



ASX announcement

Appendix 4G and 2020 Corporate Governance Statement

Wednesday, 12 August 2020 (Sydney): Commonwealth Bank of Australia (CBA) in accordance with ASX Listing Rules 4.7.3, 4.7.4 and 4.10.3 attaches its Appendix 4G with the 2020 Corporate Governance Statement.

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The release of this announcement was authorised by the Board.

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Commonwealth Bank of Australia

ABN/ARBN

48 123 123 124

Financial year ended:

30 June 2020

Our corporate governance statement¹ for the period above can be found at:²

☐ These pages of our annual report:

☒ This URL on our website:

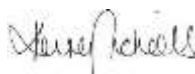
<https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html>

The Corporate Governance Statement is accurate and up to date as at 12 August 2020 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 12 August 2020

Name of authorised officer
authorising lodgement:



¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<input checked="" type="checkbox"/> on pages 2, 10 & 11 <input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/> on pages 9 & 16	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/> on pages 9 & 16	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/> on page 12	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

⁵ If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.5	<p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: <ul style="list-style-type: none"> (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: <ul style="list-style-type: none"> (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/> on page 4</p> <p><input checked="" type="checkbox"/> and we have disclosed a copy of our diversity policy at: https://www.commbank.com.au/about-us/opportunity-initiatives/policies-and-practices.html</p> <p><input checked="" type="checkbox"/> and we have disclosed the information referred to in paragraph (c) in our 2020 Corporate Governance Statement on page 8 and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period, see our 2020 Corporate Governance Statement on page 8</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. 	<p><input checked="" type="checkbox"/> on page 14</p> <p>and we have disclosed the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 14 and whether a performance evaluation was undertaken for the reporting period in accordance with that process:</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 14</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> on page 14</p> <p>and we have disclosed the information referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 14 AND</p> <p><input checked="" type="checkbox"/> in the Remuneration Report on pages 78 to 102 of our 2020 Annual Report accessible at: https://www.commbank.com.au/about-us/investors/annual-reports.html</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process:</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 14</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input checked="" type="checkbox"/> on pages 11 & 12</p> <p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on pages 11 & 12 AND</p> <p><input checked="" type="checkbox"/> in the Directors' Report on page 76 of our 2020 Annual Report accessible at: https://www.commbank.com.au/about-us/investors/annual-reports.html</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	<p><input checked="" type="checkbox"/> on page 15</p> <p>and we have disclosed our board skills matrix:</p> <p><input checked="" type="checkbox"/> on page 65 in our 2020 Annual Report accessible at: https://www.commbank.com.au/about-us/investors/annual-reports.html</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<input checked="" type="checkbox"/> on page 13 and we have disclosed the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 13 AND <input checked="" type="checkbox"/> on the Corporate Governance page of our website accessible at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 13 and the length of service of each director: <input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 13	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/> on page 13	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input checked="" type="checkbox"/> on page 13	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/> on page 16	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> on page 3 <input checked="" type="checkbox"/> and we have disclosed our values at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> on page 3 <input checked="" type="checkbox"/> and we have disclosed our code of conduct at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> on page 3 <input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> on pages 3 & 4 <input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input checked="" type="checkbox"/> on page 11</p> <p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html and the information referred to in paragraph (4):</p> <p><input checked="" type="checkbox"/> on pages 67 to 69 of our 2020 Annual Report available at: https://www.commbank.com.au/about-us/investors/annual-reports.html and the information referred to in paragraph (5):</p> <p><input checked="" type="checkbox"/> in the Directors' Report on page 76 of our 2020 Annual Report available at: https://www.commbank.com.au/about-us/investors/annual-reports.html</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	<input checked="" type="checkbox"/> on page 6	<input type="checkbox"/> set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	<input checked="" type="checkbox"/> on page 9	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> on pages 9 & 10 and we have disclosed our continuous disclosure compliance policy at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/> on page 10	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/> on page 10	<input type="checkbox"/> set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> on pages 2 & 9 <input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html https://www.commbank.com.au/about-us/investors.html AND https://www.commbank.com.au/about-us/our-company.html	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/> on page 9	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> on page 10 and we have disclosed how we facilitate and encourage participation at meetings of security holders: <input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 10	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/> on page 10	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/> on page 10	<input type="checkbox"/> set out in our Corporate Governance Statement

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p><input checked="" type="checkbox"/> on page 12</p> <p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 12 AND</p> <p><input checked="" type="checkbox"/> in the Directors' Report on page 76 of our 2020 Annual Report accessible at: https://www.commbank.com.au/about-us/investors/annual-reports.html</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/> on page 5</p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period:</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 5</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/> on page 6</p> <p>and we have disclosed how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 6</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	<input checked="" type="checkbox"/> on pages 5 & 6 and we have disclosed whether we have any material exposure to environmental and social risks: <input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on pages 5 & 6 AND <input checked="" type="checkbox"/> on pages 43, 58 to 61 of our 2020 Annual Report accessible at: https://www.commbank.com.au/about-us/investors/annual-reports.html and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on pages 5 & 6	<input type="checkbox"/> set out in our Corporate Governance Statement

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Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/> on page 12</p> <p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our 2020 Corporate Governance Statement on page 12 AND</p> <p><input checked="" type="checkbox"/> in the Directors' Report on page 76 of our 2020 Annual Report accessible at: https://www.commbank.com.au/about-us/investors/annual-reports.html</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p><input checked="" type="checkbox"/> on page 8</p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in the Remuneration Report on pages 78 to 102 of our 2020 Annual Report accessible at: https://www.commbank.com.au/about-us/investors/annual-reports.html</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/> on page 4</p> <p><input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: https://www.commbank.com.au/about-us/shareholders/corporate-profile/corporate-governance.html</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	Not applicable	
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	Not applicable	
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Not applicable	
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	Not applicable	
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	Not applicable	

2020 Corporate Governance Statement



The Commonwealth Bank of Australia is committed to our strategy to become a simpler better bank, to fulfil our purpose of improving the financial wellbeing of our customers and communities. Good governance is key **to the Bank's ability to deliver on our purpose and strategy.**

The Commonwealth Bank of Australia (CBA or Bank) is continuing to improve governance, accountability and risk management. Clearer lines of accountability and stronger risk management practices are improving our ability to meet regulatory and compliance obligations and deliver on the expectations of our customers and the community more broadly.

This Statement describes the key governance arrangements and practices of the Bank and its related bodies corporate (Group). These arrangements and practices meet the requirements of the fourth edition of

the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Recommendations) during the year ended 30 June 2020. The Group must also comply with the Corporations Act 2001 (Cth) (Corporations Act), the Banking Act 1959 (Cth), including Part IIAA of the Banking Executive Accountability Regime (BEAR) amongst other laws, and, as an Authorised Deposit-taking Institution, with governance requirements prescribed by the Australian Prudential Regulation Authority (APRA) under Prudential Standard CPS 510 Governance. The Group's main business activities are also subject to industry codes of practice, such as the Australian Banking Association Banking Code of Practice.

The Board regularly reviews and refines its corporate governance arrangements and practices in light of new laws and regulations, evolving stakeholder expectations and the dynamic environment in which the Group operates.

The Statement has been approved by the Board and is current as at 12 August 2020.

