



Audit Committee of the Board of Directors of WABCO Holdings Inc. (the Company) Charter

1. PURPOSE

The primary purpose of the Audit Committee (the "Committee") is to provide assistance to the Board of Directors (the "Board") in fulfilling its oversight responsibilities to the shareholders, potential shareholders, the investment community, and others with respect to:

- a. The quality and integrity of the Company's financial statements, financial reporting process and system of internal accounting and financial controls.
- b. The effectiveness of the Company's internal controls over financial reporting
- c. The Company's compliance with legal and regulatory requirements and ethics policies.
- d. The independent auditors' qualifications and independence.
- e. Audits of the Company's financial statements, including the performance of the Company's internal audit function and independent auditors.

II. STRUCTURE AND OPERATIONS

This Charter governs the operations of the Audit Committee. The Committee shall review and reassess the charter annually and obtain the approval of the Board of Directors for any amendments or modifications thereto. Specifically the Committee shall:

- a. Be elected by the full Board and serve at the pleasure of the Board. Any vacancy on the Committee shall be filled by the Board. No member of the Committee shall be removed except by the Board.
- b. Be comprised of three or more independent Board members each having a working familiarity with basic financial and accounting practices as contemplated by the New York Stock Exchange ("NYSE") or acquiring such familiarity within a reasonable amount of time after his or her appointment to the Committee and one of which has "accounting or related financial management expertise" as required by the NYSE listing standards. The term independent shall have the meaning set forth in the Company's Definition of Director Independence.
- c. Have at least one member who is a "financial expert" under the requirements of the Sarbanes-Oxley Act of 2002 or as defined by the Regulations of the U.S. Securities and Exchange Commission ("SEC") promulgated thereunder.
- d. Meet at least quarterly and report regularly to the Board of Directors on its activities. Review with the full Board of Directors any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.
- e. Meet separately and periodically with management, the General Auditor and the independent auditors to review the quarterly and annual financial statements. Require that independent and internal auditors meet privately with the Committee to discuss issues and concerns warranting special attention.



- f. Not have any member serve on the Audit Committee of more than three public corporations, including the Company, unless the Board of Directors
 - (i) determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee, and
 - (ii) discloses such determination in the annual proxy statement.
- g. Perform an evaluation of its performance annually to determine whether it is functioning effectively.
- h. Review and reassess the charter annually and obtain the approval of the Board of Directors for any amendments or modifications to the charter.
- i. Meet in periodic executive sessions and hold special meetings as circumstances warrant.

In fulfilling its responsibility, the Committee shall maintain free and open communication between the Committee, on the one hand, and the independent auditors, the internal auditors and management of the Company, on the other hand.

The Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company. The Committee shall have authority to engage outside counsel, experts and other advisors as the Committee may deem appropriate, and shall have a right to request any officer or employee of the Company or outside counsel, expert, advisor to attend a Committee meeting or to meet with any members of the Committee. The Committee shall have sole authority to approve outside counsel, experts and other advisors scope of work, fees and terms.

III. DUTIES AND RESPONSIBILITIES

The primary responsibility of the Committee is to oversee the Company's financial reporting process on behalf of the Board of Directors and report the results of their activities to the Board. Management of the Company is responsible for the preparation, presentation, and integrity of the Company's financial statements and for the appropriateness of the accounting principles and reporting policies that are used by the Company and for establishing and maintaining internal control over financial reporting. The independent auditors are responsible for auditing the Company's financial statements and the effectiveness of internal control over financial reporting, and for reviewing the Company's unaudited interim financial statements.

Specifically, with respect to the following topics the Committee shall:

Independent Auditors

- a. Be directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditors.
- b. Instruct the independent auditors to report directly to the Committee.
- c. Pre-approve all audits and permitted non-audit services provided by the independent auditors. The Committee may delegate pre-approval authority to a member of the Committee.
- d. Pre-approve all statutory audits not performed by Company's independent auditors.
- e. Review with the independent auditors their overall scope and plans for their respective audits, including the adequacy of staffing and compensation.

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- f. Oversee the resolution of any disagreements between management and the independent auditors regarding audit work or financial reporting.
- g. Review at least annually the qualifications, performance and independence of the independent auditors, including the lead partner, and present its conclusions with respect thereto, and its view on whether there should be a regular rotation of the independent auditors, to the Board.
- h. Annually obtain and review a report from the independent auditors describing their internal quality control procedures and any material issues raised by the most recent internal quality control or peer reviews of the independent auditors or by any inquiry or investigation of the independent auditors by governmental or professional authorities during the past five years and any corrective steps taken to deal with the issues.
- i. Annually obtain and review from the independent auditors a listing of all relationships between them and the Company, to assess the auditors' independence.
- j. Establish clear hiring policies for employees and former employees of the independent auditors that meet the SEC regulations and NYSE listing standards.
- k. Review with the independent auditors: (i) any audit or accounting adjustments proposed by the independent auditors but not undertaken by the Company, (ii) any issues presented by the engagement that may impair the independent auditors' effectiveness or difficulties caused by restrictions placed on the scope of activities or access to information; (iii) significant disagreements with management and management's response; (iv) any communications between the audit team and the audit firm's national office concerning auditing or accounting issues presented by the engagement; and (v) at least annually, obtain and review a report by the independent auditors on the adequacy of the Company's internal controls.

