Australian Shareholders' Association

Australian Shareholders' Association Limited
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CBA has stellar year, maintains its gold standard performance

Company/ASX Code	Commonwealth Bank of Australia/CBA
AGM date	9:30am Wednesday, 15 October 2025
Time and location	Brisbane Cricket Ground (the Gabba), Vulture St, Woolloongabba, Queensland
Registry	MUFG Investor Centre
Type of meeting	In-person with webcast and online questions
Poll or show of hands	Poll on all items
Monitor	Lewis Gomes assisted by Julieanne Mills
Pre AGM Meeting	Yes, with Chair Paul O'Malley, CEO Matt Comyn, and Melanie Kirk Investor Relations

Monitor Shareholding: Some of the individuals or their associates involved in the preparation of this voting intention have a shareholding in this company.

Summary of issues for meeting

The ASA meeting this year included the CEO Matt Comyn. As CEO of Australia's largest listed company and bank, he has significant responsibilities for our investments, our data and our trust, and for the broader community. He highlighted the support that the strategy, values and culture of the bank and the strength of his leadership team and board give him. We are impressed by the CEO and Board, they are by all accounts hard working, considered, conservative, curious and dedicated to the important role they have in the country. It is fair to say Matt is one of Australia's most impressive company leaders and of key importance to the bank. He is yet to turn 50 and has publicly stated he has no plans for retirement but nevertheless after 7 years as CEO, succession planning is of vital interest to all shareholders.

- CBA delivered a strong financial result for FY25 with a record full year dividend of $4.85 per share
- Two new directors are standing for election, both of whom are supported by the ASA
- CBA continues on a strong sustainability path
- Remuneration levels continue to be high given the strong CBA share price over FY25 but are considered reasonable given the bank's performance
- The grant of securities to the CEO is considered to be reasonable given the strong performance of the Bank.

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Proposed Voting Summary

No.	Resolution description	Voting
2a	To re-elect Paul O'Malley who retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election	For
2b	To re-elect Lyn Cobley who retires in accordance with the Company's Constitution and, being eligible, offers herself for re-election	For
2c	To elect Alistair Currie who was appointed as a Director of the Company since the 2024 AGM and, being eligible, offers himself for election.	For
2D	To elect Jane McAloon AM who was appointed as a Director of the Company since the 2024 AGM and, being eligible, offers herself for election.	For
3	Adoption of 2025 Remuneration Report	For
4	Approval grant of securities to CEO, Matt Comyn	For

Item (1) Consideration of financial statements and reports - No vote required

<u>Financial performance</u>

Net profit after tax (NPAT) on a cash basis (CBA's preferred measure of profitability) was a record $10,252 million up 4% on the FY24 figure. The statutory NPAT was $10.133 million, up 7% on FY24.

Basic earnings per share (EPS) on a cash basis was 612.3 cents while the declared total dividend for FY24 was 485 cents, again a record outcome for shareholders. The important net interest margin (NIM) rose by 9 bpts on FY24 to 2.08% while the shareholder return on equity was 13.5%, down 10 bpts on FY24.

Total operating income was $28,465 million up 5% on FY24 while expenses rose 6% to $12,996 million due to higher inflation impacting staff costs, additional technology spend, and additional frontline lenders and operational resources partly offset by some productivity gains. Investment spend was $2,297 million up 14% on FY24. The cost-to-income ratio rose 70 bpts to 45.7% reflecting higher staff expenses mainly driven by wage inflation and higher staffing levels.

Of the four core businesses that CBA operates, cash NPAT by business unit was $5,395 from Retail, $4,092 million from Business, $1,224 million from Institutional and $1,198 million from New Zealand.

The Bank continued to satisfy a significant portion of its funding from customer deposits, accounting for 78% of total funding. CBA's common equity tier 1 capital ratio (CET1) was steady at 12.3% well above the minimum CET1 required by APRA of 10.25% which gives CBA headroom of around $10 billion in excess capital. Loan impairment expense was $726 million, down 9% on FY24 reflecting the strong performance on the loan book despite increasing interest rates and cost-of-living pressures on borrowers. The bank completed a $300 million on-market buyback by June 2024 of the previously $1 billion on-market buyback while the buy-back period has been extended by an additional 12 months.

