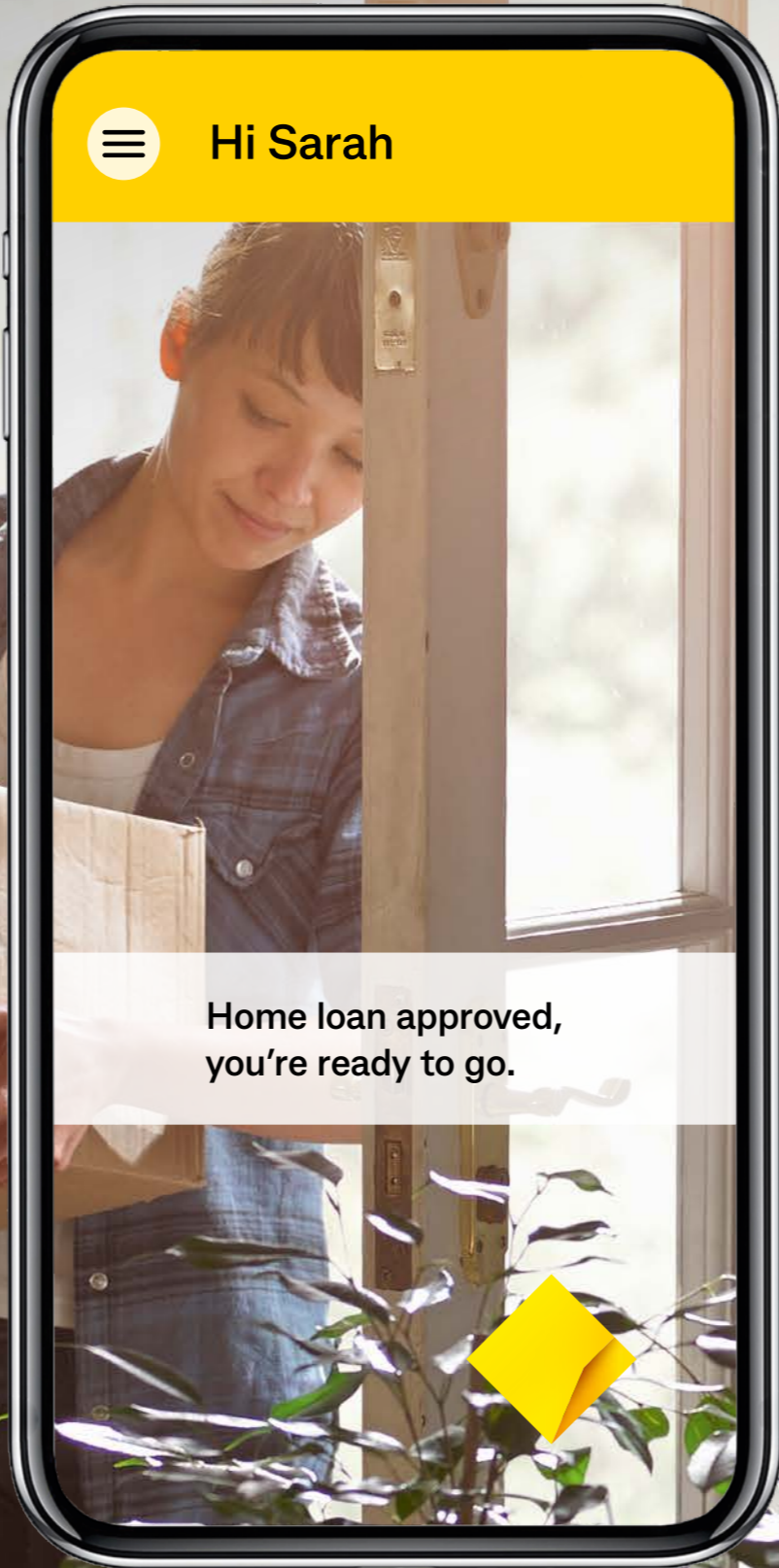


Building tomorrow's bank

today.



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## COVID-19 support

Providing a range of ways to help customers during uncertain times.

⊕ Please visit [commbank.com.au/coronavirus](https://commbank.com.au/coronavirus)

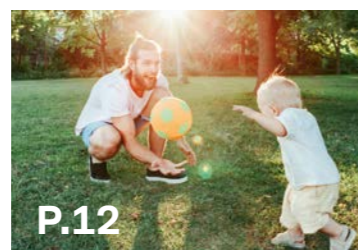


## How we create value

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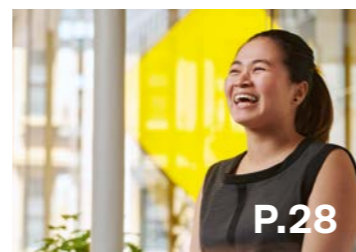
## Leadership in Australia's recovery and transition

Supporting our customers and the country to help build a better future, together.



## Engaging our people

Continuing to ensure the lived experience throughout the Bank aligns with our purpose and values.



## Additional information

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# Building tomorrow's bank

We have set a bolder ambition. Our strategic priorities build on the Bank's strong foundations and position us for the future. Developing global-best digital tools that help customers achieve their goals is core to this ambition.

today for our customers.



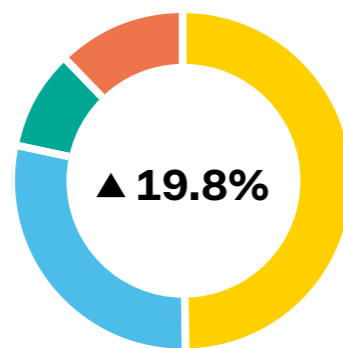
This is an interactive PDF designed to enhance your experience. The best way to view this report is with Adobe Reader. Click on the links and use the home button in the footer to navigate the report.

# 2021 highlights

## Financial highlights

### Group

Cash NPAT by business unit



Retail Banking Services

**\$4,806m**

Business Banking

**\$2,758m**

Institutional Banking and Markets

**\$922m**

New Zealand

**\$1,159m**

Statutory net profit after tax (NPAT)

**\$8,843m**

▲ 19.7%

Cash net profit after tax (NPAT)

**\$8,653m**

▲ 19.8%

Operating income

**\$24,156m**

▲ 1.7%

Net interest margin

**2.03%**

▼ 4 basis points

Capital ratio

**13.1%**

CET1 (APRA, Level 2)

▲ 150 basis points

## Value we create



### Customer

#### Our targets

#1 Net Promoter Score (NPS) in consumer and business banking

#### Our progress

**#1** mobile app NPS

**#2** consumer NPS

**#1** business NPS

**15m+**

customers served

**\$157bn**

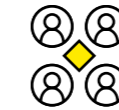
of new lending for home buyers

**\$50bn**

of new lending for businesses

**\$1.9bn+**

in loans under the Government's Coronavirus SME Guarantee Scheme



### Community

#### Our targets

Top quartile among peer companies for reputation improvement

#### RepTrak reputation score

**65.0**

Average of peer companies: 65.7

**\$3.6bn**

tax expense – one of Australia's largest taxpayers

**\$47.3m**

cash contributions

**\$6.1m**

Australian Indigenous supplier spend

**\$6.4bn**

funding for low carbon transition



### Our people

#### Our targets

Top quartile amongst global companies in our employee engagement score

#### Employee engagement

**78%**

Global 90th percentile score: 83%

**88%**

of employees are proud to work at the Bank

**\$6.0bn**

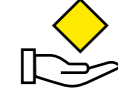
paid to our 44,375 people in salaries and superannuation

**81.1%**

employees working flexibly

**41.7%**

women in Executive Manager and above roles



### Shareholders

#### Our targets

Top quartile TSR outperformance relative to peers

#### Total shareholder return (TSR)

**226%** 10-year

**72%** 5-year

**48%** 1-year

**870,000+**

shareholders, 78% Australian owned

**\$3.50**

dividend per share, fully franked

**\$6.2bn**

returned to shareholders as dividends

**\$2,818**

dividend amount received by the average retail shareholder

Financials are presented on a continuing operations basis, except Common Equity Tier 1 (CET1) which include discontinued operations. Comparative information has been restated. All figures relate to the full year ended 30 June 2021 and comparisons are to the year ended 30 June 2020, except for employee engagement which is as at 31 March 2021 and employees working flexibly which is as at 30 September 2020. For data sources, see *Glossary* on pages 293–308 of the 2021 Annual Report.



# Supporting customers as uncertainty continues



Our purpose has never been more relevant than over the past year as the Bank supported personal and business customers impacted by COVID-19.

## Resilience and recovery

Our purpose, of improving the financial wellbeing of our customers and communities, has provided the Bank with a strong sense of direction throughout the past year.

As the pandemic persisted into the 2021 financial year, the Bank continued to defer repayments on home, personal and business loans, and offered a wide range of support to customers. This helped alleviate financial pressure, and uncertainty, for both individuals and businesses.

The past year has also been notable for governments, regulators and industry continuing to work collaboratively, to implement support programs quickly, and to help minimise the impacts of the pandemic.

In this regard, the strength and stability of a well-capitalised, and well-regulated banking sector has been a significant factor, including the ability of the sector to provide governments with the data needed to inform decisions on support packages and policies.

Over the course of the pandemic, our customers have embraced digital banking in record numbers.

Unfortunately, we are aware that the current circumstances may have put increased pressure on customers in vulnerable circumstances, like those experiencing domestic violence and financial abuse. The Bank expanded its support for these customers, and the community more broadly, through its Next Chapter program that includes referrals to external support services where appropriate, providing safe banking support for people experiencing difficult and often dangerous situations, and access to free financial coaching and assistance delivered in partnership with Good Shepherd through the Financial Independence Hub.

## A simpler better bank

The Bank has transformed itself over the past three years through its Remedial Action Plan (RAP), implemented in response to APRA's 2018 Prudential Inquiry into our governance, culture and accountability.

APRA's Inquiry made 35 recommendations for change, and our RAP translated these into 177 milestones with a three-year timetable to embed the outcomes.

The RAP, which was launched in June 2018, has been the most extensive of its kind undertaken by the Bank, and has led to fundamental changes in systems and processes, allowing our people to provide better service to customers, manage risk more effectively, meet compliance and regulatory obligations and fulfil their individual and team accountabilities.

The independent reviewer, Promontory, which has reported to APRA on our progress, and will submit its final report this year, has described CBA as "almost unrecognisable as the institution described in the Inquiry Report". The effectiveness of the RAP will ultimately be determined by how sustainable the changes become. We now have in place an ongoing program of work to ensure that the progress achieved so far becomes enduring.

Alongside the RAP, we also revised our Code of Conduct, and refined the Bank's values of care, courage and commitment. Employees now consistently ask "Should We?" to test whether actions are in keeping with our Code and our values. Staff are encouraged to speak up and constructively challenge colleagues, including those more senior.

Cultural change has also been reinforced through the Remuneration Framework, with an emphasis on accountability and risk management. For senior executives,

the relative proportion of equity has been increased, and deferral periods extended, to ensure that executive remuneration is more closely aligned with longer-term shareholder returns.

## Sustainable outcomes for all stakeholders

The Bank recognises that its performance on environmental and social dimensions is fundamental to delivering sustainable outcomes that balance the interests of all stakeholders.

In the past year, we have strengthened our approach to sustainability, including updating our Environmental and Social Framework, which provides a reference point for our people and stakeholders on the minimum standards we seek to abide by.

In March 2021, we published our Modern Slavery and Human Trafficking Statement, reflecting our focus on ensuring that our activities – including general banking services, lending, financial crime detection and supply chain management – can identify and mitigate human rights abuses, including modern slavery.

CBA is committed to playing its part in limiting climate change in line with the goals of the Paris Agreement and supporting the transition to net zero emissions by 2050.

During the year, the Board endorsed a Group-wide work program to strengthen our approach to climate risks and opportunities across the Bank, and establish new medium and long-term targets for our operational emissions.

The Bank has continued to develop products which provide opportunities for businesses to benefit from sustainability initiatives, including the provision of low carbon finance, energy efficient equipment finance, green bonds, and incentives for solar power usage.

For retail customers we now provide lower cost financing, for eligible home loans, to support investment in sustainable and energy efficient solutions such as solar panels and other technologies that use renewable energy or lower emitting energy sources. Our latest report applying the Task Force on Climate-related Financial Disclosures (TCFD) appears on pages 22–33 of the [2021 Annual Report](#) and explains our approach to climate-related governance, strategy, risk management and metrics and targets.

## Strong business performance and capital position

The Bank performed well in the year to 30 June 2021, with disciplined execution delivering strong outcomes, despite the impacts of the pandemic.

Cash net profit after tax was 20% higher reflecting the improved economic conditions and outlook, resulting in a lower loan impairment expense, and a strong contribution from operational performance.

During the year the Bank also continued its program of divestments of non-core businesses, in line with its strategy to become a simpler bank. Since the divestment program began in 2018 it has generated \$6.2 billion in excess capital.

Benefits from divestments, the strong balance sheet, and continued discipline on capital management, resulted in a Common Equity Tier 1 capital ratio of 13.1% at 30 June, well in excess of the APRA's 'unquestionably strong' benchmark of 10.5%.

The year's performance and capital position has allowed CBA to deliver strong returns for shareholders. The Board determined a final dividend of \$2.00 per share, taking the total full year dividend to \$3.50 per share, fully franked, resulting in shareholders receiving \$6.2 billion in dividends in relation to the financial year.

After considering our capital management options, we have also announced an off-market buy-back of up to \$6 billion of CBA shares.

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.

## Board focus on mix of skills, experience and intellectual capacity

The Board has an ongoing focus on ensuring that it has the appropriate diversity of skills, experience and strategic thinking capabilities that are required to lead Australia's largest financial institution and be at the forefront of digital banking.

During the year, two new directors were appointed to the Board.

Simon Moutter joined the Board in September 2020. Simon was most recently Managing Director of Spark New Zealand Limited, New Zealand's largest telecommunications and digital services company for seven years, and has extensive experience in technology, process effectiveness and business strategy.

In March 2021, the Board welcomed Peter Harmer. Peter was previously Managing Director and Chief Executive Officer of IAG where he drove digital innovation across the business. In addition to a focus on customer service, Peter has expertise in the impact of climate change on financial services firms and the economy more generally.

