Module: Introduction

Page: Introduction

CC0.1

Introduction
Please give a general description and introduction to your organization.

The Commonwealth Bank (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. The Group is one of the largest listed companies on the Australian Securities Exchange and is included in the Morgan Stanley Capital Global Index. The key financial objective of the Group is to have Total Shareholder Return in the top quartile of our Australian listed peers over each rolling five-year period. Total Shareholder Return is calculated as the growth in the value of the investment in the Group's shares, assuming all dividends are reinvested in shares at the point dividends are paid. The strategic strengths of the Commonwealth Bank are its:
• brand
• scale
• diversified business mix.

The Commonwealth Bank brand is the most recognised brand in the Australian financial services industry. Other award-winning brands within the Group include our wealth management business Colonial First State, our online broking service CommSec and Bankwest. In terms of scale, the Group has a strong domestic presence with the largest customer base of any Australian bank and operates the largest financial services distribution network in the country with the most points of access.

Vision:
The Group's vision is to excel at securing and enhancing the financial wellbeing of people, businesses and communities.

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.

Scale:
• We have established businesses in Australia, New Zealand, Europe and the Asia-Pacific region;

• We have Australia’s largest banking customer base;
• We are one of Australia's leading home loan providers with more than a million home loan customers;
• Our brands include Colonial First State, CommInsure, ASB (New Zealand), Sovereign, FirstChoice, CommSec, and Bankwest;
• We are one of the largest life insurers in Australia and New Zealand with more than $3,259 million in-force annual premiums (as at 30 June 2015);

Corporate Responsibility and climate change strategy:

For the Group, corporate responsibility means continually looking to deliver value to our customers, shareholders, people and the broader community. Guided by the Group’s vision 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’s Corporate Responsibility 2016 - 2018 Strategy, endorsed by the Executive Committee has two pillars:
1. The way we do business
We strive to continually improve our operations. We draw on our strong ethics and values through programs and initiatives that let us make transparent and balanced decisions, use our influence to enhance environmental, social and economic outcomes in our supply chain, treat all people with respect and fairness and improve the environmental efficiency of our operations.

2. Our role in society
We strive to make a positive contribution beyond our core business through programs and initiatives that allow us to develop innovative products and services to support our customers in the economy of the future, invest in skills for the workplace of the future, create opportunities for our people to contribute to their communities, and advocate for public policies that secure and enhance the financial wellbeing of people, businesses and communities.

In 2015 we updated the Group’s Environment Policy to acknowledge international efforts to limit global warming to two degrees Celsius, and the need to transition from traditional economic models, and the world’s current energy mix, to low carbon and renewable alternatives.

Specifically we state the following in the Group’s Environment Policy: We know that climate change will have serious environmental, economic and social impacts. There is clearly a need to minimise and mitigate the impacts of climate change. International efforts to limit global warming to two degrees Celsius above preindustrial levels will require a transition from traditional economic models, and the world’s current energy mix, to low carbon and renewable alternatives. As a financial institution, we play a role in supporting the transition to a low carbon economy and will continue to actively seek opportunities to lend to, invest in, and support innovative technologies and businesses that decrease dependence on fossil fuels and mitigate the effects of climate change. We will also continue to seek opportunities to assist our customers to meet their own environmental goals through the provision of appropriate financial products and services.

CC0.2

Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Tue 01 Jul 2014 - Tue 30 Jun 2015

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
Australia
New Zealand
China
India
Japan
Singapore
Indonesia
Vietnam
Rest of world

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

AUD ($)

CC0.6

Modules
As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.
If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Further Information

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

Position Title and Name:
Managing Director and Chief Executive Officer (CEO) of the Commonwealth Bank Group – Ian Narev

Description of role:
The CEO is entrusted with the full power and responsibility of the Board. Ultimate responsibility for Corporate Responsibility policies and programs, to include climate change related activities rests with the CEO.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Board/Executive board	Recognition (non-monetary)	Behaviour change related indicator	The Board of Directors is responsible for overseeing adherence to the Group Environment policy. The Group has had a Group Environment Policy since 2001. It was updated in November 2015 to acknowledge international efforts to limit global warming to two degrees Celsius, and the need to transition from traditional economic models, and the world's current energy mix, to low carbon and renewable alternatives. The updated policy expresses our commitment to support the transition to a low carbon economy and builds on our existing commitments to: reduce our direct environmental impacts; apply comprehensive environmental risk management frameworks to our lending and investing decisions; use our position to influence the companies we lend to and invest in with respect to their impact on the environment; and actively support businesses and technologies that reduce dependence on fossil fuels and mitigate the effects of climate

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
			change. Our senior leaders are also expected to develop and lead a culture of genuine risk ownership, consistent with the Group Risk Appetite Statement. Within the Group Risk Appetite Statement – a list of environmental sustainability intolerances are expressed as a set of minimum standards that apply across all businesses. In 2014, the Commonwealth Bank Group became a signatory to the Equator Principles III and developed nine ESG Lending Commitments to guide our approach to lending. A statement signed by the Chairman was released in the public domain. In 2015, a new Wealth Management Responsible Investing Framework was established to integrate environmental, social and governance factors across our investment processes, consistent with our pursuit of sustainable long term investment outcomes for our customers and clients.
Chief Executive Officer (CEO)	Monetary reward	Behaviour change related indicator	The Executive Committee (including CEO) is the steering committee for the Group's Corporate Responsibility Program, which includes Climate Change and Environment. The Executive Committee is responsible for integrating the Group Environment policy into business and risk management processes in each business unit and function, and for ensuring relevant governance processes are embedded. The Group Executive – Group Corporate Affairs has explicit responsibility for Corporate Responsibility.
Management group	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Environmental criteria included in purchases Supply chain engagement	The Corporate Responsibility Project Working Group (CR PWG) is comprised of senior representatives from each Business unit. Specifically, CR PWG members come together quarterly to share direct responsibility for implementation of the CR Strategy including Environment and Climate Change programs into their business units. The implementation progress is also reported to the Board and Executive Committee on a quarterly basis.
Business unit managers	Monetary reward	Behaviour change related indicator	For ESG lending and responsible investing, senior managers across Institutional Banking & Markets and Wealth Management are responsible for developing and implementing

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
			ESG lending and investment programs and initiatives that support the Group and its clients to transition to a low carbon economy. Since becoming a signatory to the Equator Principles III and introducing our nine ESG Lending Commitments in 2014, we have been working to embed our approach to responsible lending in all our business lending. We have developed an ESG Risk Assessment Tool that is integral to the 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. We publicly report our progress in implementing our ESG Lending Commitments, and as part of our commitments to Equator Principles III, we also annually disclose how the Equator Principles are applied to our project finance lending decisions.
Environment/Sustainability managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Environmental criteria included in purchases Supply chain engagement	In our operations, a number of employees have tailored environmental objectives where they relate to the nature of their Role. Indicators include: Meeting emissions reduction and/or energy reduction targets. The Group's Property Sustainability Strategy 2015 was endorsed by the Executive Committee. This strategy sets out emissions reduction targets for the Group to be realized by 2020.

Further Information

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	The Group's risk management approach is considered on a global scale. The Group's risk management approach includes the jurisdictions where the Group has assets including its people as well as clients and where the Group ultimately operates.	> 6 years	The Group's Risk Appetite Statement (RAS), as well as individual Business Unit RAS address climate change risks and considerations, and are updated annually before being signed-off by the Board. Risks and opportunities are reviewed for relevance, accuracy and currency, and are discussed weekly by the Group Executive Committee which is chaired by the Group Managing Director and CEO. The Group has developed nine ESG lending commitments and an ESG risk assessment tool to assess and manage the risks and opportunities from individual loans and their activities. Loans considered to have an ESG risk level of medium and above will include an assessment of the key ESG impacts. This is in line with the Equator Principles III (the Group became a signatory in 2014). From an investment perspective, the Group has developed a Wealth Management Responsible Investing framework to ensure that ESG issues are factored into investment decisions.

