(55,844)
	30 Jun 23	1,124,708	16,654	483,000	–	8,599
Andrew Hinchliff	30 Jun 24	1,172,601	18,716	467,280	–	8,918
	30 Jun 23	1,174,708	18,431	496,350	–	(16,208)
Sian Lewis	30 Jun 24	922,601	15,690	349,072	–	(13,716)
	30 Jun 23	924,708	14,277	384,750	–	(7,134)
Gavin Munroe ⁷	30 Jun 24	1,200,000	6,931	462,308	–	700,447
	30 Jun 23	752,876	1,684	307,739	–	660,474
Vittoria Shortt ⁸	30 Jun 24	1,036,233	11,084	416,255	–	89,980
	30 Jun 23	1,025,086	10,697	419,696	–	28,010
Angus Sullivan	30 Jun 24	1,272,601	6,931	509,218	–	(54,336)
	30 Jun 23	1,274,708	6,691	542,100	–	(90,641)
Mike Vacy-Lyle	30 Jun 24	1,197,601	17,842	455,425	–	(6,840)
	30 Jun 23	1,199,708	16,654	574,219	–	(26,605)
Nigel Williams	30 Jun 24	1,422,601	18,716	521,402	–	(27,183)
	30 Jun 23	1,424,708	18,431	570,938	–	(30,131)
Former Group Executive						
David Cohen ^{9,10}	30 Jun 24	614,641	8,820	290,521	193,681	550,402
	30 Jun 23	1,224,708	16,654	430,313	–	(9,672)

1 Base remuneration together with superannuation (post-employment benefit), or KiwiSaver for the CEO ASB, comprises fixed remuneration.

2 Total cost of salary, including cash salary, short-term compensated absences (including other leave benefits) and any salary sacrificed benefits for the period in the KMP role.

3 Cost of car parking (including associated fringe benefits tax). For Matt Comyn, this also includes costs in relation to a motor vehicle benefit.

4 KiwiSaver is payable on the CEO ASB's cash STVR.

5 The deferred portion of David Cohen's 2024 STVR was deferred into cash in line with the Financial Accountability Regime (FAR) requirements.

6 Includes company-funded benefits (including associated fringe benefits tax where applicable) and the net change in accrued annual leave. For Gavin Munroe this also includes costs relating to a housing allowance and the FY24 expense for his one-off award provided in compensation for awards foregone from his previous employer.

7 Gavin Munroe commenced as a KMP on 14 November 2022, FY23 remuneration reflects time in role. Gavin has elected to receive cash in lieu of employer superannuation contributions as the criteria have been met per the terms of his visa.

8 For Vittoria Shortt, remuneration was paid in New Zealand dollars. The values shown are impacted by movements in exchange rates.

9 David Cohen ceased as KMP on 31 December 2023 and remuneration reflects time he was a KMP. Value under 'Other' for David includes a payment of \$611,301 for FY24 relating to his termination benefit in line with grandfathered contractual severance conditions and none for the prior financial year.

10 The equity values for David Cohen reflect the acceleration of the unvested awards he retained at cessation of employment, relating to the FY22 STVR (tranche 2), FY23 STVR (tranches 1 and 2), FY22, FY23 and FY24 LTAR and FY21 (tranches 1 and 2), FY22 (tranches 1 and 2), FY23 and FY24 LTVR awards. These amounts would have otherwise been included in future year disclosures and relate to awards that will be assessed in the ordinary course at the end of the respective vesting periods and may not vest.

Post-employment benefits	Long-term benefits	Share-based payments			Total statutory remuneration ¹⁶
		Superannuation ¹¹	Long-term ¹²	Deferred equity (at risk) ¹³	
\$	\$	\$	\$	\$	\$
27,399	65,095	1,011,765	1,631,088	994,499	7,168,490
25,292	72,192	1,042,000	1,225,609	1,320,015	7,341,873
27,399	38,253	458,842	834,969	458,125	3,334,451
25,292	29,886	464,801	627,732	611,202	3,391,874
27,399	58,866	474,762	848,394	465,526	3,542,462
25,292	52,103	465,288	632,142	619,741	3,467,847
27,399	48,828	367,412	690,759	379,000	2,787,045
25,292	36,959	372,977	519,556	505,922	2,777,307
–	8,751	466,464	379,710	266,072	3,490,683
–	3,633	415,344	149,837	140,058	2,431,645
43,575	39,416	440,374	776,451	549,213	3,402,581
43,343	38,101	540,269	586,172	596,076	3,287,450
27,399	45,140	522,635	962,090	527,269	3,818,947
25,292	27,942	530,182	727,809	684,812	3,728,895
27,399	20,147	511,652	891,458	489,205	3,603,889
25,292	13,741	520,007	670,686	747,434	3,741,136
27,399	33,203	545,207	1,073,117	588,100	4,202,562
25,292	23,440	553,852	811,817	759,642	4,157,989
13,774	15,504	423,059	1,862,150	1,035,358	5,007,910
25,292	31,740	468,851	699,836	695,477	3,583,199

11 Superannuation contributions for Vittoria Shortt are made in line with the KiwiSaver employer contribution requirements (this includes the additional payment of \$12,488 payable on her cash STVR component).

12 Long service leave entitlements accrued during the year as well as the impact of changes to long service leave valuation assumptions, which are determined in line with Australian Accounting Standards.

13 The value of deferred equity awards is allocated from the start of the performance period to vesting date. Deferred 2024 financial year STVR is expensed over the vesting period commencing 1 July 2023. For Gavin Munroe this also includes the expense for Gavin's one-off equity awards.

14 2024 financial year expense for the 2021, 2022, 2023 and 2024 financial year LTVR awards.

15 The value of LTVR awards is allocated over each year in the performance period.

16 The percentage of 2024 financial year remuneration related to performance was: Matt Comyn 64%, Alan Docherty 66%, Andrew Hinchliff 64%, Sian Lewis 64%, Gavin Munroe 45%, Vittoria Shortt 64%, Angus Sullivan 66%, Mike Vacy-Lyle 65%, Nigel Williams 65% and David Cohen 76%.

Remuneration report (continued)

Movement in Executive shares and other securities during the 2024 financial year

The table below details the value and number of all equity awards that were granted or vested to or forfeited by Executives during their time in a KMP role in the 2024 financial year. It also shows the number of previous years' awards that were vested, forfeited or lapsed, and the movement in ordinary shareholdings for each individual during the 2024 financial year.

Equity Class ¹	Balance 1 Jul 23	Acquired/granted as remuneration during the 2024 financial year ²		Awards vested during 2024 financial year ³		Net change other ⁴	Balance 30 Jun 24 ⁵	
		Units	Units	\$	Units			\$
CEO								
Matt Comyn	Ordinary	95,844	–	–	54,279	–	(54,643)	95,480
	Deferred STVR shares	15,163	10,894	1,102,582	9,918	1,003,702	–	16,139
	LTAR restricted share units	60,012	17,642	1,802,130	–	–	–	77,654
	LTVR performance rights	107,969	17,642	944,023	44,361	4,552,326	(3,596)	77,654
Current Group Executives and CEO ASB								
Alan Docherty ⁶	Ordinary	34,637	–	–	25,161	–	(23,910)	35,888
	Deferred STVR shares	6,899	4,773	483,075	4,492	454,590	–	7,180
	LTAR restricted share units	27,676	8,115	828,947	–	–	–	35,791
	LTVR performance rights	50,020	8,114	434,180	20,669	2,121,053	(1,675)	35,790
Andrew Hinchliff	Ordinary	24,520	–	–	25,687	–	(25,687)	24,520
	Deferred STVR shares	6,830	4,905	496,435	4,514	456,817	–	7,221
	LTAR restricted share units	27,889	8,468	865,006	–	–	–	36,357
	LTVR performance rights	50,777	8,468	453,123	21,173	2,172,773	(1,716)	36,356
Sian Lewis	Ordinary	3,640	–	–	20,795	–	(17,687)	6,748
	Deferred STVR shares	5,562	3,802	384,800	3,655	369,886	–	5,709
	LTAR restricted share units	22,916	6,704	684,814	–	–	–	29,620
	LTVR performance rights	41,443	6,704	358,731	17,140	1,758,907	(1,389)	29,618
Gavin Munroe	Ordinary	1,219	–	–	690	–	(345)	1,564
	Deferred STVR shares	n/a	3,041	307,780	–	–	–	3,041
	LTAR restricted share units	5,731	8,468	865,006	–	–	–	14,199
	LTVR performance rights	9,134	8,468	453,123	–	–	–	17,602
	Deferred one-off shares	3,451	–	–	690	81,938	–	2,761
Vittoria Shortt	Ordinary	45,094	–	–	31,629	–	(28,500)	48,223
	Deferred STVR shares	14,458	4,147	419,718	12,240	1,238,688	–	6,365
	LTAR restricted share units	25,888	7,451	761,120	–	–	–	33,339
	LTVR performance rights	46,934	7,450	398,650	19,389	1,989,699	(1,659)	33,336
Angus Sullivan	Ordinary	12,242	–	–	27,457	–	(22,180)	17,519
	Deferred STVR shares	7,889	5,357	542,182	5,277	534,032	–	7,969
	LTAR restricted share units	32,263	9,174	937,124	–	–	–	41,437
	LTVR performance rights	56,240	9,174	490,901	22,180	2,276,112	(1,798)	41,436
Mike Vacy-Lyle	Ordinary	11,914	–	–	27,162	–	–	39,076
	Deferred STVR shares	7,564	5,674	574,266	4,982	504,178	–	8,256
	LTAR restricted share units	29,589	8,645	883,087	–	–	–	38,234
	LTVR performance rights	53,566	8,644	462,540	22,180	2,276,112	(1,798)	38,232
Nigel Williams	Ordinary	40,000	–	–	29,858	–	(59,858)	10,000
	Deferred STVR shares	8,272	5,642	571,027	5,494	555,993	–	8,420
	LTAR restricted share units	35,987	10,232	1,045,199	–	–	–	46,219
	LTVR performance rights	62,325	10,232	547,514	24,364	2,500,234	(1,975)	46,218
Former Group Executive								
David Cohen ⁷	Ordinary	96,007	–	–	29,209	–	(8,282)	n/a
	Deferred STVR shares	7,533	4,252	430,345	5,013	507,316	–	n/a
	LTAR restricted share units	31,023	4,410	450,482	–	–	–	n/a
	LTVR performance rights	57,179	4,410	235,979	24,196	2,482,994	(1,961)	n/a
	PERLS	626	–	–	–	–	–	n/a

- 1 Ordinary shares include all CBA shares held by the Executive's close family members or entities over which the Executive or their close family member has, either directly or indirectly control, joint control, or significant influence. Deferred STVR shares represents STVR previously awarded under the executive arrangements in prior years. LTVR performance rights are subject to performance hurdles. LTAR restricted share units granted from 2023 financial year are subject to a pre-vest assessment. The maximum potential value for unvested awards are subject to CBA share price at time of vesting.
- 2 Represents the maximum number of equity awards that may vest to each Executive in respect of their time as KMP. The values represent the fair value at grant date. The minimum potential value for the equity awards is zero. Approval was given for the issue of the CEO's 2024 financial year LTAR and LTVR awards under ASX Listing Rule 10.14 at the 2023 Annual General Meeting.
- 3 Awards that vested include the 2020 financial year LTVR award vested at 92.5% (granted 18 November 2019) and 92.1% for the CEO ASB, deferred STVR awards vested at 100% (tranches granted 1 September 2021 and 1 September 2022 and deferred FY19 STVR for the CEO ASB) and one-off awards vested at 100% (granted 14 November 2022) that vested during time in KMP role. The value of the awards vested is calculated using VWACP for the five trading days preceding the vesting date. Executives received one ordinary share in respect of each LTVR performance right that vested during the financial year.
- 4 Net change other incorporates changes resulting from purchases (sales) of ordinary shares or forfeitures of the FY20 LTVR performance rights (granted 18 November 2019) during the year.
- 5 Deferred STVR shares, LTAR restricted share units, LTVR performance rights and deferred one-off shares are unvested as at 30 June 2024.
- 6 Opening balance has been revised from 35,270 to 34,637 to include a correction to CBA ordinary shares.
- 7 Share movements for David Cohen reflect the duration of the year that he was a KMP. Opening balance has been revised from 96,104 to 96,007 to include a correction to CBA ordinary shares.

Overview of unvested equity awards

All awards are subject to continued employment, Board risk and reputation review, and malus and clawback provisions.

Equity plan	Participants	Grant date	Start date ¹	End date ²	Measures and conditions
FY22 STVR	CEO & GEs (incl. CEO ASB)	1 Sep 22	1 Jul 21	1 Sep 24	Two tranches vesting equally one and two years after grant date.
FY23 STVR		1 Sep 23	1 Jul 22	1 Sep 25	
FY21 LTVR	CEO	16 Nov 20	1 Jul 20	30 Jun 27	Two tranches with performance measured after four years being: • 50% TSR ranking relative to general ASX peer group • 50% TSR ranking relative to financial services peer group
	GE (incl. CEO ASB)	16 Nov 20	1 Jul 20	30 Jun 26	
FY22 LTVR	CEO	18 Nov 21	1 Jul 21	30 Jun 28	A further holding period of two and three years is applied for the CEO, and one and two years for the Group Executives and CEO ASB.
	GE (incl. CEO ASB)	18 Nov 21	1 Jul 21	30 Jun 27	
FY23 LTVR	CEO	16 Nov 22	1 Jul 22	30 Jun 28	Two tranches with performance measured after four years being: • 50% TSR ranking relative to general ASX peer group • 50% TSR ranking relative to financial services peer group
	GE (incl. CEO ASB)	16 Nov 22	1 Jul 22	30 Jun 27	
FY24 LTVR	CEO	15 Nov 23	1 Jul 23	30 Jun 29	A further holding period of two years is applied for the CEO, and one year for the Group Executives and CEO ASB.
	GE (incl. CEO ASB)	15 Nov 23	1 Jul 23	30 Jun 28	
FY21 LTAR	CEO	16 Nov 20	1 Jul 20	30 Jun 25	Two tranches for each LTAR award vesting equally four and five years after start date, subject to pre-vest assessment for FY23 and FY24 awards.
FY22 LTAR		18 Nov 21	1 Jul 21	30 Jun 26	
FY23 LTAR		16 Nov 22	1 Jul 22	30 Jun 27	
FY24 LTAR		15 Nov 23	1 Jul 23	30 Jun 28	
FY22 LTAR	GE (incl. CEO ASB)	18 Nov 21	1 Jul 21	30 Jun 25	One tranche vesting four years after start date, subject to pre-vest assessment for FY23 and FY24 awards.
FY23 LTAR		16 Nov 22	1 Jul 22	30 Jun 26	
FY24 LTAR		15 Nov 23	1 Jul 23	30 Jun 27	
One-off equity	Gavin Munroe	14 Nov 22	n/a	8 Mar 28	Awards for compensation foregone from previous employer with four tranches remaining with vesting subject to service.

1 Start date refers to performance start date.

2 End date refers to the end of the restriction or holding period as applicable.



Remuneration report (continued)

Details for awards granted in the 2024 financial year

In the 2024 financial year, a face value allocation approach was used to determine the number of restricted share units granted under the LTAR (refer to page 27) and performance rights granted under the LTVR (refer to page 29). The table below is provided in accordance with statutory requirements. The fair value of LTVR grants has been calculated using a Monte Carlo simulation method. No amount is payable by Executives on the issue or vesting of the restricted share units and performance rights of the LTAR or LTVR awards respectively. As these awards are automatically exercised, they do not have an expiry date.

Equity plan	Performance measure	Grant date	Fair value \$	Weighting	Assessment period end/final vesting date	End of holding period
FY23 STVR deferred shares	Service	1 Sep 23	101.21	100%	1 Sep 25	n/a
FY24 LTAR restricted share units (CEO)	Service and pre-vest assessment	15 Nov 23	102.15	50%	30 Jun 27	n/a
				50%	30 Jun 28	n/a
FY24 LTAR restricted share units (Group Executives and CEO ASB)	Service and pre-vest assessment	15 Nov 23	102.15	100%	30 Jun 27	n/a
FY24 LTVR performance rights (CEO)	Relative TSR (General ASX peer group)	15 Nov 23	55.98	50%	30 Jun 27	30 Jun 29
	Relative TSR (Financial Services peer group)		51.04	50%		
FY24 LTVR performance rights (Group Executives and CEO ASB)	Relative TSR (General ASX peer group)	15 Nov 23	55.98	50%	30 Jun 27	30 Jun 28
	Relative TSR (Financial Services peer group)		51.04	50%		




Hedging policy

Employees are prohibited from hedging, or otherwise limiting, their economic exposure to equity price risk in relation to unvested equity-linked remuneration issued under any Group equity arrangement. CBA Board Directors, the CEO, Group Executives and their Associates must not hedge their exposure to vested Group Securities. Breaches of this requirement may result in disciplinary action, including the forfeiture and/or lapsing of unvested awards. Further details of hedging restrictions are set out in the Group Securities Trading Policy.

Executive employment arrangements

The table below provides the employment arrangements for Executives.

Contract term	CEO	Group Executives	CEO ASB
Contract type ¹	Permanent	Permanent	Permanent
Notice period	12 months	Six months	Six months
Severance	n/a ²	n/a ²	12 months ²

 <p>STVR treatment on termination</p>	<p>In general, unless otherwise determined by the Board (or ASB Board in respect of the CEO ASB) and subject to law:</p> <ul style="list-style-type: none"> • In the case of resignation or termination for cause before the end of the restriction period, any deferred shares will be forfeited and the Executive will not be eligible to be considered for an STVR award for that year. • Where an Executive's exit is related to any other reason (i.e. retrenchment, retirement, ill-health separation, mutual agreement or death), the Executive remains eligible (unless the Board determines otherwise) to be considered for an STVR award with regard to actual performance against performance measures (as determined by the Board in the ordinary course following the end of the performance period). • Where an Executive's exit is related to any other reason (e.g. retrenchment, retirement, ill-health separation, mutual agreement or death), unvested deferred STVR shares will remain on-foot and will vest in the ordinary course, subject to the terms and conditions of the award other than those relating to continuity of employment.
 <p>LTAR treatment on termination</p>	<p>In general, unless otherwise determined by the Board and subject to law:</p> <ul style="list-style-type: none"> • In the case of resignation or termination for cause before the end of the restriction period, any restricted share units will lapse. • Where an Executive's exit is related to any other reason (i.e. retrenchment, retirement, ill-health separation, mutual agreement or death), the restricted share units will remain on-foot and will vest in the ordinary course subject to the terms and conditions (other than those relating to continuity of employment).
 <p>LTVR treatment on termination</p>	<p>In general, unless otherwise determined by the Board:</p> <ul style="list-style-type: none"> • In the case of resignation or termination for cause, any performance rights will lapse. • Where an Executive's exit is related to any other reason (i.e. retrenchment, retirement, ill-health separation, mutual agreement or death), any unvested LTVR awards continue on-foot with performance measured at the end of the performance period related to each award (and with the award otherwise remaining subject to all terms and conditions other than those relating to continuity of employment). <p>Executives who are terminated for cause during the holding period will forfeit all performance rights or ordinary CBA shares (as applicable) subject to the holding period. Where an Executive ceases for any other reason during the holding period, outstanding ordinary CBA shares or performance rights (as applicable) will continue to remain on-foot for the original holding period(s).</p>

¹ Contracts for permanent employment continue until notice is given by either party.

² Contractual severance pay is not offered in the CEO and Group Executive employment arrangements. The CEO and Group Executives (excluding CEO ASB) remain entitled to statutory redundancy pay if retrenched. For the CEO ASB, contractual arrangements would apply, allowing for minimum 12 months' base salary (inclusive of notice) or a maximum of 64 weeks in accordance with ASB Policy.

Remuneration report (continued)

4. Risk and remuneration adjustments

CBA's risk assessment processes and remuneration framework are designed to promote accountability for taking risks we can understand and manage, to be adaptive to the changing landscape of threats and opportunities and to support taking the right risks, with a strong emphasis on customer outcomes, resilience, security and safety.

The remuneration adjustments made in the 2023, 2022 and 2021 financial years provided below include senior leaders (the Executive Leadership Team, Executive General Managers and General Managers) and all other employees eligible for a performance review. The figures below have been reported to the Board in October for the respective financial year.

	2023 financial year	2022 financial year	2021 financial year
Employees rated 'exceptionally managed' for risk ¹	542 employees	588 employees	463 employees
<i>Positive risk-related adjustments to senior leaders' STVR</i>	20	24	21
<i>Positive risk-related adjustments for all other employees</i>	521	557	429
Employees rated 'partially met' or 'not met' for risk ¹	1,499 employees	1,918 employees	2,258 employees
<i>Downward risk-related adjustments to senior leaders' STVR</i>	9	20	25
<i>Downward risk-related adjustments for all other employees</i>	1,475	1,893	2,205

¹ The figures for both positive and downward risk-related adjustments above do not total the number of employees rated 'exceptionally managed' and 'partially met' or 'not met' for risk due to employee movements (including exits) between the time of performance review and finalised STVR outcomes.

CBA recognises and rewards a cohort of employees rated 'exceptionally managed' for managing risk in a way that brings our purpose and values to life. Everyday risk recognition continues to be incorporated in the Group-wide recognition platform, providing our people with the ability to recognise positive risk behaviours.

In the 2023 financial year, 95.3% of employees were assessed as fully meeting risk expectations in their roles (93.8% in 2022).

STVR outcomes have been reduced by a minimum of 10% for 'partially met' ratings since the 2019 financial year and ranged up to 100% reduction for 'not met' risk ratings.

During the 2024 financial year, CBA's consequence management processes identified 2,259 instances of substantiated misconduct, with 180 resulting in termination. A review of the consequence management framework was also completed to identify opportunities for enhancement and ensure the framework remains robust and aligned to CBA's risk culture.

Risk assessment in performance and remuneration

CBA's performance and remuneration frameworks support and promote taking risks we can understand and manage holding employees individually and collectively accountable for managing role-related risks and compliance with the Group's Code of Conduct, including policies such as Group Mandatory Learning.

Group-wide risk assessment guidance including examples is continually enhanced to set clear expectations of managing risks for both employees and managers, and to help people leaders consistently assess risk behaviours and outcomes, determine the appropriate level of STVR adjustments for not fully meeting expectations, and document the reasons for their assessment.

Executive Leadership Team risk assessments continue to be supported by Executive Risk Scorecards, independent assessment by the Chief Risk Officer, and the Committees meet concurrently as part of the interim and annual performance assessment processes.

Comprehensive reporting is provided to the Board to support its oversight of risk assessment and remuneration outcomes and to inform the Board's guidance for the annual performance and remuneration review.

Malus and clawback

- Malus (the ability to lapse/forfeit or reduce vesting of deferred variable remuneration) and clawback (the repayment of variable remuneration that has been paid or vested) are embedded within our consequence management framework.
- Malus is applied to unvested deferred variable remuneration in relation to poor risk outcomes and/or misconduct. No malus was applied during the 2023 financial year.
- To the extent in-year adjustments or malus are insufficient to satisfy remuneration consequences determined by the Board, clawback may be applied to the variable remuneration awarded to the CEO, GEs, and other regulated roles of the Group in line with prudential requirements.
- The time horizon of application has also been aligned to the APRA Prudential Standard CPS 511, i.e. in general, the Board may exercise clawback in relation to applicable roles for at least two years from the date of payment or vesting, including where the employment or engagement of the person has ceased.

5. Non-Executive Director arrangements

The table below outlines the Non-Executive Directors for the financial year ended 30 June 2024. Non-Executive Directors are required to hold CBA shares equivalent to 100% of Board Chair fees for the Chair and 100% of Board member fees for Non-Executive Directors. This is to be accumulated within five years commencing the later of 1 July 2019 or date of appointment, valued with reference to the prevailing CBA share price at the relevant accumulation commencement date. This is also the starting date for compliance with the revised MSR within five years. Progress against the MSR for each individual is shown in the table below.

Name	Position	Term as KMP	Current shareholding ¹	Progress against MSR and deadline
Chair				
Paul O'Malley	Chair	Full year	87%	On track, 10 August 2027
Current Non-Executive Directors				
Lyn Cobley	Director	Full year	122%	Meets
Julie Galbo	Director	Full year	61%	On track, 1 September 2026
Peter Harmer	Director	Full year	100%	Meets
Simon Moutter	Director	Full year	115%	Meets
Mary Padbury	Director	Full year	166%	Meets
Anne Templeman-Jones	Director	Full year	102%	Meets
Rob Whitfield AM	Director	Full year	128%	Meets
Former Non-Executive Director				
Genevieve Bell AO ²	Director	Part year	n/a	n/a

1 The percentage shown represents the individual's percentage of CBA shares as a proportion of their individual base fees.

2 Genevieve Bell AO retired as Non-Executive Director on 31 October 2023.

Non-Executive Director fees

Non-Executive Directors receive fees as compensation for their work on the Board and the associated Committees on which they serve. Non-Executive Directors do not receive any performance-related remuneration. The total amount of Non-Executive Directors' fees is capped at a maximum fee pool that is approved by shareholders. The current fee pool is \$4.75 million, which was approved by shareholders at CBA's 2015 Annual General Meeting on 17 November 2015.

Fees are reviewed and recommended to the Board at least every two years. The fees were reviewed in the 2024 financial year and as a result, Board member fees increased to \$260,000 (from \$242,000) from 1 January 2024 to maintain relative competitive alignment with peers. Fees are inclusive of base fees and statutory superannuation. The Chair does not receive separate Committee fees.

The following table outlines the Non-Executive Directors' fees for the Board and the Committees for the periods 1 July 2023 to 31 December 2023 and 1 January 2024 to 30 June 2024.

Board/Committee	Fees effective 1 July 2023		Fees effective 1 January 2024	
	Chair \$	Member \$	Chair \$	Member \$
Board	890,000	242,000	890,000	260,000
Audit Committee	70,000	35,000	70,000	35,000
Risk & Compliance Committee	70,000	35,000	70,000	35,000
People & Remuneration Committee	70,000	35,000	70,000	35,000
Nominations Committee ¹	–	12,500	–	12,500
United Kingdom Remuneration Assurance Committee (UK RAC) ²	30,000	18,000	30,000	18,000

1 The Chair of the Board is also the Chair of the Nominations Committee; no additional fee is paid for this.

2 Board members who also serve as members of the UK RAC receive fees in relation to this service, and these fees are set appropriately below fees for UK RAC independent members given a small portion of UK RAC matters overlap with People & Remuneration Committee matters.

Remuneration report (continued)

Non-Executive Director statutory remuneration

The statutory table below details individual statutory remuneration for the Non-Executive Directors for both the 2023 and 2024 financial years. The table has been prepared and audited against the relevant Australian Accounting Standards. Refer to the footnotes below the table for more detail on each remuneration component.

	Short-term benefits	Post-employment benefits	Share-based payments	Total statutory remuneration
	Cash ¹	Superannuation ²	Non-Executive Directors' Share Plan ³	
	\$	\$	\$	\$
Chair				
Paul O'Malley				
30 Jun 24	883,055	27,399	–	910,454
30 Jun 23	823,826	25,292	–	849,118
Current Non-Executive Directors				
Lyn Cobley				
30 Jun 24	276,393	26,068	–	302,461
30 Jun 23	163,800	17,203	–	181,003
Julie Galbo				
30 Jun 24	312,088	27,399	4,190	343,677
30 Jun 23	279,231	24,788	48,023	352,042
Peter Harmer				
30 Jun 24	301,025	27,399	–	328,424
30 Jun 23	286,931	25,292	–	312,224
Simon Moutter⁴				
30 Jun 24	345,507	27,399	–	372,906
30 Jun 23	330,518	25,292	–	355,810
Mary Padbury				
30 Jun 24	230,101	27,152	40,360	297,613
30 Jun 23	224,829	25,292	39,586	289,707
Anne Templeman-Jones				
30 Jun 24	300,719	27,399	26,838	354,956
30 Jun 23	295,916	25,292	26,440	347,648
Rob Whitfield AM				
30 Jun 24	288,398	27,399	51,716	367,513
30 Jun 23	283,441	25,292	51,024	359,757
Former Non-Executive Director				
Genevieve Bell AO⁵				
30 Jun 24	85,471	9,574	3,001	98,046
30 Jun 23	222,676	25,292	41,739	289,707

- 1 Cash includes Board and Committee fees received as cash, as well as the provision of additional benefits (including associated fringe benefits tax).
- 2 Superannuation contributions are capped at the superannuation maximum contributions base as prescribed under the Superannuation Guarantee legislation.
- 3 The values shown in the table represent the post-tax portion of fees received as shares under the Non-Executive Directors' Share Plan (NEDSP). The NEDSP facilitates the pre-tax (to a maximum of \$5,000 p.a.) and/or post-tax application of fees to the acquisition of shares. Shares under the NEDSP are granted on current share price at grant date.
- 4 Simon Moutter has provided consulting services to the ASB Banking Limited Technology Advisory Group (ASB TAG) during the year. He received payment (NZ\$50,000 per annum) for these additional services; however, these amounts have not been included in the table above as they were not related to his role and have no bearing on his remuneration as a Director of the Commonwealth Bank of Australia.
- 5 Genevieve Bell AO retired as Non-Executive Director on 31 October 2023.

Shares and other securities held by Non-Executive Directors

Details of the shareholdings and other securities as well as interests in registered schemes made available by CBA, or a related body corporate of CBA held by Non-Executive Directors (or close family members or entities controlled, jointly controlled, or significantly influenced by them, or any entity over which any of the aforementioned hold significant voting power) are set out below relating to time in KMP role. All shares were acquired by Non-Executive Directors on normal terms and conditions or through the Non-Executive Directors' Share Plan (NEDSP). Other securities acquired by Non-Executive Directors were on normal terms and conditions.

	Class	Balance 1 Jul 2023	Acquired ¹	Net change other ²	Balance 30 Jun 2024
Chair					
Paul O'Malley	Ordinary	7,630	–	–	7,630
Current Non-Executive Directors					
Lyn Cobley	Ordinary	3,040	1,000	(840)	3,200
	PERLS ³	2,904	–	(1,100)	1,804
Julie Galbo	Ordinary	1,020	449	–	1,469
Peter Harmer	Ordinary	2,933	–	–	2,933
Simon Moutter	Ordinary	4,000	–	–	4,000
Mary Padbury	Ordinary	4,307	553	–	4,860
Anne Templeman-Jones	Ordinary	2,506	469	–	2,975
Rob Whitfield AM	Ordinary	3,221	537	–	3,758
Former Non-Executive Director					
Genevieve Bell AO ⁴	Ordinary	2,086	134	–	n/a
	PERLS ³	1,020	–	–	n/a

1 Incorporates shares and other securities acquired during the year. In the 2024 financial year, under the NEDSP, Julie Galbo acquired 147 shares, Mary Padbury acquired 429 shares, Anne Templeman-Jones acquired 301 shares, Rob Whitfield acquired 537 shares and Genevieve Bell acquired 134 shares. No PERLS were acquired during the year.

2 Net change other incorporates changes resulting from other transfers of securities.

3 Includes cumulative holdings of PERLS securities issued by the Group.

4 Genevieve Bell AO retired as Non-Executive Director on 31 October 2023.

Remuneration report (continued)

6. Loans and other transactions

Loans to KMP

All loans to KMP (including close family members or entities controlled, jointly controlled, or significantly influenced by them, or any entities over which any of those family members or entities held significant voting power) have been made in the ordinary course of business on normal commercial terms and conditions no more favourable than those given to other employees, including the term of the loan, security required and the interest rate (which may be fixed or variable). No loans were written down during the period.

Total loans to KMP

	\$
Opening balance (1 July 2023) ¹	16,611,831
Closing balance (30 June 2024) ²	17,357,264
Interest charged (during 2024 financial year)	473,103

1 Opening balance at 1 July 2023 has been revised due to transactions being adjusted during the reporting period and correction to a loan amount.

2 The aggregate loan amount at the end of the reporting period includes loans issued to 15 KMP and their related parties.

Loans to KMP exceeding \$100,000 in aggregate during the 2024 financial year

	Balance 1 Jul 2023 ¹ \$	Interest charged \$	Interest not charged \$	Write-off \$	Balance 30 Jun 2024 \$	Highest balance in period ² \$
Alan Docherty	2,567,204	129,997	–	–	4,420,206	4,945,211
Andrew Hinchliff	4,261,150	83,021	–	–	4,005,838	4,285,311
Angus Sullivan	3,834,762	44,489	–	–	4,275,011	4,884,072
Mike Vacy-Lyle	3,861,216	149,576	–	–	2,793,291	4,058,432
Vittoria Shortt	1,918,120	62,265	–	–	1,695,567	2,107,290
Total	16,442,453	469,348	–	–	17,189,912	20,280,316

1 Opening balances at 1 July 2023 have been revised due to transactions being adjusted during the reporting period and correction to a loan amount.

2 Represents the sum of highest balances outstanding at any point during the 2024 financial year for each individual loan held by the KMP and their related parties.

Other transactions of KMP

Financial instrument transactions

Financial instrument transactions (other than loans and shares disclosed within this report) with KMP, their close family members and entities controlled or significantly influenced by them, occur in the ordinary course of business on normal commercial terms and conditions no more favourable than those given to other employees.

All such financial instrument transactions that have occurred between entities within the Group and KMP, their close family members and entities controlled or significantly influenced by them, were in the nature of normal personal banking and deposit transactions.

Transactions other than financial instrument transactions

All other transactions with KMP, their close family members, related entities and other related parties are conducted in the ordinary course of business on normal commercial terms and conditions no more favourable than those given to other employees and customers. These transactions principally involve the provision of financial and investment services by entities not controlled by the Group.

Dividend Equivalent Payment Accrual

Liability owing on dividend equivalent payments for the FY21, FY22, FY23 and FY24 long-term variable remuneration (LTAR) awards accumulated over the restriction period was \$4,066,510 as at 30 June 2024. Details of the LTAR can be found on page 31.

Directors' report (continued)

Non-audit services

Amounts paid or payable to PricewaterhouseCoopers (PwC) for audit, review, assurance and non-audit services provided during the year, are set out in Note 12.3 to the *Financial report* on page 193.

Auditor's Independence Declaration

We have obtained an independence declaration from our external auditor as presented on page 43.

Auditor independence

The operation of the Group External Auditor Services Policy assists in ensuring the independence of the Group's external auditor.

The Audit Committee has considered the provision, during the year, of non-audit services by PwC, and has concluded that the provision of those services did not compromise the auditor independence requirements of the *Corporations Act 2001* (Cth).

The Audit Committee is satisfied that the provision of the non-audit services by PwC during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

The Directors have considered the provision of non-audit services by PwC for the year ended 30 June 2024 and are satisfied that, in accordance with the advice received from the Board Audit Committee, such services are compatible with the general standard of independence for auditors and did not compromise the auditor independence requirements of the *Corporations Act 2001* (Cth). The reasons for this are as follows:

- the effective operation of the Group External Auditor Services Policy during the year to restrict the nature of non-audit services engagements, to prohibit certain services and to require Board Audit Committee pre-approval for all such engagements; and
- the relative quantum of fees paid for non-audit services compared to the quantum for audit and audit-related services was appropriate.

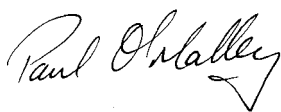
The above Directors' statements are in accordance with the advice received from the Audit Committee.

Incorporation of additional material

The following sections form part of this report and should be read in conjunction:

- the *Board of directors* section on pages 3-6;
- information on Directors' shareholdings, share rights and options on pages 33 and 40;
- the *Remuneration report* can be found on pages 13-41;
- dividend information can be found in Note 8.4 to the *Financial report* on pages 130-131;
- non-audit services information can be found in Note 12.3 to the *Financial report* on page 193; and
- the external auditor's independence declaration on page 43.

This Directors' report is made in accordance with a resolution of the Directors.



Paul O'Malley
Chairman



Matt Comyn
Managing Director and Chief Executive Officer

14 August 2024

Auditor's Independence Declaration



As lead auditor for the audit of the Commonwealth Bank of Australia for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the Commonwealth Bank of Australia and the entities it controlled during the period.

A handwritten signature in black ink that reads 'Elizabeth O'Brien'.

Elizabeth O'Brien
Partner
PricewaterhouseCoopers

Sydney
14 August 2024

PricewaterhouseCoopers, ABN 52 780 433 757

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Income Statements

For the year ended 30 June 2024

	Note	Group ¹			Bank	
		30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
		\$M	\$M	\$M	\$M	\$M
Interest income:						
Effective interest income	2.1	57,397	43,182	23,987	52,396	38,954
Other interest income	2.1	3,647	1,293	306	3,710	1,332
Interest expense	2.1	(38,220)	(21,419)	(4,820)	(36,223)	(20,270)
Net interest income		22,824	23,056	19,473	19,883	20,016
Net other operating income ²	2.3	4,097	4,372	5,373	4,219	4,812
Total net operating income before operating expenses and impairment		26,921	27,428	24,846	24,102	24,828
Operating expenses	2.4	(12,337)	(12,079)	(11,609)	(11,130)	(11,072)
Loan impairment (expense)/benefit	3.2	(802)	(1,108)	357	(715)	(1,021)
Net profit before income tax		13,782	14,241	13,594	12,257	12,735
Income tax expense	2.5	(4,301)	(4,145)	(4,002)	(3,644)	(3,455)
Net profit after income tax from continuing operations		9,481	10,096	9,592	8,613	9,280
Net (loss)/profit after income tax from discontinued operations	11.3	(87)	(98)	1,098	–	–
Net profit after income tax		9,394	9,998	10,690	8,613	9,280

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 Net other operating income is presented net of directly attributable fees and commission expenses, depreciation and impairment charges.

The above Income Statements should be read in conjunction with the accompanying notes.

Earnings per share for profit attributable to equity holders of the Bank for the year:

	Group ¹		
	30 Jun 24	30 Jun 23	30 Jun 22
	Cents per share		
Earnings per share from continuing operations:			
Basic	566.6	597.5	557.0
Diluted	562.7	584.2	537.1
Earnings per share:			
Basic	561.4	591.7	620.7
Diluted	557.8	578.7	597.0

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

Statements of Comprehensive Income

For the year ended 30 June 2024

	Group ¹			Bank ¹	
	30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 22 \$M	30 Jun 24 \$M	30 Jun 23 \$M
Net profit after income tax for the period from continuing operations	9,481	10,096	9,592	8,613	9,280
Other comprehensive income/(expense):					
Items that may be reclassified subsequently to profit/(loss):					
Foreign currency translation reserve net of tax	(35)	229	(281)	–	33
Gains/(losses) on cash flow hedging instruments net of tax	310	(961)	(1,326)	733	(896)
Losses on debt investment securities at fair value through other comprehensive income net of tax	(464)	(229)	(508)	(463)	(203)
Total of items that may be reclassified	(189)	(961)	(2,115)	270	(1,066)
Items that will not be reclassified to profit/(loss):					
Actuarial (losses)/gains from defined benefit superannuation plans net of tax	(168)	(12)	76	(166)	(12)
Gains/(losses) on equity investment securities at fair value through other comprehensive income net of tax	310	(430)	(2,199)	310	(412)
Revaluation of properties net of tax	15	19	30	14	24
Total of items that will not be reclassified	157	(423)	(2,093)	158	(400)
Other comprehensive (expense)/income net of income tax from continuing operations	(32)	(1,384)	(4,208)	428	(1,466)
Total comprehensive income for the period from continuing operations:	9,449	8,712	5,384	9,041	7,814
Net (loss)/profit after income tax from discontinued operations	(87)	(98)	1,098	–	–
Total comprehensive income for the period attributable to equity holders of the Bank	9,362	8,614	6,482	9,041	7,814

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

The above Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

	Note	Group		
		30 Jun 24	30 Jun 23	30 Jun 22
		Cents per share		
Dividends per share attributable to shareholders of the Bank:				
Ordinary shares	8.4	465	450	385

Balance Sheets

As at 30 June 2024

	Note	Group ¹		Bank ¹	
		30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 24 \$M	30 Jun 23 \$M
Assets					
Cash and liquid assets	5.1	83,080	116,619	78,255	108,367
Receivables from financial institutions	5.2	5,862	6,079	5,428	5,422
Assets at fair value through income statement	5.3	79,033	67,627	79,194	67,641
Derivative assets	5.4	18,058	23,945	19,797	25,585
Investment securities:					
At amortised cost	5.5	1,239	2,032	1,239	2,032
At fair value through other comprehensive income	5.5	96,774	84,671	87,847	77,831
Assets held for sale	11.3	870	5	3	5
Loans and other receivables	3.1	942,210	926,082	834,024	816,140
Shares in and loans to controlled entities	11.2	–	–	58,228	54,636
Property, plant and equipment	6.1	3,676	4,950	3,331	3,549
Investments in associates and joint ventures	11.1	1,671	1,827	951	1,066
Intangible assets	6.2	7,600	7,393	4,581	4,340
Deferred tax assets	2.5	3,771	3,811	3,443	3,640
Other assets	6.3	10,232	7,382	9,609	6,799
Total assets		1,254,076	1,252,423	1,185,930	1,177,053
Liabilities					
Deposits and other public borrowings	4.1	882,922	864,995	802,882	786,267
Payables to financial institutions	5.2	24,633	21,910	24,136	21,266
Liabilities at fair value through income statement	4.2	47,341	40,103	46,911	39,148
Derivative liabilities	5.4	18,850	25,347	20,040	26,728
Due to controlled entities		–	–	48,158	42,586
Current tax liabilities		503	671	363	442
Deferred tax liabilities	2.5	111	88	111	88
Provisions	7.1	2,908	3,013	2,681	2,818
Term funding from central banks	4.4	4,228	54,220	–	49,637
Debt issues	4.3	144,530	122,267	120,834	95,893
Bills payable and other liabilities	7.2	19,024	15,578	18,102	14,932
		1,145,050	1,148,192	1,084,218	1,079,805
Loan capital	8.2	35,938	32,598	35,931	32,587
Total liabilities		1,180,988	1,180,790	1,120,149	1,112,392
Net assets		73,088	71,633	65,781	64,661
Shareholders' equity					
Ordinary share capital	8.3	33,635	33,913	33,652	33,949
Reserves	8.3	(2,147)	(2,295)	(1,757)	(2,363)
Retained profits	8.3	41,600	40,010	33,886	33,075
Shareholders' equity attributable to equity holders of the Bank		73,088	71,628	65,781	64,661
Non-controlling interests		–	5	–	–
Total Shareholders' equity		73,088	71,633	65,781	64,661

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

The above Balance Sheets should be read in conjunction with the accompanying notes.

Statements of Changes in Equity

For the year ended 30 June 2024

	Group					
	Ordinary share capital	Reserves	Retained profits	Total	Non- controlling interests	Total shareholders' equity
	\$M	\$M	\$M	\$M	\$M	\$M
As at 30 June 2022	36,467	(460)	36,826	72,833	5	72,838
Prior period change ¹	–	(458)	305	(153)	–	(153)
Revised opening balance	36,467	(918)	37,131	72,680	5	72,685
Net profit after income tax from continuing operations ¹	–	–	10,096	10,096	–	10,096
Net loss after income tax from discontinued operations	–	–	(98)	(98)	–	(98)
Net other comprehensive expense from continuing operations ¹	–	(1,372)	(12)	(1,384)	–	(1,384)
Total comprehensive (expense)/income for the period ¹	–	(1,372)	9,986	8,614	–	8,614
Transactions with equity holders in their capacity as equity holders:						
Share buy-backs ²	(2,533)	–	–	(2,533)	–	(2,533)
Dividends paid on ordinary shares	–	–	(7,117)	(7,117)	–	(7,117)
Share-based payments	–	5	–	5	–	5
Purchase of treasury shares	(101)	–	–	(101)	–	(101)
Sale and vesting of treasury shares	80	–	–	80	–	80
Other changes	–	(10)	10	–	–	–
As at 30 June 2023	33,913	(2,295)	40,010	71,628	5	71,633
Net profit after income tax from continuing operations	–	–	9,481	9,481	–	9,481
Net loss after income tax from discontinued operations	–	–	(87)	(87)	–	(87)
Net other comprehensive income/(expense) from continuing operations	–	136	(168)	(32)	–	(32)
Total comprehensive income for the period	–	136	9,226	9,362	–	9,362
Transactions with equity holders in their capacity as equity holders:						
Share buy-backs ³	(282)	–	–	(282)	–	(282)
Dividends paid on ordinary shares	–	–	(7,623)	(7,623)	–	(7,623)
Share-based payments	–	(1)	–	(1)	–	(1)
Purchase of treasury shares	(80)	–	–	(80)	–	(80)
Sale and vesting of treasury shares	84	–	–	84	–	84
Other changes	–	13	(13)	–	(5)	(5)
As at 30 June 2024	33,635	(2,147)	41,600	73,088	–	73,088

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² On 15 February 2023, the Group announced its intention to undertake an on-market share buy-back of up to \$1 billion of CBA ordinary shares in addition to the \$2 billion announcement on 9 February 2022. During the year ended 30 June 2023, the Group completed the previously announced \$3 billion on-market buy-backs and bought back a total of 25,369,084 ordinary shares (\$2,532 million) at an average price of \$99.81. The Group recognised \$1 million in transaction costs in relation to the buy-backs. The shares bought back were subsequently cancelled.

³ On 9 August 2023, the Group announced its intention to conduct a further on-market share buy-back of up to \$1 billion of CBA ordinary shares, with 2,588,964 ordinary shares bought back at an average price of \$108.84 (\$282 million) during the year ended 30 June 2024. The shares bought back were subsequently cancelled.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statements of Changes in Equity (continued)

For the year ended 30 June 2024

	Bank			Total \$M
	Ordinary share capital \$M	Reserves \$M	Retained profits \$M	
As at 30 June 2022	36,491	(544)	30,177	66,124
Prior period change ¹	–	(359)	736	377
Revised opening balance	36,491	(903)	30,913	66,501
Net profit after income tax from continuing operations	–	–	9,280	9,280
Net other comprehensive expense from continuing operations ¹	–	(1,454)	(12)	(1,466)
Total comprehensive (expense)/income for the period ¹	–	(1,454)	9,268	7,814
Transactions with equity holders in their capacity as equity holders:				
Share buy-backs ²	(2,533)	–	–	(2,533)
Dividends paid on ordinary shares	–	–	(7,117)	(7,117)
Share-based payments	–	5	–	5
Purchase of treasury shares	(64)	–	–	(64)
Sale and vesting of treasury shares	55	–	–	55
Other changes	–	(11)	11	–
As at 30 June 2023	33,949	(2,363)	33,075	64,661
Net profit after income tax from continuing operations	–	–	8,613	8,613
Net other comprehensive income/(expense) from continuing operations	–	594	(166)	428
Total comprehensive income for the period	–	594	8,447	9,041
Transactions with equity holders in their capacity as equity holders:				
Share buy-backs ³	(282)	–	–	(282)
Dividends paid on ordinary shares	–	–	(7,623)	(7,623)
Share-based payments	–	(1)	–	(1)
Purchase of treasury shares	(66)	–	–	(66)
Sale and vesting of treasury shares	51	–	–	51
Other changes	–	13	(13)	–
As at 30 June 2024	33,652	(1,757)	33,886	65,781

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² On 15 February 2023, the Group announced its intention to undertake an on-market share buy-back of up to \$1 billion of CBA ordinary shares in addition to the \$2 billion announcement on 9 February 2022. During the year ended 30 June 2023, the Group completed the previously announced \$3 billion on-market buy-backs and bought back a total of 25,369,084 ordinary shares (\$2,532 million) at an average price of \$99.81. The Group recognised \$1 million in transaction costs in relation to the buy-backs. The shares bought back were subsequently cancelled.

³ On 9 August 2023, the Group announced its intention to conduct a further on-market share buy-back of up to \$1 billion of CBA ordinary shares, with 2,588,964 ordinary shares bought back at an average price of \$108.84 (\$282 million) during the year ended 30 June 2024. The shares bought back were subsequently cancelled.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statements of Cash Flows

For the year ended 30 June 2024

	Note	Group ^{1 2}			Bank ¹	
		30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
		\$M	\$M	\$M	\$M	\$M
Cash flows from operating activities						
Interest received		59,431	43,286	24,744	54,469	39,016
Interest paid		(34,843)	(18,212)	(4,432)	(32,893)	(17,561)
Other operating income received		3,548	3,240	3,562	2,816	2,737
Expenses paid		(10,951)	(11,207)	(11,027)	(9,858)	(10,245)
Income taxes paid		(4,308)	(3,871)	(3,530)	(3,677)	(3,332)
Insurance business:						
Investment income		–	–	(6)	–	–
Premiums received ³		–	183	698	–	–
Policy payments and commission expense ³		–	(208)	(620)	–	–
Cash flows from operating activities before changes in operating assets and liabilities		12,877	13,211	9,389	10,857	10,615
Changes in operating assets and liabilities arising from cash flow movements						
Movement in investment securities:						
Purchases		(71,318)	(34,641)	(34,472)	(64,836)	(31,963)
Proceeds		60,055	30,050	34,957	55,832	27,256
Net (increase)/decrease in assets at fair value through income statement		(11,000)	(36,874)	14,587	(11,296)	(36,344)
Net increase in loans and other receivables		(25,475)	(46,102)	(68,250)	(26,025)	(43,598)
Net (increase)/decrease in receivables from financial institutions		(9)	1,230	(1,747)	29	1,116
Net (increase)/decrease in securities purchased under agreements to resell at amortised cost		(26,207)	34,690	(29,888)	(25,609)	34,431
Net increase in other assets		(532)	(943)	(795)	(531)	(624)
Net increase in deposits and other public borrowings		22,542	38,385	79,739	19,775	35,157
Net increase/(decrease) in payables to financial institutions		2,801	(5,258)	7,425	2,947	(5,126)
Net increase/(decrease) in securities sold under agreements to repurchase at amortised cost		3,168	(34,996)	13,846	3,079	(35,019)
Net increase/(decrease) in other liabilities at fair value through income statement		7,494	32,814	(1,516)	8,053	33,098
Net (decrease)/increase in other liabilities		(19)	44	(35)	(87)	24
Changes in operating assets and liabilities arising from cash flow movements		(38,500)	(21,601)	13,851	(38,669)	(21,592)
Net cash (used in)/provided by operating activities	12.2 (a)	(25,623)	(8,390)	23,240	(27,812)	(10,977)

1 It should be noted that the Group does not use these accounting Statements of Cash Flows in the internal management of its liquidity positions.

2 Comparative information includes discontinued operations. For the cash flows from discontinued operations, refer to Note 11.3.

3 Represents gross premiums and policy payments before splitting between policyholders and shareholders.

Statements of Cash Flows (continued)

For the year ended 30 June 2024

Note	Group ^{1 2}			Bank ¹	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Cash flows from investing activities					
Cash outflows from acquisitions of controlled entities (net of cash acquired)	(9)	–	–	–	–
Cash inflows from disposals of associates and joint ventures	–	–	1,789	–	–
Cash outflows from acquisitions of associates and joint ventures	(25)	(41)	(256)	(25)	(37)
Cash inflows from disposal of controlled entities (net of cash disposed of)	123	567	1,975	188	–
Dividends received	94	95	30	1,126	1,233
Net cashflows received from controlled entities ³	–	–	–	1,595	3,292
Proceeds from sales of property, plant and equipment	25	74	108	8	41
Purchases of property, plant and equipment	(401)	(683)	(231)	(344)	(349)
Purchases of intangible assets	(921)	(885)	(746)	(826)	(769)
Net cash (used in)/provided by investing activities	(1,114)	(873)	2,669	1,722	3,411
Cash flows from financing activities					
Share buy-backs	(282)	(2,533)	(6,471)	(282)	(2,533)
Dividends paid (excluding Dividend Reinvestment Plan)	(7,623)	(7,117)	(6,535)	(7,623)	(7,117)
Proceeds from issuance of debt securities	52,455	51,833	61,921	46,738	43,462
Redemption of debt securities	(30,910)	(49,329)	(45,879)	(22,194)	(39,641)
(Maturity of)/proceeds from term funding from central banks	(49,957)	(598)	2,951	(49,637)	(1,500)
Purchases of treasury shares	(80)	(101)	(76)	(66)	(64)
Sales of treasury shares	–	–	48	–	–
Proceeds from issuance of loan capital	5,155	7,665	6,815	5,151	7,673
Redemption of loan capital	(1,590)	(3,043)	(6,540)	(1,590)	(3,043)
Payments for the principal portion of lease liabilities	(420)	(525)	(523)	(397)	(470)
Net cash (used in)/provided by financing activities	(33,252)	(3,748)	5,711	(29,900)	(3,233)
Net (decrease)/increase in cash and cash equivalents	(59,989)	(13,011)	31,620	(55,990)	(10,799)
Effect of foreign exchange rates on cash and cash equivalents	138	828	355	156	279
Cash and cash equivalents at beginning of year	107,172	119,355	87,380	98,730	109,250
Cash and cash equivalents at end of year	47,321	107,172	119,355	42,896	98,730

1 It should be noted that the Group does not use these accounting Statements of Cash Flows in the internal management of its liquidity positions.

2 Comparative information includes discontinued operations. For the cash flows from discontinued operations, refer to Note 11.3.

3 Amounts received from/(paid to) controlled entities are presented in line with how they are managed and settled.

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2024

1 Overview

1.1 General information, basis of accounting, changes in accounting policies and future accounting developments

General information

The Financial Report of the Commonwealth Bank of Australia (the Bank) and the Bank and its subsidiaries (the Group) for the year ended 30 June 2024, was approved and authorised for issue by the Board of Directors on 14 August 2024. The Directors have the power to amend and reissue the financial statements.

The Bank is a for-profit entity incorporated and domiciled in Australia. It is a company limited by shares that are publicly traded on the Australian Securities Exchange. The registered office is Commonwealth Bank Place South, Level 1, 11 Harbour Street, NSW 2000, Australia.

The Financial Report includes the consolidated and standalone financial statements of the Group and the Bank, respectively. Notes accompanying the financial statements, the consolidated entity disclosure statement and the Directors' declaration form part of the Financial Report.

On 1 May 2024, the Group completed the sale of its 99% shareholding in PT Bank Commonwealth (PTBC) to PT Bank OCBC NISP Tbk (OCBC Indonesia), a subsidiary of Oversea-Chinese Banking Corporation Limited (OCBC).

There have been no other significant changes in the nature of the principal activities of the Group during the year.

Basis of accounting

The Financial Report:

- is a general purpose financial report;
- has been prepared in accordance with the Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- has been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth);
- is presented in Australian dollars, which is the Bank's functional and presentation currency, with all values rounded to the nearest million dollars (\$M) in accordance with *ASIC Corporations Instrument 2016/191* unless otherwise indicated;
- includes foreign currency transactions that are translated into the functional currency, using the exchange rates prevailing at the date of each transaction;
- has been prepared on a going concern basis using a historical cost basis, except for certain assets and liabilities (including derivative instruments) measured at fair value;
- presents assets and liabilities on the face of the Balance Sheets in decreasing order of liquidity;
- where required, presents restated comparative information for consistency with the current year's presentation in the Financial Report; and
- contains accounting policies that have been consistently applied to all periods presented, unless otherwise stated.

Changes in comparatives

Discontinued operations

The financial results of businesses reclassified as discontinued operations are excluded from the results of the continuing operations and presented as a single line item net profit/(loss) after income tax from discontinued operations in the Income Statement, and other comprehensive income/(expense) net of income tax from discontinued operations in the Statement of Comprehensive Income.

The Income Statements and the Statements of Comprehensive Income for comparative periods are also restated. Assets and liabilities of discontinued operations subject to disposal have been presented on the Balance Sheet separately as assets and liabilities held for sale. The Balance Sheet is not restated when a business is reclassified as a discontinued operation.

Re-segmentation

During the year ended 30 June 2024, the Group made a number of re-segmentations, allocations and reclassifications including the transfer of some customers between segments and refinements to the allocation of costs to support units. These changes have not impacted the Group's net profit but have resulted in changes to the presentation of the Income Statement and the Balance Sheet of the affected segments. These changes have been applied retrospectively. Refer to Note 2.7 for further information.

Notes to the Financial Statements

For the year ended 30 June 2024

1.1 General information, basis of accounting, changes in accounting policies and future accounting developments (continued)

Prior period adjustments

During the year ended 30 June 2024, management reassessed the classification of the Group's investment in Qilu Bank in accordance with AASB 128 *Investments in Associates and Joint Ventures* and concluded that the Group lost significant influence over financial and operating policy decision making at the time of the Qilu Bank Initial Public Offering in June 2021. This change has been applied retrospectively.

For the Group, the comparative information has been revised as follows:

- A decrease in investments in associates as at 30 June 2023 and 2022 of \$1,021 million and \$957 million, respectively;
- An increase in investments at fair value through other comprehensive income as at 30 June 2023 and 2022 of \$599 million and \$779 million, respectively;
- A decrease in deferred tax liabilities as at 30 June 2023 and 2022 of \$50 million and \$25 million, respectively;
- A decrease in net other operating income for the years ended 30 June 2023 and 2022 of \$102 million and \$90 million, respectively;
- A decrease in income tax expense for the years ended 30 June 2023 and 2022 of \$10 million and \$9 million, respectively;
- A decrease in investment securities revaluation reserve as at 30 June 2023 and 2022 of \$535 million and \$370 million, respectively;
- A decrease in foreign currency translation reserve as at 30 June 2023 and 2022 of \$50 million and \$88 million, respectively;
- An increase in opening retained earnings as at 1 July 2022 for the Group of \$305 million;
- A decrease in basic earnings per share and basic earnings per share from continuing operations for the years ended 30 June 2023 and 2022 of 5.5 cents per share and 4.7 cents per share, respectively; and
- A decrease in diluted earnings per share and diluted earnings per share from continuing operations for the years ended 30 June 2023 and 2022 of 5.1 cents per share and 4.4 cents per share, respectively.

For the Bank, the comparative information has been revised as follows:

- A decrease in investments in associates as at 30 June 2023 and 2022 of \$364 million and \$360 million, respectively;
- An increase in investments at fair value through other comprehensive income as at 30 June 2023 and 2022 of \$599 million and \$779 million, respectively;
- An increase in deferred tax liabilities as at 30 June 2023 and 2022 of \$24 million and \$42 million, respectively;
- A decrease in investment securities revaluation reserve as at 30 June 2023 and 2022 of \$525 million and \$359 million, respectively; and
- An increase in opening retained earnings as at 1 July 2022 of \$736 million.

Adoption of new or amended accounting standards and future accounting developments

International Tax Reform – Pillar Two Model Rules

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released Global Anti-Base Erosion (GloBE) Model rules ("Pillar Two"), introducing new 'top-up' taxing mechanisms for multinational enterprises (MNEs) that fall within the rules. MNEs will be liable to pay a top-up tax reflecting the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate.

As at 30 June 2024, Pillar Two draft legislation has been released in Australia but not yet been enacted. Certain jurisdictions in which the Group operates have enacted or substantively enacted Pillar Two legislation. The legislation will be effective for the Group for the financial year beginning 1 July 2024.

In June 2023, the Australian Accounting Standards Board (AASB) issued AASB 2023-2 to amend AASB 112 *Income Taxes* in order to address Pillar Two. It introduced a mandatory temporary exception from recognising and disclosing Pillar Two deferred taxes, which has been adopted by the Group.

The Group has performed an assessment of the potential exposure to Pillar Two income taxes. The Group does not operate in jurisdictions that have a headline corporate tax rate of less than 15% and does not expect to pay any Pillar Two top-up taxes. In the unlikely event that Pillar Two taxes become payable, the Group does not expect the impact to be material.

Notes to the Financial Statements

For the year ended 30 June 2024

1.1 General information, basis of accounting, changes in accounting policies and future accounting developments (continued)

Multinational Tax Transparency – Disclosure of Subsidiaries

During the year ended 30 June 2024, the *Corporations Act 2001* (Cth) was amended to introduce new mandatory annual disclosures for public companies required to prepare consolidated financial statements. The amendments were made as part of the Government's commitment to protect the integrity of the Australian tax system and improve tax transparency. The new disclosures include names, legal structures, locations of incorporation or formation, and tax residency status of consolidated entities. The new disclosure requirement is effective for the year ended 30 June 2024. The Group's consolidated entity disclosure statement is provided on pages 195 – 197 of this Financial Report.

AASB 18 Presentation and Disclosure in Financial Statements

In June 2024, the AASB issued a new standard AASB 18 *Presentation and Disclosure in Financial Statements*, which will be effective for the Group from 1 July 2027 and is required to be applied retrospectively. AASB 18 will replace AASB 101 *Presentation of Financial Statements* and introduces new requirements to improve entities' reporting of financial performance and give investors a better basis for analysing and comparing entities. These requirements aim to improve comparability in the income statement, enhance transparency of management-defined performance measures and provide useful grouping of information in the financial statements. The Group continues to assess the impact of adopting AASB 18.

Notes to the Financial Statements

For the year ended 30 June 2024

2 Our performance

OVERVIEW

The Group earns its returns from providing a broad range of banking products and services to retail and wholesale customers in Australia, New Zealand and other jurisdictions.

