CDP Climate Change Questionnaire 2018

C0 Introduction

Introduction

(C0.1) Give a general description and introduction to your organization.

Change from 2017

No change (2017 CC0.1)

Response options

This is an open text question with a limit of 5,000 characters.

Please note that when copying from another document into the disclosure platform, formatting is not retained.

Commencing operations in 1912, the Commonwealth Bank Group (the Group) is Australia's leading provider of integrated financial services including retail banking, premium banking, business banking, institutional banking, funds management, superannuation, insurance, investment and share broking products and services. With operations across 11 countries, we employ more than 50,000 people globally who serve more than 16.6 million customers.

Structure:
The Commonwealth Bank has five customer-facing business divisions, designed to align product development and service delivery more fully with customer segments. The businesses are: Retail Banking Services, Business and Private Banking, Institutional Banking and Markets, Wealth Management and International Financial Services.

Purpose:

Our purpose is to improve the financial wellbeing of our customers and communities.

Corporate responsibility and climate change strategy:
Through our corporate responsibility programs, we aim to deliver balanced and sustainable outcomes across our key stakeholder groups: our customers, our community, our people and our shareholders. Guided by the Group's purpose we actively consider the environmental, social and economic impacts and influences of our activities and look for ways to make a positive contribution beyond our core business.

The Group corporate responsibility strategy is a two-part strategy looking at The Way We Do Business (part 1) and Our Role In Society (part 2) to support the Group in the management of Environmental, Social and Governance (ESG) matters. It provides a clear frame of reference for Business Units to address issues that matter most and in so doing create economic and societal value over the long term.

ESG-related risks that were once considered emerging are now far more common and prevalent, requiring businesses to take a more active role in understanding and addressing them. The community has very high expectations of the Group and is looking for us to take leadership positions on issues to drive positive societal impacts. Climate change is one such issue.

Climate change poses a significant risk to our environment, our economy and our society. We consider climate change to be a significant long term driver of both financial (credit, market, insurance) and non-financial (operational, compliance, reputation) risks. We are committed to playing our part in limiting climate change to well below two degrees in line with the Paris Agreement and supporting the responsible global transition to net zero emissions by 2050.

In 2017, we developed our first Climate Policy Position Statement which outlines our view on climate change and our approach to managing our response. In line with the recommendations by the Taskforce on Climate-Related Financial Disclosures (TCFD), we are undertaking scenario analysis to inform and guide the longer term strategy. We have also set a 2025 target of $15 billion for funding low carbon projects such as renewable energy generation, energy efficiency projects and low carbon transport.

(C0.2) State the start and end date of the year for which you are reporting data.

Change from 2017

No change (2017 CC0.2)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Start date	End date	Indicate if you are providing emissions data for past reporting years
01/07/2016	30/06/2017	No

(C0.3) Select the countries for which you will be supplying data.

Change from 2017

No change (2017 CC0.3)

Response options

Please complete the following table:

Country
Australia New Zealand Rest of World

(C0.4) Select the currency used for all financial information disclosed throughout your response.

Change from 2017

Minor change (2017 CC0.4)

Response options

Please complete the following table:

Currency
AUD

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Change from 2017

Minor change (2017 CC8.1)

- Operational control

C1 Governance

Board oversight

(C1.1) is there board-level oversight of climate-related issues within your organization?

Change from 2017

Modified question (2017 CC1.1)

Response options

Select one of the following options:

- Yes

(C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.

Question dependencies

This question only appears if you select "Yes" in response to C1.1.

Change from 2017

Modified question (2017 CC1.1a)

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

Position of individual(s)	Please explain
• Board/Executive board	The Climate Policy Position Statement has been endorsed by the Board and signed by the Chairman. The Board's role is to oversee and monitor the

	effectiveness of the Group's Climate Policy in the context of the Group's corporate responsibility strategy. Climate change is embedded in our corporate strategy and risk management approach in line with a clear understanding that the long-term sustainability of our business is tied to climate related risks and opportunities. Because of this, there is a shared responsibility between all directors to understand and challenge the business' approach to the management of climate risks and opportunities. Each director is expected to challenge the business targets on climate related issues and to provide oversight as to how the business is tracking towards these targets.

[Add Row]

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Question dependencies

This question only appears if you select "Yes" in response to C1.1.

Change from 2017

New question

Connection to other frameworks

TCFD

Governance recommended disclosure a) Describe the board's oversight of climate related risks and opportunities.

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
• Scheduled - some meetings	• Monitoring implementation and performance of objectives	The Board oversees and monitors the effectiveness of the Climate Policy Position Statement. The Board takes overall accountability for reviewing and

	• Monitoring and overseeing progress against goals and targets for addressing climate-related issues	approving corporate responsibility disclosures as part of the Annual Report, encompassing our progress against our strategy, risk management and opportunities. The Corporate Responsibility team provides strategic advice to the Group on ESG issues, oversees ESG governance and facilitates ESG reporting internally and externally. The Board is informed about climate-related issues half-yearly, or as necessary, and consider climate-related issues when reviewing strategy and risk management policies, as well as when setting the Group's performance objectives.

[Add Row]

(C1.2) Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.

Change from 2017

New question

Connections to other frameworks

TCFD

Governance recommended disclosure b) Describe management's role in assessing and managing climate related risks and opportunities.

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
• Executive Leadership Team (ELT) chaired by the Chief Executive Officer	• Both assessing and managing climate-related risks and opportunities	• Half-yearly or more frequently as necessary

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.

Change from 2017

New question

Connection to other frameworks

TCFD

Governance recommended disclosure b) Describe management's role in assessing and managing climate related risks and opportunities.

Response options

This is an open text question with a limit of 5,000 characters.

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The way we consider, manage and report on the Environmental, Social and Governance (ESG) impacts of our activities is an important integrity measure that underpins our social licence to operate and provides demonstrable commitment to our purpose, "to improve the financial wellbeing of our customers and communities".

Due to their significance, the Board directly oversees the management of the Bank's climate-related risks and strategies, including through:

- Receiving reports on ESG risks in business lending and stranded asset risks;
- Considering the results of climate scenario analysis undertaken in FY18 for transition and physical risks and opportunities;
- Approving the Bank's Climate Policy Position Statement, which outlines our approach to climate-related risks and opportunities;
- Setting, and monitoring performance against, our climate-related goals and targets; and
- Reviewing and approving the climate-related disclosures in our Annual Report.

The Executive Leadership Team (ELT) is our highest level of management representing the top of the organisation and all business units. Responsibility for climate-related issues lies with the ELT and by extension the CEO who is charged with the day-to-day management of the Group's business.

The ELT is responsible for:

- Directing the development and implementation of ESG policies, including climate.

- Oversight of progress, performance and reporting on climate.
- Leading external engagement, advocacy and helping customers on climate-related matters.

Employee incentives

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Change from 2017

No change (2017 CC1.2)

Response options

Select one of the following options:

- Yes

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.

Question dependencies

This question only appears if you select "Yes" in response to C1.3.

Change from 2017

Minor change (2017 CC1.2a)

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

Who is entitled to benefit from these incentives?	Types of incentives	Activity incentivized	Comment
Board/Executive board	Recognition (non-monetary)	Behaviour change related indicator	The Board is responsible for • Approving the Climate Policy Position Statement

			• Reviewing and approving the climate-related disclosures in the Annual Report.
Corporate executive team	Recognition (non-monetary)	Behaviour change related indicator	The Executive Leadership Team (ELT) is responsible for directing the development and implementation of ESG policies, including climate, and oversight of progress, performance and reporting on climate. Our senior leaders are also expected to develop and lead a culture of genuine risk ownership, consistent with the Group Risk Appetite Statement.
Environment/Sustainability managers	Monetary reward	KPIs linked to RLIF related activities	In the context of the Responsible Lending and Investing Frameworks (RLIF), staff in client facing-related functions consider climate change risks and opportunities in policy setting, lending and investment management and monitoring, lending and investment risk management and disclosure, product development and climate change advocacy. Activities for 2018 include tracking, reporting and reducing the carbon footprint of our portfolios, developing low-carbon and green bond products, allocating to renewable infrastructure and developing thought leadership.

Facility managers	Monetary reward	Emission reduction target	Across the Group environmental/sustainability managers as well as operational employees are expected to meet tailored environmental objectives including meeting emissions reduction and/or energy reduction targets. These targets have been set as part of the Group’s Property Sustainability Strategy 2015 which was endorsed by the Executive Leadership Team. This strategy sets out emissions reduction targets for the Group to be realised by 2020.

[Add Row]

C2 Risks and opportunities

Time horizons

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

Change from 2017

New question

Connection to other frameworks

TCFD

Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.

Response options

Please complete the following table:

Time horizon	From (years)	To (years)	Comment
Short-term	0	10	Sustainable Property Strategy 2016-2020: We have been measuring, reducing and reporting on our environmental footprint since 2001. Formalised in 2016, the Sustainable Property Strategy covers a number of energy and climate related targets to 2020.

			Released in 2017, our Climate Policy Position Statement outlines our commitment to limiting climate change to well below two degrees and our responsible lending approach will contribute to this commitment. This includes a commitment of $15 billion funding to low carbon projects by 2025.
Medium-term	10	20	Scenario analysis is being undertaken to consider the transition risks to our business lending portfolio and Australian equity portfolios as well as physical risks to our home lending and insurance portfolios. These consider climate risk through to 2050.
Long-term	20	35	Scenario analysis is being undertaken to consider the transition risks to our business lending portfolio and Australian equity portfolios as well as physical risks to our home lending and insurance portfolios. These consider climate risk through to 2050.

Management processes

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Change from 2017

Modified question (2017 CC2.1)

Connection to other frameworks;

TCFD

Risk Management recommended disclosure c) Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organization's overall risk management.

Response options

Select one of the following options:

- Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

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(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying, and assessing climate-related risks.

Question dependencies

This question only appears if you select "Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes" or "A specific climate change risk identification, assessment, and management process" in response to C2.2.

Change from 2017

Modified question (2017 CC2.1a)

Response options

Please complete the following table:

Frequency of monitoring	How far into the future are risks considered?	Comment
Six-monthly or more frequently	• > 6 years	Climate is a key ESG issue and we identify, assess and manage climate risk in the context of our ESG risk framework. Extreme weather events and the legal, market, policy, technology and reputational impacts of transitioning to a low carbon economy have the potential to affect our customers' ability to repay their loans. Scenario analysis is being undertaken to consider such risks through to 2050. For Wealth Management, ESG risk management policies require the assessment of climate risks in conjunction with business as usual investment reviews of objectives, asset allocation,

		portfolio construction and investment manager selection. These activities are conducted annually at a minimum, and apply for the relevant expected investment time horizon (from 1 to 20+years). Monitoring of the carbon footprint of our investment portfolios is being conducted from 2016 onwards on a monthly basis and reported to relevant investment committees quarterly.

(C2.2b) Provide further details on your organization’s process(es) for identifying and assessing climate-related risks.

Question dependencies

This question only appears if you select “Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes” or “A specific climate change risk identification, assessment, and management process” in response to C2.2.

Change from 2017

New question

Connection to other frameworks

TCFD

Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.

Risk Management recommended disclosure a) Describe the organization’s processes for identifying and assessing climate-related risks.

Response options

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Our risk management framework for short-term climate risks cascades down from a company level framework, to sector/portfolio controls, down to specific, client and transaction-level consideration of ESG risks.

As a major provider of lending services globally, assessing potential transactions for ESG risks, including climate, is a key step in our approach to credit risk due diligence for business lending.

Business lending is subject to ESG risk assessment. This must take place before a loan can be priced. The process includes an initial ESG risk assessment based on country of operations and over 500 industry sectors. The overall ESG risk levels are aligned with the Equator Principles’ risk categories A, B and C.

Additional ESG due diligence is required for transactions which have medium or high ESG risks identified in the initial assessment. The ESG risk assessment includes seven key ESG focus areas: biodiversity, water, carbon & energy, pollution, health & safety, labour & human rights, and anti-corruption & governance. Physical climate risks will be added in FY19.

As part of the assessment, teams are required to:

- Describe any ESG risks for each of the seven focus areas
- Detail any client mitigation strategies for each risk identified
- Assess the likelihood and consequence of these risks
- Assess the client capability and motivation to mitigate these risks

These are input, alongside other risks, into the credit decision process and escalated to senior management according to the level of risk.

