

Update from Commonwealth Bank on measures take to support customers and the Community through the Covid-19 pandemic

February 2021

Commonwealth Bank remains committed to providing tailored support to our customers and the wider community, to help mitigate the negative economic and financial impacts of the Covid-19 pandemic.

While we are conscious that many Australians still find themselves in difficult circumstances, we are also encouraged by the resilience of the Australian economy, which has performed more strongly than many had predicted.¹

Positively, we have seen the large majority of our customers who entered deferral arrangements on their loans during the course of 2020 return to making payments.

As we enter 2021, two areas are of particular focus. First, we are closely monitoring sectors and communities where the impacts of the pandemic have lingered and remain considerable, be that due to restrictions on travel, hospitality, retail activity or events, or a variety of other reasons.

Secondly, we are committed to contribute towards positive conditions for investment in the broader economy, so businesses can maximise opportunities available from the broad range of stimulus measures currently in place or soon to come into force.

In recent months, Commonwealth Bank has:

- Supported customers to exit their loan deferral arrangements, in relation to:
 - o 133,000 home loans, and
 - o 81,000 business loans;
- Been the leading provider of loans under the Government's Small and Medium Guarantee Loan scheme, funding over \$1.1 billion in loans since the scheme was established, under both its first and second phases, and accounting for over 50 percent of loans funded;
- Boosted capability in our financial assistance teams to ensure we are available to have conversations with our customers about their circumstances, as they work through their options and get back in control of their finances;
- Announced, in November, a moratorium on foreclosures for owner occupier home loan customers who are unable to recommence repayments, where they had consistently met their repayments for 12 months prior to entering deferral, meaning we will not foreclose on those loans until at least September 2021;

¹ We attach a short summary of current economic indicators, produced by our Chief Economist Stephen Halmarick. Due to regulatory obligations that require CBA to monitor and manage the distribution of any research the bank produces, we are unable to share these reports publicly, and hence they are provided to the Committee on a confidential basis.

- Announced, in November, our lowest ever fixed rate home loan as well as significant cuts to a number of business loans in response to the Reserve Bank of Australia's package of further measures to support job creation and the recovery of the Australian economy from the pandemic.
- Supported our customers to participate in the Government's HomeBuilder package, helping them build and renovate while also supporting jobs in the construction industry, with the Government extending the successful program for three months;
- Assisted small business customers seeking finance to access stimulatory measures put in place by Government, including the instant asset write off and loss carry back provisions; and
- Commenced accepting applications under the Government's 'Show Starter' jobs package, which provides the entertainment industry with additional financing options to invest in new productions, shows and events for live audiences; Australia's first arts and entertainment industry specific loan scheme.

Supporting small and medium business

Commonwealth Bank sees the success of the SME segment as central to Australia's economic recovery.

We've taken a proactive approach to supporting our business customers through the Covid-19 pandemic, taking the following measures additional to those outlined above:

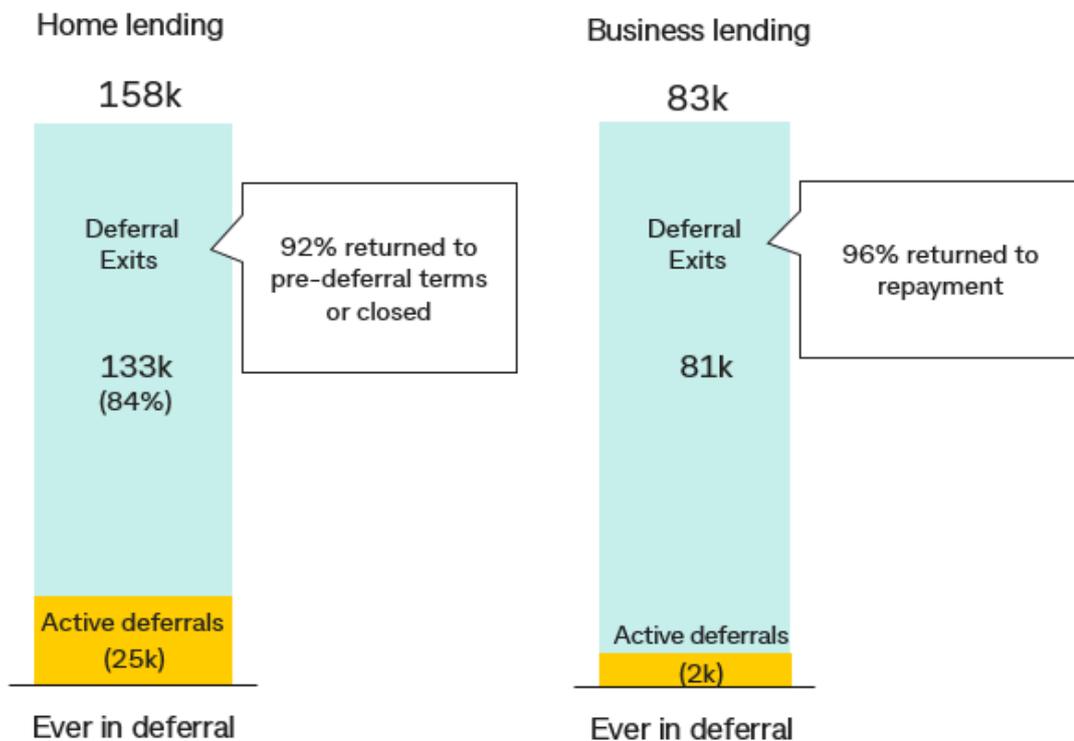
- Launching a JobKeeper Bridging Facility for business customers;
- Being a founding member of the Australian Business Growth Fund, which was established to provide patient equity to small and medium-sized high growth high potential businesses;
- Providing new loans and drawdowns to small and mid-sized business customers of approximately \$20.64bn, including those under the SME Guarantee Scheme, in the 11 months from 2 March 2020 to 5 February 2021.
- Refining products and tools to assist our SME customers to make faster and better informed business decisions. In this vein,
 - Our product BizExpress allows eligible CBA customers to receive real-time credit decisions and if approved have up to \$100,000 credited in their account within 12 minutes.
 - We provide financing options to help businesses manage intermittency in the timing of payments, while continuing to grow their businesses and invest.
 - We are also providing personalised digital experiences to support business owners and operators to make decisions in times of ambiguity, underpinned by our digital assets like the CommBank app and NetBank. Example of these services include:
 - Daily IQ, which allows our customers to enhance their performance and productivity through personalised data-driven insights, such as comparing consumer spending, also available via the business banking platform CommBiz; and

- Capability for SME customers to link their accounting software directly with their Netbank business accounts to help streamline business bookkeeping.

Detail on deferrals for home and business lending

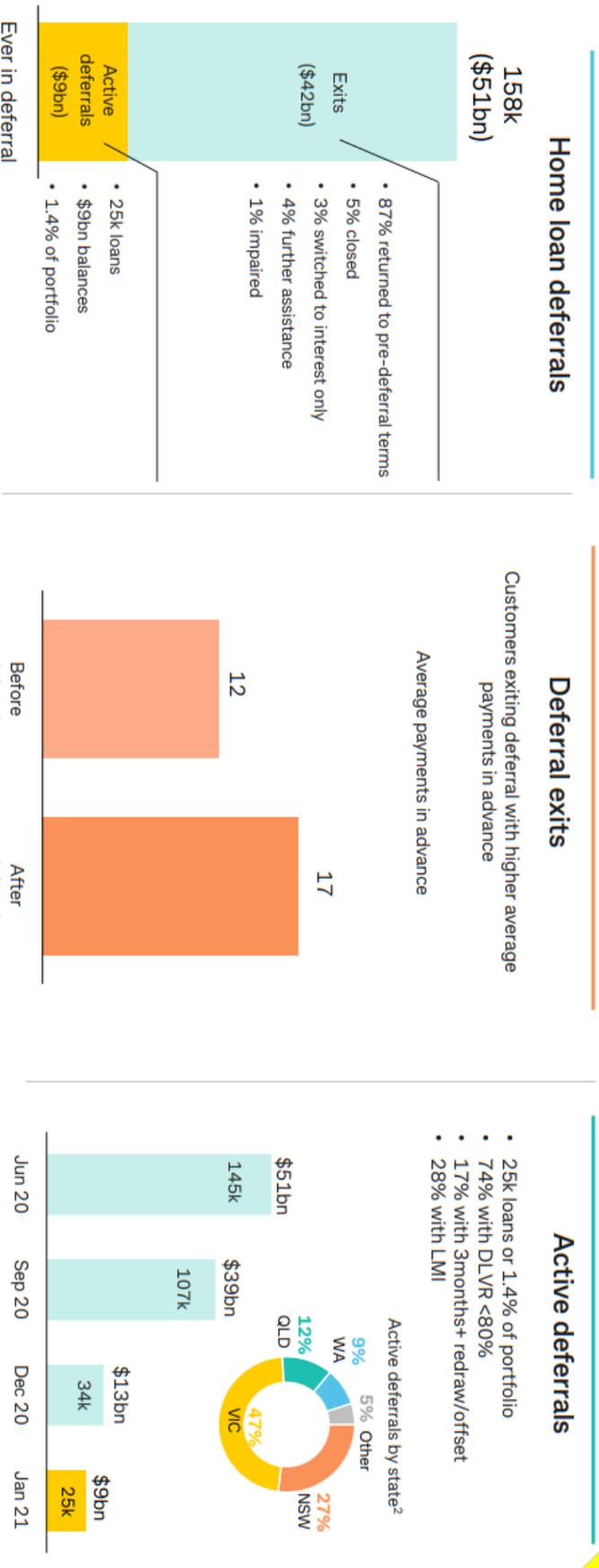
The following charts on repayment deferrals are from Commonwealth Bank's half year results released on 10 February.

