Audit Committee Charter

Introduction

1. The Charter outlines the roles, responsibilities and composition of the Audit 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 objective review and oversight of the financial reporting process, the audit process and the Group's system of internal controls and compliance.

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:
   - The external reporting of financial information for the Group;
   - The internal control framework for the Group;
   - The internal auditor (**Group Auditor**), internal audit function (**Group Audit & Assurance**) and the external auditors (**External Auditors**); and
   - The Group's Risk Management Framework (**RMF**), in conjunction with the Risk & Compliance Committee.
4. 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

5. The Board appoints the members and Chair of the Committee.
6. The Committee will consist of at least three directors, all of whom must be independent non-executive directors of the Bank.
7. Committee members are to be financially literate and, between them, are to have the accounting and financial expertise and sufficient understanding of the financial services industry to fulfil the Committee's responsibilities.
8. The Chair of the Risk & Compliance Committee will be a member of the Committee, and the Chair of the Committee will be a member of the Risk & Compliance Committee. This is to assist with the flow of relevant information between the two Committees.
9. 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

10. The Chair of the Committee must not be the Chair of the Board.

11. 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.

12. 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
    - Liaise with the Group Chief Financial Officer (**Group CFO**), Group Auditor and the External Auditor to provide the Committee with the information necessary to enable effective decision-making.

Meetings

13. The Committee will meet six times per year or more frequently if necessary.

14. The presence of one half of the members of the Committee (rounded upwards if not a whole number) will constitute a quorum.

15. All CBA directors will have access to Committee papers and may attend Committee meetings.

16. The Group Auditor and the External Auditor are invited to attend all Committee meetings.

17. Management may attend Committee meetings, at the invitation of the Chair of the Committee.

18. The Committee will meet periodically and separately with the Group Auditor and the External Auditor, without management present.

19. The Committee will regularly meet with the Bank's Chief Executive Officer (**CEO**) and the Group CFO, without the Group Auditor, External Auditor or management present.

20. The Committee will meet concurrently with the Nominations Committee, Risk & Compliance Committee, and People & Remuneration 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 the CEO's direct reports[1];
    - 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.

[1] **CEO's direct reports** refers to 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.

21. The Committee will refer an issue to the Board or another Board Committee where:
    - the issue falls within the Board's or another Board Committee's responsibility;
    - the issue relates to evidence of material inconsistencies in compliance with a CBA Group framework or policy by a Group entity;
    - there is evidence of failings of controls to effectively manage risks; or
    - the issue would benefit from the Board's or another Board Committee's consideration.

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 Group Auditor has a direct reporting line to the Chair of the Committee, while maintaining an administrative reporting line to the Group CFO. Consequently, the Group Audit & Assurance function reports directly to the Committee through the Chair of the Committee.

24. The Committee may, with the 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. The engagement and any advice received will be independent of management.

25. 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:

Financial and Sustainability Reporting

26. Reviewing significant accounting and financial reporting processes and issues, including reviewing and approving policies relating to external reporting and the provision of financial information for the Group, and changes to the accounting standards and regulatory requirements and their impact on the financial statements of the Group.

27. Reviewing significant sustainability reporting matters, including reviewing and approving policies relating to sustainability reporting, and changes to the sustainability reporting standards and associated impact to the Group's sustainability reporting.

28. Reviewing, and recommending to the Board for approval, the half and full-year financial statements of the Group and any accompanying reports, following discussion with management and the External Auditor. In discharging this responsibility, the Committee will focus on:
    - Consistency in application of accounting policies and adherence to accounting standards and other reporting requirements;

- The need for, appropriateness of, and correct disclosure of, any changes made to the Bank's existing accounting policies;
- The accounting treatment for, and disclosure of, significant, complex or unusual transactions;
- The appropriateness of significant judgements made by management in preparing the financial statements; and
- Whether the Bank's financial statements provide a true and fair view of the financial position and performance of the Bank and Group.

29. Reviewing the processes and controls that support the opinions provided in the CEO and Group CFO certifications for the Group's half-year and full-year financial reporting, and management's report on risk management and internal controls over financial reporting processes, including the disclosures made.

30. Overseeing key aspects of the Group's half and full-year investor presentations.

31. Obtaining assurance over the effectiveness of the processes and controls adopted for the Group's financial reporting obligations to the Australian Prudential Regulation Authority (**APRA**) from management and the External Auditor and considering the adequacy of the assurances.

32. Reviewing, and recommending to the Board for approval, the half and full-year Pillar 3 reports required by APRA.

33. Overseeing and monitoring financial, tax and accounting risks, including matters referred to the Committee by the Risk & Compliance Committee.