The Group reports regularly to the Board on the key ESG risks in the lending portfolio using the ESG variables collected in the assessment process - for example, reporting on the number of high, medium and low environmental, social and governance risks across the lending portfolios.

Other short-term climate risks considered by the business include emissions associated with building operations. The Bank manages property energy and emissions through its Sustainable Property Strategy 2016-2020. The Strategy 2020 targets are as follows:

- Reduce Scope 1 and 2 carbon emissions (domestic operational control) to 2.0t CO_2 / FTE
- Increase waste recycling rate from commercial office spaces to 90%
- 100% of NLA commercial offices NABERS rated
- 80% of NLA commercial offices Green Star rated
- 100% of new retail spaces built to 5 Star Green Star rating.

In the Wealth portfolio, the Group uses a variety of tools including MSCI ESG Manager, MSCI Barra Portfolio Manager, Morningstar ESG and Mercer Investments research and analytics which identify, measure and track ESG and carbon risk at the company, stock, bond, asset and investment strategy level. The identification and consideration of these risks are incorporated into various Investment Policies and Investment Governance Frameworks across the Wealth divisions as appropriate for the various investment processes in place. We are measuring the carbon emissions of our equity investments and portfolios, and investing in renewable energy generation and distribution assets and low-carbon and green bond investment strategies to offset and mitigate the carbon emissions our investment portfolios have exposure to. We are also factoring the emissions when valuing companies and allocating investment monies.

For medium and long-term risks and opportunities, scenario analysis is being undertaken to consider the transition impacts to our business lending portfolio and Australian equity portfolios as well as physical impacts to our home lending and insurance portfolios. The timeframe for analysis is to 2050 for transition risk, and to 2060 for physical risk. This is to account for the longer term timeframe in which physical impacts occur. We are taking a phased approach to identifying and managing climate risk – focusing on having the right policy positions in place, understanding risk, developing and implementing strategic responses, building capability internally and with clients and contributing to economy-wide initiatives.

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

Question dependencies

This question only appears if you select “Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes” or “A specific climate change risk identification, assessment, and management process” in response to C2.2.

Change From 2017

New question

Connection to other frameworks

TCFD

Risk Management recommended disclosure a) Describe the organization’s processes for identifying and assessing climate-related risks.
Risk Management recommended disclosure b) Describe the organization’s processes for managing climate related risks.

Response options

Please complete the following table:

Risk type	Relevance & inclusion	Please explain
Current regulation	• Relevant, always included	Existing regulation is considered as part of our ESG due diligence process and has also been included as part of our scenario analysis.
Emerging regulation	• Relevant, sometimes included	We monitor emerging regulation and take it into account as necessary. Emerging regulation changes present a strategic risk to the business with the potential to cause economic loss. For example, the Australian Prudential Regulation Authority (APRA) may require scenario and stress testing of climate change risks in the Group’s portfolios and asset allocations. This risk is addressed within the Group’s Risk Management Strategy (RMS) and managed by the Executive Leadership Team. Further, emerging regulation risks are assessed as part of our scenario analysis.

Technology	• Relevant, always included	The Group is aware of the market shift towards lower emissions technologies such as renewable energy projects. The Group recognises new innovative technology may disrupt business as usual for organisation dependant on fossil fuels. As a financial institution, we have been supporting the shift in the Australian economy towards low carbon energy alternatives, with a significant movement in our lending to the energy value chain from coal towards renewables and gas as a transition fuel. Disruptive technological risks are assessed as part of our scenario analysis.
Legal	• Relevant, always included	The Group is committed to ensuring compliance with environmental legislation relevant in all areas in which we operate. Compliance risks exist in the event the Group fails to comply with its obligations. For example, non-compliance with the Australian Government's National Greenhouse and Energy Reporting (NGER) Scheme could result in financial penalties to the Group as well as negative impacts on reputation. Legal risks are included in the Group's Compliance Risk Management Framework which sets out standards with respect to the understanding of obligations, establishing policies and procedures, managing non-compliance, monitoring and reporting. Further, legal risks are assessed through Scenario Analysis.
Market	• Relevant, always included	The Group recognises that market rates and prices may change due to climate-related risks and that this may have an adverse effect on the profitability and/or net worth of the Group. Commodity prices, such as for fossil fuel goods, may vary as a result of change in consumer demand and technology. Business disruption and property damage due to physical climate impacts could affect the value of property as well as the ability of customers to repay their loans. Market risks are assessed through Scenario Analysis and the Group Market Risk Policy.
Reputation	• Relevant, always included	Reputational risk arises from negative perception on the part of customers, counterparties, shareholders, investors, debt holders, market analysts,

		regulators and other relevant stakeholders of the Group. There is the potential reputational risk associated with the change in stakeholders' perception of how the Group is responding to climate change. This risk is addressed within the Groups Risk Management Strategy (RMS) and managed by the Executive Leadership Team. To enhance the visibility of the Group's engagement in sustainability and climate change related matters, the Group produces dedicated Corporate Responsibility disclosures annually, and a report to the National Greenhouse and Energy Reporting (NGER) Scheme, which discloses the Group's GHG emissions portfolio. Outside of this reporting period, the Group again reported its Financed Emissions', i.e. emissions arising from the Group's project finance exposure to the energy sector. The Group is also committed to ongoing reporting as and when matters arise.
Acute physical	• Relevant, always included	Acute physical risks, such as increased severity of extreme weather events, have been identified by the Group as a climate-related risk. This risk is assessed through Scenario Analysis.
Chronic physical	• Relevant, always included	Chronic physical risks, such as changes in temperature extremes, have been identified by the Group as a climate-related risk. Group assets are exposed to changes in temperature extremes, which may put excess demand on the Group's Heating, Cool and Air Conditioning (HVAC) units which in turn may reduce their efficiency and effective operating life. This risk, including sea level rise, is assessed through Scenario Analysis.
Upstream	• Relevant, sometimes included	Upstream climate-related risks identified include goods and services utilised by Group operations not supporting a low carbon economy. To manage this risk the Group has included climate-related considerations in contracts of upstream suppliers, for example fuel efficiency is considered in contracts for the Group's car fleet. Upstream risks are assessed through Scenario Analysis.

Downstream	Relevant, always included	We have developed an ESG Risk Assessment Tool (incorporated into our pricing tool) that is integral to the business lending decision process. Our employees have been trained in ESG fundamentals and how to apply the ESG Risk Assessment Tool and the Equator Principles III. They have also been trained to work with customers to identify and mitigate ESG risks. Downstream risks are assessed through Scenario Analysis.

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Question dependencies

This question only appears if you select "Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes" or "A specific climate change risk identification, assessment, and management process" in response to C2.2.

Change from 2017

Modified question (2017 CC2.1b, CC2.1c)

Connection to other frameworks

TCFD

Risk Management recommended disclosure b) Describe the organization's processes for managing climate related risks.

Response options

This is an open text question with a limit of 2,000 characters.

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The Group Risk Management Approach (RMA) documents the Group's key risk management practices across all major risk classes. The most material climate change risks and opportunities for the Group relate to the lending and investment portfolios.

We have a comprehensive set of policy frameworks that govern our climate risk management, such as our ESG Lending Commitments, Responsible Investing Framework, Climate Policy Position Statement, Environment Policy, and Various Business Unit level ESG Risk Management Policies.

Management and monitoring

To understand the concentration of carbon-related exposures, we measure:

- Energy Value Chain exposure – this identifies any significant concentration of exposure to carbon-related assets.

- Assessed emissions in our business lending portfolio - we have been reporting carbon emissions of our Group's business lending portfolio since FY14.
- In the Wealth portfolio, the Group uses a variety of tools such as MSCI ESG Manager and MSCI Barra Portfolio Manager which identify, measure and track ESG and carbon risk at the company, stock, bond, asset and investment strategy level.

For most of these metrics, we publicly report on our performance and progress to hold ourselves accountable and demonstrate our commitment to reducing our exposure to carbon-related assets over time.

To understand potential impacts, risks and opportunities for the Bank we have conducted Group-wide scenario analysis- covering transition risk analysis for business lending and physical risk analysis for retail lending and insurance. Details on the process, including scenarios, and results is included in the Group's FY18 Annual Report.

The process for assessing potential transaction for ESG risk includes an initial ESG risk assessment based on country of operations and over 500 industry sectors. The overall ESG risk levels are aligned with the Equator Principles' risk categories A, B and C. Further details on the process is included in the Group's FY17 and FY18 Annual Reports.

Risk disclosure

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Change from 2017

Modified question (2017 CC5.1)

Connection to other frameworks

TCFD

Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.

Response options

Select one of the following options:

- Yes

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Question dependencies

This question only appears if you select “Yes” in response to C2.3.

Change from 2017

Modified question (2017 CC5.1a, CC5.1b, CC5.1c)

Connection to other frameworks

TCFD

Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.

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Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add Row” button at the bottom of the table.

Identifier	Where in the value chain does the risk driver occur?	Risk type	Primary climate-related risk driver	Type of financial impact driver	Company- specific description	Time horizon
1	Direct operations	Transition risk	Policy and legal: Exposure to litigation	Policy and legal: Increased costs and/or reduced demand for products and services resulting from fines and judgments	Increased litigation related to identifying, managing and disclosing climate-related risks and opportunities	Medium-term
2	Customer	Transition risk	Market: Changing customer behaviour	Market: Re-pricing of assets (e.g., fossil fuel reserves, land	Change to sectoral lending and investment exposures due to	Medium-term

				valuations, securities valuations)	change in demand for customers' commodities e.g. coal	
3	Customer	Physical risk	Acute: Increased severity of extreme weather events such as cyclones and floods	Other, please specify: indirect impacts on customer viability, business continuity	Increased severity and frequency of extreme weather events such as cyclones and floods has been identified by the Group to have a potential substantial financial impact on the business. These events could impact business continuity and/or viability and therefore, loan serviceability. This poses a credit risk to the Group.	Medium-term

Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Management method	Cost of management (numeric field only)	Comment
● More likely than not	● Medium-low	Up to $1 million	Potential cost of climate-related litigation	• Identification of climate risks and opportunities through scenario analysis	$500,000	

				• Incorporation of climate into risk management, strategy and governance processes • Disclosure on climate risks and opportunities		
● Likely	● Medium-low	$0.7 bn	Exposure to coal mining and generation in FY17 Energy Value Chain	Scenario analysis looking at transition risks and opportunities across all sectors of the economy. The results of the scenario analysis inform our strategic management decisions, including our business lending decisions.	$500,000	
More likely than not	Medium-low	[Blank]	The financial implication of increased severity of extreme weather events relates to loan serviceability (credit risk) when businesses and	Our approach to identifying and managing the physical climate-related risks to our retail and business lending includes scenario analysis	$500,000	

			communities are impacted by weather related natural disasters such as flood, droughts and bushfire. These impacts cover all facets of our lending and investment portfolio from retail to business lending.	which will then inform our strategic management response. Our ESG risk assessment tool will be updated for physical risk considerations. For our residential and small business customers, the Group provides support through our Disaster Relief and Hardship programs. These include emergency financial packages such as grants, repayment deferrals and on the ground support including providing access to cash. For example, as part of our support for customers affected by Cyclone Debbie in March 2017, we activated our Emergency Assistance Package, waived fees for customers using other banks' ATMs		

				to withdraw cash, prioritised our general insurance calls coming in from customers in the affected areas and texted our general insurance customers in the affected areas alerting them to our customer care line and fast-track online claim form in case they needed to make a claim. In addition, we frequently extend assistance to farmers in rural and regional areas to help manage short and medium-term crises, including drought, floods, cyclones and bushfires. The implementation of these measures helps to ensure that our customers either remain viable by incorporating climate resilience into their projects or by supporting the		

				community during difficult times.		

Opportunity disclosure

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Change from 2017

Modified question (2017 CC6.1)

Connection to other frameworks

TCFD

Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.

Response options

Select one of the following options:

- Yes

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Question dependencies

This question only appears if you select “Yes” in response to C2.4.

Change from 2017

Modified question (2017 CC6.1a, CC6.1b, CC6.1c)

Connection to other frameworks

TCFD

Strategy recommended disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.

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Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add Row” button at the bottom of the table.

