

1. Purpose

- (1) The primary functions of the Audit Committee are to: fulfill its responsibilities for reviewing the integrity of CIBC's financial statements, related management's discussion and analysis (MD&A) and internal control over financial reporting; monitor the system of internal control; monitor CIBC's compliance with legal and regulatory requirements as they pertain to responsibilities under this mandate; select the external auditors for shareholder approval; review the qualifications, independence and performance of the external auditors; review the qualifications, independence and performance of CIBC's internal auditors; and act as the Audit Committee for certain federally regulated subsidiaries.

2. Membership and Organizations

- (1) **Composition** – The Audit Committee shall consist of not less than three or more than six independent members of the Board.
- (2) **Appointment and Removal of Audit Committee Members** – Each member of the Audit Committee shall be appointed by the Board on an annual basis and shall serve at the pleasure of the Board, or until the earlier of: (i) the close of the next annual meeting of shareholders of CIBC at which the member's term of office expires; (ii) the death of the member; or (iii) the resignation, disqualification or removal of the member from the Audit Committee or from the Board. The Board may fill a vacancy in the membership of the Audit Committee.
- (3) **Chair** – At the time of the annual appointment of the members of the Audit Committee, the Board shall appoint a Chair of the Audit Committee. The Chair shall: be a member of the Audit Committee; preside over all Audit Committee meetings; coordinate the Audit Committee's compliance with this mandate; work with management to develop the Audit Committee's annual workplan and meeting agendas; and provide reports on the work of the Audit Committee to the Board. The Chair may vote on any matter requiring a vote and shall not provide a second vote in the case of a tie vote.
- (4) **Independence** – Each member of the Audit Committee shall meet the independence standards established by the Board.
- (5) **Financial Literacy** – Members of the Audit Committee shall be financially literate or agree to become financially literate within a reasonable period of time following the member's appointment. An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised in CIBC's financial statements.
- (6) **Service on Multiple Audit Committees** – No member of the Audit Committee may serve on the audit committees of more than two other public companies, unless the Board determines that this simultaneous service would not impair the ability of the member to effectively serve on the Audit Committee.

3. Meetings

- (1) **Meetings** – The members of the Audit Committee shall hold meetings as are required to carry out this mandate, and in any case no less than four meetings annually. The external auditors are entitled to attend and be heard at each Audit Committee meeting. The Chair, any member of the Audit Committee, the external auditors, the Chief Auditor, the Chair of the Board or the Chief Executive Officer may call a meeting of the Audit Committee by notifying the Corporate Secretary of CIBC who will notify the members of the Audit Committee. The Chair shall chair all Audit Committee meetings that he or she attends, and in the absence of the Chair, the members of the Audit Committee present may appoint a Chair from their number for a meeting. At the invitation of the Audit Committee, members of CIBC's management and others may attend Audit Committee meetings, as the Audit Committee considers necessary or desirable.
- (2) **Notices of Meetings** – Notices of Audit Committee meetings may be provided by prepaid mail, personal delivery, facsimile, electronic-mail or telephone, provided that the method of notification chosen shall be capable of being received by members of the Audit Committee and the external auditors at least 24 hours before an Audit Committee meeting at the member's contact information last recorded with the Corporate Secretary. Any member of the Audit Committee may in any manner waive notice of an Audit Committee meeting and attendance at an Audit Committee meeting is waiver of notice of the meeting, except where a member attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not properly called.
- (3) **Secretary and Minutes** – The Corporate Secretary, his or her designate or any other person the Audit Committee requests, shall act as secretary at Audit Committee meetings. Minutes of Audit Committee meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Audit Committee for approval.
- (4) **Quorum** – A majority of the members of the Audit Committee shall constitute a quorum. If a quorum cannot be obtained for an Audit Committee meeting, members of the Board who would qualify as members of the Audit Committee may, at the request of the Chair or the Chair of the Board, serve as members of the Audit Committee for that meeting.
- (5) **Access to Management and Outside Advisors** – The Audit Committee shall have unrestricted access to management, employees and the external auditors of CIBC. The Audit Committee shall dedicate a portion of regularly scheduled meetings to meet separately with the Chief Auditor, the Chief Financial Officer, and the external auditors. The Audit Committee shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the compensation for these advisors without consulting or obtaining the approval of the Board or any officer of CIBC. CIBC shall provide appropriate funding, as determined by the Audit Committee, for the services of these advisors.
- (6) **Meetings Without Management** – The Audit Committee shall hold unscheduled or regularly scheduled meetings, or portions of regularly scheduled meetings, at which management is not present.
- (7) **Access to Other Committees** – The Chair or any member of the Audit Committee may request the input of another Board committee on any accountability or responsibility set out in this mandate.

