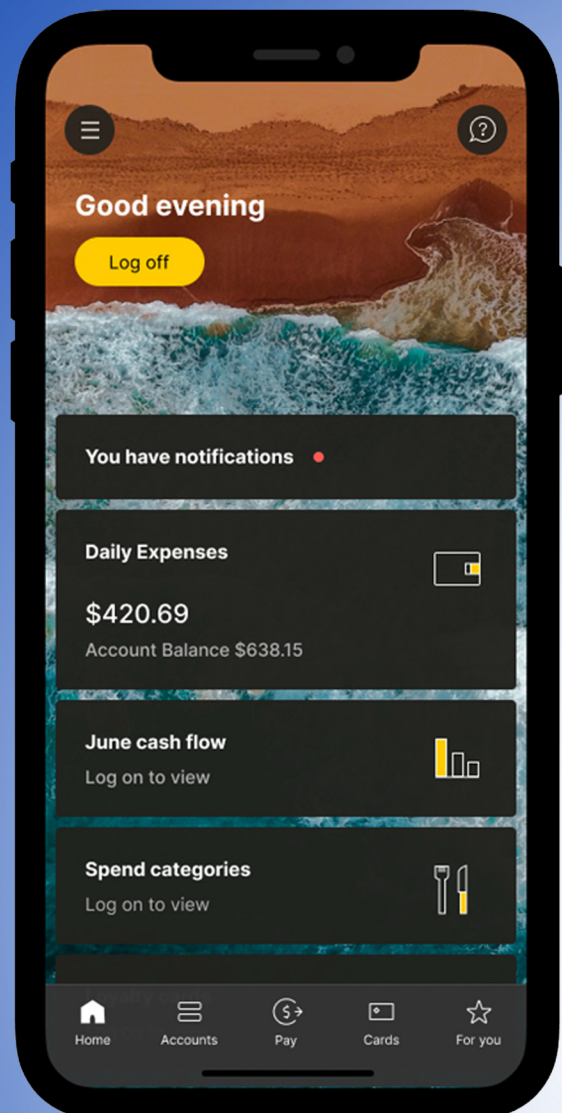


Twimbit AI Spotlight

Insights into industry-leaders and their strategies for winning with AI

#4

CommonwealthBank



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Introduction

The Commonwealth Bank of Australia (CBA) is using AI and digital tools with a clear goal of delivering innovative solution to its customers. The bank has embedded AI across many parts of its business, from customer service to internal operations and fraud prevention.

In 2024, CBA continued to build on its digital capabilities. It served 17.6 million customers, processed USD 997 billion in digital transactions, and deployed more than 2,000 machine learning models through its Customer Engagement Engine (CEE). At the same time, it invested heavily in security and tried new ways to make banking more personalized.

- 17.6 million customers supported across Australia and New Zealand
- More than 8.8 million CommBank app users, with an average of 41 logins per user per month
- Processing more than 157 billion data points
- Over 60 generative AI projects tested across different business areas
- Over USD 800 million invested in cyber and fraud prevention tools
- New tools like NameCheck, CallerCheck, and CustomerCheck were introduced to reduce scams.

CBA's focus on being 'tomorrow's bank' is tied to its digital transformation plans. Australia's banking sector is highly concentrated, with four main players. It is also very digital, people expect to do most of their banking online or via mobile. To keep up, banks need to offer simple, fast, and secure experiences.

Banks in Australia operate in a tightly regulated environment. Customers expect smooth digital experiences, but they also expect banks to protect their data and act responsibly. Technology adoption is high, and mobile apps are a primary channel for most banking needs.

The housing market plays a big role in the banking business. Home loans make up a large part of bank earnings. In 2024, CBA helped over 120,000 customers buy homes. It continued investing in digital mortgage tools, including faster application processes and regular home value updates for borrowers. Despite high interest rates and affordability challenges, CBA supported over 70,000 households in purchasing homes in 1H25, highlighting the importance of digital mortgage solutions. The home loan space is competitive, and CBA's focus is on making these services easier to access and manage.

CBA's digital transformation framework

CBA's transformation strategy is structured around three strategic pillars:

1. Helping build Australia's future economy - CBA is deeply invested in national progress, supporting customers through homeownership, business growth, and cost-of-living challenges.

2. Reimagining banking - CBA aims to deliver seamless, hyper-personalised experiences through innovations like the CommBank app and CommBank Yello. Over 8.5 million users engage with the app, reflecting its scale and impact.
3. Simpler, better foundations - Emphasis is placed on core banking resilience, risk governance, and operational simplicity. CBA has committed to maintaining a strong balance sheet while deploying cutting-edge technology and AI.

These pillars are unified by a culture of continuous feedback loops, cross-functional squads, and strategic partnerships with tech leaders like Microsoft and AWS.

CBA's strategic AI framework

CBA's AI strategy is guided by three core objectives:

1. Customer experience personalisation - Leveraging the Customer Engagement Engine (CEE), which runs over 2,000 ML models across 157B data points, CBA crafts highly personalised banking journeys.
2. Operational efficiency - Over 60 generative AI use cases have been deployed to simplify processes and support frontline teams. Examples include ChatIT for internal IT support and AI-enabled document automation in home loans.
3. Risk management & compliance - AI is used to proactively identify fraud (e.g., NameCheck, CallerCheck, Truyu) and detect suspicious activity patterns in real time.

