May 15, 2025

Commonwealth Bank of Australia

Recent Developments

The information set forth below is not complete and should be read in conjunction with the information contained on the "Supplementary business and financial disclosure" page of the U.S. investor website of the Commonwealth Bank of Australia ("CBA" or the "Bank") at https://www.commbank.com.au/about-us/investors/us-investors.html (the "U.S. Investor Website"). References in this "Recent Developments" release to the "Group" refer to the Bank and its subsidiaries on a consolidated basis. This "Recent Developments" release supplements and, to the extent inconsistent with any information previously included on the U.S. Investor Website, amends and supersedes such information.

This "Recent Developments" release contains certain forward-looking statements which involve known and unknown risks and uncertainties. Such forward-looking statements, including economic forecasts and assumptions and business and financial projections, involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. See "Special Note Regarding Forward-Looking Statements" in the Group's Half-Year U.S. Disclosure Document for the half year ended December 31, 2024 included on the U.S. Investor Website (the "2025 Half-Year U.S. Disclosure Document").

References to "$" are to Australian Dollars.

Trading Update for the Quarter Ended March 31, 2025

All financial results are presented on a "continuing operations" basis, consistent with the financial disclosures in the 2025 Half-Year U.S. Disclosure Document. For more information on the Group's discontinued operations, see page 3 of the 2025 Half-Year U.S. Disclosure Document and Note 7.3 to the Group's consolidated financial statements for the half-year ended December 31, 2024 included on the U.S. Investor Website (the "2025 Half-Year Financial Report").

Unless otherwise noted, all comparisons against the results for the quarter ended March 31, 2025 (the "quarter") are to the average of the results from the two quarters of the first half of financial year 2025 (the "1H25 quarterly average"). All comparisons of the quarter to the 1H25 quarterly average are not comparable to, and should not be taken to be comparable to, comparisons to the quarter ended December 31, 2024. References to "1H25" mean the first fiscal half year ended December 31, 2024. References to the prior comparative quarter refer to the quarter ended March 31, 2024.

The unaudited net profit after tax ("statutory basis") and unaudited net profit after tax ("cash basis") figures presented have been rounded to the nearest $100 million.

The sources for the volume growth statistics presented are the Reserve Bank of Australia's ("RBA") Lending and Credit Aggregates (Home and Business Lending excluding Institutional Banking and Markets) and the Australian Prudential Regulatory Authority's ("APRA") Monthly Authorised Deposit Taking Institution ("ADI") Statistics (Household Deposits). The related CBA business lending system multiple estimate is based on the Group's Business Banking growth rate (excluding Institutional Banking and Markets) over published APRA and RBA Total Business Lending data (excluding estimated Institutional Lending balances).

Refer to Annex A for a reconciliation of key financials.

Summary

On May 14, 2025, the Group advised of the following results for the quarter:

- Unaudited net profit after tax ("statutory basis") was approximately $2.6 billion.

- Unaudited net profit after tax ("cash basis")[1] was approximately $2.6 billion, flat on the 1H25 quarterly average and an increase of 6% on the prior comparative quarter.

- Operating income increased 1% driven by lending volume growth and higher trading income, largely offset by two fewer days in the quarter. Excluding non-recurring earnings, net interest margin was stable.

- Operating expenses increased 1% driven by increased investment in technology and frontline staff, partly offset by two fewer days in the quarter and the benefit of ongoing productivity initiatives.

- Operating performance increased 1% on the 1H25 quarterly average, an increase of 6% on the prior comparative quarter.

- Loan impairment expense was $223 million, with collective and individual provisions slightly higher. Portfolio credit quality has remained sound, with increases in consumer arrears and corporate troublesome and non-performing exposures.

- Strong balance sheet settings were maintained, with a customer deposit funding ratio of 77%, Liquidity Coverage Ratio ("LCR") of 133% and Net Stable Funding Ratio ("NSFR") of 116%.

- $36 billion of new long-term wholesale funding has been issued this financial year to date across multiple markets and products, completing the Group's financial year 2025 funding task.

- Common Equity Tier 1 ("CET1") (Level 2) ratio of 11.9% as at March 31, 2025, up 45 basis points before the payment of $3.8 billion in 1H25 dividends to approximately 814,000 shareholders, reflecting strong organic capital generation.

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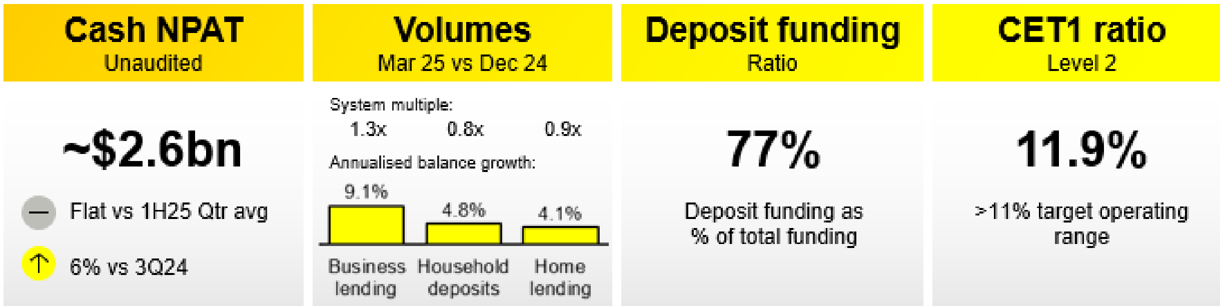
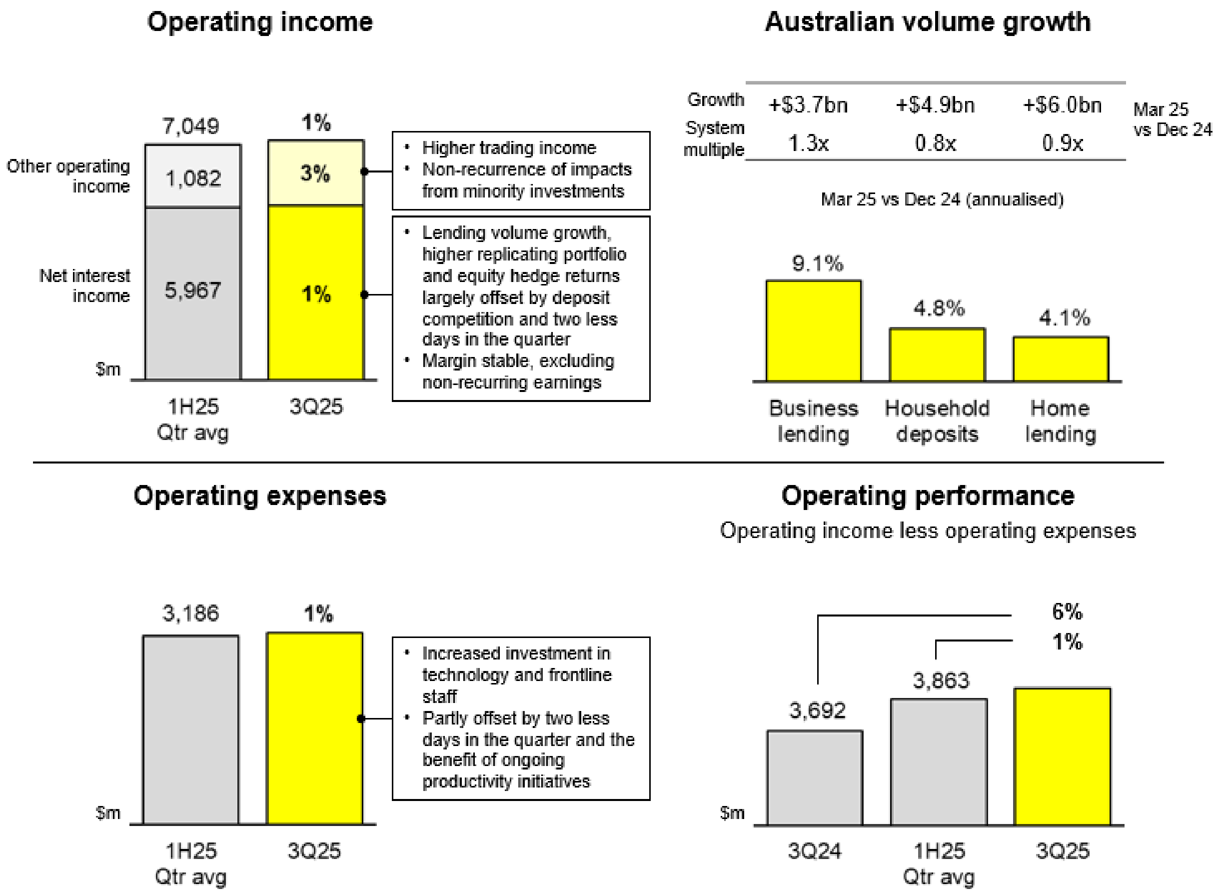
[1] Except as expressly noted, this update is based on the Group's net profit after tax ("cash basis"), which is prepared on a different basis than Australian equivalents to International Financial Reporting Standards ("IFRS"). It is not a measure based on cash accounting or cash flows. Net profit after tax ("cash basis") is used by management of the Group to present what it believes to be a clear view of the Group's underlying operating results, excluding certain items that the Group believes introduce volatility and/or one-off distortions of the Group's performance. The items excluded from cash profit, such as hedging and IFRS volatility and losses or gains on acquisition, disposal, closure, capital repatriation and demerger of businesses, are calculated consistently period on period and do not discriminate between positive and negative adjustments. For a more detailed description of these items, refer to page 11 of the 2025 Half-Year U.S. Disclosure Document.