These appointments have further strengthened the mix of skills, knowledge and experience relevant to the Bank's strategic priorities, particularly in digital technology and leadership in the transition of the Australian economy.

## The future

Over the past year CBA has evolved its strategy, updated its brand, refined its core values to reflect the progress over the past three years, and set out a more ambitious agenda to build tomorrow's bank today.

For CBA, this includes the development of new digital products and services, which reimagine the way financial services can be tailored to individual customers, and an ambition to provide a leading digital experience.

The refinement of the strategy also reflects our purpose and values, with an explicit intent for the Bank to play a significant role in Australia's economic recovery and to contribute to the nation's transition to a digital and sustainable economy, thereby underpinning Australia's prosperity and social wellbeing.

In aspiring to these ambitions, we recognise the importance of achieving the best balance of outcomes for all stakeholders.

I thank all of our employees, customers and shareholders for your support this year.

*C.B. Livingstone*

**Catherine Livingstone AO**  
Chairman



# A meaningful commitment delivering real impact

A welcomed independent assessment and roadmap with a commitment from our people has delivered an unrecognisable CBA – our purpose and values are core to everything we do.

## Living our purpose and values

Our purpose – to improve the financial wellbeing of customers and communities – is the reason we come to work every day, the reason we exist.

Over the past three years, strengthening culture and accountability has been a priority for the Bank. The change has been values-led with strong leadership from the Board, the CEO and management team.

We clarified what we expect of our people through our purpose, values and Code of Conduct to guide our actions and ensure these changes remain part of how we operate.

This is an ongoing process, not a one-off exercise. We are determined to meet and exceed customer, regulator, shareholder and community expectations now and into the future.

### Refining our values

The COVID-19 pandemic reinforced our important role supporting our customers and the broader economy through challenging times. Our people took pride and motivation in providing practical and meaningful assistance to individuals, families and businesses in need.

We offered loan deferrals, relief funding, fee and interest waivers, financial counselling and more. Our people engaged with their customers and stakeholders in ways we could never have imagined.

We saw our people at their best and took the opportunity to refine our values: care, courage and commitment. Our values reflect the behaviours we saw, and continue to see, from our people every day. Together, they represent us at our most purposeful.

### Guiding our actions

Our Code of Conduct is the ultimate guide for how we do things. This year further work was done to embed our Code, providing absolute clarity about the outcomes we want to achieve and a comprehensive set of tools to enable us to achieve them.

### Care

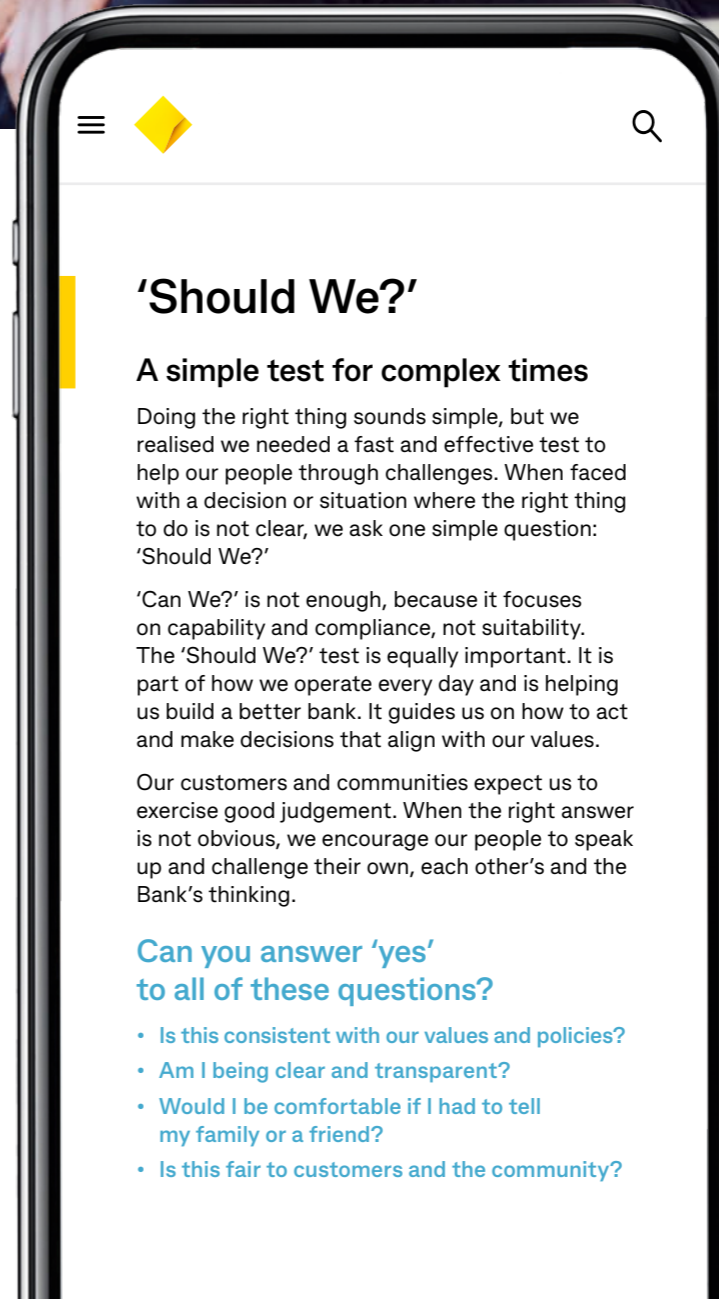
We care about our customers and each other – we serve with humility and transparency.

### Courage

We have the courage to step in, speak up and lead by example.

### Commitment

We are unwavering in our commitment – we do what's right and we work together to get things done.



## 'Should We?'

### A simple test for complex times

Doing the right thing sounds simple, but we realised we needed a fast and effective test to help our people through challenges. When faced with a decision or situation where the right thing to do is not clear, we ask one simple question: 'Should We?'

'Can We?' is not enough, because it focuses on capability and compliance, not suitability. The 'Should We?' test is equally important. It is part of how we operate every day and is helping us build a better bank. It guides us on how to act and make decisions that align with our values.

Our customers and communities expect us to exercise good judgement. When the right answer is not obvious, we encourage our people to speak up and challenge their own, each other's and the Bank's thinking.

### Can you answer 'yes' to all of these questions?

- Is this consistent with our values and policies?
- Am I being clear and transparent?
- Would I be comfortable if I had to tell my family or a friend?
- Is this fair to customers and the community?

## Our roadmap for change

The Australian Prudential Regulation Authority (APRA) Prudential Inquiry report provided us with a clear roadmap for change. We fully embraced the recommendations and developed an action plan that would help us become a better bank.

Cultural change is an ongoing journey. We have made good progress, but much remains to ensure we sustain the outcomes of our action plan. It is important for our long-term performance, and the Board regularly tests that we are living up to our commitments. We celebrate those who live our values and help us create a positive risk culture. We have focused on:

### Embedding the 'Should We?' test

We use the 'Should We?' test in all our interactions and decisions. It is a simple way to ensure our actions meet community expectations.

### Resolving risks

Risk management is a strategic priority. The voices of risk and compliance have been elevated. We have also improved our identification and escalation protocols, and our focus on resolving risk issues. Our aim is to deliver better customer and risk outcomes by taking a proactive approach to risk and continually improving how we manage non-financial risk.

### Improving oversight of non-financial risk

Our awareness and reporting of non-financial risk, including emerging risks, has significantly improved. The Executive Leadership Team's collective accountability for risk management is now embedded.

### The role of remuneration

Remuneration is directly tied to risk, customer and reputation outcomes, and considers our values and behaviours. Our senior leaders understand that they must exemplify our values each and every day. Unsatisfactory risk management outcomes and behaviours have negative remuneration consequences (including to zero). Equally, to reinforce a positive risk culture, employees who rate 'exceptionally managed' for risk are formally recognised and rewarded.

### Strengthening our risk culture

Our culture is dynamic, reflective and encouraging of constructive challenge. Risk management is a part of every activity. Our positive risk culture drives better decisions and outcomes for all our stakeholders.



# A more ambitious agenda



Reimagining what technology can do for our customers is a critical part of our strategy to build tomorrow's bank today.

## Supporting our customers

The Commonwealth Bank has been part of Australia's history for more than a century, playing an important role for our country through some of its most significant moments. We are dedicated to honouring this legacy by being there for our country, our customers, our communities and our shareholders as the recovery continues.

The past year has demonstrated the resilience of Australian communities, businesses and the economy. While the economy recovered stronger than expected from the height of the pandemic, we will continue to provide targeted assistance to those who need it most.

Through short-term repayment deferrals we have supported many of our customers through the financial challenges posed by COVID-19. Since the onset of the pandemic, we've helped 158,000 home loan customers and 83,000 business customers, while more than six million customers have visited our COVID-19 support page.

We remain dedicated to supporting our customers through the most significant events in their lives, as well as the

ongoing uncertainty, whether it be due to the COVID-19 restrictions, severe weather events or natural disasters.

## Setting a new ambitious strategy

Three years ago, we set out to become a simpler, better bank. We've made significant progress and are now in a stronger position to set a more ambitious agenda: building tomorrow's bank today for our customers. Our strategic priorities include:

**Leadership in Australia's economic recovery and transition** to support our customers and the country to recover from the disruption of the past year. We are building Australia's leading business bank, with a particular focus on health, agriculture, property, manufacturing and business services. We are also directing capital to help our economy become more modern, resilient and sustainable.

**Reimagined products and services** to offer a unique and differentiated customer proposition that embraces open banking and integrates with new services and ventures. We're using our digital innovation, data and analytics capabilities, and deep understanding

of 7.6 million digital customers, to offer more personalised and relevant experiences. This includes Bill Sense in the CommBank app, which analyses transaction data to make more than 60 million bill predictions each day to help customers predict upcoming bills and payments, and Cash Flow View which over 830,000 of our customers use to get a complete picture of their income, spending and saving each month.

**Global best digital experiences and technology** to build deep, trusted relationships with our customers and set the standard in financial services. Our ambition is to make our digital experiences the best of any company globally. For the 12th consecutive year, we have been rated #1 for online and mobile banking by Canstar, while independent research firm Forrester has also rated the CommBank app as the overall digital experience leader among mobile banking apps in Australia for the fifth year in a row.

**Simple, better foundations** to keep the bank strong and safe and make it easier for our people to get things done. Through sustained and transparent risk management we aim to excel at managing both financial and non-financial risk while reducing costs where we can and managing capital with discipline.

## Delivering performance

The Bank has delivered a strong financial result this year. This has been achieved through customer focus, digital engagement and operational excellence. Operating income increased 2% due to continued above system volume growth in home lending, business lending and deposits and a focus on our turnaround times. This offset the impact of historically low interest rates and strong competition. As a result of an improvement in economic conditions, our loan impairment expense decreased significantly this year.

Continued balance sheet strength is critical to our ability to serve our customers, drive core business outcomes and deliver strong and sustainable returns for our shareholders. During the year, our capital position was supported by organic capital generated by our businesses, the proceeds received from the sale of our Life Insurance businesses, and other previously announced divestments.

Our surplus capital position, combined with our strong cash earnings, has allowed us to return \$6.2 billion in dividends to shareholders this year.

## Partnering with our communities

We have continued to lead in the support we provide to communities. Through our Next Chapter program, we've extended our support for people impacted by financial abuse. We are also proud to have become the official partner and bank of the Australian women's football team, the Matildas, as well as the Junior Matildas and Young Matildas. Combined with our long-term sponsorship of women's cricket, we believe CBA is one of the largest ever investors in Australian women's sport.

## A better place to work

Once again, our people have gone above and beyond to support our customers and communities when they have needed us the most, and I thank them for the care and commitment they've shown throughout the year.

Our evolved strategy, brand and values strongly resonate with our people, and they continue to feel a strong sense of pride in working for CBA. They also see how their work directly contributes to our strategy, and as a result, employee engagement remains high at 78%.

## Support during challenging times

Helping our customers and the broader economy as recovery continues is our priority.

While the Australian economic recovery continued strongly through most of 2021, the pandemic continues to have an impact on the Australian economy, as well as the health of our communities. The ongoing roll-out of the vaccination program and government support packages will be important to help Australians and the economy on the path back towards full economic activity.

As the past 18 months have shown, Australia has a very strong, stable and secure financial system. This includes well-capitalised and strong banks like the Commonwealth Bank, which together with the support of the federal and state governments, regulators and the broader industry, have helped the country through the worst pandemic in living memory.

We are prepared for a range of different economic scenarios and are well placed to support our customers. We are committed to new and ongoing support measures for those most impacted by COVID-19 and other events, and will continue to work closely with our retail and business customers to understand their needs.

Looking ahead, we anticipate ongoing economic impacts and earnings pressure from lower interest rates. We will continue to invest in the business to reinforce our product offering to our retail and business customers and extend our digital leadership.

Through disciplined execution and our people's care and commitment, we will continue to deliver for our customers, community and our shareholders as we build tomorrow's bank today.

**Matt Comyn**  
CEO



# Our strategic priorities

We have worked hard to become a simpler, better bank and are now in a strong position to set a more ambitious agenda:

## **Building tomorrow's bank today for our customers.**

Our purpose – to improve the financial wellbeing of our customers and communities – remains core to this strategy.



