

ASX Announcement



CEO's Address

2021 Annual General Meeting

Wednesday, 13 October 2021 SYDNEY: Address by Matt Comyn, CEO and Managing Director of the Commonwealth Bank of Australia, at the Bank's 2021 Annual General Meeting (AGM). The webcast of the AGM can be viewed at: www.commbank.com.au/agm.

Check against delivery

Opening remarks

Thank you, Catherine. Good morning to everyone once again joining us virtually.

I'd also like to acknowledge the Traditional Owners of the lands from where we're joining this webcast today, and pay my respects to Elders past, present and emerging.

At our last AGM, we acknowledged the challenges Australians had faced in 2020 – droughts, bushfires and a global pandemic.

Twelve months on, challenges continue.

Through conversations with our customers and communities, we've heard about their concerns for the future. At the same time, we've also seen how communities have come together to support each other with determination and resilience.

Our job is to keep doing everything we can to ensure the country emerges stronger from this difficult time.

Supporting our customers

Since the pandemic began, we have helped our customers in a number of ways, including home and business loan deferrals, fee waivers, business recovery loans and tailored support, and assistance packages for those experiencing ongoing hardship.

That support has had a significant impact:

- Almost 160,000 home loan customers and more than 90,000 business loan customers were able to defer loan repayments, with almost all being able to recommence their repayments.
- We've lent just under \$2 billion to more than 20,000 businesses through the Government-backed SME Guarantee Loan Scheme.

- We kept our customers up-to-date via our COVID-19 support page on our website, which has had more than six million views.
- We've sent 1.7 million personalised messages to our customers reminding them of COVID-related support that's available.
- Following the most recent COVID-19 outbreak in June this year, we offered a repayment holiday of up to three months to eligible small business customers with a BetterBusiness Loan.
- Home loan customers significantly impacted by the latest lockdown restrictions were given access to a two-month repayment deferral.
- We extended our moratorium on foreclosures until February 2022.

Alongside this, we helped thousands of customers in vulnerable circumstances, and our Community Wellbeing team helped more than 22,000 people with their banking needs and connected them to external services where needed.

Being there for our customers when they need us most will continue to be a priority in 2022.

Engaging our people

This year, our refreshed values of care, courage and commitment helped build an even greater sense of purpose among our 42,000 people.

Employee engagement remains high at 80 per cent, with 89 per cent of our people saying they are proud to work for the bank and 92 per cent feeling their manager cares about their wellbeing.

I'm glad our people feel supported, and it has been a privilege to work alongside them once again this year to serve our customers, shareholders and our country.

Vaccination and returning safely to the workplace is something we've been discussing a great deal. We're doing all we can to support Australia's ongoing vaccination effort, while ensuring our people and customers feel safe as the country reopens.

Partnering with our communities

Supporting our communities has been at the core of the Commonwealth Bank's purpose for more than a hundred years, and that will never change.

In 2021, we invested \$247 million in community programs, including grants to support people still getting back on their feet after last year's droughts, floods and bushfires.

Next Chapter, our program to help address domestic and financial abuse, continued to gain momentum with the launch of the Financial Independence Hub delivered by our partner Good Shepherd.

The Financial Independence Hub offers our customers and members of the community free specialist one-on-one financial coaching and support. It aims to help people impacted by financial abuse build



confidence and capability in managing their own finances, with referrals to support services and, in some cases, access to solutions like interest free loans.

We also continued to elevate the importance of women's sport to further gender equality.

This year the bank became the naming rights partner of Australia's national women's football team, the Matildas, as well as the Junior Matildas and the Young Matildas. Combined with our long-term sponsorship of women's cricket, we believe we are one of largest ever investors in Australian women's sport.

Our strategy is gaining momentum

In January this year we refreshed our strategy and set a more ambitious agenda: to build tomorrow's bank today for our customers.

This strategy builds upon the work done in the last three years to become a simpler, better bank.

The strategy includes four priorities, which we've already begun delivering on.

Leadership in Australia's recovery and transition will see us help our customers – and the country – recover from the challenges of the pandemic, and help our economy become more resilient and sustainable.

As well as supporting households and businesses through the pandemic, we've remained focused on helping to build Australia's future economy, funding critical infrastructure and job creation projects throughout the year.

We're also working on initiatives, such as the first sustainability linked bond and loan because we believe that a sustainable future is a critical part of planning for the future economy.

By reimagining our products and services, we will differentiate our customer proposition by building new services in our digital channels, while partnering with others to develop new services and ventures.

We've helped connect Australians with \$481 million in unclaimed benefits and rebates through our app feature Benefits finder.

We're putting cheaper, cleaner energy within reach for more customers through the CommBank Green Loan, allowing eligible home loan customers to buy and install eligible clean energy products such as solar panels, battery packs and solar hot water systems.

We became the first major Australian bank to launch a buy now pay later product, StepPay, while we're also helping customers access discounts and save money on every day bills like broadband, energy and shopping through innovative partnerships with Australian businesses like More Telecom, Amber and Little Birdie.



Global best digital experiences and technology will underpin our aim of giving customers not just the best digital experience a bank can offer, but the best digital experience any financial services company can offer.

More than 6.4 million CommBank app users benefited from the value delivered via our Customer Engagement Engine which uses insights from customer activity to drive highly relevant and personalised banking features.

These include features like Bill Sense, helping customers predict and plan for upcoming bills; and Category Budgets, which guides customers to nominate a target budget and then helps them to track their expenditure.

Simpler, better foundations is how we are keeping the bank strong and safe, and making it easier for our people to get things done. We want to excel at managing both financial and non-financial risks, while taking a disciplined approach to how we manage both our costs and our capital.

We've continued to simplify our portfolio of businesses, with a further four divestments completed during the year.

This has enabled us to remove complexity, increase our focus on our core businesses and invest in key areas to deliver better shareholder outcomes. The excess capital generated by those divestments has now been returned to shareholders, thanks to the completion of the \$6 billion off-market share buy-back.

Strong financial performance

The strong financial results that Catherine mentioned, including the 20 per cent increase in our cash net profit after tax, are crucial to our ability to deliver on our strategy.

A deliberate and sustained focus on customers, digital engagement and operational excellence helped us grow operating income by 2 per cent, reflecting above-system growth in home and business lending, and deposits.

Business lending grew at three times system, and in 2021 we lent \$11 billion more to businesses than during the previous year.

Improved economic conditions meant our loan impairment expense was significantly lower than in 2020.

The bank's strong performance was despite record low interest rates, strong competition, both from banks and non-banks.

As the past 18 months have shown, Australia has a strong, stable and secure financial system. This includes financially strong and well-capitalised banks like ours, which, together with the support of our governments and regulators, have helped the country find its way through the worst pandemic in living memory.



Looking ahead

Looking ahead, there's cause for optimism.

The stimulus provided by our governments during lockdowns has been doing its job.

Australians continue to accumulate more savings and many businesses are ready to take advantage of opportunities ahead. Housing activity is still strong. We are continuing to monitor this closely and adjust our lending settings appropriately.

Finally, we're seeing digital technology enable a raft of changes, which come with both opportunities and risks.

Close

We know that many of our customers have had difficult year, and for some, those challenges may persist.

But the Commonwealth Bank will be here.

I'm proud to lead an institution with the people and financial strength to be able to support our customers, communities and the country.

I'd like to thank Catherine and the Board for their leadership, and our people for their dedication, hard work and resilience.

And I'd like to thank you, our shareholders, for your ongoing support of CBA.

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The release of this announcement was authorised by Kristy Huxtable, Company Secretary.

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