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The bank completed the sale of its remaining 4.4% interest in a Vietnam bank in March 2025 and completed the sale of its remaining 5.45% interest in the Bank of Hangzhou in China in June 2025.

Key board or senior management changes

Kate Howitt joined the board as a non-executive director on 1 October 2024. In March 2025 Alistair Currie joined the board and Jane McAloon will join the board in October 2025. Alistair and Jane are standing for election, and their details are included below.

Mary Padbury will retire from the board at the conclusion of this year's AGM having been a director since 2016. Anne Templeton-Jones retired as an NED effective 16 October 2024.

The Executive Leadership Team (ELT) has seen a refresh with two resignations, two new offshore employments and two switched roles. There are now 3 women and 6 men on the ELT. Sinead Taylor ceased as Chief Operations Officer and commenced as Group Executive, Institutional Banking and Markets effective 17 February 2025. Wendy Lee was appointed Company Secretary of CBA in April 2025. Andrew Hinchliff was appointed Group Chief Risk Officer in February 2025 as an internal appointment and Kiersten Robinson was appointed as Chief People Officer also in February 2025 as an external appointment. Sian Lewis ceased as Group Executive, Human Resources and Nigel Williams ceased as Group Chief Risk Officer both in February 2025. Emma Bunnell was appointed the new COO in Feb 2025. She comes from a role as UK Country CEO and COO at HSBC and previously was a partner and MD at Boston Consulting Group.

Governance and culture

The current ten-person board has 9 independent directors, 4 are women meeting the 40:40:20 target. The governance section of the Annual Report describes in detail the skills, focus and role of the board and their activities.

The boards skills matrix does not allocate skills to specific directors but director's details in the Annual Report and Notice of Meeting cover experience and skills. There is a need for more digital and technology skills, especially given the increasing investments in this area. Environment and social skills could be boosted given the challenges ahead. The Chair feels they are providing the necessary board support through board education and professional advice. He suggested it was difficult to find directors with skills suitable for a banking director role that also covers these areas. Continuing education for board members in 2025 included mandatory learning across compliance, AI, cyber security and financial crime and CPS 230.

An external board review is done every three years with the last one in 2024. An annual internal performance assessment was done in 2025 for the board and individuals.

CBA material risks are listed as: financial risk; privacy and data management; cyber security, financial crime compliance; artificial intelligence; business disruption and technology; regulatory compliance; fraud and scams and environmental and social.

CBA is strengthening and accelerating its investments in technology, cloud computing and AI capabilities with a $2.38 billion spend in FY25, a 7% increase on FY24. A Seattle-based tech hub has been established to progress their AI capability. They are partnering with Open AI and Anthropic, to develop technology capability, and MIT for best practice AI risk mitigation and AI tools for

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better human AI collaboration. They have upskilled 2,300 employees on agentic coding (where the software operates autonomously of humans) and responsible AI practice. They also employed 10,000 engineers in FY25. Accelerating technology modernisation continues to strengthen stability, security and operational continuity and enhance customer experience but can also increase potential risks through unintended consequences.

CBA's data infrastructure modernisation will see 10 Peca bytes of data migrated to the cloud through Amazon web services infrastructure (AWS), and an AI factory will integrate data and GenAI to include Australian language and banking nuances. GPUs rather than CPUs will process data 50% faster and 90% less compute time.

Cyber and financial risk has seen $900 million invested and a 76% reduction in scam losses since their peak in 2023. CBA continues to work with partners to strengthen Australian cyber security. They instigated a rollout of multifactor authentication, QR cardless functionality to protect data and detect fraud, and have been utilising AI to target scam bots intercepting frauds earlier. Name check has reduced losses by 30%. AI is also being used in business banking to detect early financial crime, and process and address scam intelligence. They now have 1,400 people dedicated to security

CBA continues to be the leading digital bank (16 years) and has the number one banking app. It continues to grow with 9 million customers (8.5 million in FY24). The app provides customers with faster loan approvals, Yello (a customer recognition program) savings, money management tools, 10 times more alerts and a more personalised banking experience.