## **Leadership in Australia's recovery and transition**

Help build a better future, together



## **Reimagined products and services**

Create more value for customers



## **Global best digital experiences and technology**

Build deep and trusted customer relationships



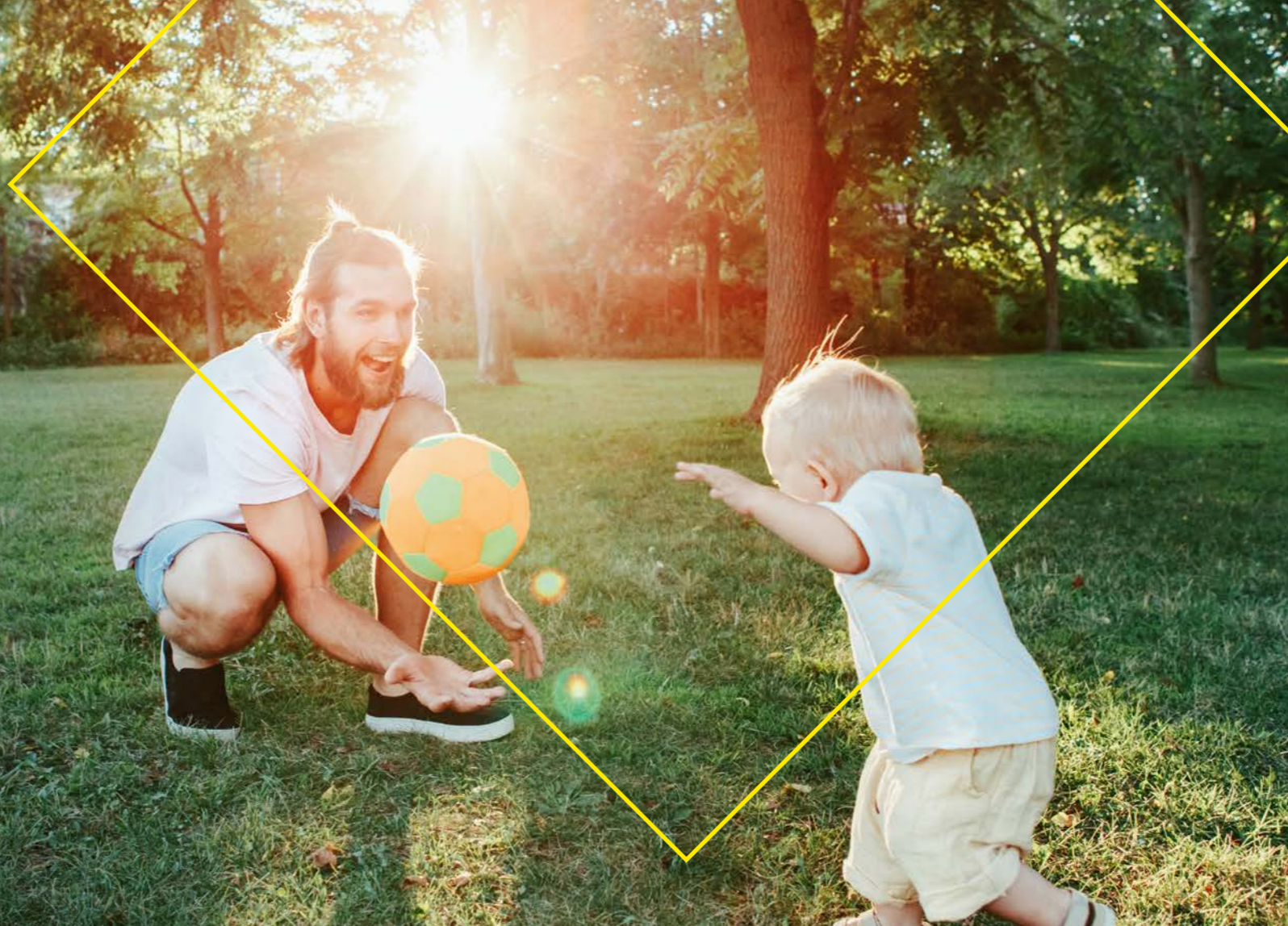
## **Simpler, better foundations**

Keep the Bank strong and safe



# Leadership in Australia's recovery and transition

Supporting our customers and the country to help build a better future, together.



## 800,000+

business customers

## #1

Australian debt markets<sup>1</sup>

## 2,700+

frontline bankers

## Support and build

As Australia's largest bank we are uniquely placed to play a strong role in supporting Australia's economic recovery and transition. This begins by providing the right support to our customers and communities when they need us most. We are working constructively with both the private and public sectors to promote growth and build a brighter future.

### Building Australia's leading business bank

Australian businesses are critical to securing Australia's future economic prosperity. We want to play a bigger role in business banking, leveraging our retail customer base and our existing technology platforms to create differentiated propositions for our business customers. We are improving end-to-end processes to speed up decision making and enhancing overall banking experiences through investment in technology, digital assets and analytics. We are also adding more dedicated business bankers within branches and specialised staff to support regional economies.

## Helping build Australia's future economy

Our priority is to direct capital and capability towards growing businesses and accelerating Australia's transition to a more digital and sustainable economy. We are also focused on supporting customers and communities as they navigate the risks and opportunities associated with climate change. Through our institutional bank, we provide asset finance for critical infrastructure developments and job-creating projects. The institutional bank also leverages its unique access to data-at-scale to help clients identify emerging trends and adapt to changes in their industries and the economy.

**+** Learn more about our commitment to support Australia's transition to a low carbon economy on [page 22](#).



## Supporting small businesses

Providing an integrated platform to simplify operations.

As the pandemic created uncertainty for regular operations, Gene Kapauks, owner of Advieh – a Middle Eastern café in Melbourne's inner west – decided to use Doshii to connect his food ordering apps with the café's Point of Sale (POS). By integrating all functions into a single system, Doshii helps hospitality businesses run their venues more effectively. The platform helped Gene reduce costs, speed up delivery, and eliminate staff mistakes with orders sent instantly to the kitchen and drink printers.

## Arranging clients' first sustainability bonds

Accelerating the growth of sustainable and affordable housing.

The Bank supported the National Housing Finance and Investment Corporation (NHFIC) in issuing its first-ever sustainability bond, raising \$343 million. The funds raised through the 15-year sustainability bond will be applied to the construction of around 600 social homes, 450 affordable and private rental homes, and 50 supported disability accommodation sites across Melbourne. In addition, the project will also meet recognised environmental standards.



## Helping our customers recover

Helping our customers to innovate and take advantage of new opportunities.

Coral Expeditions is one of the world's oldest expedition cruise companies. Through the 2020 pandemic shutdown, we were able to provide support through repayment deferrals as well as funding to purchase a new vessel. This support enabled the business to take advantage of the domestic tourism market, offering new routes in Queensland, South Australia and Western Australia. Coral Expeditions is now enjoying strong interest for future cruises.

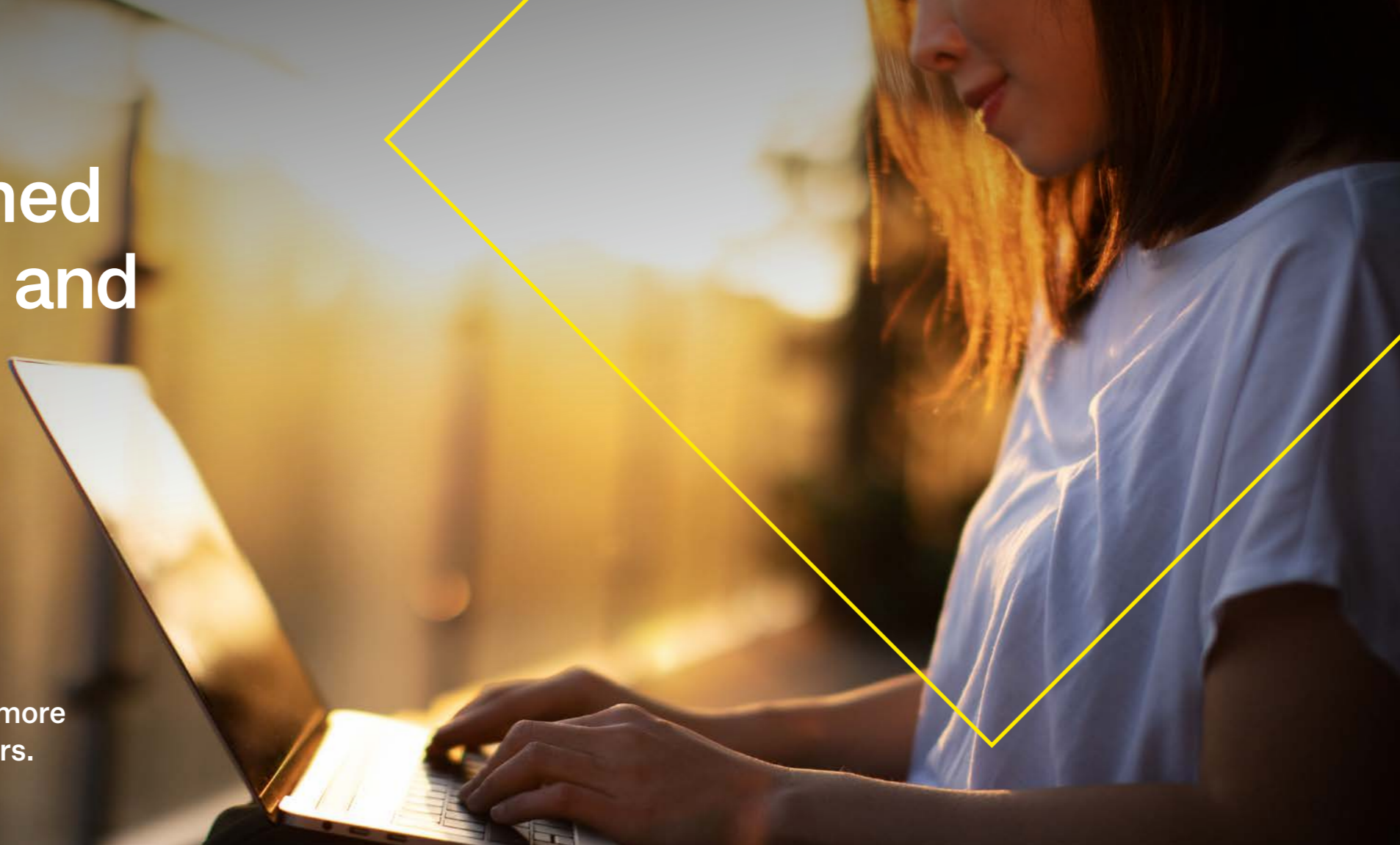
<sup>1</sup> See Glossary on pages 293–308 of the 2021 Annual Report for source information.





# Reimagined products and services

Differentiating our proposition to create more value for our customers.



**11m+**

retail customers

**#1**

most innovative major bank<sup>1</sup>

**6 ventures**

launched, invested in, or acquired by x15

## Reimagine and innovate

Our customers increasingly choose to engage with us digitally. By enhancing the products and services we offer today and anticipating how our customers will bank tomorrow, we are reimagining banking.

Customers want greater control, simplicity and value from their financial services providers. Business customers also want more control through integrated offerings that make it as easy as possible to run and grow their businesses. To meet these needs we are investing to drive product innovation in our business, as well as partnering with external services and building new ventures.

x15ventures is our venture-scaling entity that provides start-ups with the tools and expertise needed to go to market at scale. To date, x15ventures has either launched, invested in or acquired six ventures, including Doshii, Vonto and Payble, with more new ventures to come across retail, everyday banking, home buying and business banking. Our priority is to innovate around our most important customer experiences to differentiate our services, add value and meet customer needs as they change over time.

## Anticipating changing customer needs

We are focused on listening to customers, understanding their problems and adapting our products and services to better meet their needs. We are also investing in ways to help business customers grow and retail customers save money.

Recognising that customers want more choice over how they shop and pay, we launched StepPay (our buy now pay later card) and are partnering with the online shopping start up Little Birdie. Little Birdie will help bring customers the best deals when shopping online with special offers on products, price drop notifications and access to the latest sale events from their favourite brands and stores, in real-time. Combined, these new shopping and savings experiences create unique opportunities for our retail and business customers to connect and create real value.

Simplifying complex processes such as buying a home is important to our customers. Our digital home buying assistant, Home-in, helps buyers navigate the end-to-end purchase process more easily and access accredited service providers like conveyancers. Additionally, through strategic partnerships with utility and service providers like Amber Electric, we can help customers to save more on their bills and improve their overall financial wellbeing.



## Unlocking benefits for customers

Connecting customers to half a billion dollars in unclaimed benefits.

Our *Benefits finder* tool was released in 2019 to help connect customers with unclaimed benefits, rebates and concessions offered by government agencies and third parties. These include energy rebates, natural disaster relief and income support. Customers have been connected with over one million benefits using *Benefits finder* in the CommBank app and NetBank, leading to more than \$481 million in savings over the last year.



## Delivering powerful insights

Helping businesses make smarter decisions backed by data.

Aussie UGG boot manufacturer, UGG Since 1974, was looking for a way to easily access and interpret business data. Using our Vonto data tool, they were able to make agile business decisions with confidence. From scheduling promotions to managing advertising spend and reducing stock, Vonto has helped UGG Since 1974 stay nimble and manage its business more effectively.

<sup>1</sup> See Glossary on pages 293–308 of the 2021 Annual Report for source information.



# Global best digital experiences and technology

Building deep, trusted relationships with our customers and setting the standard in financial services.



## 6.4m+

CommBank app users

## 600+

new engineers (target)

## 70%

of CommBank transactions made digitally (by value)<sup>1</sup>

## Integrate and deliver

Our focus is to continue being our customers' most relevant and trusted financial partner. We continue to execute on our digital strategy with an ambition to provide customers with one of the best and most rewarding digital experiences of any company globally.

The Bank's significant and continuous investment in technology, including data, machine learning and artificial intelligence, means we have unique insights into each customer's individual needs. We have 7.6 million digitally active customers and are working hard to better serve our customers. Our ambition is to provide customers with the ability to manage all of their financial needs in one place, to build deeper relationships and deliver a better digital experience. Through increased data sharing between financial services companies, we see open banking as an area with significant opportunity to provide customers with more choice and further integration.

Our customers also rely on our services being always available and delivered in real-time. We will continue to invest in our systems and processes to ensure that they are fit for the future with the technology needed to deliver for customers.

## Delivering the best integrated digital experiences

The key to building trusted customer relationships will be our ability to personalise services across all channels and create more rewarding experiences for our customers.

The Bank's award-winning CommBank app delivers value to more than 6.4 million users. It is powered by our Customer Engagement Engine, which uses insights from customer activity to drive highly relevant and personalised banking features. The app's For You personalisation function brings together both internal and external services to provide a single place for our customers to receive individualised service, benefits and offers.