Lending and deposit taking are the Group's primary business activities with net interest income being the main contributor to the Group's results. Net interest income is derived from the difference between interest earned on lending and investment assets and interest incurred on customer deposits and wholesale debt raised to fund these assets.

The Group further generates income from lending fees and commissions and trading activities. It also incurs costs associated with running the business such as staff, occupancy and technology related expenses.

The Performance section provides details of the main contributors to the Group's returns and analysis of its financial performance by business segments and geographical regions.

2.1 Net interest income

	Group			Bank	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Interest income					
Effective interest income:					
Loans and other receivables	46,895	35,820	23,173	40,228	31,416
Other financial institutions	290	206	20	258	197
Cash and liquid assets	4,831	4,115	254	4,438	3,794
Investment securities:					
At amortised cost	83	101	49	84	101
At fair value through other comprehensive income	5,298	2,940	491	4,781	2,620
Controlled entities	–	–	–	2,607	826
Total effective interest income	57,397	43,182	23,987	52,396	38,954
Other interest income:					
Assets at fair value through income statement	3,539	1,190	201	3,539	1,190
Controlled entities	–	–	–	72	48
Other	108	103	105	99	94
Total other interest income	3,647	1,293	306	3,710	1,332
Total interest income	61,044	44,475	24,293	56,106	40,286
Interest expense					
Deposits	23,993	12,726	2,420	21,334	11,493
Other financial institutions	1,228	844	94	1,168	784
Liabilities at fair value through income statement	2,064	634	105	2,035	645
Term funding from central banks	278	257	99	37	80
Debt issues	7,822	4,873	997	6,491	3,574
Loan capital	2,326	1,615	687	2,329	1,616
Lease liabilities	82	77	75	71	67
Bank levy	427	393	343	427	393
Controlled entities	–	–	–	2,331	1,618
Total interest expense	38,220	21,419	4,820	36,223	20,270
Net interest income	22,824	23,056	19,473	19,883	20,016

Notes to the Financial Statements

For the year ended 30 June 2024

2.1 Net interest income (continued)

ACCOUNTING POLICIES

Interest income and interest expense on financial assets and liabilities measured at amortised cost, and debt financial assets measured at fair value through other comprehensive income (OCI), are recognised using the effective interest method. Interest income recognition for these categories of financial assets depends on the expected credit losses (ECL) stage they are allocated to in accordance with the Group's ECL methodology. For financial assets classified within Stage 1 and Stage 2 interest income is calculated by applying the effective interest rate to the gross carrying amount of the assets. Interest income on financial assets in Stage 3 is recognised by applying the effective interest rate to the gross carrying amount net of provisions for impairment. For details on the Group's ECL methodology refer to Note 3.2.

Fees, transaction costs and issue costs integral to financial assets and liabilities are capitalised and included in the interest recognised over the expected life of the instrument. This includes establishment fees for providing a loan or a lease arrangement. Facility and line fees in relation to commitments made under credit facilities where drawdown is assessed as probable are considered an integral part of the effective interest rate and are recognised in net interest income.

Interest income on finance leases is recognised over the life of the lease, consistent with the outstanding investment and unearned income balance.

Interest income and expense on financial assets and liabilities that are classified at fair value through the income statement are accounted for on a contractual rate basis and include amortisation of premium/discounts.

Interest expense also includes payments made under a liquidity facility arrangement with the Reserve Bank of Australia, the Major Bank Levy (Bank Levy) expense and other financing charges.

Notes to the Financial Statements

For the year ended 30 June 2024

2.2 Average balances and related interest

The following information has been produced using statutory Balance Sheet and Income Statement categories. The tables below list the major categories of interest earning assets and interest bearing liabilities of the Group together with the respective interest earned or paid and the average interest rate for the years ended 30 June 2024, 30 June 2023 and 30 June 2022. Interest is accounted for based on product yield. Where assets or liabilities are hedged, the amounts are shown net of the hedge, but individual items not separately hedged may be affected by movements in exchange rates and interest rates. The overseas component comprises overseas branches of the Bank and overseas domiciled controlled entities of the Group. Non-accrual loans are included in interest earning assets under loans and other receivables. During the year ended 30 June 2024, the official cash rate in Australia increased by 25 basis points to 4.35% while the official cash rate in New Zealand remained at 5.5% on a spot basis (2023: 325 basis points increase for Australia and 350 basis points increase for New Zealand; 2022: 75 basis points increase for Australia and 175 basis points increase for New Zealand).

	Group									
	30 Jun 24			30 Jun 23			30 Jun 22			
	Average balance	Interest	Average rate	Average balance	Interest	Average rate	Average balance	Interest	Average rate	
	\$M	\$M	%	\$M	\$M	%	\$M	\$M	%	
Interest earning assets										
Cash and liquid assets										
Australia	75,988	3,243	4.3	103,720	2,942	2.8	95,587	103	0.1	
Overseas	28,768	1,588	5.5	38,346	1,173	3.1	32,004	151	0.5	
Receivables from financial institutions										
Australia	2,280	79	3.5	2,590	49	1.9	2,617	(5)	(0.2)	
Overseas	3,545	211	6.0	4,793	157	3.3	3,197	25	0.8	
Assets at fair value through income statement:										
Australia	48,665	2,023	4.2	27,956	831	3.0	20,610	205	1.0	
Overseas	28,799	1,516	5.3	13,609	359	2.6	3,618	(4)	(0.1)	
Investment securities:										
At amortised cost										
Australia	1,627	83	5.1	2,601	101	3.9	3,938	49	1.2	
At fair value through OCI										
Australia	78,795	3,963	5.0	64,014	2,211	3.5	64,453	345	0.5	
Overseas	23,162	1,335	5.8	17,024	729	4.3	16,344	146	0.9	
Loans and other receivables										
Australia ¹	734,774	39,550	5.4	720,419	30,160	4.2	667,934	19,460	2.9	
Overseas	117,954	7,453	6.3	116,182	5,763	5.0	116,608	3,818	3.3	
Total interest earning assets and interest income	1,144,357	61,044	5.3	1,111,254	44,475	4.0	1,026,910	24,293	2.4	

¹ Net of average mortgage offset balances that are included in non-interest earning assets. Average mortgage offset balances for the year ended 30 June 2024 was \$74,730 million (30 June 2023: \$69,717 million; 30 June 2022: \$64,748 million). While under the accounting standards loans and other receivables balances are required to be presented on gross basis, they are presented net of mortgage offset balances for the calculation of customer interest payments and the Group's net interest margin.

Notes to the Financial Statements

For the year ended 30 June 2024

2.2 Average balances and related interest (continued)

	Group ¹		
	Average balance		
	30 Jun 24	30 Jun 23	30 Jun 22
	\$M	\$M	\$M
Non-interest earning assets			
Property, plant and equipment			
Australia	3,794	4,431	4,468
Overseas	816	426	486
Other assets			
Australia ²	102,099	100,862	109,671
Overseas	20,823	21,663	9,728
Provisions for impairment			
Australia	(5,171)	(4,748)	(4,032)
Overseas	(648)	(652)	(724)
Total non-interest earning assets	121,713	121,982	119,597
Assets held for sale			
Australia	44	466	2,094
Overseas	626	–	–
Total assets	1,266,740	1,233,702	1,148,601
Percentage of total assets applicable to overseas operations (%)	17.7	17.1	15.8

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 For the purpose of reconciling total average assets, other assets include average mortgage offset balances as these balances are excluded from the average interest earning assets. Average mortgage offset balances for the year ended 30 June 2024 were \$74,730 million (30 June 2023: \$69,717 million; 30 June 2022: \$64,748 million).

Notes to the Financial Statements

For the year ended 30 June 2024

2.2 Average balances and related interest (continued)

	Group									
	30 Jun 24			30 Jun 23			30 Jun 22			
	Average balance	Interest	Average rate	Average balance	Interest	Average rate	Average balance	Interest	Average rate	
Interest bearing liabilities	\$M	\$M	%	\$M	\$M	%	\$M	\$M	%	
Time deposits										
Australia ¹	204,049	8,848	4.3	189,801	4,172	2.2	157,909	1,061	0.7	
Overseas	64,700	3,132	4.8	67,262	2,776	4.1	59,344	597	1.0	
Saving deposits										
Australia ¹	231,475	6,203	2.7	210,296	2,625	1.2	202,729	299	0.1	
Overseas	19,131	619	3.2	20,350	162	0.8	23,040	106	0.5	
Other demand deposits										
Australia	157,319	4,853	3.1	166,953	2,806	1.7	157,998	293	0.2	
Overseas	12,405	338	2.7	13,078	185	1.4	13,955	64	0.5	
Payables to financial institutions										
Australia	11,804	530	4.5	10,542	410	3.9	12,221	36	0.3	
Overseas	12,705	698	5.5	12,657	434	3.4	10,000	58	0.6	
Liabilities at fair value through income statement										
Australia	15,726	875	5.6	10,510	370	3.5	3,834	96	2.5	
Overseas	29,717	1,189	4.0	11,797	264	2.2	4,255	9	0.2	
Term funding from central banks										
Australia	32,746	37	0.1	51,118	80	0.2	51,137	80	0.2	
Overseas	4,499	241	5.4	4,481	177	4.0	2,016	19	0.9	
Debt issues										
Australia	115,428	6,462	5.6	96,999	4,077	4.2	94,418	703	0.7	
Overseas	23,214	1,360	5.9	20,475	796	3.9	16,651	294	1.8	
Loan capital										
Australia	33,987	2,326	6.8	28,305	1,562	5.5	24,329	557	2.3	
Overseas	–	–	–	1,252	53	4.2	4,861	130	2.7	
Lease liabilities										
Australia	2,328	69	3.0	2,530	65	2.6	2,707	64	2.4	
Overseas	233	13	5.6	260	12	4.6	291	11	3.8	
Bank levy										
Australia	–	427	–	–	393	–	–	343	–	
Total interest bearing liabilities and interest expense	971,466	38,220	3.9	918,666	21,419	2.3	841,695	4,820	0.6	

¹ Net of average mortgage offset balances that are included in non-interest bearing liabilities.

Notes to the Financial Statements

For the year ended 30 June 2024

2.2 Average balances and related interest (continued)

	Group ¹		
	Average balance		
	30 Jun 24	30 Jun 23	30 Jun 22
	\$M	\$M	\$M
Non-interest bearing liabilities			
Deposits not bearing interest			
Australia ²	176,298	191,151	184,771
Overseas	9,331	10,891	12,370
Other liabilities			
Australia	21,696	23,764	24,943
Overseas	14,941	16,598	8,508
Total non-interest bearing liabilities	222,266	242,404	230,592
Liabilities held for sale			
Australia	–	419	1,071
Overseas	488	–	–
Total liabilities	1,194,220	1,161,489	1,073,358
Shareholders' equity	72,520	72,213	75,243
Total liabilities and Shareholders' equity	1,266,740	1,233,702	1,148,601
Percentage of total liabilities applicable to overseas operations (%)	16.0	15.4	14.5

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² Includes average mortgage offset balances.

Notes to the Financial Statements

For the year ended 30 June 2024

2.2 Average balances and related interest (continued)

Changes in net interest income: volume and rate analysis

The following tables show the movement in interest income and expense due to changes in volume and interest rates from prior periods. Volume variances reflect the changes in interest due to movements in the average balance. Rate variances reflect the change in interest due to changes in interest rates. When the change cannot be isolated to either volume or rate, it has been allocated to volume. Volume and rate variance for total interest earning assets and interest bearing liabilities have been calculated separately (rather than being the sum of the individual categories).

Changes in net interest income: Volume and rate analysis	June 2024 vs June 2023			June 2023 vs June 2022		
	Volume \$M	Rate \$M	Total \$M	Volume \$M	Rate \$M	Total \$M
Interest earning assets						
Cash and liquid assets						
Australia	(1,184)	1,485	301	231	2,608	2,839
Overseas	(529)	944	415	194	828	1,022
Receivables from financial institutions						
Australia	(11)	41	30	(1)	55	54
Overseas	(74)	128	54	52	80	132
Assets at fair value through income statement:						
At amortised cost						
Australia	861	331	1,192	218	408	626
Overseas	800	357	1,157	264	99	363
Investment securities:						
At amortised cost						
Australia	(50)	32	(18)	(52)	104	52
At fair value through OCI						
Australia	743	1,009	1,752	(15)	1,881	1,866
Overseas	354	252	606	29	554	583
Loans and other receivables						
Australia	773	8,617	9,390	2,197	8,503	10,700
Overseas	112	1,578	1,690	(21)	1,966	1,945
Changes in interest income	1,766	14,803	16,569	3,376	16,806	20,182

Notes to the Financial Statements

For the year ended 30 June 2024

2.2 Average balances and related interest (continued)

Changes in net interest income: Volume and rate analysis	June 2024 vs June 2023			June 2023 vs June 2022		
	Volume \$M	Rate \$M	Total \$M	Volume \$M	Rate \$M	Total \$M
Interest bearing liabilities and loan capital						
Time deposits						
Australia	618	4,058	4,676	701	2,410	3,111
Overseas	(124)	480	356	327	1,852	2,179
Saving deposits						
Australia	568	3,010	3,578	94	2,232	2,326
Overseas	(39)	496	457	(21)	77	56
Other demand deposits						
Australia	(297)	2,344	2,047	151	2,362	2,513
Overseas	(18)	171	153	(12)	133	121
Payables to financial institutions						
Australia	57	63	120	(65)	439	374
Overseas	3	261	264	91	285	376
Liabilities at fair value through income statement						
Australia	290	215	505	235	39	274
Overseas	717	208	925	169	86	255
Term funding from central banks						
Australia	(21)	(22)	(43)	–	–	–
Overseas	1	63	64	97	61	158
Debt issues						
Australia	1,032	1,353	2,385	108	3,266	3,374
Overseas	160	404	564	149	353	502
Loan capital						
Australia	389	375	764	219	786	1,005
Overseas	(53)	–	(53)	(153)	76	(77)
Lease liabilities						
Australia	(6)	10	4	(5)	6	1
Overseas	(2)	3	1	(1)	2	1
Bank levy						
Australia	–	34	34	–	50	50
Changes in interest expense	2,077	14,724	16,801	1,795	14,804	16,599
Changes in net interest income	660	(892)	(232)	1,750	1,833	3,583

Notes to the Financial Statements

For the year ended 30 June 2024

2.3 Net other operating income

	Group ¹			Bank	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Commission income	2,451	2,297	2,309	1,999	1,826
Commission expense ²	(335)	(317)	(231)	(281)	(265)
Net commission income	2,116	1,980	2,078	1,718	1,561
Lending fees	821	753	736	773	719
Trading income	1,125	1,095	806	1,020	989
Net (loss)/gain on non-trading financial instruments ³	(118)	268	420	(401)	11
Net (loss)/gain on sale of property, plant and equipment	(2)	(4)	12	(4)	(4)
Net (loss)/gain from hedging ineffectiveness	(33)	1	4	(13)	38
Dividends – Controlled entities	–	–	–	1,033	1,139
Dividends	55	55	28	93	94
Share of results of associates and joint ventures net of impairment ⁴	(95)	(19)	894	(140)	(8)
Net insurance and funds management income	111	82	208	–	–
Other ^{5 6}	117	161	187	140	273
Total net other operating income	4,097	4,372	5,373	4,219	4,812

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² Includes expenses directly attributable to commission income generation such as credit card loyalty programs, card processing and certain other volume related expenses.

³ Includes gains and losses on non-trading derivatives that are held for risk management purposes and gains and losses on disposal of businesses not classified as discontinued operations. For details on disposals of businesses, refer to Note 11.3.

⁴ The year ended 30 June 2022 includes a pre-tax gain of \$516 million arising from the partial disposal of the Group's 10% interest in Bank of Hangzhou and the reclassification of the retained 5.6% interest to investment securities at fair value through other comprehensive income.

⁵ The year ended 30 June 2024 includes depreciation of \$58 million in relation to assets held as lessor by the Group (30 June 2023: \$63 million; 30 June 2022: \$61 million). Includes depreciation of \$4 million in relation to assets held for lease as lessor by the Bank (30 June 2023: \$3 million).

⁶ The year ended 30 June 2024 includes a \$50 million loss on reclassification of certain assets held as lessor to assets held for sale and remeasurement to fair value less costs to sell. The years ended 30 June 2023 and 2022 include an impairment loss of \$6 million and an impairment reversal of \$68 million, respectively, recognised by the Group in relation to certain aircraft owned by the Group and leased to various airlines. The impairment loss was driven by the impact of COVID-19 on the aviation sector.

Notes to the Financial Statements

For the year ended 30 June 2024

2.3 Net other operating income (continued)

ACCOUNTING POLICIES

Lending fees and commission income are accounted for as follows:

- facility fees earned for managing and administering credit and other facilities for customers are generally charged to the customer on a monthly or annual basis and are recognised as revenue over the service period. Annual fees that are not an integral part of the effective interest rate are deferred on the Balance Sheet in bills payable and other liabilities and recognised on a straight-line basis over the year. Transaction based fees are charged and recognised at the time of the transaction;
- commitment fees and fees in relation to guarantee arrangements are deferred and recognised over the life of the contractual arrangements;
- fee income is earned for providing advisory or arrangement services, placement and underwriting services. These fees are recognised when the related service is completed which is typically at the time of the transaction;
- the Group assesses whether the nature of the arrangement with its customer is as a principal provider or an agent of another party. Where the Group acts as an agent for another party, the income earned by the Group is the net consideration received. As an agent, the net consideration represents fee income for facilitating the transaction between the customer and the third party provider with the primary responsibility for fulfilling the contract; and
- commission income is presented net of directly attributable incremental external costs. Directly attributable incremental costs are the costs that would not have been incurred if a specific service had not been provided to a customer. These costs include the costs associated with credit card loyalty programs which are recognised as an expense when the services are provided on the redemption of points, cards processing expenses and certain other volume related expenses.

Establishment fees on financing facilities are deferred and amortised to interest income over the expected life of the loan and are not recognised when the commitment is issued.

Trading income represents both realised and unrealised gains and losses from changes in the fair value of trading assets, liabilities and derivatives, which are recognised in the period in which they arise.

Net gain/(loss) on non-trading financial instruments includes realised and unrealised gains and losses from non-trading financial assets and liabilities, as well as realised and unrealised gains and losses on non-trading derivatives that are held for risk management purposes.

Net gain/(loss) on the disposal of property, plant and equipment is the difference between proceeds received and its carrying value.

Net hedging ineffectiveness is measured on fair value, cash flow and net investment hedges.

Dividend income on non-trading equity investments is recognised on the ex-dividend date or when the right to receive payment is established.

Funds management fees are recognised over the service period as the performance obligation is met and when it is highly probable that the performance fee will not reverse.

The Group equity accounts for its share of the profits or losses of associate and joint venture investments, net of impairment recognised. Dividends received are recognised as a reduction in the carrying amount of the investments.

Other income includes rental income on operating leases which is recognised on a straight-line basis over the lease term. This income is presented net of depreciation and impairment expense on the associated operating lease assets held by the Group.

Other income also includes the impact of foreign currency revaluations for foreign currency monetary assets and liabilities. These assets and liabilities are translated at the spot rate at the balance sheet date. Exchange differences arising upon settling or translating monetary items at different rates to those at which they were initially recognised or previously reported, are recognised in the Income Statement.

Notes to the Financial Statements

For the year ended 30 June 2024

2.4 Operating expenses

	Group ¹			Bank ¹	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Staff expenses					
Salaries and related on-costs	6,757	6,563	5,955	5,693	5,614
Share-based compensation	130	123	111	129	122
Superannuation	601	553	516	563	519
Total staff expenses	7,488	7,239	6,582	6,385	6,255
Occupancy and equipment expenses					
Lease expenses ²	160	159	141	147	151
Depreciation of property, plant and equipment	623	602	640	534	522
Other occupancy expenses	212	189	197	181	159
Total occupancy and equipment expenses	995	950	978	862	832
Information technology services					
System development and support	998	1,068	990	890	988
Infrastructure and support	300	331	335	272	298
Communications	110	129	156	98	115
Amortisation and write-offs of software assets	685	395	761	585	308
IT equipment depreciation	132	113	117	113	91
Total information technology services	2,225	2,036	2,359	1,958	1,800
Other expenses					
Postage and stationery	145	138	131	133	130
Transaction processing and market data	107	93	94	84	73
Fees and commissions:					
Professional fees	410	403	495	360	363
Other	92	92	127	83	82
Advertising and marketing	297	262	227	248	217
Non-lending losses	208	274	292	177	277
Impairment of investments in subsidiaries	–	–	–	8	103
Other	251	371	143	595	599
Total other expenses	1,510	1,633	1,509	1,688	1,844
Operating expenses before separation and transaction costs	12,218	11,858	11,428	10,893	10,731
Separation and transaction costs	119	221	181	237	341
Total operating expenses	12,337	12,079	11,609	11,130	11,072

¹ Comparative information has been restated to conform to presentation in the current period.

² The year ended 30 June 2024 includes rentals of \$32 million in relation to short-term leases and low value leases (30 June 2023: \$56 million; 30 June 2022: \$59 million), and variable lease payments based on usage or performance of \$3 million (30 June 2023: \$5 million; 30 June 2022: \$11 million).

Notes to the Financial Statements

For the year ended 30 June 2024

2.4 Operating expenses (continued)

ACCOUNTING POLICIES

Salaries and related on-costs include annual leave, long service leave, employee incentives and relevant taxes. Staff expenses are recognised over the period the employee renders the service. Long service leave is discounted to present value using assumptions relating to staff departures, leave utilisation and future salary.

Share-based compensation includes plans which may be cash or equity settled. Cash settled share-based remuneration is recognised as a liability and re-measured to fair value until settled. The changes in fair value are recognised as staff expenses. Equity settled remuneration is fair valued at the grant date and amortised to staff expenses over the vesting period, with a corresponding increase in the employee compensation reserve.

Superannuation expense includes expenses relating to defined contribution and defined benefit superannuation plans. Defined contribution expense is recognised in the period the service is provided, whilst the defined benefit expense, which measures current and past service costs, is determined by an actuarial calculation.

Occupancy and equipment expenses include depreciation which is calculated using the straight-line method over the asset's estimated useful life. Right-of-use assets are depreciated over the shorter of the lease term or the useful life of the underlying asset, with the depreciation presented within depreciation of property, plant and equipment.

IT services expenses are recognised as incurred when the related services are delivered, unless they qualify for capitalisation as computer software because they are identifiable and controlled in a way that allows future economic benefits to be obtained and others' access to those benefits can be restricted. Capitalised computer software assets are amortised over their estimated useful life.

Software as a Service (SaaS) arrangements are service contracts providing the Group with the right to access the provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the provider's application software, are recognised as operating expenses when the services are received. Costs incurred for the development of software code that enhances, modifies or creates additional capability to existing on-premises systems and meets the recognition criteria for an intangible asset are capitalised and amortised over their estimated useful life.

The Group assesses, at each balance sheet date, useful lives and residual values of capitalised software assets and property, plant and equipment and whether there is any objective evidence of impairment. If an asset's carrying value is greater than its recoverable amount, the carrying amount is written down immediately to its recoverable amount.

Other expenses are recognised as the relevant service is rendered. Operating expenses related to provisions are recognised for present obligations arising from past events where a payment to settle the obligation is probable and can be reliably estimated.

Critical accounting judgements and estimates

Actuarial valuations of the Group's defined benefit superannuation plans' obligations are dependent on a series of assumptions set out in Note 10.2, including inflation rates, discount rates and salary growth rates. Changes in these assumptions impact the fair value of the plans' obligations, assets, superannuation expense and actuarial gains and losses recognised in Other Comprehensive Income.

Measurements of the Group's share-based compensation is dependent on assumptions, including grant date fair values. Information on these is set out in Note 10.1.

Refer to Note 6.2 for more information on the judgements and estimates associated with goodwill.

Notes to the Financial Statements

For the year ended 30 June 2024

2.5 Income tax expense

The income tax expense for the year is determined from the profit before income tax as follows:

	Group ¹			Bank	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Profit before income tax	13,782	14,241	13,594	12,257	12,735
Prima facie income tax at 30%	4,135	4,272	4,078	3,677	3,821
Effect of amounts which are non-deductible/ (assessable) in calculating taxable income:					
Taxation offsets and other dividend adjustments	–	–	–	(330)	(362)
Offshore tax rate differential	(99)	(63)	(47)	(63)	(25)
Offshore banking unit	–	(52)	(47)	–	(33)
Effect of change in tax rates	(4)	(6)	17	(4)	(6)
Income tax over provided in previous years	–	(178)	(40)	(5)	(150)
Impact of divestments	100	19	60	141	6
Hybrid capital distributions	163	112	53	163	112
Other	6	41	(72)	65	92
Total income tax expense	4,301	4,145	4,002	3,644	3,455
Effective tax rate (%)	31.2	29.1	29.4	29.7	27.1

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

	Group ¹			Bank	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Income tax expense attributable to profit from ordinary activities					
Australia					
Current tax expense	3,497	3,583	3,045	3,386	3,436
Deferred tax expense/(benefit)	144	(128)	204	147	(109)
Total Australia	3,641	3,455	3,249	3,533	3,327
Overseas					
Current tax expense	666	697	727	116	116
Deferred tax (benefit)/expense	(6)	(7)	26	(5)	12
Total overseas	660	690	753	111	128
Income tax expense attributable to profit from ordinary activities	4,301	4,145	4,002	3,644	3,455

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

Notes to the Financial Statements

For the year ended 30 June 2024

2.5 Income tax expense (continued)

	Group ¹			Bank ¹	
	30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 22 \$M	30 Jun 24 \$M	30 Jun 23 \$M
Deferred tax asset balances comprise temporary differences attributable to:					
Amounts recognised in the income statement:					
Lease liabilities	760	841	894	709	781
Provision for employee benefits	579	575	561	536	529
Provisions for impairment on loans and other receivables	1,791	1,729	1,500	1,618	1,563
Other provisions not tax deductible until expense incurred	428	579	779	409	542
Defined benefit superannuation plan	356	364	385	356	364
Unearned income	127	147	172	126	147
Intangible assets	191	219	240	190	219
Other	112	148	164	48	72
Total amount recognised in the income statement	4,344	4,602	4,695	3,992	4,217
Amounts recognised directly in other comprehensive income:					
Cash flow hedge reserve	640	859	431	525	842
Other reserves	348	271	78	349	271
Total amount recognised directly in other comprehensive income	988	1,130	509	874	1,113
Total deferred tax assets (before set off)	5,332	5,732	5,204	4,866	5,330
Set off to tax	(1,561)	(1,921)	(2,031)	(1,423)	(1,690)
Net deferred tax assets	3,771	3,811	3,173	3,443	3,640
Deferred tax liability balances comprise temporary differences attributable to:					
Amounts recognised in the income statement:					
Right-of-use assets	639	729	783	589	676
Lease financing relating to lessor activities	117	103	155	82	75
Intangible assets	56	57	56	56	56
Financial instruments	27	22	15	8	8
Investments in associates	171	170	340	170	169
Other	61	88	48	34	38
Total amount recognised in the income statement	1,071	1,169	1,397	939	1,022
Amounts recognised directly in other comprehensive income:					
Revaluation of properties	109	99	94	109	104
Foreign currency translation reserve	–	2	2	–	–
Cash flow hedge reserve	7	81	46	1	2
Defined benefit superannuation plan	474	546	546	474	546
Investment securities revaluation reserve	11	112	71	11	104
Total amount recognised directly in other comprehensive income	601	840	759	595	756
Total deferred tax liabilities (before set off)	1,672	2,009	2,156	1,534	1,778
Set off to tax	(1,561)	(1,921)	(2,031)	(1,423)	(1,690)
Net deferred tax liabilities	111	88	125	111	88

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

Notes to the Financial Statements

For the year ended 30 June 2024

2.5 Income tax expense (continued)

Unrecognised deferred tax assets and liabilities

As at 30 June 2024, the Group and the Bank had unrecognised deferred tax assets relating to unused tax losses of \$22 million (30 June 2023: \$58 million). The Group and the Bank had unrecognised deferred tax assets relating to unused capital losses of \$20 million (30 June 2023: nil). Deferred tax assets have not been recognised in respect of these losses because it is not considered probable that future taxable profit would be available against which they can be realised.

As at 30 June 2024, the Group had unrecognised deferred tax liabilities relating to undistributed profits of subsidiaries of \$12 million (30 June 2023: \$6 million).

Tax consolidation

The amount receivable by the Bank under the tax funding agreement was \$93 million as at 30 June 2024 (30 June 2023: \$190 million). This balance is included in "Other assets" in the Bank's Balance Sheet.

ACCOUNTING POLICIES

Income tax on the profit or loss for the period comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is calculated using the balance sheet method where temporary differences are identified by comparing the carrying amounts of assets and liabilities for financial reporting purposes to their tax bases.

The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities (i.e. through use or through sale), using tax rates which are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

The Group recognised and disclosed separate deferred tax assets and deferred tax liabilities arising from arrangements where the Group is a lessee. Deferred tax assets and liabilities are offset where they relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities within the same taxable group.

The Bank and its wholly owned Australian subsidiaries elected to be treated as a single entity ("the tax consolidated group") under the tax consolidation regime from 1 July 2002. The members of the tax consolidated group have entered into tax funding and tax sharing agreements, which set out the funding obligations and members.

Any current tax assets and liabilities and deferred tax assets from unused tax losses from subsidiaries in the tax consolidated group are recognised by the Bank legal entity and funded in line with the tax funding arrangement.

The measurement and disclosure of deferred tax assets and liabilities have been performed on a modified stand-alone basis under UIG 1052 *Tax Consolidation Accounting*.

Critical accounting judgements and estimates

Provisions for taxation require significant judgement with respect to outcomes that are uncertain. For such uncertainties, the Group has estimated the tax provisions based on the expected outcomes. A deferred tax asset is only recognised to the extent that it is probable that future taxable profits will be available for it to be used against.

Notes to the Financial Statements

For the year ended 30 June 2024

2.6 Earnings per share

	Group ^{1 2}		
	30 Jun 24	30 Jun 23	30 Jun 22
Earnings per ordinary share ³	Cents per share		
Earnings per share from continuing operations:			
Basic	566.6	597.5	557.0
Diluted	562.7	584.2	537.1
Earnings per share:			
Basic	561.4	591.7	620.7
Diluted	557.8	578.7	597.0

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 The difference between earnings per share from continuing operations and earnings per share represents earnings per share from discontinued operations.

3 EPS calculations are based on actual amounts prior to rounding to the nearest million.

Reconciliation of earnings from continuing operations used in calculation of earnings per share	Group ¹		
	30 Jun 24	30 Jun 23	30 Jun 22
	\$M	\$M	\$M
Profit after income tax from continuing operations	9,481	10,096	9,592
Continuing operations earnings used in calculation of basic earnings per share	9,481	10,096	9,592
Add: Profit impact of assumed conversions of loan capital	559	418	252
Continuing operations earnings used in calculation of fully diluted earnings per share	10,040	10,514	9,844

Reconciliation of earnings used in calculation of earnings per share			
Continuing operations earnings used in calculation of basic earnings per share	9,481	10,096	9,592
Discontinued operations earnings used in calculation of basic earnings per share	(87)	(98)	1,098
Earnings used in calculation of basic earnings per share	9,394	9,998	10,690
Add: Profit impact of assumed conversions of loan capital	559	418	252
Earnings used in calculation of fully diluted earnings per share	9,953	10,416	10,942

	Number of shares (in millions)		
	30 Jun 24	30 Jun 23	30 Jun 22
Weighted average number of ordinary shares used in calculation of basic earnings per share	1,673	1,690	1,722
Effect of dilutive securities – executive share plans and convertible loan capital instruments	111	110	111
Weighted average number of ordinary shares used in calculation of fully diluted earnings per share	1,784	1,800	1,833

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

ACCOUNTING POLICIES

Basic earnings per share (EPS) amounts are calculated by dividing the net profit for the year attributable to ordinary equity holders of the Bank by the weighted average number of ordinary shares on issue during the year, adjusted for any bonus element included in ordinary shares issued and excluding treasury shares held.

Diluted EPS is basic EPS adjusted for the impact of all securities on issue that can convert to CBA ordinary shares and would dilute basic EPS on conversion. It is calculated by dividing net profit attributable to ordinary equity holders of the Bank (after adding back interest on convertible loan capital instruments) by the weighted average number of ordinary shares outstanding during the year (as calculated under basic earnings per share adjusted for the effects of dilutive convertible loan capital instruments and shares issuable under executive share plans).

Notes to the Financial Statements

For the year ended 30 June 2024

2.7 Financial reporting by segments

The principal activities of the Group are carried out in the business segments described below. These segments are based on the distribution channels through which customer relationships are managed.

During the year ended 30 June 2024, there were re-segmentations, allocations and reclassifications, including the transfer of some customers between Retail Banking Services, Business Banking and Institutional Banking and Markets segments, and refinements to the allocation of support units costs. These changes have not impacted the Group's net profit, but have resulted in changes to the presentation of the Income Statement and the Balance Sheet of the affected segments. These changes have been applied retrospectively.

The Group's primary sources of revenue are interest and fee income (Retail Banking Services, Business Banking, Institutional Banking and Markets, New Zealand) and funds management income (New Zealand).

Revenues and expenses occurring between segments are subject to transfer pricing arrangements. All intra-group transactions are eliminated on consolidation.

Business segments are managed on the basis of net profit after income tax ("cash basis"). Management uses "cash basis" to assess performance and it provides the basis for the determination of the Bank's dividends. The "cash basis" presents the Group's underlying operating results, excluding a number of items that introduce volatility and/or one-off distortions of the Group's current period performance. These items, such as hedging and IFRS volatility, are calculated consistently year on year and do not discriminate between positive and negative adjustments.

(i) Retail Banking Services

Retail Banking Services provides banking products and services to personal and private bank customers helping them to manage their everyday banking needs, buy a home or invest for the future. Retail Banking Services also includes the financial results of retail banking activities provided under the Bankwest and Unloan brands.

(ii) Business Banking

Business Banking serves the banking needs of business, corporate and agribusiness customers across the full range of financial services solutions. It also provides equities trading and margin lending services through the CommSec business. Business Banking also includes the financial results of business banking activities conducted under the Bankwest brand.

(iii) Institutional Banking and Markets

Institutional Banking and Markets provides a full range of domestic and global financing and banking services to large corporate, institutional and government clients. These services include access to debt capital markets, risk management, transaction banking, sustainable finance, structured capital solutions and working capital delivered through dedicated product and industry specialists, as well as tailored research and data analytics.

(iv) New Zealand

New Zealand includes the banking and funds management businesses operating in New Zealand under the ASB brand. ASB provides a range of banking, wealth and insurance products and services to its personal, business and rural customers in New Zealand.

(v) Corporate Centre and Other

Corporate Centre and Other include the results of the Group's centrally held minority investments and subsidiaries, Group-wide remediation costs, investment spend including enterprise-wide infrastructure and other strategic projects, employee entitlements, and unallocated revenue and expenses relating to the Bank's support functions including Treasury, Investor Relations, Group Strategy, Legal and Corporate Affairs and Group-wide elimination entries arising on consolidation.

Centrally held minority investments and subsidiaries include the Group's offshore minority investments in China (Bank of Hangzhou and Qilu Bank) and Vietnam (Vietnam International Bank). They also include domestically held minority investments in Lendi Group Pty Limited, Superannuation and Investments Hold Co Pty Limited as well as the strategic investments in x15ventures. On 1 May 2024, the Group completed the sale of its 99% shareholding in PTBC to OCBC.

Treasury is primarily focused on the management of the Bank's interest rate risk, funding and liquidity requirements, and management of the Bank's capital.

Notes to the Financial Statements

For the year ended 30 June 2024

2.7 Financial reporting by segments (continued)

	30 June 2024					Total \$M
	Retail Banking Services \$M	Business Banking \$M	Institutional Banking and Markets \$M	New Zealand \$M	Corporate Centre and Other \$M	
Net interest income	11,119	7,511	1,434	2,491	269	22,824
Other operating income:						
Net commission income	1,292	391	196	223	14	2,116
Lending fees	233	332	228	28	–	821
Trading and other income	146	339	648	183	97	1,413
Total other operating income	1,671	1,062	1,072	434	111	4,350
Total operating income	12,790	8,573	2,506	2,925	380	27,174
Operating expenses	(4,802)	(2,743)	(1,088)	(1,203)	(2,382)	(12,218)
Loan impairment (expense)/benefit	(317)	(437)	4	(64)	12	(802)
Net profit/(loss) before tax	7,671	5,393	1,422	1,658	(1,990)	14,154
Corporate tax (expense)/benefit	(2,316)	(1,619)	(325)	(464)	406	(4,318)
Net profit/(loss) after tax from continuing operations – "cash basis"	5,355	3,774	1,097	1,194	(1,584)	9,836
Net profit after tax from discontinued operations	–	–	–	–	11	11
Net profit/(loss) after tax – "cash basis" ¹	5,355	3,774	1,097	1,194	(1,573)	9,847
Loss on acquisition, disposal, closure and demerger of businesses	–	–	(37)	–	(433)	(470)
Hedging and IFRS volatility	–	–	–	151	(134)	17
Net profit/(loss) after tax – "statutory basis"	5,355	3,774	1,060	1,345	(2,140)	9,394
Additional information						
Amortisation and depreciation	(225)	(106)	(46)	(151)	(912)	(1,440)
Balance Sheet						
Total assets	524,897	244,738	188,299	116,496	179,646	1,254,076
Total liabilities	390,912	218,908	250,402	103,720	217,046	1,180,988

¹ This balance excludes non-cash items, such as unrealised gains and losses relating to hedging and IFRS volatility, and gains and losses on previously announced divestments including post-completion adjustments (such as purchase price adjustments, and finalisation of accounting adjustments for goodwill and foreign currency translation reserve recycling), and transaction and separation costs.

Notes to the Financial Statements

For the year ended 30 June 2024

2.7 Financial reporting by segments (continued)

	30 June 2023 ¹					
	Retail Banking Services \$M	Business Banking \$M	Institutional Banking and Markets \$M	New Zealand \$M	Corporate Centre and Other \$M	Total \$M
Net interest income	11,697	7,248	1,443	2,617	51	23,056
Other operating income:						
Net commission income	1,156	415	200	220	(11)	1,980
Lending fees	206	311	206	28	2	753
Trading and other income	70	303	575	176	222	1,346
Total other operating income	1,432	1,029	981	424	213	4,079
Total operating income	13,129	8,277	2,424	3,041	264	27,135
Operating expenses	(4,629)	(2,606)	(1,056)	(1,154)	(2,413)	(11,858)
Loan impairment (expense)/benefit	(587)	(492)	36	(59)	(6)	(1,108)
Net profit/(loss) before tax	7,913	5,179	1,404	1,828	(2,155)	14,169
Corporate tax (expense)/benefit	(2,371)	(1,555)	(356)	(508)	693	(4,097)
Net profit/(loss) after tax from continuing operations – "cash basis"	5,542	3,624	1,048	1,320	(1,462)	10,072
Net profit after tax from discontinued operations	–	–	–	–	18	18
Net profit/(loss) after tax – "cash basis" ²	5,542	3,624	1,048	1,320	(1,444)	10,090
Gain/(loss) on acquisition, disposal, closure and demerger of businesses	181	–	–	–	(265)	(84)
Hedging and IFRS volatility	–	–	–	(204)	196	(8)
Net profit/(loss) after tax – "statutory basis"	5,723	3,624	1,048	1,116	(1,513)	9,998
Additional information						
Amortisation and depreciation	(165)	(75)	(46)	(140)	(684)	(1,110)
Balance Sheet						
Total assets	510,645	230,201	190,627	116,686	204,264	1,252,423
Total liabilities	369,297	217,236	244,781	104,575	244,901	1,180,790

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² This balance excludes non-cash items, such as unrealised gains and losses relating to hedging and IFRS volatility, and gains and losses on previously announced divestments including post-completion adjustments (such as purchase price adjustments, and finalisation of accounting adjustments for goodwill and foreign currency translation reserve recycling), and transaction and separation costs.

Notes to the Financial Statements

For the year ended 30 June 2024

2.7 Financial reporting by segments (continued)

	30 June 2022 ¹					Total \$M
	Retail Banking Services \$M	Business Banking \$M	Institutional Banking and Markets \$M	New Zealand \$M	Corporate Centre and Other \$M	
Net interest income	9,903	5,546	1,566	2,334	124	19,473
Other operating income:						
Net commission income	1,062	588	177	218	33	2,078
Lending fees	204	286	209	37	–	736
Trading and other income	233	222	376	242	1,239	2,312
Total other operating income	1,499	1,096	762	497	1,272	5,126
Total operating income	11,402	6,642	2,328	2,831	1,396	24,599
Operating expenses	(4,422)	(2,609)	(995)	(1,042)	(2,360)	(11,428)
Loan impairment benefit/(expense)	409	(114)	111	(37)	(12)	357
Net profit/(loss) before tax	7,389	3,919	1,444	1,752	(976)	13,528
Corporate tax (expense)/benefit	(2,195)	(1,185)	(376)	(487)	229	(4,014)
Net profit/(loss) after tax from continuing operations – "cash basis"	5,194	2,734	1,068	1,265	(747)	9,514
Net profit after tax from discontinued operations	–	–	–	–	113	113
Net profit/(loss) after tax – "cash basis" ²	5,194	2,734	1,068	1,265	(634)	9,627
(Loss)/gain on acquisition, disposal, closure and demerger of businesses	(130)	20	–	–	1,065	955
Hedging and IFRS volatility	–	–	–	(536)	644	108
Net profit after tax – "statutory basis"	5,064	2,754	1,068	729	1,075	10,690

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² This balance excludes non-cash items, such as unrealised gains and losses relating to hedging and IFRS volatility, and gains and losses on previously announced divestments including post-completion adjustments (such as purchase price adjustments, and finalisation of accounting adjustments for goodwill and foreign currency translation reserve recycling), and transaction and separation costs.

Notes to the Financial Statements

For the year ended 30 June 2024

2.7 Financial reporting by segments (continued)

Geographical Information	Group ^{1 2}					
	30 Jun 24		30 Jun 23		30 Jun 22	
Financial performance and position	\$M	%	\$M	%	\$M	%
Income						
Australia	22,225	82.6	23,035	84.0	21,031	84.7
New Zealand	3,402	12.6	3,367	12.3	2,969	11.9
Other locations ³	1,294	4.8	1,026	3.7	846	3.4
Total income	26,921	100.0	27,428	100.0	24,846	100.0
Non-current assets ⁴						
Australia	12,075	93.3	12,717	89.7	12,653	92.8
New Zealand	752	5.8	776	5.5	753	5.5
Other locations ³	120	0.9	677	4.8	224	1.7
Total non-current assets	12,947	100.0	14,170	100.0	13,630	100.0

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 Information is presented on a continuing operations basis.

3 Other locations include: United Kingdom, the Netherlands, United States, Japan, Singapore, Hong Kong, Indonesia, China and India.

4 Non-current assets include property, plant and equipment, investments in associates and joint ventures, and intangibles.

The geographic segment represents the location in which the transaction was recognised.

ACCOUNTING POLICIES

Operating segments are reported based on the Group's organisational and management structure. Senior management review the Group's internal reporting based on these segments, in order to assess performance and allocate resources.

All transactions between segments are conducted on an arm's length basis, with inter-segment revenue and costs eliminated in the 'Corporate Centre and Other' segment.

Notes to the Financial Statements

For the year ended 30 June 2024

3 Our lending activities

OVERVIEW

Lending is the Group's primary business activity, generating most of its net interest income and lending fees. The Group satisfies customers' needs for borrowed funds by providing a broad range of lending products in Australia, New Zealand and other jurisdictions. As a result of its lending activities, the Group assumes credit risk arising from the potential that it will not receive the full amount owed.

This section provides details of the Group's lending portfolio by type of product and geographic region, analysis of the credit quality of the Group's lending portfolio and the related impairment provisions.

3.1 Loans and other receivables

	Note	Group		Bank	
		30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 24 \$M	30 Jun 23 \$M
Australia					
Overdrafts		15,570	26,218	15,570	26,218
Home loans ^{1 2}		596,346	583,827	589,614	576,057
Credit card outstandings		8,559	9,052	8,559	9,052
Lease financing		4,324	3,451	4,129	3,266
Term loans and other lending		207,535	193,446	207,453	193,389
Total Australia		832,334	815,994	825,325	807,982
Overseas					
Overdrafts		884	1,044	160	135
Home loans ^{1 2}		68,355	68,391	82	130
Credit card outstandings		866	880	–	–
Term loans and other lending		47,509	46,942	15,574	14,442
Total Overseas		117,614	117,257	15,816	14,707
Gross loans and other receivables		949,948	933,251	841,141	822,689
Less:					
Provisions for loan impairment:	3.2				
Collective provisions		(5,200)	(5,037)	(4,700)	(4,519)
Individually assessed provisions		(712)	(754)	(621)	(677)
Unearned income:					
Terms loans		(1,363)	(1,089)	(1,363)	(1,088)
Lease financing		(463)	(289)	(433)	(265)
		(7,738)	(7,169)	(7,117)	(6,549)
Net loans and other receivables		942,210	926,082	834,024	816,140

1 Home loans balance includes residential mortgages that have been assigned to securitisation vehicles and covered bond trusts. Further details on these residential mortgages are disclosed in Note 4.5.

2 These balances are presented gross of mortgage offset balances as required under accounting standards.

Based on behavioural terms and current market conditions, the amounts expected to be repaid within 12 months of the balance sheet date are \$220,847 million (30 June 2023: \$217,835 million) for the Group, and \$200,686 million (30 June 2023: \$198,545 million) for the Bank.

Notes to the Financial Statements

For the year ended 30 June 2024

3.1 Loans and other receivables (continued)

ACCOUNTING POLICIES

Loans and other receivables include overdrafts, home loans, credit cards, other personal lending and term loans. These financial assets are held within a business model with an objective to hold financial assets in order to collect contractual cash flows. The contractual cash flows on these financial assets comprise the payment of principal and interest only. These instruments are measured at amortised cost.

Loans and other receivables, consistent with the Group's policy for all financial assets measured at amortised cost, are recognised on settlement date, when funding is advanced to the borrowers. They are initially recognised at their fair value plus directly attributable transaction costs such as broker fees and commissions. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method and are presented net of provisions for impairment. The accounting policy for provisions for impairment is provided in Note 3.2. For information on the Group's management of credit risk, refer to Note 9.2.

Finance leases, where the Group acts as lessor, are also included in Loans and other receivables. Finance leases are those where substantially all the risks and rewards of the lease asset have been transferred to the lessee. Lease receivables are recognised at an amount equal to the net investment in the lease. Finance lease income reflects a constant periodic return on this net investment and is recognised within other interest income in the Income Statement.

Critical accounting judgements and estimates

When applying the effective interest method the Group has estimated the behavioural term of each loan portfolio by reference to historical prepayment rates and contractual maturities.

Notes to the Financial Statements

For the year ended 30 June 2024

3.1 Loans and other receivables (continued)

Contractual maturity tables

Industry/sector	Group				Total
	Maturity Period at 30 June 2024				
	Maturing 1 year or less	Maturing between 1 and 5 years	Maturing between 5 and 15 years	Maturing after 15 years	
	\$M	\$M	\$M	\$M	\$M
Australia					
Sovereign	10,342	687	488	250	11,767
Agriculture	5,494	12,744	161	47	18,446
Bank and other financial	16,876	3,106	138	49	20,169
Construction	1,872	4,235	335	139	6,581
Consumer	18,338	57,920	180,802	352,856	609,916
Other commercial and industrial	53,598	103,666	6,110	2,081	165,455
Total Australia	106,520	182,358	188,034	355,422	832,334
Overseas					
Sovereign	176	–	–	–	176
Agriculture	5,221	4,110	561	246	10,138
Bank and other financial	4,523	2,986	12	10	7,531
Construction	214	277	114	193	798
Consumer	5,023	7,247	21,876	36,584	70,730
Other commercial and industrial	16,233	7,473	2,819	1,716	28,241
Total Overseas	31,390	22,093	25,382	38,749	117,614
Gross loans and other receivables	137,910	204,451	213,416	394,171	949,948
Interest rate	Maturing 1 year or less	Maturing between 1 and 5 years	Maturing between 5 and 15 years	Maturing after 15 years	Total
	\$M	\$M	\$M	\$M	\$M
Australia	87,058	163,835	162,529	310,278	723,700
Overseas	27,647	14,255	4,076	3,694	49,672
Total variable interest rates	114,705	178,090	166,605	313,972	773,372
Australia	19,462	18,523	25,505	45,144	108,634
Overseas	3,743	7,838	21,306	35,055	67,942
Total fixed interest rates ¹	23,205	26,361	46,811	80,199	176,576
Gross loans and other receivables	137,910	204,451	213,416	394,171	949,948

¹ For fixed interest rate loans, the information is presented on the basis of contractual maturity rather than the expiry of the fixed rate period.

Notes to the Financial Statements

For the year ended 30 June 2024

3.1 Loans and other receivables (continued)

Industry/sector	Group Maturity Period at 30 June 2023				Total \$M
	Maturing 1 year or less \$M	Maturing between 1 and 5 years \$M	Maturing between 5 and 15 years \$M	Maturing after 15 years \$M	
Australia					
Sovereign	23,149	644	466	277	24,536
Agriculture	4,297	11,378	255	33	15,963
Bank and other financial	16,055	4,539	56	48	20,698
Construction	1,523	4,141	349	140	6,153
Consumer	20,681	58,499	177,525	340,127	596,832
Other commercial and industrial	42,123	101,179	6,609	1,901	151,812
Total Australia	107,828	180,380	185,260	342,526	815,994
Overseas					
Sovereign	501	–	–	–	501
Agriculture	5,129	4,220	614	223	10,186
Bank and other financial	5,176	2,181	13	13	7,383
Construction	224	289	96	196	805
Consumer	5,281	7,486	21,106	37,001	70,874
Other commercial and industrial	16,727	6,733	2,536	1,512	27,508
Total Overseas	33,038	20,909	24,365	38,945	117,257
Gross loans and other receivables	140,866	201,289	209,625	381,471	933,251
Interest rate	Maturing 1 year or less \$M	Maturing between 1 and 5 years \$M	Maturing between 5 and 15 years \$M	Maturing after 15 years \$M	Total \$M
Australia	94,718	156,023	137,429	247,684	635,854
Overseas	29,432	13,515	3,880	3,195	50,022
Total variable interest rates	124,150	169,538	141,309	250,879	685,876
Australia	13,110	24,357	47,831	94,842	180,140
Overseas	3,606	7,394	20,485	35,750	67,235
Total fixed interest rates ¹	16,716	31,751	68,316	130,592	247,375
Gross loans and other receivables	140,866	201,289	209,625	381,471	933,251

¹ For fixed interest rate loans, the information is presented on the basis of contractual maturity rather than the expiry of the fixed rate period.

Notes to the Financial Statements

For the year ended 30 June 2024

3.2 Loan impairment expense and provisions for impairment

	Group			Bank	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Loan impairment expense					
Net collective provision funding	559	795	(506)	513	733
Net new and increased individual provisioning	397	470	321	324	418
Write-back of individually assessed provisions	(154)	(157)	(172)	(122)	(130)
Total loan impairment expense/(benefit) ¹	802	1,108	(357)	715	1,021

¹ The year ended 30 June 2024 includes a benefit of \$30 million and \$18 million for the Group and the Bank, respectively, in relation to credit exposures reclassified to assets held for sale.

Movement in provisions for impairment and credit exposures by ECL stage

The tables below provide movements in the Group's and the Bank's impairment provisions and credit exposures by expected credit loss (ECL) stage for the years ended 30 June 2024 and 2023.

Movements in credit exposures and provisions for impairment in the tables below represent the sum of monthly movements over the year and are attributable to the following items:

- **Transfers to/(from):** movements due to transfers of credit exposures between Stage 1, Stage 2 and Stage 3. Excludes the impact of re-measurements of provisions for impairment between 12 months and lifetime ECL;
- **Net re-measurement on transfers between stages:** movements in provisions for impairment due to re-measurement between 12 months and lifetime ECL as a result of transfers of credit exposures between stages;
- **Net financial assets originated:** net movements in credit exposures and provisions for impairment due to new financial assets originated as well as changes in existing credit exposures due to maturities, repayments or credit limit changes;
- **Movements in existing IAP (including IAP write-backs):** net movements in existing Individually Assessed Provisions (IAP) excluding write-offs;
- **Movement due to risk parameters and other changes:** movements in provisions for impairment due to changes in credit risk parameters, forward looking economic scenarios or other assumptions as well as other changes in underlying credit quality that do not lead to transfers between Stage 1, Stage 2 and Stage 3;
- **Write-offs:** derecognition of credit exposures and provisions for impairment upon write-offs;
- **Recoveries:** increases in provisions for impairment due to recoveries of loans previously written off; and
- **Foreign exchange and other movements:** other movements in credit exposures and provisions for impairment including the impact of changes in foreign exchange rates.

Notes to the Financial Statements

For the year ended 30 June 2024

3.2 Loan impairment expense and provisions for impairment (continued)

	Group							
	Stage 1		Stage 2 ¹		Stage 3		Total	
	Performing		Performing		Non-performing			
	Gross exposure	Provisions	Gross exposure	Provisions	Gross exposure	Provisions	Gross exposure	Provisions ²
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Opening balance as at 1 July 2022	914,883	1,313	141,817	2,538	7,462	1,496	1,064,162	5,347
Transfers to/(from)								
Stage 1	124,546	1,920	(124,340)	(1,904)	(206)	(16)	–	–
Stage 2	(211,946)	(815)	214,905	1,053	(2,959)	(238)	–	–
Stage 3	(1,336)	(21)	(5,124)	(386)	6,460	407	–	–
Net re-measurement on transfers between stages	–	(1,454)	–	2,379	–	360	–	1,285
Net financial assets originated	88,153	384	(40,188)	(815)	(2,325)	(232)	45,640	(663)
Movement in existing IAP (including IAP write-backs)	–	–	–	–	–	218	–	218
Movements due to risk parameters and other changes	–	372	–	4	–	(108)	–	268
Loan impairment expense for the period		386		331		391		1,108
Write-offs	–	–	–	–	(684)	(684)	(684)	(684)
Recoveries	–	–	–	–	–	108	–	108
Foreign exchange and other commitments	7,265	10	804	20	29	41	8,098	71
Closing balance as at 30 June 2023	921,565	1,709	187,874	2,889	7,777	1,352	1,117,216	5,950
Transfers to/(from)								
Stage 1	112,438	1,476	(112,360)	(1,469)	(78)	(7)	–	–
Stage 2	(162,673)	(736)	165,860	962	(3,187)	(226)	–	–
Stage 3	(1,617)	(47)	(7,374)	(392)	8,991	439	–	–
Net re-measurement on transfers between stages	–	(1,073)	–	1,667	–	525	–	1,119
Net financial assets originated	73,179	343	(42,516)	(852)	(3,088)	(319)	27,575	(828)
Movement in existing IAP (including IAP write-backs)	–	–	–	–	–	174	–	174
Movements due to risk parameters and other changes	–	123	–	(4)	–	248	–	367
Loan impairment expense for the period ³		86		(88)		834		832
Write-offs ³	–	–	–	–	(764)	(764)	(764)	(764)
Recoveries	–	–	–	–	–	128	–	128
Foreign exchange and other commitments	(951)	9	29	14	(11)	47	(933)	70
Reclassified to assets held for sale	(791)	(9)	(53)	(21)	(63)	(51)	(907)	(81)
Closing balance as at 30 June 2024	941,150	1,795	191,460	2,794	9,577	1,546	1,142,187	6,135

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risks at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 64% of Stage 2 credit exposures for the Group as at 30 June 2024 (30 June 2023: 62%).

2 As at 30 June 2024, total provisions include \$223 million in relation to financial guarantees and other off balance sheet instruments (30 June 2023: \$159 million).

3 Loan impairment expense for the year ended 30 June 2024 excludes a \$30 million benefit recognised by the Group in relation to credit exposures reclassified to assets held for sale. Write-offs for the year ended 30 June 2024 exclude \$43 million recognised by the Group in relation to credit exposures reclassified to assets held for sale.

Notes to the Financial Statements

For the year ended 30 June 2024

3.2 Loan impairment expense and provisions for impairment (continued)

	Bank							
	Stage 1 Performing		Stage 2 ¹ Performing		Stage 3 Non-performing		Total	
	Gross exposure \$M	Provisions \$M	Gross exposure \$M	Provisions \$M	Gross exposure \$M	Provisions \$M	Gross exposure \$M	Provisions ² \$M
Opening balance as at 1 July 2022	814,832	1,157	123,585	2,269	6,326	1,369	944,743	4,795
Transfers to/(from)								
Stage 1	119,052	1,860	(118,857)	(1,845)	(195)	(15)	–	–
Stage 2	(199,960)	(766)	202,326	952	(2,366)	(186)	–	–
Stage 3	(558)	(18)	(4,431)	(347)	4,989	365	–	–
Net re-measurement on transfers between stages	–	(1,419)	–	2,353	–	257	–	1,191
Net financial assets originated	84,070	364	(39,221)	(799)	(2,048)	(201)	42,801	(636)
Movement in existing IAP (including IAP write-backs)	–	–	–	–	–	212	–	212
Movements due to risk parameters and other changes	–	352	–	43	–	(141)	–	254
Loan impairment expense for the period		373		357		291		1,021
Write-offs	–	–	–	–	(634)	(634)	(634)	(634)
Recoveries	–	–	–	–	–	95	–	95
Foreign exchange and other commitments	5,420	10	647	19	1	44	6,068	73
Closing balance as at 30 June 2023	822,856	1,540	164,049	2,645	6,073	1,165	992,978	5,350
Transfers to/(from)								
Stage 1	105,222	1,420	(105,158)	(1,415)	(64)	(5)	–	–
Stage 2	(151,459)	(695)	153,858	852	(2,399)	(157)	–	–
Stage 3	(1,391)	(45)	(6,078)	(356)	7,469	401	–	–
Net re-measurement on transfers between stages	–	(1,040)	–	1,647	–	399	–	1,006
Net financial assets originated	71,269	327	(41,158)	(832)	(2,595)	(271)	27,516	(776)
Movement in existing IAP (including IAP write-backs)	–	–	–	–	–	153	–	153
Movements due to risk parameters and other changes	–	146	–	(11)	–	215	–	350
Loan impairment expense for the period ³		113		(115)		735		733
Write-offs ³	–	–	–	–	(703)	(703)	(703)	(703)
Recoveries	–	–	–	–	–	119	–	119
Foreign exchange and other commitments	(463)	10	176	16	–	41	(287)	67
Reclassified to assets held for sale	–	–	–	–	(42)	(42)	(42)	(42)
Closing balance as at 30 June 2024	846,034	1,663	165,689	2,546	7,739	1,315	1,019,462	5,524

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risks at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 64% of Stage 2 credit exposures for the Bank as at 30 June 2024 (30 June 2023: 62%).

2 As at 30 June 2024, total provisions include \$203 million in relation to financial guarantees and other off balance sheet instruments (30 June 2023: \$154 million).

3 Loan impairment expense for the year ended 30 June 2024 excludes a \$18 million benefit recognised by the Bank in relation to credit exposures reclassified to assets held for sale. Write-offs for the year ended 30 June 2024 exclude \$41 million recognised by the Bank in relation to credit exposures reclassified to assets held for sale.

Notes to the Financial Statements

For the year ended 30 June 2024

3.2 Loan impairment expense and provisions for impairment (continued)

Write-offs

	Group	
	30 Jun 24	30 Jun 23
Write-offs net of recoveries to average loans and other receivables	%	%
Home loans	0.01	0.00
Other consumer	2.08	1.40
Non-retail	0.11	0.12
Total	0.07	0.06

Of the total \$764 million of loans written-off by the Group during the year ended 30 June 2024 (30 June 2023: \$684 million), \$315 million remain subject to enforcement activity (30 June 2023: \$355 million). Of the total \$703 million loans written-off by the Bank during the year ended 30 June 2024 (30 June 2023: \$634 million), \$264 million remain subject to enforcement activity (30 June 2023: \$331 million).

ACCOUNTING POLICIES

By providing loans to customers, the Group bears the risk that the future circumstances of customers might change, including their ability to repay their loans in part or in full. While the Group's credit and responsible lending policies aim to minimise this risk, there will always be instances where the Group will not receive the full amount owed and hence a provision for impaired loans will be necessary.

A description of the key components of the Group's impairment methodology is provided below.

Expected credit loss (ECL) model

The ECL model applies to all financial assets measured at amortised cost, debt securities measured at fair value through other comprehensive income, finance lease receivables, loan commitments and financial guarantee contracts not measured at fair value through profit or loss (FVTPL). The model uses a three-stage approach to recognition of expected credit losses. Financial assets migrate through these stages based on changes in credit risk since origination:

- **Stage 1 – 12 months ECL – Performing loans**

On origination, an impairment provision equivalent to 12 months ECL is recognised. 12 months ECL includes credit losses expected to arise from defaults occurring over the next 12 months.

