

## CommBank PERLS XIII Capital Notes Securityholder Letter

### NOT FOR DISTRIBUTION IN THE UNITED STATES

**Thursday, 4 March 2021 SYDNEY:** Commonwealth Bank of Australia (“**CBA**”) today commenced distribution of a letter inviting Eligible Securityholders to apply under the Securityholder Offer for CommBank PERLS XIII Capital Notes (“**PERLS XIII**”). A copy of the Securityholder letter is attached.

Unless otherwise defined, capitalised terms in this announcement have the meaning given to them in the PERLS XIII prospectus.

#### Important information

Investments in PERLS XIII are an investment in CBA and may be affected by the ongoing performance, financial position and solvency of CBA. They are not deposit liabilities or protected accounts of CBA under the Banking Act 1959 (Cth) and are not guaranteed or insured by any Australian government, government agency or compensation scheme. The information provided in this announcement is not investment advice and has not been prepared taking into account your investment objectives, financial situation or particular needs (including financial and taxation considerations). If you have any questions, you should seek advice from your financial or other professional advisor before deciding to invest in PERLS XIII.

The offering of securities referred to in this release is open only to investors that are in Australia, and accordingly, this release does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended). This information, the Prospectus or any other material relating to the Offer is not for distribution in the United States.

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The release of this announcement was authorised by the Company Secretary.

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Commonwealth  
Bank

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Eligible SRN/HIN: 0123456789

4 March 2021

Dear Securityholder

## COMMBANK PERLS XIII CAPITAL NOTES OFFER

I am writing to let you know that the Commonwealth Bank of Australia ("CBA") has launched an offer of a new security, CommBank PERLS XIII Capital Notes ("PERLS XIII").

The offer of PERLS XIII will be made under the Prospectus lodged with ASIC on 4 March 2021 ("Prospectus"). Some of the key features of PERLS XIII are set out below, but you should consider the Prospectus in full before deciding whether to invest in PERLS XIII. Please refer to the details contained in this letter on how to obtain a Prospectus and Application Form.

### Key Features of PERLS XIII

PERLS XIII	<ul style="list-style-type: none"><li>Subordinated unsecured notes issued by CBA with an initial face value of A\$100 each.</li><li>The PERLS XIII Terms are complex and include features to comply with the detailed regulatory capital requirements which APRA applies to these types of securities.</li></ul>
Distributions	<ul style="list-style-type: none"><li>Each PERLS XIII is scheduled to pay floating rate Distributions quarterly until that PERLS XIII is Redeemed or Exchanged. Distributions are paid in arrears.</li><li>Distributions are discretionary and subject to the Distribution payment conditions being satisfied. This means a Distribution may not be paid – Distributions that are not paid do not accrue and will not be subsequently paid.</li><li>Distributions are expected to be fully franked and will comprise a combination of franking credits and cash equal to the sum of: <math>(\text{Market Rate} + 2.75\% \text{ p.a.}) \times (1 - \text{Tax Rate})</math></li><li>The Market Rate is the primary benchmark interest rate for the Australian money market. It is also known as the 3 month Bank Bill Swap Reference Rate ("BBSW").</li></ul>
Term	<ul style="list-style-type: none"><li>Perpetual (no maturity date), but may be Redeemed or Exchanged earlier in certain circumstances.</li><li>If PERLS XIII are not Redeemed or Exchanged (e.g. because the Mandatory Exchange Conditions are not satisfied), they could remain on issue indefinitely.</li></ul>
Call Date	<ul style="list-style-type: none"><li>CBA may, at its option, Redeem all or some PERLS XIII on 20 October 2026, subject to receiving APRA's prior written approval (which may or may not be given).</li></ul>
Mandatory Exchange	<ul style="list-style-type: none"><li>CBA will Exchange PERLS XIII into Ordinary Shares on the Mandatory Exchange Date (20 October 2028) subject to the Maximum Exchange Number, and the Mandatory Exchange Conditions being satisfied.</li><li>The Mandatory Exchange Conditions are intended to provide some protection for Holders against Exchange occurring when the price of Ordinary Shares has fallen to such a level that you would only receive the Maximum Exchange Number.</li></ul>
Early Exchange	<ul style="list-style-type: none"><li>CBA must Exchange PERLS XIII before the Mandatory Exchange Date on the occurrence of a Capital Trigger Event, a Non-Viability Trigger Event or a Change of Control Event. Information about these events, and what will happen to your investment if Exchange is not possible, are described in the Prospectus.</li></ul>