We continue to add new functionality to the app that helps customers better manage their finances. Some of our recent updates include Bill Sense, which helps customers predict and plan for upcoming bills, and Category Budget, our latest feature, which guides customers to nominate a target budget and helps them to track their expenditure.

Deals and offers, integrated with our goal savings products, will help customers manage their finances and save for a special purchase in a completely different way.



## Building world-class engineering capabilities

We need world-class engineering capabilities to maintain our leadership position and design solutions that enhance our customers' wellbeing.

Attracting the best engineering talent means recruiting and investing in people both locally and globally. To complement the work of our teams based in Australia and other international locations, we opened an office in India to increase our access to global best talent, diverse skills and experience.



## Modernising our systems and digitising end-to-end

We continue to simplify the technology we use and invest in secure, modern, resilient platforms to deliver real-time customer outcomes.

To ensure our most critical processes are always available, we are simplifying our architecture, modernising our systems and migrating to the cloud. This includes reviewing our applications to identify those that should be retired, retained or reimagined. The Bank's move to the cloud will allow us to deliver better scale and speed with our technology, offer greater service resilience and, critically, enable us to innovate at speed.

<sup>1</sup> See Glossary on pages 293–308 of the 2021 Annual Report for source information.



# Simpler, better foundations

Keeping the Bank strong and safe, and making it easier for our people to get things done.

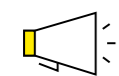


**100%**

APRA Prudential Inquiry Recommendations submitted

**\$500m**

APRA operational risk capital release



### Fraud and Scam Alerts

New fraud and scam alert notifications within the CommBank app are keeping our most vulnerable customers safe by contacting them in real-time, through a channel they can trust.

## Strong and safe

We set out to become a simpler, better bank. We took action to address shortcomings, restore trust and ensure long-term sustainable performance and returns for shareholders.

This meant improving the way we manage non-financial risk and divesting non-core businesses, like wealth management.

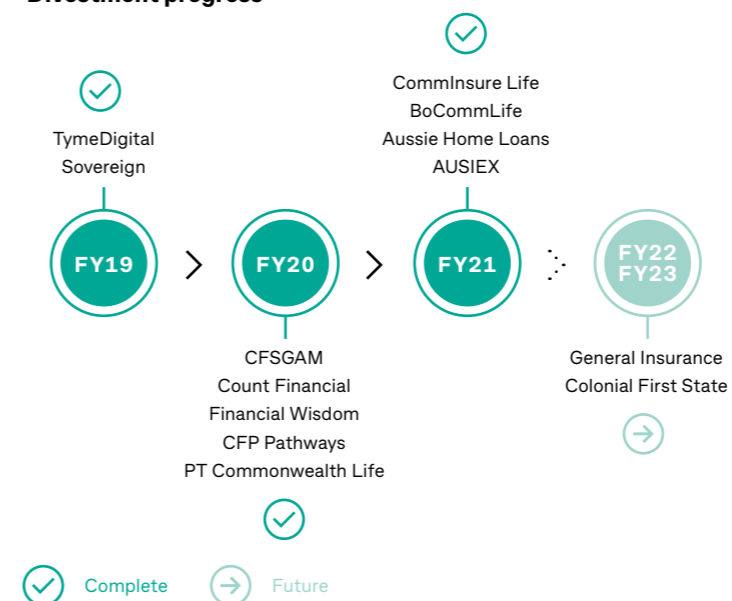
Thanks to the commitment of people across the Bank, today we are a stronger and safer organisation. These strong foundations enable the Bank to set a more ambitious agenda and focus on the new challenges and opportunities ahead. We are focused on operational excellence in our banking businesses, simplifying our processes, and putting our customers first. We prioritise making banking more secure by continuously improving the way we safeguard customer data and enhancing our abilities to detect and protect Australians from scams and fraud.

We also continue to focus on the disciplined management of both costs and capital, which allows us to invest in the business, generate organic capital and support a strong and sustainable dividend.

## Simplifying our portfolio of businesses

We have built a more focused portfolio by further progressing the divestment and cessation of our wealth management and mortgage broking businesses. These exits remove complexity and allow us to focus on the strategy and performance of our core businesses. It also enables us to invest more heavily in key areas and deliver better shareholder outcomes.

### Divestment progress



## Driving operational excellence

More than one in three Australians call the Commonwealth Bank their main financial institution.

With over 11 million retail and 800,000 business customers, we are in a unique position to deliver value. Our ability to deliver quick and consistent decisions for customers has allowed us to grow despite the competitive market.

Operational excellence underpins our ability to maintain these market-leading customer and business outcomes. We are focused on becoming better and faster when it comes to making decisions, taking action and delivering on our promises. We will achieve this by leading in digital and product innovation to build deeper relationships with our customers. At the same time, we will continue to invest in productivity improvements.



## Sustaining transparent and leading risk management

Managing both financial and non-financial risk is central to banking, and we need to excel at both.

We have made significant progress on implementing the recommendations from the 2018 APRA Prudential Inquiry into CBA and are on track to complete this program of work. In recognition, APRA reduced the add-on to its operational risk capital requirements by half (\$500 million). We are also well progressed on implementing the recommendations of the Financial Services Royal Commission.

Our focus now is to sustain and improve the risk outcomes achieved, and turn it into an enduring source of competitive advantage that supports balanced and fair outcomes for our customers and delivers long-term value for shareholders.

For more information on our current risk priorities see pages 34–37.



# Our approach to sustainability

Focusing on sustainable practices, policies and decisions to create long-term value.

## Climate

By taking action to help customers and businesses meet the challenges of climate change, we mitigate risk and generate opportunities. [+](#) See page 22.

## Customers

Delivering the right outcomes for our customers and supporting those experiencing vulnerability is critical to delivering on our purpose. [+](#) See page 24.

## Community

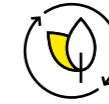
Making a meaningful contribution to the communities in which we operate and continuing to build trust. [+](#) See page 26.

## Our people

Having an engaged, energised and accountable workforce ensures we deliver good customer outcomes. [+](#) See page 28.

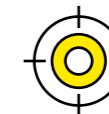
## Good business practice

Conducting our business responsibly and transparently to deliver balanced and sustainable outcomes. [+](#) See page 30.



## Our approach

Our unique position and scale means we have a key role to play in creating a better future. This year we have embedded sustainability further into our business strategy, strengthening our approach to risks and directing capital towards a more resilient and sustainable economy, in turn creating value for customers, communities and shareholders.



## Our focus areas

Our key focus areas include identifying how the Bank supports Australia's transition to a sustainable economy. This year we have also prioritised minimising the risk of modern slavery, as well as evolving and strengthening our organisational culture.



## Enhancing risk governance

We formalised governance over environmental and social risks through a new executive level committee. We continue to enhance our risk assessment methodologies and tools. A key focus of these activities is addressing climate risks and opportunities.

[+](#) Refer to pages 30–32 of the [2021 Annual Report](#) for more information on how we manage our climate risks and impacts.



# Addressing climate change



**42%**

new Scope 1 and 2 greenhouse gas emissions reduction target by 2030

**25%**

new upstream Scope 3 greenhouse gas emissions target reduction by 2030 (excluding financed emissions)

**\$70bn**

new Sustainability Funding Target in cumulative financing between FY21 and FY30

We are committed to playing our part in limiting climate change in line with the goals of the Paris Agreement and supporting the transition to net zero emissions by 2050. As Australia's largest financial institution, we recognise our important role helping our customers transition to a low carbon future.

This year, we observed an increase in climate-related activities from customers, regulators, government and investors. The Board and management have continued their focus on climate risks and opportunities by enhancing our governance framework.

We launched a Group-wide program to further embed environmental and social considerations into the way we do business. We also commenced analysis to inform how we manage the emissions associated with our financing activities at a priority sector level. This analysis is necessary to ensure we align our financing with the goals of the Paris Agreement.

We aim to work with our customers as they harness these new climate-related opportunities, and to enable them to accelerate progress by developing new sustainability-linked banking services and products.

We have made significant progress but recognise that much work remains to be done. That is why we have set ambitious new targets to reduce our Scope 1 and 2 emissions from our buildings, branches and data centres by 42% and emissions in our supply chain (Scope 3, excluding financed emissions) by 25% from our 2020 baseline by 2030.

We believe that timely and transparent disclosures of climate-related information are important to ensure that our stakeholders are aware of the work we are doing to limit the impacts of climate change.

Since 2018 we have been disclosing our progress, performance and plans in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD report in our [2021 Annual Report](#) builds on previous editions, explaining our approach to climate-related governance, strategy, risk management, metrics and targets.

+ More information on our approach to climate change is available on pages 22–33 in the [2021 Annual Report](#).

## Our progress

	Action	Pre-FY20	FY21	FY22
<b>Governance</b>	Continued Board focus with climate risks and opportunities addressed at Board meetings and quarterly management updates	🔄	🔄	🔄
	Executive Leadership Team Environmental and Social (E&S) Committee chaired by the CEO and supported by a Business Action Group meeting monthly		✓	🔄
	Board approved new Group-wide program to uplift our approach to climate risks and opportunities		✓	🚩
	Group E&S Policy clarifying Board oversight and management accountability for E&S risks and opportunities, including climate change	✓	🚩	
	E&S Accountability in Executive Scorecard linked to remuneration: <ul style="list-style-type: none"> <li>CEO: FY21 performance and remuneration outcomes considered E&amp;S focus and progress</li> <li>ELT: FY22 performance assessment and remuneration outcomes include accountability for strategic response to E&amp;S opportunities and risks</li> </ul>		✓	
	Group E&S Framework outlining climate commitments	✓	🚩	🔄
<b>Strategy</b>	Commitment to support the objectives of the Paris Agreement and the transition to net zero emissions by 2050	✓		
	Product innovation to support our customers' transition to net zero emissions (e.g. low carbon/sustainable finance and green loans)	🔄	🔄	🔄
	Support our customers and communities who experience extreme weather events	🔄	🔄	🔄
	Engage with regulators and collaborate with industry on new banking and industry standards	🔄	🔄	🔄
	Conduct Group-wide climate stress test, consistent with APRA Climate Vulnerability Assessment			🔄
	Climate scenario analysis: <ul style="list-style-type: none"> <li>Undertake physical and transition risk scenario analysis on areas that are material to the Bank and to our customers</li> <li>Integrate ongoing actions identified into our climate work program</li> </ul>	✓	🔄	🔄
	Develop and embed glidepaths, to transparently track alignment to the Paris Agreement, for priority sectors and expand to other significant sectors		🔄	🔄
				🔄
<b>Risk management</b>	Continue enhancing methodologies, tools and data for identification, measurement and aggregate reporting of E&S risk exposures	🔄	🔄	🔄
	Develop quantitative E&S Risk Appetite measures for ongoing monitoring (Board approval required)			🔄
	Review of our Group E&S Policy and Group E&S Framework		✓	
	Evolve our ESG Risk Assessment tool and expand the methodology to apply to a greater proportion of business lending	🔄	🔄	🔄
	Measure and monitor our Energy Value Chain exposures	🔄	🔄	🔄
<b>Metrics and targets</b>	Set and monitor progress towards new absolute emissions reduction targets for our operations: <ul style="list-style-type: none"> <li>Emissions reduction target (Scope 1 and 2)</li> <li>Upstream Scope 3 emissions reduction target (excluding financed emissions)</li> </ul>		✓	🔄
	Source renewable electricity equivalent to 100% of our power needs globally by 2030 in line with our RE100 commitments (100% target already achieved for Australian operations)	🔄	🔄	🔄
	Targeting an overall average emissions intensity decrease of our business lending portfolio	🔄	🔄	🔄
	Assess emissions of our retail lending portfolio			🔄
	Expanded the ambition and scope of our Low Carbon Funding Target to a broader Sustainability Funding Target	🔄	🚩	🔄

✓ Complete    🔄 Ongoing    🚩 Review and revise    🔄 Future activity



# Supporting our customers



**\$481m**

savings from *Benefits finder* claims

**530,000+**

offers redeemed with CommBank Rewards

**1.7m**

personalised reminders on COVID-19 support

As we build tomorrow's bank today for our customers, we are committed to supporting them in a fair, timely and transparent way.

### Serving our customers responsibly

As part of our commitment to fairness and transparency, we continually review our products and services to ensure they meet customers' needs and support their financial wellbeing. Feedback from community groups and our complaints management systems inform this process.

This year, we consulted formally with our community stakeholders and partners. We continued to engage with consumer and community advocacy organisations, Indigenous and multi-cultural groups, and regional and remote areas. These consultations help us to identify issues, seek feedback and design products that better meet our customers' changing needs – particularly those who are underrepresented or in vulnerable circumstances.

We are focused on giving customers more control with bill management and budgeting tools, spending and payment alerts, and the ability to block some transaction types. We also prioritise helping customers save on everyday spending. CommBank Rewards has saved customers more than \$6 million in deals and cashbacks, and our *Benefits finder* tool has connected customers to over one million unclaimed benefits and rebates.

+ For more information on how we are reimagining products and services see pages 14–15.

### Listening to customers and responding to complaints

Over the past 12 months, the Bank has focused on enhancing complaint handling and prevention reporting. We recently published new complaint handling principles on our website to ensure customers know they can expect fairness and consistency when making a complaint.

We are committed to resolving the root cause of complaints and are continuing to invest in data-driven solutions to analyse all complaints and identify issues that may impact other customers.

Based on these insights, we can better respond to current complaints, prevent future problems and inform the design and development of our products.

We continue to enhance our reporting to the Board, the Executive Leadership Team and senior leaders across the Bank, to increase visibility and facilitate discussion and action on systemic issues impacting customers.



### A new view on financial wellbeing

To better understand how we can improve financial wellbeing, we continue to work with the Melbourne Institute (MI) of Applied Economic and Social Research on the MI Financial Wellbeing Scale. The scale measures the extent to which Australians have financial freedom, control and security, and can meet their ongoing obligations now and into the future.

This year we launched the Australian Consumer Financial Wellbeing quarterly report. Informed by more than five million customers' transactional and account data, the report tracks financial wellbeing outcomes experienced by more than one quarter of the Australian adult population. The research shows customers' financial wellbeing is more closely linked to their financial behaviour than their income or financial knowledge. We use the report's insights to ensure the tools and features we provide make a real difference to our customers and communities.

