Basel III Pillar 3

Annual Remuneration Disclosure as at 30 June 2024

Commonwealth Bank of Australia

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1 Introduction

This remuneration disclosure has been prepared in accordance with the Australian Prudential Regulation Authority's (APRA) Prudential Standard APS 330 Public Disclosure (APS 330) and the Hong Kong Monetary Authority Supervisory Policy Manual CG-5: 'Guideline on a Sound Remuneration System' (HKMA Guidelines).

Amongst other requirements, APS 330 requires all Authorised Deposit-taking Institutions (ADIs) to meet the minimum requirements for public disclosure of qualitative and quantitative information on their remuneration practices. The remuneration disclosures required under APS 330 are separate from the requirements applicable to all listed companies under the Corporations Act 2001, which is limited to Key Management Personnel (KMP). The qualitative and quantitative disclosure requirements in APS 330 apply to all Senior Managers and Material Risk-Takers of the Commonwealth Bank of Australia Group (Group) for the 2024 financial year (year ended 30 June 2024).

In accordance with HKMA Guidelines, the remuneration arrangements of local CBA Hong Kong (HK) operations are disclosed as part of the Group Pillar 3 disclosure.

For the 2024 financial year, the following roles were determined to be Senior Managers and Material Risk-Takers of the Group:

35

21

Roles captured under APS 330[1]

Senior Managers

All Senior Managers, which are also categorised as Responsible Persons and defined in the Group Fit and Proper Policy and all employees captured under the HKMA Guidelines.

Material Risk-Takers

All roles (not captured as 'Senior Manager' and 'risk and financial control personnel') means a person whose activities have a material potential impact on the entity's risk profile, performance and long-term soundness.

For the Group, this includes the following roles:

(a) The Chief Executive Officer (CEO) and all Group Executives[(2)];

(b) Responsible Person Senior Managers of the Group and the Group's regulated subsidiaries; and

(c) Senior Managers who have been identified as holding a manager role for HK banking licence purposes under HKMA Guidelines and in accordance with Hong Kong Banking Ordinance 72B.

For the Group, this includes the following roles:

As defined in applicable regulatory requirements in jurisdictions in which the Group operates. In general, MRTs include those whose activities have activities have a material potential impact on the risk profile, performance and long-term soundness of the Group.

[1] Roles are defined in line with APS 330 and APRA Prudential Standard CPS 511 Remuneration (CPS 511). Roles captured as at 30 June 2024 or last role prior 30 June 2024 that is subject to disclosure. For the 2023 financial year, there were 82 Senior Managers and 37 Material Risk-Takers.

[2] Including those considered KMP.

2 Qualitative Disclosures

2.1 Remuneration Governance

2.1.1 Remuneration Governance Framework

The People & Remuneration Committee is the governing body for developing, monitoring and assessing the remuneration strategy and framework across CBA on behalf of the Board, ensuring that these are appropriate and effective. The role of the People & Remuneration Committee is to review, challenge, assess and, as appropriate, endorse the recommendations made by management for Board approval. The Board reviews, challenges, applies judgement and, as appropriate, approves the People & Remuneration Committee's recommendations.

The People & Remuneration Committee met formally seven times during the 2024 financial year with the following members (as at 30 June 2024): Simon Moutter (Chair), Peter Harmer, Paul O'Malley, Mary Padbury and Genevieve Bell (up until 31 October 2023). The responsibilities of the People & Remuneration Committee are outlined in its Charter, which is reviewed annually.



The Charter is available at commbank.com.au/peopleandremuneration

As part of the performance and risk review, and to support the determination of remuneration outcomes for the CEO and Group Executives, the People & Remuneration Committee meets concurrently with the Risk & Compliance, Audit, and Nominations Committees in February and June. These concurrent meetings provide an opportunity for the Committees to review and discuss relevant risk and audit matters that may warrant consideration in the People & Remuneration Committee's determination of remuneration outcomes, including any in year or malus adjustments or clawback for the CEO and Group Executives (including former Group Executives) and the determination of the Group-wide short term variable remuneration (STVR) pool. Information provided to the concurrent meetings supports determination of collective and/or individual remuneration adjustments and includes risk scorecard outcomes for the CEO and Group Executives, details of material risk matters presented by the Group Chief Risk Officer (CRO) and outcomes of internal audit reviews conducted during the year presented by the Group Auditor.

The concurrent meeting process was reviewed during the 2024 financial year to consider the appropriate meeting structure to support the determination of appropriate remuneration outcomes and meet regulatory requirements. Following the review, the concurrent meeting agenda was streamlined to primarily focus on key risk and audit matters relevant to the CEO and each Group Executive's performance and remuneration outcomes to ensure due consideration is given to both exceptional and poor risk and audit outcomes and the context in which those outcomes occurred.

The Risk & Remuneration Review Committee, a management committee that advises the Group CRO, oversees assessment of accountability for material risk matters, including those impacting CBA's reputation, and application of remuneration adjustments as appropriate for employees at and below the Executive General Manager (EGM) level.