Identifier	Where in the value chain does the opportunity occur?	Opportunity type	Primary climate-related opportunity driver	Type of financial impact driver	Company-specific description	Time horizon
1	Direct operations	Energy Source	Use of lower-emission sources of energy	Reduced exposure to future fossil fuel price increases	The Group has committed to sourcing renewable energy for 25% of our power needs by 2020. In addition we have installed solar panels on 47 branches Australia-wide.	Short-term
2	Direct operations	Products and services	Development and/or expansion of low emissions goods and services	Increased revenue through demand for lower emissions products and services	The Group notes an increasing demand for low emission energy sources in the market. This demand has provided opportunity to lend to the renewable energy market, in support of	Current

					the transition to a low carbon economy.	
3	Customer	Markets	Access to new markets	Increased diversification of financial assets (e.g., green bonds and infrastructure)	Changing consumer behaviour and increased demand for low carbon products provides the Group with the opportunity to develop and issue products such as climate bonds or low carbon funds.	Current
4	Customer	Products and services	Development and offer of a low-carbon ethical superannuation funds, and green bond investment fund	Increased revenue and diversification of investment risk	Changing consumer behaviour and increased demand for low carbon products provides the Group with the opportunity to develop and issue products such as climate bonds or low carbon funds.	Current

Likelihood	Magnitude of impact	Potential financial impact	Explanation of financial impact	Strategy to realize opportunity	Cost to realize opportunity	Comment

Virtually certain	Low	We will commence sourcing renewable energy through a PPA from 2019 onwards.	This has the potential to reduce long-term energy costs.	Sourced a renewable energy PPA to provide power needs for the Group.	$50,000	We will commence sourcing renewable energy through a PPA from 2019 onwards. Currently, we have solar panels on 47 locations across Australia, with more than 500kW of capacity. To date, solar panels have saved more than 450 tonnes CO2-e, which is the equivalent of planting 11,600 trees. Our employees, customers and the wider community can view the performance of this network through our real-time public portal cbasolarpower.com.au.
Virtually certain	Medium-high	$3.3 billion	Our lending exposure to renewable energy	Strong relationships with renewable energy market players. Strong	$400,000	Since 2004, the Group has consistently invested in the renewable

			projects as at 31 December 2017	expertise in the industry.		energy sector, both locally and internationally. The Group reports its lending portfolio exposure to projects in the wind power, solar power, hydro power and landfill gas generation sectors annually. Some recent examples include the financing of three new large-scale solar farms to be built in Australia, specifically Whitsunday, Hamilton and Gannawarra solar farms.
Virtually certain	Medium	$1.02 billion	In FY17, the Group arranged $1.02 billion of climate bonds.	The Group uses market engagement to understand consumer demand and has identified that there is investor demand for climate bonds. Having identified that low	$200,000	In March 2017, we issued the largest Australian dollar climate bond from an Australian bank at $650 million, demonstrating active leadership and best practice in the

				carbon products are in demand, the Group has issued its first Climate Bond under the Climate Bond Standard, and raised $650 million to fund renewable and low carbon projects in Australia. The Group has also been a joint lead manager on the first Australian green Asset-Backed Securitisation (ABS) for FlexiGroup and was the sole arranger and lead manager on the world’s first climate bond from a tertiary institution (for Monash University’s AU$218m USPP climate bond).		climate and green bond market.
Virtually Certain	Low	$100 million	Seed funding to initiate Funds. Funds under management in these funds	Customer testing identified gaps in the superannuation product investment menus and retail	$50,000	AIM Global Bond Fund became available for members and customers to invest

			expected to grow $50m each per year.	distribution team product strategy which has been filled by identifying an institutional green bond investment manager, whom we have developed a distribution partnership with. A low-carbon ethical fund is also in development.		in, in May 2018. New low-carbon ethical fund will become available in November 2018 and May 2019 on various investment platforms.

Business impact assessment

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

Change from 2017

New question

Connection to other frameworks

TCFD

Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

Response options

Please complete the following table:

Area	Impact	Description

Products and services	Select from: ● Impacted ● **Impacted for some suppliers, facilities, or product lines** ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	The Bank considers the credit risk of every lending decision it makes. We believe we should also consider the environmental, social and governance (ESG) risks and opportunities of our lending decisions, as these can impact the long-term viability of a customer or project. We are a signatory to the Equator Principles and use the standards they set to assess, mitigate, manage and monitor ESG risk for project finance loans. Other business loans are assessed under our own ESG policies, systems and processes. We have a compulsory ESG risk assessment process for all Institutional Bank loans, and for large loans in other business units. The process includes an initial ESG risk assessment based on country of operations and over 500 industry sectors, and the client's capacity and strategy to manage risks is also considered. Additional ESG due diligence is required for transactions which have medium or high ESG risks identified in the initial assessment. Loans with high ESG risk are escalated to senior management for further interrogation and decision. Outputs from ESG assessments are used as a key input into the credit decision process. We provide wealth management services in Australia and globally and integrate ESG risks and opportunities into our investment processes. This is governed by our Responsible Investing Framework, and is consistent with delivering long-term investment outcomes for our customers and clients. Some segments of our portfolios will be increasingly impacted by climate change e.g. properties/assets in high risk areas for climate impacts; carbon

		intensive sectors such as coal; opportunities around sustainable finance e.g. low carbon transport, renewable energy, green buildings. In Wealth, certain investment strategies are more impacted than others depending on asset class and underlying portfolio holdings/asset types. This is being measured by carbon footprinting, transition risk and physical scenario analysis and managed by divestment, investment in mitigation assets such as green bonds and renewable infrastructure.
Supply chain and/or value chain	Select from: ● Impacted ● **Impacted for some suppliers, facilities, or product lines** ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	The Group is proactive in measuring and reducing its environmental footprint, with the aim of procuring products and services that have the least possible negative environmental impact. We expect that suppliers to the Group will: ● Meet all relevant local and national environmental protection laws, regulations and standards as well as strive to comply with international environmental protection standards. ● Actively manage the environmental impact of their operations, and take responsibility for minimising the negative impact of their product and services throughout their lifecycle. ● Establish environmental targets and report regularly in the public domain on progress towards these. ● Have an Environmental Management System (EMS) aligned to ISO 14001, or plan, to identify and manage environmental risks (such as energy usage, water usage, waste and emissions).

		• Have suitable sustainable certification related to the primary materials in their product (e.g. sustainable forestry certification for paper products). • Have reporting capability on energy consumption and greenhouse gas emissions. • We continued to embed the management of ESG risks and opportunities within our supply chain into the activities of our procurement staff and buyers. • To enhance our ESG capability across the Bank, we have developed a responsible procurement training module for procurement staff and buyers. This training details the ESG risks that can exist in supply chains and the processes for mitigating or managing these risks. This is now being rolled out across these stakeholders. • We continued to identify ESG risks within our supply chain through spend categories assessments. We assess for the presence of ESG risk, likelihood of occurrence and presence of mitigations and controls. We use this approach to focus resources on market engagements to assess and mitigate potential or perceived risks with our suppliers. • We are assessing the climate impacts associated with our lending and insurance portfolios through scenario analysis.
Adaptation and mitigation activities	Select from:	The Group recognises the need to adapt to transition risks such as changes in demand for

	● **Impacted** ● Impacted for some suppliers, facilities, or product lines ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	customers' commodities e.g. coal. Adaptation and mitigation activities within the business are increasingly geared towards growing the financing of renewable energy projects. At 31 December 2017, our exposure to renewable energy projects was $3.3 billion.
Investment in R&D	Select from: ● **Impacted** ● Impacted for some suppliers, facilities, or product lines ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	The Group has identified the opportunity to develop and offer low-carbon ethical superannuation funds, and green bond investment fund. Specifically, customer testing identified gaps in the superannuation product investment menus and retail distribution team product strategy which has been filled by identifying an institutional green bond investment manager, whom we have developed a distribution partnership with. A low-carbon ethical fund is also in development.
Operations	Select from: ● **Impacted** ● Impacted for some suppliers, facilities, or product lines ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	The Group has installed solar panels on 47 branches Australia-wide. This investment reduces operational costs as the business is less exposed to future fossil fuel price increases, specifically the rising cost of electricity. Further, the Group closely manages its Scope 2 electricity consumption through robust data management processes. ‘Envizi’ (the Group's centralised and dedicated energy and greenhouse gas management software) houses data relating to energy costs, tariffs and consumption periods to facilitate regular data validation.

Other, please specify	N/A	N/A

Financial planning assessment

(C2.6) Describe where and how the identified risks and opportunities have factored into your financial planning process.

Change from 2017

New question

Connection to other frameworks

TCFD

Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

Response options

Please complete the following table:

Area	Relevance	Description
Revenues	Select from: ● Impacted ● **Impacted for some suppliers, facilities, or product lines** ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	We continue to expand our exposure to sustainable financing including climate bond arrangement, renewable energy, low carbon transport and energy efficient buildings. For wealth, current product revenues are not expected to be major impact and new products with new sources of revenue are being developed.

Operating costs	Select from: ● Impacted ● **<u>Impacted for some suppliers, facilities, or product lines</u>** ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	Additional analysis and data collection requirements are adding increasing operational costs in legal, research, analysis and data subscription fees to some areas of the business. Rising electricity prices are relevant to our facility operations and have been factored into our financial planning for operating costs. The Group closely manages its electricity consumption through robust data management processes such as Envizi. We have installed solar panels on 47 branches Australia-wide to reduce exposure to fluctuating market electricity prices. The payback period of these solar panels is 4.25 years.
Capital expenditures/capital allocation	Select from: ● Impacted ● **<u>Impacted for some suppliers, facilities, or product lines</u>** ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	The Group has allocated capital towards the implementation of our Sustainable Property Strategy 2016-2020. We made a commitment to generating our own electricity at our retail branches and have now installed more than 500kW of solar panels at 47 locations across Australia. The impact in terms of the environmental benefits and financial savings from retail operations is significant, with some sites producing up to 40% in energy savings and 60% in cost savings. To date, the solar panels have saved more than 450 tonnes CO2. This is the equivalent of around 11,600 trees being planted. More specifically during FY17 solar panels were installed on 16 sites adding 251kW capacity. The capital expenditure relating to

		these sites was $446k with a return on investment of 4.25 years. The real time solar panel portal can be accessed at: http://cbasolarpower.com.au/
Acquisitions and divestments	Select from: ● Impacted ● **<u>Impacted for some suppliers, facilities, or product lines</u>** ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	We have been supporting the shift in the Australian economy towards low carbon energy alternatives, with a significant movement in our lending to the energy value chain from coal towards renewables and gas as a transition fuel. Our lending exposure to renewable electricity generation continues to increase. In support of the renewable energy market, in the past year, we have completed significant and landmark transactions in Australia and overseas. Funding three solar farms by Edify Energy as the lead bank marked our first long-tenor debt financing for renewable projects in Australia, demonstrating the ongoing evolution of the local renewable sector and the increasing willingness for banks to accept merchant risk to support renewable development. In the 2017 financial year, we arranged $1.02 billion of climate bonds. In March 2017, we issued the largest Australian dollar climate bond from an Australian bank at $650 million, demonstrating active leadership and best practice in the climate and green bond market. The bond is backed by Australian renewable and low carbon assets

		including wind power generation, green buildings and low carbon transport projects.
Access to capital	Select from: ● **<u>Impacted</u>** ● Impacted for some suppliers, facilities, or product lines ● Not impacted ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	Environmental, social and corporate governance (ESG) investing is becoming an increasingly important consideration in the investment decision making process among institutional investors, asset owners and for some retail customers and shareholders.
Assets	Select from: ● Impacted ● Impacted for some suppliers, facilities, or product lines ● **<u>Not impacted</u>** ● Not yet impacted ● Not evaluated ● We have not identified any risks or opportunities	The Group does not own a large number of assets and we have not identified any relevant climate-related risks and opportunities which impact the financial planning related to our assets. For example, the buildings within which we operate, as well as fleet vehicles used by our employees, are leased.
Liabilities	Select from: ● Impacted ● Impacted for some suppliers, facilities, or product lines ● Not impacted ● Not yet impacted ● Not evaluated	The Group has not identified any relevant climate-related risks and opportunities which may impact the financial planning related to our liabilities at this stage.

	• **<u>We have not identified any risks or opportunities</u>**	
Other	N/A	N/A

C3 Business strategy

Business strategy

(C3.1) Are climate-related issues integrated into your business strategy?

