

**EXIDE TECHNOLOGIES**  
**CORPORATE GOVERNANCE GUIDELINES**

As of February 5, 2018

One of the most important corporate objectives of Exide Technologies (the “Company”) is to engage in those business activities that enhance the value of the enterprise to the Company’s stockholders. To achieve this objective, the Company also considers the interests of its employees, customers, suppliers, and creditors, as well as the interests of the communities in which the Company operates.

The Company’s Board of Directors (the “Board”) is elected by the stockholders to oversee and direct management to achieve the Company’s corporate objectives. The Board’s responsibilities require it to regularly monitor the effectiveness of management’s policies and decisions, including execution of its strategies, and holding senior management accountable for the pursuit of the Company’s corporate objectives. The Board has adopted the following guidelines as part of its commitment to these principles:

**Composition of Board of Directors**

*Size of the Board.* As required by the Company’s governing documents (and, including, the Stockholders Agreement), the Board consists of not less than seven (7) directors (“Directors”) nor more than ten (10).

*Board Composition.* Determination of whether a Director is qualified and/or whether a Director is independent (if applicable) shall be made by the Board following a review of all applicable and available information and a recommendation from the Compensation and Nominating Committee. It is the responsibility of each Director to advise the Chairman of the Board of changes in their circumstances or any transaction or relationship that may impact their designation by the Board as “independent.” Any Director who retires from his or her present employment, or who materially changes his or her position, should offer to resign from the Board. The Board will then evaluate whether the Board should accept the resignation based on a review of whether the individual continues to satisfy the Board’s membership criteria in light of his or her new occupational status.

*Term Limits.* The Board does not believe that it is in the Company’s best interest to establish term limits. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the Company’s operations and future based on their experience with and understanding of the Company’s history, policies and objectives. The Board will periodically review each Director’s continuation on the Board, which will allow each Director the opportunity to confirm his or her desire to continue as a member of the Board.

*Retirement.* Directors and nominees for director are generally expected not to seek nomination for election to the Board or re-nomination if they are 72 years of age as of the date of nomination or re-nomination at the regular quarterly meeting of the Board immediately prior to the Annual Meeting of Stockholders, although such retirement age may be waived by the Board

in its discretion. Board members may serve out the remainder of their term if they reach the age of 72 years at any time during their term. Employee Directors, including the Chief Executive Officer, must retire from the Board at the time of a change in their status as an officer of the Company, unless the policy is waived by the Board.

*Chairman of the Board.* The Board has a policy of separating the offices of Chairman of the Board and Chief Executive Officer (or any other executive of the Company), as required by the Company's bylaws. The Board believes this leadership structure ensures effective Board leadership and oversight of management and the Company's long-term strategic goals. The Board will periodically make a determination as to the appropriateness of this policy in connection with the recruitment and succession of the Chairman of the Board and/or Chief Executive Officer.

*Director Orientation and Continuing Education.* The Governance Committee will work with senior management to provide an orientation and continuing education program for Directors. The Company shall provide new Directors with an orientation to familiarize such Directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of business conduct and ethics, corporate governance guidelines, principal officers and internal and external auditors. The new Directors shall be given copies of all the Company's corporate governance policies and procedures and a chance to familiarize himself or herself with the Company's business and strategic plans. Each Director is encouraged to participate in continuing educational programs in order to maintain the necessary level of expertise to perform his or her responsibilities as a Director.

### **Board Membership Criteria**

The Board seeks a diverse group of candidates who possess the background, skills and expertise to make a significant contribution to the Board, to the Company and to its stockholders. A Director need not be a stockholder of the Company at the time of his or her initial election, a resident of the State of Delaware or a citizen of the United States. The Board should endeavor to look for candidates who demonstrate the following qualities:

#### *Experience:*

- High-level leadership experience in business or similar activities,
- Breadth of knowledge about issues affecting the Company, and
- Ability and willingness to contribute special competencies to Board activities.

