

AGILYSYS INC.

AUDIT COMMITTEE CHARTER

COMMITTEE PURPOSE

The Audit Committee (the “Committee”) of Agilysys Inc. (the “Company”) is appointed by the Board of Directors of the Company. The primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with respect to the Company’s systems of internal controls, the Company’s compliance with legal and regulatory requirements, the qualifications and independence of the Company’s independent registered public accounting firm, and the performance of the Company’s internal audit function and registered independent public accounting firm; and in general to oversee the Company’s accounting and financial policies and reporting processes and the audits of the Company’s financial statements.

The Committee’s function is one of oversight only and shall not relieve the Company’s management of its responsibilities for preparing financial statements which accurately and fairly present the Company’s financial results and condition, or the responsibilities of the independent registered public accounting firm relating to the audit of the Company’s financial statements.

MEMBERSHIP

General.

The Committee shall consist of no less than three directors. Committee members shall be appointed by the Board of Directors each year at the July Board meeting and at other times when necessary to fill vacancies. Each appointed Committee member shall be subject to annual reconfirmation and may be removed by the Board of Directors at any time. The duties and responsibilities of the members of the Audit Committee are in addition to those as members of the Board of Directors.

Independence and Qualifications.

Each member of the Committee shall meet the independence and experience requirements as required by the rules of the Nasdaq Stock Market, Inc. (the “Nasdaq”), Section 10A(m) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules and regulations of the Securities and Exchange Commission, as such requirements may be amended from time to time.

All members of the Committee shall be able to read and understand financial statements, including a balance sheet, income statement and cash flow statement. At least one member of the Committee shall have past employment experience in finance or accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

RESPONSIBILITIES AND DUTIES

The Audit Committee shall perform the following responsibilities and duties:

1. Review annually the Audit Committee Charter for adequacy and recommend any changes to the Board.
2. Review the significant accounting principles, policies and practices followed by the Company in accounting for and reporting its financial results of operations in accordance with accounting principles generally accepted in the United States ("GAAP").
3. Review the financial, investment, risk assessment methodology, results of the annual risk assessment survey and related management policies followed by the Company.
4. Review the Company's information security and cybersecurity risks and steps that management has taken to protect against threats to the company's information systems and security including results of periodic security assessments performed in conjunction with ongoing monitoring.
5. Review the Company's annual audited financial statements, related disclosures, including the Management's Discussion and Analysis ("MD&A") portion of the Company's filings, and discuss with the independent registered public accounting firm the matters required to be discussed by Statement of Auditing Standards No. 114, including (a) the quality as well as acceptability of the accounting principles applied in the financial statements, and (b) new or changed accounting policies; significant estimates, judgments, uncertainties or unusual transactions; and accounting policies relating to significant financial statement items.
6. Review any management letters or internal control reports prepared by the independent registered public accounting firm or the Company's internal auditors and responses to such management letters, and review with the independent registered public accounting firm the Company's internal accounting controls, including the budget, staffing and responsibilities of the Company's Internal Audit department.
7. At least annually, review the performance of the Internal Audit Director in conjunction with the CFO. Review and concur with the appointment, dismissal and succession plan for the Company's Internal Audit Director.
8. Annually, approve the Internal Audit Charter, Internal Audit plan and all major changes to the plan or new projects. Any major changes in scope should be brought to the Audit Committee's attention for approval.
9. Authorize the Internal Audit Department to have unrestricted access to all records, personnel, and physical properties relevant to the performance of their engagements.
10. Preapprove 3rd party contracts required to execute any Internal Audit projects.

