

ENGILITY HOLDINGS, INC.

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

CHARTER

As amended on August 23, 2017

I. PURPOSE

The Audit Committee (the “Committee”) shall provide assistance to the Board of Directors (the “Board”) of Engility Holdings, Inc. (the “Company”) with respect to its oversight of the:

1. quality and integrity of the Company’s financial statements, reports, and the Company’s related internal control over financial reporting,
2. Company’s compliance with legal and regulatory requirements,
3. qualifications and independence of the independent auditors, and
4. performance of the Company’s internal audit function and independent auditors.

In addition, the Committee shall prepare, or cause to be prepared, the Committee report that the Securities and Exchange Commission (the “SEC”) rules require to be included in the Company's annual proxy statement (the “Proxy Statement”).

In fulfilling its duties and responsibilities, the Committee shall be given full access to the Company's internal audit group, the Board, corporate executives and independent auditors and shall have the authority to obtain advice and assistance from outside legal, accounting, financial, or other advisors.

The Company shall provide appropriate funding, as determined by the Committee, for compensation to any independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or other attest services for the Company and to any advisors that the Committee chooses to engage. In addition to any funding necessary to compensate the independent auditors and outside advisors, the Company shall provide the Committee with such funding as the Committee determines is appropriate to fund any ordinary administrative expenses incurred by the Committee in carrying out its duties.

II. STRUCTURE AND OPERATIONS

Composition and Qualifications

The Committee shall be comprised of at least three directors, all of whom are determined by the Board to meet the independence requirements of the New York Stock Exchange (the “NYSE”) and the SEC, subject to applicable transition periods.

All members of the Committee shall be financially literate (as such qualification is interpreted by the Board in its business judgment) and at least one member of the Committee shall be an “audit committee financial expert” as determined by the Board, in compliance with the criteria established by the SEC and the NYSE.

If a Committee member simultaneously serves on the audit committee of more than three public companies (including the Company), the Board must determine that such service will not impair such member's ability to effectively serve on the Committee and disclose such determination in the Proxy Statement.

No member of the Committee shall receive compensation other than (i) director's fees for service as a director of the Company, including reasonable compensation for serving on the Committee or any other committees of the Board and regular benefits that other directors receive and (ii) fixed amounts of compensation under a retirement plan (including deferred compensation) for past performance, provided that such compensation is not contingent in any way on continued or future service to the Company.

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.

III. MEETINGS

The Committee shall meet at least five times a year, or more often if circumstances so require. 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.

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.

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.

The Committee's policies and procedures should remain flexible, in order to best react to changing conditions and help ensure that the Company's accounting and reporting practices accord with all requirements and are of the highest quality. The Committee shall:

1. Be directly responsible for the selection, appointment, compensation, retention, oversight and termination of the Company's independent auditors.
2. Inform each independent auditor hired by the Company that they shall report directly to the Committee.
3. Be directly responsible for the oversight of the auditing work of any independent auditor employed by the Company (including the resolution of any disagreement 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.
4. Pre-approve audit, other audit, audit related and permitted non-audit services to be performed by the independent auditors and related fees. The Committee may (i) delegate to one or more of its members the ability to pre-approve such services and fees, provided that any such pre-approval is presented to the full Committee at its next scheduled meeting and/or (ii) pre-approve audit, other audit, audit related and permitted non-audit services and fees based on policies and procedures adopted by the Committee, provided (a) the policies and procedures are detailed as to the particular service, (b) the Committee is informed of each service on a timely basis, (c) such policies and procedures do not include delegation of the Committee's responsibilities to management and (d) such policies and procedures are disclosed in the Company's annual report.
5. Meet with the independent auditors and the Company's management to review the scope of the audit proposed for the current year and the audit procedures to be utilized and any significant changes to such scope and/or procedures.
6. Discuss with the independent auditors and with management, as appropriate, the following:
 - (i.) The matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1. AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T and

the Sarbanes-Oxley Act of 2002 relating to the conduct of the audit or quarterly reviews;

