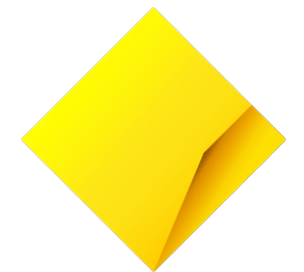


# Results Presentation and Investor Discussion Pack

For the half year ended 31 December 2022



# Important information



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The material in this presentation is general background information about the Group and its activities current as at the date of the presentation, 15 February 2023. It is information given in summary form and does not purport to be complete. Information in this presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should consider these factors, and consult with their own legal, tax, business and/or financial advisors in connection with any investment decision.

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Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “would”, “could”, “expect”, “intend”, “plan”, “aim”, “estimate”, “target”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words, and include statements regarding the Group’s intent, belief or current expectations with respect to the Group’s business and operations, market conditions, results of operations and financial condition, capital adequacy and risk management. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements, whether as a result of new information, future events or results or otherwise, is disclaimed. The Group is under no obligation to update any of the forward-looking statements contained within this presentation, subject to applicable disclosure requirements.

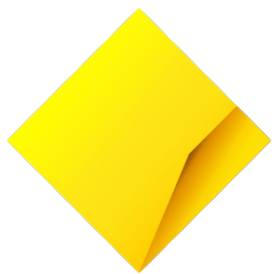
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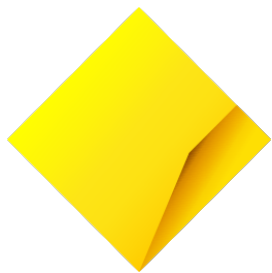
The release of this announcement was authorised by the Continuous Disclosure Committee.

Commonwealth Bank of Australia | Media Release 006/2023 | ACN 123 123 124 | Commonwealth Bank Place South, Level 1, 11 Harbour Street, Sydney NSW 2000.



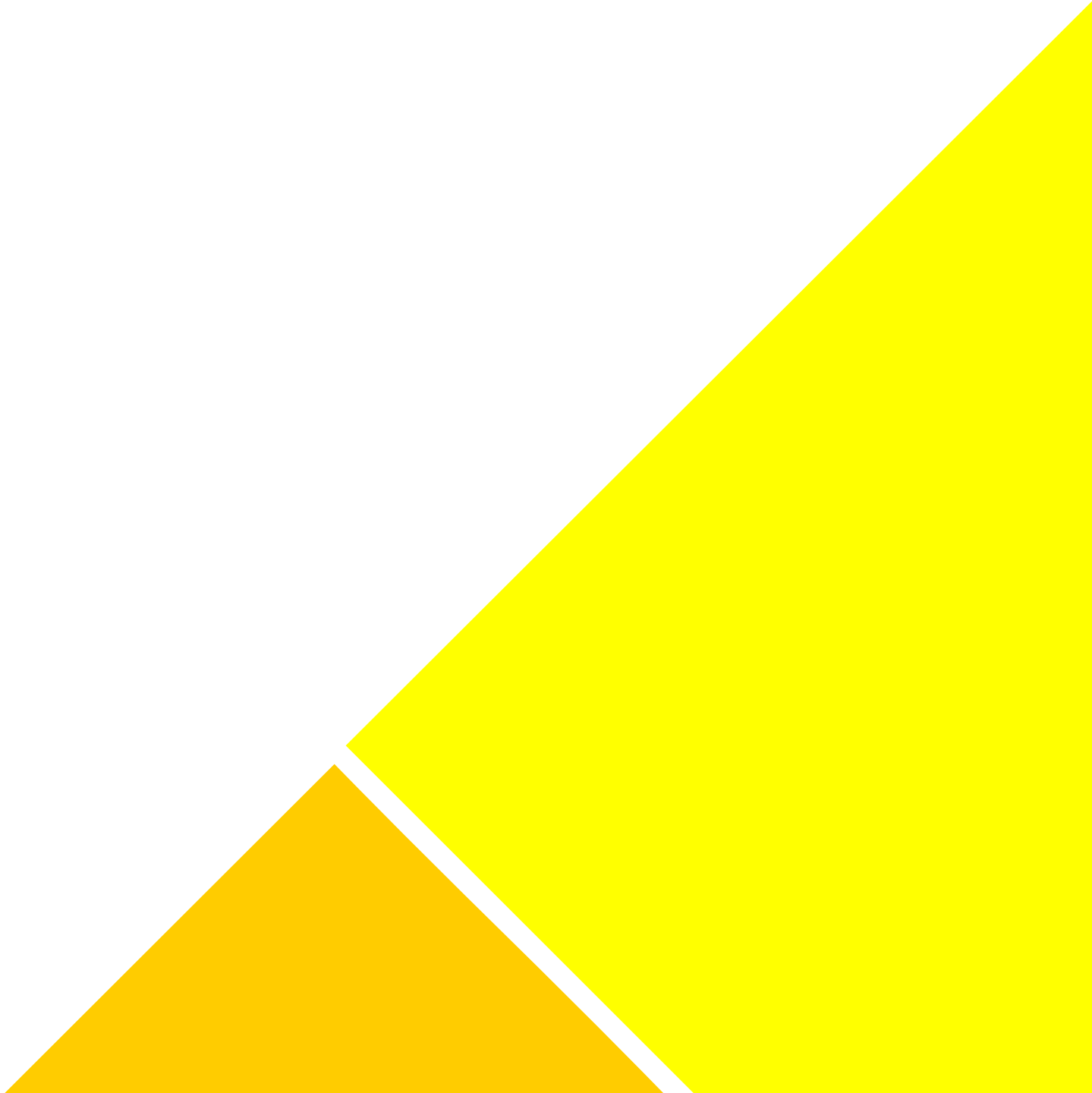
# Contents

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## Results presentation

Matt Comyn, Chief Executive Officer



# Overview

Customer focus driving financial result

- Rapidly shifting and uncertain context
- Challenging for many customers
- Consistent and disciplined strategic execution
- Customer focus evident in leading NPS
- Strong financial and operational performance
- Conservative balance sheet and surplus capital

## Net Promoter Scores<sup>1</sup>

- #1 Consumer
- #1 Business
- #1 Institutional
- #1 Digital - Consumer & Business

## Pride in CBA

**+90%**  
of employees<sup>2</sup>

## Volume growth<sup>3</sup>

Home lending	gross lending	→	\$77bn
Business lending	gross lending	→	\$18bn
Deposits (households)	net new balances	→	+\$12bn
New retail transaction accounts	number	→	+50%

## Cash NPAT

**+9%**

1H23 vs 1H22

## CET1

**11.4%**

Level 2

## Shareholder Returns

**\$5bn**

Dividend & buy-back<sup>4</sup>

1, 2, 3, 4. Refer to sources, glossary and notes at the back of this presentation for further details.

# Financial overview<sup>1</sup>

Strong earnings supported by higher operating performance, increased dividend

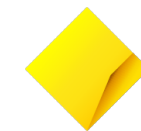


	1H23	vs 1H22
Statutory NPAT (\$m)	5,216	↑ 10%
Cash NPAT (\$m)	5,153	↑ 9%
Operating performance <sup>2</sup> (\$m)	7,820	↑ 18%
EPS (cash, \$)	3.04	↑ 31c
Dividend per share (\$)	2.10	↑ 35c

1. Statutory NPAT, Cash NPAT, Operating performance and EPS are on a continuing operations basis. 2. Operating income less operating expenses.

# Cash NPAT up 9%<sup>1</sup>

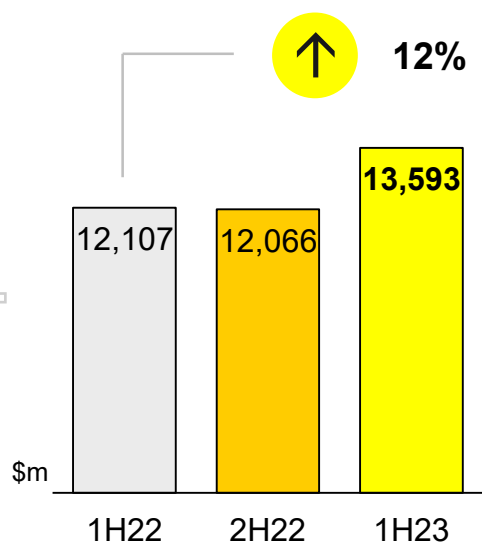
Income growth supporting strong operating performance



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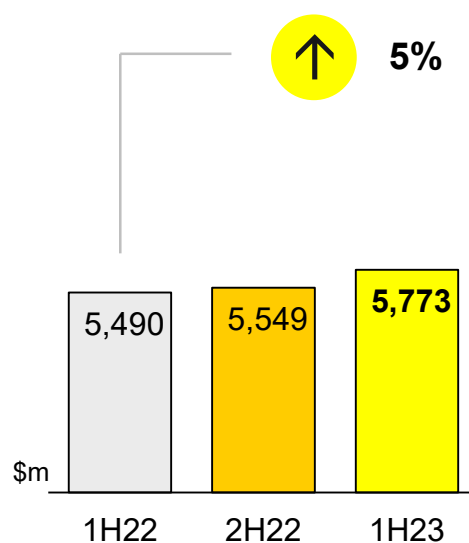
## Operating income<sup>2</sup>

- Organic volume growth
- Recovery in margin



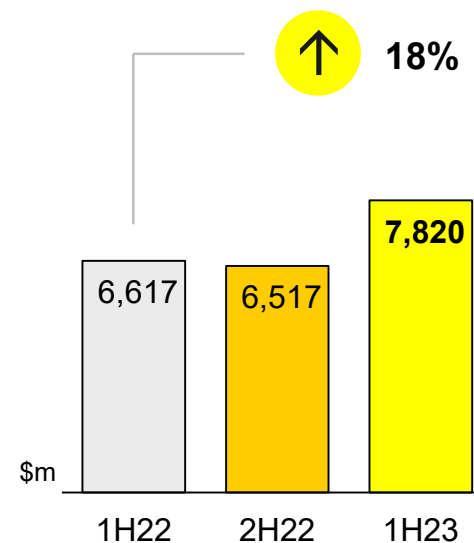
## Operating expenses<sup>2</sup>

- Wage and supplier inflation
- Higher IT costs



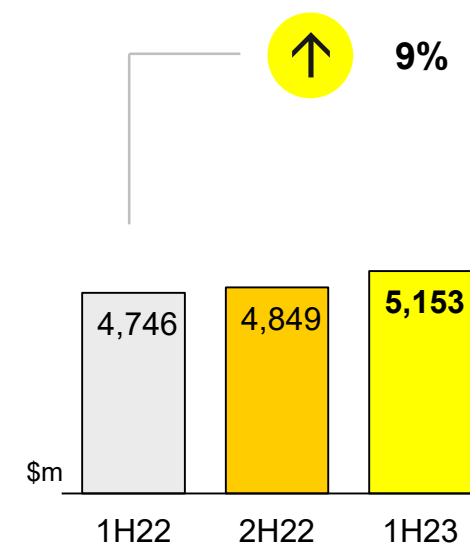
## Pre-provision profit<sup>2</sup>

Strong underlying performance



## Cash NPAT

Includes higher loan impairment expense



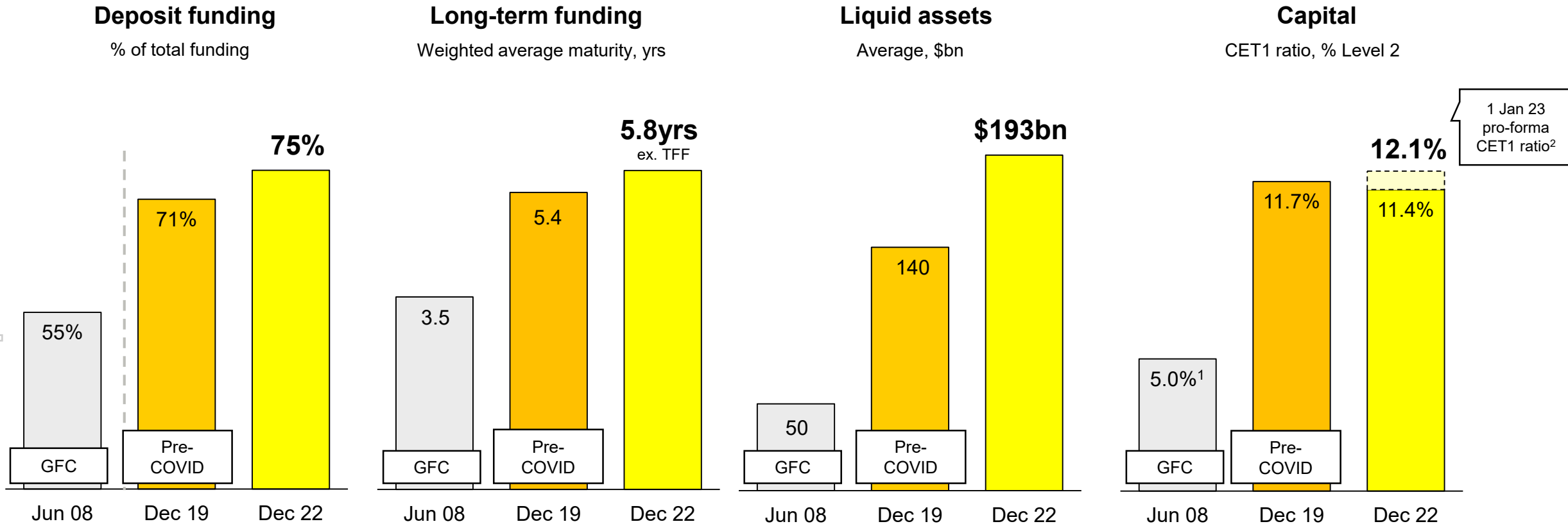
1. Presented on a continuing operations basis. Comparative information has been restated to conform to presentation in the current period. 2. 2H22 excludes one-off items (Operating income: \$516m gain on sale of ~10% HZB shareholding. Operating expenses: \$389m of accelerated software amortisation).

# Strength – balance sheet

Long-term conservative balance sheet settings – well placed as financial conditions tighten



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1. Pro-forma CET1 on a Basel III basis. 2. Represents 1 Jan 23 pro-forma CET1 ratio under the revised framework.

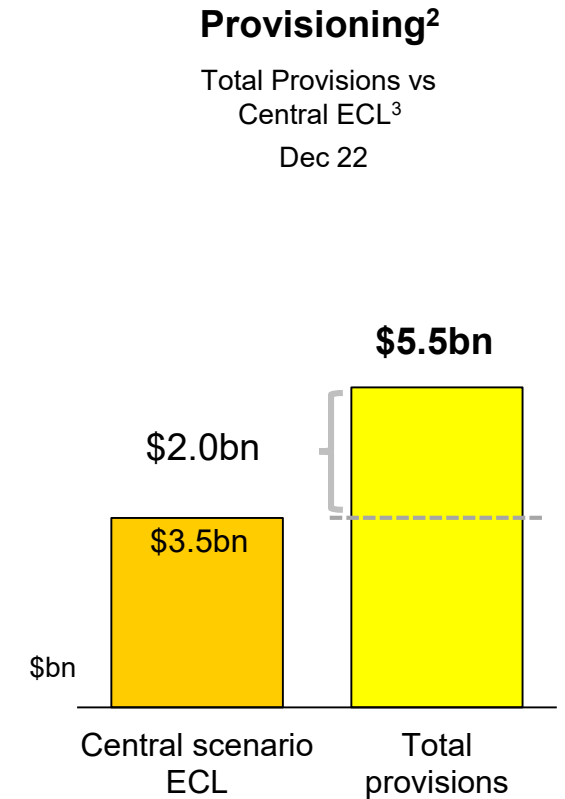
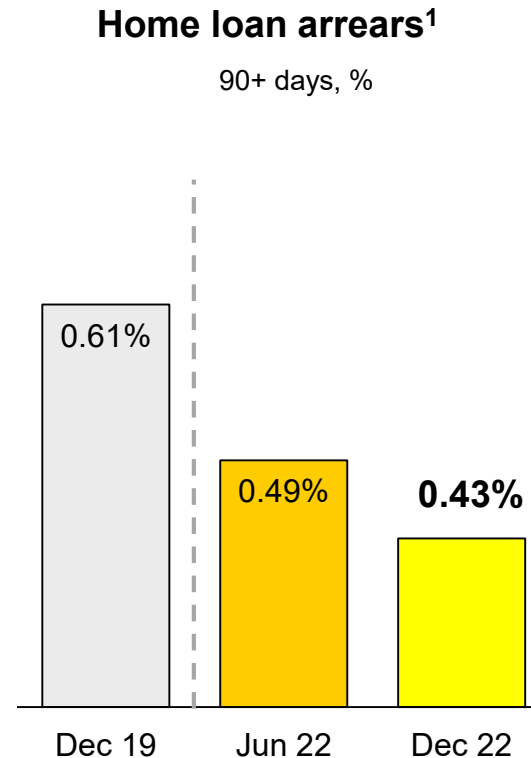
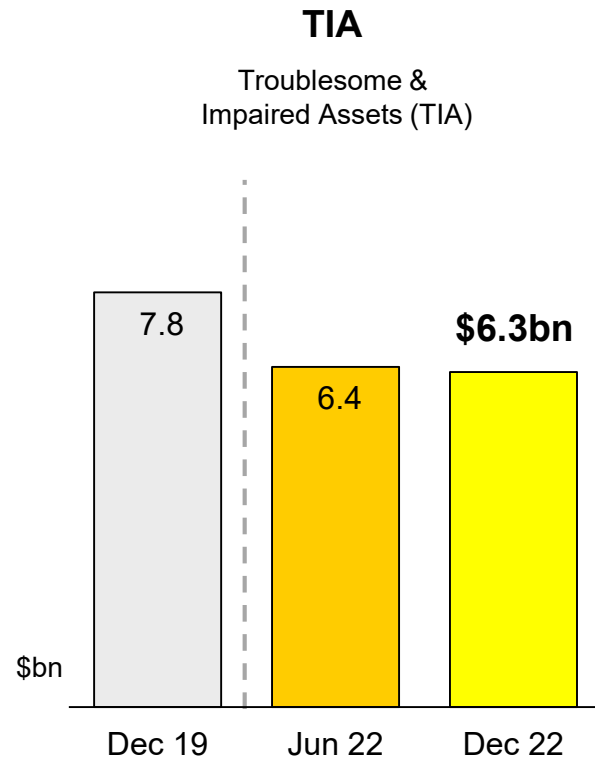


# Strength – credit quality

Lower TIA and arrears, well provisioned



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1. Group including New Zealand. Excludes Reverse Mortgage, Commonwealth Portfolio Loan and Residential Mortgage Group loans. 2. The Group uses four alternative macroeconomic scenarios to reflect a range of possible future outcomes in estimating the Expected Credit Loss (ECL) for significant portfolios. Scenarios are updated based on changes in both the macroeconomic and geopolitical environment. 3. Central Scenario is based on the Group's internal economic forecasts and market consensus as well as other assumptions used in business planning and forecasting. Assumes 100% weighting holding all assumptions including forward-looking adjustments constant and includes individually assessed provisions.

# Strength – core franchise

Well placed in a challenging environment



## 1. Stronger customer relationships and frequency of engagement

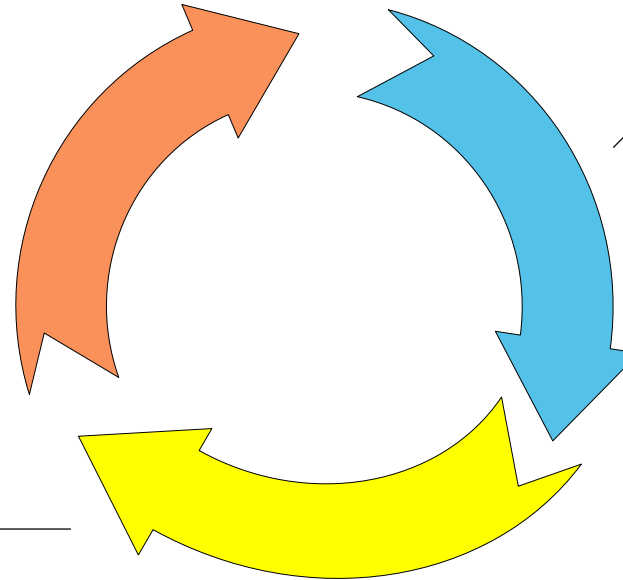
- ◆ Strongest and most trusted brand<sup>1</sup>
- ◆ Leading MFI share<sup>2</sup>
- ◆ Superior deposits and data franchise
- ◆ Focus on NPS<sup>2</sup> improvement

## 3. Superior customer experience

- ◆ Disciplined operational execution
- ◆ Leading physical and digital distribution
- ◆ Distinctive products and services
- ◆ More rewarding loyalty proposition

## 2. Better understanding of customer needs and risk

- ◆ Technology leader, history of innovation
- ◆ Leading decisioning technology
- ◆ Higher quality, lower risk lending
- ◆ Personalisation and machine learning at scale



### Underpinned by

- Highly engaged team
- Favourable business mix
- Sector leading ROE, organic capital generation
- Strong balance sheet and risk management

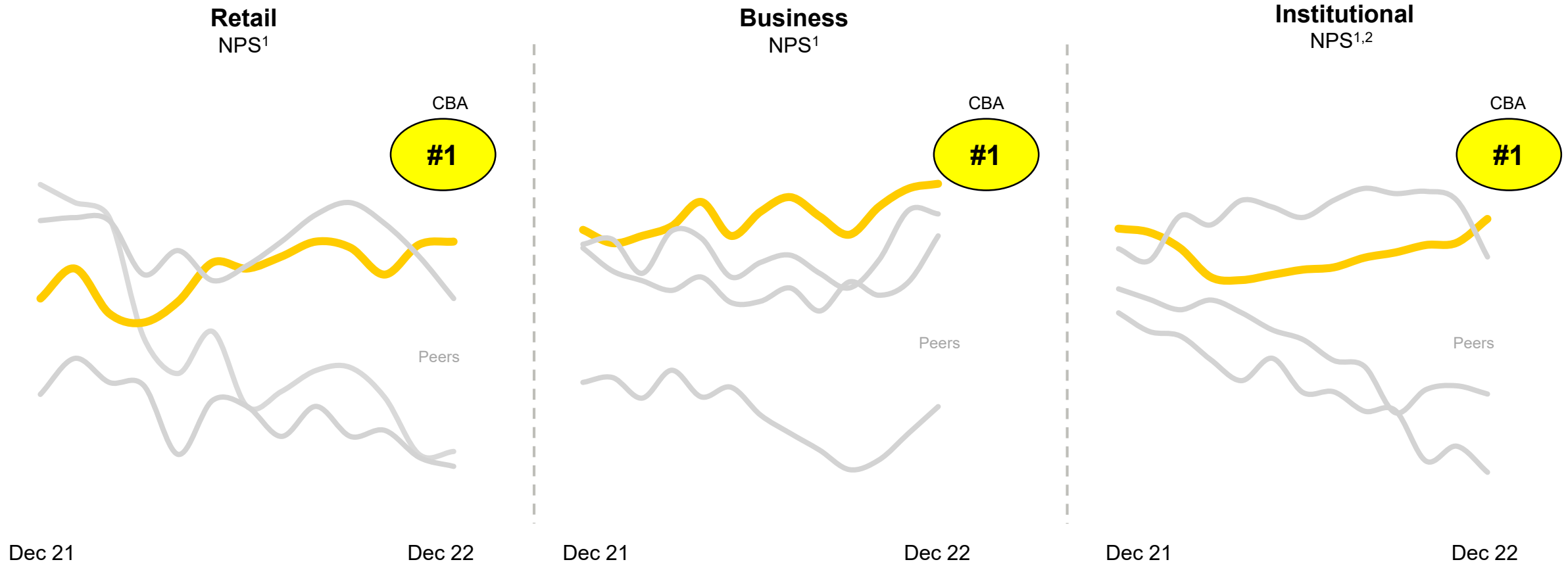
1, 2. Refer to sources, glossary and notes at the back of this presentation for further details.

# Engaged customers

Leading Net Promoter Score<sup>1</sup> in all key segments



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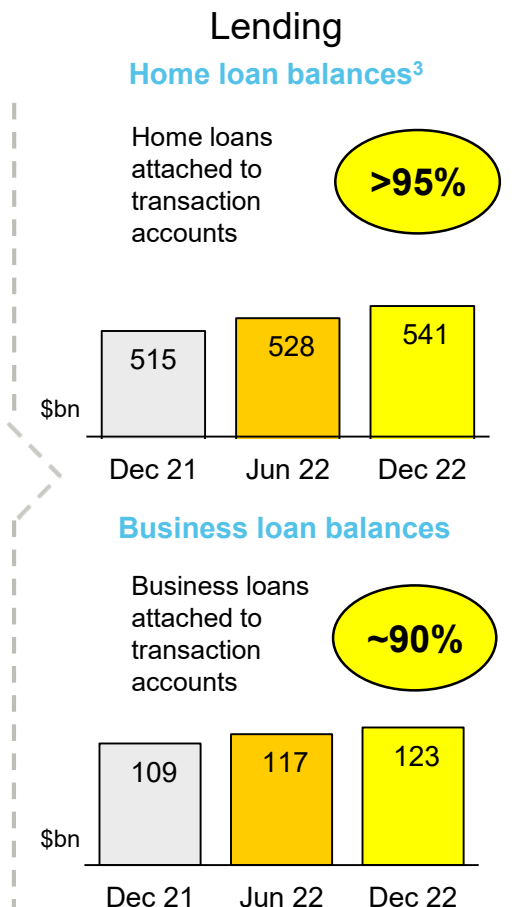
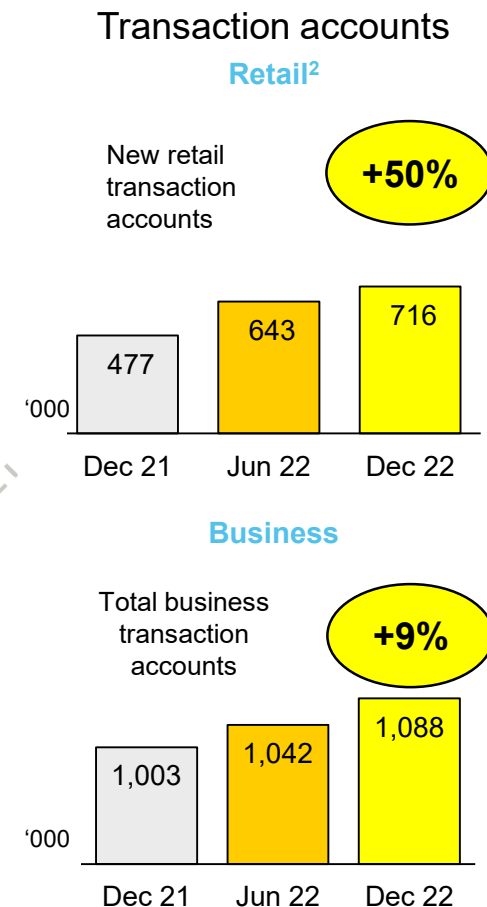
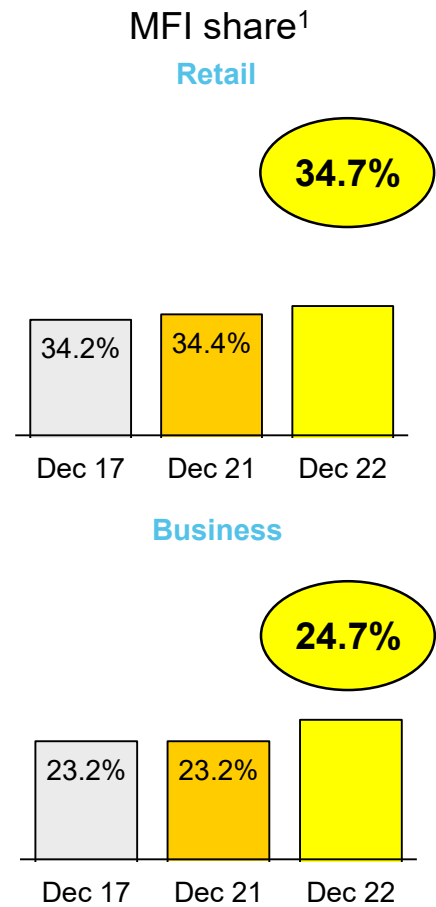
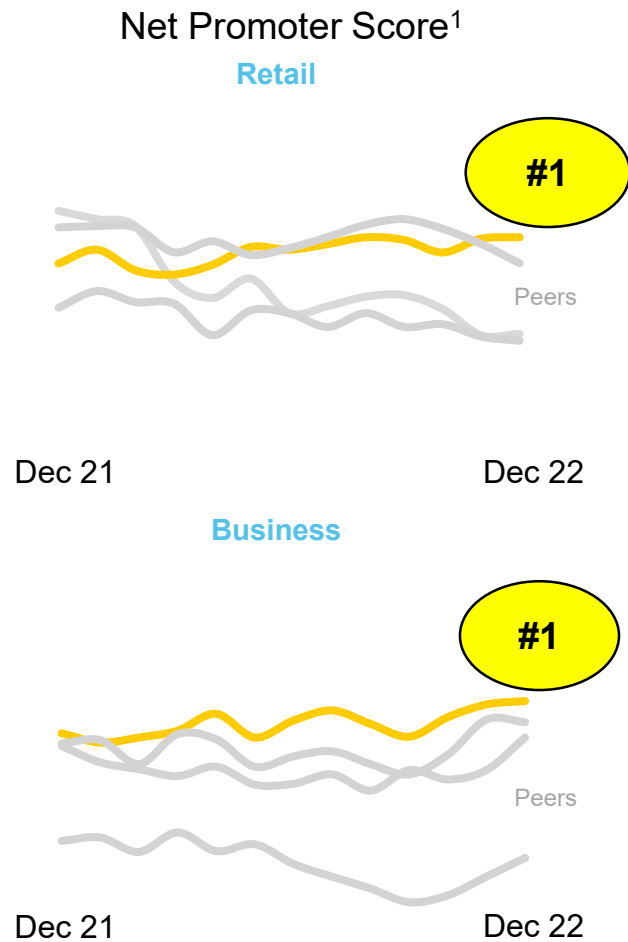


1. Refer to sources, glossary and notes at the back of this presentation for further details. 2. Turnover \$300m+ per annum.

# Engaged customers

Strong customer engagement creating deeper relationships as the key driver of growth

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1. Refer to sources, glossary and notes at the back of this presentation for further details. 2. Number of new personal transaction accounts, excluding offset accounts. Includes CBA and Bankwest. 3. Source: RBA Lending and Credit Aggregates.

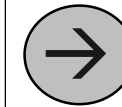
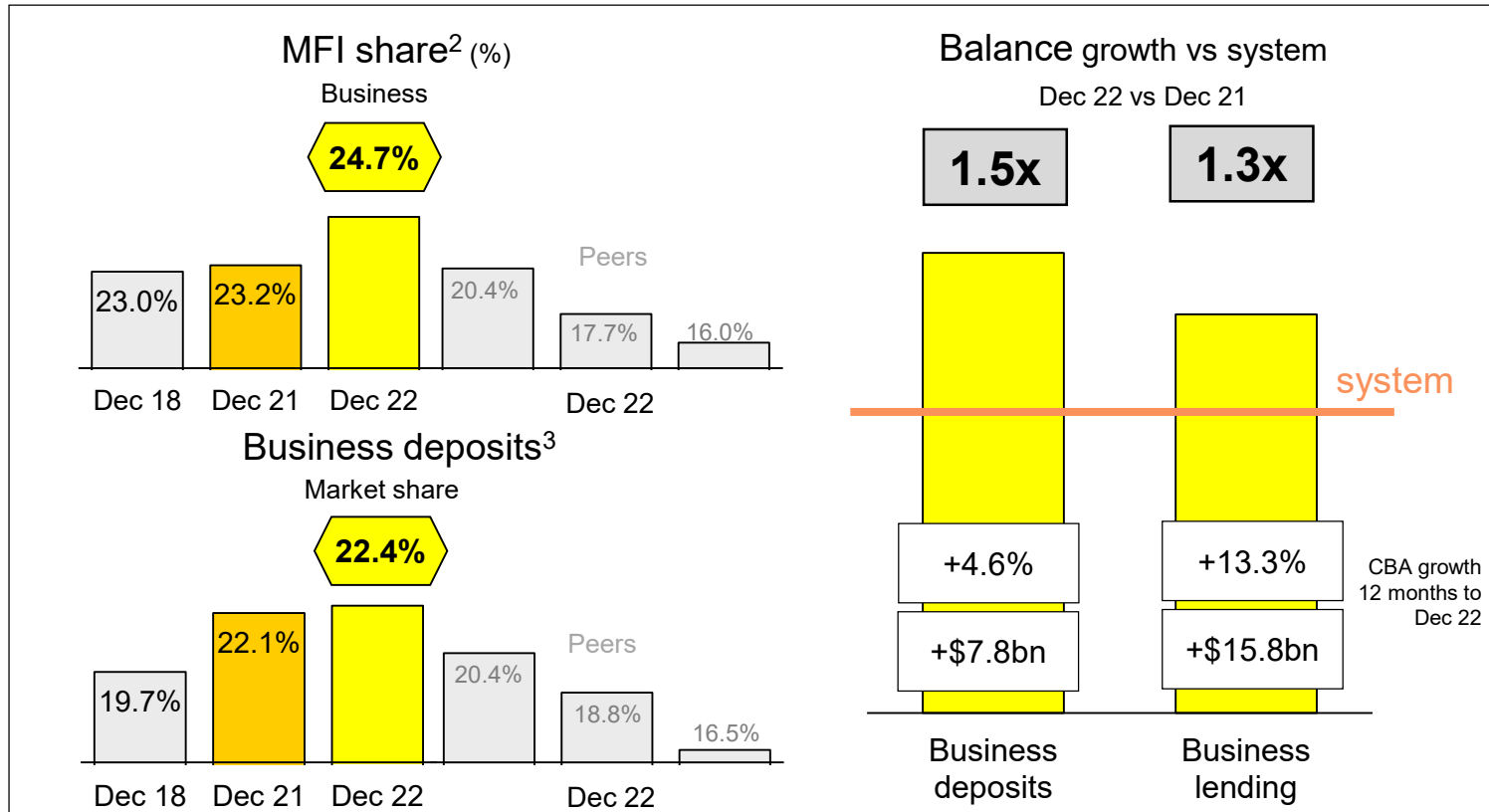
# Business Banking

## Investment in Business Banking

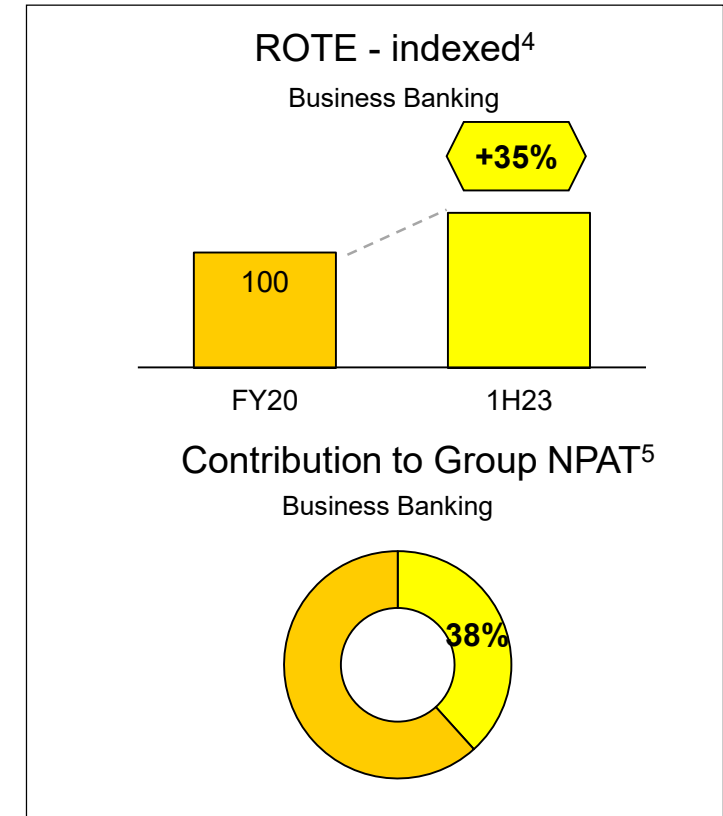


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### ~\$600m invested to build the franchise<sup>1</sup>



### Strong earnings performance



1. Represents incremental operating expenses and gross investment spend from FY20 to 1H23. 2. Refer to sources, glossary and notes at the back of this presentation for further details.

3. Source: APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS). 4. Change in Return on Target Equity (%) at 1H23 indexed to FY20. FY20 as reported. 5. Business Bank 1H23 contribution to Group Cash NPAT (from continuing operations).

# Business Banking

Differentiated customer proposition

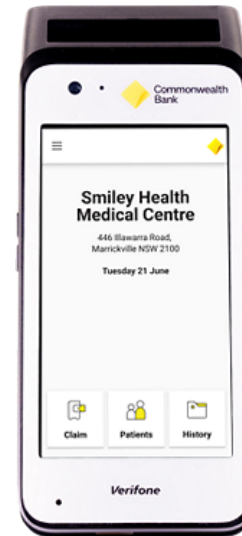
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## SMART



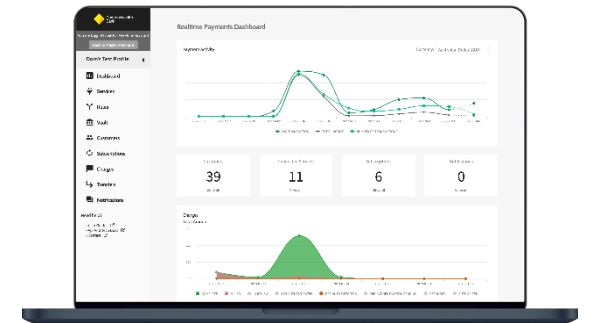
- Evolution to intelligent, multi-purpose terminals
- Smart Integrated and Mini in pilot to launch 2H23
- App marketplace for retail, health, hospitality
- >50,000 Smart devices in market

## CommBank Smart Health



- Digital payments and health claiming
- Launched Medicare claiming
- Launched Android digital card
- Partnered with NDIS

## eCommerce



- Enhanced eCommerce offering
- Powerboard: payments orchestration tool
- Omni-channel proposition for merchants
- Initial release available to limited customers

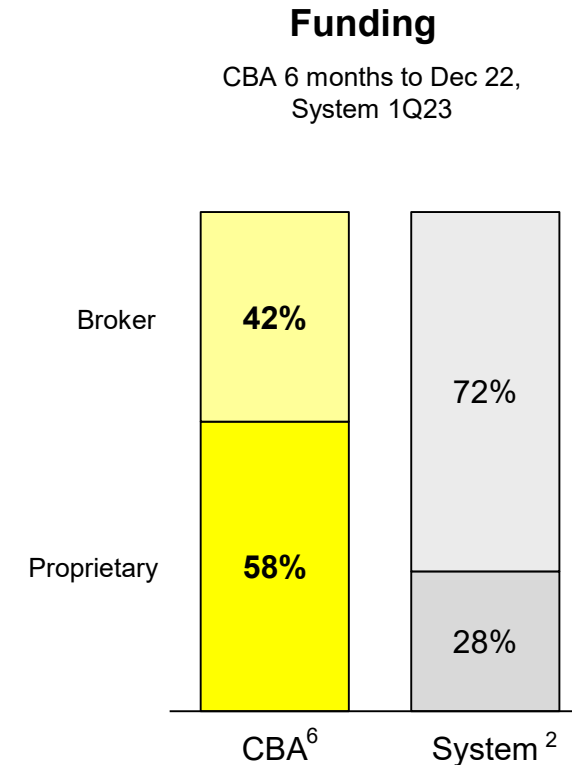
# Home lending

Navigating a challenging environment



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- Rapidly changing context
- Substantial increase in wholesale funding costs
- Continued focus on disciplined execution
- Unique assets – 37% of proprietary loans in Australia<sup>1,2</sup>
- Managing share, retention of fixed maturities – digital + CEE<sup>3</sup>
- Unloan > \$1.5bn fundings<sup>4</sup> – lower cost passed to customers
- Home-In (digital conveyancing) - \$3bn settlements (98% CBA)<sup>5</sup>



1. Internal estimate based on reported broker market fundings data for 1Q23. 2. Source: Mortgage and Finance of Australia Association (MFAA), 1Q23. 3. Customer Engagement Engine powered by CommBank.ai. 4. As at 20 January 2023. 5. September 2018 to 31 December 2022. 6. Excludes Bankwest and Residential Mortgage Group.

# Leading in digital

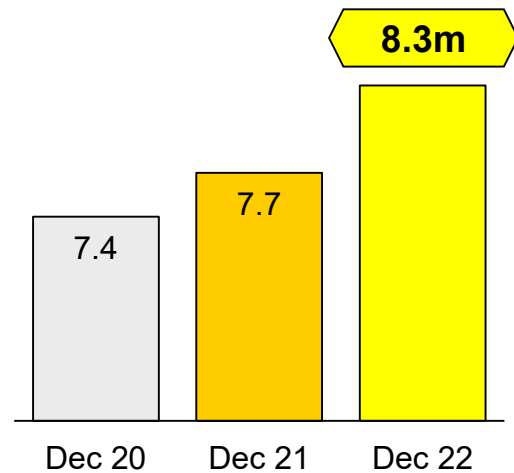
Customer advocacy particularly strong in digital – both consumer and business



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## Digitally Active Customers<sup>1</sup>

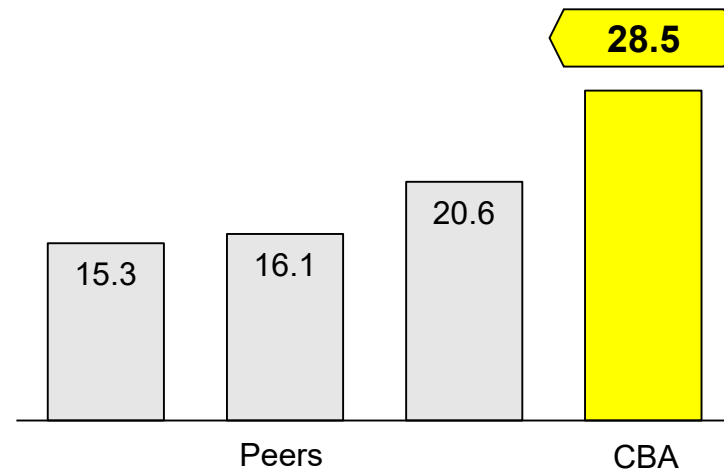
Monthly core digital asset users (#)



## Net Promoter Score

Consumer mobile app<sup>2</sup>

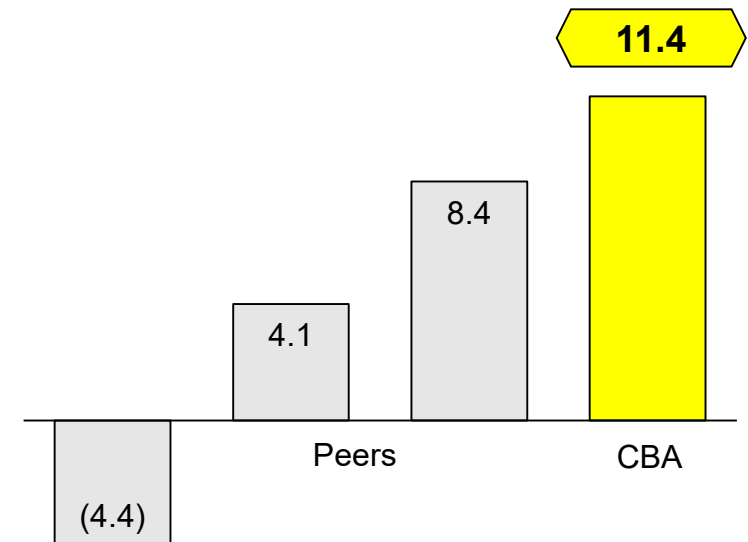
Dec 22



## Net Promoter Score

Business digital<sup>2</sup>

Dec 22



**#1** Canstar Bank of the Year Digital Banking 13 yrs in a row<sup>3</sup>



**#1** Forrester overall digital experience leader 6 yrs in a row<sup>4</sup>

1, 2, 3, 4. Refer to sources, glossary and notes at the back of this presentation for further details.



# Leading in digital

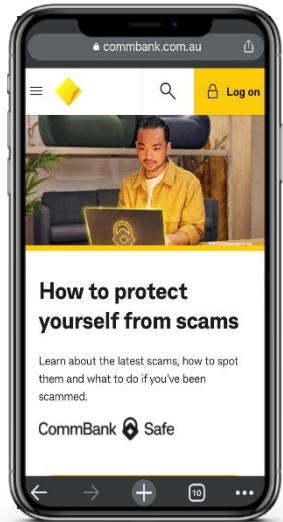
Protecting and supporting our customers



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CommBank Safe

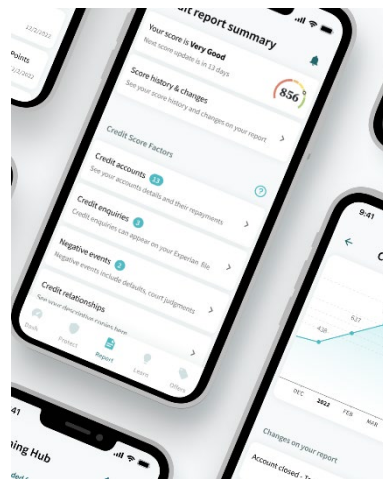
Ongoing awareness and education



**~9 million** customers contacted<sup>1</sup>

creditsavvy

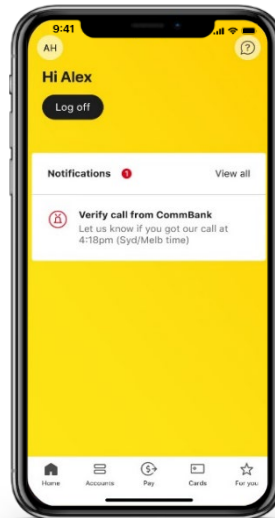
Protection against credit fraud



**>100k** use of credit lock<sup>2</sup>

CallerCheck

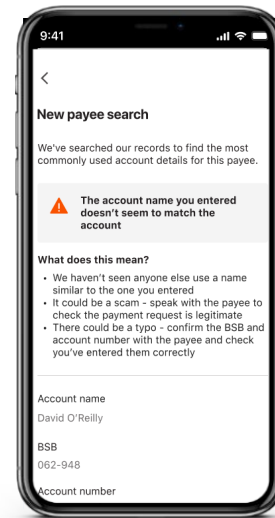
Verification of calls from CommBank



**Launched** Nov 22

NameCheck

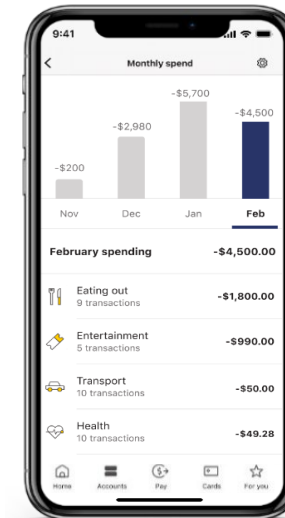
Analysis / notification of payment irregularities



**Announced** Feb 23

Spend Tracker

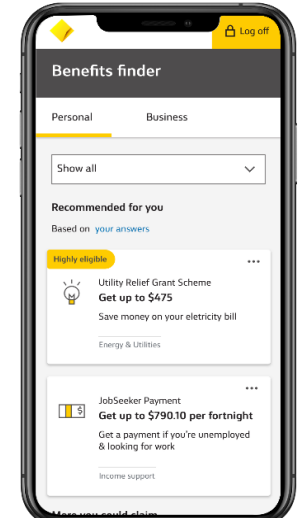
Easy view and categorise spending



**>860k** customers engaging<sup>3</sup>

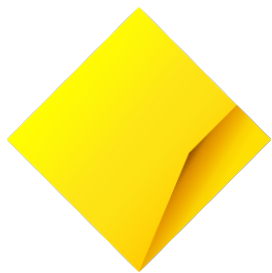
Benefits Finder

Simplified access to a range of benefits



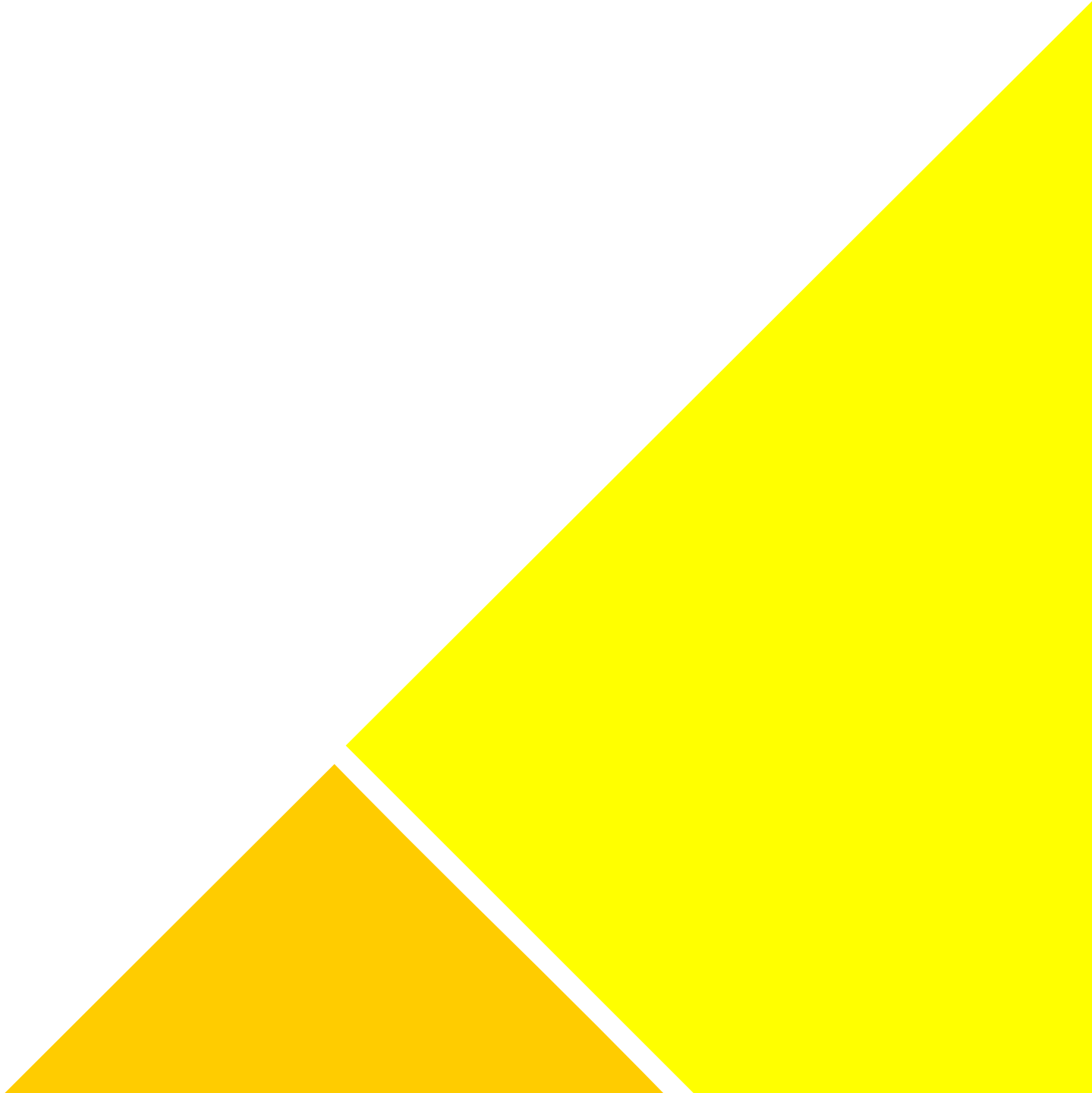
**~\$1bn** claimed<sup>4</sup>

1. Customers contacted via CommBank App, NetBank and email in 1H23. 2. 1H23. 3. Total number of unique customers who visited Spend Tracker in their CommBank Mobile App during the month of December 2022. 4. Since inception.



## Results presentation

Alan Docherty, Chief Financial Officer



# Result overview

Result reflects macro, management and franchise factors – well positioned to support customers and economy as conditions tighten in 2023

## Macroeconomic

- RBA cash rate at decade high
- Full employment, solid GDP growth
- Full effect of financial tightening in 2023



## Management actions

- Customer focus, franchise investment
- Strong operational execution
- Preparing for tighter financial conditions



## Franchise

- Peer-leading business mix
- Strong capital base
- Sector leading ROE

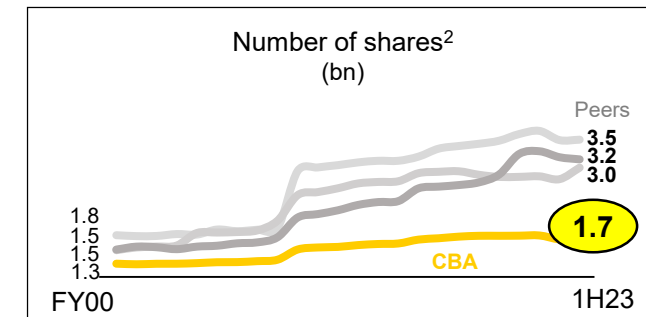
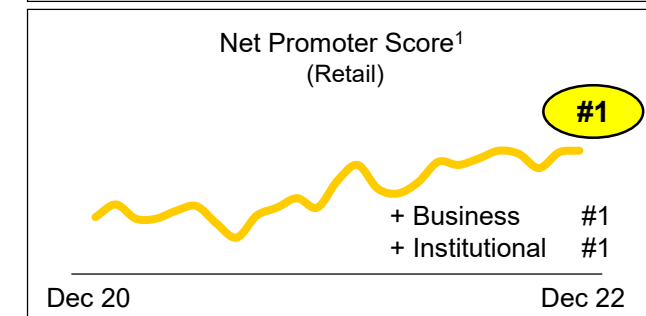
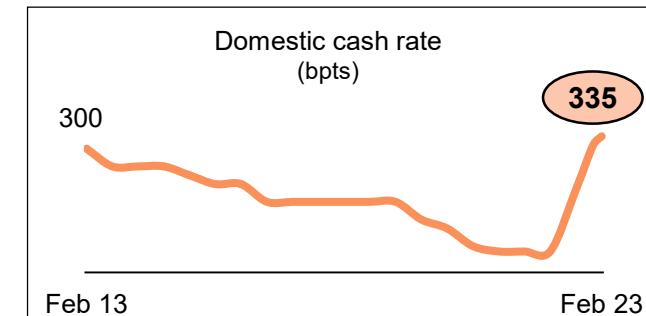


## Outcomes

- Rapid recovery in margins
- Continued low arrears
- Increased loan loss provisioning

- Leading retail & business customer NPS
- Significant growth in pre-provision profit
- Credit risk and funding calibrations

- Transaction account growth
- Organic capital generation
- ↓ Share count, ↑ DPS



1. Refer to sources, glossary and notes at the back of this presentation for further details. 2. CBA and peers shares on issue as at 31 December 2022.

# Statutory vs Cash NPAT<sup>1</sup>

Statutory NPAT up 10%,  
broadly in line with Cash NPAT growth

\$m	1H22	2H22	1H23
<b>Statutory NPAT – continuing operations</b>	4,741	4,932	<b>5,216</b>
Non-cash items:			
– Transaction costs and gain on disposals <sup>2</sup>	11	(41)	<b>51</b>
– Hedging & IFRS volatility <sup>3</sup>	(16)	124	<b>12</b>
<b>Cash NPAT – continuing operations</b>	4,746	4,849	<b>5,153</b>

- Includes CommInsure General Insurance, Commonwealth Financial Planning, and other previously announced divestments and closures

- Primarily related to gains and (losses) on economic hedges<sup>3</sup> from interest rate and FX volatility

1. Presented on a continuing operations basis. 2. Includes gains and losses net of transaction costs associated with the disposal of previously announced divestments. 3. Includes unrealised accounting gains and losses arising from the application of "AASB 139 *Financial Instruments: Recognition and Measurement*".



# 1H23 result <sup>1</sup>

Cash NPAT up 9%,  
Operating performance up 18%



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	1H23 \$m	1H23 vs 1H22	1H23 vs 2H22
Operating income <sup>2</sup>	<b>13,593</b>	12.3%	12.7%
Operating expenses <sup>2</sup>	<b>5,773</b>	5.2%	4.0%
Operating performance	<b>7,820</b>	18.2%	17.7%
Loan impairment expense	<b>511</b>	Large	Large
<b>Cash NPAT</b>	<b>5,153</b>	<b>8.6%</b>	<b>6.3%</b>

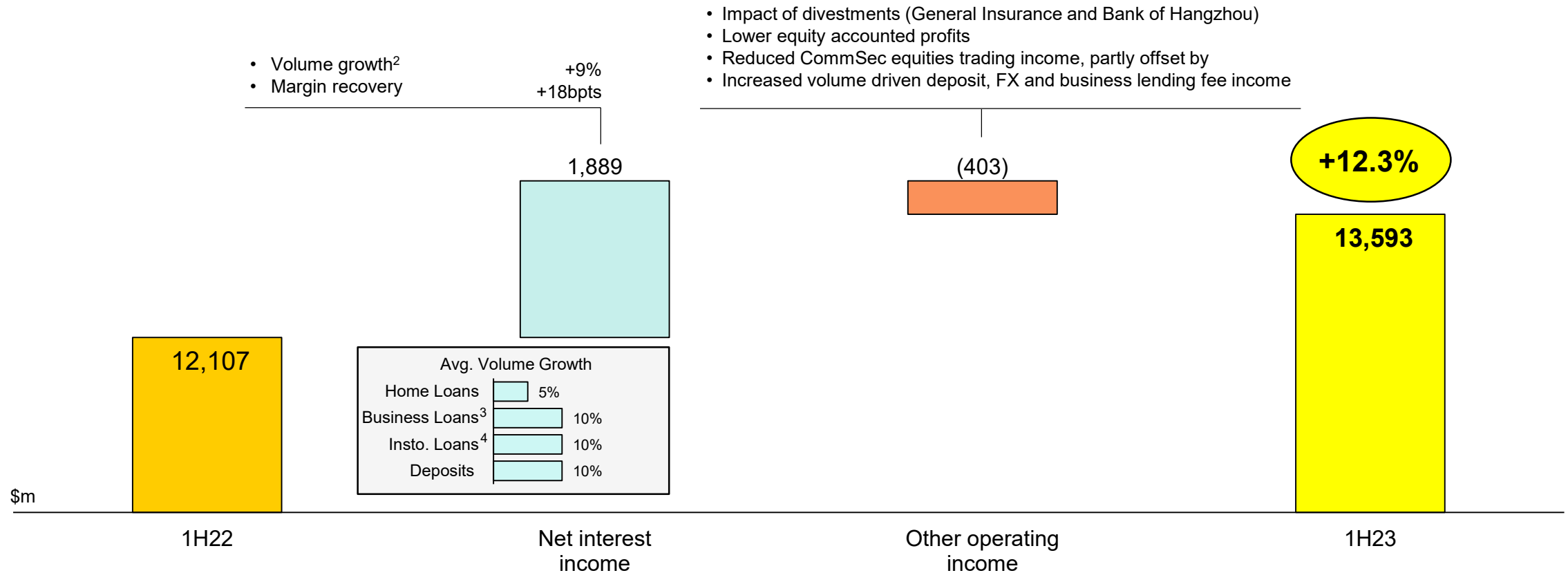
1. Presented on a continuing operations basis. Comparative information has been restated to conform to presentation in the current period. 2. 2H22 excludes one-off items (Operating income: \$516m gain on sale of ~10% HZB shareholding. Operating expenses: \$389m of accelerated software amortisation).

# Operating income<sup>1</sup>

Margin recovery and volume growth, partly offset by lower other operating income



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1. Presented on a continuing operations basis. Comparative information has been restated to conform to presentation in the current period. 2. Excluding liquids. 3. Includes NZ and other business loans. 4. Excluding CMPF.

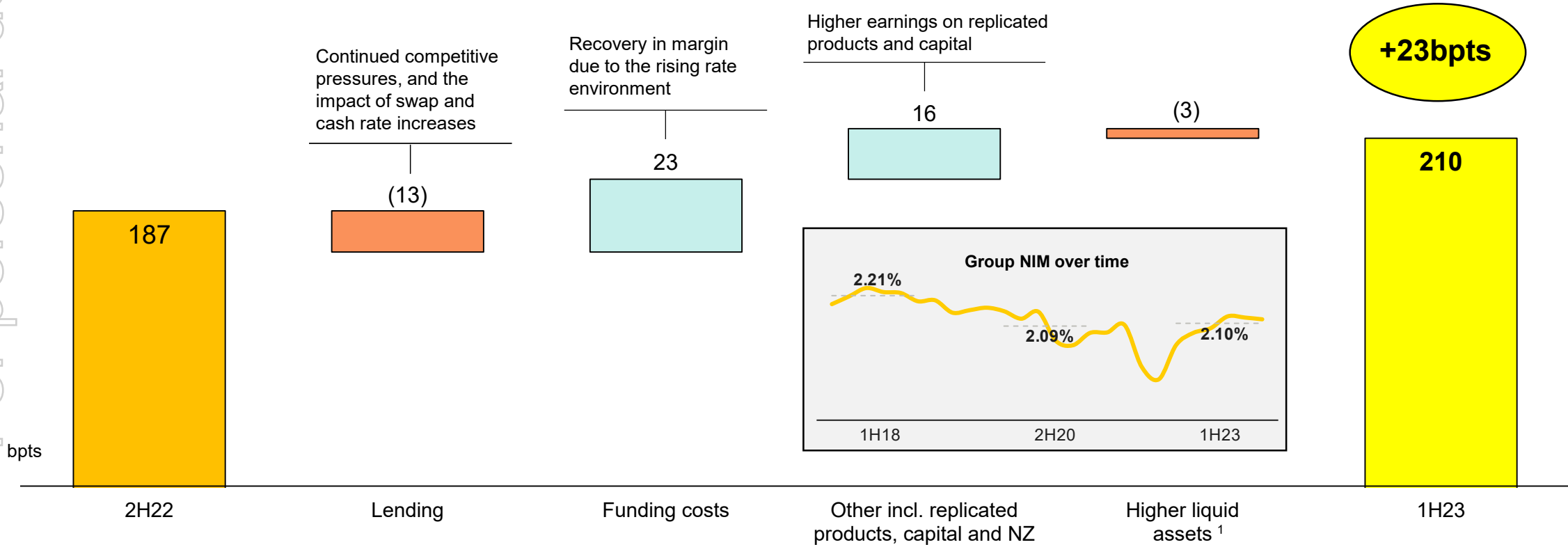
# Group margin

In line with expectations – benefits from rising rates partly offset by competitive pressures



- 2H23 considerations**
- Intensity of home loan and deposit price competition
  - Rate of customer deposit switching
  - Higher wholesale funding costs and BRP
  - Terminal cash rate, replicating portfolio & equity hedge

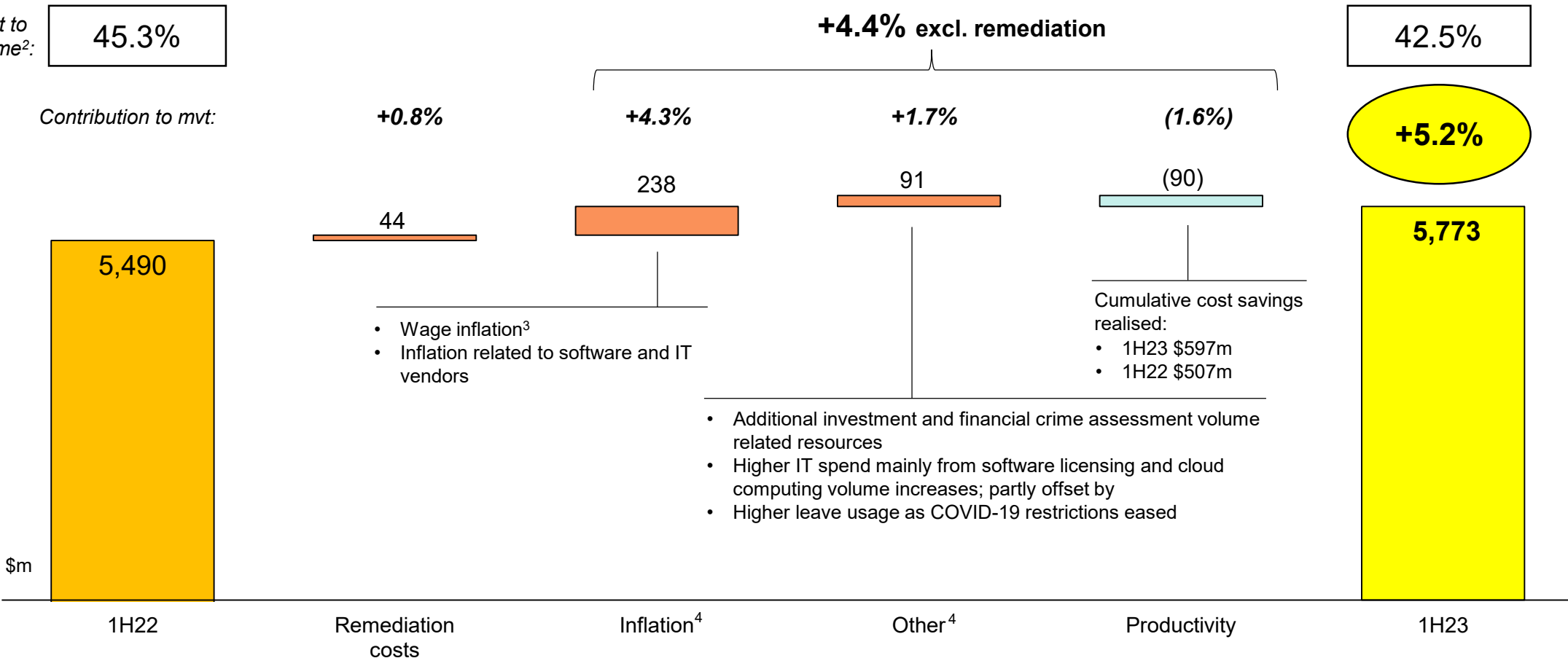
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1. Average non-lending interest earning assets held by the Group for liquidity purposes.

