

# CORNERSTONE BUILDING BRANDS, INC.

## Audit Committee Charter

Amended and Restated December 2, 2021

The audit committee (the “Committee”) of the board of directors (the “Board”) of Cornerstone Building Brands, Inc. (the “Company”) plays an important role in assisting the Board in its oversight of the Company’s financial statements, accounting, risk management, and internal control practices. This oversight mechanism also serves to provide confidence in the integrity of these practices and the Company’s publicly reported results and disclosures made in its financial statements.

### Purpose

The purposes of the Committee are to:

1. Assist the Board in overseeing and monitoring (i) the integrity of the Company’s financial statements, (ii) the Company’s compliance with legal and regulatory requirements, (iii) the Company’s system of internal controls, (iv) the independent auditors’ qualifications and independence, (v) the performance of the independent auditors and the Company’s internal audit function and (vi) the Company’s enterprise risk management framework and data security.
2. Prepare an audit committee report as required by the Securities and Exchange Commission (“SEC”) for inclusion in the Company’s annual proxy statement.

In broad terms, the Committee assists the board in its oversight function. The Committee reviews each of the items noted above and provides the Board with independent advice and guidance regarding the adequacy and effectiveness of management’s practices and potential improvements to those practices.

### Authority

The Cornerstone Building Brands, Inc. Audit Committee Charter (the “Charter”) sets out the authority of the Committee to carry out the responsibilities established for it by the Board as articulated within the Charter.

In discharging its responsibilities, the Committee will have unrestricted access to members of management, employees, and relevant information it considers necessary to discharge its duties. The Committee also will have unrestricted access to records, data, and reports. If access to requested documents is denied due to legal or confidentiality reasons, the Committee and/or Chief Audit Executive (“CAE”) will follow a prescribed, Board approved mechanism for resolution of the matter.

The Committee is entitled to receive any explanatory information that it deems necessary to discharge its responsibilities. The Company’s management and staff should cooperate with Committee requests.

The Committee may engage independent counsel and/or other advisors it deems necessary to carry out its duties and has the authority to select, retain, terminate, and approve the fees and other retention terms of special or independent counsel, accountants or other experts and advisors, as it deems necessary or appropriate, without seeking approval of the Board or management.

The Company shall provide for appropriate funding, as determined by the Committee, in its capacity as a committee of the Board, for payment of:

1. Compensation to the independent auditors and any other public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services for the Company.
2. Compensation of any advisers employed by the Committee.
3. Ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee is empowered to:

1. Appoint, compensate, oversee, retain or terminate the Company's independent auditors, approve all audit engagement fees and terms, and pre-approve all audit, audit-related, and permitted non-audit and tax services, if any, to be provided by the independent auditors.
2. Resolve any disagreements between management and the independent auditors regarding financial reporting and other matters.

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

### **Composition of the Committee**

The Committee will consist of three or more members of the Company's Board.

The members of the Committee shall be appointed by the Board based on the recommendation of the Nominating and Corporate Governance Committee of the Board and in accordance with the Stockholders Agreement, dated as of November 16, 2018, by and between the Company and certain of its stockholders (the "Stockholders Agreement").

The Board shall determine that each member of the Committee satisfies the independence requirements relating to directors and audit committee members (a) of the New York Stock Exchange (the "NYSE") and (b) under Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and any related rules and regulations promulgated thereunder by the SEC. The Board shall also determine (1) that each member of the Committee is "financially literate" and that at least one member of the Committee has "accounting or related financial management expertise", in each case as such qualifications are interpreted by the Board in its business judgment, and (2) whether any member of the Committee is an "audit committee financial expert", as such qualification is defined by the SEC (and if no member is an "audit committee

financial expert”, disclose the reason for not having an audit committee financial expert on the Committee). If the Board has determined that a member of the Committee is an audit committee financial expert, it may presume that such member has accounting or related financial management expertise.

A Committee member shall not simultaneously serve on the audit committees of more than two other public companies, unless the Board affirmatively determines that such simultaneous service would not impair the ability of that member to effectively serve on the Committee. Service on more than two other audit committees and the Board’s determination to allow such simultaneous service shall be disclosed in the Company’s annual proxy statement or on the Company’s website.

The members of the Committee should collectively possess sufficient knowledge of audit, finance, specific industry, IT, law, governance, risk, and control matters. Because the responsibilities of the Committee evolve in response to regulatory, economic, and reporting developments, it is important to periodically re-evaluate members’ competencies and the overall balance of skills on the Committee in response to emerging needs.

### **The Chair of the Committee**

The Board, by the affirmative vote of a majority of the Board, will designate the chair of the Committee based on the recommendation of the Nominating and Corporate Governance Committee.