<b>Minimum Application</b>	<ul style="list-style-type: none"> <li>• 50 PERLS XIII (A\$5,000).</li> <li>• Applications for more than A\$5,000 must be in multiples of 10 PERLS XIII (A\$1,000).</li> </ul>
<b>Tradeable on the ASX</b>	<ul style="list-style-type: none"> <li>• CBA has made an application to have PERLS XIII quoted on the Australian Securities Exchange ("ASX"). Once quoted, PERLS XIII are tradeable on ASX at the prevailing market price. PERLS XIII are expected to be quoted under the trading code "CBAPJ".</li> </ul>

## Key Dates of PERLS XIII<sup>1</sup>

Securityholder Offer Record Date	17 February 2021
Opening Date for the Offer	4 March 2021
Closing Date for the Offer	5:00pm (Sydney time), 26 March 2021
Issue Date	1 April 2021
Commencement of trading on normal settlement basis	6 April 2021
Despatch of Holding Statements	7 April 2021
First Distribution payment <sup>2</sup>	15 June 2021

## You need to be aware of the risks

There are risks associated with investing in securities such as PERLS XIII, as well as risks associated with CBA's businesses, which may affect PERLS XIII. These risks are set out in Section 4 of the Prospectus, with further information on CBA outlined in Section 3, and include circumstances in which investors could lose some or all of the money they invest in PERLS XIII and/or may not be paid Distributions on their PERLS XIII. It is important that you read the Prospectus in full before deciding to invest in PERLS XIII, including the risks associated with PERLS XIII and CBA. If you have questions, you should seek advice from your financial or other professional adviser before deciding to invest in PERLS XIII.

## How to obtain a Prospectus and Application Form

A copy of the Prospectus can be obtained electronically from [www.commsec.com.au](http://www.commsec.com.au). Applications can be made online at [www.commsec.com.au](http://www.commsec.com.au) using your SRN/HIN or by following the instructions set out in the Application Form attached to, or accompanying, the paper copy of the Prospectus, and making payment of the Application Monies via BPAY®. A paper copy of the Prospectus and your personalised Application Form can be obtained free of charge by calling the PERLS XIII Information Line on 1800 992 547 (Monday to Friday 8.00am – 7.30pm, Sydney time).

**For more information, talk to your broker or adviser, visit [www.commsec.com.au](http://www.commsec.com.au) or call the PERLS XIII Information Line on 1800 992 547 (Monday to Friday 8.00am – 7.30pm, Sydney time).**

On behalf of the CBA Board, I thank you for your support and for considering this investment opportunity.

Yours sincerely



Catherine Livingstone AO  
Chairman

1 The key dates for the Offer are indicative only and subject to change without notice.  
2 Distributions are scheduled to be paid quarterly in arrears on the Distribution Payment Dates (15 March, 15 June, 15 September and 15 December each year). Distributions are discretionary and subject to the Distribution payment conditions being satisfied.  
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**Important Information:** PERLS XIII are unsecured notes. Investments in PERLS XIII are an investment in CBA and may be affected by the ongoing performance, financial position and solvency of CBA. CBA (as issuer of PERLS XIII) does not guarantee the performance of PERLS XIII. They are not deposit liabilities or protected accounts of CBA under the Banking Act 1959 (Cth). This letter is not advice and has not taken into account your investment objectives, financial situation or particular needs (including financial or taxation considerations). You should read and consider the Prospectus in full and seek advice from your financial or other professional adviser before deciding whether to invest in PERLS XIII. Words which are capitalised have the meanings given to them in the Prospectus.