

CBA announces \$6 billion off-market share buy-back

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Wednesday, 11 August 2021 SYDNEY: Commonwealth Bank of Australia (CBA) today announced its intention to conduct an off-market buy-back (Buy-Back) of up to \$6 billion of CBA ordinary shares (Shares).

CBA Chairman Catherine Livingstone said: “CBA’s strong capital position and our progress on executing our strategy mean that we are well placed to continue to support our customers and manage ongoing uncertainties, while also returning a portion of surplus capital to shareholders. After careful consideration, your Board has determined that the Buy-Back is the most efficient and value-enhancing strategy to distribute CBA’s surplus capital and franking credits.”

CBA Chief Executive Officer Matt Comyn said: “The Buy-Back follows CBA’s continued strong operating performance and the completion of various divestments. Post Buy-Back, CBA will continue to have a strong surplus capital position to support our customers.”

The Buy-Back will be conducted by way of an off-market tender process which will open on Monday, 30 August 2021 and close at 7:00pm (Sydney time) on Friday, 1 October 2021. The Buy-Back will be open to eligible shareholders who are registered holders of Shares on the Buy-Back Record Date (Wednesday, 18 August 2021) and who have a registered address in Australia or New Zealand.

Further details of the Buy-Back are provided in the information booklet attached (Booklet). It is important that shareholders read the Booklet in full before deciding to participate. Shareholder participation in the Buy-Back is voluntary.

An information flyer, communicating how shareholders can participate in the Buy-Back and how to obtain a copy of the Booklet, will be sent to eligible shareholders by Friday, 27 August 2021.

For any queries on how the Buy-Back operates or how to participate, please visit the CBA Buy-Back website at commbank.com.au/buyback or contact the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia between 8.00am and 7.30pm (Sydney time) on business days.

Important information

This document does not constitute, or form part of, any offer or invitation to sell, or any solicitation of any offer to purchase any securities in any jurisdiction, nor shall it or the fact of its distribution be relied on in connection with any contract thereof. No indications of interest in the Buy-Back are sought by this document. Shareholders who are (or nominees or trustees who hold Shares on behalf of or for the account or benefit of persons who are) located in the United States or US Persons (within the meaning of Regulation S under the United States Securities Act of 1933, as amended), residents of Canada or who are otherwise excluded foreign persons will not be eligible to participate in the Buy-Back described in this document. Buy-Back documents, including the Booklet describing the terms of the Buy-Back and application forms, when issued, will not be distributed or released in or into the United States or Canada. This document is not to be distributed in or into, the United States or Canada.

The release of this announcement was authorised by the Board.

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Off-market buy-back booklet

Commonwealth Bank of Australia

ABN 48 123 123 124

THIS IS AN IMPORTANT DOCUMENT

If you have any questions, please contact your financial, taxation or other professional adviser.

This Buy-Back is not available to persons located or resident in, and this booklet is not to be distributed into, the United States of America or Canada.



**Commonwealth
Bank**

Important notices

Buy-Back booklet and other available information

This is an important booklet dated Wednesday, 11 August 2021. It invites you to make an offer to sell your Shares to Commonwealth Bank of Australia ABN 48 123 123 124 (CBA) under an off-market tender process (**Buy-Back**). It contains information to assist you in making a decision as to whether to participate in the Buy-Back.

In reviewing this booklet, you should also have regard to other information made available to you about CBA, including the following documents that can be obtained from CBA's Investor Centre (commbank.com.au/investors) or on the ASX website (asx.com.au):

- CBA's half-yearly and annual financial reports, including CBA's profit announcement for the full year ended 30 June 2021; and
- CBA's market announcements lodged with ASX.

Capitalised words have specific meanings and are defined in Section 6 "Glossary and interpretation".

Buy-Back Invitation

Please note that the Buy-Back Invitation does not constitute or give rise to a legally binding offer capable of acceptance by you. If you apply to have your Shares bought back by CBA, you will be making a formal offer to sell those Shares on the terms and conditions set out in the Buy-Back Documents. If CBA accepts your Application, a binding Buy-Back Contract will be formed and your tendered Shares will be sold to CBA on those terms and conditions.

Booklet does not provide investment advice

This booklet does not provide financial product, tax or investment advice and has been prepared without taking into account your particular objectives, financial situation, taxation circumstances or needs. You should consider the appropriateness of participating in the Buy-Back, having regard to these factors, and read this booklet in full. If you have any questions, you should seek advice from your financial, taxation or other professional adviser before deciding whether to participate in the Buy-Back.

Restrictions on foreign jurisdictions

The distribution of this booklet in some jurisdictions outside Australia and New Zealand may be restricted by law and does not constitute a Buy-Back Invitation to participate in any place where, or to any person to whom, it would be unlawful or impractical for CBA to do so. Persons who come into possession of this booklet should seek advice on it and observe any restrictions on distribution.

Copies of the Buy-Back Documents may not be sent, directly or indirectly, by mail or any means or instrumentality (including without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or through any facility of a national securities exchange of, the United States or otherwise distributed or sent outside of Australia and New Zealand (including into the United States or Canada).

Any person receiving any of the Buy-Back Documents must not, directly or indirectly, distribute or send them into the United States or Canada, or make them available to any Excluded Foreign Persons, any US Person (including to any legal or beneficial owner of Shares that is a US Person) or any person who is located or resident in the United States or Canada.

If you have any questions about the Buy-Back, you should seek advice from your financial, taxation or other professional adviser. You can also visit the Buy-Back website at commbank.com.au/buyback or contact the CBA Share Registry information line on 1800 022 440 (within Australia) or on +61 1800 022 440 (outside Australia) (Monday to Friday 8.00am – 7.30pm, Sydney time) on business days.

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Corporate Directory		Inside back cover



Dear Shareholder,

On behalf of the Board of the Commonwealth Bank of Australia, I am pleased to invite you to consider participating in an off-market buy-back of up to approximately \$6 billion worth of CBA ordinary shares.

CBA's strong capital position and our progress on executing our strategy mean that we are well placed to continue to support our customers and manage ongoing uncertainties, while also returning a portion of surplus capital to shareholders. The Buy-Back follows continued strong operating performance and the completion of various divestments which have resulted in capital in excess of CBA's requirements.

Your Board has carefully considered how best to return the surplus capital to shareholders. We believe that an off-market buy-back will benefit all our shareholders whether or not you decide to participate. This is because the Buy-Back will reduce the number of CBA shares on issue, thereby supporting the return on equity, earnings per share and dividend per share, for all shareholders who continue to hold shares in CBA.

For those shareholders who successfully participate in the Buy-Back, CBA has obtained a draft Class Ruling from the Australian Taxation Office, indicating that for Australian income tax purposes, the Buy-Back Price will comprise a Capital Component of \$21.66 per share, with the remainder of the Buy-Back Price deemed to be a fully franked dividend¹. Due to our strong surplus franking credit position, we do not expect that the utilisation of franking credits in the Buy-Back will adversely impact our ability to continue to fully frank ordinary dividends in future years.

The Buy-Back will be conducted through a tender process, as described in more detail in Section 1 "Overview of the Buy-Back and tender process" of this booklet. This booklet contains important information about the Buy-Back to help you decide whether or not to participate. I encourage you to read this booklet carefully. The decision to participate is entirely voluntary and you should discuss your circumstances with financial, taxation or other professional adviser. If you do not wish to participate, you do not need to take any action.

If, after reading this booklet, you have any questions on how the Buy-Back operates, please visit our dedicated Buy-Back website at commbank.com.au/buyback or contact the CBA Share Registry information line on 1800 022 440 within Australia, or on +61 1800 022 440 from outside Australia.

On behalf of the Board, thank you for your continued support.

Yours sincerely

C. B. Livingstone

Catherine Livingstone AO
Chairman

1. Capital Component and Dividend Component remains subject to ATO approval, refer to Section 2 "Tax consequences for CBA shareholders".

Buy-Back

Buy-Back Announcement Date	11 August 2021
Buy-Back booklet available	
Last day that Shares can be acquired on-market to be eligible to participate in the Buy-Back and to qualify for franking credit entitlements²	16 August 2021
Buy-Back Ex-entitlement Date	17 August 2021
Shares acquired on-market on or after this date will not be eligible for the Buy-Back	
Buy-Back Record Date	18 August 2021
The date that determines the Eligible Shareholders entitled to participate in the Buy-Back	
Buy-Back Period opens	30 August 2021
Eligible Shareholders may submit, withdraw or amend an Application	
Buy-Back Period closes	1 October 2021
Applications must be submitted online or received by the CBA Share Registry no later than 7:00pm (Sydney time), on this date	
Buy-Back Date	4 October 2021
The date on which the Buy-Back Price and scale back (if any) are announced and Buy-Back Contracts are entered into	
Buy-Back proceeds paid to successful shareholders	8 October 2021

Full Year Dividend

Announcement date	11 August 2021
Ex-entitlement date	17 August 2021
Record date	18 August 2021
Payment date	29 September 2021
The date on which CBA will pay the Full Year Dividend and allocate Shares to holders who participated in the DRP	

Dates may change

While CBA does not anticipate any changes to these key dates, it reserves the right to change them without notice, subject to laws and ASX requirements. If any dates are changed, subsequent dates may also change.

2. See Section 2.2.3 "Franking credit entitlements" for details of the 45-day rule and specific concessions which may apply.

Key features of the Buy-Back

		Further information	Page
At a glance	<p>CBA is buying back up to \$6 billion worth of Shares by way of an off-market tender. The Buy-Back provides Eligible Shareholders the opportunity to sell some or all of their Shares to CBA.</p> <p>CBA may, at its discretion, vary the size of the Buy-Back or not buy back any Shares at all, subject to a number of factors, such as shareholder demand, market conditions and future capital requirements.</p> <p>Shares that are bought back will be cancelled, reducing the total number of Shares on issue.</p> <p>Shareholder participation in the Buy-Back is voluntary.</p>	<p>Section 1.1 “What is an off-market buy-back tender?”</p> <p>Section 1.2 “Why is CBA conducting the Buy-Back?”</p>	<p>8</p> <p>8</p>
What are the key benefits of participating in the Buy-Back for shareholders?	<p>The key benefits include:</p> <ul style="list-style-type: none"> • Eligible Shareholders can tailor their participation to suit their own personal circumstances; • you will not have to pay brokerage to sell your Shares through the Buy-Back; and • depending on your personal tax situation, selling your Shares under the Buy-Back could result in a higher after-tax return than selling your Shares on-market. 	<p>Section 1.3 “What are the benefits of the Buy-Back for shareholders?”</p> <p>Refer to the tax calculator provided on the Buy-Back website</p>	<p>9</p> <p>commbank.com.au/buyback</p>
Why you may choose not to participate in the Buy-Back?	<p>The reasons you may choose not to participate include:</p> <ul style="list-style-type: none"> • you may not wish to dispose of any Shares; • you may wish to benefit from holding a slightly larger proportion of the total number of Shares CBA has on issue; and • depending on your personal tax situation, you may achieve a greater after-tax return by selling your Shares on-market rather than selling through the Buy-Back. 	<p>Section 1.5 “Why you may choose not to participate in the Buy-Back”</p> <p>Refer to the tax calculator provided on the Buy-Back website</p>	<p>9</p> <p>commbank.com.au/buyback</p>
What is the Discount range?	<p>If you are an Eligible Shareholder, you can offer to sell some or all of your Shares to CBA:</p> <ul style="list-style-type: none"> • at a discount of between 10% and 14% inclusive (at 1% intervals) to the Market Price; and/or • at the final Buy-Back Price (as a Final Price Application). <p>You can also select a Minimum Price below which none of your Shares will be bought back.</p>	<p>Section 1.9 “At what Discount(s) can I offer my Shares for sale?”</p>	<p>10</p>
Can I offer to sell my Shares at multiple Discounts?	<p>If you are an Eligible Shareholder and wish to participate in the Buy-Back, and:</p> <ul style="list-style-type: none"> • hold 100 Shares or less, you must offer to sell all of your Shares at the same Discount or as a Final Price Application; or • hold more than 100 Shares, you may offer to sell your Shares at one or more Discounts and/or as a Final Price Application. 	<p>Section 1.9 “At what Discount(s) can I offer my Shares for sale?”</p>	<p>10</p>

		Further information	Page
What is the Buy-Back Price?	The Buy-Back Price is the lowest price at which CBA can buy back the targeted amount of capital, based on Applications received from all participating Eligible Shareholders.	Section 1.13 "At what price will my Shares be bought back?"	11
	The Buy-Back Price will be calculated by applying the Buy-Back Discount (selected by CBA under the tender process) to the Market Price.	Section 1.14 "How will I know what the Buy-Back Price is?"	12
	The Market Price is calculated as the volume weighted average price (VWAP) of Shares over the five trading days up to and including the Closing Date.		
What is the Capital Component of the Buy-Back Price? ³	\$21.66	Section 2.3 "Australian Capital Gains Tax (CGT) – Treatment of Capital Component on disposal of Shares"	24
What is the Dividend Component of the Buy-Back Price?	The Dividend Component will be equal to the Buy-Back Price less the Capital Component of \$21.66. The Dividend Component is expected to be fully franked.	Section 2.2 "Australian income tax – Treatment of Dividend Component"	22
Am I an Eligible Shareholder?	You are eligible to participate in the Buy-Back if you: <ul style="list-style-type: none"> • are a registered holder of Shares on the Buy-Back Record Date (Wednesday, 18 August 2021); • have a registered address in Australia or New Zealand; and • are not an Excluded Foreign Person. CBA has American Depository Receipts (ADRs) on issue. ADRs are not eligible to be sold in the Buy-Back.	Section 5.1 "Excluded Foreign Persons and persons not entitled to participate in the Buy-Back"	44
Shareholders who receive a government pension or allowance	Your participation in the Buy-Back may have an impact on your government pension or allowance, depending on your particular circumstances. If you are in any doubt as to the action you should take, you should consult a professional adviser or contact Centrelink or the Department of Veterans' Affairs directly.	Section 5.6 "Shareholders who receive a government pension or allowance"	45

3. This amount is subject to ATO approval (see Section 2 "Tax consequences for CBA shareholders").

Key features of the Buy-Back

What are my options?

If you are an Eligible Shareholder, you can choose whether or not to participate in the Buy-Back. To ensure that you make an informed decision, you should read the Buy-Back Documents in full and consider the details carefully. If you have any questions about the Buy-Back, please seek advice from your financial, taxation or other professional adviser.

What if I choose to participate?

The following provides a summary of the steps you need to complete if you choose to participate in the Buy-Back after having read this booklet and obtained any relevant advice. Please refer to Section 4 "How do I participate in the Buy-Back" for further details regarding each of these steps.

Step 1	Decide the number of Shares you wish to sell
	Decide the number of Shares you wish to offer to sell to CBA (subject to a minimum of either 100 Shares or, if you hold less than that, all of your Shares).
Step 2	Choose your Discount(s) and/or Final Price Application
	Choose the Discount(s) to the Market Price at which you are willing to sell those Shares, and/or choose a Final Price Application (see Sections 1.9 and 1.10). What Discount(s) to select or whether to submit a Final Price Application will depend on your own circumstances, including your personal tax situation.
Step 3	Select a Minimum Price (optional)
	You can elect to make your Application conditional on one of the specified Minimum Prices set out on your Application Form (see Section 1.12).
Step 4	Submit your Application(s)
	You can submit your Application to participate in the Buy-Back either online on the Buy-Back website commbank.com.au/buyback , or by completing and returning a hard copy Application Form. Applications must be received by the Registry by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021).

Tax consequences

If your Application is successful, the tax consequences will depend on your particular circumstances (see Section 2 "Tax consequences for CBA shareholders"). To help you calculate the potential Australian income tax consequences for you, CBA has provided a tax calculator on the Buy-Back website commbank.com.au/buyback.

What if I choose not to participate?

You do not need to take any action. The number of Shares you hold will not change, however your proportional shareholding in CBA will increase if other shareholders successfully participate in the Buy-Back.

1

Overview of the Buy-Back and tender process

This section sets out an overview of the Buy-Back and other important information to assist you in deciding whether to participate in the Buy-Back.

Overview of the Buy-Back and tender process

The following information is an overview of the Buy-Back and the tender process. You should read this section and this booklet carefully. You should also have regard to other information previously made available to you about CBA, including market announcements available on the ASX website (asx.com.au) and on CBA's Investor Centre (commbank.com.au/investors).

If you have any questions, you should seek advice from your financial, taxation or other professional adviser.

1.1. What is an off-market buy-back tender?

An off-market buy-back tender involves a company inviting eligible shareholders to offer to sell some or all of their shares to the company by way of a tender process. The shares bought back are subsequently cancelled, reducing the total number of shares the company has on issue.

Under the Buy-Back, Eligible Shareholders may offer to sell their Shares at any of the specified discounts in the Discount range of between 10% and 14% inclusive (at 1% intervals) to the Market Price or as a Final Price Application.

At the end of the Buy-Back Period, CBA will consider the Applications and determine the Buy-Back Price. All successful Applications will receive the Buy-Back Price for each Share bought back, even if Shares were tendered at a Discount higher than the Buy-Back Discount. Any Shares tendered at a Discount less than the Buy-Back Discount will not be accepted. If the number of Shares tendered at or above the Buy-Back Discount (including Final Price Applications) exceeds the number of Shares that CBA determines to buy back, a scale back will operate on the basis set out in Section 1.20 "How would a scale back affect my Application?".

CBA may, at its discretion, vary the size of the Buy-Back or not buy back any Shares at all, subject to a number of factors, such as shareholder demand, market conditions and future capital requirements.

1.2. Why is CBA conducting the Buy-Back?

CBA aims to deliver sector leading returns for shareholders and is focused on prudent and efficient capital management.

CBA's strong capital position and our progress on executing our strategy mean that we are well placed to continue to support our customers and manage ongoing uncertainties, while also returning a portion of surplus capital to shareholders. The Buy-Back follows CBA's continued strong operating performance and the completion of various divestments which have resulted in capital in excess of CBA's requirements.

The Board considered various alternatives for returning capital to shareholders and determined that undertaking the Buy-Back is the most efficient and value-enhancing strategy to distribute CBA's surplus capital and franking credits.

CBA is conducting the capital return by way of an off-market buy-back for the following reasons:

- CBA can buy back Shares at a discount of up to 14% to the Market Price, which enables CBA to buy back a greater number of Shares than under an on-market buy-back program for the same amount of capital;
- CBA is able to determine the most appropriate number of Shares to buy back; and
- CBA can buy back the targeted amount of capital within a relatively short period of time compared to other forms of capital return (such as an on-market buy-back), so the benefits of the Buy-Back can be realised sooner.

It is anticipated that the Buy-Back, at the target Buy-Back size of \$6 billion, can be undertaken without prejudicing CBA's ability to continue to fully frank dividends going forward, in line with CBA's dividend policy.