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

Risk Management governance originates at Board level and cascades through the Group via policies, delegated authorities and committee structures.

The Board and its Risk Committee operate under the direction of their Charters. The Board sets the foundation for risk management via its articulated Risk Appetite Statement (RAS). It is also responsible for overseeing systems of risk management by approving management's Risk Management Strategy (RMS) document and the key frameworks and policy components.

The most material climate change risks and opportunities for the CBA as a whole relate to our lending portfolio.

Risk planning is embedded into our overall business strategy process with Group-wide and individual business units each having defined RAS which include Environmental, Social and Governance (ESG) risk identification and mitigation to set the overarching risk tolerance parameters. At the core of our risk assessment process is the ESG Risk lending framework and screening tool which assesses projects across seven ESG themes including biodiversity, water, climate & energy, pollution, labour & human rights, workplace health & safety, and anti-corruption & bribery.

In addition, Group Property is responsible for managing the property portfolio and any consideration of locations, technologies, design and construction, as well as strategic plans to ensure the Group assets are resilient against and open to opportunities resulting from climate change. Group Property is responsible for implementing technologies to monitor, maintain and report on the asset portfolio performance, as well as emissions intensity. The Group developed a dedicated asset portfolio assessment 'energy efficiency' schedule. The Group has identified and implemented energy efficiency initiatives to mitigate risks to its portfolios whilst significantly reducing its carbon footprint.

CC2.1c

How do you prioritize the risks and opportunities identified?

Company level:

The Group recently developed and executed its in-house Environmental Social and Governance (ESG) risk framework and screening tool to assess and manage the risks and opportunities of companies, individual loans and their associated activities. Loans considered to have an ESG risk level of medium and above (determined by a calculation of country of operation/ industry sector and overall client/ company capability) will include an assessment of the key ESG impacts associated with the loan. Seven key ESG themes including biodiversity, water, climate & energy, pollution, labour & human rights, workplace health & safety, and anti-corruption & bribery are assessed, assisting in the identification of the level of due diligence required. The Group Risk Matrix defines risk between insignificant and very high based on likelihood and consequence. For carbon and energy use, a negligible consequence is minor emissions through to higher than average office electricity use or transportation, while severe is a major contributor to global warming.

Asset level:

Asset level risk and opportunities are prioritized using an Environmental Management System (EMS) which is aligned to ISO: 14001. This is a structured management tool which assists the Group in identifying the additional and material environmental impacts resulting from our business activities so as to improve our environmental performance. This system uses a matrix style approach using likelihood and consequence to prioritise risks. Opportunities are prioritized based on

return on investment and payback period.

CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

The Group's 2016-2018 Corporate Responsibility strategy is endorsed by the Board and Executive Committee. Guided by our vision to excel at securing and enhancing the financial wellbeing of people, businesses and communities we actively consider the environmental, social and economic impacts and influence of our business, and look for ways to use our unique capabilities and resources to make a positive contribution beyond our core business.

The Group continues to strengthen its internal processes for collecting and reporting climate change related information which in turn inform a number of group-wide strategies. Examples include:

- Data on our financed emissions have been used to assess carbon emissions arising from the Group's loan book exposure.
- 'Envizi, a dedicated environmental management platform capturing all GHG emission sources, assisting with the Group's ongoing carbon reduction targets and directly linking to two of the Group strategic priorities – productivity and technology.
- Development of an ISO 14001 aligned Environmental Management System to collect the appropriate information to directly influence strategy.

Our business strategy is underpinned by our Group Environment Policy which was first developed in 2001. The Policy has been updated in 2015 to acknowledge international efforts to limit global warming to two degrees Celsius, and the need to transition from traditional economic models, and the world's current energy mix, to low carbon and renewable alternatives. It expresses our commitment to support the transition to a low carbon economy and builds on our existing commitments to: reduce our direct environmental impacts; apply comprehensive environmental risk management frameworks to our lending and investing decisions; use our position to influence the companies we lend to and invest in with respect to their impact on the environment including climate change; and actively support businesses and technologies that reduce dependence on fossil fuels and mitigate the effects of climate change. The policy will be reviewed annually.

Short term (0-3yrs) material components influenced by climate change include:

- Group-wide development of an in-house ESG risk framework and screening tool to assess and manage the risks and opportunities of individual companies, loans and their associated activities.
- Development of a methodology to determine the indirect emissions footprint of our loan portfolio and ongoing disclosure of these emissions to provide transparency in our decision making process.
- Development and implementation of ESG lending commitments and sector specific policies e.g Agriculture.
- Introduction of a range of carbon risk management and carbon financing solutions to assist institutional customers.
- The Group's carbon reduction targets which are directly influenced by climate change and embedded into the Group's immediate short term strategy while also forming part of its long term mitigation strategy. An example of this is the planned move of 3,000 CBA staff in Sydney to a six star green star commercial office space in 2017.

The Group long term (5-10yrs+) strategy has been influenced by the climate change agenda in that resilience is planned for in all aspects of managing the business:

- CBA considers long term effects such as increased intensity of weather conditions, floods, drought, heat, and cold into strategic planning. It also includes the future buildings we occupy.
- Direct engagement with internal and external stakeholders regarding climate change related activities as well as the Federal and State Governments in relation to policy development and implementation.
- Actively seeking to grow our loan portfolio in renewable energy projects while managing our exposure to carbon intensive industries to positively influence climate change outcomes.

Using reliable information, the Group Strategy Team considers issues which will shape the direction of the Group over the medium (3-5 years) to longer (5-10+ years) term. During the reporting period, Group Strategy presented a series of papers to the Board on the matter of climate change. The overarching mechanism for addressing climate change impacts is the Group Environment Policy which sets out a framework for understanding and managing the Group's environmental impacts, risks and opportunities.

Carefully considering climate change matters gives the Group a strategic advantage, these include:

- Actively growing our direct and indirect investments in the renewables space, to place ourselves at an advantage in the transition to a low carbon economy. CBA has $1.64 bn in business lending exposure to the sector, representing 16% of the Group's broader energy lending exposure.
- An unlimited credit appetite in renewable projects to support growth in our portfolio.
- The understanding of climate change risks, opportunities and impacts on our internal operations, client base and loan book means that we identify and proactively manage ESG risks and opportunities in our business and lending portfolio to protect, review and support revenue growth.
- The Group has publicly reported its Scope 3 'Finance Emissions' portfolio (i.e. the emissions arising from the Group's loan book exposure). This gives the Group a strategic advantage as we have the broadest scope and level of exposure reporting.
- The Group has developed a Responsible Investment (RI) strategy designed to consolidate and extend our position as a global leader in RI and stewardship. As part of that strategy one of our goals is to integrate data on carbon sensitivity of portfolios and risks of asset stranding into Global Investment Committee processes. This provides the Group with the opportunity to better manage this risk.

