



CBA Board Audit Committee Charter

1. Purpose and Duties of the Audit Committee

- 1.1. It is the policy of the Group to have an Audit Committee of the Board at all times.
- 1.2. The purpose of the Audit Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities by providing an objective non-executive review of the effectiveness of the external reporting of financial information, and the internal control environment of the Group, including obtaining an understanding of the financial, tax and accounting risks which face the Group. The Audit Committee is also responsible for the oversight of accounting policies, internal controls, professional accounting requirements, APRA statutory regulatory requirements, and internal and external audit including the appointment of the external auditor. The Board is ultimately responsible for these matters.

2. Composition

- 2.1. The Audit Committee shall comprise at least three members. All members must be non-executive, independent directors and financially literate. In compliance with the technical expertise guidance referred to in the ASX Corporate Governance Principles and Recommendations, at least one member should have relevant qualifications and experience and members should have an understanding of the industry in which the entity operates.
- 2.2. The Audit Committee Chairman may not be the Chairman of the Board. The term of each member will be determined by the Board through annual review. The Risk Committee Chairman will be a member of the Audit Committee and the Audit Committee Chairman will be a member of the Risk Committee to ensure the flow of relevant information between the two Committees.

3. Quorum

- 3.1. The presence of one half of the members of the Committee (rounded upwards if not a whole number) is necessary to constitute a quorum. No business may be transacted unless a quorum is present.

4. Meetings

- 4.1. The Audit Committee will meet at least quarterly, and as required to undertake its role effectively. The Audit Committee will invite the external auditor and Group Auditor to all meetings of the Committee. Members of management or others will be invited to attend meetings and provide pertinent information as necessary.

- 4.2. Minutes of the meetings will be circulated to all Directors for the next full Board meeting after each Audit Committee meeting and as appropriate, to attendees. Reports shall be made to the Board from the Chairman of the Audit Committee following each meeting of the Audit Committee.

5. Powers of the Audit Committee

- 5.1. The Audit Committee has the power to call attendees as required, including having open access to management, auditors (external and internal) with or without management present, and the right to seek explanations and additional information as necessary to fulfil its responsibilities.
- 5.2. The Audit Committee will meet from time to time with the Group Auditor and external auditor without management or others being present.
- 5.3. Similarly, senior management and the internal and external auditor have free and unfettered access to the Audit Committee, with the Group Auditor having a direct reporting line, whilst maintaining a management reporting line to the Chief Financial Officer.
- 5.4. The Audit Committee has the option, with the concurrence of the Chairman of the Board, to retain independent legal, accounting, or other advisors to the extent the Committee considers necessary at the Group's expense.

6. Duties and Responsibilities of the Audit Committee

- 6.1. The duties and responsibilities of the Audit Committee are as follows:

Financial Reporting and Internal Control

- 6.1.1. Provide an independent review of the Group's external financial reporting and the financial information prepared by management including the oversight of accounting policies and associated requirements and assessment of whether external reporting is consistent with Committee members' knowledge and is adequate for shareholder needs.
- 6.1.2. Provide assurance on the governance and control for the Group covering key business processes including risk frameworks.
- 6.1.3. Review the processes that are used to reach the opinions provided in the regulatory certifications of the Chief Executive Officer and Chief Financial Officer, and management's report on internal control over financial reporting, including the disclosures made.
- 6.1.4. Oversee APRA statutory reporting requirements and provide independent review of the Group's reporting under these requirements.
- 6.1.5. Oversee and monitor the resolution of significant internal control deficiencies reported by the Group Auditor and the external auditor.

Internal and External Audit

- 6.1.6. Recommend the appointment or, if necessary, the removal of the external auditor to the Board for approval by the shareholders.

- 6.1.7. Oversee and appraise at least annually the independence, adequacy and effectiveness of the external auditors (including the rotation of the external audit partner), and review and approve the external auditor's fee and terms of engagement.
- 6.1.8. Oversee and appraise at least annually the independence of the internal auditors, and obtain an external assessment on their adequacy and effectiveness at least once every five years, at the Committee's discretion.
- 6.1.9. Approve the annual audit plan of the external and internal auditors and all major changes to their plans, and oversee progress of their audit plans.
- 6.1.10. Periodically review and approve with the Group Auditor and management, the Group Audit & Assurance Charter.
- 6.1.11. Review and advise, for the purposes of the directors' report to be included in the annual financial report, the provision of all non-audit services by or on behalf of the external auditor during the year to the Group, whether those services comply with the statutory auditor independence requirements and the reasons why.
- 6.1.12. For non-audit services not listed in the External Auditor Services Policy, approve these services prior to the engagement of the external auditor. To facilitate timely dealings in these circumstances, this authority has been delegated to the Audit Committee Chairman with the Committee being formally advised of all approvals on a six monthly basis. For matters below certain agreed thresholds, the Audit Committee Chairman has further delegated this approval authority to the Deputy Chief Financial Officer.
- 6.1.13. Recommend, if necessary, the appointment or dismissal of the Group Auditor to the Board and management.

Other Responsibilities

- 6.1.14. Oversee annually the reporting of fraud or unethical behaviour activities under the Group whistle-blowing policy which allow employees and other relevant stakeholders to report any concerns about fraud, corruption, maladministration, serious or substantial waste, accounting or auditing irregularities or any breaches of law or internal policy, and review and assess the adequacy of management actions.
- 6.1.15. Consider significant issues raised at other Audit Committees in the CBA Group and respond as appropriate.
- 6.1.16. Review and discuss any reports concerning material violations of laws and regulatory requirements.
- 6.1.17. Review and assess annually the completion of the Audit Committee's responsibilities under the Charter and report such findings to the Board. Ensure any matters not appropriately dealt with are suitably actioned.
- 6.1.18. Review and assess annually the effectiveness of the Audit Committee as part of the annual Board effectiveness review. The findings should be considered by the Committee and the Board and actioned as appropriate.
- 6.1.19. Committee members must be available to meet with APRA upon request, within a reasonable timeframe.

7. Reliance on Information or Advice Provided by Others

- 7.1. Each member of the Audit Committee may be entitled to rely on the executives of the company for matters that are the responsibility of those executives and on the advice of counsel and other experts, taking account of any legal requirements.

8. Amendments to this Charter

- 8.1. The Audit Committee may recommend to the Board any amendments to this Audit Committee Charter, with an annual review of the Charters' adequacy required at least annually.

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