1.3. What are the benefits of the Buy-Back for shareholders?

CBA expects that both participating and non-participating CBA shareholders will benefit from the Buy-Back.

All Eligible Shareholders have an opportunity to participate and participation can be customised to suit your individual preferences. In particular, participating Eligible Shareholders have the flexibility to choose:

- the numbers of Shares (if any) to offer for sale (subject to the Priority Allocation requirements – see Section 1.11 “What is the Priority Allocation?”); and
- the conditions upon which any offer to sell Shares is being made to CBA (for example, at what Discount(s) and/or as a Final Price Application, and if the Application will be subject to a Minimum Price condition).

Depending on your personal tax situation, selling your Shares through the Buy-Back could result in a higher after-tax return than selling on-market. For those Eligible Shareholders who successfully participate in the Buy-Back, the ATO has indicated to CBA that the Capital Component of the Buy-Back Price, for Australian tax purposes, will be \$21.66. Accordingly, the Dividend Component for Australian tax purposes, will be the amount by which the Buy-Back Price exceeds the Capital Component, and is expected to be fully franked.

Unlike disposing of your Shares on-market, Eligible Shareholders who successfully participate in the Buy-Back will not have to pay any brokerage to sell their Shares in the Buy-Back.

Non-participating shareholders who retain their Shares will hold a slightly larger proportion of the total number of Shares CBA has on issue after completion of the Buy-Back (see Section 1.8 “What happens if I do not participate in the Buy-Back?” for details). The reduction in the number of Shares on issue is expected to support return on equity, earnings per Share and dividend per Share, for all shareholders who continue to hold Shares.

1.4. Did CBA consider other ways of returning capital?

The Board considered a range of options for returning surplus capital to shareholders, including off-market buy-backs, on-market buy-backs, special dividends, capital returns and a combination of these options.

The Board believes that undertaking an off-market buy-back is the most efficient and value-enhancing strategy to distribute CBA's surplus capital and franking credits. The Buy-Back allows a targeted amount of capital to be bought back within a relatively short period of time compared to other forms of capital return (such as an on-market buy-back) and is expected to benefit all CBA shareholders. See Sections 1.2 and 1.3 above for further details on the benefits of an off-market buy-back for shareholders and CBA.

1.5. Why you may choose not to participate in the Buy-Back?

You may choose not to participate for a number of reasons, including if:

- you do not wish to dispose of any Shares;
- the actual tax consequences of participating in the Buy-Back may not suit your own circumstances;
- depending on your personal tax situation, you may achieve a greater after-tax return by selling your Shares on-market rather than through the Buy-Back; and/or
- you wish to retain your Shares as you will hold a slightly larger proportion of the total number of Shares CBA has on issue following the completion of the Buy-Back.

1.6. How does the Buy-Back compare to selling my Shares on-market?

Depending on your individual circumstances, selling your Shares in the Buy-Back may be different from selling your Shares on-market.

Under the Buy-Back, Eligible Shareholders can offer to sell their Shares at a Discount of between 10% and 14% inclusive (at 1% intervals) to the Market Price. Therefore, it is likely that the Buy-Back Price will be lower than CBA's share price on-market, during and possibly immediately after the Buy-Back Period. However, your after-tax return may be greater because of your personal tax situation and the tax treatment of the Capital Component, the Dividend Component and franking credits (see Section 2 “Tax consequences for CBA shareholders” for further detail). In addition, you will not need to appoint a broker or pay brokerage to sell your Shares under the Buy-Back.

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Overview of the Buy-Back and tender process

If you sell your Shares on-market, you will need to appoint a broker and may have to pay brokerage. It is likely that you will be able to sell your Shares on-market for a price that is higher than the Buy-Back Price. However, your after-tax return may be lower depending on your personal tax situation.

To provide Eligible Shareholders with an indication of the possible after-tax proceeds from selling their Shares in the Buy-Back compared to selling their Shares on-market, CBA has provided access to a tax calculator on the Buy-Back website (commbank.com.au/buyback).

Before you decide whether to participate in the Buy-Back, CBA strongly recommends that you seek advice from your financial, taxation or other professional adviser.

1.7. How have CBA Shares performed over recent times?

The closing price of Shares on the ASX on Friday, 6 August 2021 was \$103.75.

A chart showing the share price performance of CBA over the last two years, from Monday, 5 August 2019 to Friday, 6 August 2021 is provided below.

CBA share price performance over the last two years



Source: IRESS

The share price information provided in this section is for information purposes only and is not a forecast of future performance. Past performance and trends should not be relied upon as being indicative of future performance and trends.

1.8. What happens if I do not participate in the Buy-Back?

Participation in the Buy-Back is entirely voluntary and any decision to participate should be made in light of your own personal circumstances. If you choose not to participate, if you are not an Eligible Shareholder or if your Application is unsuccessful, the number of Shares you hold will not change as a result of the Buy-Back. However, after the Buy-Back is completed, you will hold a slightly larger percentage of the total Shares outstanding in CBA as there will be fewer Shares on issue.

1.9. At what discount(s) can I offer my Shares for sale?

You can offer to sell your Shares at a Discount in the range of 10% to 14% inclusive (at 1% intervals). If you are comfortable offering your Shares for sale at any Discount within this range, you can make a Final Price Application (see Section 1.10 "What is a Final Price Application?").

If you hold 100 Shares or less and wish to participate, you must offer to sell all of your Shares at the same Discount or as a Final Price Application.

If you hold more than 100 Shares, you may offer to sell your Shares at one or more Discounts and/or as a Final Price Application. However, you must offer to sell a minimum of 100 Shares in aggregate.

See Section 7 "Illustrative examples of completed Application Forms" for examples of completed Application Forms which illustrate the different Discounts.

By making the Buy-Back Invitation and setting the range of Discounts, CBA is not making any recommendation or giving advice on the value of your Shares or whether (or how) you should sell your Shares.

1.10. What is a Final Price Application?

A Final Price Application is an offer to sell your Shares to CBA at the Buy-Back Price. The Buy-Back Price could be as low as a 14% discount to the Market Price or as high as a 10% discount to the Market Price. The maximum Discount is 14%, as this is the maximum permitted by the ATO.

Final Price Applications are designed to make it easier for Eligible Shareholders to participate successfully in the Buy-Back as you do not have to nominate a Discount and it increases the likelihood that some or all of your Shares will be bought back.

Submitting a Final Price Application means, provided the Buy-Back Price is higher than any Minimum Price you may nominate, you will more likely sell some or all of your Shares at a price per Share that could be anywhere in the range of 10% to 14% less than the Market Price. If a large number of Final Price Applications are submitted, it is more likely that the Buy-Back Price will be at a larger discount to the Market Price, up to the maximum of 14%.

Final Price Applications will only be scaled back if the Buy-Back Price is set at a 14% discount to the Market Price and the total number of Shares tendered at that discount and as Final Price Applications is more than CBA determines to buy back (see Section 1.18 "When may a scale back apply?"). Therefore, if you wish to increase the likelihood that your Shares will be bought back, you may consider submitting a Final Price Application.

1.11. What is the Priority Allocation?

The Priority Allocation is designed to ensure that Eligible Shareholders with a small number of Shares are not disadvantaged by any scale back. In the event of a scale back, CBA will buy back the first 100 Shares successfully tendered by each Eligible Shareholder (or such lesser number of Shares CBA determines to be the Priority Allocation). If your Application was for less than the Priority Allocation, all of your tendered Shares would be bought back.

1.12. Can I specify a Minimum Price for my Application?

Yes, you can specify a Minimum Price in your Application if you are concerned that movements in the Market Price after you submit your Application may result in your Application corresponding to a lower Buy-Back Price than for which you are willing to sell your Shares. If the Buy-Back Price is below your Minimum Price, then your Application will not be accepted and your Shares will not be bought back.

If you choose to make your Application conditional on the Buy-Back Price being at least one of the specified Minimum Prices, you must also nominate a specified Discount(s) and/or a Final Price Application, otherwise your Application will be invalid and will not be accepted.

1.13. At what price will my Shares be bought back?

You will receive the Buy-Back Price (rounded to the nearest cent) for each Share purchased from you under the Buy-Back. The Buy-Back Price is a cash amount determined in accordance with the following formula:

$$\text{Buy-Back Price} = \frac{\text{Market Price}}{\text{Price}} \times (1 - \text{Buy-Back Discount})$$

Where

Market Price is the volume weighted average price (VWAP) of Shares traded on the ASX over the five trading days up to and including the Closing Date. Refer to the definitions of VWAP and Market Price in Section 6 "Glossary and interpretation" for further details.

Buy-Back Discount is the Discount determined by CBA having regard to all of the Applications received and the lowest price at which CBA can buy back the amount of capital it determines to buy back. This may be lower than the Discount you nominated in your Application.

As an illustrative example, if the Market Price is \$100.00 and the Buy-Back Discount is 14%, the Buy-Back Price would be \$86.00, calculated as follows:

$$\text{Buy-Back Price} = \$100.00 \times (1 - 0.14) = \$86.00^1$$

CBA will pay you the Buy-Back Price for each of your Shares accepted under the Buy-Back, even if your nominated Discount is larger than the Buy-Back Discount.

1. \$86.00 is an example only and assumes a 14% discount to an assumed Market Price of \$100.00. The Market Price and Buy-Back Price may vary. You should not rely on this price as being the actual Buy-Back Price.

Overview of the Buy-Back and tender process

1.14. How will I know what the Buy-Back Price is?

CBA plans to announce the Market Price as soon as practicable after 4:30pm (Sydney time) Friday, 1 October 2021. The Buy-Back Price is expected to be announced on Monday, 4 October 2021.

These announcements will be available on the ASX website (asx.com.au), by accessing commbank.com.au/buyback or by calling the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia. The CBA Share Registry information line operates from 8:00am to 7:30pm (Sydney time) on business days.

1.15. How will CBA determine which Applications will be successful?

If CBA proceeds with the Buy-Back and the Discount you have nominated in your Application is equal to or larger than the Buy-Back Discount, and/or you submitted a Final Price Application, your Application will be successful and your Shares will be bought back, subject to any scale back and, if applicable, any Minimum Price condition.

If, however, the Discount you have nominated in your Application is less than the Buy-Back Discount, your Application will not be accepted and your Shares will not be bought back.

Notwithstanding any of the above, if you have chosen a Minimum Price and the Buy-Back Price is below that price, your Application will not be accepted and your Shares will not be bought back.

1.16. Will all the Shares I offer to sell be bought back?

The number of Shares bought back will depend on:

- i. your choice of Discount(s) and/or Final Price Application and, any Minimum Price indicated;
- ii. the Applications submitted by other Eligible Shareholders; and
- iii. the total number of Applications that CBA accepts.

There is no guarantee that all or some of your tendered Shares will be accepted. CBA may, at its discretion, vary the size of the Buy-Back or not buy back any Shares at all, subject to a number of factors, such as shareholder demand, market conditions and future capital requirements.

1.17. How will I know how many of my Shares have been bought back?

On or around Friday, 8 October 2021, CBA will send all Eligible Shareholders who have successfully sold their Shares into the Buy-Back a statement notifying them of the number of their Shares (if any) that have been bought back and the price paid for those Shares. Eligible Shareholders can also access this information on or after Friday, 8 October 2021 by calling the CBA Share Registry information line on 1800 022 440 within Australia, or on +61 1800 022 440 from outside Australia.

If you are a CHES Holder, you will receive written confirmation from CHES of your Application that was successfully made on your holding by your controlling participant, which is usually your broker.

CBA shareholders may also access this statement through the Link Investor Centre website (linkmarketservices.com.au) on or after Friday, 8 October 2021. To access your account on the Link Investor Centre or via the Buy-Back website commbank.com.au/buyback, you will need your Holder Identification Number (HIN) or Securityholder Reference Number (SRN) or Employee ID and email address.

1.18. When may a scale back apply?

A scale back may apply if the total number of Shares tendered at a Discount, which is equal to or greater than the Buy-Back Discount, and as Final Price Applications, is more than the total number of Shares that CBA determines to buy back. If a scale back applies, all fractions will be rounded down to the nearest Share.

If you would like to reduce the likelihood of any scale back applying to your Application, you may consider submitting a Final Price Application (see Section 1.10 "What is a Final Price Application?" for further details).

Applications will be scaled back on a pro-rata basis, subject to the Priority Allocation and Small Residual Application. See Section 1.20 "How would a scale back affect my Application?" for illustrative examples of how a scale back works.

1.19. What is a Small Residual Application?

If an Eligible Shareholder successfully tenders all of their Shares and is left with a Small Residual Holding (20 Shares or less) as a result of the application of the Priority Allocation and any scale back, CBA will automatically buy back the Small Residual Holding, such that all Shares tendered by the Eligible Shareholder are acquired. This is called a Small Residual Application. To avoid doubt, you do not need to submit another Application in respect of a Small Residual Holding as this is automatically determined depending on your Application and any scale back.

If you do not tender all of your Shares, your Application will not be considered a Small Residual Application and any Small Residual Holding created (as a result of the application of the Priority Allocation and any scale back) will not be bought back.

If you become the registered holder of additional Shares (including Shares allocated under the DRP for the Full Year Dividend) after the Buy-Back Record Date and, as a result, you are the registered holder of a greater number of Shares at the Closing Date than you held on the Buy-Back Record Date, then your Application will not be a Small Residual Application and any scale back will apply to your Application as it would to any other Application.

See Section 1.20 “How would a scale back affect my Application?” for illustrative examples of how a Small Residual Application works.

1.20. How would a scale back affect my Application?

Details of any scale back will be announced on the ASX as soon as practicable after the Closing Date. CBA expects to make this announcement on Monday, 4 October 2021. The announcement will be available on the ASX website (asx.com.au) and on the Buy-Back website commbank.com.au/buyback.

To help you understand how a scale back may affect your Application, two illustrative examples are set out below.

The examples assume that five Eligible Shareholders each holds a different number of Shares and, submits an Application into the Buy-Back.

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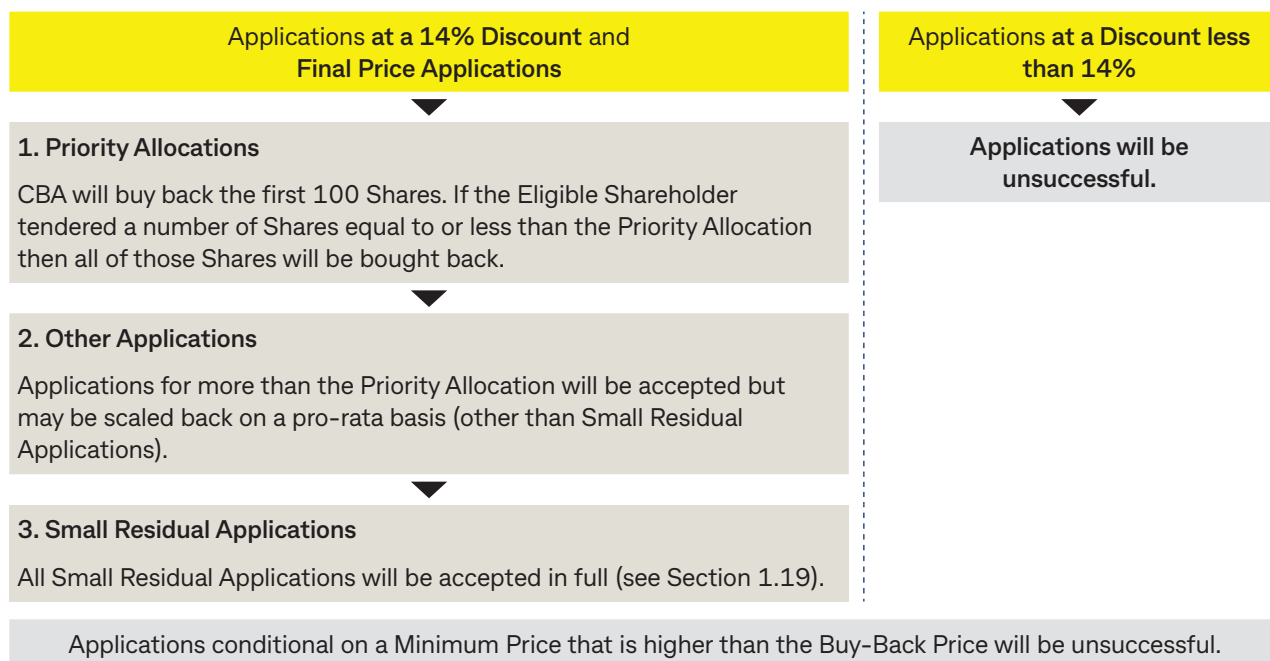
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Overview of the Buy-Back and tender process

Illustrative Example 1: 14% Buy-Back Discount and 50% scale back

If a scale back applies and the Buy-Back Discount is 14%:



In this Illustrative Example 1, it is assumed the Market Price is \$100.00² and the Buy-Back Discount is 14%, resulting in a Buy-Back Price of \$86.00. It is also assumed that the Priority Allocation is 100 Shares, the Small Residual Holding is 20 Shares and that there is a 50% scale back and that the Eligible Shareholders have not specified a Minimum Price condition. The outcome of each Application would be as follows:

Outcome of Applications

Shareholder	Total holding	Shares tendered	Discount	Price represented by Discount	Outcome
A	10,000	5,000	-	Final Price Application	Partially successful, 2,550 Shares bought back
		5,000	10	\$90.00	Not successful, no Shares bought back
B	125	125	-	Final Price Application	Successful all 125 Shares bought back
C	2,000	2,000	13%	\$87.00	Not successful, no Shares bought back
D	150	50	12%	\$88.00	Not successful, no Shares bought back
		100	14%	\$86.00	Successful all 100 Shares bought back
E	300	150	12%	\$88.00	Not successful, no Shares bought back

2. Please be aware that this is an example only. The Market Price and Buy-Back Price may vary. You should not rely on \$100.00 being the actual Market Price, nor \$86.00 being the actual Buy-Back Price.

Shareholder A offered to sell 5,000 Shares as a Final Price Application and 5,000 Shares at a 10% Discount. The Application submitted at a 10% Discount would not be successful as it is less than the 14% Buy-Back Discount. The Application submitted as a Final Price Application would be partially successful as a result of the Priority Allocation and the 50% scale back (see scale back table below). When the scale back is applied, all fractions will be rounded down to the nearest Share. This is not a Small Residual Application, as after accounting for the Priority Allocation and scale back, Shareholder A would be left with more than 20 Shares.

Shareholder B offered to sell all of their 125 Shares as a Final Price Application. The Application would be successful and all 125 Shares would be bought back at the Buy-Back Price of \$86.00. This is a Small Residual Application as after accounting for the Priority Allocation of 100 Shares and scale back, Shareholder B would be left with 13 Shares. When the scale back is applied, all fractions will be rounded down to the nearest Share.