There have been a number of business decisions directly influenced by Climate Change; examples include:
- Group announcement to support the renewable energy sector by confirming that the Group has an unlimited credit appetite for bankable renewable projects and is actively seeking to grow this portfolio.
- Development of an ESG lending tool to ensure that carbon and energy considerations are factored into the Group's lending processes and practices.
- Development of nine ESG Lending Commitments, and Responsible Investing Framework
- Update of the Group-wide Environment Policy to acknowledge international efforts to limit global warming to two degrees Celsius, and the need to transition from traditional economic models, and the world's current energy mix, to low carbon and renewable alternatives.
- To meet our 2014 undertaking to provide transparency on the indirect impacts of our lending we have publicly reported on our Scope 3, Financed Emissions (the emissions arising from the Group's loan book exposure).

CC2.2b

Please explain why climate change is not integrated into your business strategy

CC2.2c

Does your company use an internal price of carbon?

No, and we currently don't anticipate doing so in the next 2 years

CC2.2d

Please provide details and examples of how your company uses an internal price of carbon

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Clean energy generation	Support	We have had direct discussions with Government on policy settings to encourage the take up of renewable energy in Australia, and these are ongoing. The Group's executive engaged in the Investor Roundtable on Renewable Energy held in November 2015 which discussed the challenges to increasing the uptake of renewable energy projects in Australia.	Renewable Energy (Electricity) Act 2000. The Carbon Solutions Team is directly addressing the issues surrounding climate change and the resulting regulatory environment. The Group will continue to work closely with Government to look for positive legislative solutions now and into the future.

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

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

CC2.3d

Do you publicly disclose a list of all the research organizations that you fund?

CC2.3e

Please provide details of the other engagement activities that you undertake

CC2.3f

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?

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

- The Group's overarching Risk Appetite Statement (RAS), which fundamentally guides the Group's risk culture and sets out the boundaries of risk tolerance which includes climate change and sustainability issues.
- Risk tolerance boundaries are defined by the principles and metrics, both quantitative and qualitative, that must be considered collectively and not in isolation.
- 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.
- Group-wide Environment policy; sets a foundation and creates a framework for understanding and managing the Group's direct and indirect environmental impacts and ensures that direct and indirect activities that could influence policy are consistent with our climate change strategy.
- 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.
- Public disclosure of the Group's Environmental, Social and Governance (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.
- 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.

CC2.3g

Please explain why you do not engage with policy makers

Further Information

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?

Absolute target
Intensity target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 1	100%	25%	2009	10931	2015	No, but we anticipate setting one in the next 2 years	CBA Scope 1 target. Following on from the Bank's successful 20 per cent reduction target (Scope 1 and 2 full life-cycle emissions from a baseline of 2009) achieved in 2013, the Bank set a new carbon reduction target of its Scope 1 emissions to be achieved by 2015. In order to achieve this, the Bank began implementing a large scale program to reduce its Scope 1 emissions sources. Initiatives include but are not limited to: A reduction in the overall number of its tool-of-trade vehicles across the national portfolio, as well as developing a fleet of vehicles that are less carbon-intensive and more fuel efficient.

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs2	Scope 2 (location-based)	100%	35%	2009	139303	2015	No, but we anticipate setting one in the next 2 years	CBA Scope 2 target. Following on from the Bank's successful 20 per cent reduction target (Scope 1 and 2 full life-cycle emissions from a baseline of 2009) achieved in 2013, the Bank set a new carbon reduction target of its Scope 2 emissions to be achieved by 2015. In order to achieve this far reaching target the Bank implemented a range of initiatives across its retail and commercial portfolios. This programme included initiatives such as extensive lighting and Heating, Ventilation Air-conditioning and Cooling (HVAC) replacements and upgrades.
Abs3	Scope 1	100%	45%	2009	2126	2015	No, but we anticipate setting one in the next 2 years	Bankwest Scope 1 target. Following on from the successful emissions reduction across the CBA's operations, i.e. its 20 per cent carbon reduction target, the Group extended these initiatives to Bankwest to further reduce emissions across the Group's portfolio. The Group set a new carbon reduction target for Bankwest's Scope 1 emissions to be achieved by 2015. In order to achieve this, the Bank began implementing a large scale program across Bankwest to reduce its Scope 1 emissions sources. Initiatives include but are not limited to: A reduction in the overall number of its tool-of-trade vehicles across the national portfolio, as well as developing a fleet of vehicles that are less carbon-intensive and fuel efficient.
Abs4	Scope 2 (location-based)	100%	30%	2009	24586	2015	No, but we anticipate setting one in the next 2 years	Bankwest Scope 2 target. Following on from the successful emissions reduction across the CBA's operations, i.e. its 20 per cent carbon reduction target, the Group extended these initiatives to Bankwest to further reduce emissions across the Group's portfolio. The Group set a new carbon reduction target for Bankwest's Scope 2 emissions to be achieved by 2015. In order to achieve this target the Bank implemented a range of initiatives across its retail and commercial portfolios. This programme included initiatives such as extensive lighting and Heating, Ventilation Air-conditioning and Cooling (HVAC)

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
								replacements and upgrades.

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
Int1	Scope 1+2 (location-based)	70%	20.2%	Metric tonnes CO2e per unit FTE employee	2015	3.07	2020	No, but we anticipate setting one in the next 2 years	The Group set a new emissions intensity target for Australian operations 2015 to reduce Scope 1 and 2 emissions intensity expressed in FTE by 20.2% between 2015 and 2020. The final target is to reduce emissions to 2.0 Tonne CO2-e/FTE by FY20.

CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	Decrease	20	No change	0	The Group's Australian Operations intensity target relates to reductions in Scope 1 and 2 emissions expressed in terms of FTE. It is anticipated that the FTE across the Group will remain fairly constant over time resulting in an absolute decrease in emissions of 20%.

CC3.1d

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment

CC3.1e

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	100%	100%	Commonwealth Bank Scope 1 emissions target was 25% reduction by 2015. Actual reduction was 33.7%.
Abs2	100%	100%	Commonwealth Bank Scope 2 emissions target was 35% reduction by 2015. Actual reduction was 38.1%.
Abs3	100%	100%	Bankwest Scope 1 emissions target was 45% reduction by 2015. Actual reduction was 63.5%.
Abs4	100%	100%	Bankwest Scope 2 emissions target was 30% reduction by 2015. Actual reduction was 39.6%.
Int1	0%	0%	This target was set in July 2015 and progress on the target cannot be reported in this CDP.

CC3.1f

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

CC3.2

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?

No

CC3.2a

Please 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

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or 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	% R&D in low carbon product/s in the reporting year	Comment

CC3.3

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

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	176	2205
To be implemented*	150	1900
Implementation commenced*	150	1900
Implemented*	117	3127
Not to be implemented	25	300

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Support centre redistribution to multiple branches.	16	Scope 2 (location-based)	Voluntary	19917	209574	11-15 years	6-10 years	
Energy efficiency: Building services	Support centre - transferring to multiple branches. 60% of the services shifted to multiple branches.	294	Scope 2 (location-based)	Voluntary	356910	0	<1 year	Ongoing	
Energy efficiency: Building services	C Drive ASB Technology Centre - Free Cooling Project.	58	Scope 2 (location-based)	Voluntary	153000	381281	1-3 years	6-10 years	
Energy efficiency: Building services	Active energy monitoring.	1338	Scope 2 (location-based)	Voluntary	2873946	104634	<1 year	Ongoing	
Energy efficiency: Building services	CBA - Lighting Upgrade.	70	Scope 2 (location-based)	Voluntary	30000	110273	4-10 years	6-10 years	
Energy efficiency: Building services	CBA - HVAC & Controls Upgrade.	65	Scope 2 (location-based)	Voluntary	120000	146576	1-3 years	3-5 years	
Energy	CBA - Lighting and Security	70	Scope 2	Voluntary	20000	50760	1-3 years	6-10 years	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
efficiency: Building services	Interface upgrade.		(location-based)						
Low carbon energy installation	CBA - Solar PV Project installation on Bank retail centres.	120	Scope 2 (location-based)	Voluntary	30000	149688	4-10 years	21-30 years	
Energy efficiency: Building services	BW - Lighting Upgrade.	580	Scope 2 (location-based)	Voluntary	213000	500000	1-3 years	6-10 years	
Energy efficiency: Building services	BW - HVAC & Controls Upgrade.	120	Scope 2 (location-based)	Voluntary	35000	70000	1-3 years	3-5 years	
Energy efficiency: Building services	BW - Chiller Upgrade - Frame Court Data Centre.	396	Scope 2 (location-based)	Voluntary	114315	350000	4-10 years	16-20 years	

