

Notice to company pursuant to ss 249N & P of the Corporations Act 2001 (CA)

I/we [name of 'shareholder']

of

..... [address]

identified by the Holder Identification Number (HIN) or Shareholder Reference Number (SRN) [HIN or SRN]

in respect of any holding of the shareholder's Commonwealth Bank of Australia ('CBA' or 'the company') ordinary fully paid shares;

hereby give notice to the company in accordance with sections 249N & P of the CA of: the following resolutions (1: Amendment to the Constitution, 2: Transition Planning Disclosure) the shareholder proposes to move at a general meeting of the company; and request in accordance with section 249P that the company give to all members each of the Supporting Statements following the resolutions.

SIGNED

.....
(Signature of individual Shareholder [†] /company director)	(Signature of second shareholder in a joint holding/for a company second director or company secretary)

[†] Or sole company director and sole company secretary. JOINT HOLDING: For a holding in more than one name all shareholders must sign)

Resolution 1 – Amendment to the Constitution

Insert into the Constitution in clause 9 ‘Meetings of members’ the following new sub-clause: “The Company in general meeting may by ordinary resolution express an opinion or request information about the way in which a power of the Company partially or exclusively vested in the Directors has been or should be exercised. Such a resolution must relate to a material risk identified by the Directors or the Company and cannot advocate action that would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the Directors or the Company.”

Resolution 2 – Transition Planning Disclosure

Shareholders note the Company’s support for the climate goals of the Paris Agreement¹ (Paris Goals). Shareholders therefore request the Company disclose, in subsequent annual reporting, information demonstrating how the Company will manage its Fossil Fuel² exposure in accordance with the Paris Goals. This information should include:

- A commitment to no longer provide Banking and Financing³ where use of proceeds are explicitly intended for new Fossil Fuel projects; and
- Targets to reduce Fossil Fuel exposure consistent with the Paris Goals.

(Commonwealth Bank of Australia’s Notice of 2021 Annual General Meeting is to include Resolutions 1 and 2. Shareholders voting by proxy can vote on both resolutions.)

¹ Paris Agreement, Articles 2.1(a) and 4.1

² Upstream, midstream and downstream oil and gas; coal mining and transport (including haulage and ports); coal, oil and gas power generation

³ Direct corporate lending, project finance, trade finance, IPOs and their distribution, risk management and transaction banking services, as listed by Commonwealth Bank:
<https://www.commbank.com.au/content/dam/commbank/about-us/download-printed-forms/environment-and-social-framework.pdf>

Supporting Statement 1

Shareholder resolutions are a healthy part of corporate democracy in many jurisdictions other than Australia. For example, in the UK shareholders can consider resolutions seeking to explicitly direct the conduct of the board. In the US, New Zealand and Canada shareholders can consider resolutions seeking to advise their board as to how it should act. As a matter of practice, typically, unless the board permits it, Australian shareholders cannot follow the example of their UK, US, New Zealand or Canadian cousins in this respect.

A board of Directors is a steward for shareholders and accountability for the discharge of that stewardship is essential to long-term corporate prosperity.

In rare situations the appropriate course of action for shareholders dissatisfied with the conduct of board members is to seek to remove them. But in many situations such a personality-focused approach is unproductive and unwarranted. In those situations a better course of action is to formally and publicly allow shareholders the opportunity at shareholder meetings such as the AGM to alert board members that the shareholders seek more information or favour a particular approach to corporate policy.

The Constitution of CBA is not conducive to the rights of shareholders to place resolutions on the agenda of a shareholder meeting.

In our view, this is contrary to the long-term interests of CAB, the CBA board and all CBA shareholders.

Passage of this resolution – to amend the CBA constitution – will simply put the company in a similar position in regard to shareholder resolutions as any listed company in the UK, US, Canada or New Zealand.

We encourage shareholders to vote in favour of this resolution.

Supporting Statement 2

Despite committing to support the climate goals of the Paris Agreement, CBA has failed to align its investment practices or policies with these goals.

CBA must disclose strategies and targets to reduce exposure to fossil fuels in line with the climate goals of the Paris Agreement, or risk exposing itself and shareholders to needless climate-related financial risk.