### **Terms of Office**

Committee members shall serve at the pleasure of the Board and for such term or terms as the Board may determine. Continuance of Committee members will be reviewed annually by the Board and the Nominating and Corporate Governance Committee. To ensure continuity within the Committee, the appointment of members should be staggered.

### **Removal of Committee Member**

Members of the Committee may be removed at any time without cause by the affirmative vote of a majority of the Board in accordance with the Stockholders Agreement and the Company’s Bylaws, as amended; and vacancies resulting from resignation or removal shall be filled in accordance with the Stockholders Agreement.

### **Quorum**

The quorum for the Committee will be a simple majority of the members.

### **Committee Values**

The Committee will conduct itself in accordance with the code of conduct and the values and ethics of the Company. The Committee expects that management and staff of the Company will adhere to these requirements.

## **Communications**

The Committee expects that all communication with management and staff of the Company as well as with any external assurance providers will be direct, open, and complete.

## **Meeting Agenda**

The Committee chair will establish agendas for Committee meetings in consultation with Committee members, senior management, and the CAE.

## **Information Requirements**

The Committee will establish and communicate its requirements for information, which will include the nature, extent, and timing of information. Information will be provided to the Committee sufficiently in advance of each Committee meeting.

## **Executive Sessions**

The Committee will schedule, and hold if necessary, a private session with the chief executive officer (“CEO”), the chief financial officer (“CFO”), the CAE, external assurance providers (including the Company’s independent auditors), and with any other officials that the Committee may deem appropriate at each of its meetings. The Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

## **Preparation and Attendance**

Committee members are obligated to prepare for and participate in Committee meetings.

## **Conflict(s) of Interest**

Committee members must adhere to the Company’s code of conduct and any values and ethics established by the Company. It is the responsibility of Committee members to disclose any conflict of interest or appearance of a conflict of interest to the Nominating and Corporate Governance Committee and the Board. If there is any question as to whether a Committee member should recuse himself or herself from a vote, the Board should vote, by a simple majority, to determine whether the member should recuse himself or herself.

## **Meetings**

The Committee will meet at least quarterly or more frequently as the Committee deems necessary. The time frame between Committee meetings should not exceed four months. Meetings of the Committee may be held telephonically or by video conference, and any member may participate in any meeting telephonically or by video conference.

## **Secretariat Services**

The CAE (or another appropriate designee) will facilitate and coordinate meetings as well as provide ancillary support to the Committee, as time and resources permit.

## **Responsibilities**

It is the responsibility of the Committee to provide the Board with independent, objective advice on the adequacy of management's arrangements with respect to the following aspects of the management of the Company:

## **Risk Management**

To obtain reasonable assurance with respect to the Company's risk management practices, the Committee will:

1. Annually review the Company's risk profile.
2. Obtain an annual report on management's implementation and maintenance of an appropriate enterprise-wide risk management process.
3. Provide oversight on significant risk exposures and control issues, including fraud risks, cybersecurity and data protection risks and issues, and other matters needed or requested by senior management and the Board.
4. Provide oversight of the adequacy of the combined assurance being provided.
5. Review and provide advice on the risk management processes established and maintained by management and the procedures in place to ensure that they are operating as intended.
6. Review and provide advice on the systems and practices established by management to monitor compliance with laws, regulations, policies, and standards of ethical conduct and identify and deal with any legal or ethical violations.

## **Fraud**

To obtain reasonable assurance with respect to the Company's procedures for the prevention and detection of fraud, the Committee will:

1. Oversee management's arrangements for the prevention and deterrence of fraud.
2. Ensure that appropriate action is taken against known perpetrators of fraud.
3. Challenge management and internal and independent auditors to ensure that the Company has appropriate antifraud programs and controls in place to identify potential fraud and ensure that investigations are undertaken if fraud is detected.

## **Control**

To obtain reasonable assurance with respect to the adequacy and effectiveness of the Company's controls in responding to risks within the Company's governance, operations and information systems, the Committee will:

1. Consider the effectiveness of the Company's control framework, including information technology security and control.
2. Review and provide advice on the control of the Company as a whole and its subsidiaries.
3. Receive reports on all matters of significance arising from work performed by other providers of financial and internal control assurance to senior management and the Board.
4. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

## **Compliance**

The Committee will:

1. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
2. Review the observations and conclusions of internal and independent auditors and the findings of any regulatory agencies.
3. Obtain regular updates from management and the Company's legal counsel regarding legal and regulatory compliance matters that may have a material effect on the financial statements or the Company's business or compliance policies, including material notices to or inquiries received from governmental or regulatory agencies.

