

Equator Principles Reporting – FY23

The Commonwealth Bank of Australia became a signatory to the Equator Principles in May 2014. The Equator Principles (EP) are a set of standards to assess, mitigate, manage and monitor Environmental and Social risks in applicable project-related financing.

Environmental and Social Risks

Environmental and Social risk is a strategic risk managed under the CBA Group’s Risk Management Framework. Assessing potential transactions for Environmental, Social and Governance (ESG) risks is a key step in our due diligence process for all Institutional Bank loans, as well as large loans in other business units.

Training for ESG due diligence and implementation of the Equator Principles (EP) is undertaken by the relevant client and risk teams. CBA’s EP process is embedded in CBA systems and procedures.

During the financial year ending June 2023, CBA had 5 EP project finance transactions that reached financial close. No EP project-related corporate loans or EP project related refinance transactions reached financial close.

Figure 1 – Project Finance

EPIV Category	A	B	C
Totals		3	2
Sector			
Mining			
Infrastructure			1
Oil & Gas			
Power		2	1
Others		1	
Region			
Americas		1	1
Europe, Middle East & Africa			
Asia Pacific		2	1
Country Designation			
Designated		3	2
Non Designated			
Independent Review			
Yes		3	2
No			

Figure 2 – List of Project Finance transactions

Project Name	Sector	Project Location	Country Designation	Year of Financial Close
NZ Schools II PPP	Infrastructure	New Zealand	Designated	2023
Golden Plains Wind Farm	Power	Australia	Designated	2023
Karratha Urea Project	Others	Australia	Designated	2023
Edwards Sanborn Phase 2 Solar and Storage Project	Power	United States	Designated	2022
Lockhart Solar & Battery Energy Storage System	Power	United States	Designated	2022