- **Stage 2 – Lifetime ECL – Performing loans that have experienced a significant increase in credit risk (SICR)**

Financial assets that have experienced a SICR since origination are transferred to Stage 2 and an impairment provision equivalent to lifetime ECL is recognised. Lifetime ECL includes credit losses expected to arise from defaults occurring over the remaining life of financial assets. If credit quality improves in a subsequent period such that the increase in credit risk since origination is no longer considered significant the exposure is reclassified to Stage 1 and the impairment provision reverts to 12 months ECL.

- **Stage 3 – Lifetime ECL – Non-performing loans**

Financial assets in default and assets restructured due to the borrower's financial difficulty or hardship are transferred to Stage 3 and an impairment provision equivalent to lifetime ECL is recognised.

Credit losses for financial assets in Stage 1 and Stage 2 are assessed for impairment collectively, whilst those in Stage 3 are subjected to either collective or individual assessment of ECL.

Significant increase in credit risk (SICR)

SICR is assessed by comparing the risk of default occurring over the expected life of the financial asset at reporting date to the corresponding risk of default at origination. The Group considers all available qualitative and quantitative information that is relevant to assessing SICR.

For non-retail portfolios, such as the corporate risk rated portfolio and the asset finance portfolio, the risk of default is defined using the existing Risk Rated Probability of Default (PD) Masterscale. The PD Masterscale is used in internal credit risk management and includes 24 risk grades that are assigned at a customer level using rating tools reflecting customer specific financial and non-financial information and management's experienced credit judgement. Internal credit risk ratings are updated regularly on the basis of the most recent financial and non-financial information.

The Group uses a Retail Masterscale in the ECL measurement on personal loans, credit cards and home loans. The Retail Masterscale has 16 risk grades that are assigned to retail accounts based on their credit quality scores determined through a credit quality scorecard. SME retail portfolios use a similar approach and are mapped to SME Retail pools. Exposures are mapped to risk grades and pools monthly based on new behavioural information that is used as input to credit quality scorecards.

Notes to the Financial Statements

For the year ended 30 June 2024

3.2 Loan impairment expense and provisions for impairment (continued)

For significant portfolios, the primary indicator of SICR is a significant deterioration in an exposure's internal credit rating grade between origination and reporting date. Application of the primary SICR indicator uses a sliding threshold such that an exposure with a higher credit quality at origination would need to experience a more significant downgrade compared to a lower credit quality exposure before SICR is triggered. The level of downgrade required to trigger SICR for each origination grade has been defined for each significant portfolio.

The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risks at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal risk grade at the reporting date. This accounts for approximately 64% of Stage 2 exposures for the Group and 64% for the Bank as at 30 June 2024 (30 June 2023: 62% for the Group and 62% for the Bank).

The Group also uses secondary SICR indicators as backstops in combination with the primary SICR indicator, including:

- arrears status that incorporates a rebuttable presumption of 30 days past due;
- a retail exposure entering a financial hardship status; and
- a non-retail exposure's referral to Group Credit Structuring.

For a number of small portfolios, which are not considered significant individually or in combination, the Group applies simplified provisioning approaches that differ from the description above. 30 days past due is used as a primary indicator of SICR on exposures in these portfolios.

Definition of default, non-performing assets and write-offs

The definition of default used in measuring ECL is aligned to the definition used for internal credit risk management purposes across all portfolios. Default occurs when there are indicators that a borrower is unlikely to meet contractual credit obligations to the Group in full, or the exposure is 90 days past due. Non-performing credit exposures include exposures that are in default and exposures that have been restructured on non-commercial terms due to the borrower's financial difficulty or hardship.

Loans are written off when there is no reasonable expectation of recovery. Unsecured retail loans are generally written off when repayments become 180 days past due. Secured loans are generally written off when assets pledged to the Group have been realised and there are no further prospects of additional recovery.

ECL measurement

ECL is an unbiased and probability-weighted expected credit loss estimated by evaluating a range of possible outcomes and taking into account the time value of money, past events, current conditions and forecasts of future economic conditions.

The Group uses the following collective provisioning models in calculating ECL for significant portfolios:

- **Retail lending:** Personal Loans model, Credit Cards model, Home Loans model; and
- **Non-retail lending:** Corporate Risk Rated model, Asset Finance model, Retail SME model.

For each significant portfolio ECL is calculated as a product of the following credit risk factors at a facility level:

- **Probability of default (PD):** The likelihood that a borrower will be unable to pay its obligations in full without having to take actions such as realising security or that the borrower will become 90 days overdue on an obligation or contractual commitment;
- **Exposure at default (EAD):** The expected Balance Sheet exposure at default. The Group generally calculates EAD as the higher of the drawn balance and total credit limit, except for the credit cards portfolio, for which the EAD calculation also takes into account the probability of unused limits being drawn down; and
- **Loss given default (LGD):** The amount that is not expected to be recovered following default.

Secured retail exposures and defaulted non-retail exposures are generally assessed for impairment through an Individually Assessed Provisions (IAP) process if expected losses are in excess of \$20,000. Impairment provisions on these exposures are calculated directly as the difference between the defaulted asset's carrying value and the present value of expected future cash flows including cash flows from realisation of collateral, where applicable.

Lifetime of an exposure

For exposures in Stage 2 and Stage 3 impairment provisions are determined as a lifetime expected loss. The Group uses a range of approaches to estimate expected lives of financial instruments subject to ECL requirements:

- **Non-revolving products in corporate portfolios:** Expected life is determined as a maximum contractual period over which the Group is exposed to credit risk;
- **Non-revolving retail products:** For fixed term products such as personal loans and home loans, expected life is determined using behavioural term analysis and does not exceed the maximum contractual period; and
- **Revolving products in corporate and retail portfolios:** For revolving products that include both a loan and an undrawn commitment, such as credit cards and corporate lines of credit, the Group's contractual ability to cancel the undrawn limits and demand repayments does not limit the exposure to credit losses to the contractual notice period. For such products, ECL is measured over the behavioural life.

Notes to the Financial Statements

For the year ended 30 June 2024

3.2 Loan impairment expense and provisions for impairment (continued)

Forward-looking information

Credit risk factors of PD and LGD used in the ECL calculation are point-in-time estimates based on current conditions and adjusted to include the impact of multiple probability-weighted future forecast economic scenarios.

Forward looking PD and LGD factors are modelled for each significant portfolio based on macroeconomic factors that are most closely correlated with credit losses in the relevant portfolios. Each of the four scenarios (refer below) includes a forecast of relevant macroeconomic variables which differ by portfolio:

- **Retail portfolios:** Interest rates, unemployment rate and house price index; and
- **Non-retail lending:** Unemployment rate, GDP, business investment, disposable income, foreign exchange rates and Trade Weighted Index (TWI).

New Zealand equivalents of a subset of the above macroeconomic variables are used for retail credit exposures originated in New Zealand.

The Group uses the following four alternative macroeconomic scenarios to reflect an unbiased probability-weighted range of possible future outcomes in estimating ECL for significant portfolios:

- **Central scenario:** This scenario is based on the Group's internal economic forecasts and market consensus as well as other assumptions used in business planning and forecasting;
- **Downside scenario:** This scenario contemplates the potential impact of possible, but less likely, adverse macroeconomic conditions, resulting from persistent inflationary pressures which leads to disorderly asset price declines, a sharp increase in credit spreads, corporate defaults and high unemployment. The scenario also reflects the potential macroeconomic impacts of climate risk from a severe drought in Australia, through a decline in house prices, higher unemployment as well as weaker growth;
- **Upside scenario:** This scenario is included to account for the potential impact of remote, more favourable macroeconomic conditions. Relative to the Central scenario, the Upside scenario features stronger growth in economic output, further improvement in labour market conditions, lower interest rates and a stronger housing market; and
- **Severe downside scenario:** This scenario contemplates the potentially severe impact of remote, extremely adverse macroeconomic conditions. Relative to the Downside scenario, this scenario features a sharper contraction with a slower recovery in economic output, heightened and prolonged weakness in the labour market, and more severe declines in house prices, while interest rates are reduced to accommodative levels.

The table below provides a summary of key macroeconomic variables used in the Central and Downside scenarios as at 30 June 2024.

	Central		Downside	
	Financial Year		Financial Year	
	2025	2026	2025	2026
GDP (annual % change)	2.1	2.4	(7.1)	(3.5)
Unemployment rate (%) ¹	4.6	4.5	8.5	8.9
Cash rate (%) ¹	3.60	3.25	5.75	3.00
House prices (annual % change)	5.4	3.5	(24.7)	0.7
CPI (annual % change) ²	2.9	2.5	7.8	3.1
AUD/USD exchange rate ¹	0.65	0.65	0.52	0.52
Trade Weighted Index (TWI) ¹	62	62	52	52
NZ unemployment rate (%) ¹	5.5	5.0	8.0	8.5
NZ cash rate (%) ¹	4.75	3.00	7.50	5.00
NZ house prices (annual % change)	6.9	12.1	(15.0)	–

¹ Spot rate/index at 30 June.

² CPI is not a variable used in ECL models, however, it is considered by the Group in deriving forecast macroeconomic variables used in ECL models.

Notes to the Financial Statements

For the year ended 30 June 2024

3.2 Loan impairment expense and provisions for impairment (continued)

The requirement to probability-weight possible future outcomes captures the uncertainty inherent in the credit outlook, and changes in that uncertainty over time. Weights are assigned to each scenario based on management's best estimate of the proportion of potential future loss outcomes that each scenario represents. The same economic scenarios and probability weights apply across all portfolios. The following probability weights applied at 30 June 2024 and 2023:

Scenario	Combined weighting	
	30 Jun 24	30 Jun 23
Central and Upside	57.5%	57.5%
Downside and Severe downside	42.5%	42.5%

During the year ended 30 June 2024, macroeconomic scenarios were revised reflecting current weaker economic conditions. The changes to the Central scenario included an improved outlook for growth and house prices, in addition to lower interest rates and slightly higher unemployment. The Downside scenario was updated for higher interest rates and weaker growth. The Group also increased the weighting to the Severe Downside scenario with a commensurate decrease in the Downside scenario to account for increased risks associated with geopolitical tensions, whilst the weighting of the Central and Upside scenarios remained unchanged.

The Group's assessment of SICR also incorporates the impact of multiple probability-weighted future forecast economic scenarios on exposures' internal risk grades using the same four forecast macroeconomic scenarios as described above.

In estimating impairment provisions on individually significant defaulted exposures, the Group generally applies prudent assumptions in estimating recovery cash flows. Incorporating multiple forecast economic scenarios in estimates is not expected to significantly affect the level of impairment provisions on these credit exposures.

Incorporation of experienced credit judgement

Management exercises credit judgement in assessing if an exposure has experienced SICR and in determining the amount of impairment provisions at each reporting date. Where applicable, credit risk factors (PD and LGD) are adjusted to incorporate reasonable forward looking information about known or expected risks for specific segments of portfolios that would otherwise not have been considered in the modelling process. Credit judgement is used to determine the degree of adjustment to be applied and considers information such as emerging risks at an industry, geographic and portfolio segment level.

The Group also applies overlays which are determined based on a range of techniques including stress testing, benchmarking, scenario analysis and expert judgement. Overlays are subject to internal governance and applied as an incremental ECL top-up amount to the impacted portfolio segments.

As at 30 June 2024, the Group and the Bank held overlays of \$558 million (30 June 2023: \$525 million) for emerging risks, including the potential impact on customers more susceptible to ongoing cost of living pressures and high interest rates. The overlays included \$558 million (30 June 2023: \$500 million) in relation to the Group's retail lending portfolio and nil (30 June 2023: \$25 million) in relation to the non-retail portfolio.

The Group also applies additional overlays and forward-looking adjustments for other factors that cannot be adequately accounted for through the ECL models.

Sensitivity of provisions for impairment to changes in forward looking assumptions

As described above, the Group applies four alternative macroeconomic scenarios (Central, Upside, Downside and Severe downside scenarios) to reflect an unbiased probability-weighted range of possible future outcomes in estimating ECL.

The table below provides approximate levels of provisions for impairment under the Central and Downside scenarios for the Group and the Bank assuming 100% weighting was applied to each scenario and holding all other assumptions constant. As noted above, these scenarios and their associated weights have been selected based on the expected range of potential future loss outcomes.

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Reported probability weighted ECL	6,135	5,950	5,524	5,350
100% Central scenario total	3,956	3,832	3,588	3,232
100% Downside scenario total	7,883	7,893	7,179	7,293

Sensitivity of provisions for impairment to SICR assessment criteria

If 1% of Stage 1 credit exposures as at 30 June 2024 was included in Stage 2, provisions for impairment would increase by approximately \$119 million for the Group and \$113 million for the Bank (30 June 2023: \$125 million for the Group and \$117 million for the Bank).

If 1% of Stage 2 credit exposures as at 30 June 2024 was included in Stage 1, provisions for impairment would decrease by approximately \$24 million for the Group and \$22 million for the Bank (30 June 2023: \$25 million for the Group and \$23 million for the Bank).

Notes to the Financial Statements

For the year ended 30 June 2024

4 Our deposits and funding activities

OVERVIEW

Stable and well diversified funding sources are critical to the Group's ability to fund its lending and investing activities, and support its business growth.

Our main sources of funding include customer deposits, term funds raised in domestic and offshore wholesale markets via issuing debt securities and loan capital, and term funding from central banks. The Group also relies on repurchase agreements as a source of short term wholesale funding. Refer to Note 9.4 for the Group's management of liquidity and funding risk.

4.1 Deposits and other public borrowings

	Group		Bank	
	30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 24 \$M	30 Jun 23 \$M
Australia				
Certificates of deposit	30,178	28,870	30,178	28,870
Term deposits	171,203	171,348	171,203	171,348
On-demand and short-term deposits	476,188	457,127	476,188	457,127
Deposits not bearing interest	101,891	110,045	101,857	110,019
Securities sold under agreements to repurchase	241	36	241	36
Total Australia	779,701	767,426	779,667	767,400
Overseas				
Certificates of deposit	15,239	15,914	12,908	12,517
Term deposits	44,569	39,748	6,281	5,137
On-demand and short-term deposits	31,030	31,777	562	718
Deposits not bearing interest	8,844	9,656	31	21
Securities sold under agreements to repurchase	3,539	474	3,433	474
Total Overseas	103,221	97,569	23,215	18,867
Total deposits and other public borrowings	882,922	864,995	802,882	786,267

The majority of the amounts are due to be settled within 12 months of the balance sheet date.

Uninsured deposits

Uninsured deposits refer to accounts or products that are deemed ineligible for compensation, or balances in excess of the threshold for compensation, under the deposit guarantee schemes for the country in which the deposits are held. For the Group, this primarily relates to deposit balances in excess of the threshold for compensation or deemed ineligible under the Australian Government's Financial Claim Scheme. As at 30 June 2024, \$538,643 million of the Group's deposit balances were ineligible for government based deposit insurance schemes in their relevant country of jurisdiction (30 June 2023: \$526,450 million).

Notes to the Financial Statements

For the year ended 30 June 2024

4.1 Deposits and other public borrowings (continued)

The contractual maturity of uninsured certificates of deposit and term deposits as at 30 June 2024 is presented below:

	Group				
	At 30 June 2024				
	Maturing 3 months or less	Maturing between 3 and 6 months	Maturing between 6 and 12 months	Maturing after 12 months	Total
	\$M	\$M	\$M	\$M	\$M
Australia					
Certificates of deposit	9,724	16,565	3,889	–	30,178
Term deposits	52,370	30,156	30,049	3,821	116,396
Total Australia	62,094	46,721	33,938	3,821	146,574
Overseas					
Certificates of deposit	5,236	4,151	5,838	14	15,239
Term deposits	19,055	12,050	10,138	3,324	44,567
Total Overseas	24,291	16,201	15,976	3,338	59,806
Total uninsured certificates of deposits and term deposits	86,385	62,922	49,914	7,159	206,380

ACCOUNTING POLICIES

Deposits from customers include certificates of deposit, term deposits, savings deposits and other demand deposits. Deposits are initially recognised at their fair value less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost. Interest incurred is recognised within net interest income using the effective interest method.

Securities sold under repurchase agreements are retained on the Balance Sheet where substantially all the risks and rewards of ownership remain with the Group. A liability for the agreed repurchase amount is recognised within deposits and other public borrowings. Repurchase transactions that are managed on a fair value basis are presented within liabilities at fair value through income statement.

4.2 Liabilities at fair value through Income Statement

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Securities sold under agreements to repurchase	36,512	32,671	36,893	32,841
Debt instruments	811	1,125	–	–
Trading liabilities	10,018	6,307	10,018	6,307
Total liabilities at fair value through income statement	47,341	40,103	46,911	39,148

The majority of the amounts are expected to be settled within 12 months of the balance sheet date.

The amount that would be contractually required to be paid at maturity to the holders of the financial liabilities designated at fair value through income statement for the Group is \$47,439 million (30 June 2023: \$40,167 million) and for the Bank is \$47,014 million (30 June 2023: \$39,240 million).

ACCOUNTING POLICIES

The Group designates certain liabilities at fair value through the income statement on origination when doing so eliminates or reduces an accounting mismatch, when the liabilities are managed and their performance is evaluated on a fair value basis or where the liabilities contain embedded derivatives which must otherwise be separated and carried at fair value. Trading liabilities are incurred principally for the purpose of repurchasing or settling in the near term and are measured at fair value through the income statement.

Subsequent to initial recognition, liabilities are measured at fair value. Changes in fair value, excluding those due to changes in the Group's own credit risk in relation to liabilities designated at fair value through the income statement on origination, are recognised in net other operating income. Changes in fair value relating to the Group's own credit risk in relation to liabilities designated at fair value through the income statement on origination are recognised in other comprehensive income. Interest incurred is recognised within net interest income on a contractual rate basis, including amortisation of any premium/discount.

This category includes a portfolio of repurchase transactions which is managed and for which performance is evaluated on a fair value basis.

Notes to the Financial Statements

For the year ended 30 June 2024

4.3 Debt issues

	Note	Group		Bank	
		30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
		\$M	\$M	\$M	\$M
Medium-term notes		81,865	74,855	68,834	59,829
Commercial paper		20,657	7,800	19,619	7,197
Securitisation notes	4.5	6,902	7,241	–	–
Covered bonds	4.5	35,106	32,371	32,381	28,867
Total debt issues ¹		144,530	122,267	120,834	95,893
Short-term debt issues by currency					
USD		21,600	7,855	20,563	7,252
AUD		3,150	900	3,150	900
GBP		3,693	2,551	3,693	2,551
Other currencies		2,770	870	2,770	870
Total short-term debt issues		31,213	12,176	30,176	11,573
Long-term debt issues by currency ²					
USD ³		41,043	39,335	35,215	32,748
EUR		26,205	25,077	20,118	17,454
AUD		30,068	29,302	23,114	21,906
GBP		4,439	4,404	4,499	4,531
NZD		2,468	2,822	204	189
JPY		1,120	1,602	1,120	1,576
Other currencies		7,974	7,549	6,388	5,916
Total long-term debt issues		113,317	110,091	90,658	84,320
Maturity distribution of debt issues ⁴					
Less than twelve months		49,357	28,540	44,192	23,047
Greater than twelve months		95,173	93,727	76,642	72,846
Total debt issues		144,530	122,267	120,834	95,893

1 Debt issues include a \$662 million increase from unrealised movements due to a fair value hedge adjustment partly offset by foreign exchange gains (30 June 2023: \$2,128 million increase from unrealised movements due to foreign exchange losses partly offset by fair value hedge adjustments).

2 Long-term debt disclosed relates to debt issues which have a maturity at inception of greater than 12 months.

3 Includes US\$600 million notes issued by the Group in June 2022 through ASB, its New Zealand subsidiary. While the issuance qualifies as Tier 2 capital under Reserve Bank of New Zealand requirements, it does not qualify for inclusion in the Group's Tier 2 capital due to the lack of contractual features that give rise to conversion or write-off at the point of non-viability.

4 Represents the remaining contractual maturity of the underlying instrument.

The Group's long-term debt issues include notes issued under the: USD70 billion Euro Medium Term Note Programme; the USD50 billion US Medium Term Note Programme; USD40 billion Covered Bond Programme; Unlimited Domestic Debt Programme; Unlimited ASB Domestic Medium Term Note Programme; USD25 billion CBA New York Branch Medium Term Note Programme; EUR7 billion ASB Covered Bond Programme; USD10 billion ASB US Medium Term Note Programme and other applicable debt documentation. Notes issued under debt programmes are both fixed and variable rate. Interest rate risk associated with the notes is incorporated within the Bank's interest rate risk framework. The Bank, from time to time, as part of its balance sheet management, may consider opportunities to repurchase outstanding long-term debt pursuant to open-market purchases or other means. Such repurchases help manage the Bank's debt maturity profile, overall funding costs and assist in meeting regulatory changes and requirements.

Notes to the Financial Statements

For the year ended 30 June 2024

4.3 Debt issues (continued)

ACCOUNTING POLICIES

Debt issues include short and long-term debt issues of the Group and consist of commercial paper, securitisation notes, covered bonds and medium-term notes.

Debt issues are initially measured at fair value and subsequently measured at amortised cost.

Interest, as well as premiums, discounts and associated issue expenses are recognised in the Income Statement using the effective interest method from the date of issue, to ensure the carrying value of securities equals their redemption value by maturity date. Any profits or losses arising from redemption prior to maturity are taken to the Income Statement in the period in which they are realised.

The Group hedges interest rate and foreign currency rate risk on certain debt issues. When fair value hedge accounting is applied to fixed rate debt issues, the carrying values are adjusted for changes in fair value related to the hedged risks.

Notes to the Financial Statements

For the year ended 30 June 2024

4.4 Term funding from central banks

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Term Funding Facility with the RBA	–	49,637	–	49,637
Term funding facilities with the RBNZ	4,228	4,583	–	–
Term funding from central banks	4,228	54,220	–	49,637

The Term Funding Facility (TFF) was announced by the RBA in March 2020 as a part of a package of measures to support the Australian economy during the COVID-19 pandemic. Under the TFF, the RBA offered three-year funding to authorised deposit taking institutions through repurchase transactions. Prior to 4 November 2020, TFF funding was provided at a fixed pricing of 0.25% p.a. From 4 November 2020, TFF funding was provided at a fixed rate of 0.1% p.a. Funding was drawn down between May 2020 and June 2021 when the facility closed to new drawdowns. TFF funding was fully repaid by the Group during the year ended 30 June 2024.

Term funding facilities with RBNZ include the Term Lending Facility (TLF) and Funding for Lending Programme (FLP) which were introduced to provide liquidity to the banking system in New Zealand during the COVID-19 pandemic. FLP funding was available until 6 December 2022 at a floating rate, equal to Official Cash Rate (OCR), for a term of three years. TLF funding was available until 28 July 2021 at a fixed rate based on the prevailing OCR at the time of the transaction, for a duration of one year with the option to renew annually up to a maximum period of five years. Of the total \$4,228 million outstanding TLF and FLP balances, \$3,130 million will mature within 12 months of balance sheet date, and \$1,098 million will mature after 12 months (30 June 2023: \$450 million matures within 12 months of the balance sheet date, and \$4,133 million matures after 12 months).

ACCOUNTING POLICIES

The term funding liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements

For the year ended 30 June 2024

4.5 Securitisation, covered bonds and transferred assets

The Group enters into transactions in the normal course of business that transfer financial assets to counterparties or to Special Purpose Vehicles (SPVs). Transferred financial assets that do not qualify for derecognition are typically associated with repurchase agreements and covered bonds and securitisation programmes. The underlying assets remain on the Group's balance sheet.

At the balance sheet date, transferred financial assets that did not qualify for derecognition and their associated liabilities are as follows:

	Group					
	Repurchase agreements		Covered bonds		Securitisation ¹	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M	\$M
Carrying amount of transferred assets	52,372	41,378	43,415	38,982	7,547	7,889
Carrying amount of associated liabilities ²	52,113	41,299	35,106	32,371	6,902	7,241
For those liabilities that have recourse only to the transferred assets:						
Fair value of transferred assets					7,519	7,839
Fair value of associated liabilities					6,922	7,233
Net position					597	606

	Bank					
	Repurchase agreements		Covered bonds		Securitisation ^{3 4}	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M	\$M
Carrying amount of transferred assets	52,647	41,549	39,574	34,171	7,547	7,889
Carrying amount of associated liabilities ²	52,388	41,469	32,381	28,867	7,396	7,689
For those liabilities that have recourse only to the transferred assets:						
Fair value of transferred assets					7,519	7,839
Fair value of associated liabilities					7,396	7,689
Net position					123	150

¹ Securitisation liabilities of the Group include RMBS notes issued by securitisation SPVs and held by external investors.

² Carrying amounts of associated liabilities for repurchase agreements are presented before the effect of balance sheet netting.

³ Securitisation liabilities of the Bank include borrowings from securitisation SPVs, recognised on transfer of residential mortgages by the Bank. The carrying amounts of associated liabilities from securitisation SPVs are recorded under loans due to controlled entities.

⁴ Securitisation assets exclude \$111,407 million of assets (30 June 2023: \$133,621 million), where the Bank holds all of the issued instruments of the securitisation vehicle.

Notes to the Financial Statements

For the year ended 30 June 2024

4.5 Securitisation, covered bonds and transferred assets (continued)

ACCOUNTING POLICIES

Repurchase agreements

Securities sold under agreement to repurchase are retained on the Balance Sheet when substantially all the risks and rewards of ownership remain with the Group, and the counterparty liability is included separately on the Balance Sheet when cash consideration is received.

Securitisation programmes

The Group pools and equitably assigns residential mortgages as securities to investors through a series of wholly controlled securitisation vehicles. Where the Group retains substantially all of the risks and rewards associated with the mortgages, it continues to recognise the mortgages on the Balance Sheet. The Group is entitled to any residual income of the securitisation programmes after all payments due to investors have been met, where the Group is the income unitholder. The investors have recourse only to the pool of mortgages in the SPV they have invested in.

Covered bonds programmes

To complement existing wholesale funding sources, the Group has established two global covered bond programmes for the Bank and ASB. Certain residential mortgages have been assigned to SPV's associated with covered bond programmes to provide security on the payments to investors. The Group is entitled to any residual income after all payments due to covered bond investors have been met. As the Group retains substantially all of the risks and rewards associated with the mortgages, it continues to recognise the mortgages on the Balance Sheet. The covered investors have dual recourse to the Bank and the covered pool assets.

Critical accounting judgements and estimates

The Group exercises judgement to assess whether a structured entity should be consolidated based on the Bank's power over the relevant activities of the entity and the significance of its exposure to variable returns of the structured entity. Such assessments are predominantly required for the Group's securitisation programmes, and structured transactions such as covered bond programmes.

Notes to the Financial Statements

For the year ended 30 June 2024

5 Our investing, trading and other banking activities

OVERVIEW

In addition to loans, the Group holds other assets to support its activities. Cash and liquid assets, receivables from financial institutions, trading assets and investment securities are held for liquidity purposes, to generate returns and to meet customer demand. The mix and nature of assets is driven by multiple factors including the Board's risk appetite, regulatory requirements, customer demand and the generation of shareholder returns.

The Group also transacts derivatives to meet customer demand and to manage its financial risks (interest rate, foreign currency, commodity and credit risks).

Refer to Note 9.1 for additional information relating to the Group's approach to managing financial risks through the use of derivatives.

5.1 Cash and liquid assets

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Notes, coins, cash at banks and money at short call	47,321	107,172	42,896	98,730
Securities purchased under agreements to resell	35,759	9,447	35,359	9,637
Total cash and liquid assets	83,080	116,619	78,255	108,367

ACCOUNTING POLICIES

Cash and liquid assets include cash at branches, cash at banks, nostro balances, money at call with an original maturity of three months or less and securities purchased under agreements to resell. Cash and liquid assets are initially recognised at fair value and subsequently measured at amortised cost. Interest is recognised in the Income Statement using the effective interest method.

Securities, including bonds and equities, purchased under agreements to resell are not recognised in the financial statements where substantially all the risks and rewards of ownership remain with the counterparty. An asset for the agreed resale amount by the counterparty is recognised within cash and liquid assets. Reverse repurchase transactions that are managed on a fair value basis are presented within assets at fair value through income statement.

5.2 Receivables from and payables to financial institutions

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Receivables from financial institutions				
Collateral placed	5,073	5,243	4,742	4,908
Other receivables	789	836	686	514
Total receivables from financial institutions	5,862	6,079	5,428	5,422
Payables to financial institutions				
Collateral received	4,957	5,802	4,734	5,567
Other payables	19,676	16,108	19,402	15,699
Total payables to financial institutions	24,633	21,910	24,136	21,266

The majority of receivables from and payables to financial institutions are expected to be settled within 12 months of the balance sheet date.

ACCOUNTING POLICIES

Receivables from and payables to financial institutions include cash collateral, short-term deposits and other balances. Cash collateral includes initial and variation margins in relation to derivative transactions and varies based on trading and hedging activities. Receivables from and payables to financial institutions are initially recognised at fair value and subsequently measured at amortised cost.

Notes to the Financial Statements

For the year ended 30 June 2024

5.3 Assets at fair value through income statement

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Assets at fair value through income statement				
Trading				
Government bonds, notes and securities	18,780	14,728	18,780	14,721
Corporate and financial institution bonds, notes and securities	6,024	5,729	6,134	5,729
Commodities	1,340	2,042	1,340	2,042
Total trading assets	26,144	22,499	26,254	22,492
Other				
Securities purchased under agreements to resell	46,069	38,999	46,168	39,069
Commodities financing and other lending	6,771	6,079	6,771	6,079
Shares and equity investments	49	50	1	1
Total other assets at fair value through income statement	52,889	45,128	52,940	45,149
Total assets at fair value through income statement	79,033	67,627	79,194	67,641
Maturity distribution of assets at fair value through income statement				
Less than twelve months	75,329	65,499	75,586	65,606
More than twelve months	3,655	2,078	3,607	2,034
Maturity undefined	49	50	1	1
Total assets at fair value through income statement	79,033	67,627	79,194	67,641

ACCOUNTING POLICIES

Assets at fair value through income statement include financial assets held for trading, commodity financing transactions, and other financial assets designated at fair value through profit or loss. This category includes a portfolio of reverse repurchase transactions which is managed and for which performance is evaluated on a fair value basis.

Trading assets are those acquired principally for sale in the near term. Commodity inventories are measured at fair value less costs to sell in accordance with the broker trader exemption under AASB 102 *Inventories*.

Commodity financing and other lending are mandatorily recognised at fair value through profit or loss, because the contractual cash flows are not solely payments of principal and interest. Other financial assets are measured at fair value through profit or loss, because they are managed with the objective of realising cash flows through sale. Assets at fair value through income statement are measured at fair value with changes in fair value recognised in net other operating income.

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting

Derivative financial instruments are contracts for which values are derived from one or more underlying prices, indexes or other variables. Derivatives are classified as “held for trading” or “held for hedging”. Held for trading derivatives are contracts entered into in order to meet customers’ needs, to undertake market making and positioning activities, or for risk management purposes that are not designated in hedge accounting relationships. Held for hedging derivatives are instruments held for risk management purposes, which meet the criteria for hedge accounting.

	Group			
	30 Jun 24		30 Jun 23	
	Fair value asset	Fair value liability	Fair value asset	Fair value liability
	\$M	\$M	\$M	\$M
Derivative assets and liabilities				
Derivatives held for trading	15,412	(15,069)	20,862	(21,899)
Hedging derivatives	2,646	(3,781)	3,083	(3,448)
Total derivative assets/(liabilities)	18,058	(18,850)	23,945	(25,347)

	Bank			
	30 Jun 24		30 Jun 23	
	Fair value asset	Fair value liability	Fair value asset	Fair value liability
	\$M	\$M	\$M	\$M
Derivative assets and liabilities				
Derivatives held for trading	16,501	(16,821)	22,068	(23,619)
Hedging derivatives	3,296	(3,219)	3,517	(3,109)
Total derivative assets/(liabilities)	19,797	(20,040)	25,585	(26,728)

Trading derivatives

The fair value of derivative financial instruments held for trading are set out in the following tables:

	Group			
	30 Jun 24		30 Jun 23	
	Fair value asset	Fair value liability	Fair value asset	Fair value liability
	\$M	\$M	\$M	\$M
Derivative assets and liabilities				
Foreign exchange rate related contracts:				
Forwards	7,160	(6,072)	9,713	(9,512)
Swaps	5,540	(4,086)	7,020	(5,185)
Options	139	(131)	187	(211)
Total foreign exchange rate related contracts	12,839	(10,289)	16,920	(14,908)
Interest rate related contracts:				
Swaps	1,228	(3,712)	1,771	(5,059)
Futures	–	–	1	–
Options	473	(612)	1,391	(1,678)
Total interest rate related contracts	1,701	(4,324)	3,163	(6,737)
Credit related swaps	39	(66)	26	(49)
Equity related contracts:				
Options	–	(3)	–	(4)
Total equity related contracts	–	(3)	–	(4)
Commodity related contracts:				
Swaps	573	(203)	576	(158)
Futures	167	–	109	–
Options	57	(163)	14	(22)
Total commodity related contracts	797	(366)	699	(180)
Identified embedded derivatives	36	(21)	54	(21)
Total derivative assets/(liabilities) held for trading	15,412	(15,069)	20,862	(21,899)

Held for trading derivatives are expected to be recovered or due to be settled within 12 months of the balance sheet date.

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

	Bank			
	30 Jun 24		30 Jun 23	
	Fair value asset \$M	Fair value liability \$M	Fair value asset \$M	Fair value liability \$M
Derivative assets and liabilities				
Foreign exchange rate related contracts:				
Forwards	7,123	(6,057)	9,640	(9,498)
Swaps	6,168	(4,940)	7,739	(6,014)
Options	135	(127)	180	(209)
Derivatives held with controlled entities	495	(1,022)	606	(1,070)
Total foreign exchange rate related contracts	13,921	(12,146)	18,165	(16,791)
Interest rate related contracts:				
Swaps	1,235	(3,599)	1,731	(4,886)
Futures	–	–	1	–
Options	473	(612)	1,391	(1,678)
Derivatives held with controlled entities	–	(8)	1	(11)
Total interest rate related contracts	1,708	(4,219)	3,124	(6,575)
Credit related swaps	39	(66)	26	(49)
Equity related contracts:				
Options	–	(3)	–	(4)
Total equity related contracts	–	(3)	–	(4)
Commodity related contracts:				
Swaps	573	(203)	576	(157)
Futures	167	–	109	–
Options	57	(163)	14	(22)
Total commodity related contracts	797	(366)	699	(179)
Identified embedded derivatives	36	(21)	54	(21)
Total derivative assets/(liabilities) held for trading	16,501	(16,821)	22,068	(23,619)

Held for trading derivatives are expected to be recovered or due to be settled within 12 months of the balance sheet date.

ACCOUNTING POLICIES

Derivatives held for trading purposes are initially recognised at fair value. Subsequent to initial recognition, gains or losses on trading derivatives are recognised in the Income Statement.

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

Hedging instruments

The following tables provide details of the Group's and the Bank's hedging instruments by the type of hedge relationship in which they are designated and the type of hedged risk.

		Group 30 Jun 24				Fair value	
		Notional amounts				Derivative	Derivative
		Due within	Due from	Due beyond	Total	asset	liability
		1 year	1 to 5 years	5 years			
		\$M	\$M	\$M	\$M	\$M	\$M
Hedged risk							
Fair value hedges	Interest rate	13,653	32,652	26,885	73,190	98	(519)
	Interest rate and foreign exchange	5,231	14,555	9,981	29,767	1,589	(2,926)
Total fair value hedges		18,884	47,207	36,866	102,957	1,687	(3,445)
Cash flow hedges	Interest rate	357,400	162,411	7,592	527,403	8	(10)
	Foreign exchange	6,535	4,839	5,311	16,685	895	(293)
	Commodity price	5	31	13	49	16	–
Total cash flow hedges		363,940	167,281	12,916	544,137	919	(303)
Net investment hedges	Foreign exchange	4,633	376	–	5,009	40	(33)
Total hedging derivative assets/(liabilities)		387,457	214,864	49,782	652,103	2,646	(3,781)

		Group 30 Jun 23				Fair value	
		Notional amounts				Derivative	Derivative
		Due within	Due from	Due beyond	Total	asset	liability
		1 year	1 to 5 years	5 years			
		\$M	\$M	\$M	\$M	\$M	\$M
Hedged risk							
Fair value hedges	Interest rate	13,437	31,035	29,751	74,223	10	(600)
	Interest rate and foreign exchange	3,201	13,750	13,411	30,362	2,052	(2,724)
Total fair value hedges		16,638	44,785	43,162	104,585	2,062	(3,324)
Cash flow hedges	Interest rate	434,917	180,738	9,037	624,692	8	(5)
	Foreign exchange	3,473	5,988	3,738	13,199	960	(78)
	Commodity price	5	30	24	59	20	–
Total cash flow hedges		438,395	186,756	12,799	637,950	988	(83)
Net investment hedges	Foreign exchange	5,281	–	–	5,281	33	(41)
Total hedging derivative assets/(liabilities)		460,314	231,541	55,961	747,816	3,083	(3,448)

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

		Bank 30 Jun 24				Fair value	
		Notional amounts				Derivative asset ¹	Derivative liability ¹
Hedged risk		Due within 1 year \$M	Due from 1 to 5 years \$M	Due beyond 5 years \$M	Total \$M	\$M	\$M
Fair value hedges	Interest rate	13,296	28,540	24,001	65,837	52	(503)
	Interest rate and foreign exchange	6,319	19,044	14,610	39,973	2,188	(2,465)
Total fair value hedges		19,615	47,584	38,611	105,810	2,240	(2,968)
Cash flow hedges	Interest rate	320,765	138,484	7,188	466,437	1	(2)
	Foreign exchange	7,936	3,571	5,311	16,818	1,000	(233)
	Commodity price	5	31	13	49	16	–
Total cash flow hedges		328,706	142,086	12,512	483,304	1,017	(235)
Net investment hedges	Foreign exchange	3,506	–	–	3,506	39	(16)
Total hedging derivative assets/(liabilities)		351,827	189,670	51,123	592,620	3,296	(3,219)

¹ Derivative assets include \$1,618 million of derivatives held with controlled entities, derivative liabilities include \$522 million of derivatives held with controlled entities.

		Bank 30 Jun 23				Fair value	
		Notional amounts				Derivative asset ¹	Derivative liability ¹
Hedged risk		Due within 1 year \$M	Due from 1 to 5 years \$M	Due beyond 5 years \$M	Total \$M	\$M	\$M
Fair value hedges	Interest rate	12,865	28,144	25,208	66,217	24	(580)
	Interest rate and foreign exchange	4,730	16,924	14,886	36,540	2,565	(2,389)
Total fair value hedges		17,595	45,068	40,094	102,757	2,589	(2,969)
Cash flow hedges	Interest rate	416,123	146,289	8,449	570,861	3	(6)
	Foreign exchange	3,473	5,866	4,500	13,839	872	(121)
	Commodity price	5	30	24	59	20	–
Total cash flow hedges		419,601	152,185	12,973	584,759	895	(127)
Net investment hedges	Foreign exchange	3,032	–	–	3,032	33	(13)
Total hedging derivative assets/(liabilities)		440,228	197,253	53,067	690,548	3,517	(3,109)

¹ Derivative assets include \$1,451 million of derivatives held with controlled entities, derivative liabilities include \$745 million of derivatives held with controlled entities.

The Bank will be required to post collateral on derivatives with securitisation and covered bond trusts it controls, or novate the derivatives to other appropriately rated counterparties in the event that the Bank's credit rating falls below specified thresholds. The thresholds for collateral posting vary between two and three notches from the current rating, depending on the ratings agency. The thresholds for novation vary between four and six notches from the current rating, depending on the ratings agency. The fair value of funding costs associated with these collateral arrangements has been recognised by the Bank as a funding valuation adjustment. The adjustment did not have a material impact on the Bank's Income Statement for the year. As the arrangement is between the Bank and the trusts, the fair value is eliminated on consolidation and will only be recognised by the Group if the trusts are deconsolidated.

As at 30 June 2024, the weighted average fixed interest rate of interest rate swaps hedging interest rate risk was 3.60% (30 June 2023: 2.93%). The major currency pairs of cross currency swaps designated in hedge relationships are receive USD/pay AUD and receive EUR/pay USD with weighted average foreign currency rates of: AUD/USD 0.74 and USD/EUR 0.83 (30 June 2023: AUD/USD 0.76, USD/EUR 0.83).

In addition to derivative instruments used to hedge foreign currency risk, the Group and the Bank designate debt issues as hedging instruments of certain foreign exchange risk exposures. The carrying value of debt issues designated as cash flow hedging instruments as at 30 June 2024 was \$933 million with average maturity of 6 years for the Group (30 June 2023: \$1,008 million with average maturity of 6 years) and nil for the Bank (30 June 2023: nil).

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

Hedged items in fair value hedges

The tables below provides details of the Group's and the Bank's hedged items designated in fair value hedge relationships by the type of hedged risk.

Hedged items	Hedged risk	Group			
		30 Jun 24		30 Jun 23	
		Carrying amount \$M	Fair value adjustment ^{1 2} \$M	Carrying amount \$M	Fair value adjustment ^{1 2} \$M
Investment securities at fair value through other comprehensive income	Interest rate	63,142	(2,138)	52,040	(2,871)
Investment securities at fair value through other comprehensive income	Interest rate and foreign exchange	4,832	(403)	5,325	(474)
Loans and other receivables	Interest rate	435	–	411	(3)
Deposits and other public borrowings	Interest rate	(5,776)	14	(5,567)	23
Deposits and other public borrowings	Interest rate and foreign exchange	–	–	–	–
Debt issues	Interest rate	(31,670)	1,817	(28,011)	1,434
Debt issues	Interest rate and foreign exchange	(53,840)	3,152	(55,134)	4,972
Loan capital	Interest rate	(13,660)	2,294	(5,129)	1,083
Loan capital	Interest rate and foreign exchange	(4,766)	658	(11,542)	1,752

Hedged items	Hedged risk	Bank			
		30 Jun 24		30 Jun 23	
		Carrying amount \$M	Fair value adjustment ^{1 2} \$M	Carrying amount \$M	Fair value adjustment ^{1 2} \$M
Investment securities at fair value through other comprehensive income	Interest rate	55,189	(1,882)	46,216	(2,462)
Investment securities at fair value through other comprehensive income	Interest rate and foreign exchange	4,788	(403)	5,325	(474)
Loans and other receivables	Interest rate	417	–	378	(3)
Shares in and loans to controlled entities	Interest rate	509	(9)	753	(15)
Shares in and loans to controlled entities	Interest rate and foreign exchange	25,995	(1,805)	21,514	(2,447)
Deposits and other public borrowings	Interest rate	(5,776)	14	(5,567)	23
Deposits and other public borrowings	Interest rate and foreign exchange	–	–	–	–
Debt issues	Interest rate	(18,508)	1,547	(8,939)	1,019
Debt issues	Interest rate and foreign exchange	(43,655)	2,342	(44,398)	3,798
Loan capital	Interest rate	(12,759)	2,294	(4,225)	1,083
Loan capital	Interest rate and foreign exchange	(4,766)	658	(11,542)	1,752

1 Represents the accumulated amount of the fair value adjustment included in the carrying amount. The cumulative amount that is related to ceased hedge relationships where the risk being hedged was interest rate and foreign exchange risk is nil.

2 Changes in fair value of the hedged item used as a basis to determine effectiveness. The changes in fair value of the hedged items are recognised in net other operating income.

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

Hedged items in cash flow hedges and net investment hedges

The tables below provides details of the Group's and the Bank's hedged items designated in cash flow and net investment hedge relationships by the type of hedged risk.

Hedged items	Hedged risk	Group			
		30 Jun 24		30 Jun 23	
		Cash flow hedge reserve ¹	Foreign currency translation reserve ²	Cash flow hedge reserve ¹	Foreign currency translation reserve ²
		\$M	\$M	\$M	\$M
Cash flow hedges					
Investment securities at fair value through other comprehensive income	Foreign exchange	(3)	–	(4)	–
Loans and other receivables	Interest rate	(3,365)	–	(6,928)	–
Loans and other receivables	Foreign exchange	(3)	–	(23)	–
Deposits and other public borrowings	Interest rate	1,395	–	4,072	–
Debt issues	Interest rate	82	–	131	–
Debt issues	Foreign exchange	(367)	–	(41)	–
Loan capital	Interest rate	–	–	–	–
Loan capital	Foreign exchange	145	–	233	–
Highly probable forecast transactions ³	Foreign exchange	(44)	–	(51)	–
Highly probable forecast transactions	Commodity price	14	–	13	–
Net investment hedges					
Foreign operations	Foreign exchange	–	32	–	(20)
Total		(2,146)	32	(2,598)	(20)

¹ Represents the accumulated effective amount of the hedging instrument deferred to cash flow hedge reserve. The cumulative amount related to ceased hedge relationships where the risk being hedged is interest rate and foreign exchange risk is a gain of \$33 million (30 June 2023: \$32 million gain). A cumulative loss of \$7 million related to ceased hedge relationships was amortised to the income statement during the period (30 June 2023: \$46 million gain).

² Represents the accumulated effective amount of the hedging instrument deferred to foreign currency translation reserve.

³ A \$1 million loss was reclassified to the income statement during the year ended 30 June 2023 as a result of highly probable forecast transactions no longer meeting the required criteria.

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

Hedged items	Hedged risk	Bank			
		30 Jun 24		30 Jun 23	
		Cash flow hedge reserve ¹	Foreign currency translation reserve ²	Cash flow hedge reserve ¹	Foreign currency translation reserve ²
		\$M	\$M	\$M	\$M
Cash flow hedges					
Investment securities at fair value through other comprehensive income	Foreign exchange	(3)	–	(4)	–
Loans and other receivables	Interest rate	(3,061)	–	(6,206)	–
Loans and other receivables	Foreign exchange	(3)	–	(23)	–
Shares in and loans to controlled entities	Interest rate	–	–	–	–
Shares in and loans to controlled entities	Foreign exchange	187	–	(69)	–
Deposits and other public borrowings	Interest rate	1,145	–	3,177	–
Debt issues	Interest rate	(2)	–	9	–
Debt issues	Foreign exchange	(170)	–	117	–
Loan capital	Interest rate	–	–	–	–
Loan capital	Foreign exchange	147	–	191	–
Highly probable forecast transactions	Commodity price	14	–	13	–
Net investment hedges					
Foreign operations	Foreign exchange	–	27	–	(10)
Total		(1,746)	27	(2,795)	(10)

1 Represents the accumulated effective amount of the hedging instrument deferred to cash flow hedge reserve. The cumulative amount related to ceased hedge relationships where the risk being hedged is interest rate and foreign exchange risk is a loss of \$1 million (30 June 2023: \$18 million loss). A cumulative loss of \$16 million related to ceased hedge relationships was amortised to the income statement during the period (30 June 2023: \$3 million loss).

2 Represents the accumulated effective amount of the hedging instrument deferred to foreign currency translation reserve.

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

Hedge effectiveness

The tables below details effectiveness of the Group's and the Bank's hedges by the type of hedge relationship and the type of hedged risk.

	Group					
	30 Jun 24			30 Jun 23		
	Change in value of hedged item ¹	Change in value of hedging instrument	Hedge ineffectiveness recognised in Income Statement ²	Change in value of hedged item ¹	Change in value of hedging instrument	Hedge ineffectiveness recognised in Income Statement ²
	\$M	\$M	\$M	\$M	\$M	\$M
Fair value hedges						
Interest rate risk	894	(885)	9	(133)	106	(27)
Interest rate and foreign exchange risk	(56)	22	(34)	(558)	578	20
Foreign exchange	–	–	–	–	–	–
Total fair value hedges	838	(863)	(25)	(691)	684	(7)
Cash flow hedges and net investment hedges						
Interest rate	(836)	841	5	1,297	(1,296)	1
Foreign exchange	(779)	766	(13)	(1,267)	1,275	8
Commodity prices	–	–	–	17	(18)	(1)
Total cash flow hedges and net investment hedges	(1,615)	1,607	(8)	47	(39)	8

1 Changes in value of hedged items for fair value hedges are recognised in net other operating income. Changes in values of hedged items for cash flow hedges are not recognised in the financial statements and are only used as a basis for calculating ineffectiveness. During the year, unrealised gains deferred to the cash flow hedge reserve were \$1,590 million (30 June 2023: unrealised losses of \$7 million) and a gain recognised in foreign currency translation reserve was \$17 million (30 June 2023: \$32 million loss).

2 Hedge ineffectiveness is recognised in net other operating income.

	Bank					
	30 Jun 24			30 Jun 23		
	Change in value of hedged item ¹	Change in value of hedging instrument	Hedge ineffectiveness recognised in Income Statement ²	Change in value of hedged item ¹	Change in value of hedging instrument	Hedge ineffectiveness recognised in Income Statement ²
	\$M	\$M	\$M	\$M	\$M	\$M
Fair value hedges						
Interest rate risk	815	(807)	8	(284)	255	(29)
Interest rate and foreign exchange risk	410	(428)	(18)	707	(644)	63
Foreign exchange	(15)	15	–	10	(10)	–
Total fair value hedges	1,210	(1,220)	(10)	433	(399)	34
Cash flow hedges and net investment hedges						
Interest rate	(1,088)	1,096	8	1,367	(1,369)	(2)
Foreign exchange	(1,102)	1,091	(11)	(1,187)	1,194	7
Commodity prices	–	–	–	17	(18)	(1)
Total cash flow hedges and net investment hedges	(2,190)	2,187	(3)	197	(193)	4

1 Changes in value of hedged items for fair value hedges are recognised in net other operating income. Changes in value of hedged items for cash flow hedges are not recognised in the financial statements and are only used as a basis for calculating ineffectiveness. During the year, unrealised gains deferred to the cash flow hedge reserve were \$2,176 million (30 June 2023: unrealised losses of \$171 million), and a gain recognised in the net investment hedge reserve was \$11 million (30 June 2023: \$22 million loss).

2 Hedge ineffectiveness is recognised in net other operating income.

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

ACCOUNTING POLICIES

Derivatives transacted for hedging purposes

Derivatives are initially measured at fair value. Subsequent to initial recognition, gains or losses on derivatives are recognised in the Income Statement, unless they are entered into for hedging purposes and designated in a cash flow hedge.

Hedging strategy and hedge accounting

The Group risk management strategy (refer to notes 9.1 and 9.3) is to manage market risks within risk limits to minimise profit and capital volatility. The use of derivative and other hedging instruments for hedging purposes gives rise to potential volatility in the Income Statement because of mismatches in the accounting treatment between derivatives and other hedging instruments and the underlying exposures being hedged. The Group and the Bank apply hedge accounting to reduce volatility in the Income Statement from hedging activities undertaken.

Fair value hedges

Fair value hedges are used by the Group to manage exposure to changes in the fair value of an asset, liability or unrecognised firm commitment, predominantly associated with investment securities, debt issues and loan capital. Changes in fair values can arise from fluctuations in interest or foreign exchange rates. The Group principally uses interest rate swaps, cross currency swaps and futures to protect against such fluctuations.

Changes in the value of fair value hedges are recognised in the Income Statement, together with changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. All gains and losses associated with the ineffective portion of fair value hedge relationships are recognised immediately in net other operating income.

If the hedge relationship no longer meets the criteria for hedge accounting, it is discontinued. For fair value hedges of interest rate risk, the fair value adjustment to the hedged item is amortised to the Income Statement from the date of discontinuation over the period to maturity of the previously designated hedge relationship based on a recalculated effective interest rate. If the hedged item is sold or repaid, the unamortised fair value adjustment is recognised immediately in the Income Statement.

Cash flow hedges

Cash flow hedges are used by the Group to manage exposure to variability in future cash flows, which could affect profit or loss and may result from fluctuations in interest and exchange rates or in commodity prices on financial assets, financial liabilities or highly probable forecast transactions, predominantly associated with floating rate domestic loans and deposits. The Group principally uses interest rate swaps, cross currency swaps, futures and commodity related swaps to protect against such fluctuations.

Changes in fair value associated with the effective portion of a cash flow hedge are recognised through Other Comprehensive Income in the cash flow hedge reserve within equity. Ineffective portions are recognised immediately in the Income Statement. Amounts deferred in equity are transferred to the Income Statement in the period in which the hedged forecast transaction takes place.

When a hedging instrument expires or is sold, terminated or exercised, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is reclassified to profit or loss in the period in which the hedged item affects profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is recycled immediately to the Income Statement. Where it is appropriate, non-derivative financial assets and liabilities are also designated as hedging instruments in cash flow hedge relationships.

Net investment hedges

The Group holds investments in foreign operations, where changes in net assets resulting from changes in foreign currency rates are recognised in the foreign currency translation reserve and result in volatility in shareholders' equity. To protect against the foreign currency risk, the Group enters into foreign currency forwards that are designated as hedging instruments in net investment hedges. Gains and losses on derivative contracts relating to the effective portion of the net investment hedge are recognised in the foreign currency translation reserve in equity. Ineffective portions are recognised immediately in the Income Statement. Gains and losses accumulated in equity are included in the Income Statement when the foreign subsidiary or branch is disposed of.

Risk components

In some hedging relationships, the Group and the Bank designate risk components of hedged items as follows:

- benchmark interest rate risk as a component of interest rate risk, such as the Bank Bill Benchmark Rate component; and
- spot exchange rate risk as a component of foreign currency risk for foreign currency denominated financial assets and liabilities.

Hedging the benchmark interest rate risk or spot exchange rate risk components results in other risks, such as credit risk and liquidity risk, being excluded from the hedge accounting relationship.

Notes to the Financial Statements

For the year ended 30 June 2024

5.4 Derivative financial instruments and hedge accounting (continued)

Economic relationships and hedge effectiveness

The Group performs both prospective and retrospective tests to determine the economic relationship between the hedged item and the hedging instrument, and to assess hedge effectiveness. At inception of the hedge relationship, prospective testing is performed on a matched terms basis. This test checks that the critical terms are matched between the hedging instrument and the hedged item. At the same time a hedging ratio is established by matching the notional of the derivatives with the principal of the portfolio or financial instruments being hedged. In most cases the ratio is 100%. Retrospective testing for each reporting period uses a regression model, which compares the change in the fair value of the hedged item and the change in the fair value of the hedging instrument. For a hedge to be deemed effective, the change in fair values should be within 80% to 125% of each other. Should the result fall outside this range the hedge would be deemed ineffective and recognised immediately through the Income Statement in line with each hedge relationship policy above.

Sources of hedge ineffectiveness affecting hedge accounting are:

- differences in discounting between the hedged item and the hedging instrument. Collateralised derivatives are discounted using Overnight Indexed Swaps (OIS) discount curves, which are not applied to the hedged item;
- change in the credit risk of the hedging instrument; and
- mismatches between the contractual terms of the hedged item and the hedging instrument.

No other sources of hedge ineffectiveness have arisen during the year.

Embedded derivatives

In certain instances, a derivative may be embedded within a financial liability host contract. It is accounted for separately as a stand-alone derivative at fair value through income statement, where:

- the host contract is not carried at fair value through the income statement; and
- the economic characteristics and risks of the embedded derivative are not closely related to the host contract.

Notes to the Financial Statements

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5.5 Investment securities

	Group ¹		Bank ¹	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Investment securities at fair value through OCI				
Government bonds, notes and securities	79,215	65,865	73,922	63,161
Corporate and financial institution bonds, notes and securities	4,812	7,723	3,599	6,141
Covered bonds, mortgage backed securities and SSA ²	10,309	9,084	7,896	6,537
Shares and equity investments	2,438	1,999	2,430	1,992
Total investment securities at fair value through OCI	96,774	84,671	87,847	77,831
Investment securities at amortised cost				
Mortgage backed securities	1,239	2,032	1,239	2,032
Total investment securities at amortised cost	1,239	2,032	1,239	2,032
Total investment securities	98,013	86,703	89,086	79,863

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 Supranational, Sovereign and Agency Securities (SSA).

As at 30 June 2024, investment securities at fair value through other comprehensive income expected to be recovered within 12 months of the balance sheet date were \$9,878 million (30 June 2023: \$12,154 million) for the Group, and \$8,533 million (30 June 2023: \$10,551 million) for the Bank. As at 30 June 2024, investment securities at amortised cost amounts expected to be recovered within 12 months of the balance sheet date were \$598 million (30 June 2023: \$1,671 million) for the Group and the Bank.

Contractual maturity distribution and yield analysis

	Group									
	Maturity Period at 30 June 24									
	0 to 1 year		1 to 5 years		5 to 10 years		10 or more years		Non-maturing	Total
	\$M	%	\$M	%	\$M	%	\$M	%	\$M	\$M
Investment securities at fair value through OCI										
Government bonds, notes and securities	6,219	4.60	25,692	4.48	36,709	4.74	10,595	5.16	–	79,215
Corporate and financial institution bonds, notes and securities	3,289	5.19	1,481	5.05	42	5.35	–	–	–	4,812
Covered bonds, mortgage backed securities and SSA	370	5.49	7,246	4.68	766	4.71	1,927	5.56	–	10,309
Shares and equity investments	–	–	–	–	–	–	–	–	2,438	2,438
Total investment securities at fair value through OCI	9,878		34,419		37,517		12,522		2,438	96,774
Investment securities at amortised cost										
Mortgage backed securities	–	–	–	–	–	–	1,239	5.33	–	1,239
Total investment securities	9,878		34,419		37,517		13,761		2,438	98,013

Notes to the Financial Statements

For the year ended 30 June 2024

5.5 Investment securities (continued)

ACCOUNTING POLICIES

Investment securities primarily include publicly traded debt securities held as part of the Group's liquidity portfolio.

Investment securities at fair value through other comprehensive income

Debt securities

This category includes debt securities held within the business model whose objective is achieved by both collecting contractual cash flows and selling the assets. The contractual cash flows on these financial assets comprise payments of principal and interest only. These securities are initially recognised at their fair value plus directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value through other comprehensive income.

Interest income and foreign exchange gains and losses on these securities are recognised in the Income Statement. The securities are assessed for impairment using the expected credit loss approach described in Note 3.2. Impairment is recognised in the loan impairment expense line in the Income Statement.

When debt securities at fair value through other comprehensive income are derecognised, the cumulative gain or loss recognised in Other Comprehensive Income is reclassified to the net other operating income line in the Income Statement.

Equity securities

This category also includes non-traded equity instruments designated at fair value through other comprehensive income. Fair value gains and losses and foreign exchange gains and losses on these equity instruments are recognised in Other Comprehensive Income and are not reclassified to the Income Statement on derecognition.

Investment securities at amortised cost

This category includes debt securities held within the business model whose objective is to hold financial assets in order to collect contractual cash flows. The contractual cash flows on these financial assets comprise the payment of principal and interest only. These securities are initially recognised at their fair value plus directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method and are presented net of provisions for impairment. For the accounting policy on provisions for impairment, refer to Note 3.2.

Notes to the Financial Statements

For the year ended 30 June 2024

6 Other assets

OVERVIEW

The Group's other assets include assets not included in its lending, investing, trading and other banking activities. Other assets include right-of-use assets, property, plant and equipment held for own use and for lease through our asset finance business and intangible assets. Other assets also include software, brand names and goodwill. These assets support the Group's business activities.

6.1 Property, plant and equipment

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Right-of-use assets				
At cost	4,396	4,473	4,133	4,073
Accumulated depreciation	(2,225)	(1,993)	(2,140)	(1,805)
Closing balance	2,171	2,480	1,993	2,268
Land and buildings				
At 30 June valuation	485	480	461	457
Total land and buildings	485	480	461	457
Leasehold improvements				
At cost	1,307	1,507	1,153	1,319
Accumulated depreciation	(777)	(1,004)	(672)	(872)
Closing balance	530	503	481	447
Equipment				
At cost	1,505	1,649	1,147	1,244
Accumulated depreciation	(1,089)	(1,229)	(825)	(945)
Closing balance	416	420	322	299
Total right-of-use assets and property, plant and equipment held for own use	3,602	3,883	3,257	3,471
Assets held as lessor				
At cost	116	1,592	116	116
Accumulated depreciation	(42)	(525)	(42)	(38)
Closing balance	74	1,067	74	78
Total property, plant and equipment	3,676	4,950	3,331	3,549

Notes to the Financial Statements

For the year ended 30 June 2024

6.1 Property, plant and equipment (continued)

Reconciliation of movements in the carrying amount of Property, plant and equipment is set out below:

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Right-of-use assets				
Carrying amount at the beginning of the year	2,480	2,667	2,268	2,462
Additions	193	294	139	232
Disposals	(23)	(21)	–	(21)
Depreciation	(477)	(467)	(414)	(407)
Foreign currency translation adjustment	(2)	7	–	2
Carrying amount at the end of the year	2,171	2,480	1,993	2,268
Land and buildings				
Carrying amount at the beginning of the year	480	481	457	448
Additions	5	15	4	11
Disposals	(2)	(22)	(2)	(11)
Net revaluations	20	25	20	29
Depreciation	(21)	(25)	(21)	(25)
Reclassification to assets held for sale	3	5	3	5
Foreign currency translation adjustment	–	1	–	–
Carrying amount at the end of the year	485	480	461	457
Leasehold improvements				
Carrying amount at the beginning of the year	503	450	447	395
Additions	136	154	129	143
Disposals	(6)	(11)	(4)	(11)
Depreciation	(103)	(92)	(91)	(81)
Foreign currency translation adjustment	–	2	–	1
Carrying amount at the end of the year	530	503	481	447
Equipment				
Carrying amount at the beginning of the year	420	393	299	248
Additions	161	187	150	153
Disposals	(10)	(2)	(6)	(2)
Depreciation	(154)	(131)	(121)	(100)
Other transfers ¹	–	(29)	–	–
Foreign currency translation adjustment	(1)	2	–	–
Carrying amount at the end of the year	416	420	322	299
Assets held as lessor				
Carrying amount at the beginning of the year	1,067	896	78	74
Additions	–	246	–	7
Disposals	(18)	(35)	–	–
Depreciation	(58)	(63)	(4)	(3)
Other transfers ¹	–	29	–	–
Reclassification to assets held for sale ²	(917)	–	–	–
Impairment losses	–	(6)	–	–
Carrying amount at the end of the year	74	1,067	74	78
Total property, plant and equipment	3,676	4,950	3,331	3,549

1 During the year ended 30 June 2023, \$29 million of assets were leased out and transferred from equipment to assets under lease as a result of a sublease arrangement.