11. On a quarterly basis, meet with the Internal Audit Director separately to discuss any matters the Audit Committee or Internal Audit believes should be discussed privately.
12. Review the effectiveness of the independent audit effort, including approval of the scope of, and fees charged in connection with, the annual audit, quarterly reviews and any permissible non-audit services being provided.
13. Approve any and all scope changes to the independent auditor plan. Any major changes in scope should be brought to the full Audit Committee's attention for approval.
14. Pre-approve all audit services and permissible non-audit services by the independent registered public accounting firm, as set forth in Section 10A of the Exchange Act and the rules and regulations promulgated thereunder by the SEC. The Committee may establish pre-approval policies and procedures, as permitted by Section 10A of the Exchange Act and the rules and regulations promulgated thereunder by the SEC, for the engagement of independent registered public accounting firm to render services to the Company, including but not limited to policies that would allow the delegation of pre-approval authority to one or more members of the Committee, provided that any pre-approvals delegated to one or more members of the Committee are reported to the Committee at its next scheduled meeting.
15. Be directly responsible for the appointment, determination of the compensation for, retention and oversight of the work of the independent registered public accounting firm employed to conduct the audit (including resolution of disagreements between the independent registered public accounting firm and management regarding financial reporting) or other services. The independent registered public accounting firm shall report directly to the Audit Committee.
16. Complete annually an evaluation of the Company's independent registered public accounting firm based upon the following criteria: (1) The accounting firm's credentials, reputation, independence and prospective fees; (2) the Company's past experience with the personnel assigned to the audit conducted by the accounting firm and the quality of their work; (3) the accounting firm's quality control programs, such as peer reviews, professional education and rotation of personnel; and (4) evaluation of the effectiveness of the accounting firm from the Company's management and Internal Audit Department. (5) Coordination of audit effort with Internal Audit
17. Review the Company's hiring policies relating to the employment of any employees or former employees of the independent registered public accounting firm.
18. Obtain on an annual basis a formal written statement from the independent registered public accounting firm delineating all relationships between the registered public accounting firm and the Company consistent with PCAOB Rule 3526, and review and discuss with the registered public accounting firm all significant relationships the registered public accounting firm have with the Company which may affect the registered public accounting firm's independence. The Audit Committee is responsible for ensuring the independence of the independent registered public accounting firm.

19. For each of the first three fiscal quarters and at year end, at a Committee meeting, review with management the financial results, the proposed earnings press release and formal guidance which the Company may plan to offer, and review with the independent registered public accounting firm the results of their review of the interim financial information and audit of the annual financial statements.
20. Review management's analysis of any significant accounting issues, changes, estimates, judgments or unusual items relating to the financial statements and the selection, application and effects of critical accounting policies applied by the Company (including an analysis of the effect of alternative GAAP methods) and review with the independent registered public accounting firm the reports on such subjects delivered pursuant to Section 10A(k) of the Exchange Act and the rules and regulations promulgated thereunder by the SEC.
21. For each of the first three fiscal quarters and at year end, at a Committee meeting, review with management any suspected or reported allegations of fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.
22. Following completion of the annual audit, review separately with the independent registered public accounting firm, the Internal Audit department, and management any significant difficulties encountered during the course of the audit.
23. Engage and determine funding for such independent professional advisers and counsel as the Committee determines are appropriate to carry out its functions hereunder. The Company shall provide appropriate funding to the Committee, as determined by the Committee, for payment of (1) compensation to the independent registered public accounting firm for services approved by the Committee, (2) compensation to any outside advisers retained by the Committee, and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
24. Report to the Board on a regular basis on the material events covered by the Audit Committee and make recommendations to the Board and management concerning these matters.
25. Perform any other activities consistent with this charter, the Company's Bylaws and governing law as the Committee or the Board deems necessary or appropriate, including but not limited to the Company's legal and regulatory compliance.
26. Approve all related party transactions, as defined by applicable NASD Rules, to which the Company is a party, and periodically review the Company's Related Person Transaction Procedures for adequacy.
27. Establish procedures for: (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

28. Oversee the Company's development and implementation of the Company's Code of Business Conduct, monitor the Company's compliance with the Code of Business Conduct, including confirming that appropriate reporting and investigative processes are in place, and report periodically to the Board regarding the Company's compliance with the Code of Business Conduct, and annually review the Code of Business Conduct for adequacy.

ADMINISTRATION

The Committee will meet at least quarterly and more frequently if circumstances warrant. A majority shall constitute a quorum of the Committee for purposes of each meeting. All Committee actions shall be taken by a majority vote of the quorum of members present in person or by telephone at the meeting.

The Committee members will have sole discretion in determining the meeting attendees which may include, but not necessarily be limited to, members of senior management, the independent registered public accounting firm or internal auditors and the agenda for its meeting. These parties may be invited to participate in meetings of the Committee, but may be excused from participation in discussions of any matter under consideration at the discretion of the Committee.

The Committee will keep minutes of its meetings and promptly and regularly report on all Committee business and affairs to the Board. All members of the Board of Directors will receive a copy of the Audit Committee minutes following each such meeting.