

ENERSYS

COMPENSATION COMMITTEE CHARTER

I. Purpose and Authority

This Charter was adopted by, and is the responsibility of, the board of directors (the “Board”) of EnerSys (the “Company”). The Compensation Committee is appointed by the Board to (i) review and approve corporate goals and objectives relevant to the CEO’s compensation, evaluate the CEO’s performance in light of those goals and objectives and determine and approve the CEO’s compensation based on the evaluation, (ii) review and approve the levels of compensation of the Company’s other executive officers, and (iii) review and make recommendations to the Board regarding changes, as needed, to the Company’s incentive-compensation plans and equity-based plans. The Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement or annual report on Form 10-K filed with the SEC.

The Committee has the authority to conduct and authorize investigations into any matters within the scope of the Committee's duties and responsibilities as the Committee deems appropriate and to obtain advice and assistance from the Company’s inside general counsel, if any, and any other outside legal counsel or other advisors or experts as the Committee deems necessary to carry out its duties and responsibilities, including in its sole discretion, to retain or obtain the advice of a compensation consultant, independent legal counsel or other advisor retained by the Committee. The Committee shall receive from the Company appropriate funding, as determined by the Committee, for payment of reasonable expenses incurred in connection with any investigation and for the payment of reasonable compensation to a compensation consultant, independent legal counsel or other advisor retained by the Committee, and for ordinary and necessary administrative expenses of the Committee. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by the Committee. The Committee may select a compensation consultant, legal counsel (other than in-house counsel) or other adviser to the Committee only after taking into consideration, all factors relevant to that person's independence from management, in accordance with the NYSE listing standards. Such consultant, counsel or advisor is not required to be independent.

II. Membership and Staffing

The Committee shall consist of at least three directors. The Board, upon the recommendation of the Nominating and Corporate Governance Committee, shall appoint the members of the Committee at least annually, with one of the members appointed as Committee Chairman by the Board, or, in the event the Board does not appoint a Committee Chairman, elected by majority vote of the Committee. Members of the Committee may be replaced by the Board.

The members of the Committee shall meet the eligibility and independence requirements of the NYSE and shall qualify as “Non-Employee Directors” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as in effect from time to time, and as “outside directors” for purposes of Section 162(m) of the Internal Revenue Code, as in effect from time to time. The independence of any member of the Committee, within the meaning of the NYSE’s listing standards, shall be determined in the business judgment of the Board.

The compensation of the Compensation Committee members shall be determined by the Board.

III. Meetings and Procedures

The Committee shall meet at least twice each year, in person, telephonically or by videoconference, and at such times and places as the Committee shall determine, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or the Committee Chairman. . The Committee Chairman is responsible for the agenda for each meeting of the Committee. Such agenda will reflect suggested agenda items requested to be included therein by any Committee member. Any voting member of the Committee may raise any other matter for action at any meeting, whether or not such matter is on the agenda for such meeting. A majority of the Committee voting members shall be present to constitute a quorum for the transaction of the Committee’s business. The Committee may meet in executive session with only voting members present. The Committee shall keep such records of its meetings as it deems appropriate and shall make regular reports to the Board. Minutes of each meeting will be compiled by the Company’s Corporate Secretary who shall act as Secretary to the Committee, or in the absence of the Corporate Secretary, by an Assistant Corporate Secretary of the Company or any other person designated by the Committee.

IV. Duties and Responsibilities

Among its duties and responsibilities, the Committee shall:

- Annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the performance of the CEO in light of those goals and objectives and, based on this evaluation, set the compensation of the CEO including, without limitation, all incentive compensation and equity grants.
- Annually review and approve the compensation of the other proxy officers and presidents of regional business units including, without limitation, all incentive compensation and equity grants.
- Review the Company’s incentive compensation, equity compensation and other equity-based plans and recommend changes in such plans to the Board as needed. The Committee shall have and shall exercise all the authority of the Board with respect to the administration of such plans.

- Annually review the Company’s compensation programs to ensure such programs (i) do not motivate executive and non-executive employees to take excessive risks, (ii) are aligned with stockholders’ best interests, and (iii) are not reasonably likely to have a material adverse effect on the Company.
- Review and approve the terms of any deferred compensation programs, severance agreements or benefits, or change in control agreements or benefits with respect to the executive officers.
- Review and approve changes to the Company’s pension, welfare and other employee benefit plans as delegated by the Board from time to time.
- At least annually assess the competitiveness of the compensation levels and practices applicable to executive officers and approve an appropriate peer group for this purpose.
- Review and recommend to the Board the adoption of director compensation programs.
- Annually review its own performance, annually review and reassess the adequacy of this Charter and recommend to the Board any changes it considers necessary or advisable.
- Review and discuss with management, on an annual basis, the Company’s Compensation Discussion and Analysis and recommend to the Board that it be included in the Company’s annual report or proxy statement.
- Approve, with such other Committees as the Board may designate, procedures and/or policies designed to ensure that purchases and sales of the Company’s common stock by directors and executive officers comply with Section 10(b) and Rule 10b-5 under the Securities Exchange Act of 1934, as amended, relating to insider trading. The Committee shall establish, or recommend to the Board, any other policies with respect to bonus, incentive and equity compensation, insider trading, hedging and pledging of Company stock, and/or stock ownership guidelines for executives, and periodically review compliance with such policies and guidelines.
- Address and recommend action to be taken by the Board of Directors, as it deems necessary or appropriate, with respect to rules adopted to implement the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act relating to shareholder approval of executive compensation and “golden parachute” compensation arrangements, including review, evaluate and discuss with management the results of any advisory vote.

V. Subcommittees

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to subcommittees or any committee member, except that it shall not delegate its responsibilities for any matters that involve director compensation or any matters where it has determined such compensation is intended to comply with Section 162(m) of the Code by virtue of being approved by a committee of “outside directors” or is intended to be exempt from Section 16(b) under the Exchange Act pursuant to Rule 16b-3 by virtue of being approved by a committee of “non-employee directors.”

The Committee shall be entitled to delegate its responsibilities with respect to the administration of the incentive compensation, equity compensation, deferred compensation, and employee pension and welfare benefit plans to the Company’s officers and employees, as consistent with applicable law, who may also utilize the services of third-party administrators, record keepers, consultants, and other service providers.