2 During the year ended 30 June 2024, the Group reclassified \$917 million of structured asset finance leases to assets held for sale.

Notes to the Financial Statements

For the year ended 30 June 2024

6.1 Property, plant and equipment (continued)

ACCOUNTING POLICIES

The Group measures its land and buildings at fair value, based on annual independent market valuations performed during the year. These fair values fall under the Level 3 category of the fair value hierarchy as defined in AASB 13 *Fair Value Measurement*. Revaluation adjustments are reflected in the asset revaluation reserve, except to the extent they reverse a revaluation decrease of the same asset previously recognised in the Income Statement. Upon disposal, realised amounts in the asset revaluation reserve are transferred to retained profits.

Other property, plant and equipment assets are stated at cost, including direct and incremental acquisition costs less accumulated depreciation and impairment if required. Subsequent costs are capitalised where it enhances the asset. Depreciation is calculated using the straight-line method over the asset's estimated useful economic life.

The useful lives of major depreciable asset categories are as follows:

Right-of-use assets	Unexpired lease term
Land	Indefinite, not depreciated
Buildings	Up to 30 years
Equipment	3–25 years
Leasehold improvements	Lower of unexpired lease term or useful lives as above

Assets held as lessor:

Leases are entered into to meet the business needs of entities in the Group. Leases are primarily over commercial and retail premises and plant and equipment. Where the Group is a lessee, all leases will be recognised on the Balance Sheet as a lease liability and right-of-use asset, unless the underlying asset is of low value or the lease has a term of 12 months or less. Rentals of leases with low value underlying assets or where the lease term is 12 months or less are recognised over the lease term as operating expenses in the Income Statement.

Right-of-use assets are initially measured at cost comprising the following:

- the initial amount of the lease liability measured at the present value of the future lease payments;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- an estimate of the costs to be incurred upon disassembling or restoring the underlying asset to the condition required by the terms of the lease.

The right-of-use asset is depreciated over the lease term on a straight-line basis within operating expenses in the Income Statement.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in the Income Statement if the carrying amount of the right-of-use asset has been fully written down.

Critical accounting judgements and estimates

Judgement has been applied by the Group in assessing which arrangements contain a lease, the period over which the lease exists and the variability of future cash flows when recognising right-of-use assets.

The Group assesses at each balance sheet date useful lives and residual values and whether there is any objective evidence of impairment. If an asset's carrying amount is greater than its recoverable amount, the carrying amount is immediately written down to its recoverable amount.

In determining the value in use of assets held as lessor, the Group incorporates the cash inflows over the lease term, as well as the expected selling price on expiry of the lease. Market disruption, lower demand for assets, decline in asset prices as well as credit events specific to individual lessees can result in a reduction of the asset's recoverable values.

Notes to the Financial Statements

For the year ended 30 June 2024

6.2 Intangible assets

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Goodwill				
Purchased goodwill at cost	5,285	5,295	2,501	2,501
Closing balance	5,285	5,295	2,501	2,501
Computer software costs				
Cost	4,972	4,430	4,111	3,551
Accumulated amortisation	(2,843)	(2,518)	(2,217)	(1,898)
Closing balance	2,129	1,912	1,894	1,653
Brand names ¹				
Cost	186	186	186	186
Closing balance	186	186	186	186
Total intangible assets	7,600	7,393	4,581	4,340

¹ Brand names include the value of royalty costs foregone by the Group through acquiring the Bankwest brand name. The royalty costs that would have been incurred by an entity using the Bankwest brand name are based on an annual percentage of income generated by Bankwest. The Bankwest brand name has an indefinite useful life, as there is no foreseeable limit to the period over which the brand name is expected to generate cash flows. The brand name is not subject to amortisation, but requires annual impairment testing. No impairment was recognised during the year.

Impairment tests for goodwill and intangible assets with indefinite lives

To assess whether goodwill and other assets with indefinite useful lives are impaired, the carrying amount of a cash-generating unit or a group of cash-generating units are compared to the recoverable amount. The recoverable amount is determined based on fair value less cost to sell, primarily using an earnings multiple applicable to that type of business. The category of this fair value is Level 3 as defined in AASB 13 *Fair Value Measurement*.

Earnings multiples relating to the Group's banking cash-generating units are sourced from publicly available data associated with Australian businesses displaying similar characteristics to those cash-generating units, and are applied to current earnings. The key assumption is the price-earnings (P/E) multiple observed for these businesses, which for the banking businesses were in the range of 14.3x-15.0x (30 June 2023: 11.1x-12.4x).

Goodwill allocation to cash-generating units

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Retail Banking Services	3,763	3,763	2,002	2,002
Business Banking	1,241	1,241	499	499
New Zealand	258	259	–	–
Corporate Centre and Other	23	32	–	–
Total	5,285	5,295	2,501	2,501

Notes to the Financial Statements

For the year ended 30 June 2024

6.2 Intangible assets (continued)

Reconciliation of the carrying amounts of Intangible assets is set out below:

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Goodwill				
Opening balance	5,295	5,295	2,501	2,504
Additions	5	–	–	–
Reclassification to assets held for sale	(13)	(5)	–	(3)
Foreign exchange and other adjustments	(2)	5	–	–
Closing balance	5,285	5,295	2,501	2,501
Computer software costs				
Opening balance	1,912	1,409	1,653	1,191
Additions ¹	932	898	826	770
Reclassification to assets held for sale	(30)	–	–	–
Amortisation and impairment	(685)	(395)	(585)	(308)
Closing balance	2,129	1,912	1,894	1,653
Brand names				
Opening balance	186	186	186	186
Closing balance	186	186	186	186
Other intangibles				
Opening balance	–	9	–	2
Disposals/other adjustments	–	(9)	–	(2)
Closing balance	–	–	–	–
Total intangible assets	7,600	7,393	4,581	4,340

¹ Primarily relates to internal software development costs.

Notes to the Financial Statements

For the year ended 30 June 2024

6.2 Intangible assets (continued)

ACCOUNTING POLICIES

Intangible assets are identifiable non-monetary assets without physical substance. They are recognised only if it is probable the asset will generate future benefits for the Group. Those assets with an indefinite useful life are tested for impairment annually. All intangible assets must be tested for impairment when there is an indication that its carrying amount may be greater than its recoverable amount.

Goodwill

Goodwill arises on the acquisition of a business and represents the excess of the consideration paid over the fair value of the net assets and liabilities acquired. Goodwill is tested for impairment annually through allocation to a group of cash-generating units (CGUs). The CGUs' recoverable amount is then compared to the carrying amount of the CGUs including goodwill and an impairment is recognised for any excess carrying value.

Computer software costs

Certain internal and external costs directly incurred in acquiring and developing software are capitalised and amortised over the estimated useful life on a straight-line basis. The majority of software projects are amortised over three to five years. Software maintenance is expensed as incurred.

SaaS arrangements are service contracts providing the Group with the right to access the provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the provider's application software, are generally recognised as operating expenses when the services are received. Costs incurred for the development of software code that enhances, modifies or creates additional capability to existing on-premise systems and meets the recognition criteria for an intangible asset are capitalised and amortised over their estimated useful life on a straight-line basis.

Brand names

Brand names include the Bankwest brand name acquired in a business combination and initially recognised at fair value. The Bankwest brand name has an indefinite useful life as there is no foreseeable limit to the period over which it is expected to generate cash flows.

Critical accounting judgements and estimates

Goodwill is allocated to CGUs whose recoverable amount is calculated for the purpose of impairment testing. The recoverable amount calculation relies primarily on publicly available earnings multiples, which are disclosed on page 111.

Notes to the Financial Statements

For the year ended 30 June 2024

6.3 Other assets

	Note	Group		Bank	
		30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
		\$M	\$M	\$M	\$M
Accrued interest receivable		4,446	3,811	4,523	3,817
Accrued fees and reimbursements receivable		361	359	283	285
Securities sold not delivered		3,427	1,422	3,048	1,063
Intragroup current tax receivable		–	–	93	190
Current tax assets		21	8	21	6
Prepayments		629	545	538	472
Defined benefit superannuation plan surplus	10.2	436	648	436	648
Other ¹		912	589	667	318
Total other assets		10,232	7,382	9,609	6,799

¹ As at 30 June 2024, other assets include \$249 million of proceeds receivable in relation to divestments of businesses (30 June 2023: \$231 million).

Except for the defined benefits superannuation plan surplus, the majority of the above amounts are expected to be recovered within 12 months of the balance sheet date.

ACCOUNTING POLICIES

Other assets include interest and fee receivables, current tax assets, prepayments, receivables on unsettled trades and the surplus within defined benefit plans. Interest receivables are recognised on an accruals basis. Fees and reimbursements receivable are recognised once the service is provided. Trade date accounted securities sold not delivered, consistent with the Group's policy for all financial assets measured at fair value through profit or loss or at fair value through other comprehensive income, are recognised between trade execution and final settlement. The remaining other assets are recognised on an accrual or service performed basis and amortised over the period in which the economic benefits from these assets are received. Further defined benefit plan details are provided in Note 10.2.

Notes to the Financial Statements

For the year ended 30 June 2024

7 Our liabilities

OVERVIEW

Other liabilities include provisions, interest payable, fees and bills payable and unsettled trade liabilities. Provisions principally cover annual leave and long service leave employee entitlements, customer remediation, compliance and regulation programs, litigation and restructuring. It also includes provisions for impairment losses on financial guarantees and other off balance sheet instruments issued by the Group.

Certain provisions involve significant judgement to determine the likely outcome of events as well as a reliable estimate of the outflows. Where future events are uncertain and where the outflow cannot be reliably determined, these are disclosed as contingent liabilities. Contingent liabilities are not recognised on the Group's Balance Sheet but are disclosed in Note 12.1 Contingent liabilities, and in Note 7.1, in respect of litigation, investigations and reviews.

7.1 Provisions

	Note	Group		Bank	
		30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 24 \$M	30 Jun 23 \$M
Employee entitlements		1,112	1,077	991	962
Customer remediation		213	346	157	311
Dividends	8.4	183	191	183	191
Compliance and regulation		12	98	4	84
Divestments and restructuring		959	844	949	836
Off balance sheet instruments		223	159	203	154
Other		206	298	194	280
Total provisions		2,908	3,013	2,681	2,818

Maturity distribution of provisions

	Group		Bank	
	30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 24 \$M	30 Jun 23 \$M
Less than twelve months	2,423	2,621	2,213	2,454
More than twelve months	485	392	468	364
Total provisions	2,908	3,013	2,681	2,818

Notes to the Financial Statements

For the year ended 30 June 2024

7.1 Provisions (continued)

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Reconciliation				
Customer remediation:				
Opening balance	346	1,068	311	1,020
Additional provisions	179	404	156	403
Amounts utilised during the year	(312)	(1,106)	(310)	(1,092)
Release of provisions	–	(20)	–	(20)
Closing balance	213	346	157	311
Compliance and regulation:				
Opening balance	98	99	84	55
Additional provisions	–	77	–	77
Amounts utilised during the year	(72)	(75)	(66)	(45)
Release of provisions	(14)	(3)	(14)	(3)
Closing balance	12	98	4	84
Divestments and restructuring:				
Opening balance	844	920	836	917
Additional provisions	372	178	361	168
Amounts utilised during the year	(257)	(254)	(248)	(249)
Closing balance	959	844	949	836
Off balance sheet instruments:				
Opening balance	159	117	154	108
Additional provisions	64	42	49	46
Closing balance	223	159	203	154
Other:				
Opening balance	298	228	280	197
Additional provisions	43	105	43	103
Amounts utilised during the year	(79)	(35)	(75)	(20)
Release of provisions	(56)	–	(54)	–
Closing balance	206	298	194	280

ACCOUNTING POLICIES

Provisions are recognised for present obligations arising from past events where a payment to settle the obligation is probable and can be reliably estimated. Where the effect of the time value of money is material, the amount of the provision is measured as the present value of expenditures required to settle the obligation, based on a market observable rate. Where a payment to settle an obligation is not probable or cannot be reliably estimated, no provision is recognised. Such obligations are disclosed as contingent liabilities.

Notes to the Financial Statements

For the year ended 30 June 2024

7.1 Provisions (continued)

Provisions for employee entitlements (such as long service leave, annual leave and other employee benefits)

This provision is calculated based on expected payments. Where the payments are expected to be more than one year in the future, it factors in the expected period of service by employees, as well as salary increases. These future obligations are discounted using a market observable rate.

Customer remediation

This provision covers customer remediation costs and related program costs.

Dividends

This provision relates to dividends for prior periods which have not been settled at the balance sheet date.

Compliance and regulation

This provision relates to litigation, project and other administrative costs associated with certain compliance and regulatory programs of the Group.

Divestments and restructuring

This provision includes expenses arising from changes in the scope of the Group's business relating primarily to divestment transactions including related warranties and indemnities. The provision includes costs, which are both necessarily entailed by the divestment and are not associated with the ongoing activities of the Group. A provision for restructuring costs is only recognised when the Group has a detailed formal restructuring plan and the restructuring has either commenced or has been publicly announced.

Other provisions

Other provisions include self-insurance provisions, make-good provisions in relation to property leases, and provisions for certain other costs.

Critical accounting judgements and estimates

Provisions are held in respect of a range of future obligations, some of which involve significant judgement about the likely outcome of various events and estimated future cash flows.

Customer remediation

Provisions for customer remediation require significant levels of estimation and judgement. The amount raised depends on a number of different assumptions, such as the number of years impacted, the forecast remediation fund rate and the average cost per case. The Group is committed to comprehensively and efficiently addressing the full range of remediation issues impacting customers of the Banking and former Wealth Management businesses. Significant resources have been committed to a comprehensive program of work, to ensure that issues are identified and addressed.

Aligned Advice remediation

Aligned advisors were not employed by the Group but were representatives authorised to provide financial advice under the licences of the Group's subsidiaries, Financial Wisdom Limited (FWL), Count Financial Limited (Count Financial) and Commonwealth Financial Planning Limited-Pathways (CFP-Pathways). The Group completed the sale of Count Financial to Count Limited (Count) on 1 October 2019, and ceased providing licensee services through CFP-Pathways and FWL in March and June 2020, respectively. The Bank entered into reimbursement agreements with FWL and CFP-Pathways, and an indemnity deed with Count to cover potential remediation of past issues including ongoing service fees and commissions, and other remediation matters. For details on the reimbursement agreements and the indemnity deed, refer to Note 11.2.

During the year ended 30 June 2024, the Group recognised an increase in the provision for Aligned Advice remediation issues and program costs of \$7 million. In addition, the Group paid \$137 million in customer refunds for ongoing service fees, \$63 million in other remediation matters and utilised \$29 million for program costs.

As at 30 June 2024, the Group holds a provision of \$40 million (30 June 2023: \$262 million). The Group has made all customer refunds in relation to ongoing service fees remediation, and continues to engage with ASIC in relation to remediation programs.

Banking customer remediation

As at 30 June 2024, the provision held by the Group in relation to Banking customer remediation programs was \$173 million (30 June 2023: \$84 million). The provision includes an estimate of customer refunds (including interest) relating to business and retail banking products and the related program costs.

Notes to the Financial Statements

For the year ended 30 June 2024

7.1 Provisions (continued)

Litigation, investigations and reviews

The Group is party to a number of legal proceedings, and the subject of various investigations and reviews. Provisions have been raised in accordance with the principles outlined in the accounting policy section of this note.

Litigation

The main litigated claims against the Group as at 30 June 2024 are summarised below.

Shareholder class actions

In October 2017 and June 2018, two separate shareholder class action proceedings were filed against CBA in the Federal Court of Australia, alleging breaches of CBA's continuous disclosure obligations and misleading and deceptive conduct in relation to the subject matter of the civil penalty proceedings brought against CBA by the Australian Transaction Reports and Analysis Centre (AUSTRAC). The AUSTRAC proceedings concerned contraventions of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (AML/CTF Act).

The resolution of the AUSTRAC civil penalty proceedings was approved by the Federal Court on 20 June 2018 with CBA paying a penalty of \$700 million and legal costs. It was alleged in the class actions that CBA shareholders who acquired an interest in CBA shares between 16 June 2014 and 3 August 2017 suffered losses as a result of the alleged conduct. The two class actions were being case managed together, with a single harmonised statement of claim. On 10 May 2024, the Federal Court handed down judgment in CBA's favour and on 28 May 2024 orders were made dismissing both class actions. The Applicants filed an appeal from the judgment on 25 June 2024. CBA is defending the appeal. It is currently not possible to determine the ultimate impact of this claim, if any, on the Group.

Superannuation class actions

The Group is also defending three class actions in relation to superannuation products.

On 9 October 2018, a class action was filed against Colonial First State Investments Limited (CFSIL) and CBA in the Federal Court of Australia. The claim initially related to investment in cash and deposit options (which are cash and deposit products provided by CBA) in the Colonial First State First Choice Superannuation Trust (FirstChoice Fund) and Commonwealth Essential Super and later expanded to join Avanteos Investments Limited (AIL) as a party in respect of claims regarding the FirstWrap Pooled Cash Account.

The main claims are that members who invested in these cash and deposit options received lower interest rates than they could have received had CFSIL/AIL offered similar products made available in the market by another bank with comparable risk and that CFSIL/AIL retained the margin that arises through the internal transfer pricing process in respect of deposits made with CBA, for their own benefit. It is claimed CFSIL/AIL breached their duties as a trustee of the funds, CFSIL breached its duties as a Responsible Entity of the underlying managed investment schemes and that CBA was involved in CFSIL/AIL's breaches. CBA, CFSIL and AIL deny the allegations and are defending the proceedings.

On 18 October 2019, a second class action was commenced against CFSIL in the Federal Court of Australia. The claim related to certain fees charged to members of the FirstChoice Fund. It alleged that CFSIL breached its duties as trustee and acted unconscionably because it failed, between 2013 and 2019, to take steps to avoid the payment of grandfathered commissions to financial advisers, which would have resulted in a reduction of the fees paid by members in respect of whom those commissions were paid. CFSIL denied the allegations and defended the proceedings. Following a mediation in June 2023, a settlement was reached with no admissions as to liability. On 5 August 2024, the Court approved the settlement.

On 22 January 2020, a further class action was filed against CFSIL and The Colonial Mutual Life Assurance Society Limited (CMLA) in the Federal Court of Australia. On 22 October 2021, AIA Australia Limited (AIAA), who from 1 April 2021 was liable for and assumed certain liabilities of CMLA under a life insurance scheme pursuant to Part 9 of the *Life Insurance Act 1995* (Cth) (Part 9 Scheme), was joined as a third respondent to the class action. The class action alleges that CFSIL did not act in the best interests of members and breached its trustee duties when taking out group insurance policies obtained from CMLA. The key allegation is that CFSIL entered into and maintained insurance policies with CMLA on terms that were less favourable to members than would have reasonably been available in the market. It is alleged that CMLA was knowingly involved in CFSIL's contraventions as trustee and profited from those contraventions. CFSIL, CMLA and AIAA deny the allegations and are defending the proceedings. A mediation took place in December 2023 which did not result in an agreement being reached, and it is anticipated a further mediation will take place in December 2024. The class action has been provisionally listed for a three week trial commencing 4 August 2025.

On 1 December 2021, the Group completed the sale of a 55% interest in Colonial First State (CFS) to KKR. CBA has assumed carriage of the superannuation class actions proceedings on CFSIL's and AIL's behalf subject to the terms of a conduct indemnity deed between CBA, CFSIL and AIL. The Group has provided for certain legal and other costs associated with its obligations under the indemnity deed.

Advice class actions

On 21 August 2020, a class action was filed in the Federal Court of Australia against Commonwealth Financial Planning Limited (CFP), FWL and CMLA. The claim relates to certain CommInsure (CMLA) life insurance policies recommended by financial advisers appointed by CFP and FWL during the period from 21 August 2014 to 21 August 2020. On 16 November 2021, AIAA (who from 1 April 2021 was liable for and assumed certain liabilities of CMLA under the Part 9 Scheme) was joined as a fourth respondent to the class action. The key allegations include that CFP and FWL or their financial advisers breached their fiduciary duties to their clients, breached their duty to act in the best interest of their clients, and had prioritised their own interests (and the interests of CFP, FWL and CMLA) over the interest of their clients, in recommending certain CMLA life insurance policies in preference to substantially equivalent or better policies available at lower premiums from third party insurers. It is also alleged that CMLA knew the material facts giving rise to the breaches of fiduciary duty. CFP, FWL, CMLA and AIAA deny the allegations and are defending the proceedings. It is currently not possible to determine the ultimate impact of this claim, if any, on the Group.

Notes to the Financial Statements

For the year ended 30 June 2024

7.1 Provisions (continued)

On 24 August 2020 a class action was commenced against Count Financial in the Federal Court of Australia. The proceeding relates to commissions paid to Count Financial and its authorised representative financial advisers in respect of financial products (including insurance) and certain obligations of its financial advisers to provide ongoing advice in the period from 21 August 2014 to 21 August 2020. The claim also includes allegations (related to the receipt of commissions) that Count Financial engaged in misleading or deceptive conduct, and that Count Financial and its authorised representatives breached fiduciary duties owed to the applicant and group members. The claim seeks compensation and damages from Count Financial, including any profits resulting from the alleged contraventions. A pre-trial mediation did not resolve the class action and the matter proceeded to a 3 week initial trial in March 2024. Judgment is reserved.

Count Financial was a wholly owned subsidiary of CBA until 1 October 2019, when it was acquired by Count. CBA has assumed the conduct of the defence in this matter on Count Financial's behalf. Count Financial denies the allegations made against it and defended the proceedings. The Group has provided for certain legal and other costs associated with any indemnity obligations.

Consumer credit insurance (CCI) class action

On 10 June 2020, a class action was commenced against CBA and CMLA in the Federal Court of Australia. The claim related to consumer credit insurance for credit cards and personal loans that was sold between 1 January 2010 and 7 March 2018. On 1 April 2022, AIAA (who from 1 April 2021 was liable for and assumed certain liabilities of CMLA under the Part 9 Scheme) was joined as a third respondent to the class action. The class action alleged that CBA and CMLA engaged in unconscionable and misleading or deceptive conduct, failed to act in the best interests of customers and provided them with inappropriate advice. In particular, it was alleged that some customers were excluded from claiming certain benefits under the policies and the insurance was therefore unsuitable or of no value. Allegations were also made in relation to the manner in which the insurance was sold. CBA, CMLA and AIAA denied the allegations.

On 18 October 2022, the parties attended a Court ordered mediation following which they entered into a settlement agreement to resolve the proceedings. The settlement was made without admission of liability. On 15 September 2023, the Court approved the settlement. The Court has ordered that the case be dismissed once the settlement distribution process has been completed.

ASB class action

Proceedings were served on CBA subsidiary ASB Bank Limited (ASB) on 29 September 2021 by plaintiffs seeking to bring a representative (class action) proceeding against ASB in the High Court of New Zealand. These proceedings relate to ASB's compliance with parts of the *Credit Contracts and Consumer Finance Act 2003* (NZ) (CCCFA) which requires a variation disclosure to be issued when customers and ASB make agreed changes to loan agreements captured under the CCCFA.

On 23 and 24 April 2024, the New Zealand Court of Appeal heard ASB's appeal from an earlier High Court decision permitting the plaintiffs to pursue their claims as an opt-out representative proceeding on behalf of a class. On 19 July 2024, the Court of Appeal confirmed the earlier Court's decision to allow the plaintiffs to bring the action against ASB as an opt-out representative proceeding.

The parties have until 16 August 2024 to apply to the Supreme Court of New Zealand for permission to appeal against the Court of Appeal's decision.

The plaintiffs' proposed class definition covers customers who had a home or personal loan with ASB between 6 June 2015 and 18 June 2019 covered by the CCCFA and who were not provided with compliant variation disclosure. Given this definition and the fact that issues raised in the claim have not been determined by the Courts before, the size of the proposed class is unknown. However, the proposed class and the allegations made in the proceedings would potentially cover hundreds of thousands of loans.

In their claim, the plaintiffs argue that ASB is not entitled to retain any interest or fees paid by any class member for the period during which it is alleged that ASB did not provide, and has not provided, compliant variation disclosure under the CCCFA. ASB denies that the relief sought by the plaintiffs is available to them and is vigorously defending the proceedings.

It is not possible to determine the ultimate impact of this claim, if any, on the Group.

Regulatory enforcement proceedings

Fair Work Ombudsman (FWO) proceedings

In October 2021, the FWO commenced civil penalty proceedings in the Federal Court of Australia against CBA and Commonwealth Securities Limited (CommSec), alleging contraventions of the *Fair Work Act 2009* (Cth) (Fair Work Act), and of the Group's 2014 and 2016 enterprise agreements. The proceedings followed an investigation by the FWO of the Group's employee entitlement review (EER). CBA self-disclosed these matters in the EER to the FWO.

CBA and CommSec cooperated fully with the FWO and agreed a statement of agreed facts and admissions with the FWO. A hearing to determine penalty was held in September 2023. On 15 February 2024, the Federal Court handed down judgment and ordered CBA to pay a penalty of \$7.31 million and CommSec to pay a penalty of \$3.03 million. The penalties have been paid.

CBA's broad remediation review of employee entitlements for current and former employees is complete.

Long Service Leave (LSL) proceedings

In August 2022, the Wage Inspectorate Victoria commenced criminal proceedings against each of CommSec and BWA Group Services Pty Ltd (BWA) in the Magistrates' Court of Victoria. The proceedings relate to alleged underpayments of approximately \$60,000 in LSL entitlements for 17 former employees of those entities (8 employees of CommSec and 9 employees of BWA). LSL underpayments are included in the Group's EER described above.

A Plea Hearing was held on 29 July 2024 in the Magistrates' Court of Victoria. The Court imposed a penalty of \$18,000 for CommSec and \$18,000 for BWA. No conviction was recorded for either entity. The Court also made an order for the Wage Inspectorate Victoria's costs to be paid by CommSec and BWA, fixed at \$12,000, as agreed by the parties.

Notes to the Financial Statements

For the year ended 30 June 2024

7.1 Provisions (continued)

Ongoing regulatory investigations and reviews

The Group undertakes ongoing compliance activities, including breach reporting, reviews of products, advice, conduct and services provided to customers, as well as interest, fees and premiums charged. Some of these activities have resulted in remediation programs and where required the Group consults with the relevant regulator and other bodies on the proposed remediation action.

Provisions have been recognised by the Group where the criteria outlined in the accounting policy section of this note are satisfied. Contingent liabilities exist with respect to these matters where it is not possible to determine the extent of any obligation to remediate or the potential liability cannot be reliably estimated.

There are also ongoing matters where regulators or other bodies are investigating whether CBA, ASB or another Group entity has breached laws, regulatory or other obligations. Where a breach has occurred, or obligations have not been met, regulators or other bodies may impose, or apply to a Court for, fines and/or other sanctions or may require remediation. These matters include investigations of a number of issues which were notified to, or identified by, regulators or other bodies.

In addition to possible regulatory actions and reviews, there may also be financial exposure to claims by customers, third parties and shareholders and this could include further class actions, customer remediation or claims for compensation or other remedies. The outcomes and total costs associated with such regulatory actions and reviews, and possible claims remain uncertain.

Other regulatory matters

The following matters were significant regulatory investigations and reviews, which have been completed, but have resulted in ongoing action required by the Group.

Financial crime compliance

As noted above, in 2018 the Group resolved the AUSTRAC proceedings relating to contraventions of anti-money laundering/counter-terrorism financing (AML/CTF) laws. CBA continues to address the underlying causes of the AML/CTF Act failings that resulted in AUSTRAC commencing its proceedings.

Recognising the crucial role that the Group plays in fighting financial crime, it continues to invest significantly in its financial crime disruption capabilities, including in its central AML/CTF Compliance team, its business unit-led risk teams, regulatory and control operations team and through the Program of Action (now called Financial Crime Domain), with coverage across financial crime (including AML/CTF, sanctions, anti-bribery and corruption and anti-tax evasion facilitation).

We also continue to invest in people, systems, processes and controls to respond to rapidly evolving regulatory environments, developments in financial crime and other changes in the landscape in which we operate, such as the increasingly sophisticated use of technology by criminals targeting the financial system, and the increase of scams, fraud, ransomware and cyber-attacks.

The Group continues to review and remediate a number of known AML/CTF compliance issues. As this work progresses, further compliance issues may be identified and reported to AUSTRAC or other regulators, and additional enhancements of systems and processes may be required.

The Group provides updates to AUSTRAC and other regulators on its Anti-Money Laundering and Counter-Terrorism Financing Program and other financial crime compliance capabilities, related enhancements and remediation activities.

However, there is no assurance that AUSTRAC or other regulators will agree that the Group's enhancements to its financial crime compliance capabilities, including through the multi-year Program of Action and Financial Crime Domain, are adequate or will effectively enhance the Group's financial crime compliance programs across its business units and the jurisdictions in which it operates. There is also a risk of undetected failure of internal controls, or the ineffective remediation of compliance issues which could lead to breaches of AML/CTF, sanctions, anti-bribery and corruption and anti-tax evasion facilitation obligations, resulting in potentially significant monetary and regulatory penalties.

Although the Group is not currently aware of any enforcement proceeding being commenced by any domestic or foreign regulators in respect of its financial crime compliance, the Group regularly engages with such regulators, including in respect of compliance issues, and there can be no assurance that the Group will not be subject to such enforcement proceedings in the future.

Enforceable undertaking to the Office of Australian Information Commissioner (OAIC)

In June 2019, the Australian Information and Privacy Commissioner accepted an EU offered by CBA, which required further enhancements to the management and retention of customer personal information within CBA and certain subsidiaries. CBA completed the formal obligations under the EU during the year ended 30 June 2024.

CommSec Compliance Program

As part of the proceedings ASIC commenced against CommSec in October 2022, the Federal Court ordered CommSec to undertake a compliance program. As required by the program, CommSec has appointed an independent expert to review the adequacy and effectiveness of its remediation of the issues in the proceedings and their root causes, as well as the adequacy of its systems and controls. The independent expert has prepared an initial report and CommSec has agreed a remedial action plan with ASIC, to address the recommendations made in the report. The independent expert will conduct a final review once all the actions from the remedial action plan have been implemented.

Notes to the Financial Statements

For the year ended 30 June 2024

7.1 Provisions (continued)

Enforceable undertaking to the Australian Communications and Media Authority (ACMA)

In connection with breaches of certain provisions of the *Spam Act 2003* (Cth) (Spam Act), CBA has paid the ACMA a fine of \$3.55 million and on 2 June 2023 entered into an EU with the ACMA. As required by the EU, CBA has appointed an independent consultant to review its current procedures, policies, training and systems relating to CBA's compliance with the Spam Act. CBA has provided the ACMA with its plan to implement the independent consultant's recommendations, and has committed to providing ongoing compliance reports to the ACMA and training relevant personnel under the EU. The independent consultant has provided its initial report under the EU, and will conduct further reviews, as set out in the EU, or as otherwise required. CBA continues to review its compliance with the Spam Act and it considers that further rectification steps will be required.

Other matters

Exposures to divested businesses

The Group has potential exposures to divested businesses, including through the provision of services, warranties and indemnities. These exposures may have an adverse impact on the Group's financial performance and position. The Group has recognised provisions where payments in relation to the exposures are probable and reliably measurable.

Notes to the Financial Statements

For the year ended 30 June 2024

7.2 Bills payable and other liabilities

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Bills payable	343	399	286	337
Accrued interest payable	7,233	5,382	6,561	4,871
Accrued fees, employee incentives and other items payable ¹	4,353	4,339	4,013	4,029
Securities purchased not delivered	3,064	1,197	2,675	861
Unearned income ²	763	872	723	779
Lease liabilities	2,454	2,728	2,259	2,506
Other	814	661	1,585	1,549
Total bills payable and other liabilities	19,024	15,578	18,102	14,932

¹ As at 30 June 2024, accrued fees payable include trail commissions payable of \$2,332 million (30 June 2023: \$2,375 million).

² Unearned income includes annual facility fees, commitment fees and upfront fees that are deferred and recognised over the service periods. Of the unearned income recognised at the beginning of the period, the Group and the Bank recognised \$546 million and \$541 million, respectively, as income during the year ended 30 June 2024 (30 June 2023: \$558 million for the Group and \$552 million for the Bank).

ACCOUNTING POLICIES

Bills payable and other liabilities include accrued interest payable, accrued incentives payable, accrued fees payable, lease liabilities and unearned income. Bills payable and other liabilities are measured at the contractual amount payable. As most payables are short-term in nature, the contractual amount payable approximates fair value.

Where the Group is a lessee, all leases are recognised on the Balance Sheet as a lease liability and right-of-use asset, unless the underlying asset is of low value or the lease has a term of 12 months or less. Rentals of leases with low value underlying assets or where the lease term is 12 months or less are recognised over the lease term as operating expenses in the Income Statement. Lease liabilities are initially measured at the net present value of fixed and variable contractual lease payments as well as expected payments associated with residual value guarantees/purchase options or early lease termination.

Lease liabilities are remeasured when there is a change in future lease payments. When lease liabilities are remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in the Income Statement if the carrying amount of the right-of-use asset has been fully written down. Lease liabilities are measured at amortised cost using the effective interest method.

Critical accounting judgements and estimates

The measurement of trail commission liabilities is dependent on assumptions about the behavioural life and future outstanding balances of the underlying transactions. A provision for trail commissions is only recognised to the extent that the Group can reliably estimate the future cash flows arising from a past event.

Notes to the Financial Statements

For the year ended 30 June 2024

8 Our capital, equity and reserves

OVERVIEW

The Group maintains a strong capital position in order to satisfy regulatory capital requirements, provide financial security to its depositors and creditors and adequate return to its shareholders. The Group's shareholders' equity includes issued ordinary shares, retained earnings and reserves.

This section provides analysis of the Group's shareholders' equity including changes during the period.

8.1 Capital adequacy

The Bank is an Authorised Deposit-taking Institution (ADI) regulated by APRA under the authority of *the Banking Act 1959*. APRA has set minimum regulatory capital requirements for banks based on the Basel Committee on Banking Supervision (BCBS) guidelines.

The Basel III measurement and monitoring of capital has been effective from 1 January 2013. APRA adopted a more conservative approach than the minimum standards published by the BCBS and adopted an accelerated timetable for implementation.

These requirements were revised by APRA, effective 1 January 2023, in order to increase the risk sensitivity within the capital framework, enhance the ability of ADIs to respond flexibly to future stress events, and to improve the comparability of the Australian framework with international standards.

The requirements define what is acceptable as capital and provide methods of measuring the risks incurred by the Bank.

The regulatory capital requirements are measured for the Extended Licenced Entity Group (known as "Level 1", comprising the Bank and APRA approved subsidiaries) and for the Bank and all of its banking subsidiaries, which includes ASB Bank (known as "Level 2").

All entities which are consolidated for accounting purposes are included within the Group capital adequacy calculations except for:

- insurance subsidiary; and
- certain entities through which securitisation of Group assets are conducted where such entities meet APRA's capital relief requirements.

Regulatory capital is divided into Common Equity Tier 1 (CET1), Additional Tier 1 Capital and Tier 2 Capital. CET1 primarily consists of shareholders' equity, less goodwill and other prescribed regulatory adjustments. Additional Tier 1 Capital is comprised of certain securities with features as described in APRA's prudential standard APS 111 "Capital Adequacy: Measurement of Capital" and other prescribed regulatory adjustments. Tier 1 Capital is the aggregate of CET1 and Additional Tier 1 Capital. Tier 2 Capital is comprised of instruments that fall short of necessary conditions to qualify as Additional Tier 1 Capital to APRA and other prescribed regulatory adjustments. Total Capital is the aggregate of Tier 1 and Tier 2 Capital.

Capital adequacy is measured by means of risk based capital ratios. The capital ratios reflect capital (CET1, Additional Tier 1, Tier 2 and Total Capital) as a percentage of total Risk Weighted Assets (RWA). RWA represents an allocation of risks associated with the Group's assets and other related exposures.

The Group has a range of instruments and methodologies available to effectively manage capital. These include ordinary share issues and buy-backs, dividend and DRP policies, Additional Tier 1 Capital raising and subordinated loan capital issuances that qualify as Tier 2 Capital. All major capital related initiatives require approval of the Board.

The Group's capital position is monitored on a continuous basis and reported monthly to the Executive Leadership Team, Asset and Liability Committee and at regular intervals throughout the year to the Board.

The Group's capital ratios throughout the 2022, 2023 and 2024 financial years were in compliance with both APRA minimum capital adequacy requirements and the Board approved minimums. The Group is required to inform APRA immediately of any breach or potential breach of its minimum prudential capital adequacy requirements, including details of remedial action taken or planned to be taken.

Notes to the Financial Statements

For the year ended 30 June 2024

8.2 Loan capital

	Currency amount (M)	Endnotes	Group		Bank		
			30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 24 \$M	30 Jun 23 \$M	
Tier 1 loan capital							
Undated	PERLS X	AUD 1,365	1	1,364	1,362	1,363	1,360
Undated	PERLS XI	AUD 1,590	1	–	1,588	–	1,587
Undated	PERLS XII	AUD 1,650	1	1,644	1,642	1,643	1,640
Undated	PERLS XIII	AUD 1,180	1	1,176	1,174	1,175	1,172
Undated	PERLS XIV	AUD 1,750	1	1,738	1,736	1,737	1,734
Undated	PERLS XV	AUD 1,777	1	1,760	1,757	1,759	1,755
Undated	PERLS XVI	AUD 1,550	1	1,532	1,531	1,530	1,531
Total Tier 1 loan capital				9,214	10,790	9,207	10,779
Tier 2 loan capital							
AUD denominated			2	11,221	9,586	11,221	9,586
USD denominated			3	14,440	12,558	14,440	12,558
JPY denominated			4	603	672	603	672
EUR denominated			5	3,223	1,638	3,223	1,638
Other currencies denominated			6	189	189	189	189
Total Tier 2 loan capital				29,676	24,643	29,676	24,643
Fair value hedge adjustments				(2,952)	(2,835)	(2,952)	(2,835)
Total loan capital ¹				35,938	32,598	35,931	32,587

¹ Loan capital includes a \$239 million decrease from unrealised movements due to fair value hedge adjustments and foreign exchange gains (30 June 2023: \$168 million decrease from unrealised movements due to fair value hedge adjustments partly offset by foreign exchange losses).

As at 30 June 2024 and 2023, there were no securities issued by the Group and the Bank that were contractually due for redemption in the next 12 months. The Group has the right to call some securities before the contractual maturity.

1. PERLS X, PERLS XI, PERLS XII, PERLS XIII, PERLS XIV, PERLS XV and PERLS XVI

On 6 April 2018, the Bank issued \$1,365 million of CommBank PERLS X Capital Notes (PERLS X). On 17 December 2018, the Bank issued \$1,590 million of CommBank PERLS XI Capital Notes (PERLS XI); PERLS XI were fully redeemed on 26 April 2024. On 14 November 2019, the Bank issued \$1,650 million of CommBank PERLS XII Capital Notes (PERLS XII). On 1 April 2021, the Bank issued \$1,180 million of CommBank PERLS XIII Capital Notes (PERLS XIII). On 31 March 2022, the Bank issued \$1,750 million of CommBank PERLS XIV Capital Notes (PERLS XIV). On 15 November 2022, the Bank issued \$1,777 million of CommBank PERLS XV Capital Notes (PERLS XV). On 9 June 2023, the Bank issued \$1,550 million of CommBank PERLS XVI Capital Notes (PERLS XVI). PERLS X, PERLS XII, PERLS XIII, PERLS XIV, PERLS XV and PERLS XVI are subordinated, unsecured notes listed on the ASX and are subject to New South Wales law. They qualify as Additional Tier 1 Capital of the Bank under Basel III as implemented by APRA.

2. AUD denominated Tier 2 loan capital issuances

- \$1,400 million subordinated notes issued September 2020, due September 2030;
- \$1,500 million subordinated notes issued August 2021, due August 2031;
- \$700 million subordinated notes issued April 2022, due April 2032;
- \$400 million subordinated notes issued April 2022, due April 2032;
- \$300 million subordinated notes issued September 2022, due September 2037;
- \$900 million subordinated notes issued November 2022, due November 2032;
- \$1,100 million subordinated notes issued November 2022, due November 2032;
- \$1,750 million subordinated notes issued March 2023, due March 2038;
- \$700 million subordinated notes issued October 2023, due October 2033;
- \$550 million subordinated notes issued October 2023, due October 2033;
- \$300 million subordinated notes issued December 2023, due December 2043;
- \$100 million subordinated Euro Medium Term Notes (EMTN) issued September 2019, due September 2034;
- \$280 million subordinated EMTN issued March 2020, due March 2035;

Notes to the Financial Statements

For the year ended 30 June 2024

8.2 Loan capital (continued)

- \$210 million subordinated EMTN issued May 2020, due May 2035;
- \$205 million subordinated EMTN issued August 2020, due August 2040;
- \$200 million subordinated EMTN issued August 2020, due August 2050;
- \$270 million subordinated EMTN issued December 2020, due December 2040;
- \$135 million subordinated EMTN issued August 2021, due August 2041;
- \$136 million subordinated EMTN issued September 2021, due September 2041; and
- \$85 million subordinated EMTN issued September 2023, due September 2038.

3. USD denominated Tier 2 loan capital issuances

- USD1,250 million subordinated notes issued December 2015 (USD597 million outstanding following the buy-back in March 2021), due December 2025;
- USD1,250 million subordinated notes issued January 2018, due January 2048;
- USD1,250 million subordinated Medium Term Notes (MTN) issued September 2019, due September 2034;
- USD1,250 million subordinated MTN issued September 2019, due September 2039;
- USD1,500 million subordinated MTN issued March 2021, due March 2031;
- USD1,250 million subordinated MTN issued March 2021, due March 2041;
- USD1,250 million subordinated MTN issued March 2022, due March 2032; and
- USD1,250 million subordinated MTN issued March 2024, due March 2034.

4. JPY denominated Tier 2 loan capital issuances

- JPY14 billion subordinated EMTN issued September 2021, due September 2031;
- JPY30.5 billion subordinated EMTN issued May 2022, due May 2032; and
- JPY20 billion subordinated EMTN issued October 2022, due October 2032.

5. EUR denominated Tier 2 loan capital issuances

- EUR1,000 million subordinated EMTN, issued October 2017, due October 2029; and
- EUR1,000 million subordinated EMTN, issued June 2024, due June 2034.

6. Other currencies denominated Tier 2 loan capital issuances

- HKD400 million subordinated EMTN issued September 2022, due September 2032; and
- HKD580 million subordinated EMTN issued April 2023, due April 2033.

All Tier 2 Capital securities qualify as Tier 2 Capital of the Bank under Basel III as implemented by APRA.

PERLS X, PERLS XII, PERLS XIII, PERLS XIV, PERLS XV, and PERLS XVI, and all Tier 2 Capital securities are subject to Basel III, under which these securities must be exchanged for a variable number of CBA ordinary shares or written down if a capital trigger event (PERLS X, PERLS XII, PERLS XIII, PERLS XIV, PERLS XV and PERLS XVI only) or a non-viability trigger event (all securities) occurs. Any exchange will occur as described in the terms of the applicable instrument documentation.

ACCOUNTING POLICIES

Loan capital consists of instruments issued by the Group, which qualify as regulatory capital under the Prudential Standards set by APRA. Loan capital is initially measured at fair value and subsequently measured at amortised cost using the effective interest method. Interest expense incurred is recognised in net interest income.

Notes to the Financial Statements

For the year ended 30 June 2024

8.3 Shareholders' equity

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Ordinary share capital				
Shares on issue:				
Opening balance	34,075	36,608	34,073	36,606
Share buy-backs ^{1 2}	(282)	(2,533)	(282)	(2,533)
Total shares on issue	33,793	34,075	33,791	34,073
Less treasury shares:				
Opening balance	(162)	(141)	(124)	(115)
Purchase of treasury shares ³	(80)	(101)	(66)	(64)
Sale and vesting of treasury shares ³	84	80	51	55
Total treasury shares	(158)	(162)	(139)	(124)
Closing balance	33,635	33,913	33,652	33,949

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	Shares	Shares	Shares	Shares
Number of shares on issue				
Opening balance (excluding treasury shares deduction)	1,676,169,322	1,701,538,406	1,676,169,322	1,701,538,406
Share buy-backs				
On-market buy-back ^{1 2}	(2,588,964)	(25,369,084)	(2,588,964)	(25,369,084)
Dividend reinvestment plan issues:				
2021/2022 Final dividend fully paid ordinary shares \$96.44 ⁴	–	–	–	–
2022/2023 Interim dividend fully paid ordinary shares \$97.37 ⁴	–	–	–	–
2022/2023 Final dividend fully paid ordinary shares \$101.10 ⁴	–	–	–	–
2023/2024 Interim dividend fully paid ordinary shares \$117.19 ⁴	–	–	–	–
Closing balance (excluding treasury shares deduction)	1,673,580,358	1,676,169,322	1,673,580,358	1,676,169,322
Less: treasury shares ³	(1,510,328)	(1,649,931)	(1,347,560)	(1,264,801)
Closing balance	1,672,070,030	1,674,519,391	1,672,232,798	1,674,904,521

1 On 15 February 2023, the Group announced its intention to undertake an on-market share buy-back of up to \$1 billion of CBA ordinary shares in addition to the \$2 billion announcement on 9 February 2022. During the year ended 30 June 2023, the Group completed the \$3 billion on-market buy-backs and bought back a total of 25,369,084 ordinary shares (\$2,532 million) at an average price of \$99.81. The Group recognised \$1 million in transaction costs in relation to the buy-backs. The shares bought back were subsequently cancelled.

2 On 9 August 2023, the Group announced its intention to conduct a further on-market share buy-back of up to \$1 billion of CBA ordinary shares, with 2,588,964 ordinary shares bought back at an average price of \$108.84 (\$282 million) during the year ended 30 June 2024. The shares bought back were subsequently cancelled.

3 Movement in treasury shares includes 758,059 shares acquired at an average price of \$105.78 for satisfying the Group's obligations under various equity settled share plans (30 June 2023: 981,727 shares acquired at an average price of \$103.26). Other than shares purchased as part of the Non-Executive Director fee sacrifice arrangements disclosed in Note 10.3, shares purchased were not on behalf of or initially allocated to a director.

4 The DRP in respect of the interim 2023/2024, final 2022/2023, interim 2022/2023 and final 2021/2022 dividends were satisfied in full through the on-market purchase and transfer of 4,092,235 shares at \$117.19, 7,183,122 shares at \$101.10, 6,115,897 shares at \$97.37 and 6,201,070 shares at \$96.44, respectively, to participating shareholders.

Ordinary shares have no par value and the Company does not have a limited amount of share capital.

Ordinary shares entitle holders to receive dividends payable to ordinary shareholders and to participate in the proceeds available to ordinary shareholders on winding up of the Company in proportion to the number of fully paid ordinary shares held. On a show of hands every holder of fully paid ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll one vote for each share held.

Notes to the Financial Statements

For the year ended 30 June 2024

8.3 Shareholders' equity (continued)

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Retained profits				
Opening balance	40,010	36,826	33,075	30,177
Prior period change ¹	–	305	–	736
Revised opening balance	40,010	37,131	33,075	30,913
Actuarial losses from defined benefit superannuation plans	(168)	(12)	(166)	(12)
Net profit attributable to equity holders of the Bank ¹	9,394	9,998	8,613	9,280
Total available for appropriation	49,236	47,117	41,522	40,181
Transfers from asset revaluation reserve	1	10	1	11
Transfers from investment securities revaluation reserve	5	–	5	–
Transfers from employee compensation reserve	(19)	–	(19)	–
Interim dividend – cash component	(3,119)	(2,950)	(3,119)	(2,950)
Interim dividend – dividend reinvestment plan ²	(481)	(596)	(481)	(596)
Final dividend – cash component	(3,296)	(2,973)	(3,296)	(2,973)
Final dividend – dividend reinvestment plan ²	(727)	(598)	(727)	(598)
Closing balance	41,600	40,010	33,886	33,075

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² The DRP in respect of the interim 2023/2024, final 2022/2023, interim 2022/2023 and final 2021/2022 dividends were satisfied in full through the on-market purchase and transfer of 4,092,235 shares at \$117.19, 7,183,122 shares at \$101.10, 6,115,897 shares at \$97.37 and 6,201,070 shares at \$96.44, respectively, to participating shareholders.

Notes to the Financial Statements

For the year ended 30 June 2024

8.3 Shareholders' equity (continued)

	Group ¹		Bank ¹	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Reserves				
Asset revaluation reserve				
Opening balance	278	269	265	252
Revaluation of properties	20	24	20	29
Transfer to retained profits	(1)	(10)	(1)	(11)
Income tax effect	(5)	(5)	(6)	(5)
Closing balance	292	278	278	265
Foreign currency translation reserve				
Opening balance	158	(71)	199	166
Currency translation adjustments of foreign operations	(55)	266	(1)	56
Currency translation of net investment hedge	20	(38)	1	(23)
Income tax effect	–	1	–	–
Closing balance	123	158	199	199
Cash flow hedge reserve				
Opening balance	(1,820)	(859)	(1,955)	(1,059)
Gains/(losses) on cash flow hedging instruments:				
Recognised in other comprehensive income	905	565	1,480	454
Transferred to Income Statement:				
Interest income	3,206	2,214	2,657	1,728
Interest expense	(2,528)	(2,772)	(1,955)	(2,361)
Other operating income	(1,131)	(1,361)	(1,134)	(1,089)
Income tax effect	(142)	393	(315)	372
Closing balance	(1,510)	(1,820)	(1,222)	(1,955)
Employee compensation reserve				
Opening balance	99	94	99	94
Current period movement	(1)	5	(1)	5
Transfer to retained profits	19	–	19	–
Closing balance	117	99	117	99
Investment securities revaluation reserve				
Opening balance	(1,010)	(351)	(971)	(356)
Transfer to retained profits on sale of equity securities	(5)	–	(5)	–
Net losses on revaluation of investment securities	(318)	(805)	(315)	(752)
Net gains on debt investment securities transferred to Income Statement on disposal	(15)	(5)	(15)	(5)
Income tax effect	179	151	177	142
Closing balance	(1,169)	(1,010)	(1,129)	(971)
Total reserves	(2,147)	(2,295)	(1,757)	(2,363)
Shareholders' equity attributable to equity holders of the Bank	73,088	71,628	65,781	64,661
Shareholders' equity attributable to non-controlling interests	–	5	–	–
Total Shareholders' equity	73,088	71,633	65,781	64,661

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

Notes to the Financial Statements

For the year ended 30 June 2024

8.3 Shareholders' equity (continued)

ACCOUNTING POLICIES

Shareholders' equity includes ordinary share capital, retained profits and reserves. Policies for each component are set out below.

Ordinary share capital

Ordinary shares are recognised at the amount paid up per ordinary share, net of directly attributable issue costs. Where the Bank or entities within the Group purchase shares in the Bank, the consideration paid is deducted from total shareholders' equity and the shares are treated as treasury shares until they are subsequently sold, reissued or cancelled. Where such shares are sold or reissued, any consideration received is included in shareholders' equity.

Retained profits

Retained profits includes the accumulated profits for the Group including certain amounts recognised directly in retained profits less dividends paid.

Reserves

Asset revaluation reserve

The asset revaluation reserve is used to record revaluation adjustments on the Group's property assets. Where an asset is sold or disposed of, any balance in the reserve in relation to the asset is transferred directly to retained profits.

Foreign currency translation reserve

Exchange differences arising on translation of the Group's foreign operations are accumulated in foreign currency translation reserve. Specifically assets and liabilities are translated at the prevailing exchange rate at balance sheet date; revenue and expenses are translated at the transaction date; and all resulting exchange differences are recognised in the foreign currency translation reserve.

When a foreign operation is disposed of, exchange differences are reclassified to the Income Statement.

Cash flow hedge reserve

The cash flow hedge reserve is used to record fair value gains or losses associated with the effective portion of designated cash flow hedging instruments. Amounts are reclassified to the Income Statement when the hedged transaction impacts profit or loss.

Employee compensation reserve

Employee compensation reserve is used to recognise the fair value of shares and other equity instruments issued to employees under the employee share plans and bonus schemes.

Investment securities revaluation reserve

Investment securities revaluation reserve includes changes in the fair value of investment securities measured at fair value through other comprehensive income. For debt securities, these changes are reclassified to the Income Statement when the asset is derecognised. For equity securities, these changes are not reclassified to the Income Statement when derecognised.

Notes to the Financial Statements

For the year ended 30 June 2024

8.4 Dividends

Note	Group			Bank	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Ordinary shares					
Interim ordinary dividend (fully franked) (2024: 215 cents; 2023: 210 cents; 2022: 175 cents)					
Interim ordinary dividend paid – cash component	3,119	2,950	2,486	3,119	2,950
Interim ordinary dividend paid – Dividend Reinvestment Plan ¹	481	596	501	481	596
Total dividend paid	3,600	3,546	2,987	3,600	3,546
Other provision carried	183	191	118	183	191
Dividend proposed and not recognised as a liability (fully franked) (2024: 250 cents; 2023: 240 cents; 2022: 210 cents) ²	4,184	4,023	3,573	4,184	4,023
Provision for dividends					
Opening balance	191	118	114	191	118
Provision made during the year ³	7,623	7,117	6,535	7,623	7,117
Provision used during the year ³	(7,631)	(7,044)	(6,531)	(7,631)	(7,044)
Closing balance	183	191	118	183	191
	7.1				

¹ The DRP in respect of the interim 2023/2024, interim 2022/2023 and interim 2021/2022 dividends were satisfied in full through the on-market purchase and transfer of 4,092,235 shares at \$117.19, 6,115,897 shares at \$97.37 and 5,107,902 shares at \$97.95, to participating shareholders.

² The final 2023/2024 dividend will be satisfied by cash disbursements with the DRP anticipated to be satisfied by the on-market purchase of shares. The final 2022/2023 and final 2021/2022 dividends were satisfied by cash disbursement with the DRP satisfied in full through the on-market purchase and transfer of 7,183,122 shares at \$101.10 and 6,201,070 shares at \$96.44.

³ Provisions made and used during the year ended 30 June 2022 do not include \$4,534 million dividend component of the \$6 billion off-market share buy-back.

Final dividend

The Directors have determined a fully franked (30%) final dividend of 250 cents per share amounting to \$4,184 million. The dividend will be payable on or around 27 September 2024 to shareholders on the register at 5pm AEST on 22 August 2024. The ex-dividend date is 21 August 2024.

Dividend policy

In determining the dividend, the Board considers a range of factors in accordance with the Bank's dividend policy including:

- paying cash dividends at sustainable levels;
- targeting a full-year payout ratio of 70-80%; and
- maximising the use of its franking account by paying fully franked dividends.

Australian franking credits

The franking credits available to the Group as at 30 June 2024, after allowing for Australian tax payable in respect of the current and prior reporting period's profit, are estimated to be \$1,861 million (30 June 2023: \$1,928 million).

New Zealand imputation credits

The New Zealand imputation credits available to CBA as at 30 June 2024 are estimated to be NZ\$894 million (30 June 2023: NZ\$865 million). This is calculated on the same basis as the Australian franking credits but using the New Zealand current tax liability.

Notes to the Financial Statements

For the year ended 30 June 2024

8.4 Dividends (continued)

Dividend history

Half year ended	Cents per share	Payment date	Half year payout ratio ^{1 2} %	Full year payout ratio ^{1 2} %	DRP price \$	DRP participation rate ³ %
31 December 2021	175	30/03/2022	51.0	–	97.95	16.8
30 June 2022	210	29/09/2022	74.0	61.4	96.44	16.8
31 December 2022	210	30/03/2023	68.6	–	97.37	16.8
30 June 2023	240	28/09/2023	83.4	75.7	101.10	18.1
31 December 2023	215	28/03/2024	75.7	–	117.19	13.4
30 June 2024 ⁴	250	27/09/2024	90.3	82.9	–	–

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 Dividend payout ratio: dividends divided by statutory earnings (earnings are net of dividends on other equity instruments).

3 DRP participation rate: the percentage of total issued share capital participating in the DRP.

4 The dividend will be payable to shareholders on or around 27 September 2024.

ACCOUNTING POLICIES

Dividends represent a distribution of profits that holders of ordinary shares receive from time to time. Dividends determined by the Board of the Bank are recognised with a corresponding reduction of retained earnings on the dividend payment date. The Board takes into consideration factors including the Group's relative capital strength and the Group's existing dividend payout ratio guidelines in determining the amount of dividends to be paid.

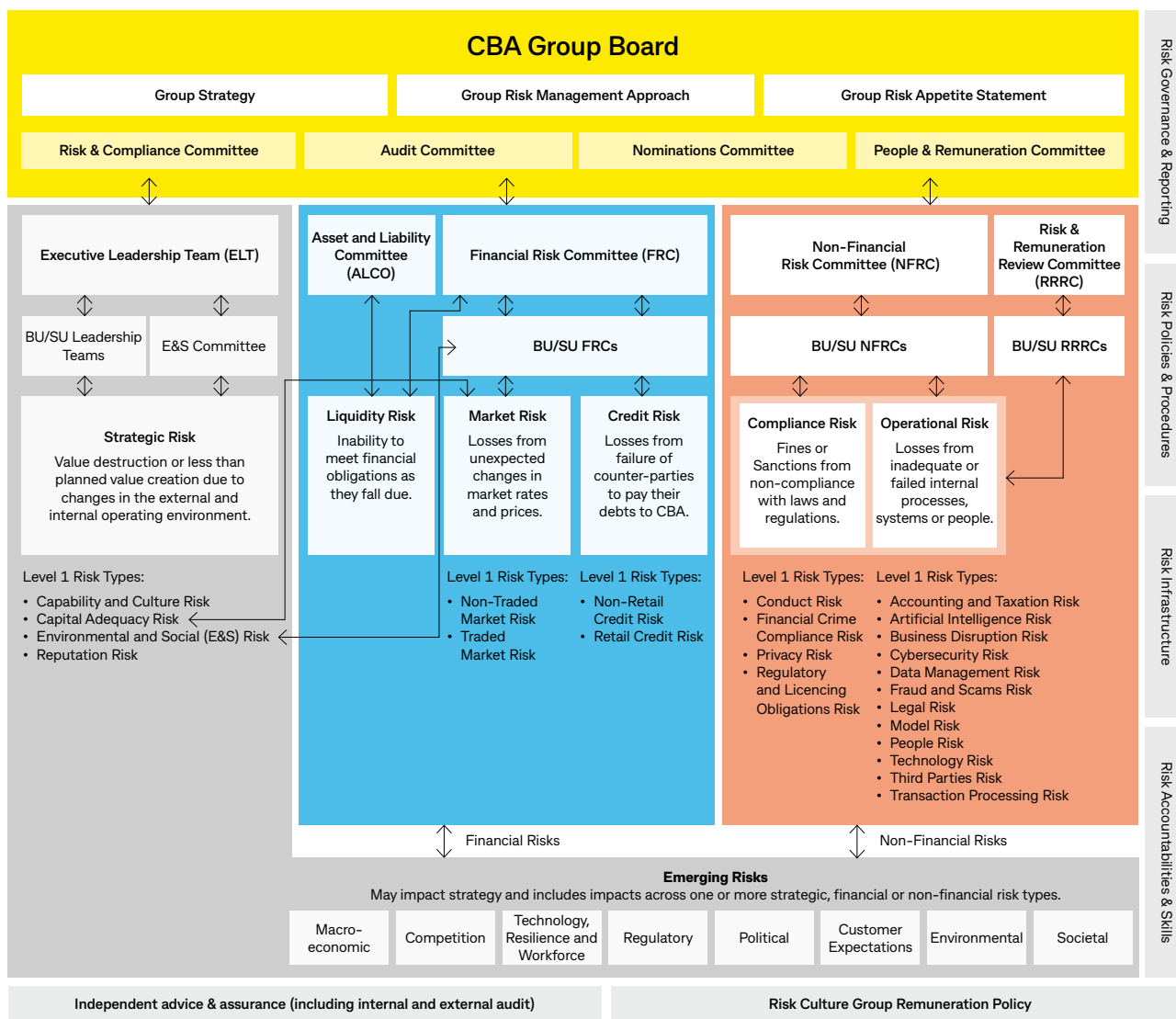
Notes to the Financial Statements

For the year ended 30 June 2024

9 Risk management

OVERVIEW

The Group is exposed to financial, non-financial and strategic risks through the products and services it offers. The Group manages these risks through its Risk Management Framework (RMF), which evolves to accommodate changes in the business operating environment, better risk practices, and regulatory and community expectations. The components of the RMF are illustrated below, including the governance that enables executive and Board oversight of these risks.