4. Accountabilities and Responsibilities

The Audit Committee shall have the accountabilities and responsibilities set out below as well as any other accountabilities that are specifically delegated to the Audit Committee by the Board. In addition to these functions and responsibilities, the Audit Committee shall perform the duties required of an audit committee by the *Bank Act* (Canada), requirements of the stock exchanges on which the securities of CIBC are listed and all other applicable laws.

(1) Financial Reporting

- (a) **General** – The Audit Committee is responsible for reviewing the integrity of CIBC's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of CIBC's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by CIBC and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The external auditors are responsible for auditing CIBC's annual consolidated financial statements and for reviewing CIBC's unaudited interim consolidated financial statements in accordance with standards issued by the Canadian Auditing and Assurance Standards Board and with the standards issued by the Public Company Accounting Oversight Board (United States) (PCAOB). The external auditors are also responsible for auditing CIBC's internal control over financial reporting in accordance with the standards issued by the PCAOB.
- (b) **Review of Annual Financial Reports** – The Audit Committee shall review the annual consolidated audited financial statements of CIBC, the related MD&A and the external auditors' report on the consolidated financial statements. The review shall include assessing whether the financial statements, present fairly, in all material respects in accordance with International Financial Reporting Standards (IFRS), the financial condition, results of operations and cash flows of CIBC. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the annual financial statements and the related MD&A.
- (c) **Review of Interim Financial Reports** – The Audit Committee shall review the interim consolidated financial statements of CIBC, the related MD&A and the external auditors' review report on the interim consolidated financial statements. The review shall include assessing whether the financial statements, present fairly, in all material respects in accordance with IFRS, the financial condition, results of operations and cash flows of CIBC. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the interim financial statements and the related MD&A.
- (d) **Review Considerations** – In conducting its review of the annual financial statements or the interim financial statements, and the related MD&A, the Audit Committee shall:
 - (i) meet with management and the external auditors to discuss the financial statements and MD&A;
 - (ii) review the disclosures in the financial statements and the MD&A;

- (iii) review the reports prepared by the external auditors for the Audit Committee summarizing their key findings and required communications in respect of the annual audit and the interim reviews;
 - (iv) discuss with management, the external auditors and internal legal counsel, as requested, any litigation claim or other contingency that could have a material effect on the financial statements;
 - (v) review key areas of risk for material misstatement of the financial statements including critical accounting policies, models and estimates and other areas of measurement uncertainty or judgment underlying the financial statements and the MD&A as presented by management;
 - (vi) review areas of significant auditor judgment as it relates to their evaluation of accounting policies, accounting estimates and financial statement disclosures; discuss and review estimates with management and the external auditor, whether the external auditor considers estimates/models to be “aggressive” or “conservative” within an acceptable range, the rationale for the final valuation decision and whether it is consistent with industry practice;
 - (vii) review any material effects of regulatory and accounting changes, significant or unusual transactions, and the impact of material subsequent events between the reporting date and the approval date on the financial statements and the MD&A as presented by management;
 - (viii) review management's and the external auditors' reports on the effectiveness of internal control over financial reporting;
 - (ix) review the substantive correspondence between the external auditor and management related to the external auditors' findings and any difficult or contentious matters noted by the external auditor;
 - (x) review results of CIBC's whistleblowing program; and
 - (xi) review any other matters, related to the financial statements and the MD&A, that are brought forward by the internal auditors, external auditors, management or which are required to be communicated to the Audit Committee under auditing standards or applicable regulations and law;
- (e) **Approval of Other Disclosures** – The Audit Committee shall review and, if advisable, approve or recommend for Board approval: (i) the Annual Information Form of CIBC; (ii) the Form 40F of CIBC; (iii) financial disclosure in a news release disclosing financial results and (iv) any other material financial disclosure.

