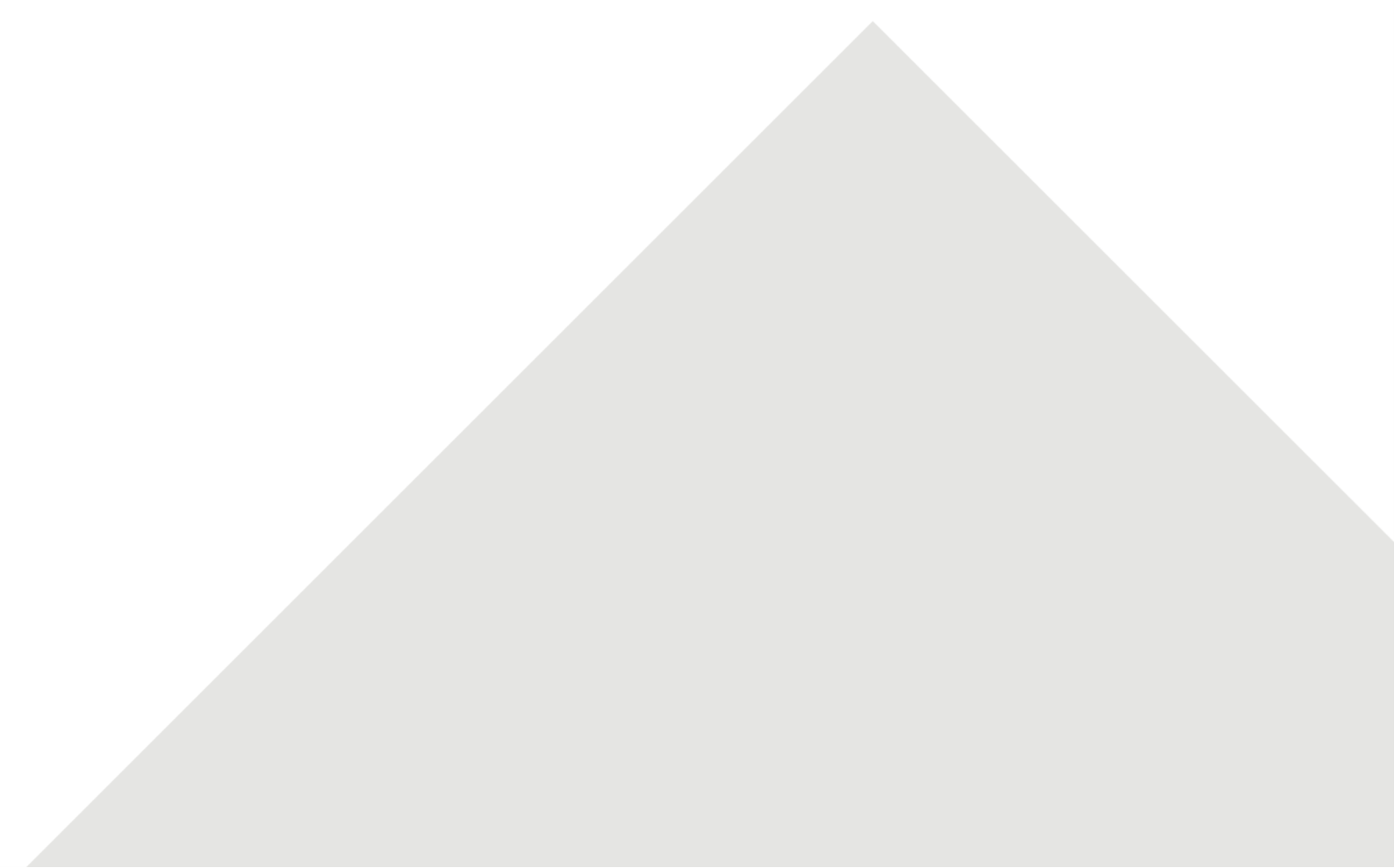




Commonwealth Bank
of Australia

Summary Conflicts of Interest Policy

August 2023



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Introduction

Commonwealth Bank of Australia ABN 48 123 123 124 AFSL and Australian credit licence 234945 ('CBA') is a public company registered in Australia under the Corporations Act 2001 (Cth). It is authorised and regulated in the United Kingdom by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority. CBA Europe Ltd ('CBAE') is a separately incorporated UK subsidiary of CBA, registered in the UK and authorised and regulated by the Financial Conduct Authority.

The CBA Group ('Group') is a provider of integrated financial services, including retail, premium, business and institutional banking, superannuation, insurance and share-broking products and services to a wide range of corporations and individuals.

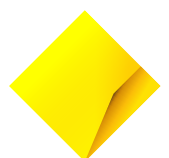
Due to the nature of CBA's business, scenarios may arise in which a customer's interests could conflict, or could be perceived to conflict, with CBA staff members, entities of the CBA Group, or other customers of CBA. CBA is committed to managing conflicts of interest fairly, to ensure that we do what is right, meet regulatory obligations and community expectations.

CBA has established, implemented and maintains an effective Conflicts Management Policy (the 'Policy') in order to identify, manage and prevent actual, potential or perceived conflicts of interest. This document provides a high level summary of CBA's underlying Policy and conflict management arrangements.