Further details on each of the material risks, and how the Group manages them, are outlined in this note.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1 Risk management framework

The RMF comprises the systems, structures, policies, processes and people that identify, measure, evaluate, monitor, report and control or mitigate both internal and external sources of material risk. It incorporates three key documents:

- The **Group's Business Plan** (consisting of the Group's strategic priorities and the Financial Plan) sets out the approach to implement the Group's strategic objectives;
- The **Group Risk Appetite Statement (RAS)** that establishes the type and degree of risk the Board is prepared to accept and the level of risk that the Group must operate within whilst executing the Group Strategy; and
- The **Group Risk Management Approach (RMA)** that sets out the Board and the Executive Leadership Team's expectations regarding the Group's approach to managing risk and the key elements of the RMF that give effect to this approach.

The RMF is underpinned by Risk Framework Enablers that allow us to effectively identify, assess, record, manage and monitor our material risks.

Risk governance and reporting

The Board operates as the highest level of the Group's risk governance. The Risk and Compliance Committee oversees the RMF and helps formulate the Group's risk appetite for consideration by the Board. In particular it:

- Monitors the Group's risk profile (including identification of emerging risks); and
- Reviews regular reports from management on the measurement of risk and the adequacy and effectiveness of the Group's risk management and internal control systems.

At management level, risk governance is undertaken by a structured hierarchy of personal delegations, management committees and forums across the Group.

Regular management information is produced which allows financial, strategic and non-financial risk positions to be monitored against approved risk appetite and policy limits. At Board level, the majority of risk reporting is provided to the Risk and Compliance Committee, although select matters are reported directly to the Board as required. Controls reporting is provided to the Audit Committee. The Chairs of the Risk & Compliance and Audit Committee report to the Board following each Committee meeting.

Risk policies and procedures

Risk policies, standards and procedures outline the principles and practices to be used in identifying and assessing material risks and translate the RAS into our daily business activities.

Risk infrastructure

The RMF is supported by systems and processes that together provide the infrastructure for the management of the Group's material risks:

- **Risk processes** to identify, assess, escalate, monitor and manage risks, obligations, issues and incidents;
- **Management information systems** to measure and aggregate risks across the Group; and
- **Data, risk models and tools**, including significant calculators.

Risk accountabilities and skills

The Three Lines of Accountability (3LoA) model organises our accountabilities to ensure risk is well managed, through separation of roles for managing the Group's risks, developing risk frameworks and defining the boundaries within which risk is managed, and providing independent assurance over how effectively risks are being managed. The Risk Stewards (senior leaders in Line 1 or Line 2) complement the 3LoA model, by providing a view on the aggregated risk profile and adequacy of the risk framework for each of our risk types, including design of policies, mitigation strategies and the capabilities needed to manage the risk type.

The effective management of our material risks requires appropriate resourcing of skilled employees within each of the Group's 3LoA. It is important for all employees to have an awareness of their accountabilities, the RMF, and the role our Values play in helping us manage risk. This awareness is developed through:

- **Communication of the RAS and RMA** – Following approval by the Board, the updated RAS and RMA are made available to all employees;
- **Performance and remuneration frameworks** designed to drive accountability for managing risks and adopting behaviours that assist the Group to respond to new and emerging risks and to better support our customers and communities. Each year employees are assessed on how they met the risk management expectations of their role as part of the annual performance review;
- **Group Mandatory Learning modules** provide foundational knowledge of the RMF and RMA for all employees;
- **Risk Management Capability Framework** provides the education, experience and exposure to build risk skills and judgement effectively within the Group; and
- **Induction and ongoing learning** supports employees in gaining the knowledge, skills and behaviours required to work effectively across the Group.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1 Risk management framework (continued)

Risk culture and conduct risk

Risk culture reflects the beliefs and behaviours by people within the Group that determine how risks are identified, measured, governed, and acted upon. Effective risk management requires employees to understand different perspectives and apply appropriate judgement to mitigate risk and deliver better outcomes for customers and shareholders. The behaviours that guide decision making and good risk management and are expected of employees by the Board, senior management, customers, communities, shareholders and regulators are embodied within our Values and our Leadership Principles, reinforced by our RMF Enablers.

In relation to conduct risk, the Group requires behaviours and business practices that are fair to customers, protect the fair and efficient operation of the market and engender confidence in our products and services. Annually, the Board forms a view of the Group's risk culture and identifies desirable changes. Action plans are initiated and monitored to improve and sustain risk culture.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1 Risk management framework (continued)

Material risk types

Description	Governing Policies and Key Management Committees	Key controls and risk mitigation strategies
Credit risk		
<p>Credit risk is the potential for loss arising from the failure of a counterparty to meet their contractual obligations to the Group.</p> <p>The Group is primarily exposed to credit risk through:</p> <p>Retail Credit Risk</p> <ul style="list-style-type: none"> Residential mortgage lending; and Unsecured retail lending. <p>Non-Retail Credit Risk</p> <ul style="list-style-type: none"> Commercial lending; and Large corporate (institutional) lending and markets exposures. 	<p>Governing Policies:</p> <ul style="list-style-type: none"> Group Credit Risk Framework Group Credit Risk Policies Group Loan Loss Provisioning Framework Group and BU Credit Risk Standard <p>Key Management Committee:</p> <ul style="list-style-type: none"> Financial Risk Committee BU/SU Financial Risk Committees Loan Loss Provisioning Committee 	<ul style="list-style-type: none"> Defined credit risk indicators set in the Group RAS; Transacting with counterparties that demonstrate the ability and willingness to service their obligations through performance of due diligence and appropriate credit quality assessments; Applications assessed by credit decisioning models, with more complex or higher risk applications referred to credit authority holders who exercise expert judgement; Taking collateral where appropriate; Pricing appropriately for the risks we are taking; Credit concentration frameworks that set exposure limits to counterparties, groups of related counterparties, industry sectors and countries; Regular monitoring of credit quality, concentrations, arrears, policy exceptions and policy breaches; Working with impaired counterparties, or those in danger of becoming so, to help them rehabilitate their financial positions; Holding adequate provisions for defaulted and high risk counterparties and exposures; and Stress testing, both at a counterparty and portfolio level.
Market risk		
<p>Market risk is the risk that market rates and prices will change and have an adverse effect on the profitability and/or net worth of the Group.</p> <p>The Group is primarily exposed to market risk through:</p> <ul style="list-style-type: none"> Traded Market Risk; Non-Traded Market Risk; Interest Rate Risk in the Banking Book (IRRBB); Lease Residual Value Risk; Structural Foreign Exchange Risk; and Non-traded Equity Risk. 	<p>Governing Policies:</p> <ul style="list-style-type: none"> Group Market Risk Policy Group Traded Market Risk Standards <p>Key Management Committee:</p> <ul style="list-style-type: none"> Financial Risk Committee and IB&M Financial Risk Committee (Oversight of Traded Market Risk) Asset and Liability Committee (ALCO) (Oversight of Non-Traded Market Risk, including IRRBB) Market Risk Committee 	<ul style="list-style-type: none"> Defined market risk indicators set in the Group RAS; No proprietary trading unrelated to the core principal trading and within approved business strategy; Conservative Market Risk limits with granular concentration limits at a position level including currency/index, tenor and product type; Pricing appropriately for risk and market depth; Back-testing of Value at Risk models against hypothetical profit and loss; Daily monitoring and attribution of traded market risk exposures including risk sensitivities, Value at Risk and stress testing; Daily monitoring of Value at Risk and stress test measures for derivative valuation adjustments (XVAs); Monthly monitoring of Residual Value Risk exposures versus limits; Managing the Balance Sheet with a view to balancing Net Interest Income (NII), profit volatility and Market Value; Regular monitoring of IRRBB market risk exposures against limits including risk sensitivities, credit spread risk, Value at Risk, Net Interest Earnings at Risk and stress testing; Appropriate transfer pricing for interest rate risk; Regular monitoring of Structural Foreign Exchange Risk versus limits; and Regular monitoring of Group Super and Defined Benefit Fund net asset position.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1 Risk management framework (continued)

Description	Governing Policies and Key Management Committees	Key controls and risk mitigation strategies
Liquidity risk		
<p>Liquidity risk is the combined risks of not being able to meet financial obligations as they fall due (funding liquidity risk), and that liquidity in financial markets, such as the market for debt securities, may reduce significantly (market liquidity risk).</p>	<p>Governing Policies:</p> <ul style="list-style-type: none"> • Group Liquidity Policy <p>Key Management Committee:</p> <ul style="list-style-type: none"> • ALCO • Stress Testing Steering Committee 	<ul style="list-style-type: none"> • Defined liquidity Risk Appetite metrics and indicators in the Group RAS; • The Annual Funding Strategy (the Group's wholesale funding strategy based on a three year funding plan); • Maintaining a diverse yet stable pool of potential funding sources across different currencies, geographies, entities and products; • Maintaining sufficient liquidity buffers and short-term funding capacity to withstand periods of disruption in long-term wholesale funding markets and unanticipated changes in the balance sheet funding gap; • Limiting the portion of wholesale funding sourced from offshore; • Conservatively managing the mismatch between asset and liability maturities; • Maintaining a conservative mix of readily saleable or repo-eligible liquid assets; • Daily monitoring of liquidity risk exposures, including Liquidity Coverage Ratios and Net Stable Funding Ratios; • Market and idiosyncratic stress test scenarios; and • The Contingent Funding Plan provides strategies for addressing liquidity shortfalls in a crisis situation.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1 Risk management framework (continued)

Description	Governing Policies and Key Management Committees	Key controls and risk mitigation strategies
Operational risk		
<p>Operational risk is the risk of losses from inadequate or failed internal processes, systems or people, or from external events.</p> <p>The Group is exposed to operational risk primarily through:</p> <ul style="list-style-type: none"> • Accounting and Taxation Risk; • Artificial Intelligence Risk; • Business Disruption Risk; • Cybersecurity Risks; • Data Management Risk; • Fraud and Scams Risk (external and internal); • Legal Risk; • Model Risk; • People Risk (employment practices and workplace safety); • Technology Risk (disruptions from hardware or software failures); • Third Party Risks; and • Transaction Processing Risk. 	<p>Governing Policies:</p> <ul style="list-style-type: none"> • Operational Risk Management Framework (ORMF) • Group Information Security (IS) Policy • Group Data Management Policy • Group Fraud Management Policy • Group Whistleblower Policy • Group Model Policy • Group Policy on Business Continuity Management • Group Protective Security Policy • Group IT Service Support and Management Policy • Group Supplier Lifecycle Policy • Group Artificial Intelligence Policy <p>Key Management Committee:</p> <ul style="list-style-type: none"> • Non-Financial Risk Committee • BU/SU Non-Financial Risk Committees • Model Risk Governance Committee (MRGC) • Supplier Governance Council • Technology Controls Council • BU/SU Executive Portfolio Group (EPG) 	<ul style="list-style-type: none"> • Defined operational risk indicators in the Group RAS; • Implementation of manual and automated controls to prevent, detect and mitigate the specific operational risks that the Group is exposed to; • Regular Risk and Control Self-Assessment (RCSA) to assess key risks and controls for a BU/SU; • Routine Controls Assessment Program (CAP) tests to assess whether controls are designed and operating effectively to maintain risk exposures within acceptable levels; • Incident Management process to identify, assess, record, report and manage actual operational or compliance events that have occurred. This data is used to guide management to strengthen processes and controls; • Issue Management process to identify, assess, record, report and manage weaknesses or gaps in controls; • Risk in Change process to effectively understand and manage the risks from changes to the business through projects or initiatives; • Establishment of Key Risk Indicators to monitor movements in risk exposures over time; • Assurance undertaken by Line 2 Risk teams to assess that operational risks are appropriately identified and managed across the Group; and • Risk Steward Guidance provided on key controls and routine Risk Steward monitoring of RAS and risk reporting.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1 Risk management framework (continued)

Description	Governing Policies and Key Management Committees	Key controls and risk mitigation strategies
Compliance risk		
<p>Compliance risk is the risk of legal or regulatory sanctions, material financial loss, or loss of reputation that the Group may incur as a result of its failure to comply with its obligations.</p> <p>The Group is exposed to compliance risk primarily through:</p> <ul style="list-style-type: none"> • Laws, regulations, rules, licence conditions, and statements of regulatory policy; • Privacy laws and regulations regarding the collection, handling and protection of personal information of individuals; • Financial crime (regulation relating to Anti-Money Laundering, Counter Terrorism Financing, Anti-Bribery and Corruption, Anti-Tax Evasion Facilitation and Sanctions); and • Poor conduct (product design and distribution, market conduct, anti-competitive practices; and financial hardship and debt collection). 	<p>Governing Policies:</p> <ul style="list-style-type: none"> • Group Compliance Management Framework (CMF) and policies • Group and Business Unit Compliance Policies and standards • Joint AML/CTF Group Program (Part A /Part B) • Anti-Bribery & Corruption Policy • Anti-Tax Evasion Facilitation Policy • Group Economic Trade Sanctions Policy • Code of Conduct • Product Development and Distribution Policy • Group Prevention of Anti-Competitive Practices Policy • Group Consumer Protection Policy • Group Customer Complaint Management Policy • Group Customer Remediation Projects Policy • Group Securities Trading Policy • Group Conflicts Management Policy <p>Key Management Committee:</p> <ul style="list-style-type: none"> • Executive Financial Crime Risk Committee • Financial Crime Risk Committee • Group/BU/SU NFRCs • Product Governance Forums 	<p>Regulatory & Licencing Obligations (RLO) and Privacy Risk</p> <ul style="list-style-type: none"> • Compliance, including FCC, Privacy and Conduct risk indicators in the Group RAS; • Mandatory online Compliance and Privacy training for all employees; • Regulatory change management to establish compliant business practices; • Maintenance of Obligation Registers; • RLO and Privacy Risk profiling through the Risk and Control Self-Assessment Process; • Group wide minimum standards in key areas; • Co-operative and transparent relationships with regulators; and • Board and management governance and reporting. <p>Financial Crime Compliance</p> <ul style="list-style-type: none"> • Implement AML/CTF Program; • Pre-employment due diligence on the Group's employees and enhanced screening for high risk roles; • Training and awareness sessions to staff on AML/CTF obligations including sections highlighting the community impact of financial crime and the Group's role to detect, deter and disrupt money laundering, terrorist financing and other serious crime; • Customer on-boarding processes to meet AML/CTF identification and screening requirements; • Ongoing customer due diligence to ensure information we maintain on our customers is accurate; • Risk assessments on our customers, products and channels to ensure we understand the money laundering and terrorism financing risks; • Enhanced customer due diligence on higher risk customers; • Monitoring customer payments, trade and all transactions to manage the AML/CTF and Sanctions risks identified; • Undertake statutory reporting requirements including International Funds Transfer Instructions, Threshold Transaction Reports and Suspicious Matter Reports and annual compliance reports; • Controls to prevent corruption of public officials and private sector individuals by employees, representatives, suppliers or third party agents, including disclosure and approval of gifts and entertainment, charitable donations and sponsorships; and • Controls to prevent the facilitation of tax evasion by employees, representatives and other third parties who are Associated Persons of the Group, including risk assessments (third party, product/channel and enterprise-wide risk assessment); employee due diligence and ongoing staff training and awareness. <p>Conduct Risk</p> <ul style="list-style-type: none"> • Code of Conduct, supported by mandatory training for all staff; • Ongoing Conduct Risk profiling, including use of the Conduct Risk Steward Guides and controls taxonomy to manage and address Conduct Risks; • Measurement and governance of Conduct Risk exposures through RAS metrics and NFRC, Board reporting; • Assurance and monitoring to identify Conduct Risk exposures and control weaknesses; • Enhancement of Code of Conduct related policies with changes in understanding of conduct obligations and expectations; and • Consistently applying the Code of Conduct and the 'Should We?' test to deliver the right outcome for our customers.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1 Risk management framework (continued)

Description	Governing Policies and Key Management Committees	Key controls and risk mitigation strategies
Strategic risk		
<p>Strategic risk is the risk of material stakeholder value destruction or less than planned value creation due to changes in external and internal operating environments.</p> <p>This Strategic Risk type also includes a number of sub-risk types that:</p> <ul style="list-style-type: none"> • Primarily support or drive strategic decisions that could impact our profitability or business model assumptions; • Are impacted by, or drive decisions resulting in impacts across other risk types; and • Are managed more routinely through their own dedicated governance, policies and procedures, infrastructure and teams. <p>These risks include:</p> <ul style="list-style-type: none"> • Capital Adequacy Risk – Inability to capitalise on strategic opportunities or withstand extreme events due to insufficient or inefficient use of capital; • Capability and Culture Risk – Inability to execute effectively on strategy due to inadequate organisational skills and capabilities and a misaligned organisational culture; • Environmental & Social (E&S) Risk – The risk of financial losses to the Group, or damage to the Group's franchise value from the impact of environmental and social issues on the business; or from the environmental and social impacts facilitated through the Group's operations and financing activities; and • Reputation Risk – The risk of business practices, behaviours or events negatively impacting the Group's reputation. 	<p>Governing Policies:</p> <ul style="list-style-type: none"> • Group Strategic Risk Management Policy • Stress Testing Policy • Risk Adjusted Performance Measurement Policy • Group Remuneration Policy • Group Inclusion & Diversity Policy • Group Environmental & Social Policy • Group Continuous Disclosure Policy • Group Public Disclosure of Prudential Information Policy • Group External Engagement and Communication Policy • Group Policy on Publicly Issued Documents and Marketing Materials <p>Key Management Committee:</p> <ul style="list-style-type: none"> • Executive Leadership Team • ELT E&S Committee • Asset and Liability Committee (ALCO) • Non-Financial Risk Committee • ELT Risk and Remuneration Review Committee (RRRC) • Stress Testing Steering Committee 	<p>Strategic Risk Management Framework</p> <p>The Strategic Risk Management Framework (SRMF) provides the overarching framework and governance mechanisms for the consideration of material strategic risks that challenge the business model and profitability assumptions in our strategy. In particular, the SRMF considers the impact to our strategy of dynamically evolving material current and emerging risks arising from changes in areas such as:</p> <ul style="list-style-type: none"> • The competitive landscape; • Emerging technologies; • Macroeconomic conditions; • The regulatory and political environment; and • Changes in social expectations. <p>The Group assesses, monitors and responds to strategic risk throughout its processes of:</p> <ul style="list-style-type: none"> • Strategy development, approval and review; • Identifying and monitoring changes and potential changes to the operating environment; and • Monitoring execution progress of strategies. <p>Capital Adequacy Risk</p> <ul style="list-style-type: none"> • Capital advice for projects and funding deals; • Dividend decision and management processes; • Capital monitoring, reporting and forecasting; • Internal Capital Adequacy Assessment Process (ICAAP); • Group, portfolio and risk type stress testing; and • Ratings agency interactions. <p>Capability and Culture Risk</p> <ul style="list-style-type: none"> • Talent acquisition processes; • Leadership development initiatives; • Organisational culture development initiatives; • Performance and remuneration processes; • Diversity & Inclusion initiatives; • Capability development and training. <p>E&S Risk</p> <ul style="list-style-type: none"> • Defined E&S Risk Indicators in the Group RAS; • Target financed emissions Glidepaths for priority sectors; • Scenario analyses and stress testing to understand the physical and transition risks of climate change; • E&S Risk embedded in the Group and BUs/SUs business profiles; • Client and supplier E&S due diligence process; • Development of new pilot products and services that support reduced emissions; • Environmental, Social & Governance (ESG) lending tool applied to certain lending decisions; • Corporate Responsibility programs; and • Supplier Code of Conduct to ensure adherence to CBA's E&S standards. <p>Reputation Risk</p> <ul style="list-style-type: none"> • Media management, marketing and branding standards, processes and protocols; • Community investment initiatives; • Government and political affairs protocols; and • Strategic decisions to address actual or perceived material reputation risks.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk

Credit risk management principles and portfolio standards

The Group has a Credit Risk Management Framework with clearly defined credit policies and standards for the approval and management of credit risk and specific Industry Credit standards applying to all major lending areas. These set the minimum requirements for assessing the integrity and ability of borrowers to meet their contractual obligations for repayment, acceptable forms of collateral and security and the frequency of credit reviews.

The Group's credit risk framework policies and standards include concentration limits, which are designed to achieve portfolio outcomes that are consistent with the Group's risk appetite and risk and return expectations.

Operationally independent credit assurance and hindsight activities are carried out across the Group's credit portfolio within Business Units, Risk Management and Group Audit. The Credit Portfolio Assurance, as a part of Group Operational Risk, review credit portfolios and business unit compliance with credit policies and standards, frameworks, application of credit risk ratings and other key practices on a regular basis. An independent function within Retail Banking Services Risk Management undertakes assurance activities across Retail portfolios. Group Audit undertakes regular reviews of Retail and Non-Retail credit risk portfolios, policies and frameworks.

The credit risk portfolio has two major segments:

(i) Retail managed segment

This segment has sub-segments covering housing loans, credit cards, personal loans, and personal overdrafts. It also covers most non-retail lending where the aggregated credit exposure to a group of related borrowers is less than \$1.5 million.

Auto-decisioning is used to approve credit applications for eligible borrowers in this segment. Auto-decisioning uses a scorecard approach based on a combination of factors, which may include the Group's historical experience on similar applications, information from a credit reference bureau, the Group's existing knowledge of a borrower's behaviour and updated information provided by the borrower.

Loan applications that do not meet scorecard auto-decisioning requirements may be referred to a Personal Credit Approval Authority (PCAA) for manual decisioning.

After loan origination, these portfolios are managed using behavioural scoring systems and a delinquency band approach. This includes different actions taken when loan repayments are greater than 30 days past due compared to when they are greater than 60 days past due. Loans past due are reviewed by the relevant Arrears Management or Financial Assistance Team.

(ii) Risk-rated segment

This segment comprises non-retail exposures, including financial institution and sovereign exposures. Each exposure is assigned an internal Credit Risk-Rating (CRR) based on Probability of Default (PD) and Loss Given Default (LGD).

Either a PD Rating Model, approved PD Rating Method or expert judgement is used to determine the PD rating for customers in this segment. Expert judgement is used where the complexity of the transaction and/or the borrower is such that it is inappropriate to rely completely on a statistical model. External ratings may be used for benchmarking in the expert judgement assessment.

The CRR is designed to:

- aid in assessing changes to borrower credit quality;
- influence decisions on approval, management and pricing of individual credit facilities; and
- provide the basis for reporting details of the Group's credit portfolio.

Credit risk-rated exposures are generally reviewed on an individual basis, at least annually, and fall within the following categories:

- "Pass" – these credit facilities qualify for approval of new or increased exposure on normal commercial terms; and
- "Troublesome or Non Performing Assets (TNPAs)" – these credit facilities are not eligible for new or increased exposure, unless it facilitates rehabilitation to "pass grade" or protects or improves the Group's position by maximising recovery prospects. Where a borrower is in default the facility is classified as non-performing. Restructured facilities, where the original contractual arrangements terms have been modified to non-commercial terms due to the customer's financial difficulties, are also classified as non-performing.

Default is recorded with one or more of the following:

- the customer is 90 days or more overdue on a scheduled credit repayment; or
- the customer is unlikely to repay their credit obligation to the Group in full without taking action, such as realising on available security.

Credit risk measurement

The measurement of credit risk uses analytical PD rating models to calculate both: (i) Expected, and (ii) Unexpected Loss probabilities for the credit portfolio. The use of analytical tools is governed by the Model Risk Governance Committee.

(i) Expected loss

Expected loss (EL) is the product of:

- PD;
- Exposure at Default (EAD); and
- LGD.

The PD, expressed as a percentage, is the estimate of the proportion of the population of customers assigned that PD grade that will default within the next 12 months.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

(i) Expected loss (continued)

EAD is the estimate of the amount of a facility that will be outstanding in the event of default. Estimates are based on a downturn in economic conditions. For committed facilities, the estimate is based on the actual amount outstanding, plus the undrawn amount multiplied by a credit conversion factor (CCF). The CCF represents the potential rate of conversion from undrawn 12 months prior to default to drawn at default. For committed non-retail facilities, the Group applies supervisory credit conversion factors to the undrawn amounts, ranging from 0% to 100%.

For uncommitted facilities, the EAD will generally be the drawn balance only. For defaulted facilities, it is the actual amount outstanding at default. For retail exposures, a modelling approach can be used based on factors including limit usage, arrears and loan type to segment accounts into homogeneous pools to calculate EAD.

LGD, expressed as a percentage of EAD, is the estimate of a facility likely to be lost in the event of default. LGD is impacted by:

- the level of security cover and the type of collateral held;
- liquidity of and volatility in the value of collateral;
- carrying costs (effectively the costs of providing a facility that is not generating an interest return); and
- realisation costs.

Various factors are considered when calculating PD, EAD and LGD. Considerations include the potential for default by a borrower due to economic, management, industry, other risks, and the mitigating benefits of any collateral held as security.

(ii) Unexpected loss

In addition to EL, a more stressed loss amount is calculated. This Unexpected Loss estimate directly affects the calculation of regulatory and internal economic capital requirements. Refer to Note 8.1 for information relating to regulatory capital.

Climate related risk

The Group uses climate scenario analysis to understand its potential exposure to risks arising from climate change. Climate scenario analysis can be used to estimate the expected credit loss outcomes for our material lending portfolios. Significant model uncertainty exists within these scenarios which requires an understanding of the limitations of the data and methodologies applied in order to interpret the climate scenario analysis outcomes.

Climate risk drivers have the potential to significantly reduce customers' capacity to repay a loan as well as reduce house or other asset prices within a region, ultimately impacting customers' probability of default (PD) and loss given default (LGD). These risk drivers include an increase in frequency and/or severity of acute physical risks, rising sea levels, long-term changes in weather patterns such as drought, changes in the availability/affordability of general insurance, and changes in unemployment in regions or industries that are economically dependent on industries impacted by the transition to a low carbon economy. While these risk drivers are important to measure, monitor and mitigate where possible, the impacts from historic climate events are implicitly reflected in the Group's PD and LGD estimates, and a scenario with severe deterioration in house or asset prices and increase in unemployment is already considered within the Group's expected credit loss framework. Additionally, the Group notes that under current credible climate scenarios, the most severe economic impacts are expected to mostly occur beyond the average behavioural life of the Group's credit exposures.

As a result, the Group has concluded that no adjustments for climate risk are required to provisions for impairment as at 30 June 2024.

Climate change and the measurement thereof is evolving and will develop over time, and this perspective may change in the future. The Group continues to conduct climate scenario analysis and assess the impact this may have on its business.

Credit risk mitigation, collateral and other credit enhancements

The Group has policies, standards and procedures in place setting out the acceptable collateral for mitigating credit risks. These include valuation parameters, review frequency and independence of valuation.

The general nature of collateral that may be taken, and the balances held, are summarised below by financial asset classes.

Cash and liquid assets

Collateral is not usually sought on the majority of cash and liquid asset balances as these types of exposures are generally considered low risk. However, securities purchased under agreement to resell are collateralised by highly liquid debt securities. The collateral related to agreements to resell has been legally transferred to the Group subject to an agreement to return them for a fixed price.

The Group's cash and liquid asset balance included \$44,580 million (30 June 2023: \$104,770 million) deposited with central banks and is considered to carry less credit risk.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

Receivables from financial institutions

Collateral is usually not sought on these balances as exposures are generally considered to be of low risk. The exposures are mainly short-term, to investment grade banks and include derivatives related collateral posted by the Group.

Trading assets at fair value through income statement and investment securities at fair value through OCI

These assets are carried at fair value, which accounts for the credit risk. Investment securities at amortised cost are measured at amortised cost and presented net of provisions for impairment. Collateral is not generally sought from the issuer or borrower but collateral may be implicit in the terms of the instrument (such as an asset-backed security).

Other assets at fair value through income statement

These assets are carried at fair value, which accounts for the credit risk.

Derivative assets

The Group's use of derivative contracts is outlined in Note 5.4. The Group is exposed to counterparty credit risk on derivative contracts. The counterparty credit risk is affected by the nature of the trades, the counterparty, netting, and collateral arrangements. Counterparty credit risk is mitigated where possible (typically for financial institution counterparties, but less frequently for corporate or government counterparties) through netting agreements, to the extent that if an event of default occurs, all amounts with the same counterparty are terminated and settled on a net basis. The International Swaps and Derivatives Association (ISDA) Master Agreement (or other derivative agreements) are used by the Group as an agreement for documenting Over-the-Counter (OTC) derivatives.

The fair value of collateral held and the potential effect of offset obtained by applying master netting agreements are disclosed in Note 9.7.

Due from controlled entities

Collateral is generally not taken on these intergroup balances.

Credit commitments and contingent liabilities

The Group applies fundamentally the same credit risk management policies and standards for off balance sheet exposure as it does for its on balance sheet exposures. Collateral may be sought depending on the strength of the borrower and the nature of the transaction. Of the Group's off balance sheet exposures \$116,864 million (30 June 2023: \$121,059 million) are secured.

Loans and other receivables

The principal collateral types for loans and receivable balances are:

- mortgages over residential and commercial real estate; and
- charges over business assets such as cash, shares, inventory, fixed assets and accounts receivable.

Collateral security is generally taken except for government, financial institution and corporate borrowers that are often externally rated and of strong financial standing. Longer term consumer finance, such as housing loans, are generally secured against real estate, while short-term revolving consumer credit is generally not secured by formal collateral.

The collateral mitigating credit risk of the key lending portfolios is addressed in the table 'Collateral held against loans and other receivables' within this note.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

Maximum exposure to credit risk by industry/sector and asset class before collateral held or other credit enhancements

	Group							Total
	30 Jun 24							
	Sovereign	Agriculture	Bank and other financial	Construction	Consumer	Other comm and indust.	Other	
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Australia								
Credit risk exposures relating to on balance sheet assets:								
Cash and liquid assets	18,977	–	36,598	–	–	–	–	55,575
Receivables from financial institutions	–	–	3,316	–	–	–	–	3,316
Assets at fair value through income statement:								
Trading	16,129	–	2,452	–	–	3,481	–	22,062
Other	–	72	22,951	–	–	6,697	49	29,769
Derivative assets	2,052	79	3,735	19	–	222	–	6,107
Investment securities:								
At amortised cost	–	–	1,239	–	–	–	–	1,239
At fair value through other comprehensive	67,931	–	5,081	–	–	–	–	73,012
Assets held for sale	–	–	–	–	–	836	34	870
Loans and other receivables ¹	11,767	18,446	20,169	6,581	609,916	165,455	–	832,334
Other assets	729	67	6,770	3	398	1,169	–	9,136
Total on balance sheet Australia	117,585	18,664	102,311	6,603	610,314	177,860	83	1,033,420
Credit risk exposures relating to off balance sheet assets:								
Financial guarantees	22	5	1,080	209	450	1,394	–	3,160
Performance related contingencies	202	69	1,124	3,102	–	8,549	–	13,046
Commitments to provide credit and other commitments	977	2,773	8,960	2,080	97,705	43,933	–	156,428
Total Australia	118,786	21,511	113,475	11,994	708,469	231,736	83	1,206,054
Overseas								
Credit risk exposures relating to on balance sheet assets:								
Cash and liquid assets	25,603	–	1,902	–	–	–	–	27,505
Receivables from financial institutions	–	–	2,546	–	–	–	–	2,546
Assets at fair value through income statement:								
Trading	2,652	–	57	–	–	1,373	–	4,082
Other	1,285	–	21,835	–	–	–	–	23,120
Derivative assets	297	2	7,362	–	–	4,290	–	11,951
Investment securities:								
At amortised cost	–	–	–	–	–	–	–	–
At fair value through other comprehensive	18,886	–	2,435	–	–	3	–	21,324
Assets held for sale	–	–	–	–	–	–	–	–
Loans and other receivables ¹	176	10,138	7,531	798	70,730	28,241	–	117,614
Other assets	31	402	620	–	–	43	–	1,096
Total on balance sheet Overseas	48,930	10,542	44,288	798	70,730	33,950	–	209,238
Credit risk exposures relating to off balance sheet assets:								
Financial guarantees	5	2	178	61	20	388	–	654
Performance related contingencies	–	–	12	–	–	592	–	604
Commitments to provide credit and other commitments	838	814	9,130	210	8,780	9,576	–	29,348
Total Overseas	49,773	11,358	53,608	1,069	79,530	44,506	–	239,844
Total gross credit risk	168,559	32,869	167,083	13,063	787,999	276,242	83	1,445,898
Other ²	–	–	–	–	–	–	19,156	19,156
Total assets	168,559	32,869	167,083	13,063	787,999	276,242	19,239	1,465,054

1 Loans and other receivables are presented gross of provisions for impairment and unearned income in line with Note 3.1.

2 For the purpose of reconciling to the balance sheet, "other" predominantly comprises assets which do not give rise to credit exposure, including property, plant and equipment, investment in associates and joint ventures, equity investments at fair value through other comprehensive income, intangible assets, deferred tax assets and other assets.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

	Group ^{1 2} 30 Jun 23							
	Sovereign	Agri- culture	Bank and other financial	Con- struction	Consumer	Other comm and indust.	Other	Total
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Australia								
Credit risk exposures relating to on balance sheet assets:								
Cash and liquid assets	77,898	–	7,946	–	–	–	–	85,844
Receivables from financial institutions	–	–	2,350	–	–	–	–	2,350
Assets at fair value through income statement:								
Trading	11,611	–	1,872	–	–	5,454	–	18,937
Other	1,161	75	21,571	–	–	1,931	220	24,958
Derivative assets	2,478	45	7,330	28	–	33	–	9,914
Investment securities:								
At amortised cost	–	–	2,032	–	–	–	–	2,032
At fair value through other comprehensive income	59,365	–	6,567	–	–	–	–	65,932
Assets held for sale	–	–	–	–	–	1	–	1
Loans and other receivables ³	24,536	15,963	20,698	6,153	596,832	151,812	–	815,994
Other assets	902	50	4,625	1	359	514	–	6,451
Total on balance sheet Australia	177,951	16,133	74,991	6,182	597,191	159,745	220	1,032,413
Credit risk exposures relating to off balance sheet assets:								
Financial guarantees	10	7	1,002	112	450	1,426	–	3,007
Performance related contingencies	175	46	1,351	2,492	–	8,154	–	12,218
Commitments to provide credit and other commitments	613	2,747	10,004	1,813	96,996	45,557	–	157,730
Total Australia	178,749	18,933	87,348	10,599	694,637	214,882	220	1,205,368
Overseas								
Credit risk exposures relating to on balance sheet assets:								
Cash and liquid assets	26,872	–	3,903	–	–	–	–	30,775
Receivables from financial institutions	–	–	3,729	–	–	–	–	3,729
Assets at fair value through income statement:								
Trading	3,117	–	69	–	–	376	–	3,562
Other	818	–	19,352	–	–	–	–	20,170
Derivative assets	397	–	7,939	–	–	5,695	–	14,031
Investment securities:								
At amortised cost	–	–	–	–	–	–	–	–
At fair value through other comprehensive income	14,401	–	2,337	–	–	2	–	16,740
Assets held for sale	–	–	–	–	–	4	–	4
Loans and other receivables ³	501	10,186	7,383	805	70,874	27,508	–	117,257
Other assets	14	–	883	1	4	29	–	931
Total on balance sheet Overseas	46,120	10,186	45,595	806	70,878	33,614	–	207,199
Credit risk exposures relating to off balance sheet assets:								
Financial guarantees	8	2	234	65	19	488	–	816
Performance related contingencies	–	–	22	–	–	482	–	504
Commitments to provide credit and other commitments	628	871	7,333	200	9,718	8,822	–	27,572
Total Overseas	46,756	11,059	53,184	1,071	80,615	43,406	–	236,091
Total gross credit risk	225,505	29,992	140,532	11,670	775,252	258,288	220	1,441,459
Other ⁴	–	–	–	–	–	–	19,980	19,980
Total assets	225,505	29,992	140,532	11,670	775,252	258,288	20,200	1,461,439

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 Comparative information has been restated to conform to presentation in the current period.

3 Loans and other receivables are presented gross of provisions for impairment and unearned income in line with Note 3.1.

4 For the purpose of reconciling to the balance sheet, "other" predominantly comprises assets which do not give rise to credit exposure, including property, plant and equipment, investment in associates and joint ventures, equity investments at fair value through other comprehensive income, intangible assets, deferred tax assets and other assets.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

Large exposures

Concentrations of exposure to any counterparty or counterparty group are controlled by a large credit exposure policy, which defines a graduated limit framework that restricts credit limits based on the PD Rating and the type of counterparty. All exposures outside the policy limits require approval by the Executive Credit Authority and are reported to the Board.

The Group has a high quality, well diversified credit portfolio, with 63% of the gross loans and other receivables in domestic mortgage loans and a further 7% in overseas mortgage loans, primarily in New Zealand. Overseas loans account for 13% of loans and other receivables.

Excessive risk concentrations to countries and particular industries or sectors are managed through the Country Risk Exposure Policy and Industry Sector Concentration Policy.

Distribution of financial assets by credit classification

Where a borrower is in default or facility is restructured on non-commercial terms, the financial asset is classified and reported as non-performing. Provisions for non-performing financial assets are raised where there is objective evidence of non-performance and for an amount adequate to cover assessed credit related losses. The Group regularly reviews its financial assets and monitors adherence to contractual terms. Credit risk-rated exposures are assessed, at least at each balance sheet date, to determine whether the financial asset is non-performing.

Distribution of financial instruments by credit quality

The tables on pages 146 to 153 provide information about the gross carrying amount of the Group's and the Bank's loans and other receivables by credit rating grade and ECL stage.

This segmentation of loans in retail and risk-rated portfolios is based on the benchmarking of a borrower's internally assessed PD to S&P Global ratings, reflecting a borrower's ability to meet their credit obligations. In particular, retail PD pools are aligned to the Group's PD grades which are consistent with rating agency views of credit quality segmentation.

Credit Grade ¹	S&P Rating Equivalent
Investment	AAA to BBB-
Pass	BB+ to B-
Weak	CCC and below, in default

¹ Allocation of loans to credit grades is based on internally assessed long-run PD factors used for regulatory capital purposes. The allocation does not include the impact of forward-looking scenarios applied in estimating ECL.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

Distribution of financial instruments by credit quality

	Group			
	As at 30 June 2024			
	Stage 1 Performing	Stage 2 ^{1 2 3} Performing	Stage 3 Non- performing	Total
	\$M	\$M	\$M	\$M
Loans and other receivables				
Credit grade:				
Investment	489,281	19,346	–	508,627
Pass	286,201	135,716	–	421,917
Weak	1,018	7,155	9,406	17,579
Gross carrying amount	776,500	162,217	9,406	948,123
Undrawn credit commitments				
Credit grade:				
Investment	114,371	6,757	–	121,128
Pass	34,331	14,126	–	48,457
Weak	179	483	100	762
Total undrawn credit commitments	148,881	21,366	100	170,347
Total credit exposures	925,381	183,583	9,506	1,118,470
Impairment provision	(1,768)	(2,610)	(1,534)	(5,912)
Provisions to credit exposure, %	0.2	1.4	16.1	0.5
Financial guarantees and other off balance sheet instruments				
Credit grade:				
Investment	11,434	1,435	–	12,869
Pass	4,318	5,734	–	10,052
Weak	17	708	71	796
Total financial guarantees and other off balance sheet instruments	15,769	7,877	71	23,717
Impairment provision	(27)	(184)	(12)	(223)
Provisions to credit exposure, %	0.2	2.3	16.9	0.9
Total credit exposures				
Credit grade:				
Investment	615,086	27,538	–	642,624
Pass	324,850	155,576	–	480,426
Weak	1,214	8,346	9,577	19,137
Total credit exposures	941,150	191,460	9,577	1,142,187
Total impairment provision	(1,795)	(2,794)	(1,546)	(6,135)
Provision to credit exposure, %	0.2	1.5	16.1	0.5

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risk at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 64% of Stage 2 credit exposures for the Group as at 30 June 2024.

2 During the year ended 30 June 2024, the Group implemented a number of new models for the unsecured retail portfolios which resulted in a reduction in provisions and a higher proportion of exposures allocated to Stage 1. The Group's provisioning coverage ratio for unsecured retail exposures remains prudent relative to current loss rates, and broadly in line with pre-pandemic levels.

3 During the year ended 30 June 2024, the Group recalibrated the capital model for the large corporate portfolio which resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2024. This change did not have a significant impact on provisioning levels as the Group recognised an increase in provisions for the expected impact of model recalibration in the prior year.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

	Group 30 June 2024			
	Stage 1 Performing	Stage 2 ¹ Performing	Stage 3 Non- performing	Total
	\$M	\$M	\$M	\$M
Retail secured				
Credit grade:				
Investment	453,412	6,104	–	459,516
Pass	238,998	41,076	–	280,074
Weak	182	803	6,727	7,712
Total retail secured	692,592	47,983	6,727	747,302
Impairment provision	(994)	(516)	(570)	(2,080)
Provisions to credit exposure, %	0.1	1.1	8.5	0.3
Retail unsecured ²				
Credit grade:				
Investment	14,944	828	–	15,772
Pass	10,596	1,465	–	12,061
Weak	796	802	231	1,829
Total retail unsecured	26,336	3,095	231	29,662
Impairment provision	(366)	(462)	(157)	(985)
Provisions to credit exposure, %	1.4	14.9	68.0	3.3
Non-Retail ³				
Credit grade:				
Investment	146,730	20,606	–	167,336
Pass	75,256	113,035	–	188,291
Weak	236	6,741	2,619	9,596
Total non-retail	222,222	140,382	2,619	365,223
Impairment provision	(435)	(1,816)	(819)	(3,070)
Provisions to credit exposure, %	0.2	1.3	31.3	0.8
Total credit exposures				
Credit grade:				
Investment	615,086	27,538	–	642,624
Pass	324,850	155,576	–	480,426
Weak	1,214	8,346	9,577	19,137
Total credit exposures	941,150	191,460	9,577	1,142,187
Total impairment provision	(1,795)	(2,794)	(1,546)	(6,135)
Provision to credit exposure, %	0.2	1.5	16.1	0.5

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risk at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 64% of Stage 2 credit exposures for the Group as at 30 June 2024.

2 During the year ended 30 June 2024, the Group implemented a number of new models for the unsecured retail portfolios which resulted in a reduction in provisions and a higher proportion of exposures allocated to Stage 1. The Group's provisioning coverage ratio for unsecured retail exposures remains prudent relative to current loss rates, and broadly in line with pre-pandemic levels.

3 During the year ended 30 June 2024, the Group recalibrated the capital model for the large corporate portfolio which resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2024. This change did not have a significant impact on provisioning levels as the Group recognised an increase in provisions for the expected impact of model recalibration in the prior year.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

	Group			
	As at 30 June 2023			
	Stage 1 Performing	Stage 2 ^{1 2} Performing	Stage 3 Non- performing	Total
	\$M	\$M	\$M	\$M
Loans and other receivables				
Credit grade:				
Investment	475,766	16,786	–	492,552
Pass	286,938	137,230	–	424,168
Weak ³	1,050	6,666	7,437	15,153
Gross carrying amount	763,754	160,682	7,437	931,873
Undrawn credit commitments				
Credit grade:				
Investment	106,912	6,223	–	113,135
Pass	34,742	14,060	–	48,802
Weak	209	481	173	863
Total undrawn credit commitments	141,863	20,764	173	162,800
Total credit exposures	905,617	181,446	7,610	1,094,673
Impairment provision	(1,684)	(2,764)	(1,343)	(5,791)
Provisions to credit exposure, %	0.2	1.5	17.6	0.5
Financial guarantees and other off balance sheet instruments				
Credit grade:				
Investment	11,816	1,045	–	12,861
Pass	4,115	5,035	–	9,150
Weak	17	348	167	532
Total financial guarantees and other off balance sheet instruments	15,948	6,428	167	22,543
Impairment provision	(25)	(125)	(9)	(159)
Provisions to credit exposure, %	0.2	1.9	5.4	0.7
Total credit exposures				
Credit grade:				
Investment	594,494	24,054	–	618,548
Pass	325,795	156,325	–	482,120
Weak	1,276	7,495	7,777	16,548
Total credit exposures	921,565	187,874	7,777	1,117,216
Total impairment provision	(1,709)	(2,889)	(1,352)	(5,950)
Provision to credit exposure, %	0.2	1.5	17.4	0.5

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risk at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 62% of Stage 2 credit exposures for the Group as at 30 June 2023.

2 Following the adoption of APRA's revised capital framework from 1 January 2023, the Group implemented a number of new models for the domestic home lending portfolio, including new provisioning models which resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2023, closer to industry averages. These exposures remain performing and well secured resulting in a low likelihood of loss and no significant change in total provisioning levels.

3 During the year ended 30 June 2023, APRA approved a revised residential mortgage PD model, which led to movements in PD bands and a reduction in exposures in the "weak" category.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

	Group			Total
	30 June 2023			
	Stage 1 Performing	Stage 2 ¹ Performing	Stage 3 Non- performing	
	\$M	\$M	\$M	\$M
Retail secured ²				
Credit grade:				
Investment	426,240	6,148	–	432,388
Pass	237,053	52,747	–	289,800
Weak ³	175	878	5,028	6,081
Total retail secured	663,468	59,773	5,028	728,269
Impairment provision	(834)	(601)	(395)	(1,830)
Provisions to credit exposure, %	0.1	1.0	7.9	0.3
Retail unsecured				
Credit grade:				
Investment	13,026	3,013	–	16,039
Pass	9,528	2,326	–	11,854
Weak	780	857	189	1,826
Total retail unsecured	23,334	6,196	189	29,719
Impairment provision	(431)	(644)	(130)	(1,205)
Provisions to credit exposure, %	1.8	10.4	68.8	4.1
Non-Retail				
Credit grade:				
Investment	155,228	14,893	–	170,121
Pass	79,214	101,252	–	180,466
Weak	321	5,760	2,560	8,641
Total non-retail	234,763	121,905	2,560	359,228
Impairment provision	(444)	(1,644)	(827)	(2,915)
Provisions to credit exposure, %	0.2	1.3	32.3	0.8
Total credit exposures				
Credit grade:				
Investment	594,494	24,054	–	618,548
Pass	325,795	156,325	–	482,120
Weak	1,276	7,495	7,777	16,548
Total credit exposures	921,565	187,874	7,777	1,117,216
Total impairment provision	(1,709)	(2,889)	(1,352)	(5,950)
Provision to credit exposure, %	0.2	1.5	17.4	0.5

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risk at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 62% of Stage 2 credit exposures for the Group as at 30 June 2023.

2 Following the adoption of APRA's revised capital framework from 1 January 2023, the Group implemented a number of new models for the domestic home lending portfolio, including new provisioning models which resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2023, closer to industry averages. These exposures remain performing and well secured resulting in a low likelihood of loss and no significant change in total provisioning levels.

3 During the year ended 30 June 2023, APRA approved a revised residential mortgage PD model, which led to movements in PD bands and a reduction in exposures in the "weak" category.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

	Bank			
	As at 30 June 2024			
	Stage 1 Performing	Stage 2 ^{1 2 3} Performing	Stage 3 Non- performing	Total
\$M	\$M	\$M	\$M	
Loans and other receivables				
Credit grade:				
Investment	471,826	17,435	–	489,261
Pass	220,182	114,758	–	334,940
Weak	1,018	6,524	7,602	15,144
Gross carrying amount	693,026	138,717	7,602	839,345
Undrawn credit commitments				
Credit grade:				
Investment	108,478	6,215	–	114,693
Pass	29,038	12,734	–	41,772
Weak	179	463	68	710
Total undrawn credit commitments	137,695	19,412	68	157,175
Total credit exposures	830,721	158,129	7,670	996,520
Impairment provision	(1,637)	(2,381)	(1,303)	(5,321)
Provisions to credit exposure, %	0.2	1.5	17.0	0.5
Financial guarantees and other off balance sheet instruments				
Credit grade:				
Investment	11,208	1,420	–	12,628
Pass	4,088	5,511	–	9,599
Weak	17	629	69	715
Total financial guarantees and other off balance sheet instruments	15,313	7,560	69	22,942
Impairment provision	(26)	(165)	(12)	(203)
Provisions to credit exposure, %	0.2	2.2	17.4	0.9
Total credit exposures				
Credit grade:				
Investment	591,512	25,070	–	616,582
Pass	253,308	133,003	–	386,311
Weak	1,214	7,616	7,739	16,569
Total credit exposures	846,034	165,689	7,739	1,019,462
Total impairment provision	(1,663)	(2,546)	(1,315)	(5,524)
Provision to credit exposure, %	0.2	1.5	17.0	0.5

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risk at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 64% of Stage 2 credit exposures for the Bank as at 30 June 2024.

2 During the year ended 30 June 2024, the Bank implemented a number of new models for the unsecured retail portfolios which resulted in a reduction in provisions and a higher proportion of exposures allocated to Stage 1. The Bank's provisioning coverage ratio for unsecured retail exposures remains prudent relative to current loss rates, and broadly in line with pre-pandemic levels.

3 During the year ended 30 June 2024, the Bank recalibrated the capital model for the large corporate portfolio which resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2024. This change did not have a significant impact on provisioning levels as the Bank recognised an increase in provisions for the expected impact of model recalibration in the prior year.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

	Bank 30 June 2024			
	Stage 1 Performing	Stage 2 ¹ Performing	Stage 3 Non- performing	Total
	\$M	\$M	\$M	\$M
Retail secured				
Credit grade:				
Investment	438,399	5,932	–	444,331
Pass	178,537	36,838	–	215,375
Weak	182	803	5,340	6,325
Total retail secured	617,118	43,573	5,340	666,031
Impairment provision	(935)	(476)	(456)	(1,867)
Provisions to credit exposure, %	0.2	1.1	8.5	0.3
Retail unsecured ²				
Credit grade:				
Investment	14,061	794	–	14,855
Pass	9,092	1,351	–	10,443
Weak	796	788	189	1,773
Total retail unsecured	23,949	2,933	189	27,071
Impairment provision	(346)	(449)	(135)	(930)
Provisions to credit exposure, %	1.4	15.3	71.4	3.4
Non-Retail ³				
Credit grade:				
Investment	139,052	18,344	–	157,396
Pass	65,679	94,814	–	160,493
Weak	236	6,025	2,210	8,471
Total non-retail	204,967	119,183	2,210	326,360
Impairment provision	(382)	(1,621)	(724)	(2,727)
Provisions to credit exposure, %	0.2	1.4	32.8	0.8
Total credit exposures				
Credit grade:				
Investment	591,512	25,070	–	616,582
Pass	253,308	133,003	–	386,311
Weak	1,214	7,616	7,739	16,569
Total credit exposures	846,034	165,689	7,739	1,019,462
Total impairment provision	(1,663)	(2,546)	(1,315)	(5,524)
Provision to credit exposure, %	0.2	1.5	17.0	0.5

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risk at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 64% of Stage 2 credit exposures for the Bank as at 30 June 2024.

2 During the year ended 30 June 2024, the Bank implemented a number of new models for the unsecured retail portfolios which resulted in a reduction in provisions and a higher proportion of exposures allocated to Stage 1. The Bank's provisioning coverage ratio for unsecured retail exposures remains prudent relative to current loss rates, and broadly in line with pre-pandemic levels.

3 During the year ended 30 June 2024, the Bank recalibrated the capital model for the large corporate portfolio which resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2024. This change did not have a significant impact on provisioning levels as the Bank recognised an increase in provisions for the expected impact of model recalibration in the prior year.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

	Bank			Total
	As at 30 June 2023			
	Stage 1 Performing	Stage 2 ^{1,2} Performing	Stage 3 Non- performing	
\$M	\$M	\$M	\$M	
Loans and other receivables				
Credit grade:				
Investment	456,491	15,241	–	471,732
Pass	219,342	117,254	–	336,596
Weak ³	1,050	6,079	5,879	13,008
Gross carrying amount	676,883	138,574	5,879	821,336
Undrawn credit commitments				
Credit grade:				
Investment	100,685	5,992	–	106,677
Pass	29,652	12,847	–	42,499
Weak	209	468	132	809
Total undrawn credit commitments	130,546	19,307	132	149,985
Total credit exposures	807,429	157,881	6,011	971,321
Impairment provision	(1,517)	(2,523)	(1,156)	(5,196)
Provisions to credit exposure, %	0.2	1.6	19.2	0.5
Financial guarantees and other off balance sheet instruments				
Credit grade:				
Investment	11,508	1,038	–	12,546
Pass	3,902	4,783	–	8,685
Weak	17	347	62	426
Total financial guarantees and other off balance sheet instruments	15,427	6,168	62	21,657
Impairment provision	(23)	(122)	(9)	(154)
Provisions to credit exposure, %	0.1	2.0	14.5	0.7
Total credit exposures				
Credit grade:				
Investment	568,684	22,271	–	590,955
Pass	252,896	134,884	–	387,780
Weak	1,276	6,894	6,073	14,243
Total credit exposures	822,856	164,049	6,073	992,978
Total impairment provision	(1,540)	(2,645)	(1,165)	(5,350)
Provision to credit exposure, %	0.2	1.6	19.2	0.5

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risk at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 62% of Stage 2 credit exposures for the Bank as at 30 June 2023.

2 Following the adoption of APRA's revised capital framework from 1 January 2023, the Group implemented a number of new models for the domestic home lending portfolio, including new provisioning models which resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2023, closer to industry averages. These exposures remain performing and well secured resulting in a low likelihood of loss and no significant change in total provisioning levels.

3 During the year ended 30 June 2023, APRA approved a revised residential mortgage PD model, which led to movements in PD bands and a reduction in exposures in the "weak" category.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

	Bank			Total
	30 June 2023			
	Stage 1 Performing	Stage 2 ¹ Performing	Stage 3 Non- performing	
	\$M	\$M	\$M	\$M
Retail secured ²				
Credit grade:				
Investment	410,896	5,951	–	416,847
Pass	176,098	48,295	–	224,393
Weak ³	174	864	3,798	4,836
Total retail secured	587,168	55,110	3,798	646,076
Impairment provision	(762)	(565)	(291)	(1,618)
Provisions to credit exposure, %	0.1	1.0	7.7	0.3
Retail unsecured				
Credit grade:				
Investment	12,148	2,975	–	15,123
Pass	7,985	2,152	–	10,137
Weak	780	843	163	1,786
Total retail unsecured	20,913	5,970	163	27,046
Impairment provision	(406)	(625)	(115)	(1,146)
Provisions to credit exposure, %	1.9	10.5	70.6	4.2
Non-Retail				
Credit grade:				
Investment	145,640	13,345	–	158,985
Pass	68,813	84,437	–	153,250
Weak	322	5,187	2,112	7,621
Total non-retail	214,775	102,969	2,112	319,856
Impairment provision	(372)	(1,455)	(759)	(2,586)
Provisions to credit exposure, %	0.2	1.4	35.9	0.8
Total credit exposures				
Credit grade:				
Investment	568,684	22,271	–	590,955
Pass	252,896	134,884	–	387,780
Weak	1,276	6,894	6,073	14,243
Total credit exposures	822,856	164,049	6,073	992,978
Total impairment provision	(1,540)	(2,645)	(1,165)	(5,350)
Provision to credit exposure, %	0.2	1.6	19.2	0.5

1 The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risk at an industry, geographic location or a particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 62% of Stage 2 credit exposures for the Bank as at 30 June 2023.

2 Following the adoption of APRA's revised capital framework from 1 January 2023, the Group implemented a number of new models for the domestic home lending portfolio, including new provisioning models which resulted in a higher proportion of exposures allocated to Stage 2 as at 30 June 2023, closer to industry averages. These exposures remain performing and well secured resulting in a low likelihood of loss and no significant change in total provisioning levels.

3 During the year ended 30 June 2023, APRA approved a revised residential mortgage PD model, which led to movements in PD bands and a reduction in exposures in the "weak" category.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

Collateral held against loans and other receivables

	Group 30 Jun 24			
	Home loans	Other consumer	Other lending	Total ¹
Maximum exposure (\$M)	746,376	40,755	348,593	1,135,724
Collateral classification:				
Secured (%)	99.3	11.4	51.3	81.8
Partially secured (%)	0.7	–	20.1	6.4
Unsecured (%)	–	88.6	28.6	11.8

¹ As at 30 June 2024, total exposures in ECL Stage 3 were \$9,577 million. 66% of these exposures were secured, 28% partially secured and 6% unsecured.

	Group ¹ 30 Jun 23			
	Home loans	Other consumer	Other lending	Total ²
Maximum exposure (\$M)	733,395	41,025	344,133	1,118,553
Collateral classification:				
Secured (%)	99.2	11.3	49.1	80.8
Partially secured (%)	0.8	–	16.8	5.6
Unsecured (%)	–	88.7	34.1	13.6

¹ Comparative information has been restated to conform to presentation in the current period.

² As at 30 June 2023, total exposures in ECL Stage 3 were \$7,777 million. 63% of these exposures were secured, 27% partially secured and 10% unsecured.

	Bank 30 Jun 24			
	Home loans	Other consumer	Other lending	Total ¹
Maximum exposure (\$M)	662,756	38,111	311,376	1,012,243
Collateral classification:				
Secured (%)	99.5	12.1	49.6	81.3
Partially secured (%)	0.5	–	19.7	6.2
Unsecured (%)	–	87.9	30.7	12.5

¹ As at 30 June 2024, total exposures in ECL Stage 3 were \$7,739 million. 73% of these exposures were secured, 21% partially secured and 6% unsecured.

	Bank ¹ 30 Jun 23			
	Home loans	Other consumer	Other lending	Total ²
Maximum exposure (\$M)	655,485	38,297	305,987	999,769
Collateral classification:				
Secured (%)	99.5	17.2	47.0	80.5
Partially secured (%)	0.5	–	16.7	5.3
Unsecured (%)	–	82.8	36.3	14.2

¹ Comparative information has been restated to conform to presentation in the current period.

² As at 30 June 2023, total exposures in ECL Stage 3 were \$6,073 million. 70% of these exposures were secured, 20% partially secured and 10% unsecured.

For the purposes of the collateral classification above, home loans are classified as secured when the ratio of exposure to the estimated value of collateral is 100% or below, and partially secured when the ratio of exposure to the estimated value of collateral is greater than 100%. For other types of exposures, a facility is deemed to be secured when the ratio of exposure to the estimated value of collateral is less than or equal to 100%. A facility is deemed to be partially secured when the ratio is greater than 100% but does not exceed 250%, and unsecured when there is no security held (e.g. credit cards, unsecured personal loans, exposures to highly rated corporate entities), or where the secured loan exposure to the estimated value of collateral exceeds 250%.

Notes to the Financial Statements

For the year ended 30 June 2024

9.2 Credit risk (continued)

Collateral held against loans and other receivables (continued)

Home loans

Home loans are generally secured by fixed charges over borrowers' residential properties. In limited circumstances, collateral in the form of cash or commercial property may be provided in addition to residential property. With the exception of some relatively small portfolios, for loans with a Loan to Valuation Ratio (LVR) of higher than 80% either a Low Deposit Premium or margin is levied, or Lenders Mortgage Insurance (LMI) is taken out to cover the difference between the principal plus interest owing and the net amount received from selling the collateral post default.

Other consumer

Other consumer category includes credit card and personal loans which are predominantly unsecured, whilst margin lending and some personal loans are secured.

Other lending

The Group's main collateral types for other lending consists of secured rights over specified assets of the borrower in the form of: commercial property; land rights; cash (usually in the form of a charge over a deposit) and other liquid assets (e.g. bonds, shares, investment funds); guarantees by company Directors; fixed and floating charges over a company's assets (including debtors, stock and work in progress); or a charge over assets being financed (e.g. vehicles, equipment). In other instances, a client's facilities may be secured by collateral with value less than the carrying amount of the credit exposure. These facilities are deemed partially secured or unsecured.

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For the year ended 30 June 2024

9.3 Market risk

Market risk measurement

The Group uses Value-at-Risk (VaR) as one of the measures of traded and non-traded market risk. VaR measures potential loss using historically observed market movements and correlation between different markets.

VaR is modelled at a 99.0% confidence level. This means that there is a 99.0% probability that the loss will not exceed the VaR estimate on any given day.

The VaR measured for traded market risk uses two years of daily movement in market rates. The VaR measure for non-traded banking book market risk uses six years of daily movement in market rates.