#### *Personal attributes:*

- High personal integrity,
- Loyalty to the Company and concern for its success and welfare, courage to criticize and to apply sound business ethics and sound and objective judgment,

- Awareness of a Director's vital part in the Company's good corporate citizenship and corporate image,
- Time available for meetings and consultation on Company matters,
- Wide contacts with business leaders and others with insight into the Company's business, and
- Willingness to assume fiduciary responsibility on behalf of the Company.

Qualified candidates for membership on the Board will be considered without regard to race, color, religion, sex, ancestry, national origin or disability. If applicable, the Board will review the qualifications and backgrounds of the Directors, as well as the overall composition of the Board, and recommend to the full Board the slate of Directors to be recommended for nomination for election at an annual meeting of stockholders of the Company. Nominations to the Board may also be submitted to the Company's Secretary by its stockholders. The Chairman of the Board of Directors, Chief Executive Officer and/or the Chairman of the Compensation and Nominating Committee will extend the formal invitation to become a member of the Board of Directors, subject to the vote of the Company's stockholders.

### **Role of the Board of Directors**

The Board shall perform the following principal functions:

- Approve a corporate strategic plan working in coordination with senior management,
- Select, appoint, monitor, evaluate, approve compensation for (upon recommendation of the Compensation and Nominating Committee), and, if necessary, replace the Chief Executive Officer,
- Ensure senior management succession in cooperation with the Compensation and Nominating Committee's review of management succession planning and the Governance Committee's review of succession plan strategies for the Chief Executive Officer,
- Review and approve management's annual business plan and long-term strategic plan, including developing an in-depth of knowledge of the business, understanding and questioning the assumptions upon which such plans are based, and reaching an objective judgment as to the probability that the plans can be realized,
- Monitor corporate performance against the strategic and business plans, including tracking the operating results on a regular basis to evaluate whether the business is being properly managed, and reviewing such performance in relation to the performance of peer companies and the battery industry as a whole,
- Receive periodic updates (at least annually) regarding the Company's compliance with environmental, health and safety regulations,

- Seek to ensure ethical behavior and compliance with laws and regulations, including the Company’s Code of Ethics and Business Conduct, auditing and accounting principles, and the Company’s own governing documents,
- Oversee senior management’s implementation and maintenance of systems, procedures and a corporate culture designed to promote compliance with legal and regulatory requirements and the ethical conduct of the Company’s business.
- Approve all actions proposed to be taken by senior management that may be material to the Company’s business. This includes authorization and approval of:
  - Dividends,
  - Issuances and repurchases of Company securities,
  - Borrowing programs,
  - Extraordinary corporate transactions (such as significant mergers, acquisitions or dispositions),
  - Capital programs (including capital budget plans), and major corporate reorganizations; and
  - Retention of the Board’s legal and investment advisors.
- Assess its own effectiveness in fulfilling these and other Board responsibilities, and
- Perform such other functions as are prescribed by law, or assigned to the Board in the Company’s governing documents.

### **Director Compensation**

The Compensation and Nominating Committee is responsible for recommending compensation arrangements for Directors and committee members. On an annual basis, the Compensation and Nominating Committee should review the status of Board compensation relative to a peer industry survey group. Changes in director compensation, if any, should come at the recommendation of the Compensation and Nominating Committee but with discussion and approval by the Board.

### **Stock Ownership**

The Board believes that Directors, the CEO and other qualifying officers should be stockholders and have a financial stake in the Company. Upon any recommendation by the Compensation and Nominating Committee, the Board may approve stock ownership guidelines that require individual Directors and the Company’s CEO and other qualifying officers to hold Company common stock in applicable amounts and for such applicable period as set forth in such guidelines.

## **Affiliations and Conflicts of Directors**

It is the responsibility of each Director to advise the Chairman of the Board of any affiliation with public or privately held businesses or enterprises that may create a potential conflict of interest, potential embarrassment to the Company or possible inconsistency with the Company's policies or values. Although the Company does not limit the number of other board memberships its Directors may hold, except as may be provided in the Audit Committee Charter, such number is considered when evaluating the candidate for nomination to the Board. A Director should advise the Chairman of the Board and Chairman of the Governance Committee in advance of accepting an invitation to serve on a public company board.

