

Currency Term Deposit

Environmental, Social and Governance Term Deposit Appendix

This is the Environmental, Social and Governance Term Deposit Appendix (“Appendix”) to the Currency Term Deposit Terms and Conditions of Commonwealth Bank of Australia (“Bank”). This Appendix forms part of the Currency Term Deposit Terms and Conditions and applies where You elect to make an Environmental, Social and Governance Term Deposit (as defined below) with the Bank.

The Bank’s approach to environmental and social themed products and services more generally is outlined in the Bank’s Environmental & Social Framework, as published from time to time on the Bank’s website at commbank.com.au/policies.

1 Definitions and interpretation

1.1 Definitions

In this Appendix, unless the context requires otherwise:

Environmental, Social and Governance Term Deposit or **ESG Term Deposit** means a Currency Term Deposit on the terms of this Appendix, the Currency Term Deposit Terms and Conditions and the Confirmation applicable to that Currency Term Deposit.

ESG Eligible Asset means:

- (a) any loan instrument and/or contingent facility with features that are aligned with the core components of the Sustainability Linked Loan Principles; and
- (b) any other type of loan instrument or bank facility which incentivises the borrower under the loan or facility (as applicable) to achieve predetermined sustainability performance objectives,

in each case as determined by the Bank.

RIAA means the Responsible Investment Association Australasia.

RIAA Responsible Investment Standard means the Australian and New Zealand Standard for responsible investing, as published from time to time on RIAA’s website at <https://responsibleinvestment.org/>.

Sustainability Linked Loan Principles means the principles entitled the “Sustainability Linked Loan Principles” as jointly published from time to time by the Loan Market Association, the Asia Pacific Loan Market Association (**APLMA**) and the Loan Syndications & Trading Association, and available on the APLMA website at <https://www.aplma.com/>.

1.2 Interpretation

Capitalised terms or phrases which are used in this Appendix but not defined in clause 1.1 of this Appendix have the meanings given to them in the Currency Term Deposit Terms and Conditions.

2 Responsible Investment Association Australasia Certification

The ESG Term Deposit product is certified by RIAA. This certification confirms that each ESG Term Deposit meets RIAA Responsible Investment Standard.

3 Currency

ESG Term Deposits are available in AUD, USD, GBP, JPY, NZD, EUR, SGD, HKD, CAD and CNH only. The Bank will consider other currencies on request, at its discretion.

4 Confirmation

Each Confirmation of an ESG Term Deposit will specify that the relevant Currency Term Deposit is an ESG Term Deposit.

5 Use of Proceeds

5.1 Allocation

Subject to clause 5.2 of this Appendix, the Bank will seek to ensure that the Deposit Amount of each ESG Term Deposit (or an equivalent amount) will, for the Term of the relevant ESG Deposit, be allocated in full towards financing ESG Eligible Assets.

5.2 Insufficient ESG Eligible Assets

If at any time during the Term of an ESG Term Deposit, the Bank determines there are insufficient ESG Eligible Assets to enable the Deposit Amount for that ESG Term Deposit to be fully allocated towards financing ESG Eligible Assets, the Bank will:

- (a) allocate such Deposit Amount, or an equivalent amount, towards financing those ESG Eligible Assets that are available for financing (as determined by the Bank); and
- (b) invest the balance of such Deposit Amount, or an equivalent amount, in overnight or short-term deposits or other instruments, until its reallocation under clause 5.3 of this Appendix.

5.3 Reallocation

Where the Bank has invested the Deposit Amount for an ESG Term Deposit (or an equivalent amount) under clause 5.2(b) of this Appendix, the Bank will on or prior to the Maturity Date for the ESG Term Deposit, use reasonable endeavours to reallocate such Deposit Amount (or equivalent amount) towards financing ESG Eligible Assets as they become available for financing (as determined by the Bank).

5.4 No breach

A failure by the Bank to allocate or reallocate the Deposit Amount of an ESG Term Deposit, as described above, does not constitute a breach of the Currency Term Deposit Transaction Documents.

6 Reporting on use of proceeds

The Bank has procedures to track the allocation of the Deposit Amount for each ESG Term Deposit toward financing ESG Eligible Assets. Subject to any confidentiality restrictions, the Bank will seek to report this information at least semi-annually on its website at commbank.com.au/business.

A failure by the Bank to report this information does not constitute a breach of the Currency Term Deposit Transaction Documents.

7 Disclaimer

The certification of an ESG Term Deposit by RIAA signifies that the relevant ESG Term Deposit takes into account environmental, social, governance or ethical considerations in accordance with the RIAA Responsible Investment Standard. Certification of an ESG Term Deposit also signifies that the ESG Term Deposit adheres to the strict operational and disclosure practices required under the RIAA Responsible Investment Standard for the product category applicable to the ESG Term Deposit.

RIAA's certification of an ESG Term Deposit does not constitute financial product advice or a recommendation by RIAA, and nor does RIAA recommend to any person, that the ESG Term Deposit is a suitable investment or that returns under the ESG Term Deposit are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.