Shareholder C offered to sell all of their 2,000 Shares at a 13% Discount. The Application would not be successful as the 13% Discount is less than the 14% Buy-Back Discount.

Shareholder D offered to sell 50 Shares at a 12% Discount and 100 Shares at a 14% Discount. The Application submitted at a 12% Discount would not be successful as it is less than the 14% Buy-Back Discount. The Application submitted at a 14% Discount would be successful as all 100 Shares would be bought back as a result of the Priority Allocation.

Shareholder E offered to sell 150 Shares at a 12% Discount. The Application would not be successful as the 12% Discount is less than the 14% Buy-Back Discount.

Scale back table

Shareholder	Shares tendered at a 14% Discount or Final Price Application	Shares subject to scale back ¹	Scale back ²	Application post scale back and Priority Allocation ^{2,3}	Shares remaining ^{4,5}	Small Residual Applications ⁵	Shares bought back
A	5,000	4,900	50%	2,550	2,450	No	2,550
B	125	25	50%	112	13	Yes	125
C	0		Scale back not applicable				0
D	100	0	Scale back not applicable				100
E	0		Scale back not applicable				0

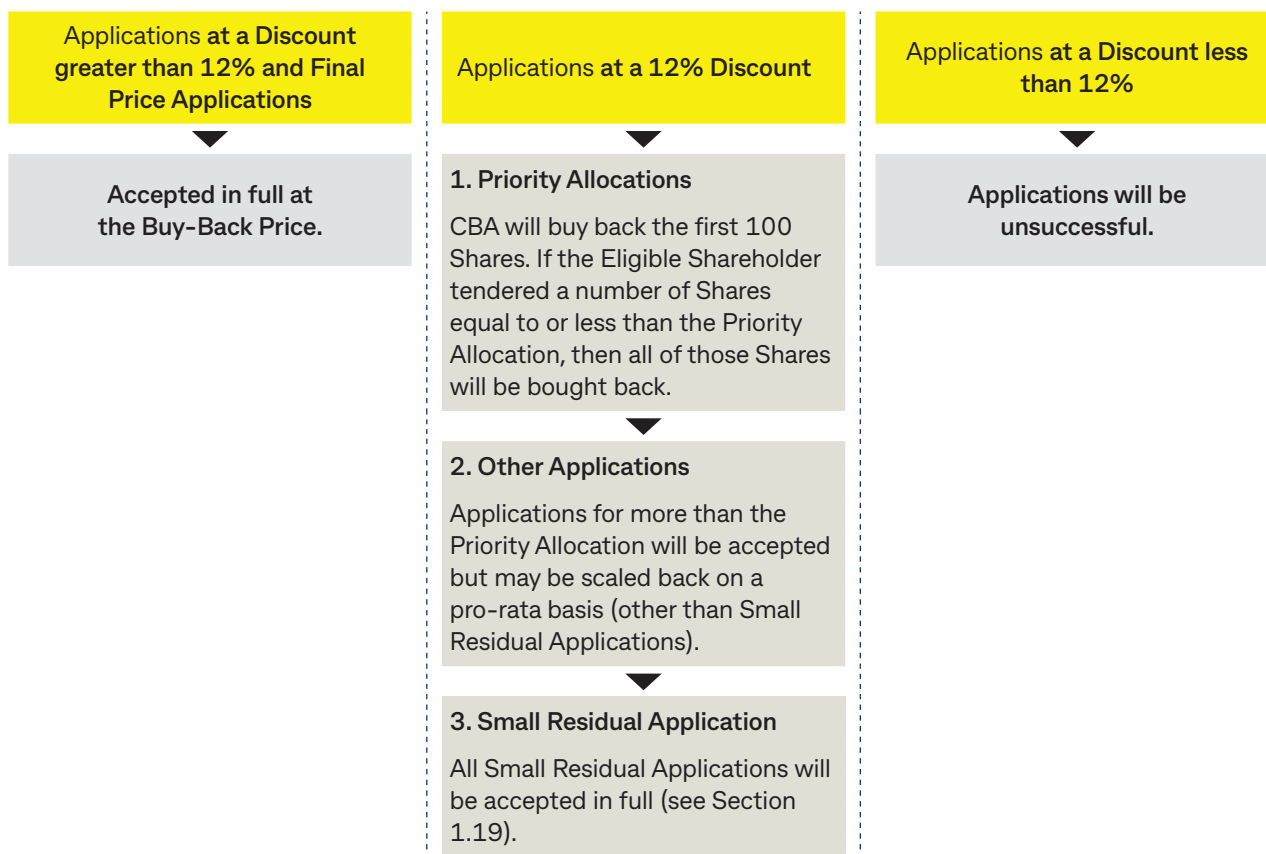
Notes:

- Under the Priority Allocation, the first 100 Shares are bought back from each shareholder who sells Shares at the Buy-Back Discount (including Shares tendered as a Final Price Application under this example), before the scale back applies. For example, Shareholder B has 25 Shares that are subject to scale back ($125 - 100 = 25$).
- A scale back of 50% means 50% of the Shares subject to scale back would be bought back (not including Small Residual Applications).
- When the scale back is calculated, fractions will be rounded down to the nearest Share.
- Shares remaining refers only to Shares remaining from those Shares which were tendered at a 14% Discount or as a Final Price Application.
- Shareholder B sold all of their Shares as a Final Price Application. As a result of the Priority Allocation and scale back, Shareholder B would be left with a Small Residual Application (i.e. 20 Shares or less) which would also be bought back. On the other hand, Shareholder A sold 5,000 of 10,000 of their Shares as a Final Price Application. As a result of the Priority Allocation and scale back, Shareholder A is left with more than 20 Shares (i.e. 7,450 Shares), so the Application is not a Small Residual Application.

Overview of the Buy-Back and tender process

Illustrative Example 2: 12% Buy-Back Discount and 25% scale back

If a scale back applies and the Buy-Back Discount is 12%:



Applications conditional on a Minimum Price that is higher than the Buy-Back Price will be unsuccessful.

In this Illustrative Example 2, it is assumed the Market Price is \$100.00³ and the Buy-Back Discount is 12%, resulting in a Buy-Back Price of \$88.00. It is also assumed that the Priority Allocation is 100 Shares, the Small Residual Holding is 20 Shares and that there is a 25% scale back and that the Eligible Shareholders have not specified a Minimum Price condition. The outcome of each Application would be as follows:

Outcome of Applications submitted

Shareholder	Total holding	Shares tendered	Discount	Price represented by Discount	Outcome
A	10,000	5,000	-	Final Price Application	Successful all 5,000 Shares bought back
		5,000	10%	\$90.00	Not successful, no Shares bought back
B	125	125	-	Final Price Application	Successful all 125 Shares bought back
C	2,000	2,000	13%	\$87.00	Successful all 2,000 Shares bought back
D	150	50	12%	\$88.00	Successful all 50 Shares bought back
		100	14%	\$86.00	Successful all 100 Shares bought back
E	300	150	12%	\$88.00	Partially successful, 137 Shares bought back

3. Please be aware that this is an example only. The Market Price and Buy-Back Price may vary. You should not rely on \$100.00 being the actual Market Price, nor \$88.00 being the actual Buy-Back Price.

Shareholder A offered to sell 5,000 Shares as a Final Price Application and 5,000 Shares at a 10% Discount. The Application submitted as a Final Price Application would be successful and all 5,000 Shares would be bought back at the Buy-Back Price of \$88.00. The Application submitted at a 10% Discount would not be successful as this Discount is less than the Buy-Back Discount.

Shareholder B offered to sell all of their 125 Shares as a Final Price Application. All 125 Shares tendered would be bought back at the Buy-Back Price of \$88.00, as Final Price Applications are not subject to scale back where the Buy-Back Discount (i.e. 12%) is not the maximum Discount of 14%.

Shareholder C offered to sell all of their 2,000 Shares at a 13% Discount. All 2,000 Shares would be bought back at the Buy-Back Price of \$88.00. There will not be any scale back because the 13% Discount is higher than the Buy-Back Discount (i.e. 12%).

Shareholder D offered to sell 50 Shares at a 12% Discount and 100 Shares at a 14% Discount. The Application submitted at a 12% Discount would be successful as all 50 Shares would be bought back as a result of the Priority Allocation. The Application submitted at a 14% Discount would also be successful as 14% is greater than the Buy-Back Discount and all 100 Shares would be bought back at \$88.00.

Shareholder E offered to sell 150 of their Shares at a 12% Discount. The Application would be partially successful and 137 Shares would be bought back (see scale back table below). This is not a Small Residual Application since Shareholder E did not offer to sell all of their Shares at greater than or equal to the Buy-Back Discount and/or as a Final Price Application (as Shareholder E holds 150 additional Shares that they did not offer to sell).

Scale back table

Shareholder	Shares tendered at greater than or equal to a 12% Discount or Final Price Application	Shares subject to scale back ¹	Scale back ²	Application post scale back and Priority Allocation ^{2,3}	Shares remaining ^{4,5}	Small Residual Applications ⁶	Shares bought back
A	5,000	0	Scale back not applicable				5,000
B	125	0	Scale back not applicable				125
C	2,000	0	Scale back not applicable				2,000
D	50	0	Scale back not applicable				50
D	100	0	Scale back not applicable				100
E	150	50	25%	137	13	No	137

Notes:

- Under the Priority Allocation, the first 100 Shares are bought back from each shareholder who sells Shares at the Buy-Back Discount before the scale back applies.
- A scale back of 25% means 75% of the Shares subject to scale back would be bought back (not including Small Residual Applications).
- Under the Priority Allocation, the first 100 Shares are bought back from each Eligible Shareholder who sells Shares at the Buy-Back Price, before the scale back applies.
- When the scale back is calculated, all fractions are rounded down to the nearest Share.
- Shares remaining refers only to Shares remaining from those Shares which were tendered at a 12% Discount.
- Shareholder E did not offer to sell all of their Shares and is left with a total holding of more than 20 Shares (i.e. 163 Shares), so their Application is not a Small Residual Application.

Overview of the Buy-Back and tender process

1.21. Am I eligible to participate in the Buy-Back?

If you are an Eligible Shareholder, you are entitled to tender up to 100% of the Shares which are registered in your name on the CBA Share Register on the Buy-Back Record Date (Wednesday, 18 August 2021). Shares acquired under the DRP for the Full Year Dividend or on-market on or after the Buy-Back Ex-entitlement Date (Tuesday, 17 August 2021) will not be registered in your name by the Buy-Back Record Date and therefore will not carry an entitlement to participate in the Buy-Back.

The maximum number of Shares you are entitled to sell into the Buy-Back is available when you log on to the Buy-Back website, or alternatively, on your personalised Application Form enclosed with a hard copy of this booklet.

The Buy-Back Invitation is not being made to any Excluded Foreign Person. In particular, the Buy-Back Invitation is not being made to i) any person located or resident in the United States or any US Person, ii) to any resident of Canada or iii) directly or indirectly, by mail or any means or instrumentality (including without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or through any facility of a national securities exchange of, the United States. ADRs may not be tendered into the Buy-Back.

Eligibility for employee shareholders is explained below.

1.22. Can Shares held by employees under an Employee Share Plan be sold into the Buy-Back?

Shares and Share Rights held by employees under any Employee Share Plan are not eligible to participate in the Buy-Back. Shares which were awarded under an Employee Share Plan and have since vested, have been released from the Employee Share Plan and are free to be traded, are eligible to participate in the Buy-Back and will be included on your Application Form.

The Board has determined that CBA Directors, Group Executives and certain other management involved in the implementation of the Buy-Back may not participate in the Buy-Back in respect of any Shares held legally or beneficially by them.

1.23. Can I trade my Shares after submitting an Application?

Once you have submitted an Application to tender your Shares into the Buy-Back, you must not:

- sell or offer to sell those Shares;
- convert those Shares from an Issuer Sponsored Holding to a CHESS Holding or vice versa; or
- transfer those Shares between CHESS Holdings (for instance, if you change your controlling participant).

However, any Shares which you have not tendered into the Buy-Back may be sold or otherwise dealt with in an ordinary manner.

Once you have submitted an Application, the number of Shares you have tendered will be locked and placed in a 'subposition' in the Share Register. You will not be able to deal with those Shares before the end of the Buy-Back Period unless you first withdraw or amend your Application, in accordance with the procedures set out in Section 4.2 "Can I withdraw or amend my Application?".

1.24 If I purchase other Shares during the Buy-Back Period, will my tendered Shares be affected?

Eligible Shareholders who tender their Shares under the Buy-Back should be able to purchase additional Shares on or after Tuesday, 17 August 2021 without impacting their entitlement for claiming related franking credits on Shares sold into the Buy-Back. This is because:

- those additional Shares will not carry an entitlement to participate in the Buy-Back; and
- the ATO has indicated that such additional Shares acquired on an ex-entitlement basis on or after Tuesday, 17 August 2021 will be excluded from the last-in first-out principle of the 45-day rule (see Section 2 "Tax consequences for CBA shareholders" for further details).

General information on the tax consequences for Eligible Shareholders participating in the Buy-Back is included in Section 2 "Tax consequences for CBA shareholders".

1.25. Can I still vote at CBA shareholder meetings if I offer to sell my Shares into the Buy-Back?

Holders of Shares are entitled to vote at any meeting of CBA that is held before the Buy-Back Date. There is no general meeting currently scheduled before the Buy-Back Date. After the Buy-Back Date, you can vote at meetings if you continue to hold at least one Share.

1.26. Will I still receive the Full Year Dividend if my shares are bought back?

Yes. Registered holders of Shares on the Buy-Back Record Date will receive the Full Year Dividend.

If you elect to participate in the DRP for the Full Year Dividend, any Shares allocated to you under the DRP will not be eligible to participate in the Buy-Back as the dividend payment date is after the Buy-Back Record Date.

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Tax consequences for CBA shareholders

This section is intended to be a general summary of the tax consequences of participating in the Buy-Back.

Tax consequences for CBA shareholders

If you decide to participate in the Buy-Back, your actual tax consequences will depend on your own circumstances. **It is therefore recommended that you seek professional tax advice to take into account your particular circumstances.**

To provide you with an indication of the possible Australian income tax consequences for you if you choose to participate in the Buy-Back, CBA has provided access to a tax calculator on the Buy-Back website (commbank.com.au/buyback).

2.1. Introduction

Unless otherwise specified, this summary is based on the Australian income tax legislation and administrative practice of the Australian Taxation Office (ATO) as at 11 August 2021. These laws, the interpretation of them by the courts and administrative practice may change at any time (sometimes with retrospective effect).

This summary is not exhaustive and is not intended to be tax advice for any CBA shareholder.

This summary is relevant to CBA shareholders who hold their Shares as capital assets such that the capital gains tax (CGT) provisions apply. Accordingly, the summary will not be relevant for all CBA shareholders. In particular, CBA shareholders who:

- carry on a business of dealing in shares or otherwise hold shares as revenue assets;
- are subject to the taxation of financial arrangements regime that affects the recognition of gains and losses in respect of their Shares; or
- acquired their Shares under an Employee Share Plan,

may be assessed on their dealings in Shares under different tax provisions. The tax consequences for those CBA shareholders may differ significantly from those outlined below.

Has the ATO issued a class ruling about the Buy-Back?

CBA has received a draft Class Ruling from the ATO for CBA shareholders who participate in the Buy-Back, which provides preliminary confirmation of a number of the statements contained in this summary. The ATO will not issue the final binding Class Ruling until after the Buy-Back is completed. Once issued, the binding Class Ruling will be available on the ATO website. A link will also be posted on the CBA Buy-Back website at commbank.com.au/buyback. Although it is not anticipated to be the case, it is possible that the binding Class Ruling issued by the ATO may express a view contrary to that set out below.

Tax allocation

The Buy-Back is an 'off-market' buy-back for Australian income tax purposes. This means that the amount a CBA shareholder receives from participating in the Buy-Back will comprise:

- the Capital Component¹ (discussed at Section 2.3 below); and
- the Dividend Component – which is the Buy-Back Price less the Capital Component (discussed at Section 2.2 below).

Illustrative examples of how each of these components impact the potential Australian income tax and CGT consequences for Australian resident individuals and Australian complying superannuation funds without current pension liabilities participating in the Buy-Back are set out in Section 2.4.

2.2. Australian income tax — Treatment of Dividend Component

2.2.1. Australian resident shareholders

How much dividend income must I include in my assessable income?

The Dividend Component will be a frankable distribution and is expected to be fully franked.

You must include in your assessable income, for each Share disposed of under the Buy-Back:

- a deemed dividend equal to the Dividend Component; plus
- if you are entitled to the benefit of a tax offset, the franking credits attached to the Dividend Component.

The Dividend Component of Shares held by an Australian complying superannuation fund to meet current pension liabilities will be tax exempt. To that extent, a complying superannuation fund CBA shareholder need not include either the Dividend Component or the attached franking credit in its assessable income.

Will I be entitled to a tax offset?

If you are entitled to the benefit of franking credits on the Dividend Component (discussed at Section 2.2.3), you should be entitled to a tax offset equal to the amount of the franking credits. The tax offset may reduce the total tax payable on your taxable income.

If you are an individual or a complying superannuation fund and your total tax offsets exceed the total tax payable on your taxable income, you may be entitled to a cash refund of that excess.

1. Capital Component remains subject to ATO approval.

Generally, no tax refunds will be available to companies. However, companies may be able to carry forward any losses converted from excess tax offsets to reduce tax payable in future income years.

Will an Australian resident company be entitled to a credit in its own franking account?

Yes. If the company is entitled to the benefit of franking credits on the Dividend Component (discussed at Section 2.2.3), the company should recognise the franking credits in its franking account which can be used to frank dividends that the company pays.

2.2.2. Non-resident shareholders

What is the tax treatment if I am not a resident of Australia?

Non-resident shareholders should check their eligibility criteria to participate in the Buy-Back (refer to the definition of an Excluded Foreign Person in Section 6 "Glossary and interpretation").

If you are a non-resident shareholder who does not carry on business through a permanent establishment in Australia, the Dividend Component should not be subject to Australian income tax or Australian withholding tax as it is expected to be fully franked. The franking credits which are attached to the Dividend Component will generally have no further relevance for you and no part of those franking credits will be refundable by the ATO to you.

CBA recommends that you consult your financial, taxation or other professional adviser in considering whether to participate in the Buy-Back. In considering whether to participate, you should bear in mind that any Shares bought back under the Buy-Back will be purchased at a discount to the Market Price.

Different consequences may arise if you hold Shares as part of a business conducted through a permanent establishment in Australia. In that case, you should obtain your own Australian tax advice before making a decision to participate in the Buy-Back.