# Operating expenses<sup>1</sup>

Inflation driving cost growth, with underlying uplifts offset by productivity savings



1. Presented on a continuing operations basis. Comparative information has been restated to conform to presentation in the current period. 2. Cost to income is on a headline basis. 3. Includes associated increases in on-costs and revaluation of leave provisions, impact from superannuation guarantee contribution uplift and increases in payroll tax rates. 4. Excludes remediation costs.



# Credit risk

Further improvements in key credit quality indicators – impairment expense normalising

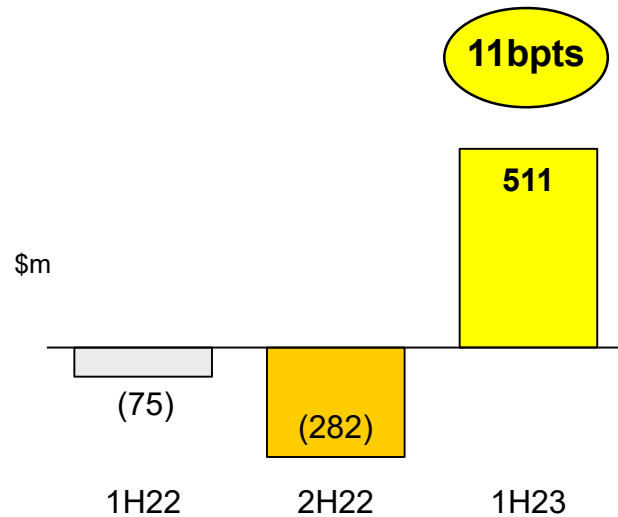


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## Loan impairment expense

Loan loss rate (bpts)<sup>1</sup>

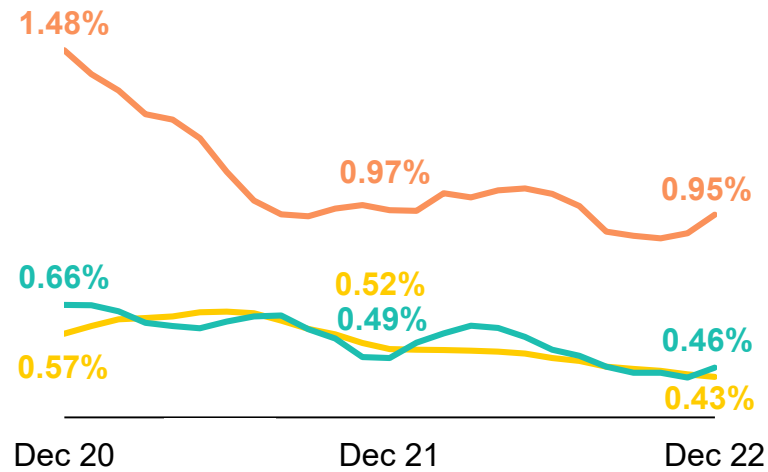
	1H22	2H22	1H23
Consumer	0	(15)	11
Corporate	(7)	16	13
<b>Total</b>	<b>(2)</b>	<b>(7)</b>	<b>11</b>



## Arrears<sup>2</sup>

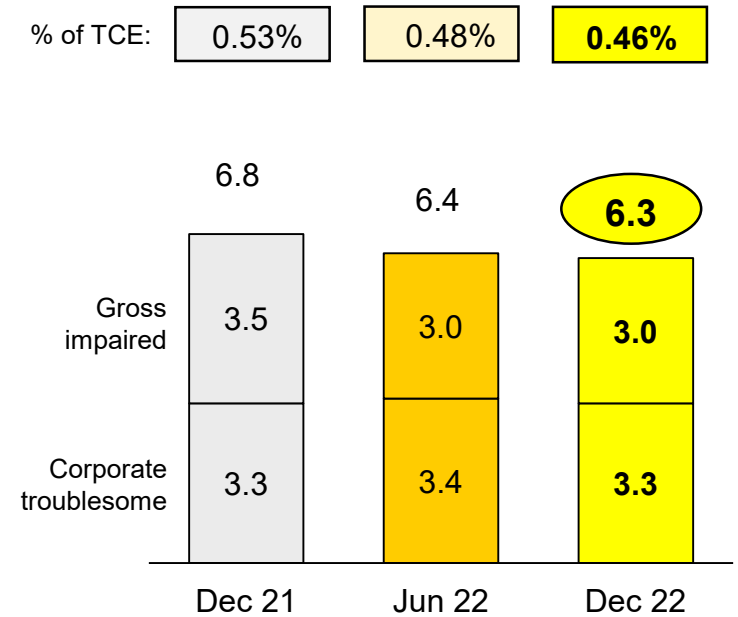
90+ days

Personal Loans Credit Cards Home Loans<sup>3</sup>



## TIA

\$bn



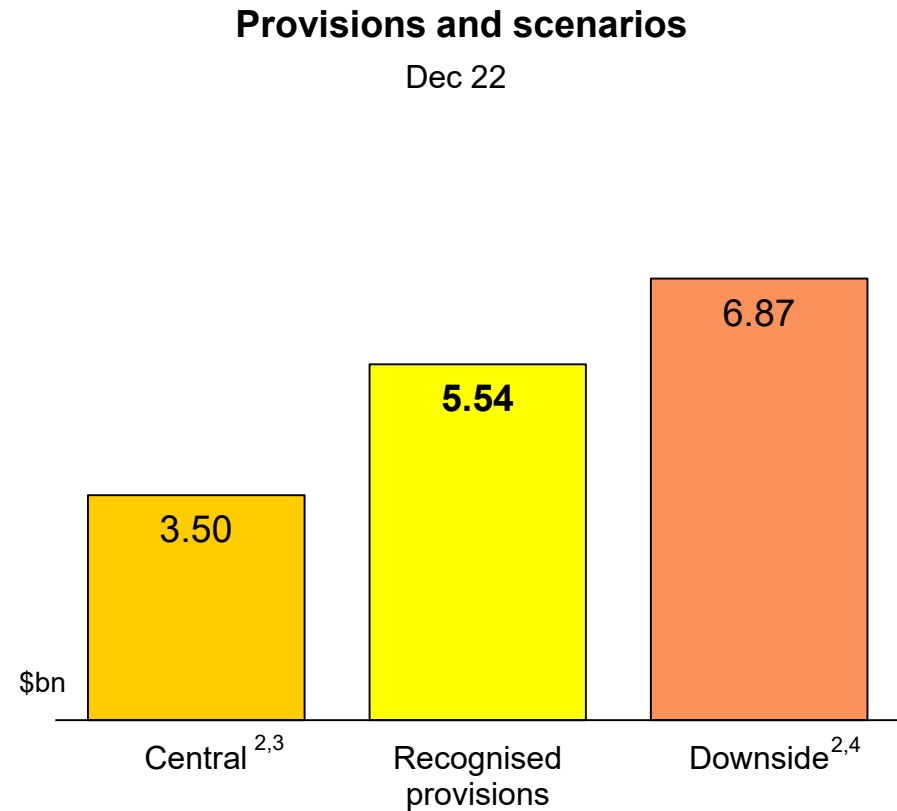
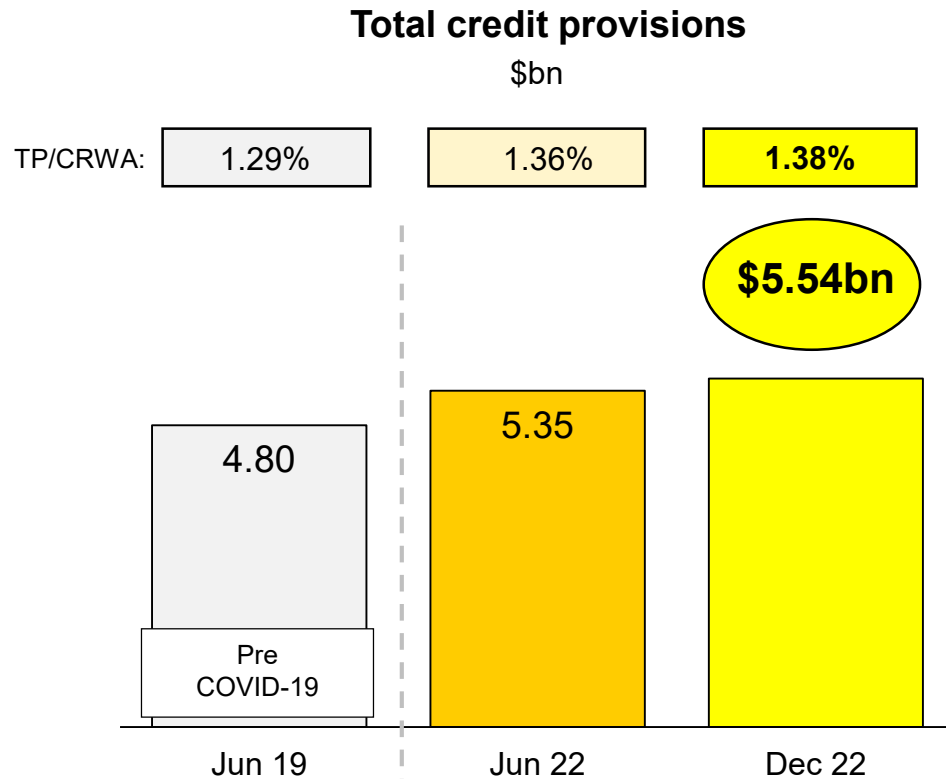
1. Loan impairment expense as a percentage of average Gross Loans and Acceptances (GLAA) (bpts) annualised. 2. Group consumer arrears including New Zealand. 3. Excludes Reverse Mortgage, Commonwealth Portfolio Loan and Residential Mortgage Group loans.

# Provisioning<sup>1</sup>

Increased provisions, buffer to central scenario maintained



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1. The Group uses four alternative macro-economic scenarios to reflect a range of possible future outcomes in estimating the ECL for significant portfolios, scenarios are updated based on changes in both the macroeconomic and geopolitical environment. 2. Assuming 100% weighting holding all assumptions including forward looking adjustments constant and includes individually assessed provisions.

3. Central Scenario is based on Group's internal economic forecasts and market consensus forecasts as well as other assumptions used in business planning and forecasting.

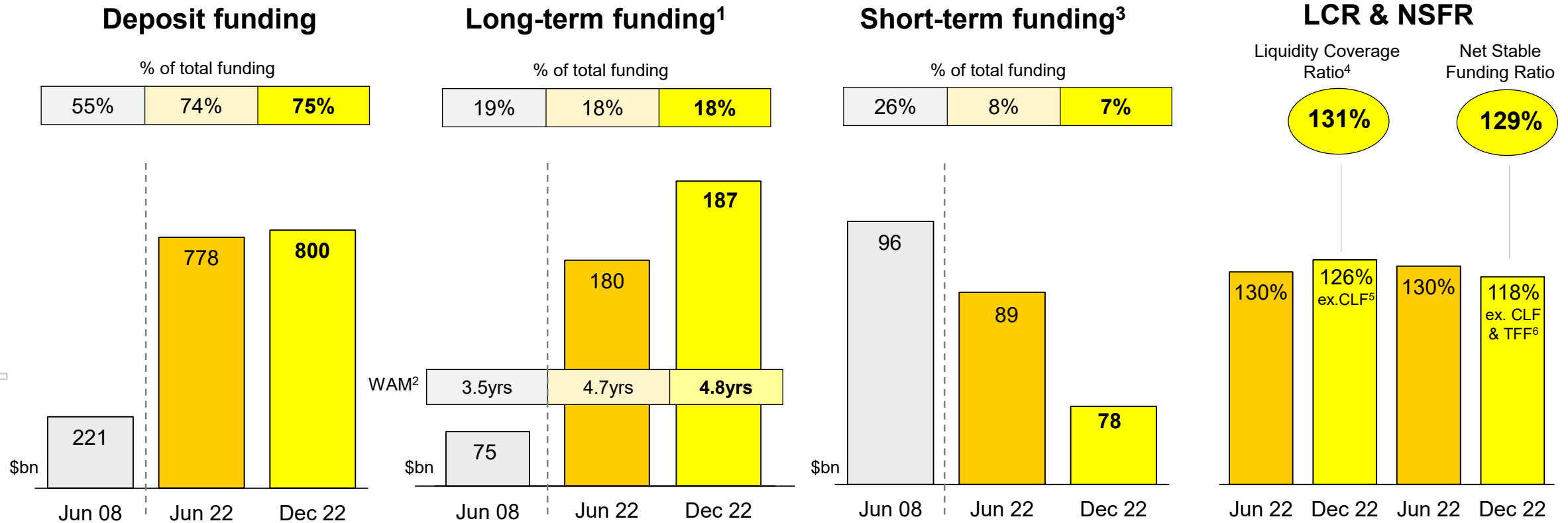
4. The downside scenario contemplates the potential impact of possible, but less likely, adverse macroeconomic conditions, resulting from significant inflationary pressures exacerbated by supply chain disruptions, shortages of goods and labour, and heightened energy prices compounded by geopolitical risks.

# Funding

Conservative funding position maintained as financial conditions tighten



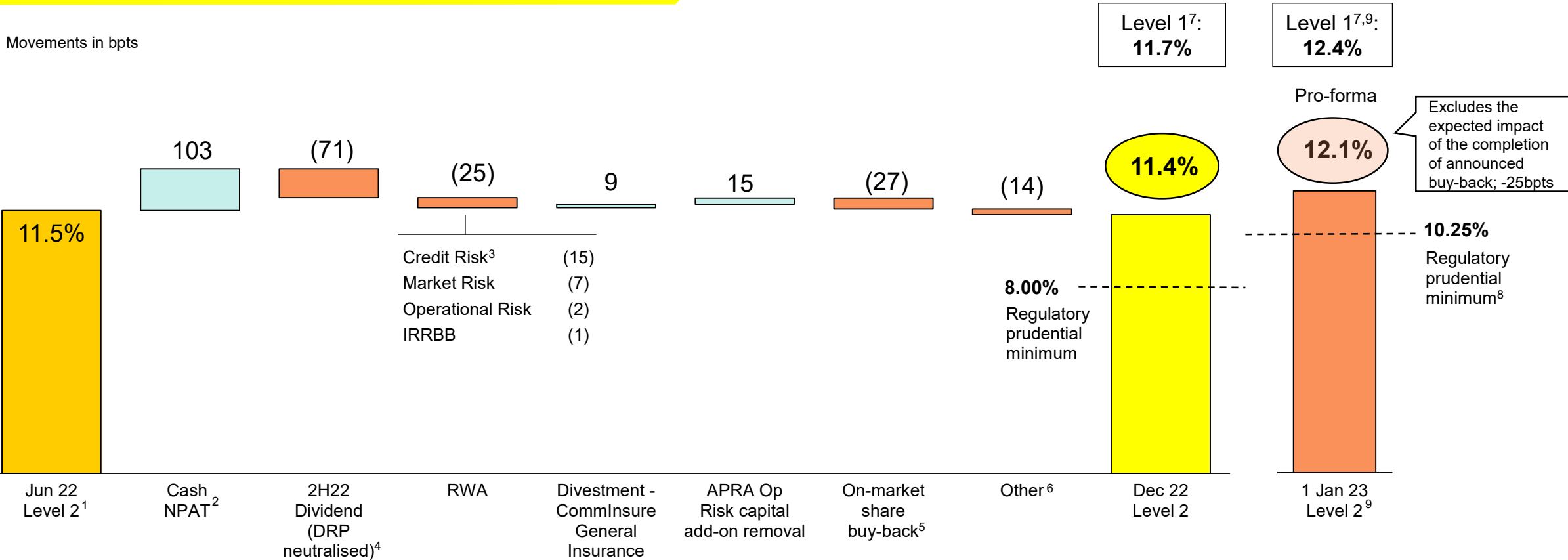
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1. Long-term wholesale funding balances including entire Term Funding Facility. 2. Represents the Weighted Average Maturity (WAM) of outstanding long-term wholesale debt with a residual maturity greater than 12 months as at reporting date. 3. Figures include 'other short-term liabilities'. 4. Quarterly average. 5. LCR numerator excludes the size of CBA's available Committed Liquidity Facility (CLF). 6. NSFR numerator (Available Stable Funding) excludes the size of CBA's TFF drawdowns. Denominator (Required Stable Funding) increases weighting for CLF and TFF collateral by 55%, such that it receives the 65% RSF weighting applicable to unencumbered residential mortgages.

# Capital

Strong capital position maintained ahead of new APRA capital framework effective 1 Jan 23 – pro-forma CET1 ratio of 12.1%

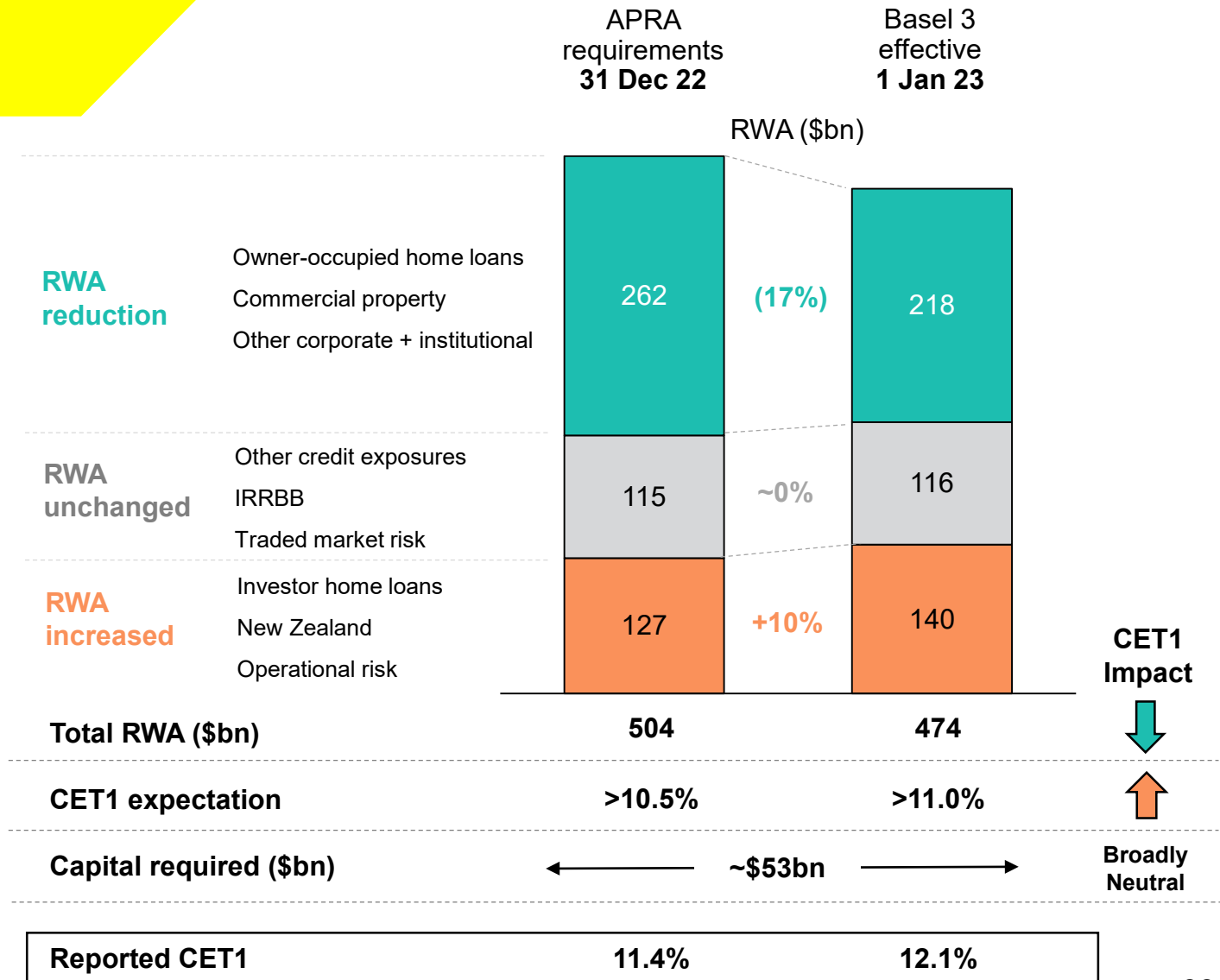


1. Level 2 is the consolidated banking group including banking subsidiaries such as ASB Bank, PT Bank Commonwealth (Indonesia) and CBA Europe N.V. 2. Excludes net equity accounted profits/losses from associates as they are capital neutral with offsetting changes in regulatory capital deductions. 3. Excludes impact of FX movements, which is included in 'Other'. 4. 2022 final dividend included the on-market purchase of shares in respect of the DRP. 5. \$1.8 billion of the previously announced \$2 billion on-market share buy-back program has been completed as at 31 Dec 2022 (17,977,434 shares acquired at an average price of \$100.01). 6. Includes the impact of intangibles, FX impact on Credit RWA, equity accounted profit/losses from associates, movements in reserves and other regulatory adjustments. 7. Level 1 is the CBA parent bank, offshore branches and extended licence entities approved by APRA. 8. Effective 1 Jan 23 - 10.25%, inclusive of 1% default countercyclical capital buffer which may be varied by APRA in the range of 0% - 3.5%. 9. Represents 1 Jan 23 pro-forma CET1 ratio under the revised framework.

# Capital framework reform

Revisions to prudential framework effective 1 January 2023

- Required capital broadly unchanged
- Greater risk discrimination in home loans
- Closer alignment of non-retail commercial property to international standards
- Close alignment to RBNZ rules for New Zealand bank regulated subsidiaries
- Standardised calculation of operational risk based on revenue
- CBA expects to operate with a post-dividend CET1 ratio of >11.0%, except in circumstances of unexpected capital volatility



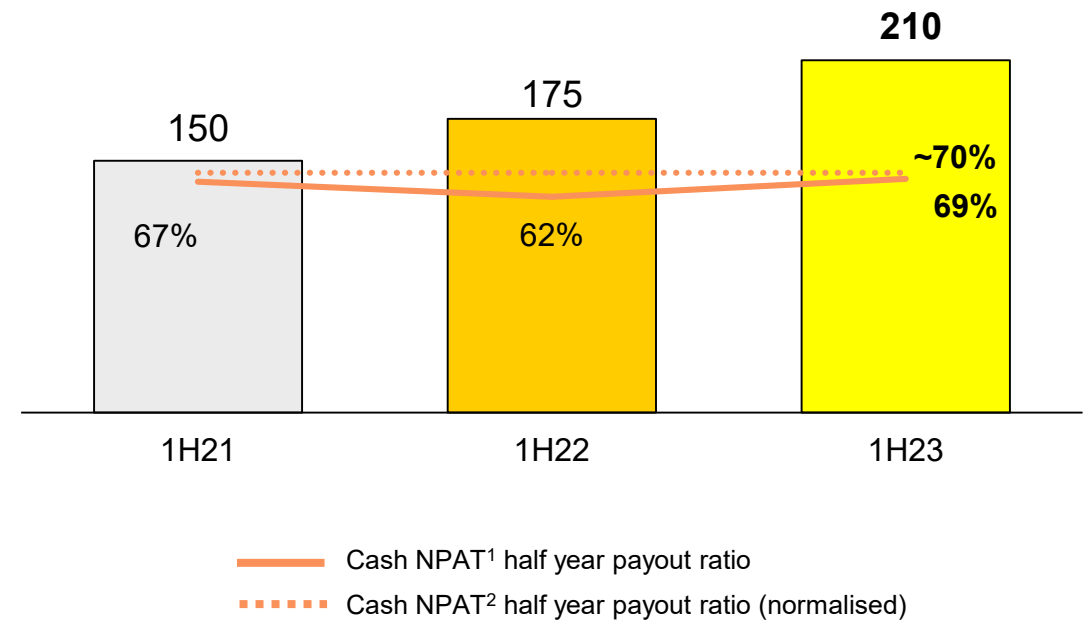
# Dividends

Long term sustainable returns

- Interim dividend of \$2.10, 20% increase on 1H22 dividend, driven by strong earnings and reduction in share count from share buy-backs
- Payout ratio for the half of 69% (~70% normalising for long run loan loss rates)
- DRP no discount and expected to be fully neutralised
- The Bank will continue to target a full year payout ratio of 70-80% Cash NPAT and an interim payout ratio of ~70% of Cash NPAT to deliver predictable and sustainable returns to shareholders

## Sustainable returns

Dividend per share (cents)



1. Cash NPAT inclusive of discontinued operations. 2. Cash NPAT and dividend payout ratio normalised to reflect long run loan loss rates.

# Economic outlook

Downside risks to Australian economy building from a strong starting position

- Solid fundamentals for Australian economy
  - Low unemployment, low underemployment, high participation rates
  - Strong exports and non-mining investment
  - Net overseas migration returning quickly
- Australian economy moderating due to higher interest rates
  - Falling home prices and savings ratio
  - Cost of living pressures – electricity, gas, groceries
  - Resilient consumer spend, slowing in pockets – expected to weaken
- Downside risk building in Australia due to higher interest rates
  - Further cash rate increases expected – lagged impact in flow through
  - Economic growth and consumption to slow
  - Uncertain global outlook – Australia relatively well positioned



# Summary

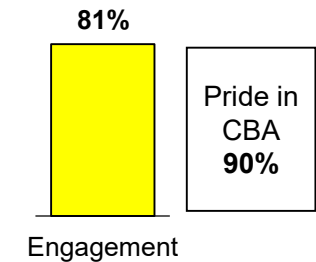
Strong result driven by customer engagement, strength of franchise

- Strong result reflects core franchise strength
- Focus on customer relationships and engagement
- Consistent, disciplined execution
- Capital and balance sheet strength, conservative settings
- Supporting our customers through rising rates, higher cost of living

## Customers

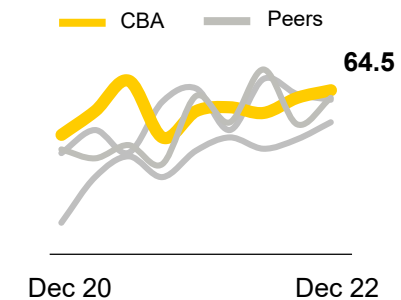
Net Promoter Scores <sup>1</sup>	Rank
Consumer	#1
Business	#1
Consumer digital	#1
Business digital	#1

## People<sup>2</sup>



## Community

Reputation score<sup>3</sup>



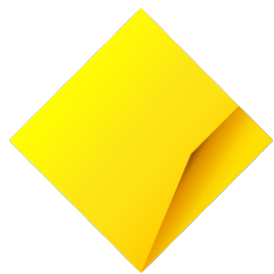
## Shareholders

Total Shareholder Return

Period	Rank <sup>4</sup>
1yr	#3
3yr	#1
5yr	#1
10yr	#1

1, 2, 3, 4. Refer to sources, glossary and notes at the back of this presentation for further details.





# Overview & strategy



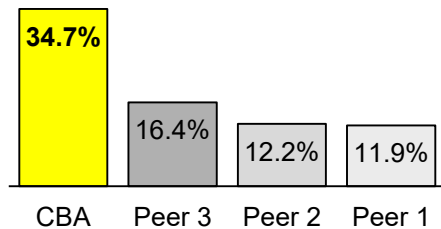
# Why CBA?

Leading franchise – leading returns

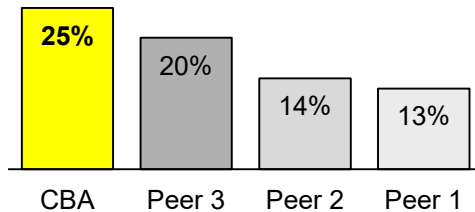


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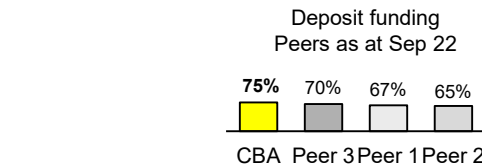
## MFI share<sup>1</sup> (%)



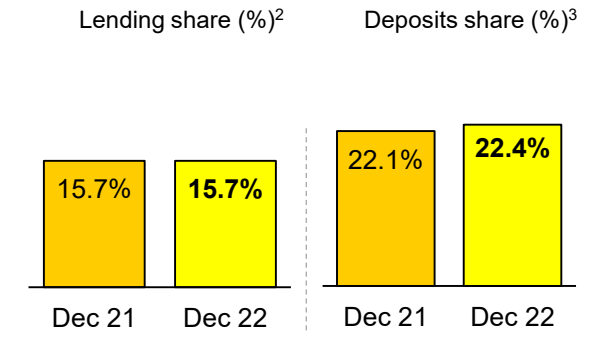
## Home lending share<sup>2</sup> (%)



## Household deposits share<sup>3</sup> (%)

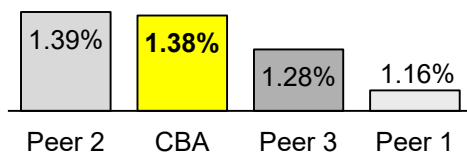


## Business banking share Including institutional



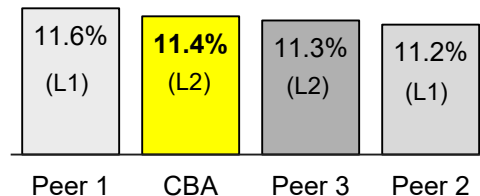
## Provisioning (%)

Total provision coverage  
to Credit RWA<sup>4</sup>  
CBA & Peer 1 as at December 2022  
Peer 2 & 3 as at September 2022



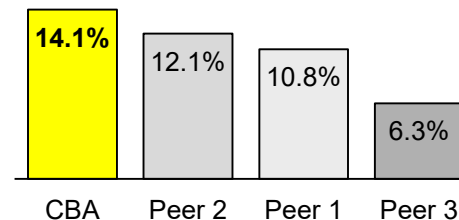
## CET1 capital (%)

Capital binding constraint<sup>5</sup>  
CBA & Peer 1 as at December 2022  
Peer 2 & 3 as at September 2022

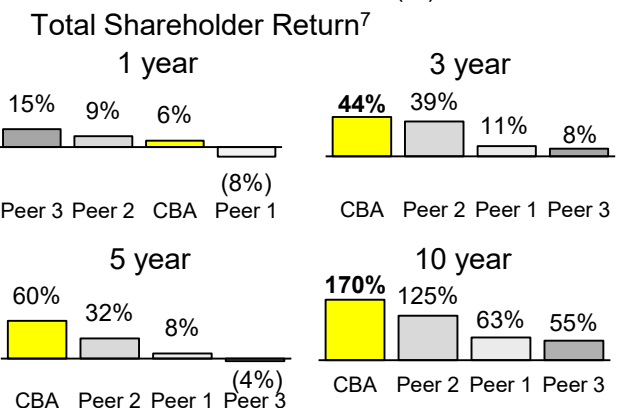


## ROE (cash)<sup>6</sup> (%)

Peers as at September 2022



## Shareholder returns (%)



1. Refer to the glossary at the back of the presentation for source information. 2. CBA source: RBA Lending and Credit Aggregates, Peer source: Peer APRA Monthly Authorised Deposit-taking Institution Statistics balance divided by RBA Lending and Credit Aggregates system balance. 3. Source: APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS). 4. Total provisions divided by credit risk weighted assets. Excludes estimated impairment provisions for derivatives at fair value. 5. Binding constraint is the lower of Level 1 and Level 2 CET1 capital ratio. 6. On continuing operations basis where applicable. Peers represent headline ROE for half year ended 30 September 2022. 7. Source: Bloomberg. Total Shareholder Return as at 31 December 2022.

# Delivering

Balanced outcomes – delivering for all stakeholders



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## Customer

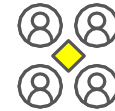
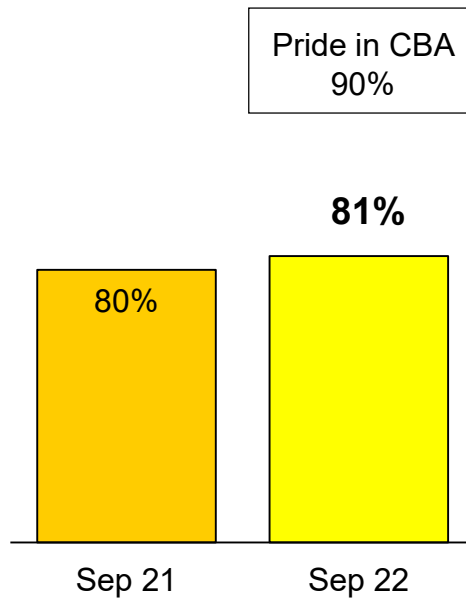
Net Promoter Scores<sup>1</sup>

	Rank
Consumer	#1
Consumer digital	#1
Business	#1
Business digital	#1



## People

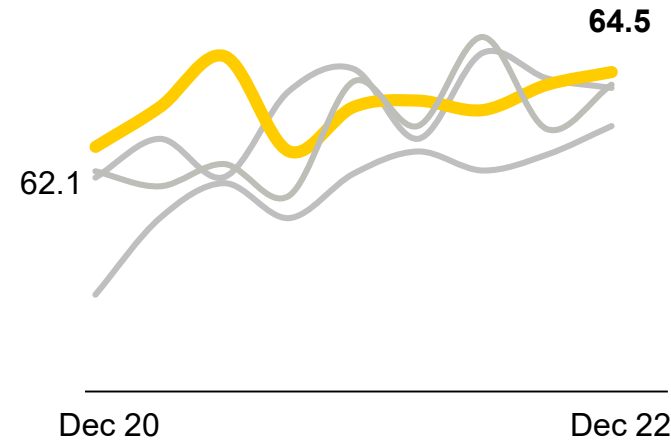
People engagement<sup>2</sup>



## Community

Reputation score<sup>3</sup>

— CBA — Peers



## Shareholders

Total Shareholder Return<sup>4</sup>

Period	%	Rank
1yr	6%	#3
3yr	44%	#1
5yr	60%	#1
10yr	170%	#1

1, 2, 3, 4. Refer to sources, glossary and notes at the back of this presentation for further details.

# How we contribute to Australia<sup>1</sup>

Supporting our customers, the community and the economy

**\$13.6bn** income earned

*We support customers and businesses to build a brighter future*

- Australia's largest home lender – \$77bn in new lending in 1H23<sup>3</sup>
- Helping Australia's businesses – \$18bn in new business lending in 1H23
- Australia's leading bank for savings – over 25% of household deposits

**\$5.6bn** expenses<sup>2</sup>

*We contribute to Australia's economy*

- We employ over 53,000 people (90% are in Australia/New Zealand)
- 91% of our domestic supplier invoices paid within 30 days
- More than 750 branches
- We are one of Australia's largest corporate tax payers
- We have signed up to the Voluntary Tax Transparency Code
- Reduced COVID-19 uncertainties

**\$5.2bn<sup>4</sup>** dividends and reinvested

*We generate value for shareholders and invest back into our business to make it better for our customers*

- The average retail shareholder will receive ~\$1,650 in fully franked dividends
- 860,000+ shareholders with 78% Australian owned

1. Presented on a continuing operations ("cash basis") unless otherwise stated. 2. Expenses exclude remediation costs. 3. Includes RBS internal refinancing, Unloan, Residential Mortgage Group and Bankwest fixed splits of existing variable loans, excludes Viridian Line of Credit (VLOC) and all other Bankwest internal refinancing. 4. Represents 1H23 Cash NPAT.

# Our strategy

Building tomorrow's bank today for our customers



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## Our purpose

**Building a brighter future for all**

## Our priorities

### Leadership in Australia's recovery and transition

Build Australia's leading business bank

Help build Australia's future economy

Lead in the support we provide to customers and communities

### Reimagined products and services

Anticipate changing customer needs

Differentiate our customer proposition

Connect to external services and build new ventures

### Global best digital experiences and technology

Deliver the best integrated digital experiences

Build world-class engineering capability

Modernise systems and digitise end-to-end

### Simpler, better foundations

Deliver consistent operational excellence

Sustain transparent and leading risk management

Reduce operating costs and manage capital with discipline

## Our culture

### Care

We care about our customers and each other – we serve with humility and transparency

### Courage

We have the courage to step in, speak up and lead by example

### Commitment

We are unwavering in our commitment – we do what's right and we work together to get things done

# Leadership in Australia's recovery and transition

Supporting our customers and communities – helping to build Australia's future economy



## Helping to build Australia's future economy

- **\$320bn+** in funding raised for Australian clients<sup>1</sup>
- **61%** of gross business lending funded productive assets<sup>2</sup>
- **~25** sustainable finance transactions across multiple sectors<sup>3</sup>
- **CSIRO partnership** on Australia-specific transition pathways
- **Agri Green Loan** and **Personal Loan Green Offer** launched

## Supporting our customers and communities

- **~1.9m** offered natural disaster support assistance
- **~3.6m** contacted about government benefits & rebates
- **~4m** customers reached with our Scams Awareness NBC
- **~\$1bn** claimed through Benefits finder since inception
- **>35k** claims initiated in Benefits finder for small businesses<sup>4</sup>

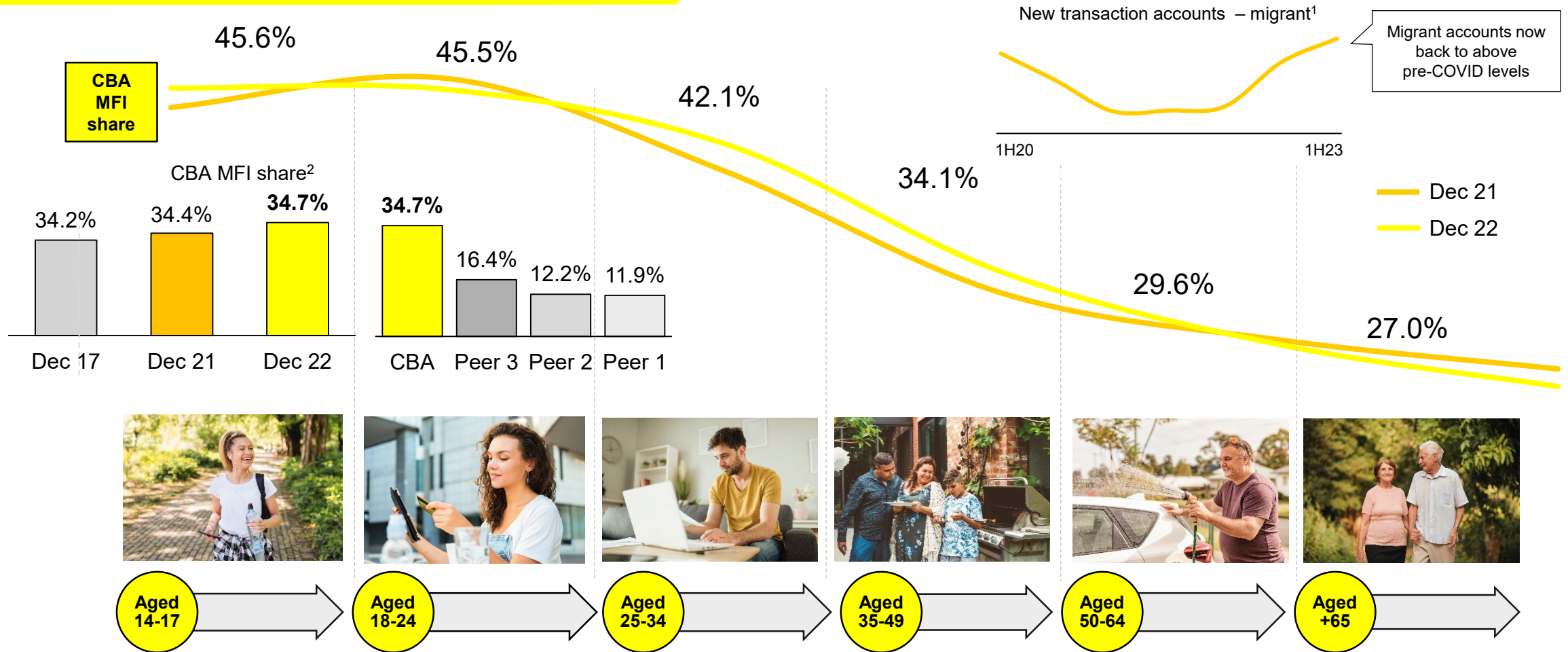
1. Total deal volume where CBA acted as manager/bookrunner on syndicated loans, debt capital markets (excluding sole self-led transactions) and securitisation issuance for Australian clients. Cumulative funding from 1 July 2020 to 31 December 2022. Foreign denominated issuance translated to the Australian dollar equivalent based on Bloomberg exchange rate as at the pricing date. 2. 1H23 gross business lending relating primarily reflecting productive industries such as agriculture, forestry and fishing, wholesale trade, manufacturing, transport and storage, and retail trade. 3. Transactions closed across both loans and bonds. 4. Since inception June 2021.

# Reimagining banking

Franchise strength supporting our customers across the lifecycle



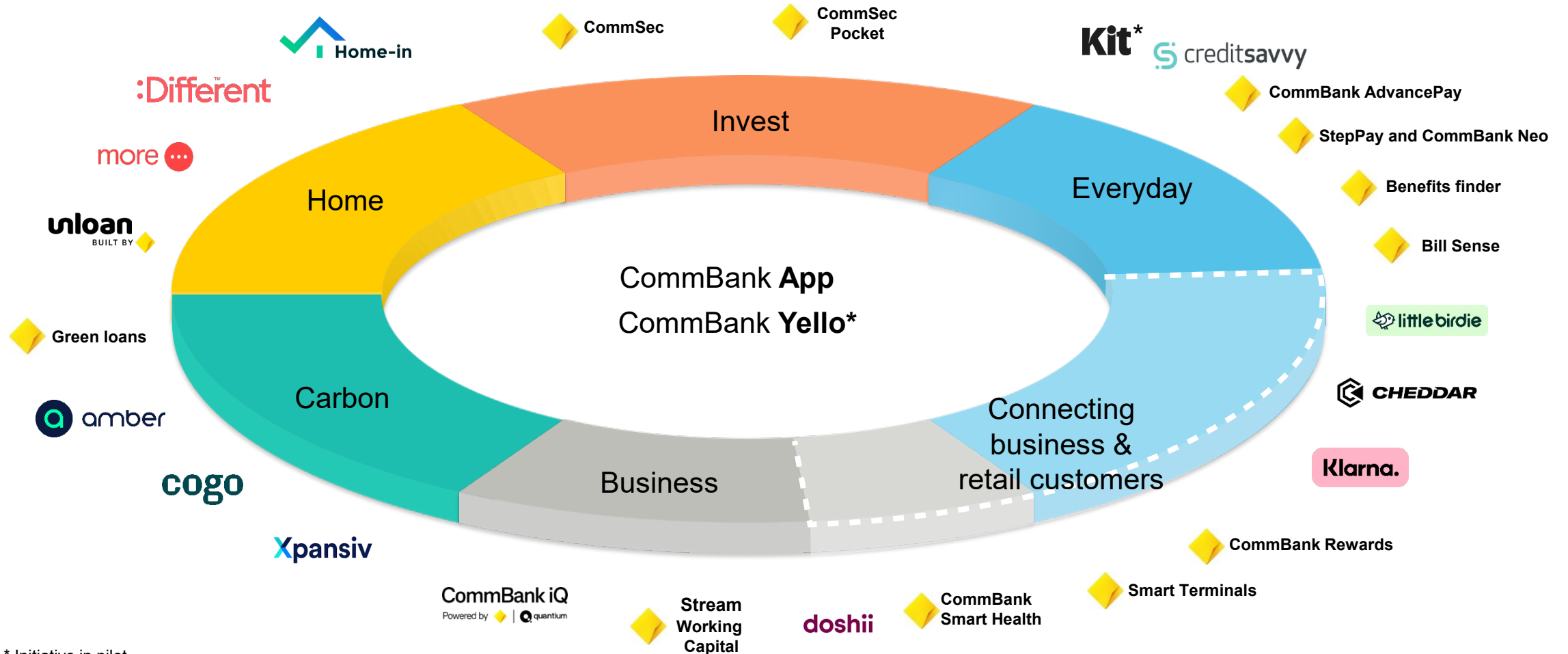
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1. Number of new migrant transaction accounts, RBS excluding Bankwest. 2. Refer to the glossary for source information.

# Reimagining banking

Reinforcing our core proposition –  
example initiatives



\* Initiative in pilot

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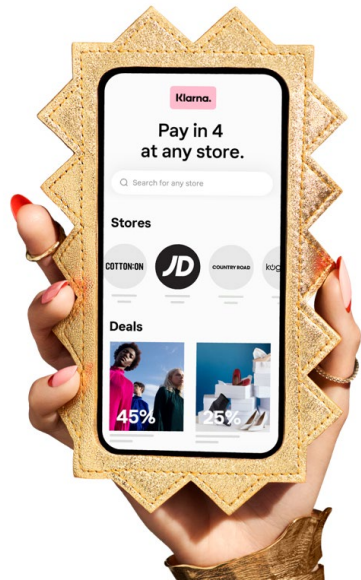
# Reimagining banking

Connecting business and retail customers



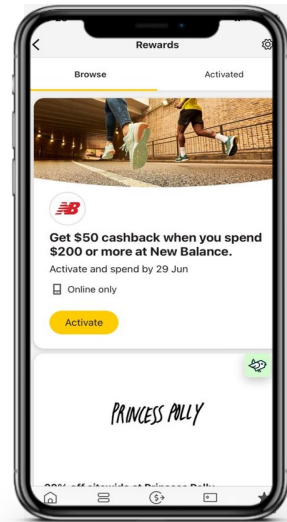
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**Klarna.**



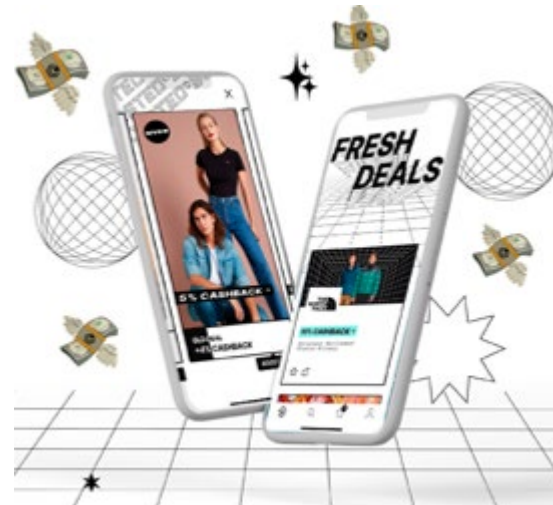
- Used in >60k stores<sup>1</sup>
- >1.3m active app users
- Pay in 4, deals, delivery & more

 **little birdie**



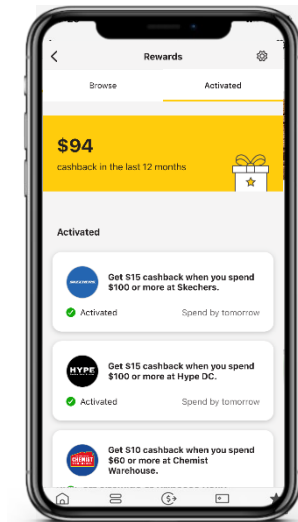
- ~1.5m merchant referrals<sup>2</sup>
- ~3.6m website visits<sup>2</sup>
- ~1.4m clicks on offers in-app<sup>3</sup>

 **CHEDDAR**



- AI shopping cashback platform
- > 220k installed users
- > 1,000 merchant partner deals<sup>4</sup>

**CommBank Rewards**



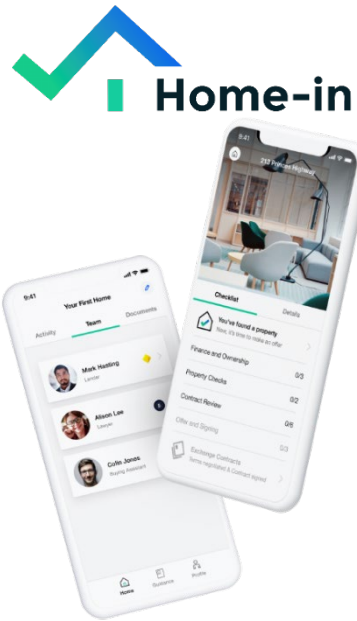
- 5.1m offers activated<sup>4</sup>
- +10% in merchant leads<sup>5</sup>
- +11% in merchant spend<sup>5</sup>

1. Since launch January 2020. 2. Since launch August 2021. 3. Since integration of Little Birdie offers in the CommBank app in November 2021. 4. 1H23. 5. 1H23 vs PCP.

# Reimagining banking

## Home buying and ownership

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- ~\$3bn of homes settled<sup>1</sup>
- 98% take up a CBA home loan<sup>2</sup>
- 11% of pre-approved customers<sup>3</sup>
- 62+ NPS, 4.3 star app<sup>2,4</sup>

- Property settlement leader
- ~\$200m invested in FY22
- 23.9% ownership
- 93% of CBA settlements

- Deposit-gap partner
- >\$6bn in 1H23 applications
- Second market launch (Brisbane)
- 4.9 Google review score

- Digital property management
- Unique tech and operations platform
- Discounts for CBA property investors
- 4.3 Google review score

1. Since launch September 2018. 2. December 2022. 3. Proprietary. 4. Average of Google / Apple Store ratings.

# Reimagining banking

Fast and safe digital propositions



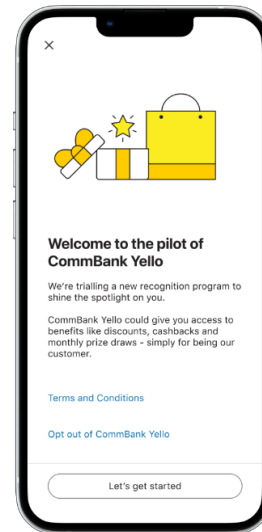
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## unloan



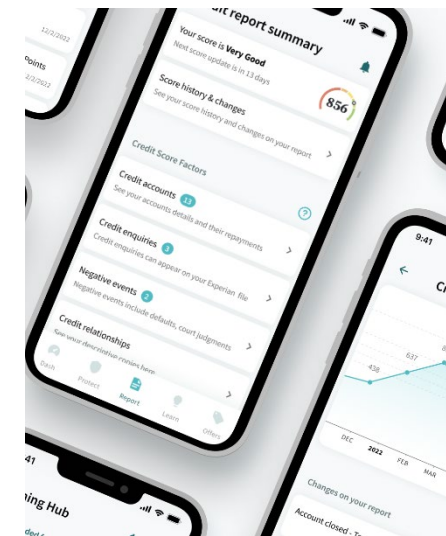
- Digital-only home loans
- Apply in as little as 10 minutes
- Customers of all ages, notably 25-55
- Instant approvals coming in 2023

## CommBank Yello



- New rewards and recognition program
- Exclusive shopping and partner offers
- Monthly prizes: \$1,200 home contribution
- >140k customers in regional NSW & ACT pilot

## creditsavvy



- Protecting against credit fraud
- New credit lock feature used > 100k times<sup>1</sup>
- NPS +63<sup>2</sup>, reached #3 on App Store charts<sup>3</sup>
- >220k sign-ups to CBA Credit Score Hub<sup>4</sup>

1. Since release November 2022. 2. December 2022. 3. App Store Finance Charts, November 2022. 4. December 2022.

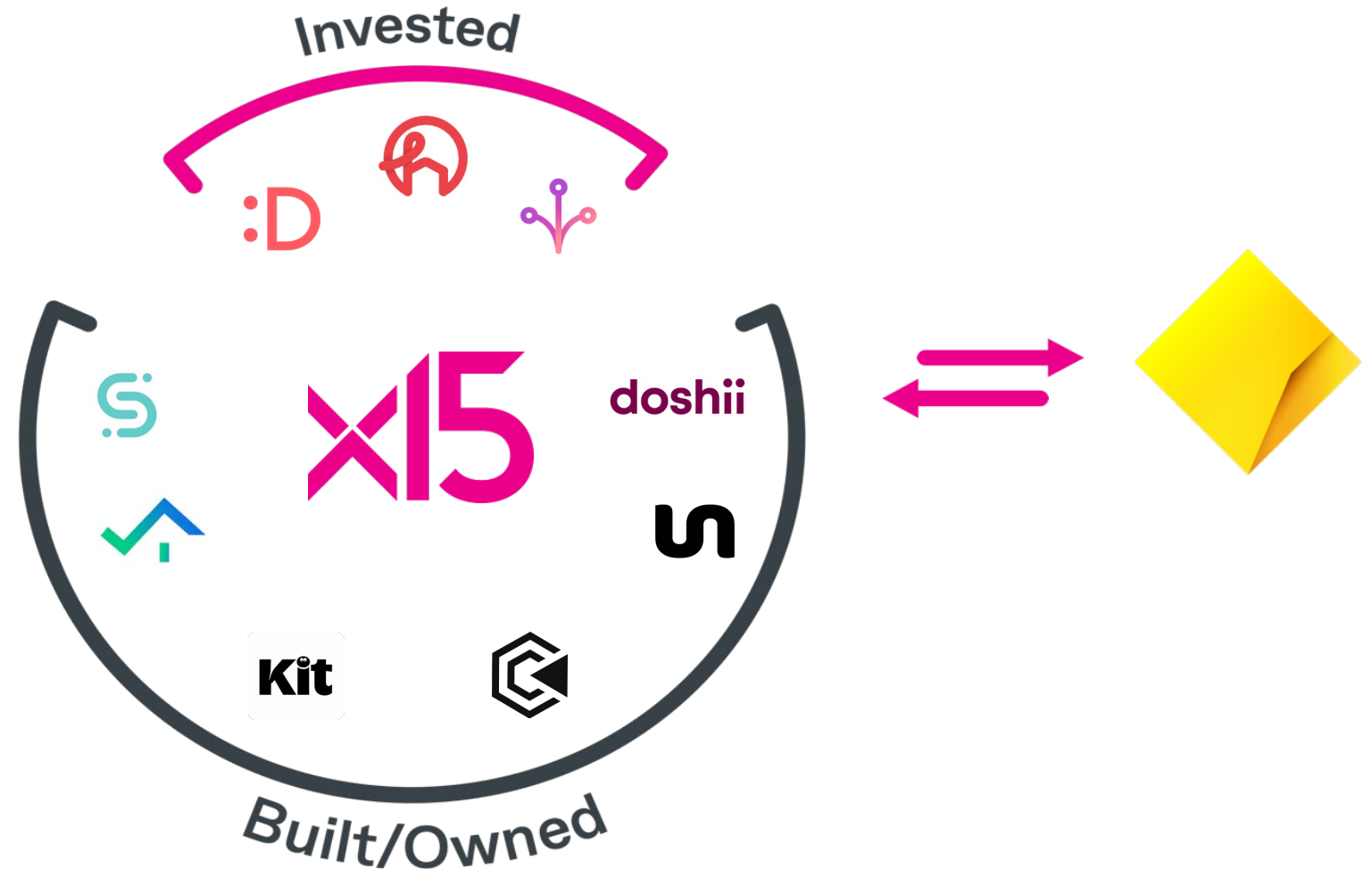
# Reimagining banking

CBA's venture scaler – solving how to scale ventures within CBA's ecosystem

## xStack

A platform of technical and non-technical services provided to ventures, so they can:

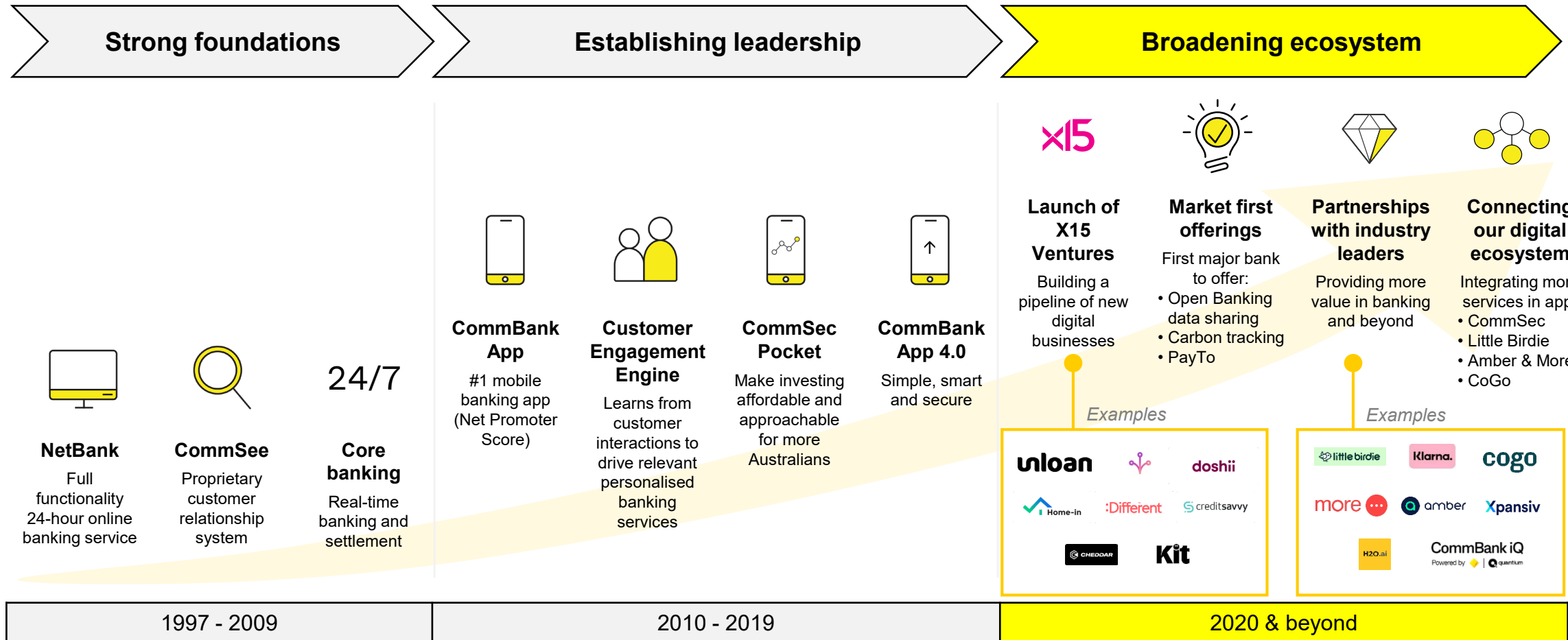
- Move at the pace of a start-up retaining agility and the ability to pivot rapidly
- Stay safe through automation with bank-grade security and controls, keeping customers safe
- Scale leveraging CBA's brand, customer distribution channels and banking services



# Global best digital experiences and technology

Building on a history of innovation

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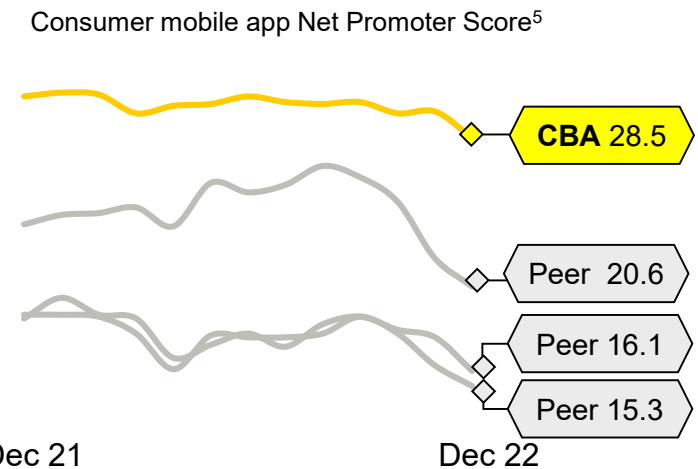
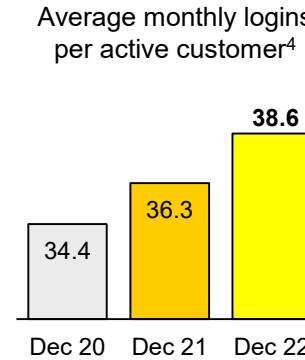
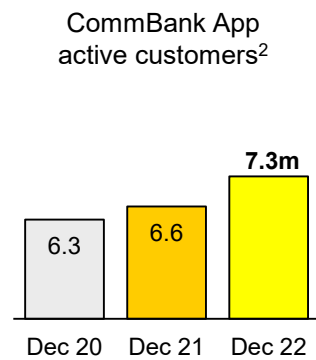
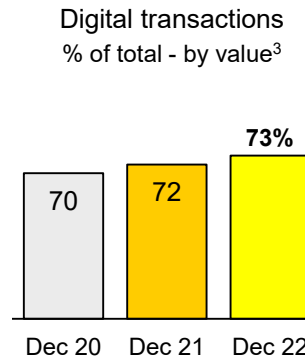
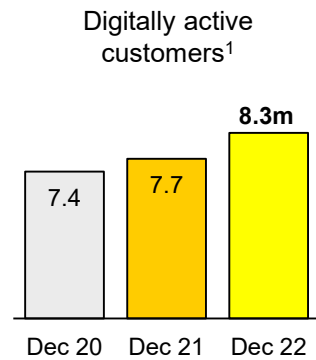
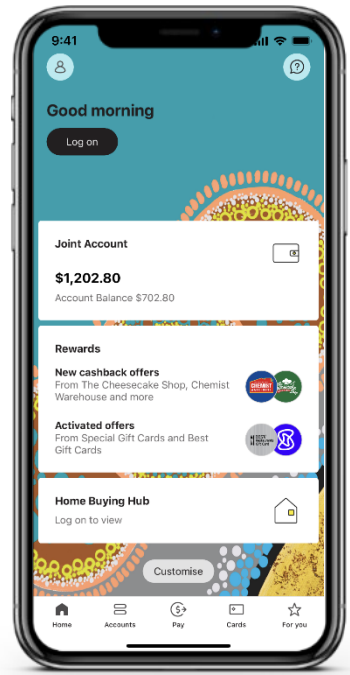


# Global best digital experiences and technology

Market leading digital assets



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Bank of the Year – Digital Banking  
(Canstar - 13 years in a row)<sup>6</sup>



Forrester overall digital experience leader  
(Forrester – 6 years in a row)<sup>7</sup>



Best Major Digital Bank  
(DBM Australian Financial Awards – 4 years in a row)<sup>8</sup>

Most Innovative Major Bank  
(DBM Australian Financial Awards – 4 years in a row)<sup>8</sup>

1, 2, 3, 4, 5, 6, 7, 8. Refer to sources, glossary and notes at the back of this presentation for further details.