- (ii.) Independent auditors' responsibilities under auditing standards generally accepted in the United States of America, and under applicable rules and regulations of any exchange on which the Company lists its securities;
 - (iii.) Management judgment and accounting estimates;
 - (iv.) Audit adjustments, both those reflected in the Company's financial statements and those waived by the independent auditor;
 - (v.) Disagreements between management and the independent auditors, if any, and management's response to such disagreements;
 - (vi.) Consultations with other accountants, if any;
 - (vii.) Major issues, if any, regarding accounting principles and financial statement presentation, including any analysis prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements; and
 - (viii.) Problems or difficulties encountered in performing the audit, if any, including restrictions on the scope or access to information and management's response.
7. Discuss with the independent auditors prior to the filing by the Company of its annual report and at such other times as the Committee deems appropriate:
- (i.) All critical accounting policies and practices of the Company;
 - (ii.) All alternative treatments of financial information under U.S. generally accepted accounting principles (GAAP) related to material items that have been discussed with management, including ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and
 - (iii.) Other material written communications between the independent auditors and management of the Company.
8. At least annually, obtain and review a report by the independent auditors describing the following: the auditing firm's internal quality-control procedures; any material issues raised by the most recent internal quality control review, or peer review, of the auditing firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditing firm, and any steps taken to deal with any such issues; and all relationships between the independent auditor and the Company in order to assess the auditor's independence.

9. Ensure that all auditing personnel are rotated in accordance with, and to the extent required by, applicable laws and regulations.
10. Confirm with the independent auditors that none of their auditing personnel assigned to the audit of the Company's financial statements earns or receives any compensation based on selling engagements to the Company to provide any services, other than audit, review or attest services, to the extent such compensation would compromise the independence of such auditing personnel or the auditor under the rules promulgated by the SEC, Public Company Accounting Oversight Board (the "PCAOB"), and NYSE.
11. Review with the independent auditors, the internal auditor, and the Company's financial, accounting, and legal management, the adequacy and effectiveness of the Company's internal control over financial reporting, financial reporting procedures and legal disclosure controls and procedures, and elicit any recommendations for improvement or particular areas where augmented controls are desirable. Particular emphasis should be given to the adequacy of such controls to provide that information required to be disclosed by the Company in its periodic reports is recorded, processed, summarized, and reported in an appropriate and timely manner.
12. Review the internal audit function, including the independence and authority of its reporting obligations, the audit plans proposed for the coming year, and the coordination of such plans with the work of the independent auditors.
13. Review periodically a summary of findings from completed internal audits and a progress report on the proposed internal audit plan, with explanations for any deviations from the original plan and review such summary and plan with the internal audit department.
14. Review the adequacy of the internal audit staff and review and concur in the appointment, replacement or dismissal of the senior internal auditing executive.
15. Provide input into the annual evaluation of the performance of the senior internal auditing executive. Review the senior internal auditing executive's annual goals and self-assessment along with management's assessment of the performance of the senior internal auditing executive.
16. Review and consider the appropriateness of the senior internal auditing executive's compensation.
17. Review annually the charter of the internal audit department, and update as appropriate.
18. Review annually with management and the independent auditors the effect of regulatory and accounting initiatives, as well as review any off- balance sheet structures on the Company's financial statements.
19. Meet to review and discuss the draft annual audited financial statements and draft quarterly unaudited financial statements with management and the independent