+ For more information on our financial wellbeing scales and report, visit [commbank.com.au/financialwellbeing](http://commbank.com.au/financialwellbeing)

### Cybersecurity training

We are helping protect our customers from cybersecurity risks and fraud.

This year, we delivered 6,900 'Cyber for Business' training modules, helping small to medium-sized businesses prepare for and respond to cyberattacks. This included an Indigenous Business Banking Cyber Safety and Fraud Prevention Guide specifically designed for Indigenous businesses.



### Helping customers when they need us most

When a natural disaster or pandemic hits, customers need immediate and personalised support.

As part of our COVID-19 support measures, we are helping customers navigate the pandemic by offering temporary loan deferrals and financial assistance. We made 240,000 calls to customers to help assess their individual situations and offer appropriate solutions. We also sent 1.7 million personalised reminders to ensure customers had information on the financial support available to them.

We had a structured, fair and transparent approach for helping those who still required assistance as the deferrals program came to an end. This gave customers more choice and ensured those in similar circumstances were treated equally. To give customers more time to get back on their feet, we were the first bank to commit to a freeze on any foreclosures, which has been extended to February 2022. We remain committed to supporting Australians through the pandemic.

We also offered same-day personalised support to over 800,000 customers impacted by extreme weather events in New South Wales, Victoria, Queensland and Western Australia. Using data insights, our Customer Engagement Engine allowed us to automatically identify customers who may be affected by a natural disaster and offer immediate support that aligns to their needs.



### No hidden bank stuff

We are dedicated to improving access to our information, products and services for all customers.

We have launched a range of banking factsheets optimised for screen readers and transcribed into Easy English – a style of writing that conveys information for people with low English literacy. These have been accessed over 2,000 times.

Bankwest worked with The University of Western Australia's Law Faculty to reinvent terms and conditions (T&Cs), developing a visual format that conveys key product features in a way that is more engaging for customers and easier to understand to improve financial wellbeing outcomes.



# Supporting our community



## \$247m

in community investment

## \$6.1m

Australian Indigenous supplier spend

## 22,500

interactions with customers in vulnerable situations, supported by Community Wellbeing team

We are committed to making a positive contribution to the communities we serve and supporting Australians through challenging times.

### Progressing reconciliation

Through our Reconciliation Action Plan (RAP) we are advancing reconciliation in three key areas: cultural awareness training, procurement, and employment to improve the financial and economic wellbeing of Aboriginal and Torres Strait Islander customers and communities.

Since 2014, we have partnered with BlackCard to provide our workforce with Indigenous cultural capability training. More than 1,700 people have completed the program, and a further 13,000 have completed the e-learning module. Our target is for 70% of our workforce to have completed this training by 2022.

In 2021, we spent \$6.1 million with Australian Indigenous suppliers, tracking towards our 2024 target of 3% total annual domestic contestable spend. We also partnered with Supply Nation to fund the DRIVE Program. This training program is focused on building skills to support Indigenous businesses wanting to supply to corporate and government. Twenty businesses have participated in the DRIVE Program this year.

To create Indigenous employment opportunities, we set ourselves a target of 3% Indigenous representation across our business by 2026. We currently have 0.8% Indigenous representation and we are actively looking for ways to attract and retain Indigenous talent at the Bank.

### Creating sustainable outcomes and supporting Indigenous communities

The Bank has taken a careful, deliberate and long-term approach to making our operations carbon neutral.

This year, to offset our residual emissions, we purchased carbon credits from the Aboriginal Carbon Foundation, the only Indigenous company in Australia to provide third-party verified Indigenous carbon credits.

This partnership supports the employment of the Traditional Owners as rangers at the Kowanyama Carbon Project in Queensland, the continuation of cultural fire management, and the sharing of ecological knowledge across the local community.

### Working with vulnerable customers

We support our vulnerable customers and those experiencing hardship with dedicated teams, assistance packages, fee waivers, special accounts and appropriate offers. We also have dedicated customer assistance lines to support those with specific needs or different cultural backgrounds.

To support customers with an eligible health care or pensioner concession card, we offer the Streamline Basic account with zero monthly fees,

unlimited assisted withdrawals and access to key banking features and technology. We are contacting customers who, from our data, may be eligible for a Streamline Basic account. Over the past 12 months, we proactively migrated approximately 39,000 accounts and contacted more than one million customers.

### Addressing financial abuse

We have increased our support for people impacted by financial abuse with the launch of our Next Chapter program. Through this program, we are taking action in three areas: leading the industry in providing care for vulnerable customers; expanding our support for long-term recovery; and helping raise public awareness and increase action in response to the issue.

Our specialist Community Wellbeing team provide trauma-informed care for customers. This year, the team has had over 22,500 interactions with customers in vulnerable circumstances to provide financial safety and wellbeing support, including addressing banking needs and providing referrals to external experts.

We continue to address technology-facilitated abuse through our digital platform and have introduced automatic blocks on offensive and abusive language.

### Elevating women's sport

We are set to become one of the largest supporters of women's sport in the country.

From August 2021, CBA will become the official naming rights partner of the national women's football team, the Matildas, Junior Matildas and Young Matildas. Together with our longstanding support for women's cricket, we are committed to helping players of all ages and abilities to participate in two of the country's favourite sports.



### Supporting not-for-profits

The Bank's work with the not-for-profit sector has a positive impact on our society's most vulnerable people. One avenue of support is innovation workshops. The program's range of events help organisations learn the basics of design thinking, test ideas and improve efficiency. More than 3,500 people have participated in the last four years.



Our partnership with Good Shepherd has established Australia's first Financial Independence Hub. The Hub offers free one-on-one financial coaching and support to people who have been impacted by domestic and financial abuse, regardless of who they bank with. Over the next four years we aim to support over 10,000 people in Australia to become financially independent.

For more information visit [commbank.com.au/nextchapter](http://commbank.com.au/nextchapter)

### Longstanding commitment to education

We are committed to helping young Australians build financial literacy and are continuing to evolve our school banking and Start Smart programs.

We have improved more than four million students' financial capability through our Start Smart program since it was founded in 2007. By learning money management skills, 82% of students reported changed behaviours towards money after taking the award-winning program.

As part of our commitment to the next generation, the 2021 Commonwealth Bank Teaching Awards recognise and reward 12 outstanding educators from around Australia. The awardees receive a \$45,000 Teaching Fellowship to fund a strategic project in their school and further their professional development.

For more information visit [commbank.com.au/teachingawards](http://commbank.com.au/teachingawards)



# Engaging our people



**88%**

proud to work at the Bank

We have seen our organisation and people at their best and most purposeful. Looking ahead, we will maintain our commitment to ensuring the lived experience throughout the Bank aligns with our purpose and values.

### Energising our people

Our people have shown remarkable resilience, compassion and determination over the past year – coming to work inspired to live our purpose and help customers navigate COVID-19.

To help support our people in targeted ways during uncertain times, we increased communication and tracked engagement, wellbeing and enablement through our Your Voice and People Pulse surveys.

In our most recent 2021 survey, employee engagement was 78%. Our people's sense of pride in the organisation remains our strongest area, with 88% saying they feel proud to work at the Bank.

Advocacy and pride in the organisation remain significantly higher than their pre-2020 scores.

### Strengthening culture

COVID-19 gave us a unique opportunity to see our culture in action. We saw how our risk management practices were delivering. We also saw how the changes made through the Bank's APRA Remedial Action Plan helped prepare us to deliver for our customers and communities during a crisis. Looking ahead, our focus is on continuing to embed our culture, using good judgement and ensuring the voice of customers remain strong.

We expect our leaders to uphold the highest standards, share a leadership mindset and energise their teams to achieve sustainable outcomes. We are supporting our leaders to put customers first, continuously learn, and pursue our purpose with care, courage and commitment.

### Embracing new ways of working

The past year prompted us to reflect on how and where we work best to balance the needs of our customers with those of our people.

We quickly adapted our work environments to prioritise the health and safety of our people and customers. We listened to our people to understand their needs and we empowered leaders to utilise and support the best working environments to enable wellbeing, collaboration and deliver for our customers.

Our hybrid working model seeks to enable what is best for our people, teams and customers, and reflects trends in the external environment.

With our people's physical and mental health being a priority, we have appointed a Group Chief Mental Health Officer to continue promoting wellbeing and to enhance the support we offer across the Bank.

**54%**

employees with caring responsibilities

**3 days**

of life leave in addition to annual leave under new Enterprise Agreement

### More leave and better benefits

Our new, streamlined CBA Enterprise Agreement will better meet our diverse workforce's needs.

We have introduced new leave types, including Sorry Business, gender affirmation, pandemic, fostering and surrogacy leave. We have also extended parental leave from 12 to 13 weeks and introduced 'life leave', designed to encourage employees to engage with their communities and life goals. Life leave can be used for a variety of reasons, such as attending cultural days of significance.



### Embedding inclusion and diversity

Inclusion and diversity is integral to our culture and how we live our values. Reflecting the diversity of our customers and communities enables us to better understand and serve their needs. Our new inclusion and diversity strategy supports the Bank's commitment to care, equality and respect.

We listen to our people and our customers' experiences and regularly review metrics and decisions to ensure they are fair and equitable. We also partner with community organisations and academic experts to ensure our approach is evidence-based, and we share what we have learned externally to accelerate positive outcomes. Our six employee-led networks play an important role in promoting inclusion and informing solutions for our people and customers.

We stand against gendered harassment and violence in all its forms and are taking steps to make the workplace safe for everyone. Our #IStandForRespect pledge with the Diversity Council Australia reflects the Bank's commitment to proactively address these issues.

We are committed to our diversity in leadership goals. By 2025, we aim to have 47–50% gender equality in Executive Manager and above roles, and for our senior leaders to match the cultural diversity of the Australian population. By December 2026, we aim to achieve 3% Aboriginal and Torres Strait Islander representation in our domestic workforce.

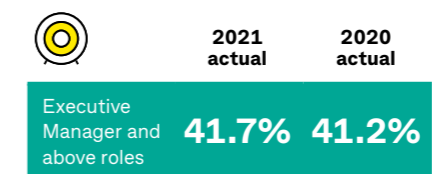
+ Learn more at [commbank.com.au/inclusion&diversity](https://commbank.com.au/inclusion&diversity)

### Women in leadership

New goal

**47–50% women**

in Executive Manager and above roles by 2025

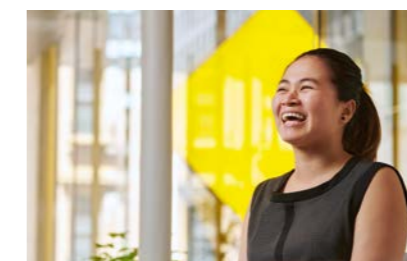


+ Our key workforce metrics are provided on pages 62–63 of the [2021 Annual Report](#).

### The future of work is family friendly

We are proud to be recognised as one of Australia's first Family Friendly Workplaces. Our people have a diversity of family and caring responsibilities, which is why we provide a range of leave and other workplace support options. It is important that our people are able to perform their work in ways that work for them, their team and their customers.

+ Learn more at [commbank.com.au/FFW](https://commbank.com.au/FFW)



### Encouraging our people to speak up

The Bank places great importance on fostering a culture where our people feel empowered to speak up.

It is essential that our people and external partners can raise any issue or conduct that concerns them and know that they will be taken seriously. This helps the Bank identify and resolve issues more quickly.

Our SpeakUP Service is available 24/7 via telephone, email or online. This year, we have continued to see a strong uptake in the SpeakUP program with 335 reports raised, an increase from 284 in the 2020 financial year. Of those reports, 123 were whistleblower cases.

Our Group Whistleblower Policy provides clarity on the support and protection available, as well as the manner in which concerns can be raised and will be managed.

+ Learn more at [commbank.com.au/policies](https://commbank.com.au/policies)





# Good business practices



The Bank delivers balanced and sustainable outcomes for stakeholders by conducting our business in a responsible way, executing our strategy and driving positive social and environmental outcomes.

## Environmental and Social (E&S) Policy

Environmental and social issues are rapidly evolving as science, context and stakeholder perspectives change. This year, we conducted a review of our Group E&S Policy to ensure it addresses the changing risks and opportunities, and continues to deliver value for all our stakeholders. We recognise that we must continue to manage our own impact, and mature our approach to our supply chain and financing. We have clarified and further developed our approach to climate change, human rights and biodiversity, and have introduced new considerations such as animal welfare.

+ For more information on our E&S Policy and associated E&S Framework, see [commbank.com.au/policies](http://commbank.com.au/policies)

## Addressing modern slavery risks

Given our position and scale, we have the opportunity to advance human rights. As a financial institution, we are committed to minimising modern slavery risks in our financing and supply chain activities. Accordingly, we seek to understand our impacts and mitigate the risks of modern slavery arising out of our business decisions.

This year, we undertook a data analytics project to systemically flag customer

transactions that may denote instances of modern slavery. The project will flag suspect customer transactions and inform future action plans. Its insights have been shared with peers and relevant NGOs for educational purposes.

In March, we published our first Modern Slavery Statement in compliance with the *Modern Slavery Act 2018*.

+ Detailed information is available at [commbank.com.au/CRreporting](http://commbank.com.au/CRreporting)

## Managing our supply chain

To help our suppliers navigate their supply chain and cash flow challenges as a result of COVID-19, we put in place immediate payment terms for our Australian Indigenous and small business suppliers. We have now extended immediate payment terms to all suppliers, regardless of size, in the Australian accounts payable process.

We recognise the need to continuously improve how we manage environmental and social risks in our supply chain. We continue to engage actively with suppliers to identify and mitigate modern slavery risks and issues. More than 1,000 employees completed training on modern slavery. We also implemented a human rights and modern slavery contract clause and commenced modern slavery risk assessments with our suppliers at highest risk. This will inform whether improvement plans are required to better address these risks.

## Enhancing risk identification in our lending

We consider environmental and social risks in our business lending decisions. All institutional bank loans, as well as large business bank loans, are evaluated through our ESG risk assessment tool.