A 10-day holding period is used for trading book positions. A 20-day holding period is used for interest rate risk in the banking book.

VaR is driven by historical observations and is not an estimate of the maximum loss that the Group could experience from an extreme market event. As a result of this limitation, management also uses stress testing to measure the potential for economic loss at confidence levels significantly higher than 99.0%. Management then uses these results in decisions to manage the economic impact of market risk positions.

	Average 30 Jun 24 ¹	As at 30 Jun 24	Average 30 Jun 23 ¹	As at 30 Jun 23
	\$M	\$M	\$M	\$M
Total market risk VaR (10-day 99.0% confidence)				
Traded market risk	56.6	37.1	98.2	115.0
Non-traded interest rate risk ²	414.8	426.8	378.2	380.1

1 Average VaR calculated for each 12 month period.

2 The risk of these exposures has been represented in this table using a 10-day holding period. In practice, however, these "non-traded" exposures are managed to a longer holding period.

Traded market risk

Traded market risk is generated through the Group's participation in financial markets to service its customers. The Group trades and distributes interest rate, foreign exchange, debt, equity and commodity products, and provides treasury, capital markets and risk management services to its customers globally.

The Group maintains access to markets by quoting bid and offer prices with other market makers and carries an inventory of treasury, capital market and risk management instruments, including a broad range of securities and derivatives.

	Average 30 Jun 24 ¹	As at 30 Jun 24	Average 30 Jun 23 ^{1 2}	As at 30 Jun 23 ²
	\$M	\$M	\$M	\$M
Traded market risk VaR (10-day 99.0% confidence)				
Interest rate risk ³	28.6	22.5	78.9	80.4
Foreign exchange risk	3.9	5.2	13.5	7.3
Commodities risk	16.0	8.6	31.1	30.1
Credit spread risk	23.3	22.3	18.1	25.8
Volatility risk	6.0	4.5	3.3	3.5
Diversification benefit	(43.1)	(41.5)	(68.2)	(55.1)
Total general market risk	34.7	21.6	76.7	92.0
Undiversified risk	20.6	13.8	20.0	21.4
Other ⁴	1.3	1.7	1.5	1.6
Total	56.6	37.1	98.2	115.0

1 Average VaR calculated for each 12 month period.

2 In July 2023, the Group implemented a new APRA accredited market risk engine. Comparative information has been revised to conform to presentation in the current period.

3 Includes basis risk.

4 Includes ASB, PTBC and CBA Europe.

Notes to the Financial Statements

For the year ended 30 June 2024

9.3 Market risk (continued)

Non-traded market risk

Interest rate risk in the banking book

Interest rate risk is the current and prospective impact to the Group's financial condition due to adverse changes in interest rates to which the Group's Balance Sheet is exposed. The maturity transformation activities of the Group create mismatches in the repricing terms of asset and liability positions. These mismatches may have undesired earnings and value outcomes depending on the interest rate movements. The Group's objective is to manage interest rate risk to achieve stable and sustainable net interest income in the long-term.

The Group measures and manages the impact of interest rate risk in two ways:

(a) Next 12 months' earnings

Interest rate risk from an earnings perspective is the impact based on changes to the net interest income over the next 12 months.

The risk to net interest income over the next 12 months from changes in interest rates is measured on a monthly basis.

Earnings risk is measured through sensitivity analysis, which applies an instantaneous 100 basis point parallel shock in interest rates across the yield curve.

The prospective change to the net interest income is measured by using an Asset and Liability Management simulation model which incorporates both existing and anticipated new business in its assessment. The change in the balance sheet product mix, growth, funding and pricing strategies is incorporated.

Assets and liabilities that reprice directly from observable market rates are measured based on the full extent of the rate shock that is applied.

Products that are priced based on Group administered or discretionary interest rates and that are impacted by customer behaviour are measured by taking into consideration the historic repricing strategy of the Group and repricing behaviours of customers. In addition to considering how the products have been repriced in the past the expected change in price based on both the current and anticipated competitive market forces are also considered in the sensitivity analysis.

Following the increase in interest rates during the year, the Group's sensitivity to a 100bps interest rate shock reduced.

	30 Jun 24	30 Jun 23 ¹
	\$M	\$M
Net interest earnings at risk		
Average monthly exposure	376.2	751.1
High monthly exposure	526.4	1,660.1
Low monthly exposure	216.4	415.4
As at balance date	374.6	591.5

¹ Net interest earnings at risk estimates for the year ended 30 June 2023 are based on modelled outcomes restated to reflect assumptions that applied at 30 June 2023.

(b) Economic value

Interest rate risk from the economic value perspective is based on a 20-day 99.0% VaR measure.

Measuring the change in the economic value of equity is an assessment of the long-term impact to the earnings potential of the Group present valued to the current date. The Group assesses the potential change in its economic value of equity through the application of the VaR methodology.

A 20-day 99.0% VaR measure is used to capture the net economic value impact over the long-term or total life of all balance sheet assets and liabilities to adverse changes in interest rates.

The impact of customer prepayments on the contractual cash flows for fixed rate products is included in the calculation. Cash flows for discretionary priced products are behaviourally adjusted and repriced at the resultant profile.

The figures in the following table represent the net present value of the expected change in the Group's future earnings in all future periods for the remaining term of all existing assets and liabilities.

Notes to the Financial Statements

For the year ended 30 June 2024

9.3 Market risk (continued)

	30 Jun 24 ¹	30 Jun 23 ¹
	\$M	\$M
Non-traded interest rate risk VaR (20-day 99.0% confidence)		
Average daily exposure	586.7	534.8
High daily exposure	655.2	629.6
Low daily exposure	518.4	428.5
As at balance date	603.6	537.6

¹ Average VaR calculated for each 12 month period.

Structural foreign exchange risk

Structural foreign exchange risk is the risk that movements in foreign exchange rates may have an adverse effect on the Group's Australian dollar earnings and economic value when the Group's foreign currency denominated retained earnings and capital are translated into Australian dollars. The Group's material risk exposures to this risk arise from the following currencies: New Zealand Dollar, US Dollar, Euro and British Pound Sterling.

Lease residual value risk

The Group takes lease residual value risk on assets such as industrial, mining, rail, aircraft, marine, and other equipment. A lease residual value guarantee exposes the Group to a potential fall in prices of these assets below the guarantee level at lease expiry.

Defined benefit plans

As part of the Commonwealth Bank Group Super Fund's (the Fund) merger with Australian Retirement Trust (ART), a portion of the defined benefit and all defined contribution members transferred to ART following the tranche one transfer completed in November 2023 (refer to Note 10.2). The Group remains exposed to market risk in relation to the defined benefit plans in the Fund and ART.

Notes to the Financial Statements

For the year ended 30 June 2024

9.4 Liquidity and funding risk

OVERVIEW

The Group's liquidity and funding policies are designed to ensure it will meet its obligations as and when they fall due by ensuring it is able to raise funding on an unsecured or secured basis, has sufficient liquid assets to borrow against under repurchase agreements or sell to raise immediate funds without adversely affecting the Group's net asset value.

The Group's liquidity policies are designed to ensure it maintains sufficient holdings of cash and liquid assets to meet its obligations to customers, in both ordinary market conditions and during periods of severe stress. These policies are intended to protect the value of the Group's operations during periods of unfavourable market conditions.

The Group's funding policies are designed to achieve diversified sources of funding by product, term, maturity date, investor type, investor location, currency and concentration, on a cost effective basis. This objective applies to the Group's wholesale and retail funding activities.

Liquidity and funding risk management framework

The CBA Board is responsible for the sound and prudent management of liquidity risk across the Group. The Group's liquidity and funding policies, structured under the Group Liquidity Risk Management Framework, are approved by the Board. The Group Asset and Liability Committee's (ALCO) responsibilities include asset and liability management, reviewing liquidity and funding policies and strategies, and monitoring compliance with those policies across the Group. Group Treasury manages the Group's liquidity and funding positions in accordance with the Group's Liquidity Policy and supporting standards, and has ultimate authority to execute liquidity and funding decisions should the Group Contingency Funding Plan be activated. Risk Management provides oversight of the Group's liquidity and funding risks, compliance with Group policies and manages the Group's relationship with prudential regulators.

Subsidiaries within the Group apply their own liquidity and funding strategies to address their specific needs. The Group's New Zealand banking subsidiary, ASB, manages its own domestic liquidity and funding needs in accordance with its own liquidity policy and the policies of the Group. ASB's liquidity policy is also overseen by the RBNZ.

Liquidity and funding policies and management

The Group's liquidity and funding policies provide that:

- an excess of liquid assets over the minimum prescribed under APRA's Liquidity Coverage Ratio (LCR) requirement is maintained. Australian ADIs are required to meet a 100% LCR, calculated as the ratio of high quality liquid assets to 30 day net cash outflows projected under a prescribed stress scenario;
- a surplus of stable funding from various sources, as measured by APRA's Net Stable Funding Ratio (NSFR), is maintained. The NSFR is calculated by applying factors prescribed by APRA to assets and liabilities to determine a ratio of required stable funding to available stable funding which must be greater than 100%;
- scenario analysis is central to the Group's liquidity management framework and the Group undertakes additional stress testing including market specific and idiosyncratic scenarios over and above the regulatory defined scenarios;
- additional funding and liquidity metrics are calculated and monitored as early warning indicators of a potential stress event;
- short and long-term wholesale funding limits are established, monitored and reviewed regularly;
- the Group's wholesale funding market capacity is regularly assessed and used as a factor in funding strategies;
- Group Treasury maintains a portfolio of highly liquid assets to meet liquidity requirements under a range of market conditions. The liquid asset portfolio includes cash and liquid assets, including government and Australian semi-government securities, meeting APRA's High Quality Liquid Asset (HQLA) definition and other highly liquid assets which are repo-eligible with the Reserve Bank of Australia (RBA);
- liquid assets are held in Australian dollar and foreign currency denominated securities in accordance with expected requirements;
- in line with APRA's requirements to hold adequate levels of self-securitised assets, the Group also holds internal RMBS (minimum value of 30% of Group net cash outflows as defined under the LCR), which are mortgages that have been securitised but retained by the Bank, that are repo-eligible with the RBA under the Exceptional Liquidity Assistance (ELA) arrangement; and
- offshore branches and subsidiaries adhere to liquidity policies and hold appropriate foreign currency liquid assets to meet required regulations. Material banking subsidiaries are required to maintain an LCR of at least 100%.

The Group's key funding tools include:

- consumer retail funding base, which includes a wide range of retail transaction accounts, savings accounts and term deposits for individual consumers;
- small business customer and institutional deposit base; and
- wholesale domestic and international funding programmes, which include Australian dollar Negotiable Certificates of Deposit, US and Euro Commercial Paper programmes, Australian dollar Domestic Debt Programme, US Medium-Term Note Programmes, Euro Medium-Term Note Programme, multi-jurisdiction Covered Bond programmes and Medallion securitisation programmes. Additionally, the Group has accessed the RBA's Term Funding Facility (TFF) which was fully repaid during the period and RBNZ term lending facilities.

Liquidity modelling and forecasting is undertaken on a daily basis to ensure the Group meets its internal and regulatory liquidity requirements at all times. A regulatory liquidity management reporting system models and reports regulatory liquidity outcomes. Additionally, a comprehensive Funds Transfer Pricing framework is in place to attribute the cost of funding and liquidity to business units and to provide appropriate incentives to inform business decision making.

Notes to the Financial Statements

For the year ended 30 June 2024

9.4 Liquidity and funding risk (continued)

Contingency Funding Plan

The Group maintains a Contingency Funding Plan which details how the Group would respond to a liquidity stress event. The plan includes details of roles and responsibilities including the committee of responsible executives, early warning indicators and trigger events, and potential contingent funding actions that could be undertaken to manage the Group's liquidity position as well as a communications strategy. The plan is regularly tested and is approved by the Board on an annual basis.

Maturity analysis of monetary liabilities

Amounts shown in the tables below are based on contractual undiscounted cash flows for the remaining contractual maturities.

	Group				Total \$M
	Maturity Period as at 30 June 2024				
	0 to 3 months \$M	3 to 12 months \$M	1 to 5 years \$M	Over 5 years \$M	
Monetary liabilities					
Deposits and other public borrowings ¹	720,131	160,826	9,605	2	890,564
Payables to financial institutions	17,446	7,525	–	–	24,971
Liabilities at fair value through income statement	44,712	2,741	235	–	47,688
Derivative financial instruments:					
Held for trading	15,069	–	–	–	15,069
Held for hedging purposes (net-settled)	311	208	1,081	1,662	3,262
Held for hedging purposes (gross-settled):					
Outflows	2,704	20,346	58,579	40,659	122,288
Inflows	(1,660)	(19,866)	(55,670)	(36,533)	(113,729)
Term funding from central banks	496	2,710	1,099	–	4,305
Debt issues and loan capital	12,351	44,912	102,752	47,628	207,643
Lease liabilities	109	337	1,313	1,005	2,764
Other monetary liabilities	5,937	714	1,306	784	8,741
Total monetary liabilities	817,606	220,453	120,300	55,207	1,213,566
Financial guarantees ²	3,814	–	–	–	3,814
Performance related contingencies ²	13,650	–	–	–	13,650
Commitments to provide credit and other commitments ²	185,776	–	–	–	185,776
Total off balance sheet items	203,240	–	–	–	203,240
Total monetary liabilities and off balance sheet items	1,020,846	220,453	120,300	55,207	1,416,806

1 Includes deposits that are contractually at call, customer savings and cheque accounts. These accounts provide a stable source of long-term funding.

2 All off balance sheet items are included in the 0 to 3 months maturity band to reflect their earliest possible maturity.

Notes to the Financial Statements

For the year ended 30 June 2024

9.4 Liquidity and funding risk (continued)

	Group ¹				Total \$M
	Maturity Period as at 30 June 2023				
	0 to 3 months \$M	3 to 12 months \$M	1 to 5 years \$M	Over 5 years \$M	
Monetary liabilities					
Deposits and other public borrowings ²	723,448	137,043	11,183	55	871,729
Payables to financial institutions	17,596	4,532	–	–	22,128
Liabilities at fair value through income statement	36,765	3,462	169	–	40,396
Derivative financial instruments:					
Held for trading	21,899	–	–	–	21,899
Held for hedging purposes (net-settled)	51	159	1,132	1,711	3,053
Held for hedging purposes (gross-settled):					
Outflows	1,624	4,440	36,163	25,585	67,812
Inflows	(920)	(4,020)	(34,070)	(23,104)	(62,114)
Term funding from central banks	15,036	32,799	6,423	–	54,258
Debt issues and loan capital	8,822	26,931	96,661	48,682	181,096
Lease liabilities	137	340	1,126	1,466	3,069
Other monetary liabilities	3,849	907	1,227	805	6,788
Total monetary liabilities	828,307	206,593	120,014	55,200	1,210,114
Financial guarantees ³	3,823	–	–	–	3,823
Performance related contingencies ³	12,722	–	–	–	12,722
Commitments to provide credit and other commitments ³	185,302	–	–	–	185,302
Total off balance sheet items	201,847	–	–	–	201,847
Total monetary liabilities and off balance sheet items	1,030,154	206,593	120,014	55,200	1,411,961

¹ Comparative information has been restated to conform to presentation in the current period.

² Includes deposits that are contractually at call, customer savings and cheque accounts. These accounts provide a stable source of long-term funding.

³ All off balance sheet items are included in the 0 to 3 months maturity band to reflect their earliest possible maturity.

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For the year ended 30 June 2024

9.4 Liquidity and funding risk (continued)

	Bank				Total \$M
	Maturity Period as at 30 June 2024				
	0 to 3 months \$M	3 to 12 months \$M	1 to 5 years \$M	Over 5 years \$M	
Monetary liabilities					
Deposits and other public borrowings ¹	664,042	139,098	6,006	1	809,147
Payables to financial institutions	16,945	7,525	–	–	24,470
Liabilities at fair value through income statement	44,863	2,140	236	–	47,239
Derivative financial instruments:					
Held for trading	16,821	–	–	–	16,821
Held for hedging purposes (net-settled)	294	300	1,370	1,799	3,763
Held for hedging purposes (gross-settled):					
Outflows	2,105	23,605	54,487	38,239	118,436
Inflows	(1,333)	(23,368)	(52,401)	(34,472)	(111,574)
Due to controlled entities	9,067	5,666	23,256	10,169	48,158
Term funding from central banks	–	–	–	–	–
Debt issues and loan capital	10,598	40,757	86,244	43,881	181,480
Lease liabilities	98	284	1,196	975	2,553
Other monetary liabilities	6,086	679	1,193	771	8,729
Total monetary liabilities	769,586	196,686	121,587	61,363	1,149,222
Financial guarantees ²	3,160	–	–	–	3,160
Performance related contingencies ²	13,650	–	–	–	13,650
Commitments to provide credit and other commitments ²	171,141	–	–	–	171,141
Total off balance sheet items	187,951	–	–	–	187,951
Total monetary liabilities and off balance sheet items	957,537	196,686	121,587	61,363	1,337,173

¹ Includes deposits that are contractually at call, customer savings and cheque accounts. These accounts provide a stable source of long-term funding.

² All off balance sheet items are included in the 0 to 3 months maturity band to reflect their earliest possible maturity.

Notes to the Financial Statements

For the year ended 30 June 2024

9.4 Liquidity and funding risk (continued)

	Bank ¹				Total \$M
	Maturity Period as at 30 June 2023				
	0 to 3 months \$M	3 to 12 months \$M	1 to 5 years \$M	Over 5 years \$M	
Monetary liabilities					
Deposits and other public borrowings ²	666,970	116,075	8,751	–	791,796
Payables to financial institutions	16,949	4,532	–	–	21,481
Liabilities at fair value through income statement	35,926	3,164	168	–	39,258
Derivative financial instruments:					
Held for trading	23,619	–	–	–	23,619
Held for hedging purposes (net-settled)	279	287	1,327	1,885	3,778
Held for hedging purposes (gross-settled):					
Outflows	3,480	5,794	41,649	26,023	76,946
Inflows	(2,656)	(5,317)	(39,486)	(23,581)	(71,040)
Due to controlled entities	7,253	5,416	21,172	8,745	42,586
Term funding from central banks	15,019	32,365	2,290	–	49,674
Debt issues and loan capital	6,889	22,575	79,032	43,318	151,814
Lease liabilities	119	291	994	1,411	2,815
Other monetary liabilities	4,176	871	1,135	790	6,972
Total monetary liabilities	778,023	186,053	117,032	58,591	1,139,699
Financial guarantees ³	3,132	–	–	–	3,132
Performance related contingencies ³	12,722	–	–	–	12,722
Commitments to provide credit and other commitments ³	169,970	–	–	–	169,970
Total off balance sheet items	185,824	–	–	–	185,824
Total monetary liabilities and off balance sheet items	963,847	186,053	117,032	58,591	1,325,523

¹ Comparative information has been restated to conform to presentation in the current period.

² Includes deposits that are contractually at call, customer savings and cheque accounts. These accounts provide a stable source of long-term funding.

³ All off balance sheet items are included in the 0 to 3 months maturity band to reflect their earliest possible maturity.

Notes to the Financial Statements

For the year ended 30 June 2024

9.5 Disclosures about fair values

Fair value hierarchy for financial assets and liabilities measured at fair value

The classification in the fair value hierarchy of the Group's and the Bank's financial assets and liabilities measured at fair value is presented in the tables below. An explanation of how fair values are calculated and the levels in the fair value hierarchy, is included in the accounting policy within this note.

	Group ^{1 2}							
	Fair value as at 30 June 2024				Fair value as at 30 June 2023			
	Level 1 \$M	Level 2 \$M	Level 3 \$M	Total \$M	Level 1 \$M	Level 2 \$M	Level 3 \$M	Total \$M
Financial assets measured at fair value on a recurring basis								
Assets at fair value through income statement:								
Trading	18,235	7,904	5	26,144	14,919	7,544	36	22,499
Other	–	52,705	184	52,889	–	44,907	221	45,128
Derivative assets	109	17,869	80	18,058	122	23,761	62	23,945
Investment securities at fair value through other comprehensive income	82,878	13,111	785	96,774	69,939	14,138	594	84,671
Total financial assets measured at fair value	101,222	91,589	1,054	193,865	84,980	90,350	913	176,243
Financial liabilities measured at fair value on a recurring basis								
Liabilities at fair value through income statement	8,606	38,735	–	47,341	6,176	33,927	–	40,103
Derivative liabilities	55	18,745	50	18,850	26	25,257	64	25,347
Total financial liabilities measured at fair value	8,661	57,480	50	66,191	6,202	59,184	64	65,450

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 Comparative information has been revised to conform to presentation in the current period.

	Bank ^{1 2}							
	Fair value as at 30 June 2024				Fair value as at 30 June 2023			
	Level 1 \$M	Level 2 \$M	Level 3 \$M	Total \$M	Level 1 \$M	Level 2 \$M	Level 3 \$M	Total \$M
Financial assets measured at fair value on a recurring basis								
Assets at fair value through income statement:								
Trading	18,235	8,014	5	26,254	14,913	7,543	36	22,492
Other	–	52,805	135	52,940	–	44,977	172	45,149
Derivative assets	109	19,609	79	19,797	122	25,401	62	25,585
Investment securities at fair value through other comprehensive income	75,620	11,450	777	87,847	64,657	12,587	587	77,831
Total financial assets measured at fair value	93,964	91,878	996	186,838	79,692	90,508	857	171,057
Financial liabilities measured at fair value on a recurring basis								
Liabilities at fair value through income statement	8,606	38,305	–	46,911	5,888	33,260	–	39,148
Derivative liabilities	55	19,935	50	20,040	26	26,638	64	26,728
Total financial liabilities measured at fair value	8,661	58,240	50	66,951	5,914	59,898	64	65,876

1 Comparative information has been revised to reflect the change detailed in Note 1.1.

2 Comparative information has been revised to conform to presentation in the current period.

Notes to the Financial Statements

For the year ended 30 June 2024

9.5 Disclosures about fair values (continued)

At 30 June 2024, the Group's and the Bank's assets held for sale included \$867 million of assets measured at fair value on a non-recurring basis in Level 3.

Analysis of movements between fair value hierarchy levels

The tables below summarise movements in Level 3 balances during the year. Transfers have been reflected as if they had taken place at the end of the reporting periods. Transfers in and out of Level 3 were due to changes in the observability of inputs.

Level 3 movement analysis

	Group			Financial
	Financial Assets			Liabilities
	Derivative assets	Investment securities at fair value through OCI	Assets at fair value through income statement	Derivative liabilities
	\$M	\$M	\$M	\$M
As at 1 July 2022	74	616	289	(135)
Purchases	2	70	93	(7)
Sales/settlements	(2)	–	(67)	70
Gains/(losses) in the period:				
Recognised in the Income Statement	5	–	(58)	8
Recognised in the Statement of Comprehensive Income	(17)	(97)	–	–
Transfers in	–	5	–	–
Transfers out	–	–	–	–
As at 30 June 2023	62	594	257	(64)
Gains/(losses) recognised in the Income Statement for financial instruments held as at 30 June 2023	27	–	(58)	(22)
As at 1 July 2023	62	594	257	(64)
Purchases	40	106	90	(19)
Sales/settlements	(24)	(5)	(46)	12
Gains/(losses) in the period:				
Recognised in the Income Statement	5	–	22	21
Recognised in the Statement of Comprehensive Income	(3)	90	–	–
Transfers in	–	–	–	–
Transfers out	–	–	(134)	–
Reclassified to held for sale	–	–	–	–
As at 30 June 2024	80	785	189	(50)
Gains/(losses) recognised in the Income Statement for financial instruments held as at 30 June 2024	10	–	1	(12)

Notes to the Financial Statements

For the year ended 30 June 2024

9.5 Disclosures about fair values (continued)

	Bank			Financial
	Financial Assets			Liabilities
	Derivative assets	Investment securities at fair value through OCI	Assets at fair value through income statement	Derivative liabilities
	\$M	\$M	\$M	\$M
As at 1 July 2022	74	591	228	(135)
Purchases	2	70	93	(7)
Sales/settlements	(2)	–	(67)	70
Gains/(losses) in the period:				
Recognised in the Income Statement	5	–	(46)	8
Recognised in the Statement of Comprehensive Income	(17)	(79)	–	–
Transfers in	–	5	–	–
Transfers out	–	–	–	–
As at 30 June 2023	62	587	208	(64)
Gains/(losses) recognised in the Income Statement for financial instruments held as at 30 June 2023	27	–	(46)	(22)
As at 1 July 2023	62	587	208	(64)
Purchases	40	104	90	(19)
Sales/settlements	(25)	(5)	(49)	12
Gains/(losses) in the period:				
Recognised in the Income Statement	5	–	23	21
Recognised in the Statement of Comprehensive Income	(3)	91	–	–
Transfers in	–	–	–	–
Transfers out	–	–	(132)	–
As at 30 June 2024	79	777	140	(50)
Gains/(losses) recognised in the Income Statement for financial instruments held as at 30 June 2024	10	–	1	(12)

Notes to the Financial Statements

For the year ended 30 June 2024

9.5 Disclosures about fair values (continued)

Fair value information for financial instruments not measured at fair value

The estimated fair values and fair value hierarchy of the Group's and the Bank's financial instruments not measured at fair value are presented below. Fair values of financial assets and liabilities not included in the table below approximate their carrying values.

	Group									
	30 Jun 24					30 Jun 23				
	Carrying value	Fair value				Carrying value	Fair value			
	Total	Level 1	Level 2	Level 3	Total	Total	Level 1	Level 2	Level 3	Total
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
Financial assets										
Investment securities at amortised cost	1,239	–	1,239	–	1,239	2,032	–	2,018	–	2,018
Loans and other receivables	942,210	–	–	941,289	941,289	926,082	–	–	920,035	920,035
Financial liabilities										
Deposits and other public borrowings	882,922	–	449,140	433,710	882,850	864,995	–	448,327	416,352	864,679
Debt issues	144,530	–	144,740	–	144,740	122,267	–	122,330	–	122,330
Loan capital	35,938	9,525	27,393	–	36,918	32,598	10,920	21,531	–	32,451

	Bank									
	30 Jun 24					30 Jun 23				
	Carrying value	Fair value				Carrying value	Fair value			
	Total	Level 1	Level 2	Level 3	Total	Total	Level 1	Level 2	Level 3	Total
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
Financial assets										
Investment securities at amortised cost	1,239	–	1,239	–	1,239	2,032	–	2,018	–	2,018
Loans and other receivables	834,024	–	–	833,750	833,750	816,140	–	–	811,426	811,426
Financial liabilities										
Deposits and other public borrowings	802,882	–	369,049	433,710	802,759	786,267	–	369,619	416,352	785,971
Debt issues	120,834	–	121,045	–	121,045	95,893	–	95,947	–	95,947
Loan capital	35,931	9,537	27,393	–	36,930	32,587	10,936	21,531	–	32,467

Notes to the Financial Statements

For the year ended 30 June 2024

9.5 Disclosures about fair values (continued)

ACCOUNTING POLICIES

Valuation

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. On initial recognition, the transaction price generally represents the fair value of the financial instrument, unless there is observable information from an active market that provides a more appropriate fair value.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price or dealer price quotations, without any deduction for transaction costs. Assets and long positions are measured at a quoted bid price, liabilities and short positions are measured at a quoted asking price. Where the Group has positions with offsetting market risks, mid-market prices are used to measure the offsetting risk positions and a quoted bid or asking price adjustment is applied only to the net open position as appropriate.

Non-market quoted financial instruments are mostly valued using valuation techniques based on observable inputs except where observable market data is unavailable. Where market data is unavailable the financial instrument is initially recognised at the transaction price, which is generally the best indicator of fair value. This may differ from the value obtained from the valuation model. The timing of the recognition in the Income Statement of this initial difference in fair value depends on the individual facts and circumstances of each transaction, but is never later than when the market data becomes observable. The difference may be either amortised over the life of the transaction, recognised when the inputs become observable or on derecognition of the instrument, as appropriate.

The fair value of over-the-counter (OTC) derivatives includes credit valuation adjustments (CVA) for derivative assets to reflect the credit worthiness of the counterparty. Fair value of uncollateralised derivative assets and uncollateralised derivative liabilities incorporate funding valuation adjustments (FVA) to reflect funding costs and benefits to the Group. These adjustments are applied after considering any relevant collateral or master netting arrangements.

Fair value hierarchy

The Group utilises various valuation techniques and applies a hierarchy for valuation inputs that maximise the use of observable market data, if available.

Under AASB 13 *Fair Value Measurement* all financial and non-financial assets and liabilities measured or disclosed at fair value are categorised into one of the following three fair value hierarchy levels:

Quoted prices in active markets – Level 1

This category includes assets and liabilities for which the valuation is determined by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions on an arm's length basis. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

Financial instruments included in this category are liquid government bonds, listed equities and exchange traded derivatives.

Valuation technique using observable inputs – Level 2

This category includes assets and liabilities that have been valued using inputs other than quoted prices as described for Level 1, but which are observable for the asset or liability, either directly or indirectly. The valuation techniques include the use of discounted cash flow analysis, option pricing models and other market accepted valuation models.

Financial instruments included in this category are financial institution and corporate bonds, certificates of deposit, bank bills, commercial papers, mortgage-backed securities and OTC derivatives including interest rate swaps, cross currency swaps and FX options.

Valuation technique using significant unobservable inputs – Level 3

This category includes assets and liabilities where the valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally derived and extrapolated from observable inputs to match the risk profile of the financial instrument, and are calibrated against current market assumptions, historic transactions and economic models, where available. These inputs may include the timing and amount of future cash flows, rates of estimated credit losses, discount rates and volatility. Financial instruments included in this category for the Group are certain exotic OTC derivatives and unlisted equity instruments.

As at 30 June 2024, the Group held an unlisted equity investment in Klarna Group plc (Klarna) measured on a recurring basis at fair value through other comprehensive income of \$574 million (30 June 2023: \$419 million). The valuation of the investment is based on a methodology which considers revenue multiples of market listed comparable companies as well as any recent market transactions. Comparable listed companies are included based on industry, size, development stage and/or strategy. A revenue multiple is derived for each comparable company identified and then discounted for considerations such as illiquidity. The Group adopted an adjusted revenue multiple of 3.9x in its valuation as at 30 June 2024 (30 June 2023: 4.1x). The effect of adjusting the revenue multiples by +/-20%, representing a range of reasonably possible alternatives, would be to increase the fair value by up to \$115 million or to decrease the fair value by up to \$115 million with all the potential effect impacting investment securities revaluation reserve.

Notes to the Financial Statements

For the year ended 30 June 2024

9.5 Disclosures about fair values (continued)

Critical accounting judgements and estimates

Valuation techniques are used to estimate the fair value of securities. When using valuation techniques the Group makes maximum use of market inputs and relies as little as possible on entity specific inputs. It incorporates all factors that the Group believes market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Data inputs that the Group relies upon when valuing financial instruments relate to counterparty credit risk, volatility, correlation and extrapolation.

Periodically, the Group calibrates its valuation techniques and tests them for validity using prices from any observable current market transaction in the same instruments (i.e. without modification or repackaging) and any other available observable market data.

9.6 Collateral arrangements

Collateral accepted as security for assets

The Group takes collateral where it is considered necessary to support both on and off balance sheet transactions. The Group evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral taken, if deemed necessary, is based on management's credit evaluation of the counterparty. The Group has the right to sell, re-pledge, or otherwise use some of the collateral received. At balance sheet date the carrying value of cash accepted as collateral (and recognised on the Group's and the Bank's Balance Sheets) and the fair value of securities accepted as collateral (but not recognised on the Group's or the Bank's Balance Sheets) were as follows:

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Cash	5,744	6,838	5,521	6,603
Securities	93,782	56,129	93,481	56,389
Collateral held	99,526	62,967	99,002	62,992
Collateral held which is re-pledged or sold	30,830	28,660	30,830	28,660

Assets pledged

As part of standard terms of transactions with other banks, the Group has provided collateral to secure liabilities. At balance sheet date, the carrying value of assets pledged as collateral to secure liabilities were as follows:

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Cash	5,385	6,205	5,054	5,870
Securities ¹	52,372	41,378	52,647	41,549
Assets pledged	57,757	47,583	57,701	47,419
Assets pledged which can be re-pledged or re-sold by counterparty	52,372	41,378	52,647	41,549

¹ These balances include assets sold under repurchase agreements. The liabilities related to these repurchase agreements are disclosed in Note 4.1 and 4.2.

The Group and the Bank have pledged collateral as part of entering into repurchase and derivative agreements. These transactions are governed by standard industry agreements.

Notes to the Financial Statements

For the year ended 30 June 2024

9.7 Offsetting financial assets and financial liabilities

The table below identifies amounts that have been offset on the Balance Sheet and amounts covered by enforceable netting arrangements or similar agreements that do not qualify for set off. Cash settled derivatives that trade on an exchange are deemed to be economically settled and therefore outside the scope of these disclosures.

Group 30 June 24								
Subject to enforceable master netting or similar agreements								
	Amounts offset on the Balance Sheet			Amounts not offset on the Balance Sheet			Not subject to netting agreements	Total Balance Sheet amount
	Gross Balance Sheet amount	Amount offset	Reported on the Balance Sheet	Financial instruments ¹	Financial collateral (received)/ pledged ¹	Net amount		
Financial instruments	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Derivative assets	17,520	–	17,520	(10,653)	(4,275)	2,592	538	18,058
Securities purchased under agreements to resell:								
At amortised cost	39,225	(3,466)	35,759	(2,787)	(32,916)	56	–	35,759
At fair value through income statement	54,424	(8,355)	46,069	(7,570)	(38,452)	47	–	46,069
Equity securities sold not delivered	1,055	(685)	370	–	–	370	7	377
Total financial assets	112,224	(12,506)	99,718	(21,010)	(75,643)	3,065	545	100,263
Derivative liabilities	(17,022)	–	(17,022)	10,653	3,224	(3,145)	(1,828)	(18,850)
Securities sold under agreements to repurchase:								
At amortised cost	(7,246)	3,466	(3,780)	347	3,433	–	–	(3,780)
At fair value through income statement	(44,867)	8,355	(36,512)	10,010	26,502	–	–	(36,512)
Equity securities purchased not delivered	(1,029)	685	(344)	–	–	(344)	(37)	(381)
Total financial liabilities	(70,164)	12,506	(57,658)	21,010	33,159	(3,489)	(1,865)	(59,523)

¹ For the purpose of this disclosure, the related amounts of financial instruments and financial collateral not set off on the Balance Sheet have been capped by relevant netting agreements so as not to exceed the net amounts of financial assets/(liabilities) reported on the Balance Sheet, i.e. over collateralisation, where it exists, is not reflected in the tables. As a result, the above collateral balances will not correspond to the tables in Note 9.6.

Notes to the Financial Statements

For the year ended 30 June 2024

9.7 Offsetting financial assets and financial liabilities (continued)

Group 30 June 23								
Subject to enforceable master netting or similar agreements								
	Amounts offset on the Balance Sheet			Amounts not offset on the Balance Sheet			Not subject to netting agreements	Total Balance Sheet amount
	Gross Balance Sheet amount	Amount offset	Reported on the Balance Sheet	Financial instruments ¹	Financial collateral (received)/ pledged ¹	Net amount		
Financial instruments	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Derivative assets ²	23,686	–	23,686	(12,894)	(5,567)	5,225	259	23,945
Securities purchased under agreements to resell:								
At amortised cost	13,144	(3,697)	9,447	(810)	(8,432)	205	–	9,447
At fair value through income statement	43,420	(4,421)	38,999	(7,357)	(31,536)	106	–	38,999
Equity securities sold not delivered	860	(521)	339	–	–	339	4	343
Total financial assets	81,110	(8,639)	72,471	(21,061)	(45,535)	5,875	263	72,734
Derivative liabilities ²	(23,136)	–	(23,136)	12,894	4,321	(5,921)	(2,211)	(25,347)
Securities sold under agreements to repurchase:								
At amortised cost	(3,513)	3,003	(510)	415	95	–	–	(510)
At fair value through income statement	(37,786)	5,115	(32,671)	7,752	24,919	–	–	(32,671)
Equity securities purchased not delivered	(831)	521	(310)	–	–	(310)	(11)	(321)
Total financial liabilities	(65,266)	8,639	(56,627)	21,061	29,335	(6,231)	(2,222)	(58,849)

1 For the purpose of this disclosure, the related amounts of financial instruments and financial collateral not set off on the Balance Sheet have been capped by relevant netting agreements so as not to exceed the net amounts of financial assets/(liabilities) reported on the Balance Sheet, i.e. over collateralisation, where it exists, is not reflected in the tables. As a result, the above collateral balances will not correspond to the tables in Note 9.6.

2 Comparative information has been restated to reflect the legal terms of centrally cleared derivatives.

Notes to the Financial Statements

For the year ended 30 June 2024

9.7 Offsetting financial assets and financial liabilities (continued)

Bank 30 June 24									
Subject to enforceable master netting or similar agreements									
	Amounts offset on the Balance Sheet			Amounts not offset on the Balance Sheet			Not subject to netting agreements	Total Balance Sheet amount	
	Gross Balance Sheet amount	Amount offset	Reported on the Balance Sheet	Financial instruments ¹	Financial collateral (received)/ pledged ¹	Net amount			
Financial instruments	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
Derivative assets	19,262	–	19,262	(12,069)	(4,096)	3,097	535	19,797	
Securities purchased under agreements to resell:									
At amortised cost	38,825	(3,466)	35,359	(2,789)	(32,513)	57	–	35,359	
At fair value through income statement	54,523	(8,355)	46,168	(7,670)	(38,452)	46	–	46,168	
Total financial assets	112,610	(11,821)	100,789	(22,528)	(75,061)	3,200	535	101,324	
Derivative liabilities	(18,259)	–	(18,259)	12,069	3,013	(3,177)	(1,781)	(20,040)	
Securities sold under agreements to repurchase:									
At amortised cost	(7,140)	3,466	(3,674)	347	3,327	–	–	(3,674)	
At fair value through income statement	(45,248)	8,355	(36,893)	10,112	26,678	(103)	–	(36,893)	
Total financial liabilities	(70,647)	11,821	(58,826)	22,528	33,018	(3,280)	(1,781)	(60,607)	

¹ For the purpose of this disclosure, the related amounts of financial instruments and financial collateral not set off on the Balance Sheet have been capped by relevant netting agreements so as not to exceed the net amounts of financial assets/(liabilities) reported on the Balance Sheet, i.e. over collateralisation, where it exists, is not reflected in the tables. As a result, the above collateral balances will not correspond to the tables in Note 9.6.

Notes to the Financial Statements

For the year ended 30 June 2024

9.7 Offsetting financial assets and financial liabilities (continued)

Bank 30 June 23									
Subject to enforceable master netting or similar agreements									
	Amounts offset on the Balance Sheet			Amounts not offset on the Balance Sheet			Not subject to netting agreements	Total Balance Sheet amount	
	Gross Balance Sheet amount	Amount offset	Reported on the Balance Sheet	Financial instruments ¹	Financial collateral (received)/ pledged ¹	Net amount			
Financial instruments	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
Derivative assets ²	25,354	–	25,354	(14,559)	(5,341)	5,454	231	25,585	
Securities purchased under agreements to resell:									
At amortised cost	13,334	(3,697)	9,637	(911)	(8,521)	205	–	9,637	
At fair value through income statement	43,490	(4,421)	39,069	(7,427)	(31,536)	106	–	39,069	
Total financial assets	82,178	(8,118)	74,060	(22,897)	(45,398)	5,765	231	74,291	
Derivative liabilities ²	(24,556)	–	(24,556)	14,559	4,172	(5,825)	(2,172)	(26,728)	
Securities sold under agreements to repurchase:									
At amortised cost	(3,513)	3,003	(510)	415	95	–	–	(510)	
At fair value through income statement	(37,956)	5,115	(32,841)	7,922	24,919	–	–	(32,841)	
Total financial liabilities	(66,025)	8,118	(57,907)	22,896	29,186	(5,825)	(2,172)	(60,079)	

¹ For the purpose of this disclosure, the related amounts of financial instruments and financial collateral not set off on the Balance Sheet have been capped by relevant netting agreements so as not to exceed the net amounts of financial assets/(liabilities) reported on the Balance Sheet, i.e. over collateralisation, where it exists, is not reflected in the tables. As a result, the above collateral balances will not correspond to the tables in Note 9.6.

² Comparative information has been restated to reflect the legal terms of centrally cleared derivatives.

Related amounts not set off on the Balance Sheet

Derivative assets and liabilities

The “Financial Instruments” column identifies financial assets and liabilities that are subject to set off under netting agreements, such as the ISDA Master Agreement. All outstanding transactions with the same counterparty can be offset and close-out netting applied if an event of default or other predetermined events occur. Financial collateral refers to cash and non-cash collateral obtained to cover the net exposure between counterparties by enabling the collateral to be realised in an event of default or if other predetermined events occur.

Repurchase and reverse repurchase agreements and security lending agreements

The “Financial Instruments” column identifies financial assets and liabilities that are subject to set off under netting agreements, such as global master repurchase agreements, global master securities lending agreements and agreements settled through specific Central Security Depositories. Under these netting agreements, all outstanding transactions with the same counterparty can be offset and close-out netting applied if an event of default or other predetermined events occur. Financial collateral typically comprises highly liquid securities which are legally transferred and can be liquidated in the event of counterparty default.

ACCOUNTING POLICIES

Financial assets and liabilities are offset and the net amount is presented in the Balance Sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements

For the year ended 30 June 2024

10 Employee benefits

OVERVIEW

The Group employs over 48,000 people across multiple jurisdictions and remunerates its employees through both fixed and variable arrangements. This section outlines details of the share-based payment and superannuation components of employee remuneration and provides an overview of key management personnel arrangements.

10.1 Share-based payments

The Group operates a number of cash and equity settled share plans as detailed below.

Long Term Variable Remuneration (LTVR)

The Group's LTVR awards to the CEO, Group Executives and CEO of ASB have been made under the Employee Equity Plan (EEP) since the 2019 financial year award (2020 financial year for CEO ASB). LTVR focuses efforts on longer-term performance achievement, including relative shareholder returns to support creation of sustainable long-term shareholder value.

Participants are awarded a maximum number of performance rights, which may convert into CBA shares on a one-for-one basis (or for the 2021 to 2023 financial year awards, a cash equivalent as determined by the Board).

The rights granted for the 2020 financial year award may vest at the end of a performance period of four years subject to the satisfaction of performance measures as follows:

For the 2020 financial year award to the CEO and Group Executives:

- 75% of the award is assessed against Total Shareholder Return (TSR) compared the 20 largest companies listed on the ASX (by market capitalisation) at the beginning of the performance period, excluding resource companies and CBA.
- 12.5% of the award is assessed against a relative Trust and Reputation measure; and
- 12.5% of the award is assessed against an absolute Employee Engagement measure.

For the 2020 financial year award made to the CEO of ASB:

- 50% of the award is assessed against TSR compared the 20 largest companies listed on the ASX (by market capitalisation) at the beginning of the performance period, excluding resource companies and CBA.
- 25% of the award is assessed against an ASB relative Trust and Reputation measure; and
- 25% of the award is assessed against an ASB absolute Employee Engagement measure.

For the 2020 financial year award that vested in August 2023, (including the CEO ASB 2020 financial year award), a positive TSR gateway applied to the Trust and Reputation and Employee Engagement measures. For further information on the vesting outcome please refer to the Remuneration Report.

For awards made from the 2021 financial year to the CEO, Group Executives and CEO of ASB, the performance rights will be tested against the following performance measures at the end of four years and the number of performance rights will be adjusted accordingly:

- 50% of the award is assessed against TSR compared the 20 largest companies listed on the ASX (by market capitalisation) at the beginning of the performance period, excluding resource companies and CBA (General ASX).
- 50% of the award is assessed against TSR compared to a peer group of 8 financial services companies determined by the Board (Financial Services).

Any performance rights from the 2021 to 2023 financial year awards and CEO ASB's 2024 financial year award, and restricted shares from the 2024 financial year award, that remain on foot after the performance test will be subject to a further holding period, for the:

- 2021 and 2022 financial year awards, in two equal tranches of two and three years for the CEO, and one and two years for other participants, and
- 2023 and 2024 financial year awards, two years for the CEO and one year for other participants.

Refer to the Remuneration Report for further details on LTVR.

The following table provides details of outstanding awards of performance rights granted under LTVR.

Period	Outstanding				Outstanding 30 June	Expense (\$'000)
	1 July	Granted	Vested	Forfeited		
2024	726,245	117,530	(298,038)	(24,245)	521,492	7,142
2023	873,046	121,882	(268,683)	—	726,245	8,776

The weighted average fair value at the grant date was \$56.96 for the ASX General TSR tranche and \$51.58 for the Financial Services TSR tranche (2023: \$65.37 for the ASX General TSR tranche and \$57.30 for the Financial Services TSR tranche). The fair value of the performance rights granted during the period has been independently calculated at grant date using a Monte Carlo pricing model based on market information. The assumptions included in the valuations of the 2024 financial year awards include a share price of \$102.15 and \$118.87, a risk-free interest rate of 4.45% and 4.13%, a 4.31% and 3.76% dividend yield on the Bank's ordinary shares and a volatility in the Bank share price of 25% and 20%.

Notes to the Financial Statements

For the year ended 30 June 2024

10.1 Share-based payments (continued)

Long-Term Alignment Remuneration (LTAR)

The Group's LTAR awards to the CEO, Group Executives and CEO of ASB are made under the Employee Equity Plan (EEP), with the first grant being made in the 2021 financial year.

The LTAR award is granted as restricted share units which are entitlements to fully paid ordinary CBA shares (or cash equivalent as determined by the Board) with a payment equivalent to dividends paid during the restriction period only made on restricted share units that vest, subject to service conditions and a pre-vest assessment for the 2023 and 2024 financial year awards. The restricted share unit service period is:

- CEO: 50% of the CEO's LTAR award will vest after four years, and 50% after five years;
- Group Executives and the CEO ASB: 100% of the LTAR award will vest after four years.

The following table provides details of outstanding awards of restricted share units granted under LTAR.

Period	Outstanding 1 July	Granted	Vested	Forfeited	Outstanding 30 June	Expense (\$'000)
2024	398,590	111,169	–	–	509,759	12,163
2023	280,108	118,482	–	–	398,590	9,188

The weighted average fair value at grant date of the LTAR awards issued during the year was \$102.43 (2023: \$104.58).

Employee Equity Plan (EEP)

The EEP facilitates mandatory short-term variable remuneration deferral, sign-on and retention awards. Participants are awarded restricted shares that vest provided the participant remains in employment of the Group until vesting and subject to risk and malus review. The following table provides details of outstanding awards of restricted shares granted under the EEP.

Period	Outstanding 1 July	Granted	Vested	Forfeited	Outstanding 30 June	Expense (\$'000)
2024	1,264,801	814,666	(660,513)	(71,394)	1,347,560	67,454
2023	1,325,524	714,452	(706,372)	(68,803)	1,264,801	64,584

The weighted average fair value at grant date of the awards issued during the year was \$101.68 (2023: \$96.34).

Employee Share Acquisition Plan (ESAP)

Under the ESAP eligible employees have the opportunity to receive up to \$1,000 worth of shares each year.

The number of shares a participant receives is calculated by dividing the award amount by the average price paid for CBA shares purchased during the purchase period preceding the grant date. Shares granted are restricted from sale until the earlier of three years or until such time as the participant ceases employment with the Group. Participants receive full dividend entitlements and voting rights attached to ESAP shares.

During the financial year ended 30 June 2024 the Board approved an award of \$1,000 to each eligible employee to recognise their contribution during the previous financial year.

The following table provides details of shares granted under the ESAP.

Period	Allocation date	Participants	Number of shares allocated per participant	Total number of shares allocated	Issue price \$	Total fair value (\$'000)
2024	15 Sep 2023	33,146	9	298,314	101.06	30,148
2023	16 Sep 2022	31,034	10	310,340	96.44	29,929

It is estimated that approximately \$32 million of CBA shares will be awarded under the 2024 grant.

Notes to the Financial Statements

For the year ended 30 June 2024

10.1 Share-based payments (continued)

EEP cash-settled equity awards

EEP cash-settled equity awards are provided to certain employees based overseas to facilitate mandatory short-term variable remuneration deferral, sign-on and retention awards.

The following table provides a summary of the movement in cash-settled awards during the year.

Period	Outstanding 1 July	Granted	Vested	Forfeited	Outstanding 30 June	Expense (\$'000)
2024	166,513	84,923	(78,341)	(11,793)	161,302	7,235
2023	183,678	89,754	(94,327)	(12,592)	166,513	8,209

The weighted average fair value at grant date of the awards issued during the year was \$100.61 (2023: \$95.73).

Salary sacrifice arrangements

The Group facilitates the purchase of CBA shares via salary sacrifice as follows:

Type	Arrangements
Salary sacrifice	<ul style="list-style-type: none"> Australian based employees and Non-Executive Directors can elect to sacrifice between \$2,000 and \$5,000 p.a. of their fixed remuneration and/or annual STVR or fees (in the case of Non-Executive Directors). Restricted from sale for a minimum of two years and a maximum of seven years or earlier, if the employee ceases employment with the Group (or retires from the Group in the case of Non-Executive Directors).
Non-Executive Directors	<ul style="list-style-type: none"> Non-Executive Directors can elect to apply a percentage of after-tax fees towards the acquisition of CBA shares.

Shares are purchased on market at the prevailing market price at that time and receive full dividend entitlements and voting rights. The following table provides details of shares granted under the Employee Salary Sacrifice Share Plan and Non-Executive Director Share Plans (voluntary fee sacrifice).

Period	Participants	Number of shares purchased	Average purchase price \$	Total purchase consideration (\$'000)
2024	1,706	57,017	107.56	6,133
2023	1,676	59,448	101.92	6,059

During the year five (2023: five) Non-Executive Directors applied \$166,200.48 in fees (2023: \$200,618.09) to purchase 1,548 shares (2023: 1,971 shares).

Notes to the Financial Statements

For the year ended 30 June 2024

10.2 Retirement benefit obligations

Name of Plan	Type	Form of Benefit	Date of Last Actuarial Assessment of the Fund
Commonwealth Bank Group Super	Defined benefits and accumulation ¹	Indexed pension and lump sum	30 June 2021
Australian Retirement Trust	Defined benefits and accumulation ¹	Indexed pension and lump sum	N/A ²
Commonwealth Bank of Australia (UK) Staff Benefits Scheme (CBA (UK) SBS)	Defined benefits and accumulation ¹	Indexed pension and lump sum	30 June 2022

¹ The defined benefit formulae are generally based on final salary, or final average salary, and service.

² Actuarial assessment for Australian Retirement Trust will be completed during the financial year ending 30 June 2025.

Regulatory framework

All plans operate under trust law with the assets of the plans held separately in trust. The plans are managed and administered on behalf of the members in accordance with the terms of each trust deed and relevant legislation. The funding of the plans complies with regulations in Australia and the UK respectively.

Funding and contributions

Commonwealth Bank Group Super

On 21 February 2023, the trustee of Group Super (Commonwealth Bank Officers Superannuation Corporation Pty Limited) announced that it had entered into a Memorandum of Understanding to pursue a merger with the Australian Retirement Trust (ART). The merger is occurring via a split successor fund transfer in two tranches. On 4 November 2023, tranche one transfer was completed with a portion of the defined benefit and all defined contribution members transferred to ART. Tranche two transfer to ART for lifetime pension members is expected to be completed during the year ending 30 June 2025.

Following the tranche one transfer to ART, only a portion of the defined benefit members is left in Group Super. The expense recognised in the current period in relation to the contributions was \$119 million. Employer contributions paid to the plan are subject to tax at the rate of 15% in the plan.

Australian Retirement Trust

Following the completion of the tranche one transfer, the expense recognised in the current period in relation to the Group's contribution was \$212 million. The Group agreed to make contributions of \$27 million per year effective from 4 November 2023 to ensure that the defined benefit plans in ART remains in surplus. Employer contributions paid to the plan are subject to tax at the rate of 15% in the plan.

CBA (UK) SBS

On 17 June 2021, the trustees of CBA (UK) SBS executed a GBP426.6 million bulk annuity insurance policy. The insurance policy was purchased using the existing assets of the plan. The transaction secured an insurance asset that fully matches the remaining pension liabilities of the Scheme, and is therefore measured at an amount that matches the scheme liabilities. The Group has no further obligation to make payments into the Scheme but retains responsibility for the benefits provided to the Scheme members.

Notes to the Financial Statements

For the year ended 30 June 2024

10.2 Retirement benefit obligations (continued)

Defined benefit superannuation plan

	Note	Australian Retirement Trust ¹	Commonwealth Bank Group Super		CBA (UK) SBS		Total	
		30 Jun 24 \$M	30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 24 \$M	30 Jun 23 \$M
Present value of funded obligations		(826)	(1,732)	(2,453)	(431)	(435)	(2,989)	(2,888)
Fair value of plan assets		1,046	1,907	3,058	472	478	3,425	3,536
Net pension assets		220	175	605	41	43	436	648
Amounts in the Balance Sheet:								
Assets	6.3	220	175	605	41	43	436	648
Net assets		220	175	605	41	43	436	648
The amounts recognised in the Income Statement are as follows:								
Current service cost		(10)	(5)	(17)	(4)	(2)	(19)	(19)
Net interest income		6	23	25	2	1	31	26
Total included in superannuation plan expense		(4)	18	8	(2)	(1)	12	7
The amounts recognised in the Statement of Comprehensive Income are as follows:								
Return on plan assets (excluding interest income)		71	(115)	67	(1)	(60)	(45)	7
Actuarial (loss)/gain from changes in assumptions		(35)	(54)	34	4	92	(85)	126
Actuarial losses due to experience		(1)	(103)	(99)	(4)	(34)	(108)	(133)
Total included in Other Comprehensive Income		35	(272)	2	(1)	(2)	(238)	–
Member contributions		3	2	5	–	–	5	5
Employer contributions		212	119	357	–	–	331	357
Employer financed benefits within accumulation division ²		(194)	(124)	(300)	–	–	(318)	(300)

1 On 4 November 2023, tranche one transfer was completed with a portion of the defined benefit and all defined contribution members transferred to ART.

2 Represents superannuation contributions made by the Group to meet its obligations to members of the defined contribution plan.

Significant assumptions

	Australian Retirement Trust	Commonwealth Bank Group Super		CBA (UK) SBS	
	30 Jun 24	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
The above calculations were based on the following assumptions:					
Discount rate, %	5.6	5.6	5.7	5.1	5.3
Inflation rate, %	2.7	2.7	2.5	3.4	3.5
Rate of increases in salary, %	3.5	N/A	3.3	N/A	4.5
Life expectancy of a 60 year old male (years)	29.4	29.4	29.3	27.9	28.6
Life expectancy of a 60 year old female (years)	31.5	31.5	31.5	30.0	30.4

Notes to the Financial Statements

For the year ended 30 June 2024

10.2 Retirement benefit obligations (continued)

Sensitivity to changes in assumptions

The table below sets out the sensitivities of the present value of defined benefit obligations for Commonwealth Bank Group Super and ART to changes in the principal actuarial assumptions:

	Australian Retirement Trust	Commonwealth Bank Group Super	
	30 Jun 24	30 Jun 24	30 Jun 23
Impact of change in assumptions on liabilities increase/(decrease)	%	%	%
0.25% increase in discount rate	(3.8)	(2.7)	(3.1)
0.25% increase in inflation rate	3.0	2.7	2.6
0.25% increase to the rate of increases in salary	1.0	N/A	0.4
Longevity increase of one year	1.9	6.0	4.6

CBA (UK) SBS has a low level of risk due to the insurance policy, whereby the present value of the plan liabilities is fully matched by the fair value of the insurance asset.

Average duration

The average duration of defined benefit obligation at 30 June is as follows:

	Australian Retirement Trust	Commonwealth Bank Group Super	CBA (UK) SBS	Commonwealth Bank Group Super	CBA (UK) SBS
	30 Jun 24	30 Jun 24	30 Jun 24	30 Jun 23	30 Jun 23
	Years	Years	Years	Years	Years
Average duration at balance date	10.9	10.9	13.0	10.8	13.0

Risk management

The pension plans expose the Group to longevity risk, currency risk, interest rate risk, inflation risk and market risk. The trustees perform Asset-Liability Matching (ALM) exercises to ensure the plan assets are well matched to the nature and maturities of the defined benefit obligations.

Inflation and interest rate risks are partly mitigated by investing in long dated fixed interest securities which better match the average duration of liabilities and entering into inflation and interest rate swaps.

The allocation of assets backing the defined benefit portion of the Commonwealth Bank Group Super and ART are as follows:

Asset allocations	Australian Retirement Trust		Commonwealth Bank Group Super			
	30 Jun 24		30 Jun 24		30 Jun 23	
	Fair value \$ M	% of plan asset	Fair value \$ M	% of plan asset	Fair value \$ M	% of plan asset
Cash	21	2.0	42	2.2	148	4.8
Equities – Australian ¹	251	24.0	4	0.2	181	5.9
Equities – Overseas ¹	314	30.0	–	–	449	14.7
Bonds – Commonwealth Government ¹	13	1.2	742	38.9	1,054	34.5
Bonds – Semi-Government ¹	8	0.8	621	32.5	743	24.3
Bonds – Corporate and other ¹	172	16.5	396	20.8	38	1.2
Real Estate and Infrastructure ²	199	19.0	–	–	307	10.0
Other ³	68	6.5	102	5.4	138	4.6
Total fair value of plan assets	1,046	100.0	1,907	100.0	3,058	100.0

¹ Values based on prices or yields quoted in an active market.

² This includes listed and unlisted property and infrastructure investments.

³ These are alternative investments which are not included in the traditional asset classes of equities, fixed interest securities, real estate and cash. They include multi-asset investments, liquid alternative investments and hedge funds.

The Australian equities fair value includes \$21.4 million (30 June 2023: \$4.8 million) of Commonwealth Bank shares. The real estate fair value includes \$1.7 million (30 June 2023: \$0.5 million) of property assets leased to the Bank. Corporate and other bonds at 30 June 2024 includes \$7.9m of Commonwealth Bank debt securities (30 June 2023: Nil).

Notes to the Financial Statements

For the year ended 30 June 2024

10.3 Key management personnel

Detailed remuneration disclosures by Key Management Personnel (KMP) are provided in the Remuneration Report of the Directors' Report on pages 13 to 41.

	Group		Bank	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
Key management personnel compensation	\$'000	\$'000	\$'000	\$'000
Short-term benefits ¹	21,835	23,001	20,281	21,518
Post-employment benefits	476	488	433	445
Long-term benefits	373	345	334	307
Share-based payments	21,051	21,695	19,285	19,973
Total	43,735	45,529	40,333	42,243

¹ Short-term benefits include termination benefits of \$611,301 (30 June 2023: Nil).

Security holdings

Details of the aggregate security holdings of KMP are set out below.

	Equity Class ¹	Balance 1 July 23 ²	Acquired/ Granted as remuneration	Previous years awards vested ³	Net change other ⁴	Balance 30 June 24 ⁵
	PERLS	3,924	–	–	(2,120)	1,804
Executives	Ordinary	365,117	–	271,927	(358,026)	279,018
	Deferred STVR shares	80,170	52,487	(55,585)	(6,772)	70,300
	LTAR restricted share units	298,974	89,309	–	(35,433)	352,850
	LTVR performance rights	535,587	89,306	(215,652)	(52,999)	356,242
	Deferred one-off shares	3,451	–	(690)	–	2,761
	PERLS	626	–	–	(626)	–

¹ LTVR performance rights are subject to performance hurdles. Deferred STVR shares represent the STVR previously awarded under executive arrangements in prior years, as well as the CEO ASB's 2019 financial year deferred STVR award. Deferred one-off shares includes one-off awards received as deferred shares. PERLS include cumulative holdings of all PERLS securities issued by the Group.

² Comparative information has been restated to reflect prior period adjustments.

³ LTVR performance rights, LTAR restricted share units and deferred STVR shares become ordinary shares (as applicable) or are cash settled upon vesting.

⁴ Net change other incorporates changes resulting from purchases, sales, forfeitures and other transfers of securities, including changes to the KMP population during the year.

⁵ 30 June 2024 balances represent aggregate shareholdings of all KMP at balance date. This does not include KMP who ceased during the 2024 financial year.

⁶ Non-Executive Directors are required to hold CBA shares equivalent to 100% of Board Chair fees for the Chair and 100% of Board member fees for Non-Executive Directors. This is to be accumulated over five years commencing on the later of 1 July 2019 or the date of appointment, valued with reference to the prevailing CBA share price at the relevant accumulation commencement date.

Loans to KMP

All loans to KMP (including close family members or entities controlled, jointly controlled, or significantly influenced by them, or any entity over which any of those family members or entities held significant voting power) have been made in the ordinary course of business on normal commercial terms and conditions no more favourable than those given to other employees and customers, including the term of the loan, security required and the interest rate (which may be fixed or variable). There has been no write down of loans during the period.

Details of aggregate loans to KMP are set out below:

	30 Jun 24	30 Jun 23 ¹
	\$'000	\$'000
Loans	17,357	16,612
Interest charged	473	500

¹ Comparative information has been restated to reflect prior period adjustments.

