

BARINGS BDC, INC.
AUDIT COMMITTEE CHARTER

This Audit Committee Charter was amended and restated by the Board of Directors (the “Board”) of Barings BDC, Inc. (the “Company”) on August 2, 2018.

I. Purpose

The purpose of the Audit Committee (the “Committee”) is to assist the Board with its oversight responsibilities regarding: (i) the integrity of the Company’s financial statements; (ii) the integrity of the accounting and financial reporting processes of the Company and the audits of the financial statements; (iii) the Company’s compliance with legal and regulatory requirements; (iv) the independent registered public accounting firm’s qualifications and independence; and (v) the performance of the Company’s internal audit function and independent registered public accounting firm. The Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the “SEC”) including item 407(d)(3)(i) of Regulation S-K, as amended to be included in the Company’s annual proxy statement.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company’s bylaws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

Notwithstanding the foregoing, the Committee’s responsibilities are limited to oversight of the Company’s accounting and financial reporting processes and the audits of the Company’s financial statements. The investment adviser to the Company is responsible for the preparation, presentation and integrity of the Company’s financial statements as well as the Company’s financial reporting process, accounting policies, internal audit function, internal control over financial reporting and disclosure controls and procedures. The independent registered public accounting firm is responsible for planning and conducting proper audits of the Company’s annual financial statements, expressing an opinion as to the conformity of such annual financial statements with generally accepted accounting principles, expressing an opinion on the Company’s management’s assessment of the Company’s internal control over financial reporting, expressing an opinion on the Company’s internal control over financial reporting and reviewing the Company’s quarterly financial statements. It is not the responsibility of the Committee to plan or conduct audits or to determine that the Company’s financial statements and disclosure are complete and accurate and in accordance with generally accepted accounting principles and applicable laws, rules and regulations. Each member of the Committee shall be entitled to rely on the integrity of those persons within the Company and of the professionals and experts (including the investment adviser’s internal auditor (or others responsible for the internal audit function,

including contracted non-employee or audit or accounting firms engaged to provide internal audit services) (the “internal auditor”) and the Company’s independent registered public accounting firm) from which the Committee receives information and, absent actual knowledge to the contrary, the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts.

Further, auditing literature, particularly Statement on Auditing Standards No. 100, defines the term “review” to include a particular set of required procedures to be undertaken by independent auditors. The members of the Committee are not independent auditors, and the term “review” as used in this Charter is not intended to have that meaning and should not be interpreted to suggest that the Committee members can or should follow the procedures required of auditors performing reviews of financial statements.

II. Membership

The Committee shall consist of at least three members of the Board and shall be composed solely of Independent Directors. “Independent Directors” are members of the Board who (i) are not “interested persons” as defined in the Investment Company Act of 1940, as amended (the “1940 Act”) of the Company; (ii) are “independent directors” as defined by the New York Stock Exchange listing standards; (iii) meet the criteria for independence under the applicable rules under Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the other applicable rules and regulations of the SEC; (iv) have not participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three (3) years; and (v) are otherwise free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of their independent judgment as a member of the Audit Committee, all as determined by the Board of Directors.

In addition, each Committee member must be financially literate, which the Board interprets to mean able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement. The Company also must have at least one member of the Committee who has accounting or related financial management expertise, which may include requisite professional certification in 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. If the Board determines that a member of the Committee is an audit committee financial expert, it may presume that such member has accounting or related financial management expertise.

No director may serve as a member of the Committee if such director serves on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to serve effectively on the Committee, and discloses this determination in the Company’s annual proxy statement.

The members of the Committee, including the Chair of the Committee, shall be appointed by the Board. Committee members may be removed from the Committee, with or without cause, by the Board.

III. Meetings and Procedures

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee shall meet at least once during each fiscal quarter and more frequently as the Committee deems desirable. The Committee shall meet separately, periodically, with management, with the internal auditor and with the Company's independent registered public accounting firm.

All non-management directors who are not members of the Committee may attend and observe meetings of the Committee but shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of the Company's management, representatives of the Company's independent registered public accounting firm, the internal auditor, any other financial personnel employed or retained by the Company or any other persons whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including, but not limited to, any non-management director that is not a member of the Committee.

The Committee may retain any independent counsel, experts or advisors (accounting, financial or otherwise) that the Committee believes to be necessary or appropriate to carry out its duties. The Committee may also utilize the services of the Company's investment adviser's legal counsel, regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent registered public accounting firm for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, to any advisors employed by the Committee, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee may conduct or authorize investigations into any matters within the scope of the powers and responsibilities delegated to the Committee.