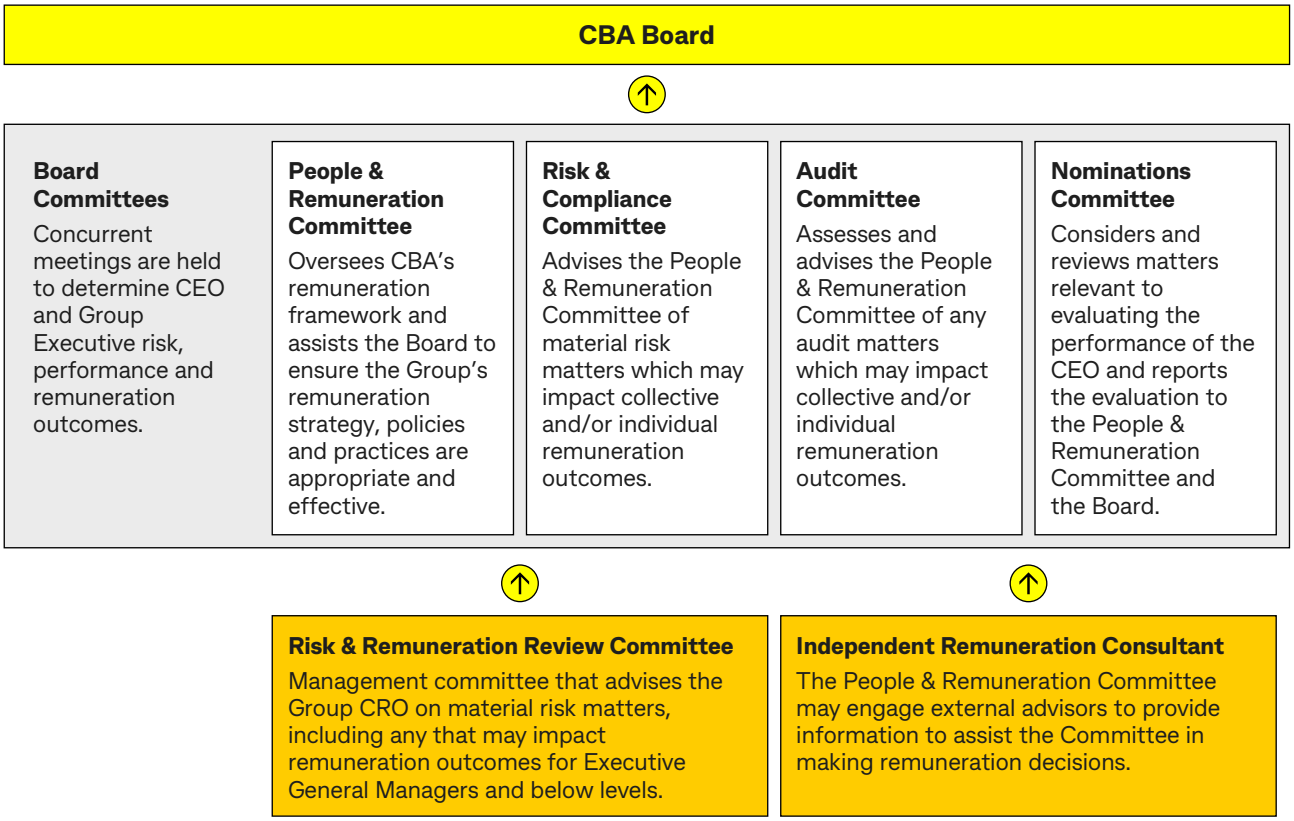
In line with NZ and local regulatory requirements, the performance and remuneration arrangements and outcomes for ASB roles identified as Group Senior Managers, require approval from both the ASB Board as the ultimate decision maker and the CBA Board.



External advisors

During the 2024 financial year, external advisors were engaged to provide information to the People & Remuneration Committee to assist with making remuneration decisions. The Board commissioned an independent review of financial target setting in the 2024 financial year to evaluate market practice. The People & Remuneration Committee did not seek or receive any remuneration recommendations from external advisors in the 2024 financial year.

CBA's remuneration governance framework



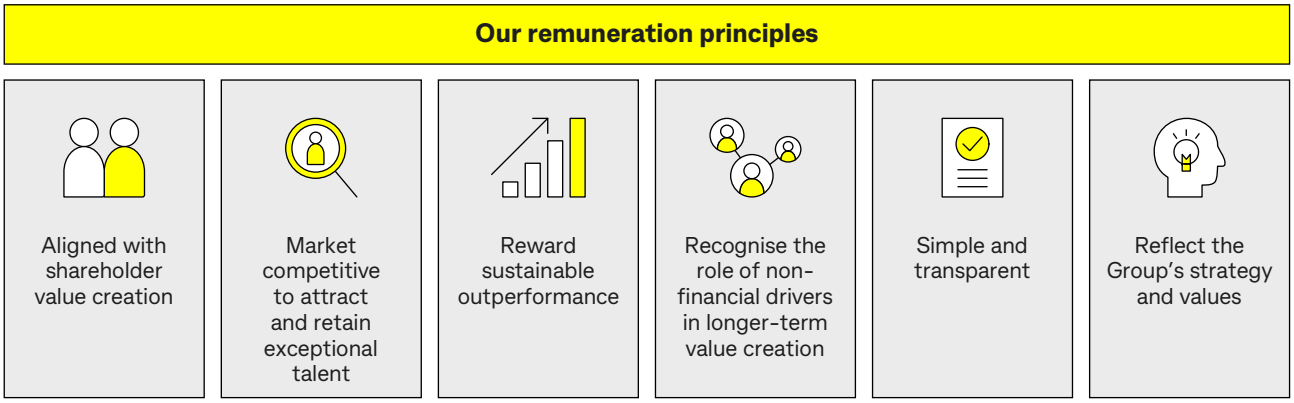
Non-Executive Directors receive fees as compensation for their work on the Board and the associated Committees on which they serve. Non-Executive Directors do not receive any performance-related remuneration. The Chair does not receive separate Committee fees.