(2) External Auditors

General – The Audit Committee shall be responsible for oversight of the work of the external auditors in auditing and reviewing CIBC's financial statements and internal controls over financial reporting including the resolution of disagreements between management and the external auditors regarding financial reporting.

- (a) **Appointment and Compensation** – The Audit Committee shall review and, if advisable, select and recommend: (i) for shareholder approval, the appointment of the external auditors; and (ii) for shareholder or Board approval, as applicable, the compensation of the external auditors.
- (b) The Audit Committee shall satisfy itself that the level of the audit fees is commensurate with the scope of work undertaken and conducive to a quality audit. The Audit Committee shall also assess whether any proposed change to the external auditor's materiality level and/or scope continues to ensure a quality audit.
- (c) **Annual Review Report** – At least annually, the Audit Committee shall obtain and review a report by the external auditors describing: (i) their internal quality-control procedures; and (ii) any material issues raised by their most recent internal quality-control review, peer review or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the external auditors and any steps taken to deal with any of these issues. The Audit Committee shall also review additional reports or communications of the external auditors as required by the Canadian Public Accountability Board, Office of the Superintendent of Financial Institutions, and the U.S. Public Company Accounting Oversight Board.
- (d) **Audit Plan** – At least annually, and as required, the Audit Committee shall review and approve the external auditors' scope, terms of engagement and annual audit plan to ensure that it is appropriate and risk based. The Audit Committee shall consider and review with the external auditors any material changes to the scope of the plan and that the work of the internal and external auditors is coordinated.
- (e) **Independence of External Auditors** – At least annually, and before the external auditors issue their report on the annual financial statements, the Audit Committee shall: obtain from the external auditors a formal written statement describing all relationships between the external auditors and CIBC; discuss with the external auditors any disclosed relationships or services that may affect the objectivity and independence of the external auditors; and obtain written confirmation from the external auditors that they are independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which they belong and within the meaning of United States federal securities laws and the rules and regulations thereunder, including the independence rules adopted by the Securities and Exchange Commission, and the Public Company Accounting Oversight Board. The Audit Committee shall also ensure that any concern raised by regulators or other stakeholders about the external auditors independence are appropriately reviewed and addressed.
- (f) **Evaluation of External Auditors and of Lead Partner** – At least annually, the Audit Committee shall assess the qualifications and performance of the external auditors and the lead partner and report on the overall effectiveness of the external auditors to the Board, considering factors such as:
 - (i) the external auditor's independence, objectivity, and professional skepticism;
 - (ii) the quality of the engagement team;
 - (iii) the quality of communications and interactions with the external auditor; and

- (iv) the quality of service provided by the external auditor.

The Audit Committee shall conduct a periodic comprehensive review of the external auditor at least every five years, for which the Audit Committee may consider engaging an independent third party to perform parts of the review and to report their findings to the Audit Committee.

- (g) **Rotation of Lead Partner** – The Audit Committee shall obtain a report from the external auditors annually confirming that they are in compliance with all legal, regulatory and professional requirements relating to partner rotation and that the engagement team collectively possesses the experience and competence to perform an appropriate audit.
- (h) **Pre-Approval of Audit and Non-Audit Services** – The Audit Committee shall pre-approve any retainer of the external auditors for any audit and non-audit service to CIBC or its subsidiaries in accordance with applicable law and Board approved policies and procedures. The Chair of the Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The Audit Committee may also establish pre-approval policies and procedures that are specific to a particular service. The decisions of any member of the Audit Committee to whom this authority has been delegated, as well as any pre-approvals of a particular service must be presented to the full Audit Committee for ratification at its next scheduled Audit Committee meeting.
- (i) **Hiring Practices** – The Audit Committee shall review and approve guidelines regarding the hiring of employees or former employees of the external auditors or former external auditors.