Note regarding CET 1 ratio: CBA expects to operate with a post-dividend CET1 ratio of greater than 11.0%, except in circumstances of unexpected capital volatility.

Operating Performance



- Operating income was 1% higher in the quarter, with higher net interest income and other operating income.

- Net interest income was 1% higher, with lending volume growth and earnings on replicating portfolio and equity hedges largely offset by deposit competition and two less days in the quarter. Excluding non-recurring earnings, net interest margin was stable.

- Higher earnings on replicating portfolio and equity hedges have largely been driven by reinvestment at higher swap rates. Returns from the replicating portfolio and equity hedge are sensitive to three and five year swap rates, which have fallen materially in recent months.

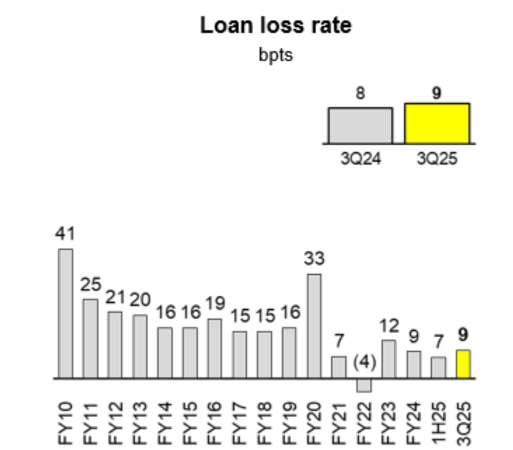
- Disciplined volume growth was delivered across home lending and household deposits in the quarter. Retail Bank transaction accounts increased by ~150,000 in the quarter driven by continued non-migrant and migrant account openings. Home loans grew $6.0 billion for the quarter. Proprietary mix for CBA home loans represented 68% of new business flows for the quarter. Household deposits grew $4.9 billion in the quarter.

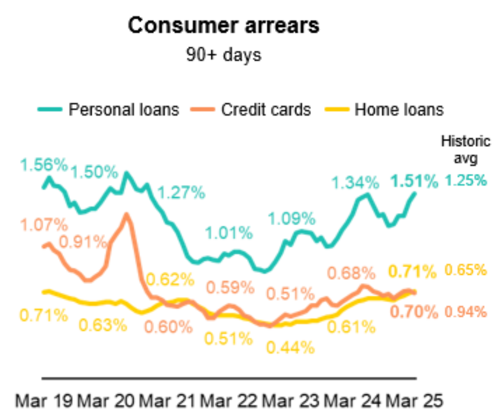
- We have continued to focus on growing our Business Bank franchise in the quarter. We have increased business transaction accounts by 7% versus the prior comparative period to approximately 1.31 million accounts. Business lending continued to grow in the quarter, with diversified growth across sectors.

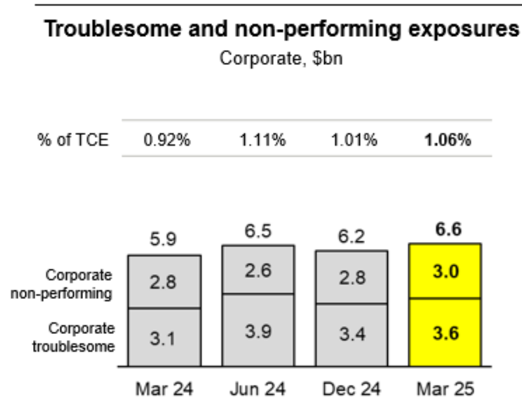
- Other operating income was 3% higher, primarily driven by higher trading income and non-recurrence of impacts from minority investments.

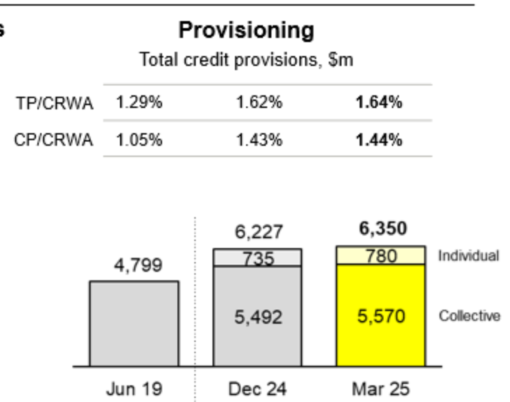
- Operating expenses increased by 1% mainly driven by increased investment in technology and frontline staff, partly offset by two less days in the quarter and the benefit of ongoing productivity initiatives.