Fees are reviewed and recommended to the Board at least every two years. The fees were reviewed in the 2024 financial year, and as a result, Board member fees increased for CBA's Non-Executive Directors from 1 January 2024. No changes were made to the fees for the People & Remuneration Chair or members. Fees are inclusive of base fees and statutory superannuation.

As at 30 June 2024, the fee for the People & Remuneration Committee Chair is $70,000 and the fee for People & Remuneration Committee members is $35,000 per annum, inclusive of superannuation.

2.1.2 Remuneration Policy and Effectiveness

The Board and the People & Remuneration Committee are responsible for the Group Remuneration Policy (GRP) that sets out the Group's remuneration principles that guide the design of the Group's remuneration arrangements and relevant policies to manage remuneration within the Group's remuneration, performance and risk frameworks.



The GRP applies to all specified individuals and entities of the Group. Where offshore entities are subject to additional regulatory requirements under local regulation, the higher of either the GRP or local requirements is applied. The scope of the GRP covers:

- All employees, whether employed on individual contracts and/or covered by industrial instruments; and
- Non-Executive Directors on the Group's Board and the Boards of any majority owned Group subsidiaries (including offshore entities).

All remuneration arrangements within the Group are governed by the remuneration delegation framework in accordance with the GRP. In order to support good governance and changing regulatory requirements and market conditions, the People & Remuneration Committee review the GRP at least annually (with changes approved by the Board), with the most recent review being undertaken during the 2024 financial year. The GRP review and assessment includes:

- Alignment with the Group's purpose, culture, values and strategy;
- Compliance with relevant legal and regulatory obligations; and
- The relevance of the GRP in light of changing market conditions.

The People & Remuneration Committee conducts a comprehensive independent effectiveness review of the Group remuneration framework every three years, with compliance reviews conducted annually. The next GRP effectiveness review will be conducted during the 2025 financial year by operationally independent, appropriately experienced and competent persons in line with APRA Prudential Standard CPS 511 Remuneration (CPS 511) requirements.

2.1.3 Independence of Risk and Financial Control Personnel

The majority of risk and financial control personnel (as defined in paragraph 20(s) of CPS 511) are employed in centralised Group functions. The performance and remuneration outcomes of these individuals are determined by the appropriate reporting / functional line manager within these functions to maintain independence from the businesses they support.

Individual variable remuneration outcomes are based on Key Performance Indicator (KPI) assessment (i.e. 'what was achieved') and Values and Risk Assessment (i.e. 'how it was achieved') outcomes. For risk and financial control personnel:

- KPIs must not compromise the independence of the individuals in these roles in carrying out their function;
- Individual performance measures should be based principally on non-financial measures;
- Non-financial KPIs may be linked to individual, team or Business Unit performance provided they are not related to areas where the individual performs a control function; and
- The ratio of annual variable remuneration to fixed remuneration should be appropriate, in line with the Group's remuneration framework, where applicable.

2.2 Remuneration Arrangement

The Group's remuneration arrangements are designed to attract, retain and motivate individuals who embrace the Group's culture, values and can deliver on its strategy, in compliance with legal and regulatory requirements. The structure of remuneration arrangements for the majority of Group employees consists of the following components:

- Fixed Remuneration (FR); and
- Variable Remuneration (VR) (at risk), including STVR, Alignment Awards (AA) for EGMs and, for the CEO and Group Executives, long-term alignment remuneration (LTAR) and long-term variable remuneration (LTVR).

			Variable Remuneration (VR) (at risk)		
	FR	STVR	AA	LTAR	LTVR
Purpose	Provides market competitive remuneration to attract and retain high quality talent while reflecting role scope and accountabilities.	Varies remuneration outcomes in line with material weighting to financial and non-financial outcomes across shareholder, customer, people & leadership, and strategy execution measures. The risk modifier adjusts, including upward and downward, overall STVR for how risk was managed.	Reinforces an enterprise-wide mindset and orients towards long-term Group performance outcomes.	Drives collective focus on increasing the value of CBA over time, and individual focus on leadership and strategy execution.	Varies remuneration outcomes in line with longer-term performance measures, with a focus on relative shareholder returns to support sustainable long-term shareholder value.
Coverage	All employees	Most employees are eligible to participate in STVR arrangements applicable to their position or contractual arrangement.	Executive General Managers (excluding certain roles).	The CEO and Group Executives.	