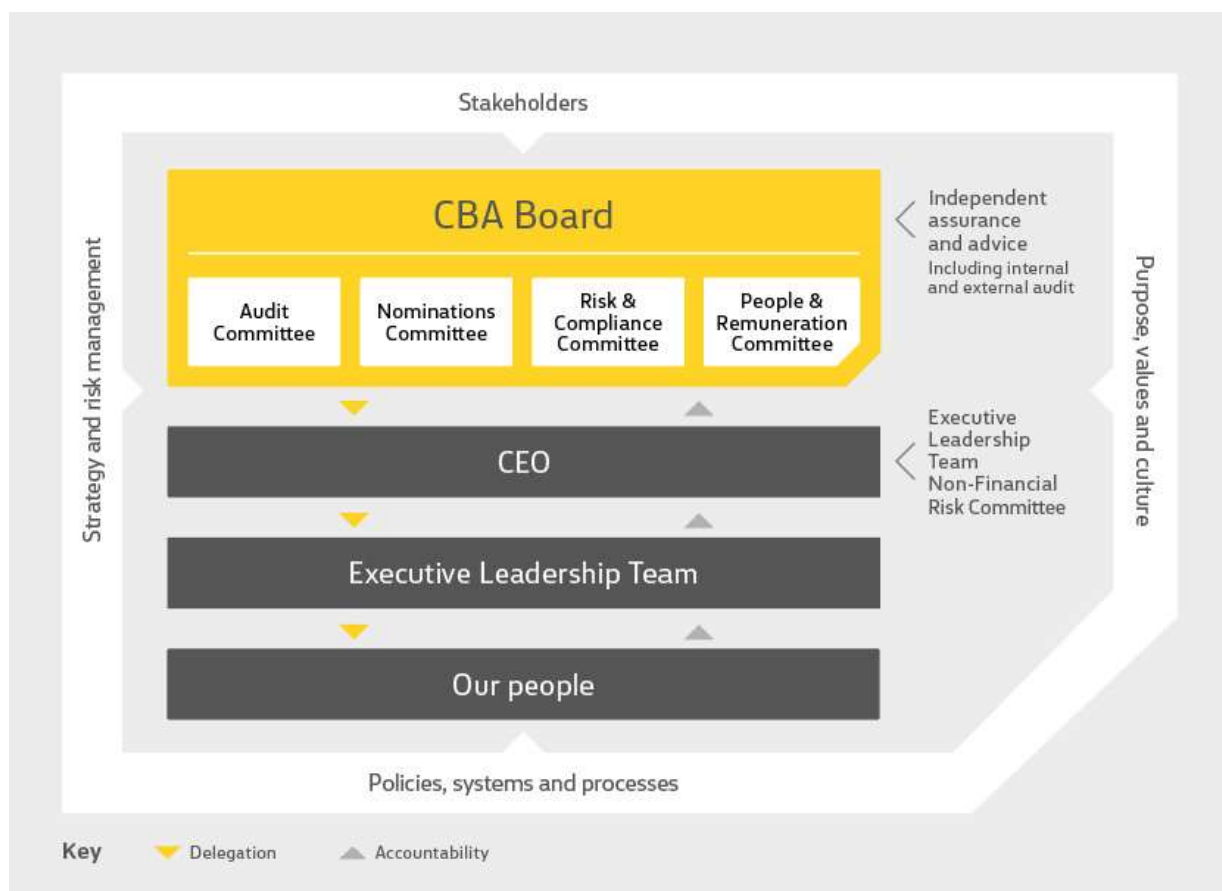
Board of Directors



Left to right: Catherine Livingstone AO (Chairman), Matt Comyn (Managing Director and Chief Executive Officer), Shirish Apte, Genevieve Bell AO, Paul O'Malley, Mary Padbury, Anne Templeman-Jones, Rob Whitfield AM, Wendy Stops.

Full biographies are available on our [website](https://www.commbank.com.au/about-us/our-company) at [commbank.com.au/about-us/our-company](https://www.commbank.com.au/about-us/our-company).

Corporate Governance Framework



The Bank's Corporate Governance Framework (Framework) is based on accountability, effective delegation and adequate oversight to support sound decision-making.

The Board is responsible for setting the strategic objectives and risk appetite of the Bank, and approves the Group's Code of Conduct to set the Board's expectations for the Group's values and desired culture.

The Board delegates certain powers to Board Committees to help it fulfil its roles and responsibilities. The Board also appoints the Chief Executive Officer (CEO). The Board has delegated the management of the Bank to the CEO, except for those matters specifically reserved to the Board or its Committees. The CEO, in turn, may delegate some of these powers to Group Executives and other officers under instruments of delegation. Despite any delegations by the CEO, the CEO is accountable to the Board for the exercise of the delegated powers and management's performance.

At its discretion, the Board may form other committees to undertake specific duties from time to time.

The purpose of the Executive Leadership Team Non-Financial Risk Committee (ELT NFRC) is to assist and advise the CEO to govern and effectively manage the

Group's non-financial risks, and raises the visibility and stature of non-financial risk across the Group, including operational, compliance (including conduct), financial crime and cyber risks.

The key functions of the Board and its Board Committees are outlined in this Statement. Copies of the Board and Board Committee Charters can be found on our [website](https://www.commbank.com.au/corporate-governance) at [commbank.com.au/corporate-governance](https://www.commbank.com.au/corporate-governance).

Culture

The Bank remains focussed on shaping a culture that supports the achievement of business strategies and drives decisions and actions that lead to better outcomes for our customers and stakeholders. The Board acknowledges that community confidence and trust in the Bank continues to depend on this, and this has been particularly apparent during the Bank's response to the COVID-19 pandemic.

The Board recognises that, together with management, it has a critical role in setting the cultural tone of the Bank, and seeks to guide the Bank's culture through the CEO.

The Directors monitor culture and cultural change initiatives through information from employee surveys

and focus groups, Audit reports, compliance reports, whistleblower reports and various other sources.

Our Purpose and Values

The Bank's purpose is to improve the financial wellbeing of our customers and communities.

We are guided by our values:

We do what is right

We are accountable

We are dedicated to service

We pursue excellence

We get things done

Our purpose statement and values expectations are reinforced across the Bank through various communication channels, policies, processes and training. Conduct is formally assessed with respect to the Bank's values, risk and key performance indicators during employee performance reviews.

During the 2020 financial year, other mechanisms to reinforce the Bank's purpose and values included:

- a continued focus on our senior leaders cascading a personal and authentic tone from the top through leadership forums and leader-led training;
- all senior leaders receiving feedback on their leadership effectiveness through participating in a Leadership 360 diagnostic and coaching debrief exercise. Results were shared with the Board;
- embedding our purpose and values expectations through a number of employee lifecycle interventions, including recruitment, on-boarding and promotion systems, processes and policies;
- launching a new Group-wide induction for all new employees, ensuring consistent expectations and accountabilities are established as people join the Bank; and
- launching a Recognition Hub, providing a central place for employees to share stories of our values in action, through our everyday Legends Program, or

to recognise extraordinary performance through quarterly and annual Excellence Awards.

Policies

Policies play a key role in guiding decision making and conduct across the Group. The Bank remains focused on enhancing the Group's policy framework to ensure our policies and supporting procedures are fit-for-purpose.