IV. Powers and Responsibilities

The duties and powers of the Committee include, but are not limited to, the following:

Interaction with the Independent Registered Public Accounting Firm

1. *Appointment and Oversight.* The Committee shall be directly responsible and have sole authority for the appointment, compensation, retention and oversight of the work of the independent registered public accounting firm (including resolution of any disagreements between the investment adviser/management and the independent registered public accounting firm regarding financial reporting) for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the

Company. The independent registered public accounting firm shall report directly to the Committee.

2. *Pre-Approval of Services.* Before the independent registered public accounting firm is engaged by the Company or its subsidiaries to render audit or non-audit services, the Committee shall preapprove the engagement. Committee pre-approval of audit and non-audit services will not be required if the engagement for the services is entered into pursuant to pre-approval policies and procedures established by the Committee regarding the Company's engagement of the independent registered public accounting firm, provided the policies and procedures are detailed as to the particular service, the Committee is informed of each service provided and such policies and procedures do not include delegation of the Committee's responsibilities under the Exchange Act to the Company's management. The Committee may delegate to one or more designated members of the Committee the authority to grant pre-approvals, provided such approvals are presented to the Committee at a subsequent meeting. If the Committee elects to establish pre-approval policies and procedures regarding non-audit services, the Committee must be informed of each non-audit service provided by the independent registered public accounting firm. Committee pre-approval of non-audit services (other than review and attest services) also will not be required if such services fall within available exceptions established by the SEC.
3. *Independence, Qualifications, and Performance of Independent Registered Public Accounting Firm.* The Committee shall, at least annually, review the independence and quality control procedures of the independent registered public accounting firm and the experience and qualifications of the independent registered accounting firm's senior personnel that are providing audit services to the Company. The Committee shall present its conclusions with respect to the independent registered public accounting firm to the Board. In conducting its review:
 - i. The Committee shall ensure that the independent registered public accounting firm prepares and delivers, at least annually, a formal written statement delineating all relationships between the independent registered public accounting firm and the Company, consistent with Public Company Accounting Oversight Board ("PCAOB") Rule 3526, *Communication with Audit Committees Concerning Independence* (it being understood that the independent auditors are responsible for the accuracy and completeness of this statement). The Committee shall actively engage in a dialogue with the independent registered public accounting firm with respect to any disclosed relationships or services that, in the view of the Committee, may impact the objectivity and independence of the independent registered public accounting firm. The Committee shall satisfy itself of the auditor's independence.
 - ii. The Committee shall, at least annually, obtain and review a report by the independent registered public accounting firm describing:
 - a. The firm's internal quality-control procedures.

- b. Any material issues raised by the most recent internal quality-control review, or peer review of the 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 firm, and any steps taken to deal with any such issues.
- c. All relationships between the independent registered public accountants, the Company and the Company's investment adviser.

This report should be used to evaluate the independent public accountant's qualifications, performance and independence.

- iii. The Committee shall review the experience and qualifications of the lead partner each year and confirm with the independent registered public accounting firm that it is in compliance with the partner rotation requirements, as promulgated by applicable rules and regulations. The Committee will also consider whether there should be rotation of the independent registered public accounting firm itself.
- iv. The Committee shall, if applicable, consider whether the independent registered public accounting firm's provision of any permitted non-audit services to the Company is compatible with maintaining the independence of the independent auditor.

Annual Financial Statements and Annual Audit

- 4. *Meetings with Management, the Independent Registered Public Accounting Firm and the Internal Auditor.*
 - i. The Committee shall meet separately with management, the independent registered public accounting firm and the internal auditor in connection with each annual audit to discuss the scope of the audit, the procedures to be followed and the staffing of the audit.
 - ii. The Committee shall review and discuss with management and the independent registered public accounting firm any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities of which the Committee is made aware that do not appear on the financial statements of the Company and that may have a material current or future effect on the Company's financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components of revenues or expenses.
 - iii. The Committee shall review and discuss the annual audited financial statements with management and the independent registered public accounting