Change from 2017

Minor Change (2017 CC2.2)

Connection to other frameworks

TCFD

Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

Response options

Select one of the following options:

- Yes

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Question dependencies

This question only appears if you select "Yes" in response to C3.1.

Change from 2017

New question

Connection to other networks

TCFD

Strategy recommended disclosure c) Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.

Response options

- Yes, qualitative and quantitative

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Question dependencies

This question only appears if you select "Yes" in response to C3.1.

Change from 2017

Minor Change (2017 CC2.2a)

Connection to other frameworks

TCFD

Strategy recommended disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

Response options

This is an open text question.

Please note that when copying from another document into the disclosure platform, formatting is not retained.

Climate change poses a significant risk to our environment, our economy and our society. Commonwealth Bank is committed to playing our part in limiting climate change to well below two degrees in line with the Paris Agreement and supporting the responsible global transition to net zero emissions by 2050.

As a provider of financial services including lending, insurance and wealth management, climate change presents both physical and transition risks and opportunities to our business.

We are taking action on climate change to:

- Better understand the impacts of climate change on the Bank.
- Increase the resilience of the Bank to climate risks.
- Take advantage of opportunities created by climate change.
- Support our customers and people in the transition to a low carbon economy.

We are focusing on having the right policies in place, understanding risk, developing and implementing strategic responses, building internal and customer capability, and contributing to economy-wide initiatives. To understand potential climate impacts, risks and opportunities for the Bank, and to build the resilience of our business, we have commenced company-wide scenario analysis. We have prioritised analysis of areas that are most material given the size of our portfolios. In FY17 we released our Climate Policy Position Statement which outlines our strategic approach to climate change. The results of our scenario analysis will help to inform the evolution of our Climate Policy Position Statement.
Our Climate Policy Position Statement is available here: https://www.commbank.com.au/about-us/opportunity-initiatives/policies-and-practices.html
We provide detailed information on our climate governance, strategy, risk management and metrics and targets in our FY18 Annual Report, available here: https://www.commbank.com.au/about-us/investors.html

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(C3.1d) Provide details of your organization's use of climate-related scenario analysis.

Question dependencies

This question only appears if you select "Yes, qualitative", "Yes, quantitative" or "Yes, qualitative and quantitative" in response to C3.1a.

Change from 2017

New question

Connection to other frameworks

TCFD

Strategy recommended disclosure c) Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

Climate-related scenarios	Details
• DDPP	Three climate scenarios were modelled, based on reference scenarios with a number of out of model adjustments. All scenarios included the use of the Deep Decarbonisation Pathways Project as the reference scenario. In addition, the Global Coordination scenario used IEA 2DS as a reference scenario and the

Policy Inertia scenario used IEA 4DS. The out of model adjustments relate to carbon price; international energy demand; domestic energy use; carbon offset market activity; materials efficiency; and new business models.

To understand potential impacts, risks and opportunities for the Bank we have conducted Group-wide scenario analysis. To do this, we have chosen two scenarios with a two degree ambition and one scenario with a three degree ambition.

The Global Coordination and Disruptive Decarbonisation scenarios reflect global ambition on climate action, but are achieved through different pathways. The Policy Inertia scenario more closely reflects the current trajectory, given the state of policy settings, and provides us with insights into the more significant physical impacts associated with a higher level of warming.

The timeframe for analysis is to 2050 for transition risk, and to 2080 for physical risk. This is to account for the longer term timeframe in which physical impacts occur, and also allows for the 30-year timeframe of home lending policies taken out in 2050.

Transition risks in our business lending portfolio

Results

The modelling found that the economy grows across all scenarios and timeframes through to 2050. Emissions fall under all three scenarios, however Australia only meets its existing international emissions commitments under the Global Coordination and Disruptive Decarbonisation scenarios.

Analysis of our business lending portfolio shows that a significant majority (97 per cent) of our business lending portfolio sits within sectors that continue to grow under all scenarios. There is a small portion of our portfolio – less than two per cent - which sits in sectors that contract under all scenarios. And the remainder of our portfolio (1 per cent) sits across sectors which grow under one or two scenarios and declines under other scenarios.

	Strategic response Two sectors which contract under all scenarios, and which we identified as climate-sensitive, are coal-powered electricity and coal mining. This aligns with our continuing commitment to reducing our exposure to coal over time. We will incorporate the transition risk analysis results into our client-level due diligence process, with an initial focus on carbon-intensive sectors. We will incorporate relevant questions into the process to allow us to understand their exposure and strategy to respond to climate risk. This will help us to determine our clients' resilience and inform our lending decisions. Further details on the process, outcomes and strategic management response are included in the climate-related financial disclosures in our FY18 Annual Report.

[Add Row]

C4 Targets and performance

Targets

(C4.1) Did you have an emissions target that was active in the reporting year?

Change from 2017

Modified question (2017 CC3.1)

Connection to other frameworks

TCFD

Metrics & Targets recommended disclosure c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.

Response options

- Both absolute and intensity targets

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Question dependencies

This question only appears if you select “Absolute target” or “Both absolute and intensity targets” in response to C4.1.

Change from 2017

Modified question (2017 CC3.1a, CC3.1e)

Connection to other frameworks

TCFD

Metrics & Targets recommended disclosure c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.

Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add Row” button at the bottom of the table.

Target reference number	Scope	% emissions in Scope	% reduction from base year	Base year	Start year	Base year emissions covered by target (metric tons CO2e)
Abs-1	Scope 1	100%	52.7%	2009	2016	10,931

Abs-2	Scope 2 (location based)	100%	57.4%	2009	2016	139,303
Abs-3	Scope 1	100%	70.9%	2009	2016	2,126
Abs-4	Scope 2 (location based)	100%	60.0%	2009	2016	24,586

Target year	Is this a science-based target?	% achieved (emissions)	Target status	Please explain
2020	No, but we anticipate setting one in the next 2 years	39.1%	Underway	CBA Scope 1 2020 target. Following the Bank's successful 20% reduction target achieved in 2013, the Group set a new Scope 1 emissions target for FY20. During FY17, we reduced our Scope 1 emissions by 1.7% and remain on track to meet and exceed our 2020 target.
2020	No, but we anticipate setting one in the next 2 years	46.5%	Underway	CBA Scope 2 2020 target. Following the Bank's successful 20% reduction target achieved in 2013, the Group set a new Scope 2 emissions target for FY20. During FY17, we reduced our Scope 2 emissions by 4.9% and remain on track to meet and exceed our 2020 target.
2020	No, but we anticipate setting one in the next 2 years	64.7%	Underway	Bankwest Scope 1 2020 target. Following the Bank's successful 20% reduction target achieved in 2013, the Group set a new Scope 1 emissions target for FY20. During FY17, we reduced our Scope 1 emissions by 4.0% and remain on track to meet and exceed our 2020 target.
2020	No, but we anticipate setting one in the next 2 years	62.6%	Underway	Bankwest Scope 2 2020 target. Following the Bank's successful 20% reduction target achieved in 2013, the Group set a new Scope 2 emissions target for FY20. During FY17, we reduced our Scope 2 emissions by 15.2% and have exceeded our 2020 target.

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Question dependencies

This question only appears if you select “Intensity target” or “Both absolute and intensity target” in response to C4.1.

Change from 2017

Modified question (2017 CC3.1b, CC3.1c, CC3.1e)

Connection to other frameworks

TCFD

Metrics & Targets recommended disclosure c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.

Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the "Add Row" button at the bottom of the table.

Target reference number	Scope	% emissions in Scope	% reduction from baseline year	Metric	Base year	Start year
Int1	Scope 1+2 (location-based)	100%	31.3%	Metric tons CO2e per unit FTE employee	2015	2016

Normalized baseline year emissions covered by target	Target year	Is this a science-based target?	Achieved	Target status	Please explain	% change anticipated in absolute Scope 1+2 emissions	% change anticipated in absolute Scope 3 emissions
3.05	2020	No, but we anticipate setting one in the next 2 years	2.55	Underway	The Group set an emissions intensity target for Australian operations in 2015 to reduce Scope 1 and 2 emissions intensity expressed in FTE by 31.3% between 2015 and 2020. The final target is to reduce emissions to 2.0 Tonne CO2-e/FTE by FY20. We are on track to meet and exceed this target.	31.3% (2020)	N/A

Other climate-related targets

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Change from 2017

Modified question (2017 CC3.1d)

Connection to frameworks

TCFD

Metrics & Targets recommended disclosure a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the "Add Row" button at the bottom of the table.

Target	KPI – Metric numerator	KPI – Metric denominator (intensity targets only)	Base year	Start year	Target year
Other, please specify Renewable energy – solar PV installation	kWp	N/A	2015	2016	2020
Renewable energy production	MWh	N/A	2015	2016	2020
Low carbon target	$ billion		2017	2017	2025

Sourcing renewable energy	%		2017	2017	2020

KPI in baseline year	KPI in target year	Please explain	Part of emissions target	Is this target part of an overarching initiative?
0	1,250	CBA Group initiated onsite solar PV rollout in 2015. During FY17, installation was completed at 22 retail branches across the CBA and Bankwest portfolio. Total installed capacity reached 544 kWp. 2020 target is 1,250 kWp.	Abs-1 & Abs-2	Other, please specify Yes, Property Sustainability Strategy
0	1,500	CBA Group initiated onsite solar PV rollout in 2015. Onsite renewable energy production is increasing year on year as more systems are installed and commissioned. FY17 production increased to 376.5 MWh compared to 126.0 for FY16.	Abs-1 & Abs-2	Other, please specify Yes, Property Sustainability Strategy
0	$15 billion	CBA Group has set a target of $15 billion in funding for low carbon projects in FY2025.	N/A	Yes, Climate Policy Position Statement
0	25%	CBA Group has committed to sourcing 25% of its power needs from renewable energy by 2020.	N/A	Yes, Climate Policy Position Statement

[Add Row]

Emissions reduction initiatives

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Change from 2017

No change (2017 CC3.3)

Response options

Select one of the following options:

- Yes

(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

Question dependencies

This question only appears if you select "Yes" in response to C4.3.

Change from 2017

No change (2017 CC3.3a)

Response options

Please complete the following table:

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tons CO2e (only for rows marked *)
Under investigation	50	1000
To be implemented*	200	2000
Implementation commenced*	417	4992

Implemented*	417	4992
Not to be implemented	12	120

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Question dependencies

This question only appears if you select "Yes" in response to C4.3.

Change from 2017

Minor change (2017 CC3.3b)

Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the "Add Row" button at the bottom of the table.

Activity type	Description of activity	Estimated annual CO2e savings (metric tons CO2e)	Scope	Voluntary/ Mandatory
Energy efficiency: Building fabric	Insulation	25	Scope 2 (location-based)	Voluntary
Energy efficiency: Building fabric	Maintenance program	50	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify UPS Upgrade - 201 Sussex St	471	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify UPS Upgrade - 101 George St	205	Scope 2 (location-based)	Voluntary

Energy efficiency: Building services	Building controls	25	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	HVAC	1,000	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	HVAC	50	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Building controls	576	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Lighting	400	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	HVAC	25	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Building controls	50	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Lighting	75	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify Building Performance Optimisation	301	Scope 2 (location-based)	Voluntary

Energy efficiency: Building services	Other, please specify Building Performance Optimisation	59	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify Building Performance Optimisation	39	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify Building Performance Optimisation	58	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify Building Performance Optimisation	218	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify Building Performance Optimisation	81	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify Building Performance Optimisation	74	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify Fine Tuning - Frame Court DC	295	Scope 2 (location-based)	Voluntary
Energy efficiency: Building services	Other, please specify Office Consolidation in Brisbane	519	Scope 2 (location-based)	Voluntary
Low-carbon energy installation	Solar PV	320	Scope 2 (location-based)	Voluntary

Low-carbon energy installation	Solar PV	76	Scope 2 (location-based)	Voluntary

Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
$8,750	$20,000	1-3 years	16-20 years	Insulation added to building fabric while undertaking roof upgrade at 4 owned sites.
$17,500	$490,000	>25 years	16-20 years	Roof upgraded at 20 owned sites and 29 leased sites. New roofs reduced infiltration.
$164,850	$760,000	4-10 years	6-10 years	Maintenance requirements and costs are reduced significantly after the upgrades.
$71,750	$260,000	1-3 years	6-10 years	Maintenance requirements and costs are reduced significantly after the upgrades.
$8,750	$28,000	1-3 years	6-10 years	HVAC controls upgrades at 6 retails sites.
$350,000	$400,000	1-3 years	3-5 years	HVAC controls re-programming and fine tuning.
$17,500	$132,000	4-10 years	11-15 years	HVAC controls upgrades at 12 retails sites.