Provisions and Credit Quality





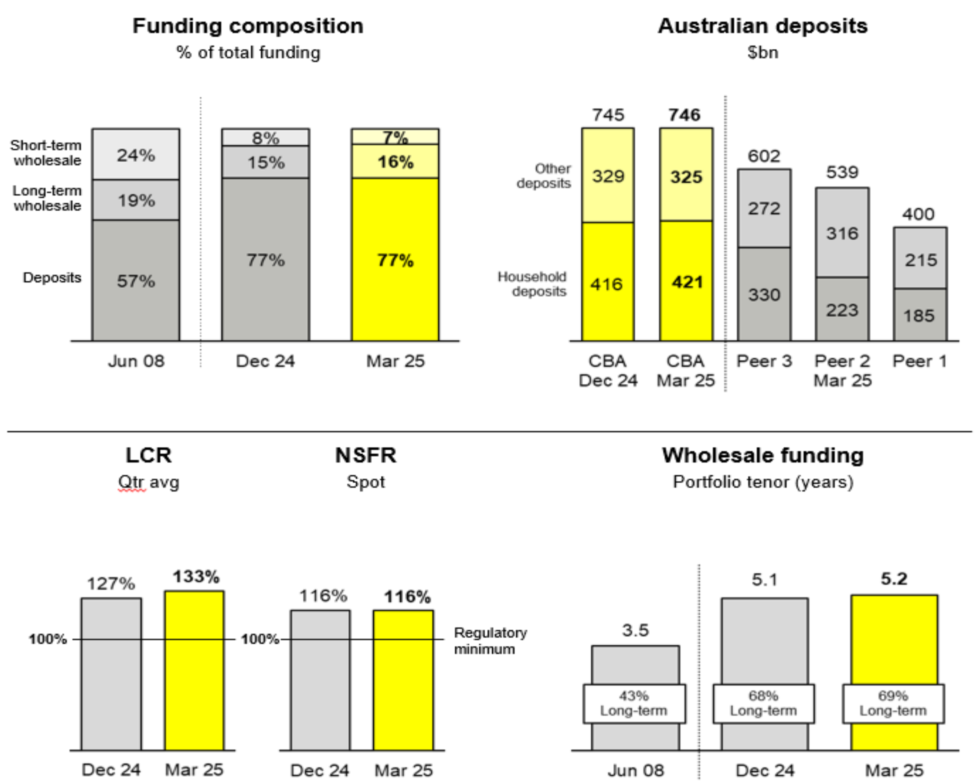




Note regarding loan loss rate: Loan impairment expense as a percentage of average GLAA.
Note regarding consumer arrears: Group consumer arrears including New Zealand.
Note regarding historic average: Historic average from August 2008 to June 2023.
Note regarding TNPE: Non-performing exposures are exposures in default as defined in regulatory standard *APS220 Credit Risk Management.* Corporate troublesome exposures are defined as exposures to corporate customers where profitability is weak and the capacity to meet financial commitments is diminished. These customers are at higher risk of default over the next 12 months.
Note regarding TP, CRWA and CP: Total Provisions ("TP") as a ratio of Credit Risk Weighted Assets ("CRWA") and Collective Provisions ("CP") as a ratio of CRWA. CRWA on Basel III basis. December 2024 and March 2025 represents CRWA based on revised APRA capital framework effective from January 1, 2023.

- Consumer arrears and corporate Troublesome and Non-Performing Exposures ("TNPE") increased in the quarter. Loan impairment expense was $223 million in the quarter, or 9bpts of average Gross Loans and Acceptances ("GLAA").
- Home loan arrears increased over the quarter to 0.71% (+5bpts). Personal loan arrears increased 19bpts, largely in line with seasonal trends. Credit card arrears remained broadly stable (+2bpts).
- Corporate TNPE was higher at $6.6 billion or 1.06% of corporate Total Committed Exposure, reflecting movements in single name exposures across several sectors.
- Total credit provisions were $6.4 billion, with a slight increase in collective provisions to $5.6 billion broadly in line with portfolio growth, and a marginal increase in individual provisions to $780 million.
- Strong provision coverage was maintained with total provision coverage ratio of 1.64%.

Funding and Liquidity



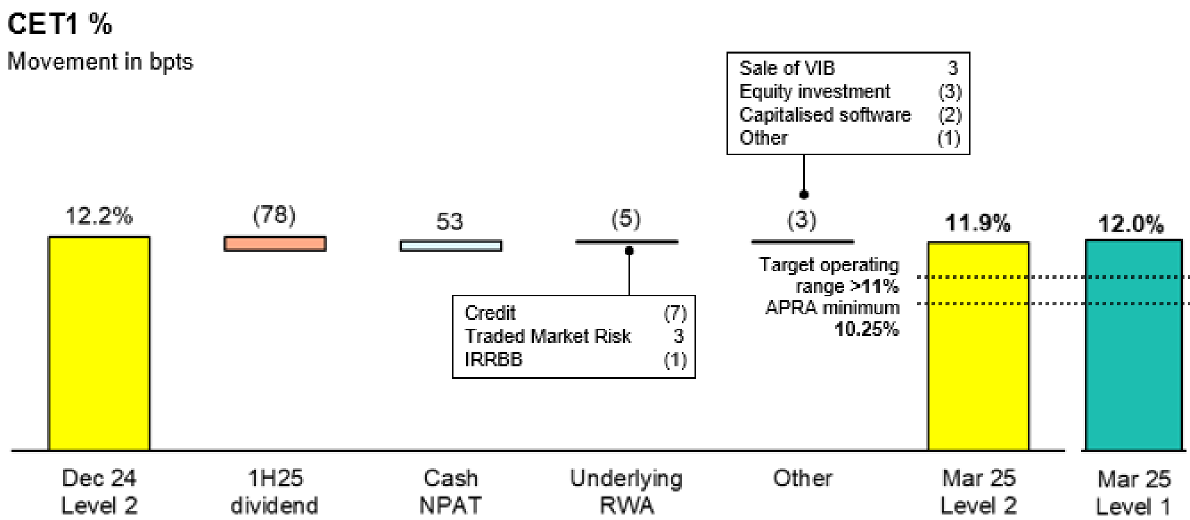
Note regarding Australian deposits:	APRA Monthly ADI Statistics. Total resident deposits (excludes negotiable certificates of deposit). As at March 31, 2025.

- Balance sheet settings remained strong in the quarter. Customer deposit funding represented 77% of total funding and household deposits grew $4.9 billion in the quarter. The proportion of short-term wholesale funding remained well below historic levels.

- The Bank's long-term wholesale funding position remained conservative, accounting for 69% of total wholesale funding with a weighted average portfolio tenor of 5.2 years. A$36 billion of new long-term wholesale funding has been issued this financial year to date across multiple markets and products.

- The Bank's LCR and NSFR remained well above regulatory minimums.

