

## **BEST BUY CO., INC.**

### **AUDIT COMMITTEE**

#### **CHARTER**

##### **Purpose**

The Audit Committee (“Committee”) of Best Buy Co., Inc. (the “Company”) is appointed by the Board of Directors (“Board”) to assist the Board in overseeing: (1) the integrity of the Company’s financial statements and financial reporting processes, (2) the Company’s internal accounting systems, financial and operational controls, (3) the qualifications and independence of the independent auditor, (4) the performance of the Company’s internal audit function (“Internal Audit”), the Chief Audit Executive and the independent auditor, (5) the Company’s cybersecurity program and (6) and the performance of the Company’s compliance and ethics function (“Compliance”) and the Chief Compliance Officer, as well as overall compliance with the Company’s Code of Ethics, the rules and regulations of the Securities and Exchange Commission (“SEC”), the New York Stock Exchange (“NYSE”) and any other applicable legal or regulatory requirements. In so doing, the Committee will maintain free and open communication between the Board, the independent auditor, members of Internal Audit and of Compliance, and management of the Company.

The Committee shall prepare the report required by the rules of the SEC to be included in the Company’s annual proxy statement.

While a primary purpose of the Committee is to oversee the Company’s financial reporting process and report the results of its activities to the Board, management is responsible for preparing the Company’s financial statements and the independent auditor is responsible for auditing those financial statements. In carrying out its oversight responsibilities, the Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and with the objective of assessing whether the Company’s accounting and financial reporting practices are in accordance with all requirements and are of the highest quality.

##### **Committee Membership**

The Committee will be composed of at least three directors, all of whom shall meet the independence and experience requirements of the SEC as defined by the NYSE listing standards. All Committee members will be financially literate and will have sufficient knowledge of financial matters to enable them to carry out the responsibilities of the Committee. At least one member of the Committee will be designated as the “financial expert” with accounting or related financial management expertise as defined by the SEC and NYSE rules. In addition, members of the Committee may not accept any consulting, advisory, or other compensatory fee from the Company (other than in their capacity as a member of the Board or one or more of the Board’s committees) and may not be affiliated persons of the Company or its subsidiaries. The Committee members and Chairperson will be appointed by the Board pursuant to the recommendations of the Nominating, Corporate Governance and Public Policy Committee of the Board and may be removed by the Board in its discretion. No Committee member will simultaneously serve on the audit committees of more than two other public companies. The Committee will have authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of independent directors.

## **Meetings**

The Committee will meet on a regularly scheduled basis and at such additional times as required. All Committee members are expected to attend each meeting, in person or via tele- or video-conference. At all meetings of the Committee, a majority of the total number of members of the Committee shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee. The Committee may request that other Board members, or officers or other employees of the Company, or any other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee. The Committee shall have the right to meet in executive session (without management present) with any of the outside counsel, consultants, experts or other advisors it deems necessary.

During the meeting, a record of the meeting minutes shall be taken. In lieu of a meeting, action may be taken if authorized by written action approved by a majority of the Committee members.

## **Committee Authority and Responsibilities**

1. **General.** The Committee will have the authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:
  - (a) Obtain full access to all relevant records, property and personnel of the Company.
  - (b) Retain, at the Company's expense, outside counsel or other experts and advisors as it determines necessary.
  - (c) Approve appropriate compensation for the independent auditor or any other registered public accounting firm engaged for the purposes of preparing or issuing an audit report or performing other audit, review or attestation services for the Company.
  - (d) Approve appropriate compensation, at the Company's expense, for any advisers engaged by the Committee for the purpose of carrying out its duties, and ordinary administrative expenses of the Committee.
  - (e) Make regular reports to the Board and recommend any proposed actions to the Board for approval as necessary. Specifically, the Committee will review with the Board any material issues brought to the Committee by management under the procedures developed by the Committee pursuant to Section 301(m)(4) of the Sarbanes Oxley Act of 2002.
  - (f) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval and cause the Charter to be approved at least once every three years in accordance with the regulations of the SEC.
  - (g) Evaluate annually its own performance to determine whether it is functioning effectively.
  - (h) Undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the Company's articles or by-

laws or the Board.

