

PUBLIC REPORT TEMPLATE

Controlling Corporation

Commonwealth Bank of Australia (CBA)

Period to which this report relates

Start 1st July 2006

End 30th June 2010

Part 1 – Information on assessments completed to date

Table 1.1 – Description of the way in which the Corporate Group (or part of it) has carried out its assessments

The Commonwealth Bank of Australia Group (the Group) remains fully committed to the Energy Efficiency Opportunities (EEO) program as part of a broader commitment to investing and embedding energy efficiency and environmentally sustainable practices across its business. The Group continues to support voluntary carbon related programs such as the Carbon Disclosure Project and CitySwitch.

The Group continues to drive energy efficiency programs and produces annual Sustainability Reports for various funds within its asset management business, Colonial First State Global Asset Management (CFSGAM) and the Commonwealth Bank of Australia. As a further demonstration of the Group's commitment to energy efficiency and carbon reduction, the Group has voluntarily included BankWest (which was acquired by CBA in 2009) into its EEO Assessment and Reporting program.

Commonwealth Bank of Australia (CBA)

During the 2009-10 reporting period, the Group has continued implementing its EEO compliance plan and has undertaken further detailed Energy Efficiency Opportunity assessments to three of its major commercial premises.

The Group's fuel use via its tool-of-trade vehicle fleet is tracked on a monthly basis to verify the savings being achieved. This has shown a significant reduction over the previous reporting period and is largely due to the change-out of six cylinder to four cylinder vehicles and reflects the associated fuel efficiency.

Preparatory work is well advanced in setting up the Australia wide "roll-out" program for energy efficiency improvements to lighting and appliance energy use across the CBA retail portfolio. This roll-out is to be trialled in Sydney with the full-scale implementation commencing in December 2010 with completion anticipated by the end of 2012.

Colonial First State Global Asset Management (CFSGAM)

During the 2009-10 reporting period thirty eight assessments were undertaken on behalf of the Group's asset management business.

CFSGAM. These assessments equated to a further 56.9% of the portfolio (616,772GJ) being assessed, resulting in 81.6% of the CFSGAM portfolio being assessed in total, as part of the program to date. The site assessments undertaken cover baseline development, identification of energy efficiency improvement opportunities and tracking progress towards completion of committed activities.

The Group is proud to report that to date, 242 opportunities identified during this reporting period, have been implemented or are being actively progressed, with an annual saving potential of 79,136 GJ.

CFSGAM has made positive progress in reducing its environmental impact and has skilled personnel including property and facility managers to ensure it continues to implement practical changes throughout the company. Such initiatives include installation of new chillers and variable speed drives.

Bank of Western Australia (BW)

During the 2009-10 reporting period three commercial and ten retail locations were assessed. This represents 24.4% of the portfolio (30,865GJ out of 126,255GJ) being assessed for energy saving opportunities. The site assessments undertaken covered baseline development, and identification of energy efficiency improvement opportunities. The assessments resulted in 63 opportunities being identified with an annual energy saving potential of 6,841GJ.

The Group has used these branch reviews to develop a representative Assessment and Reporting Schedule (ARS) to manage the whole of the BW retail EEO program moving forward.

Other Group Actions

Other actions that have also been taken on the Key Elements are as follows:

Leadership – Group leaders continue to work with property, fleet, IT managers and the Corporate Sustainability team, to identify and drive the energy efficiency initiatives and broader EEO program. The 2009-10 reporting period saw the commencement of the Group's 20% carbon emissions reduction target program.

People – Group employees at all levels, as well as external climate change management consultancy, Energetics, and sustainability consultancy NetBalance, have been engaged to assist and drive energy efficiency initiatives. Meetings have been documented and responsibilities allocated.

Information – The Group utilises billing data to monitor and track progress on all associated initiatives. The Group's third party data management tool has been upgraded during the reporting period to meet all legislative requirements.

Opportunity Identification and Evaluation – A comprehensive program of assessments have been conducted throughout the reporting period. Opportunities and payback periods identified and implemented where appropriate.

Decision Making – Sustainability Leadership Committee's have been established to evaluate and prioritise identified opportunities and oversee implementation.

Communicating Outcomes – Communication is to Board, relevant expert stakeholders throughout the business and to the broader public.