## **Preapproval Policy**

The Committee shall have the sole authority to pre-approve any audit, audit-related, non-audit or tax services performed by the independent auditor in order to ensure that the provision of such services does not impair the auditor's independence. Before the Committee engages the independent auditor to render a service, the engagement must be either specifically approved by the Committee or entered into pursuant to the below.

The Committee must specifically pre-approve the terms of the annual audit services engagement. In addition, the Committee may grant pre-approval for other audit services that only

the independent auditor reasonably can provide. The Committee may delegate pre-approval authority to one or more of its members who shall report any pre-approval decisions to the Committee at its next scheduled meeting. Aggregate fees for pre-approved services to be performed by the independent auditor pursuant to the foregoing sentence shall not exceed \$100,000 per year unless otherwise authorized by the Committee.

The independent auditors shall submit to the Committee annually a formal written statement (the “Auditors’ Statement”) describing: the auditors’ internal quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the auditors, 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 auditors, and any steps taken to deal with any such issues; and (to assess the auditors’ independence) all relationships between the independent auditors and the Company, including each non-audit service provided to the Company and the matters set forth in the letter from the independent auditors required by the applicable requirements of the Public Company Accounting Oversight Board (the “PCAOB”).

The independent auditors shall submit to the Committee annually a formal written statement of the fees billed in each of the last two fiscal years for each of the following categories of services rendered by the independent auditors: (i) the audit of the Company’s annual financial statements and the reviews of the financial statements included in the Company’s Quarterly Reports on Form 10-Q or services that are normally provided by the independent auditors in connection with statutory and regulatory filings or engagements; (ii) assurance and related services not included in clause (i) that are reasonably related to the performance of the audit or review of the Company’s financial statements, in the aggregate and by each service; (iii) tax compliance, tax advice and tax planning services, in the aggregate and by each service; and (iv) all other products and services rendered by the independent auditors, in the aggregate and by each service.

## **Oversight of the Internal Audit Activity and Other Assurance Providers**

### **Internal Audit Activity**

To obtain reasonable assurance with respect to work of the internal audit activity, the Committee will provide oversight related to:

#### Internal Audit Charter and Resources

1. Review and approve the internal audit charter at least annually. The charter should be reviewed to ensure that it accurately reflects the internal audit activity’s purpose, authority, and responsibility, consistent with the mandatory guidance of The Institute of Internal Auditors’ (“IIA”) International Professional Practices Framework and the scope and nature of assurance and consulting services, as well as changes in the financial statements, accounting, risk management, and internal control practices of the Company and reflects developments in the professional practice of internal auditing.

2. Advise the Board about increases and decreases to the requested resources to achieve the internal audit plan. Evaluate whether any additional resources are needed permanently or should be provided through outsourcing.

#### CAE Performance

1. Advise the Board regarding the qualifications and recruitment, appointment, and removal of the CAE.
2. Provide input to management related to evaluating the performance of the CAE.

#### Internal Audit Strategy and Plan

1. Review and provide input on the internal audit activity's strategic plan, objectives, performance measures, and outcomes.
2. Review and approve proposed risk-based internal audit plan and make recommendations concerning internal audit projects.
3. Review and approve the internal audit plan and engagement work program, including reviewing internal audit resources necessary to achieve the plan.
4. Review the internal audit activity's performance relative to its audit plan.

#### Internal Audit Engagement and Follow Up

1. Review significant internal audit reports and other communications to management.
2. Review major issues relating to the adequacy of internal controls.
3. Review and track management's action plans to address the results of internal audit engagements.
4. Review and advise management on the results of any special investigations.
5. Inquire of the CAE whether any internal audit engagements or non-audit engagements have been completed but not reported to the Committee; if so, inquire whether any matters of significance arose from such work.
6. Inquire of the Company's CEO and CFO as to the existence of any significant deficiencies or material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and as to the existence of any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

7. Inquire of the CAE whether any evidence of fraud has been identified during internal audit engagements and evaluate what additional actions, if any, should be taken.

#### Standards Conformance

1. Inquire of the CAE about steps taken to ensure that the internal audit activity conforms with the IIA's International Standards for the Professional Practice of Internal Auditing (Standards).
2. Ensure that the internal audit activity has a quality assurance and improvement program and that the results of these periodic assessments are presented to the Committee.
3. Consideration will be given to conducting an external quality assurance review of the internal audit function as determined to be needed by the Committee.
4. Review the results of the independent external quality assurance review and monitor the implementation of the internal audit activity's action plans to address any recommendations.
5. Advise the Board about any recommendations for the continuous improvement of the internal audit activity.