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	A dedicated budget is specifically set aside to achieve the Bank's new 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 domestic operations. This new emission target was set after the Group exceeded existing targets. Emissions reductions for this reporting period included identifying and evaluating several potential reduction activities. As an example, during the FY15 reporting period initiatives included: 1.Energy efficiency projects to commercial and retail portfolio's, including but not limited to, lighting and HVAC replacements and upgrades, 2. The Relocation of employees from inefficient buildings to energy efficient properties, and 3. Installation of solar panels on branches. New emission intensity targets will continue to drive investment in emissions reduction activities.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

Page: CC4. Communication

CC4.1

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)

Publication	Status	Page/Section reference	Attach the document	Comment
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	Page 35	https://www.cdp.net/sites/2016/49/3649/Climate Change 2016/Shared Documents/Attachments/CC4.1/cba-annual-report-30 June-2015.pdf	
In voluntary communications	Complete	Entire report	https://www.cdp.net/sites/2016/49/3649/Climate Change 2016/Shared	GHG emissions data

Publication	Status	Page/Section reference	Attach the document	Comment
			Documents/Attachments/CC4.1/cba-group-sustainability-performance-2015.xlsx	published on the website.
In voluntary communications	Complete	Entire report	https://www.cdp.net/sites/2016/49/3649/Climate Change 2016/Shared Documents/Attachments/CC4.1/sustainability-20151103-assessed-emissions-lending-port.pdf	Assessed carbon emissions of the Group's Business Lending Portfolio.

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Emission reporting obligations	Non-compliance with the Australian Government's National Greenhouse and Energy Reporting (NGER) Scheme could result in financial penalties as well as negative impacts on reputation. It is possible that the reporting requirements both here in Australia and around the world may change which would require the CBA Group to change data collection and reporting processes and procedure. This would result in additional data management and third party assurance costs.	Increased operational cost	Up to 1 year	Direct	Likely	Low	Failure to report energy and emissions data to the Australian Government under NGER legislation can result in financial penalties of up to AU$360,000. Data collection and third party verification costs are expected to increase to AU$500,000.	To ensure that energy and emissions data is appropriately reported under the NGER scheme, the Group uses one global reporting platform (Envizi). The Group has worked with Envizi to create specific and dedicated reporting suites to conform to the Group's legislative requirements. The Group's emissions data is also verified and assured by a third party (PWC) to further manage this risk and ensure completeness and accuracy. By using a centralised global reporting suite, we are able to identify any gaps in data, identify additional efficiencies in capturing and reporting data, as well as identifying areas to implement energy efficiencies	The Group has in-house team for collection and management of its data. Current costs are approximately AU$400,000 ensuring data meets regulatory requirement this may increase to approximately AU$500,000.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								into our portfolios. In addition, as part of our EMS, we maintain a register of relevant legislation to ensure that changes to emission reporting requirements are understood and addressed in a timely manner. With these management measures in place, energy and emission reporting is well understood and performed at a high level. As a consequence, the risk of non-compliance is significantly reduced.	

CC5.1b

Please describe your inherent risks that are driven by changes in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature extremes	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.	Increased operational cost	Up to 1 year	Direct	Very likely	Low-medium	Additional loads on existing HVAC systems could reduce the life of the chillers by up to half, resulting in greater long term replacement costs. For example a $200,000 HVAC (working life – 20 years, amortised at $10,000 p.a.). With an increase in temperature extremes, excess load on an HVAC system causes the working life to reduce to 10 years which increases the expense (amortization to $200,000/10 years - $20,000 pa), therefore increased expense of $150,000 pa (with 15 Group assets ie $20,000 - $10,000 = $10,000 x 15 assets).	The Group currently uses several methods to manage this risk. Examples include reducing other uses of electricity to reduce peak use, replacing older HVAC units with newer, more efficient units. Continual monitoring of units to identify peaks in use and highlight system malfunctions. The Group Property team monitors the Group assets on an ongoing basis and runs energy intensity reports by property on a monthly basis. This proactive approach identifies lower performing assets where the Group can target and implement energy efficiency activities. An example of the continual improvements made during the reporting period are	The project costs to upgrade HVAC controls and related chiller projects was $566,000 with an estimated annual emissions saving of 580 tonnes CO2-e.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								the HVAC controls upgraded throughout the CBA portfolio and listed in Table 3.3b above. As a result of these management measures, the CBA has reduced the risk associated with inefficient HVAC systems.	
Change in precipitation extremes and droughts	Changes in precipitation extremes and droughts may impact on our customers businesses through increased risk of drought or flood, and bushfire which could in turn halt normal business operations either due to lack of water, flooding or fire damage. These impacts could have a direct impact on our customers'	Other: Indirect impacts on customer viability, business continuity planning	1 to 3 years	Indirect (Client)	Likely	Low-medium	The key financial implication of changes in precipitation extremes and droughts relate to loss of revenue when businesses and communities are impacted by weather related natural disasters such as flood, droughts and bushfire. These impacts cover all facets of our lending portfolio from mortgages to Institutional lending.	Given the diversity of our lending portfolio, our management methods for reducing the risks to our business from precipitation extremes and droughts range from identifying risks to our institutional lending portfolio through to helping our residential customers during natural disasters. From an institutional lending perspective we manage risk through our ESG	The costs to manage climate change risks in our lending portfolio are considered to be 'business as usual' as risk identification and management are at the core of our Responsible Lending framework. More directly, the CBA has provided support to our customers during times of need. This includes providing $500,000 in support to

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	viability and /or business continuity.							framework and assessment tool. For our residential and small business customers, the CBA 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. In 2015, the CBA supported communities affected by Cyclone Marcia in Queensland, Cyclone Pam in Vanuatu, storms in NSW and QLD droughts. 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	communities affected by the South Australian bush fires and a cyclone recovery grants program has distributed $150,000 in grants to schools and cricket clubs across the east coast of Queensland.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								difficult times.	