$201,600	$1,444,000	4-10 years	11-15 years	Security and lighting interface at 238 sites to control lighting via security signals.
$140,000	$337,000	1-3 years	6-10 years	LED lighting upgrade across commercial and retails portfolio.
$8,750	$32,000	1-3 years	11-15 years	HVAC controls upgrades at 5 retails sites.
$17,500	$381,000	21-25 years	11-15 years	Security and lighting interface at 50 sites to control lighting via security signals.
$26,250	$118,000	4-10 years	6-10 years	LED lighting upgrade across 14 retail sites.
$105,350	$50,000	<1 years	3-5 years	Fine tuning of lighting and HVAC controls.
$20,650	$30,000	1-3 years	3-5 years	Fine tuning of lighting and HVAC controls.
$13,650	$5,000	<1 years	3-5 years	Fine tuning of lighting and HVAC controls.
$20,300	$10,000	<1 years	3-5 years	Fine tuning of lighting and HVAC controls.
$76,300	$30,000	<1 years	3-5 years	Fine tuning of lighting and HVAC controls.
$28,350	$12,500	<1 years	3-5 years	Fine tuning of lighting and HVAC controls.

$25,900	$15,000	<1 years	3-5 years	Fine tuning of lighting and HVAC controls.
$103,250	$40,000	<1 years	3-5 years	Fine tuning lighting and HVAC controls.
$181,650	$200,000	1-3 years	6-10 years	Office consolidation and energy efficiency at 240 Queen Street.
$68,694	$343,438	4-10 years	21-30 years	Solar PV installation at 13 sites for on-site renewable energy generation.
$36,014	$102,312	1-3 years	21-30 years	Solar PV installation at 3 sites for on-site renewable energy generation.

[Add Row]

Description of activity drop-down options (column 2)

Select one of the following options:

Energy efficiency: Building fabric • Insulation • Maintenance program • Other, please specify **Energy efficiency: Building services**	Low-carbon energy purchase • Biomass • Biogas • Fuel Cells • Geothermal • Hydro • Solar Hot Water • Solar PV • Solar CPV

• Building controls • HVAC • Lighting • Motors and drives • Combined heat and power • Other, please specify Energy efficiency: Processes • Heat recovery • Cooling technology • Refrigeration • Process optimization • Fuel switch • Compressed air • Combined heat and power • Waste water treatment • Water reuse • Reuse of steam • Machine replacement • Other, please specify Fugitive emissions reductions • Agriculture methane capture • Agriculture N2O reductions, • Landfill methane capture, • Oil/natural gas methane leak capture/prevention	• Natural Gas • Nuclear • Carbon Capture & Storage • Other, please specify **Low-carbon energy installation** • Biomass • Biogas • Fuel Cells • Geothermal • Hydro • Solar Hot Water • Solar PV • Solar CPV • Natural Gas • Carbon Capture & Storage • Other, please specify Process emissions reductions • New equipment • Changes in operations • Process materials selection • Process water • Other, please specify

● Refrigerant leakage reduction ● Other, please specify	

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Question dependencies

This question only appears if you select “Yes” in response to C4.3.

Change from 2017

No change (2017 CC3.3c)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Method	Comment
Compliance with regulatory requirements/standards	A dedicated budget is allocated for National Greenhouse and Energy Reporting (NGERs) purposes and to support the Group’s CDP submission.
Dedicated budget for energy efficiency	A dedicated budget is specifically set aside to achieve the Group's carbon reduction target established in July 2015. This target was set as part of the Property Sustainability Strategy and is aimed at Group Property reaching a carbon intensity of 2 tCO2-e / FTE by 2020 for the Group's domestic property portfolios. Emissions reductions for this reporting period included identifying and evaluating several potential reduction activities. As an example, during the FY17 reporting period initiatives included: 1. Energy efficiency projects in commercial and retail portfolios, including but not limited to, lighting upgrades, HVAC replacements, HVAC controls and security and lighting interfaces, 2. The Relocation of employees from inefficient buildings to energy efficient properties, and 3. Installation of solar panels on retail branches. New emission intensity targets will continue to drive investment in emissions reduction activities.

Dedicated budget for low-carbon product R&D	A dedicated budget is allocated to each property team annually for innovation, test and learn, including PPA.
Employee engagement	Group wide communications is issued to all employees for: - Property Sustainability Strategy; - emissions reduction target and progress; - major milestones; - Earth Hour and day light savings, etc.
Other – engagement with building services maintenance contractors	Sustainability forums are held with relevant building services maintenance contractors and client relationship managers to discuss Property Sustainability Strategy, projects and progress. Property data and insights are shared as required.

Low-carbon products

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Change from 2017

No change (2017 CC3.2)

Response options

Select one of the following options:

- Yes

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Question dependencies

This question only appears if you select “Yes” in response to C4.5.

Change from 2017

Modified question (2017 CC3.2a)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Level of aggregation	Description of product/ Group of products	Are these low-carbon product(s) or do they enable avoided emissions?	Taxonomy, project, or methodology used to classify product(s) as low-carbon or to calculate avoided emissions	% revenue from low-carbon product(s) in the reporting year	Comment
Product	In FY17, we arranged $1.02 billion of climate bonds. In March 2017, we issued the largest Australian dollar climate bond from an Australian bank at $650 million, demonstrating active leadership and best practice in the climate and green bond market. The bond is backed by Australian renewable and low carbon assets including wind power generation, green	• Low-carbon product	• Climate Bonds Taxonomy	n/a	Text field [maximum 2,400 characters]

	buildings and low carbon transport projects.				
Product	For Wealth Management, AIM Global Bond Fund is a global green bond investment fund utilising ESG criteria and an environment impact screen.	Low-carbon product and avoided emissions	Climate Bonds Taxonomy	n/a	Revenue has been negligible as yet (fund has only been available a month). For further information, please refer to: https://www3.colonialfirststate.com.au/adviser/investments-adviser/funds/fixed-income-cash/AIM.html

C5 Emissions methodology

Base year emissions

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Change from 2017

No change (2017 CC7.1)

Response options

Please complete the following table:

Scope	Base year start	Base year end	Base year emissions (metric tons CO2e)	Comment

Scope 1	01/07/2008	30/06/2009	13,057	Scope 1 carbon emissions relate to the consumption of gas and fuel by domestic retail, commercial properties and the business use of our domestic tool-of-trade vehicle fleet.
Scope 2 (location-based)	01/07/2008	30/06/2009	163,889	Scope 2 carbon emissions relate to the electricity use by domestic retail and commercial properties and domestic ATMs and certain residential properties.

Emissions methodology

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

Change from 2017

No change (2017 CC7.2)

Response options

Select all that apply from the following options:

- Australia - National Greenhouse and Energy Reporting Act
- New Zealand - Guidance for Voluntary, Corporate Greenhouse Gas Reporting
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

Scope 1 emissions data

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Change from 2017

No change (2017 CC8.2)

Connection to other frameworks

TCFD

Metrics & Targets recommended disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Response options

Complete the following table:

Gross global Scope 1 emissions (metric tons CO2e)	Comment
9,694	As at 30 June 2017, our total Scope 1 Greenhouse Gas Emissions was 9,694 tonnes. It comprises the sum of: • Scope 1 Greenhouse Gas Emissions (Australia): Scope 1 Greenhouse Gas Emissions relate to the consumption of natural gas and stationary fuel used in retail and commercial properties. It also includes the business use of our domestic tool-of-trade vehicle fleet. Source of emissions factors: NGA Factors (2016). • Scope 1 Greenhouse Gas Emissions (New Zealand); Scope 1 Greenhouse Gas Emissions relate to the consumption of gas and fuel by ASB and Sovereign in domestic operations. It includes both retail and commercial properties and business use of domestic tool-of-trade vehicle fleet. Source of emissions factors: Guidance for Voluntary Corporate Greenhouse Gas Reporting (2016) and • Scope 1 Greenhouse Gas Emissions (Other) which is estimated for regions other than Australia and New Zealand. This has been estimated by multiplying the Scope 1 Emissions per FTE in Australia by the number of FTEs in regions outside of Australia and New Zealand. (This calculation approach is new in 2017 and has also been applied to restated prior year amounts.)

Scope 2 emissions reporting

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Change from 2017

No change (2017 CC8.3)

Response options

Please complete the following table:

Scope 2, location-based	Scope 2, market-based	Comment
• We are reporting a Scope 2, location-based figure	We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure	Our Scope 2 Greenhouse Gas Emissions are reported as a location- based figure. We do not report market-based Scope 2 emissions due to the extent of our operations. For example, we have operational control of ATMs in buildings but are unable to determine market-based emission factors associated with those facilities.

Scope 2 emissions data

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Change from 2017

No change (2017 CC8.3a)

Connection to other frameworks

TCFD

Metrics & Targets recommended disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Response options

Please complete the following table:

Scope 2, location-based	Scope 2, market-based (if applicable, otherwise leave it as blank)	Comment
96595	n/a	As at 30 June 2017, our total Scope 2 Greenhouse Gas Emissions was 96,595 tonnes. It comprises the sum of: • Scope 2 Greenhouse Gas Emissions (Australia) Scope 2 Greenhouse Gas Emissions relate to the electricity use by domestic retail, commercial, ATMs and certain residential properties. Source of emissions factors: NGA Factors (2016); • Scope 2 Greenhouse Gas Emissions (New Zealand) Scope 2 Greenhouse Gas Emissions relate to the electricity use by ASB and Sovereign’s domestic retail properties, commercial properties and domestic ATMs. Source of emissions factors: Guidance for Voluntary Corporate Greenhouse Gas Reporting (2016); and • Scope 2 Greenhouse Gas Emissions (Asia) – emissions relate to electricity use by the Group’s commercial offices in China, India, Singapore, Japan, Vietnam, as well as the retail branches in China and Indonesia. Data excludes joint ventures. Source of emissions factors: International Energy Agency - World CO2 Emissions from Fuel Combustion database (2016). • Scope 2 Greenhouse Gas Emissions (Other) which is estimated for regions other than Australia, New Zealand and Asia. This has been estimated by multiplying the Scope 2 Emissions per FTE in Australia by the number of FTEs in regions outside of

		Australia, New Zealand and Asia. (This calculation approach is new in 2017 and has also been applied to restated prior year amounts.)

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Change from 2017

No change (2017 CC8.4)

Response options

Select one of the following options:

- No

Scope 3 emissions data

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Change from 2017

No change (2017 CC14.1)

Connection to other frameworks

TCFD

Metrics & Targets recommended disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Response options

Please complete the following table:

Sources of Scope 3 emissions	Evaluation status	Metric tons CO2e	Emissions calculation methodology	Percentage of emissions calculated using	Explanation

				data obtained from suppliers or value chain partners	
Purchased goods and services	• Relevant, calculated	44,380	These emissions relate to the Group's material purchases of goods and services, excluding capital goods purchases which are included under the Capital Goods section of this question. Data Centres: In Australia the data centres are managed by a third party and fall outside the Group’s operational control. The Group’s two major data centres are located in Sydney. The full-fuel cycle emissions factor for electricity in NSW was applied to this extrapolated figure to account for the supplier's direct and indirect emissions to determine total Scope 3 emissions for outsourced data centres. The emissions from combustion of diesel used in the backup generators have also been included. Data centre emissions for ASB have also been reported. Paper Related Emissions: These emissions relate to the production of the office paper purchased by the Group in both Australia and New Zealand. Purchasing records for the reporting period were provided by the Group's paper suppliers summarising the quantity of paper purchased and the paper type (i.e. recycled, non-recycled, and carbon neutral). This year, actual tonnage was provided by the supplier therefore calculations were not required to determine	100%	Data Centre services and office paper purchasing have been identified as the two most significant products and services procured by the Bank and therefore emissions are considered material and have been reported. The Bank has worked with its paper suppliers to increase the accuracy of paper tonnage figures to determine reportable emissions. Additionally the Bank is working to reduce paper consumption by both employees and customers. Employees working within our Commonwealth Bank Place offices use Activity Based Working which supports ‘Follow-You Printing’ (technology which only allows printing when a security code is entered into the printer), resulting in a reduction in printing by approximately 50% (against a target of 30%) and saving over $1 million per annum. For customers, the Bank promotes paperless billing.