Financial Reporting

- a. Review the integrity and adequacy of the Company's internal and external financial reporting processes including management's assessment of the effectiveness of internal controls over financial reporting under Section 404 of the Sarbanes-Oxley Act including any material weaknesses or significant deficiencies identified, including the responsibilities, budget, compensation and staffing of the Company's internal audit function, at the end of the most recent fiscal year and the independent auditors' report on management's findings.
- b. Periodically review the effect of new regulatory and accounting initiatives and any off balance sheet structures on the financial statements of the Company.
- c. Meet with management and the independent auditors to review and discuss the company's quarterly press releases with respect to the Company's financial results and financial condition, which may also include financial guidance for the current or upcoming fiscal year. The Audit Committee is not required to discuss financial guidance and other financial information in advance of each press release or each instance in which the company may provide financial guidance or financial information.
- d. Meet with management and the independent auditors to review and discuss the interim financial statements and specific disclosures under Management's Discussion and Analysis of Financial Conditions and Results of Operations in each Quarterly Report on Form 10-Q, including the clarity of their disclosures.
- e. Meet with management and the independent auditors to review and discuss the audited financial statements and specific disclosures under Management's



Discussion and Analysis of Financial Conditions and Results of Operations in the Annual Report on Form 10-K, including the clarity of their disclosures.

- f. Review and approve all related party transactions required to be disclosed pursuant to SEC Regulation S-K, Item 404, and discuss with management the business rationale for the transactions and whether appropriate disclosures have been made.

Internal Controls

- a. Review with management the Company's administrative, operational and accounting internal controls, including any special steps adopted in light of the discovery of significant control deficiencies.
- b. Discuss with management its remediation plan to address internal control deficiencies.

Internal Audit

- a. Review and approve the Internal Audit Charter;
- b. Review and concur in the appointment, replacement, reassignment, or dismissal of the General Auditor who shall have direct access to the Committee.
- c. Instruct the General Auditor to report directly to the Committee.
- d. Review with the General Auditor and approve overall scope and risk-based plans for internal audits, including the adequacy of budget and resources plan.
- e. Review with the General Auditor the results of executing the internal audit plan including management's remediation of audit findings.
- f. Review and approve the performance and compensation of General Auditor, with the input of the Company CFO and CHRO, and assess the effectiveness of General Auditor and the Internal Audit function.

Legal, Compliance and Risk Management

- a. Review with the Company's legal counsel any legal matters, including but not limited to any actual or potential violations of laws or regulations or breaches of fiduciary duty or other matters that could have a material impact on the financial statements.
- b. Discuss with management and the independent auditors the Company's actions and activities concerning risk assessment and risk management, including the risk of fraud.
- c. Review and discuss with management, General Auditor and the independent auditors the Company's cybersecurity risk exposures, the measures management has taken to monitor and mitigate such risks including policies, processes and programs.
- d. Oversee compliance with the Code of Conduct and Ethics and determine that the Company has an effective compliance and ethics program.
- e. Establish and maintain procedures to ensure (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- f. Review with management the processes and controls to prevent and detect fraud.
- g. Review the Company's environmental programs and any potential impact on the Company's financial statements.



- h. Review the Company's risk management program to ensure adequate insurance coverage is in place.
- i. Review the Company's treasury activities, including cash management, hedging, derivatives, foreign currency transactions, and use of new or unusual financial instruments.
- j. Review the Company's tax positions.
- k. Review the operation of the Company's pension plans with particular attention to actuarial assumptions, funding policy and investment results.

Audit Committee Governance

- a. Receive updates from management regarding reports or inquiries received from the SEC or IRS and its responses to those reports, if applicable.
- b. Prepare an annual agenda to ensure all pertinent topics are addressed.
- c. Annually review this Charter; perform an annual self-evaluation of the Committee and its compliance with this Charter.
- d. Prepare any Audit Committee reports required in connection with the annual proxy statement.
- e. Provide recommendations to the Board, as the Committee deems appropriate.
- f. Maintain minutes and records of the meetings and activities.
- g. Perform such additional activities, and consider such other matters, within the scope of its responsibilities, as the Board deems necessary or appropriate.

IV. ADOPTION

This charter is effective as of December 7, 2018.