Code of Conduct

The Group's Code of Conduct (**Code**) articulates the standards of behaviour expected of our people when engaging with, and balancing the interests of, the Bank's stakeholders. The Code connects our purpose and values expectations with a 'Should We?' test, to help deliver the right outcomes. It guides our decision-making, sets clear boundaries, and provides a roadmap for getting help when we run into challenges. Material breaches of the Code are reported to the Audit Committee. The Code is available on our [website](https://commbank.com.au/policies) at commbank.com.au/policies.

Whistleblower Protection

The Group is committed to fostering a culture where our people and others feel safe to speak up on matters or conduct that concerns them. The Group Whistleblower Policy provides clarity on how the Group will support and protect our people and others to express their concerns, as well as the manner in which concerns can be raised and will be managed.

The Group has:

- a Whistleblower Protection Officer whose role includes overseeing the protection of whistleblowers, including their wellbeing;
- SpeakUP services (including telephone, email and online) that provide avenues for individuals to raise concerns, including anonymously; and
- a Misconduct Governance Committee that oversees the effectiveness of the whistleblower program.

The Board Audit Committee is provided with regular reporting on the operation of the whistleblower program.

The Group Whistleblower Policy is available on our [website](https://commbank.com.au/policies) at commbank.com.au/policies.

Anti-Bribery and Corruption

The Group is committed to embedding a zero tolerance appetite for bribery, corruption and facilitation payments. An Anti-Bribery & Corruption (**AB&C**) framework, comprising a Group AB&C Policy and Standard has been created to:

- formally acknowledge the serious nature of bribery and corruption;
- prohibit the giving of bribes, facilitation payments or other improper benefits to another person, including public officials;
- identify potential risks and appropriate controls relating to key bribery and corruption risk areas such as the offering or accepting of gifts and entertainment; sponsorships & donations; hiring opportunities as well as the engagement of third party service providers who may act for or on behalf of the Group;
- require all parts of the Group to identify and understand the bribery and corruption risks relevant to their operations, and implement appropriate controls; and
- outline the requirements for escalating and reporting AB&C policy breaches.

Material breaches of the policy must be reported to the Board. The Group AB&C Policy is available on our [website](https://www.commbank.com.au/policies) at [commbank.com.au/policies](https://www.commbank.com.au/policies).

Diversity and Inclusion

The Group Diversity and Inclusion Policy outlines our approach and commitment to diversity and inclusion. The policy states the principles our employees and senior leaders are expected to work towards to deliver a workplace that is safe, accessible and inclusive, where everyone feels valued and respected.

Under the policy, and in accordance with the Board Charter, the Board is responsible for approving the Group's Diversity and Inclusion Policy, and setting, and annually assessing, measurable objectives in relation to diversity and progress against achieving them (in conjunction with the People & Remuneration Committee). Further details about these objectives are set out on pages 35 and 51 of the 2020 Annual Report.

The Group Diversity and Inclusion Policy is available on our [website](https://www.commbank.com.au/policies) at [commbank.com.au/policies](https://www.commbank.com.au/policies).

Conflicts Management

The Group Conflicts Management Policy is designed to ensure that actual, perceived or potential conflicts of interests are identified, managed or prevented. The policy outlines the organisational and administrative arrangements in place to support the identification and management of conflicts of interest.

Fit and Proper

The Group Fit and Proper Policy addresses the requirements of APRA Prudential Standards CPS 520 and SPS 520. The policy requires all persons appointed

to a Responsible Person role (including CBA Directors) to satisfy the fit and proper requirements prior to their initial appointment, and be re-assessed annually, or at any time information that may affect their fit and proper status becomes known.

Securities Trading

The Group Securities Trading Policy sets out when our people and their associates may deal in Securities, including Group securities.

The policy prohibits dealing in Securities, when in possession of inside information. It also prohibits certain specified persons and their associates from dealing in Group securities except during limited 'trading windows'.

The Group Securities Trading Policy is available on our [website](https://www.commbank.com.au/corporate-governance) at [commbank.com.au/corporate-governance](https://www.commbank.com.au/corporate-governance).

Modern Slavery and Human Trafficking

The Group's Environmental and Social Framework details our commitment to managing environmental and social risks, including human rights and modern slavery. During the 2020 financial year, the Group published its latest Modern Slavery and Human Trafficking Statement, which discloses the actions taken to identify and mitigate slavery and human trafficking in our business and supply chain. The statement complies with the requirements of the UK Modern Slavery Act.

The Modern Slavery and Human Trafficking Statement is available on our [website](https://www.commbank.com.au/CRreporting) at [commbank.com.au/CRreporting](https://www.commbank.com.au/CRreporting). For more information, refer to page 37 of the 2020 Annual Report.

The Group will publish our first statement in compliance with Australia's *Modern Slavery Act 2018* (Cth) in the 2021 financial year, reporting on our activities in the 2020 financial year.

Entity Governance

The Board has adopted a suite of Entity Governance documents comprising the Entity Governance Umbrella Policy, which is supported by five pillars:

1. The Subsidiary Governance Framework, which includes authority and delegations, directors and officers, board governance and information flow, and supporting principles of risk, tax, audit and finance for Group Subsidiaries;
2. Group Board Appointment, Renewal and Performance Policy, which sets out the standard for the appointment, renewal, evaluation, performance and removal of Directors to the Board and other boards within the Group;

3. Entity Lifecycle Framework, which outlines the corporate governance, legal and regulatory requirements that apply to the formation, ongoing maintenance and de-registration of Subsidiaries;
4. Group Policy Framework Policy, which sets out the requirements for Group and Business/Support Unit policies, standards and procedures, to ensure these documents are clear, consistent, fit for purpose, operationalised and well governed; and
5. Minority Investment Entities Framework, which sets out the approach for the management and governance of Minority Investment Entities (entities in which the Group has a minority, non-controlling interest).

Risk Management and Assurance

The Group has exposure to both financial and non-financial risks, and is committed to having risk management policies, processes and practices that support a high standard of risk governance whilst enabling management to undertake prudent risk-taking activities.

Risk Management Framework

The Group's Risk Management function designs and oversees a Risk Management Framework (Risk Framework) for managing the Group's material risk types.

The Risk Framework covers the systems, structures, policies, processes and people that identify, measure, evaluate, monitor, report and control or mitigate both internal and external sources of material risk. It incorporates three key documents:

- **Group Risk Appetite Statement (RAS):** which articulates the type and degree of risk the Board is prepared to accept, and the maximum level of risk that the Group must operate within;
- **Group Risk Management Approach (RMA):** sets the Board and Executive Leadership Team's expectations regarding how we behave to identify, measure, monitor and act upon our risks; and
- **Group Strategy:** articulated through the Group Business Plan, which articulates the Group's approach to implementing its strategic objectives.

The Board is ultimately responsible for the Group's Risk Framework, and is responsible for the oversight of its operation by management. As required under APRA's Prudential Standard for risk management (CPS 220), the Board makes an annual Risk Management Declaration to APRA that is signed by the Chairs of the Board and the Risk & Compliance Committee. As part of

its consideration of the Risk Management Declaration, the Board makes appropriate enquiries, in all material respects, to satisfy itself that the Risk Framework is appropriate to the Group. The last Risk Management Declaration was provided to APRA in October 2019. For more information, refer to pages 55 to 61 of the 2020 Annual Report.

