People & Remuneration Committee Charter

Introduction

1. The Charter outlines the roles, responsibilities and composition of the People & Remuneration Committee (**Committee**) of the Board of the Commonwealth Bank of Australia (**CBA** or **Bank**) and the manner in which it discharges its responsibilities for CBA and its subsidiaries (**Group**).

Purpose

2. The primary purpose of the Committee is to provide an objective review and oversight of people and remuneration related policies, frameworks and practices so that they:
   - Provide a sound basis for attracting, retaining, developing and motivating the employees the Group needs;
   - Align with the Group's purpose, culture and strategy;
   - Comply with the Group's performance and risk management framework;
   - Comply with legal and regulatory requirements; and
   - Remain appropriate within changing market conditions.

Role of the Committee

3. The Committee has been established to assist the Board in discharging its responsibilities on a range of matters relating to the oversight and review of:
   - Organisational culture, diversity, equity and inclusion, health, safety and wellbeing matters, and misconduct including but not limited to workplace harassment, sexual harassment and bullying;
   - Executive talent management, development programs and succession planning applicable to the Bank's Chief Executive Officer's (**CEO**)'s direct reports[1] and other roles as determined by the Committee from time to time;
   - The Group's Remuneration Framework[2], which includes remuneration strategies, recognition programs, Group Remuneration Policy and other people-related policies;
   - Remuneration arrangements for non-executive directors (**NED**s) of CBA; and

[1] **CEO's direct reports** means all Group Executives (GEs) and excludes those direct reports of the CEO that are not GEs. The Board of ASB Bank Limited retains direct responsibility for any decision relating to the appointment, and performance and remuneration, of its Chief Executive Officer.

[2] The **Group's Remuneration Framework** means the totality of systems, structures, policies, processes and people within the Group that identify, measure, evaluate, monitor, report and control or mitigate internal and external sources of risk relating to remuneration.

- Remuneration arrangements and outcomes for the CEO, CEO's direct reports, Accountable Persons[3], other Specified Roles[4], and any other roles determined by the Committee or the Board whose role may affect the financial soundness of the Group.

4. In carrying out its role, the Committee will oversee people and remuneration practices and recognition programs so that they:
   - are aligned to the Group's Remuneration Policy and principles;
   - have regard to performance and financial soundness;
   - satisfy governance, legal and regulatory requirements; and
   - encourage behaviours which support good outcomes for customers and appropriately mitigate against operational, financial, non-financial, regulatory and reputational risks and do not reward conduct that is contrary to the Group's values, culture or risk appetite.
5. The Committee also serves as the People & Remuneration Committee, or oversees remuneration practices for, Regulated Offshore Operations[5].
6. The Board has delegated authority to the Committee to fulfil its responsibilities as set out in this Charter and may make other delegations to the Committee from time to time.

Composition

7. The Board appoints the members and Chair of the Committee.
8. The Committee will consist of at least four directors, all of whom must be independent NEDs of the Bank.
9. At least one member of the Committee will be a member of the Risk & Compliance Committee.
10. The Group Company Secretary of the Bank, or such other person as the Board may nominate, will act as the Committee Secretary.

Role of the Chair

11. The Chair of the Committee must not be the Chair of the Board.
12. The Chair of the Committee is responsible for leading the Committee and overseeing the processes for the Committee's performance of its role in accordance with this Charter.
13. The Chair of the Committee has specific responsibilities to:
    - Foster open, inclusive and, where appropriate, robust discussion and debate by the Committee;
    - Set the agenda with the Group Company Secretary, with appropriate time and attention allocated to matters within the responsibilities of the Committee; and

[3] **Accountable Person** has the meaning given in the Group FAR Policy and Procedure.
[4] **Specified Roles** includes relevant roles under the Financial Accountability Regime (**FAR**) (i.e. Accountable Persons) or Prudential Standard CPS 511 as applicable and any other person specified by **APRA**.
[5] **Regulated Offshore Operations** means operations of the Group subject to remuneration governance requirements under the jurisdiction in which those operations are conducted including Commonwealth Bank of Australia (Europe) N.V. and the Commonwealth Bank of Australia London Branch.

- Liaise with the CEO, the Chief People Officer, and any other relevant executives to provide the Committee with the information necessary to enable effective decision making.