# Global best digital experiences and technology

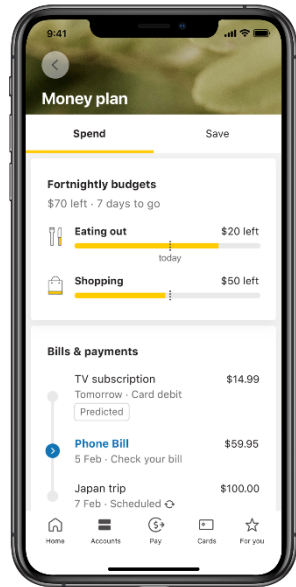
Industry leading engagement



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## Money Plan

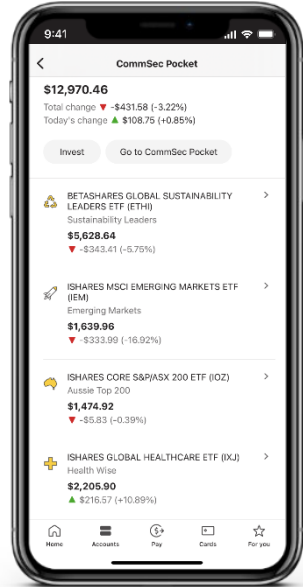
Money management tools in one place



**>330,000** customers engaging<sup>1</sup>

## CommSec

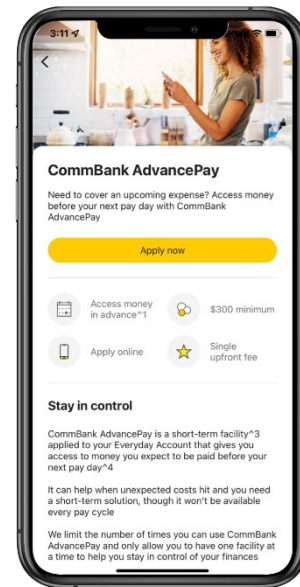
Manage investments via CommBank App



**>225,000** customers engaging<sup>2</sup>

## CommBank AdvancePay

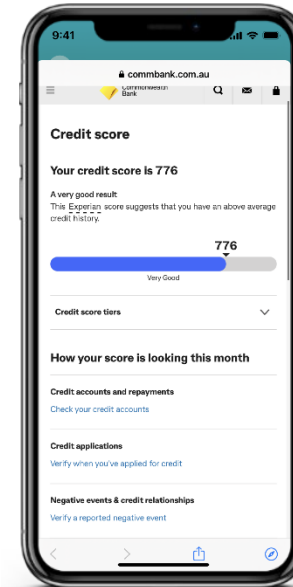
Access money before pay day



**~111,000** facilities provided

## Credit Score

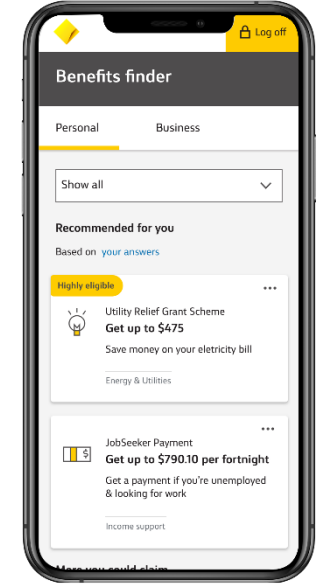
Protect credit with free credit reports



**>250,000** customers set up<sup>3</sup>

## Benefits Finder

Simplified access to a range of benefits



**~\$1bn** claimed<sup>4</sup>

1, 2, 3, 4. Refer to sources, glossary and notes at the back of this presentation for further details.

# Global best digital experiences and technology

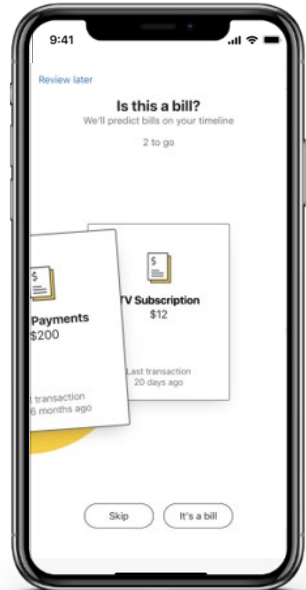
Industry leading engagement



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## Bill Sense

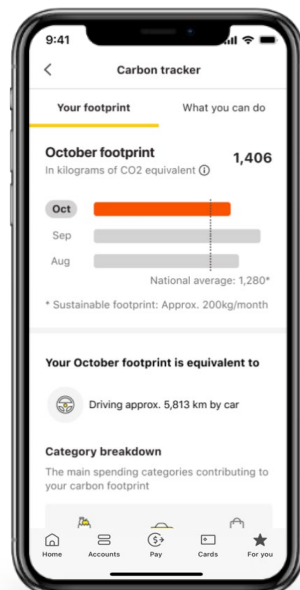
Predict and prepare for upcoming bills



**~1.3m**  
customers engaging<sup>1</sup>

## Carbon Tracker

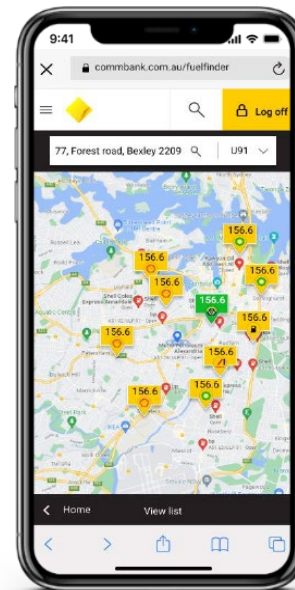
Personalised carbon footprint based on spending



**>35,000**  
customers engaged<sup>2</sup>

## Fuel Finder

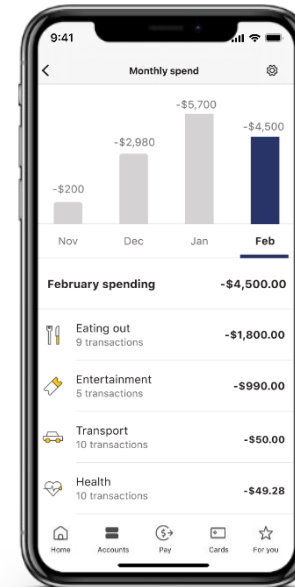
Save on fuel with predictions and recommendations



**~250,000**  
eligible customers<sup>3</sup>

## Spend Tracker

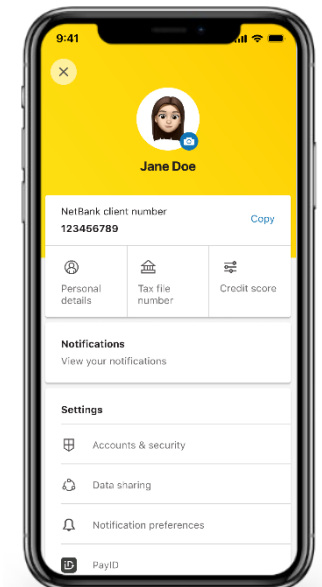
Easily view and categorise spending



**>860,000**  
customers engaging<sup>4</sup>

## Profile pictures, favourites & wallpaper

Expanded personalised App experience



**Launched**  
profile pic in Dec

1, 2, 3, 4. Refer to sources, glossary and notes at the back of this presentation for further details.



# Global best digital experiences and technology

Investing in technology and capability



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## Modernised systems, digitised end-to-end

- Driving efficiencies while maintaining security through the automation and standardisation of APIs<sup>1</sup>
- Using AI to improve customer personalisation and risk management processes (fraud, scams, KYC)
- Continuing to simplify our technology estate, leading to a 4% reduction in business applications in 1H23

## World-class engineering

- Continued hiring of engineer expertise across Australia with an expected ~1,100 hires in 2023 (480 in 1H23)
- Launched Melbourne and Brisbane Technology Hubs to attract domestic talent, following our Adelaide Hub
- Creating a world-class engineering environment with improved tools, education and innovation opportunities

## Operational excellence

- Delivering world-class data capability to create personal, contextual and real-time experiences for customers
- Protecting our customers by enhancing our security posture in response to evolving cyber threats
- Implemented Behavioural Security on NetBank to protect customers against scams and fraud
- Implemented in-app security alerts to flag with customers transactions or logins that appear suspicious

1. Application Programming Interfaces.

# Leading in digital

Faster digital processing



## Consumer<sup>1</sup>

93% of property transactions settled digitally

83% of eligible customers choosing Digital Documents and Signing

64% of all proprietary applications auto-decided

~53m decisions per day via CEE

120k customers enquiring via in-app messaging per month<sup>2</sup>

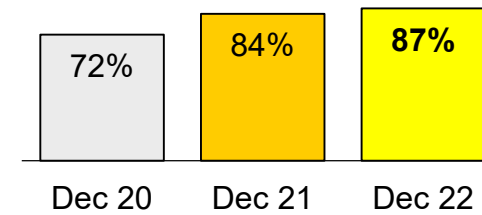
## Business

40% of new deposit accounts opened digitally

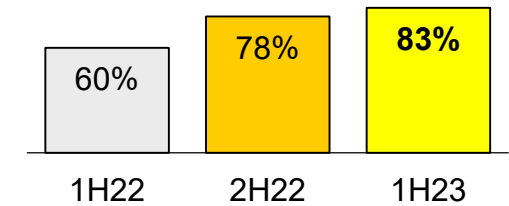
>55% of small business loans via BizExpress<sup>3</sup>

>90% of loan documents executed digitally

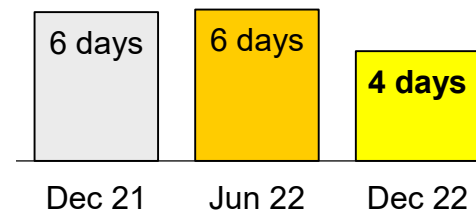
New credit card accounts via digital<sup>4</sup>



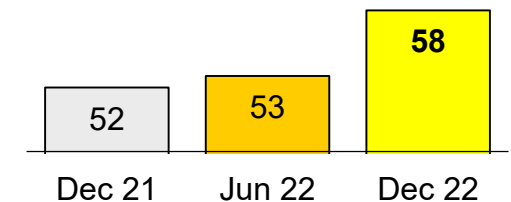
Home loan digital doc utilisation<sup>5</sup>



BizExpress Time to decision



New deposit accounts opened digitally ('000)



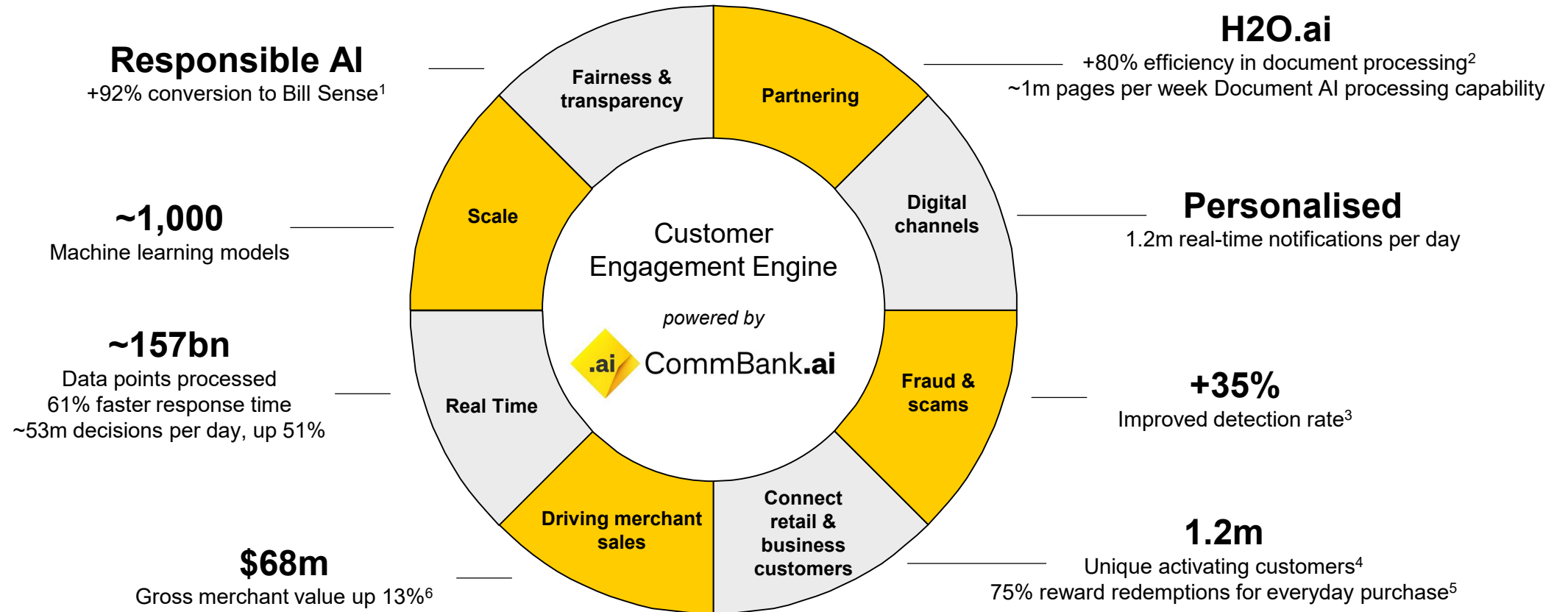
1, 2, 3, 4, 5. Refer to sources, glossary and notes at the back of this presentation for further details.

# Global best digital experiences and technology

Reimagining data and analytics



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1, 2, 3, 4, 5, 6. Refer to sources, glossary and notes at the back of this presentation for further details.

# Simpler, better foundations

Sustaining change, continued simplification

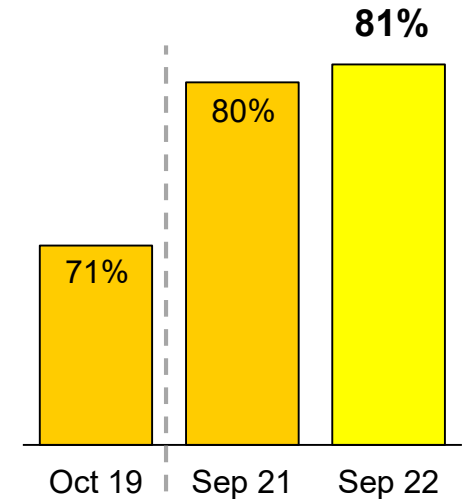


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## Our priorities

- Continue to invest in technology and education to keep our customers safe
- Mature and evolve our aspirational risk culture built on strengthened foundations
- Extend operational execution advantage through continuous improvement
- Maintain capital and pricing discipline to optimise growth, reinvestment and returns

## People engagement<sup>1</sup>



**90%** Pride in CBA  
**#1** Employer on [LinkedIn](#)<sup>2</sup>

1. People Engagement Index (PEI) from the Group's bi-annual engagement survey. Based on advances in engagement research, we enhanced our PEI metric in September 2020 from a 4-item metric to 5-item to include items related to discretionary effort and work involvement and the removal of work satisfaction as a predictor of engagement. Historical comparisons have been re-adjusted based on the updated PEI. 2. #1 LinkedIn Top Companies 2022.

# Our commitment to sustainability

Building a brighter future for all



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- Supported 200 community organisations right across Australia through our CommBank Staff Foundation Community Grants program
- Enhanced AI capabilities on Netbank to detect suspicious behaviour on accounts, and implemented additional blocks against potential scam and fraud activity
- Launched the CommBank Safe hub to increase awareness on scams and fraud, including tips, webinars and guides on staying safe online and identifying phishing and scam attempts
- Launched our FY23-25 Elevate Reconciliation Action Plan announcing the establishment of the Indigenous Leadership Team, an internal consultative body of senior First Nations employees
- Published our 2022 Modern Slavery Statement in accordance with the Modern Slavery Act 2018<sup>1</sup>
- Supported >1,500 people impacted by financial abuse through the Financial Independence Hub
- Introduced a credit score hub in-app, with credit report bans available through Credit Savvy
- Became the first major lender to offer loans under the Victorian Homebuyer Fund shared equity scheme, to help individuals enter the property market sooner
- 90% of our employees are proud to work for the Bank<sup>4</sup>

**\$24.4m**  
Saved by customers with CommBank Rewards<sup>2</sup>  
– the majority of redemptions used for everyday purchases

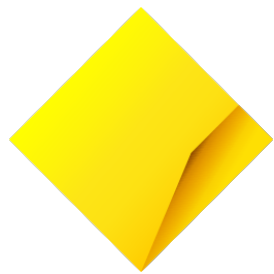
**\$2.8m**  
Raised by our Can4Cancer run, cycle and walk events

- ~7,000 CBA participants
- 9 events
- 5 cities

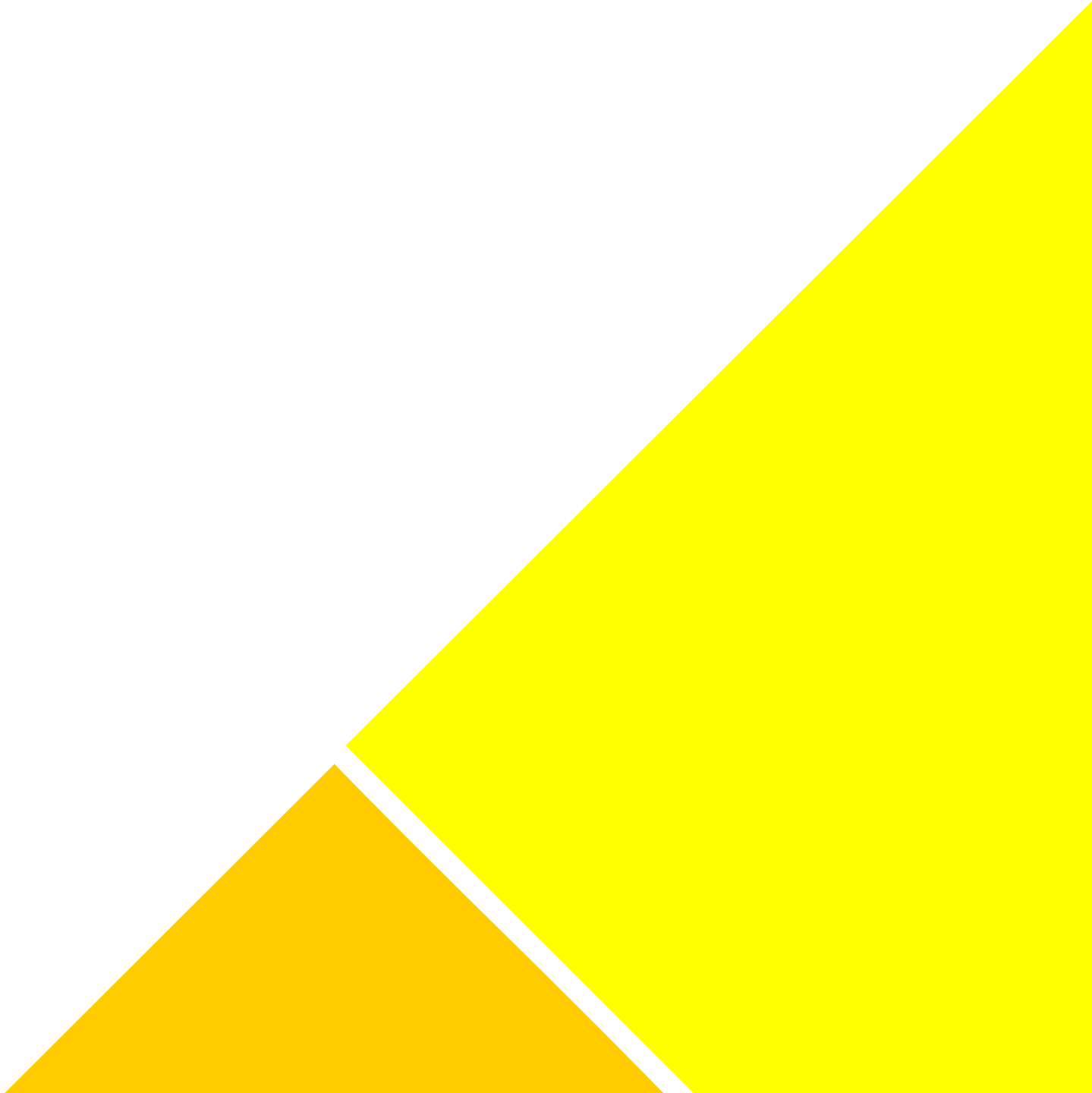
**81%**  
People engagement score<sup>3</sup>

**\$500m**  
Capital add-on released by APRA in recognition of the completion of Remedial Action Plan

1. Statement available at [commbank.com.au/sustainabilityreporting](https://commbank.com.au/sustainabilityreporting). 2. Since launch in December 2019. 3. 'CBA Your Voice' employee survey at September 2022. 4. Of employees that took the 'CBA Your Voice' employee survey.



# Financial overview



# Overview – 1H23 result<sup>1</sup>



## Key outcomes summary

### Financial

Statutory NPAT (\$m)	5,216	+10%
Cash NPAT (\$m)	5,153	+9%
ROE % (cash)	14.1%	+180bpts
EPS cents (cash)	304	+31c
DPS <sup>2</sup> (\$)	2.10	+35c
Cost-to-income (%)	42.5%	(280bpts)
NIM (%)	2.10%	+18bpts
Op income (\$m)	13,593	+12%
Op expenses (\$m)	5,773	+5%
Profit after capital charge <sup>3</sup> (\$m)	3,052	+52%
LIE to GLAA (bpts) <sup>4</sup>	11	+13bpts

### Balance sheet, capital & funding

Capital – CET1 <sup>2,5</sup> (Int'l)	18.5%	+10bpts
Capital – CET1 <sup>2</sup> (APRA)	11.4%	(40bpts)
Total assets (\$bn)	1,232	+7%
Total liabilities (\$bn)	1,160	+8%
Deposit funding	75%	+200bpts
LT wholesale funding WAM <sup>6</sup>	4.8yrs	(0.2yrs)
Liquidity coverage ratio <sup>7</sup>	131%	(300bpts)
Leverage ratio (APRA) <sup>2</sup>	5.1%	(20bpts)
Net stable funding ratio	129%	(200bpts)
Credit ratings <sup>8</sup>	AA-/Aa3/A+	Refer footnote 8

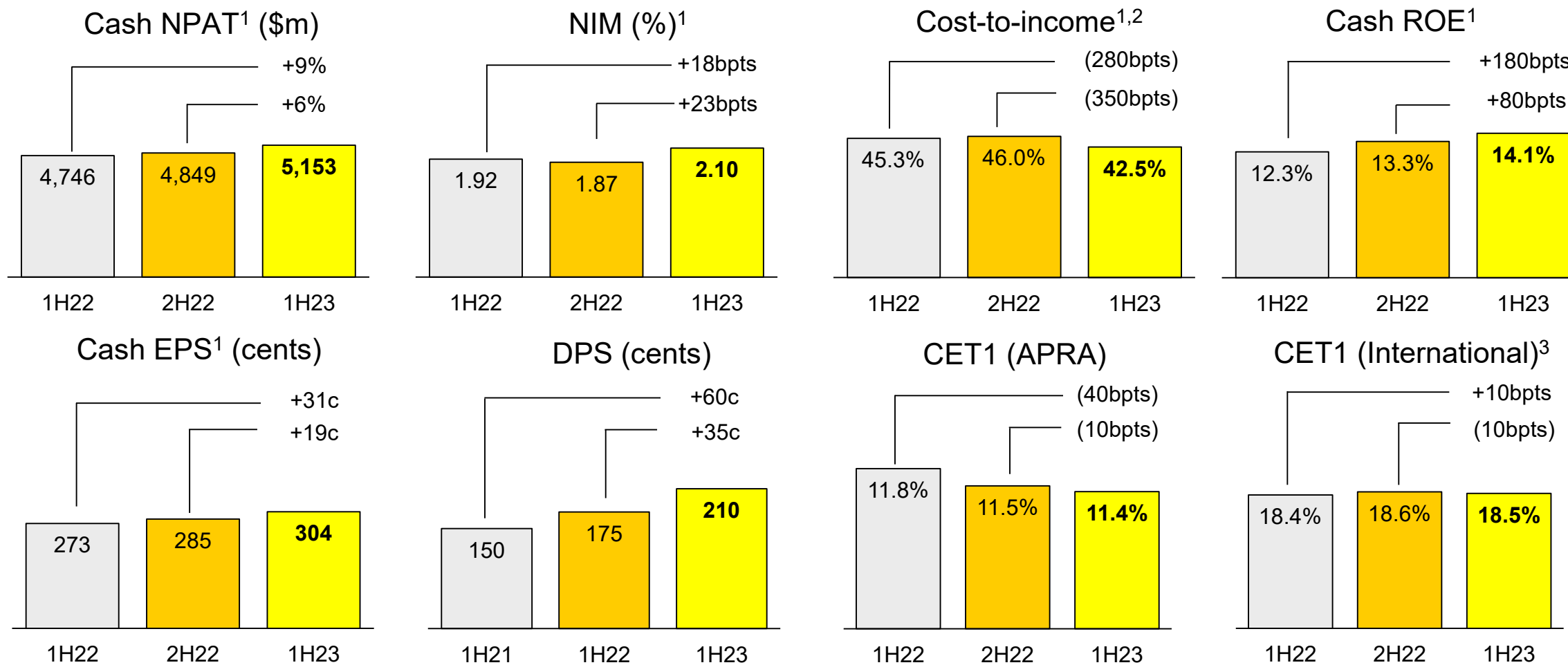
1. Presented on a continuing operations basis, all movements on the prior comparative period unless otherwise stated. 2. Includes discontinued operations. 3. The Group uses PACC as a key measure of risk adjusted profitability. It takes into account the profit achieved, the risk to capital that was taken to achieve it, and other adjustments. 4. Loan impairment expense as a percentage of average Gross Loans and Acceptances (GLAA) (bpts). 5. Internationally comparable capital - refer glossary for definition. 6. As at 31 Dec 2022, Weighted Average Maturity (WAM) includes Term Funding Facility (TFF) drawdowns. WAM excluding TFF drawdowns is 5.8 years (-0.7yrs from 31 Dec 2021). 7. Quarterly average. 8. S&P, Moody's and Fitch. S&P affirmed CBA's ratings and stable outlook on 9 February 2023. Moody's affirmed CBA's ratings and stable outlook on 11 November 2022. Fitch affirmed CBA's ratings and stable outlook on 13 December 2022.

# Overview – 1H23 result

## Key financial outcomes



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1. Presented on a continuing operations basis. 2. Excluding one-off items. 3. Internationally comparable capital - refer to glossary for definition.



# Cash NPAT by division<sup>1</sup>

Strong financial performance



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## RBS<sup>2</sup>

- Income vs PCP  
+16%
- Costs +3%
- Impairment expense +\$230m

## BB

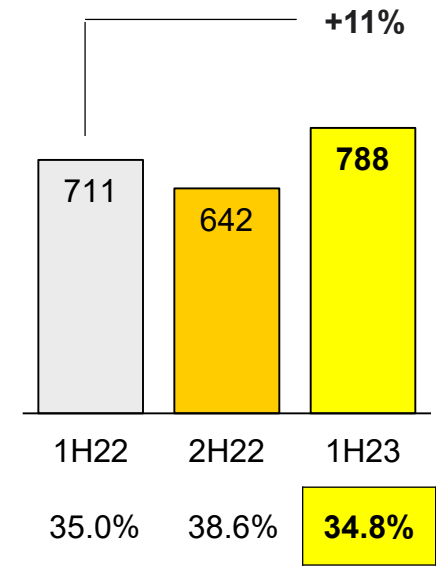
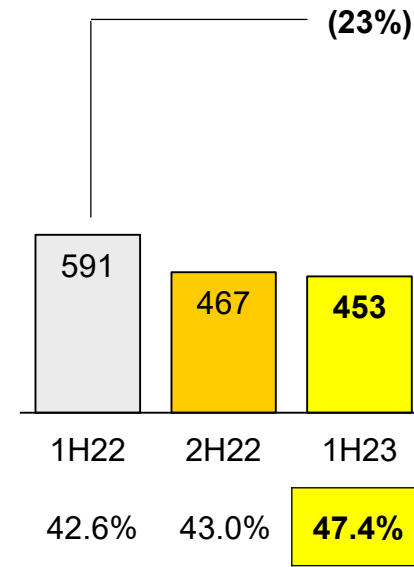
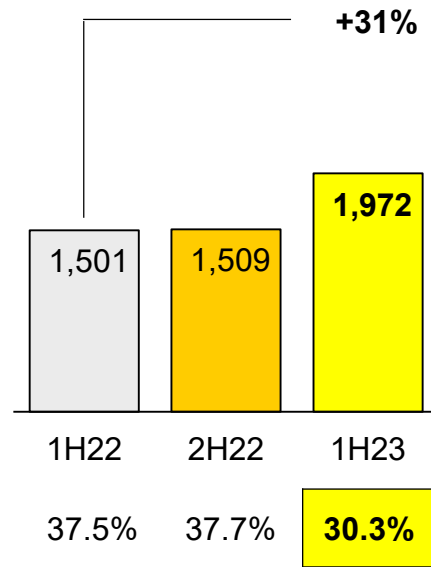
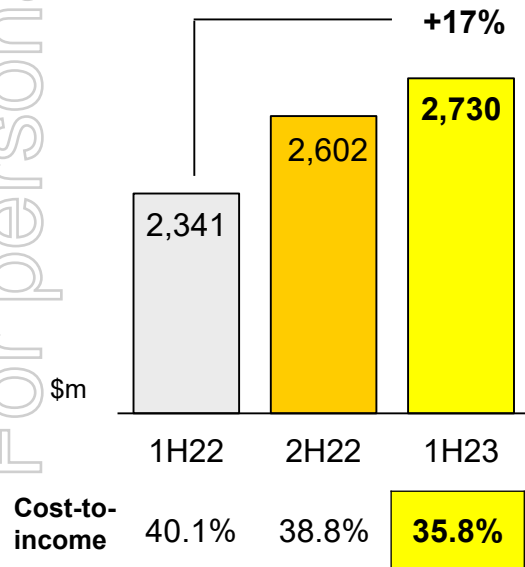
- Income vs PCP  
+27%
- Costs +3%
- Impairment expense +\$231m

## IB&M

- Income vs PCP  
(3%)
- Costs +8%
- Impairment expense +\$86m

## NZ (NZD)

- Income vs PCP  
+17%
- Costs +17%
- Impairment expense +\$62m



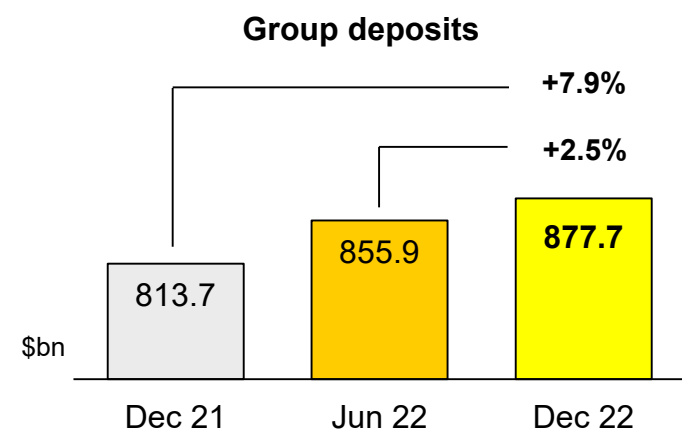
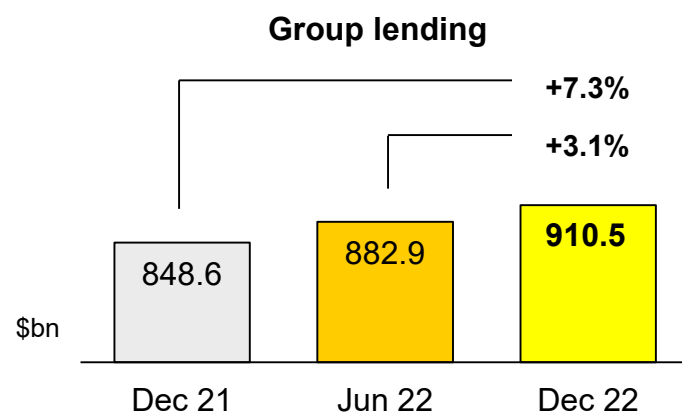
1. Comparative information has been restated to conform to presentation in the current period. Presented on a continuing operations basis. 2. Includes Bankwest Retail and Commonwealth Financial Planning, excludes General Insurance.

# Balance sheet<sup>1</sup>

Continued growth in key markets



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\$bn	Dec 21	Jun 22	Dec 22	Dec 22 vs Jun 22	Dec 22 vs Dec 21
Home loans	605.9	622.0	639.3	2.8%	5.5%
Consumer finance	16.7	16.5	17.0	3.0%	1.8%
Business loans <sup>2</sup>	141.2	148.9	156.5	5.1%	10.8%
Institutional loans	84.8	95.5	97.7	2.3%	15.2%
<b>Total Group lending</b>	<b>848.6</b>	<b>882.9</b>	<b>910.5</b>	<b>3.1%</b>	<b>7.3%</b>
Non-lending interest earning assets	247.9	269.8	267.1	(1.0%)	7.7%
Other assets (including held for sale)	53.3	62.6	54.8	(12.5%)	2.8%
<b>Total assets</b>	<b>1,149.8</b>	<b>1,215.3</b>	<b>1,232.4</b>	<b>1.4%</b>	<b>7.2%</b>
Total interest bearing deposits	679.3	713.8	747.2	4.7%	10.0%
Non-interest bearing trans. deposits	134.4	142.1	130.5	(8.2%)	(2.9%)
<b>Total Group deposits</b>	<b>813.7</b>	<b>855.9</b>	<b>877.7</b>	<b>2.5%</b>	<b>7.9%</b>
Debt issues	117.5	116.9	118.8	1.6%	1.1%
Term funding from Central Banks	52.8	54.8	56.0	2.2%	6.1%
Other interest bearing liabilities	60.1	64.3	58.6	(8.9%)	(2.5%)
Other liabilities (including held for sale)	31.1	50.5	48.8	(3.4%)	56.9%
<b>Total liabilities</b>	<b>1,075.2</b>	<b>1,142.4</b>	<b>1,159.9</b>	<b>1.5%</b>	<b>7.9%</b>

1. Comparative information has been restated to conform to presentation in the current period. 2. Business loan growth of +10.8% (vs December 21) driven by growth in Business Banking of 13.2% and NZ Business and Rural lending growth of 2.3% (excl. FX, NZ Business and Rural lending growth was 3.0%).

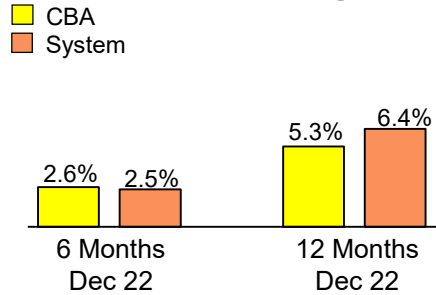
# Volume growth

Good growth across products

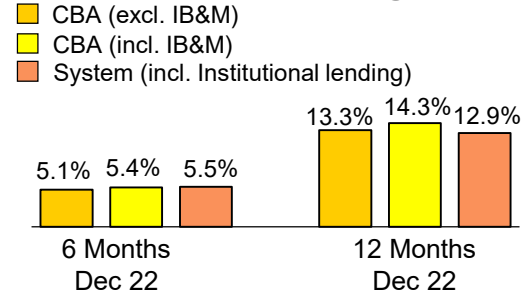


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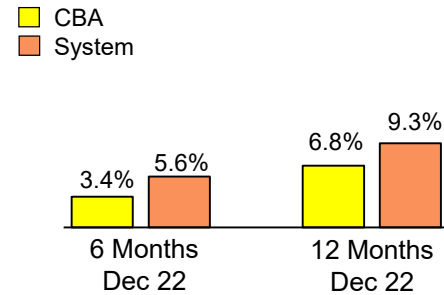
## Home lending<sup>1,2,3</sup>



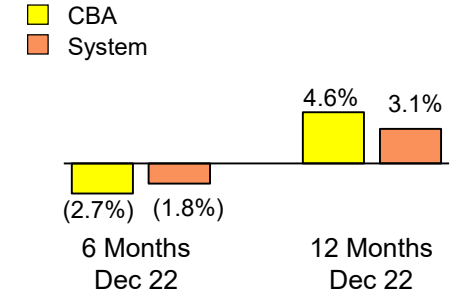
## Business lending<sup>1,2,4</sup>



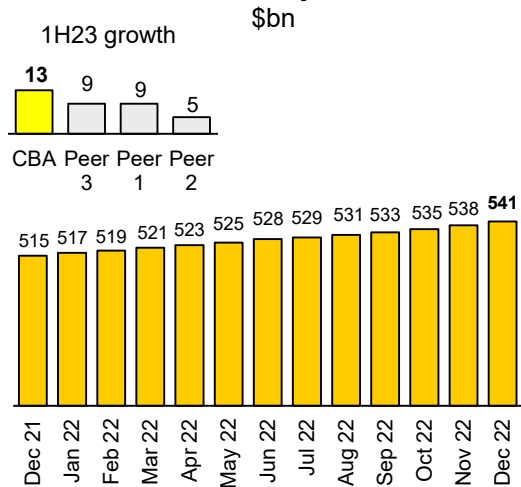
## Household deposits<sup>1,5</sup>



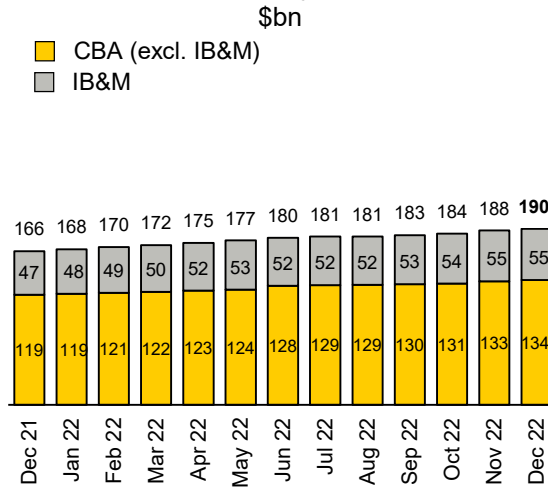
## Business deposits<sup>1,6</sup>



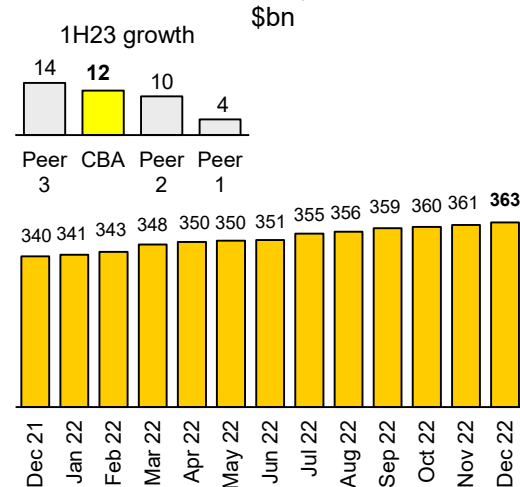
## Balances by month



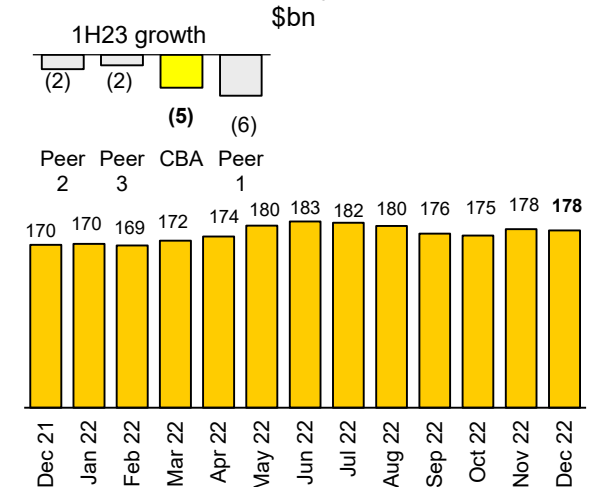
## Balances by month<sup>7</sup>



## Balances by month



## Balances by month



1. Percentage growth calculations are based on actual numbers prior to rounding to the nearest billion on a non-annualised basis. 2. Source: RBA Lending and Credit Aggregates. 3. Peer home lending source: APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS). 4. CBA excludes Cash Management Pooling Facilities. 5. Source: APRA MADIS. 6. Source: APRA NFB Deposits, including Institutional Banking and Markets. 7. Totals calculated using unrounded numbers.

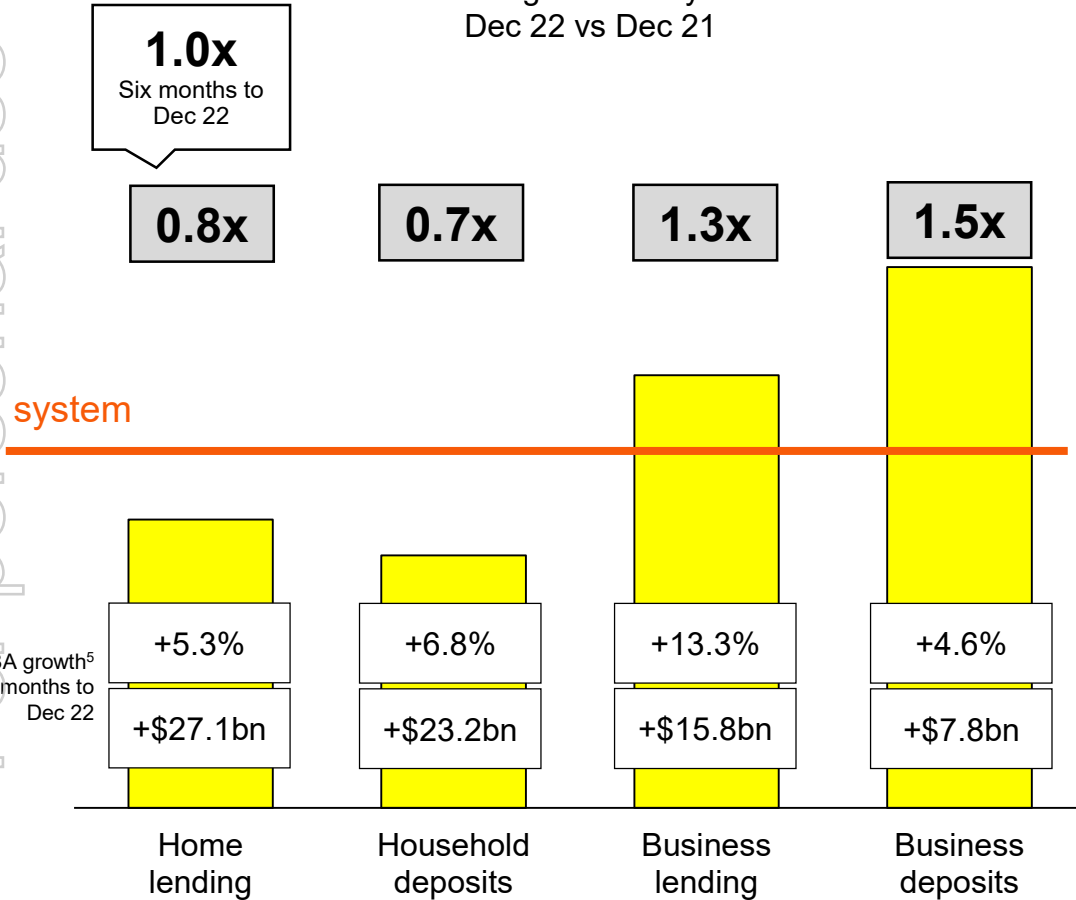
# Delivering

Continued good volume growth across the business

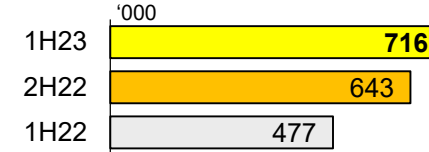


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Balance growth vs system<sup>1</sup>  
Dec 22 vs Dec 21

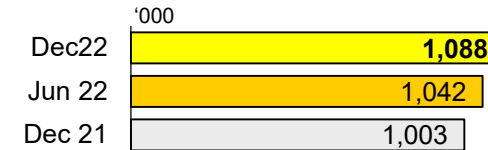


New retail transaction accounts<sup>2</sup>



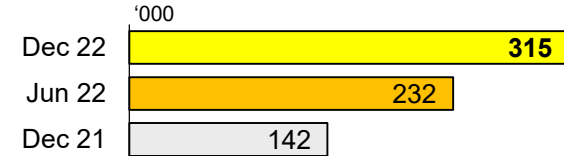
vs PCP  
**+50%**

Business transaction accounts



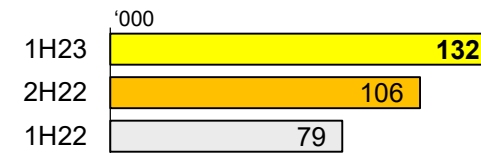
**+9%**

StepPay accounts<sup>3</sup>



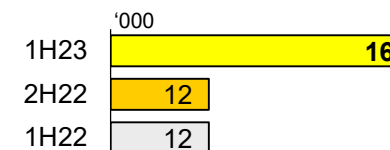
**+122%**

Credit card approvals<sup>4</sup>



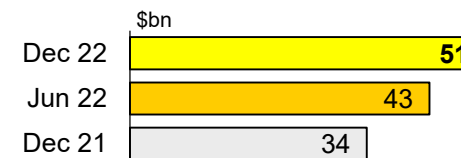
**+66%**

New merchant facilities



**+31%**

Institutional investment deposits<sup>5</sup>



**+52%**

1, 2, 3, 4, 5. Refer to sources, glossary and notes at the back of this presentation for further details.

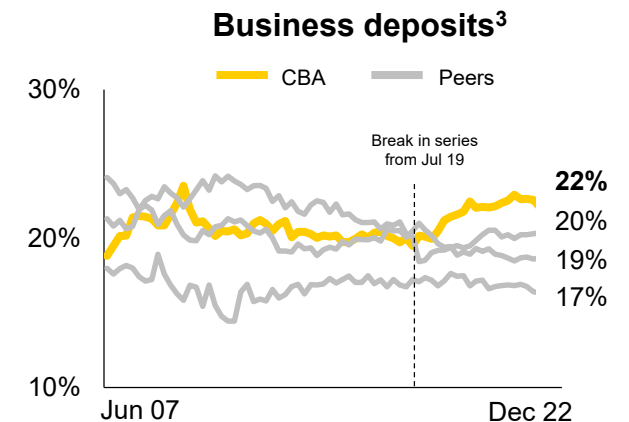
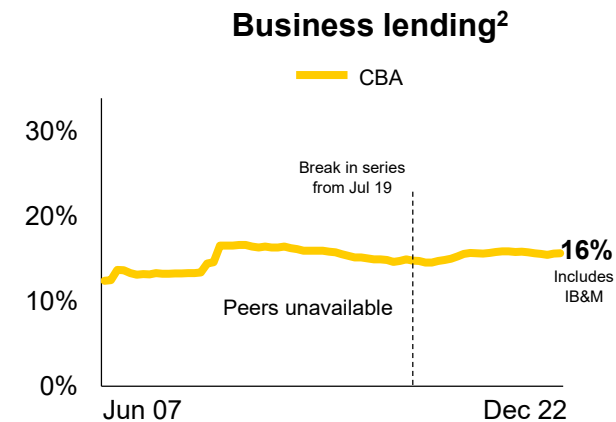
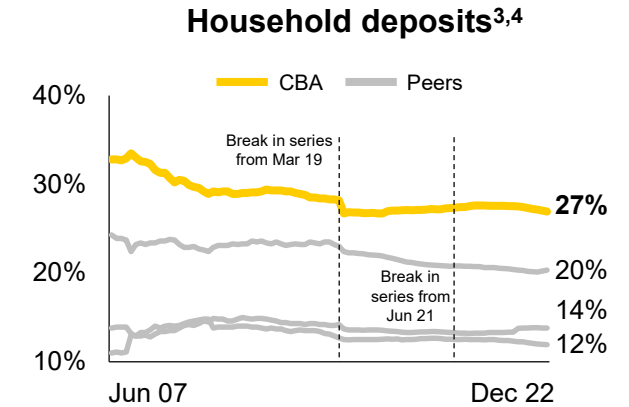
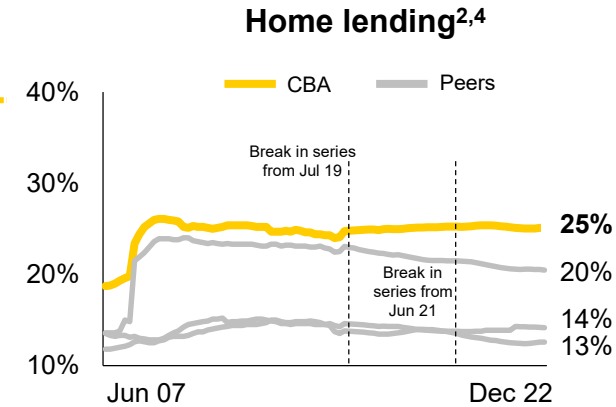
# Market share<sup>1</sup>

## Strong market shares

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%	Dec 22	Jun 22	Dec 21
Home loans – RBA <sup>2</sup>	<b>25.1</b>	25.1	25.4
Home loans - APRA <sup>3</sup>	<b>25.8</b>	25.8	26.1
Credit cards - APRA <sup>3</sup>	<b>28.8</b>	28.5	28.2
Other household lending – APRA <sup>3,5</sup>	<b>19.4</b>	18.5	18.1
Household deposits - APRA <sup>3</sup>	<b>26.9</b>	27.5	27.6
Business lending – RBA <sup>2</sup>	<b>15.7</b>	15.9	15.7
Business lending – APRA <sup>3,7</sup>	<b>17.8</b>	17.8	17.7
Business deposits – APRA <sup>3,7</sup>	<b>22.4</b>	22.6	22.1
Equities trading <sup>6</sup>	<b>3.7</b>	4.2	4.9
NZ home loans	<b>21.6</b>	21.6	21.4
NZ business lending	<b>16.8</b>	16.9	17.0
NZ customer deposits	<b>18.0</b>	18.3	18.3



1. Comparatives have been updated to reflect market restatements. 2. CBA source: RBA Lending and Credit Aggregates, Peer source: Peer APRA Monthly Authorised Deposit-taking Institution Statistics balance divided by RBA Lending and Credit Aggregates system balance. 3. System source: APRA's MADIS publication. 4. Series break from Jun 21 relating to restatements. 5. Other household lending market share includes personal loans, margin loans and other forms of lending to individuals. 6. Represents CommSec traded value as a percentage of total Australian equities markets, on a 12 month rolling average basis. 7. Represents business lending to and business deposits by non-financial businesses under APRA definitions.

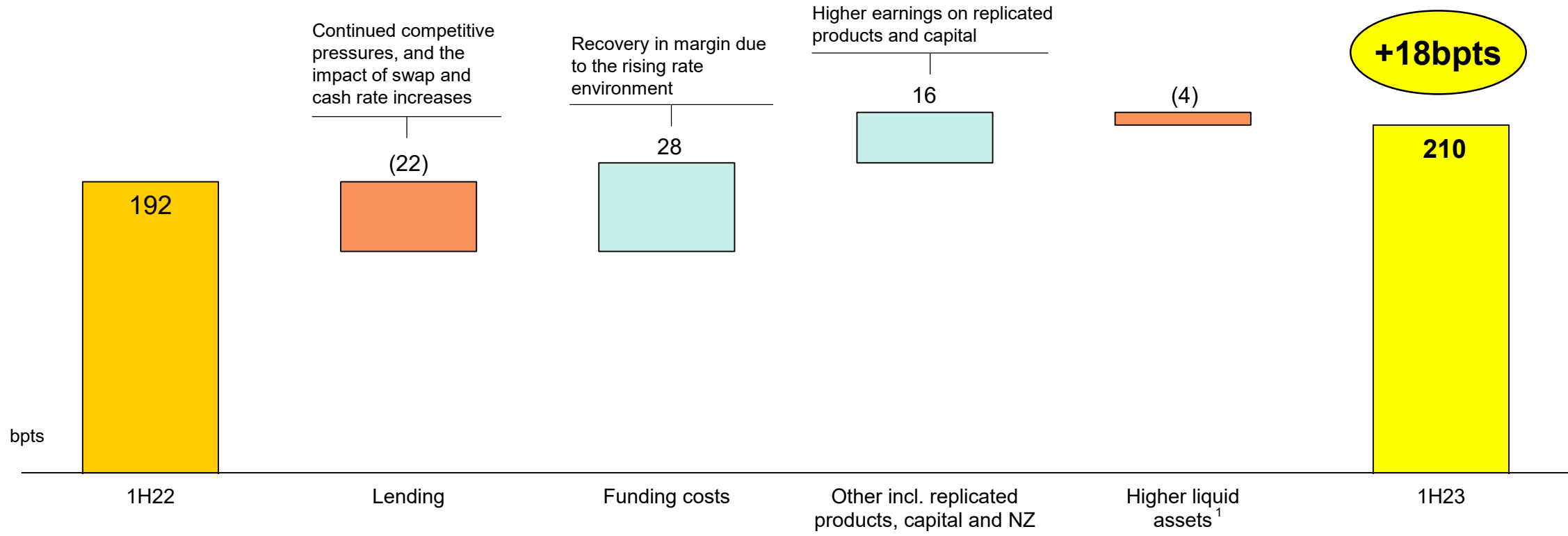
# Group margin – 12 months

In line with expectations – benefits from rising rates partly offset by ongoing competitive pressures



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- 2H23 considerations**
- Intensity of home loan and deposit price competition
  - Rate of customer deposit switching
  - Higher wholesale funding costs and BRP
  - Terminal cash rate, replicating portfolio & equity hedge



1. Average non-lending interest earning assets held by the Group for liquidity purposes.

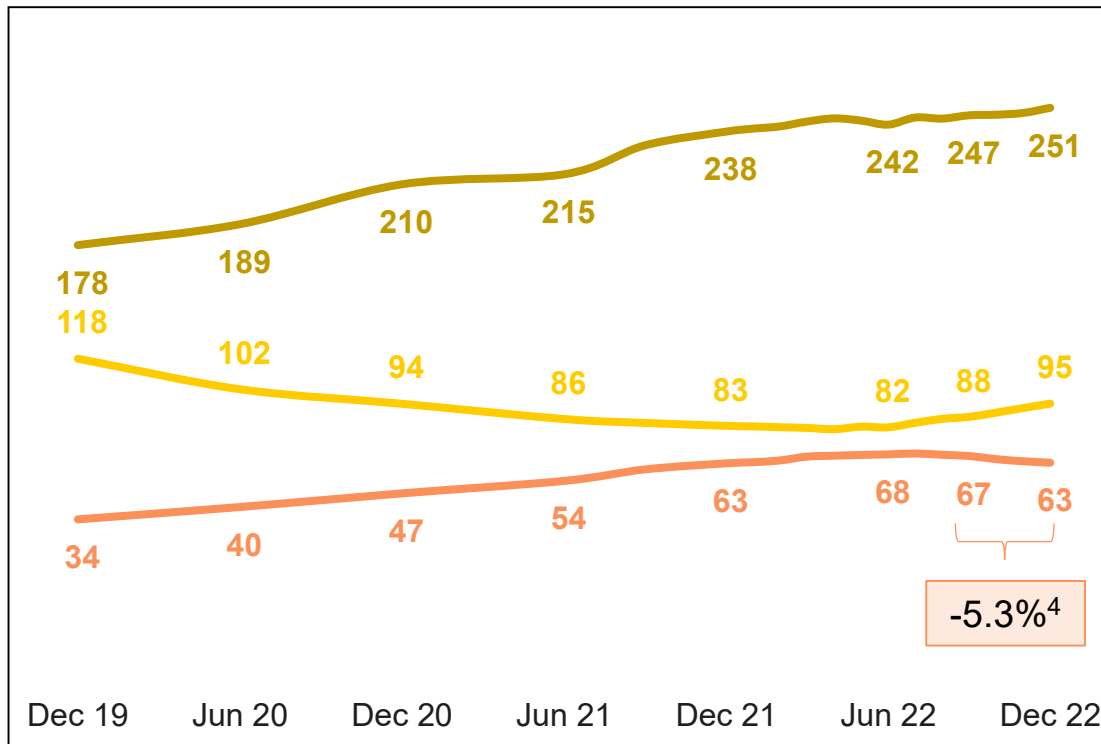
# Deposit switching

Steady increase in retail switching, business stabilising

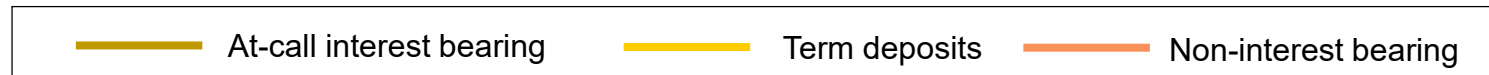
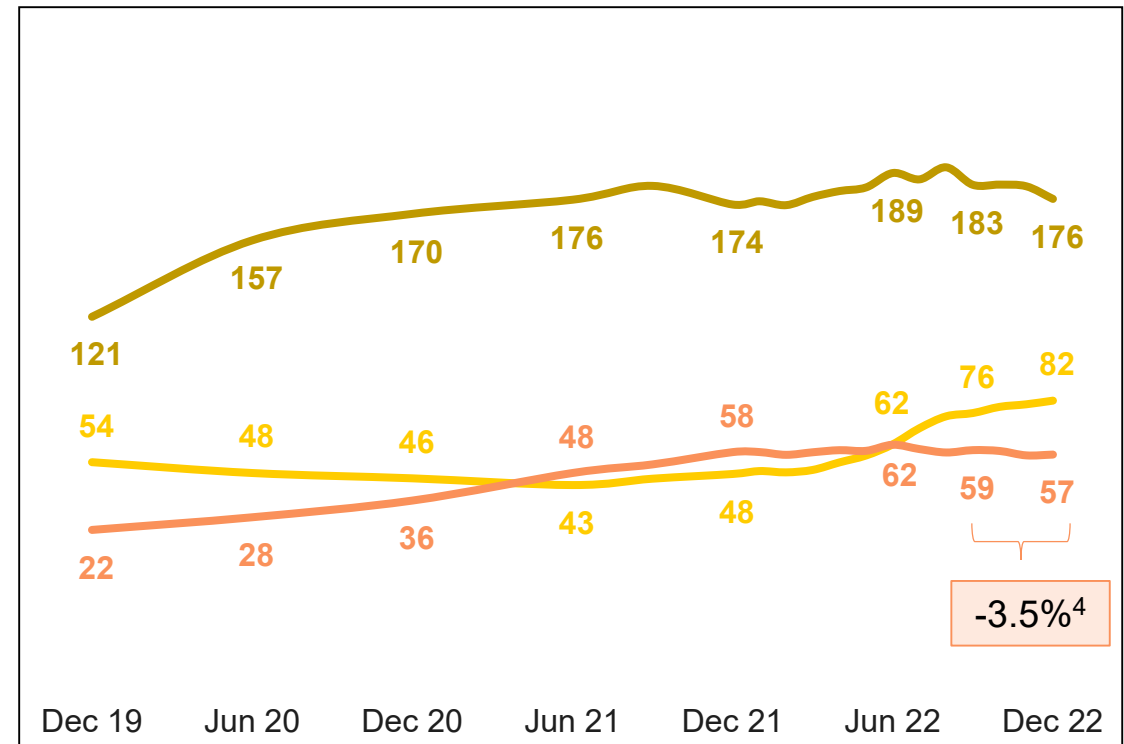


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**Domestic retail deposits<sup>1,2</sup>**  
(\$bn)



**Domestic business deposits<sup>1,2,3</sup>**  
(\$bn)



1. CBA Group, excludes ASB. 2. Excludes other demand deposits. 3. Includes Institutional Banking & Markets. 4. December 22 vs September 22 spot balance.

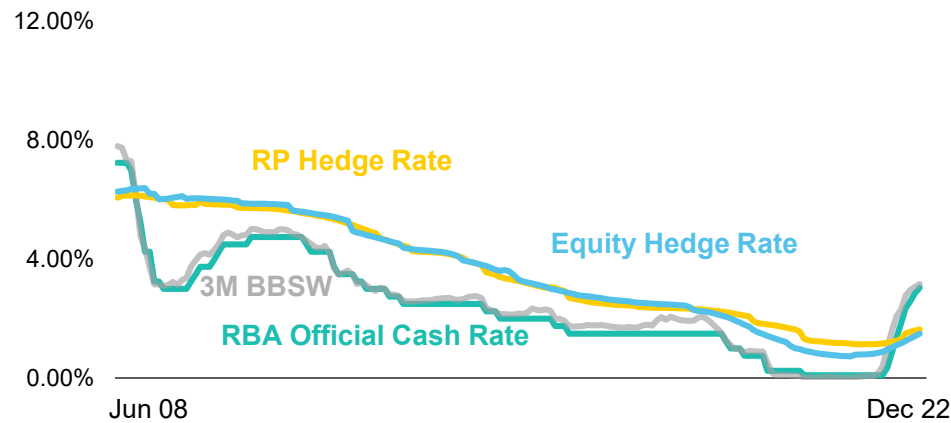
# Group margin

Increased hedge earnings from higher rates

## Replicated Portfolio (RP) & Equity Hedge

- In 1H23, RP and equity hedge earnings benefitted from higher rates
- Earnings outlook continues to improve with higher exit tractor rates

	Dec 22 Balance \$bn	1H23 Avg. Tractor <sup>1</sup>	Exit Tractor <sup>1</sup> Rate	Investment term
Domestic Equity Hedge	53	1.30%	1.50%	3 years
Deposit Hedge	108	1.48%	1.63%	5 years



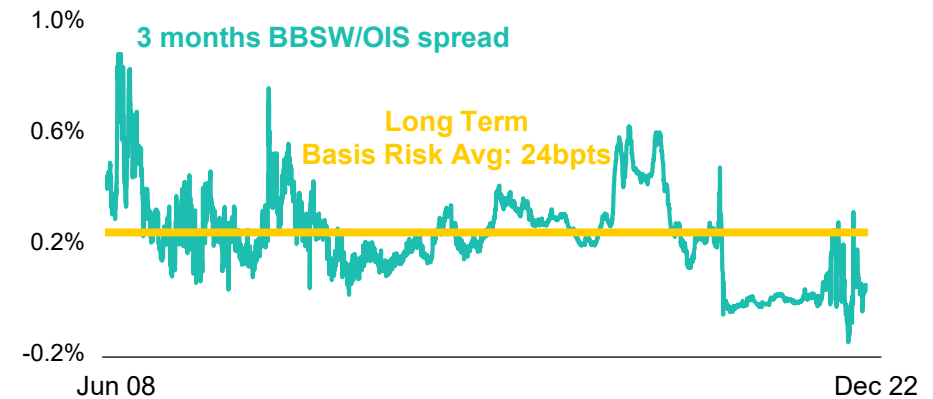
## Liquidity & Basis Risk

### Liquidity

- Every additional \$10bn of liquid assets is expected to reduce Group NIM by ~2bpts

### Basis Risk

- Increased sensitivity to basis risk in 1H23 with mix reversion back to variable rate home loans and term deposits driving higher exposure to basis risk
- Dec 22 average BBSW/OIS spread = 2bpts
- As at Dec 22<sup>2</sup>, every 11bpts = ~1bpt of Group NIM, this ratio will reduce as exposure to basis risk increases



1. Tractor is the moving average hedge rate on equity and rate insensitive deposits. Exit Tractor rate represents average rate for Dec 2022. 2. Based on average exposure to Basis Risk in December 2022.



