

Financial Markets Conduct (Commonwealth Bank of Australia) Exemption Notice 2025

This exemption is granted by the Financial Markets Authority under section 556 of the Financial Markets Conduct Act 2013 after being satisfied of the matters set out in section 557 of that Act.

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Notice

1 Title

This notice is the Financial Markets Conduct (Commonwealth Bank of Australia) Exemption Notice 2025.

2 Commencement

This notice comes into force on 7 August 2025.

3 Revocation

This notice is revoked on the close of 6 August 2030.

4 Interpretation

- (1) In this notice, unless the context otherwise requires,—

Act means the Financial Markets Conduct Act 2013

ASB means ASB Bank Limited (company number 398445; NZBN 9429039435743) whose parent company is ASB Holdings.

ASB Holdings means ASB Holdings Limited (company number 428135, NZBN 9429039342768) whose parent company is the Bank.

Australian CRD Regime means Australia's mandatory climate-related disclosures regime which requires certain entities to prepare a Sustainability Report and lodge the Sustainability Report with the Australian Securities and Investments Commission.

Bank means Commonwealth Bank of Australia (ACN Number 123123124).

CBA NZ Group means the Bank, its New Zealand branch, CBA Funding (NZ) Limited (company number 931499; NZBN 9429037735074), CBA Investments (No 4) Limited (company number 931501; NZBN 9429037731960); and ASB Holdings Limited

disclosure statement means the disclosure statement that the Bank is required to publish under section 81 of the Banking (Prudential Supervision) Act 1989.

Sustainability Report means a mandatory climate-related financial disclosure prepared under Chapter 2M of the Corporations Act 2001 (*Cth*) of Australia.

- (2) Any term or expression that is defined in the Act and used, but not defined, in this notice has the same meaning as in the Act.

5 Application

- (1) An exemption granted by this notice applies to the following accounting periods of the Bank—
- (a) the period commencing 1 July 2024 and ending on 30 June 2025 (**first accounting period**); and
 - (b) subsequent account periods, ending with the period that will commence on 1 July 2028 and will end on 30 June 2029.
- (2) This notice shall cease to apply if—
- (a) the Bank becomes a climate reporting entity under any paragraph in subsection 461O(1) or (2) of the Act, other than as a registered bank under paragraph 461O(1)(b) of the Act; or
 - (b) the Bank's New Zealand branch commences offering investment or deposit products to persons in New Zealand who are not related entities of the Bank, which are materially different to its current business as at the date of this notice and which are reasonably expected to accrue new, New Zealand domiciled, primary users (as defined in the Aotearoa New Zealand Climate Standards 1 and 3);
 - (c) the Bank's New Zealand branch commences retail business in New Zealand.

(Termination Event)

- (3) If a Termination Event occurs, the exemption granted by clause 6 continues to apply to the accounting period in which the Termination Event occurs but does not apply to subsequent accounting periods.

6 Exemption

The Bank is exempted from Part 7A of the Act.

7 Conditions

- (1) The exemption in clause 6 is subject to the conditions that—
- (a) the Bank must—

- (i) publish annual climate disclosures statements in relation to its global business (which includes the CBA NZ Group) for the first accounting period, on a voluntary basis;
 - (ii) 7(1)(a)(ii) lodge annually the Sustainability Report (including the associated mandatory assurance reports) on the CRD register for each subsequent accounting period;
 - (iii) comply with the Australian CRD Regime as it applies to the Bank; and
- (b) the Bank will ensure that any voluntary climate disclosures or any Sustainability Report required under paragraph (a) are available, free of charge, and at all reasonable times, on an internet site maintained by, or on behalf of, the Bank; and
- (c) the Bank must include in its disclosure statement a statement to the effect that it is relying on the exemption in respect of the accounting period, and a brief summary of the effect of that reliance; and
- (d) within 4 months after the end of an accounting period in respect of which the Bank relies on this exemption, the Bank must lodge with the Registrar a notice which states that it is relying on the exemption in respect of the accounting period and a brief summary of the effect of that reliance, and for the first accounting period, the notice must provide the address of the website where the voluntary statements can be accessed; and
- (e) the Bank will report to the Financial Markets Authority—
 - (i) any change to the structure of CBA NZ Group which means subsidiaries that have previously been included in climate statements of ASB will become subject to the exemptions provided under this notice;
 - (ii) should the Bank's status change in relation to any of the requirements detailed in clause 5(2), such that one or more of those events is planned and reasonably likely to occur; and
 - (iii) within 10 working days of any of the Termination Events having taken place.