#### **Independent Auditors**

To obtain reasonable assurance with respect to work of the independent auditors, the Committee will meet with the independent auditors during the planning phase of the engagement, the presentation of the audited financial statements, and the discussion of the results of engagements and recommendations for management.

The Committee will:

1. Review the independent auditors' proposed audit scope, approach and work, including coordination of audit effort with the internal audit activity and resolution of disagreements between management and the independent auditors regarding financial reporting. The independent auditors shall report directly to the Committee.
2. Review the performance and independence of the independent auditors and exercise final approval on the appointment, compensation, or discharge of the auditors.
3. Exercise final approval on the appointment, compensation, retention and oversight of the work of any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or to perform audit, review or attestation services, which firm shall also report directly to the Committee.

4. Establish hiring policies for employees or former employees of the independent auditors.
5. Ensure that the independent auditors prepare and deliver annually an Auditors' Statement (it being understood that the independent auditors are responsible for the accuracy and completeness of this Statement), and to discuss with the independent auditors any relationships or services disclosed in this Statement that may impact the quality of audit services or the objectivity and independence of the Company's independent auditors.
6. Have regularly scheduled exclusive meetings with independent auditors to discuss any sensitive matters, including any significant issues arising from the most recent PCAOB inspection of the independent auditors, to the extent relevant to the Company, including the independent auditor's response to any identified accounting deficiencies.
7. Obtain from the independent auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Exchange Act, which sets forth certain procedures to be followed in any audit of financial statements required under the Exchange Act.
8. Monitor management's progress on action plans.

To obtain reasonable assurance that management has acted on the results and recommendations of internal and independent audit engagements, the Committee will regularly review reports on the progress of implementing approved management action plans and audit recommendations resulting from completed audit engagements.

### **Financial Statements and Public Accountability Reporting**

The Committee is responsible for oversight of (i) the independent audit of the Company's financial statements, (ii) accounting principles and policies, and (iii) financial reporting and internal control over financial reporting, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal and regulatory compliance.

The Committee will:

1. Obtain from the independent auditors in connection with any audit a timely report relating to the Company's annual audited financial statements describing all critical accounting policies and practices used, all alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors, and any material written communications between the independent auditors and management, such as any "management" letter or schedule of unadjusted differences.

2. Review with management and the independent auditors the results of audit engagements, including any difficulties encountered.
3. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
4. Review the annual financial statements, and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
5. Review other sections of the annual report and related regulatory filings and consider the accuracy and completeness of the information before it is released, including the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations".
6. Review with management and the independent auditors all matters required to be communicated to the Committee under generally accepted accounting principles.
7. Understand strategies, assumptions and estimates that management has made in preparing financial statements, budgets, and investment plans.
8. Understand how management develops interim financial information and the nature and extent of internal and independent auditor involvement in the process.
9. Review interim financial reports with management and independent auditors before filing with regulators and consider whether they are complete and consistent with the information known to Committee members.
10. Discuss any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to the Company.
11. Discuss and review the type and presentation of information to be included in earnings press releases.
12. Discuss the types of financial information and earnings guidance provided, and the types of presentations made, to analysts and rating agencies.

### **Other Responsibilities**

In addition, the Committee will:

1. Perform other activities related to this Charter as requested by the Board.
2. Institute and oversee special investigations as needed.
3. Periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

4. In consultation with the Nominating and Corporate Governance Committee, annually review and evaluate its performance and report the results of its review and evaluation to the Nominating and Corporate Governance Committee, which will then report the results to the entire Board.
5. Prepare any report or other disclosures, including any recommendation of the Committee, required by the rules of the SEC to be included in the Company's annual proxy statement.

### **Reporting on Committee Performance**

The Committee will report to the Board at each Board meeting, summarizing the Committee's activities and recommendations with respect to any meetings held by the Committee since the last Board meeting, if any.

In addition, the Committee will regularly discuss with the Board:

1. A summary of the work the Committee performed to fully discharge its responsibilities during the preceding year.
2. A summary of management's progress in addressing the results of internal and independent audit engagement reports.
3. An overall assessment of management's risk, control, and compliance processes, including details of any significant emerging risks or legislative changes impacting the Company.
4. Details of meetings, including the number of meetings held during the relevant period and the number of meetings each member attended.
5. The Committee may report to the Board at any time regarding any other matter it deems of sufficient importance.

### **Limitation of Committee's Role**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosure are complete and accurate and are in accordance with generally accepted accounting principles and applicable rule and regulations. These are the responsibilities of management and the independent auditor. In carrying out its oversight responsibilities set forth in this Charter, members of the Committee are not providing expert or special assurance with respect to the Company's financial statements, or any professional certification as to the work of the independent auditor, including with respect to auditor independence.