

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (FOURTH REPORT)

Commonwealth Bank of Australia

CBA05QW: Regarding the systems that David Cohen, Deputy CEO of the Commonwealth Bank of Australia (CBA), admitted to the Royal Commission were broken, has CBA commenced any system upgrades with technology and hardware regarding those systems? What is the CBA's action plan to complete any upgrades required, including regarding your User Acceptance Testing (UAT) programs?

Answer: During the Royal Commission hearings, David Cohen said that in the 5-10 years preceding the incidents raised during the hearings, CBA systems that recorded and aggregated instances of misconduct were not particularly advanced, or well connected.

CBA's Remedial Action Plan following the APRA Prudential Inquiry, which has been submitted to and approved by APRA, includes as a key deliverable an improvement in non-financial risk management systems.

System upgrades have already commenced, such as improving RiskInSite, our single core system for managing operational risk and compliance risk, including the recording and tracking of incidents and issues. Testing includes User Acceptance Testing by Line 1 (Business Unit) and Line 2 (Operational and Compliance Risk) representatives.