Capital



Note regarding rounding:	Due to rounding, numbers presented in this section may not sum precisely to the totals provided.
Note regarding APRA Minimum:	Inclusive of 1% default countercyclical capital buffer which may be varied by APRA in the range of 0% to 3.5%.
Note regarding 1H25 Dividend:	Includes the on-market purchase of shares in respect of the Dividend Reinvestment Plan.
Note regarding Cash NPAT:	Excludes equity accounted profits/losses and impairments from investments, which are neutral from a regulatory capital perspective due to the offsetting increase in capital deductions.
Note regarding Underlying RWA:	Excludes impact of foreign exchange ("FX") movements on Credit Risk Weighted Assets ("RWA") which is included in 'Other'.

- The Bank maintained a strong capital position with a CET1 (Level 2) ratio of 11.9% as at March 31, 2025, well above APRA's minimum regulatory requirement of 10.25%. In the quarter, CET1 (Level 2) ratio increased 45bpts after allowing for the impact of the 1H25 dividend (-78bpts), with capital generated from earnings (+53bpts) partly offset by an increase in total RWA (-5bpts), and other items (-3bpts).

- The Bank has completed the purchase of more than $680 million of shares on market to neutralize the impact of the 1H25 Dividend Reinvestment Plan, reflecting a continued strong level of investor participation at 18.1%.

- Credit RWA (excluding FX) increased by $2.8 billion (-7bpts) in the quarter primarily driven by volume growth across commercial lending and mortgages. Traded Market Risk RWA decreased by $1.1 billion (+3bpts).

- CBA's (Level 2) Tier 1 and Total Capital ratios as at March 31, 2025 were 13.8% and 20.7%, respectively.

- CBA's CET1 (Level 1) ratio as at March 31, 2025 was 12.0%.

Basel III Pillar 3 Capital Adequacy and Risks Disclosures as at March 31, 2025

On May 14, 2025, the Group released its Basel III Pillar 3 Capital Adequacy and Risks Disclosures as at March 31, 2025. That release is attached as Annex B hereto.

Divestment of CBA's Shareholding in VIB

On March 5, 2025, CBA announced that it had completed the sale of its remaining 4.4% shareholding in Vietnam International Commercial Joint Stock Bank ("VIB") via the Ho Chi Minh Stock Exchange (the "Transaction"). The Transaction was executed on March 5, 2025, and settlement occurred on March 7, 2025.

Total gross proceeds received by CBA from the Transaction were approximately $170 million. The Transaction is expected to deliver a pro forma uplift to the Group's CET1 ratio of approximately 3 basis points on an Australian Prudential Regulation Authority basis, based on the Group's risk weighted assets as of December 31, 2024. For more information on the Group's CET1 ratio, see page 36 of the 2025 Half-Year U.S. Disclosure Document.

Board Renewal

On March 17, 2025, Chairman of the CBA Board, Paul O'Malley, announced the appointment of Alistair Currie to CBA's Board as an Independent Non-Executive Director with effect on March 31, 2025.

Alistair has extensive international banking experience, having held roles in Australia, the United Kingdom, the United States, Asia and the Middle East. He is currently Group Chief Operating Officer at Barclays PLC, and will retire from that role on June 30, 2025. Alistair was previously at ANZ Banking Group Limited where he held senior positions including Group Chief Operating Officer. Prior to that, Alistair held various international roles at HSBC.

Appeal Judgment in Shareholder Class Actions

On May 7, 2025, CBA noted the judgment delivered on that date by the Full Court of the Federal Court of Australia (the "Full Court") in the appeals from the Zonia and Baron shareholder class actions.[2]

[2] For further details on these class actions, see Note 7.2 to the 2025 Half-Year Financial Report.

The Full Court concluded that the primary judge’s orders dismissing the class actions remain unchanged. While the Full Court has found certain contraventions of the continuous disclosure regime in April 2017, and allowed the appeals in part, the appellants did not prove any loss and there was no award of damages.

CBA continues to consider the judgment. The parties are to consider consequential orders to give effect to the Full Court’s judgment.

CBA announced the commencement of the appeals on June 25, 2024.

Annex A

Key financials reconciliation	1H25 $m	1H25 Qtr avg $m	Movement 3Q25 vs 3Q24	Movement 3Q25 vs 1H25 Qtr avg
Total operating income	14,097	7,049	6%	1%
Total operating expenses	(6,372)	(3,186)	5%	1%
Operating performance	7,725	3,863	6%	1%
Loan impairment expense	(320)	(160)	17%	39%
Cash NPAT from continuing operations	5,132	2,566	6%	Flat

Annex B

Basel III Pillar 3 Capital Adequacy and Risks Disclosures as at March 31, 2025

Basel III Pillar 3

Capital Adequacy and Risk Disclosures as at 31 March 2025

Commonwealth Bank of Australia

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The release of this announcement was authorised by the Disclosure Committee.

Contents

1 Introduction

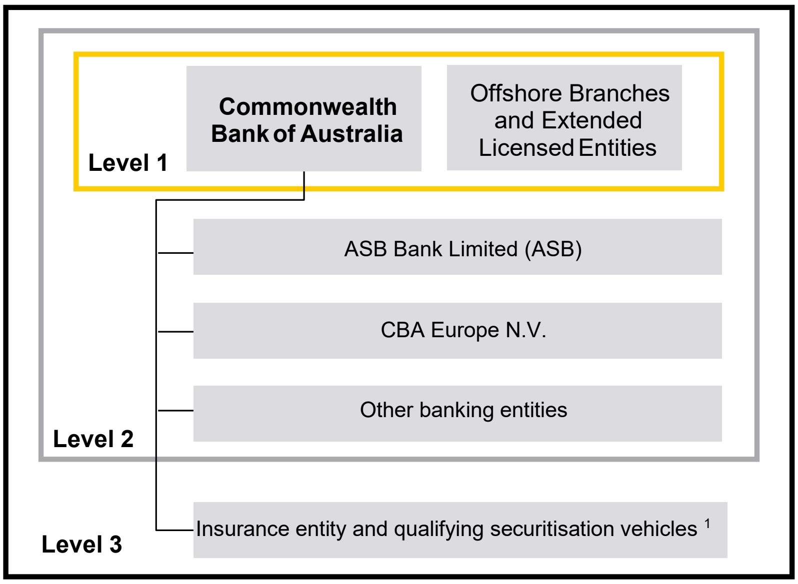
The Commonwealth Bank of Australia (CBA) is an Authorised Deposit-taking Institution (ADI) regulated by the Australian Prudential Regulation Authority (APRA) under the authority of the *Banking Act 1959* (Cth).

This document is prepared for CBA and its subsidiaries (the Group) in accordance with the Board approved policy and APRA's revised Prudential Standard for Public Disclosures (APS 330), that came into effect from 1 January 2025. The revised APS 330 seeks to provide market participants with sufficient information to assess the Group's material risks and capital position, and the format of disclosures has been aligned with the updated international standards for public disclosures set by the Basel Committee and with APRA's ADI capital framework.

This document contains information on the Group's capital adequacy and Risk Weighted Assets (RWA) calculations for credit risk (including securitisation), traded market risk, Interest Rate Risk in the Banking Book (IRRBB) and operational risk. This document also presents information on the Group's leverage and liquidity ratios in accordance with prescribed methodologies.

The Group is required to report its assessment of capital adequacy on a Level 2 basis. Level 2 is defined as the Consolidated Banking Group excluding the insurance entity and certain entities through which securitisation of the Group's assets is conducted.