The treatment of the Dividend Component as a deemed dividend is a function of Australian tax law and does not alter the fact that the Buy-Back Price represents the proceeds from selling Shares back to CBA. Therefore it cannot be assumed that the tax laws of the jurisdiction in which you reside will treat any part of the Buy-Back Price as a dividend.

The New Zealand tax implications of participating in the Buy-Back for Eligible Shareholders who are tax resident in New Zealand are discussed in Section 2.5 "New Zealand tax implications for shareholders".

2.2.3. Franking credit entitlements

Are there any rules which might deny me the benefit of the franking credits?

The Australian tax legislation includes a number of rules which may prevent you from claiming the benefit of franking credits on the Dividend Component of the Buy-Back Price.

Where a shareholder does not qualify for the benefit of the franking credits attached to a frankable distribution paid on the Shares, then the franking credits are not included in the assessable income of the shareholder.

How long do I have to hold the Shares to be entitled to the franking credits?

To be entitled to franking credits on the Dividend Component you must be a 'qualified person'. You will be a qualified person if you satisfy:

- one of the specific concessions in the legislation (for example, you are an individual whose total franking credit entitlement for the income year does not exceed \$5,000); and/or
- the 45-day rule.

The 45-day rule requires that if you are an Australian resident shareholder you must have held your Shares 'at risk' for a period of at least 45 days, excluding the days of acquisition and disposal.

The 45-day rule is complex. You should obtain your own Australian taxation advice to understand how these provisions apply to you. Generally, if you are subject to the rule and you acquired all of your Shares on or before Monday, 16 August 2021 you will have held your Shares for 45 clear days in respect of the Dividend Component. This is on the assumption that the determination of the Buy-Back allocations occurs on Monday, 4 October 2021. As noted above, you must also hold the shares 'at risk' in this period.

Are my Shares held 'at risk' over the 45 day period?

To be held 'at risk' you must retain more than 30% of the risks and benefits associated with holding the Shares which depends on your own particular circumstances. For example, if you undertake risk management strategies in relation to the Shares (e.g. by entering into an option or derivative in relation to the Shares) then your ability to satisfy the 'at risk' requirements may be affected.

If I acquire Shares after the Buy-Back Ex-entitlement Date, will this impact Shares tendered into the Buy-Back?

The 45-day rule operates on a last-in-first-out principle so you will be deemed, for the purpose of applying the 45-day rule, to have disposed of your most recently acquired Shares under the Buy-Back.

The ATO generally accepts that Shares purchased on or after the ex-entitlement date for an off-market buy-back (in this case, Shares purchased on or after

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Tax consequences for CBA shareholders

Tuesday, 17 August 2021) will be excluded from the last-in-first-out rule. The acquisition of Shares on an ex-entitlement basis will therefore not affect your ability to receive franking credits on Shares acquired on or before Monday, 16 August 2021 which are tendered into the Buy-Back. If the determination of the Buy-Back allocations occurs on a day other than Monday, 4 October 2021, these dates may alter.

Will the anti-streaming rules deny me the benefit of franking credits?

CBA has received a draft Class Ruling from the ATO setting out the ATO's preliminary yet considered view which confirms that the ATO will generally not make a determination to deny CBA shareholders the benefit of franking credits on the Dividend Component of the Buy-Back Price.

However, the particular circumstances of each participating CBA shareholder (including, for instance, the period the Shares are held and any arrangements in relation to the Shares) will also be relevant in determining whether the rules may deny the benefit of the tax offset or franking credits.

2.3. Australian Capital Gains Tax (CGT) — Treatment of Capital Component on disposal of Shares

2.3.1. Treatment of Capital Component for Australian resident shareholders

CBA shareholders participating in the Buy-Back will be deemed, for CGT purposes, to have disposed of each Share for the Capital Component² of \$21.66 plus the amount (if any) by which the Tax Value exceeds the Buy-Back Price (**Capital Proceeds**). The date of disposal will be taken, for CGT purposes, to be the date on which CBA accepts the Application. This is anticipated to be on Monday, 4 October 2021.

What is the Tax Value of the Shares?

The ATO's view in relation to determining the Tax Value of shares bought back off-market is set out in Taxation Determination TD 2004/22 (**TD 2004/22**). TD 2004/22 provides that the Tax Value should be determined as the volume weighted average price of the shares over the last five trading days before the first announcement of the buy-back, adjusted for the movement in the S&P/ASX 200 Index from the opening of trading on the Announcement Date to the close of trading on the day the buy-back closes.

Consistent with that ATO view, the Tax Value will be determined in accordance with the following formula:

2. Capital Component remains subject to ATO approval.

		Closing level of S&P/ASX 200 Index on the Closing Date
A	X	B
A:		the VWAP of Shares over the last five trading days before the announcement of the Buy-Back on Wednesday, 11 August 2021.
B:		the opening level of the S&P/ASX 200 Index on Wednesday, 11 August 2021.

If the movement in the S&P/ASX 200 Index differs significantly from the movement in CBA's market price on the ASX over the relevant period, CBA may seek ATO approval to vary the methodology used to determine the Tax Value.

If the Buy-Back Price were higher than the Tax Value, a portion of the Dividend Component equal to the difference between the Buy-Back Price and the Tax Value would be deemed to be unfrankable.

Why are the Tax Value or Capital Proceeds amounts not in this booklet?

The Tax Value and Capital Proceeds both depend in part on the movement of the S&P/ASX 200 Index up to the Closing Date and so they cannot be determined until the Closing Date.

Will I have to calculate the Tax Value or the Capital Proceeds?

No. The Tax Value and Capital Proceeds will be determined by CBA and confirmed by the ATO in the Class Ruling. Once issued, the Class Ruling will be available on the ATO website. A link will also be posted on the CBA website at commbank.com.au/buyback.

Will I make a capital gain or a capital loss on sale of Shares into the Buy-Back?

You will generally make a capital gain on a Share disposed of under the Buy-Back if the Capital Proceeds exceed the CGT cost base of your Share. Alternatively, you will generally make a capital loss for a Share disposed of under the Buy-Back if the CGT cost base of your Share exceeds the Capital Proceeds.

A capital loss that arises from the Buy-Back can only be used to offset capital gains. Capital losses not used in an income year may be carried forward to be used in a later income year.

The capital loss which arises under the Buy-Back may be greater than the capital loss which may have arisen under an equivalent sale of the Shares on-market. This is because the Capital Proceeds under the Buy-Back are limited to the Capital Component² plus the amount (if any) by which the Tax Value exceeds the Buy-Back Price (rather than the price at which the shareholder would have sold their Shares on-market). The lower Capital

Proceeds also mean that any capital gain which may otherwise have arisen on disposal of the Shares under the Buy-Back is reduced or eliminated.

Section 2.4 provides illustrative examples of the potential Australian income tax consequences for Australian resident individuals and Australian complying superannuation funds without current pension liabilities participating in the Buy-Back and also provides a comparison of the potential after-tax proceeds of a sale of the Shares on-market.

If I am an Australian company, will I make a capital gain or a capital loss on a sale of Shares into the Buy-Back?

If you are an Australian company, or normally taxed as an Australian company, you will generally make a capital gain on a Share disposed of under the Buy-Back if the Capital Proceeds exceed the CGT cost base of your Share.

Alternatively, you will make a capital loss for a Share disposed of under the Buy-Back if the CGT cost base of your Share exceeds the Capital Proceeds. Special rules apply to Australian companies when determining whether a capital loss arises on a Share disposed of under the Buy-Back. The capital loss is reduced (but not below nil) by the lesser of:

- the fully franked Dividend Component; and
- the amount of the capital loss.

A capital loss that arises from the Buy-Back can only be used to offset capital gains. Capital losses not used in an income year may be carried forward to be used in a later income year.

What will be my CGT cost base?

Generally, the CGT cost base for a Share will be the amount that you paid to acquire the Share together with certain incidental costs of acquisition, for example stamp duty and brokerage, and certain incidental costs of disposal.

At what time will a capital gain or capital loss arise?

For CGT purposes, any capital gain or loss will occur on completion of the Buy-Back, which is anticipated to occur on Monday, 4 October 2021.

Will I receive a CGT discount?

Generally, if you are an Australian individual or a Australian complying superannuation fund without current pension liabilities, you make a capital gain on disposal of your Shares and you have held your Shares for more than 12 months prior to the date of disposal (anticipated to be Monday, 4 October 2021), you should be eligible for the CGT discount and need only include in your assessable income one-half (for individuals) and two-thirds (for complying superannuation funds) of any net capital gain. If you are a company you are not entitled to any CGT discount.

For the purposes of determining your net capital gain, you must take into account all capital gains and capital losses arising in the income year.

2.3.2. Non-resident shareholders

Under Australian CGT rules, a taxable capital gain or capital loss generally will not arise for a non-resident participating in the Buy-Back.

However, different tax consequences may arise if a non-resident shareholder holds Shares as part of a business conducted through a permanent establishment in Australia or if a non-resident has previously resided in Australia and held the relevant Shares at the time when they left Australia. If these circumstances apply to you, you should obtain your own Australian taxation advice before making any decision to tender your Shares into the Buy-Back.

2.4. Worked examples of potential Australian income tax consequences for Australian resident individuals and Australian complying superannuation funds

The following worked examples set out the potential Australian income tax consequences (per Share) for Australian resident individuals and Australian complying superannuation funds without current pension liabilities participating in the Buy-Back.

The examples assume a Buy-Back Price of \$86.00 (an assumed 14% Buy-Back Discount to an assumed Tax Value of \$100.00) and an illustrative cost base for CGT purposes of \$50.00 per Share.

You should not rely on \$100.00 being the actual Market Price, nor \$86.00 as being the actual Buy-Back Price; see Section 1.13 for an explanation of how the Buy-Back Price will be determined.

The examples also set out the potential after-tax proceeds of a sale of the Shares on-market. This assumes the Shares will trade on-market for an amount that is equal to the Tax Value and excludes any transaction or other incidental costs (e.g. brokerage).

In any event, the tax consequences for an Australian resident individual or an Australian complying superannuation fund may be different from the illustrative example because of their particular circumstances. The amounts calculated under the illustrative example will not necessarily reflect the actual tax consequences for you if you choose to participate in the Buy-Back.

Tax calculator

To provide you with an indication of the possible Australian income tax consequences for you if you choose to participate in the Buy-Back, CBA has provided access to a tax calculator on the Buy-Back website (commbank.com.au/buyback).

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Tax consequences for CBA shareholders

	Methodology	Superfund	
	Income	n/a	\$0-\$18,200
Per share A\$	Tax rate	15.0%	0.0%
Australian tax implications of selling a Share through the Buy-Back			
Income tax consequences (Dividend Component)			
Illustrative Buy-Back Price	A	\$86.00	\$86.00
Less: Capital Component	B	\$21.66	\$21.66
Assumed fully franked Dividend Component ²	$C = A - B$	\$64.34	\$64.34
Add: gross up for franking credits	$D = C \times 3/7$	\$27.57	\$27.57
Assessable income	$E = C + D$	\$91.91	\$91.91
Tax on assessable income	$F = E \times \text{tax rate}$	(\$13.79)	(\$0.00)
Tax offset ³	$G = D$	\$27.57	\$27.57
Net tax offset/(tax payable) on Dividend Component	$H = F + G$	\$13.78	\$27.57
After tax proceeds of Dividend Component³	$I = C + H$	\$78.12	\$91.91
CGT consequences (Capital Component)			
Capital Component	B	\$21.66	\$21.66
Add: excess Tax Value over Buy-Back Price ⁴	J	\$14.00	\$14.00
Less: Illustrative CGT cost base	K	\$50.00	\$50.00
Nominal capital gain/(loss) on disposal	$L = B + J - K$	(\$14.34)	(\$14.34)
Discount capital gain/(loss) ⁵	$M = L \times (1 - \text{discount factor})$	(\$9.56)	(\$7.17)
Tax impact of capital loss/(gain) ⁶	$N = M \times \text{tax rate}$	\$1.43	\$0.00
After tax proceeds of Capital Component^{5,6}	$O = B + N$	\$23.09	\$21.66
Total after tax proceeds of selling a Share through the Buy-Back^{5,6}	$P = I + O$	\$101.21	\$113.57
Australian tax implications of selling a Share on-market			
Sale consideration ⁷	Q	\$100.00	\$100.00
Less: Illustrative CGT cost base	K	\$50.00	\$50.00
Nominal capital gain/(loss) on disposal	$R = Q - K$	\$50.00	\$50.00
Discount capital gain/(loss) ⁵	$S = R \times (1 - \text{discount factor})$	\$33.33	\$25.00
Tax impact of capital loss/(gain) ⁶	$T = S \times \text{tax rate}$	(\$5.00)	\$0.00
Total after tax proceeds of selling a Share on-market^{5,6}	$U = Q + T$	\$95.00	\$100.00

Notes:

- For the purposes of the analysis, it is assumed that the marginal tax rate for individuals includes the Medicare levy at a rate of 2%. The liability of an individual to pay the Medicare levy depends on the individual's own circumstances.
- This assumed fully franked Dividend Component (\$64.34) is calculated as the assumed Buy-Back Price of \$86.00 less the Capital Component of \$21.66.
- This assumes the shareholder is fully entitled to the franking credits associated with the Dividend Component.
- This assumes, for illustrative purposes only, that the Tax Value of the Shares is \$100.00. The actual Tax Value will change depending on the movement in the S&P/ASX 200 Index up to the close of the Buy-Back (see Section 2.3.1).

Australian resident individuals ¹					Your workings A tax calculator is also available on the Buy-Back website (commbank.com.au/buyback)
	\$18,201- \$45,000	\$45,001- \$120,000	\$120,001- \$180,000	\$180,001+	Income = \$.....
	21.0%	34.5%	39.0%	47.0%	Tax rate =%
					Buy-Back Price = \$.....
	\$86.00	\$86.00	\$86.00	\$86.00	Capital Component = \$21.66
	\$21.66	\$21.66	\$21.66	\$21.66	\$..... - \$21.66 = \$.....
	\$64.34	\$64.34	\$64.34	\$64.34	\$..... * (3/7) = \$.....
	\$27.57	\$27.57	\$27.57	\$27.57	\$..... + \$..... = \$.....
	\$91.91	\$91.91	\$91.91	\$91.91	(\$..... *%) = (\$.....)
	(\$19.30)	(\$31.71)	(\$35.84)	(\$43.20)	\$.....
	\$27.57	\$27.57	\$27.57	\$27.57	\$..... - \$..... = \$.....
	\$8.27	(\$4.14)	(\$8.27)	(\$15.63)	\$..... +/- \$..... = \$.....
	\$72.61	\$60.20	\$56.07	\$48.71	
					Capital Component = \$21.66
	\$21.66	\$21.66	\$21.66	\$21.66	\$..... - \$..... = \$.....
	\$14.00	\$14.00	\$14.00	\$14.00	Your cost base = \$.....
	\$50.00	\$50.00	\$50.00	\$50.00	\$21.66 + \$..... - \$..... = \$.....
	(\$14.34)	(\$14.34)	(\$14.34)	(\$14.34)	\$..... *% = \$.....
	(\$7.17)	(\$7.17)	(\$7.17)	(\$7.17)	\$..... *% = \$.....
	\$1.51	\$2.47	\$2.80	\$3.37	\$21.66 + \$..... = \$.....
	\$23.17	\$24.13	\$24.46	\$25.03	
	\$95.78	\$84.33	\$80.53	\$73.74	\$..... + \$..... = \$.....
					Market Price = \$100.00
	\$100.00	\$100.00	\$100.00	\$100.00	Your cost base = \$.....
	\$50.00	\$50.00	\$50.00	\$50.00	\$100.00 - \$..... = \$.....
	\$50.00	\$50.00	\$50.00	\$50.00	\$..... *% = \$.....
	\$25.00	\$25.00	\$25.00	\$25.00	\$..... *% = \$.....
	(\$5.25)	(\$8.63)	(\$9.75)	(\$11.75)	\$..... + \$..... = \$.....
	\$94.75	\$91.37	\$90.25	\$88.25	

- This assumes that the discount capital gain method is used, which adjusts the total capital gain by a discount factor (50% for individuals; 33⅓% for complying superannuation funds). Although capital losses, as such, are not subject to discount, it is assumed that capital losses are offset against capital gains and that the net amount is then discounted. If capital losses are offset against capital gains which cannot be discounted (e.g. on assets held for less than 12 months), the tax impact of the capital loss will be greater (more favourable) than shown in the table.
- This assumes shareholders will be able to fully utilise capital losses to offset capital gains derived from other assets. The capital loss, which arises under the Buy-Back, may be different to any capital gain/loss which may have arisen under an equivalent sale of Shares on-market. This is because the Capital Proceeds under the Buy-Back are the aggregate of \$21.66 (the cash Capital Component) plus \$14.00 (the excess of the assumed Tax Value over the assumed Buy-Back Price). The \$14.00 is used for illustrative purposes only.
- It is assumed that the sale consideration per Share is equal to the current price of a Share trading on market. This may not be correct as you may have to pay transaction or other incidental costs, such as brokerage.

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2.5. New Zealand tax implications for shareholders

The following discussion is intended only as a general summary of the New Zealand income tax implications of participating in the Buy-Back for Eligible Shareholders who are tax resident in New Zealand.

If you decide to participate in the Buy-Back, your particular tax treatment will depend on your personal tax situation. It is therefore important that you seek professional tax advice to take into account your particular situation.

For New Zealand income tax purposes, the Buy-Back Price (both the Capital Component and the Dividend Component) will be treated as a dividend for an Eligible Shareholder where the voting interest of that Eligible Shareholder in CBA is not reduced by 15% or more (that percentage determined by reference to the voting interest held immediately prior to the Buy-Back and immediately subsequent to the Buy-Back, such voting interest to be measured by including voting interests held by certain associates). Eligible Shareholders who are tax resident in New Zealand will need to include that dividend in their assessable income and will be subject to tax in New Zealand. No tax credit is available in New Zealand for franking credits attached to the Dividend Component.

Where the voting interest of an Eligible Shareholder is reduced by 15% or more (that percentage determined by reference to the voting interest held immediately prior to the Buy-Back and immediately subsequent to the Buy-Back, such voting interest to be measured by including voting interests held by certain associates) the Buy-Back Price should not be treated as a dividend for New Zealand income tax purposes.

For those Eligible Shareholders who are tax resident in New Zealand and hold their Shares on revenue account for New Zealand income tax purposes, the Buy-Back is also treated as consideration received for the disposal of those Shares. In order to ensure there is no double taxation, for the purposes of certain provisions which apply to treat the Buy-Back Price as consideration for the disposal of the Shares, the amount treated as having been received for the disposal for the purposes of those provisions is reduced by the assessable dividend which is also treated as arising from the Buy-Back for New Zealand income tax purposes.