Notes to the Financial Statements

For the year ended 30 June 2024

10.3 Key management personnel (continued)

Other transactions of KMP

Financial instrument transactions

Financial instrument transactions (other than loans and shares disclosed within this report) of KMP occur in the ordinary course of business on normal commercial terms and conditions no more favourable than those given to other employees and customers.

Disclosure of financial instrument transactions regularly made as part of normal banking operations is limited to disclosure of such transactions with KMP and entities controlled or significantly influenced by them.

All such financial instrument transactions that have occurred between entities within the Group and their KMP have been trivial or domestic in nature and were in the nature of normal personal banking and deposit transactions.

Transactions other than financial instrument transactions of banks

All other transactions with KMP and their related entities and other related parties are conducted on an arm's length basis in the normal course of business and on commercial terms and conditions. These transactions principally involve the provision of financial and investment services by entities not controlled by the Group.

Services agreements

The maximum contingent liability for termination benefits in respect of service agreements with the Chief Executive Officer and other KMP at 30 June 2024 was \$1,275,364 (30 June 2023: \$1,873,998).

Notes to the Financial Statements

For the year ended 30 June 2024

11 Group structure

OVERVIEW

The Group structure includes the Bank legal entity and its interests in operating and special purpose subsidiaries, joint ventures and associates. These entities were either acquired or established and their classification is driven by the Bank's level of control or influence.

The operating activities of these entities include banking, advice, funds management, specialised customer financing and asset backed financing across multiple jurisdictions.

11.1 Investments in subsidiaries and other entities

Subsidiaries

The key subsidiaries of the Bank are:

Entity Name	Entity Name
Australia	
CBA Covered Bond Trust	Medallion Trust Series 2017-1
Commonwealth Securities Limited	Medallion Trust Series 2017-1P
Medallion Trust Series 2008-1R	Medallion Trust Series 2017-2
Medallion Trust Series 2014-1P	Medallion Trust Series 2018-1
Medallion Trust Series 2014-2	Medallion Trust Series 2018-1P
Medallion Trust Series 2015-1	Medallion Trust Series 2019-1
Medallion Trust Series 2015-2	Medallion Trust Series 2023-1
Medallion Trust Series 2016-1	Medallion Trust Series 2023-2
Medallion Trust Series 2016-2	Residential Mortgage Group Pty Ltd

All the above subsidiaries are 100% owned and incorporated in Australia.

Entity Name	Incorporated in
New Zealand and other overseas	
ASB Bank Limited	New Zealand
ASB Covered Bond Trust	New Zealand
ASB Holdings Limited	New Zealand
ASB Term Fund	New Zealand
Medallion NZ Series Trust 2009-1R	New Zealand
Commonwealth Bank of Australia (Europe) N.V.	The Netherlands

All the above subsidiaries are 100% owned.

Notes to the Financial Statements

For the year ended 30 June 2024

11.1 Investments in subsidiaries and other entities (continued)

Critical accounting judgements and estimates

Control and voting rights

Determining whether the Group has control is generally straightforward based on ownership of the majority of the voting rights. Holding more than 50% of an entity's voting rights typically indicates that the Group has control over the entity. Significant judgement is involved where either the Group is deemed to control an entity despite holding less than 50% of the voting rights, or where the Group does not control an entity despite holding more than 50% of the voting rights.

Agent or principal

The Group is deemed to have power over an investment fund when it holds either the responsible entity (RE) and/or the manager function of that fund. Whether that power translates to control depends on whether the Group is deemed to act as an agent or a principal of that fund. Management have determined that the Group acts as a principal and controls a fund when it cannot be easily removed as a manager or RE by investors and when its economic interest in that fund is substantial compared to the economic interest of other investors. In all other cases the Group acts as agent and does not control the fund.

Significant restrictions

There were no significant restrictions on the ability to transfer cash or other assets, pay dividends or other capital distributions, provide or repay loans and advances between the entities within the Group. There were also no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of the Group resulting from protective rights of non-controlling interests.

Associates and joint ventures

There were no significant restrictions on the ability of associates or joint ventures to transfer funds to the Bank or its subsidiaries in the form of cash dividends or to repay loans or advances made.

The Group's investments in associates and joint ventures are shown in the table below.

	Group ¹						
	30 June 24	30 June 23	30 June 24	30 June 23	Principal activities	Country of incorporation	Balance date
	\$M	\$M	Ownership interest %	Ownership interest %			
Vietnam International Commercial Joint Stock Bank	601	584	20	20	Commercial banking	Vietnam	31-Dec
Superannuation and Investments HoldCo Pty Limited	406	419	45	45	Wealth management	Australia	30-Jun
PEXA Group Limited	310	321	24	24	Property settlement	Australia	30-Jun
Lendi Group Pty Ltd	240	366	42	42	Mortgage broking	Australia	30-Jun
Other	114	137	Various	Various	Various	Various	Various
Carrying amount of investments in associates and joint ventures	1,671	1,827					

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

	Group ¹	
	30 June 24	30 June 23
	\$M	\$M
Share of associates' and joint ventures profits		
Operating profits/(losses) before income tax	44	(22)
Income tax (expense)/benefit	(5)	20
Operating profits/(losses) after income tax ²	39	(2)

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² This amount is recognised net of impairment in the share of profits of associates and joint ventures within net other operating income.

Notes to the Financial Statements

For the year ended 30 June 2024

11.1 Investments in subsidiaries and other entities (continued)

Structured entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. Structured entities are generally created to achieve a narrow and well defined objective with restrictions around their ongoing activities. Depending on the Group's power over the activities of the entity and its exposure to and ability to influence its own returns, it may consolidate the entity. In other cases, it may sponsor or have exposure to such an entity but not consolidate it.

Consolidated structured entities

The Group has the following contractual arrangements which require it to provide financial support to its structured entities.

Securitisation structured entities

The Group provides liquidity facilities to Medallion and Medallion NZ structured entities. The liquidity facilities can only be drawn to cover cash flow shortages relating to mismatches in timing of cash inflows due from securitised asset pools and cash outflows due to note holders. These "timing mismatch" facilities rank pari passu with other senior secured creditors. The facilities limit is \$1,473 million (30 June 2023: \$1,498 million). This includes \$1,225 million (30 June 2023: \$1,225 million) in relation to the structured entity where the Bank holds all of the issued instruments and \$1,371 million (30 June 2023: \$1,372 million) where the Group holds all of the issued instruments.

The Group has no contractual obligations to purchase assets from its securitisation structured entities.

Covered bonds trust

The Group provides funding and support facilities to CBA Covered Bond Trust and ASB Covered Bond Trust (the 'Trusts'). The Trusts are bankruptcy remote SPVs that guarantee any debt obligations owing under the US\$40 billion CBA Covered Bond Programme and the EUR7 billion ASB Covered Bond Programme, respectively. The funding facilities allow the Trusts to hold sufficient residential mortgage loans to support the guarantees provided to the Covered Bonds. The Group also provides various swaps to the Trusts to hedge any interest rate and currency mismatches. The Group, either directly or via its wholly owned subsidiaries, Securitisation Advisory Services Pty Limited and Securitisation Management Services Limited, provides various services to the Trusts including servicing and monitoring of the residential mortgages.

Structured asset finance structured entities

The Group has no contractual obligation to provide financial support to any of its structured asset finance structured entities.

During the year ended 30 June 2023, the Bank entered into a debt forgiveness arrangement with four wholly owned structured entities for a total of \$55 million. The financial impact of the debt forgiveness was fully eliminated on consolidation.

Unconsolidated structured entities

The Group has exposure to various securitisation vehicles via Residential Mortgage-backed Securities (RMBS) and Asset-backed Securities (ABS). The Group may also provide derivatives and other commitments to these vehicles. The Group also has exposure to investment funds and other financing vehicles.

Securitisations

Securitisations involve transferring assets into an entity that sells beneficial interests to investors through the issue of debt and equity notes with varying levels of subordination. The notes are collateralised by the assets transferred to these vehicles and pay a return based on the returns of those assets, with residual returns paid to the most subordinated investor.

The Group may trade or invest in RMBS and ABS, which are backed by Commercial Properties, Consumer Receivables, Equipment and Auto Finance. The Group may also provide lending, derivatives, liquidity and commitments to these securitisation entities.

Other financing

Asset-backed entities are used to provide tailored lending for the purchase or lease of assets transferred by the Group or its clients. The assets are normally pledged as collateral to the lenders. The Group engages in raising finance for assets such as aircraft, trains, vessels and other infrastructure. The Group may also provide lending, derivatives, liquidity and commitments to these entities.

Investment funds

The Group conducts investment management and other fiduciary activities as responsible entity, trustee, custodian, adviser or manager for investment funds and trusts, including superannuation and approved deposit funds, wholesale and retail trusts. The Group's exposure to investment funds includes holding units in the investment funds and trusts, providing lending facilities, derivatives and receiving fees for services.

The nature and extent of the Group's interests in these entities are summarised below. Interests do not include derivatives and other positions where the Group creates rather than absorbs variability of the structured entity, for example deposits the funds place with the Group. These have been excluded from the tables on pages 185 to 186.

Notes to the Financial Statements

For the year ended 30 June 2024

11.1 Investments in subsidiaries and other entities (continued)

	30 Jun 24				
	RMBS \$M	ABS \$M	Other financing \$M	Investment funds \$M	Total \$M
Exposures to unconsolidated structured entities					
Investment securities	3,177	157	–	–	3,334
Loans and other receivables	8,132	2,665	3,398	4,088	18,283
Total on Balance Sheet exposures	11,309	2,822	3,398	4,088	21,617
Total notional amounts of off Balance Sheet exposures ¹	4,186	1,194	1,258	5,852	12,490
Total maximum exposure to loss	15,495	4,016	4,656	9,940	34,107
Total assets of the entities ²	50,629	13,999	9,647	29,300	103,575

1 Relates to undrawn facilities.

2 Size of the entities is generally the total assets of the entities, except for Real Estate Investment Trusts where the size is based on the Group's credit exposure of \$9,924 million.

	30 Jun 23				
	RMBS \$M	ABS \$M	Other financing \$M	Investment funds \$M	Total \$M
Exposures to unconsolidated structured entities					
Investment securities	3,000	114	–	–	3,114
Loans and other receivables	7,827	3,214	2,438	4,486	17,965
Total on Balance Sheet exposures	10,827	3,328	2,438	4,486	21,079
Total notional amounts of off Balance Sheet exposures ¹	4,888	776	1,119	5,699	12,482
Total maximum exposure to loss	15,715	4,104	3,557	10,185	33,561
Total assets of the entities ²	43,442	13,094	10,946	29,559	97,041

1 Relates to undrawn facilities.

2 Size of the entities is generally the total assets of the entities, except for Real Estate Investment Trusts where the size is based on the Group's credit exposure of \$10,169 million.

The Group's exposure to loss depends on the level of subordination of the interest, which indicates the extent to which other parties are obliged to absorb credit losses before the Group. An overview of the Group's interests, relative ranking and external credit rating, for vehicles that have credit subordination in place, is summarised in the table below, and includes securitisation vehicles and other financing.

	30 Jun 24			
	RMBS \$M	ABS \$M	Other financing \$M	Total \$M
Ranking and credit rating of exposures to unconsolidated structured entities				
Senior ¹	15,475	4,016	4,656	24,147
Mezzanine ²	20	–	–	20
Total maximum exposure to loss	15,495	4,016	4,656	24,167

1 All ABS and RMBS exposures and \$3,397 million of other financing exposures are rated investment grade. \$1,259 million of other financing exposures are sub-investment grade.

2 All RMBS exposures are rated investment grade.

Notes to the Financial Statements

For the year ended 30 June 2024

11.1 Investments in subsidiaries and other entities (continued)

Ranking and credit rating of exposures to unconsolidated structured entities	30 Jun 23			
	RMBS \$M	ABS \$M	Other financing \$M	Total \$M
Senior ¹	15,707	4,100	3,557	23,364
Mezzanine ²	8	4	–	12
Total maximum exposure to loss	15,715	4,104	3,557	23,376

1 All ABS and RMBS exposures and \$2,541 million of other financing exposures are rated investment grade. \$1,016 million of other financing exposures are sub-investment grade.

2 All RMBS exposures are rated investment grade.

Sponsored unconsolidated structured entities

For the purposes of this disclosure, the Group sponsors an entity when it manages or advises the entity's program, places securities into the market on behalf of the entity, provides liquidity and/or credit enhancements to the entity, or the Group's name appears in the Structured Entity.

As at 30 June 2024, the Group has not sponsored any unconsolidated structured entities.

ACCOUNTING POLICIES

Subsidiaries

The consolidated financial report comprises the financial report of the Bank and its subsidiaries. Subsidiaries are entities (including structured entities) over which the Bank has control. The Bank controls an entity when it has:

- power over the relevant activities of the entity, for example through voting or other rights;
- exposure to, or rights to, variable returns from the Bank's involvement with the entity; and
- the ability to use its power over the entity to affect the Bank's returns from the entity.

Consolidation of structured entities

The Group exercises judgement at inception and periodically thereafter, to assess whether that structured entity should be consolidated based on the Bank's power over the relevant activities of the entity and the significance of its exposure to variable returns of the structured entity. Such assessments are predominately required for the Group's securitisation program, structured transactions and involvement with investment funds.

Transactions between subsidiaries in the Group are eliminated. Non-controlling interests and the related share of profits in subsidiaries are shown separately in the consolidated Income Statement, Statement of Comprehensive Income, and Balance Sheet. Subsidiaries are consolidated from the date on which control is transferred to the Group and de-consolidated when control ceases. Subsidiaries are accounted for at cost less accumulated impairments at the Bank level.

Business combinations

Business combinations are accounted for using the acquisition method. At the acquisition date, the cost of the business is the fair value of the purchase consideration, measured as the aggregate of the fair values of assets transferred, equity instruments issued, or liabilities incurred or assumed at the date of exchange.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at fair value on the acquisition date. Goodwill represents the excess of the fair value of the purchase consideration over the fair value of the Group's share of assets acquired and liabilities and contingent liabilities assumed on the date of acquisition. If there is a deficit instead, the discount on acquisition is recognised directly in the consolidated Income Statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Investments in associates and joint ventures

Associates and joint ventures are entities over which the Group has significant influence or joint control, but not control. In the consolidated financial report, they are equity accounted. They are initially recorded at cost and adjusted for the Group's share of the associates' and joint ventures' post-acquisition profits or losses and other comprehensive income, less any dividends received. At the Bank level, they are accounted for at cost less accumulated impairments.

The Group assesses, at each balance sheet date, whether there is any objective evidence of impairment. If there is an indication that an investment may be impaired, then the entire carrying amount of the investment in associate or joint venture is tested for impairment by comparing the recoverable amount (higher of value in use and fair value less disposal costs) with the carrying amount. The subsequent reversal of impairment losses is recognised in the Income Statement if there has been a change in the estimates used to determine the recoverable amount since the impairment loss was recognised.

Notes to the Financial Statements

For the year ended 30 June 2024

11.2 Related party disclosures

Banking transactions are entered into with related parties in the normal course of business on an arm's length basis. These include loans, deposits and foreign currency transactions, upon which some fees and commissions may be earned. Details of amounts paid or received from related parties, in the form of interest or dividends, are set out in Notes 2.1 and 2.3.

The Bank's aggregate investments in, and loans to controlled entities are disclosed in the table below. Amounts due to controlled entities are disclosed in the Balance Sheet of the Bank.

	Bank	
	30 June 24	30 June 23
	\$M	\$M
Shares in controlled entities	8,093	8,623
Loans to controlled entities at amortised cost	49,224	45,377
Loans to controlled entities at fair value through Income Statement	911	636
Total shares in and loans to controlled entities	58,228	54,636

As at 30 June 2024, loans to controlled entities at amortised cost in the table above are presented net of \$9 million provisions for impairment (30 June 2023: \$11 million).

One of the Bank's subsidiaries issued a professional indemnity insurance policy to the Group's controlled entities holding an Australian Financial Services or Australian Credit licence. The total amount insured under this policy as at 30 June 2024 was up to \$99 million (30 June 2023: \$124 million). The subsidiary also issues a comprehensive crime and professional indemnity insurance policy to the Group. The total amount insured under this policy as at 30 June 2024 was up to \$100 million (30 June 2023: \$150 million).

As at 30 June 2024, the Bank had reimbursement arrangements in place totalling \$16 million (30 June 2023: \$82 million), for Aligned Advice remediation with its subsidiaries Financial Wisdom Limited, and Commonwealth Financial Planning Limited including the Pathways business (CFP-Pathways), to cover potential remediation of inappropriate advice and other matters. The Group and the Bank have provided for these costs.

As at 30 June 2024, the Bank has an indemnity deed in place with Count Financial and Count Limited (previously known as CountPlus) with a \$520 million limit (30 June 2023: \$520 million), to cover potential remediation of ongoing service failures to customers, inappropriate advice and other matters. The Group and the Bank have provided for these costs.

The Bank is the head entity of the tax consolidated group and has entered into tax funding and tax sharing agreements with its eligible Australian resident subsidiaries. The details of these agreements are set out in Note 2.5. The amount receivable by the Bank under the tax funding agreement with the tax consolidated entities is \$93 million as at 30 June 2024 (30 June 2023: \$190 million). This balance is included in 'Other assets' in the Bank's separate Balance Sheet.

All transactions between Group entities are eliminated on consolidation.

ACCOUNTING POLICIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or a separate party controls both. The definition includes subsidiaries, associates, joint ventures, pension plans as well as other persons.

Notes to the Financial Statements

For the year ended 30 June 2024

11.3 Discontinued operations and businesses held for sale

The Group completed the following business divestments during the years ended 30 June 2024 and 30 June 2023:

PT Bank Commonwealth

On 16 November 2023, the Group announced that it entered into a binding agreement to sell its 99% shareholding in its Indonesian banking subsidiary, PT Bank Commonwealth (PTBC), to PT Bank OCBC NISP Tbk (OCBC Indonesia), a subsidiary of Oversea-Chinese Banking Corporation Limited (OCBC) for an upfront cash consideration of \$188 million. The sale completed on 1 May 2024, resulting in a total post-tax loss of \$298 million. The loss includes a \$133 million impairment loss on remeasurement of PTBC's net assets to fair value, an additional \$100 million loss recognised upon the completion of the sale, and \$65 million of separation costs.

Commlnsure General Insurance

On 21 June 2021, the Group announced the sale of Commlnsure General Insurance to Hollard Insurance Company Pty Ltd (Hollard). As part of the sale, the Group established an exclusive 15-year strategic alliance with Hollard for the distribution of home and motor vehicle insurance products. The sale of Commlnsure General Insurance to Hollard completed on 30 September 2022, resulting in a total post-tax gain of \$66 million net of transaction and separation costs. This includes a \$179 million post-tax gain recognised during the year ended 30 June 2023, and post-tax transaction and separation costs of \$46 million and \$67 million recognised during the years ended 30 June 2022 and 2021, respectively.

PTBC and Commlnsure General Insurance did not represent separate major lines of the Group's business and were not classified as discontinued operations.

Financial impact of discontinued operations on the Group

	Full year ended ¹		
	30 June 24	30 June 23	30 June 22
	\$M	\$M	\$M
Net other operating income	42	71	381
Operating expenses	(26)	(45)	(217)
Net profit before income tax	16	26	164
Income tax expense	(5)	(8)	(51)
Net profit after income tax and before transaction and separation costs	11	18	113
(Losses)/gains on disposals of businesses net of transaction and separation costs ²	(98)	(116)	985
Net (loss)/profit after income tax from discontinued operations attributable to equity holders of the Bank	(87)	(98)	1,098

¹ Income Statement for discontinued operations includes CFS.

² Includes post-completion adjustments (such as purchase price adjustments, and finalisation of accounting adjustments for goodwill and foreign currency transaction reserve recycling), and transaction and separation costs associated with previously announced divestments.

Notes to the Financial Statements

For the year ended 30 June 2024

11.3 Discontinued operations and businesses held for sale (continued)

Earnings per share for (loss)/profit from discontinued operations attributable to equity holders of the Bank

	Full year ended		
	30 June 24	30 June 23	30 June 22
	Cents per Share		
Earnings per share from discontinued operations:			
Basic	(5.2)	(5.8)	63.7
Diluted	(4.9)	(5.5)	59.9

Cash flow statement

	Full year ended ¹		
	30 June 24	30 June 23	30 June 22
	\$M	\$M	\$M
Net cash used in operating activities	–	–	(53)
Net cash used in investing activities	–	–	(79)
Net cash used in financing activities	–	–	(228)
Net cash outflows from discontinued operations	–	–	(360)

¹ Represents cash flows from the underlying businesses classified as discontinued operations and excludes proceeds from disposal, post-completion adjustments, and transaction and separation costs.

Balance Sheet

As at 30 June 2024 the Group's assets held for sale include certain structured asset finance leases and properties held for sale of \$870 million (30 June 2023: \$5 million).

ACCOUNTING POLICIES

Non-current assets (including disposal groups) are classified as held for sale if they will be recovered primarily through sale rather than through continuing use. Non-current assets which are to be abandoned, or businesses which are to be closed, are not classified as held for sale, since the carrying amount will be recovered principally through continuing use. A discontinued operation is a component of an entity that has been sold, or classified as held for sale, and represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Notes to the Financial Statements

For the year ended 30 June 2024

12 Other

OVERVIEW

This section includes other information required to provide a more complete view of our business. It includes customer related commitments and contingencies that arise in the ordinary course of business. In addition, it covers the impact of adopting new accounting standards, notes to the Statement of Cash Flows, remuneration of auditors, and details of events that have taken place subsequent to the balance sheet date.

12.1 Contingent liabilities, contingent assets and commitments arising from the banking business

Details of contingent liabilities and off Balance Sheet instruments are presented below and in Note 7.1, in relation to litigation, investigations and reviews. The face value represents the maximum amount that could be lost if the counterparty fails to meet its financial obligations. The credit equivalent amounts are a measure of potential loss to the Group in the event of non-performance by the counterparty. The credit commitments shown in the table below also constitute contingent assets. These commitments would be classified as loans and other assets in the Balance Sheet should they be drawn upon by the customer.

	Group ¹			
	Face value		Credit equivalent	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Credit risk related instruments				
Financial guarantees	3,814	3,823	3,538	3,553
Performance related contingencies	13,650	12,722	7,518	7,011
Commitments to provide credit and other commitments	185,776	185,302	146,007	146,405
Total credit risk related instruments	203,240	201,847	157,063	156,969

¹ Comparative information has been restated to conform to presentation in the current period.

	Bank ¹			
	Face value		Credit equivalent	
	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M
Credit risk related instruments				
Financial guarantees	3,160	3,132	2,983	2,937
Performance related contingencies	13,650	12,722	7,518	7,011
Commitments to provide credit and other commitments	171,141	169,970	133,166	133,051
Total credit risk related instruments	187,951	185,824	143,667	142,999

¹ Comparative information has been restated to conform to presentation in the current period.

Notes to the Financial Statements

For the year ended 30 June 2024

12.1 Contingent liabilities, contingent assets and commitments arising from the banking business (continued)

ACCOUNTING POLICIES

The types of instruments included in this category are:

- **Financial guarantees** are unconditional undertakings given to support the obligations of a customer to third parties. They include documentary letters of credit which are undertakings by the Group to pay or accept drafts drawn by a supplier of goods against presentation of documents in the event of payment default by a customer. Financial guarantees are recognised within other liabilities and are initially measured at their fair value, equal to the premium received. Subsequent to initial recognition, the Group's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the Income Statement and the expected credit losses. Any increase in the liability relating to financial guarantees is recorded in the Income Statement. The premium received is recognised in the Income Statement in other operating income on a straight-line basis over the life of the guarantee;
- **Performance related contingencies** are undertakings that oblige the Group to pay third parties should a customer fail to fulfil a contractual non-monetary obligation and are measured with reference to expected credit losses of which the inherent credit risk is managed and monitored by the Group; and
- **Commitments to provide credit** include obligations on the part of the Group to provide credit facilities against which clients can borrow money under defined terms and conditions. Such loan commitments are made either for a fixed period, or are cancellable by the Group subject to notice conditions. As facilities may expire without being drawn upon, the notional amounts do not necessarily reflect future cash requirements. Loan commitments must be measured with reference to expected credit losses required to be recognised. In the case of undrawn loan commitments, the inherent credit risk is managed and monitored by the Group together with the drawn component as a single credit exposure. The exposure at default on the entire facility is used to calculate the cumulative expected credit losses.

The details of the Group's accounting policies and critical judgements and estimates involved in calculating impairment provisions are provided in Note 3.2.

Notes to the Financial Statements

For the year ended 30 June 2024

12.2 Notes to the Statements of Cash Flows

(a) Reconciliation of net profit after income tax to net cash provided by operating activities

	Group ¹			Bank ¹	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Net profit after income tax ²	9,394	9,998	10,690	8,613	9,280
Increase in interest receivable	(645)	(1,795)	(162)	(712)	(1,833)
Increase in interest payable	1,846	3,876	316	1,689	3,416
Net loss/(gain) on sale of controlled entities and associates	221	(291)	(2,079)	366	19
Net loss/(gain) on sale of property, plant and equipment	2	4	(12)	4	4
Equity accounting profit	95	19	(382)	140	8
Loan impairment expense/(benefit)	802	1,108	(357)	715	1,031
Depreciation and amortisation (including asset write downs)	1,440	1,110	1,518	1,232	922
Decrease in other provisions	(157)	(708)	(121)	(179)	(671)
(Decrease)/increase in income taxes payable	(178)	400	97	(186)	217
Increase/(decrease) in deferred tax liabilities	24	(17)	(65)	23	(32)
Decrease/(increase) in deferred tax assets	15	(627)	(1,075)	197	(555)
Decrease/(increase) in accrued fees/reimbursements receivable	23	(143)	(45)	28	(44)
Increase/(decrease) in accrued fees and other items payable	248	549	(346)	220	402
Cash flow hedge ineffectiveness	8	(8)	4	3	(4)
Fair value hedge ineffectiveness	25	7	(8)	10	(34)
Dividend received – controlled entities and associates	–	–	–	(1,072)	(1,233)
Changes in operating assets and liabilities arising from cash flow movements	(38,500)	(21,601)	13,851	(38,669)	(21,592)
Other	(286)	(271)	1,416	(234)	(278)
Net cash (used in)/provided by operating activities	(25,623)	(8,390)	23,240	(27,812)	(10,977)

¹ Comparative information has been revised to reflect the change detailed in Note 1.1.

² Includes non-controlling interest.

(b) Reconciliation of cash

For the purposes of the Statements of Cash Flows, cash and cash equivalents include cash and money at short call.

	Group			Bank	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 24	30 Jun 23
	\$M	\$M	\$M	\$M	\$M
Notes, coins and cash at banks	47,321	107,172	119,355	42,896	98,730
Cash and cash equivalents at end of year	47,321	107,172	119,355	42,896	98,730

(c) Disposal of controlled entities

	Group		
	30 Jun 24	30 Jun 23	30 Jun 22
	\$M	\$M	\$M
Net assets	401	333	472
Cash consideration received	188	567	1,990
Cash and cash equivalents held in disposed entities	65	–	15

Notes to the Financial Statements

For the year ended 30 June 2024

12.3 Remuneration of auditors

During the financial year, the following fees were paid or payable for services provided by the auditor of the Group and the Bank, and its network firms:

	Group		Bank	
	30 Jun 24 \$'000	30 Jun 23 \$'000	30 Jun 24 \$'000	30 Jun 23 \$'000
Audit and review services				
Audit and review of financial statements – Group	23,155	22,583	23,155	22,583
Audit and review of financial statements – Controlled entities	7,617	6,026	1,293	1,146
Total remuneration for audit and review services	30,772	28,609	24,448	23,729
Other statutory assurance services	4,740	4,173	4,512	4,001
Other assurance services	9,215	8,005	7,686	6,715
Total remuneration for assurance services	13,955	12,178	12,198	10,716
Total remuneration for audit, review and assurance services	44,727	40,787	36,646	34,445
Other non-audit services				
Taxation advice and tax compliance services	56	377	42	231
Other services	147	38	–	2
Total remuneration for other non-audit services	203	415	42	233
Total remuneration for audit, review, assurance and other services ¹	44,930	41,202	36,688	34,678

¹ An additional amount of \$2,309,242 (30 June 2023: \$1,577,288) was paid to PricewaterhouseCoopers by way of fees for entities not consolidated into the financial statements. Of this amount, \$1,593,790 (30 June 2023: \$1,326,549) relates to audit, review and assurance services.

The Audit Committee has considered the non-audit services provided by PricewaterhouseCoopers and is satisfied that the services and the level of fees are compatible with maintaining auditors' independence. All such services were approved by the Audit Committee in accordance with pre-approved policies and procedures.

Other statutory assurance services relate to engagements required under prudential standards and other legislative or regulatory requirements. Other assurance services include assurance and attestation relating to Pillar 3, climate and sustainability reporting, comfort letters over financing programmes as well as agreed upon procedures.

Taxation services include assistance with tax return submissions and advice on tax legislation.

Other services include procedures over divestment completion accounts and benchmarking activities.

Notes to the Financial Statements

For the year ended 30 June 2024

12.4 Subsequent events

The Directors have determined a fully franked final dividend of 250 cents per share amounting to \$4,184 million.

Dividend Reinvestment Plan (DRP)

The Bank expects the DRP for the final dividend for the year ended 30 June 2024 will be satisfied in full by an on-market purchase of shares of approximately \$560 million based on historical DRP participation rate.

Share buy-back

On 14 August 2024, the Bank announced a 12 month extension of the on-market share buy-back of up to \$1 billion of shares announced on 9 August 2023 (of which \$282 million was completed during the year ended 30 June 2024). The Bank reserves the right to vary, suspend or terminate the buy-back at any time.

Consolidated entity disclosure statement

The table below includes consolidated entity information required by section 295 of the *Corporations Act 2001* (Cth):

Entity Registered Name	Entity Type	Place formed or incorporated	Percentage of share capital held (%)	Tax residency	
				Australian or foreign	Foreign jurisdiction
Aircraft MSN 37125 (Australia) Trust	Trust	N/A	N/A	Australia	N/A
Aircraft MSN 37129 (Australia) Trust	Trust	N/A	N/A	Australia	N/A
ASB Bank Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
ASB Cash Fund	Trust	N/A	N/A	Foreign	New Zealand
ASB Covered Bond Trust	Trust	N/A	N/A	Foreign	New Zealand
ASB Group Investments Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
ASB Holdings Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
ASB Management Services Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
ASB Nominees Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
ASB Securities Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
ASB Term Fund	Trust	N/A	N/A	Foreign	New Zealand
Asklepios Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
BW Financial Advice Pty Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
BWA Group Services Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
BWA Intellectual Property Holdings Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Capital 121 Pty Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
CBA A320 6749 Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CBA A320 Aircraft No1 Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
CBA A330 1561 Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
CBA Aircraft Leasing 2 Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
CBA B377 37091 Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
CBA B738 39822 Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CBA B773 60333 Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
CBA Captive Insurance Pte. Ltd.	Body Corporate	Singapore	100.00	Foreign	Singapore
CBA Corporate Services (NSW) Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CBA Corporate Services (VIC) Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CBA Covered Bond Trust	Trust	N/A	N/A	Australia	N/A
CBA ES Business Services Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
CBA Europe Limited	Body Corporate	United Kingdom	100.00	Foreign	United Kingdom
CBA Funding (NZ) Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
CBA Group Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CBA Investments (No 4) Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
CBA New Digital Businesses Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
CBA SAF Holding Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CBA SAF UK Limited	Body Corporate	United Kingdom	100.00	Foreign	United Kingdom
CBA Services International Limited	Body Corporate	United Kingdom	100.00	Foreign	United Kingdom
CBA Services Private Limited	Body Corporate	India	100.00	Foreign	India
CBA Specialised Financing Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CBFC Leasing Pty Limited	Body Corporate	Australia	100.00	Australia	N/A

Entity Registered Name	Entity Type	Place formed or incorporated	Percentage of share capital held (%)	Tax residency	
				Australian or foreign	Foreign jurisdiction
CBFC Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CMG Asia Life Holdings Limited ¹	Body Corporate	Bermuda	100.00	Australia	N/A
CMG Asia Pty Ltd ¹	Body Corporate	Australia	100.00	Australia	N/A
Colonial Holding Company Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Colonial Services Pty Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Commbank Foundation	Trust	N/A	N/A	Australia	N/A
Commbank Staff Foundation Limited ²	Body Corporate	Australia	100.00	Australia	N/A
Commonwealth Australia Securities LLC	Body Corporate	United States	100.00	Foreign	United States
Commonwealth Bank of Australia	Body Corporate	Australia	N/A	Australia	N/A
Commonwealth Bank of Australia (Europe) N.V.	Body Corporate	Netherlands	100.00	Foreign	Netherlands
Commonwealth Bank of Australia Share Plan Trust	Trust	N/A	N/A	Australia	N/A
Commonwealth Bank Officers Superannuation Corporation Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
Commonwealth Financial Planning Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Commonwealth Insurance Holdings Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Commonwealth Investments Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
Commonwealth Private Limited	Body Corporate	Australia	100.00	Australia	N/A
Commonwealth Securities Limited	Body Corporate	Australia	100.00	Australia	N/A
CommSec Custodial Nominees Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
Commonwealth International Holdings Pty Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Comsec Nominees Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CPM Transform HoldCo Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
CTB Australia Limited	Body Corporate	Hong Kong	100.00	Foreign	Hong Kong
Doshii Connect Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Financial Wisdom Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Homepath Pty Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Inverloch Leasing Pty Limited	Body Corporate	Australia	99.00	Australia	N/A
IWL Broking Solutions Pty Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Medallion NZ Series 2009-1R	Trust	N/A	N/A	Foreign	New Zealand
Medallion Trust Series 2008-1R	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2013-2	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2014-1	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2014-1P	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2014-2	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2015-1	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2015-2	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2016-1	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2016-2	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2017-1	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2017-1P	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2017-2	Trust	N/A	N/A	Australia	N/A

Consolidated entity disclosure statement (continued)

Entity Registered Name	Entity Type	Place formed or incorporated	Percentage of share capital held (%)	Tax residency	
				Australian or foreign	Foreign jurisdiction
Medallion Trust Series 2018-1	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2018-1P	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2019-1	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2023-1	Trust	N/A	N/A	Australia	N/A
Medallion Trust Series 2023-2	Trust	N/A	N/A	Australia	N/A
Premium Custody Services Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Residential Mortgage Group Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
SAF Corporate Services Pty Ltd ³	Body Corporate	Australia	100.00	Australia	N/A
Safe No 27 Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Safe No23 Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Safe No24 Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Safe No4 Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
Safe Usd Holdings Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Securitisation Advisory Services Pty. Limited	Body Corporate	Australia	100.00	Australia	N/A
Securitisation Management Services Limited	Body Corporate	New Zealand	100.00	Foreign	New Zealand
Share Direct Nominees Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
Share Investments Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
State Nominees Limited	Body Corporate	Australia	100.00	Australia	N/A
Stichting CBA Carbon Custody Services	Body Corporate	Netherlands	100.00	Foreign	Netherlands
T.W. Custodians Limited	Body Corporate	Australia	100.00	Australia	N/A
The Colonial Mutual Life Assurance Society Pty Limited ¹	Body Corporate	Australia	100.00	Australia	N/A
Vh-vzf Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Vh-vzg Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Vh-vzh Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Waddle (Australia) Holdings Pty Limited	Body Corporate	Australia	100.00	Australia	N/A
Waddle Holdings Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Waddle IP Pty. Ltd.	Body Corporate	Australia	100.00	Australia	N/A
Waddle Servicing Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Wallaby Warehouse Trust No 1	Trust	N/A	N/A	Australia	N/A
Whitecoat Holdings Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A
Whitecoat Operating Pty Ltd	Body Corporate	Australia	100.00	Australia	N/A

¹ The Group's consolidated entities include certain entities that are not actively trading and entities related to businesses divested and closed over recent years (including divestments of Commlnsure General Insurance, Colonial First State, Commlnsure Life, Colonial First State Global Asset Management, PT Commonwealth Life, Australian Investment Exchange Limited and assisted closure of Aligned Advice).

² Commbank Staff Foundation Limited is the trustee for the Commbank Foundation Trust.

³ SAF Corporate Services Pty Ltd is the trustee for the Aircraft MSN 37125 (Australia) Trust and the Aircraft MSN 37129 (Australia) Trust.

Directors' declaration

The Directors of the Commonwealth Bank of Australia declare that:

In the opinion of the Directors:

- (a) The financial statements and notes for the year ended 30 June 2024, as set out on pages 45 to 194, are in accordance with the *Corporations Act 2001* (Cth), including:
 - i. complying with the Australian Accounting Standards and any further requirements in the *Corporations Regulations 2001*; and
 - ii. giving a true and fair view of the Commonwealth Bank of Australia and the Group's financial position as at 30 June 2024 and their performance for the year ended 30 June 2024.
- (b) The consolidated entity disclosure statement on pages 195 to 197 is true and correct.
- (c) There are reasonable grounds to believe that the Commonwealth Bank of Australia will be able to pay its debts as and when they become due and payable.

Note 1.1 to the financial statements includes a statement of compliance with International Financial Reporting Standards.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* (Cth) for the year ended 30 June 2024.

This declaration is made in accordance with a resolution of the Directors.



Paul O'Malley
Chairman
14 August 2024



Matt Comyn
Managing Director and Chief Executive Officer
14 August 2024

Independent auditor's report



Independent auditor's report

To the members of the Commonwealth Bank of Australia

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of the Commonwealth Bank of Australia (the Bank) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Bank's and Group's financial positions as at 30 June 2024 and of their financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the Bank and Group Balance Sheets as at 30 June 2024
- the Bank and Group Statements of Comprehensive Income for the year then ended
- the Bank and Group Statements of Changes in Equity for the year then ended
- the Bank and Group Statements of Cash Flows for the year then ended
- the Bank and Group Income Statements for the year then ended
- the notes to the financial statements, including material accounting policy information and other explanatory information
- the Consolidated Entity Disclosure Statement as at 30 June 2024
- the Directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank and the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code and the IESBA Code.

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Our audit approach for the Group

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Bank and the Group, their accounting processes and controls and the industries in which they operate.

Bank and Group Audit Scope

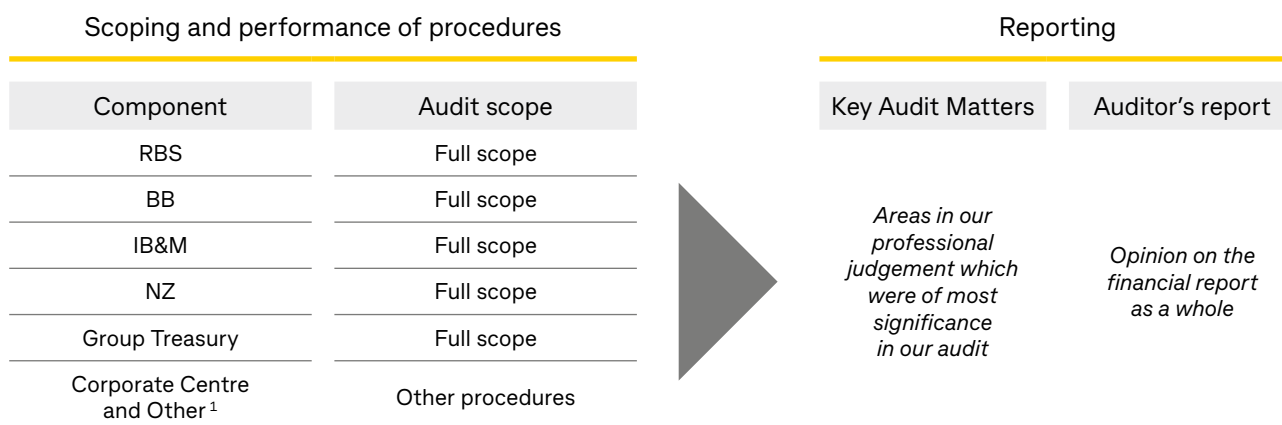
Our audit focused on where the Bank and the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In designing the scope of our audit, we considered the structure of the Group which includes five business segments being Retail Banking Services (RBS), Business Banking (BB), Institutional Banking and Markets (IB&M), New Zealand (NZ), and Corporate Centre and Other. We also considered one significant business activity within these segments, being Group Treasury. These business segments and the significant business activity are considered to be components as the Group prepares financial information for their inclusion in the financial report.

The nature, timing and extent of audit work performed for each component was determined by each components' risk characteristics and financial significance to the Bank and the Group and consideration of whether sufficient evidence had been obtained for our opinion on the financial report as a whole. This involved either:

- an audit of the financial information of a component (full scope);
- an audit of one or more of the component's account balances, classes of transactions or disclosures (specified scope); or
- analytical procedures performed at the Bank and Group level and/or audit procedures performed at the Bank and Group level, including over the consolidation of the Bank and Group's components and the preparation of the financial report (other procedures).

Set out in the following diagram is an overview of how our audit scope aligns to the identified components and our audit report.



¹ This excludes Group Treasury.

Independent auditor's report (continued)



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period.

The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. The key audit matters identified below relate to both the Bank and the Group audit, unless otherwise stated below. We communicated the key audit matters to the Audit Committee.

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="172 900 513 931">Provisions for loan impairment</p> <p data-bbox="151 963 774 1153">AASB 9 <i>Financial Instruments</i> requires the recognition of a Provision for Expected Credit Losses (ECL) against the gross carrying value of the Bank's and the Group's loans and other receivables, the measurement of which is required to incorporate reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.</p> <p data-bbox="151 1176 774 1388">The Bank and the Group utilise complex models to calculate ECL on a collective basis. These models have been developed using internal historical default data and incorporate various forward-looking assumptions, such as forecasts of future economic conditions across multiple economic scenarios. In addition, judgemental adjustments are applied to the modelled ECL outcomes (including overlays and forward-looking adjustments).</p> <p data-bbox="151 1411 774 1489">Individually assessed provisions are also recognised by the Bank and the Group for loans and other receivables that are known to be impaired at the reporting date.</p> <p data-bbox="151 1512 774 1668">We considered the provision for ECL a key audit matter due to the significant audit effort required and the inherent estimation uncertainty present in its determination, which is specifically due to the complexity, subjectivity and extent of judgement used by the Bank and the Group in its recognition and measurement.</p>	<p data-bbox="790 963 1436 1131">We developed an understanding of the control activities relevant to our audit over the Bank's and the Group's Provision for ECL. For certain control activities, we assessed whether they were appropriately designed and were operating effectively, on a sample basis, throughout the year ended 30 June 2024. This included control activities relevant to:</p> <ul data-bbox="790 1142 1436 1377" style="list-style-type: none"> • Completeness and accuracy of certain inputs to and outputs from the ECL models; • The accuracy of certain critical data elements used in ECL models; and • Review and approval of forward-looking assumptions, model adjustments and overall adequacy of total Provisions for ECL by the Bank's and the Group's Loan Loss Provisioning Committee (LLPC). <p data-bbox="790 1400 1436 1534">In addition to controls testing we, along with PwC credit risk modelling experts and PwC economics experts, performed the following procedures, amongst others, to assess the reasonableness of the Bank's and the Group's Provision for ECL as at 30 June 2024:</p> <ul data-bbox="790 1545 1436 1825" style="list-style-type: none"> • Assessed the appropriateness of the ECL model methodology applied by the Bank and the Group for a selection of the Bank's and the Group's loan portfolios, with particular consideration to the results of model monitoring performed for existing models, including back-testing of observed losses against predicted losses, and model validation for newly implemented models; • Recalculated ECL to assess the accuracy of the modelled outputs for a targeted sample of the Bank's and the Group's loan portfolios;



Key audit matter

How our audit addressed the key audit matter

Provisions for loan impairment (continued)

Specific drivers of this uncertainty include the following:

- The models which are used to calculate ECL (ECL models) are inherently complex and judgement is applied in determining the appropriate construct of each model;
- Multiple assumptions are made by the Bank and the Group concerning the future occurrence of events and conditions, as well as their probabilities, for which there is inherently heightened levels of estimation uncertainty given the forward-looking nature of these assumptions;
- The determination of the need for and quantification of adjustments to modelled assumptions and model outputs.

Relevant references in the financial report

Refer to notes 3.2 and 9.2 for further information.

- Assessed the appropriateness of certain forward-looking assumptions incorporated into the ECL models, including the macroeconomic scenarios developed, underlying forecasts and probability weightings applied;
- Assessed the appropriateness of certain model adjustments and overlays identified by the Bank and the Group;
- Tested the completeness and accuracy of a sample of certain critical data elements used as inputs to the ECL models, model adjustments and overlays to relevant source documentation;
- Tested the appropriateness of individually assessed provisions recognised by the Bank and the Group for a selection of loan assets identified to be impaired as at the reporting date; and
- Considered the impact of relevant events occurring after the end of the financial year until the date of signing the auditor's report on the Provision for ECL.

Where applicable, we also considered the competency, capabilities, objectivity and nature of the work of certain experts used by the Bank and the Group to assist in the development of relevant assumptions used in determining the Provision for ECL.

We also assessed the reasonableness of the related disclosures in the financial report against the requirements of Australian Accounting Standards.

Independent auditor's report (continued)



Key audit matter

How our audit addressed the key audit matter

Provisions for ongoing class actions

There are a number of class actions that have been brought against the Bank and the Group. Significant judgement is required to determine whether a provision is required with regard to the requirements of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. Where a provision has been recognised, there can be a high degree of estimation uncertainty.

We consider the determination, valuation and disclosure of these provisions to be a key audit matter due to the level of judgement required in determining whether a provision is required, the inherent estimation uncertainty in calculating the appropriate amount of a provision, where required, and the related disclosures within the financial report.

Relevant references in the financial report

Refer to note 7.1 for further information.

We developed an understanding of the control activities relevant to our audit over the Bank's and the Group's provisions for ongoing class actions, and for certain control activities, assessed whether they were appropriately designed and were operating effectively on a sample basis, throughout the year ended 30 June 2024. We performed audit procedures in relation to the following areas, amongst others, over the determination, valuation and disclosure of the provisions for ongoing class actions:

- Made inquiries of management and in-house legal counsel in relation to the status of the class actions at the end of the financial year;
- Inspected certain Board and other committee meeting minutes and papers for any material developments in relation to the class actions;
- Inspected legal representation letters from external legal counsel for certain matters and evaluated the responses received;
- Evaluated the Bank's and the Group's assessments as to whether a provision was required with regard to the requirements of Australian Accounting Standards; and
- Tested the valuation of the provisions recognised.

We also assessed the reasonableness of the related disclosures in the financial report against the requirements of Australian Accounting Standards.



Key audit matter

How our audit addressed the key audit matter

Operation of financial reporting Information Technology (IT) systems and controls

The Bank's and the Group's operations and financial reporting processes are heavily dependent on IT systems for the processing and recording of a significant volume of transactions.

Due to this, we consider the operation of financial reporting IT systems and controls to be a key audit matter.

In particular, in common with all banks, access rights to technology are important because they are intended to ensure that changes to IT applications and data are appropriately authorised. Ensuring that only appropriate staff have access to IT systems, that the level of access itself is appropriate, and that access is periodically monitored, are key controls in mitigating the potential for fraud or error as a result of a change to an IT application or underlying data.

The Bank and the Group have an ongoing multi-year strategic program to address controls related to access management for systems and data relevant to financial reporting.

For material financial statement balances, we developed an understanding of the business processes, IT systems used to generate and support those balances and associated IT application controls and IT dependencies in IT dependent manual controls.

Our procedures included evaluating and testing the design and operating effectiveness of certain control activities over the continued integrity of the material IT systems that are relevant to financial reporting.

This involved assessing, where relevant to the audit:

- Change management: The processes and controls used to develop, test and authorise changes to the functionality and configurations within systems;
- System development: The project disciplines which ensure that significant developments or implementation are appropriately tested before implementation and that data is converted and transferred completely and accurately;
- Security: The access controls designed to enforce segregation of duties, govern the use of generic and privileged accounts or ensure that data is only changed through authorised means; and
- IT operations: The controls over operations are used to ensure that any issues that arise are managed appropriately.

Within the scope of our audit, where technology services are provided by a third party, we considered assurance reports from the third party's auditor on the design and operating effectiveness of controls.

We also carried out tests, on a sample basis, of IT application controls and IT dependencies in IT dependent manual controls that were key to our audit testing in order to assess the accuracy of certain system calculations, the generation of certain reports and the operation of certain system enforced access controls.

Where we identified design or operating effectiveness matters relating to IT systems, IT application controls or IT dependencies in IT dependent manual controls relevant to our audit, we performed alternative audit procedures. We also considered mitigating controls in order to respond to the impact on our overall audit approach.

Independent auditor's report (continued)



Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the Remuneration report and a separate reasonable and limited assurance report on Selected Sustainability Information included in the Sustainability performance section of the annual report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Bank are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001* including giving a true and fair view and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Bank and the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.



Report on the Remuneration report

Our opinion on the Remuneration report

We have audited the Remuneration report included in the Directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration report of the Commonwealth Bank of Australia for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Bank are responsible for the preparation and presentation of the Remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'Elizabeth O'Brien'.

Elizabeth O'Brien
Partner

Sydney
14 August 2024

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Security holder information

Top 20 holders of fully paid ordinary shares as at 30 June 2024

Rank	Name of holder	Number of shares	%
1	HSBC Custody Nominees	408,100,909	24.38%
2	J P Morgan Nominees Australia Limited	252,342,218	15.08%
3	Citicorp Nominees Pty Limited	109,210,490	6.53%
4	BNP Paribas Noms Pty Ltd	51,768,645	3.09%
5	National Nominees Limited	22,870,289	1.37%
6	Australian Foundation Investment	7,698,000	0.46%
7	Netwealth Investments Limited	7,085,405	0.42%
8	Australian Executor Trustees Limited	5,192,783	0.31%
9	Bond Street Custodians Limited	3,597,955	0.21%
10	Argo Investments Limited	2,703,731	0.16%
11	Mutual Trust Pty Ltd	1,816,770	0.11%
12	Invia Custodian Pty Limited	1,605,928	0.10%
13	McCusker Holdings Pty Ltd	1,370,000	0.08%
14	Custodial Services Limited	1,038,830	0.06%
15	IOOF Investment Services Ltd	1,016,860	0.06%
16	BKI Investment Company Limited	930,572	0.06%
17	Woodross Nominees Pty Ltd	873,847	0.05%
18	UBS Nominees Pty Ltd	869,864	0.05%
19	Australian United Investment Company Limited	645,000	0.04%
20	The Senior Master Of The Supreme Court	610,458	0.04%

The top 20 shareholders hold 881,348,554 shares which is equal to 52.66% of the total shares on issue.

Substantial shareholding

As at 13 August 2024 the following organisations have disclosed a substantial shareholding notice to the Australian Securities Exchange (ASX).

Name	Number of shares	Percentage of voting power
BlackRock Group ¹	106,300,321	6
State Street Corporation ²	101,418,394	6
Vanguard Group ³	85,093,294	5

1 Substantial shareholding as at 6 March 2020, as per notice lodged on 10 March 2020.

2 Substantial shareholding as at 8 April 2024, as per notice lodged on 10 April 2024.

3 Substantial shareholding as at 22 July 2022, as per notice lodged on 28 July 2022.

Security holder information (continued)

Stock exchange listing

The shares of the Commonwealth Bank of Australia (Bank) are listed on the ASX under the trade symbol of CBA.

Range of shares (fully paid ordinary shares and employee shares) as at 30 June 2024

Ranges	Number of shareholders	Percentage of shareholders	Number of shares	Percentage of issued capital	Number of rights holders ¹
1–1,000	639,584	76.95	168,058,190	10.04	34
1,001–5,000	165,618	19.93	348,233,974	20.81	49
5,001–10,000	18,234	2.19	123,946,432	7.41	5
10,001–100,000	7,525	0.91	140,456,887	8.39	17
100,001–over	130	0.02	892,884,875	53.35	1
Total ²	831,091	100.00	1,673,580,358	100.00	106
Less than marketable parcel of \$500 ³	10,001	1.20	17,381	–	–

¹ The total number of rights on issue is 1,192,759 rights which carry no entitlement to vote.

² During the year ended 30 June 2024, 1,143,154 shares were purchased on market at an average share price of \$104.52 for the purpose of various CBA equity settled share plans.

³ Based on a closing price of \$127.38 on 28 June 2024.

Voting rights

Under the Bank's Constitution, shareholders entitled to vote at a general meeting may vote in person, directly or by proxy, attorney or representative, depending on whether the shareholder is an individual or a company.

Subject to any rights or restrictions attaching to shares, each ordinary shareholder present at a general meeting has, on a poll, one vote for each fully paid share. If shares are not fully paid, on a poll the number of votes attaching to the shares is pro-rated accordingly. In accordance with the *Corporations Act 2001* (Cth), the provision in the Constitution providing for one vote on a show of hands is no longer relevant, as general meeting resolutions will be conducted by a poll.

If a person at a general meeting represents personally or by proxy, attorney or official representative more than one shareholder, on a show of hands the person is entitled to one vote only even though he or she represents more than one shareholder.

Where a shareholder appoints two proxies or attorneys to vote at the same general meeting:

- If the appointment does not specify the proportion or number of the shareholder's votes each proxy or attorney may exercise, each proxy or attorney may exercise half the shareholder's votes;
- On a show of hands, neither proxy or attorney may vote if more than one proxy or attorney attends; and
- On a poll, each proxy or attorney may only exercise votes in respect of those shares or voting rights the proxy or attorney represents.

Top 20 holders of CommBank PERLS X Capital Notes ("PERLS X") as at 30 June 2024

Rank	Name of holder	Number of securities	%
1	BNP Paribas Noms Pty Ltd	1,615,514	11.84%
2	HSBC Custody Nominees	1,044,859	7.65%
3	Citicorp Nominees Pty Limited	496,722	3.64%
4	Australian Executor Trustees Limited	249,650	1.83%
5	Netwealth Investments Limited	245,717	1.80%
6	Invia Custodian Pty Limited	127,649	0.94%
7	J P Morgan Nominees Australia Limited	117,672	0.86%
8	Mutual Trust Pty Ltd	117,227	0.86%
9	Dimbulu Pty Ltd	100,000	0.73%
10	Marrosan Investments Pty Ltd	75,000	0.55%
11	Bond Street Custodians Limited	73,946	0.54%
12	Federation University Australia	59,620	0.44%
13	Eastcote Pty Ltd	50,000	0.37%
14	Harriette & Co Pty Ltd	50,000	0.37%
15	Mr Roni G Sikh	40,492	0.30%
16	Mrs Shane Carolyn Gluskie	40,000	0.29%
17	Pamdale Investments	36,000	0.26%
18	Ainsley Heath Investments Pty Ltd	35,500	0.26%
19	CF Equity Pty Ltd	34,630	0.25%
20	Mr Bradley Vincent Hellen + Mr Sean Patrick McMahon	32,000	0.23%

The top 20 PERLS X security holders hold 4,642,198 securities which is equal to 34.01% of the total securities on issue.

Stock exchange listing

PERLS X are perpetual subordinated unsecured notes issued by the Bank. They are listed on the ASX under the trade symbol CBAPG.

Range of securities (PERLS X) as at 30 June 2024

Ranges	Number of security holders	Percentage of security holders	Number of securities	Percentage of issued capital
1–1,000	12,391	87.97	4,323,232	31.67
1,001–5,000	1,497	10.63	3,276,722	24.01
5,001–10,000	133	0.94	988,881	7.24
10,001–100,000	55	0.39	1,490,544	10.92
100,001–over	10	0.07	3,570,621	26.16
Total	14,086	100.00	13,650,000	100.00
Less than marketable parcel of \$500 ¹	7	0.05	11	–

¹ Based on a closing price of \$101.67 on 28 June 2024.

Voting rights

PERLS X do not confer any voting rights in the Bank but if they are exchanged for ordinary shares of the Bank in accordance with their terms of issue, then the voting rights of the ordinary shares will be as set out on pages 208 and 209 for the Bank's ordinary shares.

Security holder information (continued)

Top 20 holders of CommBank PERLS XII Capital Notes ("PERLS XII") as at 30 June 2024

Rank	Name of holder	Number of securities	%
1	HSBC Custody Nominees	1,333,470	8.08%
2	Citicorp Nominees Pty Limited	885,254	5.37%
3	BNP Paribas Noms Pty Ltd	844,539	5.12%
4	Netwealth Investments Limited	454,292	2.75%
5	Australian Executor Trustees Limited	319,568	1.94%
6	Royal Freemasons Benevolent Institution	202,500	1.23%
7	Dimbulu Pty Ltd	200,000	1.21%
8	Tandom Pty Ltd	120,000	0.73%
9	Invia Custodian Pty Limited	109,099	0.66%
10	Bond Street Custodians Limited	106,642	0.65%
11	Diocese Development Fund - Catholic Diocese Of Parramatta	101,472	0.61%
12	Pamdale Investments	58,634	0.36%
13	Mutual Trust Pty Ltd	54,420	0.33%
14	QM Financial Services	53,500	0.32%
15	Tsco Pty Ltd	48,650	0.29%
16	Brujan Assets Pty Limited	45,000	0.27%
17	Mr Roni G Sikh	38,527	0.23%
18	Federation University Australia	30,650	0.19%
19	National Nominees Limited	30,351	0.18%
20	RL Thomson Pty Ltd	30,000	0.18%

The top 20 PERLS XII security holders hold 5,066,568 securities which is equal to 30.70% of the total securities on issue.

Stock exchange listing

PERLS XII are perpetual subordinated unsecured notes issued by the Bank. They are listed on the ASX under the trade symbol CBAPI.

Range of securities (PERLS XII) as at 30 June 2024

Ranges	Number of security holders	Percentage of security holders	Number of securities	Percentage of issued capital
1–1,000	15,629	87.47	5,718,522	34.66
1,001–5,000	2,029	11.36	4,162,912	25.23
5,001–10,000	132	0.74	952,899	5.78
10,001–100,000	63	0.35	1,402,374	8.50
100,001–over	15	0.08	4,263,293	25.83
Total	17,868	100.00	16,500,000	100.00
Less than marketable parcel of \$500 ¹	6	0.03	12	–

¹ Based on a closing price of \$104.28 on 28 June 2024.

Voting rights

PERLS XII do not confer any voting rights in the Bank but if they are exchanged for ordinary shares of the Bank in accordance with their terms of issue, then the voting rights of the ordinary shares will be as set out on pages 208 and 209 for the Bank's ordinary shares.

Top 20 holders of CommBank PERLS XIII Capital Notes ("PERLS XIII") as at 30 June 2024

Rank	Name of holder	Number of securities	%
1	HSBC Custody Nominees	1,036,662	8.79%
2	BNP Paribas Noms Pty Ltd	925,886	7.85%
3	Citicorp Nominees Pty Limited	855,044	7.25%
4	Netwealth Investments Limited	284,256	2.41%
5	Australian Executor Trustees Limited	125,437	1.06%
6	Leda Holdings Pty Ltd	111,000	0.94%
7	Mutual Trust Pty Ltd	108,866	0.92%
8	Dimbulu Pty Ltd	100,000	0.85%
9	Royal Freemasons Benevolent Institution	100,000	0.85%
10	Nothman Pty Ltd	88,700	0.75%
11	Herbert St Investments Pty Ltd	84,000	0.71%
12	Valtellina Properties Pty Ltd	70,844	0.60%
13	Mrs Shane Carolyn Gluskie	40,000	0.34%
14	Bond Street Custodians Limited	38,014	0.32%
15	J P Morgan Nominees Australia Limited	36,725	0.31%
16	Federation University Australia	35,430	0.30%
17	Regents Garden Lake Joondalup	34,330	0.29%
18	Beverley Joyce Campbell	28,640	0.24%
19	The Trust Company (Australia) Limited	27,650	0.23%
20	Invia Custodian Pty Limited	25,432	0.22%

The top 20 PERLS XIII security holders hold 4,156,916 securities which is equal to 35.23% of the total securities on issue.

Stock exchange listing

PERLS XIII are perpetual subordinated unsecured notes issued by the Bank. They are listed on the ASX under the trade symbol CBAPJ.

Range of securities (PERLS XIII) as at 30 June 2024

Ranges	Number of security holders	Percentage of security holders	Number of securities	Percentage of issued capital
1–1,000	11,167	89.05	4,001,123	33.91
1,001–5,000	1,219	9.72	2,621,249	22.21
5,001–10,000	98	0.78	683,823	5.80
10,001–100,000	46	0.37	1,404,439	11.90
100,001–over	10	0.08	3,089,366	26.18
Total	12,540	100.00	11,800,000	100.00
Less than marketable parcel of \$500 ¹	2	0.02	7	–

¹ Based on a closing price of \$102.35 on 28 June 2024.

Voting rights

PERLS XIII do not confer any voting rights in the Bank but if they are exchanged for ordinary shares of the Bank in accordance with their terms of issue, then the voting rights of the ordinary shares will be as set out on pages 208 and 209 for the Bank's ordinary shares.

