

ENGILITY HOLDINGS, INC.

COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

CHARTER

As amended on August 23, 2017

I. PURPOSE

The Compensation Committee (the “Committee”) shall provide assistance to the Board of Directors (the “Board”) of Engility Holdings, Inc. (the “Company”) by fulfilling the Committee’s responsibilities and duties as outlined in Section IV.

II. STRUCTURE AND OPERATIONS

Composition and Qualifications

The Committee shall be comprised of three or more members of the Board, each of whom is determined by the Board to be “independent” under the rules of the New York Stock Exchange (the “NYSE”), including the additional independence requirements specific to compensation committee membership set forth in Section 303A.02(a)(ii) of the NYSE Listed Company Manual, subject to an election by the Board to rely upon the transition period applicable to the director independence standards with respect to compensation committees. Additionally, no director may serve unless he or she (i) is a “Non-employee Director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (ii) satisfies the requirements of an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code.

Appointment and Removal

The members of the Committee shall be appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority vote of the Board.

Chairperson

The members of the Nominating/Corporate Governance Committee shall designate a Chairperson of the Committee (the “Chairperson”) by the majority vote of the full Nominating/Corporate Governance Committee membership, which selection shall then be ratified and approved by the majority vote of the full Board. The Chairperson will chair all regular sessions of the Committee and is responsible to set the agendas for Committee meetings. In the absence of the Chairperson, the Committee shall select another member to preside.

Delegation to Subcommittees

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, consisting of one or more independent members of the Committee.

III. MEETINGS

The Committee shall meet as frequently as is appropriate. The Chairperson of the Board or any member of the Committee may call meetings of the Committee. All meetings of the Committee may be held telephonically.

As part of its review and establishment of the performance criteria and compensation of designated key executives, the Committee may meet separately with the Company's Chief Executive Officer (the "CEO"), the principal human resources executive, and any other corporate officers, as it deems appropriate.

All non-management directors that are not members of the Committee may attend meetings of the Committee but may not vote. Additionally, the Committee may invite to its meetings any director, any member of the Company's management and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities. The CEO and other members of the Company's management may not be present during voting or deliberations with respect to determination of his or her compensation.

A majority of the Committee shall constitute a quorum for the transaction of business. The Committee shall act only on the affirmative vote of at least a simple majority of its members.

IV. RESPONSIBILITIES AND DUTIES

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time. All responsibilities and duties delegated to the Committee in this Charter with respect to executive officers shall also be deemed to extend to such other officers and employees as the Committee determines in its sole discretion.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter that the Committee deems appropriate and shall have the sole authority to retain and oversee outside counsel or other consultants and advisors for this purpose, including the sole authority to approve the fees payable to such counsels, consultants or other advisors and any other terms of retention, and shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to such counsels, consultants or other advisors. In selecting an advisor, the Committee shall consider all factors relevant to that advisor's independence from management, including the following:

- (i) The provision of other services to the Company by the advisor's employer;
- (ii) The amount of fees received from the Company by the advisor's employer, as a percentage of the total revenue of the advisor's employer;
- (iii) The policies and procedures of the advisor's employer that are designed to prevent conflicts of interest;
- (iv) Any business or personal relationship of the advisor with a member of the Committee;
- (v) Any stock of the Company owned by the advisor; and
- (vi) Any business or personal relationship of the advisor or the advisor's employer with an executive officer of the Company.

Setting Compensation for Executive Officers and Directors

1. Review and approve corporate goals and objectives relevant to CEO compensation.
2. Evaluate the performance of the CEO in light of these criteria and, either as a committee or together with other independent directors (as directed by the Board), determine and approve the annual salary, bonus, equity and equity-based incentives and other benefits, direct and indirect, of the CEO based on such evaluation.
3. Review and approve the annual salary, bonus, equity and equity-based incentives and other benefits, direct and indirect, of the other executive officers.
4. In connection with executive compensation programs:
 - (i) Review and recommend to the full Board, or approve, new compensation programs for executive officers;
 - (ii) Review on a periodic basis the operations of the Company's compensation programs for executive officers to determine whether they are effective in achieving their intended purpose(s);
 - (iii) Establish and periodically review policies for the administration of compensation programs for executive officers; and
 - (iv) Take steps to modify any compensation program for executive officers that yields payments and benefits that are not reasonably related to executive and corporate performance.
5. Establish and periodically review policies with respect to senior management perquisites.
6. Review and recommend to the full Board compensation of directors.

7. Establish a stock ownership policy applicable to directors and executive officers and from time to time review and reassess the policy (including for purposes of monitoring compliance therewith).
8. Discuss the results of the shareholder advisory vote on “say-on-pay”, if any, with regard to the named executive officers.
9. Review and make recommendations to the full Board, or approve, any contracts or other transactions with current or former executive officers of the Company, including consulting arrangements, employment contracts, severance or termination arrangements.

Monitoring Incentive and Equity-Based Compensation Plans

10. Review and approve, or make recommendations to the full Board with respect to, the Company’s incentive-compensation plans and equity-based plans that are not subject to the approval of the Company’s stockholders, and oversee the activities of the individuals responsible for administering those plans.
11. Review and make recommendations to the full Board with respect to all equity compensation plans of the Company that are subject to the approval of the Company’s stockholders, and oversee the activities of the individuals responsible for administering those plans.
12. Select, oversee and replace, as needed, independent compensation and benefits consultants and other outside consultants or advisors to provide advice to the Committee. In that connection, in the event the Committee retains any such consultant or advisor, the Committee shall have the sole authority to set and approve the fees and any other retention terms.

Reports

13. Prepare the compensation committee report on executive compensation for inclusion in the Company’s annual proxy statement (the “Proxy Statement”), in accordance with applicable rules and regulations of the NYSE, Securities and Exchange Commission (“SEC”) and other applicable regulatory bodies.
14. Oversee the preparation of a Compensation Discussion and Analysis (“CD&A”) for inclusion in the Proxy Statement or annual report on Form 10-K (the “Form 10-K”), in accordance with the rules of the SEC. The Committee shall review and discuss the CD&A with management each year and, based on that review and discussion, determine whether or not to recommend to the Board that the CD&A be included in the Proxy Statement or the Form 10-K.
15. Review the description of the Committee’s processes and procedures for the consideration and determination of executive and director compensation to be included in the Proxy Statement.

16. Report regularly to the Board (i) following meetings of the Committee, (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities and (iii) with respect to such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chairperson or any other member of the Committee designated by the Committee to make such report.
17. Maintain minutes or other records of meetings and activities of the Committee.

V. ANNUAL PERFORMANCE EVALUATION

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee and its members, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or appropriate. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.

VI. EDUCATION

The Committee shall receive, at least annually, if applicable, an update on any material changes to the SEC or NYSE rules and regulations relevant to their responsibilities and duties set forth in this Charter.