			Variable Remuneration (VR) (at risk)		
	FR	STVR	AA	LTAR	LTVR
Structure	Base remuneration and superannuation	• VR instruments in FY24 included: - Cash (deferred and non-deferred) - Deferred shares and restricted share units (deferred equity); and - Performance rights (deferred equity). • Cash is the only instrument that can be paid without deferral. Some of the Group's arrangements allow for VR to be deferred as cash over an appropriate deferral period.			
Description	For the CEO and Group Executives: reviewed annually against relevant comparator group remuneration benchmarks; the primary comparator group is the other three major Australian banks. For other employees: reviewed annually within parameters set by the People & Remuneration Committee. The remuneration review takes into account any change in the scope performed by the individual, changes required to meet the principles of the GRP, internal equity and market competitiveness.	Most employees are eligible to participate in STVR arrangements which recognise performance within the financial year. Performance is measured against the Group's values, risk assessment relevant to each role, and a balanced scorecard comprising financial and non-financial measures. Senior and some other employees defer a portion of STVR awarded over an appropriate period in compliance with the GRP and any applicable local legislation and/or regulations[3].	For EGMs: Long-term equity in the form of restricted shares vesting equally over two, three and four years. For EGMs identified as Senior Managers: Long-term equity in the form of restricted shares vesting equally over four and five years. Aligned to Group performance (share price) and subject to service.	For the CEO: LTAR is awarded in the form of restricted share units that vest after a four and five-year restriction period in two equal tranches. For Group Executives: LTAR is awarded in the form of restricted share units that vest after a four-year restriction period. LTAR for the CEO and Group Executives is subject to pre-grant and pre-vest assessments where downwards adjustments can be applied to reflect material issues and non-financial performance.	For the CEO: LTVR is awarded in the form of performance rights that vest after performance testing after four years. Shares received on exercise remain subject to a further two-year holding period. For Group Executives: LTVR is awarded in the form of performance rights that vest after performance testing after four years. Shares[4] received on exercise remain subject to a further one-year holding period. Vesting of the LTVR is subject to the achievement of set performance hurdles and final Board approval.
		Deferred remuneration for all employees is subject to malus review before vesting. ***All variable remuneration for the CEO, Group Executives and other employees required by regulatory requirements is also subject to clawback.***			

[3] Applies to Senior Leaders, individuals with annual variable remuneration of AUD 150,000 or more and other regulated roles that require STVR to be deferred in accordance with regulatory requirements.
[4] The CEO ASB's LTVR remains as performance rights during the holding period.



2.2.1 Deferral of variable remuneration

The table below provides a summary of the main deferral arrangements applicable to different roles across the Group. Employees in more senior roles (that have the potential to receive higher VR) have a greater portion of their VR deferred[5].

All Employees	• For all employees with a STVR award of AUD 150,000 (NZD 150,000 for ASB) or greater, one-third of their STVR is deferred into equity (as restricted shares / rights / cash[6]) vesting in three equal tranches over one, two and three years. • Deferred STVR awards are subject to a malus review prior to vesting.

Senior Leaders[7]	• Senior Leaders includes EGM and General Manager (GM) roles.
	• For GMs: Deferral of one-third[8] of any STVR award into restricted shares / rights / cash[6] vesting in equal tranches over one, two and three years.
	• For EGMs:
	  ○ Deferral of one-third of any STVR award into restricted shares / rights / cash[6] vesting after one year.
	  ○ Alignment Award is deferred into equal tranches which vest after two to five years.
	• Deferred STVR awards are subject to a malus review prior to vesting, and for those EGMs and GMs in roles subject to regulatory requirements, clawback provisions.

CEO and Group Executives[7]	• Deferral of 50% of any STVR award into restricted shares vesting in equal tranches after one and two years. Deferred STVR awards are subject to Board risk and reputation review, and malus and clawback provisions. • For the CEO: the LTAR award vests, subject to a pre-vest test, in two equal tranches after a four and five year restriction period. The LTVR award vests after four years, subject to performance testing and is subject to a further two year holding period i.e. vesting after five and six years. • For Group Executives: the LTAR award vests, subject to a pre-vest test, after a four-year restriction period. The LTVR award vests after four years, subject to performance testing and is subject to a further one year holding period i.e. vesting after five years.

[5] Deferral requirements under CPS 511 do not apply to Executive Directors, Senior Managers, Highly Paid Material Risk-Takers with deferred VR of less than AUD 50,000 in a financial year. Individuals are subject to additional risk and values conditions.
[6] For offshore jurisdictions the deferred award is delivered as cash or cash-settled equity.
[7] Deferral arrangements for Accountable Persons may vary from that stated where necessary for the Group to ensure compliance with its remuneration obligations under the Banking Executive Accountability Regime (BEAR) up to 15 March 2024 and the Financial Accountability Regime Act 2023 (Cth), as amended from time to time.
[8] For those GMs in roles subject to regulatory requirements, deferral requirements may vary, and may increase to ensure at least 40% of total variable remuneration is deferred in some circumstances.