Remedial Action Plan

Following publication of the APRA Prudential Inquiry Report (Inquiry Report) in April 2018, the Bank committed to implement all recommendations. Addressing the findings of the Inquiry Report is a key focus of the Board and management.

The Bank has a Remedial Action Plan (Plan) in place to address the recommendations outlined in the Inquiry Report. The Plan was approved by APRA on 29 June 2018. A number of these changes will strengthen the Risk Framework, particularly in respect of operational risk, and compliance risk management.

Examples of progress include:

- elevating the focus on risk management by establishing the ELT NFRC;
- establishing Chief Controls Offices in Business Units, and appointing Chief Controls Officers who are accountable for the management and governance of non-financial risk for their respective Business Unit; and
- clarifying what we expect of our people through our purpose, values expectations and Code, and more closely linking senior leaders' remuneration with their management of risk. Relevant senior leaders have a proportion of their performance metric tied to the successful delivery of the milestones within the Plan.

All milestones in the Plan are on track to be delivered by the scheduled due dates.

For more on the Bank's response to the Inquiry Report, refer to page 63 of the 2020 Annual Report, and our [website](https://www.commbank.com.au/APRA) at [commbank.com.au/APRA](https://www.commbank.com.au/APRA).

Exposure to Environmental, Social and Governance (ESG) Risks

The Bank has implemented policy frameworks for considering environmental, social and governance risks, including climate change. These risks could adversely affect the Group and the achievement of its objectives. More information about the Group's material risks and

how the Group seeks to manage risk is described on pages 58 to 61 of the 2020 Annual Report.

The Group's approach to climate, strategy, risk management, metrics and targets is in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. For more information, refer to pages 38 to 45 of the 2020 Annual Report.

Internal Audit

Group Audit & Assurance (GA&A) is the Internal Audit function of the Group, also called the 3rd Line of Accountability (3LoA or Line 3). Its role is to provide independent and objective assurance and related consulting services to management, as well as the Audit, Risk & Compliance, and People & Remuneration Committees.

GA&A is structured to be independent of management, with the most senior GA&A executive, the Group Auditor, reporting directly to the Audit Committee. The Audit Committee holds regular discussions with the Group Auditor in the absence of management. The Group Auditor may only be appointed or dismissed with the Audit Committee's approval. The Group Auditor has free and unrestricted access to all of the Group's information, people, property and records to discharge GA&A's role. In major offshore subsidiary entities, local audit teams operate similarly, but with a direct reporting line to local board committees.

GA&A operates under a separate Charter approved by the Audit Committee, conducts its activities in line with local accounting and regulatory standards and, adheres to the Institute of Internal Auditors' International Professional Practice Framework, including the Core Principles for the Professional Practice of Internal Auditing (Standards) and the Definition of Internal Auditing.

GA&A's responsibilities include:

- developing a risk-based annual audit plan for the Audit Committee's approval and adjusting that plan where necessary to reflect current and emerging risks;
- executing the audit plan in line with approved audit methodologies and reporting the results of its work to management, the Audit Committee and, where appropriate, to the Risk & Compliance Committee; and
- escalating to management, and the Audit Committee or Risk & Compliance Committee, as appropriate, instances where GA&A believe that management has accepted a level of risk in excess of the business area's approved risk appetite. The

Group Auditor also monitors and reports on progress in addressing significant control and risk issues.

External Auditor

PricewaterhouseCoopers (PwC) was appointed as the Group's External Auditor (External Auditor) at the 2007 Annual General Meeting (AGM). The External Auditor provides an independent opinion on whether, among other things, the Group's financial report provides a true and fair view of the Group's financial position and performance.

In line with legislation promoting auditor independence, the Group requires rotation of PwC's lead audit partner after the audit of five successive financial years. The current lead audit partner, Matthew Lunn, was appointed effective from 1 July 2017. The lead audit partner holds regular discussions with the Audit Committee without management present. That partner will attend the 2020 AGM and be available to respond to shareholder questions relevant to the audit. The Group and its External Auditor must comply with Australian and United States auditor independence requirements. United States Securities and Exchange Commission rules apply to various activities the Group undertakes in the United States, even though the Bank is not registered under its Exchange Act. A statement of the Board's satisfaction that the non-audit services provided by PwC did not compromise the auditor independence requirements is provided in the Directors' report, within the 2020 Annual Report.

CEO and CFO Declarations

Before the Board approved the Group's half-year and full-year financial statements for 2020, the CEO and CFO provided the Board with written declarations that, in their opinion:

- the Group's financial records have been properly maintained in accordance with the Corporations Act;
- the financial statements and notes comply with the accounting standards and give a true and fair view of the Group's financial position and performance; and
- the declarations are formed on the basis of a sound system of risk management and internal control, which is operating effectively.

Stakeholders

The Bank engages with our stakeholders to strengthen our partnerships with them and enhance our community participation. This is essential, especially when the Bank is supporting customers, staff and the community during the COVID-19 pandemic. Forums such as our CEO Advisory Panel, Customer Advocate Community Council, and the Indigenous Advisory Council are examples of how the Bank seeks the views of external stakeholders.

Customers

The Bank engages with our customers through customer feedback, surveys and workshops, customer representative bodies, complaint channels and external dispute resolution bodies.

Since 2016, our Customer Advocate has championed fairness for customers by:

- removing barriers to banking that stand in the way of financial inclusion;
- finding and fixing issues that could have a negative impact on customers;
- providing a helping hand to customers through initiatives and programs that protect against financial abuse, support mental health, and respond to the needs of those in vulnerable circumstances;
- building a better bank by improving customer advocacy in decision making; and
- restoring relationships between our people, our customers and our community.

For more information on the Customer Advocate, refer to pages 31 and 47 the 2020 Annual Report, visit our [website](https://commbank.com.au/customeradvocate) at commbank.com.au/customeradvocate, or call 1800 832 806 (Monday to Friday 8.30am – 5.00pm AEST).

Community

To deliver sustainable outcomes and financial wellbeing for our stakeholders, first we must understand the expectations of the communities in which we operate.

The Bank engages with members of the community and community organisations through a variety of channels. We are guided by insights from our community partners to improve our products and services. This delivers better outcomes for our customers. We also ask our staff what community initiatives that want the Bank to support.

Through the CommBank Staff Foundation, our employees have the opportunity to participate in one of Australia's largest workplace giving programs. During

the financial year, the CommBank Staff Foundation donated more than \$4.5 million to eligible community organisations, and raised more than \$2.7 million for cancer research.

Our community engagement has been constrained during the COVID-19 pandemic.

Our People

The People & Remuneration Committee assists the Board to discharge its responsibilities on matters relating to organisational culture, diversity and inclusion, and the health, safety and wellbeing of our people.

A copy of the Charter is available on our [website](https://commbank.com.au/corporate-governance) at commbank.com.au/corporate-governance.

The Bank is committed to:

- building a more inclusive and diverse culture;
- supporting flexible work practices;
- providing our people, regardless of gender or sexual orientation, with access to paid leave and other support to assist them with caring and family responsibilities; and
- rewarding our people responsibly.