AI is integrated with behavioural science research, ensuring all initiatives are human-centred and outcome-focused.

AI infrastructure

CBA's AI and digital ambitions are underpinned by robust infrastructure:

1. Enterprise data platform - Central to CEE and personalisation, this platform processes real-time signals and informs next-best actions across all channels.
2. Cloud and microservices - A hybrid cloud strategy and microservices architecture enable agile deployment and seamless scalability.
3. Cyber resilience - Digital banking platforms achieve 99.83% uptime. Automated controls (~4,600 tested) ensure security and compliance.

This digital maturity enables high-speed innovation with minimal disruption.

AI implementation

CBA's AI transformation has followed a phased, structured journey:

1. Foundation (2014–2018) - Investment in enterprise data platform and initial machine learning pilots.
2. Scale (2019–2022) - Launch of the Customer Engagement Engine (CEE); mainstream AI across CX.

3. Acceleration (2023–2024) - Introduction of GenAI, ChatIT, and Gen.ai Studio; over 60 use cases deployed.

AI Governance

As CBA uses AI more widely, it has also built processes to make sure these technologies are used safely and fairly.

Responsible AI toolkit:

1. Explainability features - The bank uses systems that show how decisions are made. For example, if someone has declined a product, they can get a basic explanation of why.
2. Bias checks - Before AI tools go live, they are tested to make sure they don't treat groups unfairly based on age, gender, or other traits.
3. Data tracking - Every AI system has a log of what data was used and how it was processed. This helps with compliance.
4. Manual reviews for high-risk cases - Human staff still review important decisions, especially around credit, fraud, or hardship support.
5. Testing for edge cases - Models are tested with unusual data to make sure they respond properly and don't fail in rare situations.

The AI team works with lawyers, designers, and product owners to make sure tools are both legal and useful. All new AI projects are reviewed with a "Should we?" question that looks beyond technical feasibility to social impact.

AI in CBA

#1 Customer engagement

CBA uses a system called the Customer Engagement Engine (CEE) to improve how it interacts with customers. CEE takes information from all parts of the bank, like recent transactions, app usage, and past conversations, and turns that into real-time advice or prompts.

Instead of waiting for a customer to reach out, the system can suggest actions based on patterns. For example, if a customer has a drop in income or rising expenses, the app might show tips for managing payments or offer help with their mortgage. These kinds of messages, called **next best conversations**, help guide people in small but timely ways.

#2 AI-Powered personalised tools

CBA has added several tools in the app that use AI to help customers manage their money. More than 3 million customers now use digital money tools like Bill Sense, Money Plan, Goal Tracker, and Smart Savings monthly.

1. Bill sense - Predicts future bills by looking at past payments. It helps people prepare for regular expenses like utilities or subscriptions. Over 1.4 million users rely on it monthly.
2. Money plan - Offers a full view of spending and income. It groups purchases, highlights budget issues, and gives savings tips. Around 330,000 people use it each month.
3. Goal tracker - This lets users set savings targets for things like travel or buying a car. It tracks progress and sends reminders. Over 3.3 million goals have been created.
4. Cash flow view - Especially helpful for small businesses. It breaks down income and expenses, spots patterns, and gives early warnings about cash shortages.

These tools aim to reduce financial stress by helping customers make better day-to-day decisions.

#3 AI in lending and credit decision-making

CBA continues to evolve its lending operations by integrating AI into the full credit lifecycle from application and risk assessment to personalized repayment tools. While the home loan market faces pressure from rising interest rates and affordability challenges, CBA is using digital systems to better support customers and manage credit exposure.

Smarter risk assessment and pre-approvals

1. AI models use transaction data, offset behavior, and income patterns to help pre-fill loan applications and estimate repayment capacity.
2. The Customer Engagement Engine supports pre-emptive outreach for customers nearing affordability stress, based on cash flow trends and payment patterns.
3. AI helps streamline pre-approval checks, reducing time to approval while maintaining risk controls.

Personalized loan management tools

1. In-app tools like Property Insights and Loan-to-Value Snapshots offer customers dynamic updates on their mortgage health.
2. AI surfaces repayment options and equity access tips based on current market conditions.
3. Offset balances now over \$85 billion are monitored for proactive debt advice.

Managing risk in a shifting market

1. As lending growth slows, AI helps identify early signals of delinquency, allowing CBA to offer hardship support early.
2. Portfolio-wide models simulate how rate changes could impact repayments, enabling more tailored customer communication.

This shift toward AI-supported lending reflects CBA's broader move to balance automation with personalized financial care, particularly in a market shaped by high rates and economic uncertainty.

#4 CommBank app

The CommBank app is the most-used banking app in Australia. More than 8.8 million customers log in regularly, using it for payments, saving, investing, and more. But it's not just a place to check balances, the app adjusts based on how people use it.

