

CommBank PERLS IX Capital Notes Holder Letter

NOT FOR DISTRIBUTION IN THE UNITED STATES

Tuesday, 1 March 2022 SYDNEY: Commonwealth Bank of Australia (CBA) today commenced distribution of letters to Holders of CommBank PERLS IX Capital Notes (PERLS IX):

1. Letter to PERLS IX Holders who had a registered address in Australia as at the Reinvestment Offer Record Date; and
2. Letter to PERLS IX Holders who did not have a registered address in Australia as at the Reinvestment Offer Record Date.

A copy of each letter is attached to this announcement. Unless otherwise defined, capitalised terms in this announcement have the meaning given to them in the PERLS XIV prospectus.

Important information

Investments in PERLS XIV 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 XIV.

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.

The release of this announcement was authorised by Carmel Mulhern, Company Secretary.

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MRS SAMANTHA SAMPLE
123 SAMPLE STREET
SAMPLETOWN NSW 9999

1 March 2022

Dear PERLS IX holder

COMMBANK PERLS XIV 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 XIV Capital Notes ("**PERLS XIV**").

The offer will be made under the prospectus lodged with ASIC on 1 March 2022 ("**Prospectus**"). It also provides the opportunity for eligible CommBank PERLS IX Capital Notes ("**PERLS IX**") holders to reinvest all or some of the PERLS IX redemption proceeds in PERLS XIV ("**Reinvestment Offer**"). The Offer is scheduled to open on 9 March 2022 and close on 23 March 2022.¹

PERLS XIV will be the first PERLS security issued by CBA under new Product Design and Distribution provisions in the Corporations Act (the "**PDDO Provisions**"). Due to these new requirements, the eligibility criteria to participate in the Offer, including the Reinvestment Offer, are different to those for previous PERLS offers. A summary of the key changes, and how this may affect your eligibility to apply under the Reinvestment Offer, is set out in this letter.

Reinvestment Offer

Participation in the Reinvestment Offer is voluntary. If you do not wish to participate, you do not need to take any action.

Holders who do not participate will have their PERLS IX redeemed by CBA on 31 March 2022 for their face value (\$100 per PERLS IX) in accordance with the PERLS IX terms and the Redemption Notice issued by CBA to the ASX on 1 March 2022. The redemption proceeds will be paid on 31 March 2022 in the same way in which distributions on PERLS IX have previously been paid.

If you are eligible, and do wish to participate in the Reinvestment Offer, it is important that you consider the Prospectus in full before deciding whether to invest in PERLS XIV. There are differences between PERLS IX and PERLS XIV, and PERLS XIV may not suit your investment objectives, financial situation or particular needs.

PERLS XIV eligibility requirements under the new PDDO Provisions


From October 2021, the new PDDO Provisions require issuers, such as CBA, to consider the financial objectives, situation and needs of investors when designing and distributing financial products.

The new PDDO Provisions require CBA to create a "target market determination" ("**TMD**") which describes the cohort of investors to whom PERLS XIV are directed, and conditions under which PERLS XIV may be distributed, to help ensure that persons who invest are or are likely to be within the "target" market (the "**PERLS TMD**"). A copy of the PERLS TMD is available on the Investor Centre website at commbank.com.au/perls.

In order to ensure PERLS XIV are distributed in accordance with the PERLS TMD, Applications² under the Offer, including the Reinvestment Offer, can only be made through a Syndicate Broker by investors who satisfy certain eligibility criteria. There is no general securityholder offer for PERLS XIV and PERLS IX Holders will not be able to apply to CBA directly for PERLS XIV.

A summary of key elements of the PDDO provisions and eligibility to apply under the Offer is set out below.


NEW LEGAL REQUIREMENTS



TARGET MARKET DETERMINATION

The TMD for PERLS XIV describes the cohort of investors for whom an investment in PERLS XIV is likely to be consistent with their financial objectives, situation and needs.

A copy of the TMD is available on CBA's Investor Centre at commbank.com.au/perls.




DISTRIBUTION CONDITIONS

The TMD also sets out conditions under which PERLS XIV can be distributed to retail investors to ensure that they are, or are likely to be, in the target market.

WHAT DOES THIS MEAN FOR PERLS XIV?

PERLS XIV will be the first PERLS security issued by CBA under the PDDO Provisions. Compared to previous PERLS transactions, a number of changes have been made in the way in which the Offer is conducted.