Our ESG assessment is part of the lending approval process and considers the ESG risk and mitigations each client has in place. We have invested in expanding our ability to perform ESG risk assessments across a greater portion of our business lending portfolio.

The assessment covers nine priority areas: climate and energy, climate physical risk, pollution, biodiversity, water, labour rights and modern slavery, human rights, workplace health and safety, and anti-corruption and governance.

Institutional and business banking staff complete ESG training, which includes priority areas.

+ Refer to pages 22–33 of the [2021 Annual Report](#) for more information on how we manage our own climate and environmental risks and opportunities.

## Position on political donations and industry associations

The Bank belongs to a number of industry associations. This year, we worked closely with government and industry bodies to support Australia's economic recovery.

Our engagement policy precludes us from making political donations. However, we may pay to attend political events aimed at the business community. This year, we contributed \$75,000 to the Australian Labor Party, \$75,080 to the Liberal Party of Australia and \$11,000 to the National Party of Australia. These payments are disclosed in line with the requirements of Federal and State governments.

## Commitment to tax transparency

The Bank is one of Australia's largest tax payers, having paid over \$3 billion in Australian corporate income tax this financial year. Our Tax Transparency Code and Tax Policy Principles provide further information on our approach to tax risk management and additional tax disclosures.

+ More information is available at [commbank.com.au/policies](http://commbank.com.au/policies)

## Global principles and policies

We continue to evolve our approach in line with global best practice and feedback from our stakeholders.

### Aligned to society's goals

We are signatories to international programs of action.



### Our policies and targets

We drive focus and progress on our commitments through our policies. Key policies include:

- Environmental and Social Policy
- Supplier Code of Conduct
- Diversity and Inclusion Policy
- Accessibility and Inclusion Policy
- Workplace Health and Safety Policy

+ View our policies: [commbank.com.au/policies](http://commbank.com.au/policies)

### Transparently reporting progress

We report our progress in line with key frameworks and standards.



+ View our performance reports: [commbank.com.au/CRreporting](http://commbank.com.au/CRreporting)

### Assessing our performance

We benchmark our progress using leading sustainability indices and surveys.



### Relevant UN Sustainable Development Goals



# Managing our strategic risks

Strengthening our risk management approach enables us to better support our customers and adapt our strategy to the challenges and opportunities from a changed operating environment.

Our efforts to establish industry leading financial and non-financial risk management practices has enabled the Bank to better manage our changing risk profile while supporting our customers and the community through a challenging period.

During this time, we have observed structural changes to our operating environment. These interrelated and complex changes require an enterprise-wide response. Our Risk Management Framework provides the mechanisms for the Board and management to consider such matters. The strategic risks and opportunities we are prioritising include:

### Ongoing COVID-19 interventions

The emergence and rapid spread of new COVID-19 variants, combined with low community vaccination rates, could lead to extended lockdowns and restrictions. These interventions have the potential to slow Australia's economic recovery and require the Bank to extend relief measures to support customers.

### Escalating geopolitical tensions

The world has been experiencing a rise in geopolitical tensions. This has led to actions such as increased trade tariffs, some of which have impacted

businesses in Australia. We remain alert to rising geopolitical tensions that could threaten the Australian economy, destabilise supply chains, and disrupt our operations. The Board monitors conditions and maintains provisions and unquestionably strong capital for a range of potential economic scenarios.

### Digital adoption across the economy

The need to access online services during COVID-19 has significantly fast-tracked the use of digital channels by customers. Simple and innovative digital services are a key competitive differentiator. We are accelerating our digital strategy to provide customers with one of the best digital experiences globally. This requires safely embracing new technologies and people with differing backgrounds, such as world-class engineers.

### Climate action

Momentum has been building rapidly across the globe for organisations to transition to net zero emissions by 2050. Our strategy will continue to embrace this challenge by adapting our processes, products and services.

We are investing to ensure we can assess and manage the risks to the Bank from climate change with greater sophistication. We also seek to harness the significant existing and emerging opportunities to support our customers in reducing their emissions.

### Culture in a hybrid-working model

COVID-19 has accelerated the adoption of remote and flexible working arrangements. The Bank has embraced a hybrid-working model combining working in the workplace and working at home. We are conscious that new strategies are required to engage our people to continue to drive desired culture improvements; protect employees' physical and psychological wellbeing; develop our peoples' skills; and remain compliant with agreements and laws.

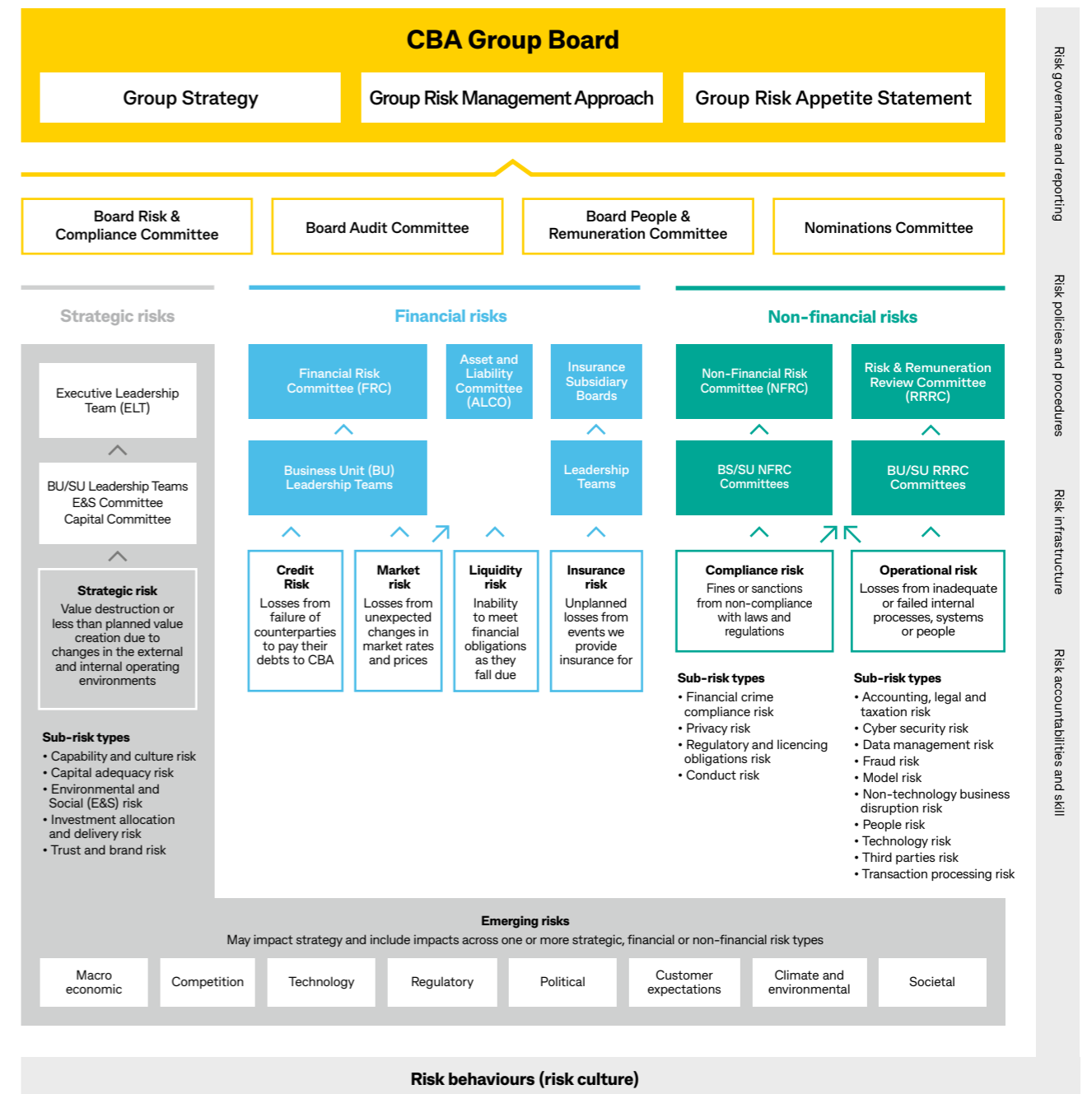
### Heightened cyber threat levels

We have observed a notable increase in high profile cyberattacks on companies in Australia and abroad. Cyberattacks on our systems or those managed by suppliers can result in serious disruption to customer banking services, compromise customer data privacy and cause financial system instability. The Bank continues to invest heavily to protect our systems, minimise disruption and keep our customers' data safe.

## Our risk framework

The diagram below outlines the Risk Management Framework – including risk governance structures – for managing the Bank's Material Risk types and their sub-risk types. The specific risks we manage within each of these risk types are either existing risks or forward-looking emerging risks that require action now to minimise their impacts in the future.

During the year, the Board formalised five strategic sub-risk types in the Bank risk taxonomy. This reflects that the five strategic sub-risk types drive strategic decisions but are managed through their own dedicated governance, policies and procedures, infrastructure and teams. In addition, the Environmental & Social Committee and the Capital Committee were established to elevate governance over these specific strategic sub-risk types.



➤ For further details on our risk management framework refer to Note 9 on page 204 in the *Financial report* of the 2021 Annual Report.



## Our current risk priorities



### Macroeconomic environment

Our business performance is closely linked to the performance of the Australian and New Zealand economies, which, in turn, are impacted by events in the global economy.

During 2020, policies designed to improve health outcomes, and the uncertainty associated with COVID-19, led to Australia's first recession for almost 30 years. Australia's economic recovery was faster and stronger than anticipated through 2021, with the unemployment rate declining, consumer confidence improving and income growth rising, leading to growth in lending volumes. Although there is cause for optimism over the medium-term, the economic recovery has stalled from late June due to the impact of government imposed restrictions on travel and work to manage the spread of COVID-19 in a number of states.

Geopolitical tensions, trade disputes and supply chain issues also continue to create uncertainty for some sectors, which could negatively impact economic conditions.

#### Key actions we are taking

- The Bank has the backing of a strong balance sheet with strong deposit funding, significant excess liquidity and unquestionably strong capital.
- We regularly discuss the macroeconomic environment with regulators and government. We also undertake stress tests to understand how our business performs, which enables us to prepare alternative action plans for a range of economic scenarios.
- Our loan loss provision coverage remains appropriate and continues to reflect a consistent approach to managing risks as the COVID-19 pandemic continues.
- We remain committed to helping the economy recover by continuing to provide targeted assistance to customers who need it most.
- Our continued focus on operational excellence will ensure we manage our costs, while enabling us to make faster, better-quality decisions that will lead to market-leading customer and business outcomes.



### Climate change

The Bank recognises that climate change has far-reaching implications for the environment, our economy, our community and the strategy of the Bank.

More frequent and severe weather events and longer-term shifts in climate patterns could result in the Bank's assets, including those held as collateral, being impaired.

In addition, as local and global investors and regulators increase their focus on climate change, the risk of the Bank's assets in certain industries or those held in investment portfolios, could lose value from being misaligned with the transition to new technologies, regulations or consumer trends.

The nature and volume of new regulations and community expectations also heightens the risk of compliance breaches or litigation risk.

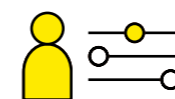
The Bank's reputation could be impacted by continuing to finance certain industries or customers, or by setting financed emission reduction targets and strategies that do not meet community expectations.

#### Key actions we are taking

- The Bank has established an Executive level Environmental and Social (E&S) Committee, chaired by the CEO, to drive a strategic approach to addressing climate change risks and opportunities.
- We have updated our business lending policies and are directing capital towards transformation of businesses to support the economy's transition to net zero emissions by 2050.
- We continue to reduce our emissions and have achieved Climate Active carbon neutral certification for our Australian operations.
- We are progressively performing climate change scenario analyses on priority portfolios, and are currently engaged in conducting the first APRA industry Climate Vulnerability Assessment to assess the Bank's future exposure to physical and transition climate risks.
- We continue to enhance our approach to measurement and reporting of E&S risk exposures, including expanding our E&S Risk Assessment tool to apply to a greater portion of our business-lending portfolio.
- Our approach to climate governance, strategy, risk management, metrics and targets aligns with the Task Force on Climate-Related Financial Disclosure's recommendations.

⊕ For more information on our approach to climate change refer to pages 22–33 of the [2021 Annual Report](#).

The Board and management are prioritising their efforts on a combination of existing and emerging risks that could materially impact our ability to serve our customers or deliver our strategy.



### People and capabilities

Being able to attract and retain the right talent and capabilities is central to achieving our strategy and delivering sustainable long-term performance.

The adoption of new technologies, rapidly changing customer behaviours and increasing regulatory expectations are changing the way we deliver products and services. In addition to deep banking expertise, we require leaders and employees with new and specialist skillsets in areas such as engineering, cybersecurity and analytics.

Attracting and retaining people with these skills can be difficult due to increased demand from local and global competitors.

Emerging risks include non-traditional technology competitors who aim to compete directly in banking; the decline in immigration due to long-term border closures; and the expected exit of skilled employees retiring from the workforce.

#### Key actions we are taking

- We continue to invest in our value proposition as an employer through:
  - Offering competitive benefits and wellbeing programs, fostering an inclusive and diverse workforce and offering a hybrid-working environment.
  - Enhanced technology, tools and platforms to support team engagement, development and the health and safety of employees in a hybrid-working environment.
  - Leadership initiatives to develop our leaders' capabilities and equip them with the skills and approaches required to lead cultural and behavioural change.
  - Strengthening our culture and remuneration frameworks to ensure employees are clear on expectations and accountabilities, and demonstrate risk behaviours that lead to appropriate outcomes for all stakeholders.
- We have targeted training programs to develop our people, including senior management, and our talent development approach seeks to attract and retain high-calibre people.
- Assessing opportunities to reskill and support our people to be ready for the workforce of the future, and building these into our long-term workforce plan and capability roadmaps.



### Trust and reputation

We recognise that trust takes time to build and can be easily eroded through poor decisions; disruption of services; unfair treatment of customers; failure to meet customer and community expectations, or by not complying with our regulatory obligations.

The Bank continues to work hard to respond to the Royal Commission and the APRA Prudential Inquiry findings, particularly through our Remedial Action Plan. This has made us a better bank for our customers and the community, however we know there is still more to do.