# Margins by division<sup>1</sup>

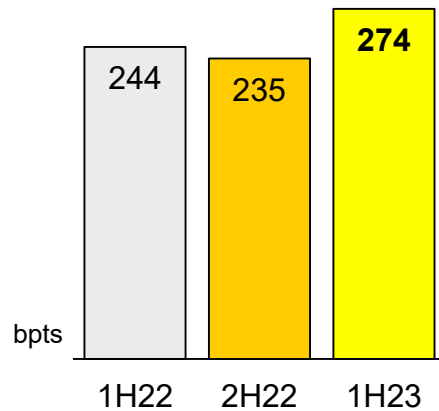
Benefits from rising rates partly offset by ongoing competitive pressures



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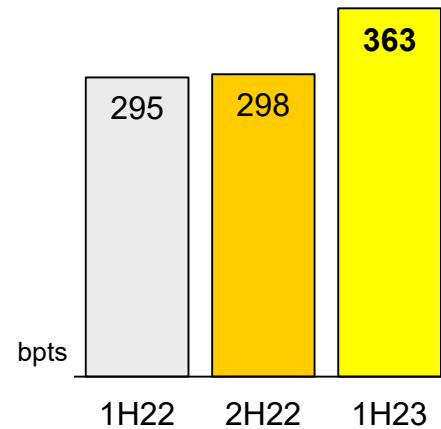
## RBS<sup>2</sup>

Improved deposit margins from rising rate environment, partly offset by lower home loan margins reflecting increased competition and impact of cash and swap rates on pricing



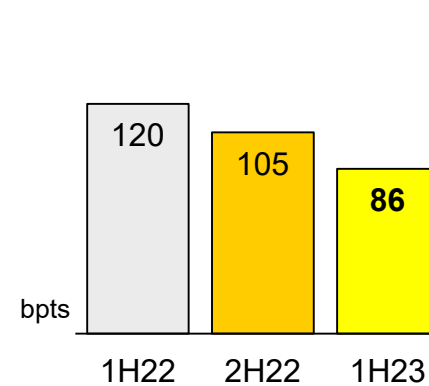
## BB

Improved deposit margins from rising rate environment and favourable portfolio mix, partly offset by lower lending margins



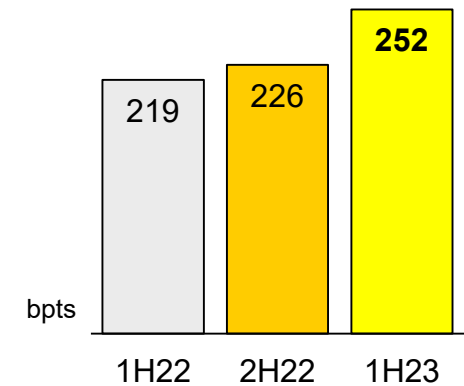
## IB&M

Higher funding costs in the Fixed Income, Commodities and Institutional Lending portfolios and unfavourable assets mix, partly offset by higher earnings on equity



## NZ (ASB)<sup>3</sup>

Higher deposit margins from rising rate environment partly offset by unfavourable home lending margins



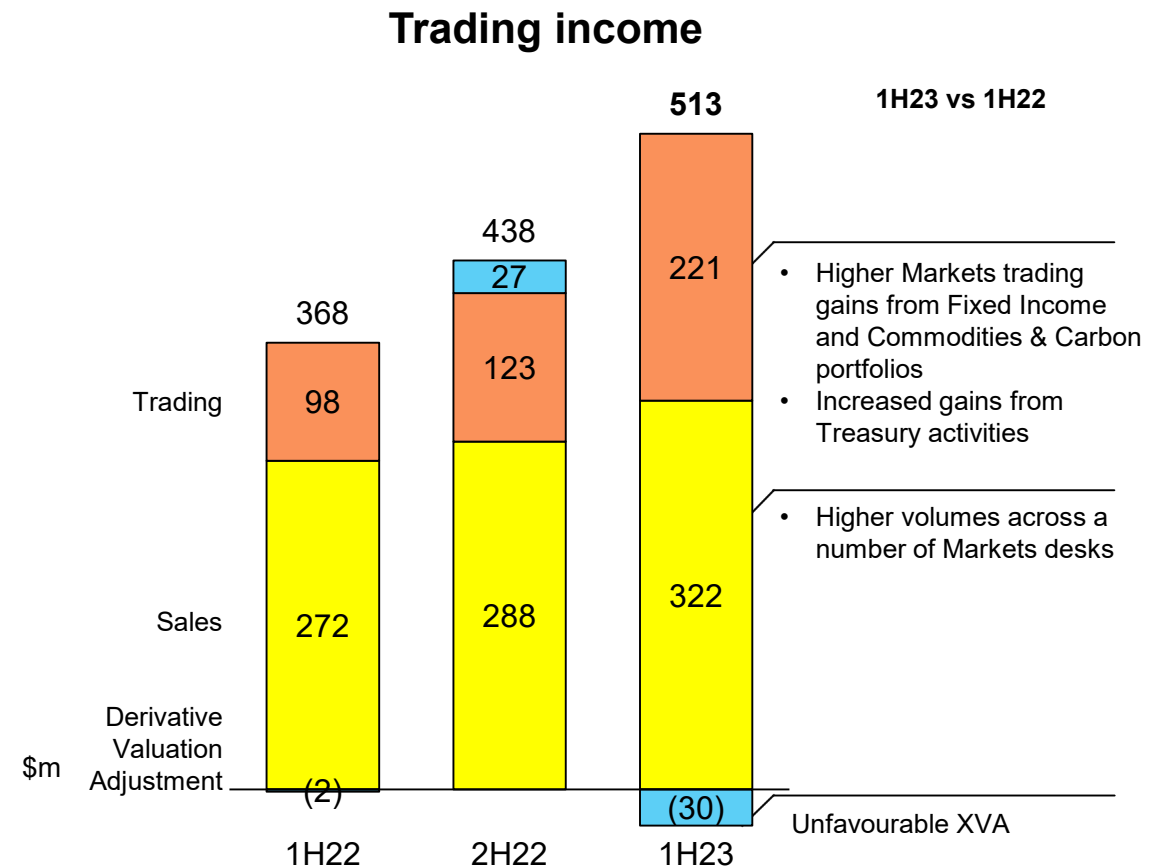
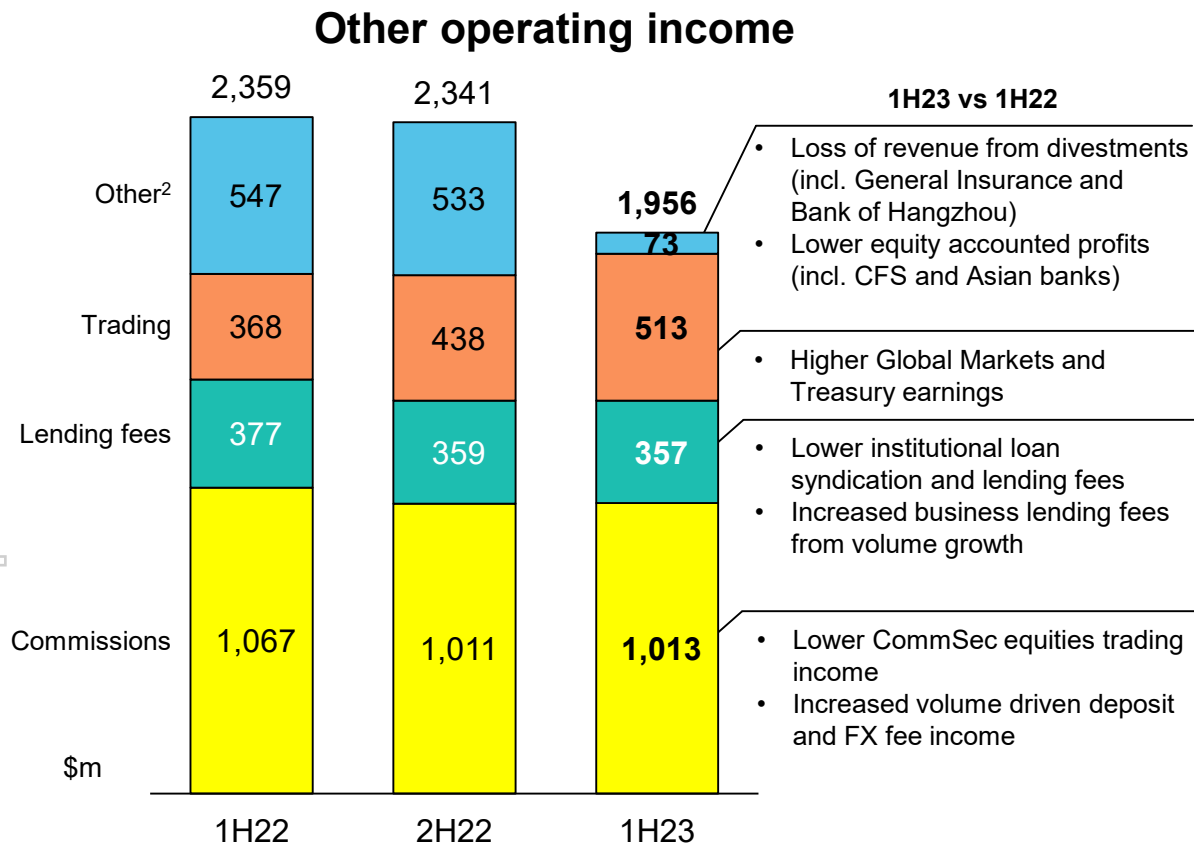
1. Comparative information has been restated to conform to presentation in the current period. 2. RBS excluding General Insurance. 3. NIM is ASB Bank only and calculated in NZD.

# Other operating income<sup>1</sup>

Impacted by divestments and lower equity accounted profits, partly offset by increased trading income



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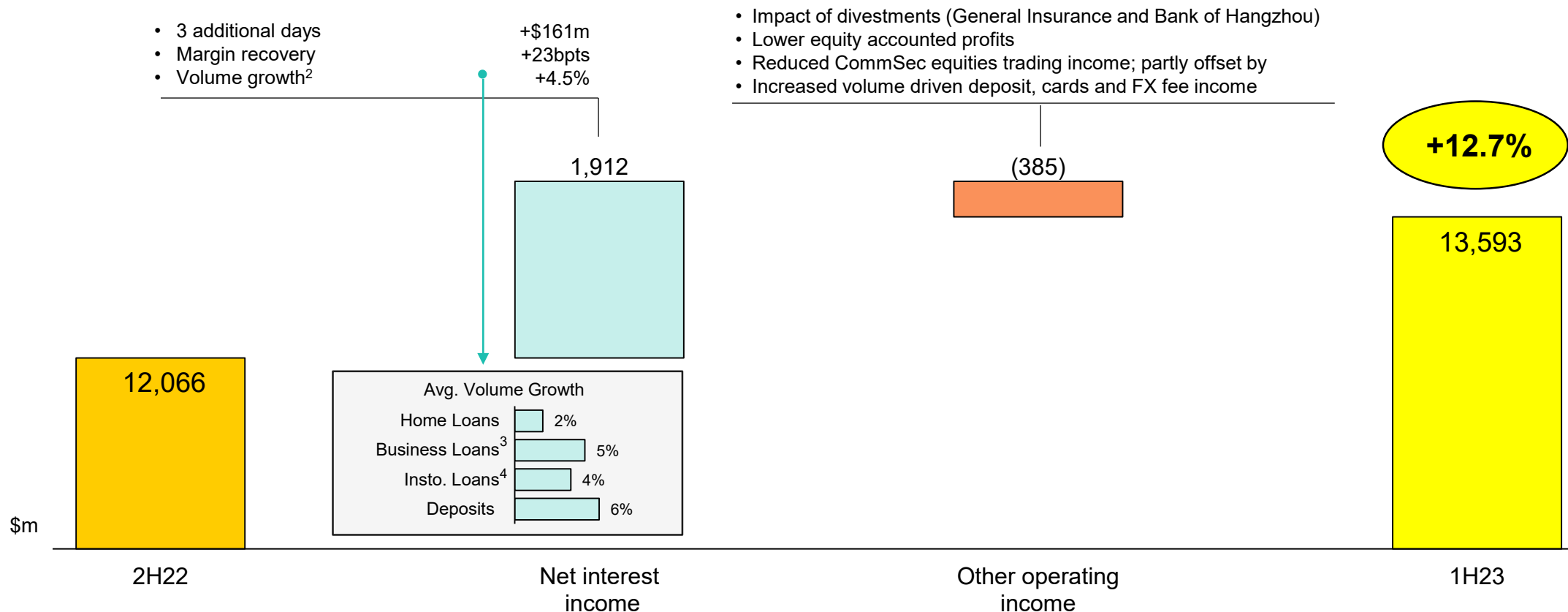
1. Presented on a continuing operations basis and 2H22 excludes one-off item of \$516m relating to gain on sale of ~10% shareholding in Bank of Hangzhou. Comparative information has been restated to conform to presentation in the current period. 2. Includes funds management and insurance income.

# Sequential operating income<sup>1</sup>



Margin recovery, volume growth and three additional days, partly offset by lower other operating income

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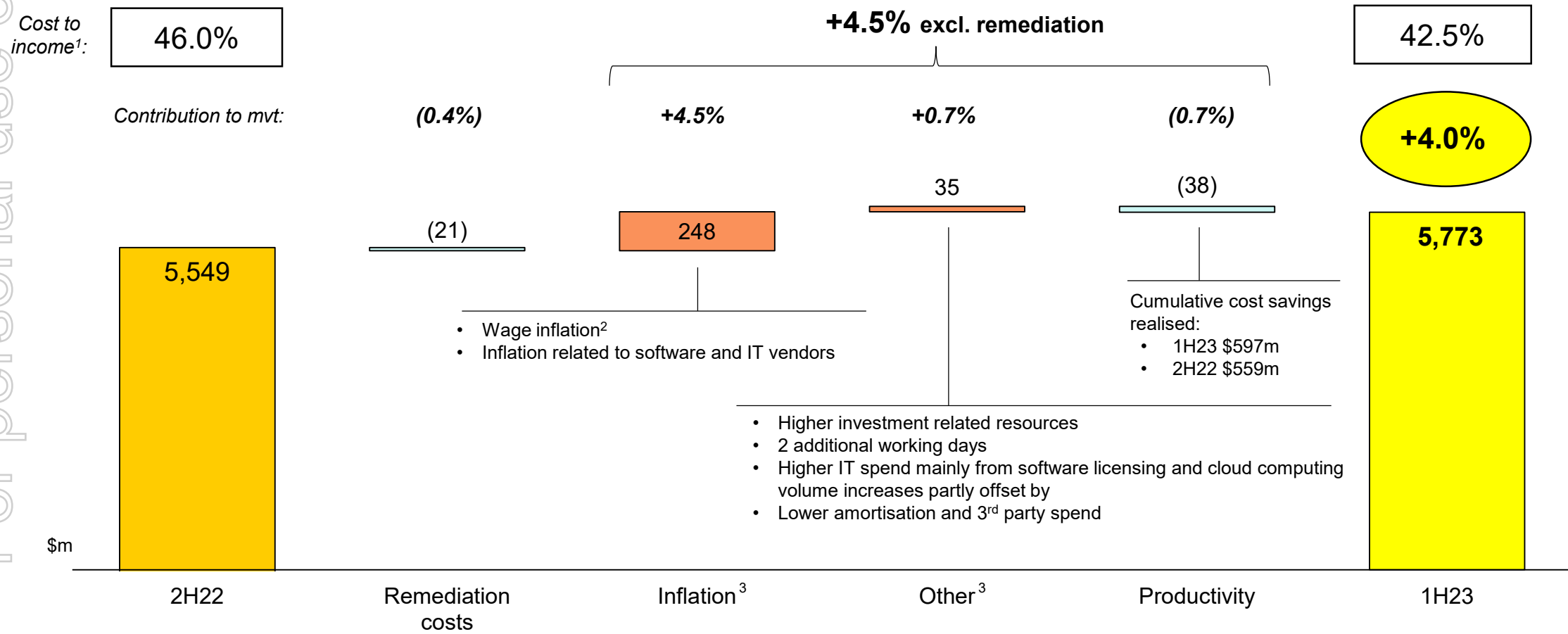
1. Presented on a continuing operations basis excluding one-off item of \$516m relating to gain on sale of ~10% shareholding in Bank of Hangzhou. Comparative information has been restated to conform to presentation in the current period. 2. Excluding liquids. Headline AIEA growth is +5.2% incl. liquids. 3. Includes NZ and other business loans. 4. Excluding CMPF.

# Sequential operating expenses<sup>1</sup>

Inflation and seasonality driving cost growth, underlying uplifts offset by productivity savings



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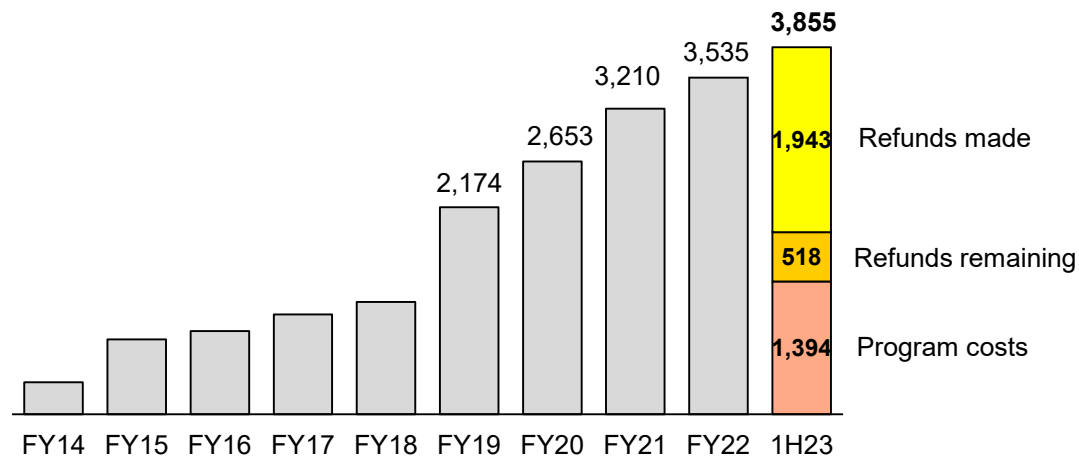
1. Presented on a continuing operations basis excluding the impact of the \$389m accelerated software amortisation in 2H22. Headline operating expenses -2.8% including this item. 2. Includes associated increases in on-costs and revaluation of leave provisions. Also includes impact from superannuation guarantee contribution uplift and increases in payroll tax rates. 3. Excludes remediation costs.

# Customer remediation

Additional remediation provision – committed to making things right for customers

## Remediation & program costs

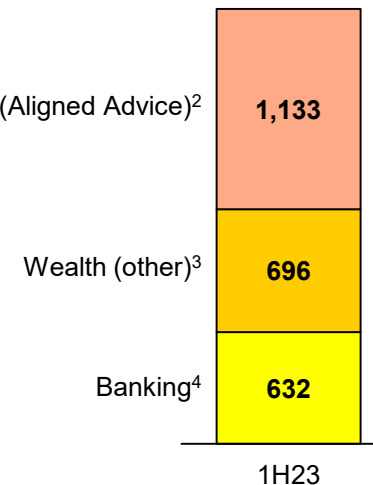
Cumulative spend and provisions (\$m)<sup>1</sup>



## Customer refunds

Cumulative customer refunds (\$m)<sup>1</sup>

- \$1,943m returned to customers
- \$518m remaining



	Salaried	Aligned Advice
Period	FY09 – FY18	FY09 – FY19
Estimated fees received by advisors	~\$0.5bn	~\$1.2bn
Refund rate excluding interest	22%	47% <sup>5</sup>

1. Relates to remediation programs in domestic divisions. 2. Includes historical Aligned Advice remediation primarily associated with ongoing service fees charged where no service was provided. 3. Includes an estimate of customer refunds (including interest) relating to advice quality, the Consumer Credit Insurance products, certain superannuation and other products. 4. Includes Retail and Business Banking, package fees, interest and fee remediation. 5. As at 31 December 2022, the Group had materially completed all case assessments. Consequently, an increase/(decrease) in the refund rate of all remaining cases by 1% would result in an increase/(decrease) in the provision (including interest) by approximately \$3 million (30 June 2022: \$20 million).

# Cost approach

Long-term cost reduction creating capacity for long term investment



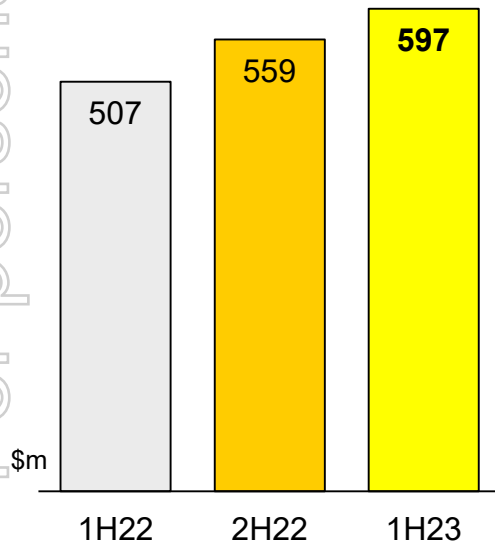
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## Cost reduction

Cumulative savings

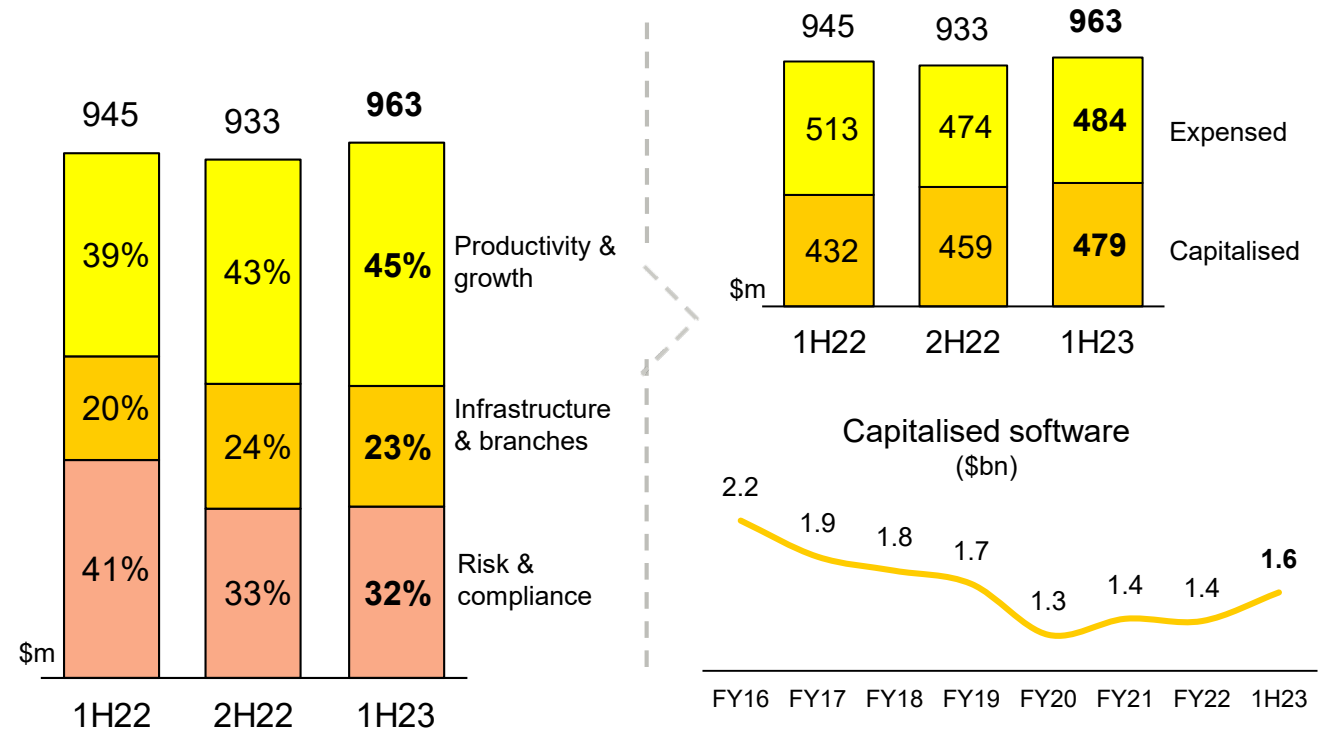
Cost approach

- **Simpler, more efficient** business for our customers and people
- Continue to **invest** in the business
- Strengthen our **digital and technology capability** for future growth
- Achieve **long term cost reduction**
- Deliver long term **sustainable shareholder returns**



## Investment spend<sup>1</sup>

Shift to productivity & growth



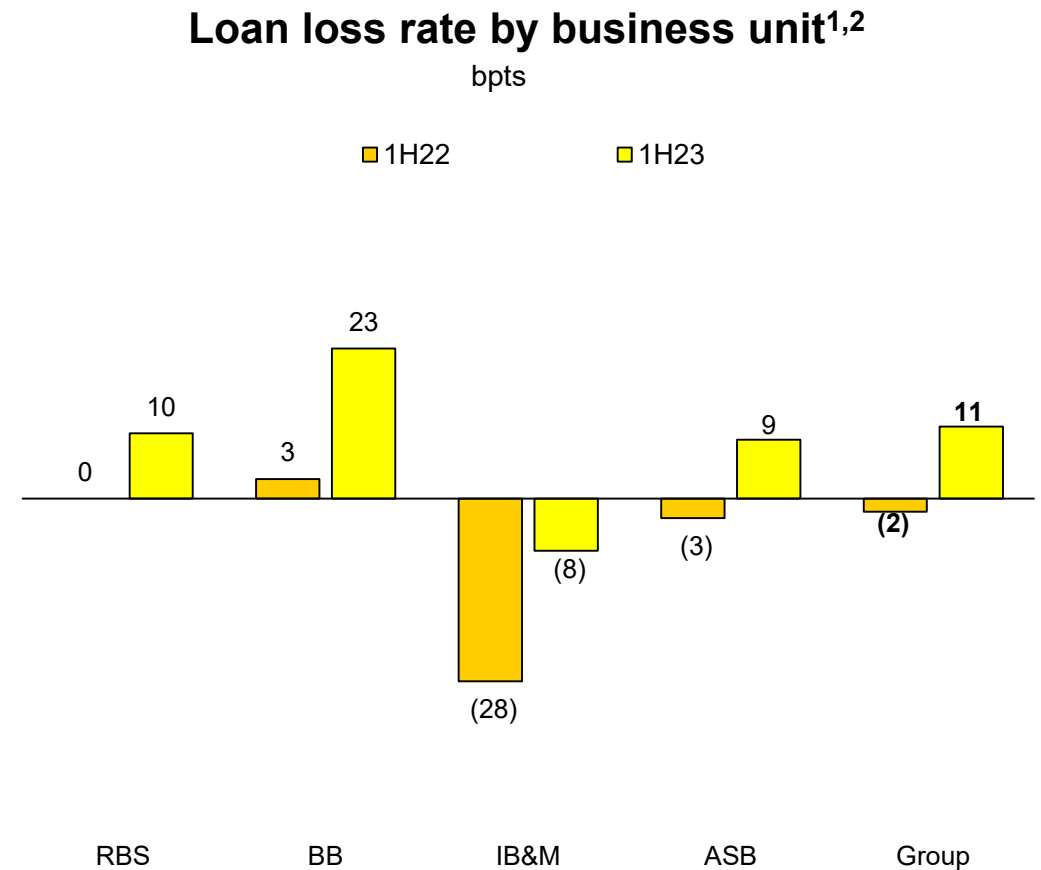
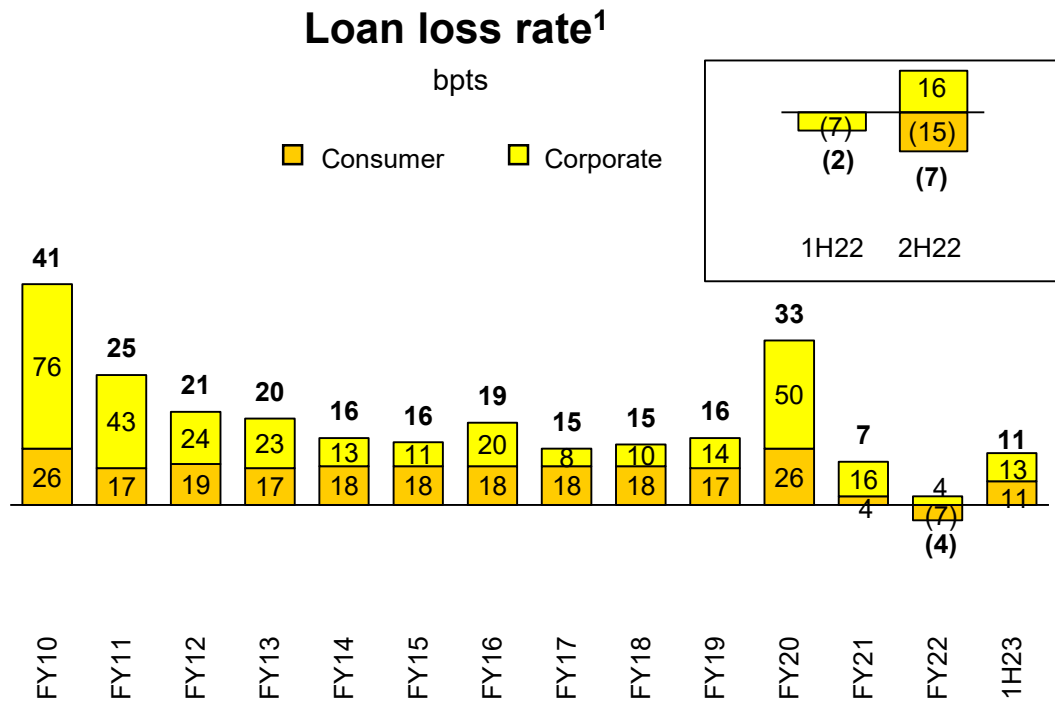
1. Capitalised software balance is \$1.64bn as at 31 December 2022, \$1.41bn as at 30 June 2022, and \$1.59bn as at 31 December 2021.

# Loan losses

Normalising loan impairment expense for 1H23



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1. Loan impairment expense as a percentage of average Gross Loans and Acceptances (GLAA) (bpts) annualised. 2. Comparative information has been restated to conform to presentation in the current period.

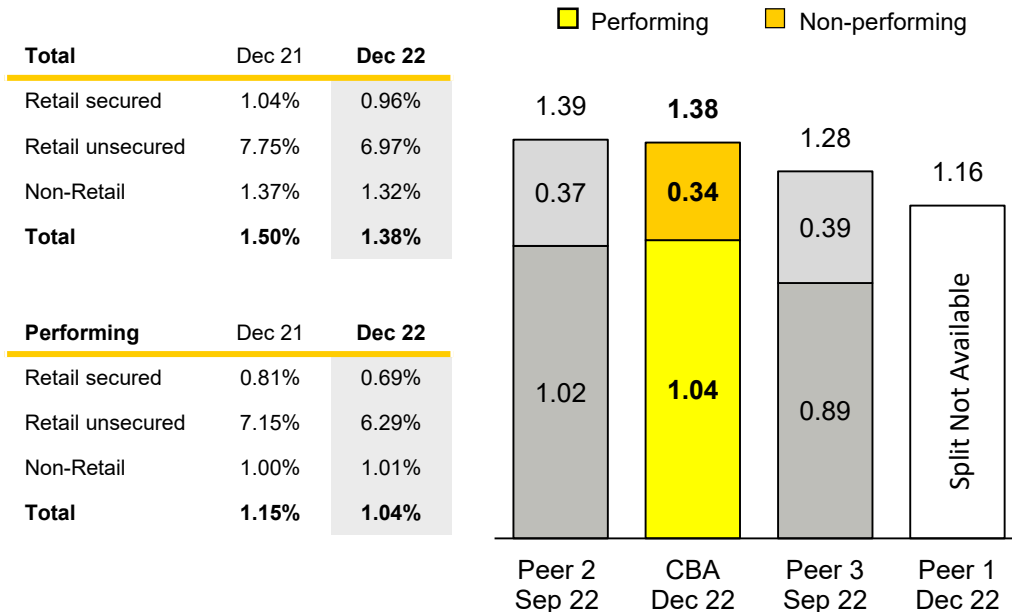
# Provisions<sup>1</sup>

Provision coverage of 1.38%

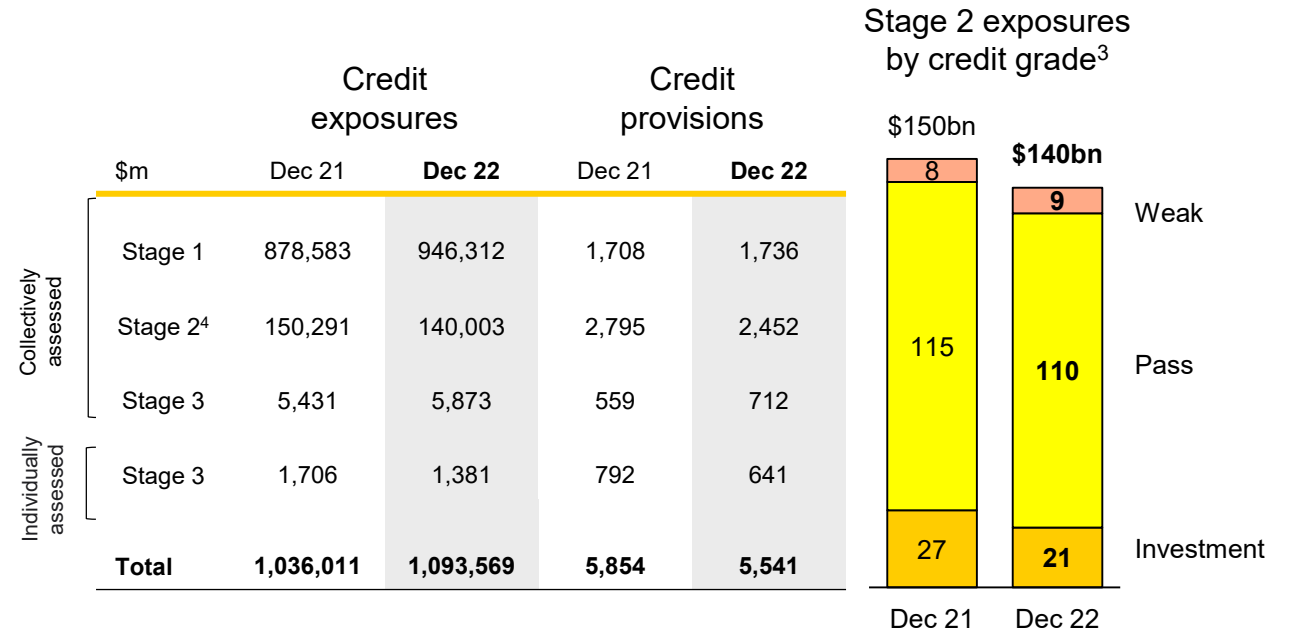


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## Provision coverage<sup>2</sup>/CRWA



## Provisions by stage



1. AASB 9 classifies loans into stages; Stage 1 – Performing, Stage 2 – Performing but significantly increased credit risk, Stage 3 – Non-performing. Performing relates to Stage 1 and Stage 2. Non-performing relates to Stage 3. Stage 2 is defined based on a significant deterioration in internal credit risk ratings, as well as other indicators such as arrears. Assessment of Stage 2 includes the impact of forward-looking adjustments for emerging risk. 2. Excludes estimated impairment provisions for derivatives at fair value. 3. Segmentation of loans in retail and risk rated portfolios is based on the mapping of a counterparty's internally assessed PD to S&P Global ratings (refer Pillar 3 Note 6.4 table 9b), reflecting a counterparty's ability to meet their credit obligations. 4. The assessment of significant increase in credit risk includes the impact of forward looking multiple economic scenarios in addition to adjustments for emerging risks at an industry, geographic location or particular portfolio segment level, which are calculated by stressing an exposure's internal credit rating grade at the reporting date. This accounts for approximately 59% of Stage 2 exposures as at 31 December 2022 (30 June 2022 : 62%, 31 December 2021: 65%).

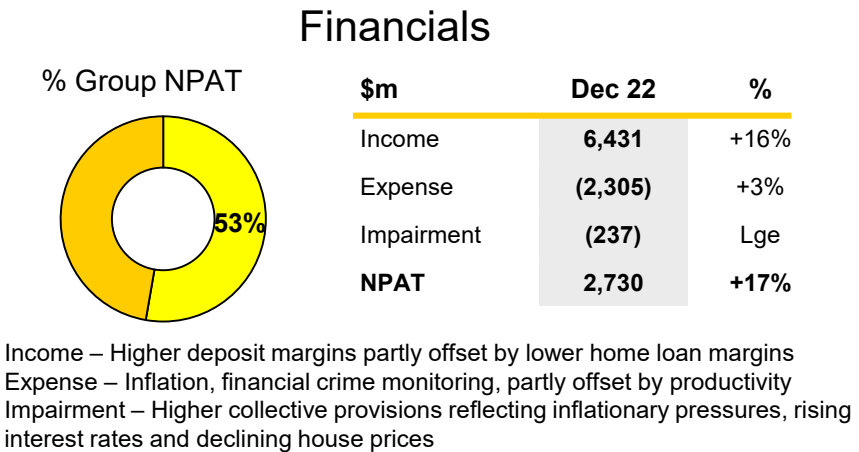
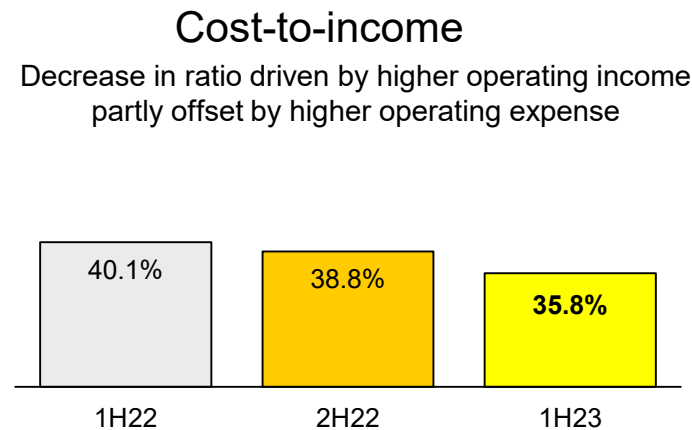
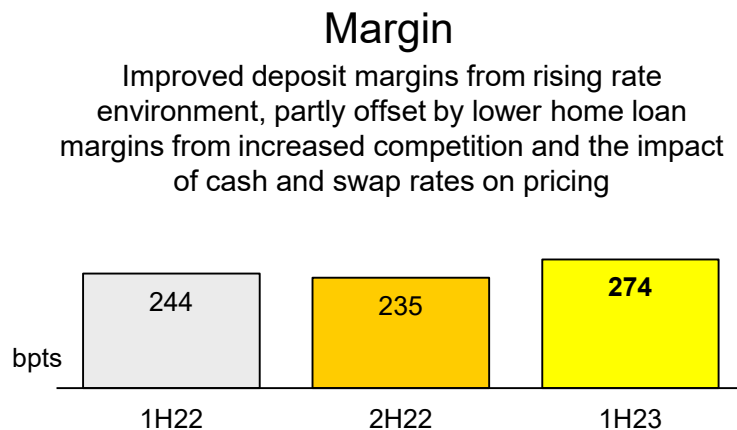
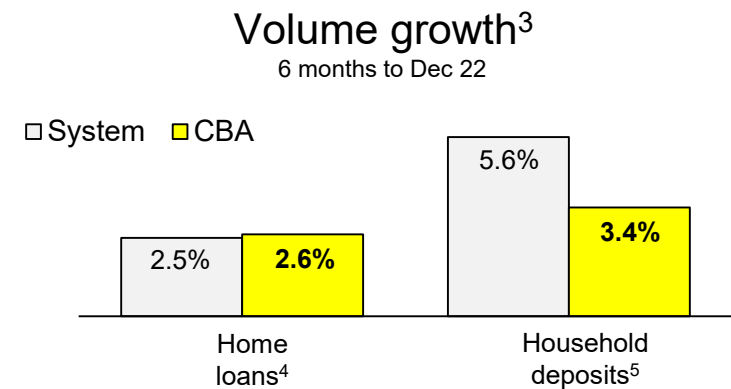
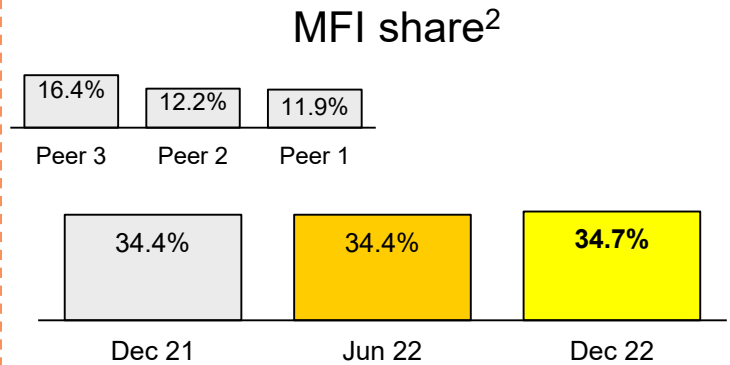
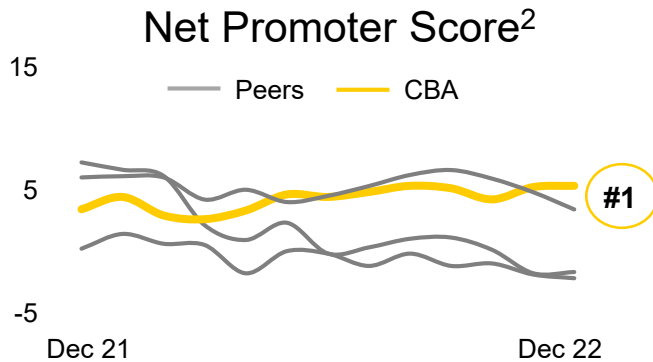


# Retail Banking Services (RBS)<sup>1</sup>

Operational execution – good volume growth – higher Cash NPAT



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1. Comparative information has been restated to conform to presentation in the current period. Includes Bankwest and Commonwealth Financial Planning, excludes General Insurance. 2. Refer to glossary at the back of the presentation for source information. 3. Percentage growth calculations are based on actual numbers prior to rounding to the nearest billion on a non-annualised basis. 4. Source: RBA Lending and Credit Aggregates. 5. Source: APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS).

# Business Banking (BB)<sup>1</sup>

Investment and continued franchise build, leveraging digital assets for strong volume growth



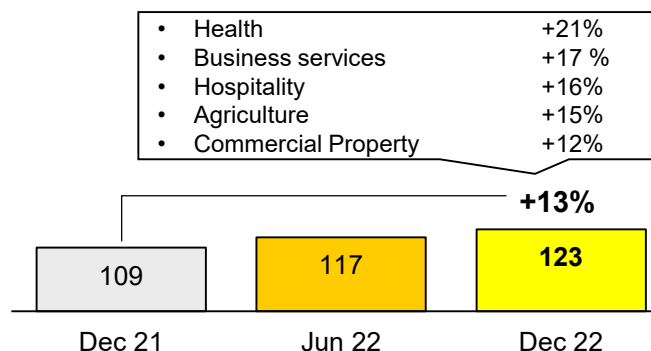
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## Performance

Dec 22	Rank	Actual	Gap to nearest peer
Business NPS <sup>2</sup>	#1	(0.9)	+2.5
Business digital NPS	#1	11.4	+3.0
MFI share <sup>2</sup>	#1	24.7%	+4.3
Business lending share <sup>3</sup>	#2	17.8%	(3.8%)
BB major bank segment share <sup>4</sup>	#2	30.6%	(2.9%)
Business deposits share <sup>5</sup>	#1	22.4%	+2.0%
Merchant acquiring share <sup>2,6</sup>	#1	21.4%	N/A

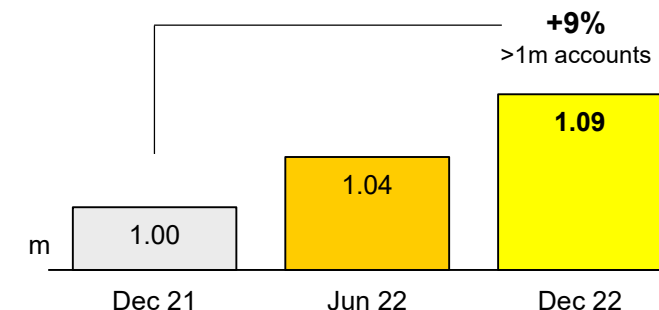
## Business lending

Spot balances (\$bn)



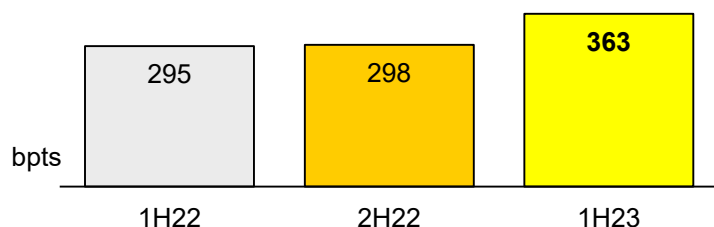
## Transaction account growth

>105k new accounts in 1H23, 35% via digital



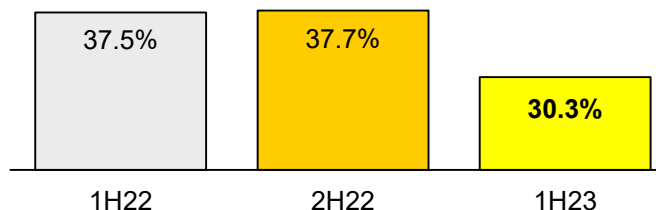
## Margin

Improved deposit margins from rising rate environment and favourable portfolio mix, partly offset by lower lending margins



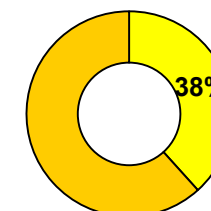
## Cost-to-income

Decrease in ratio driven by higher operating income offset by increased expense primarily driven by inflation, IT spend and other volume related spend, partly offset by lower remediation costs and higher annual leave usage



## Financials

% Group NPAT



\$m	Dec 22	%
Net Interest Income	3,832	+33%
Other Operating Income	587	(4%)
<b>Total Income</b>	<b>4,419</b>	<b>+27%</b>
Expense	(1,340)	+3%
Impairment	(263)	Lge
<b>NPAT</b>	<b>1,972</b>	<b>+31%</b>

Income – Higher Margins offset by lower other banking income  
Expense – Increase due to Inflation, IT and other volume related spend  
Impairment – Higher collective provisions, reflecting inflationary pressures & rising interest rates with a small number of individual provisions.

1. Comparative information has been restated to conform to presentation in the current period. 2. Refer to glossary at the back of the presentation for source information. 3. Non-Financial Business Lending Source: APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS). 4. Represents internal view of lending market share. 5. Non-Financial Business Deposit Source: APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS). 6. Merchants acquiring share shows 6 month moving average of market turnover (Nov 22). Source: RBA.

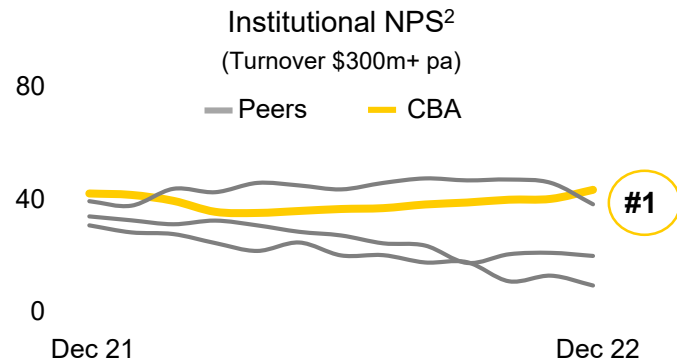
# IB&M<sup>1</sup>

Combining global connectivity and capability – contributing to Australian economic recovery

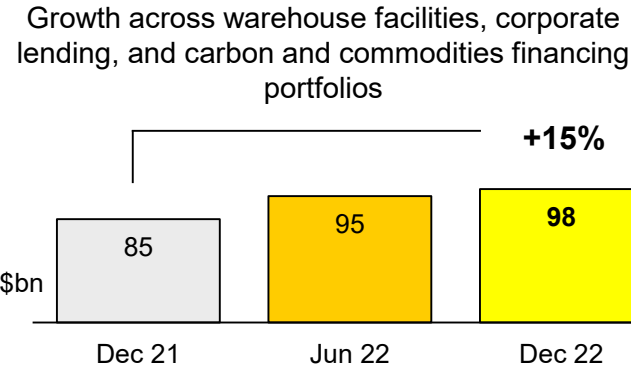


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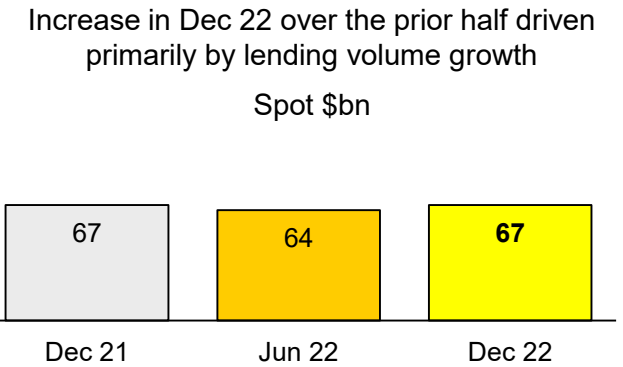
## Net Promoter Score



## IB&M lending

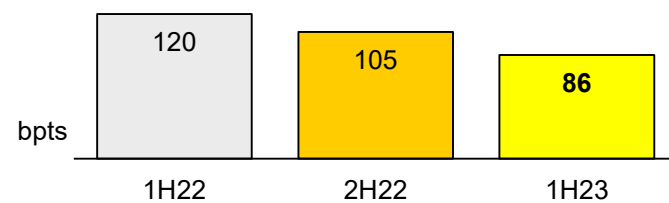


## Credit RWAs



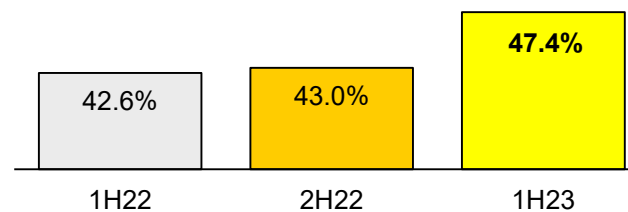
## Margin

Higher funding costs in the Fixed Income, Commodities and Institutional Lending portfolios and unfavourable assets mix, partly offset by higher earnings on equity



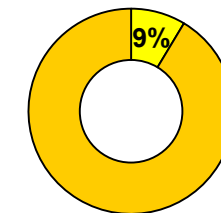
## Cost-to-income

Increase in 1H23 mainly due to an increase in operating expenses and lower operating income



## Financials

% Group NPAT



	\$m	Dec 22	%
Income		1,116	(3%)
Expense		(529)	+8%
Impairment		39	(69%)
<b>NPAT</b>		<b>453</b>	<b>(23%)</b>

Income – Unfavourable derivative valuation adjustments, lower Commodities & Carbon revenue, lower Syndication activity and reduced Institutional lending margins, partly offset by increased Institutional lending and deposits volumes  
 Expenses – Higher IT and staff costs, increased volume driven operations costs, partly offset by lower investment spend  
 Impairment – driven by higher collective provision releases in the prior comparative period related to the aviation sector

1. Institutional Banking and Markets. Comparative information has been restated to conform to presentation in the current period. 2. Refer to glossary at the back of the presentation for source information.

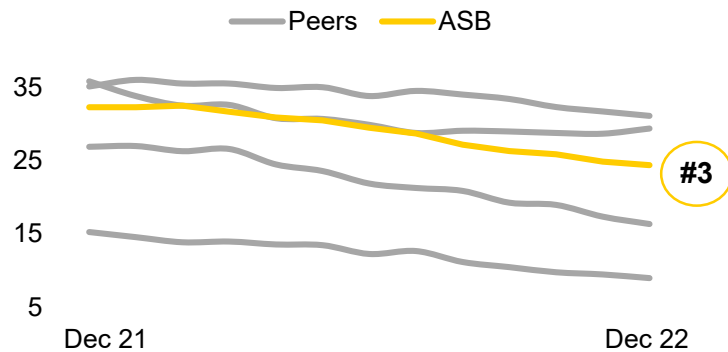
# ASB<sup>1</sup>

Good volume growth and higher Cash NPAT

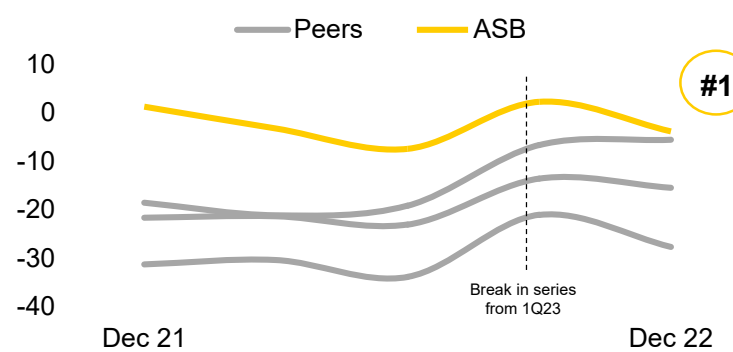


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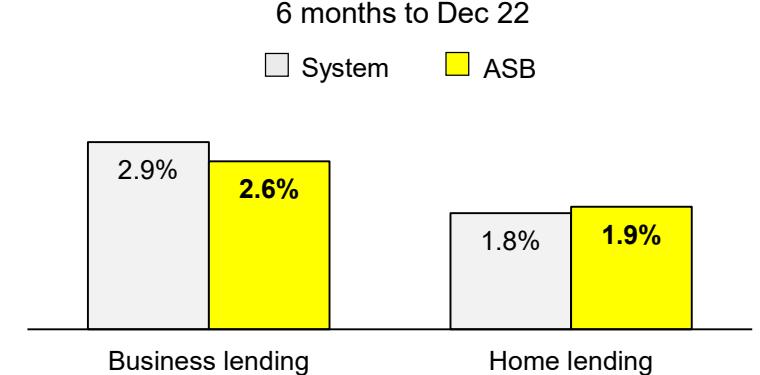
## Consumer Net Promoter Score<sup>2</sup>



## Business Net Promoter Score<sup>3</sup>

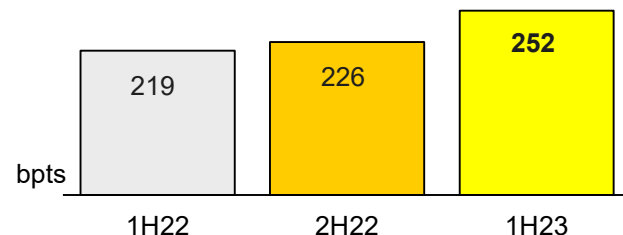


## Volume growth<sup>4</sup>



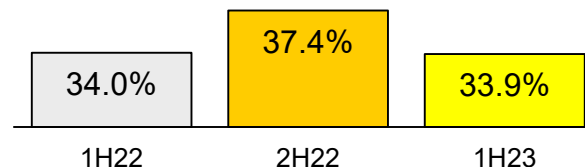
## Margin<sup>5</sup>

Higher deposit margins from rising rate environment partly offset by lower lending margins



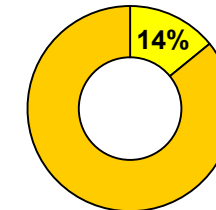
## Cost-to-income

Improvement in 1H23 due to income growth, partly offset by increased expense driven by higher IT costs, FTE growth, wage inflation, and investment spend to deliver on regulatory and strategic priorities



## Financials

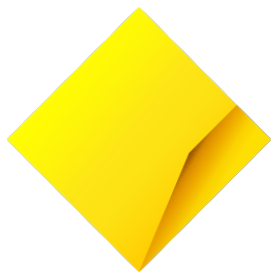
% Group NPAT<sup>6</sup>



	\$NZDm	Dec 22	%
Income	1,802		+17%
Expense	(611)		+17%
Impairment	(49)		Lge
<b>NPAT</b>	<b>822</b>		<b>+11%</b>

Income – Good volume and deposit margin growth, partly offset by lower lending margins  
 Expense – Provision release in the prior comparative period relating to historical holiday pay, higher staff costs and wage inflation, IT and investment spend costs  
 Impairment – Higher collective provisioning reflecting emerging risks including rising interest rates, inflationary pressures and labour constraints

1. Comparative information has been restated to conform to presentation in the current period. 2. Camorra Retail Market Monitor NPS. Shown on a 12 month roll, peers include ANZ, BNZ, Kiwibank and Westpac. 3. Kantar Business Finance Monitor NPS. Includes All Businesses (\$0-\$150m) and Agri (\$100k+) shown on a 4 quarter roll from December 21 to June 22, 2 quarter roll from September 22 to December 22 and a single quarter score for September 22. There is a trend break in results from Sep 22 due to a change in methodology in the Business Finance Monitor. 4. Based upon RBNZ lending by purpose data. 5. NIM is ASB Bank only and calculated in New Zealand dollars. 6. NPAT is NZ and calculated in Australian dollars.



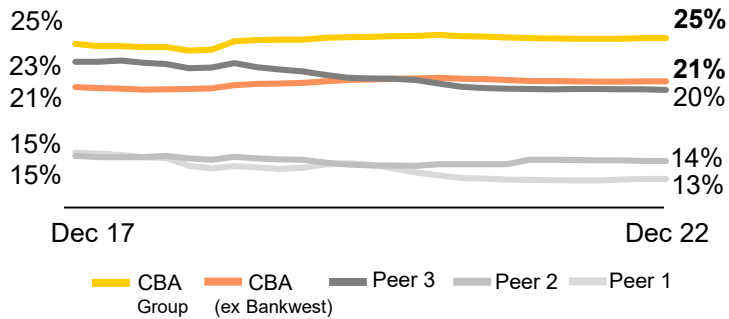
# Home and consumer lending



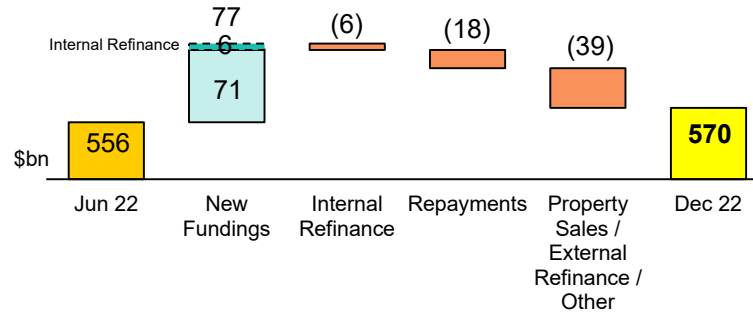
# Home lending overview

Process efficiency – disciplined volume growth – strong risk profile

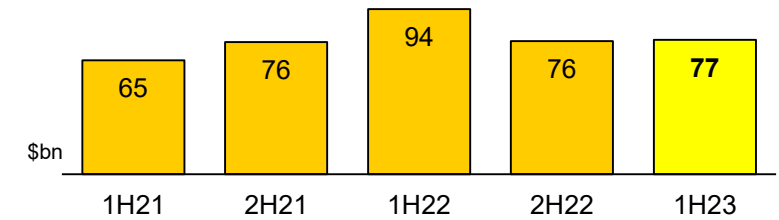
Consistent market share performance<sup>1</sup>



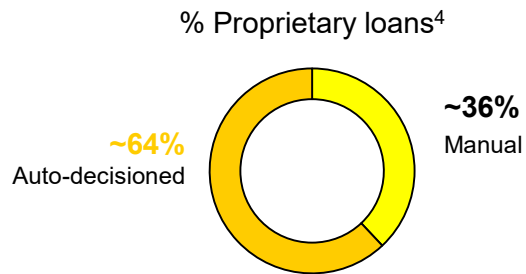
Net growth driven by new fundings<sup>2</sup>



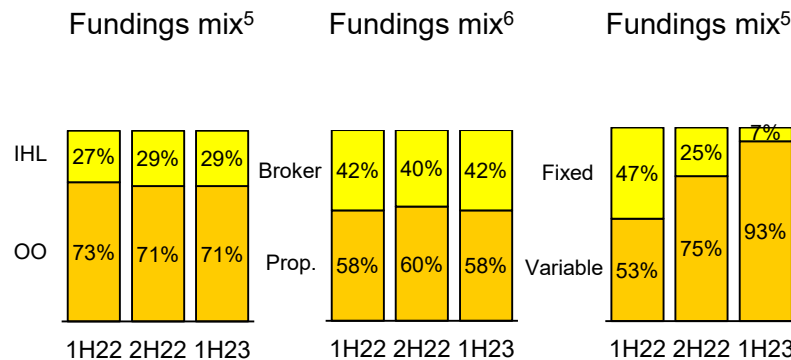
New fundings remain strong<sup>3</sup>



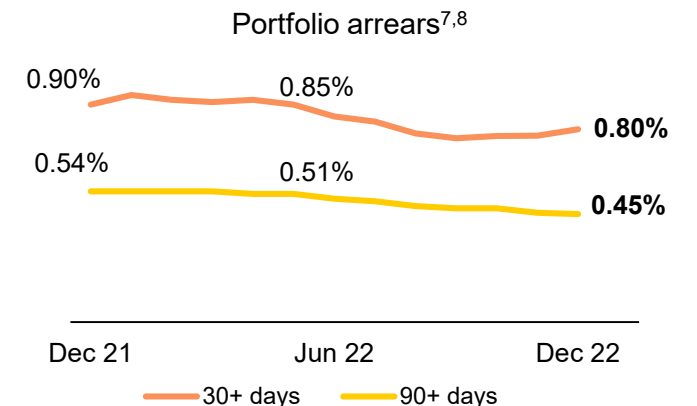
Operational discipline and capability enhancements increasing auto-decision coverage



Fundings weighted towards owner-occupied loans, with reduction in fixed rate lending



Strong 90+ arrears performance. Minor uptick in 30+ arrears, in line with seasonal trend



1, 2, 3, 4, 5, 6, 7, 8. Refer to sources, glossary and notes at the back of this presentation for further details.