(3) Internal Audit Function

The Audit Committee has the ultimate responsibility for the internal audit function and oversees its performance.

- (a) **Organizational Framework** – At least annually, the Audit Committee shall review and approve the Internal Audit organizational framework and charter (developed in accordance with professional standards promulgated by the Institute of Internal Auditors), having regard to its role as an independent control function.
- (b) **Chief Auditor** – The Audit Committee shall review and, if advisable, approve the appointment, reappointment or removal of the Chief Auditor. At least annually, the Audit Committee shall review the goals and review and approve the mandate of the Chief Auditor and review an assessment of the effectiveness and performance of the Chief Auditor.
- (c) **Effectiveness Review** – At least annually, the Audit Committee shall:
 - (i) review the Internal Audit function's financial plan and staff resources and recommend for Board approval;
 - (ii) review management's assessment of the independence and effectiveness of the Internal Audit function;
 - (iii) review any difficulties encountered by the Chief Auditor in the course of internal audits, including any restrictions on the scope of internal audit work or access to required information; and

- (iv) review the compliance of Internal Audit with professional standards promulgated by the Institute of Internal Auditors.

On a periodic basis, the Audit Committee shall engage an independent third party to assess the Internal Audit function in accordance with professional standards promulgated by the Institute of Internal Auditors and in the context of regulatory expectations and practices of leading institutions. The Audit Committee shall review the results of that assessment.

- (d) **Audit Plan** – The Audit Committee shall review and approve the annual audit plan including the audit scope and the overall risk assessment methodology presented by the Chief Auditor to ensure that it is appropriate, risk based and addresses all relevant activities over a measureable cycle. On a quarterly basis, the Audit Committee shall review with the Chief Auditor the status of the audit plan and any changes needed, including a review of:
 - (i) the results of audit activities, including any significant issues reported to management and management’s response and/or corrective actions;
 - (ii) the status of identified control weaknesses; and
 - (iii) the overall design and operating effectiveness of internal control, risk management and governance systems and processes.

The Audit Committee shall review an annual report from the Chief Auditor with Internal Audit’s assessment of CIBC’s risk governance framework and a holistic view of the oversight by Finance, Risk Management and Compliance.

- (e) **Succession Planning** – At least annually, the Audit Committee shall review succession plans for the Chief Auditor.

(4) Finance Function

- (a) **Organizational Framework** - At least annually, the Audit Committee shall review and approve the Finance organizational framework, having regard to its role as an independent control function.
- (b) **Chief Financial Officer** – The Audit Committee shall review and, if advisable, approve the appointment or removal of the Chief Financial Officer. At least annually, the Audit Committee shall review the goals and review and approve the mandate of the Chief Financial Officer and review an assessment of the effectiveness of the Chief Financial Officer.
- (c) **Effectiveness Review** – At least annually, the Audit Committee shall:
 - (i) review the Finance function’s financial plan and staff resources and recommend for Board approval; and
 - (ii) review management’s assessment of the effectiveness of the Finance function.

On a periodic basis, the Audit Committee shall engage an independent third party to assess the Finance function and the Audit Committee shall review the results of that assessment.

- (d) **Succession Planning** – At least annually, the Audit Committee shall review succession plans for the Chief Financial Officer.