Table 1.2 – Energy use assessed

| Group member and/or business unit and/or key activity and/or site that has had an assessment completed by the end of this reporting period. | Period over which assessment was undertaken ¹ | Energy use per annum in GJ ² in the current reporting year |
|---|--|---|
| CBA (selected sites, 07-08) | 1 st July 2007 to 30 th June 2008 | 16,663 |
| CBA Commercial Portfolio (selected sites, 08-09) | 1 st July 2008 to 30 th June 2009 | 36,775 |
| CBA Commercial Portfolio (selected sites, 09-10) | 1 st July 2009 to 30 th June 2010 | 24,008 |
| CBA Retail Portfolio (Representative Assessment) | 1 st July 2008 to 30 th June 2009 | 307,701 |
| CBA Fleet Portfolio | 1 st July 2008 to 30 th June 2009 | 114,989 |
| CBA ATM Portfolio (Representative Assessment) | 1 st July 2009 to 30 th June 2010 | 15,034 |
| Colonial First State Global Asset Management (CFSGAM) (selected sites, 07-08) | 1 st July 2007 to 30 th June 2008 | 74,988 |
| CFSGAM (selected sites, 08-09) | 1 st July 2008 to 30 th June 2009 | 180,503 |
| CFSGAM (selected sites, 09-10) | 1 st July 2009 to 30 th June 2010 | 616,772 |
| Bankwest (BW) Commercial Portfolio (selected sites, 09-10) | 1 st July 2009 to 30 th June 2010 | 28,094 |
| BW Retail Portfolio (selected sites, 09-10) | 1 st July 2009 to 30 th June 2010 | 2,771 |
| Total energy assessed | | 1,418,298 |
| Total energy use of the group in the current reporting year | | 1,898,168 |
| Total energy assessed expressed as a percentage of total current energy use | | 75% |

1. This should be the start and finish date (month and year) for the assessment (planned assessment dates were nominated in Table 3.1 of the approved ARS).
2. Energy Bandwidth may only be used if approved in the Assessment and Reporting Schedule.

Part 1 – Information on assessments completed to date (continued)

| Table 1.3 – Accuracy of energy use data | | |
|---|------------|---|
| Entity | % achieved | Reasons for not achieving data accuracy to within $\pm 5\%$ |
| CBA Commercial Portfolio | $\pm 5\%$ | |
| CBA Retail Portfolio | $\pm 5\%$ | |
| CBA ATM Portfolio | $\pm 5\%$ | |
| CBA Tool of Trade Fleet | $\pm 5\%$ | |
| CFSSGAM Commercial Portfolio | $\pm 5\%$ | |
| CFSSGAM Retail Portfolio | $\pm 5\%$ | |
| BW Commercial Portfolio | $\pm 5\%$ | |
| BW Retail Portfolio | $\pm 5\%$ | |

Part 2 - Energy Efficiency Opportunities that have been identified and evaluated

Part 2A - New Assessments completed during the reporting period

Name of Group member or business unit or key activity or site: Commonwealth Bank of Australia Commercial Portfolio (selected sites, 09/10)

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|--------|----|
| 24,008 | GJ |
|--------|----|

Table 2.1 – Opportunities assessed to an accuracy of ±30% or better

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|---|---------------|-----------|---|----------|
| | | 0 – < 2 years | 2 – ≤ 4 years | > 4 years | | |
| Outcomes of assessment* | Total Identified | 27 | 1,923.99 | 1,030.28 | 405.96 | 3,360.23 |
| Business Response* | Under Investigation | 5 | 440.21 | 19.00 | 110.99 | 570.20 |
| | To be Implemented | 22 | 1,483.78 | 1,011.28 | 294.97 | 2,790.03 |
| | Implementation Commenced | - | - | - | - | - |
| | Implemented | - | - | - | - | - |
| | Not to be Implemented | - | - | - | - | - |

Name of Group member or business unit or key activity or site: Commonwealth Bank of Australia ATM Portfolio

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|--------|----|
| 15,034 | GJ |
|--------|----|

Table 2.1 – Opportunities assessed to an accuracy of ±30% or better

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|--|---------------|-----------|---|-------|
| | | 0 – < 2 years | 2 – ≤ 4 years | > 4 years | | |
| Outcomes of assessment* | Total Identified | 2 | 919 | - | 2,609 | 3,528 |
| Business Response* | Under Investigation | 2 | 919 | - | 2,609 | 3,528 |
| | To be Implemented | - | - | - | - | - |
| | Implementation Commenced | - | - | - | - | - |
| | Implemented | - | - | - | - | - |
| | Not to be Implemented | - | - | - | - | - |

Name of Group member or business unit or key activity or site: Colonial First State Global Asset Management (selected sites, 09/10)