# Home loan experience

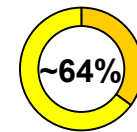
Enhancing the customer experience with efficient, scalable and digitised processes

## Focus areas

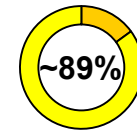
- **Insights and recommendations** – enhanced guidance to help customers
- **Digital ID & KYC** – enhanced real-time, self-service options for customers
- **Application experience** – simplified and pre-populated more application inputs
- **Application status tracking** – increased transparency to show customers their progress
- **Digital Documents** – enhanced capabilities supporting more use cases
- **Digital Servicing Tool** – enhanced capabilities to qualify customers' servicing
- **Valuation capabilities** – increased automation and optimised usage of panels
- **Credit assessment workflow** – optimised manual decisioning amongst credit teams
- **Automated controls** – progressed the expanded coverage and sophistication of automated control capabilities

## Operational execution<sup>1</sup>

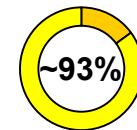
Focus on touchpoints throughout origination



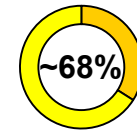
Applications auto-decisioned (proprietary)



Applications manually decisioned within 5 days (broker)



Applications settled digitally (proprietary and broker)



Coverage for automated valuations

1. Information relates to new home loan applications unless noted otherwise. 'Days' relates to business days. Application times relate to first decisions for the 6 months (July to December) for both simple and complex. 'All applications' include both auto-decisioned and manually decisioned.

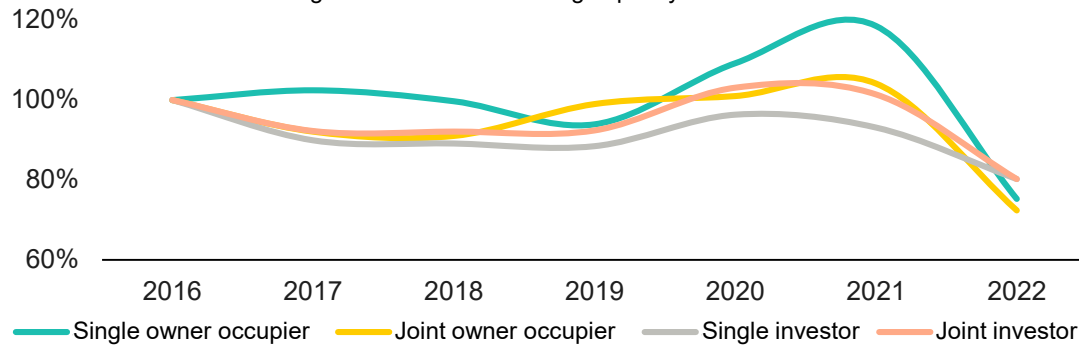


# Borrowing capacity <sup>1</sup>

Higher serviceability buffers and rising interest rates impacting borrowing capacity

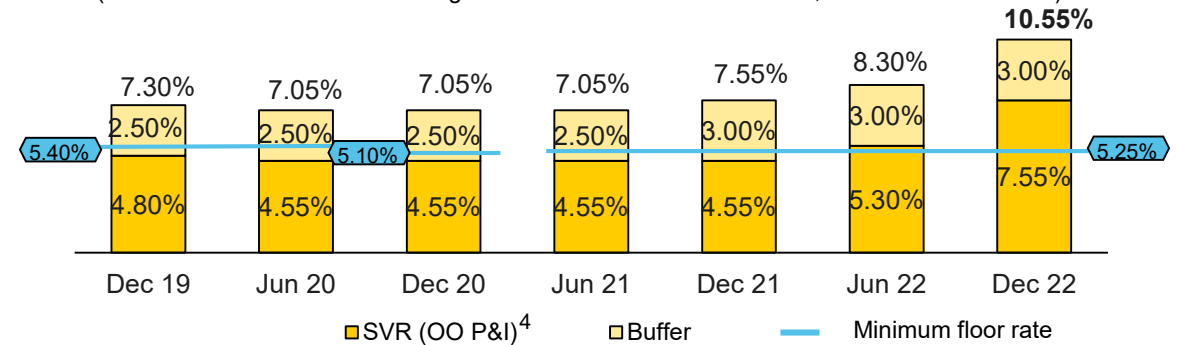
## Borrowing capacity reducing

Change in maximum borrowing capacity<sup>2</sup> – Indexed Dec 16

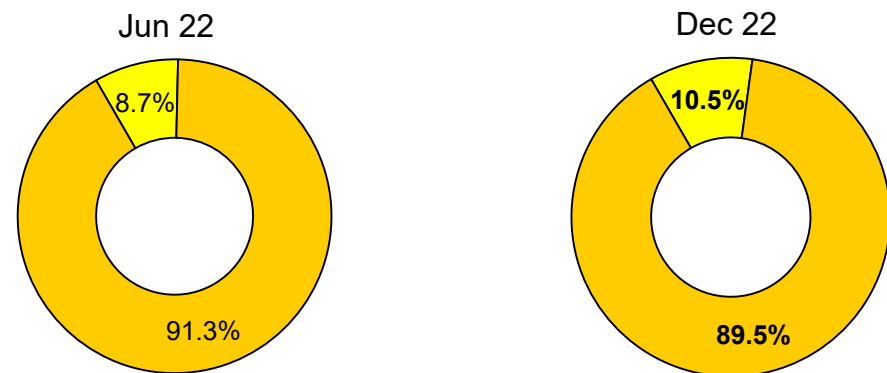


## Driven by increase in serviceability buffer and interest rates

(Loans assessed based on the higher of the customer rate<sup>3</sup> + buffer, or minimum floor rate)

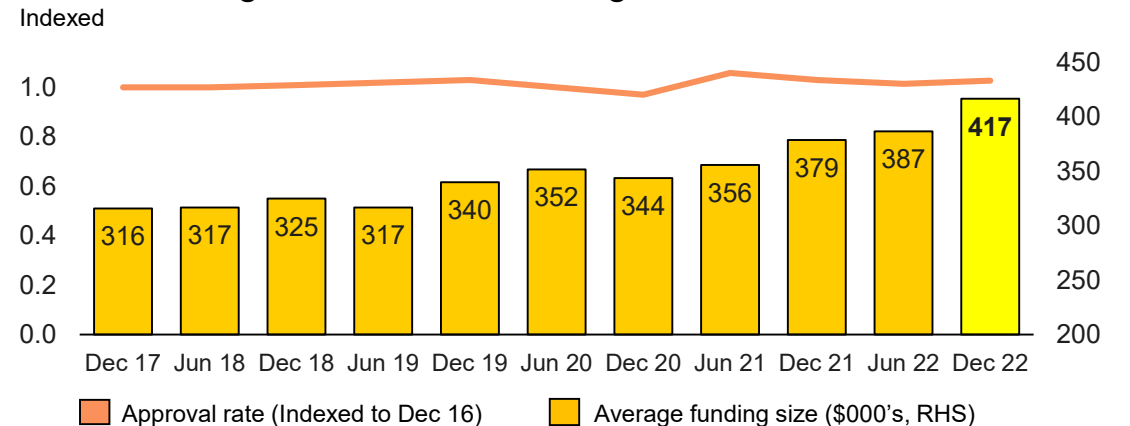


## Applicants borrowing at capacity increasing with rate rises<sup>5</sup>



■ Applicants with additional capacity to borrow ■ Applicants who borrowed at capacity

## With average loan size<sup>6</sup> increasing



1. CBA excluding Bankwest. 2. Scenarios based on differing assumptions with respect to family types, number of dependents, loan size, income sources and existing liabilities/commitments. 3. Customer rate includes any customer discounts that may apply. 4. SVR (OO P&I) reflects the advertised reference rate and does not include any customer pricing concessions. 5. Applications that have passed system serviceability test; borrowed at capacity reflects applicants with minimal net income surplus. 6. Based on fundings 6 months ending. Average funding size defined as funded amount / number of funded accounts. June 22 numbers restated.

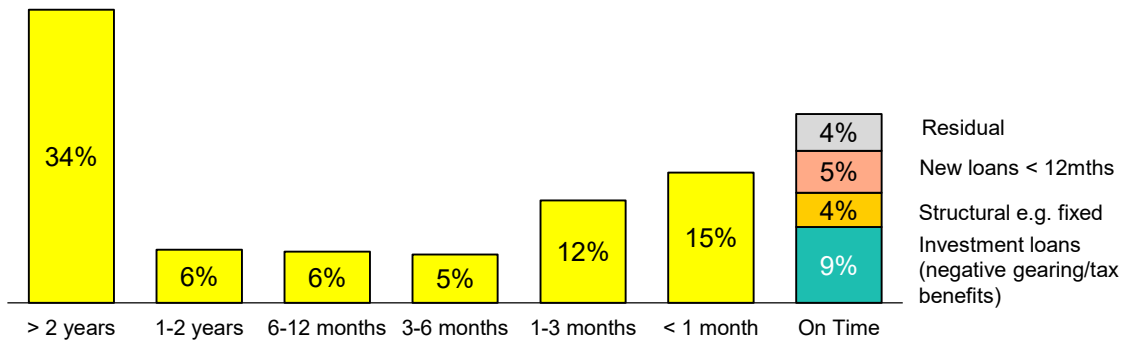


# Portfolio quality remains sound

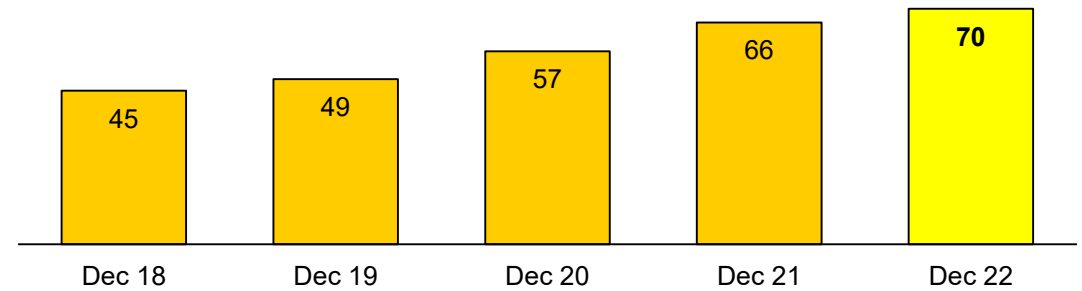
Strong repayment and savings buffers in place



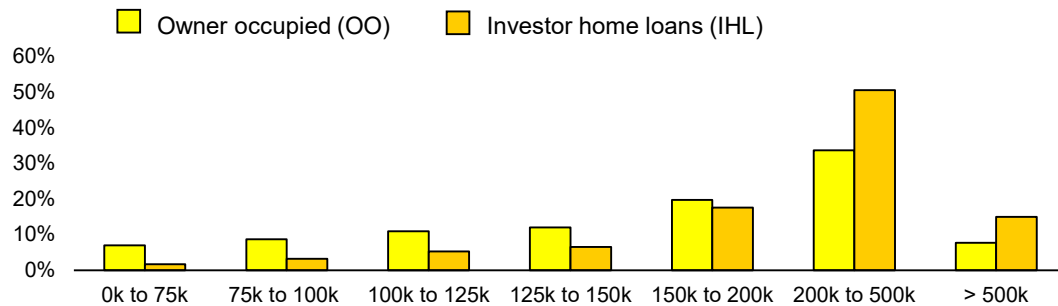
Repayment buffers – 34% more than 2 years in advance<sup>1</sup>  
(Payments in advance<sup>2</sup>, % of accounts)



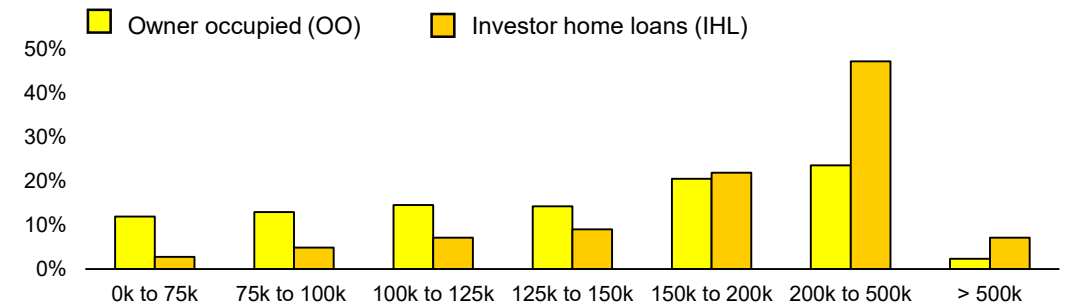
Savings buffers<sup>1</sup>  
Offset account balances (\$bn)



Application gross income band  
6 months to Dec 22 – Funding \$



Application gross income band  
6 months to Dec 22 – Funding #



1. CBA including Bankwest. Excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan, Residential Mortgage Group and Unloan. 2. Includes offset facilities, excludes loans in arrears.

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# Serviceability assessment<sup>1</sup>

Over 80% of the book originated under tightened standards since FY16



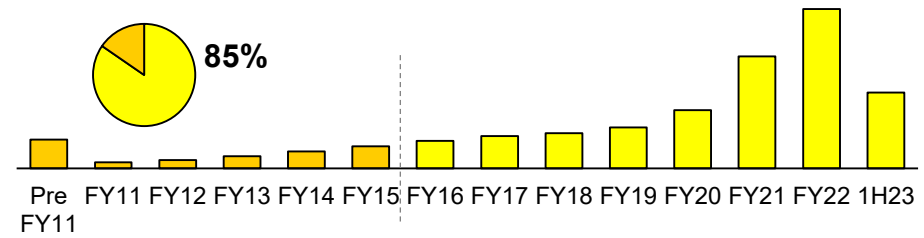
## Key serviceability changes by year<sup>2</sup>

- FY16-19**
  - Increased serviceability buffer & buffers on existing debts
  - Removed Low doc and EQFS products
  - Tightened lending requirements for non-residents and use of foreign currency
  - Tightened lending requirements in high risk areas
  - Reduced IO maximum term limits
- FY20**
  - Changes to serviceability buffer and floor assessment rate
  - Removed LMI/LDP waivers for construction, land loans
  - Temporary COVID-19 tightening on verification
- FY21**
  - Restrictions on family guarantor arrangements
  - Rental expense capture (net rental income)
  - Expenses excluded from HEM added to higher of declared expenses or HEM
  - Increased serviceability floor rate
  - Reduced max LVR for construction and bridging loans
- FY22**
  - Enhanced self employed & investment income calculations
  - Increased serviceability buffer
- 1H23**
  - Tightened LVR limits for high value properties

## New loan assessment (from FY16)<sup>3</sup>

- Income**
  - All income used in application to assess serviceability is verified
  - 80% or lower cap on less stable income sources (e.g. bonus, overtime)
  - Applicants reliant on less stable sources of income manually decisioned
  - 90% cap on tax free income, including Government benefits
  - Limits on investor income allowances
  - Rental income net of rental expenses used for servicing
- Living expenses**
  - Living expenses captured for all customers
  - Servicing calculations use the higher of declared expenses or HEM adjusted by income and household size
  - Expenses excluded from HEM are added to the higher of the declared expenses or HEM
- Interest rates**
  - Assess customer ability to pay based on the higher of the customer rate plus serviceability buffer or minimum floor rate
  - Interest Only (IO) loans assessed on principal and interest basis over the residual term of the loan
- Existing debt**
  - Existing customer commitments are verified through Comprehensive Credit Reporting (CCR) or CBA transaction accounts data
  - CBA transaction accounts and CCR data used to identify undisclosed customer obligations
  - For repayments on existing debt:
    - CBA & OFI repayments recalculated using the higher of the actual rate plus a buffer or minimum floor over remaining principal and interest loan term
    - Credit card repayments calculated at an assessment rate of 3.8%
    - Other debt repayments calculated based on actual rate + buffer

Mortgage portfolio by year of origination

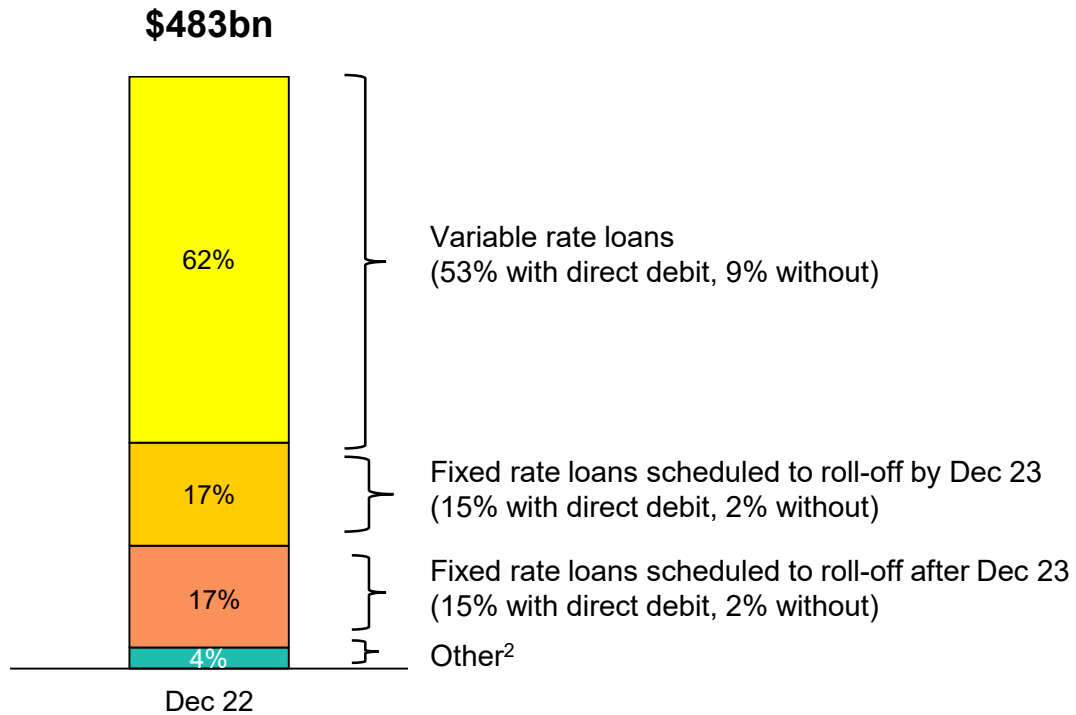


1. CBA excluding Bankwest unless stated otherwise. Excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan and Residential Mortgage Group. 2. Serviceability changes are reflective of changes made within the financial year and may have changed since implementation or may not be in currently in place. 3. Indicative loan assessment and is subject to change.

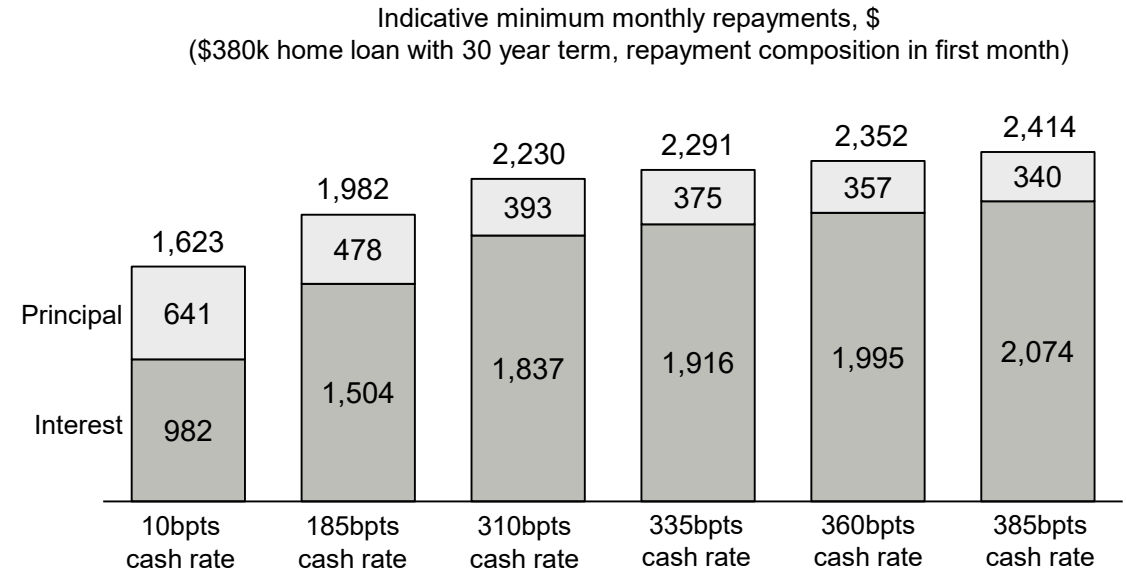
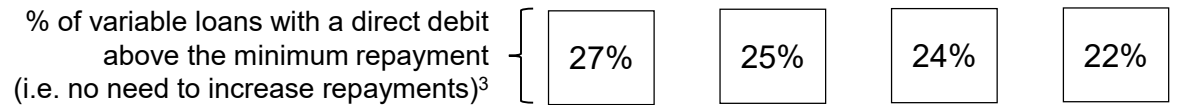
# Cash rate resilience<sup>1,2</sup>

Increases in minimum monthly repayments reflect the net impact of a higher interest component & lower principal payments

Approximately 83% of the book is exposed to rate increases by December 2023



Increases in minimum monthly repayments reflect the net impact of a higher interest component and lower principal payments (with more of the principal paid off in outer years)



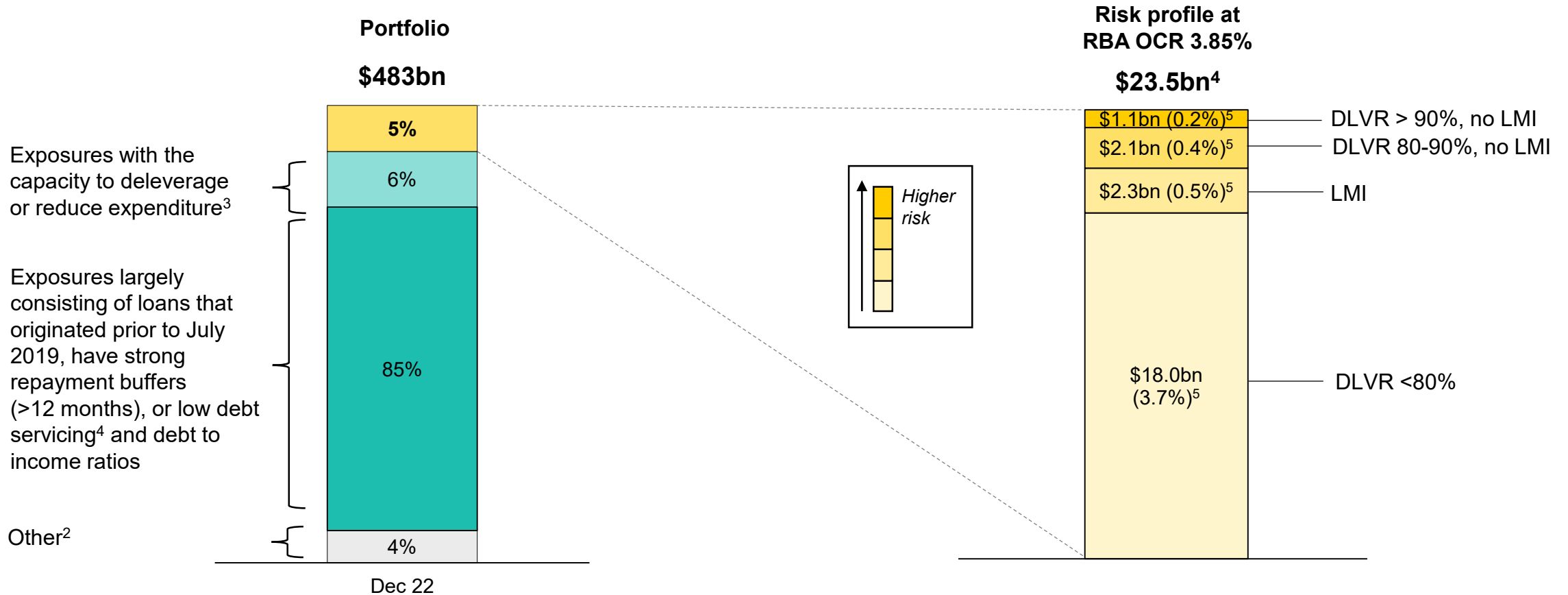
1. CBA excluding Bankwest. Unless otherwise stated. 2. Includes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan, Residential Mortgage Group and Unloan. 3. CBA excluding Bankwest, Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan, Residential Mortgage Group and Unloan.

# Cash rate resilience<sup>1,2</sup>

Targeted support for those customers in the highest risk segment (~0.2% of book)



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1. CBA excluding Bankwest. Unless otherwise stated. 2. Includes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan, Residential Mortgage Group and Unloan. 3. Predominantly investors or have lower repayments. 4. Monthly repayments have been estimated at 3.85% cash rate for variable rate loans and fixed rate loans scheduled to roll-off by December 2023. 5. Proportion of overall portfolio of \$483bn.

# Home loans – CBA<sup>1</sup>

A balanced approach to portfolio quality, growth and returns



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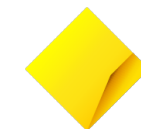
Portfolio <sup>1,2</sup>	Dec 21	Jun 22	Dec 22
Total Balances - Spot (\$bn) <sup>3</sup>	539	556	<b>570</b>
Total Balances - Average (\$bn) <sup>3</sup>	528	548	<b>563</b>
Total Accounts (m)	2.0	2.0	<b>2.0</b>
Variable Rate (%) <sup>3</sup>	62	62	<b>66</b>
Owner Occupied (%) <sup>3</sup>	71	71	<b>71</b>
Investment (%) <sup>3</sup>	28	28	<b>28</b>
Line of Credit (%) <sup>3</sup>	1	1	<b>1</b>
Proprietary (%) <sup>3,4</sup>	54	54	<b>53</b>
Broker (%) <sup>3,4</sup>	46	46	<b>47</b>
Interest Only (%) <sup>4</sup>	10	9	<b>9</b>
Lenders' Mortgage Insurance (%) <sup>4</sup>	20	19	<b>18</b>
Mortgagee In Possession (bpts) <sup>4</sup>	2	2	<b>2</b>
Negative Equity (%) <sup>4,5</sup>	0.6	0.4	<b>0.5</b>
Annualised Loss Rate (bpts) <sup>4</sup>	1	1	<b>1</b>
Portfolio Dynamic LVR (%) <sup>4,6</sup>	46	44	<b>44</b>
Customers in Advance (%) <sup>4,7</sup>	78	78	<b>78</b>
Payments in Advance incl. offset <sup>4,8</sup>	38	36	<b>32</b>
Offset Balances – Spot (\$bn) <sup>4</sup>	66	64	<b>70</b>

New Business <sup>1,2</sup>	Dec 21	Jun 22	Dec 22
Total Funding (\$bn) <sup>3</sup>	94	76	<b>77</b>
Average Funding Size (\$'000) <sup>9</sup>	382	394	<b>424</b>
Serviceability Buffer (%) <sup>10</sup>	3.0	3.0	<b>3.0</b>
Variable Rate (%)	53	75	<b>93</b>
Owner Occupied (%)	73	71	<b>71</b>
Investment (%)	27	29	<b>29</b>
Line of Credit (%)	0	0	<b>0</b>
Proprietary (%) <sup>3,4</sup>	51	54	<b>51</b>
Broker (%) <sup>3,4</sup>	49	46	<b>49</b>
Interest Only (%) <sup>11</sup>	17	18	<b>19</b>
Lenders' Mortgage Insurance (%) <sup>4</sup>	15	14	<b>10</b>

1. CBA including Bankwest. All portfolio and new business metrics are based on balances and funding respectively, unless stated otherwise. All new business metrics are based on 6 months to Dec 21, Jun 22 and Dec 22. Excludes ASB.
2. Excludes Unloan, unless otherwise stated.
3. Includes Unloan.
4. Excludes Residential Mortgage Group.
5. Negative equity arises when the outstanding loan balance (less offset balances) exceeds updated house value. Based on outstanding balances, taking into account both cross-collateralisation and offset balances. Excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loans, Residential Mortgage Group and Unloan.
6. Dynamic LVR defined as current balance/current valuation.
7. Any amount ahead of monthly minimum repayment; includes offset facilities.
8. Average number of monthly payments ahead of scheduled repayments.
9. Average Funding Size defined as funded amount / number of funded accounts. Jun 22 numbers restated.
10. Serviceability test based on the higher of the customer rate plus an interest rate buffer or minimum floor rate.
11. Based on the APRA definition of Interest Only reporting, inclusive of Construction loans.

# Home loans – CBA ex BWA<sup>1</sup>

A balanced approach to portfolio quality, growth and returns



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Portfolio <sup>1,2</sup>	Dec 21	Jun 22	Dec 22
Total Balances - Spot (\$bn) <sup>3</sup>	459	472	<b>483</b>
Total Balances - Average (\$bn) <sup>3</sup>	450	466	<b>478</b>
Total Accounts (m)	1.7	1.7	<b>1.7</b>
Variable Rate (%) <sup>3</sup>	61	61	<b>65</b>
Owner Occupied (%) <sup>3</sup>	70	71	<b>71</b>
Investment (%) <sup>3</sup>	28	28	<b>28</b>
Line of Credit (%) <sup>3</sup>	2	1	<b>1</b>
Proprietary (%) <sup>3,4</sup>	59	60	<b>60</b>
Broker (%) <sup>3,4</sup>	41	40	<b>40</b>
Interest Only (%) <sup>4</sup>	10	9	<b>9</b>
Lenders' Mortgage Insurance (%) <sup>4</sup>	19	18	<b>17</b>
First Home Buyers (%) <sup>4</sup>	10	10	<b>10</b>
Mortgagee In Possession (bpts) <sup>4</sup>	2	2	<b>2</b>
Annualised Loss Rate (bpts) <sup>4</sup>	1	1	<b>1</b>
Portfolio Dynamic LVR (%) <sup>4,5</sup>	45	43	<b>44</b>
Customers in Advance (%) <sup>4,6</sup>	76	76	<b>75</b>
Payments in Advance incl. offset <sup>4,7</sup>	38	37	<b>33</b>
Offset Balances – Spot (\$bn) <sup>4</sup>	56	54	<b>59</b>

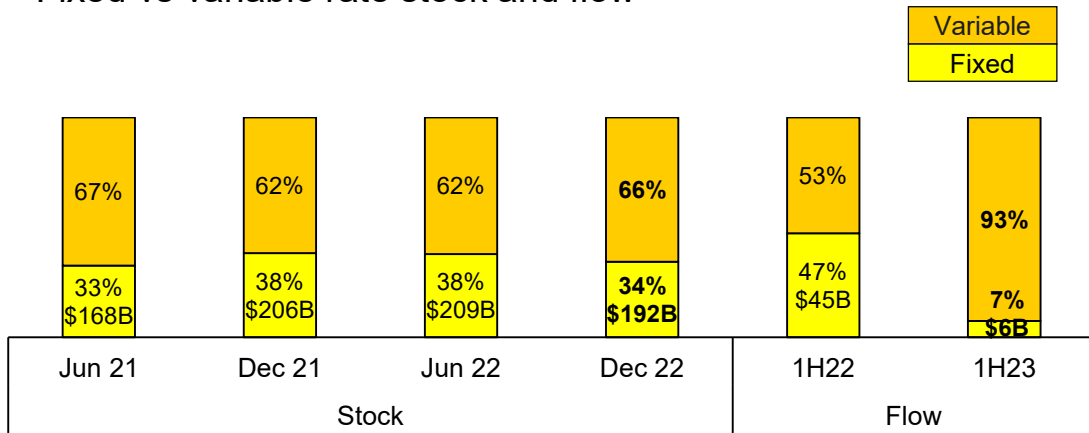
New Business <sup>1,2</sup>	Dec 21	Jun 22	Dec 22
Total Funding (\$bn) <sup>3</sup>	80	65	<b>65</b>
Average Funding Size (\$'000) <sup>8</sup>	379	387	<b>417</b>
Serviceability Buffer (%) <sup>9</sup>	3.0	3.0	<b>3.0</b>
Variable Rate (%)	52	73	<b>92</b>
Owner Occupied (%)	72	71	<b>71</b>
Investment (%)	28	29	<b>29</b>
Line of Credit (%)	0	0	<b>0</b>
Proprietary (%) <sup>3,4</sup>	58	60	<b>58</b>
Broker (%) <sup>3,4</sup>	42	40	<b>42</b>
Interest Only (%) <sup>10</sup>	17	17	<b>19</b>
Lenders' Mortgage Insurance (%) <sup>4</sup>	15	14	<b>10</b>
First Home Buyers (%) <sup>4</sup>	11	10	<b>11</b>

1. CBA excluding Bankwest. All portfolio and new business metrics are based on balances and funding respectively, unless stated otherwise. All new business metrics are based on 6 months to Dec 21, Jun 22 and Dec 22. Excludes ASB.
2. Excludes Unloan, unless otherwise stated.
3. Includes Unloan.
4. Excludes Residential Mortgage Group.
5. Dynamic LVR defined as current balance/current valuation.
6. Any amount ahead of monthly minimum repayment; includes offset facilities.
7. Average number of monthly payments ahead of scheduled repayments.
8. Average Funding Size defined as funded amount / number of funded accounts. Jun 22 numbers restated.
9. Serviceability test based on the higher of the customer rate plus an interest rate buffer or minimum floor rate.
10. Based on the APRA definition of Interest Only reporting, inclusive of Construction loans.

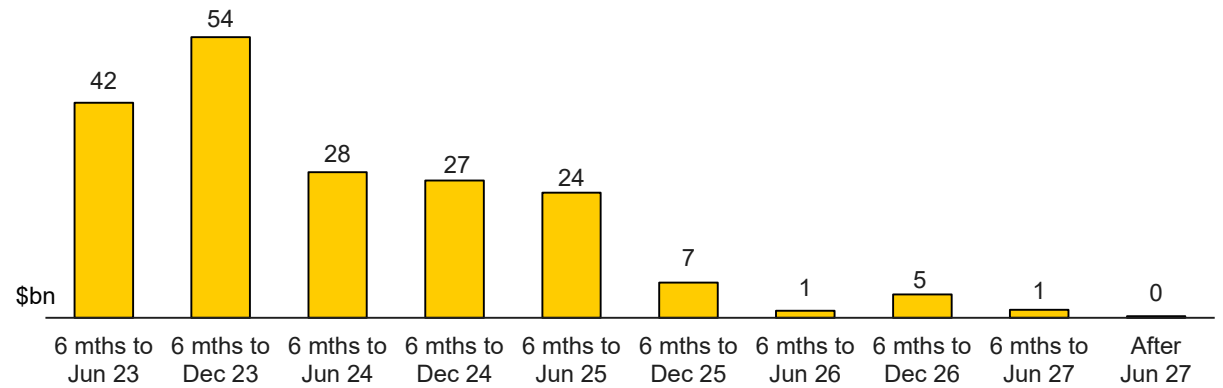
# Home loan portfolio profile<sup>1</sup>

Higher interest rates triggered shift from fixed to variable home loans

Fixed vs variable rate stock and flow<sup>2</sup>

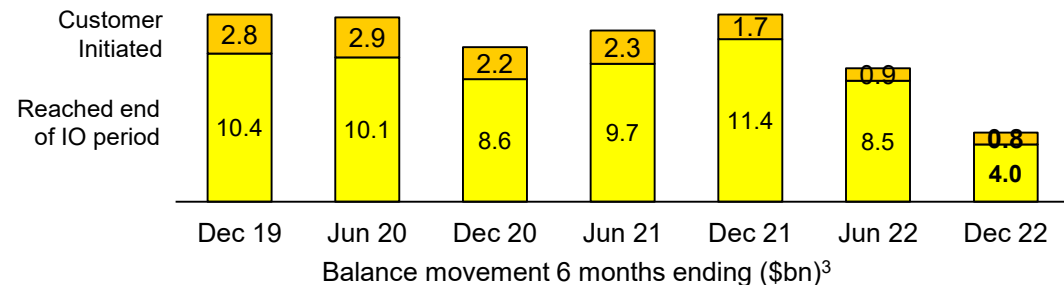


Fixed rate expiry schedule

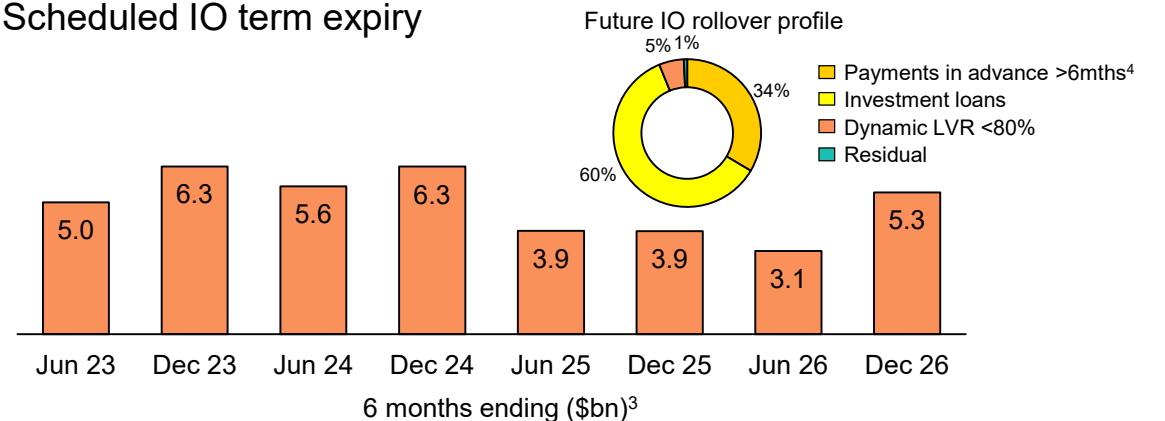


Interest Only (IO) to Principal and Interest (P&I) switches

IO portfolio largely investor loans



Scheduled IO term expiry



1. CBA including Bankwest. Excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loans, Residential Mortgage Group and Unloan, unless otherwise stated. 2. Includes RMG. Flow metrics are based on 6 months to Dec 21 and 6 months to Dec 22. 3. Rollover status takes snapshot at Dec 22. 4. Payments in advance defined as the number of monthly payments ahead of scheduled repayments by 6 or more months.

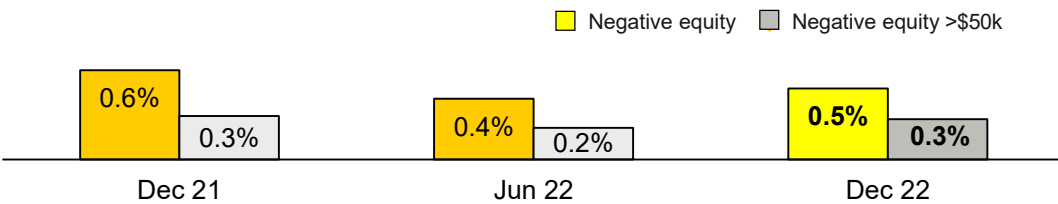
# Home loan portfolio profile<sup>1</sup>

Strong portfolio LVR, negative equity and offset balances

## Negative equity<sup>2</sup>

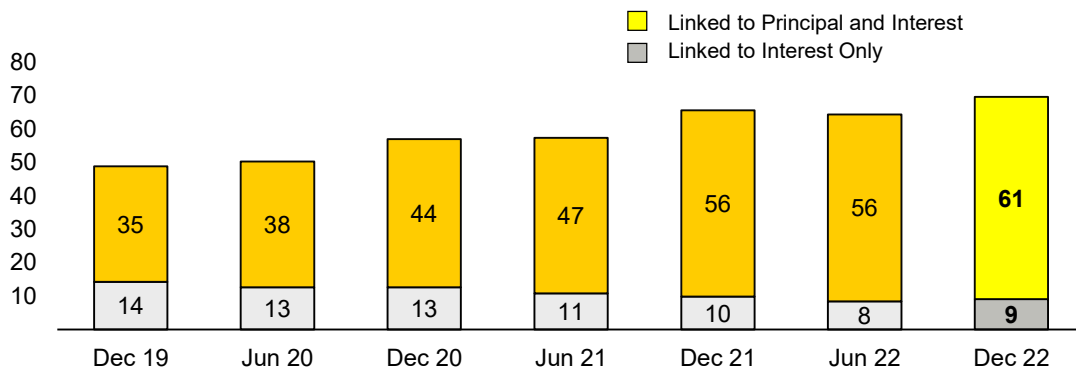
Proportion of balances in negative equity

- 54% of negative equity is from NSW and VIC
- 56% of customers ahead of repayments
- 35% of home loans in negative equity have Lenders Mortgage Insurance



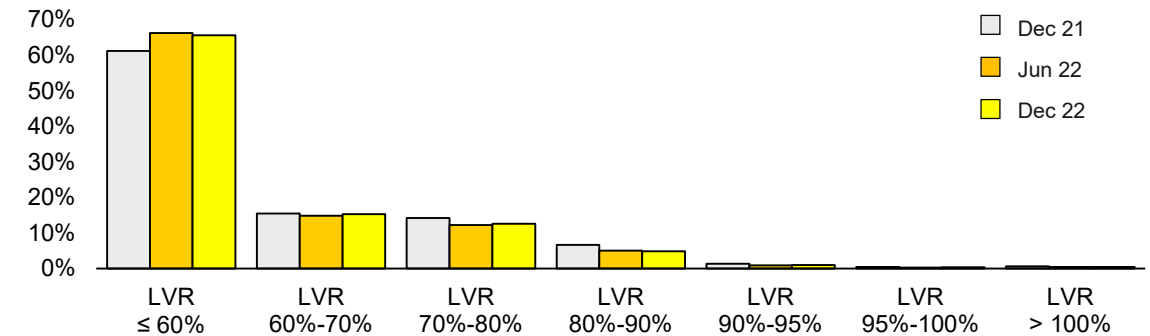
## Offset account balances (\$bn)

Increased for Principal and Interest Loans



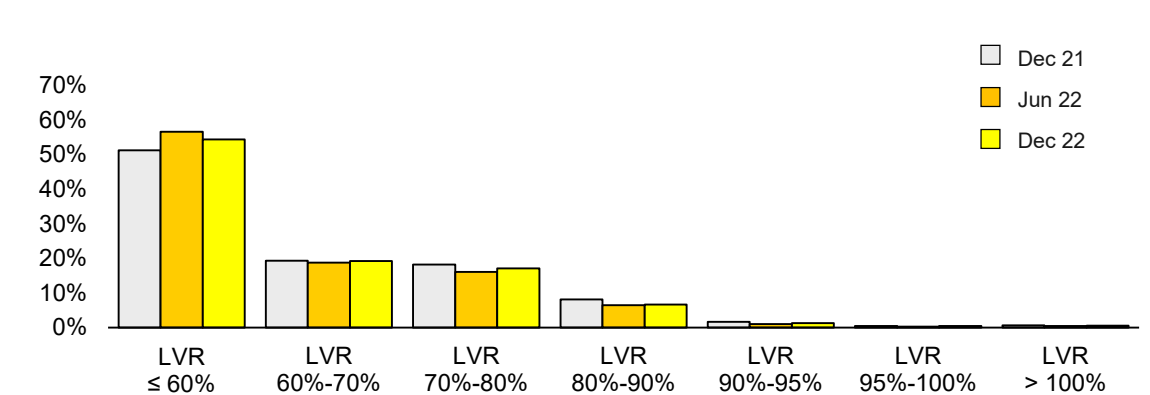
## Dynamic LVR bands<sup>3</sup>

% of total portfolio accounts



## Dynamic LVR bands<sup>3</sup>

% of total portfolio balances



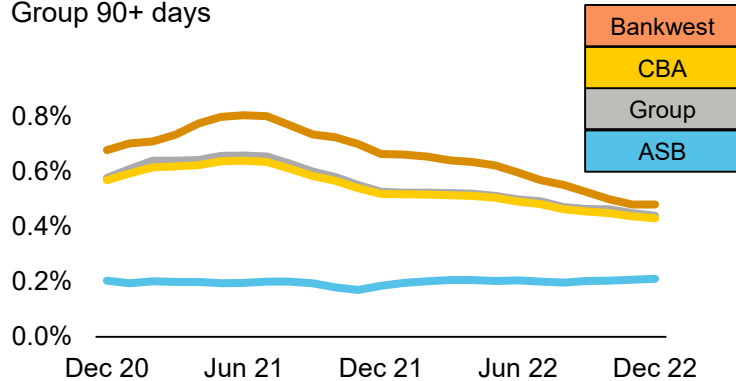
1. CBA including Bankwest. Excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan, Residential Mortgage Group and Unloan. 2. Negative equity arises when the outstanding loan (less offsets) exceeds house value. Based on outstanding balances, taking into account cross-collateralisation and offset balances. CBA updates house prices monthly using internal and external valuation data. 3. Taking into account cross-collateralisation. Offset balances not considered.



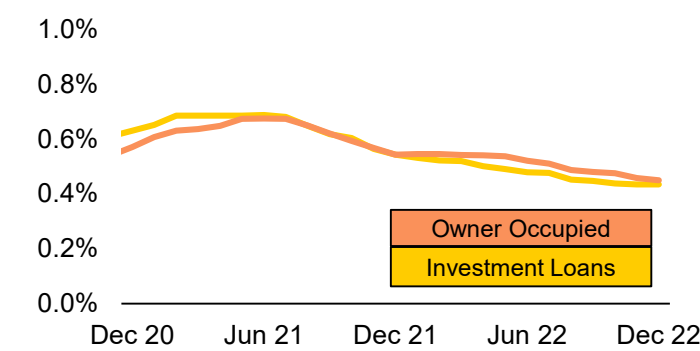
# Home loan arrears

Arrears remain low, supported by a strong labour market

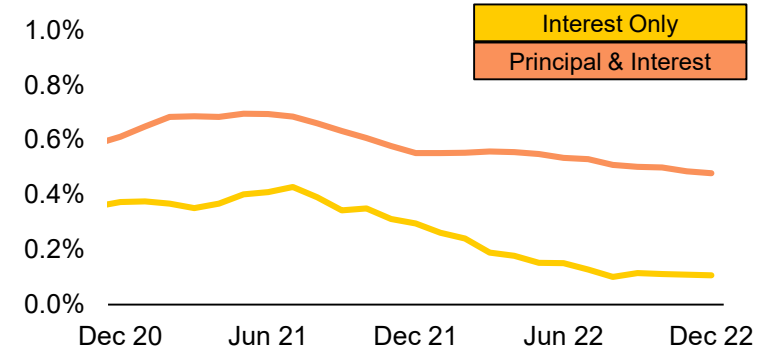
Arrears by portfolio  
Group 90+ days



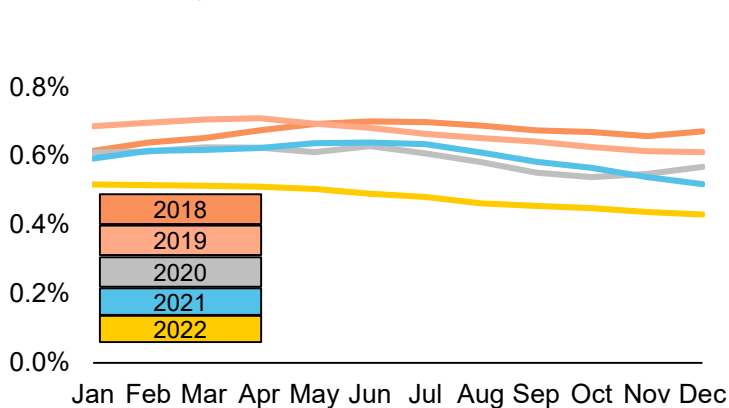
Arrears by product  
90+ days<sup>1</sup>



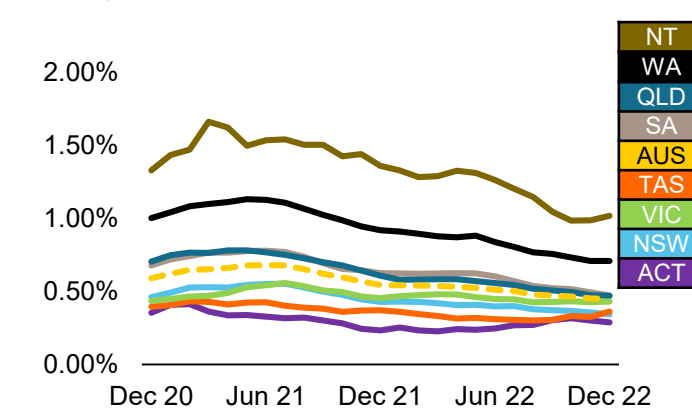
Arrears by repayment type  
90+ days<sup>1</sup>



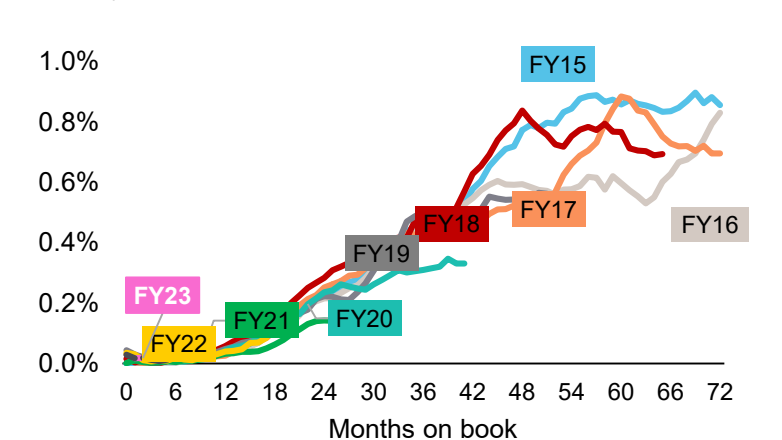
Arrears by year  
Group 90+ days



Arrears by state  
90+ days<sup>1</sup>



Arrears by vintage  
90+ days<sup>1</sup>



1. CBA including Bankwest. Excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan and Residential Mortgage Group.

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# Home loan impairments

Impaired home loans stable in 1H23

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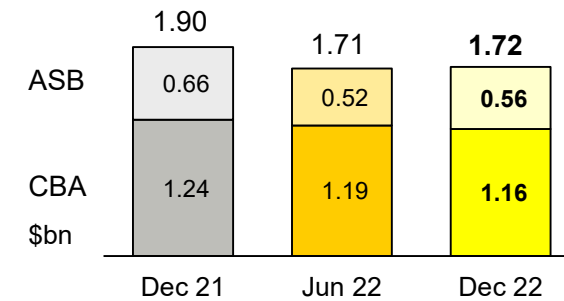
## Overview

- Relatively stable impaired home loans year to date with small increase in ASB impairments (+\$46m) offset by improvement in Australian home loan impairments (-\$39m)

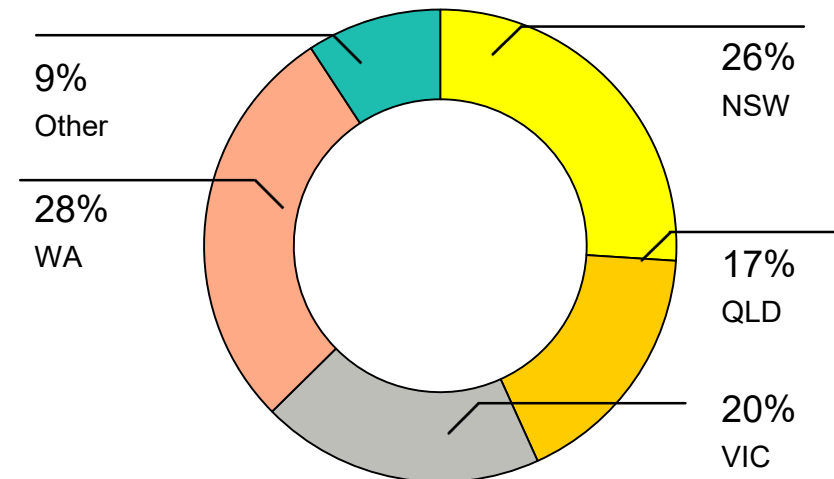
## Process for identification of impairments<sup>1</sup>

- Impairment assessments are carried out at 90 days past due for not well secured loans or at observed events e.g. bankruptcy
- Impairment is triggered where refreshed security valuation is less than the loan balance by  $\geq \$1$
- Impairment assessment takes into account cross-collateralisation
- Impaired accounts 90+ days past due are included in 90+ arrears reporting
- Where the shortfall is greater than or equal to \$20,000 an Individually Assessed Provision (IAP) is raised

### Impaired home loans



### Impaired home loans – Dec 22 profile<sup>1</sup>



1. CBA including Bankwest. Excludes ASB.

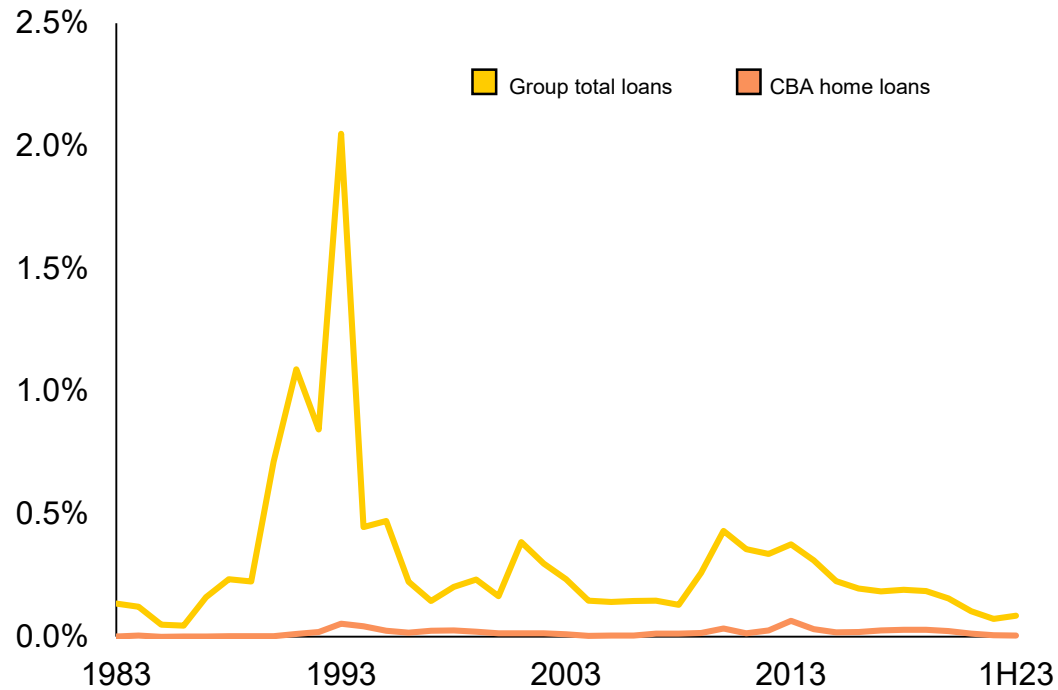
# Portfolio losses and insurance<sup>1</sup>

Portfolio losses remain historically low

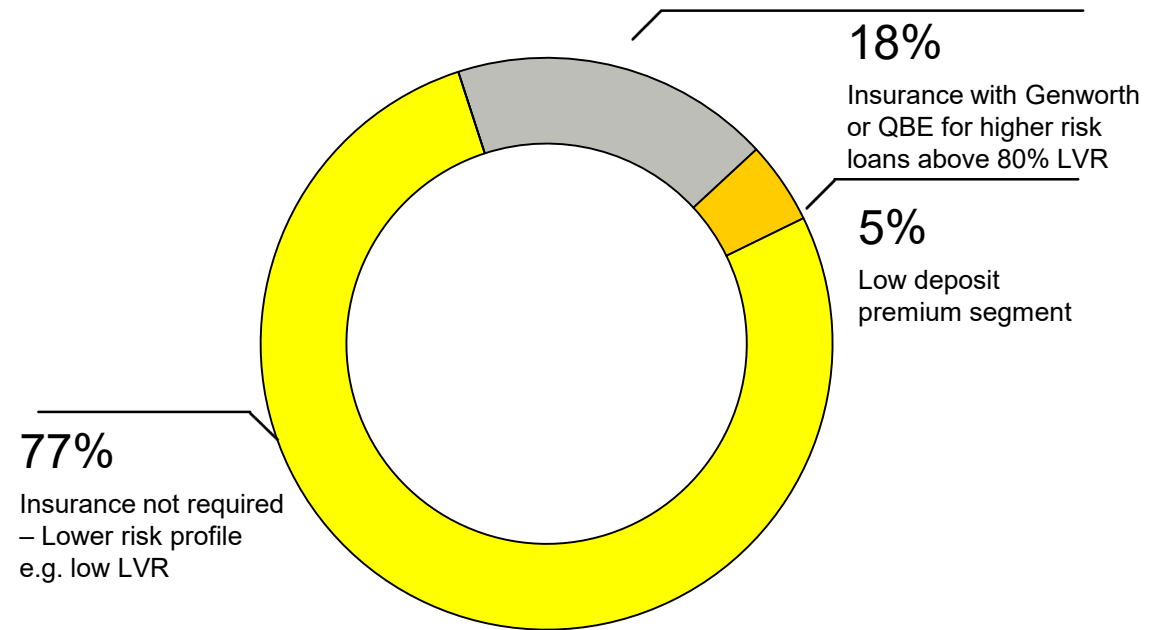
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Losses to average gross loans and acceptances (GLAA)<sup>2</sup>



Portfolio insurance profile<sup>3</sup>  
% of home loan portfolio



1. CBA including Bankwest. 2. Bankwest included from FY09. 3. Excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan, Residential Mortgage Group and Unloan.

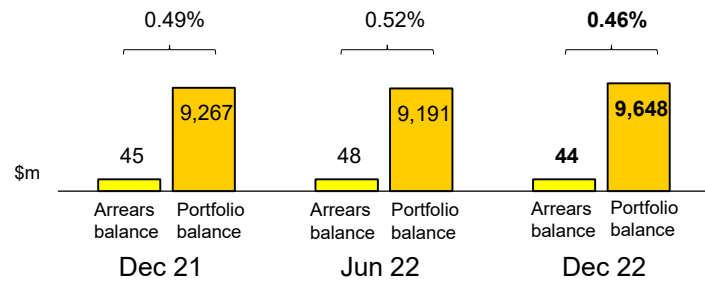
# Managing unsecured lending

Arrears improved HoH, in line with seasonal trends and underpinned by low levels of unemployment

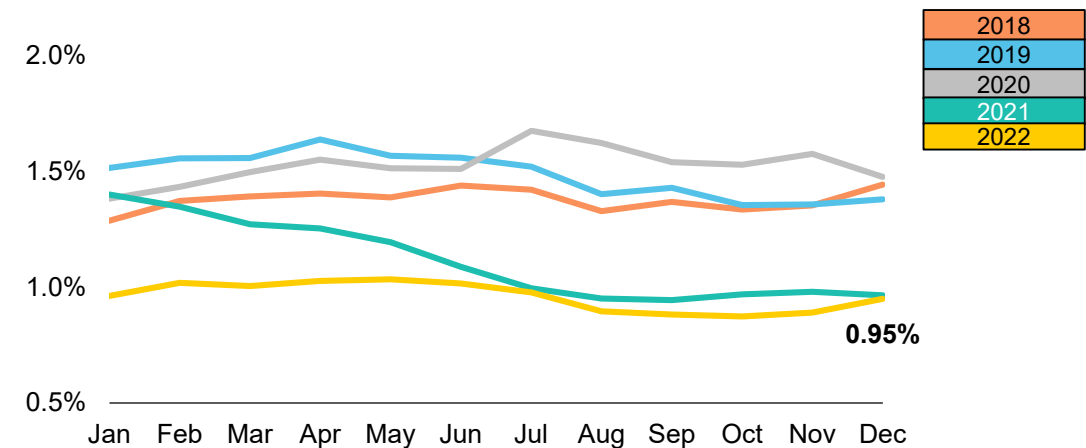
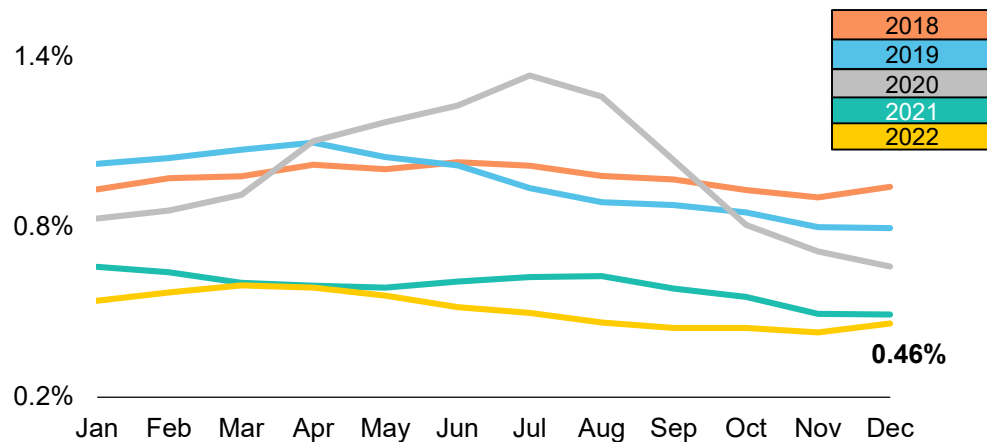
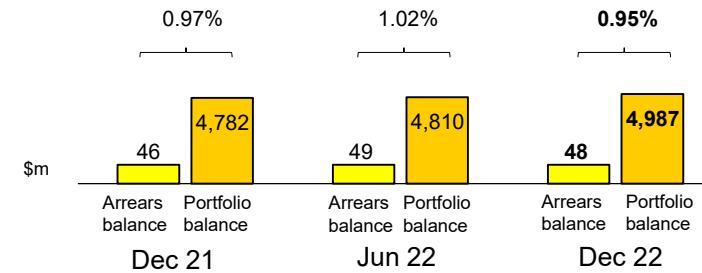
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**Credit cards<sup>1</sup>**  
Group 90+ days



**Personal loans<sup>1</sup>**  
Group 90+ days



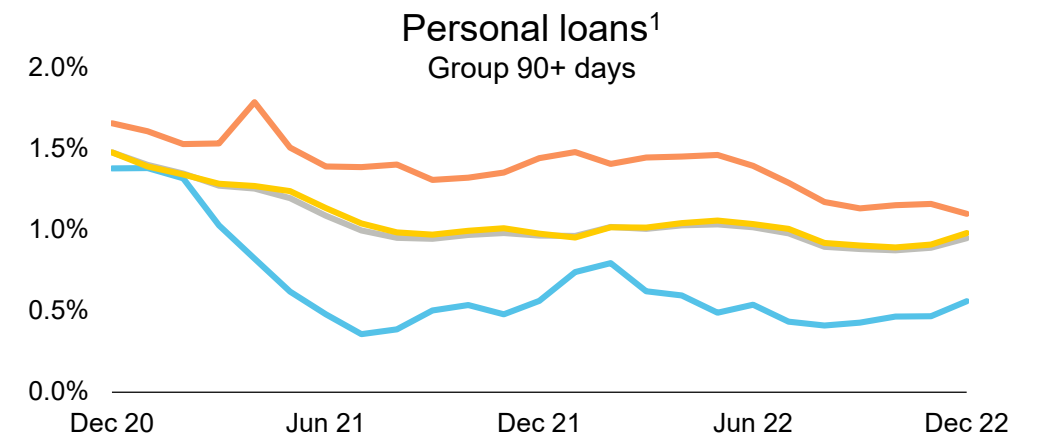
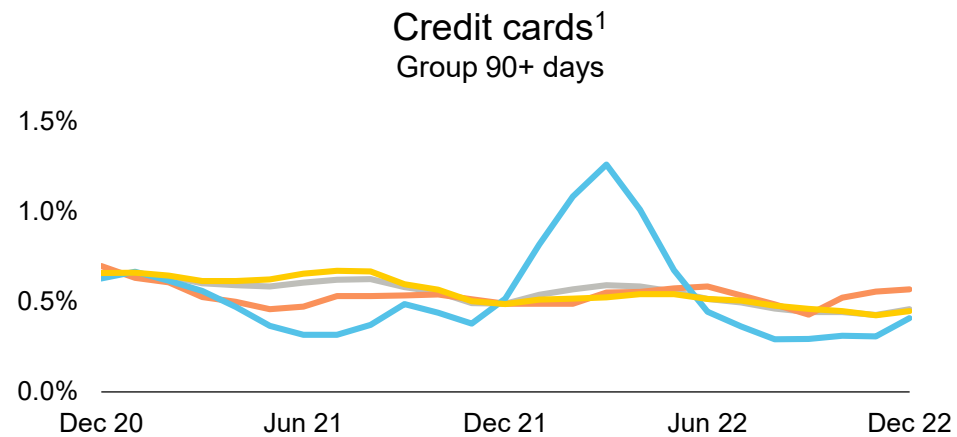
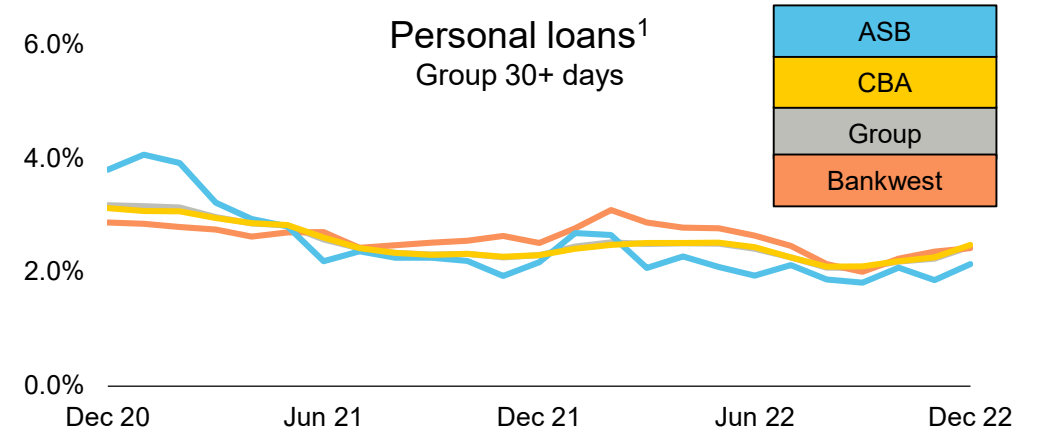
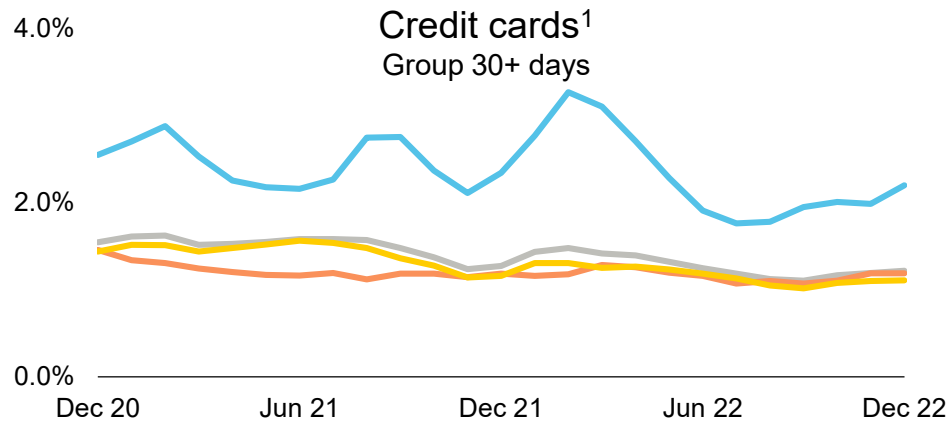
1. ASB write-off credit card and personal loans typically around 90 days past due if no agreed repayment plan.

