

Glossary of Terms

Term	Description
Assets Under Management	Assets Under Management (AUM) represents the market value of assets for which the Group acts as appointed manager.
Bankwest	Bankwest is active in all domestic market segments, with lending diversified between the business, rural, housing and personal markets, including a full range of deposit products.
Business and Private Banking	Business and Private Banking provides specialised banking services to relationship managed business and Agribusiness customers, private banking to high net worth individuals and margin lending and trading through CommSec.
Corporate Centre and Group wide Eliminations/Unallocated	Corporate Centre includes the results of unallocated Group support functions such as Investor Relations, Group Strategy, Secretariat and Treasury. Group wide Eliminations/Unallocated includes intra-group elimination entries arising on consolidation, centrally raised provisions and other unallocated revenue and expenses.
Customer satisfaction – external survey	This represents satisfaction with Main Financial Institution (MFI) based on the relationship with the financial institution as measured by Roy Morgan Research. The figures are six months rolling averages and are based on respondents aged 14+. The measure is the percentage of customers who answered as being either “very satisfied” or “fairly satisfied” with their MFI.
Dividend payout ratio	Dividends paid on ordinary shares divided by earnings (earnings are net of dividends on other equity instruments).
DRP	Dividend reinvestment plan.
DRP participation	The percentage of total issued capital participating in the dividend reinvestment plan.
Earnings per share	Calculated in accordance with AASB 133: Earnings per Share.
Expense to income ratio	Represents operating expenses as a percentage of total operating income.
Funds Under Administration	Funds Under Administration (FUA) represents the market value of funds administered by the Group and includes AUM.
Institutional Banking and Markets	Institutional Banking and Markets services the Group’s major corporate, institutional and government clients using a relationship management model based on industry expertise and local insights. The Total Capital Solutions offering includes the raising of debt and equity capital, financial and commodities price risk management and transactional banking capabilities. Institutional Banking and Markets has international operations in London, Malta, New York, New Zealand, Singapore, Hong Kong, Japan and Shanghai.
Interest Rate Risk in the Banking Book	Interest Rate Risk in the Banking Book is the risk that the Bank’s profit derived from Net Interest Income (interest earned less interest paid), in current and future periods, is adversely impacted from changes in interest rates. This is measured from two perspectives: by quantifying the change in the net present value of the balance sheet’s future earnings potential, and as the anticipated change to the Net Interest Income which is reported in the Bank’s Income Statement. The APS117 IRRBB regulatory capital requirement is calculated using the net present value approach.
IFS	International Financial Services incorporates the Asian retail and SME banking operations (Indonesia, China, Vietnam and India), investments in Chinese and Vietnamese banks, the joint venture Chinese life insurance business, the life insurance operations in Indonesia and investment in a South African based financial services technology company. It does not include the Business and Private Banking, Institutional Banking and Markets and Colonial First State Global Asset Management businesses in Asia.
Net profit after tax (“cash basis”)	Represents net profit after tax and non-controlling interests before Bankwest non-cash items, the gain/loss on disposal of controlled entities/investments, treasury shares valuation adjustment, Bell Group litigation expense, gain on sale of management rights and unrealised gains and losses related to hedging and IFRS volatility. This is Management’s preferred measure of the Group’s financial performance.
Net profit after tax (“statutory basis”)	Represents net profit after tax and non-controlling interests, Bankwest non-cash items, the gain/loss on disposal of controlled entities, treasury shares valuation adjustment, Bell Group litigation expense, gain on sale of management rights and unrealised gains and losses related to hedging and IFRS volatility. This is equivalent to the statutory item “Net profit attributable to Equity holders of the Bank”.
Net profit after tax (“underlying basis”)	Represents net profit after tax (“cash basis”) excluding investment experience.
Net tangible assets per share	Net assets excluding intangible assets, non-controlling interests, and other equity instruments divided by ordinary shares on issue at the end of the period.
New Zealand	New Zealand includes the Banking, Funds Management and Insurance businesses operating in New Zealand (excluding the international business of Institutional Banking and Markets).
Other Overseas	Represents amounts booked in branches and controlled entities outside Australia and New Zealand.

Glossary of Terms (continued)

Term	Description
Retail Banking Services	Retail Banking Services provides home loan, consumer finance and retail deposit products and servicing to all Retail bank customers and non-relationship managed small business customers. In addition, commission is received for the distribution of Wealth Management products through the retail distribution network.
Return on equity – cash basis	Based on cash net profit after tax and non-controlling interests less other equity instruments' distributions applied to average shareholders' equity, excluding non-controlling interests, other equity instruments and treasury shares.
Return on equity – statutory basis	Based on net profit after tax ("statutory basis") less other equity instruments' distributions applied to average shareholders' equity, excluding non-controlling interests and other equity instruments.
Full-time equivalent staff	Includes all permanent full-time staff, part-time staff equivalents and external contractors employed through third-party agencies.
Wealth Management	Wealth Management includes the Global Asset Management (including operations in Asia and Europe), Platform Administration, and Life and General Insurance businesses of the Australian operations.
Weighted average number of shares ("cash basis")	Includes an adjustment to exclude "Treasury Shares" related to investment in the Bank's shares held by the employee share scheme trust.
Weighted average number of shares ("statutory basis")	Includes an adjustment to exclude "Treasury Shares" related to investments in the Bank's shares held by both the life insurance statutory funds and by the employee share scheme trust.