Meetings

14. The Committee will meet six times per year, or more frequently if necessary.
15. The presence of one half of the members of the Committee (rounded upwards if not a whole number) will constitute a quorum.
16. All CBA directors will have access to Committee papers and may attend Committee meetings.
17. The CEO, Chief People Officer and EGM Talent, Performance & Reward (**EGM TPR**) are generally invited to attend Committee meetings, except where their attendance may present a conflict of interest when matters being considered relate to them.
18. The Committee will meet concurrently with the Nominations Committee, Risk & Compliance Committee and Audit Committee to:
    - at least annually, consider material financial, non-financial and people-related matters relevant to executive performance and the determination of the remuneration outcomes for the CEO and CEO's direct reports;
    - at least annually, consider material financial, non-financial and people-related matters relevant to the performance and the determination of remuneration outcomes for the Group Auditor;
    - share information about key matters where appropriate to facilitate ongoing oversight of these matters; and
    - consider and provide input into any other matters within the responsibility of the Committee.
19. The Committee must consult the Risk & Compliance Committee and the Group Chief Risk Officer (**Group CRO**) or person in a similar role, to enable risk outcomes to be appropriately reflected in remuneration outcomes for persons in Specified Roles.
20. The Committee will refer an issue to the Board or another Board Committee where the issue falls within the Board's or that Board Committee's responsibility, or if it would benefit from having the Board's or that Board Committee's consideration.
21. The Committee may receive reports from the Chief People Officer, Group CRO, Group Auditor, and the Group Chief Financial Officer on matters within their remit.

Access, Reliance and Advice

22. The Committee will have free and unfettered access to other Board Committees, senior management, other employees (including risk and financial control personnel) and external advisors and information, and may make any necessary enquiries to fulfil its responsibilities.

23. The Committee may, with prior approval of the Board Chair, where practicable, obtain independent advice at the Bank's expense. This includes by engaging and receiving advice and recommendations from appropriate independent experts (including remuneration experts). The engagement and any advice received will be independent of management.

24. Committee members are entitled to rely on information, advice and assurances provided by management on matters within their responsibility, and on the expertise of independent experts, as long as they are not aware of any grounds that would make such reliance inappropriate.

Responsibilities of the Committee

The Committee is responsible for:

People

25. Reviewing and monitoring people strategies designed to attract, retain, develop and motivate employees, and considering their effectiveness.

26. Reviewing the effectiveness of, and recommending to the Board for approval, the Group's diversity, equity and inclusion policies and measurable diversity objectives and metrics.

27. Reviewing and monitoring executive talent management and development programs applicable to the CEO's direct reports and other roles as determined by the Committee.

28. Overseeing and reviewing the succession plan for the CEO's direct reports and other roles as determined by the Committee.

29. Reviewing reports on industrial relations strategy.

30. Reviewing periodic reports on employee engagement and culture survey results and insights, including action plans and monitoring their effectiveness.

31. Reviewing reports on, and overseeing initiatives relating to, organisational culture and making recommendations to the Board on actions that the Committee considers necessary to instil, or reinforce, the desired organisational culture (with matters relating to risk culture referred to the Board Risk & Compliance Committee).

Health, Safety & Wellbeing

32. Reviewing and overseeing reporting on health, safety and wellbeing and misconduct matters, and related systems and information.

33. Reviewing and recommending to the Board for approval the Group Work Health and Safety Policy.

34. Reviewing investigations of significant health and safety incidents.

35. Reviewing and monitoring CBA's compliance with applicable legal and regulatory requirements associated with workplace, health and safety.

Remuneration Strategy

36. Reviewing and recommending to the Board for approval the Group's remuneration principles and strategic objectives for remuneration frameworks that:

    - Promote behaviours that support the Group's strategy, desired organisational culture, risk appetite, and effective risk outcomes; and

- Are informed by market practice and trends, and legislative and regulatory requirements.

37. Considering the outcome of the annual shareholder advisory vote on the adoption of the Group's Remuneration Report and feedback of key stakeholders.

Group Remuneration Framework

38. Reviewing the Group Remuneration Policy at least annually, including in relation to Regulated Offshore Operations, and recommending it to the Board for approval and adoption where required.

39. Reviewing and assessing the compliance of the Group Remuneration Framework, at least annually, against the requirements of Prudential Standard CPS 511.

40. Reviewing an independent review of the effectiveness of the Group's Remuneration Framework at least once every three years.

41. Considering the findings of the reviews referred to in paragraphs 39 and 40 and monitoring that appropriate and timely action is taken by management to adequately address those findings.

42. Reviewing and recommending to the Board for approval mandatory shareholding requirements for the NEDs of the Bank, CEO and CEO's direct reports and monitoring compliance with these requirements.

43. Reviewing, approving or recommending to the Board for approval as required, any determination required to be made under the terms of reference or other document governing the remuneration arrangements of a relevant Regulated Offshore Operation.

44. Reviewing the Group's gender pay equity position and monitoring progress in rectifying any gaps identified.

Remuneration Arrangements and Outcomes

45. Reviewing and recommending to the Board for approval, at least every two years, any changes proposed to Board and Board Committee fee frameworks (inclusive of superannuation) for NEDs of the Bank.