We remain alert to heightened risk areas that could undermine the trust placed in us. These risks include cyber criminals disrupting our services or compromising our customers' privacy; increasing expectations of our E&S practices; and the need to identify and support emerging categories of vulnerable customers.

The continued high volume of new and proposed legislation could also result in severe penalties and loss of trust by regulators and the community if business changes are not effectively implemented.

#### Key actions we are taking

- Through our leadership development initiatives, we continue to drive a risk culture of accountability, empowerment, constructive challenge, reflection and striving for best-practice risk management.
- Our Code of Conduct ensures all staff have a clear understanding of what it means to do the right thing by asking 'Should We?' when making decisions.
- We are updating standards, tools and training for employees to respond effectively to a broader spectrum of vulnerable customers, and are enhancing complaint processes to better identify and prevent key issues impacting our customers.
- We have programs focused on remediating processes and compensating customers for previous unfair treatment.
- Leadership of risk culture and issues impacting the Group's reputation are considerations in the Group Executive's short-term variable remuneration.
- We work with government and regulators to deliver industry-wide improvements and initiatives to support a trustworthy and reliable financial services sector.
- Our SpeakUP Whistleblowing hotline allows current and former employees, contractors, consultants and suppliers to anonymously raise a conduct issue.





## Financial crime compliance

Banks have a critical role to play in combatting financial crime. This protects our customers, the community, and the integrity of the financial system. The Bank is required to comply with legislation targeting financial crime activities globally, including: Sanctions, Anti-Money Laundering and Counter Terrorism Financing (AML/CTF), and Anti-Bribery & Corruption (AB&C) legislation.

The failure to prevent, disrupt or detect financial crime can have a significant impact on our customers and the community. It can also result in significant fines and penalties for the Bank.

Financial crime risks have increased over the last year. We continue to see the increasingly sophisticated use of technology by criminals targeting vulnerable people and businesses globally. In addition, the growing volume of financial crime regulation locally and across the globe means that the Bank has much to do to remain compliant and keep protecting the community.

### Key actions we are taking

- The Bank, including through its Program of Action continues to address the underlying causes of the *Anti-Money Laundering and Counter-Terrorism Financing Act* (AML/CTF Act) failings that resulted in AUSTRAC commencing enforcement action against the Bank in 2017. Improvements being made focus on:
  - Enhanced financial crime policies and procedures.
  - Investment in new technology, including enhanced transaction monitoring systems and processes, aimed at the detection of financial crime.
  - Establishing mechanisms and processes to improve customer data integrity through core systems.
  - Development and implementation of a Group AB&C Control Framework and tools.
  - Enhanced FCC education and training for all staff aimed at deterring and detecting financial crime.
  - A high level of engagement with the Fintel Alliance.
  - Constructive engagement with AUSTRAC and international regulators.
- Given the links between human trafficking and financial crime we continue to strengthen our supply chain due diligence by embedding new modern slavery requirements into procurement policies, processes and capabilities.
- We also collaborate with not-for-profit organisations that work with the private sector to detect and end modern slavery, including the Mekong Club.



## Privacy and data management

The Bank manages a large volume of sensitive data and understands that behind every piece of data is a real person. It is therefore our utmost priority to protect the privacy of all individuals whose personal information we collect and handle.

We seek opportunities to use this data to offer best-in-class digital experiences such as our *Benefits finder* tool, which has connected our customers to approximately half a billion dollars in unclaimed payments. As we consider opportunities to improve our products and services, we are always mindful of the trust our customers have placed in us to use their data in a manner consistent with our obligations and values.

Failure to appropriately use and secure data can result in material consequences for the Bank, such as reputational damage, leading to loss of customers, operational disruption, and financial losses.

The regulatory landscape is also increasingly focused on the privacy, integrity and management of data throughout its lifecycle, which increases the risk of regulatory penalties or intervention.

### Key actions we are taking

- The Bank has a privacy strategy to enhance our data privacy processes, capabilities and awareness to ensure compliance in all jurisdictions where we have a presence.
- We have enhanced our data leakage controls and introduced authentication software on end-point devices such as employee laptops.
- Our data management program of work is focused on strengthening our Data Management Framework across the Bank. This involves enhancing our methodology, architecture, tools, standards and procedures across all business areas to ensure the quality and integrity of data throughout its lifecycle.
- We have prioritised the data management practices for the most critical data elements across the Bank.
- Implementing the 'Open Banking' compliance obligations, which apply progressively for different customer, product and data sets across multiple phases from July 2019. We were the first of the major banks in Australia to offer customers the ability to see their accounts from other major banks in one place – the CommBank app.



## Cybersecurity

The Bank's information technology systems, including those supplied by external service providers, are increasingly subject to information security risks. Cyberattacks can cause serious disruption to customer banking services or compromise customer data privacy, and have the potential to cause financial system instability.

Information security risks have increased in recent years due to the expanding use of digital channels to conduct financial transactions; the evolution of new technologies; increased sophistication of cyber criminals; and customers' increasing use of personal devices that are beyond our control systems.

Additionally, there has been a global increase in cybercrime during the COVID-19 pandemic, with cyber criminals seeking to gain financially from people's vulnerability. The increase in digitisation and more people working remotely has also elevated the risk.

### Key actions we are taking

- The Bank's Cyber Security team is responsible for the oversight and prioritisation of critical cyber-control activities to defend against the evolving threat environment. This includes a focus on enhanced detection and monitoring capabilities, secure configuration and vulnerability management and strengthened authentication methods.
- We are aligning with the Australian Cyber Security Centre (ACSC) Essential Eight Maturity Model, which outlines mitigation strategies that make it harder for adversaries to compromise systems.
- We have a well-established Crisis Management Team. Regular simulation events are run to maintain and improve the Bank's response capability during significant events.
- We are providing greater education to our staff to increase their awareness of the dangers of cybercrime activities such as Phishing, and are enhancing our supplier monitoring processes to better understand and mitigate any weaknesses in their cyber defence capabilities.
- We also collaborate with a range of government, community and industry bodies to provide education and support to strengthen system-level resilience and reduce the possibility of fraud and scams on the community.



## Business resilience

The continuity and resilience of our operations are crucial for serving our customers, upholding community trust and maintaining our reputation.

The Bank provides many services to customers through a complex technology infrastructure that requires ongoing maintenance and updates to ensure network, software applications and hardware (including those supplied by external service providers) are resilient. A failure or compromise of this technology infrastructure could result in a material disruption of service to our customers.

The Bank is also exposed to the risk of disruption from events such as natural disasters, pandemics, social unrest and property disruptions.

The risk of potential disruption to parts of our operations remains elevated due to the possibility of COVID-19 clusters impacting employee safety, uncertainty over the stability of global supply chains and their impact on third-party suppliers.

### Key actions we are taking

- We routinely monitor the health of all systems and perform contingency planning for disruptions to critical systems and processes.
- A data centre and network modernisation program is improving our technology infrastructure's security and resilience, and our Technology Simplification Program is driving sustained simplification of the technology environment.
- We are driving greater agility and alignment in our supplier partnerships to ensure we effectively mitigate risks across the supply chain. In particular, during the pandemic, we have increased oversight of key suppliers to assess their ability to operate effectively.
- Our supplier governance, selection and monitoring mechanisms enable management to identify and manage the risk of third-party disruptions.
- Our employees' welfare is paramount. To manage COVID-19 risks we have embedded a range of measures for remote workers to maximise their safety and productivity.



# Financial performance

Our financial results for the 2021 financial year reflect the strength of our business and the disciplined execution of our strategy.<sup>1</sup>

## Net profit after tax

**\$8,843m**

Statutory NPAT

▲ 20% on FY20

**\$8,653m**

Cash NPAT

▲ 20% on FY20

Net profit after tax (NPAT) increased due to improved economic conditions and outlook resulting in a lower loan impairment expense and a strong operational performance.

## Volume growth in core business<sup>2</sup>

Business lending

**+\$11bn** >3x system

Home lending

**+\$31bn** 1.2x system

Household deposits

**+\$31bn** 1.2x system

## Common Equity Tier 1 capital ratio

**13.1%**

APRA (Level 2)<sup>3</sup>

▲ 150bpts on FY20

Above APRA's 'unquestionably strong' benchmark of 10.5%. CET1 capital ratio of 19.4% on an internationally comparable basis.

## Dividend

**\$3.50**

Per share, fully franked

▲ 17% on FY20

The full year dividend was supported by the Bank's strong capital position. The final dividend was \$2.00 per share, fully franked. The interim dividend was \$1.50 per share, fully franked.

## Net interest margin

**2.03%**

▼ 4bpts on FY20

Group NIM declined due to the ongoing impact of a low interest rate environment, including a large increase in low margin cash and liquid assets, partly offset by lower wholesale funding costs.

## Loan impairment expense and provisions

**\$554m**

▼ 78% on FY20

**1.63%**

Provision coverage ratio<sup>4</sup>

Loan impairment expense decreased reflecting an improvement in economic conditions and outlook. We have maintained a strong provision coverage ratio of 1.63%, reflecting the economic uncertainty from the continuing impact of COVID-19.

## Delivering for shareholders

Our aim is to deliver sector leading returns and a sustainable dividend. We achieve this by focusing on operating performance and capital generation. Many Australians rely on the dividends they receive to support their income, which is why it's important for us to deliver shareholder returns at strong and sustainable levels.

**870,000+**

shareholders hold CBA shares directly, millions more hold CBA shares through their superannuation

**78%**

Australian ownership

**51%**

direct ownership by retail shareholders

**\$6.2bn**

returned to shareholders as dividends in relation to FY21

**\$2,818**

dividend amount received by the average retail shareholder

## Dividends

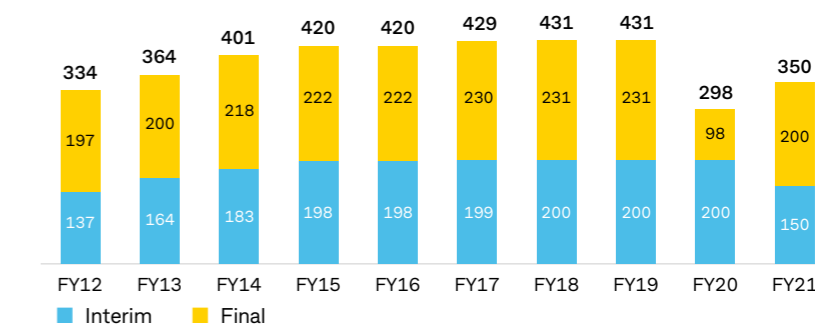
The final dividend of \$2.00 per share reflects the Bank's strong capital position. Our aim is to deliver sector leading returns and a sustainable dividend. To deliver sustainable dividends we seek to:

- pay cash dividends at strong and sustainable levels;
- target a full year payout ratio of 70–80% of cash NPAT; and
- focus on maximising returns to shareholders by paying fully franked dividends.

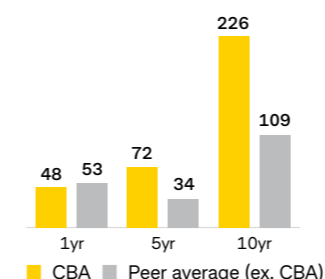
The final dividend payout ratio was 71% of the Bank's cash earnings for the full financial year. Including the interim dividend of \$1.50 per share, the full year dividend was \$3.50 per share, fully franked.

The Dividend Reinvestment Plan (DRP) continues to be offered to shareholders. No discount will be applied to shares allocated under the plan for the final dividend. The DRP is anticipated to be satisfied in full by an on-market purchase of shares.

## Dividend per share (cents)



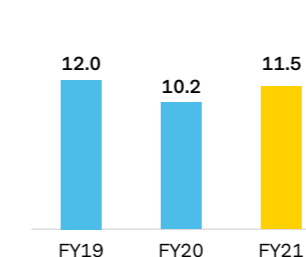
## Total shareholder return (TSR) (%)



TSR combines both share price appreciation and dividends paid. It shows the total return to shareholders over time.

## Return on equity (ROE)

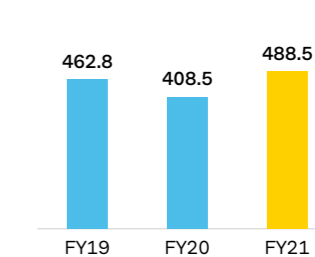
Cash, continuing operations (%)



ROE measures the Bank's profitability. It represents the net profit generated as a percentage of the equity shareholders have invested.

## Earnings per share (EPS)

Cash, continuing operations (cents)



EPS measures the Bank's earnings growth. It is calculated by dividing net profit after tax by the number of shares on issue.

<sup>1</sup> All information in this section is presented on a continuing operations basis, unless stated otherwise. Comparative information has been restated. For further details refer to Note 1.1 in the *Financial report* on pages 122–123 of the *2021 Annual Report*.

<sup>2</sup> As reported in RBA Lending and Credit Aggregates (Home Lending and Business Lending) and APRA Monthly ADI Statistics (Household Deposits). CBA Business Lending multiple estimate is based on Business Banking growth rate (excluding Institutional Banking and Markets) over published APRA Total Business Lending Data (excluding estimated Institutional Lending balances).

<sup>3</sup> Includes discontinued operations.

<sup>4</sup> Total provisions as a percentage of credit risk weighted assets.



# Sustainability performance

To provide transparency for all our stakeholders, we set targets, measure and report on a range of customer, environmental, social and governance metrics.

## Women in leadership

in Executive Manager and above roles by 2025

**41.7%** FY21

Target  
**47–50%** by 2025

## Low carbon funding

**\$6.4bn** FY21

Target  
**\$15bn** by 2025

## Australian Indigenous supplier spend

**\$6.1m** FY21

▲ **39%** on FY20

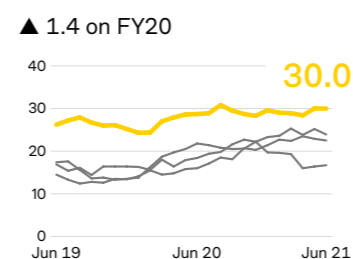
Target  
**3%** of total domestic contestable spend by 2024

## Mobile banking app NPS

Target: #1

We continue to extend our digital leadership and have maintained our #1 position.

