

**EXIDE TECHNOLOGIES**  
**AUDIT COMMITTEE CHARTER**

**I. Purpose**

The purpose of the Audit Committee (the “Audit Committee” or “Committee”) of the Board of Directors (the “Board”) of Exide Technologies (the “Company”) is to assist the Board in overseeing the accounting and financial reporting processes and the audits of the Company’s financial statements.

The Audit Committee has the authority to conduct investigations appropriate to fulfilling its responsibilities, and it has direct access to the Company’s independent auditors and to the Company’s management and employees. The Audit Committee has the ability to retain, at the Company’s expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company’s financial statements are complete and accurate, are in accordance with generally accepted accounting principles, and fairly present the financial condition and financial results of the Company. This is the responsibility of the Company’s management and the independent auditors. Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Audit Committee, as and to the extent otherwise applicable.

The independent auditors are ultimately accountable to the Audit Committee, which has the sole authority to appoint, oversee and, where appropriate, replace the Company’s auditors. The Audit Committee has direct responsibility for the compensation and oversight of the work of the independent auditors (including resolution of disagreements between management and the independent auditors regarding financial reporting) in connection with preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditors shall report directly to the Audit Committee.

## **II. Composition**

The Audit Committee shall have at least three (3) members, selected in accordance with the Company's governing documents. All members of the Audit Committee shall have a working familiarity with basic finance and accounting practices and be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement.

Audit Committee members shall be appointed by the Board and shall serve at the pleasure of the Board. Members may be removed, with or without cause, by a majority vote of the Board. Unless a Chairperson is elected by the Board, the members of the Audit Committee may designate a Chairperson by majority vote of all members of the Audit Committee. The Chairperson shall maintain communication, as deemed appropriate, with the chief executive officer, chief financial officer, the lead partner of the Independent auditors and the senior officer responsible for the internal audit function.

## **III. Meetings**

The Audit Committee shall meet at least quarterly, or more often, as appropriate to fulfill its responsibilities. The provisions of the Company's bylaws regarding meetings of and actions by the Board, including with respect to format, calling, notice and quorum, shall apply to the Audit Committee as if it were the Board. The Chairperson of the Audit Committee shall be responsible for leadership of the Audit Committee, including approving the agenda, presiding over Audit Committee meetings, making Audit Committee assignments and reporting the Audit Committee's actions to the Board from time to time (but at least quarterly) as requested by the Board. Meeting agendas shall be prepared and provided in advance to members, along with appropriate background materials. Minutes or other records of meetings and activities of the Audit Committee, including any significant issues considered by the Audit Committee, shall be maintained and reported to the full Board.

The Audit Committee may invite members of management, employees, outside counsel, the independent auditors and the Company's internal auditors, among others, or others whose advice and counsel are relevant to the issues then being considered by the Audit Committee, to attend any meetings and to provide such pertinent information as the Audit Committee may request. The Audit Committee should meet periodically with management and the independent auditors and the Company's internal auditors in separate sessions to discuss matters that the Audit Committee or any of these groups believes should be discussed privately. In addition, the Audit Committee should meet with the independent auditors and management periodically to review the Company's financial statements prior to their dissemination to stockholders or other parties, as may be applicable, consistent with the provisions set forth below in Section IV. However, the Committee shall meet regularly without such individuals present.

## **IV. Responsibilities and Duties**

To fulfill its responsibilities and duties, the Audit Committee shall:

- A. Review Procedures

1. Review and reassess the adequacy of the Charter at least annually. Submit any revisions to the Charter to the Board for approval.
2. Review the regular internal reports to management prepared by the Company's internal auditors and management's response. Review activities of the internal audit group, its objectives, organization and staffing, audit plans and procedures and its coordination with the Company's auditors and financial reporting function.
3. Review the Company's financial statements prior to distribution to stockholders and other parties as may be required. Review should include discussion with management and the independent auditors of significant issues regarding accounting principles, practices and judgments.
4. Review and discuss with management and the independent auditors the Company's financial statements prior to the distribution to stockholders or other parties as may be required. Discuss significant changes to the Company's accounting principles and any items required to be communicated by the Company's auditors in accordance with applicable standards.
5. Review and discuss with management and the independent auditors the independent auditor's assessment of the Company's internal control.
6. Review reports from management and the independent auditors on the Company's subsidiaries' and affiliates' compliance with the Company's code(s) of conduct and applicable law.
7. In accordance with any Policy Statement Regarding Related Party Transactions adopted by the Board, review and approve Related Party Transactions (as may be defined in such Policy Statement).
8. Review with management and the independent auditor's correspondence with regulators or government agencies and employee complaints or Company reports that raise material issues regarding the Company's financial statements or accounting policies.
9. Review restatements of financial statements that have occurred or were recommended.
10. Annually review with management, and separately with the independent auditors, major issues regarding the Company's auditing and accounting principles and practices (including its presentation of any financial statements), including the adequacy of internal controls and special audit steps adopted in light of any material internal control deficiencies, audit problems or difficulties and the adequacy of internal control over financial reporting.

B. Review of Independent Auditors' Activities

1. Have direct responsibility for the appointment, compensation, retention and oversight of the work of the independent auditors (including the resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, with such independent auditors reporting directly to the Audit Committee.
2. Review the objectivity and evaluate the performance of the independent auditors, the provision of audit and non-audit services, and discharge of auditors when circumstances warrant. In performing this review, the Audit Committee shall:
  - Actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity of the independent auditors,
  - Review and evaluate the lead partner of the independent auditors, and
  - Present its conclusions with respect to the independent auditors to the Board, and take, or recommend that the full Board take, appropriate action to oversee the objectivity of the independent auditors.