34. Reviewing, and recommending to the Board for approval, any sustainability reporting required by the *Corporations Act 2001* (Cth) and applicable Australian Sustainability Reporting Standards.

Internal Control

35. Overseeing management's design and implementation of the Group's internal control framework and the processes for assessing the effectiveness of the Group's internal controls.

36. Obtaining assurance from management, the Group Auditor and the External Auditor on a periodic basis, and reporting to the Board, on the adequacy and effectiveness of the Group's internal control framework and the implementation of that framework.

37. Considering significant internal control deficiencies identified by the Group Auditor, the External Auditor, management or regulators and monitoring resolution by management.

38. Providing information to the Risk & Compliance Committee in relation to any significant internal control matter where the control is inadequate or has not operated, or is not operating, as intended, and could have a significant impact on the Group's risk profile, including the RMF and risk appetite.

Entity Governance

39. Overseeing and monitoring the Group's implementation of controls and systems to support effective entity governance in accordance with the Subsidiary Governance Policy.

40. Approving, on the recommendation of management, the appointment and the removal of the Group Auditor.

Group Auditor and Group Audit & Assurance

41. Approving the Group Audit & Assurance Charter.
42. Subject to paragraph 60, approving the Group's annual internal audit plan (including the plan, budget and resources plan), as well as any significant changes to it and overseeing progress against it.
43. Receiving regular reports from Group Audit & Assurance on significant audit findings and the timeliness and adequacy of management's responses and progress in resolving the outstanding significant audit findings.
44. Assessing, at least annually, the adequacy, independence, and effectiveness of Group Audit & Assurance (including conformance with The Institute of Internal Auditors' Global Internal Audit Standards) and providing feedback to management. At the Committee's discretion, and at least once every three years, obtaining an external assessment on Group Audit & Assurance's adequacy and effectiveness.
45. Reviewing Group Audit & Assurance's balanced scorecard.
46. Reviewing the Group Audit & Assurance strategy.

External Audit

47. Recommending the appointment or removal of the External Auditor to the Board for shareholder approval.
48. Approving the annual audit services engagement letter for the External Auditor.
49. Reviewing, and recommending to the Board, the rotation of the lead external audit partner of the External Auditor.
50. Reviewing the annual audit plans of the External Auditor.
51. Assessing, at least annually, the performance, adequacy, effectiveness and independence of the External Auditor, including against any auditor independence requirements arising under legal, regulatory, or accounting, requirements or the Group's policies.
52. Reviewing the half-year review and annual audit reports over the Group's financial statements and other internal controls and regulatory reports issued by the External Auditor, assessing the findings and recommendations, and seeking confirmation that management has responded appropriately to the findings and recommendations.
53. Reviewing the assurance report over the Group's sustainability report issued by the External Auditor, assessing the findings and recommendations, and seeking confirmation that management has responded appropriately to any findings and recommendations.
54. Approving the Group External Auditor Services Policy, and reviewing reports, including the engagement fees for audit and non-audit services, from management and the External Auditor on compliance with that policy.
55. Reviewing, and recommending to the Board for approval, the disclosure relating to the provision of non-audit services provided by the External Auditor (including whether the provision of non-audit services impairs the auditor independence requirements) for inclusion in the annual report.

Risk Management

56. Reviewing the results of the annual review conducted by the Group Auditor and/or the External Auditor, of compliance with, and the adequacy and effectiveness of, the RMF.

57. Reviewing and recommending the Group Whistleblower Policy to the Board for approval, and reviewing management reports on significant whistleblower and other misconduct investigations (including into Code of Conduct breaches), trends, insights and operational matters.

58. Considering any significant issues raised at audit committee meetings of regulated offshore operations[2].

59. Considering, and reporting to the People & Remuneration Committee, any financial and/or internal control matter relevant to the determination of variable remuneration outcomes for the CEO and the CEO's direct reports.

Standing Delegation

60. The Chair of the Committee is delegated the authority to approve changes to the annual audit plans of the Group Auditor and will report any exercise of the delegation at the Committee's next meeting.

61. The Committee delegates authority to the Executive General Manager Group Finance (or equivalent) to approve the engagement of the External Auditor to carry out an External Auditor service in accordance with the procedures and limits specified in the Group External Auditor Services Policy, with the details of any approvals reported to the Committee in accordance with the Group External Auditor Services Policy.

Reporting

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

63. 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

64. 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.

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

Other

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

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

[2] **Regulated offshore operations** means operations of the Group subject to remuneration governance requirements under the jurisdiction in which those operations are conducted.

Approval Date

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