Identification of Conflicts of Interest

The Group has policies and conflict management arrangements designed to ensure it is able to take all appropriate steps to identify, manage or prevent actual, potential or perceived conflicts of interest. For the purposes of identifying types of conflicts of interest that may arise in the course of business, CBA will consider whether CBA or a CBA staff member:

- is likely to make a financial gain, or avoid a financial loss, at the expense of a customer;
- has an interest in the outcome of a service provided to a customer, or of a transaction carried out on behalf of the customer, which is distinct from the customer's interest in that outcome;
- has a personal or business relationship with third parties, customers or suppliers that could influence or prejudice their obligations to the Group or our customers;
- has a financial or other incentive to favour the interest of one customer or group of customers over the interests of another customer;
- receives, or will receive, from a person other than the customer, a benefit that may hinder the ability to act in the customer's or the Group's best interest;
- conducts the same business as the customer; or
- acts in more than one capacity in a transaction or in the provision of a service or product.



A non-exhaustive list of circumstances and activities that may give rise to a conflict of interest in the course of CBA providing services to corporate customers include:

- CBA acting in a variety of capacities on the same transaction;
- CBA staff having outside business interests or being associated with a customer, supplier or potential counterparty;
- transactions where related parties are engaged for services;
- provision of services to one customer in support of activities that are not in the best interest of another customer;
- CBA or a CBA staff member has an interest in the outcome of a service provided to the customer or of a transaction carried out on behalf of the customer, which is distinct from the customer's interest in that outcome;
- CBA undertaking proprietary positions for its own trading interests which may conflict with the interests of its customers;
- CBA provides investment research reports that could influence investor behaviours in favour of CBA or a CBA customer;
- underwriting activities where CBA has an interest in the success of the capital raising;
- activities requiring cross group collaboration;
- CBA staff who are involved in trading or investment research having access to inside information about financial products or instruments;
- a CBA staff member engaging in personal account dealing that may pose a conflict of interest to CBA and/or its customers including dealing in financial products where CBA or the CBA staff member possesses inside information; and
- CBA staff member receiving gifts and entertainment that may influence their behaviour in a way that could pose a conflict of interest with CBA customers.

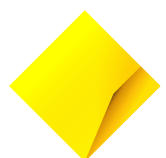
Management of Conflicts of Interest

The Group maintains organisational, procedural and administrative arrangements and controls to identify and manage conflicts, as outlined below:

Structural segregation - Individual Business and Support Units maintain segregation of duties procedures at both an operational level and in relation to functional reporting lines. The Group maintains a 'Three Lines of Accountability' model to ensure performance of independent risk management and audit functions.

Information barriers - The Group has established information barriers which are designed to control the flow of inside information and/or to manage conflicts of interest. Where required, CBA also establishes special purpose information barriers.

Gifts and Entertainment ('G&E') - The Group and its employees do not give or receive G&E which would, or could appear to, influence business decisions or customer outcomes. Certain G&E are not permitted to be given or received and others require disclosure and approval.



Sponsorships and Donations – All sponsorships entered into or donations made on behalf of the Group are disclosed, assessed and approved.

Outside Business Interests ('OBI') – All employees must disclose OBI that create an actual, potential or perceived conflict. Non-Executive Directors of the Group or Group entities, are required to disclose their OBI in line with their directors' duties. For CBA staff within Business Banking, Group Treasury, Institutional Banking and Markets, Commonwealth Private, Commonwealth Advice and support units, all OBI must be disclosed.

Remuneration – All remuneration and pay structures must be aligned with the Group's Remuneration Policy and remuneration must be structured in a manner which support the management of Conflicts of Interest.

Personal account dealing – To prevent conflicts arising from the misuse of customer or Group information and market abuse, the Group maintains policies and procedures governing personal account dealing which are applied to certain individuals depending on their role or business/function.

Business Activity Conflicts – Business Activities that give rise to actual, potential or perceived conflicts must be identified, reported and managed.

Conflict Registers – CBA maintains Conflict Registers and escalates any identified conflicts requiring management.

Disclosing Conflicts of Interest

The Group will disclose all material conflicts to customers where appropriate so that they can make an informed decision about how the conflict may affect the service being provided to them.

Disclosure alone may not be sufficient to manage conflicts and is only used to supplement other arrangements implemented to either prevent a conflict from arising, or to manage the conflict. Disclosure will only be used where it does not breach other obligations, such as maintaining customer confidentiality.

Where the Group discloses conflicts, the disclosure will provide the relevant customer with adequate information to understand the conflict and to make an informed decision in relation to the services provided. The Group will ensure disclosures are:

- *durable* such that the record can be drawn upon at a later date;
- *timely* such that it is disclosed before any conflicted activity occurs;
- *prominent* so that disclosure is clear and easily understood;
- *specific* enough to ensure the disclosure recipient is able to make an informed decision, but should not include details that breach privacy or confidentiality of any customer; and
- *meaningful* with sufficient detail for the customer to understand the potential impact or risks of the conflict and steps undertaken by the Group to mitigate these risks.

Avoiding Conflicts

Where a conflict cannot be managed effectively using other means, the situation giving rise to the conflict will be avoided.

Review of the Policy

CBA will assess and review the Policy periodically and at least on an annual basis.