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Effect of the Buy-Back on CBA

This section provides information on the financial impact of the Buy-Back on CBA.

3.1. Financial results

CBA released its results for the full year ended 30 June 2021 on 11 August 2021. These results and other information about CBA, such as the 2021 Annual Report, are available online at commbank.com.au/investors. CBA strongly recommends that shareholders read this information in conjunction with this booklet prior to making a decision on whether to participate in the Buy-Back.

3.2. Material developments

Shareholders should be aware that from time to time, CBA may be involved in strategic initiatives and potential corporate transactions. If a significant initiative or corporate transaction develops, CBA may make an announcement to the ASX. However, where it is not appropriate to immediately disclose the transaction, it may become necessary to terminate or extend the Buy-Back to ensure that the Buy-Back only proceeds in circumstances where shareholders are fully informed of all material information. Any decision to terminate or extend the Buy-Back will be made after due consideration of the best interests of CBA's shareholders and would be announced to the ASX.

The COVID-19 pandemic and the measures undertaken to contain it continue to impact the global economic outlook. The impact of COVID-19 continues to evolve and remains a source of uncertainty. Further information on the impact of COVID-19 on CBA can be found in the Annual Report for the year ended 30 June 2021, which is available at commbank.com.au/results.

Announcements made by CBA in relation to any material developments in its business are released to the ASX and can also be found on the CBA Investor Centre at commbank.com.au/investors.

3.3. Forward-looking statements

This booklet contains "forward-looking statements" within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements include, but are not limited to, statements regarding the implementation of the Buy-Back and its effect on CBA's business and securities. The forward-looking statements are based on views and beliefs as at the date of this booklet. They involve known and unknown assumptions, factors and risks, many of which are beyond the control of CBA. CBA's actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements. Factors that could cause or contribute to such differences include the number of Shares bought back, the Buy-Back Price and general trading and economic conditions affecting CBA.

To the maximum extent permitted by law, CBA disclaims any responsibility for the accuracy or completeness of any forward looking statements. CBA will not update or revise any forward-looking statement to reflect any change in CBA's financial position, business or status, or any change in events, conditions or circumstances on which a statement is based, except as required by law.

3.4. How will the Buy-Back be funded?

The Buy-Back is expected to be funded from CBA's current surplus cash and liquid asset position.

Given CBA's strong financial position, it is expected to remain well capitalised after the completion of the Buy-Back. See Sections 3.5 and 3.6 for the pro-forma impact of the Buy-Back on CBA's balance sheet and capital position as at 30 June 2021.

3.5. What effect will the Buy-Back have on CBA's Balance Sheet?

Financial results

The financial information presented in this section is based on CBA's 30 June 2021 full year results (released on 11 August 2021), which are available online at commbank.com.au/investors.

Basis of presentation of financial information

The following table sets out CBA's Consolidated Balance Sheet as at 30 June 2021 and a Consolidated Pro-forma Balance Sheet post the Buy-Back. The Consolidated Balance Sheet presented in this section has been audited in accordance with Australian Auditing Standards.

The pro forma adjustments show the changes that would be made to CBA's Consolidated Balance Sheet as at 30 June 2021 assuming the Buy-Back was completed and \$6 billion worth of Shares were bought back. The amount by which the Buy-Back Price exceeds the reduction in ordinary share capital (\$21.66 per Share) will be treated as a reduction in CBA's retained profits.

The financial information presented in this section has been determined in accordance with the recognition and measurement requirements of Australian Accounting Standards.

Consolidated pro forma Balance Sheet as at 30 June 2021^{1,2,3,4}

	As reported \$M	Adjustments for Buy-Back	Pro forma \$M
Assets			
Cash and liquid assets	100,041	(6,000)	94,041
Receivables from financial institutions	5,085		5,085
Assets at fair value through Income Statement	36,970		36,970
Derivative assets	21,449		21,449
Investment securities:			
At amortised cost	4,278		4,278
At fair value through Other Comprehensive Income	86,560		86,560
Assets held for sale	1,201		1,201
Loans, bills discounted and other receivables	811,356		811,356
Property, plant and equipment	5,284		5,284
Investment in associates and joint ventures	3,941		3,941
Intangible assets	6,942		6,942
Deferred tax assets	2,067		2,067
Other assets	6,788		6,788
Total assets	1,091,962	(6,000)	1,085,962
Liabilities			
Deposits and other public borrowings	766,381		766,381
Payables to financial institutions	19,059		19,059
Liabilities at fair value through Income Statement	8,381		8,381
Derivative liabilities	18,486		18,486
Current tax liabilities	135		135
Deferred tax liabilities	228		228
Liabilities held for sale	405		405
Provisions	3,733		3,733
Term funding from central banks	51,856		51,856
Debt issues	103,003		103,003
Bills payable and other liabilities	12,217		12,217
Loan capital	29,360		29,360
Total liabilities	1,013,244		1,013,244
Net assets	78,718	(6,000)	72,718
Shareholders' Equity			
Ordinary share capital	38,420	(1,511)	36,909
Reserves	3,249		3,249
Retained profits	37,044	(4,489)	32,555
Shareholders' Equity attributable to Equity holders of CBA	78,713	(6,000)	72,713
Non-controlling interests	5		5
Total Shareholders' Equity	78,718	(6,000)	72,718

Assumptions and basis of preparation:

- The pro forma adjustments do not include the announcement and payment of the Full Year Dividend amounting to \$3,548 million, which is scheduled to be paid on 29 September 2021. Any Shares allocated under the DRP for the Full Year Dividend are expected to be satisfied by the on-market purchase of Shares.
- Pro-forma calculations assume the Buy-Back Price is \$86.00, and the number of Shares bought back is 69.77 million, such that \$6 billion worth of Shares are bought back. This Buy-Back Price is an example only. You should not rely on this price as being the actual Buy-Back Price. See Section 1.13 for an explanation on how the Buy-Back Price will be determined.
- Assuming a Buy-Back Price of \$86.00 per Share, \$21.66 of the Buy-Back Price per Share will be charged to ordinary share capital (i.e. the Capital Component) and the assumed balance of \$64.34 per Share will be charged to retained profits (i.e. the Dividend Component).
- Incidental costs of the Buy-Back have been excluded as they are not significant to the pro-forma calculation.

Effect of the Buy-Back on CBA

3.6. What effect will the Buy-Back have on CBA's regulatory capital position?

CBA is an authorised deposit-taking institution (ADI) regulated by APRA and other regulatory bodies. An ADI is currently required to hold a certain level of regulatory capital against its risk-weighted assets in order for such capital to absorb losses which an ADI may incur from time to time, and therefore protect depositors from realising such losses.

Common Equity Tier 1 (CET1) Capital comprises ordinary share capital, retained earnings and certain other items recognised as capital, less prescribed deductions. The ratio of such capital to risk-weighted assets is called the CET1 Capital Ratio.

Tier 1 Capital comprises CET1 Capital plus certain equity-like securities (such as CommBank PERLS Capital Notes). The ratio of such capital to risk-weighted assets is called the Tier 1 Capital Ratio. Tier 2 Capital comprises certain securities having features eligible to be recognised as Tier 2 Capital.

The strongest and most loss-absorbent form of capital is CET1 Capital, followed by other Tier 1 Capital and then Tier 2 Capital. The sum of Tier 1 Capital and Tier 2 Capital is called Total Capital. The ratio of Total Capital to risk-weighted assets is called the Total Capital Ratio.

CBA's capital position

As at 30 June 2021, CBA's CET1 Capital Ratio was 13.1% on an APRA basis.

The following table sets out CBA's regulatory capital ratios as at 30 June 2021 and pro-forma regulatory capital ratios post the Buy-Back, assuming \$6 billion worth of Shares are bought back. Following the Buy-Back, CBA's capital ratios will reduce, however CBA is expected to remain well capitalised and well above APRA's 'unquestionably strong' capital requirement of 10.5% CET1 Capital Ratio.

CBA's Level 2 Regulatory Capital Ratios¹

	As reported	Adjustments for Buy-Back ^{2,3}	Pro-forma ⁴
CET1 Capital Ratio	13.1%	(1.3)%	11.7%
Tier 1 Capital Ratio	15.7%	(1.3)%	14.4%
Total Capital Ratio	19.8%	(1.3)%	18.5%

Assumptions and basis of preparation:

- Capital information and calculations are based on the existing APRA ADI capital framework, see below "APRA's regulatory capital framework developments" for details on proposed changes to the APRA ADI capital framework.
- The pro forma adjustments do not include the announcement and payment of the Full Year Dividend amounting to \$3,548 million, which is scheduled to be paid on 29 September 2021. Any Shares allocated under the DRP for the Full Year Dividend are expected to be satisfied by the on-market purchase of Shares.
- Incidental costs of the Buy-Back have been excluded as they are not significant to the pro-forma calculation.
- Rounded to the nearest tenth of a per cent.

APRA's regulatory capital framework developments

APRA has initiated a number of reforms to the regulatory capital framework applicable to Australian ADIs. If the reforms are implemented as proposed it will result in changes to the calculation of risk-weighted assets and the presentation of bank capital ratios. APRA has stated that, notwithstanding the proposed changes, it is targeting a capital outcome in dollar terms that remains consistent with the existing 'unquestionably strong' capital requirement of a 10.5% CET1 Capital Ratio.

Industry consultation and calibration of the reforms are ongoing, with the new capital framework proposed to come into effect from 1 January 2023. Further information about regulatory developments can be found in the section entitled "Capital" in the Profit Announcement for the year ended 30 June 2021, which is available at commbank.com.au/results.

3.7. Impact of the Buy-Back on other financial indicators

The precise impact of the Buy-Back cannot be determined until the Buy-Back Price and the size of the Buy-Back are finalised. However, by returning excess capital and reducing the number of Shares on issue the Buy-Back is expected to support return on equity, earnings per Share and dividend per Share, for all shareholders who continue to hold Shares in CBA.

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3.8. Impact on CBA's franking account

The amount of franking credits that will be utilised under the Buy-Back will not be known until the Buy-Back Price and the total size of the Buy-Back are determined. By way of illustration, if it is assumed that \$6 billion worth of Shares are bought back under the Buy-Back at a Buy-Back Price of \$86.00, approximately \$2,134 million of franking credits would be utilised.

While the Buy-Back will result in a reduction of CBA's surplus franking credit balance, it is anticipated that the Buy-Back, at the target Buy-Back size of \$6 billion, can be undertaken without prejudicing CBA's ability to continue to fully frank ordinary dividends going forward, in line with CBA's dividend policy.

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3.9. What effect will the Buy-Back have on CBA's issued shares?

As at 11 August 2021, CBA had 1,774 million fully paid ordinary shares on issue.

Assuming that \$6 billion worth of Shares are bought back, the following table sets out the number of Shares and the percentage of total issued Shares of CBA which would be bought back assuming different Buy-Back Prices. The table is an example only and you should not rely on it as being the actual percentages of Shares which will be bought back under the Buy-Back. All Shares that CBA buys back will be cancelled.

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Discount	Buy-Back Price assuming a Market Price of \$100.00	Number of Shares bought back (million)	Percentage of total issued Shares of CBA
14%	\$86.00	69.8	3.9%
13%	\$87.00	69.0	3.9%
12%	\$88.00	68.2	3.8%
11%	\$89.00	67.4	3.8%
10%	\$90.00	66.7	3.8%

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3.10. What effect will the Buy-Back have on the control of CBA?

CBA has a diverse shareholder base. Given the amount of Shares CBA expects to buy back under the Buy-Back, the Buy-Back is not expected to have any control implications for CBA.

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How do I participate in the Buy-Back?

This section provides details on the steps you need to follow if you choose to participate in the Buy-Back after having read this booklet and obtained any relevant advice.

How do I participate in the Buy-Back?

4.1. Overview

You can participate in the Buy-Back by either applying online or completing a hard copy Application. The most efficient way to ensure your Application is received by the Closing Date, is to apply online at commbank.com.au/buyback.

Applying online at commbank.com.au/buyback

- This is the most effective way of ensuring that your Application is received by the Closing Date, Friday, 1 October 2021 at 7:00pm (Sydney time).
- You will be required to provide your SRN, HIN or Employee ID and Pin to submit your Application online. Your SRN/HIN/Employee ID can be found on certain shareholder forms previously provided to you or, if you are unable to locate your SRN/HIN/Employee ID, you can contact the CBA Share Registry information line on 1800 022 440 within Australia, or on +61 1800 022 440 from outside Australia.

Completing a hard copy Application

- If you received a hard copy of this booklet, you will have also received a personalised Application Form.
- Please complete your personalised Application Form and return it to the Registry such that it is received by the Closing Date, Friday, 1 October 2021 at 7:00pm (Sydney time). Please allow sufficient time for your Application Form to be returned given the longer than usual delivery times due to COVID-19.
- If you would like a hard copy Application Form, please contact the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia. The CBA Share Registry information line operates from 8:00am to 7:30pm (Sydney time) on business days.

Please complete the following steps to participate in the Buy-Back. See Section 7 "Illustrative examples of completed Application Forms" for illustrative examples of completed Application Forms.

Step 1 Decide the number of Shares you wish to sell

If you decide to participate in the Buy-Back, you will need to decide how many Shares you wish to sell.

Box A of your personalised Application Form (online or hard copy) sets out the maximum number of Shares you may sell. You may offer to sell any number of Shares up to this maximum number. However, if you hold 100 Shares or less and you wish to participate in the Buy-Back, you may only submit an Application in respect of all of your Shares.

You should not, before the Buy-Back Date, sell or offer to sell to anyone else the Shares you have tendered in the Buy-Back, unless you first withdraw or amend your Application (see Section 1.23 "Can I trade my Shares after submitting an Application?").

Step 2 Choose your Discount(s) and/or Final Price Application

Please indicate the Discount(s) to the Market Price, and/or a Final Price Application at which you are willing to sell those Shares listed on your online or hard copy Application Form.

You may tender your Shares at any Discount from 10% to 14% inclusive (at 1% intervals) to the Market Price, and/or as a Final Price Application. The Discount at which you tender your Shares will represent the lowest price (i.e. the largest Discount to the Market Price) at which CBA will buy back your Shares if your Application is successful.

What Discount(s) to select or whether to submit a Final Price Application will depend on your own circumstances, including your personal tax situation.

If you wish to increase the likelihood that your Shares will be bought back, you may consider submitting a Final Price Application (see Section 1.10 "What is a Final Price Application?").

If you hold more than 100 Shares, you may tender different parcels of your Shares at different Discounts and/or as a Final Price Application. However, you must tender a minimum of 100 Shares in aggregate. For example, you may tender half of the Shares you wish to sell at a 10% Discount and the other half as a Final Price Application. However, you may not tender the same Shares at different Discounts (or at both a specified Discount and as a Final Price Application). Each parcel of Shares tendered at a different Discount or as a Final Price Application is treated as a separate Application. The total number of Shares you tender into the Buy-Back must not exceed the number of Shares you held as at the Buy-Back Record Date (as set out on your Application Form).

Step 2 Choose your Discount(s) and/or Final Price Application (Continued)

If you hold 100 Shares or less, you may only submit one Application in respect of all of your Shares and it must be at one of the specified Discounts or as a Final Price Application.

Step 3 Select a Minimum Price (optional)

In addition to choosing to tender your Shares at the specified Discount(s) and/or as a Final Price Application, you may also elect to nominate one of the four Minimum Prices listed on the Application Form.

If you choose to nominate a Minimum Price and the Buy-Back Price is lower than your nominated Minimum Price, your Shares will not be bought back.

Step 4 Submit your Application(s)

To submit your Application Form correctly, please follow the detailed instructions below. How you submit your Application will depend on the type of holding you have, as specified on your Application Form.

A Issuer Sponsored Holdings

You have an Issuer Sponsored Holding if the registered title of your holding of Shares is maintained on the issuer sponsored subregister administered by Link Market Services on behalf of CBA. If you have an Issuer Sponsored Holding then you will have a SRN which starts with the letter "I" (or an Employee ID for employee holdings). On the issuer sponsored subregister, you will have one SRN for each holding and if you have a portfolio of Shares, then you may have more than one SRN.

If you have any questions in relation to the processing of your Application Form, please contact the CBA Share Registry information line on 1800 022 440 within Australia, or on +61 1800 022 440 outside Australia. The CBA Share Registry information line operates from 8:00am to 7:30pm (Sydney time) on business days.

Submit online

Please visit commbank.com.au/buyback, select the 'Application' option, and follow the instructions to submit your Application. You will receive a confirmation of submission of your Application.

Your online Application must be received by the Registry by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021).

Submit by mail

Please complete and sign your personalised Application Form and return it to the CBA Share Registry as set out below.

Australian Application Forms mail to:

CBA Off-Market Buy-Back
C/- Link Market Services Limited
PO Box 1512
Sydney South NSW 1234

New Zealand Application Forms mail to:

CBA Off-Market Buy-Back
C/- Link Market Services Limited
PO Box 91976
Victoria Street West
Auckland 1142

Hand deliver only to:

CBA Off-Market Buy-Back
C/- Link Market Services Limited
Level 30, PwC Tower
15 Customs Street West
Auckland 1010

You can use the enclosed reply-paid envelope if you are posting your Application Form in Australia and New Zealand.

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How do I participate in the Buy-Back?

Step 4 Submit your Application(s) (Continued)

Your completed Application Form must be received by the Registry by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021).

CBA will not accept your Application Form unless it is physically received at one of the above addresses by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021). You should allow sufficient time for this to occur if you are sending your Application Form by mail.

B CHESSE Holdings

You have a CHESSE Holding if the registered title of your holding of Shares is maintained on the CHESSE subregister administered by ASX Settlement. If you have a CHESSE Holding then you will have a HIN which starts with the letter "X".

You can choose to submit your Application online or contact your controlling participant (usually your broker).

Submit online

Please visit commbank.com.au/buyback, select the 'Application' option, and follow the instructions to submit your Application. You will receive a confirmation of submission of your Application.

If you are a CHESSE Holder, CBA strongly recommends that you submit your Application online by no later than 5:00pm on Thursday, 30 September 2021. This is because the Registry will need to confirm with your controlling participant any online submission of your Application before it can be taken as validly submitted. There may not be sufficient time to do so for any online Applications submitted by CHESSE Holders after 5:00pm on Thursday, 30 September 2021.

Neither CBA nor the Registry will be responsible should your controlling participant not acknowledge and confirm your Application in sufficient time.

Submit by mail

You will need to instruct your controlling participant (usually your broker) in sufficient time for them to process your Application by 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021).

CBA strongly recommends that you instruct your controlling participant by no later than 5:00pm on Thursday, 30 September 2021. The name of the controlling participant who manages your CHESSE Holding as at the Record Date is printed on your Application Form.

If you are a CHESSE Holder, you should not send your Application Form to the Registry.