# Consumer arrears

Arrears remain low, supported by a strong labour market and historically low unemployment

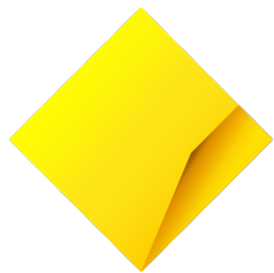


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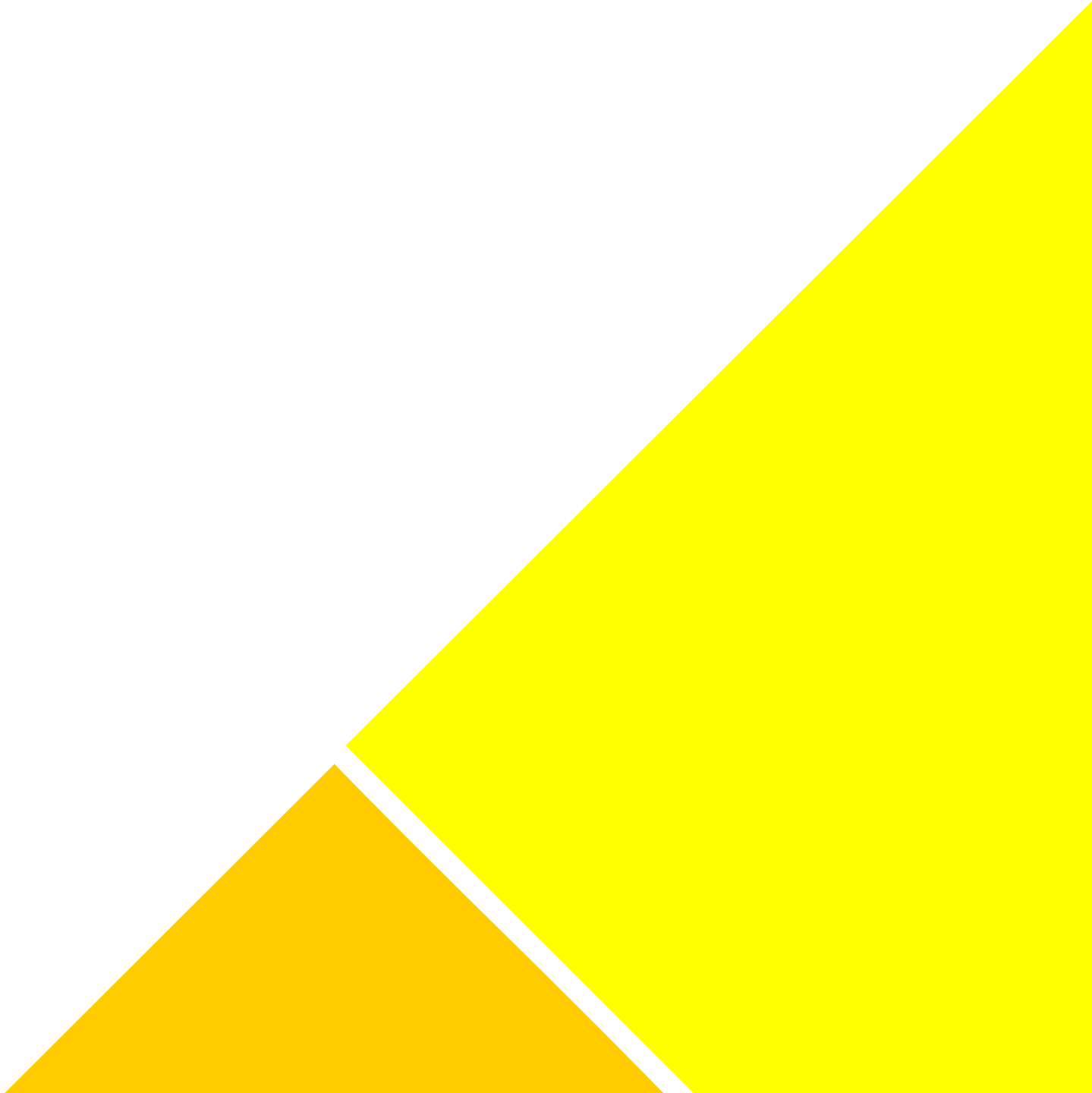


1. ASB write-off credit card and personal loans typically around 90 days past due if no agreed repayment plan.

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# **Business and corporate lending**



# Portfolio quality<sup>1</sup>

Improvement in portfolio quality metrics



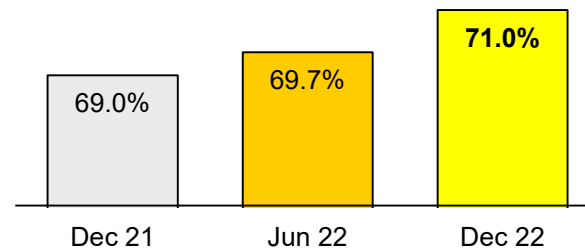
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## Exposures by industry<sup>1</sup>

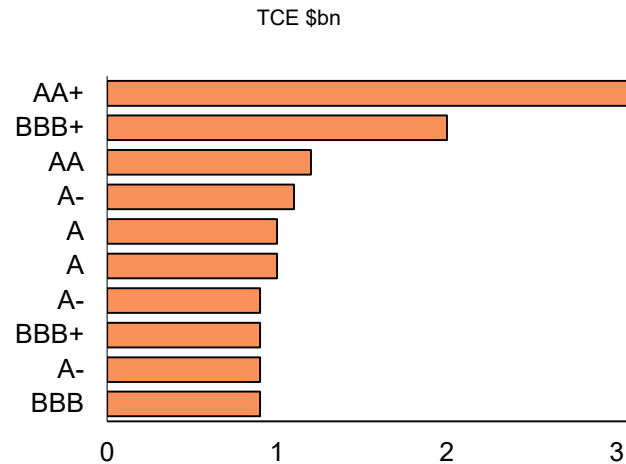
TCE \$bn	AAA to AA-	A+ to A-	BBB+ to BBB-	Other	Dec 22
Gov. Admin & Defence	217.5	14.9	1.2	-	233.6
Finance & Insurance	48.4	36.1	5.5	3.1	93.1
Com. Property	3.1	9.9	26.0	50.9	89.9
Agriculture & Forestry	-	0.1	4.6	23.8	28.5
Transport & Storage	0.1	3.3	11.9	10.1	25.4
Manufacturing	0.6	2.2	5.6	10.9	19.3
Ent. Leisure & Tourism	-	-	0.8	14.0	14.8
Retail Trade	-	0.9	3.8	10.0	14.7
Wholesale Trade	-	0.3	4.1	10.0	14.4
Health & Community Services	0.1	0.4	3.7	9.3	13.5
Business Services	0.1	0.4	4.7	9.1	14.3
Elect. Gas & Water	0.3	2.5	7.5	2.7	13.0
Construction	-	-	0.7	11.1	11.8
Mining, Oil & Gas	-	1.1	4.0	2.4	7.5
Media & Communications	1.1	1.4	1.9	1.4	5.8
All other ex. Consumer	0.6	1.7	1.1	8.4	11.8
<b>Total</b>	<b>271.9</b>	<b>75.2</b>	<b>87.1</b>	<b>177.2</b>	<b>611.4</b>

## Corporate portfolio quality

Investment grade



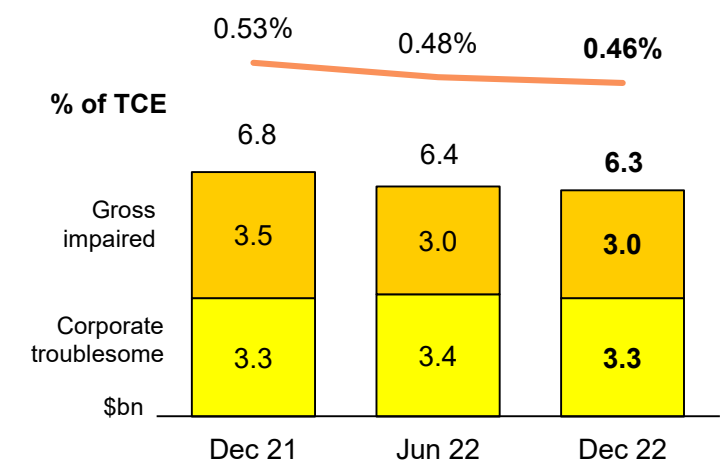
## Top 10 commercial exposures



## Group TCE by geography

	Dec 21	Jun 22	Dec 22
<b>Australia</b>	81.6%	82.1%	81.9%
<b>New Zealand</b>	10.2%	9.8%	10.0%
<b>Europe</b>	2.9%	2.3%	2.6%
<b>Other</b>	5.3%	5.8%	5.5%

## Troublesome & Impaired Assets (TIA)



1. CBA grades in S&P equivalents.

# Total committed exposure summary

Close monitoring of key sectors



	Group TCE (\$bn)		TIA (\$bn)		TIA % of TCE		Provisions to total committed exposure %	
	Jun 22	Dec 22	Jun 22	Dec 22	Jun 22	Dec 22	Jun 22	Dec 22
Consumer	748.5	765.6	1.9	1.9	0.3%	0.2%	0.3%	0.4%
Government administration & defence	227.6	233.6	0.0	0.0	0.0%	0.0%	0.0%	0.0%
Finance & insurance	91.1	93.1	0.1	0.1	0.1%	0.1%	0.1%	0.1%
Commercial property	87.3	89.9	0.6	0.7	0.7%	0.8%	0.4%	0.5%
Agriculture & forestry	27.7	28.5	0.6	0.6	2.3%	2.1%	0.6%	0.5%
Transport & storage	24.5	25.4	0.4	0.3	1.7%	1.3%	1.0%	0.7%
Manufacturing	16.8	19.3	0.4	0.3	2.1%	1.5%	1.8%	1.1%
Entertainment, leisure & tourism	14.0	14.8	0.5	0.4	3.3%	2.7%	2.1%	1.4%
Retail trade	13.6	14.7	0.2	0.3	1.7%	1.8%	1.1%	1.1%
Wholesale trade	13.1	14.4	0.4	0.3	3.1%	2.2%	2.0%	1.8%
Health & community services	13.1	13.5	0.3	0.4	2.3%	2.6%	0.7%	1.0%
Business services	12.8	14.3	0.2	0.3	2.0%	1.8%	1.2%	1.0%
Electricity, gas & water	11.6	13.0	0.0	0.0	0.0%	0.1%	0.3%	0.3%
Construction	11.2	11.8	0.4	0.5	3.3%	4.0%	3.1%	3.6%
Mining, oil & gas	7.8	7.5	0.1	0.1	1.2%	0.7%	1.1%	0.7%
Media & communications	5.5	5.8	0.1	0.0	1.2%	0.2%	0.7%	0.6%
Education	3.4	3.7	0.0	0.0	0.5%	0.4%	0.3%	0.3%
Personal & other services	3.1	3.2	0.0	0.0	1.0%	1.3%	0.7%	0.6%
Other	5.2	4.9	0.2	0.1	3.8%	2.4%	n/a	n/a
<b>Total</b>	<b>1,337.9</b>	<b>1,377.0</b>	<b>6.4</b>	<b>6.3</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.4%</b>

Refer separate slides following

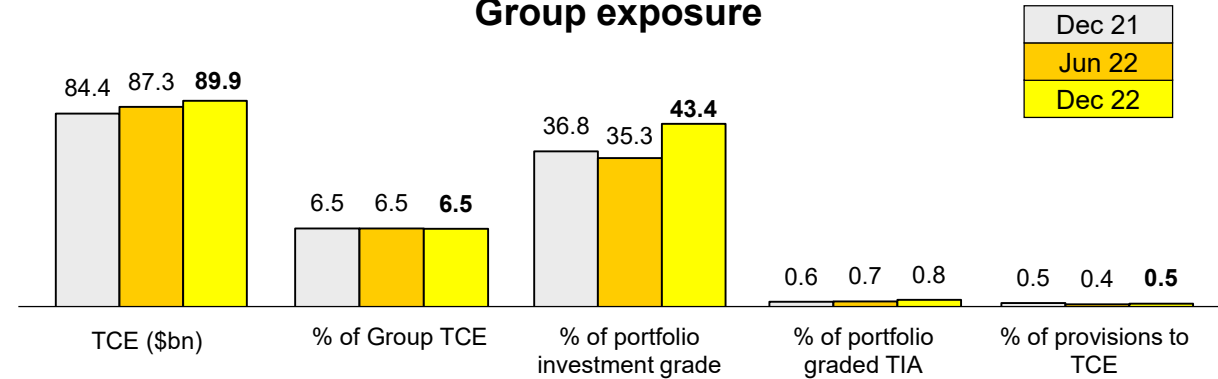


# Sector focus – commercial property

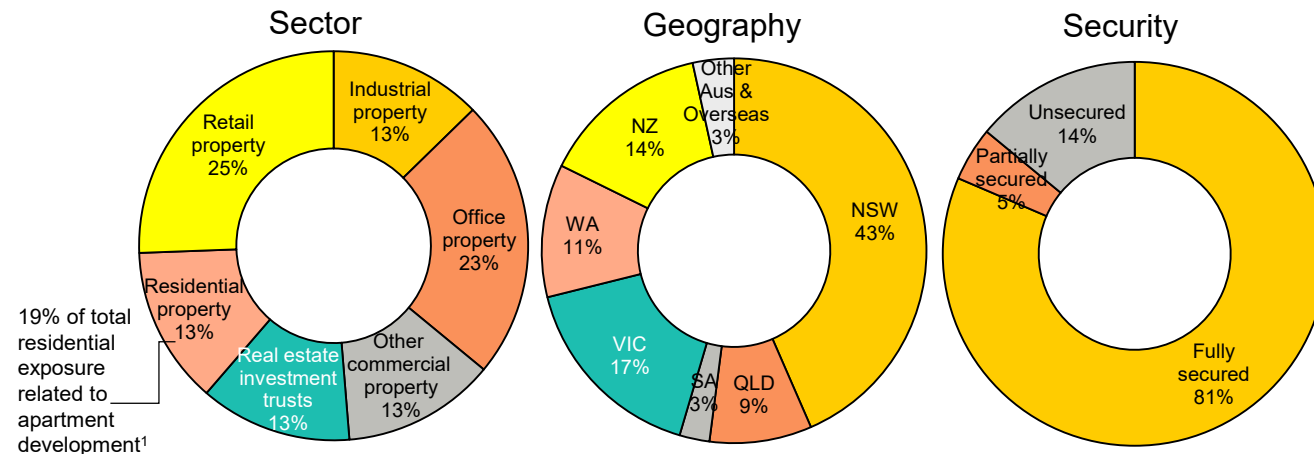
Portfolio weighted to NSW – impaired exposures low

- Exposure diversified across sectors and by counterparty, with the top 20 counterparties representing 14% of the portfolio
- Net movement in investment grade was predominantly driven by internal property model recalibration
- Impaired exposures remain low at 0.03% of portfolio
- Retail exposure and origination criteria primarily represented by assets with non-discretionary retailers as anchor tenants
- Office exposures weighted toward Premium/A' and B' Grade office property with credit metrics better than the Bank's minimum requirements
- Apartment development<sup>1</sup> exposures are 55% below the last peak (December 2016)
- Construction completion on apartment developments being proactively managed. Whilst delays have been seen on a number of projects beyond original completion timeframes this is not impacting pre-sale sunset clauses in those projects
- Ongoing projects have not been impacted by recent insolvencies in the construction industry. The level of exposure to Land Bank and pre-development sites is immaterial at < 1% of exposure to the sector
- Maintaining close portfolio oversight and actively managing origination criteria

## Group exposure



## Profile



1. Apartment developments ≥ \$20m.

# Sector focus – transport & storage

Conditions remain challenging



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## Airlines & aircraft lessors

- Strengthening demand following the opening up of domestic and international travel is supporting recovery of airlines across the industry. Portfolio amortisation has been partially offset by select transactions to strong counterparties or flag carriers
- Over 70% of our airline portfolio exposure is to strong counterparties; state-owned, flag carriers, investment grade or well secured. Largest exposure is to state-owned counterparties

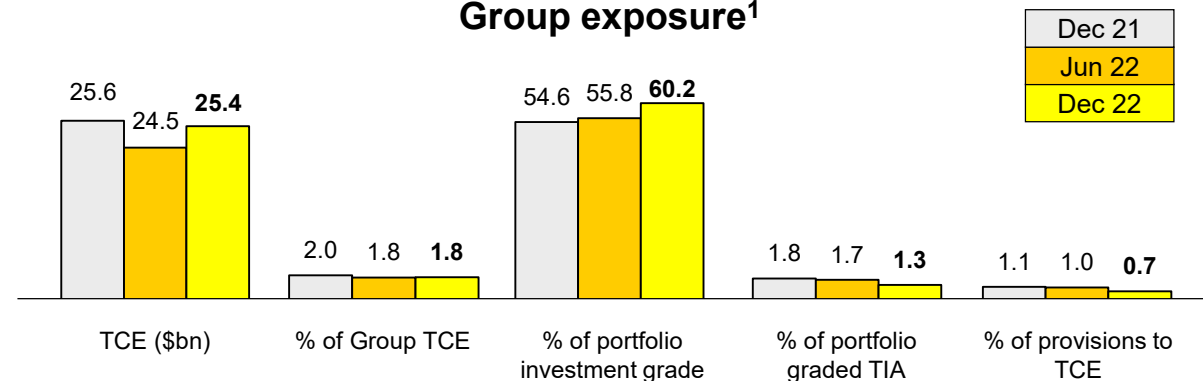
## Aircraft operating leases

- The Group recognises ~\$1.0bn of aircraft operating leases on balance sheet. In FY23 a net reversal of impairments of \$4.2m has been recognised as aircraft valuations stabilise following lease restructures/new leases for specific assets owned

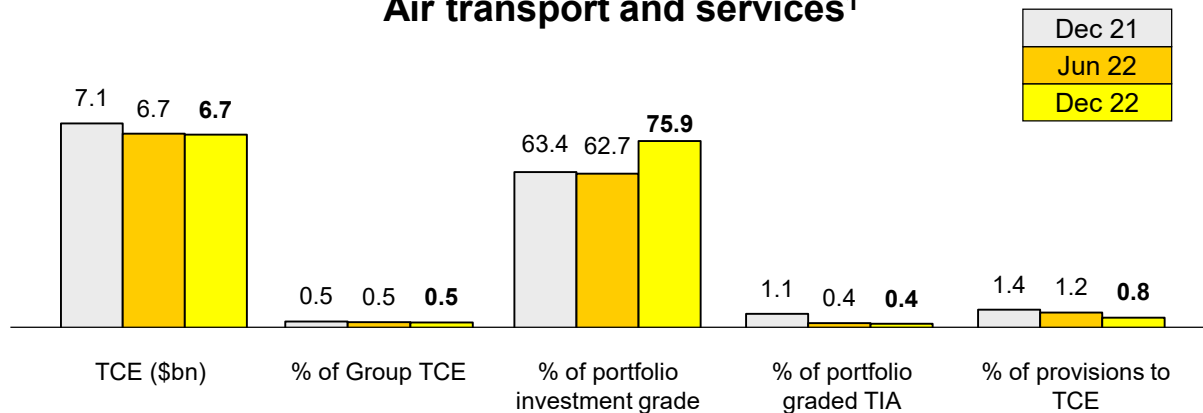
## Airports

- Our exposure to domestic and overseas airports continued to be well supported by strong sponsors
- There has been a noticeable improvement in passenger traffic following the removal of quarantine and lockdown measures and most airports in the Bank's portfolio are approaching 80% of pre-COVID-19 passenger levels. This has in turn improved cash flow and credit metrics across the airport sector
- 76% of our airport exposures are in Australia/NZ, 22% in UK, and 2% in the US

## Group exposure<sup>1</sup>



## Air transport and services<sup>1</sup>



1. Excludes aircraft recognised on the Group's balance sheet and leased out to airlines.

# Sector focus – entertainment, leisure & tourism

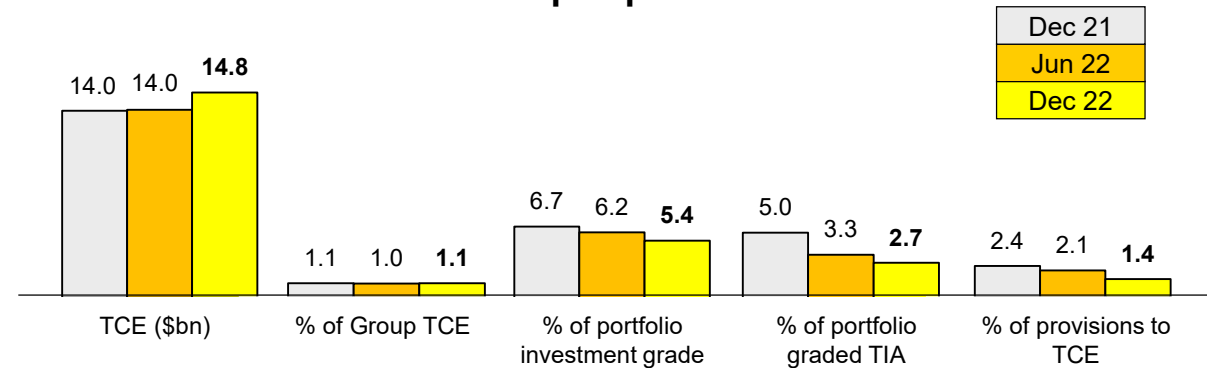
Improving trends evident despite uncertainty



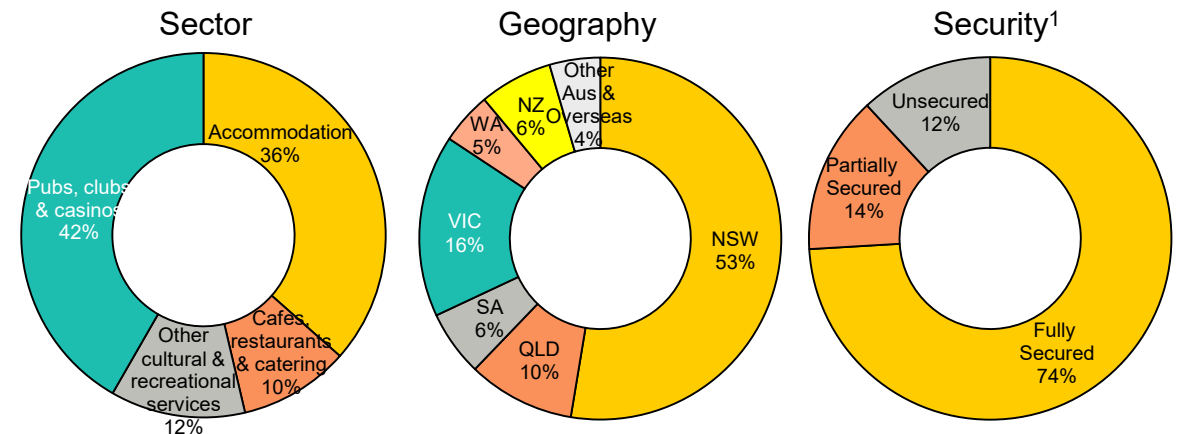
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- Diverse industry with many sub-sectors with distinct challenges
- Pubs, clubs and restaurants are experiencing positive trends in performance nearing pre-Omicron impacted levels
- Accommodation benefitted from heightened domestic travel and improving business demand despite subdued inbound international tourism
- Recent trading remains mixed with many operators across all sectors reporting challenges with labour; availability, retention and absenteeism, coupled with rising input costs
- Stronger operators increased prices, with little consumer reaction, while others have varied menus and/or portion sizes to preserve margins
- Portfolio growth is weighted toward well diversified pub groups in NSW
- Cost of living pressures and increasing interest rates are expected to dampen demand but we are yet to see this across the portfolio in any material way
- Household Spending Intentions – Entertainment index fell 4.4% Nov 22 and 2.4% for the 12 months to Nov 22

## Group exposure



## Profile



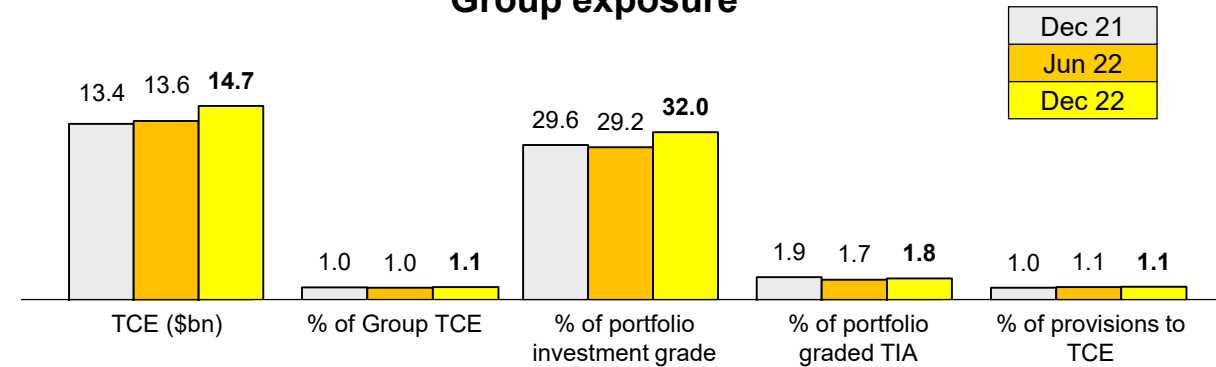
1. Fully secured: includes performing home loans and other exposures where the ratio of exposure to the estimated value of collateral (LVR) is less than or equal to 100%; partially secured: Includes defaulted home loans and other exposures where the LVR exceeds 100% but is not more than 250%; unsecured: includes personal loans, credit cards and other exposures where the LVR exceeds 250%.

# Sector focus – retail trade

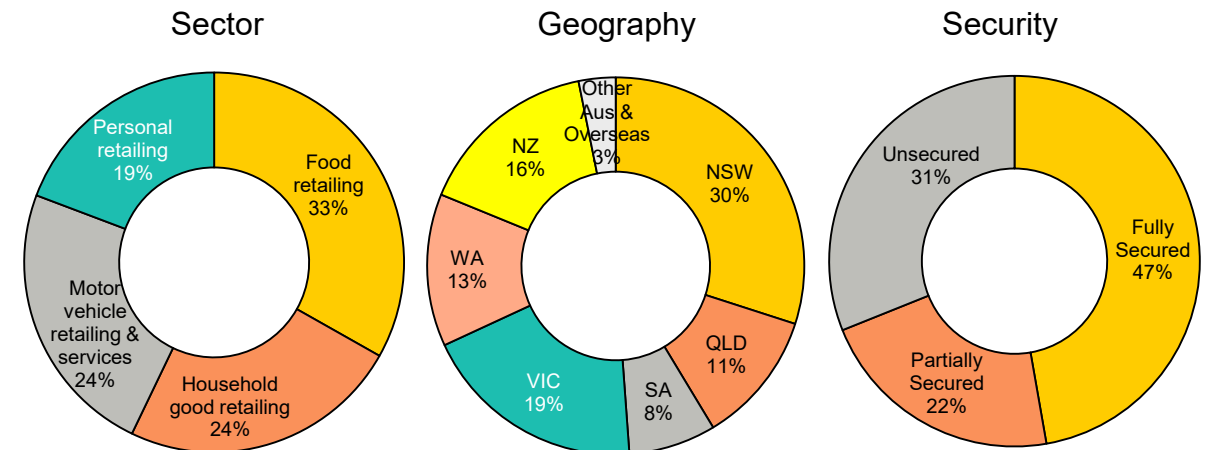
Household spending remains high despite cost of living pressures

- CBA's data shows household spending remains elevated, though trajectory is expected to ease with softening consumer sentiment as interest rates rise and inflation take effect
- Household Spending Intentions (HSI) Retail index rose by 6.4% in Nov 22 and is up 4.8% for the 12 months to Nov 22
- Higher inflation and tightening monetary policy will require many households to moderate discretionary spending
- There also continues to be the risk of overstocked inventory positions of non-perishable goods as a hangover from COVID-19 logistics disruptions which saw some retailers stockpile
- The portfolio remains weighted to non-discretionary sub-sectors

## Group exposure



## Profile



# Sector focus – construction

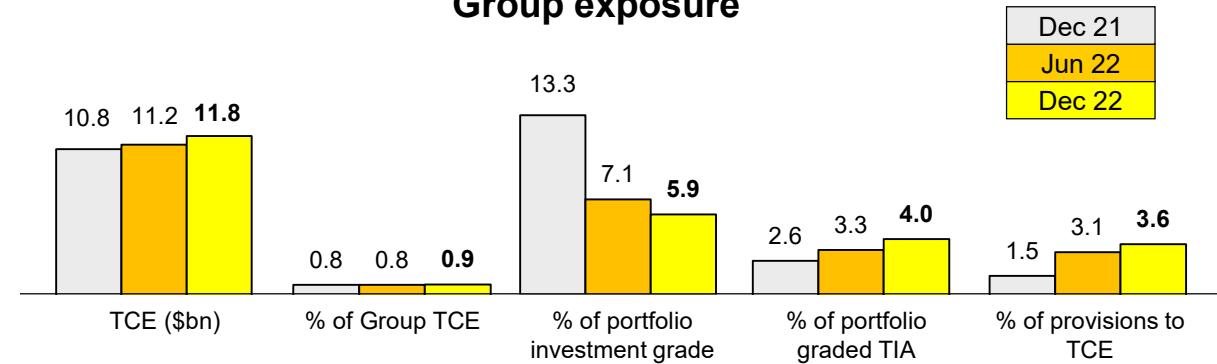
Sector remains challenged



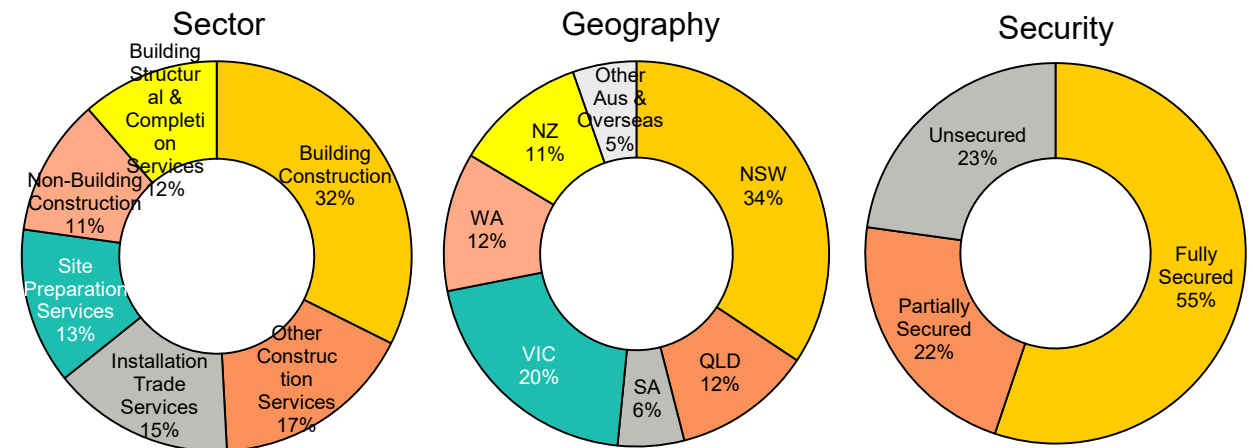
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- Pressures relating to supply chains and materials cost inflation have eased, however site productivity continues to be hindered by labour constraints and adverse weather. This has caused instances of larger than expected losses for FY22 and downward revisions to forecasts for FY23
- Given the prevalence of fixed price contracts, increased costs are not easily passed on. Contract negotiation and management is key, with some customers also diversifying supply lines to reduce single supplier and country risk
- Close management of the portfolio and appetite settings designed to moderate the origination of core debt has contributed to low migration to TIAs. However, we have seen an increase in the number of TIAs in FY23 and continue to watch the portfolio very closely

Group exposure



Profile



# Sector focus – mining, oil & gas

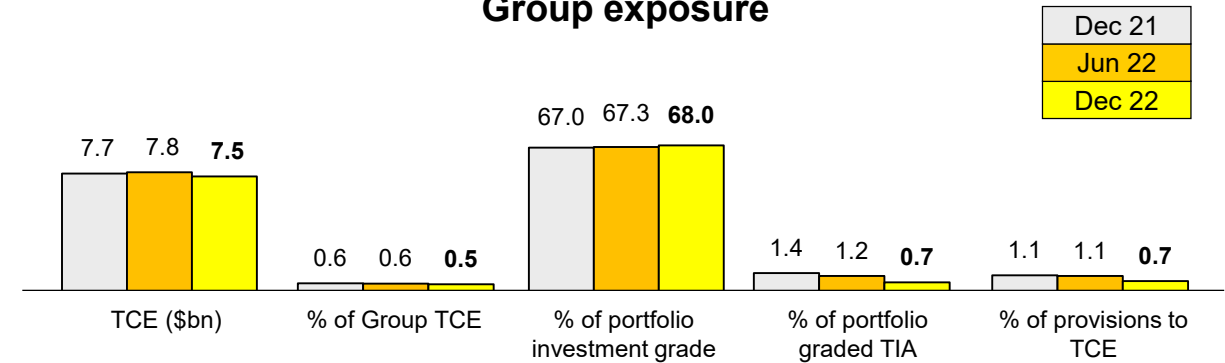
Managing sub-sector exposures in line with strategy, stable portfolio performance



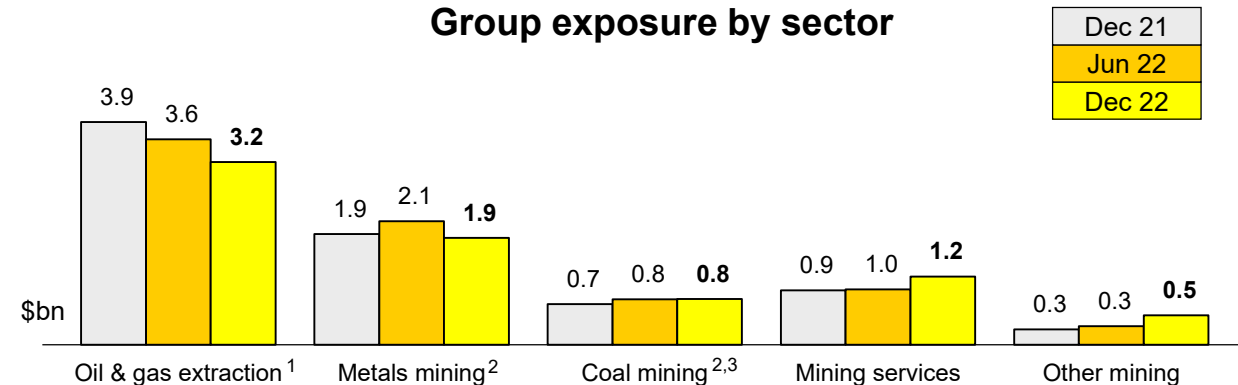
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- Exposures of \$7.5bn (0.5% of Group TCE); overall exposure remained largely unchanged with further reductions in oil & gas facilities
- Stable performance over the past 6 months:
  - Investment grade stable at 68% of portfolio
  - Diversified by commodity/customer/region
  - Focus on quality, low cost projects with strong fundamentals and sponsors
- Oil & gas extraction is the largest sub-sector (43% of total), 85% investment grade
- Impaired level down to 0.7%

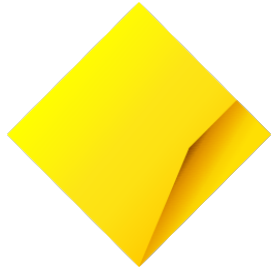
Group exposure



Group exposure by sector



1. 'Oil & gas extraction' includes businesses that are predominantly involved in oil and gas production as well as LNG terminals. Group exposure is based on the ANZSIC classification.  
 2. Comparatives have been restated to reflect the ANZSIC code reclassification (from metals mining to coal mining) of an existing client during the period. Please see our Environmental and Social Framework [www.commbank.com.au/policies](http://www.commbank.com.au/policies) and our 2022 Climate Report <https://www.commbank.com.au/ClimateReport2022> to learn more about our sector-level commitments and 2030 sector-level targets.  
 3. Includes all exposure with black coal mining as the ANZSIC classification. Includes 100% of CBA's exposure to diversified miners that derive the largest proportion of their earnings from black coal mining. Total includes non-black coal mining related exposures within these diversified miners.



# Funding, liquidity and capital

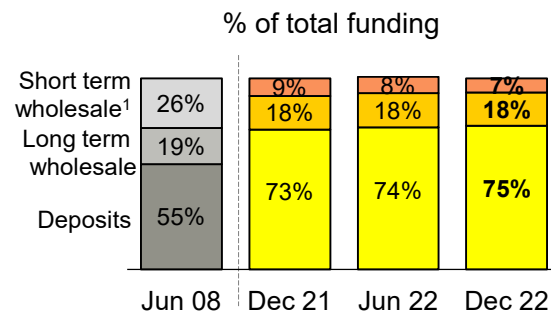


# Funding overview

Resilient balance sheet with significant excess liquidity

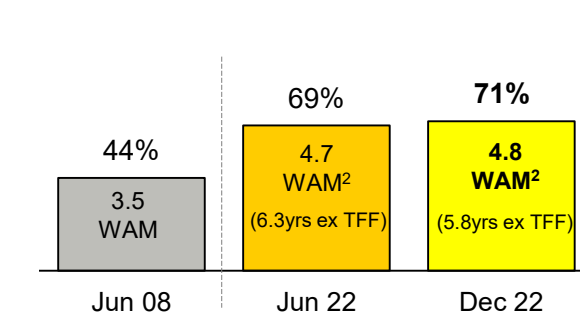
## Funding composition

Deposit growth supporting 75% of funding



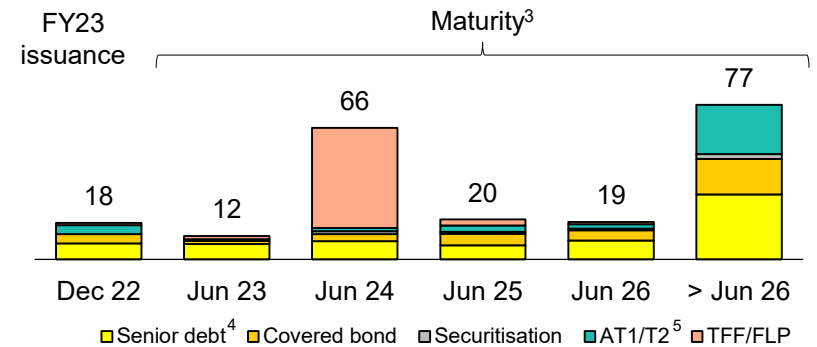
## Wholesale funding

Weighted to long term



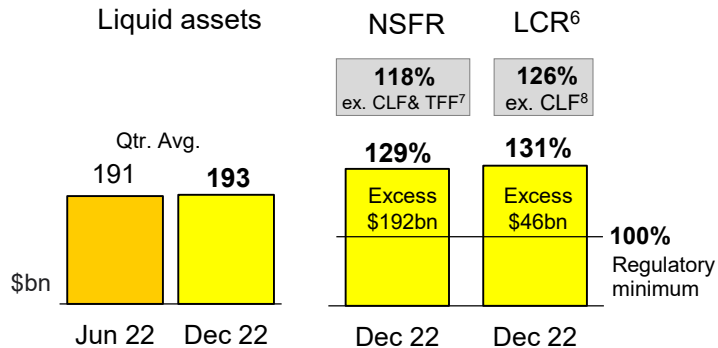
## Funding profile

TFF refinance to be managed across FY23-FY25 period

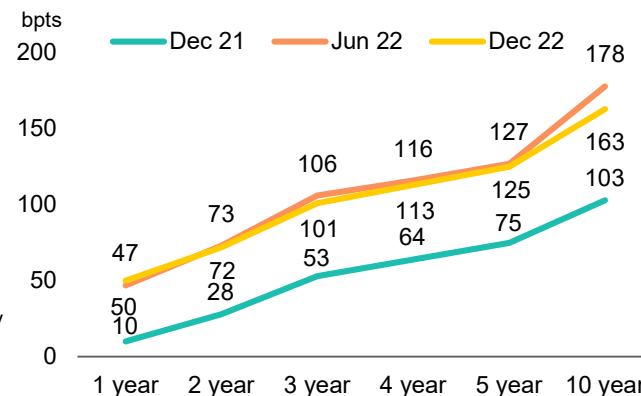


## Liquidity metrics

Compliant to APRA's LCR excl. CLF >100% requirement

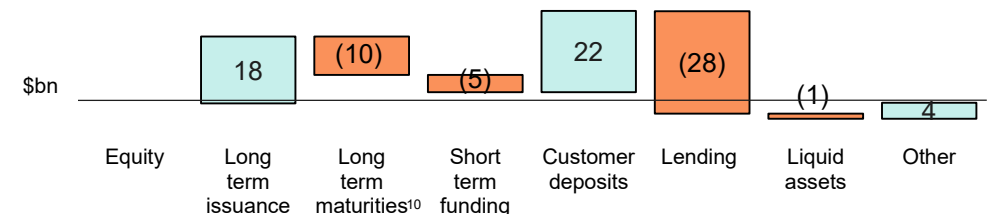


## Indicative wholesale funding costs<sup>9</sup>



## Sources and uses of funds

6 months to Dec 22



1, 2, 3, 4, 5, 6, 7, 8, 9, 10. Refer to sources, glossary and notes at the back of this presentation for further details.



# Funding

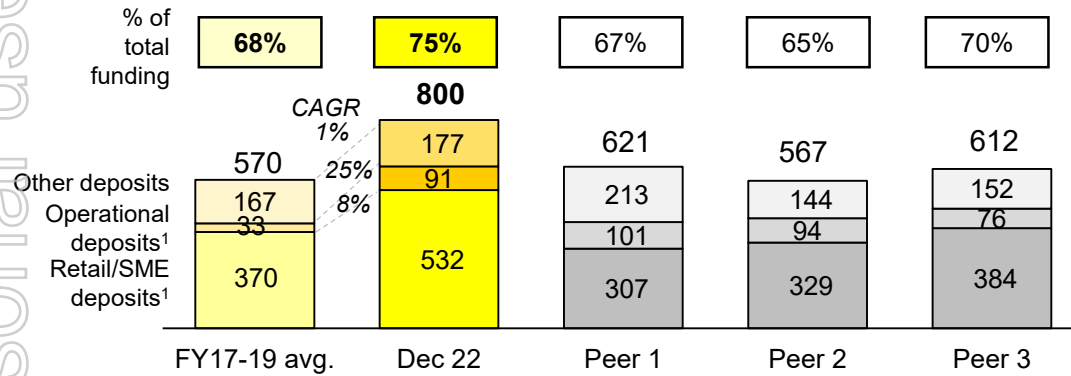
Conservative funding position maintained as financial conditions tighten



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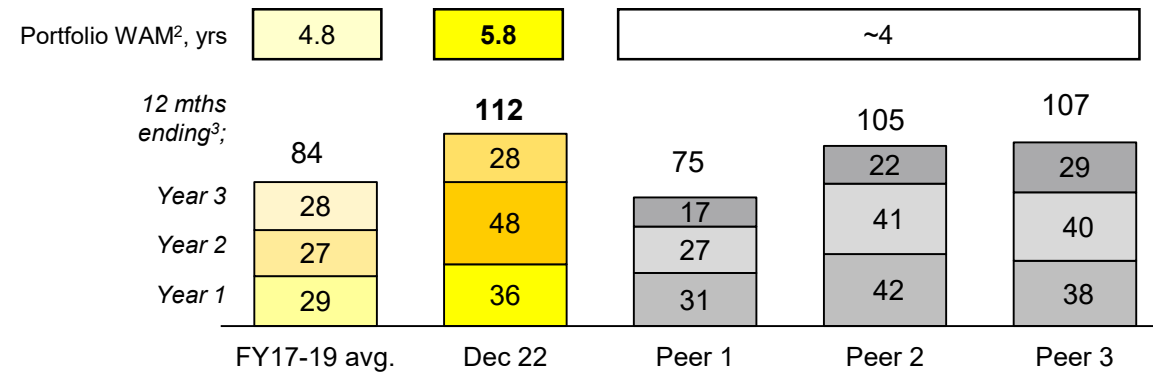
## Customer deposit balances

\$bn



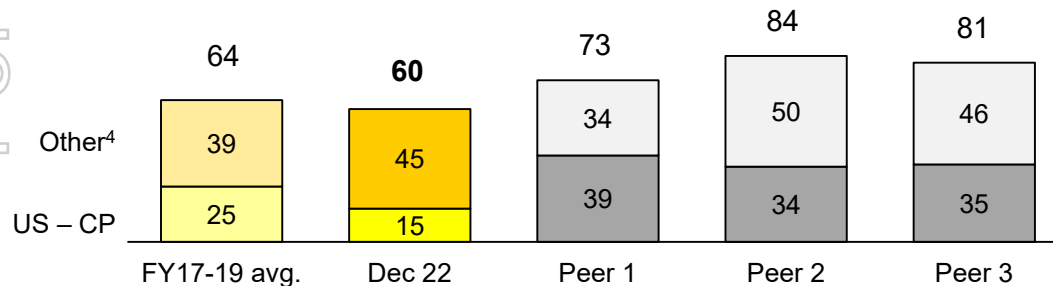
## Long-term funding maturities

FY23-25, \$bn



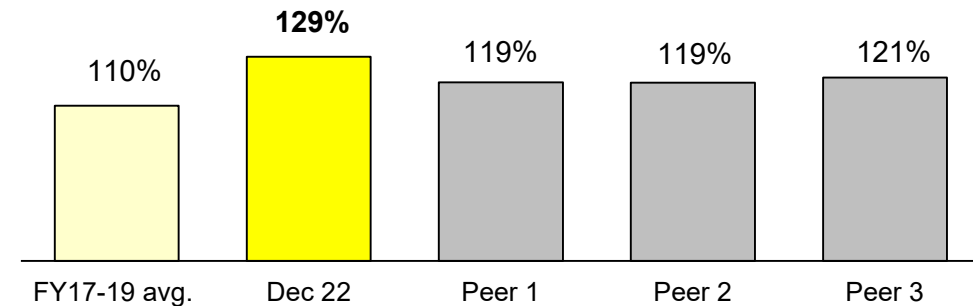
## Short-term funding securities

\$bn, CBA Dec 22, Peers Sep 22



## NSFR

CBA Dec 22, Peers Sep 22



1. Defined per NSFR calculations. 2. Represents the Weighted Average Maturity of outstanding long-term wholesale debt with a residual maturity greater than 12 months as at reporting date (excl. TFF). 3. For the current period, Year 1 = Sep 23, Year 2 = Sep 24, Year 3 = Sep 25. Includes TFF maturities. 4. Includes domestic and offshore certificates of deposit.

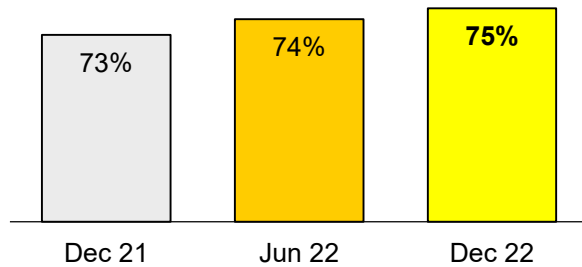
# Deposit funding

Highest share of stable household deposits in Australia

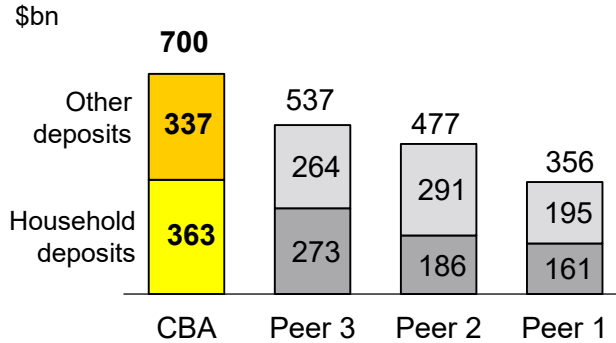


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Deposit funding

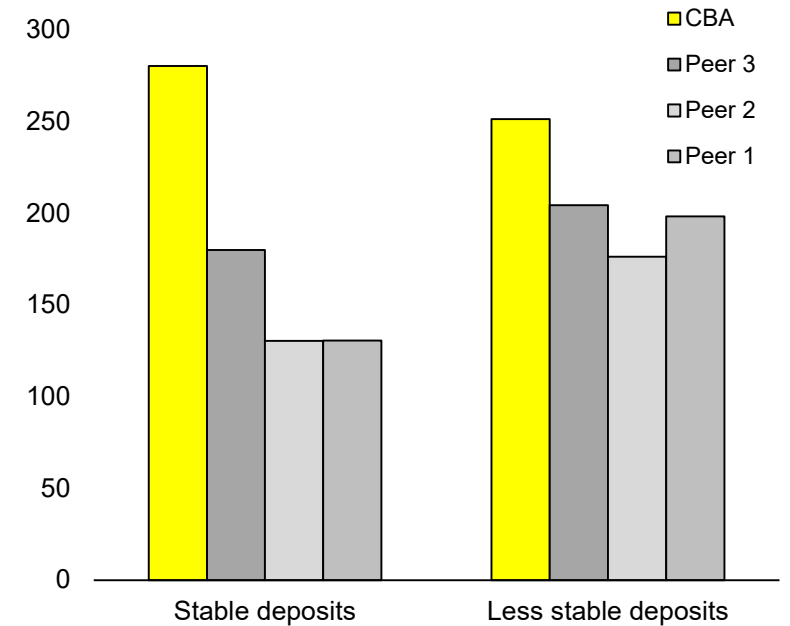


Deposits vs peers<sup>1</sup>

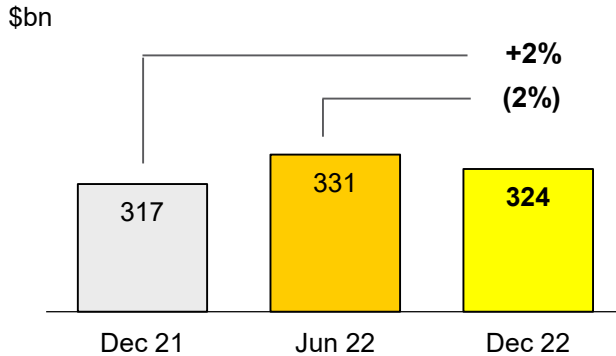


Deposits in NSFR<sup>2</sup>

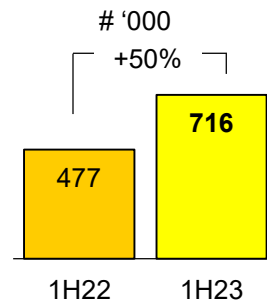
As at December 2022 (\$bn)  
Peers as at September 2022<sup>3</sup>



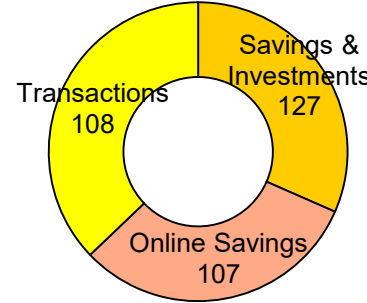
Group transaction balances<sup>4</sup>



New transaction accounts<sup>5</sup>



Retail deposit mix<sup>6</sup>



1. Source: APRA Monthly Authorised Deposit Taking Institution Statistics (MADIS). Total deposits (excluding CDs). 2. Stable and less stable deposits in NSFR calculation. Excludes operational deposits, other deposits and wholesale funding. 3. Source: 30 September 2022 Pillar 3 Regulatory Disclosures; CBA reported as at 31 Dec 2022. 4. Includes non-interest bearing deposits. 5. Number of new personal transaction accounts, excluding offset accounts, includes CBA and Bankwest. 6. Transactions include non-interest bearing deposits and transaction offsets. Online includes NetBank Saver, Goal Saver, Business Online Saver, Bankwest Hero Saver, Smart eSaver and Telenet Saver. Savings and Investments includes savings offset accounts. Presented on a net basis after value attribution to other business units.

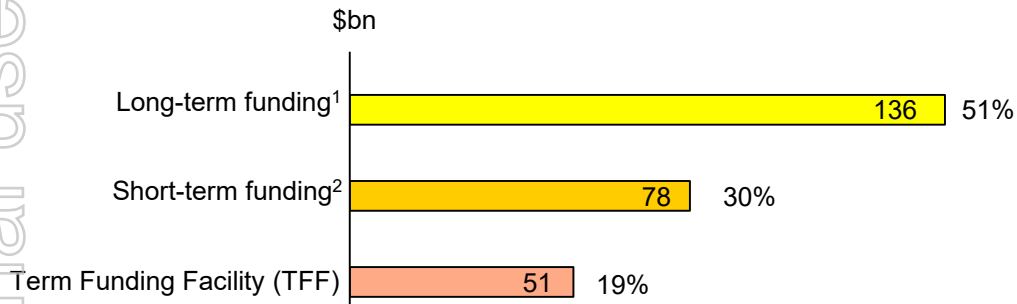
# Wholesale funding

Diversified wholesale funding across product, currency and tenor

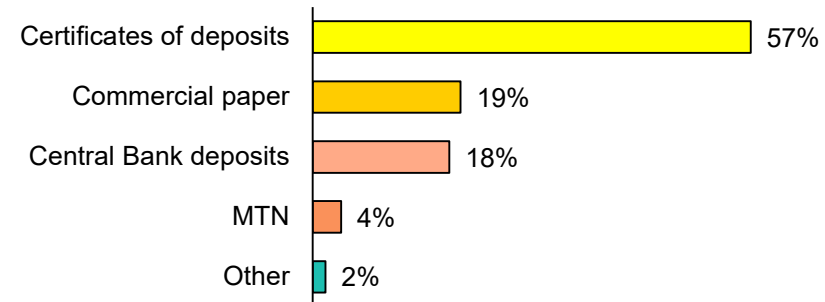


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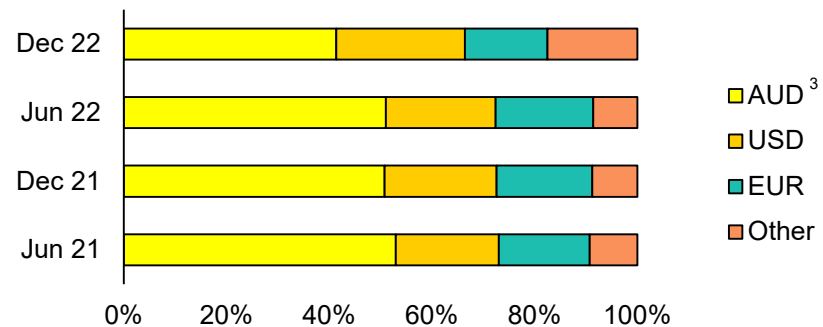
## Portfolio mix



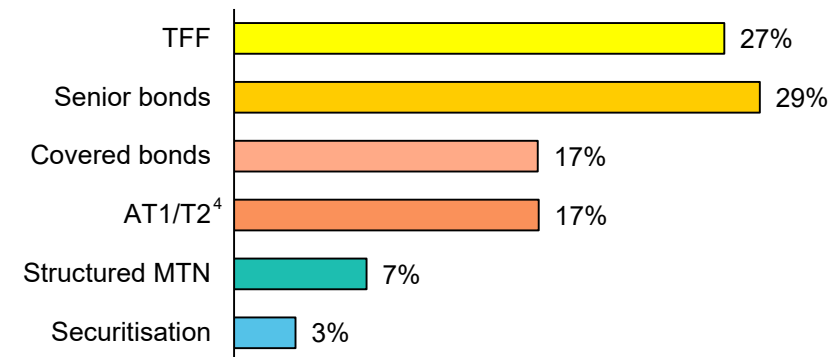
## Short term funding by product



## Long-term funding by currency



## Long term funding by product



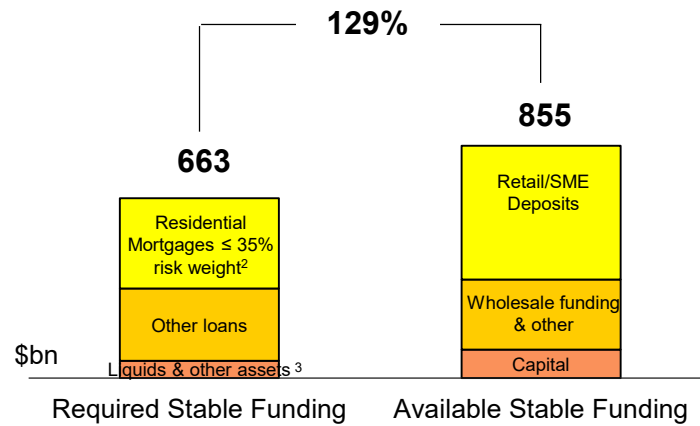
1. Represents the carrying value of long-term funding inclusive of hedges. 2. Includes Central Bank deposits. 3. Includes TFF drawdowns. 4. Additional Tier 1 and Tier 2 Capital.

