

Commonwealth Bank

Commonwealth Bank of Australia
ABN 48 123 123 124

Corporate Affairs
Level 5, Darling Park, Tower 1
201 Sussex Street
Sydney NSW 2001
Australia

Ms Kelly Dent
Economic Justice Advocacy Lead
Oxfam Australia
Via email: kellyd@oxfam.org.au



9 July 2014

Dear Kelly,

Thank you for your letter dated 30 June 2014 to David Cohen, Commonwealth Bank General Counsel and Group Executive, Group Corporate Affairs. I am responding on David's behalf as I am responsible for the Commonwealth Bank's corporate responsibility programs.

We are grateful for the time you have taken to outline your concerns and view our dialogue and the 'Banking on Shaky Ground' report as very useful to inform our approach to sustainability and responsible financial services. Specifically we appreciate your work in bringing the matter of improper acquisitions of land and resulting human rights abuses to our attention.

With regards to agribusiness company Bunge, with which Commonwealth Bank is connected through investment by its wealth management business Colonial First State Global Asset Management (CFSGAM), we would like to inform you of the following progress:

- CFSGAM has engaged with Bunge on the specific allegations made in the report and on their Environmental, Social and Governance practices more broadly. CFSGAM has considered the circumstances and Bunge's response and is satisfied that the action the company is currently taking is appropriate. CFSGAM is also satisfied with the various governance improvements the company is undertaking.
- CFSGAM will continue to monitor Bunge's approach to land rights and sustainability considerations more broadly and will follow up on the implementation of their governance improvements.
- CFSGAM notes that Bunge has signed up to the Bonsucro certification initiative which includes respect for human rights, and has achieved certification for four of its five mills so far.

In addition:

- CFSGAM has reviewed its internal practices and will now be asking at-risk companies if they have any Indigenous (or other) claims on lands they own or source from, prior to investment.

- CFSGAM is planning to undertake a review of its responsible investment policies in the second half of 2014 and will consider the issue of land grabs in the review.

I would welcome the opportunity of a meeting to discuss the above with your team as well as our approach to broader environmental, social and governance risk considerations. Anna Mitchell will be contacting you to arrange a mutually convenient time to discuss.

Once again, thank you for taking the time to write in and share your concerns.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kylie Macfarlane', with a large, sweeping initial 'K' and a horizontal line extending to the right.

Kylie Macfarlane
General Manager
Corporate Responsibility