Any Director who experiences a significant change in responsibilities or assignment is expected to review and consult with the Chairman and the Board as to the potential impact that the change may have on continued Board service.

Directors are expected to avoid any action, position or interest that conflicts with an interest of the Company, or gives the appearance of a conflict. The Company solicits annually information from Directors in order to monitor potential conflicts of interest and Directors are expected to be mindful of their fiduciary obligations to the Company. When faced with a situation involving a potential conflict of interest, either the Company's Governance Committee or its Audit Committee, depending on the circumstances, will review and address such potential conflict. Individual Board members may, from time to time, meet with or communicate with various constituencies that are involved with the Company.

## **Board Meetings**

*Number of Meetings.* The Board shall meet periodically, as deemed necessary by the Chairman of the Board, but in no event less than four (4) times annually.

*Location of Meetings.* To provide Directors with first-hand knowledge to make strategic decisions and for their continuing education about the environment in which the Company operates and competes, meetings may be held at operating locations.

*Board Agenda and Materials.* While the Board believes that a carefully planned agenda is important for effective Board meetings, the agenda should be flexible enough to accommodate unexpected developments.

- The items on the agenda are typically determined by the Chairman in consultation with the Board and management. Any Director may request that an item be included on the agenda.
- At Board meetings, ample time should be scheduled to assure full discussion of important matters. Management presentations are scheduled to permit a substantial proportion of Board meeting time to be available for discussion and comments.
- It is critical for Directors to receive information sufficiently in advance of Board meetings so they will have an opportunity to prepare for discussion of the items on the meeting agenda. Generally, Board members can expect to receive summaries of

presentations several business days in advance of a meeting. At each meeting any written materials not available in advance are provided to each member of the Board. Information is provided from a variety of sources, including management reports, a comparison of performance to operating and financial plans, reports prepared by third parties, and articles in various business publications. In many cases, significant items requiring Board approval may be reviewed in one or more meetings and voted upon in subsequent meetings, with the intervening time being used for clarification and discussion of relevant issues.

- At least once per year, the Governance Committee will oversee self-evaluations to assess whether the Board and its committees are functioning effectively.
- At Board Meetings, the Corporate Secretary shall record the minutes of the Board's proceedings and actions. The Corporate Secretary shall maintain a separate book of such minutes and make it available to the Company's stockholders, if requested, in accordance with Delaware law.

*Regular Attendance.* Directors are expected to attend at least 75% of Board and Committee meetings. A Director who is unable to attend a meeting is expected to notify the Chairman of the Board or the Chairperson of the appropriate committee in advance of such meeting. The Chairman designates the guest attendees at any Board meeting, who are present for the purpose of making presentations, responding to questions by the Directors, or providing counsel on specific matters within their areas of expertise. Directors are expected to attend the Company's annual stockholder meeting.

*Meetings with Management.* At least once a year, management shall report to the Board regarding (i) management development and succession and (ii) long-term strategic planning.

### **Board Access to Management and Advisors**

Board members shall have complete access to the Chief Executive Officer and reasonable access to senior officers reporting directly to the Chief Executive Officer, to employees of the Company and the books and records of the Company, and to the Company's outside advisors. The Board believes that the Company's executive officers and officers of its subsidiaries can assist the Board with its deliberations and provide critical insights and analyses, particularly when the Board hears presentations on the business plan for the upcoming year. Attendance at Board meetings by such officers allows the most knowledgeable and accountable executives to communicate directly with the Board. It also enables the Board to gain exposure to key managers with future potential in the Company and provides the Board direct access to individuals critical to the Company's succession planning.

The Board shall also 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 or other experts or consultants, as it deems appropriate.

## **Board Committees**

*Number of Committees.* The Board currently has three (3) standing committees: Audit, Governance and Compensation and Nominating. The Audit, Governance and Compensation and Nominating committees each have their own charters. Each committee is comprised of at least three (3) members. The Board may from time to time establish or maintain additional committees as necessary or appropriate.