# Funding and liquidity metrics<sup>1</sup>

Strong funding and liquidity positions maintained

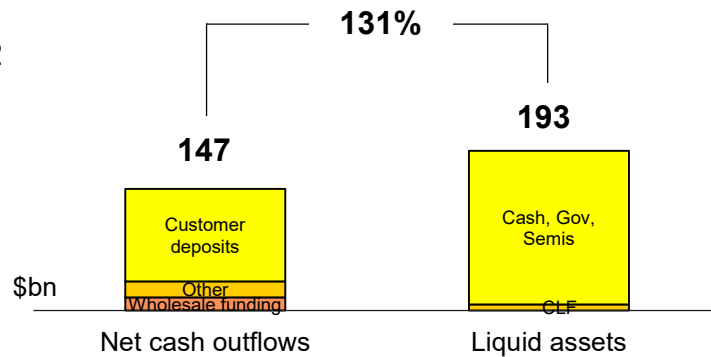
## NSFR

December 2022

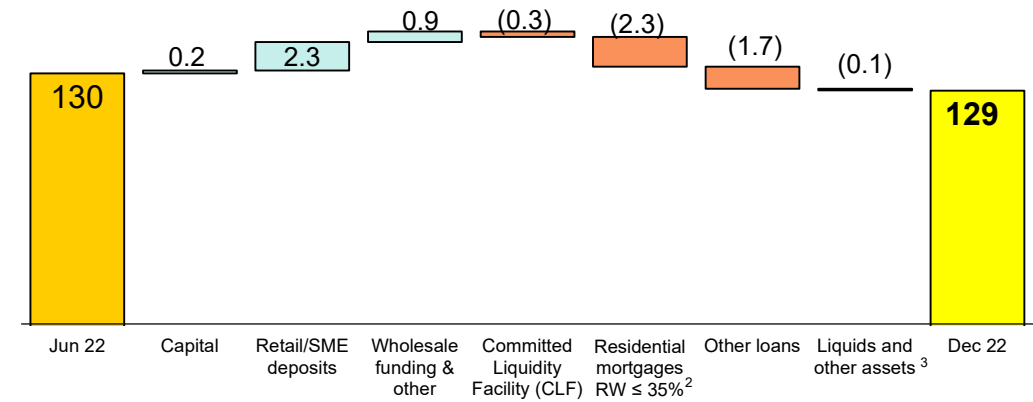


## LCR<sup>5</sup>

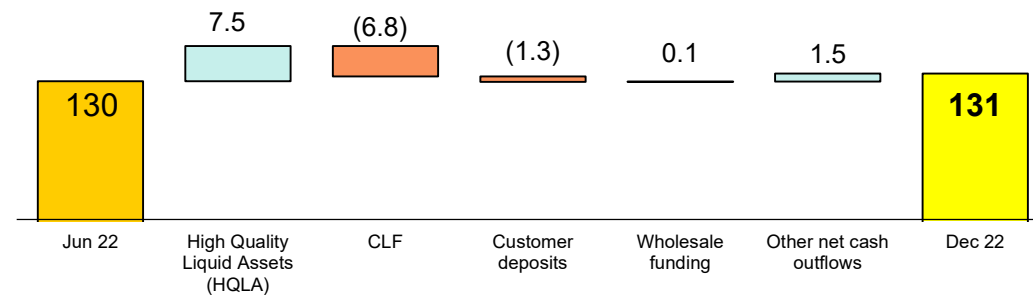
December 2022



## NSFR (%)<sup>4</sup>



## LCR (%)<sup>4,5</sup>



1. All figures shown on a Level 2 basis. 2. This represents residential mortgages with risk weighting ≤35% under APRA standard APS112 Capital Adequacy: Standardised Approach to Credit Risk.

3. 'Other assets' includes non-performing loans, off-balance sheet items, net derivatives and other assets. 4. Calculation reflects movements in both the numerator and denominator. 5. Quarter average.

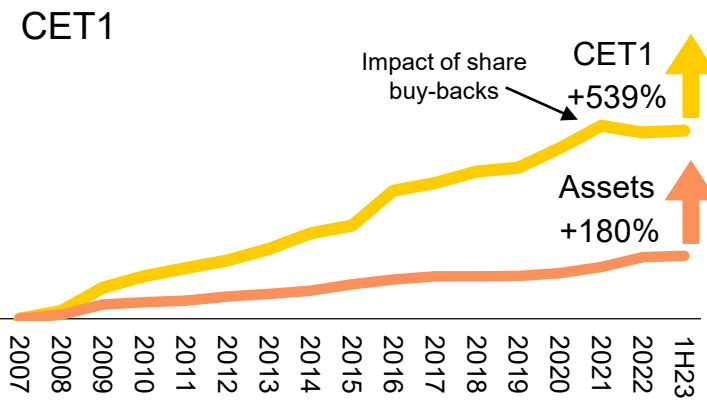
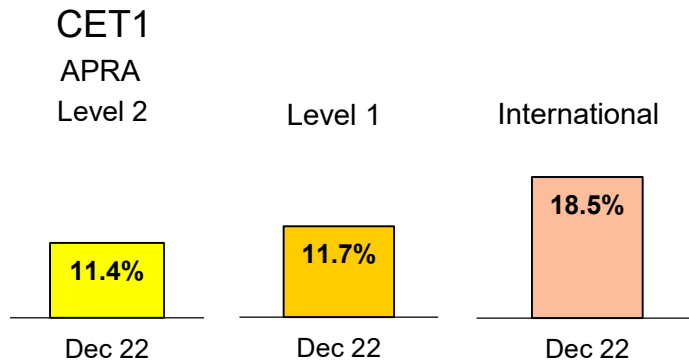
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# Capital overview

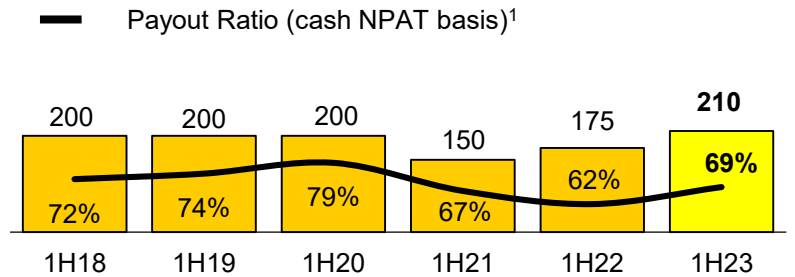
Strong capital position maintained



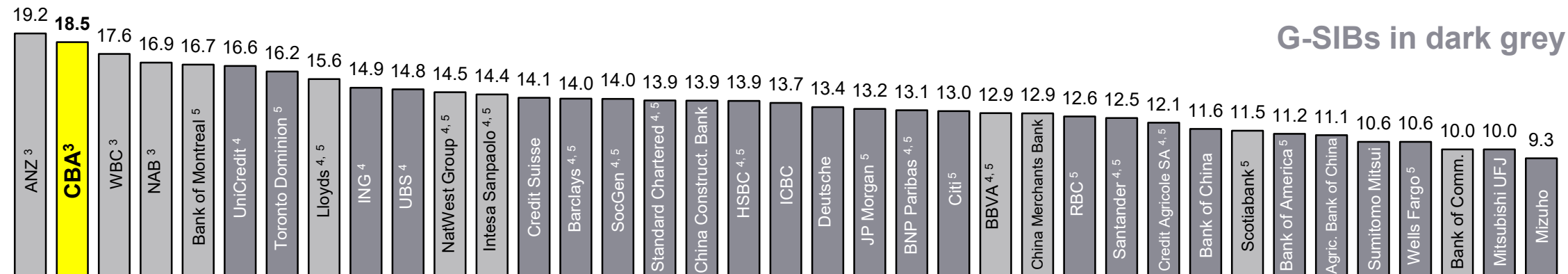
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## Dividend per share (cents)



## International CET1 ratios<sup>2</sup>



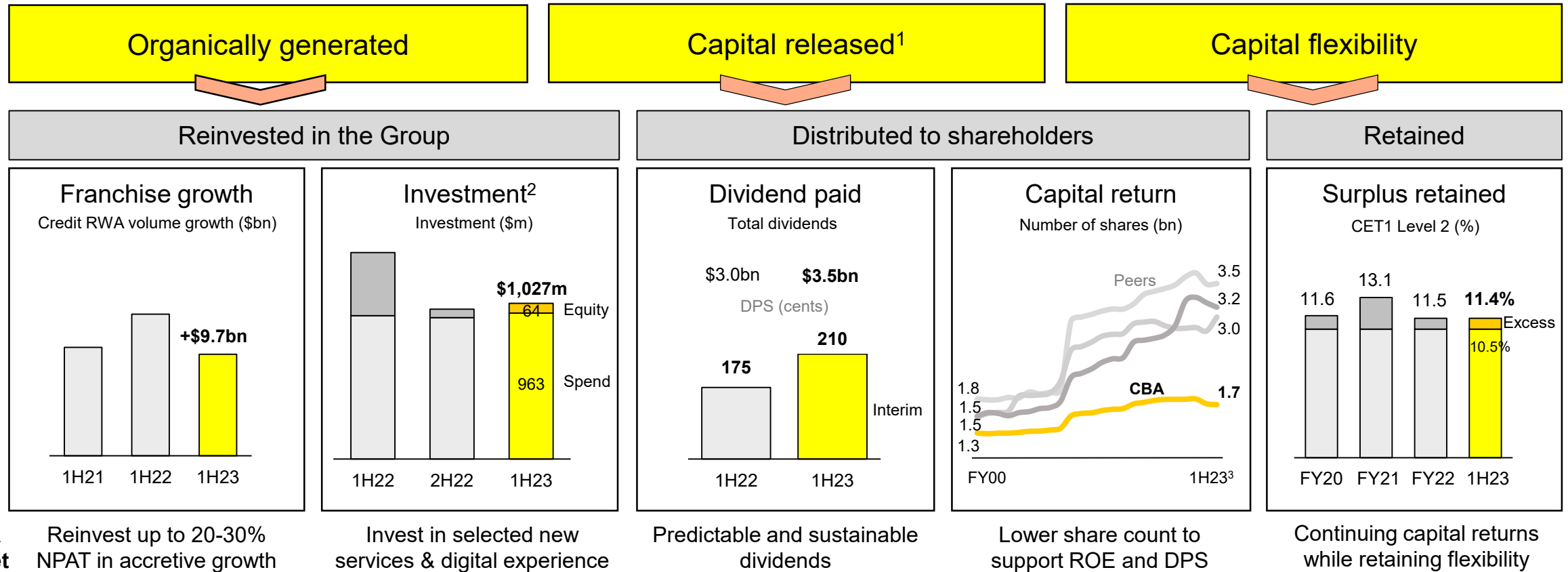
1. Cash NPAT inclusive of discontinued operations. 2. Source: Morgan Stanley and CBA. Based on last reported CET1 ratios up to 9 February 2023 assuming Basel III capital reforms fully implemented. Peer group comprises domestic peers and listed commercial banks with total assets in excess of A\$1,100 billion which have disclosed fully implemented Basel III ratios or provided sufficient disclosure for a Morgan Stanley estimate. 3. CBA as at 31 December 2022. Domestic peer figures as at 30 September 2022. 4. Deduction for accrued expected future dividends added back for comparability. 5. CET1 includes benefit of COVID-19 transitional arrangements for expected credit loss provisioning to be phased-out over 3 years to 2024.

# Capital management

A disciplined and balanced approach that optimises growth, reinvestment, shareholder returns and flexibility



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1. Capital released from divestments and changes in financial and non-financial risk exposures. 2. Investment spend in the franchise and capital injected in equity investments. FY22 equity includes ~\$200m PEXA investment. 3. CBA and Peers shares on issue as at 31 December 2022.

# Simpler, better foundations

Announced divestment program - ~\$7.8bn returned to shareholders to date, on-market share buy-back to increase by a further \$1bn

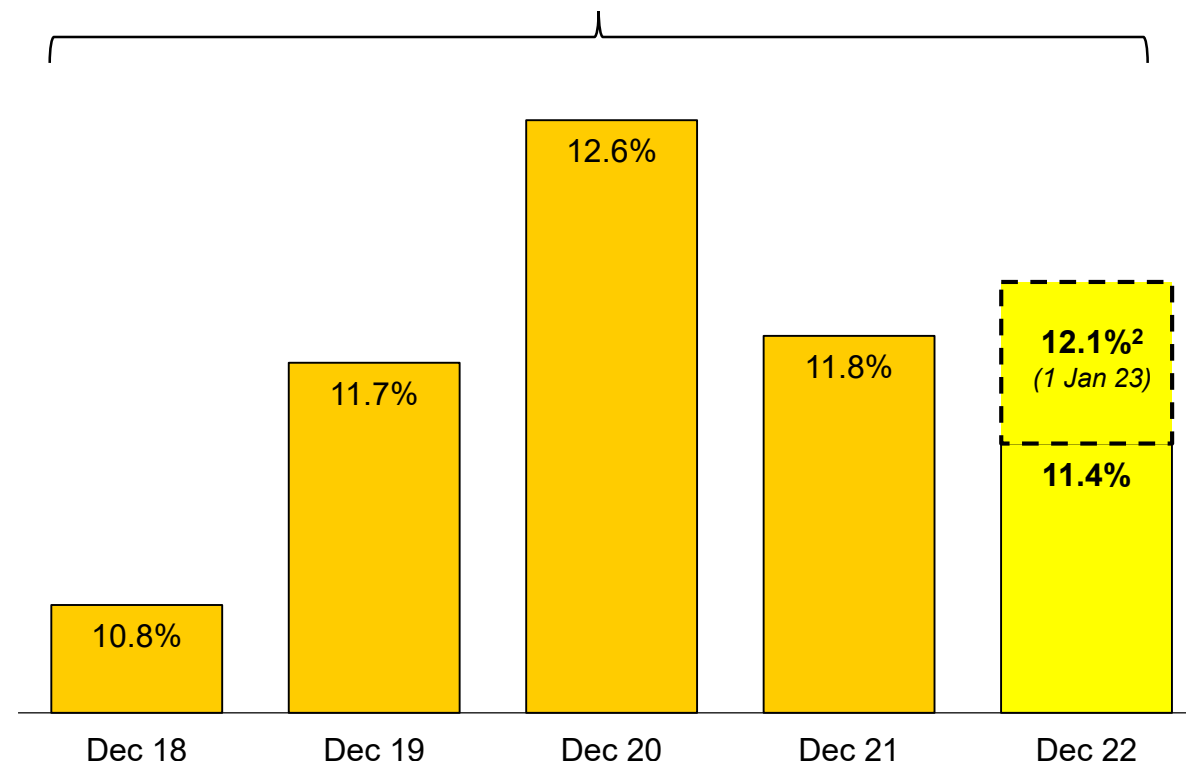


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## Divestments

	Completed	Associated Buy-back
<b>General Insurance</b>	<b>Sep 22</b>	<ul style="list-style-type: none"> <li><b>New:</b> \$1bn increase to on-market share buy-back</li> <li><b>In-progress:</b> \$1.8bn of \$2bn on-market share buy-back completed at Dec 22</li> <li><b>Completed:</b> \$6bn off-market share buy-back</li> </ul>
Bank of Hangzhou (HZB) <sup>1</sup>	Jun 22	
Colonial First State (CFS) <sup>1</sup>	Dec 21	
Aussie Home Loans (AHL) <sup>1</sup>	May 21	
AUSIEX	May 21	
CommInsure Life	Apr 21	
BoCommLife	Dec 20	
PT Commonwealth Life	Jun 20	
Financial Wisdom	Jun 20	
CFP Pathways	Mar 20	
Count Financial	Oct 19	
CFSGAM	Aug 19	
TymeDigital	Nov 18	
Sovereign	Jul 18	

## CET1 Divestments +248bpts



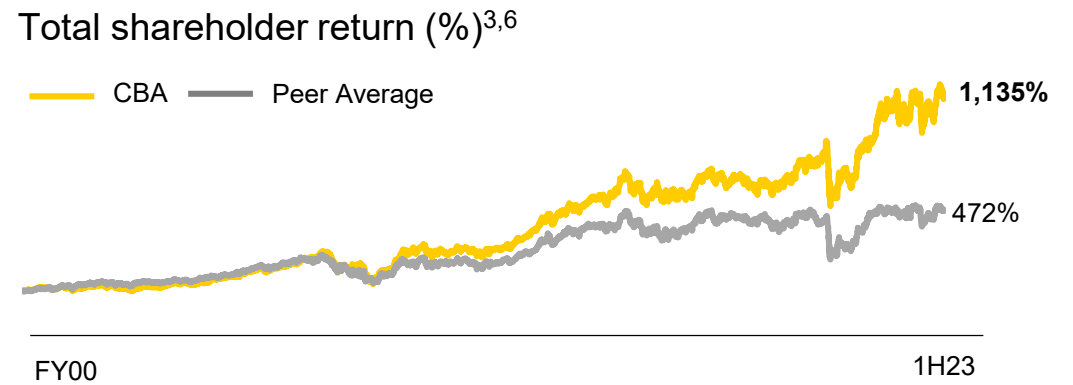
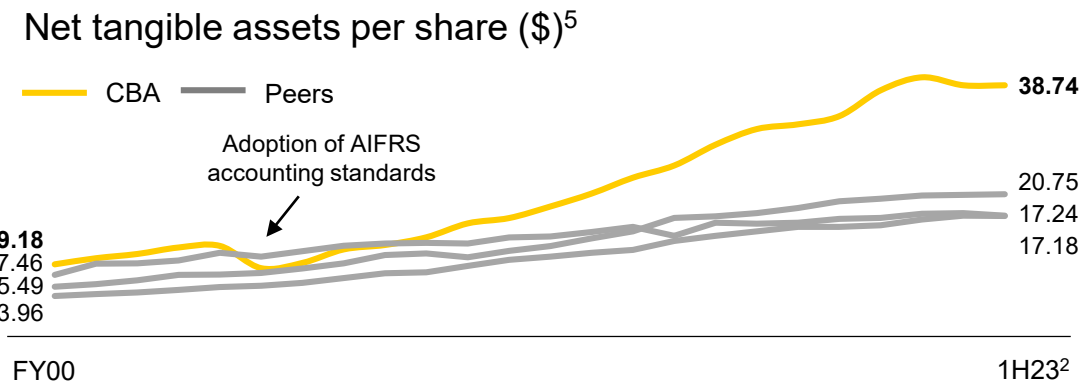
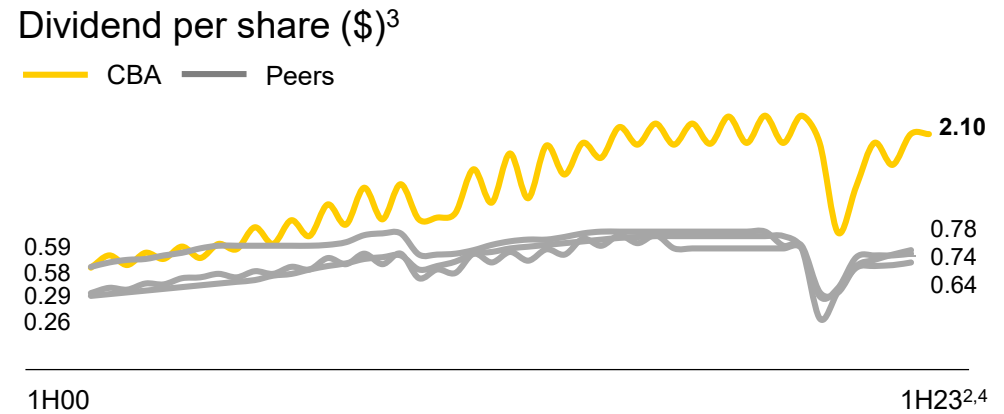
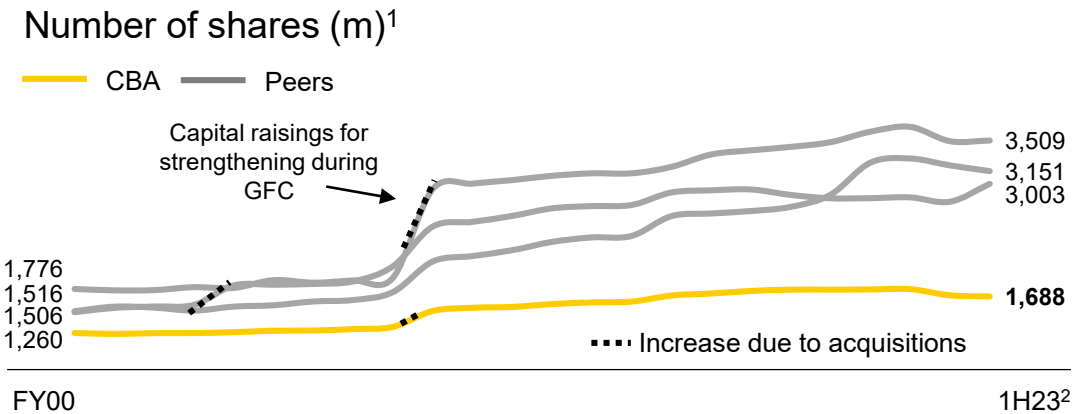
1. Represents partial divestments. CBA's retained shareholdings are ~5.6% of HZB, 45% of CFS and ~42% of Lendi (merged with AHL). 2. Represents 1 Jan 23 pro-forma CET1 ratio under the revised framework, excluding the expected impact of the completion of announced buy-back.

# Capital

Lower share count supports higher shareholder returns and dividends compared to peers



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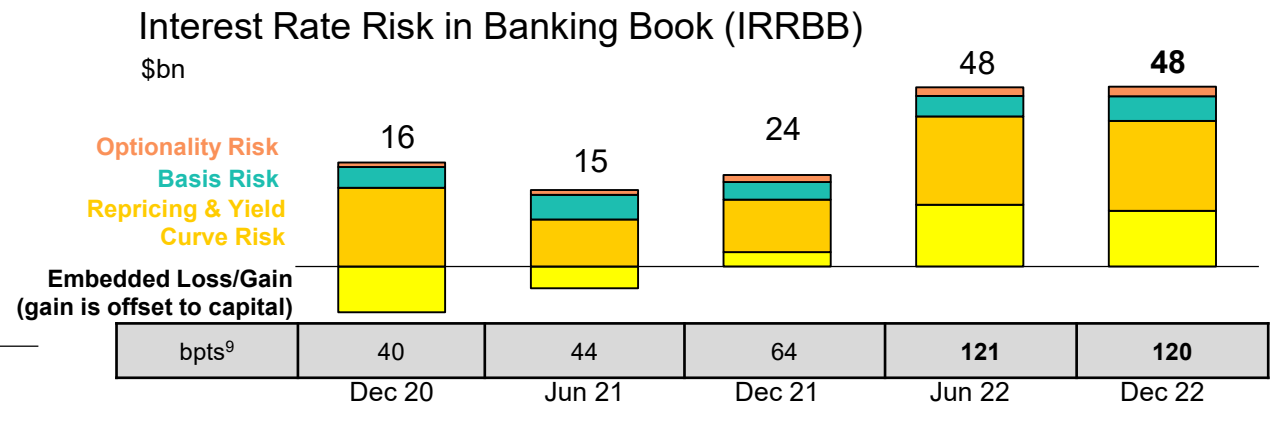
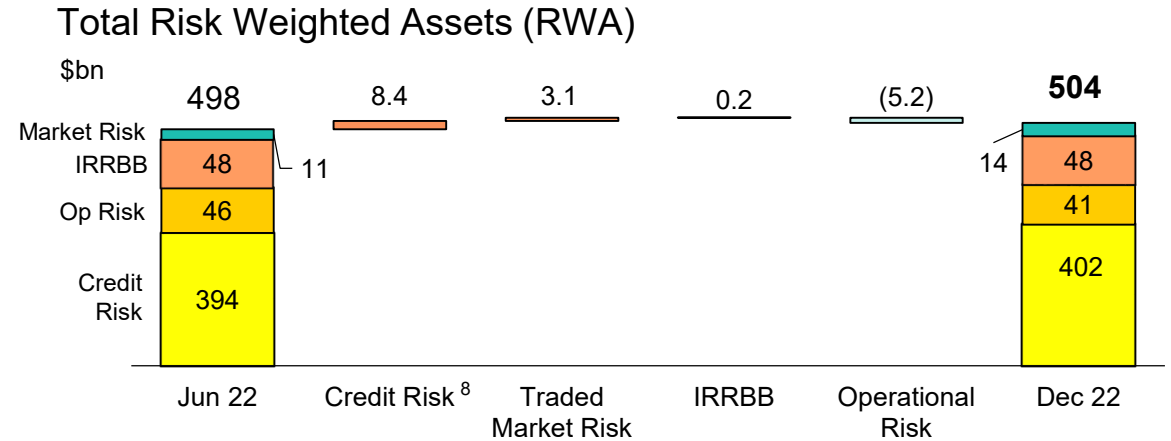
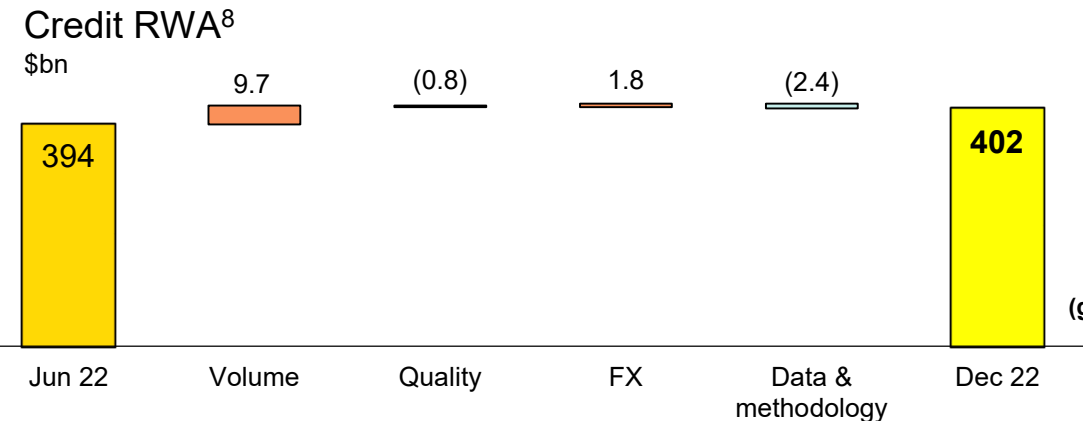
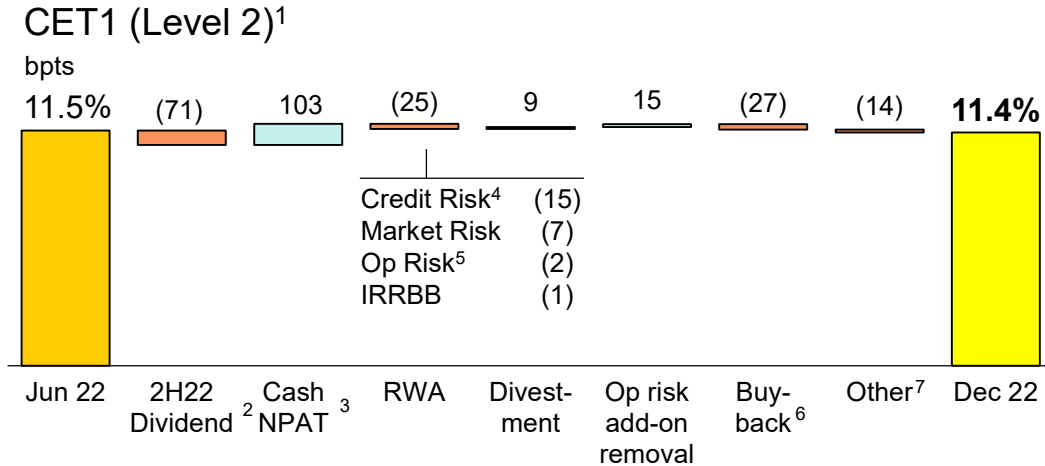


1. Historical share count data sourced from Bloomberg, using the last trading day in September of each year. 2. CBA and Peers shares on issue as at 31 December 2022. 3. Source: Bloomberg. 4. Reflects final dividend for peers and interim for CBA. 5. Net tangible assets per share as reported. FY00 – FY04 net tangible assets have not been normalised for the impact of the transition to AIFRS in 2005. 6. Peer average is the average of our major bank peers.



# Capital drivers

Risk weighted assets (RWA) higher this half – driven by higher Credit & Market RWA growth



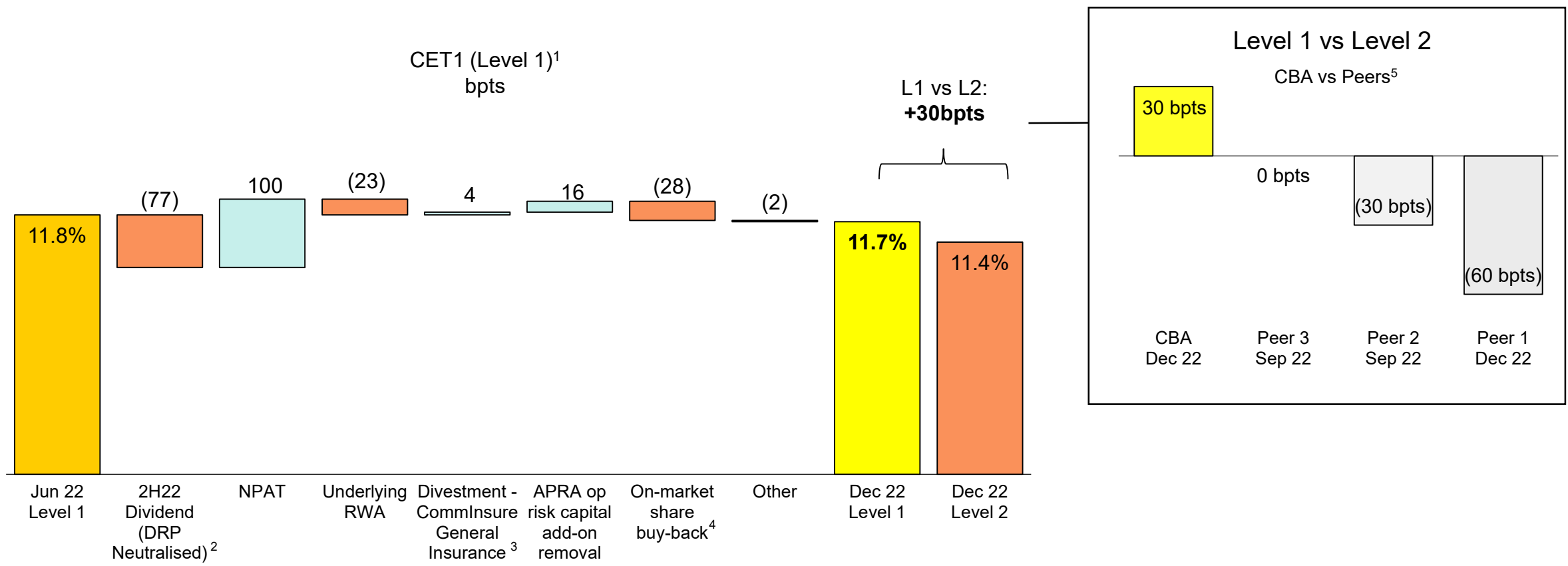
1. Level 2 is the consolidated banking group including banking subsidiaries such as ASB Bank, PT Bank Commonwealth (Indonesia) and CBA Europe N.V. 2. 2022 final dividend included the on-market purchase of shares in respect of the DRP. 3. Excludes net equity accounted profits/losses from associates as they are capital neutral with offsetting changes in regulatory capital deductions. 4. Excludes FX movements on Credit RWA - which is included in 'Other'. 5. Excludes the impacts of the APRA Op risk capital add-on removal. 6. \$1.8 billion of the previously announced \$2 billion on-market share buy-back program has been completed as at 31 Dec 2022 (17,977,434 shares acquired at an average price of \$100.01). 7. Includes the impact of intangibles, FX impact on credit RWA, equity accounted profit/losses from associates, movements in reserves and other regulatory adjustments. 8. Total RWA: credit risk includes FX. Due to rounding, numbers presented in this section may not sum precisely to the totals provided. 9. Basis points contribution to APRA CET1 ratio.

# CET1 (Level 1)

CET1 Level 1 of 11.7%, 30bpts above Level 2



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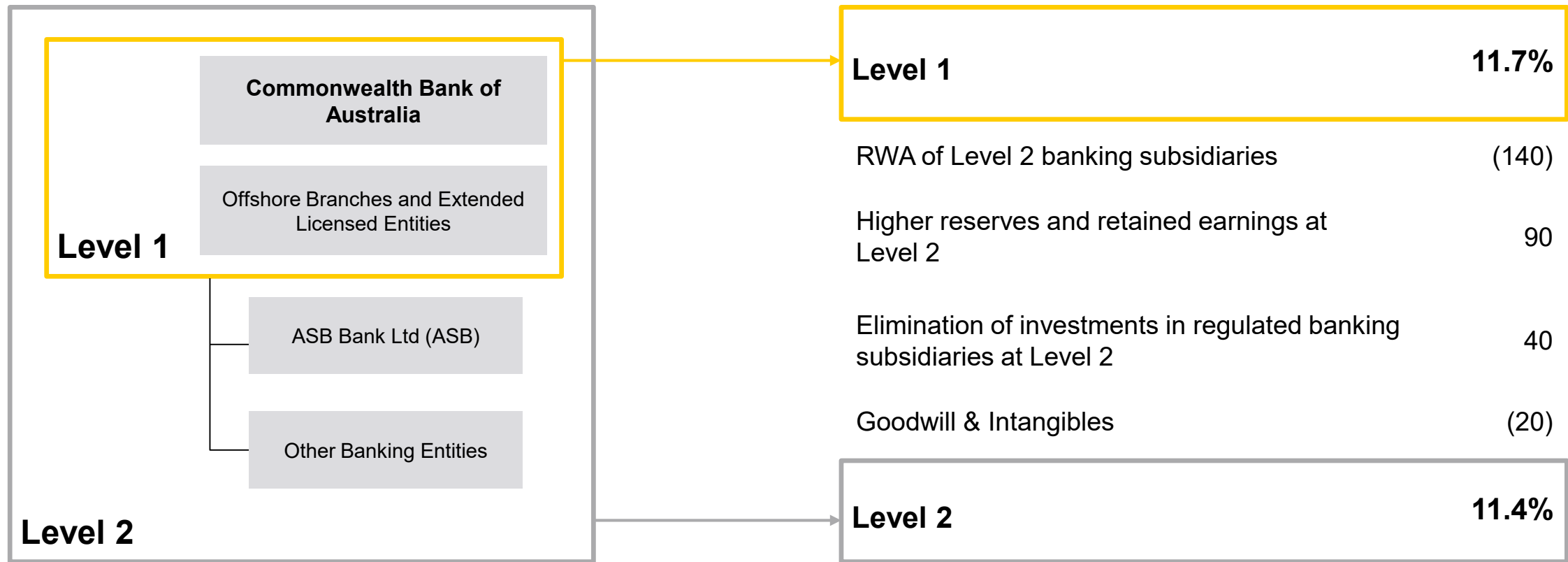
1. Level 1 is the CBA parent bank, offshore branches, and extended license entities approved by APRA. 2. Included the on-market purchase of shares in respect of the DRP. 3. Divestment of CommInsure General Insurance (4bpts), completed on 30 September 2022. 4. \$1.8 billion of the previously announced \$2 billion on-market share buy-back program has been completed as at 31 December 2022 (17,977,434 shares acquired at an average price of \$100.01). 5. CBA & Peer 1 CET1 ratio as at Dec 22, Peers 2 & 3 CET1 ratio as at September 22.

# CET1 Level 1 vs Level 2

CET1 Level 1 of 11.7%, 30bpts above Level 2



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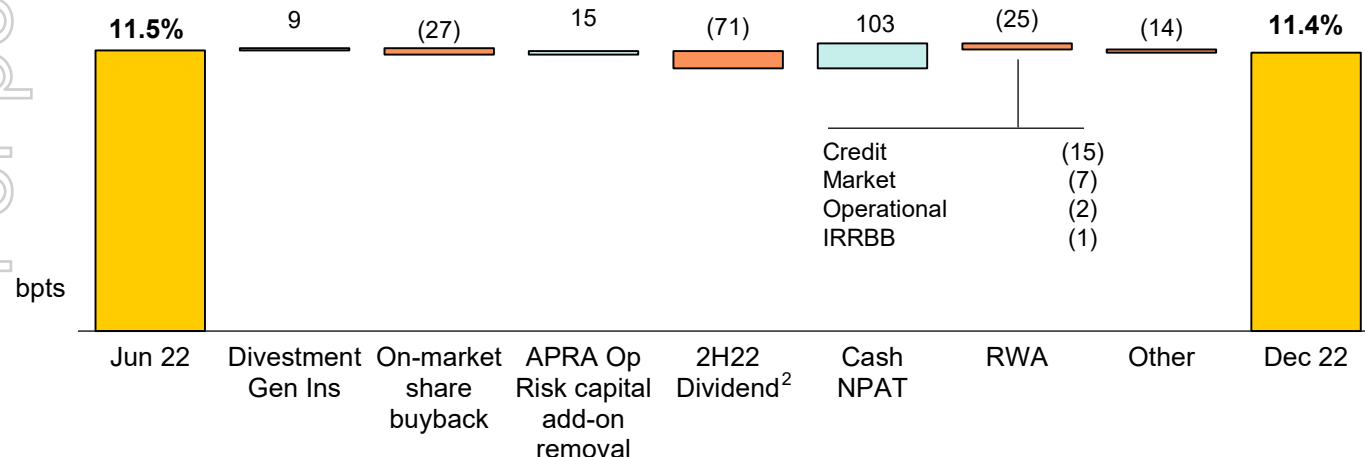


# Capital

Strong capital position maintained in 1H23

- CET1 ratio of 11.4%
- 2022 interim and final dividends – DRP neutralised
- \$6bn off-market share buy-back completed in 1H22
- \$1.8bn of previously announced \$2bn on-market share buy-back completed at Dec 2022, with the remainder expected to be completed after the execution of the on-market share purchase associated with neutralising the impact of 1H23 DRP
- In light of CBA's strong capital position, on-market share buy-back increased by an additional \$1bn<sup>1</sup>

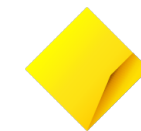
## CET1 capital ratio movements



1. CBA reserves the right to vary, suspend or terminate the buy-back at any time. 2. 2022 final dividend included the on-market purchase of shares in respect of the DRP.

Key Capital ratios (%)	Dec 21	Jun 22	Dec 22
CET1 capital ratio	11.8	11.5	<b>11.4</b>
Additional Tier 1 capital	2.2	2.1	<b>1.9</b>
Tier 1 capital ratio	14.0	13.6	<b>13.3</b>
Tier 2 capital	4.0	4.0	<b>4.5</b>
Total capital ratio	18.0	17.6	<b>17.8</b>
Risk Weighted Assets (RWA) (\$bn)	472	498	<b>504</b>
Leverage Ratio	5.3	5.2	<b>5.1</b>
Level 1 CET1 ratio	12.0	11.8	<b>11.7</b>
<b>Internationally comparable ratios</b>			
Leverage Ratio (internationally comparable)	6.2	5.9	<b>5.7</b>
CET1 capital ratio (internationally comparable)	18.4	18.6	<b>18.5</b>

# Regulatory capital changes



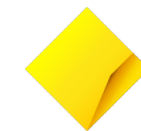
Basel III reforms in Australia finalised and a number of regulatory changes in progress

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Change	Implementation	Details
<b>Revision to Capital Framework</b>	1 Jan 2023 APS 110, 112, 113 (APS 111 – 1 Jan 2022)	<ul style="list-style-type: none"> <li>Higher regulatory capital buffers, with the CCyB default level set at 100 basis points for all ADIs and the CCB increasing by an additional 125 basis points for IRB ADIs such as CBA</li> <li>Implementing more risk sensitive risk weights, particularly for residential mortgage lending</li> <li>Closer alignment of non-retail RWAs relative to overseas peers</li> <li>RWA for New Zealand subsidiaries to be determined under RBNZ rules at the consolidated group level</li> <li>Implementing a 72.5% output floor to limit the capital benefit for IRB ADIs relative to standardised ADIs</li> <li>Individual equity exposures to other ADI's and insurance subsidiaries will be risk weighted at 250% up to 10% of an ADI's Level 1 CET1, with any excess above the threshold deducted from Level 1 CET1 capital</li> </ul>
<b>Operational Risk</b>	APS 115 – 1 Jan 2023	<ul style="list-style-type: none"> <li>Advanced Measurement Approach replaced by Standardised approach across the industry</li> <li>Utilises a 3 year average of key financial data to determine capital</li> </ul>
<b>Market Risk</b>	APS 117 – 1 Jan 2025 APS 116 – 1 Jan 2026	<ul style="list-style-type: none"> <li>Non traded: standardising aspects of the calculation of IRRBB capital to reduce volatility over time and variation between ADIs</li> <li>Traded: APRA is yet to commence consultation on Fundamental Review of the Trading Book</li> </ul>
<b>Loss Absorbing Capacity (LAC)</b>	1 Jan 2024 and 1 Jan 2026	<ul style="list-style-type: none"> <li>3% Total Capital by Jan 2024. Increasing to 4.5% by Jan 2026</li> <li>Can be met via any form of capital (CET1, T1, Tier 2)</li> <li>Holdings of other bank TLAC instruments to be deducted from Tier 2</li> </ul>
<b>RBNZ Capital Review</b>	1 Jul 2028 (Output floor 1 Jan 2022, IRB Scalar 1 Oct 2022)	<ul style="list-style-type: none"> <li>Capital review finalised, with requirements coming into effect through banks' conditions of registration</li> <li>RWA of internal ratings based banks will effectively increase to 90% of that required under a standardised approach through the introduction of an 85% output floor and increasing the IRB scalar from 1.06 to 1.2</li> <li>D-SIB Tier 1 capital requirement of 16% with at least 13.5% in the form of CET1</li> <li>Phased implementation from 1 Jan 2022 with full implementation on 1 Jul 2028</li> </ul>
<b>RBNZ dividend restrictions</b>	Immediately (RBNZ announced 31 March 2021)	<ul style="list-style-type: none"> <li>From March 2021, banks were allowed to pay up to a maximum 50% of their earnings as dividends to shareholders. The 50% dividend restriction was removed from 1 July 2022 onwards</li> </ul>
<b>Leverage ratio</b>	1 Jan 2023	<ul style="list-style-type: none"> <li>Minimum 3.5%</li> </ul>
<b>APS 220 Credit Risk Management</b>	1 Jan 2022	<ul style="list-style-type: none"> <li>Enhancements covering a broad range of issues including credit standards, ongoing monitoring and management of credit portfolios and Board oversight</li> </ul>

# Regulatory expected loss<sup>1</sup>

Higher Tier 2 Capital add-back in 1H23



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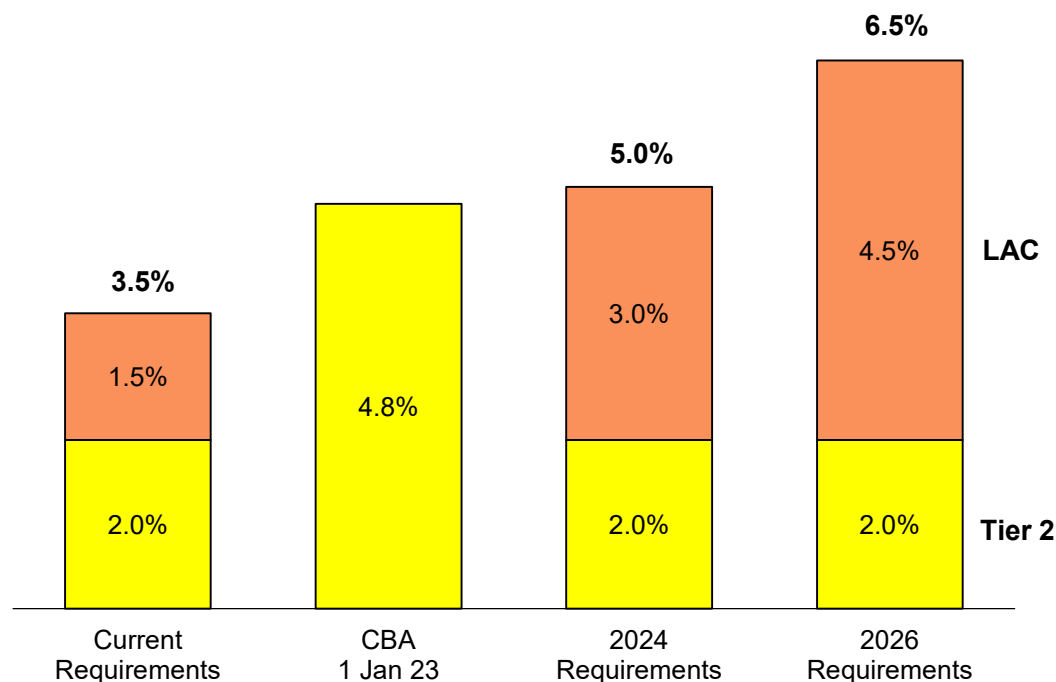
\$m	Dec 21		Jun 22		Dec 22	
	Defaulted	Non-Defaulted	Defaulted	Non-Defaulted	Defaulted	Non-Defaulted
<b>Regulatory Expected Loss (EL)</b>	<b>1,676</b>	<b>2,888</b>	<b>1,560</b>	<b>2,886</b>	<b>1,361</b>	<b>3,122</b>
Eligible Provisions (EP)						
Collective Provisions <sup>2</sup>	105	4,462	127	3,907	<b>107</b>	<b>4,249</b>
Specific Provisions <sup>2,3</sup>	1,643	-	<b>1,525</b>	-	<b>1,374</b>	-
Less: ineligible provisions (standardised portfolio)	(86)	(185)	(110)	(186)	<b>(126)</b>	<b>(159)</b>
<b>Total Eligible Provisions</b>	<b>1,662</b>	<b>4,277</b>	<b>1,542</b>	<b>3,720</b>	<b>1,355</b>	<b>4,090</b>
Shortfall / (Excess) of Regulatory EL to EP	14	(1,389)	18	(834)	<b>6</b>	<b>(968)</b>
<b>Common Equity Tier 1 deduction<sup>4</sup></b>	<b>14</b>	-	<b>18</b>	-	<b>6</b>	-
<b>Tier 2 Capital Add-back<sup>5</sup></b>	<b>N/A</b>	<b>1,389</b>	<b>N/A</b>	<b>834</b>	<b>N/A</b>	<b>968</b>

1. CET1 expected loss (EL) adjustment that represents the shortfall between the calculated EL and Eligible Provisions (EP) with respect to credit portfolios which are subject to the Basel advanced capital IRB approach. The adjustment is assessed separately for both defaulted and non-defaulted exposures. Where there is an excess of EL over EP in either assessments, the difference must be deducted from CET1. For non-defaulted exposures where the EL is lower than the EP, this may be included in Tier 2 capital up to a maximum of 0.6% of total credit RWAs. 2. Includes transfer from collective provision to specific provisions (December 22: \$544m; June 22: \$578m; December 21: \$495m). 3. Specific provisions includes partial write offs (December 22: \$189m; June 22: \$211m; December 21: \$356m). 4. Shortfall of eligible provisions for both defaulted and non-defaulted exposures are subject to deduction from CET1 capital. 5. Excess of eligible provisions for non-defaulted exposures are included in Tier 2 capital, subject to a maximum of 0.6% of credit RWA under the IRB approach.

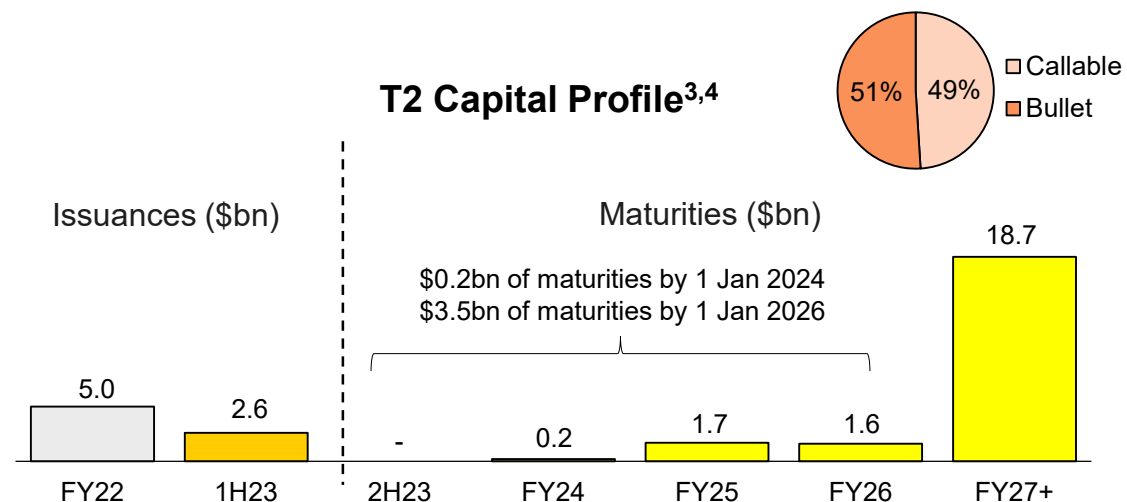
# APRA's LAC requirements

Increase in Total Capital by 2026 to meet loss-absorbing capacity (LAC) requirement

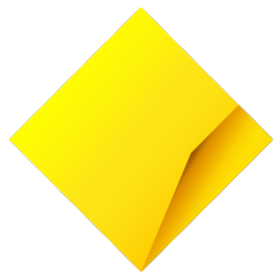
- Based on 1 Jan 2023<sup>1</sup> RWA, CBA requires an additional \$0.8bn and \$7.9bn of LAC qualifying issuance (excluding maturities) by 1 Jan 2024 and 1 Jan 2026 respectively



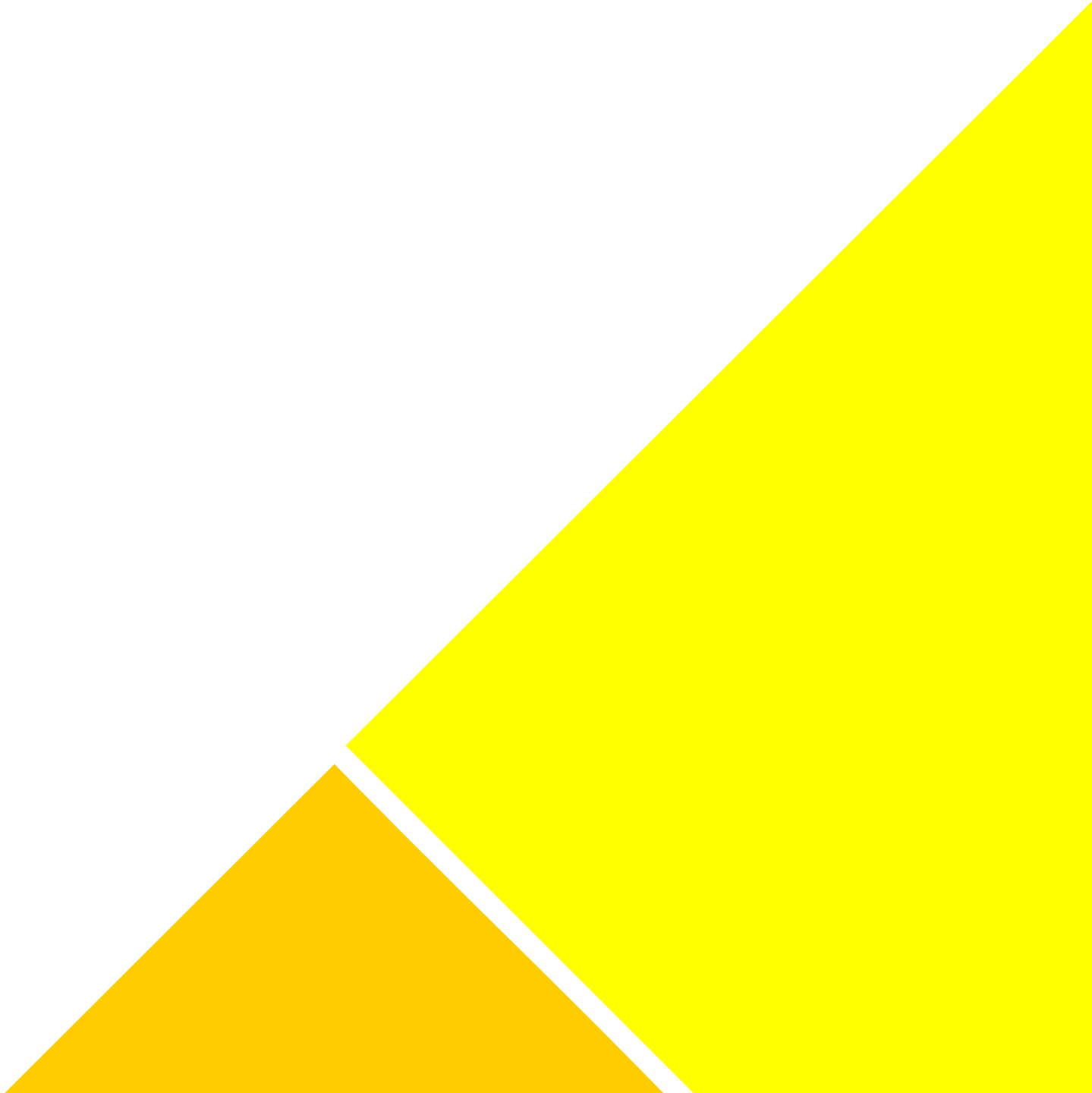
\$bn	At 5% by 1 Jan 2024	At 6.5% by 1 Jan 2026
Risk Weighted Assets at 1 January 2023	474.3	474.3
Tier 2 Requirement	23.7	30.8
Existing Tier 2 at December 2022 (4.8%) <sup>2</sup>	22.9	22.9
Current shortfall (excluding AT1)	0.8	7.9
Maturities by 1 Jan 2024 / 1 Jan 2026	0.2	3.5



1. Pro-forma 1 January 2023 RWA, ~\$30bn lower than the 31 December 22 RWA. 2. Inclusive of provisions eligible for inclusion in Tier 2. 3. Represents AUD equivalent notional amount using spot FX translation at date of issue for issuance and spot FX translation at 31 December 2022 for maturities. 4. Securities in callable format profiled to first call date. Securities in bullet format profiled based on capital treatment (including amortisation period).



# Economic overview



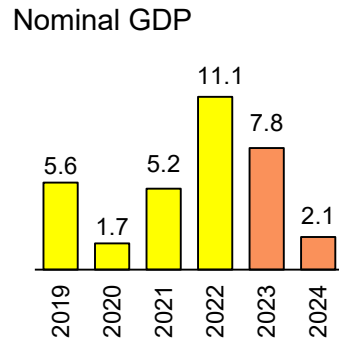
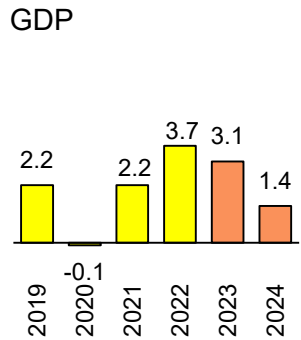


# Key Australian economic indicators<sup>1</sup> (June FY)

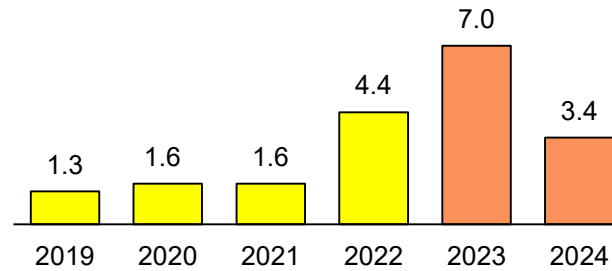


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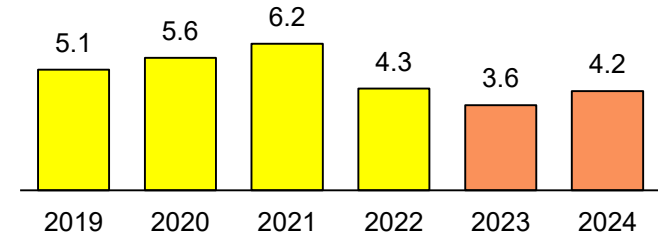
**GDP %**  
Financial year average



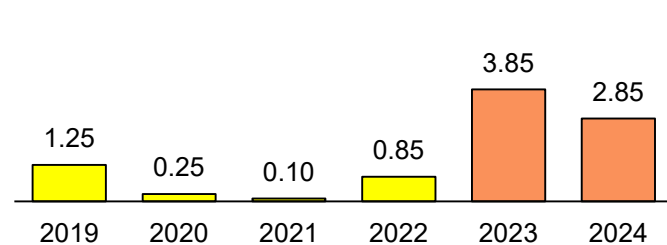
**Headline CPI %**  
Financial year average



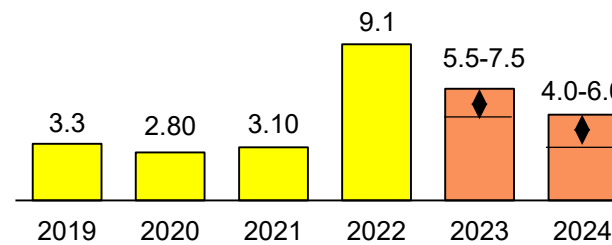
**Unemployment rate %**  
Financial year average



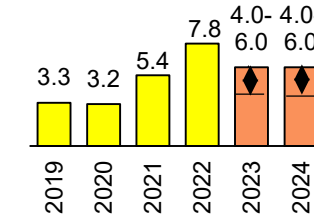
**Cash rate %**  
As at June



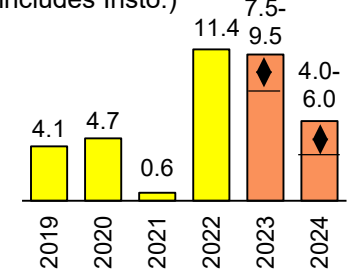
**Total credit growth %**  
12 months to June



**Selected credit growth %**  
12 months to June  
Housing credit



Business credit  
(includes Insto.)



Actual Forecast, CBA Global Economic & Markets Research

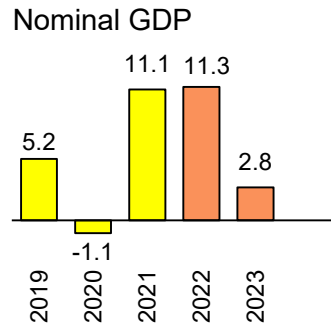
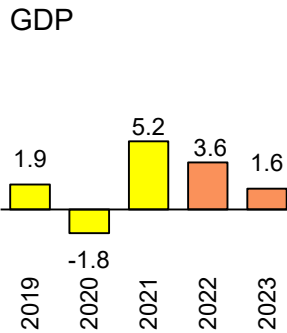
1. Source: ABS, RBA and CBA Global Economic and Markets Research.

# Key Australian economic indicators<sup>1</sup> (December CY)

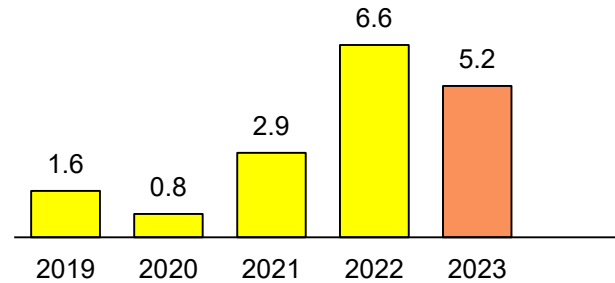


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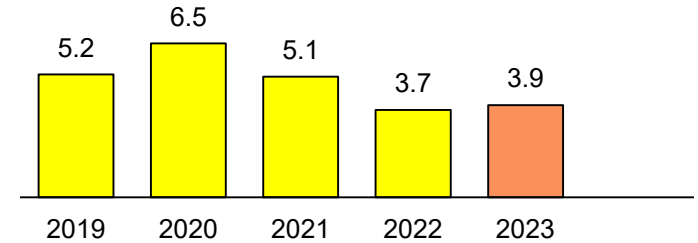
**GDP %**  
Calendar year average



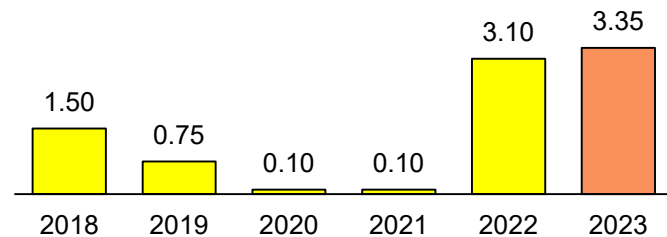
**Headline CPI %**  
Calendar year average



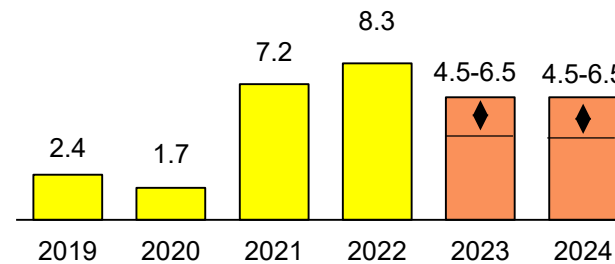
**Unemployment rate %**  
Calendar year average



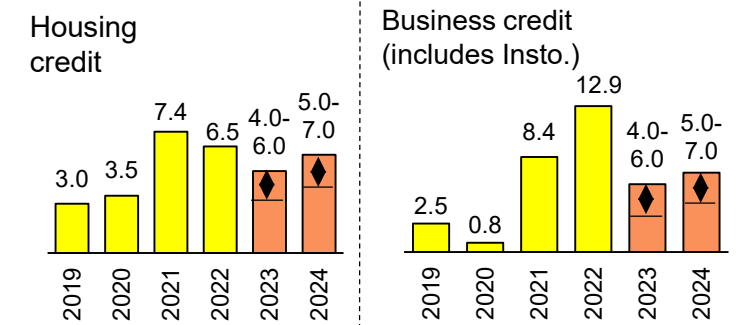
**Cash rate %**  
As at December



**Total credit growth %**  
12 months to December



**Selected credit growth %**  
12 months to December



Actual Forecast, CBA Global Economic & Markets Research

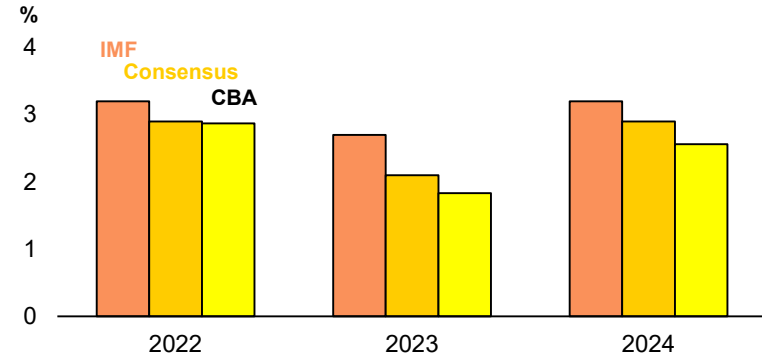
1. Source: ABS, RBA and CBA Global Economic and Markets Research.