firm, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

- iv. The Committee shall obtain from the independent registered public accounting firm assurances that procedures required under Section 10A of the Exchange Act have been complied with.
 - v. The Committee shall discuss with the independent registered public accounting firm the report that such auditor is required to make to the Committee regarding: (A) all accounting policies and practices to be used that the independent auditor identifies as critical; (B) all alternative treatments within GAAP for policies and practices related to material items that have been discussed among management and the independent registered public accounting firm, including the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent registered public accounting firm; and (C) all other material written communications between the independent registered public accounting firm and management of the Company, such as any management letter, management representation letter, reports on observations and recommendations on internal controls, independent registered public accounting firm's engagement letter, independent registered public accounting firm's independence letter, schedule of unadjusted audit differences and a listing of adjustments and reclassifications not recorded, if any.
 - vi. The Committee shall discuss with the independent registered public accounting firm (A) any audit problems or difficulties encountered during their audit, including any restrictions on their scope of activities or access to requested information; (B) any significant disagreements with management; (C) any communications between the audit team and the independent registered public accounting firm's national office respecting auditing or accounting issues presented by the engagement; and (D) any accounting or disclosure issues not resolved to their satisfaction.
 - vii. The Committee shall review and discuss with the independent registered public accounting firm the matters required to be discussed with the firm under Auditing Standard No. 16, *Communications with Audit Committees*.
 - viii. The Committee shall review with the independent registered public accounting firm any audit problems or difficulties and management's response.
5. *Committee Review of Other Items Pertaining to Financial Statements and Audit.*
- i. The Committee shall review major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; major issues as to the adequacy of the Company's internal controls; and any special audit steps adopted in light of material control deficiencies.

- ii. The Committee shall review analyses prepared by management and the independent registered public accountant 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 financial statements.
 - iii. The Committee shall review the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the financial statements of the Company.
6. *Recommendation to Include Financial Statements in Annual Report.* The Committee shall, based on the review and discussions in paragraphs 4(iii) and (vi) above, and based on the *disclosures* received from the independent registered public accounting firm regarding its independence and discussions with the auditor regarding such independence pursuant to subparagraph 3(i) above, determine whether to recommend to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year subject to the audit.

Quarterly Financial Statements

7. *Quarterly Financial Statement Review.* The Committee shall review and discuss the quarterly financial statements with management and the independent registered public accounting firm, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Internal Audit

8. *Appointment.* The Committee shall review the appointment and replacement of the internal auditor.
9. *Meetings with the Internal Auditor.* The Committee shall meet periodically with the Company's internal auditor to discuss the responsibilities, budget and staffing of the Company's internal audit function and any issues that the internal auditor believes warrant audit Committee attention. The Committee shall discuss with the internal auditor any significant reports to management prepared by the internal auditor and any responses from management.

Other Powers and Responsibilities

10. The Committee shall review all related party transactions required to be disclosed in the Company's proxy statement on an ongoing basis, and all such transactions must be approved by the Committee.
11. The Committee shall discuss with management and the independent registered public accounting firm any correspondence from or with regulators or governmental agencies, any employee complaints or any published reports that raise material issues regarding the Company's financial statements, financial reporting process, accounting policies or internal audit function.

12. The Committee shall discuss with the Company's Chief Legal Officer or outside counsel any legal matters brought to the Committee's attention that could reasonably be expected to have a material impact on the Company's financial statements.
13. The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding (i) accounting, internal accounting controls or auditing matters and (ii) for the confidential, anonymous submission by employees of the Company, the investment adviser, administrator, principal underwriter, or any other provider of accounting related services for the Company and the employees of its service providers regarding questionable accounting or auditing matters.
14. The Committee, through its Chair, shall report regularly to and review with the Board 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 registered public accounting firm, the performance of the Company's internal audit function or any other matter the Committee determines is necessary or advisable to report to the Board.
15. The Committee shall at least annually perform an evaluation of the performance of the Committee and its members, including a review of the Committee's compliance with this Charter.
16. The Committee shall at least annually review and reassess this Charter and submit any recommended changes to the Board for its consideration.
17. The Committee shall discuss and review the Company's earnings press releases, including the type and presentation of information to be included in the earnings press releases, paying particular attention to any pro forma or adjusted non-GAAP information. Such discussion may be in general terms.
18. The Committee shall discuss financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be in general terms.
19. The Committee shall discuss policies with respect to risk assessment and risk management, including appropriate guidelines and policies to govern the process, as well as the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
20. The Committee shall set clear hiring policies, consistent with governing laws and regulations, for hiring personnel of the independent registered public accounting firm.
21. In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company's bylaws.