You will receive written confirmation from CHESSE of the Applications made on your holding by your controlling participant. You should be aware that, irrespective of its wording, this confirmation from CHESSE is not an acceptance by CBA of any Application.

4.2. Can I withdraw or amend my Application?

Once you have submitted an Application, it can be withdrawn or amended by following the steps set out below. How you submit your Withdrawal/Amendment Form will depend on the type of holding you have. The most efficient way to ensure your withdrawal or amendment is received by the Closing Date, is to submit online at commbank.com.au/buyback.

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A Issuer Sponsored Holdings

To withdraw or amend an Application that has been received by the Registry, you will need to submit a Withdrawal/Amendment Form. **You may submit a withdrawal or amendment online irrespective of how you lodged your original Application.**

Your Withdrawal/Amendment Form must be received by 7.00pm (Sydney Time) on the Closing Date (Friday, 1 October 2021). If the Registry does not receive your Withdrawal/Amendment Form by this time, your withdrawal or amendment will not be effective. You may not withdraw or amend any of your Applications after this time.

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Submit online

Please visit commbank.com.au/buyback and follow the instructions. Select the "Withdrawal/Amendment" option, and either withdraw or amend your Application and submit. You will receive a confirmation of submission of your withdrawal/amendment.

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Submit by mail

If you choose not to submit a withdrawal or amendment online, you can obtain a Withdrawal/Amendment Form by contacting the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia.

Complete and send the Withdrawal/Amendment Form as per the instructions below:

Withdrawal of Applications – To withdraw all of your Application(s) you must tick the 'Withdrawal' box on the Withdrawal/Amendment Form, sign the form and send it to the Registry.

Amendment of Applications – If you wish to change the terms of all or some of your Applications or you wish to withdraw some (but not all) of your Applications, you must tick the 'Amendment' box on the Withdrawal/Amendment Form, complete the details of all of your Applications on that form in accordance with the instructions shown on it (as if you had not previously submitted any), sign the form and send it to the Registry.

If your Withdrawal/Amendment Form is incomplete or incorrect, the Registry will attempt to contact you before the Closing Date. Where there is insufficient time or you cannot be contacted, your Withdrawal/Amendment Form will not be accepted and your existing Application may be accepted into the Buy-Back.

Return to:

CBA Off-Market Buy-Back
C/- Link Market Services Limited
PO Box 1512
Sydney South NSW 1234

You should allow sufficient time for your Withdrawal/Amendment Form to be received by the Registry prior to the Closing Date. **If you have any doubt that your Withdrawal/Amendment Form will be received by the Registry in time, we recommend that you withdraw or amend your Application online at commbank.com.au/buyback.**

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How do I participate in the Buy-Back?

B **CHESS Holdings**

If you have a CHESS Holding and you wish to withdraw or amend an Application, you can submit your instructions online or instruct your controlling participant. **You may submit a withdrawal or amendment online irrespective of how you lodged your original Application.**

Your instructions must be received in sufficient time for your controlling participant to process your amendment or withdrawal by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021). If the instructions are not received and processed by this time, your withdrawal or amendment will not be effective. You may not withdraw or amend any of your Applications after this time. **CBA strongly recommends that you instruct your controlling participant by no later than 5:00pm on Thursday, 30 September 2021.**

Submit online

Please visit commbank.com.au/buyback and follow the instructions. Select the "Withdrawal/Amendment" option, either withdraw or amend your Application and submit. You will receive a confirmation of submission of your withdrawal/amendment.

Instruct your controlling participant

If you choose not to submit a withdrawal or amendment online, you need to contact your controlling participant (usually your broker), and provide relevant instructions.

A Withdrawal/Amendment Form can be used to instruct your controlling participant. You can obtain a Withdrawal/Amendment Form by contacting the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia.

The effect of your controlling participant withdrawing or amending one or more of your Applications will be to withdraw your original Application(s), and in the case of an amendment, to replace your previous Applications with new Applications.

You will receive written confirmation from CHESS of the withdrawals/amendments made in relation to your holding by your controlling participant. Irrespective of its wording, this confirmation from CHESS is not an acceptance by CBA of your withdrawal or amendment of any Application.

If you have a CHESS Holding, do not send a Withdrawal/Amendment Form to the Registry.

4.3. How can I obtain additional Application Forms or Withdrawal/Amendment Forms?

Applications and Withdrawal/Amendments may be submitted online at any time during the Buy-Back Period at commbank.com.au/buyback. Alternatively, if you require additional hard copy Application Forms or Withdrawal/Amendment Forms, please call the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia. The CBA Share Registry information line operates from 8:00am to 7:30pm (Sydney time) on business days.

4.4. How will I receive payment for Shares bought back?

If you have an existing direct credit instruction to an Australian or New Zealand bank account for the payment of dividends on your Shares recorded on the CBA Share Register at 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021), all proceeds due to you under the Buy-Back will be credited to your nominated bank account.

To receive your Buy-Back proceeds in an account that is different from your current direct credit instructions, you can update your payment instructions online at linkmarketservices.com.au or by returning a completed direct credit of payments form to the Registry before 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021). Please note that if you alter your nominated bank account details, this will be taken to be your nominated bank account for future dividend payments.

Direct credit advices will be made available online or mailed to you at your address, in accordance with your communication preferences as shown on the CBA Share Register as at 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021). It is your responsibility to inform the Registry of any changes to your contact details. Payments to bank accounts are expected to be completed by Friday, 8 October 2021, which will satisfy CBA's obligation to pay you for any Shares bought back.

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For those Eligible Shareholders who successfully participate in the Buy-Back and who do not have direct credit instructions recorded with the Registry at 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021), CBA will withhold the proceeds due to them under the Buy-Back until the required bank account details are provided. On or after Friday, 8 October 2021, CBA will send a notice to all Eligible Shareholders who have had their payments withheld. Eligible Shareholders who provide their bank account details to the Registry after this time will be paid the proceeds due to them under the Buy-Back, as soon as reasonably practicable (usually within four weeks of receipt of the new instructions).

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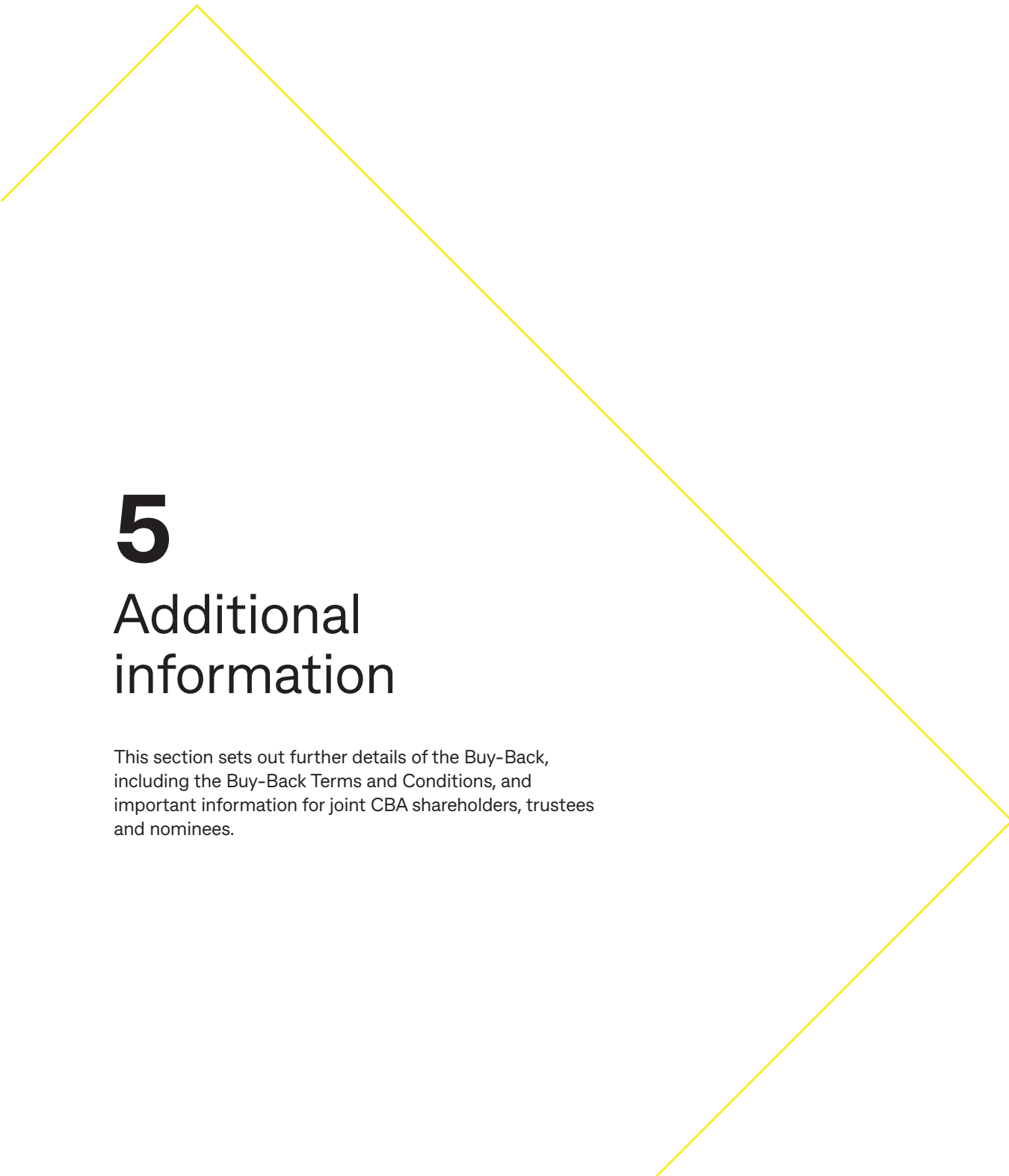
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Additional information

This section sets out further details of the Buy-Back, including the Buy-Back Terms and Conditions, and important information for joint CBA shareholders, trustees and nominees.

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5.1. Excluded Foreign Persons and persons not entitled to participate in the Buy-Back

Certain Shareholders are not eligible to participate in the Buy-Back. In particular, the Buy-Back Invitation is not made to any Excluded Foreign Person (refer to the definition of an Excluded Foreign Person in Section 6 "Glossary and interpretation").

An Excluded Foreign Person is a person who resides outside of Australia and New Zealand, including any person who is (or who is acting for the account or benefit of a person who is) located or resident in the United States, a US Person or a resident of Canada. Copies of the Buy-Back Documents may not be sent, directly or indirectly, by mail or any means or instrumentality (including without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or through any facility of a national securities exchange of, the United States, or otherwise distributed or sent outside of Australia and New Zealand including to, the United States or Canada.

Any person receiving any of the Buy-Back Documents must not, directly or indirectly, distribute or send them into any jurisdiction, or otherwise make them available to any person in any jurisdictions, where to do so would breach the laws of that jurisdiction. For the avoidance of doubt, any person receiving any of the Buy-Back Documents must not, directly or indirectly, distribute or send them into the United States or Canada, or make them available to any Excluded Foreign Persons, any US Person (including to any legal or beneficial owner of Shares that is a US Person) or any person who is resident or located in the United States or Canada.

Without limiting the rights that CBA otherwise has in relation to Applications, an Application submitted by an Excluded Foreign Person will not be accepted. By submitting an Application Form, you warrant that you are not an Excluded Foreign Person. CBA will not accept Application Forms from any person who does not represent that they are not an Excluded Foreign Person.

5.2. Shares held by trustees, nominees or other intermediaries

Trustees, nominees and other intermediaries who hold Shares should inform the beneficial owners of the Shares about the Buy-Back, subject to any legal restrictions in the countries where such beneficial owners are resident and provided such persons are not Excluded Foreign Persons, and then aggregate all Applications received from beneficial owners who are not Excluded Foreign Persons. It is the responsibility of the trustee or nominee to complete one aggregated Application Form on behalf of all beneficial owners.

Trustees, nominees or other intermediaries who hold Shares on behalf of, or for the account of, a US Person or a resident of Canada or a person located or resident in the United States must not inform any such person of the Buy-Back and may not forward materials relating to the Buy-Back to such person. It is the responsibility of the trustee, nominee or other intermediary to ensure that, when completing an aggregated Application Form, it does not include any tender on behalf of such persons.

For Issuer Sponsored Holdings, the trustee or nominee must ensure that an aggregated Application Form is received by the Registry by 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021). For CHES Holdings, the trustee or the nominee will need to aggregate all Applications received from beneficial owners and provide instructions to its controlling participant in time for the aggregated Application to be processed by 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021). **CBA strongly recommends that you submit your CHES Holding Applications online by no later than 5:00pm on Thursday, 30 September 2021.** This is because the Registry will need to confirm with your controlling participant any online submission of your Application before it can be taken as validly submitted. There may not be sufficient time to do so for any online Applications submitted by CHES Holders after 5:00pm on Thursday, 30 September 2021. Neither CBA nor the Registry will be responsible should your controlling participant not acknowledge and confirm your Application in sufficient time.

Any scale back that applies to Shares tendered by trustees and nominees will be applied on a registered shareholder basis.

Shares and Share Rights held by employees under any Employee Share Plan are not eligible to participate in the Buy-Back. Shares which were awarded under an Employee Share Plan which have since vested, have been released from the Employee Share Plan and are free to be traded, are eligible to participate in the Buy-Back and will be included on your Application Form.

5.3. Margin lending and other arrangements

If you hold Shares under margin lending arrangements or if they are held as security for a loan or as ASX Clear Pty Limited collateral, you should ensure that your participation in the Buy-Back is permitted by those margin lending arrangements, the terms and conditions of that particular loan or by ASX Clear Pty Limited.

5.4. Eligible Shareholders with more than one holding of Shares

You will receive the Buy-Back information flyer or an email notification for each separate registered holding of Shares. For example, if you hold some Shares in your name and some Shares jointly, you will receive two Buy-Back information flyers. You may tender Shares into the Buy-Back from any or all of your separate registered holdings, provided that you complete the Application Form online, or in hard copy, and follow the instructions for each holding you wish to tender. Any scale back that applies to Shares tendered into the Buy-Back will be applied to each of those registered holdings as if they were held by different persons.

Shareholders who have holdings through an Employee Share Plan that remain subject to restrictions will not be able to participate in respect of those restricted Shares, and such Shares will not be included in their Application Form.

5.5. Joint shareholders

If you hold your Shares jointly with another Eligible Shareholder (for example, your spouse) and you have an Issuer Sponsored Holding, you must complete and return the Application Form in accordance with the instructions for joint shareholders on the Application Form.

All joint shareholders must be Eligible Shareholders to be able to participate in the Buy-Back.

5.6. Shareholders who receive a government pension or allowance

The effect your participation in the Buy-Back will have on your government pension or allowance (or those of your dependants) will depend on the value of the Shares bought back and on the level of your other income and assets. It is possible that your pension or allowance payments will not be affected because the social security income and assets tests allow you to have income and assets up to certain amounts without any reduction in payment. It will depend upon your particular circumstances. **If you are in any doubt as to the action you should take, you should obtain specific advice tailored to your circumstances.**

If you would like more information about the effect of participating in the Buy-Back on your pension or allowance, you should consult a professional adviser or contact Centrelink or the Department of Veterans' Affairs directly.

5.7. Restrictions on Application acceptances

CBA will not accept any Application that it may not lawfully accept or which, if accepted, would give rise to an illegal or unenforceable Buy-Back Contract or a Buy-Back Contract that CBA cannot otherwise perform.

5.8. Restrictions on the payment of Buy-Back proceeds

CBA will pay the Buy-Back Price for each Share bought back, unless it is prohibited from doing so by law or the terms of the Buy-Back as set out in this booklet.

5.9. Rights under the Buy-Back Invitation cannot be transferred

The Buy-Back Invitation is personal to you. You cannot transfer your rights under the Buy-Back Invitation.

5.10. CBA's rights to accept or reject Applications and Application Forms

At any time, CBA may (at its sole discretion):

- accept or reject any Application or Application Form; or
- accept or reject an Application not made on the terms and conditions set out in the Buy-Back Documents, or an Application Form not submitted in accordance with the procedures set out in the Buy-Back Documents.

CBA will not accept any Application or Application Form i) from a holder of Shares that is located or resident in the United States, ii) that has been postmarked in the United States (including by any agent, fiduciary or other intermediary) or Canada, iii) that otherwise appears to CBA or its agents to have been sent or submitted from the United States or Canada or by an Excluded Foreign Person or iv) that has been or appears to have utilised, directly or indirectly, mail or any means or instrumentality (including without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States.

CBA may do each of these things in relation to all or some of the Applications or the Application Forms it receives, in its absolute discretion.

5.11. CBA's right to vary dates and times or to terminate the Buy-Back

CBA reserves the right to change any of the dates and times set out in the Buy-Back Documents (including, without limitation, the Closing Date and the Buy-Back Date) by announcement to the ASX and without any other notice. Such an announcement will be taken to amend this booklet (and the other Buy-Back Documents) accordingly.

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Without limitation, CBA reserves the right to terminate the Buy-Back at any time prior to the date on which CBA enters into Buy-Back Contracts by making an announcement to the ASX to that effect.

5.12. CBA's right to adjust Applications

CBA may, in its absolute discretion and at any time, deem any Application it receives to be a valid Application or disregard any Application it believes should be disregarded and may waive any or all of the requirements for making, amending or withdrawing an Application. It may do each of these things in relation to some, all or any number of Applications it receives.

If you are an Eligible Shareholder, you are entitled to tender in the Buy-Back, the lesser of:

- the number of Shares registered in your name on the Buy-Back Record Date (Wednesday, 18 August 2021) (and which, in accordance with the applicable Settlement Rules, confer an entitlement to participate in the Buy-Back); and
- the number of Shares you hold on the Closing Date, (your **Entitled Shares**).

If you submit one Application of more than your Entitled Shares and CBA accepts your Application, CBA may, in addition to any other remedies that it might have, buy back only the number of your Entitled Shares.

If you submit more than one Application and, in aggregate, you have tendered more than your Entitled Shares, CBA may, in addition to any other remedies that it might have, buy back only the number of your Entitled Shares in the following order of priority:

- first, acquiring that number of Entitled Shares as forms part of your Application with the largest Discount, which is equal to or greater than the Buy-Back Discount, and/or submitted as a Final Price Application (and, if you have chosen one, where your Minimum Price condition is satisfied); and
- if, after the application of the above, you have Entitled Shares remaining, acquiring the remaining number of your Entitled Shares from your Application with the second highest Discount, which is equal to or greater than the Buy-Back Discount (and, if you have chosen one, where your Minimum Price condition is satisfied) and repeating this process until all of your Entitled Shares successfully tendered are bought back.

The above provisions are subject to any scale back and any other applicable provisions in the Buy-Back Documents.

