

CBA launches CommBank PERLS XVI Capital Notes Offer

Expected Margin of between 3.00% and 3.20% above bank bill swap reference rate

NOT FOR DISTRIBUTION IN THE UNITED STATES

Tuesday, 16 May 2023 SYDNEY: Commonwealth Bank of Australia (CBA) today announced the offer of a new Tier 1 hybrid security, CommBank PERLS XVI Capital Notes (PERLS XVI) (the Offer).

PERLS XVI will qualify as Tier 1 Capital of CBA. The Offer is expected to raise A\$750 million, with the ability to raise more or less. PERLS XVI are expected to be quoted on ASX under the trading code 'CBAPM'. The net proceeds of the Offer will be used to fund CBA's business.

CBA is the Arranger and a Joint Lead Manager to the Offer. ANZ Securities Limited, Bell Potter Securities Limited, Morgan Stanley Australia Securities Limited, Morgans Financial Limited, National Australia Bank Limited, Ord Minnett Limited, Shaw and Partners Limited, UBS AG, Australia Branch and Westpac Institutional Bank (a division of Westpac Banking Corporation) have also been appointed as Joint Lead Managers to the Offer (the Arranger, Joint Lead Managers and any other participating brokers, together being 'Syndicate Brokers').

The Offer will be made under the PERLS XVI prospectus (Prospectus). Unless otherwise defined, capitalised terms in this announcement have the meaning given to them in the Prospectus.

Eligibility requirements

In accordance with the product design and distribution obligations in the *Corporations Act 2001* (Cth), CBA has created a target market determination for PERLS XVI (Target Market Determination). Under the Target Market Determination, Applications under the Offer can only be made by investors who satisfy certain eligibility criteria¹. There is no separate offer to CBA securityholders or a general offer for PERLS XVI.

¹ Applications by eligible investors can be made by contacting your Syndicate Broker and completing an Application Form in, or accompanying, the Prospectus.

In order to apply, investors must be an eligible client of a Syndicate Broker and:

- be a company or an individual (including as a trustee of a family, hybrid or unit trust) aged 18 years or older;
- have a registered address in Australia; and
- be either:
 - an investor who has received personal financial product advice from a financial adviser to acquire PERLS XVI; or
 - a Wholesale Client.

Investors who wish to participate in the Offer are encouraged to contact a Syndicate Broker as soon as possible. The Bookbuild may close early. Even if investors do register their interest with a Syndicate Broker, their allocation of PERLS XVI under the Offer may be subject to scale back. Investors should be aware that unless they already meet the eligibility requirements and have an existing relationship with a Syndicate Broker, it may be difficult or costly to demonstrate eligibility in time to participate in the Offer.

Key features of PERLS XVI

PERLS XVI are perpetual, subordinated, unsecured notes scheduled² to pay floating rate distributions quarterly, which are expected to be fully franked. PERLS XVI have an Initial Face Value of A\$100.

PERLS XVI may be Redeemed or Resold by CBA on the Call Dates (being 17 June 2030, 16 December 2030 and 16 June 2031) subject to APRA's approval, which may or may not be given³. PERLS XVI may be Exchanged for Ordinary Shares on the Mandatory Exchange Date (17 June 2033) subject to certain conditions, or on another date if certain events occur. This includes if a Capital Trigger Event, Non-Viability Trigger Event or Change of Control Event occurs.

The PERLS XVI Terms are complex and include features to comply with the regulatory capital requirements which APRA applies to these securities. These features mean that you may not receive your investment back as in certain circumstances PERLS XVI may remain on issue indefinitely, may be Exchanged into Ordinary Shares (potentially for less than the Face Value) or may be written-off.

The Prospectus details each of these features, and investors should read and consider the Prospectus in full before deciding whether to invest in PERLS XVI. PERLS XVI may not be suitable for some investors. It is important that you consider the risks set out in the Prospectus, many of which are outside the control of CBA. Investors are encouraged to seek advice from a financial adviser or other professional adviser before deciding to invest.

² Distributions are discretionary and subject to the distribution payment conditions being satisfied. Distributions are non-cumulative.

³ APRA having approved the redemption of past PERLS securities is not indicative that APRA would approve the Redemption or buy-back of PERLS XVI. APRA has stated that it would need to be satisfied as to the economic and prudential rationale for any redemption. For further details see Section 4.2.7 in the Prospectus.



Key Dates for the Offer⁴

Lodgement of Prospectus with ASIC	16 May 2023
Bookbuild period commences for Syndicate Brokers	16 May 2023
Announcement of Margin	24 May 2023
Opening Date for the Offer and lodgement of the replacement prospectus with ASIC	24 May 2023
Closing Date for the Offer	5.00pm (Sydney time), 5 June 2023
PERLS XVI Issue Date	9 June 2023
Commencement of trading on normal settlement basis	13 June 2023
Despatch of Holding Statements	20 June 2023

A copy of the Prospectus and the Target Market Determination can be obtained electronically from www.commbank.com.au/perls.

Important information

Investments in PERLS XVI 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 been prepared without 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 adviser or other professional adviser before deciding to invest in PERLS XVI.

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 the Continuous Disclosure Committee.

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⁴ The key dates for the Offer are indicative only and subject to change without notice.