Market Share Definitions

Retail Banking

Home loans	<u>CBA Loans to individuals that are Owner Occupied and Investment Home Loans + Securitised Housing Loans as per APRA Banking Stats + separately reported subsidiaries: Wallaby Trust, Residential Group Mortgage Group P/L and Homepath P/L</u> RBA Total Housing Loans (incl. securitisations) (includes Banks and non-banks)
Credit cards (RBA)	<u>CBA Personal Credit Card Lending (APRA)</u> Credit Cards excluding those issued to Business, with Interest free period + without interest free period (from RBA market which includes NBFIs unlike APRA)
Consumer finance (other household lending)	<u>CBA Lending to Individuals which includes: Personal Loans, Margin Lending, Personal Leasing, Revolving Credit and Overdrafts</u> Loans to Households: Other (APRA Monthly Banking Statistics back series)
Household deposits	<u>Total CBA transaction and non-transaction account deposit balances from residents as reported under APRA definitions for Households (individuals) excluding Self-Managed Super Funds (as per deposit balances submitted to APRA in ARF 320.0)</u> Household Deposits (from APRA Monthly Banking Statistics back series)

Business Banking

Business lending (APRA)	<u>CBA Total loans to residents as reported under APRA definitions for the non-financial corporation's sector (as per lending balances submitted to APRA in ARF 320.0) (this includes some Housing Loans)</u> Total loans to the Non-Financial Corporations sector (from APRA Monthly Banking stats back series)
Business lending (RBA)	<u>CBA and CBFC (subsidiary) business lending and credit: specific "business lending" categories in lodged APRA returns – ARF 320.0 Statement of Financial Position Domestic Book, ARF 320.1 Debt Securities Held and ARF 320.4 Accepted and Endorsed Bills, excluding sub-categories of Banks, ADIs, RFCs and Governments</u> Total of business lending category of the RBA Aggregate Lending seasonally adjusted
Business deposits (APRA)	<u>Total CBA transaction and non-transaction account deposit balances from residents as reported under APRA definitions for the non-financial corporation's sector (as per deposit balances submitted to APRA in ARF 320.0)</u> Loans to Non-Financial Corporations (from APRA Monthly Banking Stats back series)
Asset Finance	<u>CBA Leasing as reported to Australian Equipment Lessors Association (AELA)</u> Total AELA Leasing Market including major competitors
Equities trading	<u>Twelve months rolling average of total value of equities trades</u> Twelve months rolling average of total value of equities market trades as measured by ASX

Wealth Management

Australian Retail	<u>Total funds in CBA Wealth Management retail investment products (including WM products badged by other parties)</u> Total funds in retail investment products market (from Plan for Life)
FirstChoice Platform	<u>Total funds in FirstChoice platform</u> Total funds in platform/masterfund market (from Plan for Life)
Australia life insurance (total risk)	<u>Total risk inforce premium of all CBA Group Australian life insurance companies</u> Total risk inforce premium for all Australian life insurance companies (from Plan for Life)
Australia life insurance (individual risk)	<u>(Individual lump sum + individual risk income) inforce premium of all CBA Group Australian life insurance companies</u> Individual risk inforce premium for all Australian life insurance companies (from Plan for Life)

Market Share Definitions (continued)

New Zealand

Home Loans	<u>All ASB residential mortgages to personal customers for housing purposes (including off Balance Sheet)</u> Total New Zealand residential mortgages to personal customers for housing purposes (from New Zealand Reserve Bank)
Retail deposits	<u>All New Zealand dollar retail deposits on ASB Balance Sheet</u> Total New Zealand dollar retail deposits of all New Zealand registered banks (from New Zealand Reserve Bank)
Business Lending	<u>All New Zealand dollar claims on ASB Balance Sheet excluding Agriculture, Finance, Insurance, Government, Household and Non-Resident sector loans</u> Total New Zealand dollar credit to the resident business sector, based on Australia New Zealand Standard Industrial Classification (ANZSIC) excluding the following: Agriculture, Finance, Insurance, General Government, Household and Non-Resident sector loans (from New Zealand Reserve Bank)
Retail FUA	<u>Total ASB FUA + Sovereign FUA</u> Total Market net Retail FUA (from Fund Source Research Limited)
Annual inforce premiums	<u>Total Sovereign inforce premiums excluding health (opening inforce annual premium income + new business - exits - other)</u> Total inforce premium for New Zealand (from Financial Services Council of New Zealand statistics)