Building a Diverse and Inclusive Culture

The Group's Global Diversity & Inclusion Strategy seeks to build an inclusive culture that embraces the diversity of our people and creates a sense of connection and belonging. This strategy is built on actions taken to learn from the experiences of our people and customers, to build understanding and to ensure fair and inclusive decision-making. This includes listening sessions to understand the employee and customer experience, embedding fair and equitable people related processes, and regularly measuring ourselves and reporting against our objectives.

Whilst results demonstrate that the Bank is well positioned to understand and respond to the needs of our customers and communities, we know there's more work to be done to improve the diversity of our leadership teams.

Gender Diversity

The Nominations Committee is responsible for setting and approving measurable objectives for gender diversity in the composition of the Board and the boards of nominated subsidiaries. The People & Remuneration Committee is responsible for setting measurable objectives for gender diversity applicable to the workforce more broadly (including senior executives).

2020 Corporate Governance Statement

Our progress towards achieving those objectives are:

Roles to be held by women by 2020	Progress as at 30 June 2019	Progress as at 30 June 2020
40% of Board	50.0%	55%
40% of Executive Managers ¹ and above ²	39.1%	41%
45% of Manager ³ and above roles	45.0%	45%

Women represent 56.9% of the Group's workforce and 27.3% of senior leadership (Group Executives).⁴

Cultural Diversity

The Board sets the measureable objectives for cultural diversity. Our progress is measured through our Cultural Diversity Index (CDI). For more information, refer to pages 35 and 51 of the 2020 Annual Report, and our [website](http://commbank.com.au/diversity) at commbank.com.au/diversity.

Employee Networks

Our employee-led networks foster inclusion and inform solutions for our people and our customers, and include: WeCAN (gender equality), Advantage (life-stage and age), Yana Budjari (Aboriginal and Torres Strait Islander peoples and cultures), Unity (sexual orientation and gender identity), Mosaic (cultural diversity), and Enable (accessibility and inclusion for people with a disability).

For more on the Bank's approach to diversity and inclusion, refer to page 35 of the 2020 Annual Report.

Flexible Work Practices

We believe that flexible working practices, when leveraged as a strategic tool to improve business outcomes and employee wellbeing, can strengthen a performance culture.

Through our iCanFlex program, the Bank provides tools that enable our people to work in a way that makes sense for them and our business. iCanFlex encourages our people to adopt flexible working practices, supporting them to adjust how, when, and where they work to deliver better outcomes for themselves, our customers and the business.

65.7%⁵ of the Group's people work flexibly. During the COVID-19 pandemic, the Bank has seen a larger

proportion of our people working remotely to prioritise their safety, health and wellbeing.

Supporting Working Parents

We recognise that the sharing of caring responsibilities for families promotes workforce participation. With this in mind, we have been working to ensure that our approach to parental leave and support for carer's is gender inclusive, particularly to improve men's access to parental leave.

We offer gender-neutral paid parental leave entitlements with up to 52 weeks superannuation payments for primary carers, 12 weeks paid parental leave and a return-to-work payment.

We have a continued increase in men accessing parental leave and, in the 2020 financial year, 38.9%⁶ of employees who commenced a period of parental leave were men.

A copy of our WGEA reports⁷ can be found on our [website](http://commbank.com.au/diversity) at commbank.com.au/diversity.

Remuneration

The People & Remuneration Committee also assists the Board to discharge its responsibilities on matters relating to:

- The Group's remuneration strategies, recognition programs, Group Remuneration Policy and other people-related policies; and
- Remuneration arrangements for non-executive directors of the CBA Board, the CEO and CEO's direct reports and Accountable Persons and Responsible Persons of the Bank and Regulated Subsidiaries.

In carrying out its role, the People & Remuneration Committee seeks to ensure the Bank's people and remuneration practices and recognition programs are aligned to the Group's Remuneration Policy and principles; have regard to performance and financial soundness; satisfy governance, legal and regulatory requirements; and encourage behaviours which appropriately mitigate against operational, financial, non-financial, regulatory and reputational risks, and do not reward conduct that is contrary to the Group's values, culture or risk appetite.

¹ The percentage of roles at the level of Executive Manager and above filled by women, in relation to the total headcount at these levels as at 30 June. Headcount captures permanent headcount (full-time, part-time, job share, on extended leave), and contractors (fixed term arrangements) paid directly by the Group, including AHL and excluding ASB.

² For the purposes of diversity metrics, gender targets in relation to Senior Executives is defined as Executive Manager and above.

³ The percentage of roles that are filled by women at the level of Manager and above (including Branch Managers), in relation to the total headcount at this level as at 30 June. Headcount captures permanent headcount (full-time, part-time, job share, on extended leave), and contractors (fixed term arrangements) paid directly by the Group, including AHL and excluding ASB.

⁴ The percentage of roles that are filled by women who are current executives as at 30 June. These roles are direct reports of the CEO with authority and responsibility for planning, directing and controlling CBA's activities. This excludes ASB. For a list

of current executives, please refer to pages 70 & 71 of the 2020 Annual Report pages.

⁵ The proportion of CBA employees that indicated that they used flexible work options in the last 12 months by nominating one, or more than one, of the flexible work options in the Group's people and culture survey. Note this survey question was updated in the 2017 financial year. The result captures the responses of CBA employees only, excluding Bankwest, CFSGAM, ASB, Indonesia, Vietnam and China.

⁶ This metric represents the proportion of male employees who commenced a period of parental leave in the 2020 financial year, compared to all employees who commenced parental leave during the same period. This excludes AHL and ASB.

⁷ 2020 WGEA public reports submitted for Commonwealth Bank Australia, Commonwealth Securities, Colonial Services and Bankwest, but excluding AHL.

For more information on the Bank's remuneration arrangements, refer to the Remuneration Report on pages 78 to 102 of the 2020 Annual Report.

During the year, the Nominations Committee (in conjunction with the People & Remuneration Committee) evaluated the CEO's performance, and his assessment of the Group Executives' performance⁸. The evaluations were endorsed to the Board for approval. The basis on which individuals' performance was evaluated, and remuneration outcomes determined, is summarised in the Remuneration Report.

The CEO and other senior executives have written agreements setting out their employment terms. The Group Fit and Proper Policy requires background checks are undertaken prior to appointing senior executives, including fit and proper assessments for persons appointed to a 'responsible person' role, as outlined on page 4 of this document.

Gender Pay Equity

We seek to achieve gender pay equality, and continue to have a minimal pay gap between what we pay men and women in similar roles, as reported on page 51 of the 2020 Annual Report. Over the 2020 financial year, gender pay equity improved at the General Manager level, and declined slightly at the Executive General Manager and Executive Manager levels. We have reviewed our reporting approach for 2020. We also review pay equity throughout the year, and as part of the annual remuneration review process.

Shareholders

The Bank seeks to provide shareholders with information that is timely, of high quality and relevant to their investment. Extensive information is provided on the Bank's Investor Centre at commbank.com.au/investors and updates are provided to shareholders via communications such as our ASX Announcements, Annual Report, Notice of Meeting and Letter to Shareholders. The Bank is also committed to listening and responding to shareholder queries and feedback. The Bank's investor relations program facilitates two-way communication between the Bank and shareholders and a dedicated telephone number and email address for shareholder inquiries is provided on the Investor Centre.