Vesting of equity-based awards are subject to the relevant Board-approved equity plan rules, or terms and conditions in the case of deferred cash, and are generally contingent upon:

- An individual not ceasing employment with the Group during the vesting period except in certain circumstances. If an individual's employment with the Group ceases due to resignation, or they are summarily terminated before the end of the vesting period, deferred STVR, AA, LTAR and LTVR awards are forfeited unless the Board determines otherwise. If an individual ceases employment for other reasons (such as retirement, ill health separation, redundancy, mutual separation or death), unvested deferred STVR, AA, LTAR and LTVR awards will stay on-foot (unless the Board determines otherwise) and vest in the ordinary course. In such cases the terms and conditions of the award (other than continuity of service) continue to apply, including those relating to performance testing (in the case of LTVR awards[9]) and vesting (including conditions regarding malus and clawback);
- Realisation of original expected performance outcomes, in the case of deferred STVR;
- In the case of LTAR, subject to a pre-vest assessment with potential for downward adjustments applied based on an assessment of non-financial performance over the restriction period. The assessment considers leadership and strategy performance and adjustments will be made for significant failures resulting in adverse material impacts taking into consideration the participants' actions or response to any matters identified;
- In case of LTVR, the performance hurdles need to be met and the performance rights remain on foot after performance testing are subject to a further holding period of two years for the CEO and for one year for the Group Executives;
- A review of any risk and compliance issues associated with any individual.

The Group's approach to VR deferral supports the Group's risk management framework.

The Board retains its discretion to exercise malus or clawback in certain circumstances, where it is determined that a Reduction Event has occurred.

2.3 Linking Remuneration to Performance

VR is directly linked to both short-term and long-term performance goals.

2.3.1 2024 financial year STVR performance measures

STVR awards for most employees are discretionary and informed by performance outcomes that include the Group's values, risk expectations and a balanced scorecard to assess short-term Group, Business Unit and individual performance against specific KPIs. Individual performance outcomes for Values and KPIs inform the payment range available for STVR recommendations. The Risk assessment outcome informs whether an STVR reduction is required. Not fully meeting expectations for Values, Risk or KPIs has an impact on the STVR outcome, including the reduction of any STVR award to zero if appropriate.

Non-financial measures have a material weighting in balanced scorecards for all employees including the CEO and Group Executives. Scorecard weightings vary by role across balanced scorecard categories with financial and non-financial measures linked to Group, Business Unit and individual targets.

[9] For LTVR awards, performance rights or restricted shares subject to the holding period will lapse if an Executive is summarily dismissed during the holding period. Where an Executive ceases for any other reason during the holding period the performance rights or restricted shares subject to the holding period will remain on-foot with dates unchanged.



The Group guidance informing KPI development for the 2024 financial year includes four strategic categories: Customer Advocacy, Customer & Strategic Outcomes, People & Leadership, and Shareholder. The Shareholder category (which contains any financial KPIs) has a maximum weighting of 40% for most employees in the Group. Exceptions apply to select roles including Senior Managers, Risk and Financial Control Personnel and revenue-generating roles where required, in order to ensure independence and mitigate potential conflict of interests.

Risk is an important factor in accounting for short-term performance. The Group uses Profit After Capital Charge (PACC), a risk-adjusted measure, as a key measure of financial performance. PACC takes into account the profit achieved, and also reflects the risk to capital that was taken to achieve it. Moreover, in managing risk, all employees are required to comply with the Group and relevant Business Unit Risk Appetite Statements and role-related policies and procedures which contribute to a positive risk culture.

The key 2024 financial year STVR scorecard performance measures for the CEO are outlined below:

	Performance Category and measures	Weighting
Financial	**Shareholder** • Group Cash Net Profit After Tax • Group Underlying PACC	50%
Non-financial	**Customer** • Net Promoter Score (NPS) outcomes for Consumer, Business and Institutional customers, with reference to complaints remediation.	15%
	People & Leadership • Group Leadership measure results with a focus on employee engagement, talent identification, assessment and activation across the Group, capability development and building a diverse culture.	10%

	Strategy Execution
	• Progress on delivery of Group strategic priorities including:
	  ○ Leadership in Australia's economic recovery and transition
	  ○ Reimagined products and services
	  ○ Global best digital experiences and technology
	  ○ Simpler, better foundations
		25%

	STVR Modifiers Performance outcomes determined through assessment of the balanced scorecard are subject to the following assessments (gate/modifiers): • **Risk and Reputation:** the Board has the discretion to adjust the CEO STVR outcome downwards including to zero where appropriate. • **Values:** the Board has the discretion to adjust the CEO STVR outcome upwards or downwards including to zero where appropriate.	



2.3.2 2024 financial year LTAR pre-grant assessment outcomes

The CEO and Group Executives are eligible to receive LTAR awards in the form of restricted share units which entitle the participant to receive one CBA share (or cash equivalent at the Board's discretion), subject to vesting conditions. The LTAR award value is subject to a pre-grant assessment where downward adjustments can be applied to reflect material issues. The assessment considers future financial factors and individual non-financial performance of leadership and strategy execution.