Key — CBA — Peers

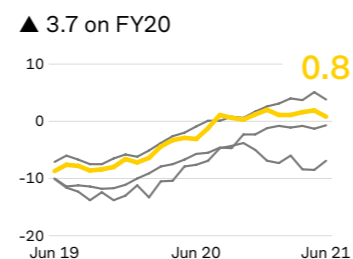


## Consumer NPS

Target: #1

By focusing on delivering better outcomes for our customers, we have seen an almost four point improvement, and are reporting a positive NPS.

Key — CBA — Peers

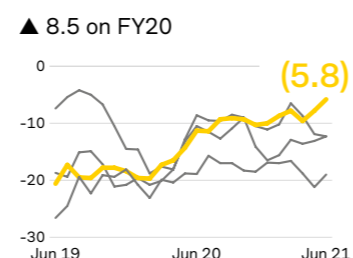


## Business NPS

Target: #1

We are now ranked #1 in business NPS.

Key — CBA — Peers



All metrics capture the data of the wholly owned and operated entities of the Group, associates and joint ventures unless otherwise stated. A more complete set of metrics is available for download by visiting [commbank.com.au/CRreporting](http://commbank.com.au/CRreporting). For definitions, see *Glossary* on pages 293–308 of the 2021 Annual Report.

## Key sustainability metrics <sup>1</sup>

Customer metrics	#	30 Jun 21	30 Jun 20	30 Jun 19	30 Jun 18			
<b>Customer complaints</b>								
Resolved		52,186	45,324	40,588	33,530			
Escalated to an external dispute resolution (EDR) scheme		4,758	5,480	4,695	–			
<b>Low carbon transition</b>								
Low carbon funding	\$m	6,367	5,374	5,134	4,575	–		
ESG bond arrangement	\$m	6,922	9,016	2,172	2,015	1,018		
Renewable electricity	%	100	100	33	1	0		
<b>Greenhouse gas emissions</b>	tCO <sub>2</sub> -e							
<b>Group</b>								
Scope 1 emissions		8,768	12,526	7,624	8,739	9,694		
Scope 2 emissions		95,514	103,528	78,756	87,278	96,595		
Scope 3 emissions		47,579	57,454	99,580	85,754	91,150		
<b>Total</b>		151,861	173,508	185,960	181,771	197,439		
<b>Scope 1 and 2 per FTE</b>		1.5	1.8	1.9	2.1	2.3		
<b>Social – our people metrics</b>								
<b>Headcount</b>	#	50,278	48,167	50,482	51,371	51,779		
Employee turnover – involuntary	%	1.9	4.2	4.0	4.2	–		
<b>Safety and wellbeing</b>								
Lost Time Injury Frequency Rate	rate	0.6	1.1	1.6	1.5	1.8		
<b>Women in workforce</b>	%	56.1	56.9	57.2	57.4	57.8		
Women in Executive Manager and above roles	%	41.7	41.2	39.1	37.6	36.7		
Women in Senior Leadership (Group Executives)	%	27.3	33.3	30.0	20.0	–		
<b>Employee engagement and flexible working</b>	%							
Employee engagement index – CBA		78	80	81	72	68	72	78
Employees working flexibly		–	81.1	–	66.0	73.9	73.7	69.4
Employees with caring responsibilities		–	54.0	–	47.5	50.7	53.0	–
<b>Social – community metrics</b>								
<b>Community investment</b>	\$m							
Total community investment		247.4	250.5	204.3	204.0	180.6		
Community investment as a percentage of pre-tax profit	%	2.0	2.4	1.8	1.6	1.4		
<b>Financial literacy programs</b>	#							
Start Smart students (booked)		291,548	377,214	427,527	568,649	574,246		
<b>Indigenous community support</b>								
Indigenous Customer Assistance Line (calls received)	#	181,460	206,436	202,444	180,225	168,218		
Australian Indigenous supplier spend – first tier	\$'000	6,093	4,395	2,959	–	–		
<b>Governance metrics</b>								
Female Directors on Board	%	40	56	50	40	40		
Misconduct cases resulting in termination		105	136	187	–	–		
SpeakUP Program cases		335	284	311	143	171		
– Whistleblower cases		123	103	30	33	44		

<sup>1</sup> For all of CBA's sustainability metrics, together with information on sources, methodologies and definitions, see pages 58–64 and 293–308 of the 2021 Annual Report.

✚ PwC has provided limited assurance on these metrics for the year ended 30 June 2021 except the ESG bond arrangement prior to FY21 and female Directors on Board. The PwC Limited Assurance Report is available on pages 65–66 of the 2021 Annual Report.



# Board of Directors



**Catherine Livingstone AO**

Chairman

**Board Committees:** Nominations (Chairman), Audit, Risk & Compliance, People & Remuneration



**Genevieve Bell AO**

Independent Non-Executive Director

**Board Committees:** Nominations and People & Remuneration



**Simon Moutter**

Independent Non-Executive Director

**Board Committees:** Nil



**Matt Comyn**

Managing Director and Chief Executive Officer

**Board Committees:** Nil



**Peter Harmer**

Independent Non-Executive Director

**Board Committees:** Nil



**Mary Padbury**

Independent Non-Executive Director

**Board Committees:** Nominations, People & Remuneration



**Shirish Apte**

Independent Non-Executive Director

**Board Committees:** Audit, Risk & Compliance



**Paul O'Malley**

Independent Non-Executive Director

**Board Committees:** People & Remuneration (Chairman), Risk & Compliance



**Anne Templeman-Jones**

Independent Non-Executive Director

**Board Committees:** Audit (Chairman), Risk & Compliance



**Rob Whitfield AM**

Independent Non-Executive Director

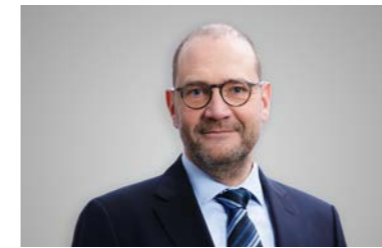
**Board Committees:** Risk & Compliance (Chairman), Nominations, Audit

Wendy Stops retired as a Non-Executive Director on 13 October 2020.

+ Detailed information on Board members' skills and experience is available on pages 72–75 of the [2021 Annual Report](#).

+ Detailed information about governance at the Commonwealth Bank is provided in our Corporate Governance Statement available at [commbank.com.au/corporategovernance](http://commbank.com.au/corporategovernance)

# Executive Leadership Team



**Pascal Boillat**

Group Executive, Enterprise Services and Chief Information Officer



**Sian Lewis**

Group Executive, Human Resources  
Acting Group Executive, Marketing and Corporate Affairs<sup>1</sup>



**Mike Vacy-Lyle**

Group Executive, Business Banking



**David Cohen**

Deputy Chief Executive Officer



**Carmel Mulhern**

Group General Counsel and Group Executive, Legal & Group Governance



**Scott Wharton**

Group Executive, Program Delivery



**Alan Docherty**

Group Executive, Financial Services and Chief Financial Officer



**Vittoria Shortt**

Chief Executive and Managing Director, ASB Bank Ltd



**Nigel Williams**

Group Chief Risk Officer



**Andrew Hinchliff**

Group Executive, Institutional Banking and Markets



**Angus Sullivan**

Group Executive, Retail Banking Services

<sup>1</sup> Priscilla Sims Brown ceased as Group Executive, Marketing and Corporate Affairs on 31 May 2021. Monique Macleod will be commencing as Group Executive, Marketing and Corporate Affairs mid-September 2021.



## Five-year financial summary

	30 Jun 21 \$M	30 Jun 20 <sup>1</sup> \$M	30 Jun 19 <sup>1</sup> \$M	30 Jun 18 \$M	30 Jun 17 \$M
Net interest income	18,839	18,610	18,224	18,465	17,546
Other operating income	5,317	5,151	5,355	5,646	6,831
Total operating income	24,156	23,761	23,579	24,111	24,377
Operating expenses	(11,359)	(10,996)	(10,891)	(10,653)	(10,129)
Loan impairment expense	(554)	(2,518)	(1,201)	(1,079)	(1,095)
Net profit before tax	12,243	10,247	11,487	12,379	13,153
Income tax expense	(3,590)	(3,022)	(3,301)	(3,779)	(3,752)
Non-controlling interests	–	–	(12)	(13)	(13)
<b>Net profit after tax from continuing operations ("cash basis")</b>	<b>8,653</b>	<b>7,225</b>	<b>8,174</b>	<b>8,587</b>	<b>9,388</b>
Net profit after tax from discontinued operations	148	182	527	825	493
<b>Net profit after tax ("cash basis")</b>	<b>8,801</b>	<b>7,407</b>	<b>8,701</b>	<b>9,412</b>	<b>9,881</b>
Treasury shares valuation adjustment	–	–	6	2	(23)
Hedging and IFRS volatility	7	93	(79)	101	73
Gain/(loss) on disposal of entities net of transaction costs	1,373	2,092	(61)	(183)	–
Bankwest non-cash items	–	–	(1)	(3)	(3)
<b>Net profit after income tax attributable to equity holders of the Bank "statutory basis"</b>	<b>10,181</b>	<b>9,592</b>	<b>8,566</b>	<b>9,329</b>	<b>9,928</b>
<b>Contributions to profit (after tax)</b>					
Retail Banking Services	4,806	4,142	4,043	4,465	4,423
Business Banking	2,758	2,474	2,765	3,134	2,736
Institutional Banking and Markets	922	633	1,090	1,226	1,360
New Zealand	1,159	809	1,059	975	871
Corporate Centre and Other	(992)	(833)	(783)	(1,213)	(203)
Wealth Management	–	–	–	–	201
<b>Net profit after tax from continuing operations ("cash basis")</b>	<b>8,653</b>	<b>7,225</b>	<b>8,174</b>	<b>8,587</b>	<b>9,388</b>
<b>Balance Sheet</b>					
Loans, bills discounted and other receivables	811,356	772,980	756,553	743,744	731,762
Total assets	1,091,962	1,015,471	977,896	975,165	976,318
Deposits and other public borrowings	766,381	703,432	637,420	622,234	626,655
Total liabilities	1,013,244	943,533	908,280	907,305	912,658
Shareholders' Equity	78,718	71,938	69,616	67,860	63,660
Net tangible assets (including discontinued operations)	71,071	64,337	59,547	56,844	53,090
Risk weighted assets – Basel III (APRA)	450,680	454,948	452,762	458,612	437,063
Average interest earning assets	929,846	897,409	871,418	861,884	834,741
Average interest bearing liabilities	776,967	771,982	761,115	759,583	755,612
Assets (on Balance Sheet) – Australia	926,896	856,638	826,045	811,491	817,519
Assets (on Balance Sheet) – New Zealand	110,104	103,523	99,661	94,622	89,997
Assets (on Balance Sheet) – Other	54,962	55,310	52,190	69,052	68,802
<b>Other information</b>					
Full-time equivalent employees from continuing operations <sup>1</sup>	44,375	41,778	41,458	41,024	42,359
Full-time equivalent employees including discontinued operations	46,189	43,585	45,165	45,753	45,614
Branches/services centres (Australia)	875	967	1,014	1,082	1,121
Agencies (Australia)	3,535	3,547	3,560	3,589	3,664
ATMs	2,492	3,542	3,963	4,253	4,398
EFTPOS terminals (active)	203,938	190,118	217,608	219,245	217,098

<sup>1</sup> Comparative information for 2020 and 2019 has been restated to reflect the change in accounting policy and the prior period restatements detailed in Note 1.1.1 of the 2021 Annual Report.

## Shareholder information

### Registered office

Ground Floor, Tower 1  
201 Sussex Street  
Sydney NSW 2000  
Telephone: +61 2 9378 2000  
Facsimile: +61 2 9118 7192  
[commbank.com.au](http://commbank.com.au)

### International locations

[commbank.com.au/internationallocations](http://commbank.com.au/internationallocations)

### Share Registry

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

Mail: Link Market Services Limited  
Locked Bag A14 Sydney South NSW 1235

Telephone: +61 1800 022 440  
Email: [cba@linkmarketservices.com.au](mailto:cba@linkmarketservices.com.au)  
[linkmarketservices.com.au](http://linkmarketservices.com.au)

### CBA Investor Relations

Telephone: +61 2 9118 7113  
Email: [cbainvestorrelations@cba.com.au](mailto:cbainvestorrelations@cba.com.au)  
[commbank.com.au/investors](http://commbank.com.au/investors)

### All other inquiries

[commbank.com.au/contactus](http://commbank.com.au/contactus)

## Financial calendar

2021 Annual General Meeting	13 October 2021
Half year results and interim dividend announcement date	9 February 2022
Interim dividend payment date	30 March 2022*
Full year results and final dividend announcement date	10 August 2022
Final dividend payment date	29 September 2022*
2022 Annual General Meeting	12 October 2022

\* On or around.

Dates may be altered should circumstances require. Visit CBA's Investor Centre at [commbank.com.au/investors](http://commbank.com.au/investors).

## 2021 corporate reporting suite

Our corporate reporting suite contains detailed information on CBA's strategic priorities, risk management and corporate governance frameworks, as well as our financial, non-financial and sustainability performance.

### Annual Report

An in-depth look at CBA's strategy, operations and performance over the 2021 financial year.

[+ commbank.com.au/2021annualreport](http://commbank.com.au/2021annualreport)

### Corporate Governance Statement

Our Corporate Governance Statement summarises our practices for the 2021 financial year.

[+ commbank.com.au/corporategovernance](http://commbank.com.au/corporategovernance)

### Sustainability metrics

Download CBA's customer, environmental, social and governance metrics – with definitions and mapping to international sustainability reporting standards.

[+ commbank.com.au/2021sustainabilitymetrics](http://commbank.com.au/2021sustainabilitymetrics)

### Results information

CBA's 2021 full year results materials, including our Profit Announcement and Results Presentation.

[+ commbank.com.au/results](http://commbank.com.au/results)

### Notice of Meeting

Your guide to CBA's 2021 Annual General Meeting.

[+ commbank.com.au/agm](http://commbank.com.au/agm)







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