Corporate Reporting

The Audit Committee assists the Board discharge its responsibilities on matters relating to the external reporting of financial information for the Group.

The Group's Policy on Publicly Issued Documents and Marketing Materials establishes the principles for an approval process for public documents and marketing materials including periodic corporate reports such as the Annual Report, profit announcements, quarterly trading updates and Pillar 3 reports. The policy seeks to ensure:

- the information included in the relevant document is not considered to be inaccurate, false, misleading or deceptive;
- that there are no material omissions in public documents;
- that there are no material omissions in marketing materials which may prevent existing or potential clients or customers from making informed decisions;
- compliance with relevant legislation, regulations, industry codes and standards and the Group's policy framework;
- that a heightened degree of validation of certain public documents and marketing materials is performed; and
- that appropriate approvals are obtained for publically issued documents and marketing materials in accordance with the policy.

Under the policy, periodic corporate reports require a verification schedule as a means of verifying the accuracy and completeness of the content. The verification schedule allocates the statements within the relevant document to a responsible person, and records the sign-off of that person against the principles stated above. The verification is then provided to an appropriate approver to sign off on the accuracy and completeness of the information.

The CEO and CFO also provide the Board with written declarations in relation to the half-year and full-year financial statements, as described on page 6 of this Statement.

Continuous Disclosure

The Bank is committed to promoting investor confidence in the markets in which it operates by complying with its disclosure obligations in a way that provides investors with equal access to timely, balanced and effective disclosures.

All market sensitive information is released to the ASX in compliance with the Bank's continuous disclosure obligations under the Corporations Act and the ASX Listing Rules.

⁸ The ASB Board assessed the performance of the CEO ASB.

The Group Continuous Disclosure Policy provides the framework for dealing with market sensitive information, and seeks to ensure that the Group complies with its continuous disclosure obligations. A copy of the policy is available on our [website](https://commbank.com.au/corporate-governance) at commbank.com.au/corporate-governance.

Subject to the matters reserved for Board approval, the Disclosure Committee is responsible for determining whether an announcement is released to ASX, or any other foreign securities exchange, and approving the form of the announcement.

The Board receives copies of all material market announcements after release.

The Bank releases copies of new and substantive investor or analyst presentation materials to the ASX ahead of the presentation being given.

In addition, the Bank posts all information released to the ASX via the Investor Centre.

Annual General Meeting

The Bank recognises the importance of shareholder participation at our AGM. Shareholders are encouraged to attend and participate.

Having considered guidance from the Australian Government and Regulators, and with the health and safety of our shareholders, our employees, and the broader community in mind, the 2020 AGM will be held virtually to facilitate shareholder attendance during the COVID-19 pandemic.

Shareholders are encouraged to submit questions ahead of the AGM and attend online or by phone. Questions received ahead of the AGM provide useful insights into shareholder concerns and areas of interest, enabling the Chairman and CEO to provide relevant feedback on these to the meeting, where consistent themes are raised in advance. Shareholders also have the opportunity to ask questions during the meeting.

The Bank offers direct voting which allows shareholders who are unable to participate in the AGM to vote on resolutions in advance, without needing to appoint a proxy to vote on their behalf. It is the Bank's practice to conduct voting on all resolutions by poll.

The AGM is webcast live, and a recording of the AGM is made available after the meeting on our [website](https://commbank.com.au/AGM) at commbank.com.au/AGM for shareholders who are unable to attend.

Electronic Communications & Payments

Shareholders are encouraged to provide the Bank's share registry, Link Market Services, with their email address, so that the Bank can communicate important information efficiently. Link Market Service's contact

details are provided on our [website](https://commbank.com.au/investors) at commbank.com.au/investors.

Payments are made electronically except where it is not possible to make electronic payments.

Roles and Responsibilities

The Board and Board Committee charters are reviewed annually to confirm the role, responsibilities and accountabilities of the Board and each Board Committee.

Summaries of the roles and responsibilities of the Board, the Chairman, each Board Committee, and the CEO are set out below.

The Board

- sets the strategic objectives and risk appetite of the Bank, and approves the Group's Code of Conduct to set the Board's expectations for the Group's values and desired culture;
- endorses the strategic and Business Unit plans, and approves the financial plans to be implemented by management;
- oversees the business of the Group by approving major corporate initiatives, new business ventures, and capital expenditure for certain investments and divestments;
- oversees the Group's Risk Framework and its operation by management;
- sets the Group's risk appetite, within which the Board expects management to operate, and approves the RAS;
- approves the Group's RMA and any key risk frameworks and policies for managing financial and non-financial risks reserved for the Board;
- oversees the Group's efforts to improve the experience and outcomes of the Group's customers;
- approves capital management initiatives;
- approves the Group's half and full-year financial statements and reports, and the half and full-year financial reports, and quarterly trading updates and oversees the integrity of the Group's accounting and corporate reporting;
- oversees the Group's continuous disclosure process;
- considers the social, ethical and environmental impact of the Groups' activities; and approves corporate responsibility and climate related disclosures;
- assesses the performance and succession planning of the CEO and the direct reports of the CEO (in

conjunction with the People & Remuneration Committee);

- approves the remuneration arrangements for the CEO and direct reports to the CEO, including remuneration deferrals and breach consequences under the Group BEAR Policy and Procedures performance scorecard measures and outcomes, and termination payments as required;
- approves new, or material amendments to, performance management frameworks, variable remuneration plans, employee equity plans, employee superannuation and pensions;
- determines the fees payable to CBA non-executive directors;
- approves the Group's Diversity and Inclusion Policy, and measurable diversity objectives and metrics (in conjunction with the Nominations and People & Remuneration Committees);
- oversees and monitors relevant corporate governance frameworks for the Group; and
- approves relevant Work, Health & Safety (WHS) policies and monitors **WHS** matters.

The Board charter is available on our [website](https://www.commbank.com.au/corporate-governance) at [commbank.com.au/corporate-governance](https://www.commbank.com.au/corporate-governance).

The Chairman

- fosters an open, inclusive and, where appropriate, robust discussion and debate by the Board;
- maintains a regular, open and constructive dialogue with the CEO and management, serving as the primary link between the Board and management;
- represents the views of the Board and the Group to stakeholders, including shareholders, regulators and the community;
- liaises with the Group's Company Secretary in relation to the Board's information requirements to assist the Board with effective decision making; and

- sets the agenda together with the CEO and the Group Company Secretary, ensuring that appropriate time and attention is devoted to matters within the responsibilities of the Board.

The CEO

- implements the strategic, business and financial objectives and/or plans and instilling the Group's Code of Conduct;
- analyses the impact on strategic objectives and financial position when allocating resources or capital; approving expenditure; or making financial decisions;
- assesses reputational consequences of decisions or actions taken;
- implements processes, policies and systems together with appropriate controls to effectively manage the operations and risk of the Group; and
- ensures the timely preparation, presentation, adequacy and integrity of information provided to the Board, to enable the Board to carry out its responsibilities.

Board Committees

The Board has four principal Committees that assist it in carrying out its responsibilities. These are the:

- Audit Committee;
- Nominations Committee;
- People & Remuneration Committee; and
- Risk & Compliance Committee.

The roles, responsibilities and composition requirements of each Board Committee are detailed in the respective charter, and has been summarised in the following table. The charters are available on our [website](https://www.commbank.com.au/corporate-governance) at [commbank.com.au/corporate-governance](https://www.commbank.com.au/corporate-governance).