CBA has a strengthened its balance sheet with conservative capital, liquidity and funding settings and has provision coverage for financial stability to provide for more heightened geopolitical risks and uncertainty. The new APRA CPS 230 has come into effect on July 1, 2025, and requires more operational resilience. (Refer to Appendix 1 for further details.)

Cost of living pressures have reduced as lower interest rates and a lower inflation rate have improved. However, housing supply and affordability remain problematic. CBA provided support for 139,000 customers with tailored payments. Expected loan loss rates and troublesome debts continued to decrease and are still below average.

The RepTrak score decreased from 65.8 to 64.9. Their net promoter score (NPS) scores across banking maintained a number 1 ranking in consumer, business and digital but institutional dropped back to second. The Bankwest transformation to a digital bank, saw branches closed and Bankwest NPS dropping to -1.3. This is a bad score indicating many more unhappy customers than happy. It has dropped from 3.6 in F24. The NPS score is out of 10

CBA has a community spend of 2.3% of cash net profit before tax. The bank has been encouraged to support Armaguard, Australia Post, a Pacific bank for Nauru and will continue to support regional branches until 2027.

The WGEA reported a gender pay gap of 27.6%, 2% lower than last year and improving but well above the average. It reflects a lack of senior roles for women, while "like for like" pay was at equity. KMP now includes 3 women out of 9 an improvement from 2 in 2024. Women in senior leadership (Group executive) has increased to 50%. There has been little change at manager and above levels at 44.8% and executive and above at 45.1% with a target of 47-50%. There is 39% cultural representation in leadership. Employee engagement has improved further to 85%.

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2025 saw a significant increase in Indigenous spend to $62.7 million and a commitment to spend $100 million over the next 3 years as part of a new “Elevate” reconciliation action plan 2026-28. Indigenous employment has increased to 1.4% but is still below the 3% target.

CBA has a “no political donations policy” but pays to attend political events and forums reporting spending $78k on Labor and $95k on Coalition events. Matt Comyn attended (by invitation) the recent Economic Roundtable meeting in Canberra chaired by the Federal Treasurer.

Sustainability

The climate report is now incorporated in the Annual Report aligning with the new mandatory climate reporting requirements that will be in place in FY26. This year’s report walks back some of its “targets” and converts them to “goals” due to the reliance on external factors to achieve outcomes.

CBA’s climate alignment to Paris 1.5° C is strong and improving. CBA achieved its own operational Scope 1,2 & 3 emissions target for 2025 (72% reduction Scope 1 & 2 emissions and 36% reduction in Scope 3 emissions since 2020), an overall 96% reduction since 2014. Scope 3 financed emission are patchy but improving. These operational emissions however only account for 0.3% of CBA’s emissions, 99.7% of emissions are financed emissions.

Financed emissions are divided into sectors and sector targets and pathways to achieve them, tied to **IEA NZE (1.5 °C)** scenario (See appendix). CBA is on track for 12 of the 15 sector level pathways with goals and **SBTi** targets aligned to 1.5°C scenario. Commercial property, road transport, and power generation, have emissions below their pathways. No progress has been made in Housing with emissions 17% above the pathway. It has now achieved sector level targets for 71% of its financed emissions.

The CBA has improved its sector level targets in 2025 with the inclusion of a transition path for heavy industry and continues to work towards their 2030 sector level targets for all its financed emissions. Agriculture has proven difficult to set targets for.
Absolute emissions for FY 2025 increased 9% largely due to agriculture, manufacturing, transport and storage.

CBA is phasing out lending exposure to the thermal coal sector by 2030. Climate emitters with more than 25% revenue from thermal coal, oil and gas must now have a credible climate transition plans consistent with a 1.5 °C pathway to access funds.

To claim full Paris alignment CBA would need bank-wide 2030 targets, tighter disclosures on client plan assessments, firmer phase-down milestones for oil & gas financed emissions, and concrete targets for housing and agriculture, which dominate their book. Decarbonisation is key to achieving CBA’s goals however it relies on government, community and industry support.