If you select more than one Minimum Price, your Application will be deemed conditional on the highest Minimum Price you have specified.

5.13. Unsuccessful Applications

Shares that have been tendered in the Buy-Back but are not bought back will be released to shareholders' holdings as soon as practicable after processing of the Buy-Back has been completed following the Closing Date (Friday, 1 October 2021).

5.14. Duty

You will not be liable for any stamp, transaction or other duty on the cancellation of your Shares following acceptance of your Application(s).

5.15. Directors' and CBA management entitlements

The Board has determined that the Directors, Group Executives and certain other management involved in the implementation of the Buy-Back may not participate in the Buy-Back in respect of Shares held legally or beneficially by them.

5.16. Regulatory relief

5.16.1. ASIC relief

ASIC has granted CBA an exemption under subsection 257D(4) of the Corporations Act. This exemption essentially permits CBA (without the requirement for shareholder approval):

- to conduct the Buy-Back in substantially the same manner as an equal access buy-back, in accordance with Division 2 of Part 2J.1 of the Corporations Act. The number of voting shares bought back in the Buy-Back and in any other buy-back conducted in the 12 months preceding the Buy-Back Date will not exceed 10% of the smallest number of votes attaching to CBA's voting shares at any time during the 12 months preceding the Buy-Back Date;
- to use the scale back mechanism described in Section 1.20;
- to invite all CBA shareholders (other than Excluded Foreign Persons) to offer for sale Shares in accordance with the terms and conditions of the Buy-Back Invitation;
- to invite CBA shareholders with 100 Shares or less to offer to sell Shares only if they submit one Application for all their Shares at the same Discount or as a Final Price Application; and
- not to accept any Application received from an Excluded Foreign Person,

provided certain conditions are met, including that the Buy-Back Price is calculated by applying the Discount selected by CBA following the end of the Buy-Back Period to the Market Price and that Eligible Shareholders are permitted to submit an Application conditional on a Minimum Price.

5.16.2 ASX relief

ASX has granted CBA a waiver from Listing Rule 7.40 to permit CBA to despatch the Buy-Back information flyer (which will provide instructions for Eligible Shareholders to either access the Buy-Back Documents online or request they be physically mailed out) to CBA shareholders no later than seven business days after the Buy-Back Record Date.

The ASX has also confirmed that it will treat the Buy-Back as an equal access buy-back but will not require daily buy-back notifications to ASX during the Buy-Back Period.

5.17. Personal information

CBA is carrying out the Buy-Back in accordance with the Corporations Act and is permitted to collect personal information about you under that Act as part of the Buy-Back. This involves the collection of personal information contained in Application Forms (which includes your name, address, telephone number, email address, bank account details, Holder Identification Number, details of your shareholding, including any joint shareholders, and your request in relation to the Buy-Back) to enable CBA to process your Application and to pay any future dividends and payments in connection with the Buy-Back by direct credit. If you do not provide this information, CBA and its agents may be hindered in, or prevented from, processing your Application.

The personal information collected by CBA will only be disclosed to Link Market Services Limited (Registry), in their capacity as share registrar of CBA, to a print and mail service provider, to CBA's advisers and other third party service providers in relation to the Buy-Back and to financial institutions in respect of payments to you in connection with the Buy-Back or as required or authorised by law. Some of the personal information that CBA receives about you may be collected by CBA from the Registry.

The personal information you provide will ordinarily be held and used by CBA within Australia and disclosed to third parties who are located in Australia. In some instances, personal information may be accessed and used by the personnel of CBA or its third party service providers while located overseas, including while travelling or working remotely. As a result, it is not practicable to specify all of the countries that your personal information may be disclosed to or accessed from. CBA's Privacy Policy contains more information on the circumstances in which personal information may be disclosed overseas.

CBA's Privacy Policy is available on its website at commbank.com.au and provides more information on:

- how CBA stores and uses, and how you may access and correct, your personal information;
- how you can lodge a complaint regarding CBA's handling of your personal information; and
- how CBA will handle any complaint.

If you would like any further information about CBA's privacy practices or access to the personal information collected by CBA in relation to your shareholding please call the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia. The CBA Share Registry information line operates from 8:00am to 7:30pm (Sydney time) on business days.

5.18. The effect of submitting an Application

An Application constitutes an offer to sell the tendered Shares to CBA on the terms and conditions set out in the Buy-Back Documents. An Application does not, of itself, constitute a binding contract for the sale of the tendered Shares and cannot be enforced against CBA. CBA retains the discretion to accept or reject any Application, and may choose to reject all Applications.

If CBA accepts your Application, a binding Buy-Back Contract is formed between you and CBA, and you must sell the tendered Shares to CBA on the terms and conditions set out in the Buy-Back Documents (Buy-Back Terms and Conditions), including as set out below. By submitting an Application Form, you:

- agree to the Buy-Back Terms and Conditions, including any scale back announcement by CBA;
- offer to sell to CBA on the Buy-Back Date the number of Shares nominated for sale on your Application Form (adjusted in accordance with the Buy-Back Terms and Conditions) at your Discount(s) and/or as a Final Price Application, subject to any Minimum Price you may have chosen;
- agree that CBA's announcement to the ASX on the Buy-Back Date in relation to the Buy-Back Price is:
 - effective notice or communication of CBA's acceptance of your Application(s), provided it is made in accordance with the Buy-Back Terms and Conditions; or
 - effective notice of CBA's decision not to accept any Application(s) submitted at a Discount less than the Buy-Back Discount or where your Minimum Price (if you have chosen one) is greater than the Buy-Back Price;

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Additional information

- agree that a Buy-Back Contract for the purchase of relevant Shares will be formed, and the purchase of the relevant Shares by CBA will occur, on the Buy-Back Date upon CBA having (i) accepted your Application in accordance with the Buy-Back Terms and Conditions (or treated by CBA as being submitted) and (ii) posted an announcement to ASX on the Buy-Back Date in relation to the Buy-Back Price (as described above);
 - waive any requirement to receive further notice or communication from CBA of its acceptance or non-acceptance of any Application submitted by you and agree that the postal acceptance rule does not apply to Applications (as you may amend or withdraw your Application up until 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021) and Buy-Back Contracts will only be formed on acceptance by CBA of your Application);
 - warrant to CBA that:
 - at all times after you tender your Shares for sale into the Buy-Back, and on the Buy-Back Date, you are the registered holder of the Shares that you have tendered and that they are free from any mortgage, charge, lien or other encumbrance or security interest (whether legal or equitable) and from any third party rights and are otherwise able to be sold freely by you;
 - you are not an Excluded Foreign Person; and
 - authorise CBA (and its officers, agents, contractors or advisers) to correct any error in or omission from your Application Form or Withdrawal/Amendment Form, and to insert any missing details;
 - undertake not to sell or offer to sell Shares to any other person if, as a result, you will at any time after you submit your Application until the Buy-Back Date hold fewer Shares than the number of Shares you have tendered;
 - authorise and agree to having a holding lock placed on those Shares you have tendered, pending completion of the Buy-Back or any amendment or withdrawal of your Application;
 - acknowledge that neither CBA nor any other party involved in the Buy-Back has provided you with financial product or investment advice, or any securities recommendation, or has any obligation to provide this advice or recommendation, concerning your decision to participate in the Buy-Back or the manner of any such participation;
 - authorise CBA to make payment by direct credit to your nominated account as recorded on the CBA Share Register at 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021) and you acknowledge that payments made in accordance with such instructions will satisfy CBA's obligations to you for any Shares bought back;
 - acknowledge that CBA will withhold the proceeds due to an Eligible Shareholder under the Buy-Back for any shareholder who has not provided their Australian or New Zealand bank account details by 7:00pm (Sydney time) on the Closing Date (Friday, 1 October 2021). Eligible Shareholders who provide their bank account details to the Registry after this time will be paid the proceeds due to them under the Buy-Back as soon as reasonably practicable (usually within four weeks of receipt of the new instructions);
 - agree that damages are not an adequate remedy for breach of these covenants, undertakings, agreements and warranties. If you sell Shares in breach of these terms, you will be deemed to have appointed CBA or its agent as your attorney to purchase Shares in your name and at your expense to satisfy your obligations under the Buy-Back and you will indemnify CBA for all costs incurred by it in connection with such purchase;
 - warrant that you are not (nor are you acting on behalf of or for the account of) a US Person or a person located or resident in the United States;
 - warrant that you have not utilised in connection with the Buy-Back, directly or indirectly, mail or any means or instrumentality (including without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States;
 - undertake that if you breach any of these covenants, undertakings, agreements or warranties you will indemnify CBA for all its costs arising from the breach; and
 - agree that any obligation of CBA to buy back Shares tendered by you is conditional on your compliance with the covenants, undertakings, agreements and warranties listed above.
- You will be taken to have submitted an Application when the Registry receives your signed and validly completed Application Form (including any Application Form validly completed and submitted online) or, if you have a CHESS Holding, your Application from your controlling participant through CHESS.

5.19. Governing law

The Buy-Back Invitation, your Application, any Buy-Back Contract and the Buy-Back generally are governed by the laws applicable in New South Wales, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

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Glossary and interpretation

This section is a dictionary of defined terms used throughout this booklet.

6.1. Glossary

In the Buy-Back Documents unless the context otherwise requires:

Term	
ADRs	Means American Depository Receipts representing fully paid ordinary shares in the capital of the CBA.
Announcement Date	Means the date on which CBA announces the Buy-Back to the ASX.
Application	Means an Eligible Shareholder's offer to sell nominated Shares to CBA at a specified Discount(s) and/or as a Final Price Application and on the terms and conditions set out in the Buy-Back Documents (as amended in accordance with the procedures set out in this booklet).
Application Form	Means the form (and its online equivalent) by which an Eligible Shareholder offers to sell their nominated Shares to CBA under the Buy-Back, which is enclosed with this booklet and available online (and includes an Application Form amended in accordance with the procedures set out in the Buy-Back Documents).
APRA	Means the Australian Prudential Regulation Authority.
ASIC	Means the Australian Securities and Investments Commission.
ASX	Means ASX Limited (ABN 98 008 624 691) or the market that it operates, as the context requires.
ASX Settlement	Means ASX Settlement Pty Ltd (ABN 49 008 504 532).
ATO	Means the Australian Taxation Office.
Australian Accounting Standards	Means the Australian Accounting Standards issued by the Australian Accounting Standards Board, as may be amended from time to time.
Board	Means the board of directors of CBA.
Buy-Back	Means the buy-back of Shares by way of a tender process as set out in the Buy-Back Documents and is a reference to the 'Off-Market Buy-Back' as announced by CBA on Wednesday, 11 August 2021.
Buy-Back Contract	Means the contract formed on the Buy-Back Date between you and CBA if CBA accepts your Application.
Buy-Back Date	Means the date and time CBA announces to the ASX the Buy-Back Price, the total number of Shares to be bought back and the details of any scale back.
Buy-Back Discount	Means the discount to be set by CBA, being the largest discount within the range of 10% to 14% inclusive (at 1% intervals), which enables CBA to buy back the number of Shares that it determines to buy back.
Buy-Back Documents	Means this booklet, the Buy-Back information flyer, the Application Forms and the Withdrawal/Amendment Forms.
Buy-Back Ex-entitlement Date	Means Tuesday, 17 August 2021 being the date on which Shares commence trading on ASX on an ex-Buy-Back basis. Shares acquired on-market on or after this date (including any Shares allocated to you under the DRP for the Full Year Dividend) will not have an entitlement to participate in the Buy-Back.
Buy-Back Invitation	Means the invitation by CBA to Eligible Shareholders to offer to sell Shares to CBA as set out in the Buy-Back Documents.
Buy-Back Period	Means the period within which Eligible Shareholders may submit, withdraw or amend an Application in accordance with the Buy-Back Documents, expected to be Monday, 30 August 2021 to Friday, 1 October 2021.

Term

Buy-Back Price	Means the price at which CBA will buy back Shares from Applications it accepts in the Buy-Back, rounded to the nearest cent. This price is determined by applying the Buy-Back Discount selected by CBA to the Market Price.	1
Buy-Back Record Date	Means Wednesday, 18 August 2021 being the date for determining which CBA shareholders are entitled to participate in, and the number of Shares entitled to be tendered into, the Buy-Back.	
Buy-Back Terms and Conditions	Means the terms and conditions set out in the Buy-Back Documents.	
Capital Component	Means the capital component of the Buy-Back Price of \$21.66, which remains subject to ATO approval.	2
Capital Proceeds	Means the total of the Capital Component plus the amount (if any) by which the Tax Value exceeds the Buy-Back Price.	
CBA	Means Commonwealth Bank of Australia (ABN 48 123 123 124).	
CBA Share Register	Means the share register of CBA maintained by the Registry.	
CET1 Capital	Means ordinary share capital, retained earnings and certain other items recognised as capital under APRA's prudential standards (as amended from time to time).	3
CET1 Capital Ratio	Means the ratio of the CET1 Capital to risk-weighted assets, calculated in accordance with APRA's prudential standards (as amended from time to time).	
CGT	Means capital gains tax.	
CHESS	Means the Clearing House Electronic Subregister System.	
CHESS Holder	Means a holder of Shares on the CHESS subregister of CBA.	4
CHESS Holding	Means a holding of Shares on the CHESS subregister of CBA.	
Class Ruling	Means the ruling to be issued by the ATO on the Australian tax implications of the Buy-Back for Eligible Shareholders who participate in the Buy-Back.	
Closing Date	Means Friday, 1 October 2021, unless CBA announces another date.	
Corporations Act	Means the Corporations Act 2001 (Cth), as modified by the relief described in Section 5.16.	5
Directors	Mean the CBA Board of directors.	
Discount	Means one of the specified discounts to the Market Price (from 10% to 14% inclusive, at 1% intervals) as set out on the Application Form.	
Dividend Component	Means the dividend component of the Buy-Back Price, which is the Buy-Back Price less the Capital Component.	
Dividend per Share	Means the dividend paid to ordinary equity holders of the Bank, divided by the number of Shares on issue.	6
DRP	Means the Commonwealth Bank Dividend Reinvestment Plan.	
Earnings per Share	Means the net profit attributable to ordinary equity holders of the Bank, divided by the weighted average number of Shares on issue during the period (as required by relevant accounting standards).	
Employee Share Plan	Means each of CBA's Group Leadership Reward Plan, Group Rights Plan, Employee Equity Plan, Employee Share Acquisition Plan and Employee Salary Sacrifice Share Plan.	7

Glossary and interpretation

Term

Eligible Shareholder	Means a CBA shareholder with a registered address in Australia or New Zealand that has Shares registered in their name on the Buy-Back Record Date who is not an Excluded Foreign Person.
Excluded Foreign Person	Means any person holding Shares: <ul style="list-style-type: none"> • who CBA would otherwise be prohibited, pursuant to any act, rule or regulation in any jurisdiction, from making payments, including any person who is (or who is acting on behalf of or for the account of a person who is) located in the United States, a US Person (including any agent, fiduciary or other intermediary acting on such person's behalf), or a resident of Canada; • who resides, or who is acting on behalf or for the account of a person who resides, in a jurisdiction other than Australia or New Zealand.
Final Price Application	Means an Application in which the Eligible Shareholder elects to receive the Buy-Back Price, whatever CBA determines it to be.
Full Year Dividend	Means CBA's final dividend for the year ended 30 June 2021 of \$2.00 per Share.
Group Executives	Means members of CBA's executive leadership team as described on CBA's website at commbank.com.au/ourcompany .
HIN	Means the Holder Identification Number.
Issuer Sponsored Holder	Means a holder of Shares on the issuer sponsored subregister of CBA.
Issuer Sponsored Holding	Means a holding of Shares on the issuer sponsored subregister of CBA.
Market Price	Means the VWAP (as defined) of Shares on ASX over the five trading days up to and including the Closing Date, calculated to four decimal places, as determined by CBA.
Minimum Price	Means one of the four specified minimum prices on the Application Form, which an Eligible Shareholder may select in order for their Application to be conditional upon the Buy-Back Price being equal to or greater than that amount.
Priority Allocation	Means 100 Shares or such lesser number of Shares as determined by CBA.
Registry or CBA Share Registry	Means Link Market Services Limited (ABN 54 083 214 537).
Return on Equity	Is a performance metric that represents the net profit generated by CBA as a percentage of the equity shareholders have invested. It is based on net profit after tax less other equity instruments' distributions applied to average shareholders' equity, excluding non-controlling interests and other equity instruments.
Settlement Rules	Means the operating rules of ASX Settlement or of the settlement rules of the relevant stock exchange on which your Shares were acquired, as amended from time to time.
SRN	Means the Securityholder Reference Number.
Shares	Means fully paid ordinary shares in the capital of CBA. For the avoidance of doubt, Shares do not include ADRs.
Share Rights	Means a right to receive a Share (or equivalent cash payment) granted under an employee equity plan.
Small Residual Holding	Means a holding of 20 Shares or less, except that it will not be a Small Residual Holding where the holder has become the registered holder of a greater number of Shares as at the Closing Date than were held by the holder as at the Buy-Back Record Date.
Small Residual Application	has the meaning given to that term in Section 1.19.

Term

Tax Value	for the purposes of the Buy-Back means: $A \quad \times \quad \frac{\text{Closing level of S\&P/ASX 200 Index on the Closing Date}}{B}$ <p>A: the VWAP of Shares over the last five trading days before the announcement of the Buy-Back on Wednesday, 11 August 2021. B: the opening level of the S&P/ASX 200 Index on Wednesday, 11 August 2021.</p> <p>If the movement in the S&P/ASX 200 Index is significantly different from the movement in CBA's market price on the ASX over the relevant period, CBA may approach the ATO to seek to vary the methodology used to determine the Tax Value.</p>	1
Tier 1 Capital	Means CET1 Capital and certain securities recognised as Tier 1 Capital under APRA's prudential standards (as amended from time to time).	2
Tier 1 Capital Ratio	Means the ratio of the Tier 1 Capital to risk-weighted assets, calculated in accordance with APRA's prudential standards (as amended from time to time).	
Tier 2 Capital	Means certain securities recognised as Tier 2 Capital under APRA's prudential standards (as amended from time to time).	
Total Capital	Means the sum of Tier 1 Capital (including CET1 Capital) and Tier 2 Capital.	3
Total Capital Ratio	Means the ratio of the Total Capital to risk-weighted assets, calculated in accordance with APRA's prudential standards (as amended from time to time).	
United States	Means United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States and the District of Columbia.	4
US Person	Has the meaning given by Regulation S under the United States Securities Act of 1933, as amended from time to time.	
VWAP	Means the volume weighted average price including all trades on ASX including the closing single price auction, but excluding all off-market trades including but not limited to transactions defined in the operating rules of ASX as special crossings, crossings prior to the commencement of the open session state, crossings during overnight trading, overseas trades, trades pursuant to the exercise of options over Shares, and any other trades that CBA determines to exclude on the basis that the trades are not fairly reflective of supply and demand.	5
Withdrawal/Amendment Form	Means the form entitled 'Withdrawal/Amendment Form'.	
You or shareholder	Means a holder of Shares in CBA.	