8 Previous Exemption Revocation

This notice revokes the Financial Markets Conduct (Climate-related Disclosures – Commonwealth Bank of Australia New Zealand) Exemption.

Dated at Wellington this 1st day of August 2025



Liam Mason

Executive Director – Evaluation and Oversight and General Counsel

Financial Markets Authority

Statement of Reasons

This notice comes into force on 7 August 2025 and is revoked on 6 August 2030.

This notice exempts Commonwealth Bank of Australia (**Bank**) from the requirement to keep proper CRD records and produce climate statements pursuant to Part 7A of the Financial Markets Conduct Act (**Act**).

For the purposes of Part 7A of the Act, the Bank is a climate reporting entity because it is a large registered bank. However, its operations in New Zealand are limited, and it has a small number of primary users as defined in the Aotearoa New Zealand Climate Standards (**Standards**) and it is now subject to the Australian mandatory climate-related disclosures regime.

The Financial Markets Authority (**FMA**), after satisfying itself as to the matters set out in section 557 of the Act, considers it appropriate to grant the exemption because:

- The New Zealand business of the Bank (excluding its subsidiary ASB Bank Limited which is required to prepare climate statements or group climate statements in its own right) is limited in scope and nature, and the number of existing primary users of the Bank's New Zealand branch is small.
- The Bank is voluntarily preparing climate-related financial disclosures (**global statements**) in respect of its global business (which includes the Bank's New Zealand branch) for the accounting period commencing 1 July 2024 and ending on 30 June 2025 and thereafter will be required to prepare and publish climate-related financial disclosures in accordance with the Australian mandatory climate-related disclosures regime in the *Corporations Act 2001* of Australia. The preparation of these global statements demonstrates responsibility and foresight in its consideration of climate issues, which is a key goal of the New Zealand climate-related disclosures regime (**CRD Regime**).
- The costs of compliance with the CRD Regime in New Zealand are disproportionate when considering the small number of existing primary users and the potential benefit those few users may obtain from any New Zealand only climate statements.
- The Bank's primary users will be able to obtain information from the global statements in respect of the management of climate risks and governance at a group level. The global statements will be more reflective of the nature of the Bank's climate-related corporate governance structure, strategy, and risk management as it relates to the New Zealand business.
- The FMA is satisfied the exemption is not broader than is reasonably necessary to address the matters that give rise to the exemption as:
 - the Bank will be required to include information in its disclosure statement as to the effect of the exemption notice and refer readers to its global statements;
 - the exemption notice will cease to apply should the nature of the Bank's New Zealand business materially change;
 - the Bank must publish annual global statements on a voluntary basis commencing 1 July 2024 and ending on 30 June 2025 and then on a mandatory basis thereafter in compliance with the Australian mandatory climate-related disclosures regime; and
 - the exemption will not affect the abilities and obligations of ASB Bank Limited and its subsidiaries to meet their own respective obligations under the Act, including the obligation to keep proper CRD records and produce climate statements pursuant to Part 7A of the Act.

The FMA is therefore satisfied that the granting of the exemption is necessary or desirable in order to promote the purposes of the Act. Specifically, it will avoid unnecessary compliance costs and will still provide for accurate and understandable information to be provided to persons to assist those persons to make decisions relating to the Bank.