Security holder information (continued)

Top 20 holders of CommBank PERLS XIV Capital Notes ("PERLS XIV") as at 30 June 2024

Rank	Name of holder	Number of securities	%
1	BNP Paribas Noms Pty Ltd	4,287,778	24.50%
2	HSBC Custody Nominees	1,237,042	7.07%
3	Citicorp Nominees Pty Limited	425,692	2.43%
4	Netwealth Investments Limited	406,207	2.32%
5	Dimbulu Pty Ltd	220,000	1.26%
6	Australian Executor Trustees Limited	165,039	0.94%
7	John E Gill Trading Pty Ltd	112,110	0.64%
8	Mutual Trust Pty Ltd	99,484	0.57%
9	Bond Street Custodians Limited	86,640	0.50%
10	Invia Custodian Pty Limited	85,638	0.49%
11	Pamdale Investments	66,756	0.38%
12	Fibora Pty Ltd	64,740	0.37%
13	Marrosan Investments Pty Ltd	50,000	0.29%
14	Limeburner Investments Pty Ltd	43,703	0.25%
15	National Nominees Limited	42,802	0.24%
16	Sir Moses Montefiore Jewish Home	40,010	0.23%
17	IOOF Investment Services Ltd	37,746	0.22%
18	J P Morgan Nominees Australia Limited	36,065	0.21%
19	Smart Super Investments Pty Ltd	30,050	0.17%
20	Leda Holdings Pty Ltd	29,930	0.17%

The top 20 PERLS XIV security holders hold 7,567,432 securities which is equal to 43.25% of the total securities on issue.

Stock exchange listing

PERLS XIV are perpetual subordinated unsecured notes issued by the Bank. They are listed on the ASX under the trade symbol CBAPK.

Range of securities (PERLS XIV) as at 30 June 2024

Ranges	Number of security holders	Percentage of security holders	Number of securities	Percentage of issued capital
1–1,000	12,468	86.13	4,842,462	27.67
1,001–5,000	1,811	12.51	3,688,078	21.07
5,001–10,000	127	0.88	904,499	5.17
10,001–100,000	61	0.42	1,537,701	8.79
100,001–over	9	0.06	6,527,260	37.30
Total	14,476	100.00	17,500,000	100.00
Less than marketable parcel of \$500 ¹	5	0.03	6	–

¹ Based on a closing price of \$102.19 on 28 June 2024.

Voting rights

PERLS XIV do not confer any voting rights in the Bank but if they are exchanged for ordinary shares of the Bank in accordance with their terms of issue, then the voting rights of the ordinary shares will be as set out on pages 208 and 209 for the Bank's ordinary shares.

Top 20 holders of CommBank PERLS XV Capital Notes ("PERLS XV") as at 30 June 2024

Rank	Name of holder	Number of securities	%
1	BNP Paribas Noms Pty Ltd	1,959,682	11.03%
2	HSBC Custody Nominees	1,487,083	8.37%
3	Citicorp Nominees Pty Limited	549,678	3.09%
4	Netwealth Investments Limited	434,237	2.44%
5	Australian Executor Trustees Limited	134,579	0.76%
6	Megt (Australia) Ltd	124,800	0.70%
7	Bond Street Custodians Limited	111,083	0.62%
8	National Nominees Limited	106,920	0.60%
9	Invia Custodian Pty Limited	106,045	0.60%
10	Jonwen Investments	105,000	0.59%
11	Mutual Trust Pty Ltd	94,285	0.53%
12	Limeburner Investments Pty Ltd	85,753	0.48%
13	Marrosan Investments Pty Ltd	85,000	0.48%
14	Royal Freemasons Benevolent Institution	82,000	0.46%
15	Willimbury Pty Ltd	70,673	0.40%
16	Pamdale Investments	56,441	0.32%
17	Cordale Holdings Pty Ltd	55,000	0.31%
18	Mifare Pty Ltd	55,000	0.31%
19	Jamber Investments Pty Ltd	50,000	0.28%
20	Uuro Pty Ltd	47,500	0.27%

The top 20 PERLS XV security holders hold 5,800,759 securities which is equal to 32.64% of the total securities on issue.

Stock exchange listing

PERLS XV are perpetual subordinated unsecured notes issued by the Bank. They are listed on the ASX under the trade symbol CBAPL.

Range of securities (PERLS XV) as at 30 June 2024

Ranges	Number of security holders	Percentage of security holders	Number of securities	Percentage of issued capital
1–1,000	13,085	84.61	5,227,536	29.41
1,001–5,000	2,131	13.78	4,265,047	24.00
5,001–10,000	136	0.88	953,717	5.37
10,001–100,000	103	0.67	2,786,201	15.68
100,001–over	10	0.06	4,541,289	25.54
Total	15,465	100.00	17,773,790	100.00
Less than marketable parcel of \$500 ¹	5	0.03	13	–

¹ Based on a closing price of \$102.18 on 28 June 2024.

Voting rights

PERLS XV do not confer any voting rights in the Bank but if they are exchanged for ordinary shares of the Bank in accordance with their terms of issue, then the voting rights of the ordinary shares will be as set out on pages 208 and 209 for the Bank's ordinary shares.

Security holder information (continued)

Top 20 holders of CommBank PERLS XVI Capital Notes ("PERLS XVI") as at 30 June 2024

Rank	Name of holder	Number of securities	%
1	HSBC Custody Nominees	1,920,395	12.39%
2	BNP Paribas Noms Pty Ltd	709,714	4.58%
3	Citicorp Nominees Pty Limited	502,481	3.24%
4	Netwealth Investments Limited	404,862	2.61%
5	Bond Street Custodians Limited	226,727	1.46%
6	Tandom Pty Ltd	150,000	0.97%
7	Dimbulu Pty Ltd	100,000	0.65%
8	Mr John William Cunningham	95,970	0.62%
9	Higham Hill Pty Ltd	70,000	0.45%
10	Leda Holdings Pty Ltd	70,000	0.45%
11	Australian Executor Trustees Limited	65,039	0.42%
12	Acres Holdings Pty Ltd	50,000	0.32%
13	J P Morgan Nominees Australia Limited	48,081	0.31%
14	Colonial First State Inv Ltd	40,550	0.26%
15	John E Gill Trading Pty Ltd	40,128	0.26%
16	Anglicare Sa Ltd	40,000	0.26%
17	F&M Management Pty Ltd	40,000	0.26%
18	Kim An Pty Limited	40,000	0.26%
19	National Nominees Limited	39,639	0.26%
20	Seymour Group Pty Ltd	36,350	0.23%

The top 20 PERLS XVI security holders hold 4,689,936 securities which is equal to 30.26% of the total securities on issue.

Stock exchange listing

PERLS XVI are perpetual subordinated unsecured notes issued by the Bank. They are listed on the ASX under the trade symbol CBAPM.

Range of securities (PERLS XVI) as at 30 June 2024

Ranges	Number of security holders	Percentage of security holders	Number of securities	Percentage of issued capital
1–1,000	11,955	84.79	4,704,951	30.35
1,001–5,000	1,893	13.43	4,103,636	26.48
5,001–10,000	163	1.16	1,190,670	7.68
10,001–100,000	82	0.58	2,021,916	13.04
100,001–over	6	0.04	3,478,827	22.45
Total	14,099	100.00	15,500,000	100.00
Less than marketable parcel of \$500 ¹	1	0.01	3	–

¹ Based on a closing price of \$104.87 on 28 June 2024.

Voting rights

PERLS XVI do not confer any voting rights in the Bank but if they are exchanged for ordinary shares of the Bank in accordance with their terms of issue, then the voting rights of the ordinary shares will be as set out on pages 208 and 209 for the Bank's ordinary shares.

Relevant exchanges

In addition to the ASX, the Group has securities quoted on the London Stock Exchange (LSE), Swiss Exchange (SIX) and the New Zealand Exchange (NZX).

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Glossary of terms

Term	Definition
Absenteeism	Absenteeism refers to the average number of sick leave days taken (and carer's leave days for CommSec employees) during the reporting period per Australia-based full-time equivalent employee including Bankwest. Colonial First State is included up to 1 December 2021, after which time our divestment from the business was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Absolute emissions	GHG emissions, expressed in terms of weight of CO ₂ (e.g. tCO ₂) or weight of CO ₂ equivalent (e.g. tCO ₂ -e) for a given scope/s.
Age diversity	Percentage of permanent employees (full-time, part-time, job share or on extended leave), casuals, employees on international assignment and contractors paid directly by the Group, by age group as at 30 June. Excludes ASB businesses in New Zealand. PT Bank Commonwealth (PTBC) is included up to 30 April 2024, after which time our divestment from this business was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
ASB customers	The number of customers who have a relationship with ASB New Zealand, as at 30 June. A customer is defined as anyone who holds an open account. Includes retail and non-retail customers and deceased estates.
Assets under management (AUM)	Assets under management represent the market value of assets for which the Group acts as an appointed manager.
AUSTRAC	Australian Transaction Reports and Analysis Centre
Australian Indigenous supplier spend (Direct)	Direct (first tier) supplier spend (GST-inclusive) includes any approved invoice (including grants) from an Indigenous enterprise during the reporting period. To meet the definition of an Indigenous enterprise, the enterprise must be at least 50% Indigenous-owned. It includes any approved invoices from an Indigenous enterprise that is; registered or certified by Supply Nation, listed by the Office of the Registrar of Indigenous Corporations, listed by an Indigenous Chamber of Commerce, that provides a Certificate of Indigeneity or a Statutory Declaration that the business is 50% or more Indigenous-owned. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Australian Indigenous supplier spend (Directed)	Directed Indigenous Supplier Spend for FY24 includes spend with four Indigenous enterprises through a first tier non-Indigenous supplier (agents) where the Bank has requested spend with the Indigenous supplier (principal) and the transaction can be verified. This metric is calculated based on the actual amount (GST inclusive) spent with the Indigenous supplier (principal). To meet the definition of an Indigenous enterprise, the enterprise must be at least 50% Indigenous-owned. It includes any approved invoices from an Indigenous business that is: registered or certified by Supply Nation, listed by the Office of the Registrar of Indigenous Corporations (ORIC), listed by an Indigenous Chamber of Commerce (ICC), that provides a Certificate of Indigeneity or a Statutory Declaration that the business is 50% or more Indigenous-owned. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Bank of the Year Digital Banking	CBA won Canstar's Bank of the Year – Digital Banking award for 2024 (for the 15th year in a row). Awarded June 2024.
Bankwest customers	The number of customers who have a relationship with Bankwest, as at 30 June. A customer is defined as anyone who holds an open account. Includes, retail and non-retail customers and deceased estates.
Best Digital Consumer Bank (Major)	CBA was awarded the 'Best Digital Consumer Bank (Major)' (for the sixth year in a row) by RFI Global's Banking & Finance Awards 2024. Presented June 2024. The award is based on information collected from the RFI Global Atlas research program, using feedback from over 80,000 business and/or retail customers from January through to December 2023.
Board	The Board of Directors of the Commonwealth Bank of Australia.

Term	Definition
Business MFI share	RFI Global Atlas Business Main Financial Institution (MFI) Share. Data on a six month roll weighted to the Australian business population. MFI Customer Share is the proportion of all businesses with any business banking, that nominate the Financial Institution (FI) as their main financial institution. Share based on grouped brands as follows: CBA Group includes CBA and Bankwest, ANZ Group includes ANZ, NAB Group includes NAB, Westpac Group includes Westpac, St George, BankSA and Bank of Melbourne.
CBA customers	The number of customers who have a relationship with the Commonwealth Bank of Australia, as at 30 June. A customer is defined as anyone who is currently associated with an open account as either the owner, joint owner, trustee or primary cardholder. Includes retail, non-retail customers and deceased estates. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
CommBank app customers	The total number of customers that have logged into the CommBank mobile app at least once in the month of June. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level from FY24.
Common Equity Tier 1 Capital (CET1)	The highest quality of capital available to the Group reflecting the permanent and unrestricted commitment of funds that are freely available to absorb losses. It comprises ordinary share capital, retained earnings and reserves less prescribed deductions.
Community investment – cash contributions	Total funds contributed by the Group (excluding Aussie Home Loans) during the reporting period through donations, charitable gifts, community partnerships and matched giving. Matched giving excludes staff contributions. All amounts are verified transactions, inclusive of GST where applicable, with the exception of donations and charitable gift transactions which are exempt from GST. PT Bank Commonwealth (PTBC) is included up to 30 April 2024 and Colonial First State is included up to 1 December 2021, after which time our divestment from these businesses was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Community investment – forgone revenue	Forgone revenue consists of the aggregate value of fee-free or discounted CBA products and services related to transacting accounts during the reporting period, to a range of customers including youth, students, young adults, government benefit recipients, not-for-profit organisations and older people. This metric relates to monthly account fee and transaction fees and contains some assumptions to estimate the number of active accounts with forgone revenue. This metric does not include discounts on interest rates or revenue forgone as part of CBA's Emergency Assistance Packages. Certain transaction fee waivers are excluded from forgone revenue estimates. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Community investment – program management costs	Total costs incurred by the Group to implement and manage community investment programs including the Indigenous Customer Assistance Line (ICAL) contact centre, Next Chapter, Women in Focus, school programs as well as other not-for-profit activities during the reporting period. These costs include salary and wages, occupancy, IT and other expenditure. Amounts include approved invoices (including grants) to a registered Australian Indigenous business – refer to Australian Indigenous supplier spend. All amounts are verified transactions, inclusive of GST where applicable, with the exception of transactions which are exempt from GST. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Community investment – value of time volunteering	Total estimated dollar value of volunteering hours contributed by Australia-based CBA and Bankwest employees during the reporting period, excluding terminated employees. Volunteering activities include pro bono (skilled) and general (unskilled) volunteering, as captured in the Group's leave management system (Workday) and by volunteering managers. Average hourly rates are calculated using Australia-based permanent employees' salaries as at 30 June, excluding the salaries of the Board, the CEO, Group Executives and offshore employees. In FY21, the methodology for calculating the employee hourly rate changed. FY20 has not been restated. Colonial First State is included up to 1 December 2021, after which time our divestment from the business was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.

Glossary of terms (continued)

Term	Definition
Community investment as a percentage of cash net profit before tax	Total community investment as a percentage of the Group's cash net profit from continuing operations before tax during the reporting period. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Conduct captured by The Banking Industry Conduct Background Check Protocol	The Australian Banking Association (ABA) Conduct Background Check Protocol was implemented in June 2017 and assists the ABA's member organisations when hiring to find out information about a job applicant's past employment history and conduct record. The ABA Protocol sets out a series of fact-based questions an ABA subscriber can ask another ABA subscriber about a candidate to help identify any past employment history of misconduct in accordance with the protocol.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Cost-to-income ratio	Represents operating expenses as a percentage of total operating income. The ratio is a key efficiency measure.
Cultural diversity	The proportion of Australia-based employees who disclosed that they have culturally diverse ancestry in the Group's annual people and culture survey. Participation and disclosure in the survey is voluntary and can vary from year-to-year. Cultural diversity is defined in the Australian context as anyone with an ancestry other than Anglo-Celtic (Australia, British, Irish or New Zealander).
Cultural diversity index (CDI)	The concentration mix of all cultures of the Group's employees resulting in an index between 0 and 1, where the higher the score, the more diverse the population. CDI is calculated using demographic information disclosed in the Group's annual people and culture survey and benchmarked against the ancestry question in the 2021 Australian Census. Participation and disclosure in the survey is voluntary and can vary from year-to-year. The CDI excludes ASB businesses in New Zealand, and businesses in Indonesia.
Customer complaints – received	The number of complaints received by the Group during the reporting period, as recorded in the FirstPoint feedback management system, managed via our Internal Dispute Resolution process. Resolution timeliness reports on proportion of complaints resolved within five working days. Includes Bankwest and CBA/Colonial First State (CFS) or Commonwealth Insurance Limited (CIL) commingled complaints or complaints related to the sale and distribution of CFS/CIL products. CFS is included up to 1 December 2021, after which time our divestment from the business was complete. Excludes ASB businesses in New Zealand and other overseas operations. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Data breaches reported to the OAIC	Root causes of data breaches as defined by the Privacy Regulator (Office of the Australian Information Commissioner). The number of reportable data breaches reported by the Group to the OAIC during the reporting period. Data breaches are notifiable under the <i>Privacy Act 1988</i> (Cth) and include incidents arising from human error, system fault, and malicious or criminal attack. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level from FY24.
Deferred shares	Awarded from the 2019 financial year, deferred shares are ordinary shares in CBA, which are restricted until vesting and used for deferred STVR arrangements and sign-on awards. These equity awards are subject to forfeiture if the Executive ceases to be employed by the Group prior to the vesting date as a result of resignation or serious misconduct, Board risk and reputation review and, malus and clawback provisions.
Digitally active customers	The total number of customers who have logged into a core digital asset (NetBank or CommBank mobile app) at least once in the month of June. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level from FY24.
Dividend payout ratio ("cash basis")	Dividends paid on ordinary shares divided by net profit after tax ("cash basis").
Dividend payout ratio ("statutory basis")	Dividends paid on ordinary shares divided by net profit after tax ("statutory basis").

Term	Definition
DPS	Dividends per share.
DRP	Dividend reinvestment plan.
DRP participation	The percentage of total issued capital participating in the dividend reinvestment plan.
E&S Framework	The E&S Framework provides a reference point for our people and stakeholders on the minimum standards we seek to abide by, the targets we seek to implement, and the governance and oversight in place to support our endeavours. Our E&S Framework is underpinned by our internal Group Environmental and Social Policy and relevant business unit specific procedures.
Earnings per share (EPS) (basic)	Basic earnings per share is the net profit attributable to ordinary equity holders of the Bank, divided by the weighted average number of ordinary shares on issue during the year per the requirements of relevant accounting standards.
Earnings per share (EPS) (diluted)	Diluted earnings per share adjusts the net profit attributable to ordinary equity holders of the Bank and the weighted average number of ordinary shares on issue used in the calculation of basic earnings per share, for the effects of dilutive potential ordinary shares per the requirements of relevant accounting standards.
Electricity consumption – property and fleet	Purchased electricity used for ATMs, retail, commercial, electric vehicle fleet, residential and data centre properties during the reporting period, under the Group's operational control in Australia; including two data centres under non-operational control. The data is based on a combination of invoiced amounts and estimates based on historical information or pro-rata consumption. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Electricity generated from on-site solar panels	Comprised of solar energy consumed in the generation of electricity from solar photovoltaic panels installed on CBA and Bankwest branches in Australia that is equal to the amount generated. In FY24 there were approximately 83 branches with solar panels installed. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Embodied carbon	The carbon emissions associated with materials and construction processes throughout the lifecycle of a building. Includes carbon released during extraction, manufacturing, transportation of materials, and construction practices used to construct the building.
Employee training	Average completed training hours per employee recorded in CBA's learning management system (PeopleLink) as at 30 June, measured by headcount. Training hours are allocated to each training item including face-to-face or online training and excludes external training and video training. Executive Managers, General Managers, Executive General Managers and the Chief Executive Officer are included in 'Executive Managers and above' and 'Others' includes team managers and team members. This metric excludes the training completion rates of the employees of ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Employee turnover – involuntary	Refers to all involuntary exits of permanent employees during the reporting period as a percentage of the average permanent headcount paid directly by the Group (full-time, part-time, job share or on extended leave), excluding ASB businesses in New Zealand. Involuntary exits include redundancies and terminations for disciplinary reasons. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Employee turnover – voluntary	Refers to all voluntary exits of permanent employees during the reporting period as a percentage of the average permanent headcount paid directly by the Group (full-time, part-time, job share or on extended leave), excluding non-permanent employees and ASB businesses in New Zealand. Voluntary exits are determined to be resignations and retirements. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.

Glossary of terms (continued)

Term	Definition
Employees who have accessed parental leave	Number of employees eligible for parental leave benefits who had started primary or secondary carer parental leave during the reporting period, as recorded in the Group's human resources system. Excludes ASB businesses in New Zealand and employees of discontinued operations. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Employees who have returned from parental leave and are still employed after 12 months	The proportion of employees who returned to work from a period of primary or secondary carer parental leave in the prior year and were still employed after 12 months within the reporting period, as recorded in the Group's human resources system. Excludes employees that returned to a major business or subsidiary that is now a discontinued operation. Excludes ASB businesses in New Zealand.
Employees who identify as LGBTQIA+	The proportion of employees who disclosed that they identify as Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual (LGBTQIA), non-binary/gender diverse or other in the Group's annual people and culture survey. Participation and disclosure in the survey is voluntary and can vary from year-to-year. Bankwest included from September 2020. Businesses in China and Singapore included from September 2021. Excludes ASB businesses in New Zealand, and businesses in Indonesia. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Employees with caring responsibilities	The proportion of employees who selected one or more of the caring responsibility options (including, but not limited to, caring for elderly, children, people with disability, chronic conditions, etc.) in the Group's annual people and culture survey. Participation and disclosure in the survey is voluntary and can vary from year-to-year. Bankwest is included from September 2020. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Employees with disability, chronic illness or other medical condition	The proportion of employees who disclosed that they have a disability, chronic illness or other medical condition in the Group's annual people and culture survey. Participation and disclosure in the survey is voluntary and can vary from year-to-year. Bankwest and businesses in Indonesia are included from September 2020. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Employees working flexibly	The proportion of employees who disclosed that they used one or more of the flexible work options in the previous 12 months in the Group's annual people and culture survey. Participation and disclosure in the survey is voluntary and can vary from year-to-year. Bankwest and businesses in China are included from September 2020. Businesses in Indonesia are included from September 2021. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Employment type (headcount)	The number of Australian employees as at 30 June who are permanent employees working in full-time, part-time or casual positions, including job share or on extended leave. It excludes ASB businesses in New Zealand, fixed term contractors and contingent workers. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Escalated complaints to an external dispute resolution (EDR) scheme	The number of complaints escalated to an EDR scheme for the Group during the reporting period. This includes complaints that have been through the Bank's Internal Dispute Resolution (IDR) process, then escalated to an EDR scheme. These complaints are recorded in FirstPoint and managed by the Group Customer Relations and/or Customer Care teams. EDR schemes include, but are not limited to the Australian Financial Complaints Authority (AFCA) and the Office of the Australian Information Commissioner (OAIC). Includes Bankwest and CBA/Colonial First State (CFS) or Commonwealth Insurance Limited (CIL) commingled complaints or complaints related to the sale and distribution of CFS/CIL products. CFS is included up to 1 December 2021, after which time our divestment from the business was complete. Excludes ASB businesses in New Zealand and other overseas operations. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
ESG	Environmental, social and governance.

Term	Definition
ESG bond arrangement	The full value of all Green, Social, Sustainability, Sustainability-Linked and Transition Bonds arranged during the 12 months ended 30 June, in which CBA acted as Global Coordinator, Manager/Bookrunner or Lead Arranger. The roles and ESG label classification have been defined in the Term Sheet documentation and confirmed by Bloomberg with an 'ESG tag'. Private placements aligned with International Capital Market Association principles are included. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
ESG training completed (headcount)	The number of CBA and Bankwest employees who have completed ESG training modules, measured by headcount, as recorded in the Bank's learning management system (PeopleLink) as at 30 June. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Executive Leadership Team (ELT)	The team comprises of the CEO and individuals in the following executive groups: Group Executives and CEO ASB.
Executives	Collective term referring to the individuals in the following executive groups: CEO, Group Executives and CEO ASB.
Financed emissions	The emissions financed by a financial institution's loans and/or investments. They are estimated based on an attributed proportion of the financial institution's customers' emissions. These financed emissions are part of the financial institution's Scope 3, Category 15 emissions.
Financial Independence Hub (participants supported)	An individual who has received meaningful support, interactions or assistance within the Financial Independence program. This might include, but is not limited to, financial coaching, financial counselling, providing advice, information or education on domestic and family violence and/or financial abuse, referrals to other services within Good Shepherd or to external agencies, or support with tasks. A participant can receive one or more services.
Full-time equivalent employees (FTE)	Total FTE of the Group by geographical work locations as at 30 June. FTE includes full-time, part-time, job share employees, employees on extended leave and contractors. One full-time role is equal to 38 working hours per week. New Zealand category refers to ASB employees only. CBA staff based in New Zealand are captured under 'Other'. India FTE prior to FY22 are captured under 'Other'. PT Bank Commonwealth (PTBC) is included up to 30 April 2024 and Colonial First State is included up to 1 December 2021, after which time our divestment from these businesses was complete. This is the Criteria for the accompanying Selected Sustainability Information on Total FTE assured by PwC to a limited assurance level.
Gender pay equity – female to male base salary comparison	Gender pay equity is defined as the ratio of the weighted average base salary of males and females for Australia-based employees of the Group, as at 31 March. The data reflects roles in similar functions, role scope and responsibilities. The data refers to permanent employees who are full-time, part-time, job sharing or on extended leave. It excludes the CEO, Board members, contractors, casual employees, seconded employees and employees who have not responded with a defined gender. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Graduates	The number of graduates who accepted and commenced in a graduate position with CBA or Bankwest during the reporting period. Graduate positions commence in February each year. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Greenhouse gases (GHGs)	Greenhouse gases (GHGs) are the six gases listed in the Kyoto Protocol being carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF ₆).
Greenhouse gas emissions	The production and/or release of greenhouse gas emissions.
Greenhouse Gas Protocol	Greenhouse gas protocol establishes comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions.

Glossary of terms (continued)

Term	Definition
Greenhouse gas emissions:	
Exclusions and reclassifications	<p><u>From FY20 onwards:</u></p> <ol style="list-style-type: none"> 1. CBA assumed operational control of two data centres. Emissions from these locations have been reclassified from selected Scope 3 to Scope 1 or 2 emissions, depending on source. 2. Scope 1 includes refrigerant emissions. 3. Selected Scope 3 includes additional emissions from waste, water, work from home and freight. <p><u>From FY22 onwards:</u></p> <ol style="list-style-type: none"> 1. Aussie Home Loans data is excluded due to divestment. 2. From December 2021, Colonial First State data is excluded due to divestment. 3. Selected Scope 3 includes additional emissions from the production of annual reports. <p><u>From FY23 onwards:</u></p> <ol style="list-style-type: none"> 1. Selected Scope 3 includes additional emissions from annual general meeting and employee commuting. <p><u>From FY24 onwards:</u></p> <ol style="list-style-type: none"> 1. Scope 2 includes additional emissions from electricity usage from offsite ATMs and electric vehicle charging (Australia and India). 2. Selected Scope 3 includes waste data from data centres under the Group's operational control (Australia). 3. PT Bank Commonwealth (PTBC) is included up to 30 April 2024, after which time our divestment of the business was complete.
Emissions factor	A figure provided by a credible third party that provides an estimated amount of CO ₂ emitted for a specific activity (e.g. emissions per barrel of oil combusted). These can be multiplied with production figures to estimate emissions.
Location-based emissions reporting	Reflects the Group's emissions in the context of its location, on which the consumption/activity for Scope 1, Scope 2 and selected Scope 3 emissions occur. This does not consider renewable electricity procurement represented by the retirement of eligible renewable attribute certificates.
Market-based emissions reporting (Australia)	Reflects the large generation certificates (LGCs) purchases redeemed against the electricity used for ATMs, electric vehicle fleet, retail, commercial, residential and data centre properties in Australia under CBA's operational control.
Market-based emissions reporting (New Zealand)	Reflects the renewable energy certificates (RECs) purchases redeemed against electricity used for retail, corporate and data centre properties under ASB's operational control.
Market-based emissions reporting (India)	Reflects the energy attribute certificates (EACs) purchases redeemed against electricity used for the commercial property and electric vehicle fleet in India under CBA's operational control.
Market-based emissions reporting (Other Overseas)	Reflects the energy attribute certificates (EACs) purchases redeemed against estimated electricity used for the Other Overseas commercial properties.
Scope 1 emissions	Relates to the Group's consumption of natural gas, stationary fuel and refrigerants used in retail, commercial and data centre properties under the Group's operational control, and business use of tool-of-trade vehicles, during the reporting period. The consumption data is based on a combination of invoiced amounts and estimates based on historical information or pro-rata consumption. Emissions are calculated using the relevant emissions factors noted in the 'Scope 1, Scope 2 and selected Scope 3 emissions' regional definitions. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a reasonable assurance level in FY24.

Term	Definition
Scope 2 emissions	Emissions from the Group's electricity used by ATMs, retail, commercial, fleet, residential and data centre properties under the Group's operational control during the reporting period. The consumption data is based on a combination of invoiced amounts and estimates based on historical information or pro-rata consumption. Emissions are calculated using the relevant emission factors noted in the regional definitions below. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a reasonable assurance level in FY24.
Selected Scope 3 emissions	Indirect greenhouse gas emissions as a result of sources outside the Group's operational control, but support the Group's business activities during the reporting period. The consumption data is based on a combination of invoiced amounts and estimates based on historical information or pro-rata consumption/activity. Emissions are calculated using the relevant emission factors noted in the regional definitions below. Selected Scope 3 emissions currently do not cover all categories of the GHG Protocol; however, it is the Bank's intention to align in the future with the Protocol and disclose relevant categories. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Scope 1, Scope 2 and selected Scope 3 emissions – Australia	<p>Australian emissions are based on emission factors sourced from the Climate Active Carbon Neutral Standard (2023), National Greenhouse Accounts Factors (2023) and the Department for Environment, Food and Rural Affairs (United Kingdom) (2022).</p> <p>Scope 1 and Scope 2 emissions sources for Australia included diesel stationary, natural gas, electric vehicle fleet, transport fuels, refrigerants and purchased electricity during the reporting period. The consumption data is based on a combination of invoiced amounts and estimated based on historical information or pro-rata consumption. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a reasonable assurance level from FY24.</p> <p>Selected Scope 3 emissions sources for Australia included CBA's annual general meeting, annual report production, freight, office paper (photocopy), water, base building electricity and natural gas, diesel stationary, natural gas, emissions associated with electricity at data centres not under CBA's operational control, transmission and distribution losses, fleet, waste, hotel accommodation, flights, fuel expensed, hire car, taxi use, employee commuting and work from home emissions during the reporting period. The consumption data is based on a combination of invoiced amounts and estimated based on historical information or pro-rata consumption. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p>
Scope 1, Scope 2 and selected Scope 3 emissions – New Zealand	<p>New Zealand emission factors are sourced from Ministry for the Environment NZ, Measuring Emissions: A Guide for Organisations (2024). Exceptions where emission factors are from different sources include Scope 3 Freight (Postage: NZ Post FY23 emission factors, Courier: Auckland Council spend based emissions factor (year ending 2019, Postal and Courier Services), adjusted for inflation) and Scope 3 Paper (Environment Protection Authority Victoria (2021)).</p> <p>Scope 1 and Scope 2 emissions sources for New Zealand included diesel stationary, natural gas, fleet transport fuels, refrigerants and purchased electricity during the reporting period. The consumption data is based on a combination of invoiced amounts and estimated based on historical information or pro-rata consumption. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a reasonable assurance level in FY24.</p> <p>Selected Scope 3 emissions sources for New Zealand included freight, office paper (photocopy), transmission and distribution losses, waste, hotel accommodation, flights, fuel expensed, hire car, taxi use and work from home emissions during the reporting period. The consumption data is based on a combination of invoiced amounts and estimated based on historical information or pro-rata consumption. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p>

Glossary of terms (continued)

Term	Definition
Scope 1, Scope 2 and selected Scope 3 emissions – India	<p>India emissions are based on emission factors sourced from International Energy Agency (2022 and 2023), National Greenhouse Accounts Factors (Australia, 2023), IPCC Fifth Assessment Report (2014), Climate Active Carbon Neutral Standard (Australia, 2023) and the Department for Environment, Food and Rural Affairs (United Kingdom, 2023).</p> <p>Scope 1 and Scope 2 emissions sources for India included diesel stationary, refrigerants and purchased electricity during the reporting period. The consumption data is based on a combination of invoiced amounts and estimated based on historical information or pro-rata consumption. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p> <p>Selected Scope 3 emissions sources for India included freight, office paper (photocopy), water, base building electricity, diesel stationary, transmission and distribution losses, fleet, waste, hotel accommodation, flights, hire car, employee commuting and work from home emissions during the reporting period. Employee commuting and work from home emissions are estimated by multiplying the Australian employee commuting and work from home emissions per FTE as at 30 June by the numbers of FTEs in India. The consumption data is based on a combination of invoiced amounts and estimated based on historical information or pro-rata consumption. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p>
Scope 1, Scope 2 and selected Scope 3 emissions – Other overseas	<p>Other overseas emissions are estimated by multiplying the Australian Scope 1, Scope 2 and selected Scope 3 emissions per FTE as at 30 June by the number of FTEs of all the Group's other overseas offices. PTBC (Indonesia) FTE taken as per divested date. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p>
Group	Commonwealth Bank of Australia and its subsidiaries.
Group Executive (GE)	Members of the Executive Leadership Team (excludes the CEO and the CEO ASB).
Hardship approvals	<p>Total number of CBA hardship approvals during the reporting period for retail accounts across home loans, personal loans and credit cards. A hardship account is defined as an account where the customer takes up an approved hardship solution, due to financial hardship, owing (but not limited) to reasons such as unemployment/underemployment, health, relationship breakdown, and over committed. Excludes written off accounts and life arrangements. Excludes Bankwest and ASB New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level from FY24.</p>
Headcount	<p>Total number of employees, including permanent headcount (full-time, part-time, job share, on extended leave), and contractors (fixed term arrangements) paid directly by the Group as at 30 June. Excludes contingent workers. PT Bank Commonwealth (PTBC) is included up to 30 April 2024 and Colonial First State is included up to 1 December 2021, after which time our divestment from these businesses was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p>
Health, safety and wellbeing training	<p>Number of employees who completed health, safety and wellbeing training, as recorded in the Group's learning management system (PeopleLink) as at 30 June, measured by headcount. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p>
Indigenous cultural development (training completion rate)	<p>Percentage of employees, in relation to total headcount, who have completed Indigenous cultural development, as recorded in the Group's learning management system (PeopleLink) as at 30 June. Indigenous cultural development programs included are: Indigenous cultural awareness e-learning; Providing banking services to First Nations customers e-learning; or BlackCard Cultural Learning Program. Includes CBA and Bankwest domestic employees. Excludes ASB businesses in New Zealand and other overseas operations. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p>
Indigenous Customer Assistance Line (calls received)	<p>Number of calls received from retail customers via the dedicated Indigenous Customer Assistance Line (ICAL) during the reporting period. It excludes calls that were abandoned by CBA retail customers. Excludes Bankwest. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.</p>

Term	Definition
Indigenous workforce (ancestry)	Represents the proportion of employees who disclosed that they most strongly identify with Australian Aboriginal and/or Torres Strait Islander ancestry in the Group's annual people and culture survey. Participation and disclosure in the survey is voluntary and can vary from year-to-year. Bankwest included from September 2020. From September 2022, the data represents the proportion of Australia-based employees only. Aboriginal and Torres Strait Islander representation in Australia is based on the 2021 Australian Census. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
In-scope drawn lending	Drawn lending which excludes exposures in the finance and insurance, and government administration and defence ANZSICs. Portfolios not assessed include consumer finance (excluding Australian motor vehicle finance) and commercial property outside of Australia and New Zealand.
Interest rate risk in the banking book (IRRBB)	Interest rate risk in the banking book is the risk that the Bank's profit derived from Net Interest Income (interest earned less interest paid), in current and future periods, is adversely impacted by changes in interest rates. This is measured from two perspectives: firstly by quantifying the change in the net present value of the balance sheet's future earnings potential, and secondly as the anticipated change to net interest income earned over 12 months. This calculation is driven by APRA regulations with further detail outlined in the Group's Basel III Pillar 3 report.
Long-term alignment remuneration (LTAR)	Remuneration that is subject to pre-grant and pre-vest assessments and vests subject to service conditions after a period of four and five years for the CEO, and four years for Group Executives and CEO ASB.
Long-term variable remuneration (LTVR)	Variable remuneration subject to service conditions and performance measures over four years. From FY23, LTVR awards that remain on foot following satisfaction of service conditions and performance measures are restricted until completion of a risk and compliance review after a further holding period of two years for the CEO and one year for Group Executives and CEO ASB.
Lost time injury frequency rate (LTIFR)	LTIFR is the reported number of occurrences of lost time arising from injury or disease that have resulted in an accepted workers compensation claim during the reporting period, for each million hours worked by Australia and New Zealand employees. The metric captures claims relating to permanent, casual and fixed-term contractors paid directly by the Group. It is reported using the information available as at 30 June. Prior year numbers have been restated due to claims received after year-end reporting date. This metric includes data for the now divested Colonial First State business covering the period up to 30 November 2021. These records pertain to workers that were employed by CBA at the time, and CBA retains some legal obligations as an employer for that period. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Misconduct cases resulting in termination	This metric represents closed substantiated misconduct cases which resulted in termination and were managed in Australia by the Workplace Relations team, SpeakUP team and/or Group Investigations team during the reporting period. The metric excludes incidents reported by local associates and joint ventures. There are various internal policies within the Group that govern staff conduct obligations, such as the 'Code of Conduct' which is the guiding framework at CBA. Colonial First State is included up to 1 December 2021, after which time our divestment from the business was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Most Innovative Major Consumer Bank	CBA was awarded the 'Most Innovative Major Consumer Bank' (for the 6th year in a row) by RFI Global's Banking & Finance Awards 2024. Presented June 2024. The award is based on information collected from the RFI Global Atlas research program, using feedback from over 80,000 business and/or retail customers from January through to December 2023.
Natural capital	The stock of renewable and non-renewable natural resources (e.g., plants, animals, air, water, soils and minerals) that combine to yield a flow of benefits to people, organisations (including financial institutions) and the environment.
Nature	The natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment.
Net profit after tax (NPAT) ("cash basis")	Represents net profit after tax and non-controlling interests before non-cash items including hedging and IFRS volatility, and gains or losses on acquisitions, disposal, closure, capital repatriation and demerger of controlled businesses, or associates that are not discontinued operations. This is management's preferred measure of the Group's financial performance.

Glossary of terms (continued)

Term	Definition
Net profit after tax (NPAT) (“statutory basis”)	Represents net profit after tax and non-controlling interests, calculated in accordance with Australian Accounting Standards. This is equivalent to the statutory item “Net profit attributable to Equity holders of the Bank”.
Net Promoter Score (NPS)	For the major banks, NPS is reported for main brand only. “Net Promoter [®] , NPS [®] , NPS Prism [®] , and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld. Net Promoter Score SM and Net Promoter System SM are service marks of Bain & Company, Inc., NICE Systems, Inc., and Fred Reichheld.” NPS refers to customer likelihood to recommend their main financial institution using a scale from 0–10 (where 0 is ‘not at all likely’ and 10 is ‘extremely likely’) and NPS is calculated by subtracting the percentage of Detractors (scores 0–6) from the percentage of Promoters (scores 9–10).
Net Stable Funding Ratio (NSFR)	The NSFR more closely aligns the behaviour terms of assets and liabilities. It is the ratio of the amount of available stable funding (ASF) to the amount of required stable funding (RSF). ASF is the portion of an Authorised Deposit-taking Institution’s (ADI) capital and liabilities expected to be a reliable source of funds over a one-year time horizon. RSF is a function of the liquidity characteristics and residual maturities of an ADI’s assets and off Balance Sheet activities.
Net tangible assets per share	Net assets excluding intangible assets, non-controlling interests and other equity instruments divided by ordinary shares on issue at the end of the period (excluding Treasury Shares deduction). Right of use assets are included in net tangible assets per share.
New Zealand	New Zealand refers to ASB Banking Group which includes the banking and funds management business. ASB Banking Group provides a range of banking, wealth and insurance products and services to personal, business, rural and corporate customers in New Zealand
Next Chapter and Community Wellbeing (customer interactions)	The total number of interactions with individuals, including non-CBA customers, in vulnerable circumstances supported by the Next Chapter and Community Wellbeing team during the reporting period. The channels are: calls answered; internal and external vulnerability referrals; asynchronous chat opened conversations via the CommBank App; and outbound contacts made to support customers who received abusive messages via transaction descriptions. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
NPS – ASB – Consumer	Retail Market Monitor NPS measures the net likelihood of recommendation to others of the customer’s main financial institution. Using a scale of 1 to 10 (1 means ‘extremely unlikely’ and 10 means ‘extremely likely’), the 1–6 raters (detractors) are deducted from the 9–10 raters (promoters). Twelve-month rolling average data is used. The ranking refers to ASB’s position relative to the other four main New Zealand banks.
NPS – ASB – Business and rural banking	Business Finance Monitor NPS measures the net likelihood of recommendation to others of the business or rural customer’s main financial institution. Using a scale of 1 to 10 (1 means ‘extremely unlikely’ and 10 means ‘extremely likely’), the 1–6 raters (detractors) are deducted from the 9–10 raters (promoters). Four-quarter rolling average data is used. The ranking refers to ASB’s position relative to the other three main New Zealand banks.
NPS – Bankwest – Consumer	RFI-DBM Atlas Consumer Main Financial Institution (MFI) NPS (refer to definition for Net Promoter Score). Based on Australian population aged 14+ years old, rating their likelihood to recommend their MFI. NPS results are shown as a six-month rolling average. NPS is reported for each brand, therefore Commonwealth Bank of Australia excludes Bankwest, and Westpac excludes St George, BankSA and Bank of Melbourne. Bankwest ranking is based on the following nine banks: CBA, ANZ, Westpac, NAB, Adelaide/Bendigo Bank, Suncorp, Bankwest, Bank of Queensland and St George. NPS ranks are based on absolute scores among reported banks and not statistically significant differences.
NPS – CBA – Business	RFI Global Atlas Business MFI NPS. Based on Australian businesses rating their likelihood to recommend their MFI for Business Banking. NPS results are shown as a six-month rolling average. NPS ranks are based on simple comparisons of scores among major banks, not statistically significant differences. NPS is reported for each brand, therefore Commonwealth Bank of Australia excludes Bankwest and ASB Banking Group.

Term	Definition
NPS – CBA – Consumer	RFI Global Atlas Consumer MFI NPS. Based on Australian population aged 14+ years old rating their likelihood to recommend their MFI. NPS results are shown as a six-month rolling average. NPS ranks are based on simple comparisons of scores among major banks, not statistically significant differences. NPS is reported for each brand, therefore Commonwealth Bank of Australia excludes Bankwest and ASB Banking Group.
NPS – CBA – Consumer mobile banking app	RFI Global Atlas Consumer MFI Mobile Banking App NPS: Based on MFI customers rating their likelihood to recommend their MFI's Mobile Banking App used in the last four weeks. NPS results are shown as a six-month rolling average. NPS ranks are based on simple comparisons of scores among major banks, not statistically significant differences. NPS is reported for each brand, therefore Commonwealth Bank of Australia excludes Bankwest and ASB Banking Group.
NPS – CBA – Consumer online banking	RFI Global Atlas Consumer MFI Online Banking NPS: Based on MFI customers rating their likelihood to recommend their MFI's Online Banking used in the last four weeks. NPS results are shown as a six-month rolling average. NPS ranks are based on simple comparisons of scores among major banks, not statistically significant differences. NPS is reported for each brand, therefore Commonwealth Bank of Australia excludes Bankwest and ASB Banking Group.
NPS – Institutional	RFI Global Atlas Institutional \$300 million plus Business MFI NPS: Based on Australian businesses with an annual revenue of \$300 million or more for the previous financial year rating their likelihood to recommend their MFI for Business Banking. NPS results are shown as a twelve-month rolling average. NPS ranks are based on simple comparisons of scores among major banks, not statistically significant differences. NPS is reported for each brand, therefore Commonwealth Bank of Australia excludes Bankwest and ASB Banking Group.
Office paper usage (retail and commercial operations)	Office paper used in retail and commercial operations under the Group's operational control. Invoiced reams of paper are used to estimate usage by weight. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Operational emissions	Scope 1, 2 and selected Scope 3 emissions (excluding financed emissions) resulting from the operations of our business for the Commonwealth Bank of Australia Group, including ASB Banking Group and other overseas operations.
Other overseas	Represents amounts booked in branches and controlled entities outside Australia, New Zealand and India.
Paris Agreement	The Paris Agreement, adopted within the United Nations Framework Convention on Climate Change in December 2015, commits all participating countries to limit global temperature rise to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C, to adapt to changes already occurring, and to regularly increase efforts over time.
PCAF	Partnership for Carbon Accounting Financials. A global partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose the GHG emissions associated with their loans and investments.
People engagement index – CBA	The People Engagement Index (PEI) measures how engaged our people are, including feelings of personal accomplishment and advocacy of the organisation. The PEI was refreshed in February 2024 from a five-item metric to a two-item metric to reduce the length of the Group's quarterly people and culture survey and time taken to complete, without compromising insights about engagement or the reliability of the PEI measure. PEI is calculated based on the proportion of employees replying with a score of 4 or 5 to two engagement questions in the Group's quarterly people and culture survey. These questions are rated on a scale of 1 to 5 (where 1 is 'Strongly Disagree' and 5 is 'Strongly Agree'). Participation and disclosure in the survey is voluntary and can vary from year-to-year. Bankwest included from September 2020. PT Bank Commonwealth (PTBC) is included up to 30 April 2024, after which time our divestment from this business was complete. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.

Glossary of terms (continued)

Term	Definition
Performance rights	Performance rights to ordinary shares in CBA granted under the LTVR and subject to the satisfaction of performance measures and service conditions.
Phishing sites taken down	The number of phishing sites identified impersonating Group branding (CommBank, Commonwealth Bank, CommBiz, CommSec, NetBank and CBA Group) and taken down by a third-party vendor during the reporting period. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level from FY24.
Physical risks	Risks arising from extreme weather events (acute) such as floods, bushfires and cyclones, and longer term (chronic) shifts in precipitation and temperature and increased variability in weather patterns, such as sea level rise.
Privacy complaints	Number of privacy related complaints escalated to the Office of the Australian Information Commissioner (OAIC) or Australian Financial Complaints Authority (AFCA) for the Group during the reporting period. This includes complaints that have been through the Bank's Internal Dispute Resolution (IDR) process and have escalated to an External Dispute Resolution (EDR) scheme. These complaints are recorded in FirstPoint and are managed by the Group Customer Relations and/or Customer Care team. Includes Bankwest and CBA/Colonial First State (CFS) or Commonwealth Insurance Limited (CIL) commingled complaints or complaints related to the sale and distribution of CFS/CIL products. CFS is included up to 1 December 2021, after which time our divestment from the business was complete. Excludes ASB businesses in New Zealand and other overseas operations. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Profit after capital charge (PACC)	The Group uses PACC, a risk-adjusted measure, as a key measure of financial performance. It takes into account the profit achieved, the risk to capital that was taken to achieve it, and other adjustments.
RAP	Reconciliation Action Plan.
Renewable electricity procurement	The usage of electricity for operations within Australia, New Zealand and Other Overseas generated via renewable sources in compliance with CBA's RE100 commitment. Addressed through the procurement of Large Generation Certificates (LGCs) or Renewable Energy Certificates (RECs) in local and/or regional jurisdictions for the reporting period. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level. For ASB, this metric is not assured by PwC.
% of renewable electricity procurement (Australia, New Zealand, India, Other Overseas)	The percentage of renewable electricity procured for operations within Australia, New Zealand, India and Other Overseas. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level. For ASB, this metric is not assured by PwC.
Renewable electricity purchased	Comprised of renewable electricity purchased via power purchase agreements or retail contracts and renewable energy certificates (including small-scale technology certificates (STCs) and Large-scale generation certificates (LGCs)) surrendered in connection with electricity consumed during the reporting period. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Renewable energy exposure	Renewable energy exposures includes pure-play renewables companies and diversified power generation customers where at least 90% of electricity generated is from renewable sources.
RepTrak reputation score	RepTrak, The RepTrak Company. Data is collected throughout the quarter and reported at quarter end. The reputation score is a calculation based on four statements measuring esteem, admiration and respect, trust and good feeling towards the organisation; expressed as a score ranging from 0–100 to determine the reputational strength of the company.
Restricted share units (RSU)	Rights to ordinary shares in CBA or a cash equivalent, granted under the LTAR and subject to a pre-grant and pre-vest assessment (from the FY23 award onward), and service conditions.

Term	Definition
Retail MFI Share	Main Financial Institution (MFI) Share measures the proportion of Banking and Finance MFI Customers that nominated each bank as their MFI. In the Roy Morgan Single Source Survey, MFI is a customer-determined response where one institution is nominated as the primary financial institution they deal with (when considering all financial products they hold). Peers include ANZ Group, NAB Group and Westpac Group (including St George Group). CBA Group includes Bankwest. Source: Roy Morgan Single Source survey conducted by Roy Morgan, Australian population 14+ (12 month averages to June 2024), excluding those unable to identify MFI. Roy Morgan has re-calibrated the results from April 2020 to March 2021 to take into account methodology changes since COVID-19. This has resulted in small differences to some of the previously published figures.
Return on equity – cash basis	Based on net profit after tax (“cash basis”) divided by average shareholders’ equity.
Return on equity – statutory basis	Based on net profit after tax (“statutory basis”) divided by average shareholders’ equity.
Senior leaders	Collective term referring to the individuals in the following executive groups: Executive Leadership team, Executive General Managers and General Managers.
Service availability (%) – Access accounts using online banking	Disclosures are reported at the brand level, therefore CBA excludes Bankwest. For more information and detail on definitions, refer to the RBA Retail Payment Service Reliability Explanatory information . Service availability (%) refers to the actual amount of time that the service is not experiencing a significant outage, as a proportion of the amount of time during which the service was planned to be available. Planned available time excludes planned outages (e.g. for system maintenance). Significant outages are those unplanned unavailability of a service that meet minimum thresholds for the duration of the outage and the proportion of customers affected. Service availability to access accounts using online banking includes the access by web browser or mobile device app. This refers to the ability to log in, transfer between own accounts at CommBank, initiate payments and/or view accurate and up to date account information. Excluded is the ability to process payments, which is covered in ‘make/receive account transfers – fast payments’ and ‘make/receive account transfers – next business day’.
Short-term variable remuneration (STVR)	Variable remuneration paid, subject to the achievement of predetermined performance hurdles over one financial year. STVR is received as cash and deferred shares.
Signals analysed for potential cyber threats	The average number of weekly observable events in the CBA and Bankwest network that are analysed for potential cyber threats to 30 June. Excludes ASB businesses in New Zealand.
Significant IT incidents	The number of significant IT incidents during the reporting period causing a severe or major business impact for the Group. Incidents are categorised according to the Group’s IT Incident Management Standard. Excludes ASB New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level from FY24.
SpeakUP Program cases	Number of cases reported to the Group’s SpeakUP Program during the reporting period. The reports include both whistleblower and non-whistleblower disclosures. PT Bank Commonwealth (PTBC) is included up to 30 April 2024 and Colonial First State is included up to 1 December 2021, after which time our divestment from these businesses was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Substantiated misconduct cases	This metric represents closed substantiated misconduct cases managed in Australia by the Workplace Relations team, SpeakUP team and/or Group Investigations team during the reporting period. The metric excludes incidents reported by local associates and joint ventures. There are various internal policies within the Group that govern staff conduct obligations, such as the ‘Code of Conduct’ which is the guiding framework at CBA. Colonial First State is included up to 1 December 2021, after which our divestment from the business was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Support units	Support units are not business functions and are responsible for enabling the operations of the Bank. Functions that are in support units include Human Resources, Technology, Financial Services, Operations, Risk Management, Marketing & Corporate Affairs, Group Strategy and Legal and Group Secretariat.

Glossary of terms (continued)

Term	Definition
Sustainability funding (cumulative)	The cumulative funding provided up to 30 June tracked against the Group's SFT. For the full definition, including definitions of each asset category, refer to pages 99–103 of the 2024 Climate Report . The new and incremental financing for the 12 months ended 30 June 2024 (FY24 contributions) has been included in the scope of PwC's limited assurance engagement on selected Sustainability Funding and Sector-level Glidepath Subject Matter for the Group's 2024 Climate Report.
Sustainability Funding Target (SFT)	The Group's target to provide \$70 billion of cumulative sustainability funding by 2030. For the full definition, including definitions of each asset category, refer to pages 99–103 of the 2024 Climate Report .
Total customers	The combined number of customers who have a relationship with the Group, as at 30 June. A customer is defined as anyone who holds an open account. Includes retail and non-retail customers and deceased estates. Customers who have a relationship with more than one entity (CBA, Bankwest and/or ASB) may be counted more than once.
Total energy consumption (including electricity and fuel)	Energy consumption is the consumption of natural gas, diesel stationary, transport fuel and electricity for properties and electric vehicle fleet during the reporting period, under the Group's operational control in Australia; including two data centres under non-operational control. Energy consumption is associated with fuel combusted for the business use of tool-of-trade vehicles, hire cars and fuel expensed. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a reasonable assurance level from FY24.
Total fuel consumption	Energy from the use of natural gas, transport fuels and diesel in data centres, retail and commercial properties during the reporting period. Includes energy from the use of fuels such as petrol, diesel and ethanol for transport, under CBA's operational control in Australia. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Total renewable energy consumption – Australia (renewable electricity purchased and electricity generated from on-site solar panels)	Comprised of energy consumed from renewable electricity purchased and electricity generated from on-site solar panels in Australia during the reporting period. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Total Waste (commercial and data centres operations)	Total waste included landfill waste, recycled waste and secure paper recycled waste generated and collected from CBA and Bankwest commercial buildings during the reporting period, under the Group's operational control in Australia. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Training completion rate – Code of Conduct	Percentage of employees who have been assigned or completed the 'Code of Conduct' learning module recorded in the Group's learning management system (PeopleLink) as at 30 June. It includes employees who have a learning due date after 30 June. Excludes the training completion rates of terminated employees and the employees of ASB businesses in New Zealand. Numbers prior to FY19 are for completion of 'Our Commitments' training. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Training completion rate – mandatory learning	Percentage of employees who have been assigned or completed the Group mandatory learning modules recorded in the Group's learning management system (PeopleLink) as at 30 June. It includes employees who have a learning due date after 30 June. Excludes the training completion rates of terminated employees and the employees of ASB businesses in New Zealand. The Group's mandatory learning modules are: Code of Conduct; Conflicts of Interest; Valuing Privacy; Health, Safety and Wellbeing; Workplace Conduct (which includes Sexual Harassment); Group Securities Insider Trading; Financial Crime (which includes Anti-Bribery and Corruption, Anti-Money Laundering and Counter-Terrorism Financing); Fraud; Resolving Customer Complaints; Information Security; and The Group Risk Management Approach. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Transition Plan	A plan that, at a minimum: <ul style="list-style-type: none"> contains a time-bound decarbonisation plan which is aligned to the goal of the Paris Agreement to limit global warming to well below two degrees above pre-industrial levels; and includes the client's Scope 1, 2 and 3 emissions. <p>CBA will engage a third party to assess applicable Clients' Transition Plans against the above two requirements.</p>

Term	Definition
Transition risks	Risks arising from transitioning to a low carbon economy due to changes in domestic and international policy and regulatory settings, technological innovation, social adaptation and market changes, which can result in changes to costs, income and profits, investment preferences and asset viability.
Waste (commercial operations) – landfill	Tonnes of waste to landfill generated per annum from CBA and Bankwest commercial buildings under the Group’s operational control in Australia during the reporting period. Waste to landfill data is based on combination of invoiced amounts and estimates based on an average tonnes per m ² of net lettable area. Invoiced amounts are estimated by the total number of bin lifts using density conversion factors or actual weighed amounts where available.
Waste (commercial operations) – recycled	Tonnes of recycled waste generated per annum from CBA and Bankwest buildings under the Group’s operational control in Australia during the reporting period. Recycled waste data is a combination of invoiced amounts and estimates based on an average tonnes per m ² of net lettable area. Invoiced amounts are estimated by the total number of bin lifts using density conversion factors or actual weighed amounts where available.
Waste (commercial operations) – secure paper recycled	Tonnes of secured paper waste collected from CBA and Bankwest commercial buildings under the Group’s operational control in Australia during the reporting period. Secured paper waste is shredded and recycled in a secure process to protect privacy. Based on invoiced volumes which are estimated using average weight per bin collected. In FY22, the process changed to also include onsite volumetric measurement at selected sites.
Water	Water consumption includes tenanted usage from CBA and Bankwest commercial buildings and data centres during the reporting period under Group’s operational control in Australia. Water usage is based on a combination of invoiced amounts and estimates based on an average usage per m ² of net lettable area. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Weighted average number of shares	The calculation incorporates the bonus element of any rights issue, discount element of any DRP and excludes “Treasury Shares” related to investment in the Bank’s shares held for future issuance at vesting of related share based payment awards.
Whistleblower cases	Number of whistleblower cases on-boarded into the Group’s SpeakUP Program during the reporting period. PT Bank Commonwealth (PTBC) is included up to 30 April 2024 and Colonial First State is included up to 1 December 2021, after which time our divestment from these businesses was complete. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Women in Executive Manager and above roles	The percentage of roles at the level of Executive Manager and above filled by women, in relation to the total headcount at these levels as at 30 June. PT Bank Commonwealth (PTBC) is included up to 30 April 2024, after which time our divestment from this business was complete. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Women in Manager and above roles	The percentage of roles at the level of Manager and above (including Branch Managers) filled by women, in relation to the total headcount at these levels as at 30 June. PT Bank Commonwealth (PTBC) is included up to 30 April 2024, after which time our divestment from this business was complete. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.
Women in Senior Leadership (Group Executives)	The percentage of executive roles that are filled by women as at 30 June. These roles are direct reports of the Chief Executive Officer with authority and responsibility for planning, directing and controlling the Group’s activities. For the list of current executives, refer to pages 94–97 .
Women in workforce	The percentage of roles filled by women, in relation to the total headcount as at 30 June. PT Bank Commonwealth (PTBC) is included up to 30 April 2024, after which time our divestment from this business was complete. Excludes ASB businesses in New Zealand. This is the Criteria for the accompanying Selected Sustainability Information assured by PwC to a limited assurance level.

Important notices

Climate-related statements

This Report contains certain climate-related statements which are subject to uncertainties, limitations, risks and assumption associated with climate-related information and the ever-changing environment we operate in.

Non-IFRS information

Readers should also be aware that certain financial data in this Report may be considered “non-International Financial Reporting Standards financial measures” (non-IFRS measures) under Regulatory Guide 230 ‘disclosing non-IFRS financial information’ published by ASIC, including, Net Profit After Tax – (“cash basis”), earnings per share (“cash basis”), dividend payout ratio (“cash basis”) and dividend cover (“cash basis”). Although the Group believes that these “non-IFRS” measures provide a useful means through which to examine the underlying performance of the business, such “non-IFRS measures” do not have a standardised meaning prescribed by Australian Accounting Standards or IFRS and therefore may not be comparable to similarly titled measures presented by other entities. They should be considered as supplements to the financial statement measures that have been presented in accordance with the Australian Accounting Standards or IFRS and not as a replacement or alternative for them. Readers are cautioned not to place undue reliance on any such measures.

Guidance on forward-looking statements

This Report contains certain forward-looking statements with respect to the financial condition, capital adequacy, operations and business of the Group and certain plans and objectives of the management of the Group. Such forward-looking statements speak only as at the date of this Report and undue reliance should not be placed upon such statements. Although the Group currently believes the forward-looking statements have a reasonable basis, they are not certain and involve known and unknown risks and assumptions, many of which are beyond the control of the Group, which may cause actual results, conditions or circumstances to differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on forward-looking statements particularly in light of: current economic conditions, geopolitical events, and global banking uncertainty including recent examples of instability in the banking system and regulatory, government and central bank responses.

Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “would”, “could”, “expect”, “intend”, “plan”, “aim”, “estimate”, “target”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words, and include statements regarding the Group’s intent, belief or current expectations with respect to the Group’s business and operations, market conditions, results of operations and financial condition, capital adequacy and risk management. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements, whether as a result of new information, future events or results or otherwise, is disclaimed. The Group is under no obligation to update any of the forward-looking statements contained within this presentation, subject to applicable disclosure requirements.

Forward-looking statements may also be made – verbally and in writing – by members of the Group’s management in connection to this Report. Such statements are also subject to the same limitations, uncertainties and assumptions which are set out in this Report.

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Email: cba@linkmarketservices.com.au
linkmarketservices.com.au

Please note, Link Market Services (part of Link Group) was acquired by Mitsubishi UFJ Trust & Banking Corporation, a consolidated subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG) on 16 May 2024.

Link Group is now known as MUFG Pension & Market Services. Mailing and contact information is currently unchanged. Over the coming months, Link Market Services will also progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services.

American Depositary Receipt (ADR) program

CBA ADRs are negotiable securities issued by BNY, with one ADR representing one CBA ordinary share. They are traded under the symbol CMWAY and are classified as Level 1. They are not listed on any exchange and are only traded over-the-counter via brokers.

ADR Investors who hold ADRs via a broker should contact their US broker directly for queries relating to their holdings.

Registered ADR Holders – held via Computershare – should contact the registry directly:

Computershare Investor Services
P. O. Box 43078
Providence RI 02940-3078
USA

U.S. Toll Free Telephone: 1-888-BNY-ADRS (1-888-269-2377)

Telephone for International Callers: 1-201-680-6825

Website: <https://www-us.computershare.com/investor>

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