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Reputation is one of the Group's most valuable assets, and is a key driver of the success of its brand. There is the potential reputational risk associated with the change in stakeholders' perception of how the Group is	Reduced demand for goods/services	Up to 1 year	Direct	Likely	Medium	Negative stakeholder perceptions of the Group's approach to climate change may negatively impact the Bank's reputation and therefore its brand value. The Group's brand is valued at approximately AU$21 billion as at the end of this reporting period. A 0.5% decrease in the value of the Group's	The Group manages these reputational risks in a number of ways. 1. Monitoring stakeholder perceptions & holding regular strategic reviews identifying reputation related opportunities and risks. 2. Developing a suite of ESG training materials and a standalone ESG Risk Rating tool for large loans, covering biodiversity, water, climate & energy, pollution, labour & human rights, workplace health & safety, and anticorruption & bribery matters. 3. Holding external stakeholder roundtable events. 4. Increased transparency, engagements and reporting on climate change related matters, for example the Group recently published work undertaken on the assessed carbon emissions arising from Group's business lending portfolio. 5. Maintaining engagement	Group employees involved in managing reputation, brand issues and stakeholder concerns within the Bank's Group Corporate Affairs division are the major cost driver. This cost is estimated at between AU$800,000

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	responding to climate change. The Group's approach to climate change is directly linked to being listed on sustainability rating Indices such as CDP, FTSE4good and DJSI, how we are viewed by rating agencies and investors in general on Environmental Social and Governance (ESG) and climate change related issues. Stakeholders potentially criticising						brand due to perceived increase in reputational risks equates to a possible devaluing of approximately AU$1,050,000,000.	with peers on climate change issues, addressing growing interests and concerns from our clients, shareholders, community, banks, analysts, investors and our employees. 6. Being at the forefront of global change. Group memberships and signatories include: United Nations Environment Programme for Financial Institutions (UNEPFI) • UN Global Compact • Principles for responsible investment (PRI) • Dow Jones Sustainability Index (DJSI) • FTSE4GOOD • Equator Principles • Earth Hour. 7. Developing sector specific ESG policy around sensitive industry sectors.	and AU$1,500,000. Costs associated with data collection and collation, public disclosure and third party voluntary verification and assurance, external stakeholder engagement, domestic and global memberships and signatories, equate to more than AU$1million.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	the Group for the provision of financial services to the fossil fuel sector and industries that are active in the natural resources and utilities sectors is a clear reputational risk. Protecting and enhancing the Group's strong brand is not only important domestically but also internationally. Failure to address climate change related issues will affect the Group's								

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	existing and future client relationships. To enhance the visibility of the Group's engagement in sustainability and climate change related matters, the Group produces a dedicated Corporate Responsibility Report annually, as well as a report to the National Greenhouse and Energy Reporting (NGER) Scheme, which discloses the Group's GHG emissions portfolio.								

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	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 of this nature. In August of 2015 the Group reported the assessed carbon emissions arising from its Project finance and business lending exposure to								

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	the energy sector. And in February 2016 the Group reported on the assessed carbon emissions arising from the business lending portfolio, with a focus on larger emitters.								
Other drivers	Shifting value of resources away from fossil fuels: The Group sees stranded assets as a potential impact to our investment portfolio as global governments mandate a reduction in	Other: Decrease in investment value	Unknown	Indirect (Supply chain)	Very likely	Unknown	Any financial impact will depend on how well we manage our investments for our clients. We believe that risks and opportunities exist as a result of a transition to a low carbon economy and so advanced responsible investment and stewardship practices will	In December 2013 we established a Stranded Assets Working Group (SAWG) comprised of investment professionals from the ESG Committee (including the RI Representatives from the Global Resources, Australian Equities Core and Australian Fixed Income and Global Credit investment teams) to assess risks associated with potential fossil fuel asset stranding. The purpose of the group was to provide guidance and tools for investment teams to integrate the assessment of these risks into their investment decision-making and ownership practices. The SAWG assessment of the issues concluded that the risks are	Costs are incorporated into our broader Responsible Investment and ESG research budgets. The most important resource we draw on is the time of our diverse investment professionals in

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	fossil fuel energy production to meet emission targets.						remain important for protecting and creating investment value.	real, complex and potentially material to long term investment value. However, the SAWG also recognised that there are a number of related and sometimes competing forces which will manifest themselves in different ways for individual companies. This makes blanket top-down approaches ill-equipped to predict or manage the extent and speed by which these factors may impact individual fossil fuel (or related) investments. More information on the SWAGs findings and the toolkit it developed can be viewed in our 2015 Responsible Investment Report: http://ri.firststateinvestments.com/2015/how-we-collaborate.htm	collaborating to work through complex issues like stranded assets.

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in physical climate parameters
Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Emission reporting obligations	The mandatory emissions reporting obligations e.g. National Greenhouse and Energy Reporting (NGER) scheme in Australia supports the improvement in quality, reliability and transparency of the Group's Greenhouse Gas (GHG) emissions reporting. This enables cost efficiencies when identifying and implementing energy and emission reduction opportunities.	Reduced operational costs	Up to 1 year	Direct	Very likely	Low	The Group collects and stores its GHG data within a global third party service provider. Cost for the collection, collation and reporting of data is between AU$100,000 and AU$120,000. Reporting this data has enabled the Group to look deeper into its emission sources and identify energy efficiency opportunities as well as any gaps in existing data. As an example, during this reporting period, energy efficiency projects in Australia and	The data collected for submission to the federal government, plus on-going internal energy monitoring is used to identify energy and emission reduction activities. This information is used regularly by the Group to identify and prioritise energy efficiency opportunities on an annual basis and has resulted in the implementation of a range of projects including HVAC and lighting upgrades and the implementation of the installation of Solar panels on retail banking sites owned by the Group.	To manage this opportunity the costs involve the collection and housing of energy data as well as the regular review of energy efficiency data. Costs to manage the energy related data were approximately AU$220,000 per year. Costs to implement energy efficiency projects across Australia and New Zealand for this reporting year were approximately AU$2,000,000.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							New Zealand were collectively worth over $3.9 million in annual savings.		
Other regulatory drivers	The Emissions Reduction Fund (ERF) could create potential funding and market opportunities to assist customers to develop emission reduction projects under the Emissions Reduction Fund.	Investment opportunities	1 to 3 years	Direct	Likely	Medium-high	The ERF could represent an opportunity to the Group to expand their exposure to the market for emission reduction projects including development of renewable energy sources. This opportunity fits well with the Group's stated intention to expand renewable investment which already represents $1.64 billion of the Group's business lending exposure to	We are managing this opportunity through market engagement to better understand the risks and opportunities relating to emission reduction projects, their viability, implementation and effectiveness at reducing long term emissions. It is anticipated that by gaining this understanding the Group will be able to improve the likelihood of increasing investment in renewables over	These activities are part of business as usual and therefore have no additional cost to the Group.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							the energy sector.	the next five years.	
Other regulatory drivers	The Australian Clean Energy Financing Corporation (CEFC) was created by the Australian Government to increase the flow of funds into renewable energy, energy efficiency and low emission technologies. The Group has identified opportunities to work with the CEFC to provide funding to help businesses improve their energy efficiency, implement renewable energy projects and low emissions technologies.	Investment opportunities	1 to 3 years	Direct	Likely	Medium-high	This opportunity forms part of the Groups intention to expand investment in renewables. Together with the CEFC, the CBA has pledged AU$200 million in funding.	We are managing this opportunity through market engagement to better understand the risks and opportunities relating to emission reduction projects, their viability, implementation and effectiveness at reducing long term emissions. It is anticipated that by gaining this understanding the Group will be able to improve the likelihood of increasing investment in renewables over the next five years.	These activities are part of business as usual and therefore have no additional cost to the Group.
Other regulatory	The Group is collaborating	Investment opportunities	1 to 3 years	Direct	Likely	Low	This opportunity	We are managing this	These activities are part of

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
drivers	with the three other major Australian banks (ANZ, NAB and Westpac) as part of the Australian Portfolio Carbon Working Group to develop and share insights and alternative approaches for financial institutions to measure and disclose their climate performance. This is an opportunity for the Group to support the transition to a lower carbon economy and aligns with our stated objective to invest in bankable renewable energy projects. The working group						forms part of the work that the Group is already conducting to support the transition to a lower carbon economy which includes the Group's intention to expand investment in renewables. Together with the CEFC, the CBA has pledged AU$200 million in funding.	opportunity by participating in the working group and through market engagement to better understand the risks and opportunities relating to emission reduction projects, their viability, implementation and effectiveness at reducing long term emissions. It is anticipated that by gaining this understanding the Group will be able to improve the likelihood of increasing investment in renewables over the next five years.	business as usual and therefore have no additional cost to the Group.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	is recognised by the United Nations Environment Program Finance Initiative (UNEP FI).								

CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in mean (average) temperature	Changes in the temperature mean are likely to put excess demand on the Group's heating, cooling and air-conditioning (HVAC) requirements. The Group has used this observation to take the opportunity to	Reduced operational costs	Up to 1 year	Direct	Virtually certain	Low	Replacing inefficient HVAC systems reduced the Groups overall operational costs. Due to the implementation of HVAC system upgrades and/or replacement, the estimated financial savings for this reporting period alone are approximately	The Group uses audits and asset information for both retail and commercial portfolios to provide critical information on HVAC asset size, compared to the heating and cooling needs of the facility. The Group also conducted a study	Costs associated with the HVAC system upgrades and/or replacement during this reporting period was approximately $566,000. The audits conducted and the data reviewed are considered to be business as

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	undertake assessments of existing infrastructure and where possible implement changes to building management systems or undertake upgrades to more efficient and/or more advanced HVAC systems and chillers within the Group's portfolio. The result will be reduced operating costs and reduced emissions.						$270,000 based on an initial investment of $566,000.	on the life of its (HVAC) assets within its portfolio, this determined when an asset would reduce in efficiency (e.g. if the expected life cycle of an HVAC asset is 20 years, and the current life of the asset was at 15 years, the Group would determine if it would be better to replace the asset early. The Group also produces energy intensity reports confirming which sites were less efficient than others, this allows the Group to target specific sites for ongoing energy efficiency opportunities and has resulted in a number of HVAC upgrade projects which have annual savings of $120,000.	usual and cost approximately $220,000 per year.

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	The CBA Group takes a long term approach to meet stated carbon emission targets, and reduce our impact on the environment, the Group has initiated the Solar PV program during FY15. Under this program the Group aims to install small scale solar PV systems at selected owned retail branches to replace grid connected electricity use and reduce Scope 2 emissions. The first	Reduced operational costs	1 to 3 years	Direct	Virtually certain	Low	Financial implications of the projects relate to the cost of installation and the savings in electricity. To date, solar PV has been installed at 14 sites at a cost of AU$150,000. Based on current cumulative output from the cells, the Group expects to save $30,000 per year in electricity costs. This represents a payback of 5 years after which the Group will be	The key management measure is the installation of renewable energy systems at retail sites around Australia. To provide up to date information to our stakeholders, we have also developed a dedicated website to showcase the Solar PV project. Real time data can be accessed via: www.cbasolarpower.com.au to show customers and the market the Group's progress on delivering on its commitment to reduce emissions. The first installation was completed at Altona Branch (VIC) in June of 2015. A 16 kW system was installed and commissioned. At the time of reporting 14 systems had been installed with a further 3 planned. Current cumulative output from Solar PV project is over 120 MWh. This is equivalent to planting over 2600 trees and resulting in CO2 savings of 100t.	The cost to install the solar cells to date is approximately $150,000. The cost of establishing and maintain the website was $10,000.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	installation was completed at Altona Branch (VIC) in June of 2015. A 16 kW system was installed and commissioned. At the time of reporting 11 systems had been installed with a further 6 planned. Current cumulative output from Solar PV project is over 120 MWh. This is equivalent to planting over 2600 trees and resulting in CO2 savings of 100t.						saving AU$30,000 per year.		
Reputation	As a major provider of lending services, the Group plays a crucial role in	Other: Enhanced reputation	1 to 3 years	Direct	Likely	Medium	The Group's brand is valued at approximately AU$21 billion as at	The Group has commissioned a third party to determine the indirect emissions from business lending. The insights, and detailed diagnostics behind	Cost of management included internal resource time and third

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	supporting economic and social development. The projects and industries we lend to also have impacts on the environment, and in accordance with our ESG Lending Commitments we are committed to assessing and mitigating these impacts. We have assessed the carbon emissions arising from our business lending and have reported these emissions again in FY15 to provide transparency on our decision making processes.						the end of this reporting period. Transparency of our financed emissions could have a positive impact on our brand which is difficult to quantify.	the methodology have provided us with a robust quantitative basis to identify and act on key opportunities to reduce the carbon emissions arising from our business lending portfolio. These new disclosures enhance our existing reporting of the carbon emissions arising from the bank's business lending to the energy sector, our total credit exposure to the resources sector, and our direct carbon footprint. The assessed carbon emissions for the Group's Business Lending Portfolio have been published on the CBA website.	party supplier fees.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other drivers	Renewable energy regulation: The CBA Group has stated that it has an unlimited credit appetite for bankable renewable projects and see growing this portfolio as a key lending opportunity for the Group.	Increased demand for existing products/services	3 to 6 years	Direct	Very likely	Medium	The CBA Group is one of Australia's largest lenders to renewables projects with $1.64 billion in business lending exposure to the sector. The Group has stated that it has an unlimited credit appetite in renewable projects and is actively seeking to grow the portfolio.	The CBA are managing this portfolio opportunity by assessing projects to ensure that they are bankable, and meet the Groups Responsible Lending criteria by applying the Groups ESG framework and assessment toolkit before deciding to invest in the project. By taking this approach, the Group is looking to increase investment in renewable projects over the next 5 years and will build on what is already a AU$1.64bn business. A good example of lending opportunities in this sector is the Green Deal of the Year – Sundrop Farms –The project uses solar power to desalinate seawater and irrigate tomatoes. The panels also provide the greenhouses with energy and regulates the temperature, avoiding the need for pesticides. The project is expected to provide a good return on investment as finance has been secured by a 10 year fixed price contract for the year round supply of tomatoes.	These activities are part of business as usual and therefore have no additional cost to the Group.

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Tue 01 Jul 2008 - Tue 30 Jun 2009	14443
Scope 2 (location-based)	Tue 01 Jul 2008 - Tue 30 Jun 2009	170504
Scope 2 (market-based)	Tue 01 Jul 2008 - Tue 30 Jun 2009	170504

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
Australia - National Greenhouse and Energy Reporting Act
ISO 14064-1
New Zealand - Guidance for Voluntary, Corporate Greenhouse Gas Reporting
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR - 100 year)
CH4	IPCC Second Assessment Report (SAR - 100 year)
N2O	IPCC Second Assessment Report (SAR - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference

Further Information

See attached emissions and energy factors.

Attachments

https://www.cdp.net/sites/2016/49/3649/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC7.EmissionsMethodology/R1084_9178757(6000816).pdf

Page: CC8. Emissions Data - (1 Jul 2014 - 30 Jun 2015)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

10043

CC8.3

Does your company have any operations in markets providing product or supplier specific data in the form of contractual instruments?

No

CC8.3a

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
114867		The CBA does not purchase any electricity bundles with attributes about the energy generation.

CC8.4

Are there are 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?