- auditors, including reviewing the Company's specific disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations." Determine that the independent auditors are satisfied with the disclosure and content of the financial statements. Any year-to-year changes in accounting principles or practices should be reviewed. Authorize and approve the quarterly unaudited financial statements on Form 10-Q to be filed with the SEC.
20. Recommend to the Board as to whether the annual financial statements of the Company should be included in the Annual Report on Form 10-K (the "Form 10-K") to be filed with the SEC.
 21. Discuss with management and the independent auditors, in general terms, the Company's earnings releases (paying particular attention to the use of any "pro forma" or "adjusted" non-GAAP information or measures), as well as financial information and financial and earnings guidance to be provided to the public (securities market professionals, holders of Engility Holdings, Inc. securities and rating agencies).
 22. Discuss with management the guidelines and policies with respect to risk assessment and risk management including major financial risk exposure, the steps taken to monitor and control such risks and material enterprise risk management changes.
 23. Set clear hiring policies for employees or former employees of the independent auditors in accordance with applicable laws and regulations.
 24. Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters, or violations of the Company's Code of Ethics and Business Conduct, and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters or alleged violations of the Company's Code of Ethics and Business Conduct.
 25. Review annually the status of the Company's Ethics and Business Conduct Program, including its training program and the corporation's Code of Ethics and Business Conduct. Report on any amendments that may be needed to that program or to the Codes.
 26. Act as the steering committee for the Company's Ethics and Business Conduct Program. Meet periodically with the Corporate Ethics Officer; review the status of any ethics matters brought to the attention of the Corporate Ethics Officer and/or to the attention of the Committee and their resolution; periodically oversee the operation of the Corporate Compliance and Ethics Council, including meeting (in person or teleconference) at least quarterly with the Corporate Ethics Officer.
 27. Periodically meet separately in executive session with each of management, the senior internal auditing executive, and the independent auditors to discuss any appropriate matters.

28. Review with the Company's General Counsel or his or her designee any litigation and other legal matters that may have a material impact on the financial statements, including in the Company's periodic reports to the SEC.
29. Periodically inquire of the Company's General Counsel or his or her designee as to the Company's compliance with relevant legal and regulatory requirements, including with respect to the Foreign Corrupt Practices Act and similar foreign anti-bribery statutes and compliance with relevant import/export requirements, and the adequacy of control systems in place to assure such compliance.
30. Annually review and evaluate the performance of the Committee relative to the Committee's purpose, duties and responsibilities outlined herein.
31. Annually review and assess the adequacy of this charter and recommend any changes to the Board for approval.
32. Report to the Board the matters discussed at each Committee meeting. A copy of the minutes shall be placed with the Company's minute books.
33. Investigate any matter brought to the attention of the Committee that is considered appropriate and is within the scope of its responsibilities, including any matters required to be reported to the Committee by management by the rules of the SEC, PCAOB and NYSE.
34. Prepare the Audit Committee report required by the SEC to be included in the Proxy Statement. The report will include at least the following:
 - (i.) A statement that the Committee has reviewed and discussed the annual audited financial statements and audit of internal control over financial reporting with management;
 - (ii.) A statement that the Committee has discussed with the independent auditors the matters required by SAS 61, Required Communications with Audit Committees;
 - (iii.) A statement that the Committee has received written disclosures and the letter from the independent accountants required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Committee concerning independence, and has discussed with the independent accountant the independent accountant's independence; and
 - (iv.) A conclusion as to the Committee's recommendation to the Board as to the filing of the Form 10-K with the SEC.
35. Unless otherwise approved or ratified pursuant to the "Related Person Transaction Policy," the Committee shall review and approve or ratify all transactions between the Company and any Related Person that are required to be disclosed pursuant to Item 404(a) of Regulation S-K ("Item 404(a)"). "Related Person" shall have the meaning given to such term in Item 404(a), as amended from time to time.

36. Review and approve the decision by the Company and its subsidiaries to enter into swaps, as defined in Section 1a(47) of the Commodity Exchange Act and applicable regulation and rules (“Swaps”).
37. Review and approve the decision by the Company and its subsidiaries to enter into Swaps that are exempt from the requirements of section 2(h)(1) and 2(h)(8) of the Commodity Exchange Act (“Exempt Swaps”), pursuant to section 2(h)(7) of the Commodity Exchange Act and applicable regulations and rules (the “End-User Exception”). The Audit Committee must set appropriate policies governing use of Swaps, Exempt Swaps, and the End-User Exception by the Company and its subsidiaries. The Committee must review and approve the decision to use Exempt Swaps, and the policies governing the use of Exempt Swaps, at least annually or more often upon a triggering event, including but not limited to a change in the Company’s hedging policy.
38. The Committee shall perform such other functions and exercise such other powers as may be delegated to it by the Board from time to time.

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