			total weight. As the Group bought a mixture of recycled and non-recycled paper, a conservative emissions factor for recycled paper of 000.68kg of CO2-e per kg of paper was applied. The Group's purchases of carbon neutral paper are not included in this calculation, because this paper is considered to be 'zero carbon'.		
Capital goods	Relevant, calculated	2,573	The Scope 3 emissions from Capital purchases was estimated based on the number of multifunction devices purchased and an estimate of the embodied emissions in each based on the following assumptions. It was assumed that each MFD was made from 60% plastic and 40% aluminium. This is considered to be a conservative estimate, given the high carbon intensity of aluminium. Emissions were then calculated by applying an 'input/output' emission factors for plastic products (0.02 kgCO2-e/$) and aluminium (1.4 kgCO2- e/$), adjusted for inflation, provided in the Balancing Act study (CSIRO) to the total spend for the new photocopiers.	0.00%	
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	14,01 7	For each fuel type, emissions have been calculated by multiplying the total quantity of fuel consumed by the relevant Scope 3 emissions factors from the current versions	0.00%	These emissions relate to indirect emissions of the Bank's Australian and New Zealand Scope 1 and 2 emissions,

			of the Australian National Greenhouse Accounts (NGA) Factors (Australian data) and the New Zealand Guidance for Voluntary Corporate Greenhouse Gas Reporting (New Zealand Data).		attributable to the extraction, production, processing and transportation of fuels and the electricity lost in the transmission and distribution network. Any reductions in Scope 1 and 2 emissions as part of the Bank's Targets Program will result in a commensurate reduction in these Scope 3 emissions sources.
Upstream transportation and distribution	Not relevant, explanation provided	N/A	N/A	N/A	Upstream transport and distribution are not considered to be a relevant Scope 3 emission sources for the Bank. Unlike other industries, banking does not procure large quantities of goods requiring freight. Despite this, the Bank acknowledges the importance of its influence on its supply chain
Waste generated in operations	Relevant, calculated	4,937	Reported resources include waste associated with the Group's ASB, Sovereign, Commonwealth Bank and BankWest operations. Emissions are calculated on actual waste data (weight sent to landfill and weight sent to recycling) for six of the Group's major commercial properties (based on full-time employee (FTE) occupancy of these buildings, this represents 56% of the Bank’s portfolio). To determine the percentages attributable to	100.00%	

			each landfill stream, the findings of a 2010 Waste Audit Report conducted on the Bank’s operations was used. This audit included both commercial and retail properties. The waste stream splits were then applied to the total waste to landfill data to determine total waste composition per FTE for both retail and commercial properties. National Greenhouse Accounts (Australia) and New Zealand Guide for Voluntary Greenhouse Gas Reporting (NZ) factors were then used to derive emissions factors per FTE for commercial and retail properties. These factors were then applied to the number of FTEs in the Bank's remaining commercial properties and the Bank’s retail portfolio to determine total emissions from waste generation. Retail waste is assumed not to change materially year on year.		
Business travel	Relevant, calculated	23,056	These emissions relate to the Bank’s Australian and New Zealand air travel, taxi use and New Zealand hire car use and third party vehicles. Flight emissions are calculated based on data supplied from the Bank’s travel suppliers AMEX, who provided the Bank with data from their Cliqbook System for the reporting period on the number of flights, class and mileage. For New Zealand, data is obtained from General Ledger information.	100.00%	Australian flight distance calculation methodology is based on the UK Department for Environment (Defra) conversion factors.

			Flight emissions are calculated by multiplying distance travelled x 1.09 (9% uplift) x 1.9 (RFI) x factor (dependent on distance band) = total emissions. The 9% uplift factor accounts for take-off, circling and non-direct routes. The radiative forcing factor of 1.9 – 2.0 (recommended by IPCC) accounts for emissions at high altitude. Flight emissions data is categorised as domestic, international short-haul and international long-haul and flight miles for each are multiplied by the relevant factor from the New Zealand Guidance for Voluntary Corporate Greenhouse Gas Reporting (Domestic = 0.1728 kgCO2-e/km, International Short-Haul = 0.0946 kgCO2-e/km, International Long-Haul = 0.0827 kgCO2-e/km). Total flight emissions include the sum of Australia and New Zealand emissions. For Australian taxi data, total taxi spend is obtained from the Bank’s General Ledger. A 'cost per km' factor was applied to determine total distance travelled and then a factor was applied to determine total fuel (assumed to be LPG) used. NGER LPG factors were applied for Australia and for New Zealand. For New Zealand taxis, the taxi factors from the New Zealand Guidance for Voluntary Corporate Greenhouse Gas Reporting were used. For all New Zealand hire, leased and third party vehicle car use,		

			an emissions factor for medium cars was applied from the New Zealand Guidance for Voluntary Corporate Greenhouse Gas Reporting based on distance travelled data provided by log books and hire car suppliers.		
Employee commuting	Relevant, calculated	54,594	The emissions associated with employee commuting for the Bank's operations were estimated based on total FTE numbers in Australia, NZ and Asia. Our estimation was based on the average employee travelling 30km per working day to and from work. It was assumed that 90% of all FTEs use public transport and 10% drive. Based on these assumptions, factors for emissions per passenger kilometre were applied from the DEFRA average of bus and national rail, and the DEFRA average for cars. This methodology was applied to all employees and is considered to be conservative.	0.00%	
Upstream leased assets	Not relevant, explanation provided	N/A	N/A	N/A	This is not an applicable scope 3 emissions source as all property leased by the Bank is also under the Bank's operational control and therefore associated emissions are reported as part of scope 1 and scope 2 emissions.
	Relevant, calculated	12,208	These emissions relate to the Bank's domestic Australian postage emissions and New Zealand ASB Bank Ltd's postage,		

Downstream transportation and distribution			courier and data mail emissions. Australian postage emissions were calculated using actual mail spend by the Commonwealth Bank and publicly available data from Australia Post which included total emissions and total revenue to give an emissions factor of 0.00012 kg CO_2-e/$ spend. New Zealand courier emissions were calculated based on the overseas km tonnes (tonnes * km travelled) and local km travelled with different emission factors applied to each. Total overseas km tonnes (14,436 km tonne) was multiplied by the New Zealand overseas postage emissions factor of 1.4 kg of CO_2-e/km tonne and total local km travelled (291,073 km) was multiplied by the New Zealand overseas postage emissions factor of 0.2 kg of CO_2-e/km. Postage emissions have been calculated based on kWh's of purchased electricity across Auckland and Christchurch with an emissions factor of 0.119 CO_2-e/kWh. Emissions were multiplied by a factor of 21% which is the estimated percentage electricity attributable to the task of printing and generating bank statements for postage.		
Processing of sold products	Not relevant, explanation provided	N/A	N/A	N/A	This is not a relevant emission source for the Bank. The Bank's products are financial instruments that are intangible and do not

					have any processing requirements.
Use of sold products	Not relevant, explanation provided	N/A	N/A	N/A	This is not a relevant emission source for the Bank. The Bank's products are financial instruments that are intangible and do not have any processing requirements.
End of life treatment of sold products	Not relevant, explanation provided	N/A	N/A	N/A	This is not a relevant emission source for the Bank. The Bank's products are financial instruments that are intangible and do not have any processing requirements.
Downstream leased assets	Relevant, calculated	3,974	The Bank has a portfolio of commercial and retail properties which are leased to other parties. The Bank has sourced lease asset data for Australian and New Zealand operations, equating to approximately 19,600 m2. To determine emissions associated with these properties and their use, emissions were calculated using a proxy calculated emissions intensity of 180 kg CO2-e/m2. For regions other than Australia and New Zealand Scope 3 emissions have been estimated by multiplying the Scope 3 Emissions per FTE in Australia by the number of FTEs in regions outside of Australia and New Zealand.	89%	

Franchises	Not relevant, explanation provided	N/A	N/A	N/A	This is not a relevant emission source for the Bank as the Bank does not have franchises.
Investments	Relevant, calculated	36,099,217	The financed emissions analysis was conducted by EY, as informed by the principles set out in the GHG Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard. This approach draws on the emerging protocols being discussed through the Greenhouse Gas Protocol and United Nations Environment Programme Finance Initiative (UNEP FI) working group. For methodology and further details, please refer to: https://www.commbank.com.au/content/dam/commbank/assets/about/opportunity-initiatives/FY16-Assessed-emissions-report.pdf	100.00%	In 2018 we undertook a detailed assessment of the carbon emissions arising from the Group’s business lending, providing the analysis and insights to identify and act on key opportunities to reduce these carbon emissions. Key metrics from this report are included in the 2017 Results Presentation and Investor Discussion Pack – see p58, available via https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/results/fy17/FY17_Results_Presentation_and_Investor_Discussion_Pack_14_August_2017.pdf In estimating the emissions arising from its lending activities, the Group used client-specific emissions where available, and modelled sector-specific emissions intensity data for its remaining lending exposures. Client-Specific Emissions - The Group focussed on identifying

					client-specific emissions for those clients to which the Group has a material exposure, and for emissions-intensive industry sectors. Emissions data were sourced from the Australian National Greenhouse and Energy Reporting scheme, the Australian National Greenhouse Gas Inventory, publicly available reports and other company disclosures and known performance measures. The proportion of CBA debt exposure for which client-specific emissions data was available differed by sector.
Other (upstream)	Not relevant, explanation provided	N/A	N/A	N/A	CBA Group has no other relevant emissions sources.
Other (downstream)	Not relevant, explanation provided	N/A	N/A	N/A	CBA Group has no other relevant emissions sources.

Carbon dioxide emissions from biologically sequestered carbon

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Change from 2017

No change (2017 CC8.9)

Response options

Select one of the following options:

- No

Emissions intensities

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Change from 2017

Modified question (2017 CC12.2, CC12.3)

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

Intensity figure	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change	Reason for change
2.33	106,288.63 Metric tons CO2e	full time equivalent (FTE) employee	45,614	Location-based	10.03%	Decreased	Emissions reduction activity Solar, energy efficiencies – intensity reduction

C7 Emissions breakdown

Scope 1 breakdown: GHGs

(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?

Change from 2017

New question

Response options

Select one of the following options:

- Yes

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type providing the used global warming potential (GWP), and the source of each GWP.

Question Dependencies

This question only appears if you select “Yes” in response to C7.1.

Change from 2017

Modified question (2017 CC7.3, CC9.2c)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Greenhouse gas	Scope 1 emissions (metric tons in CO2e)	GWP Reference
CO2	9655	IPCC Fifth Assessment Report (AR5 – 100 year)

CH4	1	IPCC Second Assessment Report (SAR – 100 year)
N2O	38	IPCC Fifth Assessment Report (AR5 – 100 year)

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Change from 2017

No change (2017 CC9.1a)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	7,411
New Zealand	1,348
Rest of world	935

[Add Row]

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Change from 2017

Modified question (2017 CC9.2)

Response options

Select all that apply from the following options:

- By business division (not applicable for companies responding to sector questionnaires)

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Question dependencies

This question only appears if you select “By business division” in response to C7.3.

Change from 2017

No change (2017 CC9.2a)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Business division	Scope 1 emissions (metric tons CO2e)
Bankwest	645
Business & Private Banking	731
Digital Channels	59
Enterprise Services	1,513
Financial Services	441
Group Corporate Affairs	47
Group Marketing and Strategy	54
Human Resources	156
IFS Asia	780
Institutional Banking & Markets	307
New Zealand	1,138
Retail Banking Services	2,445
Risk Management	354

Wealth Management	1,026

Scope 2 breakdown: country

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Change from 2017

No change (2017 CC10.1a)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Australia	83,723	0	98,815	0
New Zealand	2,661	0	21,995	0
Rest of the world	10,211	0	14,147	0

Scope 2: business breakdowns

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Change from 2017

No change (2017 CC10.2)

Response options

Select all that apply from the following options:

- By business division (not applicable for companies responding to sector questionnaires)

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Question dependencies

This question only appears if you select "By business division" in response to C7.6.