APS 330 reporting structure



1 Securitisation that meets APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation* (APS 120).

The Group is predominantly accredited to use the Advanced Internal-Ratings Based (AIRB) approach for credit risk and the Standardised Measurement Approach for operational risk. The Group is also required to assess its traded market risk and IRRBB requirements under Pillar 1 of the Basel capital framework.

This document is unaudited and has been prepared consistent with information that has been supplied to APRA.

The Group's Pillar 3 documents including disclosure of capital instruments are available on the Group's corporate website: commbank.com.au/regulatorydisclosures.

2 Overview

Capital Position

As at 31 March 2025, the Group's Basel III Common Equity Tier 1 (CET1), Tier 1 and Total Capital ratios were 11.9%, 13.8% and 20.7%, respectively.

The Group's CET1 ratio increased 45 basis points in the quarter after allowing for the impact of the 2025 interim dividend (-78 basis points). This increase was primarily driven by capital generated from earnings (+53 basis points), partly offset by a net increase in total RWAs (-5 basis points) and other regulatory adjustments (-3 basis points).

Further details on the movements in RWA are provided on page 4.

The CET1 Capital ratio for Level 1 as at 31 March 2025 was 12.0% (31 December 2024: 12.1%).

Summary Group Capital Adequacy Ratios (Level 2)	31 Mar 25 %	31 Dec 24 %
Common Equity Tier 1	**11.9**	12.2
Additional Tier 1	**1.9**	1.9
Tier 1	**13.8**	14.1
Tier 2	**6.9**	6.6
Total Capital	**20.7**	20.7

Group Regulatory Capital Position	31 Mar 25 $M	31 Dec 24 $M
Common Equity Tier 1 Capital	**57,513**	58,871
Additional Tier 1 Capital	**9,272**	9,272
Tier 1 Capital	**66,785**	68,143
Tier 2 Capital	**33,444**	31,562
Total Capital	**100,229**	99,705
Risk Weighted Assets	**484,491**	482,369

Capital Initiatives

The following significant capital initiatives were undertaken during the quarter ended 31 March 2025:

Common Equity Tier 1 Capital

The Dividend Reinvestment Plan (DRP) in respect of the 2025 interim dividend was satisfied in full by the on-market purchase of shares. The participation rate for the DRP was 18.1%.

Tier 2 Capital

The Group issued USD 1,250 million subordinated notes in March 2025.

Overview (continued)

Risk Weighted Assets

Total RWA increased by $2.1 billion on the prior quarter to $484.5 billion, driven by increases in credit risk RWA and IRRBB RWA, partly offset by lower traded market risk RWA.

Risk Weighted Assets	31 Mar 25 $M	31 Dec 24 $M
Credit Risk	**388,084**	385,117
of which: IRB (excluding counterparty credit risk)	**353,941**	349,191
of which: counterparty credit risk and other [1]	**34,143**	35,926
Traded Market Risk	**6,869**	7,949
Interest Rate Risk in the Banking Book	**41,914**	41,679
Operational Risk	**47,624**	47,624
Total Risk Weighted Assets	**484,491**	482,369

1 Includes credit valuation adjustment, securitisation, standardised portfolios and settlement risk RWA.

Credit Risk RWA

Credit risk RWA increased $3.0 billion or 0.8% on the prior quarter to $388.1 billion. The key drivers of credit risk RWA movement include:

- Volume growth (increase of $5.1 billion) across commercial portfolios, domestic residential mortgages and New Zealand portfolios; and
- Foreign currency movements (increase of $0.2 billion); partly offset by
- Credit quality improvement (decrease of $0.6 billion) from lower risk weights for domestic residential mortgages and commercial portfolios; and
- Decrease in derivatives and standardised portfolios (decrease $1.7 billion).

Traded Market Risk RWA

Traded market risk RWA decreased by $1.1 billion or 14% on the prior quarter to $6.9 billion.

Interest Rate Risk in the Banking Book (IRRBB) RWA

IRRBB RWA increased by $0.2 billion or 0.6% on the prior quarter to $41.9 billion, driven by interest rate management activities offset by lower basis risk.

Operational Risk RWA

As required by APS115, operational risk RWA as at March 2025 and December 2024 have been determined based on the annual average value of the relevant components of the Group's net income over the financial years ended 30 June 2024, 2023 and 2022.

Leverage Ratio

The Group's leverage ratio, defined as Tier 1 Capital as a percentage of total exposures, was 4.7% as at 31 March 2025. The decline in the leverage ratio in the quarter was primarily driven by the impact of the 2025 interim dividend and higher exposures, partly offset by capital generated from earnings.

The minimum leverage ratio requirement for IRB banks, such as CBA, is 3.5%.

Summary Group Leverage Ratios	31 Mar 25	31 Dec 24
Tier 1 Capital ($M)	**66,785**	68,143
Total Exposures ($M)	**1,410,610**	1,393,974
Leverage Ratio (%)	**4.7**	4.9

Overview (continued)

Group Liquidity and Funding Ratios

Group Liquidity and Funding Ratios	31 Mar 25 %	31 Dec 24 %
Liquidity Coverage Ratio	**133**	127
Net Stable Funding Ratio	**116**	116

Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) requires Australian ADIs to hold sufficient liquid assets to meet 30 day Net Cash Outflows (NCO) projected under an APRA prescribed severe liquidity stress scenario. Over the March 2025 quarter, excess liquid assets averaged $46 billion and the average LCR increased from 127% to 133%. The increase in average LCR was mainly due to balance sheet management activities, including strong net wholesale funding issuance over the March 2025 quarter.

Net Stable Funding Ratio

The Net Stable Funding Ratio (NSFR) is the ratio of the amount of Available Stable Funding (ASF) to the amount of Required Stable Funding (RSF) over a one year horizon. Factors prescribed by APRA are used to determine the stable funding requirement of assets and the stability of alternative sources of funding. The Group's NSFR was 116% at 31 March 2025 and remained stable over the quarter.

3 Risk Weighted Assets

RWA are calculated using the AIRB approach for the majority of the Group's credit risk exposures and using the Foundation or Standardised approach as required under the Australian prudential standards. For CBA's New Zealand Subsidiary, ASB, RWA are calculated using the Reserve Bank of New Zealand's prudential rules subject to certain APRA-prescribed adjustments. The Group must use the External Ratings-based Approach where a securitisation exposure is externally rated by an External Credit Assessment Institution (ECAI) or for which an inferred rating is available. Where the Group cannot use the External Ratings-based Approach, the Group must use the Supervisory Formula Approach.

OV1 - Overview of RWA

The following table provides an overview of total RWA by risk type and approach with further details on movements in RWA being provided on page 4.