CBA continues to support customers with a suite of products to help them decarbonise including discounted green loans and support for businesses to become more sustainable. CBA is also a Qantas SAF coalition partner (sustainable aircraft fuels).

CBA has a sustainability funding target of $70 billion by 2030 and has seen $64 billion of cumulative sustainability funds spent to date including $10.5 billion in 2025.

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Insurance costs continue to rise due to the impact of more weather-related events. Insurance affordability is emerging as a risk to the bank. CBA continues to support its customers during these events.

Overall, CBA continues to show responsible leadership in the support of an affordable and reliable energy transition to a net zero economy by 2050. There is still a long way to go, and it will need continued support from other sectors of the economy, customers and government.

5 Year Summary

(As at FYE)	**2025**	**2024**	**2023**	**2022**	**2021**
Cash NPAT ($m)	10,252	9,847	10,090	9,627	8,801
Statutory NPAT ($m)	10,133	9,394	9,998	10,690	10,181
Share price ($)	184.75	127.38	100.27	90.38	99.87
Dividend (cents)	485	465	450	385	350
Simple TSR (%)	48.8	31.7	15.9	(5.6)	48.9
Cash EPS (cents)	612.3	588.4	597.2	559.0	496.9
CEO total remuneration, actual ($m)	7.018*	8.977	10.426	6.969	5.174

* Decrease is due to the increased deferred equity holding periods from 2021, that was required by APRA CPS511

Item (2) Re-election and election of directors

(a) Re-election of Paul O'Malley

Paul was appointed to the board in January 2019 and Chairman from August 2022. He has a strong background in finance and accounting including experience in investment banking and audit. His most notable executive appointment was as CEO of BlueScope Steel during a period of considerable business uncertainly for the steel group. He has been an excellent and fully dedicated Chairman of CBA, and he deliberately holds no other listed company directorships. He has also made himself readily available to the ASA for informal meetings and discussions covering a wide range of matters.

(b) Re-election of Lyn Cobley

Lyn was appointed to the board in October 2022 after holding various senior executive roles at Westpac, CBA, Barclays and Citibank. The Board considers that Lyn's banking and financial services experience, her financial acumen, and skills in leadership, strategy and global perspectives, governance, risk management, enhanced customer outcomes, stakeholder engagement, people and culture, and environmental and social matters support her re-election.

She is a member of several CBA board committees covering audit, risk, and people and remuneration. Her only other listed NED role is with Mesoblast.

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(c) Election of Alistair Currie

Alistair was appointed to the board on the 31 March 2025. He is an international banking executive with substantial experience in institutional and business banking, technology and operations. Alistair was the group COO at Barclays prior to this appointment and has 30 years of experience in banking in Australia, UK, US, Asia and the Middle East. He has previous roles at HSBC and ANZ. He currently has no other board roles.

(d) Election of Jane McAloon AM

Jan McAloon will be appointed to the board on the 1 October 2025. She brings 30 years of executive experience in business and government. This experience includes 9 years at BHP including group company secretary, executive roles in NSW Government, and company secretary of AGL. Her experience in the areas of resources, energy and infrastructure will broaden the board's industry knowledge.

She is currently Chair of BlueScope Steel and Energy Australia holdings. She is also a director at Allianz, a member of Allens Advisory Board and Monash University Council. The ASA was advised that she is retiring from the Energy Australia board effective 31 December 2025 and as a consequence the ASA accepts that she has sufficient time for the role, noting the size and complexity of CBA's operations.

The ASA intends voting all undirected proxies in favour of the above resolutions.

Item (3) Adoption of the 2025 remuneration report

The remuneration framework as presented in the Annual Report is clear and transparent. Variable remuneration is assessed against financial and non-financial measures, and against group and individual performance.

