

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

CBA

CBA14QW: A copy of the bank's payment term policy or policies.

Answer: Our payments are controlled through the terms of our executed contracts with our suppliers and our standard settings in our payments system (Peoplesoft).

For our Australian suppliers whose payments are processed through PeopleSoft, approximately 65% are on immediate payment terms, with around 34% on terms of 30 days or less, and the remaining 1% on 40 or 45 days.

We also provide across the bank, including our branch network, a number of purchasing cards (Company Credit Cards) which deliver instant payment to local small and medium sized enterprises for a number of approved spend categories.

CBA is a signatory to the Business Council of Australia supplier payment code, which requires signatories to pay eligible Australian small business suppliers within 30 days of receiving a correct invoice, or correct product (whichever is later), or – in exceptional circumstances only – on mutually agreed terms, or terms consistent with standard industry practice.