Audit Committee	Assists the Board on matters relating to external reporting of financial information for the Group, the internal control framework for the Group, the Group Auditor, internal audit function and External Auditor, and the Group's Risk Framework, in conjunction with the Risk & Compliance Committee.	Must:* <ul style="list-style-type: none"> • have at least three independent NEDs; • include the Risk & Compliance Committee Chairman; and • not be chaired by the Board Chairman. 	Members as at the date of the report: <ul style="list-style-type: none"> • Anne Templeman-Jones (Chairman) • Shirish Apte • Catherine Livingstone AO • Wendy Stops • Rob Whitfield AM
Nominations Committee	Assists the Board on matters relating to Board and Board committee composition, appointment, election and re-election of Non-Executive Directors (NEDs), Director induction programs, Director independence assessments, performance review processes for the Board and Board committees,	Must:* <ul style="list-style-type: none"> • have at least three independent NEDs; and • be chaired by the Board Chairman. 	Members as at the date of the report: <ul style="list-style-type: none"> • Catherine Livingstone AO (Chairman) • Genevieve Bell AO • Mary Padbury • Rob Whitfield AM

	succession planning for, and performance of, the Bank's Chief Executive Officer (CEO) and the CEO's direct reports, diversity of the Board and boards of CBA Nominated Subsidiaries, and subsidiary governance framework and policies for overseeing the appointment to, and performance of, boards of key operating subsidiaries.		
People & Remuneration Committee	Assists the Board on matters relating to organisational culture diversity and inclusion and health, safety and wellbeing, the Group's remuneration strategies, recognition programs, Group Remuneration Policy and other people-related policies; and remuneration arrangements for NEDs of the Board and certain related companies, the CEO, senior direct reports to the CEO, 'accountable persons' under the BEAR and other individuals described in the Committee charter.	Must:* <ul style="list-style-type: none"> • have at least four independent NEDs; • include a Risk & Compliance Committee member; and • not be chaired by the Board Chairman. 	Members as at the date of the report: <ul style="list-style-type: none"> • Paul O'Malley (Chairman) • Catherine Livingstone AO • Mary Padbury • Wendy Stops
Risk & Compliance Committee ⁹	Assists the Board on matters relating to oversight and governance of risks impacting the Group, design, implementation and operation of the Group's Risk Framework and RMA, monitoring risk appetite and assessing risk profile within material risk types, monitoring the effectiveness of the compliance management framework impacting the material risk types, and risk culture and behaviours.	Must:* <ul style="list-style-type: none"> • have at least four independent NEDs; • include the Audit Committee Chairman and a People & Remuneration Committee member; and • be chaired by a member of the Audit Committee. 	Members as at the date of the report: <ul style="list-style-type: none"> • Rob Whitfield AM (Chairman) • Shirish Apte • Catherine Livingstone AO • Paul O'Malley • Anne Templeman-Jones

* All Board Committees are chaired by an independent Non-Executive Director.

From time to time, other special purpose Committees are established to assist the Board, or to exercise a delegated authority of the Board.

All Directors have access to Board Committee papers, may attend Committee meetings, and receive minutes of Committee meetings even if they are not a member of the relevant Committee. Board Committee Chairs provide verbal reports on Committee business at the next relevant Board meeting.

Company Secretaries

The Board has appointed two Company Secretaries, whose qualifications, experience and other details are detailed on page 77 of the 2020 Annual Report. Full biographies are available on our [website](https://www.commbank.com.au/about-us/our-company) at [commbank.com.au/about-us/our-company](https://www.commbank.com.au/about-us/our-company).

The Group Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

All Directors have access to both Company Secretaries.

⁹ The Group CEO, Chief Risk Officer (CRO), CFO and Group Auditor may attend all Committee meetings. The Committee meets periodically with the CRO and Executive General Manager Group Compliance, with only Directors present.

Board Effectiveness

The Board is committed to renewal and to continually improving its practices so that it can effectively discharge its role and responsibilities. An overview of the Board's composition and key corporate governance practices follows.

Board Members

The Bank's Directors for some or all of the 2020 financial year follow.

Current Directors	Appointed	Length of Service ¹⁰
Catherine Livingstone AO ¹¹	March 2016	4 years 5 months
Matt Comyn (CEO)	April 2018	2 years 4 months
Shirish Apte	June 2014	6 years 2 months
Mary Padbury	June 2016	4 years 2 months
Wendy Stops	March 2015	5 years 5 months
Anne Templeman-Jones	March 2018	2 years 5 months
Rob Whitfield AM	September 2017	2 years 11 months
Genevieve Bell AO	January 2019	1 year 7 months
Paul O'Malley	January 2019	1 year 7 months
Former Directors	Appointed	Retired
Sir David Higgins	September 2014	December 2019

As at the date of this Statement, the Board comprised eight independent Non-Executive Directors and the CEO.

For details of the current Directors' experience and qualifications, refer to pages 67 to 69 of the 2020 Annual Report.

Board Composition

It is essential that Non-Executive Directors are independent, that collectively they have the relevant skills and experience, and that they represent a diverse range of views and thinking. This supports sound decision-making and assists the Board to effectively discharge its responsibilities.

The Board has adopted Independence Standards to assess whether a Director qualifies as an independent

Non-Executive Director upon appointment, and to consider the ongoing independence of Non-Executive Directors.

Each Non-Executive Director must disclose all Interests¹² that may affect the exercise of their unfettered and independent judgment as a Director prior to their appointment or election and promptly as and when circumstances change.

Disclosure extends to include relevant Interests of close family ties, such as spouses and family companies.

The Nominations Committee assesses the independence of each Director candidate and Non-Executive Director against the Independence Standards based on their disclosure of Interests and, in the case of a Non-Executive Director on the annual declaration.

In accordance with those Independence Standards, the Board considers a Non-Executive Director to be independent where they are independent of management and free of any Interests that could materially interfere (or could reasonably be perceived to interfere) with the exercise of unfettered and independent judgement, and ability to act in the best interests of the Group as a whole rather than in the interests of an individual security holder or other party.

The Board considers that all of its Non-Executive Directors, including the Chairman, were independent during the 2020 financial year and continue to be independent as at the date of this Statement.

Board's Corporate Governance Guidelines provide that any Director with a material personal interest in a matter being considered by the Board or a Board Committee will not:

- receive a copy of any paper dealing with the matter (or may receive a redacted version of the paper);
- be present when the matter is being discussed; or
- vote on the matter.

The Directors on the Board represent a range of ages, nationalities and backgrounds. The Board set a gender diversity target of 40% female representation by the end of 2020. The Board first met this objective in 2017 and at the date of this Statement, there is 55% female representation on the Board.

The Board composition includes longer-serving Directors who have a deeper knowledge of the

¹⁰ As at the date of this document

¹¹ Chairman from 1 January 2017

¹² Material contracts, interests, positions, associations and relationships

Group's operations and history, and newer Directors who bring fresh perspectives and enquiry.



The Board uses a Skills Matrix (Matrix) which sets out the skills and experience considered essential to the effectiveness of the Board and its Board Committees. It is reviewed annually to ensure the prescribed skills and experience address the Bank's existing and emerging business and governance issues. The Matrix is shown on page 13 of this document.