The independent auditors are ultimately accountable to the Audit Committee.
3. Consider whether there should be a regular rotation of the independent auditor or of the lead audit partner, if appropriate.
4. Review the independent auditors' audit plan. Discuss scope, staffing, locations, reliance upon management and general audit approach.
5. Review with the independent auditors their evaluation of the quality of the Company's accounting principles and such matters as are required to be discussed with the Audit Committee under generally accepted auditing standards.
6. Review the performance of the independent auditors and terminate the independent auditors, if circumstances warrant.
7. Consult with independent auditors out of the presence of management about internal controls over financial accounting and proper procedures (including the fullness and accuracy of any financial statements), as circumstances warrant.

8. Oversee the relationship with the independent auditors by discussing with the independent auditors the nature and rigor of the audit process, receiving and reviewing audit reports and ensuring that the independent auditors have appropriate access to the Audit Committee (and the Board) to report on appropriate matters.
9. Pre-approve all auditing services, internal control-related services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the independent auditors.

C. Financial Reporting Process

1. Discuss the results of the audit with the independent auditors. Discuss with the independent auditors matters required to be, discussed by the independent auditor with the Audit Committee under applicable auditing standards by applicable authorities. In particular, the Committee and the independent auditor shall discuss, among other things, matters relating to the conduct of the audit, management judgments and accounting estimates, significant audit adjustments, disagreements with management and difficulties encountered in performing the audit. Review and discuss with management and the independent auditors any significant accounting and reporting issues.
2. Review and discuss with management, the independent auditors and, if necessary, legal counsel, the Company's financial statements.
3. Consider the independent auditors' judgments about the quality (not just the acceptability) and appropriateness of the Company's accounting principles as applied in financial accounting, and consider alternative accounting principles and estimates.
4. In consultation with management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls, both external and internal. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the independent auditors and management's responses, including the status of previous recommendations.
5. Consider and approve, if appropriate, major changes to the Company's auditing and accounting principles and practices.
6. Meet at least annually with the chief financial officer and appropriate Company auditors in separate executive sessions.
7. Review analyses prepared by management and the independent auditors of significant financial reporting issues and judgments made in connection with the preparation of the independent financial statements, including any

analysis of the effect of alternative generally accepted accounting principle methods on the Company's financial statements and a description of transactions as to which management obtained Statement on Auditing Standards No. 50 letters.

D. Internal Controls and Legal Compliance

1. Review the budget, plan, changes in plan, activities, organizational structure and qualifications of the controller's office, as needed. Review significant reports prepared by the controller's office together with management's response and follow-up to these reports.
2. Review the appointment, performance and replacement of the controller and other senior personnel responsible for financial reporting.
3. Evaluate whether management is setting the appropriate tone at the top by communicating the importance of internal controls and ensuring that individuals possess an understanding of their roles and responsibilities.
4. Review and investigate matters relating to the integrity of management, potential conflicts of interest and adherence to the Company's policies.
5. Review and discuss with management, the independent auditors and the effectiveness of and any weakness in the Company's internal controls. Develop, in consultation with management, a timetable for implementing recommendations to correct identified weaknesses.
6. Review with the Company's counsel, legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies, as appropriate.
7. Review management's monitoring of the Company's compliance with laws and management's exercise of ethical practices and ensure that management has the proper review systems in place to ensure that the Company's financial statements, reports and other information satisfy legal requirements.

E. Reports of the Audit Committee

1. Report to the Board on Audit Committee activities and issues that arise with respect to the quality or integrity of the Company's financial accounting or internal controls over financial accounting and proper procedures (including any financial statements of the Company).

F. Evaluation of Internal Audit

1. Review activities, organizational structure and qualifications of the internal auditors. Meet separately and periodically with the internal auditing department.
2. Review and concur in the appointment, replacement, reassignment or dismissal of the Vice President of Internal Audit.
3. Review and discuss with management and the Vice President of Internal Audit:
  - significant internal audit findings during the year and management's responses thereto;
  - difficulties encountered in the course of internal audits, including restrictions on the scope of the internal auditors' work or access to required information;
  - the internal auditors' audit plan and significant changes thereto;
  - the internal auditors' budget and staffing; and
  - the internal auditors' compliance with the applicable standards.

G. Miscellaneous

1. Review and pre-approve related-party transactions as may be required by applicable law.
2. Retain such outside counsel, experts and other advisors as the Audit Committee may deem appropriate in its sole discretion.
3. Establish procedures for:
  - The receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and
  - The confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
4. Perform other activities consistent with this Charter, the Company's By-laws and governing law, as the Audit Committee or the Board deems necessary or appropriate.

5. The Audit Committee shall have sufficient funding to provide compensation to the independent auditors and to fund ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

## **V. Annual Evaluation Procedures**

The Audit Committee shall perform an annual self-review and self-evaluation of its performance to confirm that it is meeting its responsibilities under this Charter. The Audit Committee shall annually review the adequacy of this Charter. The Audit Committee may recommend to the Board such changes to this Charter as the Audit Committee deems appropriate.

## **VI. Investigations and Studies**

The Audit Committee shall have the resources, authority and funding appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel, accountants and other experts or consultants as it deems appropriate, without seeking approval of the Board or management. The Audit Committee may conduct or authorize investigations into or studies of matters within the Audit Committee's scope of responsibilities as described herein and may retain, at the expense of the Company, counsel or other consultants necessary to assist the Audit Committee in any such investigations or studies. The Company shall provide appropriate funding, as determined by the Audit Committee, for the payment of (i) legal, accounting or other consultants retained by the Audit Committee and (ii) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

## **VII. Miscellaneous**

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Audit Committee, as and to the extent otherwise applicable. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Audit Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

Approved by the Board of Directors on July 24, 2015.