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|---------|----|
| 616,772 | GJ |
|---------|----|

Table 2.1 – Opportunities assessed to an accuracy of ±30% or better

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|---|---------------|-----------|---|---------|
| | | 0 – < 2 years | 2 – ≤ 4 years | > 4 years | | |
| Outcomes of assessment* | Total Identified | 298 | 16,435 | 18,759 | 65,923 | 101,117 |
| Business Response* | Under Investigation | 98 | 899 | 9,230 | 27,310 | 37,440 |
| | To be Implemented | 83 | 13,156 | 4,360 | 5,832 | 23,349 |
| | Implementation Commenced | 24 | 3,683 | 2,869 | 5,814 | 12,366 |
| | Implemented | 37 | -1,304* | 1,063 | 6,223 | 5,982 |
| | Not to be Implemented | 56 | - | 1,236 | 20,744 | 21,981 |

* A project was initiated which substituted a centralised gas fired heating solution to replace electric heaters. Due to differing system efficiencies the gas fired solution uses slightly more energy than the electric system. However, due to the cost and emissions differentials between electricity and gas, the gas fired system delivers savings in both operational cost and CO2 emissions. Hence the "negative savings" energy figure.

Name of Group member or business unit or key activity or site: Bankwest Commercial Portfolio (selected sites, 09/10)

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|--------|----|
| 28,094 | GJ |
|--------|----|

Table 2.2 - Opportunities assessed to an accuracy of worse than ±30%

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|---|---------------|-----------|---|----------|
| | | 0 - < 2 years | 2 - ≤ 4 years | > 4 years | | |
| Outcomes of assessment | Total Identified | 21 | 708.33 | 3,150.62 | 2,576.69 | 6,435.64 |
| Business Response | Under Investigation | 12 | 677.27 | 3,137.91 | 2,433.64 | 6,248.82 |
| | To be Implemented | 9 | 31.06 | 12.71 | 143.05 | 186.82 |
| | Implementation Commenced | - | - | - | - | - |
| | Implemented | - | - | - | - | - |
| | Not to be Implemented | - | - | - | - | - |

Name of Group member or business unit or key activity or site: Bankwest Retail Portfolio (selected sites, 09/1/0)

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|-------|----|
| 2,771 | GJ |
|-------|----|

Table 2.2 – Opportunities assessed to an accuracy of worse than ±30%

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|---|---------------|-----------|---|--------|
| | | 0 – < 2 years | 2 – ≤ 4 years | > 4 years | | |
| Outcomes of assessment | Total Identified | 42 | 272.65 | 79.78 | 52.87 | 405.30 |
| Business Response | Under Investigation | 13 | 74.89 | 22.19 | 37.92 | 135.00 |
| | To be Implemented | 29 | 197.76 | 57.59 | 14.95 | 270.30 |
| | Implementation Commenced | - | - | - | - | - |
| | Implemented | - | - | - | - | - |
| | Not to be Implemented | - | - | - | - | - |

Part 2 - Energy Efficiency Opportunities that have been identified and evaluated

Part 2B - Update of assessments originally reported in previous reporting periods

Name of Group member or business unit or key activity or site: Commonwealth Bank of Australia Commercial Portfolio (selected sites, 07/08, 08/09)

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|--------|----|
| 53,438 | GJ |
|--------|----|

Table 2.3 - Opportunities assessed to an accuracy of ±30% or better

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|---|---------------|-----------|---|--------|
| | | 0 - < 2 years | 2 - ≤ 4 years | > 4 years | | |
| Outcomes of assessment* | Total Identified | 62 | 5,387 | 5,230 | - | 10,617 |
| Business Response* | Under Investigation | 25 | 2,372 | 522 | - | 2,894 |
| | To be Implemented | 12 | 1,514 | 52 | - | 1,566 |
| | Implementation Commenced | - | - | - | - | - |
| | Implemented | 22 | 1,494 | 4,654 | - | 6,148 |
| | Not to be Implemented | 3 | 7 | 2 | - | 9 |

Name of Group member or business unit or key activity or site: Commonwealth Bank of Australia Retail Portfolio

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|---------|----|
| 307,701 | GJ |
|---------|----|