Change from 2017

No change (2017 CC10.2a)

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e) if applicable
Bankwest	6,427	
Business & Private Banking	7,283	
Digital Channels	585	
Enterprise Services	15,076	
Financial Services	4,389	
Group Corporate Affairs	467	
Group Marketing and Strategy	542	
Human Resources	1,551	

IFS Asia	7,775	
Institutional Banking & Markets	3,056	
New Zealand	11,340	
Retail Banking Services	24,359	
Risk Management	3,523	
Wealth Management	10,222	

[Add Row]

Emissions performance

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Change from 2017

Minor change (2017 CC12.1)

Response options

Select one of the following options:

- Decreased

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Question dependencies

This question only appears if you select “Increased”, “Decreased” or “Remained the same overall” in response to C7.9.

Change from 2017

Modified question (2017 CC12.1a)

Response options

Please complete the following table:

Reason	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	396	Decrease	0.34%	One of the reasons that led to the reduction in gross Scope 1 and 2 emissions was the increase in solar panels installed in branches during FY17. The calculation for change in renewable energy consumption is as follows (396/116825)*100 = 0.34%).
Other emissions reduction activities	4,992	Decrease	4.27%	The bank has undertaken a range of emission reduction activities which accounted for savings of 4992 tonnes CO2-e in Scope 2 emissions and represents a saving of 4.27% based on total scope 1 and 2 emissions of 116825 tonne CO2-e for FY17. (4992/116825)*100 = 4.27%).
Divestment	863	Decrease	0.74%	There has been a divestment in 22 Large Retail Branches and a reduction in ATMs.
Acquisitions	N/A	N/A	N/A	N/A
Mergers	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A

Change in output				
Change in methodology	N/A	N/A	N/A	N/A
Change in boundary	1,191	Decrease	1.02%	Malaga Data Centre WA (non-operational control) and PN91147 leased to external tenant.
Change in physical operating conditions	N/A	N/A	N/A	N/A
Unidentified	2,656	Decrease	2.27%	The remaining gross global Scope 1 and 2 emissions which could not be classified has been amalgamated and recorded under ‘Unidentified’. The calculations for the remaining emissions is as follows: (10,536-7,880) = 2,656 tonne CO2-e for FY17. (2656/116825)*100 = 2.27%).
Other	N/A	N/A	N/A	N/A

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Question dependencies

This question only appears if you select “Increased”, “Decreased” or “Remained the same overall” in response to C7.9.

Change from 2017

No change (2017 CC12.1b)

Response options

Select one of the following options:

- Location-based

C8 Energy

Energy spend

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

Change from 2017

No change (2017 CC11.1)

Response options

More than 0% but less than or equal to 5%

Energy-related activities

(C8.2) Select which energy-related activities your organization has undertaken.

Question Dependencies

The energy-related activities that you select in response to C8.2 determine which energy breakdowns you will be prompted to respond to in the proceeding questions. Please note, if your response to C8.2 is amended, data in dependent questions may be erased.

Change from 2017

New question

Response options

Please complete the following table:

Activity	Indicate whether your organization undertakes this energy-related activity

Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Question dependencies

This question only appears if you select “Yes” to any of the activities listed in C8.2. A row will appear in this table for each energy-related activity selected in C8.2. The "Total energy consumption" row will always appear.

Change from 2017

Modified question (2017 CC11.2, CC11.5)

Response options

Please complete the following table:

Activity	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	• HHV (higher heating value)	0	43,734	43,734

Consumption of purchased or acquired electricity	N/A	376.5	98438	98814.5
Consumption of purchased or acquired heat	N/A	0	0	0
Consumption of purchased or acquired steam	N/A	0	0	0
Consumption of purchased or acquired cooling	N/A	0	0	0
Consumption of self-generated non-fuel renewable energy	N/A	0	N/A	0
Total energy consumption	N/A	377	178,314	178,690

(C8.2b) Select the applications of your organization's consumption of fuel.

Question Dependencies

This question only appears if you select "Yes" to "Consumption of fuel" in response to C8.2. Each option that you select in this table will appear as an additional column in C8.2c.

Change from 2017

New question

Response options

Please complete the following table:

Fuel application	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Question dependencies

This question only appears if you select “Consumption of fuel” in C8.2 and a column appears in the table for each fuel application selected in C8.2b. The “Total MWh consumed by the organization” and “MWh consumed for the generation of heat” columns will always appear.

Change from 2017

Modified question (2017 CC11.3, CC11.3a)

Response options

Please complete the following table. The table is displayed over several rows for readability. You are able to add rows by using the “Add Row” button at the bottom of the table.

Fuels	Heating value	Total MWh consumed by the organization	MWh consumed for self-generation of electricity
Diesel	HHV	9,405	9,405

Natural Gas	HHV	3,354	3,354
Petrol	HHV	26,537	26,537
Bioethanol	HHV	4,438	4,438
Diesel	HHV	9,405	9,405

MWh consumed for self-generation of heat	MWh consumed for self-generation of steam	MWh consumed for self-generation of cooling	MWh consumed self-cogeneration or self-trigeneration
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Question dependencies

This question only appears if you input data into C8.2c. A corresponding row will appear for each fuel that you reported in C8.2c.

Change from 2017

Modified question (2017 CC7.4)

Response options

Please complete the following table:

Fuel	Emission factor	Unit	Emission factor source	Comment
Diesel	2.7177	kg CO2e per litre	National Greenhouse and Energy Reporting Scheme Measurement. Technical Guidelines for the estimation of emissions by facilities in Australia. (Aug 2016). Indirect Factor - NGA workbook (where applicable), published Aug 2016.	Average emission factor for Diesel Stationary - Scope 1, Diesel Transport - Scope 1 and Diesel Transport - Scope 3.
Natural Gas	51.53	kg CO2e per GJ	National Greenhouse and Energy Reporting Scheme Measurement. Technical Guidelines for the estimation of emissions by facilities in Australia. (Aug 2016). Indirect Factor - NGA workbook (where applicable), published Aug 2016.	
Petrol	2.312604	kg CO2e per litre	National Greenhouse and Energy Reporting Scheme Measurement. Technical Guidelines for the estimation of emissions by facilities in Australia. (Aug 2016). Indirect Factor - NGA workbook (where applicable), published Aug 2016.	Average emission factor for Petrol Transport post-2004 - Scope 1 and Petrol Transport - Scope 3
Bioethanol	2.08228	kg CO2e per litre	National Greenhouse and Energy Reporting Scheme Measurement. Technical Guidelines for the estimation of emissions by facilities in Australia. (Aug 2016). Indirect Factor - NGA workbook (where applicable), published Aug 2016.	Ethanol E10 Transport post-2004 [L]

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Question Dependencies

This question only appears if you select “Generation of electricity, heat, steam, or cooling” in response to C8.2.

Change from 2017

Modified question (2017 CC11.5)

Response options

Please complete the following table:

Energy Carrier	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	376.5	376.5	376.5	376.5
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

(C8.2f) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Question Dependencies

This question only appears if you select “Consumption of purchased or acquired electricity”, “Consumption of purchased or acquired heat”, “Consumption of purchased or acquired steam” or “Consumption of purchased or acquired cooling” in response to C8.2.

Change from 2017

Modified question (2017 CC11.4)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Basis for applying a low-carbon emission factor	Low-carbon technology type	MWh consumed associated with low-carbon electricity, heat, steam or cooling	Emission factor (in units of metric tons CO2e per MWh)	Comment
• No purchases or generation of low-carbon electricity, heat, steam or cooling accounted with a low-carbon emission factor		0	0	The Group has installed more than 500kW of solar panels at 47 locations across Australia. We will source renewable energy for 25% of our power needs by 2020.

C9 Additional metrics

Other climate-related metrics

(C9.1) Provide any additional climate-related metrics relevant to your business.

Change from 2017

New question

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Description	Metric value	Metric numerator	Metric denominator (intensity metric only)	% change from previous year	Direction of change	Please explain
Waste	1270	tonnes	Text field	10%	Decreased	Total waste associated with the Group’s Australian operations has decreased year on year.

C10 Verification

Verification

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

Change from 2017

Modified question (2017 CC8.6, CC8.7, CC14.2)

Response options

Please complete the following table:

Scope	Verification/assurance stats
Scope 1	• Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	• Third-party verification or assurance process in place
Scope 3	• Third-party verification or assurance process in place

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Question dependencies

This question only appears if you select “Third-party verification or assurance process in place” for Scope 1 and/or Scope 2 emissions in response to C10.1.

Change from 2017

Modified question (2017 CC8.6a, CC8.7a)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Scope	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference (numeric field only)	Relevant standard	Proportion of reported emissions verified (%)
Select from: ● Scope 1	Select from: ● Annual process	Select from: ● Complete	● Limited assurance	https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/corporate-responsibility/2017/fy17-assurance-statement.pdf	1 Page Only	● ASAE3000	100%
● Scope 2 location-based	● Annual process	● Complete	● Limited assurance	● https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/corporate-responsibility/2017/fy17-assurance-statement.pdf	● 1 Page Only	● ASAE3000	100%

[Add Row]

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Question dependencies

This question only appears if you select “Third-party verification or assurance process in place” for Scope 3 emissions in response to C10.1.

Change from 2017

Modified question (2017 CC14.2a)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Scope	Verification or assurance cycle in place	Status in the current reporting year	Attach the statement	Page/ section reference	Relevant standard
Select from: ● Scope 3- all relevant categories	Select from: ● Annual process	Select from: ● Complete	https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/corporate-responsibility/2017/fy17-assurance-statement.pdf	1 Page Only All the Environmental metrics reported in page 63 of the 2017 Corporate Responsibility Report have been verified by PwC. See assurance statement on page 76	Select from: ● ASAE3000

[Add Row]

Other verified data

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Change from 2017

Modified question (2017 CC8.8)

Response options

Select one of the following options:

- Yes

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Question dependencies

This question only appears if you select “Yes” in response to C10.2.

Change from 2017

Modified question (2017 CC8.8)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Disclosure module verification relates to	Data verified	Verification standard	Please explain
• C5. Emissions performance	• Change in Scope 1 emissions against a base year (not target related) • Change in Scope 2 emissions against a base year (not target related) • Change in Scope 3 emissions against a base year (not target related)	Australian Standard on Assurance Engagements (ASAE) 3000	All the Environmental metrics reported in page 63 of the 2017 Corporate Responsibility Report have been verified by PwC. See assurance statement on page 76. PWC provides third party assurance over the Group's global GHG emissions metrics, data and methodology. The assurance covers verification of the reduction in GHG emissions for Scopes 1, 2, and 3 directly related to the Bank's carbon emissions reduction targets.
• C6. Emissions data	• Year on year change in emissions (Scope 1 and 2) • Year on year change in emissions (Scope 3)	Australian Standard on Assurance Engagements (ASAE) 3000	All the Environmental metrics reported in page 63 of the 2017 Corporate Responsibility Report have been verified by PwC. See assurance statement on page 76. PWC provides third party assurance over the Group's global GHG emissions metrics, data and methodology. The assurance covers verification of the reduction in GHG emissions for Scopes 1, 2, and 3 directly related to the Bank's carbon emissions reduction targets.
• C7. Emissions breakdown	• Year on year change in emissions (Scope 1 and 2) • Year on year change in emissions (Scope 3)	Australian Standard on Assurance Engagements (ASAE) 3000	All the Environmental metrics reported in page 63 of the 2017 Corporate Responsibility Report have been verified by PwC. See assurance statement on page 76. PWC provides third party assurance over the Group's global GHG emissions metrics, data

			and methodology. The assurance covers verification of the reduction in GHG emissions for Scopes 1, 2, and 3 directly related to the Bank's carbon emissions reduction targets.

C11 Carbon pricing

Carbon pricing systems

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Change from 2017

New question

Response options

Select one of the following options:

- No, and we do not anticipate being regulated in the next three years

Project-based carbon credits

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Change from 2017

No change (2017 CC13.2)

Response options

Select one of the following options:

- No

[Add Row]

Internal price on carbon

(C11.3) Does your organization use an internal price on carbon?

Change from 2017

No change (2017 CC2.2c)

Response options

Select one of the following options:

- No, and we don’t anticipate doing so in the next two years

C12 Engagement

Value chain engagement

(C12.1) Do you engage with your value chain on climate-related issues?

Change from 2017

Minor change (2017 CC14.4)

Response options

Select all that apply from the following options:

- Yes, our suppliers
- Yes, our customers

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Question dependencies

This question only appears if you select “Yes, our suppliers” in response to C12.1.