## **2. Independent Auditor.**

- (a) The Committee will be directly responsible for the appointment (subject, as applicable, to shareholder ratification), termination, compensation and oversight of the work of the independent auditor, including resolution of disagreements between management and the independent auditor regarding financial reporting. The Committee will, at least annually, evaluate the independent auditor's qualifications, performance and independence, taking into account the opinions of management and Internal Audit. Such evaluation will include the review and evaluation of the experience and qualifications of the senior members of the independent auditor team. The conclusions regarding the independent auditor evaluation will be presented to the Board.
- (b) The Committee will ensure the rotation of the lead audit partner and other audit partners as professional standards dictate and consider whether there should be regular rotation of the audit firm itself.
- (c) The Committee will pre-approve all audit and non-audit services provided by the independent auditor unless such services are considered de minimus audit-related services as defined by the SEC and acceptable under the Company's independent auditor policy. The decisions of any Committee member to whom pre-approval authority is delegated must be presented to the Committee at its next scheduled meeting.
- (d) At least annually, the Committee will obtain and review a report by the independent auditor describing:
  - (i) The firm's internal quality control procedures.
  - (ii) Any material issues raised by:
    - (1) The most recent internal quality control review, reviews performed by the Public Company Accounting Oversight Board ("PCAOB") or SEC, or any other peer review of the firm; and
    - (2) Any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm.
  - (iii) Any steps taken to deal with the issues described in Sections 2(d)(ii)(1) and (2).
  - (iv) All relationships between the independent auditor and the Company to assess the auditor's independence under Rule 3526 of the PCAOB.
- (e) The Committee will establish for the Company clear hiring policies for employees or former employees of the independent auditor that meet NYSE rules and federal rules and regulations.

### 3. Audit Processing and Reporting.

- (a) The Committee will meet with members of Internal Audit, the independent auditors and appropriate management of the Company to review the overall scope and plans for their respective audits, including the adequacy of staffing and compensation. The Committee will also meet with these groups to discuss the adequacy and effectiveness of the Company's accounting, financial and other internal controls. Further, the Committee will meet separately with management, members of Internal Audit and the independent auditor periodically to discuss the results of their examinations and whether there were any audit problems or difficulties encountered during their work or with management's responses.
- (b) The Committee will review:
  - (i) Reports from the independent auditor on the critical policies and practices of the Company, and all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management.
  - (ii) Management's assertion on its assessment of the effectiveness of internal controls as of the end of the most recent fiscal year.
  - (iii) All required communications between the independent auditor and the Company, such as the management letter or accounting adjustments that were noted or proposed by the independent auditor but were not adopted or reflected.
  - (iv) At their discretion, any material communications between the independent auditor's audit team and the independent auditor's national office regarding auditing or accounting issues presented by the engagement.
  - (v) Internal Audit including the Internal Audit charter, significant audit results, budgeting and staffing, including any employment decisions regarding the Chief Audit Executive.
- (c) The Committee will discuss with the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures that may have a material impact on the Company's financial statements.
- (d) The Committee will review with management and the independent auditor the interim financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations to be included in the Company's Quarterly Reports on Form 10-Q prior to their filing with the SEC. Also, the Committee will discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditor under generally accepted auditing standards. Further, the Committee will review and discuss with management and the independent auditor earnings press releases, including the use, if any, of "pro-forma" or "adjusted" non-GAAP information, as well as earnings guidance provided to analysts and rating agencies. The Chairperson or a designee of the Committee may represent the

entire Committee for purposes of these reviews.

- (e) The Committee will review with management and the independent auditor the financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations, to be included in the Company's Annual Reports on Form 10-K prior to their filing with the SEC. The Committee will also review with management and the independent auditor their judgments about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments and the clarity of the disclosures in the financial statements. Additionally, the Committee will discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditor under generally accepted auditing standards. Following completion of the annual audit, the Committee will review the independent auditor's recommendations to management as well as the results of procedures performed.
- (f) The Committee will review disclosures made by the Company's Chief Executive Officer and Chief Financial Officer during the Forms 10-K and 10-Q certification processes about significant deficiencies, if any, in the design or operation of internal controls or any fraud that involves management or other employees who have a significant role in the Company's internal controls.