# The global economy

Advanced economy recession expected in 2023

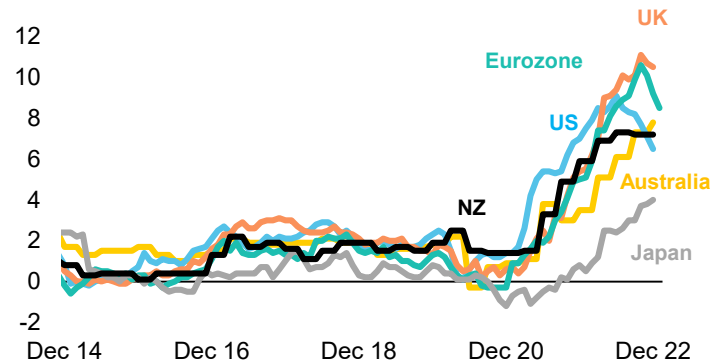
## World economic growth to slow<sup>1</sup>

World Economic Growth Estimates (annual change)



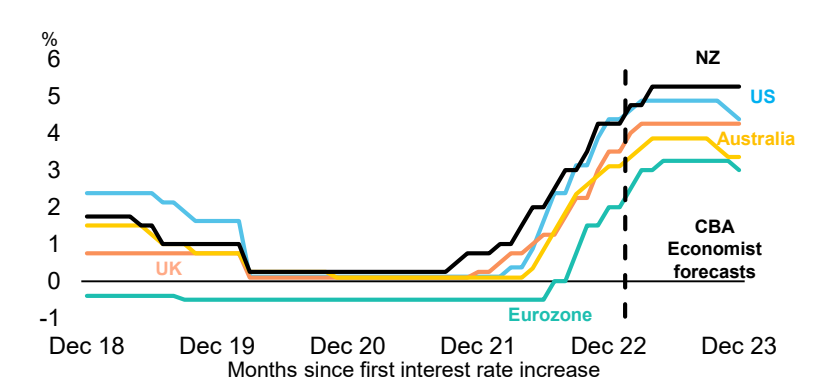
## Inflation showing signs of peaking<sup>2</sup>

Headline inflation (annual change)



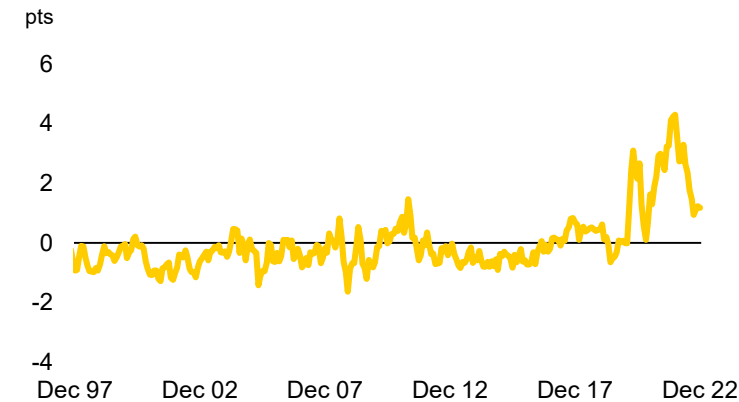
## Official interest rates closer to the peak<sup>2</sup>

Interest rates with projections



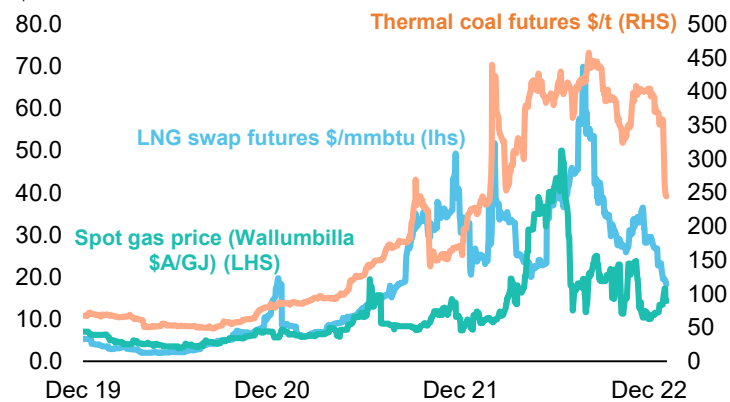
## Supply chain pressures are easing<sup>3</sup>

Supply Chain Pressure Index (standard deviation from average)



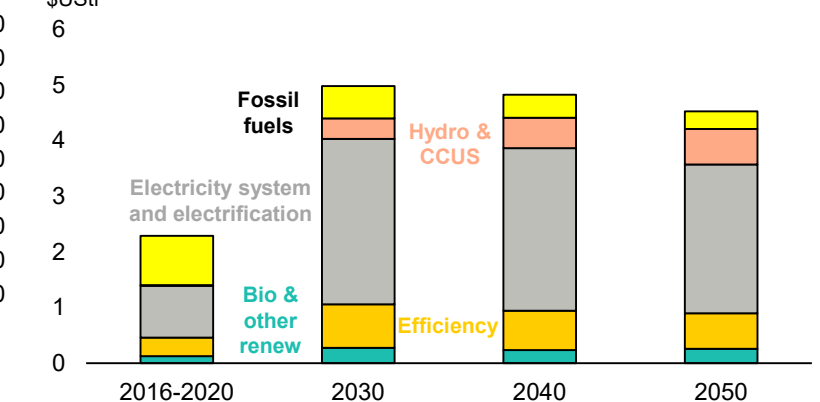
## Energy prices off highs, bringing inflation down<sup>2</sup>

Selected commodity prices



## A large investment required to meet net zero<sup>4</sup>

Capex required to meet net zero by 2050 (annual average)



1. Source: CBA, Bloomberg, BoJ. 2. Source: Bloomberg, CBA. 3. Source: NY Fed. 4. Source: IEA, CBA.

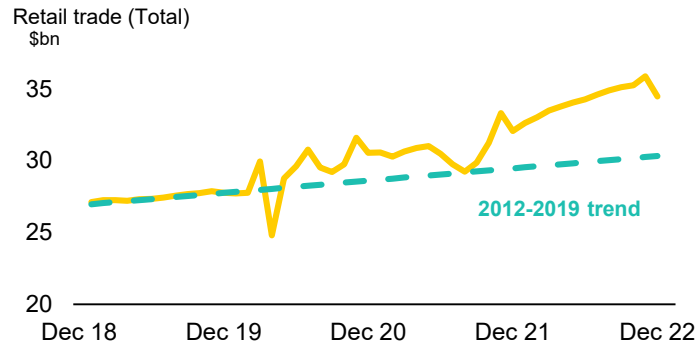
# The Australian economy

The consumer was resilient for most of 2022, expect slowdown in 2023

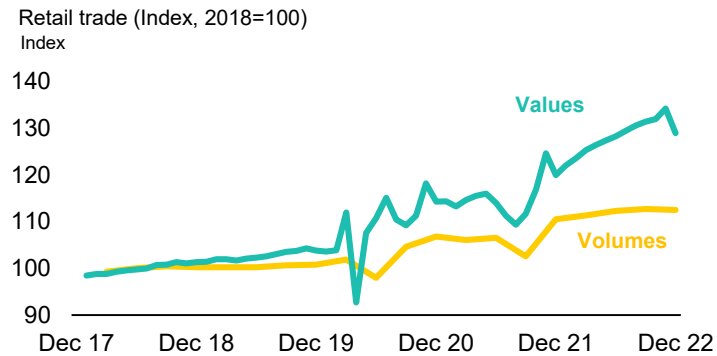


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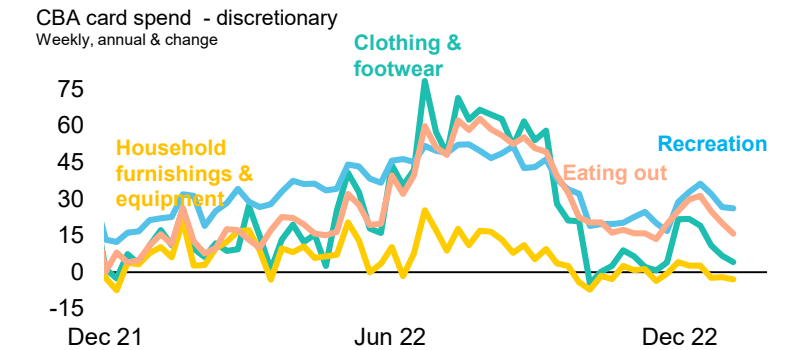
## Retail trade above pre-covid, but weak in December<sup>1</sup>



## Large difference between values and volumes<sup>1</sup>



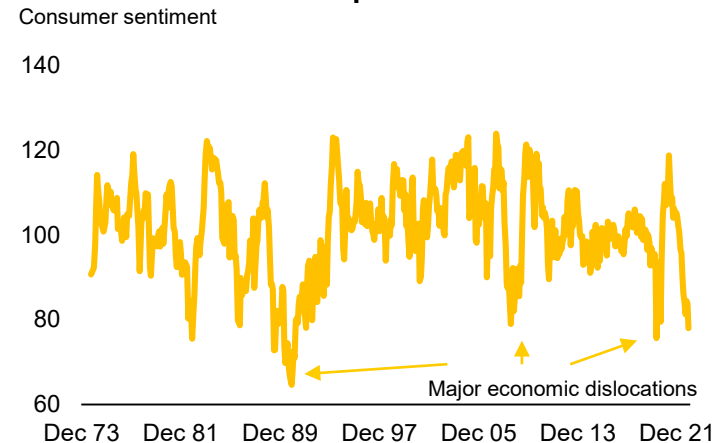
## Signs discretionary spend is moderating after mix shift<sup>2</sup>



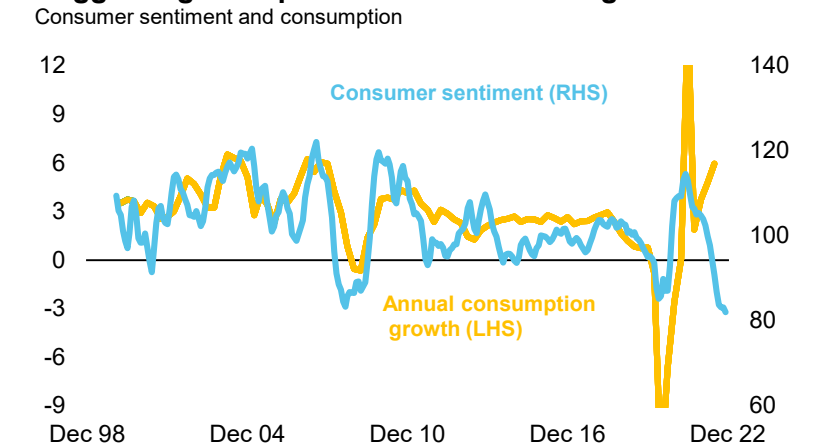
## Essential spending impacted by prices<sup>2</sup>



## Consumer sentiment at pessimistic levels<sup>3</sup>



## Suggesting a deeper slowdown is coming<sup>4</sup>



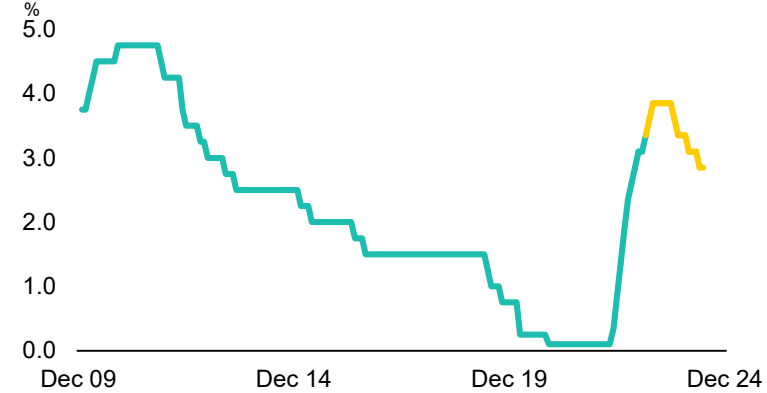
1. Source: ABS. 2. Source: CBA. 3. Source: Westpac / Melbourne Institute. 4. Source: ABS, Westpac / Melbourne Institute.

# The Australian economy

RBA signals more interest rate hikes to come due to high inflation and rising wages growth

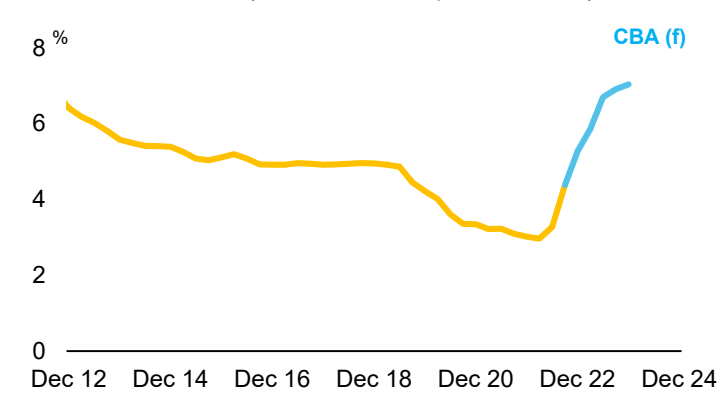
## RBA has materially lifted the cash rate<sup>1</sup>

RBA cash rate (with CBA Economist forecasts)



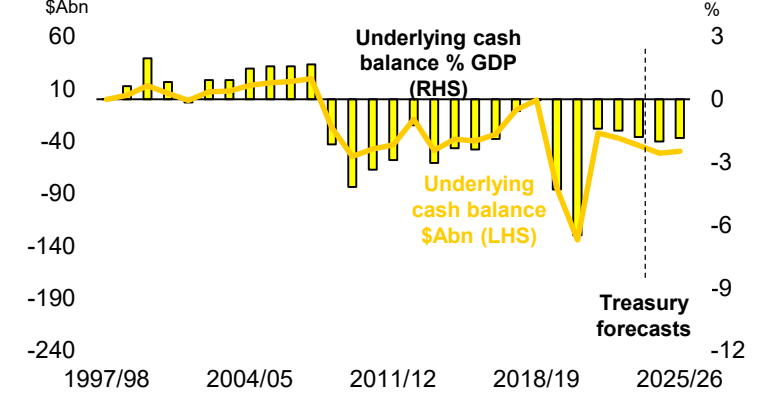
## Interest payments rising significantly<sup>2</sup>

Household debt interest (% of household disposable income)



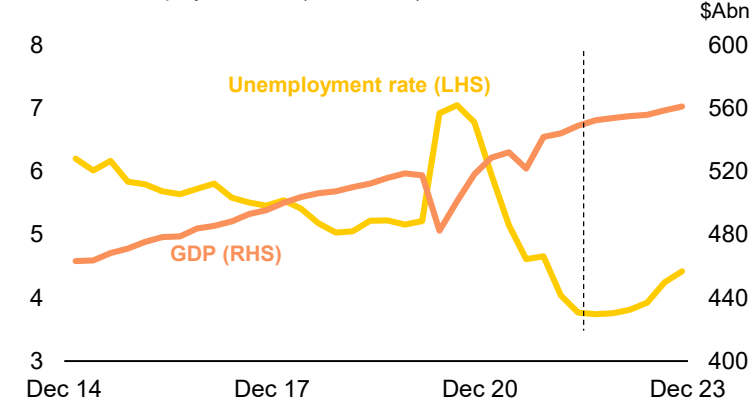
## Fiscal settings helping control inflation<sup>3</sup>

Underlying budget deficit (\$Abn and % GDP)



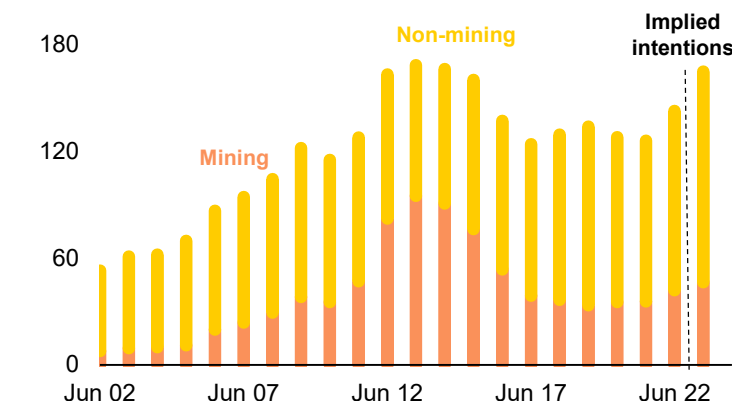
## Rate hikes to slow economy and lift unemployment<sup>4</sup>

GDP and unemployment rate (% and \$mn)



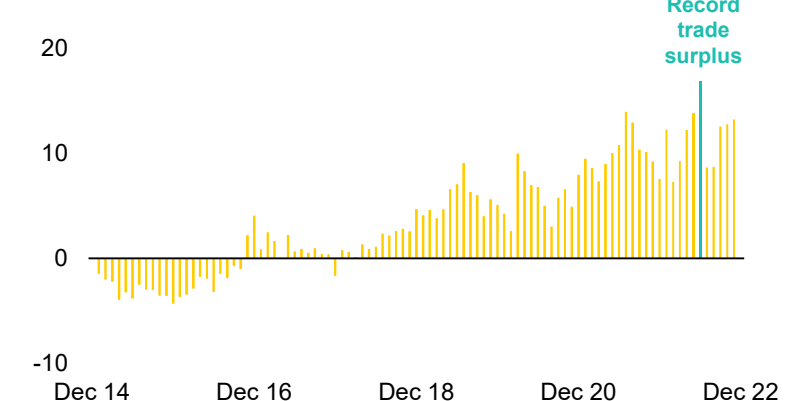
## Business investment remains a bright spot<sup>4</sup>

CAPEX (\$Abn)



## External sector in reasonable shape<sup>5</sup>

Trade balance (\$bn)



1. Source: RBA, CBA Economics forecast. 2. ABS, CBA, CBA. 3. Source: Budget 2022/23. 4. Source: ABS, CBA Economist forecast. 5. ABS.

# The Australian economy

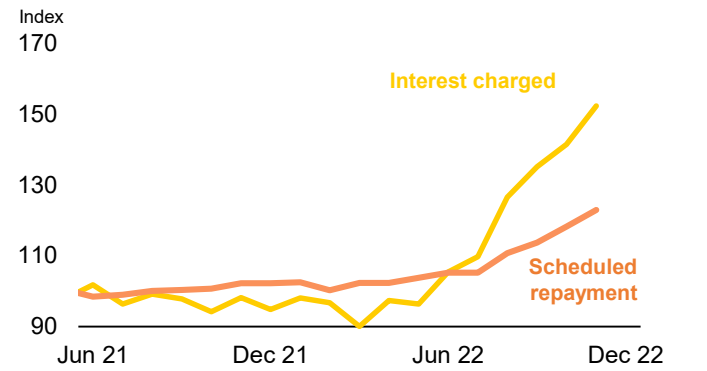
Material lift in interest rates is taking time to impact the economy



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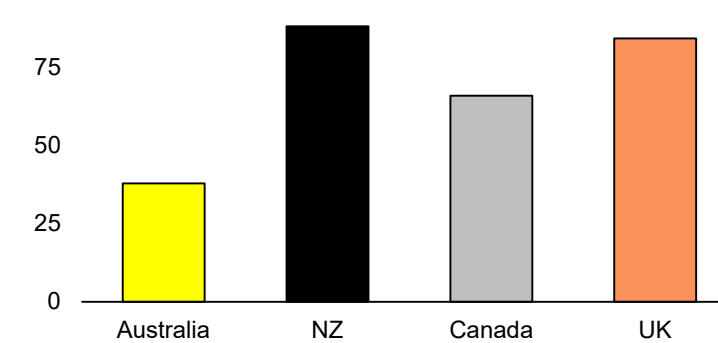
## Due to the delay between rate hikes and higher repayments<sup>1</sup>

Interest charged and scheduled repayments. Q2 2021 = 100



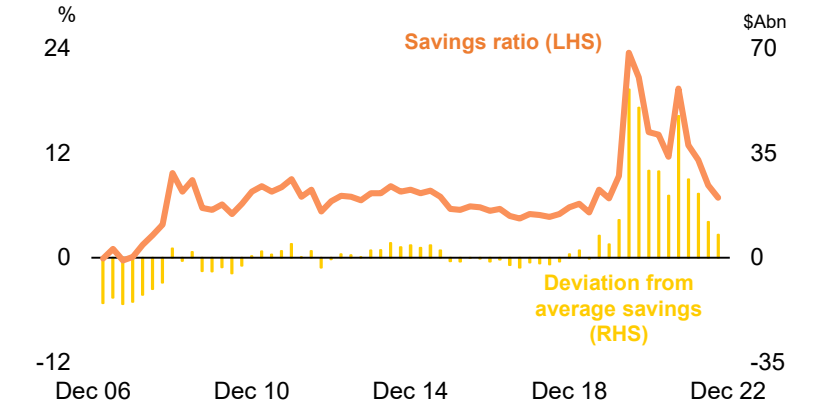
## And mix shift to fixed rate home loans in recent years, although lower vs global levels<sup>2</sup>

Fixed rate mortgages (proportion of outstanding mortgages as at June 100)



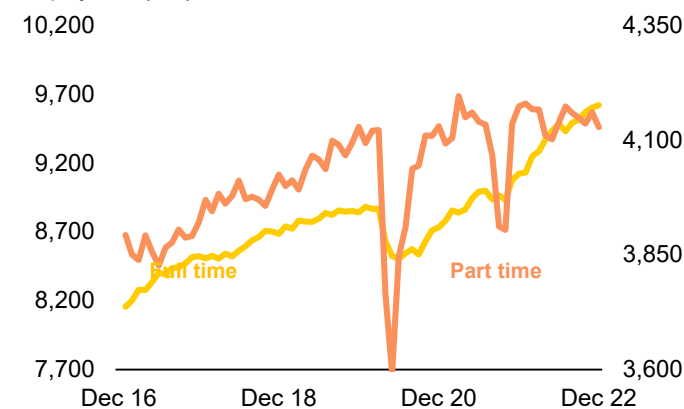
## Combined with a lift in savings since 2020<sup>3</sup>

Household savings (rate and deviation from average \$bn)



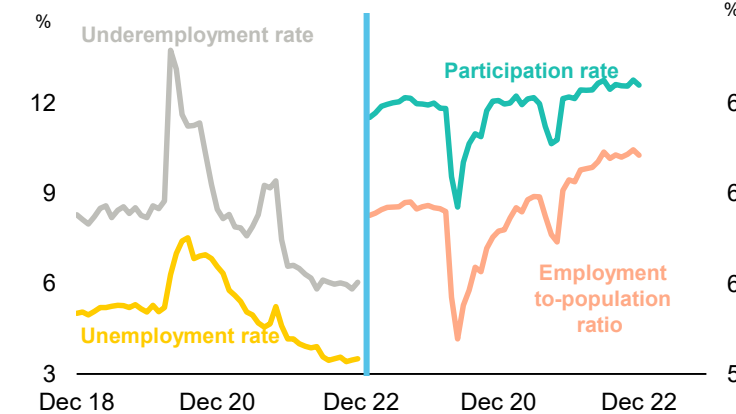
## As well as a very tight labour market<sup>4</sup>

Employment (000)



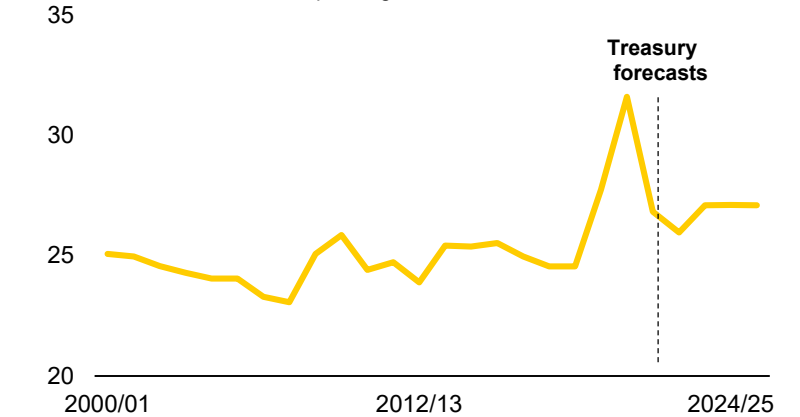
## A very low unemployment rate<sup>4</sup>

Labour market



## And helped by fiscal support<sup>5</sup>

Commonwealth Government Spending % GDP

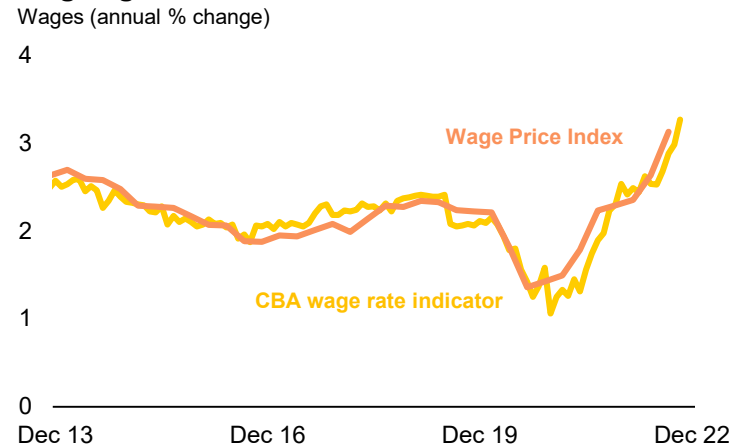


1. Source: CBA. 2. Source: RBA, APRA. 3. Source: CBA, ABS. 4. Source: ABS. 5. Budget 2022/23.

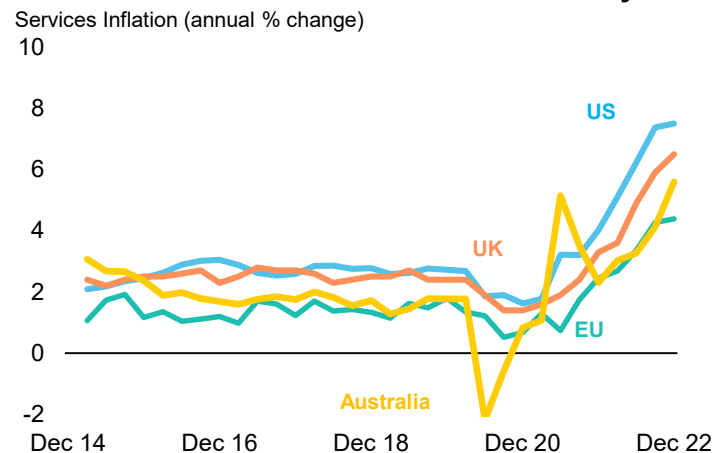
# The Australian economy

Wages growth will rise further on tight labour market

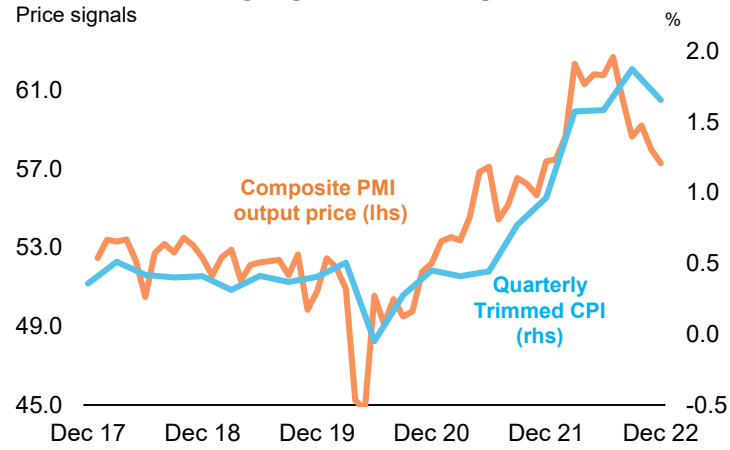
## Wages growth above 3% for first time since 2013<sup>1</sup>



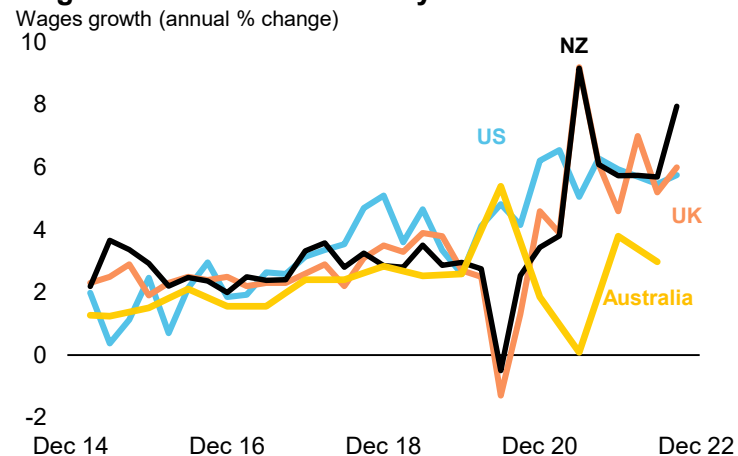
## But services inflation more contained locally<sup>3</sup>



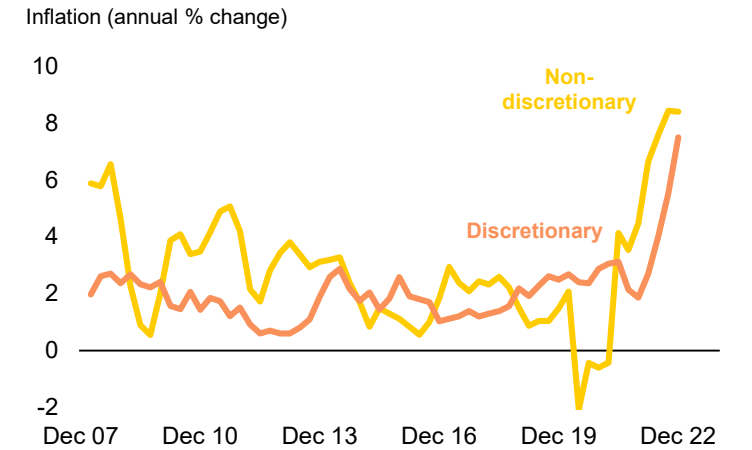
## Inflation showing signs of peaking<sup>2</sup>



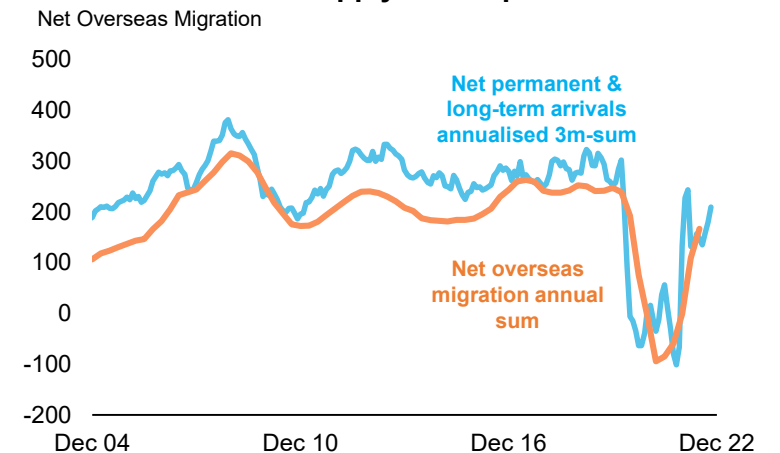
## Wages more contained locally<sup>3</sup>



## Elevated inflation driven essential items<sup>2</sup>



## And a lift in labour supply will help<sup>1</sup>

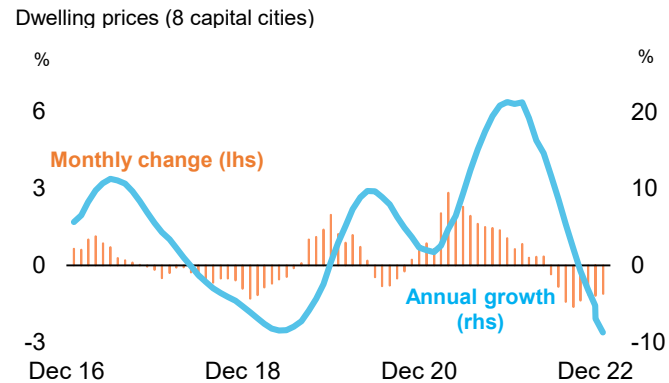


1. Source: CBA, ABS. 2. Source: ABS. 3. Source: CBA, Bloomberg.

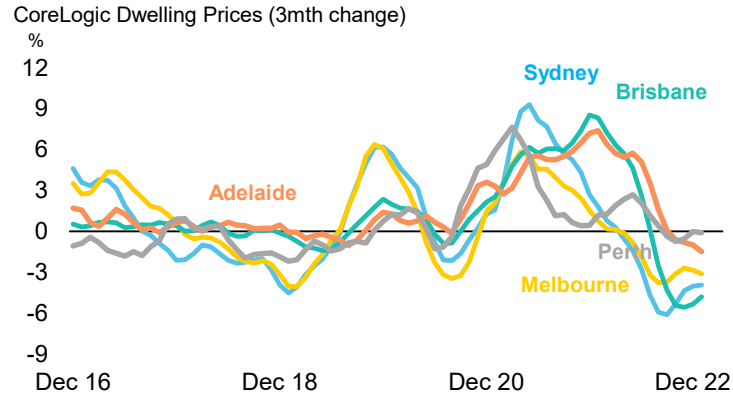
# Housing sector

Housing market is weakening, expect to plateau out FY24

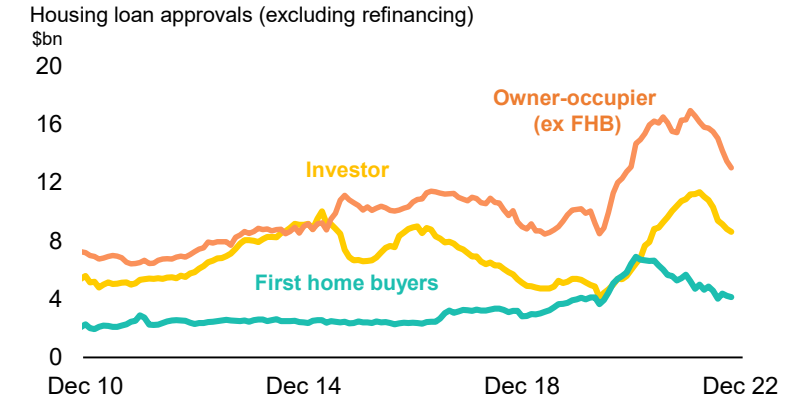
## Monthly home prices now falling quickly<sup>1</sup>



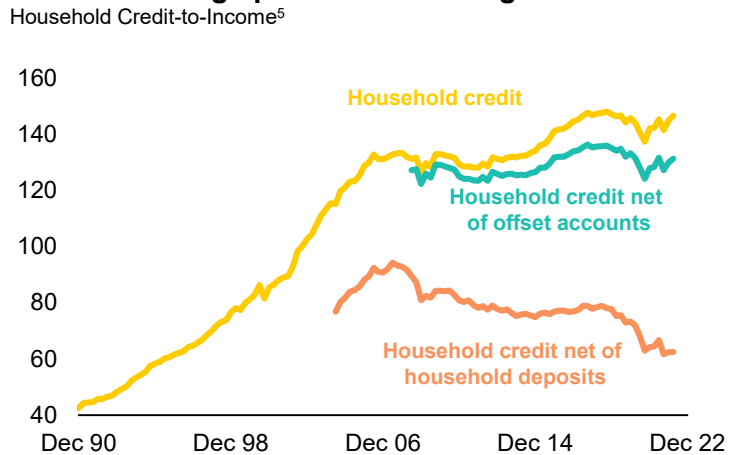
## Divergence between capital cities still evident<sup>1</sup>



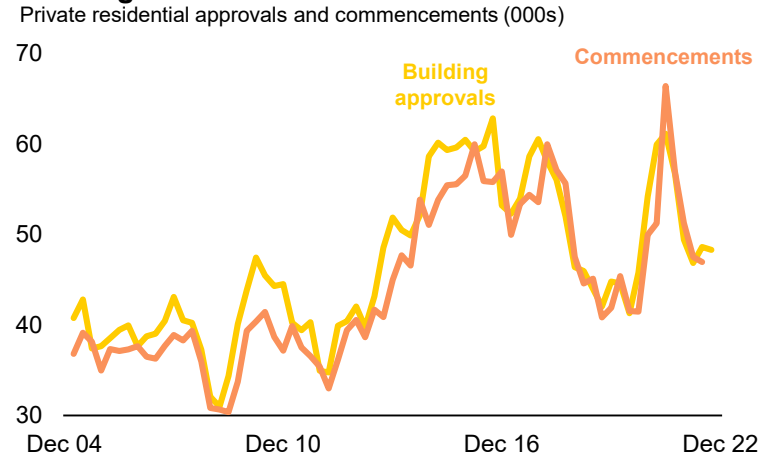
## Home lending has fallen<sup>2</sup>



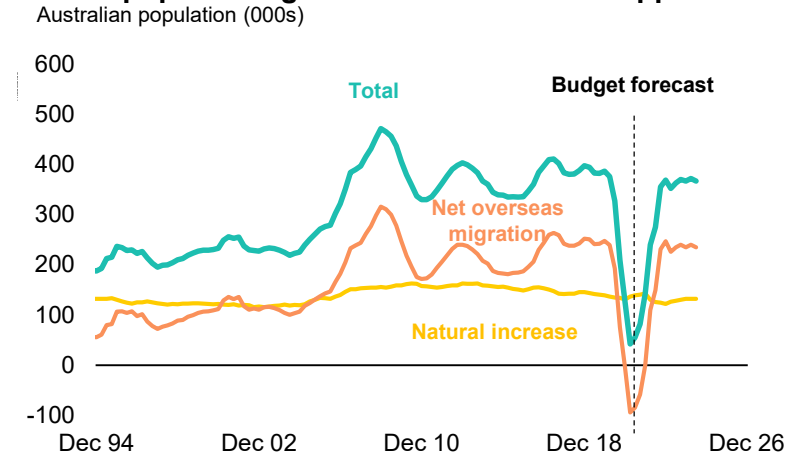
## Elevated savings provide a buffer against debt levels<sup>3</sup>



## Housing construction has turned lower<sup>2</sup>



## Lift in population growth a medium term support<sup>4</sup>



1. Source: CoreLogic. 2. Source: ABS. 3. Source: CBA, RBA, APRA. 4. Source: ABS, Budget 2022/23. 5. Household credit excludes debt owed by unincorporated businesses. Household income includes gross mixed income and is before interest on dwellings, consumer debt and unincorporated enterprises.



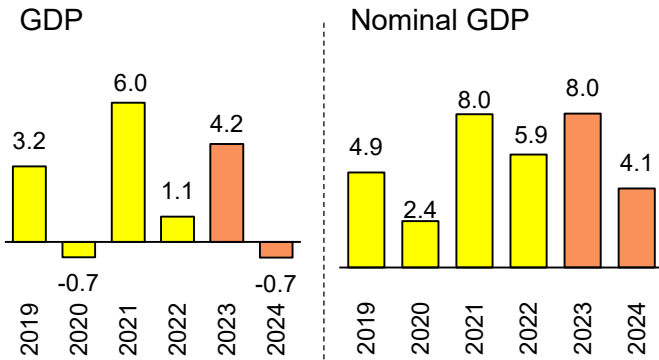
# Key New Zealand economic indicators (June FY)



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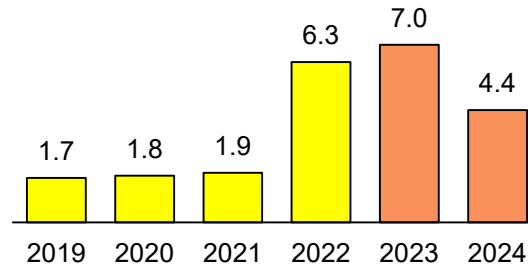
## GDP %

Financial year average



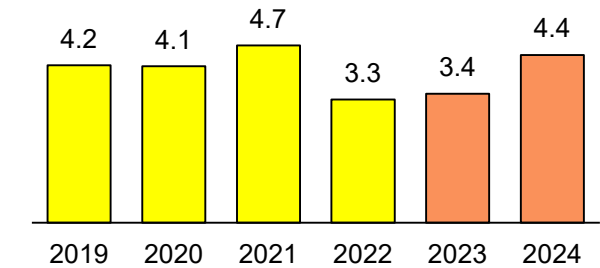
## CPI %

Financial year average



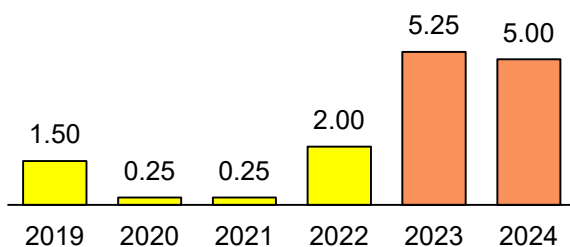
## Unemployment rate %

Financial year average



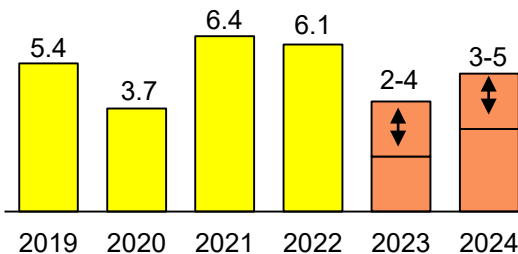
## Cash rate %

As at June



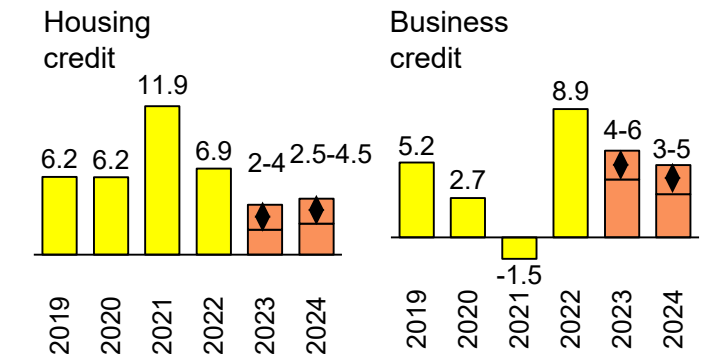
## Total credit growth %

12 months to June



## Housing and business credit growth %

12 months to June



Actual Forecast, ASB Economics

# New Zealand

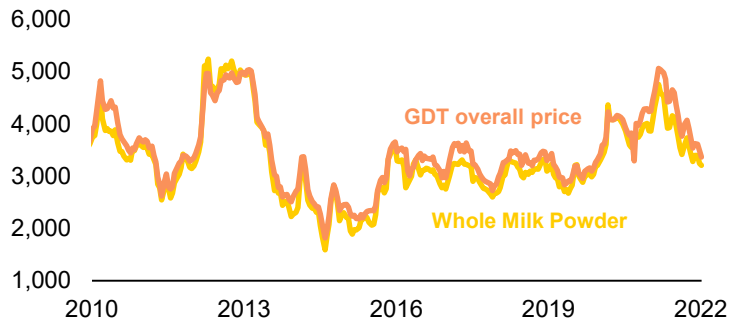
Global headwinds, high inflation and ongoing rate hikes are testing the NZ economy's resilience



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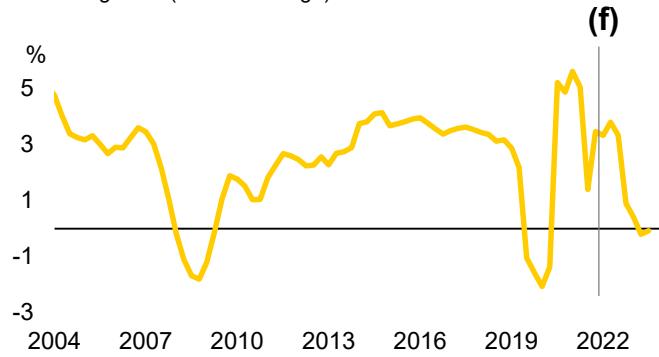
## USD Dairy prices have eased on softer demand

Global dairy trade auction results<sup>1</sup> (USD/tonne)



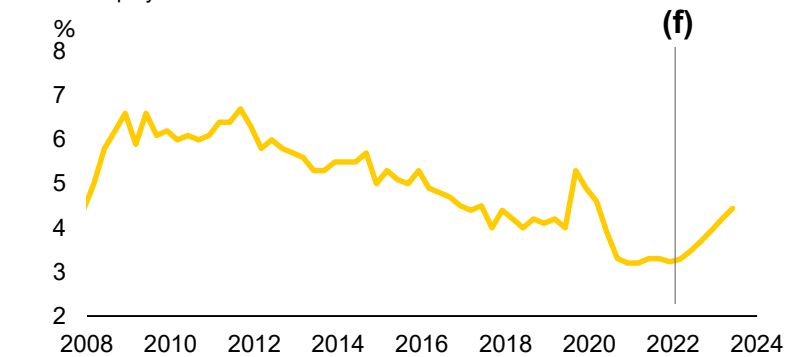
## Growth is softening as the global economy slows

NZ GDP growth (annual average)<sup>2</sup>



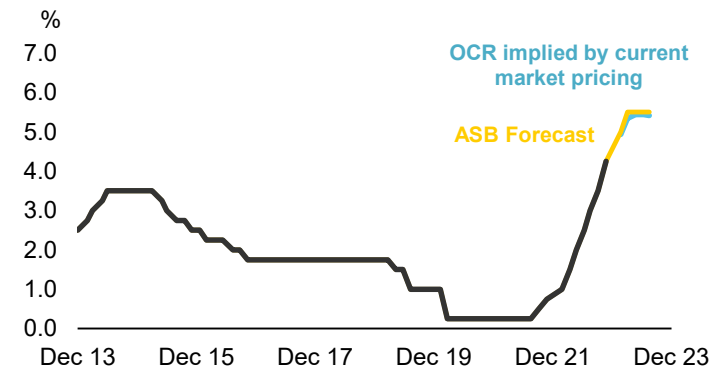
## Worker shortages are keeping the labour market tight

NZ unemployment rate<sup>3</sup>



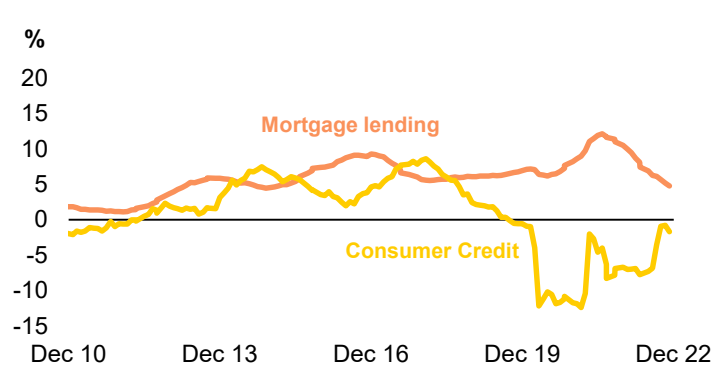
## The OCR has lifted significantly, with more to come

OCR Forecasts<sup>4</sup> (ASB forecast and implied market pricing)



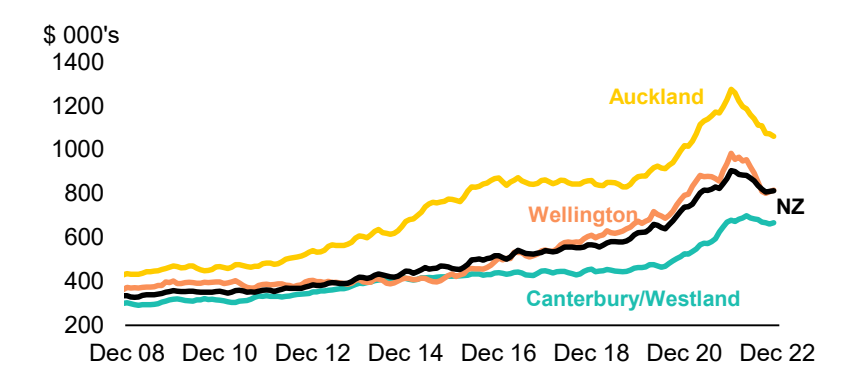
## Credit conditions continue to tighten

NZ household lending growth<sup>5</sup> (annual % change)

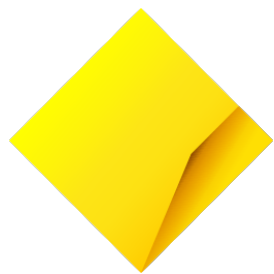


## House prices have fallen further from their 2021 peak

NZ median house price<sup>6</sup> (3 month moving average)



1. Source: GlobalDairyTrade. 2. Source: Statistics NZ. 3. Source: Statistics NZ/ASB. 4. Source: ASB. 5. Source: RNBZ. 6. Source: REINZ.



## Source, glossary & notes

# Sources and notes



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## Slide 5

1. Refer to the glossary for source information.
2. Represents results from employees who undertook the 'CBA Your Voice' survey.
3. 1H23 Home Lending - Includes RBS internal refinancing, Unloan, Residential Mortgage Group and Bankwest fixed splits of existing variable loans, excludes Viridian Line of Credit (VLOC) and all other Bankwest internal refinancing. Business Lending - Business Bank lending, new funding and drawdowns. 1H23 Total Deposits (Households) – APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS). Number of new retail transaction accounts – growth rate for 1H23 vs 1H22, excluding offset accounts, includes CBA and Bankwest.
4. Represents shareholder returns over 1H23 (2H22 dividend and 1H23 buy-back).

## Slide 10

1. Sources: Brand Finance Australia 100 2023, January 2023 and CBA Brand Health Tracking Research, December 2022.
2. Refer to the glossary for source information.

## Slide 16

1. The number of customers who have logged into a core digital asset (NetBank, CommBank Mobile App or CommBank Tablet App, excludes CommBiz) at least once in the month of December for years 2020-2022.
2. Refer to the glossary for source information.
3. CBA won Canstar's Bank of the Year - Digital Banking award for 2022 (for the 13th year in a row). Awarded June 2022.
4. The Forrester Digital Experience Review™: Australian Mobile Banking Apps, Q2 2022. Commonwealth Bank of Australia was named the overall digital experience leader (for the 6th year in a row) among mobile apps in Australia in Forrester's proprietary Digital Experience Review™. Forrester Research does not endorse any company included in any Digital Experience Review™ report and does not advise any person or organisation to select the products or services of any particular company based on the ratings included in such reports. Received August 2022.

## Slide 32

1. Refer to the glossary for source information.
2. People Engagement Index (PEI) and pride in CBA scores reflective of those who completed bi-annual engagement survey as at September 2022.
3. CBA and Major Bank Peer reputation scores. Source: RepTrak, The RepTrak Company. Data is reported on a quarterly basis.
4. Source: Bloomberg. Total Shareholder Return as at 31 December 2022, compared to major peer banks.

## Slide 35

1. Refer to the glossary for source information.
2. People Engagement Index (PEI) and pride in CBA scores reflective of those who completed bi-annual engagement survey as at September 2022.
3. CBA and Major Bank Peer reputation scores. Source: RepTrak, The RepTrak Company. Data is reported on a quarterly basis.
4. Source: Bloomberg. Total Shareholder Return as at 31 December 2022, compared to major peer banks.

# Sources and notes



## Slide 46

1. The total number of customer who have logged into a core digital asset (NetBank, CommBank Mobile App or CommBank Tablet App. Excludes CommBiz) at least once in the month of December for years 2020-2022.
2. The total number of customers that have logged into the CommBank Mobile App at least once in the month of December for years 2020-2022.
3. The total value (\$) of transfers and BPAY payments made in digital channels (NetBank, CommBank Mobile App and CommBank Tablet App. Excludes CommBiz) as a proportion of the total value (\$) of transactions across ATM, EFTPOS/Cards, Branch and digital channels over the 6 months to December for the years 2020-2022.
4. The total number of logins to core digital assets (NetBank, CommBank Mobile App and CommBank Tablet App. Excludes CommBiz) divided by the number customers who have logged into a core digital asset in the month of December for the years 2020-2022.
5. Refer to the glossary for source information.
6. CBA won Canstar's Bank of the Year - Digital Banking award for 2022 (for the 13<sup>th</sup> year in a row). Awarded June 2022.
7. The Forrester Digital Experience Review™: Australian Mobile Banking Apps, Q2 2022. Commonwealth Bank of Australia was named the overall digital experience leader (for the 6th year in a row) among mobile apps in Australia in Forrester's proprietary Digital Experience Review™. Forrester Research does not endorse any company included in any Digital Experience Review™ report and does not advise any person or organisation to select the products or services of any particular company based on the ratings included in such reports. Received August 2022.
8. DBM Australian Financial Awards 2022 – 'Most Innovative Major Bank' and 'Best Major Digital Bank'. Presented March 2022. Award is based on information collected from the DBM Atlas research program – feedback from over 80,000 business and/or retail customers January 2021 through December 2021.

## Slide 47

1. The total number of unique customers who visited Money Plan in their CommBank Mobile App during the month of December 2022.
2. The total number of unique customers who have viewed their CommSec Pocket or CommSec investment account details from the accounts page in their CommBank Mobile App during the month of December 2022.
3. The total number of unique customers who have set up the Credit Score feature since launch in September 2022 to December 2022.
4. Since inception.

## Slide 48

1. The total number of unique customers who visited Bill Sense in their CommBank Mobile App during the month of December 2022.
2. The total number of unique customers who have visited the carbon tracking feature since launch in July 2022 to December 2022.
3. The number of customers who are eligible to participate in the pilot. Fuel finder is currently only available to customers in NSW.
4. The total number of unique customers who visited Spend Tracker in their CommBank Mobile App during the month of December 2022.

## Slide 50

1. Examples relate to home lending, with the exception of Customer Engagement Engine, credit card accounts and in-app messaging.
2. Average monthly figure of Consumer direct banking servicing completed through in-app messaging during 1H23. Excludes branch, direct lending, collections and business banking.
3. Percentage of loans (Better Business Loan, Business Overdrafts) funded through BizExpress, for customers in the Small Business Banking (SBB) segment.
4. RBS only, excludes Bankwest and StepPay.
5. Home loan digital doc and signing utilisation for eligible customers.

# Sources and notes



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## Slide 51

1. AI model trained to improve customer engagement engine message next best conversation (NBC) relevance. 92% uplift in customers starting Bill sense onboarding vs prior in one month trial. Bill sense is an official case study for Australia's AI Ethics Principles, published by the Department of Industry, Science and Resources.
2. Based on time for manual review of 600 documents to train model vs subsequent use of AI over full population.
3. Card-not-present fraud model.
4. 1H23. Includes CommBank Rewards activation and Little Birdie clicks in the CommBank app.
5. 1H23. CommBank Rewards only.
6. 1H23 vs PCP. Includes CommBank Rewards and Little Birdie.

## Slide 60

1. Home lending source: RBA Lending and Credit Aggregates. Household deposits source: APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS). CBA Business Lending multiple is based on Business Banking growth rate (excluding Institutional Banking and Markets) over published APRA and RBA Total Business Lending data (excluding estimated Institutional Lending balances). CBA business deposits multiple estimate is based on Total CBA Non-Financial business deposit growth rate over Market Non-Financial Business Deposit growth rate, as published by APRA.
2. Number of new personal transaction accounts, excluding offset accounts, includes CBA and Bankwest.
3. Total StepPay new accounts opened since launch 18 August 2021 to 31 December 2022.
4. RBS only, excludes Bankwest. Number of credit card approvals excludes commercial cards.
5. Growth calculated using unrounded numbers.

## Slide 78

1. CBA source: RBA Lending and Credit Aggregates, Peer source: Peer APRA Monthly Authorised Deposit-taking Institution Statistics balance divided by RBA Lending and Credit Aggregates system balance. Series break due to new regulatory definitions set by APRA from 1 July 2019. As a result of this change, market share is not comparable to previous reporting periods. Additional series break from Jun 21 relating to restatements.
2. Presented on a gross basis before value attribution to other business units. New fundings includes RBS internal refinancing (\$6bn), Unloan, Viridian Line of Credit (VLOC), Residential Mortgage Group, and Bankwest fixed splits of existing variable loans, and excludes all other Bankwest internal refinancing.
3. Includes RBS internal refinancing, Unloan, Residential Mortgage Group, and Bankwest fixed splits of existing variable loans, excludes Viridian Line of Credit (VLOC) and all other Bankwest internal refinancing.
4. Auto-decisioning is for proprietary loans only. Excludes Bankwest. Metric is a proxy.
5. Includes RBS internal refinancing, Residential Mortgage Group and Bankwest fixed splits of existing variable loans, excludes Unloan, Viridian Line of Credit (VLOC) and all other Bankwest internal refinancing.
6. Excludes Bankwest and Residential Mortgage Group.
7. CBA including Bankwest.
8. Excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loans and Residential Mortgage Group.

# Sources and notes



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## Slide 104

1. Includes other short term liabilities.
2. Represents the Weighted Average Maturity of outstanding long term wholesale debt with a residual maturity greater than 12 months as at reporting date. As at 31 December 2022, WAM and Long term % includes Term Funding Facility (TFF) drawdowns.
3. Maturities may vary quarter to quarter due to FX revaluation.
4. Includes Senior Bonds and Structured MTN.
5. Additional Tier 1 and Tier 2 Capital.
6. Pillar 3 Quarter Average.
7. NSFR numerator (ASF) excludes the size of CBA's TFF drawdowns. Denominator (RSF) increases weighting for CLF and TFF collateral by 55%, such that it receives the 65% RSF weighting applicable to unencumbered residential mortgages.
8. Quarterly Average LCR excl. CLF numerator excludes the size of CBA's available CLF.
9. Indicative weighted senior and covered bond funding costs (excluding Tier 2 costs), across major currencies. Updated and restated in 1H23 for portfolio mix. Represents the spread over BBSW equivalent on a swapped basis.
10. Includes debt buybacks and reported at historical FX rates.

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# Glossary



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Cash Profit, Capital & Other		Customer Metrics		Funding & Risk	
<b>Cash Profit</b>	The Profit Announcement (PA) discloses the net profit after tax on both a statutory and cash basis. The statutory basis is prepared in accordance with the Corporations Act 2001 (Cth) and the Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS). The cash basis is used by management to present a clear view of the Bank's operating results. It is not a measure based on cash accounting or cash flows. The items excluded from cash profit, such as hedging and IFRS volatility and losses or gains on acquisition, disposal, closure and demerger of businesses are calculated consistently with the prior year and prior half disclosures and do not discriminate between positive and negative adjustments. A list of items excluded from cash profit is provided on page 3 of the Group's 31 December 2022 PA, which can be accessed at our website: <a href="http://www.commbank.com.au/results">www.commbank.com.au/results</a>	<b>Main Financial Institution (MFI) Share - Consumer</b>	MFI Share measures the proportion of Banking and Finance MFI Customers that nominated each bank as their MFI. MFI definition: In the Roy Morgan Single Source Survey MFI is a customer determined response where one institution is nominated as the primary financial institution they deal with (when considering all financial products they hold). Peers include ANZ Group, NAB Group and Westpac Group (including St George Group). CBA Group includes Bankwest. Source: Roy Morgan Single Source survey conducted by Roy Morgan, Australian population 14+ (12 month averages to December 2022), excl. unable to identify MFI. Roy Morgan has re-calibrated the results from April 2020 to March 2021 to take into account methodology changes since COVID-19. This has resulted in small differences to some of the previously published figures.	<b>Committed Liquidity Facility (CLF)</b>	The RBA provided the CLF to participating ADIs under the LCR, as a shortfall in Commonwealth government and semi-government securities existed in Australia. ADIs could draw under the CLF in a liquidity crisis against qualifying securities pledged to the RBA. In September 2021, APRA announced a sector-wide phased reduction in usage of the CLF to zero by the end of 2022.
<b>Credit Value Adjustment (CVA)</b>	The market value of the counterparty credit risk on the derivative portfolio, calculated as the difference between the risk-free portfolio value and the true portfolio value that takes into account the possibility of a counterparty's default.	<b>MFI Share - Business</b>	DBM Business MFI Share. Data on a 6 month roll weighted to the Australian business population. MFI Customer Share is the proportion of all businesses with any business banking, that nominate the FI as their main financial institution. Share based on grouped brands as follows: CBA Group includes CBA and Bankwest, ANZ Group includes ANZ, NAB Group includes NAB, Westpac Group includes Westpac, St George, BankSA and Bank of Melbourne.	<b>Corporate Troublesome</b>	Corporate Troublesome includes exposures where customers are experiencing financial difficulties which, if they persist, could result in losses of principal or interest, and exposures where repayments are 90 days or more past due and the value of security is sufficient to recover all amounts due.
<b>Derivative Valuation Adjustments (XVA)</b>	A number of different valuation adjustments are made to the value of derivative contracts to reflect the additional costs or benefits in holding these contracts. The material valuation adjustments included within the CBA result are CVA and FVA.	<b>Merchant Acquiring Share – Rank</b>	DBM Business Merchant Facility Penetration. Data on a 6 month roll weighted to the Australian business population. Merchant Facility Penetration is the proportion of all businesses with turnover below \$40m (SME) with a merchant facility issued by the FI. Share based on grouped brands as follows: CBA Group includes CBA and Bankwest, ANZ Group includes ANZ, NAB Group includes NAB and HICAPS, Westpac Group includes Westpac, St George, BankSA and Bank of Melbourne.	<b>High Quality Liquid Assets (HQLA)</b>	As defined by APRA in Australian Prudential Standard APS210: Liquidity. Qualifying HQLA includes cash, government and semi-government securities, and RBNZ eligible securities.
<b>Funding Valuation Adjustment (FVA)</b>	The expected funding cost or benefit over the life of the uncollateralised derivative portfolio.	<b>Net Promoter Score (NPS)</b>	For the major banks, NPS is reported for main brand only. *NPS is a trademark of Bain & Co Inc., Satmetrix Systems, Inc., and Mr Frederick Reichheld. NPS refers to customer likelihood to recommend their MFI using a scale from 0-10 (where 0 is 'Not at all likely' and 10 is 'Extremely likely') and NPS is calculated by subtracting the percentage of Detractors (scores 0-6) from the percentage of Promoters (scores 9-10).	<b>Liquidity Coverage Ratio (LCR)</b>	The LCR is the first quantitative liquidity measure that is part of the Basel III reforms. It was implemented by APRA in Australia on 1 Jan 2015. It requires Australian ADIs to hold sufficient liquid assets to meet 30 day net cash outflows projected under an APRA-prescribed stress scenario.
<b>Internationally Comparable Capital</b>	The Internationally Comparable CET1 ratio is an estimate of the Group's CET1 ratio calculated using rules comparable with our global peers. The analysis aligns with the APRA study entitled "International capital comparison study" (13 July 2015).	<b>NPS – Consumer</b>	DBM Consumer MFI *NPS. Based on Australian population aged 14+ years old rating their MFI. NPS results are shown as a six-month rolling average.	<b>Net Stable Funding Ratio (NSFR)</b>	The NSFR is the second quantitative liquidity measure of the Basel III reforms, in addition to the LCR. It was implemented by APRA in Australia on 1 Jan 2018. It requires Australian ADIs to fund their assets with sufficient stable funding to reduce funding risk over a one year horizon. APRA prescribed factors are used to determine the stable funding requirement of assets and the stability of funding.
<b>Leverage Ratio</b>	Tier 1 Capital divided by Total Exposures, expressed as a percentage. Total exposures is 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.	<b>NPS – Business</b>	DBM Business MFI *NPS: Based on Australian businesses rating their MFI for Business Banking. NPS results are shown as a six-month rolling average.	<b>Total Committed Exposure (TCE)</b>	Total Committed Exposure is defined as the balance outstanding and undrawn components of committed facility limits. It is calculated before collateralisation and excludes settlement exposures.
<b>Risk Weighted Assets (RWA)</b>	The value of the Group's On and Off Balance Sheet assets are adjusted by risk weights calculated according to various APRA prudential standards. For more information, refer to the APRA website.	<b>NPS – Institutional</b>	DBM Institutional \$300M+ Business MFI *NPS: Based on Australian businesses with an annual revenue of \$300M or more for the previous financial year rating their MFI for Business Banking. NPS results are shown as a twelve-month rolling average.	<b>Troublesome and Impaired Assets (TIA)</b>	Corporate troublesome and Group gross impaired exposures.
		<b>NPS – Consumer Mobile App</b>	DBM Consumer MFI Mobile Banking App *NPS: Based on MFI customers rating their likelihood to recommend their MFI Mobile Banking App used in the last 4 weeks. NPS results are shown as a six-month rolling average.		
		<b>NPS – Consumer Digital Banking</b>	DBM Consumer MFI Digital Banking *NPS: Based on MFI customers rating their likelihood to recommend their MFI Mobile Banking App or Online Banking used in the last 4 weeks. Overall Digital NPS is then calculated by weighting Online Banking: Mobile Banking App by a factor of 31:69. NPS results are shown as a six-month rolling average.		
		<b>NPS – Business Digital Banking</b>	DBM Business MFI Digital Banking *NPS: Based on MFI customers rating their likelihood to recommend their MFI Mobile Banking App or Online Banking used in the last 4 weeks. Overall Digital NPS is then calculated by weighting Online Banking: Mobile Banking App by a factor of 46:54. NPS results are shown as a six-month rolling average.		
		<b>NPS Ranks</b>	NPS ranks are based on absolute scores among major players, not statistically significant differences.		



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