(5) Internal Controls

- (a) **General** – The Audit Committee shall monitor the system of internal control and ensure that senior management establishes and maintains adequate and effective internal control system and processes.
- (b) **Establishment, Review and Approval** – The Audit Committee shall require management to implement and maintain appropriate policies and systems of internal control in accordance with applicable laws, regulations and guidance, including internal control over financial reporting and disclosure and to review, evaluate and approve these procedures. The Audit Committee shall review management’s annual report on internal control over financial reporting and the external auditors’ report on internal controls over financial reporting. As part of this review at least annually, the Audit Committee shall consider and review the following with management, the external auditors and the Chief Auditor:
- (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of CIBC’s internal controls; the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), operational controls, and legal and regulatory controls (including with respect to anti-money laundering and terrorist financing) and the impact of any identified weaknesses in internal controls on management’s conclusions;
 - (ii) any significant changes in internal control over financial reporting that are disclosed, or considered for disclosure, including those in CIBC’s periodic regulatory filings;
 - (iii) any material issues raised by any inquiry or investigation by CIBC’s regulators as they pertain to responsibilities under this mandate;
 - (iv) CIBC’s fraud prevention and detection program, including deficiencies in internal controls that may impact the integrity of financial information, or may expose CIBC to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting;
 - (v) any related significant issues and recommendations of the external auditors and internal auditors together with management’s responses thereto, including the timetable for implementation of recommendations to correct weaknesses including those relating to internal controls over financial reporting and disclosure controls; and
 - (vi) consideration of matters that may be jointly addressed with other Committees of the Board.

- (6) **Certain Federally Regulated Subsidiaries** – The Audit Committee shall be the audit committee for certain federally regulated subsidiaries of CIBC, as determined by the Audit Committee from time to time, that require an audit committee under applicable law. In meeting its Audit Committee responsibilities with respect to these subsidiaries, the Audit Committee shall:

- (a) review the annual financial statements of the subsidiary prior to approval by its board of directors;
 - (b) review regulatory returns of the subsidiary as required under applicable law;
 - (c) require management of the subsidiary to implement and maintain appropriate internal controls over financial reporting and financial disclosure controls and procedures and approve, review and evaluate these procedures;
 - (d) review the effectiveness of the subsidiary's internal control over financial reporting and financial disclosure, including computerized information system controls and security, the overall control environment and accounting and financial controls (including, without limitation, controls over financial reporting), and the impact of any identified weaknesses in internal control over financial reporting on management's conclusions with respect to their effectiveness;
 - (e) review any related significant issues and recommendations of the external and internal auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls;
 - (f) review investments and transactions that could adversely affect the wellbeing of the subsidiary; and
 - (g) meet with the external auditors of the subsidiary to discuss the annual financial statements and the returns and transactions of such subsidiary, if applicable.
- (7) **Regulatory Reports and Returns** — The Audit Committee shall provide or review, as applicable, all reports and returns required of the Audit Committee under applicable law.
- (8) **Compliance with Legal and Regulatory Requirements** — The Audit Committee shall review reports from management, the external auditor and the Chief Auditor on the assessment of compliance with laws, regulations and regulatory requirements as they pertain to responsibilities under this mandate, and management's plans to remediate any deficiencies identified. The Audit Committee shall report any material findings to the Board and recommend changes it considers appropriate.
- (9) **Whistleblowing Procedures** — The Audit Committee shall ensure that procedures are established for the receipt, retention and treatment of complaints received by CIBC from employees or others, confidentially and anonymously, regarding accounting, internal accounting controls, or auditing matters. The Committee shall review management reports on the procedures.
- (10) **Adverse Investments and Transactions** — The Audit Committee shall review any investments and transactions that could adversely affect the well-being of CIBC.
- (11) **Audit Committee Disclosure** — The Audit Committee shall review and approve any audit committee disclosures required by securities regulators in CIBC's disclosure documents.
- (12) **Delegation** — The Audit Committee may designate a sub-committee to review any matter within this mandate as the Audit Committee deems appropriate.

5. Reporting to the Board

- (1) The Chair shall report to the Board, as required by applicable law or as deemed necessary by the Audit Committee or as requested by the Board, on matters arising at Audit Committee meetings and, where applicable, shall present the Audit Committee's recommendation to the Board for its approval.

6. Committee Member Development and Performance Review

- (1) The Chair shall co-ordinate orientation and continuing director development programs relating to this mandate for Audit Committee members.
- (2) At least annually, the Audit Committee shall evaluate and review the performance of the Audit Committee and each of its members and the adequacy of this mandate. This review will be undertaken in consultation with the Corporate Governance Committee of the Board.

7. Currency of the Audit Committee Mandate

- (1) This mandate was last revised and approved by the Board on May 26, 2016.