The pre-grant assessment criteria consists of:

- Forward-looking financial considerations
- Threshold level individual non-financial performance
- Board discretion to adjust grant value downwards

The 2024 financial year LTAR awards were granted at 100% of the award value.

The CEO LTAR is delivered in two equal tranches and is subject to a pre-vest assessment at the end of a four and five-year restriction period ending 30 June 2027 and 30 June 2028 respectively. The LTAR for Group Executives is subject to a pre-vest assessment at the end of a four-year restriction period ending 30 June 2027. The pre-vest assessment considers non-financial performance over the restriction period with potential for downward adjustments.

LTAR awards are also subject to Board risk and reputation review, and should any issues be identified, the award may be reduced, including to zero. The Board has discretion to determine that some or all of the award will lapse in certain circumstances (malus). The Board also has discretion to require the recovery (i.e. clawback) of vested LTAR awards for serious and material matters as determined by the Board.

2.3.3 2024 financial year LTVR performance measures

The CEO and Group Executives are eligible to receive LTVR awards in the form of performance rights – each performance right entitles the participant to receive one CBA share, subject to vesting conditions.

The 2024 financial year LTVR award will be assessed on relative Total Shareholder Return (TSR), measured against two equally weighted comparator groups, over four years from 1 July 2023 to 30 June 2027:

- **General ASX peer group** – 20 largest ASX companies by market capitalisation at the beginning of the performance period, excluding resources companies and CBA.
- **Financial services peer group** – eight most comparable financial services companies listed on the ASX at the beginning of the performance period.

For the CEO, the shares received on the exercise of performance rights after performance testing will be subject to a further one and two-year holding period (to 30 June 2028 and 2029). For Group Executives (excluding the CEO ASB), the shares received on the exercise of performance rights remaining on foot after performance testing will be subject to a further one-year holding period (to 30 June 2028). For the CEO ASB, performance rights remaining on foot after performance testing will be subject to a further one-year holding period (to 30 June 2028).



The Board has discretion to determine that some or all of the award will lapse in certain circumstances (malus). The Board also has discretion to require the recovery (i.e. clawback) of vested LTVR awards for serious and material matters as determined by the Board.

2.4 Risk Management and Remuneration Consequences

The Group promotes disciplined, transparent and effective management of risk by linking conduct, risk and compliance outcomes to VR outcomes. The Risk Assessment in Performance process holds employees accountable for managing risks in accordance with the Group's Risk Management Approach and within Risk Appetite by adjusting VR for good and poor risk behaviours and outcomes.

The Group's Risk Management Approach sets out Board and Executive Leadership Team expectations regarding how all employees should behave to identify, measure, monitor and respond to risks. Risk behaviours are guided by the Group's values and Leadership Principles. The Group Risk Appetite Statement seeks to establish a culture of disciplined management of risk that enables the Group to deliver long-term value for our customers, shareholders, and people. The Risk Appetite is set at a level at which the Board expects management to operate within to achieve the desired business outcomes. All Group employees are required to adhere to the Group Risk Appetite Statement, as well as to their Business Unit's Risk Appetite Statement.

CBA's risk assessment processes and remuneration framework through guidance, procedures and governance continue to operate as designed, including reinforcing the Board's expectations for managing risks in support of a positive risk culture.

2.4.1 Risk assessment in performance

CBA's performance and remuneration frameworks support and promote taking risks we can understand and manage, holding employees individually and collectively accountable for managing role-related risks and compliance with the Group's Code of Conduct. These frameworks also support collective accountability for managing risks, and incorporate risk management through:

- Ensuring consideration is given to whether a risk adjustment should be made to the Group discretionary STVR pool funding having regard to a range of financial and non-financial current and future risk factors.
- Ensuring that all employees have a risk assessment included in their annual performance review to determine their performance against the risk accountabilities of their role. A risk assessment rating of less than 'fully met' results in a VR reduction.
- Group-wide risk assessment guidance, which sets expectations for how employees and people leaders should consistently assess risk behaviours and outcomes, determine the appropriate level of STVR adjustments for not fully meeting risk expectations, and document the reasons for their assessment.
- Using Executive Risk Scorecards (ERS) to underpin the risk assessments for the CEO, Group Executives, EGMs and GMs.
- Deferring a mandatory portion of the VR for CEO, Group Executives, EGMs, GMs, and other roles determined by the Board and individuals with significant VR outcomes. This deferred remuneration may be subject to malus adjustments as determined by the Board or its authorised delegate (such as the People & Remuneration Committee).
- The Group Risk & Remuneration Review Committee (RRRC) overseeing the application of VR reductions, including malus for risk matters for EGMs and oversight of the operation and outcomes of Business Unit RRRCs, which review VR reductions for material risk matters for GMs and below.



For the CEO and Group Executives, the Board considers the impact of risk matters on remuneration outcomes based on ERS and information relating to material risk, financial and audit matters reported at concurrent committee meetings. The People & Remuneration Committee, together with the Risk & Compliance, Audit and Nominations Committees, consider this information when determining Executive remuneration outcomes (including for former Group Executives), including the application of reductions to in-year STVR, deferred remuneration, LTAR and LTVR outcomes for risk and reputation matters.