Each Director annually rates their skills, expertise and experience from 0 to 3 for each competency (0 = no experience, 1 = awareness, 2 = practiced/direct experience and 3 = high competency, knowledge and experience). The self-assessment ratings are subsequently calibrated, and approved by the Board.

Individual matrices have also been developed for the Audit Committee, People & Remuneration Committee and Risk & Compliance Committee.

Performance Evaluation

The Board recognises the importance of continuously monitoring and improving its performance and the performance of its Committees. An independent external evaluation of the Board and its Committees is conducted every three years, or as otherwise determined by the Board. In the intervening years, an internal evaluation is conducted.

Consistent with this evaluation cycle, an external review was held in 2020, with the results presented to individual Directors and the Board in August 2020.

In addition to this formal evaluation process, the Board has been continuously evaluating its performance during the course of the 2020 financial year, in particular focusing on:

- issues relating to non-financial risk and progress towards closure of issues;

- quality of papers and presentations;
- red audit items and their progress towards closure;
- key messages and actions for management arising from meetings of the Board;
- key messages and actions for a Board Committee where the issue falls within that Board Committee's responsibility, or if it would benefit a Committee's consideration; and
- ensuring that key individuals are attending and presenting the relevant information at Board meetings.

Board Renewal

The Board has succession plans to facilitate the orderly transition of Directors. After more than 5 years serving the Board, Sir David Higgins retired as a Non-Executive Director and Chairman of the People & Remuneration Committee and as a member of the Risk & Compliance Committee.

Paul O'Malley was appointed Chairman of the People & Remuneration Committee with effect from 1 January 2020 following the retirement of Sir David Higgins. Paul ceased as a member of the Nominations Committee from 31 October 2019 and was appointed a member of the Risk & Compliance Committee with effect from 1 November 2019.

Under the Board Appointment, Renewal and Performance Policy, the Chair of each Board Committee, other than the Nominations Committee, is required to rotate every three to five years. Accordingly, Shirish Apte ceased as Chairman of the Risk & Compliance Committee with effect from 31 October 2019. Shirish remains a member of both the Risk & Compliance Committee, and the Audit Committee.

Rob Whitfield AM was appointed as Chairman of the Risk & Compliance Committee, and a member of the Audit Committee with effect from 1 November 2019. He remains a member of the Nominations Committee.

Genevieve Bell AO was appointed a member of the Nominations Committee with effect from 1 November 2019.

On 12 June, it was announced that Simon Moutter will be appointed as an independent Non-Executive Director with effect from 1 September 2020.

On 10 August, it was announced that Wendy Stops will not be standing for re-election at the 2020 Annual General Meeting. Wendy has been a Non-Executive Director since March 2015.

Board Skills Matrix

Skills and experience

Enhanced customer outcomes Demonstrated ability to understand the needs of customers and enhance their experience and outcomes	9
Financial acumen Proficiency in financial accounting and reporting, capital management and/or actuarial experience	1 6
Financial services Experience in banking, as relevant to CBA, and financial regulation	1 4
Global perspective Having a global perspective through exposure or responsibility for international operations	2 7
Leadership Held CEO or similar position in an organisation of significant size	3 6
Legal acumen Proven ability and understanding in the application of legal principles	5 1
Listed company Experience as a Non-Executive Director of at least two other listed entities (Australia or overseas)	2 3
Risk management Proven ability in identifying, assessing and managing macro, strategic, operational and financial risks that could impact our business	3 6
Stakeholder engagement Demonstrated ability to build and maintain key relationships with industry, government or regulators	4 5
Strategy Demonstrated experience in developing, implementing and delivering strategic business objectives	3 6
Technology Experience in technology strategies and innovation	3 4

Key ■ Practised/direct experience ■ High competency and experience

Director Appointment and Re-Election

The Board, with the assistance of the Nominations Committee, conducts a formal selection process when appointing new Non-Executive Directors.

Upon a recommendation of the Nominations Committee, the Board evaluates Director candidates having regard to a Director Appointment Criteria as set out in the Board Appointment, Renewal & Performance Policy.

Each Group Subsidiary or Group-related Company Non-Executive Director candidate must meet with at least one member of the Nominations Committee or other CBA Director before appointment.

Professional consultants are engaged as required to identify prospective Director candidates.

The Group undertakes appropriate checks before appointing a person as a Non-Executive Director or recommending that person to the Group's shareholders as a Non-Executive Director. Those checks include criminal record and bankruptcy checks, and checks of the person's educational qualifications and employment history. In addition, as all Non-Executive Directors are considered 'Responsible Persons' by APRA, they must be assessed in accordance with the Group's Fit & Proper Policy before commencing as a Non-Executive Director, and thereafter on an annual basis.

Non-Executive Directors are registered by the Group with APRA as 'Accountable Persons', as required under the BEAR.

Each Non-Executive Director receives a letter setting out the terms of their appointment.

All persons appointed as Non-Executive Directors of the Bank must stand for election at the next AGM following their appointment. In addition, Non-Executive Directors must not hold office without re-election beyond the third AGM following the meeting at which the director was last elected or re-elected.

Board support for a Director's election or re-election is subject to the Board performance review outcomes and any other matters the Board considers relevant.

The Board will provide shareholders full and fair disclosure of all material information relevant for a shareholder to make a properly informed decision to elect a Director at an AGM, including a recommendation on that Director's election.

Director Induction and Continuing Development

Non-Executive Directors joining the Board are given a copy of the Board's Corporate Governance Guidelines, which outline the key corporate governance principles and policies, and operational procedures and practices relevant to Directors in governing the Group.

All new Non-Executive Directors participate in an induction program to assist them in understanding the Group's structure, operations, strategic planning process and competitive and regulatory environments.

A continuing education program is incorporated into the Board calendar, which ensures that Directors, individually and collectively, develop and maintain skills and knowledge required for the Board to fulfil its role and responsibilities.

Annual Directors' duties training is provided to the Board and all subsidiary Directors of the Group.

The Directors are subject to the Group Mandatory Learning Policy, under which they are required to complete training relating to Group policies.

The Board completed a number of education sessions during the 2020 financial year. Directors gained insight and a deeper knowledge of the business on topics such as local regulatory obligations, remuneration and reward strategy, and whistleblower obligations. A Board education trip was held in September 2019 where the board visited Silicon Valley, San Francisco and Seattle, USA attending various TED talk style presentations from industry leaders across a range of industries, small working group sessions with industry experts, met with the CEO of the Bank's new partner Klana, and met with leading global companies.

Board Access to Information and Independent Advice

The Board has free and unfettered access to Senior Management, and any other relevant internal and external party and information, and may make any enquiries to fulfil its responsibilities.

Directors are entitled to seek independent professional advice at the Group's expense, including by engaging and receiving advice and recommendations from appropriate independent experts. Where independent advice is sought at the Group's expense, the Chairman's prior consent (which must not be unreasonably withheld) must be sought. The fee payable to the adviser must be reasonable in

the circumstances and notified to the Chairman before the adviser is formally engaged.

Board and Board Committee Meetings

The number of Board and Board Committee meetings held in the 2020 financial year, and each Director's attendance at those meetings, are set out on page 76 of the 2020 Annual Report.