6.2. Interpretation

In the Buy-Back Documents, unless the context otherwise requires:

- a reference to currency is a reference to Australian currency;
- a reference to time is a reference to Sydney, New South Wales, Australia time unless otherwise stated;
- the singular includes the plural, and vice versa;
- other parts of speech and grammatical forms of a word or phrase defined in this booklet have a corresponding meaning; and
- terms used in the Buy-Back Documents and defined in the Corporations Act have the meanings ascribed to them in the Corporations Act.

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Illustrative examples of completed Application Forms

The following examples of completed Application Forms are provided for illustrative purposes only. CBA is not providing any advice as to whether you should offer to sell your Shares, or at what Discount(s) you should tender. Participation in the Buy-Back is entirely at your discretion. If you choose not to participate, you do not have to do anything and the number of Shares you hold will not change as a result of the Buy-Back. If, after reading this booklet, you decide to participate in the Buy-Back, please refer to the instructions on the back of your personalised Application Form or as provided on the online application process at commbank.com.au/buyback.

Illustrative examples of completed Application Forms

Issuer Sponsored Holder offering to sell only as a Final Price Application (example only)

In the example below, an Issuer Sponsored Holder has elected to tender part of their holding (150 Shares) as a Final Price Application. The steps taken in completing the Application Form were as follows:



Commonwealth Bank
ABN 48 123 123 124

APPLICATION FORM
– Issuer Sponsored Holders
(More than 100 Shares)

Mr John Doe
Flat 123
SAMPLE STREET
SAMPLE TOWN NSW 2000

THIS IS AN IMPORTANT DOCUMENT. IF YOU HAVE ANY QUESTIONS, YOU SHOULD SEEK ADVICE FROM YOUR FINANCIAL, TAXATION OR OTHER PROFESSIONAL ADVISER.

Please refer to the instructions on the back of this form. Alternatively, you can submit your Application online at www.commbank.com.au/buyback.

Securityholder Reference Number (SRN):
I123456789

Shares you can offer to sell as at Wednesday, 18 August 2021:

A

I/we offer to sell the following Shares to Commonwealth Bank of Australia (CBA) at the Discount(s) specified and/or as a Final Price Application and on the terms and conditions set out in the Buy-Back Documents:

B Insert the number of Shares (if any) you wish to offer to sell as a Final Price Application.

AND/OR

Insert the number of Shares (if any) you wish to offer to sell next to the Discount(s) at which you wish to offer to sell those Shares.

<input style="width: 100px;" type="text"/>	at a 10% Discount
<input style="width: 100px;" type="text"/>	at a 11% Discount
<input style="width: 100px;" type="text"/>	at a 12% Discount
<input style="width: 100px;" type="text"/>	at a 13% Discount
<input style="width: 100px;" type="text"/>	at a 14% Discount

C **TOTAL NUMBER OF SHARES TENDERED** (Add up boxes in Part B) The number of Shares in Box C must not exceed the number in Box A, but must be a minimum of 100 Shares in aggregate.

D **OPTIONAL – LEAVE IT BLANK OR TICK ONE MINIMUM PRICE ONLY – IF YOU COMPLETE BOX D YOU MUST ALSO COMPLETE BOXES B AND C:** You should only select a Minimum Price if you wish to make your Application(s) conditional on the Buy-Back Price being no less than one of the following Minimum Prices you select. You will not receive less than the Minimum Price that you select for your Shares. However, your Shares will not be bought back if the Minimum Price that you select is greater than the Buy-Back Price.

A\$75.00
 A\$80.00
 A\$85.00
 A\$90.00

E **PAYMENT WILL BE MADE BY DIRECT CREDIT ONLY. BANK ACCOUNT RECORDED ON YOUR SHAREHOLDING:**

Bank: SAMPLE BANK
Account Name: SAMPLE NAME
BSB: 123-123
Account Number: ****123456

Payment will be made by direct credit only. You can update your payment instructions online at linkmarketservices.com.au or by returning a completed direct credit of payments form. If you require further assistance please call the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia (Monday to Friday 8.00am-7.30pm, Sydney time).

PLEASE SIGN WITHIN THE APPROPRIATE BOXES BELOW. By signing this Application Form, you confirm that you have read the Buy-Back Terms and Conditions and you agree to the matters set out on the back of this Application Form.

<i>John Doe</i>	<input style="width: 100px;" type="text"/>	<input style="width: 100px;" type="text"/>
Individual OR Joint Shareholder 1 OR Sole Director and Sole Company Secretary	Joint Shareholder 2 OR Director/Company Secretary	Joint Shareholder 3 OR Director

TELEPHONE NUMBER (in case we need to speak to you about your Application Form)

Contact daytime telephone Contact name (print)

EMAIL ADDRESS (PRINT): Elect to receive all future CBA shareholder communications electronically (optional).

APPLICATION FORMS MUST BE RECEIVED BY THE CBA SHARE REGISTRY BY 7:00PM (SYDNEY TIME) ON FRIDAY, 1 OCTOBER 2021.
The most effective way to ensure that your Application is received by 7:00pm (Sydney time) on Friday, 1 October 2021 is to apply online at www.commbank.com.au/buyback.

CBA BBT002



Step 1 – Box A
This is the number of Shares you can tender.

Step 2 – Box B and Box C
As the number of Shares you hold is more than 100, you may tender some, or all, of your Shares, subject to a minimum of 100 Shares:

- as a Final Price Application; and/or
- at one, or more, Discounts selected by you.

In this example, (150 Shares) were tendered as a Final Price Application and this total is included in Box C.

Step 3 – Box D
Selecting a Minimum Price is optional. Only one Minimum Price may be selected. In this example, no Minimum Price was selected.

Step 4 – Box E
Sign your Application Form here and complete your contact details.

The completed and signed Application Form should then be mailed to the Registry.

This is an example only.

Issuer Sponsored Holder offering to sell at a 12% Discount and with a Minimum Price condition (example only)

In the example below, an Issuer Sponsored Holder has elected to tender their entire holding (48 Shares) at a 12% Discount and with a Minimum Price condition. The steps taken in completing the Application Form were as follows:



APPLICATION FORM – Issuer Sponsored Holders (100 Shares or less)

THIS IS AN IMPORTANT DOCUMENT. IF YOU HAVE ANY QUESTIONS, YOU SHOULD SEEK ADVICE FROM YOUR FINANCIAL, TAXATION OR OTHER PROFESSIONAL ADVISER.

Please refer to the instructions on the back of this form. Alternatively, you can submit your Application online at www.commbank.com.au/buyback.

Securityholder Reference Number (SRN)
I987654321

Step 1 — **Box A**
This is the number of Shares you can tender.

Ms Jane Kim
Flat 123
SAMPLE STREET
SAMPLE TOWN VIC 3000

Step 2 — **Box B and Box C**
As the number of Shares you hold is 100 or less, all your Shares must be tendered:

- as a Final Price Application; or
- at one Discount selected by you.

In this example, a Discount of 12% has been selected.

As you hold 100 Shares or less, you must offer to sell **all** of your Shares if you decide to participate in the Buy-Back.

Shares you can offer to sell as at Wednesday, 18 August 2021:
A 48

I/we offer to sell **ALL** my/our Shares to Commonwealth Bank of Australia (CBA) at the Discount specified or as a Final Price Application and on the terms and conditions set out in the Buy-Back Documents:

B Tick this box if you wish to offer to sell **all** of your Shares as a **Final Price Application**.

OR
Tick only **one** of the boxes below if you wish to offer to sell **all** of your Shares at **one** of the specified Discounts.

at a 10% Discount at a 13% Discount
 at a 11% Discount at a 14% Discount
 at a 12% Discount

C **TOTAL NUMBER OF SHARES TENDERED**
 All of your Shares as per Box A You do not have to complete Box C as you hold 100 Shares or less. If you decide to participate in the Buy-Back, you must offer to sell all of your Shares in Box A.

Step 3 — **Box D**
Selecting a Minimum Price is optional. Only one Minimum Price may be selected. In this example, a Minimum Price of \$90.00 was selected.

D **OPTIONAL – LEAVE IT BLANK OR TICK ONE MINIMUM PRICE ONLY – IF YOU COMPLETE BOX D YOU MUST ALSO COMPLETE BOX B:** You should only select a Minimum Price if you wish to make your Application conditional on the Buy-Back Price being no less than one of the following Minimum Prices you select. You will not receive less than the Minimum Price that you select for your Shares. However, your Shares will not be bought back if the Minimum Price that you select is greater than the Buy-Back Price.

A\$75.00 A\$80.00 A\$85.00 A\$90.00

Step 4 — **Box E**
If you do not have an existing direct credit instruction to an Australian or New Zealand bank account recorded with the CBA Share Registry, please nominate an account for the Buy-Back proceeds to be paid by direct credit. CBA will withhold the Buy-Back proceeds until valid bank account details are provided.

E **PAYMENT WILL BE MADE BY DIRECT CREDIT ONLY. PLEASE COMPLETE YOUR BANK ACCOUNT DETAILS:**
Name(s) in which your account is held
Jane Kim

BSB number (must be 6 digits) Account number (For NZ, 7 digits only) Suffix (NZ only)
123456 12345678

Name of financial institution
Sample Bank

Branch suburb/town
Sample Town

PLEASE SIGN WITHIN THE APPROPRIATE BOXES BELOW. By signing this Application Form, you confirm that you have read the Buy-Back Terms and Conditions and you agree to the matters set out on the back of this Application Form.

Jane Kim _____ _____
Individual OR Joint Shareholder 1 OR Sole Director and Sole Company Secretary Joint Shareholder 2 OR Director/Company Secretary Joint Shareholder 3 OR Director

TELEPHONE NUMBER (in case we need to speak to you about your Application Form)
(02) 9999 9999 Jane Kim

Contact daytime telephone Contact name (print)
EMAIL ADDRESS (PRINT): Elect to receive all future CBA shareholder communications electronically (optional).
Jane.Kim@sample.com.au

APPLICATION FORMS MUST BE RECEIVED BY THE CBA SHARE REGISTRY BY 7:00PM (SYDNEY TIME) ON FRIDAY, 1 OCTOBER 2021.
The most effective way to ensure that your Application is received by 7:00pm (Sydney time) on Friday, 1 October 2021 is to apply online at www.commbank.com.au/buyback.

CBA BBT001

CHESSE Holder offering to sell at both specified Discounts and as a Final Price Application (example only)

In the example below, a CHESSE Holder has elected to tender their entire holding (250 Shares) at a combination of Discounts and as a Final Price Application. The steps taken in completing the Application Form were as follows:



APPLICATION FORM
 – CHESSE Sponsored Holders
 (More than 100 Shares)

THIS IS AN IMPORTANT DOCUMENT. IF YOU HAVE ANY QUESTIONS, YOU SHOULD SEEK ADVICE FROM YOUR FINANCIAL, TAXATION OR OTHER PROFESSIONAL ADVISER.
 Your completed Application Form must be sent to your controlling CHESSE participant. Your controlling CHESSE participant as at Wednesday, 18 August 2021: Broker Name.

Please refer to the instructions on the back of this form. Alternatively, you can submit your Application online at www.commbank.com.au/buyback.

Holder Identification Number (HIN)
 X0001234567

Shares you can offer to sell as at Wednesday, 18 August 2021:

A

Step 1 — **Box A**
 This is the number of Shares you can tender.

Step 2 — **Box B**
 As the number of Shares you hold is more than 100, you may tender some, or all, of your Shares, subject to a minimum of 100 Shares:

- as a Final Price Application; and/or
- at one, or more, Discounts selected by you.
- In this example, Shares are tendered at various Discounts and as a Final Price Application.

Ms Mary Smith
 Flat 123
 SAMPLE STREET
 SAMPLE TOWN WA 6000

I/we offer to sell the following Shares to Commonwealth Bank of Australia (CBA) at the Discount(s) specified and/or as a Final Price Application and on the terms and conditions set out in the Buy-Back Documents:

B Insert the number of Shares (if any) you wish to offer to sell as a Final Price Application.

AND/OR

Insert the number of Shares (if any) you wish to offer to sell next to the Discount(s) at which you wish to offer to sell those Shares.

<input type="text" value=""/>	at a 10% Discount	<input type="text" value="50"/>	at a 13% Discount
<input type="text" value=""/>	at a 11% Discount	<input type="text" value=""/>	at a 14% Discount
<input type="text" value="50"/>	at a 12% Discount		

Step 3 — **Box C**
 The total number of Shares tendered (150 + 50 + 50 = 250) is entered into Box C.
 The total Shares tendered cannot be greater than the number of Shares in Box A.

C **TOTAL NUMBER OF SHARES TENDERED (Add up boxes in Part B)**

The number of Shares in Box C must not exceed the number in Box A, but must be a minimum of 100 Shares in aggregate.

Step 3 — **Box D**
 Selecting a Minimum Price is optional. Only one Minimum Price may be selected. In this example, no Minimum Price was selected.

D **OPTIONAL – LEAVE IT BLANK OR TICK ONE MINIMUM PRICE ONLY – IF YOU COMPLETE BOX D YOU MUST ALSO COMPLETE BOXES B AND C:** You should only select a Minimum Price if you wish to make your Application(s) conditional on the Buy-Back Price being no less than one of the following Minimum Prices you select. You will not receive less than the Minimum Price that you select for your Shares. However, your Shares will not be bought back if the Minimum Price that you select is greater than the Buy-Back Price.

A\$75.00 A\$80.00 A\$85.00 A\$90.00

Step 4 — **Box E**
 Sign your Application Form here and complete your contact details.

E **PAYMENT WILL BE MADE BY DIRECT CREDIT ONLY. BANK ACCOUNT RECORDED ON YOUR SHAREHOLDING:**
 Bank: SAMPLE BANK
 Account Name: SAMPLE NAME
 BSB: 123-123
 Account Number: ****123456

Payment will be made by direct credit only. You can update your payment instructions online at linkmarketservices.com.au or by returning a completed direct credit of payments form. If you require further assistance please call the CBA Share Registry information line on 1800 022 440 within Australia or on +61 1800 022 440 from outside Australia (Monday to Friday 8.00am-7.30pm, Sydney time).

PLEASE SIGN WITHIN THE APPROPRIATE BOXES BELOW. By signing this Application Form, you confirm that you have read the Buy-Back Terms and Conditions and you agree to the matters set out on the back of this Application Form.

Mary Smith

Individual OR Joint Shareholder 1 OR Sole Director and Sole Company Secretary Joint Shareholder 2 OR Director/Company Secretary Joint Shareholder 3 OR Director

TELEPHONE NUMBER (in case we need to speak to you about your Application Form)

Contact daytime telephonal Contact name (print)

EMAIL ADDRESS (PRINT): Elect to receive all future CBA shareholder communications electronically (optional).

The instructions need to be communicated to your controlling participant (normally your broker).

Do not send your CHESSE Holder Application Form to the Registry.

This is an example only.

YOU NEED TO INSTRUCT YOUR CONTROLLING CHESSE PARTICIPANT IN SUFFICIENT TIME FOR THEM TO PROCESS YOUR INSTRUCTIONS NO LATER THAN 7:00PM (SYDNEY TIME) ON FRIDAY, 1 OCTOBER 2021. Neither CBA nor the CBA Share Registry will be responsible should your controlling CHESSE participant not acknowledge and accept your instructions. If you are in doubt, you should submit your Application Form online at www.commbank.com.au/buyback. We encourage you to submit your Application Form online by no later than 5:00pm (Sydney time) on Thursday, 30 September 2021.

CBA BBT004



Corporate Directory

Registered Office of CBA

Commonwealth Bank of Australia
Ground Floor, Tower 1
201 Sussex Street
Sydney, NSW 2000
Australia

Financial Adviser

UBS AG, Australia Branch
Level 16, Chifley Tower
2 Chifley Square
Sydney NSW 2000
Australia

Legal Advisers

Allens
Level 28, Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000
Australia

Russell McVeagh
Level 30, Vero Centre
48 Shortland Street
Auckland 1010
New Zealand

Tax Adviser

Greenwoods & Herbert Smith Freehills
Level 34, ANZ Tower
161 Castlereagh Street
Sydney NSW 2000
Australia

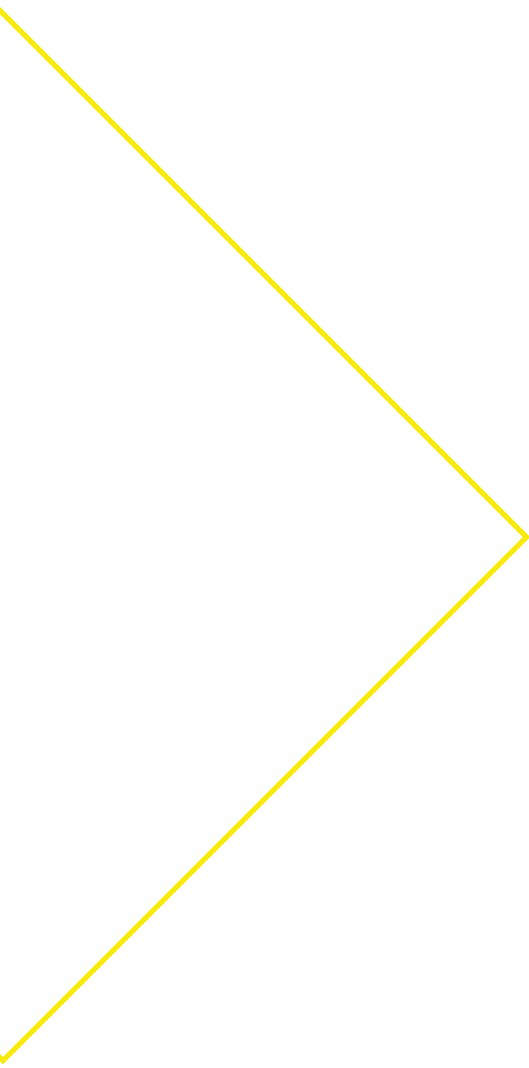
Accounting Adviser

PricewaterhouseCoopers Securities Ltd
One International Towers Sydney
Watermans Quay
Barangaroo NSW 2000
Australia

Registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000
Australia

If you have any questions about the Buy-Back, you should seek advice from your financial, taxation or other professional adviser. You can also visit the Buy-Back website at commbank.com.au/buyback or contact the CBA Share Registry information line on 1800 022 440 (within Australia) or on +61 1800 022 440 (outside Australia) (Monday to Friday 8.00am – 7.30pm, Sydney time) on business days.



**Commonwealth
Bank**