



## METHODE ELECTRONICS, INC. AUDIT COMMITTEE CHARTER

### ORGANIZATION

There shall be an Audit Committee of the Board of Directors, consisting of no less than three members, whose members shall meet the independence, experience and financial expertise requirements of any applicable laws and regulations. The Board of Directors shall appoint, remove and replace the Audit Committee members upon recommendation of the Nominating and Governance Committee.

No Director may serve as a member of the Audit Committee if such Director serves on the audit committees of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of such Director to effectively serve on the Audit Committee.

No member of the Audit Committee may receive any compensation from the Company other than: (i) director's fees (including an equity based component, if any), and (ii) a pension or other deferred compensation for prior service that is not contingent on future service.

### STATEMENT OF PURPOSE

The Audit Committee shall provide assistance to the Board of Directors in fulfilling the Board's oversight responsibility by overseeing: (1) the accounting and financial reporting processes of the Company, (2) audits of the financial statements of the Company, (3) the independent auditor's qualifications and independence, (4) the compliance by the Company with legal and regulatory requirements pertaining to the financial statements, (5) the performance of the Company's internal audit function and independent auditors, and (6) other legal and regulatory requirements.

### DUTIES AND RESPONSIBILITIES

The Audit Committee shall be directly responsible for the appointment, termination, compensation, and oversight of the independent auditors, which independent auditors shall report directly to the Committee. The Audit Committee may consult with Management, but shall not delegate these responsibilities.

The Audit Committee shall prepare an Audit Committee Report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.

The Audit Committee shall make regular reports to the Board. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review the Committee's own performance.

The Audit Committee has the obligation to engage independent legal, accounting or other advisors as it deems necessary to carry out its duties. The Company shall provide funding for any advisor employed by the Committee as well as for administrative expenses that are necessary or appropriate in carrying out the Committee's duties.

### Meetings

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee shall meet periodically with Management, the internal auditors and the independent auditors in separate executive sessions. The Audit Committee may request any officer or employee of the Company, or the Company's outside counsel or independent auditor, to attend a meeting of the Committee, or to meet with any member of or advisors to the Committee.

In addition to the foregoing responsibilities, the Audit Committee will:

### Financial Statement and Disclosure Matters

1. Review and discuss annual audited financial statements and quarterly financial statements, prior to filing, with Management and the independent auditor, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations." With respect to the annual audited financial statements, the Committee shall also recommend whether such audited financial statements should be included in the Company's Form 10-K.
2. Review with Management: (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, (ii) any major issues as to the adequacy of the Company's internal controls and any special audit steps which should be adopted in light of material control deficiencies, (iii) analyses 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, including analyses of the effects of alternative GAAP methods on the Company's financial statements, and (iv) other material written communications between the independent

auditor and Management, such as management letters or schedules of unadjusted differences.

3. Discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. The Committee shall discuss the type of information to be disclosed and the type of presentation to be made in the Company's earnings press releases.
4. Discuss with the independent auditor the effect of regulatory and accounting initiatives, as well as the advisability of the use of off-balance sheet structures, on the Company's financial statements.
5. Discuss with Management the Company's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies, including steps taken by Management to monitor and investigate such exposure.
6. Review with the independent auditor any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or on access to requested information, and any material disagreements with Management.
7. Review disclosure made to the Audit Committee and independent auditor by the Company's Chief Executive Officer and Chief Financial Officer during their certification process on Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving senior management or other employees who have a significant role in the Company's internal controls.

#### Oversight of the Company's Relationship with the Independent Auditor

1. Evaluate the independent auditor's qualifications, performance and independence, including a review of the lead audit partner. In making its evaluation, the Audit Committee will take into account opinions of Management and the Company's internal auditors (or other personnel responsible for the internal audit function). The Committee should present its conclusions with respect to the independent auditor to the full board.
2. Obtain and review a report from the independent auditor at least annually describing: 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 (to assess the auditor's independence).

3. Actively engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditor and taking appropriate action to oversee the independence of the independent auditor.
4. Assure that any required rotation of the lead audit partner is implemented and consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm itself on a regular basis. Conclusions concerning such rotation will be presented to the full board.
5. Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor who were engaged on the Company's account.
6. Pre-approve all audit and non-audit services performed by the independent auditors. For purposes of disclosure in the Company's annual report and proxy statement, the Committee will communicate its pre-approval policies and procedures and any pre-approved services to Management.

#### Oversight of the Company's Internal Audit Function

1. Review the annual plan and scope of work of the internal audit function, including budget levels and staffing.
2. Review, as appropriate, the results of internal audits and discuss significant internal control matters with the Internal Auditor, Management and the independent auditor.
3. Review and approve changes in internal audit staff.

#### Compliance Oversight Responsibilities

1. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
2. Discuss with Management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.

3. Discuss with the Company's legal counsel any legal matters that may have a material impact on the financial statements or the Company's compliance policies.
4. Review all related party transactions and potential conflict of interest situations on an ongoing basis.
5. Review and discuss with Management the Company's compliance with:  
(i) applicable legal requirements, and (ii) the Company's Code of Business Conduct.

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