No

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Data Gaps Assumptions Extrapolation Metering/ Measurement Constraints Data Management	The Group uses a robust data collection process for all sources of emissions and therefore uncertainty is minimal for the sources identified. The Group's energy data is acquired primarily from invoices with limited uncertainty (which is outside the Group's control). A small proportion of energy data is obtained from meters for which uncertainty is minimised by the Group or third party meter maintenance practices and compliance with industry standards. Metering and measurement constraints is under the responsibility of third parties (e.g. suppliers who provide invoice based data) and published emissions factors are outside the control of the Group. These sources of uncertainty are minimal and are constantly being monitored and updated. Invoice-based consumption data is uploaded into 'Envizi' (the Group's dedicated energy and greenhouse gas management system). Envizi also houses data relating to energy costs, tariffs and consumption periods to facilitate the ongoing validation of data. Data quality is constantly monitored using Envizi's built-in validation tools to identify any data anomalies and gaps. Once identified, these anomalies and gaps are rectified, either with actual data or by extrapolating existing data based on historical and seasonal factors. The Group captures data for all major reported Scope 1 emission sources and extrapolation for these emissions is only ever conducted to fill data gaps, and not to estimate complete emission sources. The Group calculates its Scope 1 uncertainty for the purposes of the National Greenhouse and Energy Reporting (NGER) using the methodology set out in the NGER (Measurement) Determination 2008. Limited assurance of this data was obtained from PwC. Minor sources of scope 1 emissions (less than 2% of scope 1 emissions) have been extrapolated based on FTE.
Scope 2 (location-based)	More than 2% but less than or equal to 5%	Data Gaps Assumptions Extrapolation Metering/ Measurement Constraints Data Management	The Group has minimal uncertainty in its Scope 2 electricity data due to its robust data management processes. Invoice-based Scope 2 activity data is uploaded into 'Envizi' (the Group's dedicated energy and greenhouse gas management software). Envizi also houses data relating to energy costs, tariffs and consumption periods to facilitate regular data validation. For some minor retail branches and ATM sites for which data is not available, estimations are made based on electricity consumption per unit of Net Lettable Area (NLA), extrapolating seasonal data from similar sites. Outside the Group's control there is a small degree of inherent uncertainty in published emissions factors and in the electricity meter data upon which invoices from electricity retailers are based. Scope 2 uncertainty has been calculated using the methodology in the Australian NGER (Measurement) Determination. Although this document does not provide uncertainty factors for Scope 2 emissions, the Australian National Electricity Market (NEM) Rules relating to metering require meters to have an overall error of not more than ± 1.5% (NEM Rules, Version 34, Schedule 7.2.2). This figure was applied to the percentage of data sourced from invoices. The NGER Criterion BBB (simplified consumption measurement)

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
			uncertainty percentage was applied to the small amount of electricity data that was estimated or extrapolated. A weighted uncertainty average was then determined. Limited assurance of this data was obtained from PwC.
Scope 2 (market-based)			

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	https://www.cdp.net/sites/2016/49/3649/Climate Change 2016/Shared Documents/Attachments/CC8.6a/cba-sustainability-	1 page only	ASAE3000	85

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
			2015-pwc-signed-opinion.pdf			

CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

CC8.7

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place

CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	https://www.cdp.net/sites/2016/49/3649/Climate Change 2016/Shared Documents/Attachments/CC8.7a/cba-sustainability-2015-pwc-signed-opinion.pdf	1 page only	ASAE3000	99

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Progress against emission reduction target	PWC provides third party assurance over the Group's global GHG emissions metrics, data and methodology. Part of this assurance covers the verification of the reduction in GHG emissions directly related to the Bank's carbon emissions reduction targets.

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jul 2014 - 30 Jun 2015)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Australia	8025
New Zealand	632
Asia, Australasia	1223
Rest of world	163

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jul 2014 - 30 Jun 2015)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes 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)
New Zealand	3393	0	24305	0
Australia	101125	0	115741	0
China	1469	0	1940	0
India	117	0	120	0
Japan	54	0	123	0
Singapore	242	0	456	0
Indonesia	6979	0	9611	0
Vietnam	108	0	263	0
Rest of world	1380	0	3938	0

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)

Further Information

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

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

CC11.2

Please state how much heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	Energy purchased and consumed (MWh)
Heat	0
Steam	0
Cooling	0

CC11.3

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

48151

CC11.3a

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Diesel/Gas oil	6466
Motor gasoline	29603
Biogasoline	5812
Natural gas	6270

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	The bank does not purchase low carbon electricity. While solar cells have been installed on CBA branches, they did not generate electricity in FY15.

CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
156496	156496	0	0	0	The bank has not produced its own electricity in FY15.

Further Information

Page: CC12. Emissions Performance

CC12.1

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

Decreased

CC12.1a

Please 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

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	2.4	Decrease	The bank has undertaken a range of emission reduction activities which accounted for savings of 3,127 tonnes CO2-e in Scope 1 and Scope 2 emissions and represents a saving of 2.4% based on total scope 1 and 2 emissions of 128,678 tonnes CO2-e for FY14. This calculation was arrived at using the following approach (3127/128678)*100
Divestment	0	No change	
Acquisitions	0	No change	
Mergers	0	No change	
Change in output	0	No change	
Change in methodology	0	No change	
Change in boundary	2	Increase	The boundary for the assessment of scope 1 emissions has been extended for FY15 to include Hong Kong, China, Indonesia and India and operations throughout the rest of the World). In addition, Scope 2 emissions for operations throughout the rest of the World have been included for the first time this year. These additional emissions (2767 tonnes CO2-e) represent a 2% increase on total emissions reported for FY14 (128,678 tonnes CO2-e).
Change in physical operating conditions	0	No change	
Unidentified	3	Decrease	
Other	0	No change	

CC12.1b

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
5.28	metric tonnes CO2e	23668	Location-based	8	Decrease	The primary reason for the decrease is emissions reductions activities. Emissions intensity per $million revenue decreased by 8% from prior year reported figures, even though additional emission sources have been reported in FY15 (Asia and other operations around the World included), and an increase to the Group's total revenue. This decrease can be attributed to the Bank's carbon reduction Target Program with a number of significant emissions reduction activities being implemented in the reporting period that have improved the Group's energy efficiency. These include energy efficiency measures implemented in both commercial and retail portfolios and the relocation of a number of staff to energy efficient buildings.

CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

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 from previous year	Reason for change
2.72	metric tonnes CO2e	full time equivalent (FTE) employee	45948	Location-based	4	Decrease	The primary reason for the decrease is due to emission reduction activities. This decrease occurred despite the inclusion for the first time this year of Scope 1 emissions for operations throughout Asia and Scope 1 and Scope 2 emissions from operations throughout the rest of the World. These additional emissions represent 2% of last years' total reported emissions. It should be noted that last years', emission by FTE excluded Asia Scope 2 emissions. The comparison provided here includes these emissions to provide a complete picture of changes year on year.