Key points to note:

- Fixed remuneration (FR) increases ranged from 4.5% to 16.7% to better align remuneration with local and offshore peers. The CEO's FR was increased by 14% from 1 July 2025 to $2.85 million, his first increase since 2022, in recognition of his strong contribution and leadership of the Bank and relativity with the CEOs of other Australian banks and large ASX listed companies.
- The FY25 realised remuneration of the CEO was $7.02 million, a decrease of 22% from FY24 due to longer deferral periods implemented in 2021. Other Group Executives experienced similar reductions for the same reasons.
- FY25 Short Term Variable Remuneration (STVR, target being 75% of FR and Maximum being 94% of FR or 125% of target) outcomes ranged from 74% to 88% of maximum. STVR is delivered as 50% cash and 50% as equity delivered in two equal tranches over two years. The CEO received an overall score of 86% of maximum STVR.
- FY22 Long Term Alignment Remuneration (LTAR, being 70% of FR) awards vested with no reductions.
- FY22 Long Term Variable Remuneration (LTVR, being 70% of FR) vesting outcome was 100% at the end of the performance period (30 June 2025) which reflects a TSR

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performance of 90.0th and 87.5th percentile for the two comparator groups. 50% of these awards are subject to a two-year holding period (to 30 June 2027) and the other 50% for three years (to 30 June 2028).

- FY25 realised remuneration for the CEO and KMP were favourably impacted by the significant increase in the CBA share price from $127.38 to $184.75 over the financial year, an increase of 45%. The simple TSR over this period was 48.8% so shareholders were also significantly rewarded for the Bank's strong performance. Approximately half of the realised remunerations were from long term awards.

All KMP have met their minimum shareholdings by substantial margins except for Kiersten Robinson who is a recent external addition to the team (February 2025).

The base fee for board members remained at $260,000 and $890,000 for the Chairman. The directors' fee pool remains at $4.75 million and is unchanged since the November 2015 AGM. All non-executive directors meet the minimum shareholding of 100% of their base fee other than Paul O'Malley (87% of target), Julie Galbo (72% of target) and Alistair Currie who joined the Board in March 2025.

The remuneration framework and details are consistent with APRA's requirements and are judged as reasonable by the ASA given the strong performance of the Bank over recent years. The ASA will therefore be voting all undirected proxies in favour of this resolution.

Item (4) Grant of securities to CEO, Matt Comyn

The bank is proposing to grant Mr Comyn 10,616 restricted share units as his FY26 LTAR and 10,616 performance rights as his FY26 LTVR award.

These numbers are calculated from the maximum opportunity values of $1,995,000 for each award divided by the share price averaged over 5 days up to but not including 1 July 2025 being $187.91. Refer to the table in the Appendix for further details of the remuneration framework. Details of how these awards are assessed and the relevant testing and holding periods are provided in the Annual Report and Notice of Meeting.

These awards are consistent with APRA's requirements and are judged as reasonable by the ASA given the strong performance of the bank over recent years. The ASA will therefore be voting all undirected proxies in favour of this resolution.

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Appendix 1 CEO Remuneration Framework for FY26

Rem component	Target $m	% of Total	Max. Opportunity $m	% of Total
Fixed Remuneration	2.850	32	2.850	30%
STVR Cash 50% Year 1	1.069	12	1.336	14%
STVR Equity 50% Year 2 & 3	1.069	12	1.336	14%
LTAR- Restricted shares 50% Year 4 and 50% Year 5	1.995	22	1.995	21%
LTVR- Performance rights 50% Year 6 and 50% Year 7	1.995	22	1.995	21%
Total	8.978	100%	9.512	100%

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Glossary

IEA NZE (1.5°C) refers to the International Energy Agencies Net Zero emissions by 2050 scenario **(NZE scenario)**, a comprehensive pathway outlining how the global energy sector can achieve net-zero CO_2 emissions by 2050 to limit global warming to 1.5°C.

SBTi Science Based Targets initiative pathway.

CPS 230 is a new APRA prudential standard that ensures that the banks are resilient to operational risks and disruptions. It strengthens the current standards to effectively manage these risks and maintain critical operations through severe disruptions including managing potential risks from service providers. This is important given the increased investment in AI and cloud technology, and geopolitical uncertainty.

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