APPLICATIONS CAN ONLY BE MADE THROUGH A SYNDICATE BROKER

Retail investors should receive personal financial product advice to ensure that their personal financial objectives, situation and needs have been considered in making an investment decision to acquire PERLS XIV.

ELIGIBLE

- You are a company or an individual³ over 18 years with a registered address in Australia

AND EITHER:


- You have received personal product advice from a financial adviser to acquire PERLS XIV

OR

- You are classified as a Wholesale Client

INELIGIBLE

- There will be no direct offer available for existing CBA shareholders and PERLS holders (including any PERLS IX holders wishing to reinvest in PERLS XIV) other than those who satisfy the eligibility criteria and apply through a Syndicate Broker



The PDDO Provisions **do not apply** to Wholesale Clients.

Read the Prospectus in full and understand the risks and differences

The Prospectus outlines key risks associated with investing in securities such as PERLS XIV, as well as risks associated with CBA's businesses, which may affect PERLS XIV. These risks are set out in Section 5 of the Prospectus, with further information on CBA outlined in Section 4, and include circumstances in which investors could lose some or all of the money they invest in PERLS XIV and/or may not be paid Distributions on their PERLS XIV. If you have questions, you should seek advice from your financial or other professional adviser before deciding to invest in PERLS XIV.

A copy of the Prospectus can be obtained electronically from commbank.com.au/perls.

For more information, talk to your Syndicate Broker, financial adviser or call the PERLS XIV 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 continued support for CBA.

Yours sincerely

C.B. Livingstone

Catherine Livingstone AO
Chairman

1. The key dates for the Offer are indicative only and subject to change without notice.
2. Applications for eligible holders can be made by contacting your Syndicate Broker and completing any Application Form in or accompanying the Prospectus.
3. Including as a trustee of a family, hybrid or unit trust.

Important Information: PERLS XIV are unsecured notes. Investments in PERLS XIV are an investment in CBA and may be affected by the ongoing performance, financial position and solvency of CBA. CBA (as issuer of PERLS XIV) does not guarantee the performance of PERLS XIV. They are not deposit liabilities or protected accounts of CBA under the Banking Act 1959 (Cth). The information provided in this letter is not investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and 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 XIV. Unless otherwise defined, capitalised terms in this letter have the meaning given to them in the Prospectus.



Commonwealth
Bank

MRS SAMANTHA SAMPLE
123 SAMPLE STREET
SAMPLETOWN NSW 9999

1 March 2022

Dear PERLS IX holder

COMMBANK PERLS IX REDEMPTION

I am writing to let you know that, on 1 March 2022, the Commonwealth Bank of Australia ("CBA") issued a Redemption Notice in relation to your CommBank PERLS IX Capital Notes ("PERLS IX") pursuant to the terms of issue.

The Redemption Notice advised that all PERLS IX will be redeemed by CBA on 31 March 2022 for \$100 per PERLS IX. The redemption proceeds will be paid to PERLS IX holders on that date, in the same way in which distributions on PERLS IX have previously been paid.

The last day of ASX trading for PERLS IX is expected to be 21 March 2022.

Also on 1 March 2022, CBA announced an offer of CommBank PERLS XIV Capital Notes ("PERLS XIV"), including a Reinvestment Offer under which eligible PERLS IX holders can apply to reinvest all or some of their PERLS IX redemption proceeds in PERLS XIV, subject to certain conditions set out in the PERLS XIV prospectus. Amongst other criteria, to be eligible to participate in the Reinvestment Offer, you had to be a registered holder of PERLS IX on 23 February 2022 with a registered address in Australia as at that date. Unfortunately, as you did not have a registered address in Australia on that date, you are not eligible to participate in the Reinvestment Offer.

Yours sincerely

Catherine Livingstone AO
Chairman

Important Information: The information provided in this letter is not investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation considerations). The offer of PERLS XIV by CBA as issuer will be made in or accompanying the Prospectus which is available at (commbank.com.au/perls). It is important that a person consider the Prospectus in full before deciding whether to invest in PERLS XIV. Applications for eligible holders can be made by contacting your Syndicate Broker and completing any Application Form in or accompanying the Prospectus. Unless otherwise defined, capitalised terms in this letter have the meaning given to them in the PERLS XIV Prospectus lodged with ASIC on 1 March 2022.