#### **4. Internal Audit.**

- (a) The Committee will have the following duties and responsibilities in its relationship with the Internal Audit activity:
  - (i) Approve the Internal Audit Charter;
  - (ii) Review the risk-based internal audit backlog/plan as well as significant internal audit results and management's action plans;
  - (iii) Approve the internal audit budget, performance objectives and resource plan;
  - (iv) Receive communications from the Chief Audit Executive on the Internal Audit team's performance relative to its plan and other matters;
  - (v) Provide input on escalation criteria and process as related to potential independence impairment, risk acceptance beyond tolerance, and errors and omissions in reporting; and
  - (vi) Review and approve any changes in the administrative reporting relationship of the Internal Audit function and evaluate any concerns, including potential independence impairments.
- (b) The Chair of the Committee will have the following duties and responsibilities in its relationship with the Chief Audit Executive:

- (i) Approve decisions regarding appointment and removal of the Chief Audit Executive;
- (ii) Approve the job description for the Chief Audit Executive;
- (iii) Review the remuneration of the Chief Audit Executive;
- (iv) Provide annual feedback regarding the performance of the Chief Audit Executive to the Chief Audit Executive and their administrative reporting manager; and
- (v) Make appropriate inquiries of management and the Chief Audit Executive to determine whether there are inappropriate scope or resource limitations.

## **5. Compliance**

- (a) The Committee will have the following duties and responsibilities in its relationship with Compliance:
  - (i) The Committee will meet with the Chief Compliance Officer and appropriate management of the Company to review the overall scope and plans for the Compliance program, policies and procedures of the program, including the Company's Code of Ethics, and the adequacy of staffing and compensation for the program.
  - (ii) The Committee will establish procedures for the receipt, retention and treatment of complaints received regarding accounting, internal accounting controls or auditing matters, and concerns regarding the Company's compliance with its Code of Ethics and legal requirements.
  - (iii) The Committee will meet in executive session with the Chief Compliance Officer at the Chief Compliance Officer's or the Committee's request to discuss any aspect of the Company's Compliance program, including the results of significant compliance audits and investigations.
  - (iv) The Committee will annually review and approve the Company's material policies and procedures regarding legal and ethical compliance, including the Company's Code of Ethics and Conflict of Interest Policy. The Committee will also review related party transactions pursuant to the Company's related party transactions policies.
  - (v) The Committee will also discuss with management the Company's major risk exposures including, but not limited to, risks related to finance, operations, cybersecurity, privacy, artificial intelligence, enterprise risk management, security, environmental and safety audits, business continuity and disaster recovery, legal and regulatory, and the steps management has taken to monitor, control and otherwise address such exposures, including the Company's risk assessments,

risk management policies and business insurance coverages.

- (vi) The Committee will review the Company's cyber security program and controls with the Company's Chief Information Security Officer and evaluate the adequacy of the Company's data privacy compliance program with the General Counsel, including the potential impact of data privacy risk exposures on the Company's business, financial results, operations and reputation, the steps management has taken to monitor and mitigate such exposures, the Company's information governance policies and programs and major legislative and regulatory developments that could materially impact the Company's data privacy risk exposure.
  - (vii) The Committee will review and discuss with management the Company's tax planning and compliance.
- (b) The Chair of the Committee will have the following duties and responsibilities in its relationship with the Chief Compliance Officer:
- (i) Approve decisions regarding appointment and removal of the Chief Compliance Officer.
  - (ii) Approve the job description for the Chief Compliance Officer.
  - (iii) Review the remuneration of the Chief Compliance Officer.
  - (iv) Provide annual feedback regarding the performance of the Chief Compliance Officer to the Chief Compliance Officer and their administrative reporting manager.
  - (v) Make appropriate inquiries of management and the Chief Compliance Officer to determine whether there are inappropriate scope or resource limitations.