		Risk Weighted Assets		Minimum capital requirements [1]
		31 Mar 25	31 Dec 24	31 Mar 25
		$M	$M	$M
1	**Credit risk (excluding counterparty credit risk) [2]**	**372,431**	367,994	29,794
2	Of which: standardised approach (SA)	**18,490**	18,803	1,479
3	Of which: foundation internal ratings-based (F-IRB) approach	**35,540**	36,072	2,843
4	Of which: supervisory slotting approach	**8,845**	8,893	708
5	Of which: advanced internal ratings-based (A-IRB) approach	**309,556**	304,226	24,764
6	**Counterparty credit risk (CCR)**	**7,772**	8,846	622
7	Of which: standardised approach for counterparty credit risk	**7,125**	8,236	570
9	Of which: other CCR	**647**	610	52
10	Credit valuation adjustment (CVA)	**4,162**	4,589	333
15	Settlement risk	**–**	3	–
16	Securitisation exposures in banking book	**3,719**	3,685	298
18	Of which: securitisation external ratings-based approach (SEC-ERBA)	**1,416**	1,302	114
19	Of which: securitisation standardised approach (SEC-SA)	**2,303**	2,383	184
20	**Market risk**	**6,869**	7,949	550
21	Of which: standardised approach (SA) [3]	**1,355**	1,458	108
22	Of which: internal model approach (IMA) [4]	**5,514**	6,491	442
	Interest rate risk in the banking book	**41,914**	41,679	3,353
24	**Operational risk**	**47,624**	47,624	3,810
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	**–**	–	–
26	Output floor applied (%)	**72.5**	72.5	n/a
27	Floor adjustment	**–**	–	n/a
29	**Total**	**484,491**	482,369	38,760

1 Minimum total capital requirement in accordance with APS 110 *Capital Adequacy* is 8% of RWA.
2 Includes non-retail overlays of $0.5 billion (31 December 2024: $0.5 billion) and IPRE risk weight floor top-up of $2.9 billion (31 December 2024: $2.9 billion).
3 Represents specific market risk RWA in relation to interest rate risk.
4 Includes internal model approach RWA in relation to VaR of $1.4 billion (31 December 2024: $1.6 billion) and SVaR of $4.1 billion (31 December 2024: $4.9 billion).

Risk Weighted Assets (continued)

CMS1 – Comparison of modelled and standardised RWA at risk level

The Group is predominantly accredited to use its own internal models to determine the capital requirements for Credit Risk, Market Risk and IRRBB. APRA's ADI capital framework has been calibrated such that the capital requirements using the internal model methods tend to be lower than standardised capital requirements. This calibration has the policy objectives of encouraging investment by banks in advanced modelling capabilities and associated technology, data and specialist skills and enabling banks to more accurately allocate capital for risk.

The Group's total RWA is above the 72.5% minimum set by the Basel Committee and APRA as a safeguard to ensure that the capital benefit for advanced banks is not excessive and does not unfairly disadvantage standardised banks.

The following table provides details of the comparison of modelled and standardised RWA by risk type. Further details on movements in RWA are provided on page 4.

		31 March 2025			
		RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA	RWA calculated using full standardised approach (ie used in the base of the output floor)
		$M	$M	$M	$M
1	Credit risk (excluding counterparty credit risk)	353,941	18,490	372,431	557,548
2	Counterparty credit risk	7,257	515	7,772	16,254
3	Credit valuation adjustment	n/a	4,162	4,162	4,162
4	Securitisation exposures in the banking book	–	3,719	3,719	3,719
5	Market risk	5,514	1,355	6,869	6,869
	Interest rate risk in banking book	41,914	–	41,914	–
6	Operational risk	n/a	47,624	47,624	47,624
7	Residual RWA	n/a	–	–	–
8	**Total**	**408,626**	**75,865**	**484,491**	**636,176**

		31 December 2024			
		RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA	RWA calculated using full standardised approach (ie used in the base of the output floor)
		$M	$M	$M	$M
1	Credit risk (excluding counterparty credit risk)	349,191	18,803	367,994	549,828
2	Counterparty credit risk	8,394	452	8,846	20,187
3	Credit valuation adjustment	n/a	4,589	4,589	4,589
4	Securitisation exposures in the banking book	–	3,685	3,685	3,685
5	Market risk	6,491	1,458	7,949	7,949
	Interest rate risk in banking book	41,679	–	41,679	–
6	Operational risk	n/a	47,624	47,624	47,624
7	Residual RWA	n/a	3	3	3
8	**Total**	**405,755**	**76,614**	**482,369**	**633,865**

The difference between internally modelled RWA and the associated full standardised approach RWA for credit risk is mainly driven by residential mortgage and corporate (including large and SME corporate) asset classes.

4 Credit Risk

CR8 – RWA flow statements of credit risk exposures under IRB

The following table summarises the movements of risk weighted assets for credit risk exposures under the Internal Ratings Based (IRB) Approach. The table excludes credit valuation adjustment, counterparty credit risk, securitisation and settlement risk RWA. Further details on movements in RWA are provided on page 4.

		31 Mar 25 RWA amounts $M
1	RWA as at end of previous reporting period	349,191
2	Asset size [1]	5,146
3	Asset quality	(586)
4	Model updates	–
5	Methodology and policy	–
6	Acquisitions and disposals	–
7	Foreign exchange movements	190
8	Other	–
9	**RWA as at end of reporting period**	**353,941**

1 Includes organic changes in book size (including origination of new businesses and maturing loans) but excludes changes in book size resulting from acquisition or disposal of entities.

5 Leverage Ratio

LR2 – Leverage ratio common disclosure template

The following table shows the leverage ratio calculation and includes additional breakdowns of the leverage ratio exposure measure.

Refer to page 4 for the details on movements in the leverage ratio in the quarter.

		31 Mar 25 $M	31 Dec 24 $M
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	**1,208,380**	1,186,619
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	**7,121**	8,055
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	**(3,940)**	(4,515)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	**–**	–
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	**–**	–
6	(Asset amounts deducted in determining Tier 1 capital and regulatory adjustments)	**(19,336)**	(19,158)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)**	**1,192,225**	**1,171,001**
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin, with bilateral netting and/or the specific treatment for client cleared derivatives)	**9,367**	15,505
9	Add-on amounts for potential future exposure associated with all derivatives transactions	**21,713**	21,222
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	**–**	–
11	Adjusted effective notional amount of written credit derivatives	**2,540**	2,657
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	**(2,508)**	(2,625)
13	**Total derivative exposures (sum of rows 8 to 12)**	**31,112**	**36,759**
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	**100,514**	101,554
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	**(31,032)**	(31,960)
16	Counterparty credit risk exposure for SFT assets	**3,910**	3,649
17	Agent transaction exposures	**–**	–
18	**Total securities financing transaction exposures (sum of rows 14 to 17)**	**73,392**	**73,243**
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	**224,304**	223,673
20	(Adjustments for conversion to credit equivalent amounts)	**(110,423)**	(110,702)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	**–**	–
22	**Off-balance sheet items (sum of rows 19 to 21)**	**113,881**	**112,971**
Capital and total exposures			
23	Tier 1 capital	**66,785**	68,143
24	Total exposures (sum of rows 7, 13, 18 and 22)	**1,410,610**	1,393,974
Leverage ratio			
25	Leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	**4.7**	4.9
25a	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	**4.7**	4.9
26	National minimum leverage ratio requirement (%)	**3.5**	3.5
Disclosure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	**69,482**	69,594
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	**1,410,610**	1,393,974
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	**1,410,610**	1,393,974
31	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	**4.7**	4.9
31a	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	**4.7**	4.9

6 Liquidity Risk

Liquidity Coverage Ratio

The Group calculates its LCR position on a daily basis, ensuring a buffer is maintained over the minimum regulatory requirement of 100% and the Board's risk appetite. The Group maintained an average LCR of 133% in the March 2025 quarter. On a spot basis, the LCR ranged between 122% and 141% over the quarter.