Repayment deferrals¹



Home loan repayment deferrals¹

Majority of exits do not require further assistance

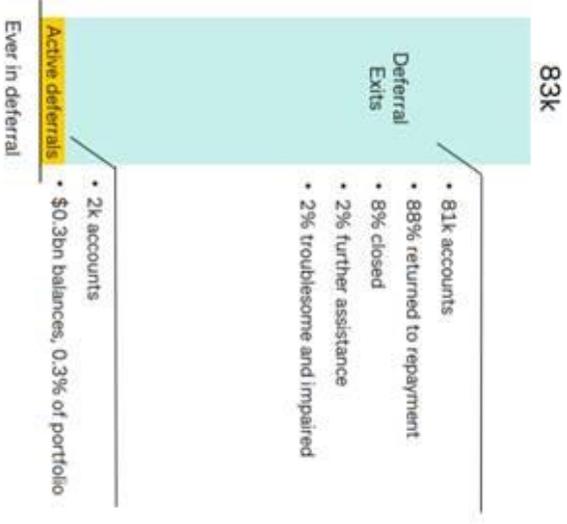


1. Australian deferral accounts as at 31 January 2021. All metrics are based on number of accounts unless noted otherwise. CBA Product view basis. 2. Based on balance.

Business loan repayment deferrals¹

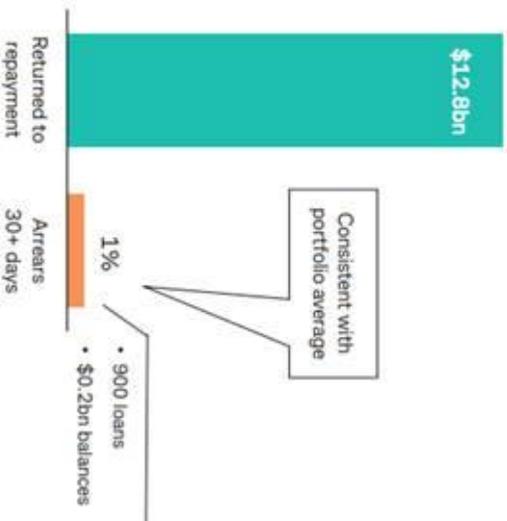
Majority of exits do not require further assistance

Business loan deferrals²



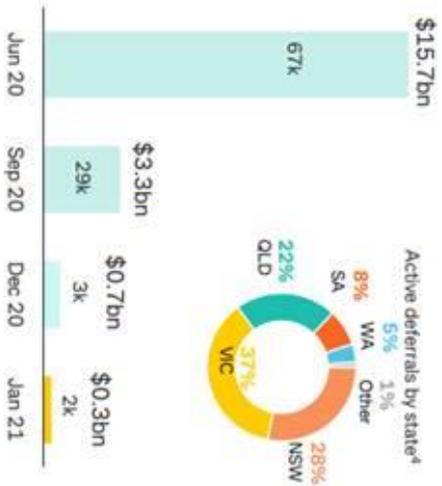
Deferral exits

Customers returning to repayments have an arrears profile consistent with the rest of the portfolio



Active deferrals³

• 2k loans or 0.3% of portfolio



1. Australian deferral accounts as at 31 January 2021. All metrics are based on number of accounts unless noted otherwise. Product view. 2. Values based on current balances as at 31 January. 3. Values based on balances at reporting date. 4. Based on balance.