46. Setting and approving Board and Board Committee fee frameworks (inclusive of superannuation, and other benefits), at least every two years, for NEDs appointed to Australian subsidiaries.

47. Reviewing and recommending to the Board for approval, remuneration arrangements, including performance scorecard measures and outcomes, at least annually, and termination payments, malus and clawback as required, for the CEO and the CEO's direct reports.

48. Subject to paragraph 62, reviewing and recommending to the Board for approval, remuneration arrangements, including performance measures[6] and outcomes, at least annually, and termination payments, malus and clawback[7], as required for any other Accountable Persons and Specified Roles, in line with prudential and statutory requirements[8].

[6] Including any subsequent updates to performance measures, where they are deemed material by the EGM TPR.

[7] In line with CPS 511, variable remuneration arrangements of Executive Directors, Senior Managers and Highly Paid Material Risk-Takers of the Group are subject to clawback.

[8] In line with CPS 511, annual recommendations to the Board on remuneration arrangements and variable remuneration outcomes for persons in Specified Roles are required to be provided individually for Executive Directors and Senior Managers; and on a cohort-basis for Material Risk Takers, Highly Paid Material Risk Takers and Risk and Financial Control Personnel, each as defined in CPS511.

49. Approving the remuneration of any other individual whose remuneration arrangements require Committee oversight and approval in compliance with relevant local or international regulations and the Group Remuneration Policy.

Performance Framework, Variable Remuneration, and Benefits

50. Reviewing and recommending to the Board for approval new, or material amendments to performance frameworks and variable remuneration plans, with the materiality of the amendments to be determined by the EGM TPR on agreed terms with the Committee.

51. Reviewing and recommending to the Board for approval new or material amendments to employee superannuation and pension arrangements, and benefits of material value to employees, with the materiality of the amendments to be determined by the EGM PeopleX on agreed terms with the Committee.

52. Reviewing and recommending to the Board for approval the annual fixed remuneration budget and discretionary short-term variable remuneration pool for the Group, having regard to current and future capital requirements.

53. Reviewing and recommending to the Board for approval the long-term variable remuneration (**LTVR**) awards for eligible employees of strategic investment entities, where required, including vesting outcomes, and monitoring the progress of performance hurdles under those LTVR arrangements.

Recognition

54. Reviewing and approving new or material changes[9] to Group-wide recognition programs.

55. Monitoring:
    - At least every three years, the effectiveness of formal recognition programs across the Group in line with the Group Remuneration Policy; and
    - At least annually, the reporting on the key metrics of the recognition programs, including the spend.

Equity Plans

56. Reviewing, and recommending to the Board for approval, the design of new, or material[9] amendments to, employee and NED equity plans.

57. Approving amendments, including any operational and compliance-related changes, to existing employee equity plans which are not otherwise recommended to the Board for approval.

58. Approving adjustments to employee equity vesting outcomes for employees in Specified Roles including, but not limited to, where vesting conditions have not been met or in relation to a risk or misconduct matter, or where a malus adjustment or clawback has been approved by a local governance body in compliance with local remuneration regulations.

59. Monitoring the progress of performance hurdles under equity-based arrangements and recommending vesting outcomes under those arrangements to the Board for approval.

[9] The materiality of the amendment will be determined by the EGM TPR.

Remuneration Disclosures

60. Reviewing and recommending to the Board for approval the Group's Remuneration Report.

61. Reviewing and noting remuneration disclosures required under Prudential Standard CPS 511.

Standing Delegation

CBA Group

62. In exceptional circumstances between Committee meetings, where it is necessary to expedite a recommendation or approval prior to the next Committee meeting, the Chair of the Committee is delegated authority to:
    (i) make recommendations to the Board under paragraph 48 (except in relation to the CEO and the CEO's direct reports); and
    (ii) approve any matters under paragraphs 49, 57 and 58.

63. The Chair of the Board is delegated authority to review the recommendations made by the Chair of the Committee under paragraph 62(i) and approve them on behalf of the Board.

64. The Chair of the Committee and the Chair of the Board will report the details of any exercise of the authority delegated in the next remuneration, governance and compliance report to the Committee.

Reporting

65. Minutes of Committee meetings will be made available to all Board directors.

66. The Chair of the Committee will report on the business of Committee meetings to the Board and convey Committee recommendations.

Committee Performance and Charter Review

67. The Committee will assess its performance and the fulfilment of its responsibilities under the Charter annually. An external Board and Committee performance review is also undertaken at least every three years.

68. The Committee will review the adequacy of this Charter every two years and recommend amendments to the Board for approval.

Other

69. Committee members will meet with relevant regulatory bodies upon request.

70. The Committee will perform any other responsibilities as may be delegated to it by the Board from time to time.

Approval Date

Charter approved	June 2026 (effective 13 August 2026).
Next review	June 2028