2.4.2 Risk culture

The VR and consequence management frameworks are designed to reinforce behaviours supporting the disciplined management of risks as aligned to our target risk culture. The maturity of our risk culture continues to be assessed via the annual Board Risk Culture Assessment. The process, design and application of variable remuneration and consequences are an important influence on risk. CBA continues to recognise and reward employees rated 'exceptionally managed' for exemplary risk behaviours and outcomes. Everyday risk recognition continues is incorporated in the Group-wide recognition platform, providing our people with the ability to recognise positive risk behaviours.

2.4.3 Malus and clawback

Malus (the ability to lapse/forfeit or reduce unvested deferred variable remuneration) and clawback (the repayment of variable remuneration that has been paid or vested) are part of our remuneration framework.

Malus may be applied to unvested deferred variable remuneration in relation to poor risk outcomes and/or misconduct. No malus was applied during the 2023 financial year. To the extent in-year or malus adjustments are insufficient to satisfy remuneration consequences determined by the Board, clawback may be applied to the variable remuneration awarded to the CEO, Group Executives and other regulated roles of the Group in line with prudential requirements.

The time horizon for the application of clawback has also been aligned to CPS 511, i.e., the Board may exercise clawback in relation to applicable roles for at least two years from the date of payment or vesting, including where the employment or engagement of the person has ceased.



3 Quantitative Disclosures

The following tables have been prepared in accordance with the quantitative requirements outlined in APS 330 and values are expressed in Australian Dollars (AUD):

- Table (a) provides a breakdown of the value of fixed and variable remuneration for Senior Managers and Material Risk-Takers for year ended 30 June 2024, together with the 2023 financial year.
- Table (b) provides a summary of deferred cash and equity-based remuneration, including the total amount of outstanding awards, awards that have vested during 2024 financial year and any reductions due to ex-post explicit and implicit adjustments, alongside outcomes from the 2023 financial year.

(a) Total Value of Remuneration Awards[10]

	Senior Managers[11] ($'000)		Material Risk-Takers[11] ($'000)	
	FY24	FY23	FY24	FY23
Fixed Remuneration				
Cash-based (non-deferred)[12]	27,766	38,193	9,987	13,850
Other (non-deferred)[13]	3,188	3,286	1,033	1,385
Variable Remuneration				
Cash-based (non-deferred)[14]	10,022	17,014	5,434	8,068
Cash-based (deferred)	435	2,660	142	647
Shares and share-linked instruments (deferred)[15]	32,692	31,270	6,719	3,180
Other[16]	14	4	0	0

[10] Remuneration has been restated to reflect corrections to reported amounts for FY23 and FY24 values. Specifically, for FY23, Cash-based (non-deferred) and Other (non-deferred) fixed remuneration and Cash Based (non-deferred) variable remuneration, and for FY24, Cash-based (non-deferred) and Other (non-deferred) fixed remuneration and Cash-based (non-deferred), Cash-based (deferred) and Other variable remuneration for a small number of individuals identified as holding a manager role for HK banking licence purposes under HKMA Guidelines.

[11] 60 Senior Managers and Material Risk-Takers received a variable remuneration award in relation to FY24. The Group does not provide guaranteed bonuses and consequently none were offered during FY24 to Senior Managers or Material Risk-Takers. 1 retention and/or sign-on award was made to Senior Managers and Material Risk-Takers during FY24 (a total of $206,686). 4 termination payments were made to Senior Managers and Material Risk-Takers (a total of $1,740,453) during FY24.

[12] Includes base remuneration, superannuation contributions / pension payments and role allowances (where applicable).

[13] Includes annual leave and long service leave taken during the year.

[14] Value represents the cash portion of the STVR awards and any other cash payments (such as sign-on awards or retention awards). For the CEO and Group Executives, this value includes 50% of their total FY24 STVR award, with the remaining 50% deferred. For Accountable Persons, deferred remuneration requirements under the Banking Act were met, including for former Group Executives where applicable. For most other Senior Managers and Material Risk-Takers, this value represents two-thirds of their total FY24 STVR award.

[15] Includes deferred STVR, AA, LTAR and LTVR received as equity, and any other equity-based awards where applicable.

[16] This includes interest on deferred cash, and the grant of CBA shares through the Employee Share Acquisition Plan where applicable.



(b) Deferred Remuneration[17]

	Senior Managers ($'000)		Material Risk-Takers ($'000)	
	FY24	FY23	FY24	FY23
Outstanding Remuneration[18]				
Cash-based awards	1,051	877	108	0
Shares and share-linked instruments	139,087	124,038	13,336	6,851
Total outstanding remuneration (deferred)	140,138	124,915	13,445	6,851
Total amount of deferred remuneration vested[19]	35,116	39,613	3,341	3,821
Total amount of reductions due to explicit adjustments[20]	(3,268)	(322)	(854)	(264)
Total amount of reductions due to implicit adjustments[21],[22]	-	-	-	-

[17] Remuneration has been restated to reflect corrections to reported amounts for FY23 and FY24 values. Specifically, for FY23 the total amount of deferred remuneration vested, and for FY24, Cash-based awards, Shares and share-linked instruments, Total outstanding remuneration (deferred) and Total amount of deferred remuneration for a small number of individuals identified as holding a manager role for HK banking licence purposes under HKMA Guidelines.