Change from 2017

Modified question (2017 CC14.4b)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
Select from: • Compliance & onboarding	Select all that apply: • Compliance & onboarding • Code of conduct featuring climate change KPIs	10%	10%	11%	During onboarding of new suppliers, or contract renewals, suppliers must complete a Sustainability Questionnaire. This document requests information on monitoring carbon emissions and setting reduction targets for Scope 1, 2 and 3 emissions. Suppliers are issued the Supplier Code of Conduct, which includes expectations on minimising environmental impacts and reporting energy	Expectations set for suppliers that they must consider energy use and carbon emissions in their business, and the services that they provide the bank.	Supplier Code of Conduct is available at: https://www.commbank.com.au/personal/apply-online/download-printed-forms/Supplier-Code-of-Conduct.pdf

					use and carbon emissions.		
• Innovation & collaboration (changing markets)	Other, please specify: Specific climate change criteria for tenders and contracts	1%	2%	12.20%	CBA engages with a variety of suppliers on innovation in their respective products and services. CBA has committed to sourcing renewable energy 25% of its operational power needs by 2020. CBA is negotiating directly with a renewable energy provider to enter a power purchase agreement to meet these needs. This supply agreement is expected to be implemented by January 2019, one year ahead of schedule. CBA works with company fleet providers to monitor fleet fuel use and emissions and source fuel efficient vehicle options. CBA is working with construction and property companies for the delivery of a new office for 10,000 employees. This	When implemented this engagement will deliver an estimated reduction in Scope 2 emissions of more than 31,000 tonnes CO2-e, or a 33% reduction in Scope 2 emissions and a 4.7% reduction in Scope 3 emissions. Delivery of a 6-star Green Star rated office for 10,000 employees by 2019.	For further information, please refer to the 2017 Corporate Responsibility Report at: https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/corporate-responsibility/2017/2017-corporate-responsibility-report.pdf

					office space is being designed to a 6-star Green Star rating.		

[Add Row]

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Question dependencies

This question only appears if you select "Yes, our customers" in response to C12.1.

Change from 2017

Modified question (2017 CC14.4a)

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table.

Type of engagement	Details of engagement	Size of engagement	% Scope 3 emissions as reported in C6.5	Please explain the rationale for selecting this group of customers and scope of engagement	Impact of engagement, including measures of success
• Collaboration & innovation	• Run a campaign to encourage innovation to reduce climate change impacts	45%	18.70%	Our institutional banking clients have a significantly larger impact, in relation to carbon emissions, than the business has operational and that our suppliers have. CBA applies an ESG risk assessment process to all institutional banking customers. Potential lending to customers must undergo a risk assessment, which includes carbon and energy as one of its assessment criteria.	CBA's lending to renewable energy projects has increased by 200%. We are tracking our progress towards the 2025 target. Emissions intensity of the lending portfolio decreased by 9.4% from FY14 to FY16.

				Clients must show that they are aware of their climate risks and have programs to mitigate their impacts. CBA has committed to funding $15 billion to low carbon projects by 2025. CBA currently has $3.3 billion in exposure to renewable energy projects. One of our renewable energy customers is our preferred supplier to meet our target to source renewable energy for 25% of its operational power needs by 2020.	

Public policy engagement

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Change from 2017

No change (2017 CC2.3)

Response options

Select all that apply from the following options:

- Direct engagement with policy makers
- Trade associations

(C12.3a) On what issues have you been engaging directly with policy makers?

Question dependencies

This question only appears if you select “Direct engagement with policy makers” in response to C12.3.

Change from 2017

No change (2017 CC2.3a)

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	The Group has been engaged with the Green Building Council of Australia (GBCA) for the development of rating tool for retail portfolio.	The Group supports the on-going operation and improvement of the rating tools being developed by GBCA. The rating tool will assist in lifting the performance of retail fitouts. All of the Group's future fitouts will be built to 5 Star standard design.
Energy efficiency	Support	The Group has been engaged with the CitySwitch Program since the program began and was awarded the National Signatory Award for its outstanding demonstration of countrywide sustainability action in 2017.	The Group supports the on-going operation and improvement of the City Switch Program. The data disclosed as part of annual reporting is key to establishing industry and sector benchmarks.
Mandatory carbon reporting	Support	The Group is committed to providing climate change information in mainstream reporting including NGER reporting and reporting to the CDP.	The Group supports carbon reporting through the National Greenhouse and Energy Reporting (NGERs) and has publically reported carbon metrics since 2009.
Cap and trade	Support	We have engaged with the Federal Government, both directly and through the Business Council of Australia, on its review of climate change policies.	Current policy offerings include the Emissions Reduction Fund and the proposed National Electricity Guarantee.

Climate finance	Support	We have engaged with the City of Sydney through the Lord Mayor's Roundtable on net zero emissions by 2050. Part of the discussion was climate finance to facilitate the transition.	No proposed legislative solution.

[Add Row]

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Question dependencies

This question only appears if you select "Trade associations" in response to C12.3.

Change from 2017

No change (2017 CC2.3b)

Response options

Select one of the following options:

- Yes

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Question dependencies

This question only appears if you select "Yes" in response to C12.3b.

Change from 2017

No change (2017 CC2.3c)

Response options

Please complete the following table. You are able to add rows by using the "Add Row" button at the bottom of the table**.**

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you influenced, or are you attempting to influence the position?

Financial Services Council (FSC) Investment Committee	Consistent	The FSC does not outline their position on their website, but they have contributed to a report on ESG. This report includes references to climate change as important to investors. It encourages companies to look at the risks posed (i.e. damaging weather) to cater for the long-term consequences (i.e. higher costs, loss of market share and damage to physical assets).	The Group influenced the FSC through its ESG Working group heavily in late 2016 and early 2017. We put forward several ESG related pieces of work, including a proposal for an FSC guidance note on climate change risk assessment (pending the release of APRA regulation). Once the APRA regulation is released, further elaboration of the ESG risk assessment will be required in the APRA Superannuation Prudential Standard 530 (SPS530).
Responsible Investment Association of Australia (RIAA)	Consistent	The RIAA purpose is to encourage the responsible investment of capital into sustainable assets. They have significant emphasis on climate change, as part of the sustainable investment approach.	The Group is a member of RIAA. We do not directly influence the position or direction of its work, however, as members we participate in its ongoing debates and policy developments.
Principles for Responsible Investment (PRI)	Consistent	PRI leads action on climate risk, and is the leading proponent of responsible investment. It works to understand ESG factors as an independent body, with ongoing engagement with policymakers and the UN.	The Group agrees with the PRI's current position.
Carbon Market Institute	Consistent	The Carbon Market Institute believes that market-based solutions are the most efficient policy mechanism to address the challenge of climate change.	The Group agrees with the Carbon Market Institute’s current position and have sponsored the Carbon Market Institute Summit 2018.

[Add Row]

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Question dependencies

This question only appears if you select “Direct engagement with policy makers”, “Trade associations”, “Funding research organizations” and/or “Other” in response to C12.3.

Change from 2017

No change (2017 CC2.3f)

Response options

This is an open text question.

Please note that when copying from another document into the disclosure platform, formatting is not retained.

All direct and indirect activities that influence policy are consistent with the Group overall climate change and ESG related strategy which is integrated into a multi-disciplinary company-wide risk management process.
Processes in place to ensure all engagement is consistent with our overall climate change strategy include:

- The development of a Group-wide climate position statement and action plan, which is used as the framework on which our engagement activities are based. Before engaging in any activity or discourse we assess whether our participation (and the content) aligns with our Climate Change position as formalised in these documents.
- The Group overarching Risk Appetite Statement (RAS), which fundamentally guides the Group risk culture and sets out the boundaries of risk tolerance, which includes climate change and sustainability issues. We assess potential engagement activities through our RAS lens to determine whether they fit within our risk strategy (which includes climate change)
- Risk tolerance boundaries are defined by the principles and metrics, both quantitative and qualitative, that must be considered collectively and not in isolation.
- Group-wide Environment policy sets a foundation and creates a framework for understanding and managing the Group’s direct and indirect activities that could influence policy are consistent with our climate change strategy.
- Development and execution on the Group’s ESG Lending Framework and risk screening tool which assesses our indirect activities across seven ESG themes including biodiversity, water, climate and energy, pollution, labour & human rights, workplace health and safety and anti-corruption and bribery. Internal sector specific policies; the Group uses a number of ESG policies for high impact/sensitive sectors so as to ensure ESG risks and opportunities are considered at deal initiation and during the life of a transaction.
- Public disclosure of the Group’s Environmental, Social and Governance nine (ESG) Lending commitments and progress toward meeting these commitments. This includes Equator Principles III training for staff, alignment of ESG lending framework with Equator Principles III to ensure consistency between policy and internal strategy.
- The Group uses a Responsible Investment Framework to guide investments on ESG decisions and commitments, through the guiding principles of integrity, balance and transparency.

- Group Environmental Management System (EMS) is aligned to ISO: 14001. The system provides a consistent approach to planning, implementing and reviewing the environmental management process. The system incorporates an Environmental Aspects and Impacts register, identifying environmental attributes of products, activities and services and their effects on the environment. This register provides a risk rating for each outcome and therefore provides the Group with relevant information for addressing policy matters.

The key elements of our Responsible Investment Strategy which are directly related to climate change are:

- Integration of carbon and other climate related data into our systems and reporting processes including portfolio assessments for climate change risks.
- Actively engaging with our clients to ensure we can anticipate and meet their needs now and into the future.
- Including climate change as part of our training program for example by inviting in external experts to present and engage with our investment teams.
- Improved disclosure of climate change as a material business and investment issues.
- Continued support of the Investor Group on Climate Change and other industry bodies who are working on climate change.

Communications

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Change from 2017

Modified question (2017 CC4.1)

Connection to other frameworks

TCFD

C12.4 does not align with a specific area, or recommended disclosure provided by the TCFD. However, it does align with the TCFD’s primary aim to have climate-related information disclosed in financial filings.

Response options

Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table**.**

Publication	Status	Attach the document	Content elements

Climate Policy Position Statement	Complete	https://www.commbank.com.au/content/dam/commbank/assets/about/opportunity-initiatives/CBA-Climate-Policy-Position-Statement.pdf	• Select from drop-down: **Governance** **Strategy** Risks & Opportunities Emissions figures **Emission targets**
Group Environment Policy	Complete	https://www.commbank.com.au/content/dam/commbank/about-us/docs/sustainability-20151103-group-environment-policy.pdf	• Select from drop-down: **Governance** **Strategy** Risks & Opportunities Emissions figures **Emission targets**
ESG Lending Commitments	Complete	https://www.commbank.com.au/content/dam/commbank/assets/about/who-we-are/sustainability/environmental-social-governance-lending-commitments.pdf	• Select from drop-down: **Governance** Strategy **Risks & Opportunities** Emissions figures Emission targets
Responsible Investing Framework	Complete	https://www.commbank.com.au/content/dam/commbank/about-us/docs/sustainability-20151103-responsible-investing-framework.pdf	• Select from drop-down: **Governance** Strategy **Risks & Opportunities** Emissions figures Emission targets
Emissions of business lending portfolio	Complete	https://www.commbank.com.au/content/dam/commbank/assets/about/opportunity-initiatives/FY16-Assessed-emissions-report.pdf	• Select from drop-down: Governance Strategy Risks & Opportunities **Emissions figures** Emission targets
Equator Principles III	Complete	https://www.commbank.com.au/content/dam/commbank/assets/about/opportunity-	• Select from drop-down: **Governance** Strategy

		initiatives/CBA-Equator-Principles-III-2017-Report.pdf	**Risks & Opportunities** Emissions figures Emission targets
In mainstream reports e.g. Annual Report	Complete	2017 Annual Report https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/annual-reports/annual_report_2017_14_aug_2017.pdf Notice of 2017 Annual General Meeting https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/2017-asx/2017-notice-of-meeting.pdf 2017 Corporate Responsibility Report https://www.commbank.com.au/content/dam/commbank/about-us/shareholders/pdfs/corporate-responsibility/2017/2017-corporate-responsibility-report.pdf	• Select from drop-down: **Governance** **Strategy** **Risks & Opportunities** **Emissions figures** Emission targets

C14 Signoff

Signoff

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

Change from 2017

Minor change (2017 CC15.1)

Response options

Please complete the following table:

Job title	Corresponding job category
Acting Chief Financial Officer	Chief Financial Officer (CFO)