The Group's mix of liquid assets consists of HQLA, such as cash, deposits with central banks, Australian semi-government and Commonwealth government securities. Liquid assets also include securities classified as liquid assets by the Reserve Bank of New Zealand (RBNZ). Liquid assets are distributed across the Group to support regulatory and internal requirements and are consistent with the distribution of liquidity needs by currency. Average liquid assets increased $11.1 billion or 6.4% over the quarter.

NCO are modelled under an APRA prescribed 30 day severe liquidity stress scenario. The Group manages modelled NCO by maintaining a large base of low LCR outflow customer deposits and actively managing its wholesale funding maturity profile as part of its overall liquidity management strategy. Average NCO increased $2.0 billion or 1.4% over the quarter due to an increase in wholesale funding maturities within the 30-day window and growth in customer deposits offset by a decrease in other NCO.

6.1 LIQ1 – Liquidity Coverage Ratio

		31 Mar 25 [1]		31 Dec 24 [1]	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
		$M	$M	$M	$M
High-quality liquid assets					
1	Total HQLA [2]		186,402		175,257
Cash outflows					
2	Retail deposits and deposits from small business customers, of which:	**482,393**	**39,278**	**475,273**	**38,535**
3	Stable deposits	280,510	14,026	279,231	13,962
4	Less stable deposits	201,883	25,252	196,042	24,573
5	Unsecured wholesale funding, of which:	**189,975**	**81,744**	**186,749**	**81,160**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	93,593	22,537	91,344	21,972
7	Non-operational deposits (all counterparties)	85,468	48,293	84,634	48,417
8	Unsecured debt	10,914	10,914	10,771	10,771
9	Secured wholesale funding		**5,346**		**3,619**
10	Additional requirements, of which:	**193,091**	**27,346**	**192,691**	**27,993**
11	Outflows related to derivative exposures and other collateral requirements	7,436	7,436	7,645	7,645
12	Outflows related to loss of funding on debt products	–	–	–	–
13	Credit and liquidity facilities	185,655	19,910	185,046	20,348
14	Other contractual funding obligations	–	–	–	–
15	Other contingent funding obligations	**100,084**	**13,338**	**96,070**	**10,736**
16	**Total cash outflows**		**167,052**		**162,043**
Cash inflows					
17	Secured lending (eg reverse repos)	54,481	6,548	51,304	5,752
18	Inflows from fully performing exposures	15,294	10,420	14,765	10,048
19	Other cash inflows	10,012	10,012	8,126	8,126
20	**Total cash inflows**	**79,787**	**26,980**	**74,195**	**23,926**
			Total adjusted value		**Total adjusted value**
21	**Total HQLA**		186,402		175,257
22	**Total net cash outflows**		140,072		138,117
23	**Liquidity Coverage Ratio (%)**		133		127
Number of data points used (Business days)			62		63

1 The averages presented are calculated as simple averages of daily observations over the previous quarter.
2 Includes Reserve Bank of New Zealand (RBNZ) securities of $2.1 billion and alternative liquids assets (ALA) of $0.0 billion as at 31 March 2025 (31 December 2024: RBNZ securities $1.1 billion; ALA $0.0 billion).

7 Key Metrics

KM1 – Key Metrics

The following table shows key regulatory metrics covering the Group's available capital (including buffer requirements and ratios), RWA, leverage ratio, liquidity coverage ratio and net stable funding ratio. Further details on movements in RWA are provided on page 4.

		31 Mar 25 $M	31 Dec 24 $M	30 Sep 24 $M	30 Jun 24 $M	31 Mar 24 $M
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	**57,513**	58,871	55,618	57,691	55,991
2	Tier 1	**66,785**	68,143	64,890	66,963	66,853
3	Total capital	**100,229**	99,705	95,139	97,791	96,585
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	**484,491**	482,369	473,197	467,551	471,375
4a	Total risk-weighted assets (pre-floor)	**484,491**	482,369	473,197	467,551	471,375
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	**11.9**	12.2	11.8	12.3	11.9
5b	CET1 ratio (%) (pre-floor ratio)	**11.9**	12.2	11.8	12.3	11.9
6	Tier 1 ratio (%)	**13.8**	14.1	13.7	14.3	14.2
6b	Tier 1 ratio (%) (pre-floor ratio)	**13.8**	14.1	13.7	14.3	14.2
7	Total capital ratio (%)	**20.7**	20.7	20.1	20.9	20.5
7b	Total capital ratio (%) (pre-floor ratio)	**20.7**	20.7	20.1	20.9	20.5
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (%)	**3.75**	3.75	3.75	3.75	3.75
9	Countercyclical buffer requirement (%)	**0.83**	0.83	0.83	0.83	0.83
10	Bank G-SIB and/or D-SIB additional requirements (%)	**1.0**	1.0	1.0	1.0	1.0
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	**5.58**	5.58	5.58	5.58	5.58
12	CET1 available after meeting the bank's minimum capital requirements (%) [1]	**7.4**	7.7	7.3	7.8	7.4
	Basel III Leverage ratio					
13	Total Basel III leverage ratio exposure measure	**1,410,610**	1,393,974	1,366,087	1,339,175	1,369,458
14	Basel III leverage ratio (%)	**4.7**	4.9	4.8	5.0	4.9
	Liquidity Coverage Ratio (LCR)					
15	Total high-quality liquid assets (HQLA)	**186,402**	175,257	177,435	177,231	190,968
16	Total net cash outflow	**140,072**	138,117	135,187	130,753	138,040
17	LCR ratio (%)	**133**	127	131	136	138
	Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	**927,375**	909,249	880,872	872,447	877,073
19	Total required stable funding	**796,982**	780,913	767,765	749,021	733,678
20	NSFR ratio (%)	**116**	116	115	116	120

1 Represents CET1 capital in excess of the regulatory minimum requirement of 4.5%.

Management Attestation

Commonwealth Bank of Australia attests that:

Prudential disclosures for the Commonwealth Bank of Australia and its subsidiaries (the Group) are prepared in accordance with the Disclosure requirements Standard made by the Basel Committee on Banking Supervision (BCBS Standard), subject to modifications specified in APRA Prudential Standard APS 330 Public Disclosure (APS 330). In line with APS 330, the Group maintains a Board-approved disclosure policy that sets out the Group's approach to determining the content of its prudential disclosures, and the internal controls and procedures for disclosures, including review and verification processes. The Group's Pillar 3 Capital Adequacy and Risk Disclosures as at 31 March 2025 have been prepared in accordance with the Group's disclosure policy.