Key AI features:

1. Personalized interface - The app changes based on customer behavior. Someone with a home loan may see loan tips, while a student may get tools for budgeting.
2. CommBank Yello - A loyalty program that shows discounts and cashback offers. Offers are tailored based on spending patterns. Over 6.4 million customers engaged with Yello, and the platform delivered more than \$80 million in personalized rewards.
 - a. CommBank Yello for Business was launched in 1H25.
3. Benefits finder - Helps customers find government support, like rebates or grants. It scans hundreds of options and pushes notifications to users who qualify. Over \$1.2 billion in benefits have been claimed using it.
4. Property insights - Homeowners can see the estimated values of their properties each month. The tool also shows loan-to-value ratios and how much equity they've built up.
5. CommSec integration - Investors can buy and sell shares directly from the app. It provides alerts and suggestions based on market trends and portfolio health.

#5 Digital fraud prevention

As scams become more advanced, CBA has stepped up its efforts to protect customers using AI:

1. NameCheck - Stops payments to wrong or suspicious accounts by checking details in real time. NameCheck usage crossed 80 million times, preventing USD 420 million in potential fraud and errors.
2. CallerCheck – This lets users verify bank phone calls through the app, reducing impersonation scams.
3. CustomerCheck - Flags suspicious behavior, like logins from new locations or large transfers, and may temporarily pause payments for safety.
4. Crypto Alerts - AI looks for signs of crypto-related fraud and holds suspicious payments for manual review.

AI-enabled fraud detection has scaled, with the bank now sending over 18,000 suspicious transaction alerts per day, a sixfold increase from last year.

#6 Employee experience

AI isn't just for customers; CBA is also using it internally to make work faster and more accurate.

1. CommBank Gen.ai Studio - This is a space where staff can safely experiment with large language models like ChatGPT:
 - a. AI can read through thousands of policy documents and generate summaries
 - b. Helps prepare audit reports or internal emails
 - c. All use is logged and reviewed to prevent misuse
2. ChatIT - An internal chatbot that helps employees with tech issues:
 - a. Response time is under 15 seconds
 - b. Can reset passwords, provide software instructions, and log service tickets
 - c. Used by more than 10,000 staff, reducing pressure on the IT support team
3. Controls Automation - AI now checks compliance controls across the organization:
 - a. Monitors over 4,600 checks daily
 - b. Flags potential risks and tracks how they're resolved
 - c. Gives compliance teams a live view of where things might be going wrong

These tools reduce manual work and allow staff to focus on more complex problems.

AI-led workforce

CBA continues to hire and train tech talent to support its AI efforts:

1. It has over 5,100 engineers
2. In 2024, it added 1,100 more, including 206 graduates
3. One-third of the graduates were women

The **AI for All** program trains staff in basic AI concepts, how to work with data, and how to use ethical principles in new projects. More than 15,000 people completed training.

Improving workforce efficiency with AI

1. AI helps match employees to the right projects based on their skills
2. Tools suggest learning resources based on job roles
3. Service requests are routed to the best agents based on task type and past performance

These changes aim to reduce bottlenecks and help staff work more efficiently.

Next phase of AI initiatives

CBA is testing how generative AI can improve everyday tasks. It has explored more than 60 use cases:

Some Examples:

1. Suggesting answers to customer service reps during live chats
2. Summarising long legal documents
3. Writing draft emails or marketing copy
4. Helping analysts review customer loan files

5. Reviewing computer code for errors

Technology Partners:

1. Microsoft Azure - Provides secure access to OpenAI tools
2. H2O.ai - Supports real-time deployment of smaller machine-learning models
3. AWS Bedrock - Allows safe testing of new types of AI tools

Most of these projects are still in the test stages. CBA is cautious about moving too quickly and aims to avoid mistakes seen in earlier tech rollouts.

Partnerships

CBA is working with partners to offer services beyond traditional banking:

1. More Telecom - Offers broadband discounts for customers
2. x15ventures - Builds new tools like:
 - a. Truyu - Tracks if your identity data is being used without consent
 - b. Home-in - Helps manage the entire home-buying process
3. Realestate.com.au - Offers integrated property search and loan advice
4. Retail Offers - The Yello loyalty program connects with over 900 brands

These partnerships make the bank more useful in people's everyday lives.

Conclusion

CBA plans to:

1. Expand the use of generative AI in customer service and internal operations
2. Improve its Customer Engagement Engine to better understand how customers feel
3. Integrate more financial tools through Open Banking
4. Offer more APIs for fintech companies to build new services

CBA's digital journey shows how a large, traditional bank can use AI to adapt to modern customer expectations and operational challenges. It isn't just adding new tech, it's changing how banking works behind the scenes. Its focus on customer experience, internal tools, and strong risk controls has allowed it to introduce AI in practical rather than flashy ways.

The bank's cautious rollout of generative AI, combined with well-developed governance frameworks, signals a thoughtful approach rather than a race to adopt the latest trend. While many use cases remain in early phases, the groundwork laid through training, partnerships, and system design gives CBA a platform to grow responsibly.

Innovating experiences