*Composition and Qualifications of Members.* The members of the Audit, Governance and Compensation and Nominating committees each satisfy applicable legal and regulatory requirements necessary for an assignment to such committee. The Governance Committee will periodically review the composition of all Committees and recommend changes to the Board to assure that members are qualified in accordance with applicable laws, rules and regulations.

*Audit Committee.* The Audit Committee oversees the Company's auditing, accounting, financial reporting and internal control functions and appoints the Company's accounting firm.

*Governance Committee.* The Governance Committee oversees evaluation of the Board and management. The Governance Committee reviews the Company's various compliance programs.

*Compensation and Nominating Committee.* The Compensation and Nominating Committee makes recommendations to the Board concerning the compensation of Directors and the Chief Executive Officer, and, in consultation with the Chief Executive Officer, reviews and approves the compensation of other executive officers. The Compensation and Nominating Committee considers and makes recommendations to the Board nominees for election as Directors.

*Committee Charters.* The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. Each committee charter will also require the committee to annually evaluate its performance.

*Committee Assignments.* The Compensation and Nominating Committee, after considering to the extent practicable the desires of Board members, recommends committee assignments to the full Board for approval.

*Committee Agendas.* The Chairperson of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chairperson of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. At the beginning of the year, each committee will establish a schedule of agenda subjects to be discussed during the year. The schedule for each committee will be furnished to all Directors.

*Committee Materials In Advance of Committee Meetings.* Materials are provided in advance of committee meetings in the same manner as applicable for Board meetings.

*Committee Reports.* The Chairperson of each committee shall report the Committee's actions to the full Board from time to time, as appropriate, but at least four (4) times annually.

### **Evaluations and Other Matters**

*Assessing the Board and Committee Performance.* With the assistance of the Governance Committee, the Board and its committees will conduct annual evaluations to assess whether it and its committees are functioning effectively and to seek input on improvements to the Board and committees. The Governance Committee will receive comments from all Directors and report annually to the Board with an assessment of the Board's and each Committee's performance, which will be discussed with the Board following the end of each fiscal year. The assessment will focus on the Board's contribution to the Company, including the identification of areas in which future management reports to the Board could help the Board in the performance of its duties and responsibilities. Each Committee's evaluation should compare the performance of the Committee with the requirements of its charter.

*Formal Evaluation of the Chief Executive Officer.* The Compensation and Nominating Committee evaluates the Chief Executive Officer annually, including input from the Board. Such evaluation assists the Compensation and Nominating Committee and the Board in determining the compensation for the Chief Executive Officer. The Compensation and Nominating Committee's evaluation of the Chief Executive Officer is based upon a combination of objective and subjective criteria which are addressed each year in the Company's annual proxy statement.

*Succession Planning.* With the exception of Chief Executive Officer succession planning, which is undertaken by the Board with the assistance of the Governance Committee, the Chairman and Chief Executive Officer shall confer annually with the Compensation and Nominating Committee on succession plans for senior management. The Chief Executive Officer shall also report at least annually to the Board on succession planning for senior management.

*Board Interaction with the Press, Customers and other Third Parties.* The Board shall comply with the Company's Communications Policy. Individual Board members may from time to time, at the request of senior management and in accordance with the Company's Communications Policy, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairman of the Board.

*Retention of the Chief Executive Officer.* The screening and recommendation to the Board of individuals qualified to become Chief Executive Officer shall be vested with the Chairman of the Board and the Committee Chairs, with the participation of the other Board members welcomed.

### **Conflicts of Interest**

All members of the Board must inform the Audit Committee of all types of transactions between them (directly or indirectly) and the Company as soon as reasonably practicable even if these



transactions are in the ordinary course of business. The Audit Committee will review all related party transactions for which audit committee approval is required by applicable law.

### **Review of These Guidelines**

The Governance Committee shall review these Guidelines annually, or more frequently as appropriate, in comparison to the governance standards identified by leading governance authorities and the Company's evolving needs and shall determine whether or not an amendment to these Guidelines should be recommended to the Board. Upon recommendation of the Governance Committee, the Board shall consider and adopt amendments to these Guidelines as appropriate.

### **Miscellaneous**

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

As amended and approved by the Board of Directors on February 5, 2018.