Table 2.3 – Opportunities assessed to an accuracy of ±30% or better

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|---|---------------|-----------|---|--------|
| | | 0 – < 2 years | 2 – ≤ 4 years | > 4 years | | |
| Outcomes of assessment* | Total Identified | 4,771 | 27,956 | 20,713 | 11,124 | 59,794 |
| Business Response* | Under Investigation | | | | | |
| | To be Implemented | 1,457 | - | 15,813 | - | 15,813 |
| | Implementation Commenced | 3,231 | 27,505 | 4,509 | 10,945 | 42,958 |
| | Implemented | 83 | 451 | 392 | 180 | 1,022 |
| | Not to be Implemented | - | - | - | - | - |

Name of Group member or business unit or key activity or site: Commonwealth Bank of Australia Fleet Portfolio

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|---------|----|
| 114,989 | GJ |
|---------|----|

Table 2.3 - Opportunities assessed to an accuracy of ±30% or better

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|---|---------------|-----------|---|--------|
| | | 0 - < 2 years | 2 - ≤ 4 years | > 4 years | | |
| Outcomes of assessment* | Total Identified | 21 | 28,084 | - | 1,701 | 29,785 |
| Business Response* | Under Investigation | 8 | 391 | - | - | 391 |
| | To be Implemented | - | - | - | - | - |
| | Implementation Commenced | 9 | 27,693 | - | - | 27,693 |
| | Implemented | 1 | - | - | - | - |
| | Not to be Implemented | 3 | - | - | 1,701 | 1,701 |

Name of Group member or business unit or key activity or site: Colonial First State Global Asset Management (selected sites, 07/08, 08/09)

Amount of energy assessed which generated the results below (and is reported in Table 1.2)

| | |
|---------|----|
| 255,491 | GJ |
|---------|----|

Table 2.3 - Opportunities assessed to an accuracy of ±30% or better

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (GJ) | | | Total estimated energy savings per annum (GJ) | |
|------------------------------------|--------------------------|---|---------------|-----------|---|--------|
| | | 0 – < 2 years | 2 – ≤ 4 years | > 4 years | | |
| Outcomes of assessment* | Total Identified | 137 | 25,680 | 9,656 | 22,248 | 57,584 |
| Business Response* | Under Investigation | 16 | 1,638 | 1,779 | 3,651 | 7,068 |
| | To be Implemented | 19 | 3,697 | 2,968 | 2,648 | 9,314 |
| | Implementation Commenced | 12 | 3,501 | 61 | 990 | 4,552 |
| | Implemented | 79 | 16,277 | 4,754 | 9,233 | 30,265 |
| | Not to be Implemented | 11 | 567 | 95 | 5,724 | 6,385 |

Part 2 - Energy Efficiency Opportunities that have been identified and evaluated

Part 2C - Details of at least three significant opportunities found through EEO assessments

Table 2.5 – Description of 3 significant opportunities

| |
|--|
| <p>Opportunity 1 – BankWest Data Centre Lighting Upgrade</p> <p>Frame Court is a large BankWest Data Processing Centre located in Leederville Western Australia. The main computer hall was originally fitted with approximately 1,300 fluorescent light fittings of the T8 type. A project was identified to replace the existing installation with more energy efficient lamps of the T5 type using conversion units. At the same time an opportunity to review the current lighting levels was taken, this identified that a degree of lamp removal could be allowed while maintaining the required Australian standard of lighting levels in the facility. The analysis showed that the lamp number could be reduced from 1,300 to 800.</p> <p>Through these actions the lighting and HVAC load at the facility was reduced by an average of 30kW resulting in an annual energy saving of 266MWh and the associated CO₂-e emissions reduction of 250 tonnes.</p> |
| <p>Opportunity 2 – Colonial First State Global Asset Management 32 Walker Street Chiller Replacement</p> <p>32 Walker Street is a large commercial office building located in North Sydney, NSW. The improvement project comprised the replacement of the existing Trane air conditioning chillers with 2 x 320 kW PowerPax chillers. The new PowerPax chiller was selected due to its economic operating performance (high capacity with low energy consumption). The result of the work carried out has saved a total of 227MWh in the first year of operation, which is over 21% of the total building usage, and associated CO₂-e emissions reduction of 240 tonnes.</p> |
| <p>Opportunity 3 - Colonial First State Global Asset Management Northland Shopping Centre Variable Speed Drive Installation</p> <p>At the CFSGAM Northland retail location in Victoria an opportunity for energy saving was identified by installing a Variable Speed Drive (VSD) on selected pumps.</p> <p>The advantages gained through reduced energy consumption by using VSDs on pumps, fans, compressors and other equipment has been widely documented in past years. VSDs reduce energy costs and prolong the life of equipment by adjusting motor speed to meet load requirements. As a result VSDs have been installed on selected chilled, condenser, and hot water pumps to correctly control water flow and optimise the units' operation. This resulted in an annual energy saving of 172MWh (619GJ) and the associated CO₂-e emissions reduction of 230 tonnes.</p> |
| <p>Opportunity 4 – Commonwealth Bank of Australia – Commercial Premises' Lighting Upgrade</p> <p>As part of the program to upgrade lighting within its commercial premises, CBA retrofitted the locations at 31 Birnie Avenue, Lidcombe and 11 Argyle Street Newcastle. Owing to the particular circumstances of the existing lighting, differing technology solutions were needed. At Argyle Street the existing type T8 fluorescent lamps were replaced with T5 conversion units, whilst at Birnie Avenue the T8 units were replaced with T8 "quad phosphor" lamps.</p> <p>The resultant annual savings for Argyle Street were 116MWh and the associated CO₂-e emissions reduction of 124 tonnes and for Birnie Avenue 191MWh and 204 tonnes respectively.</p> |