[18] All deferred remuneration is exposed to ex-post explicit and/or implicit adjustments. This includes the sum of all outstanding deferred cash and equity awards as at 30 June 2024. For all AA, LTAR and LTVR awards and equity-based deferred STVR awards, this includes the total face value calculated using the Volume Weighted Average Closing Price (VWACP) of the Group's ordinary shares over the five trading days preceding 30 June 2024.

[19] Value of deferred cash and equity awards that vested during FY24. The value of the vested award is calculated using the VWACP of the Group's ordinary shares over the five trading days preceding the transaction date.

[20] Includes any reductions to awards that vested during FY24 due to revaluation of awards, downward adjustments to awards and award forfeitures. The value of the lapsed awards are calculated using the VWACP of the Group's ordinary shares over the five trading days preceding the transaction date.

[21] For FY24, this includes any reductions to the value of the total outstanding awards due to downward movements in CBA share price during the year. The reduction in value is calculated using the VWACP of the Group's ordinary shares over the five trading days preceding 30 June 2023 and 30 June 2024, respectively for the beginning and end values.

[22] Total amount of reductions due to implicit adjustments have not been reported as the outcome in FY24 resulted in an increase in value. This represents a change from FY23 where increases in value were reported.



4 Key Terms

For the purposes of this remuneration disclosure, and to assist readers, key terms and abbreviations used in this remuneration disclosure as they apply to the Group have the meanings set out below.

Term	Definition
Accountable Persons	Has the meaning given in the Financial Accountability Regime Act 2023 (Cth).
Alignment Award (AA)	Remuneration that vests either in equal tranches over a restriction period of four years or in equal tranches after a period of four and five years, subject to continued service and any other conditions determined by the Board.
Board	The Board of Directors of the Commonwealth Bank of Australia.
Cash Settled Rights	Rights to a cash payment, the value of which is linked to CBA's share price.
CEO	Managing Director and Chief Executive Officer.
Executives	Collective term referring to the individuals in the following Executive groups: CEO and Group Executives.
Group Executive	Senior direct reports to the CEO, including the CEO ASB.
Highly Paid Material Risk-Takers	MRTs whose total fixed remuneration plus actual variable remuneration is equal to or greater than AUD 1 million in a financial year of the entity. Highly Paid MRTs are subject to specific minimum deferral requirements under CPS 511.
Individuals with Significant Variable Remuneration	Individuals with Significant Variable Remuneration are EGMs, GMs (or equivalent) and any employees within the Group whose Annual Variable Remuneration is equal to or greater than AUD 150,000 per annum (NZD 150,000 in New Zealand).
Key Management Personnel (KMP)	Persons having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any Director (whether Executive or otherwise) of that entity.
Key Performance Indicators (KPIs)	Quantitative and qualitative measures, agreed at the start of the performance year to communicate expected performance outcomes at the Group, Business Unit and / or team and individual level.
Long-Term Alignment Remuneration (LTAR)	Remuneration that is subject to a pre-grant and pre-vest assessment from the 2023 financial year and vests subject to a restriction period, pre-vest assessment and any other conditions determined by the Board, generally after a period of four or five years.
Long-Term Variable Remuneration (LTVR)	Remuneration that may vest subject to the achievement of set performance hurdles and/or requirements, generally over a period of up to four years, and includes a further holding period of up to two years.
Non-Financial Measures	Measures that support the broader objectives of the Group remuneration framework, including risk management.
Performance Rights	Rights to ordinary shares in CBA granted under the LTVR award, subject to performance hurdles and a holding period.
Reduction Event	A material event or circumstance that may give rise to the application of malus and/or clawback to variable remuneration. In determining whether circumstances give rise to a Reduction Event the Group will comply with regulatory requirements in the jurisdictions in which it operates.
Restricted Shares	Restricted shares in CBA granted under the Employee Equity Plan. These may be granted in respect of deferred STVR awards, sign-on awards and/or retention awards.
Restricted Share Units	Rights to ordinary shares in CBA (or at Board discretion a cash equivalent) granted under the LTAR and subject to vesting conditions.
Senior Leaders	Employees who have senior executive authority and responsibility within the Group, including employees who hold a position at EGM or GM level (or equivalent) within the Group.
Short-Term Variable Remuneration (STVR)	A remuneration arrangement that is granted with reference to the Group's, business unit and/or team and the individual's performance over one financial year or a specified/defined period within the year (e.g. bi-annual).
Total Shareholder Return (TSR)	TSR measures a company's share price movement, dividend yield and any return of capital over a specific period.
Variable Remuneration (VR)	Remuneration that is conditional on the achievement of objectives within a defined period (or otherwise). May include, but is not limited to, STVR, AA, LTAR and LTVR, sign-on awards, retention awards, any other performance-based remuneration, and any other remuneration as determined by the Regulators (i.e. APRA and/or ASIC, as the context requires), to be variable remuneration.