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	38807	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.		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 and information, which increases yearly.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			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 total weight. As the Group bought a mixture of recycled and non-recycled paper, a conservative emissions factor for		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			recycled paper of 1.91 tonnes of CO2-e per tonne 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	955	The scope 3 emissions for major capital purchases for this year for the Group were estimated based on a combination of the change in expenditure on information technology services which decreased by 3% this year and the emissions reported for capital purchases last year. The Scope 3 emissions from Capital purchases last year were estimated based on the number of multifunction devices purchased and an estimate of the embodied emissions in each based on the following assumptions. It		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			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. During this reporting period, prices of MFDs were unavailable, so an average was created based on the previous costs of MFDs.		
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	16276	For each fuel type, emissions have been calculated by multiplying the total quantity of fuel consumed by the relevant Scope 3 emissions factors		These emissions relate to indirect emissions of the Bank’s Australian and New Zealand Scope 1 and 2 emissions, 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.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			from the current versions of the Australian National Greenhouse Accounts (NGA) Factors (Australian data) and the New Zealand Guidance for Voluntary Corporate Greenhouse Gas Reporting (New Zealand Data).		
Upstream transportation and distribution	Not relevant, explanation provided				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	4693	Reported sources include waste associated with the Group's ASB, Sovereign and Commonwealth Bank businesses, but exclude 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		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			represents 56% of the Bank’s portfolio). To determine the percentages attributable to 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		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			the Bank’s retail portfolio to determine total emissions from waste generation. This reporting period, retail waste data was not available, an assumption was made that last year's data would account for the same amount (or to within an immaterial amount).		
Business travel	Relevant, calculated	31564	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. Flight emissions are calculated by multiplying		Australian flight distance calculation methodology is based on the UK Department for Environment (Defra) conversion factors.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			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		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			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.		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Employee commuting	Relevant, calculated	55399	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.		
Upstream leased assets	Not relevant, explanation provided				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.
Downstream	Relevant,	2834	These emissions relate to		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
transportation and distribution	calculated		the Bank's postage emissions and New Zealand ASB Bank Ltd's postage, courier and Datamail 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 0.00013 kg CO2-e/$ spend). New Zealand postage emissions were calculated based on the number of packages posted multiplied by the New Zealand postage emissions factor of 0.01 grams of CO2-e/letter. Where data was not complete for all New Zealand operations, it was extrapolated. Courier emissions have been calculated using data provided by courier companies on distance		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			travelled by car and by air travel. The emissions factors from the New Zealand Guidance for Voluntary Corporate Greenhouse Gas Reporting were applied for a medium car (0.231 kg CO2-e/km) for courier vehicles and 0.601 kg CO2-e/km for long distance travel. Datamail provides electronic mailing services to ABS Ltd. Energy consumption data was provided by Datamail and emissions were calculated using the New Zealand Guidance for Voluntary Corporate Greenhouse Gas Reporting Scope 2 emissions factor of 0.2 kg CO2 -e/kWh.		
Processing of sold products	Not relevant, explanation provided				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				This is not a relevant emission source for the Bank. The Bank's products are financial instruments that are intangible and whose usage does not give rise to any emissions.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
	provided				
End of life treatment of sold products	Not relevant, explanation provided				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 end-of-life treatment requirements.
Downstream leased assets	Relevant, calculated	10807	The Bank has a portfolio of commercial and retail properties (approximately 60,041m2, which are leased to other parties. To determine emissions associated with these properties and their use, emissions were calculated using an assumed emissions intensity of 180kg CO2-e/m2.		
Franchises	Not relevant, explanation provided				This is not a relevant emission source for the Bank as the Bank does not have franchises.
Investments	Relevant, calculated				The Group has not undertaken an assessment of the absolute emissions associated with all investments due to the size of our lending portfolio. However, we have undertaken work on part of our lending portfolio to understand the Group Business Lending Emissions Intensity (EI) of Expenditure which is published on our website. https://www.commbank.com.au/content/dam/commbank/about-us/docs/sustainability-20151103-assessed-emissions-lending-port.pdf.
Other	Not				The Bank has no other relevant emissions sources.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
(upstream)	relevant, explanation provided				
Other (downstream)	Not relevant, explanation provided				The Bank has no other relevant emissions sources.

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance process in place

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 3 emissions verified (%)
Annual process	Complete	Limited assurance	https://www.cdp.net/sites/2016/49/3649/Climate Change 2016/Shared Documents/Attachments/CC14.2a/cba-sustainability-2015-pwc-signed-opinion.pdf	1 page only	ASAE3000	30

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Purchased goods & services	Change in output	33	Decrease	Electricity usage within the Bank’s Data Centres has decreased year on year and the electricity for the Bank West data centres are now reported as Scope 2 as they are within the Group's operational control.
Capital goods	Change in methodology	3	Decrease	The method to estimate emissions associated with Capital goods changed this year. Emissions are now calculated relative to the expenditure on

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
				information technology services.
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Emissions reduction activities	17	Decrease	Electricity use across the Group decreased in FY15 due to emission reduction measures outlined in Q3.3a.
Waste generated in operations	Emissions reduction activities	5	Decrease	The Group has put new waste initiatives in place to further sort waste to decrease the volume of waste sent to landfill.
Business travel	Emissions reduction activities	7	Decrease	The Group has reduced business travel by moving toward delivering services using an on-line technology platform which reduces the need for travel.
Employee commuting	Change in output	4	Increase	Increase in FTE from 44,329 in FY14 to 45,948 in FY15 has led to an increase in employee travel. FTE has increased by 4%, thus travel increase is proportional.
Downstream transportation and distribution	Change in output	4	Increase	Small increase in postage and courier emissions in New Zealand.
Downstream leased assets	Change in output	29	Decrease	Change in leased portfolio (lower levels of subletting in FY15).

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagement and measures of success

When undergoing a competitive tender process, CBA issue a ‘Supplier Code of Conduct’ to articulate sustainability expectations as well as a consistent set of sustainability questions to identify environmental, social and governance risks in the Group’s supply chain.
Sustainability information requested from suppliers through a dedicated Sustainability self-declare Questionnaire include a commitment to managing their environmental impacts through a certified environmental management system, environment policy and monitoring use of resources including energy and emissions.
To further understand suppliers key environmental risks, whilst supporting suppliers who are socially and environmentally responsible, the sustainability questions cover how the supplier manages:

• Social issues, including human rights, labour practices, diversity and anti-discrimination;
• Governance and transparency; and,
• Environmental impacts, including climate change, sustainable products and policies;
The Group's NZ business has a sustainability evaluation process that is sent to suppliers at various touch points: e.g.

a. New supplier (including request for proposal (RFP) scenario);
b. Existing supplier, renewal of contract;
c. Existing supplier with no contract; and
d. New business.

Suppliers are required to complete an annual evaluation which covers all aspects of sustainability including emissions and targets. The sustainability team reviews each submission and request updates and progress where required.
We engage directly with incumbent suppliers as frequently as monthly to discuss performance and opportunities to improve efficiencies.

To prioritise the engagement process, the Group has just refreshed its Environmental, Social and Governance risks by category of spend.

The sustainability questions in the Sustainability Questionnaire are applicable to all ‘requests for proposals’ via market engagement undertaken by Group Procurement across the Master Categories; Business Services, Property Services, Professional Services, and Marketing, Media and Communications. Supplier responses are weighted and feed into the overall evaluation process.

The measure of success for this engagement process is expected to deliver a reduction in carbon emissions. The engagement process will also be used to identify data gaps within the Group's supply chain and help the Group work with suppliers to improve both the supplier and the Group's overall sustainability.

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend (direct and indirect)	Comment
1489	11.4%	The Group has more than 4000 suppliers and we directly engage with approximately 35% of those. This engagement includes our

Number of suppliers	% of total spend (direct and indirect)	Comment
		landlords for branches and support offices, seeking opportunities for occupying buildings with high energy efficiency ratings. Our property team also works to deliver energy efficient fit-outs of branches and offices. Since 2009 CBA has reduced its carbon footprint by 31%, in no small part from the implementation of operational energy efficiency. Energy efficiency delivered a $6.67 million saving in energy costs in FY15.

CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Use in supplier scorecards	We use the data to engage directly with incumbent and new suppliers to discuss performance and opportunities to improve efficiencies.

CC14.4d

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Further Information

Module: Sign Off

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CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
David Craig	Chief Financial Officer	Chief Financial Officer (CFO)

Further Information

CDP 2016 Climate Change 2016 Information Request