Part 3 - Voluntary Contextual Information

Table 3.1 – Contextual Information

During the 2008-09 reporting period, the Group engaged climate change management consultancy, Energetics, to undertake a target setting project, the aim of which was to investigate a potential carbon emissions reduction target.

From 1 July 2009 the Group implemented its 20% carbon emissions reduction target to be achieved by July 2013, in comparison to 2008-09 levels. This target program is run in conjunction with the Group's EEO program.

The Group has implemented, or is implementing the following initiatives to reduce its carbon emissions:

- Energy efficiency projects throughout its retail and commercial portfolio
- Vehicles that are less carbon-intensive
- Increasing the use of E10 and biodiesel fuels
- Providing driver education programs
- Relocating employees from inefficient buildings to a more energy-efficient commercial portfolio
- Undertaking staff awareness and engagement programs.

The Bank has already made good progress in making its retail properties more energy efficient. A suite of energy efficiency initiatives were successfully trialled at 12 retail branches during 2009. The Group's strategy is to implement these technologies throughout the retail network during 2010-11 where appropriate. This will significantly reduce the Group's carbon emissions in its entirety. In addition, our vehicle initiatives have resulted in a significant reduction in emissions to date, surpassing initial expectations.

As a result of the initiatives put in place, the Group's direct carbon emissions have reduced by a total of 10,562 Tonnes Co2-e during the 2009-10 financial year.

The Group's commercial portfolio will also benefit from moving to more efficient office accommodation, in particular 'Commonwealth Bank Place', while housing approximately 5,400 employees, is designed to achieve a 6-star Green Star rating with a 5-Star NABERS energy rating.

Table 3.2 – Energy use expressed in Greenhouse Gas emissions and as an energy use indicator

| Period of energy use | to | Energy use pa (GJ) | Energy use pa (GGE) | Energy use as an indicator* |
|--|----|--------------------|---------------------|-----------------------------|
| Name of group member/ business unit/ key activity/site | | | | |
| | | | | |
| | | | | |
| Total | | | | |

Table 3.3 - Opportunities assessed to an accuracy of ±30% or better (\$ value)

| Status of opportunities identified | Number of opportunities | Estimated energy savings per annum by payback period (\$) | | | Total estimated energy savings per annum (\$) |
|------------------------------------|--------------------------|---|---------------|-----------|---|
| | | 0 - < 2 years | 2 - ≤ 4 years | > 4 years | |
| Outcomes of assessment* | Total Identified | | | | |
| Business Response* | Under Investigation | | | | |
| | To be Implemented | | | | |
| | Implementation Commenced | | | | |
| | Implemented | | | | |
| | Not to be Implemented | | | | |


Part 3 - Voluntary Contextual Information (continued)

Table 3.4 - Changes in energy use as an indicator

| Name of group member/ business unit/ key activity/site | Current energy use as an indicator | Previous energy use as an indicator | Reasons for change |
|--|------------------------------------|-------------------------------------|--------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| Total | | | |

Part 4 - Declaration

Table 4.1 - Declaration of accuracy and compliance (mandatory information)

| | |
|--|---|
| <p>The information included in this report has been reviewed and noted by the board of directors and is to the best of my knowledge, correct and in accordance with the <i>Energy Efficiency Opportunities Act 2006</i> and <i>Energy Efficiency Opportunities Regulations 2006</i>.</p> |  |
| | <p>ACTING CEO. Insert Title of Signatory here</p> |
| <p>Date</p> | <p>23-12-10.</p> |