Alan Docherty

Group Chief Financial Officer

14 May 2025

Glossary

Term	Definition
Advanced Internal Ratings-based (AIRB) Approach	This approach is used to measure credit risk in accordance with the Group's Basel III accreditation. This allows the Group to use internal estimates of PD and LGD (excluding senior unsecured and subordinated corporate exposures), with supervisory estimates to be used for EAD for the purposes of calculating regulatory capital.
ASB	ASB Bank Limited – a subsidiary of the Commonwealth Bank of Australia that is regulated by the RBNZ.
Australian Prudential Regulation Authority (APRA)	The Australian Prudential Regulation Authority is an independent statutory authority that supervises institutions across banking, insurance and superannuation, and is accountable to the Australian parliament. The regulator of banks, insurance companies and superannuation funds, credit unions, building societies and friendly societies in Australia.
Authorised Deposit-taking Institution (ADI)	ADIs are corporations that are authorised under the Banking Act 1959 to carry on banking business in Australia.
Banking Book	The banking book is a term for assets on a bank's balance sheet that are expected to be held to maturity, usually consisting of customer loans to, and deposits from retail and corporate customers. The banking book can also include those derivatives that are used to hedge exposures arising from the banking book activity, including interest rate risk.
Basel III	Refers to the Basel Committee on Banking Supervision's framework for more resilient banks and banking systems issued in December 2010 (revised in June 2011), capital requirements for bank exposures to central counterparties (July 2012), and the subsequent Basel III reforms finalised in December 2017.
Capital Floor	The capital floor is defined as the higher of total RWA as determined under the IRB approach, and 72.5% of total RWA as calculated under the standardised approach.
CBA	Commonwealth Bank of Australia – the head entity of the Group.
Central Counterparty (CCP)	A clearing house that interposes itself between counterparties to contracts traded in one or more financial markets, thereby ensuring the future performance of open contracts.
Common Equity Tier 1 (CET1) Capital	The highest quality of capital available to the Group reflecting the permanent and unrestricted commitment of funds that are freely available to absorb losses. It comprises ordinary share capital, retained earnings and reserves; less prescribed deductions.
Corporate	Basel asset class – includes commercial credit risk where annual revenues are greater than or equal to $75 million but less than $750 million.
Credit Valuation Adjustment (CVA) Risk	The risk of mark-to-market losses related to deterioration in the credit quality of a derivative counterparty.
Exposure at Default (EAD)	The extent to which the Group may be exposed upon default of a borrower.
Extended Licenced Entity (ELE)	An Extended Licensed Entity is comprised of an ADI and each subsidiary of an ADI as specified in any approval granted by APRA in accordance with Prudential Standard APS 222 *Associations with Related Entities.*
External Credit Assessment Institution (ECAI)	For example: Moody's Investor Services, S&P Global Ratings or Fitch Ratings.
Foundation Internal Ratings-based (FIRB) Approach	This approach is used to measure credit risk in accordance with the Group's Basel III accreditation that allows the Group to use internal estimates of PD and rely on supervisory estimates for LGD and EAD for the purposes of calculating regulatory capital.
Group	Commonwealth Bank of Australia and its subsidiaries.
High Quality Liquid Assets (HQLA)	Assets are considered to be high quality liquid assets if they can be easily and immediately converted into cash at little or no loss of value.
Interest Rate Risk in the Banking Book (IRRBB)	Interest Rate Risk in the Banking Book is the risk that the Bank's profit derived from Net Interest Income (interest earned less interest incurred), in current and future periods, is adversely impacted by changes in interest rates. This is measured from two perspectives: firstly by quantifying the change in the net present value of the balance sheet's future earnings potential, and secondly as the anticipated change to Net Interest Income earned over 12 months. This calculation is driven by APRA regulations with further detail outlined in the Group's 30 June 2024 Basel III Pillar 3 report.

Glossary

Term	Definition
Level 1	The Parent Bank (Commonwealth Bank of Australia), including offshore branches and APRA approved ELE.
Level 2	The level at which the Group reports its capital adequacy to APRA, being the Consolidated Banking Group comprising the ADI and all of its subsidiary entities other than its insurance entity and certain entities through which securitisation of the Group's assets is conducted. This is the basis on which this report has been produced.
Level 3	The conglomerate group including the Group's insurance entity and qualifying securitisation entities.
Leverage Ratio	Tier 1 Capital divided by total exposures, expressed as a percentage.
Liquidity Coverage Ratio (LCR)	The LCR is a quantitative liquidity measure that is part of the Basel III reforms. It was implemented by APRA in Australia on 1 January 2015. It requires Australian ADIs to hold sufficient liquid assets to meet 30 day net cash outflows projected under an APRA-prescribed stress scenario.
Loss Given Default (LGD)	An estimate of the expected severity of loss for a credit exposure following a default event. LGD represents the fraction of EAD that is not expected to be recovered following default.
Net Cash Outflows (NCO)	Net cash outflows in the LCR are calculated by applying prescribed run-off factors on liabilities and various off balance sheet exposures that can generate a cash outflow in the next 30 days.
Net Stable Funding Ratio (NSFR)	The NSFR more closely aligns the behaviour term of assets and liabilities. It is the ratio of the amount of available stable funding (ASF) to the amount of required stable funding (RSF). ASF is the portion of an ADI's capital and liabilities expected to be a reliable source of funds over a one year time horizon. RSF is a function of the liquidity characteristics and residual maturities of an ADI's assets and off balance sheet activities.
Operational Risk under the Standardised Measurement Approach	The methodology used to measure operational risk, utilising an APRA prescribed formulaic approach which is largely dependent on profit or loss from ordinary banking activities.
Probability of Default (PD)	The PD reflects a borrower's ability to generate sufficient cash flows in the future to meet the terms of all of its credit obligations to the Group.
RBA	Reserve Bank of Australia.
RBNZ	Reserve Bank of New Zealand.
Residential Mortgage	Basel asset class – retail exposures secured by residential mortgage property.
Risk Weighted Assets (RWA)	The value of the Group's on and off balance sheet assets are adjusted by risk weights calculated according to various APRA prudential standards.
Securities Financing Transactions (SFT)	APRA defines securities financing transactions as transactions such as repurchase agreements, reverse repurchase agreements, security lending and borrowing, and margin lending transactions, where the value of the transactions depends on the market valuation of securities and the transactions are typically subject to margin agreements.
Securitisation	Basel asset class – Group originated securitised exposures and the provision of facilities to customers in relation to securitisation activities.
Standardised Approach	An alternate approach to the assessment of credit, operational and traded market risk whereby an ADI uses external ratings agencies to assist in assessing credit risk and/or the application of specific values provided by regulators to determine RWA.
Tier 1 Capital	Comprises CET1 and Additional Tier 1 Capital.
Tier 2 Capital	Capital items that fall short of the necessary conditions to qualify as Tier 1 Capital.
Total Capital	Comprises CET1, Additional Tier 1 Capital and Tier 2 Capital.
Total Exposures (as used in the leverage ratio)	The sum of on balance sheet items, derivatives, securities financing transactions (SFTs), and off balance sheet items, net of any Tier 1 regulatory deductions that are already included in these items, as outlined in APS 110 *Capital Adequacy* (APS 110) Attachment D.