



**EMCORE CORPORATION  
CHARTER OF THE AUDIT COMMITTEE OF  
THE BOARD OF DIRECTORS**

**(Amended September 16, 2016)**

**I. Purpose**

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of EMCORE Corporation (the “Company”) will have the oversight, responsibility, authority and duties as described below. The responsibilities and duties delegated by the Board to the Committee in this Charter shall be exercised and carried out by the Committee as it deems appropriate and in a manner consistent with this Charter and any provisions of the Company’s bylaws that are applicable to the Committee.

The primary function of the Committee is to:

- assist the Board in fulfilling its oversight responsibilities by reviewing the financial information that will be provided to the Company’s shareholders and others and overseeing the accounting and financial reporting processes of the Company performed by management, the audits of the financial statements of the Company and the Company’s systems of internal controls that management has established,
- oversee the independent accountant of the Company and its independence, qualifications and performance,
- oversee the internal audit function of the Company, and
- review compliance by the Company with certain legal and regulatory requirements.

The Committee shall have the sole authority to engage independent counsel and other advisers as it determines necessary to carry out its duties. The Company shall provide for appropriate funding, as determined by the Committee, for payment of: (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, (ii) compensation to any advisers employed by the Committee pursuant to the Committee’s authority to engage such advisers under this Charter, and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

**II. Organization, Committee Membership and Meetings**

1. The Committee will consist of not less than three (3) directors, with the exact number of directors to be designated from time to time by the Board. The members of the Committee will meet the independence and experience requirements of the Nasdaq Stock Market LLC (“Nasdaq”), the additional independence requirements of the Securities and Exchange Commission (the “SEC”) for membership on the Committee and any other membership guidelines established by the Board, in each case as determined by the Board in its business judgment. At least one member of the Committee will have the finance, accounting or other comparable experience necessary to be considered an audit committee financial expert as defined by the rules and regulations of the SEC, as such qualifications are interpreted by the Board in its business judgment. No member of the Committee shall have participated in the preparation of the financial statements of the Company in the past three years.
2. The members of the Committee shall be appointed by the Board, upon recommendation by the Nominating Committee, and may be removed by the Board at any time with or without cause. One of the members shall be appointed Chairperson by the full Board and, in the absence of any such designation by the Board, the Committee shall designate by majority vote of the full Committee one

member of the Committee as its Chairperson.

3. The Committee may form, and delegate authority and responsibilities set forth in this Charter to, subcommittees consisting of one or more members of the Committee when determined appropriate, including the authority to grant pre-approvals of audit and non-audit services as required by this Charter, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting.
4. The Committee will meet at least four times each year, and at such other times as it deems necessary or appropriate to fulfill its purpose and responsibilities. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action by written consent, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board in accordance with the bylaws of the Company. The Committee may, at its discretion, invite members of the Company's management or others to attend Committee meetings. All directors that are not members of the Committee may attend and observe meetings of the Committee unless otherwise determined by the Committee, but will not be entitled to vote.
5. The Committee shall maintain written minutes of its meetings, which minutes will be filed in the corporate minute book of the Company.

### **III. Committee Duties and Responsibilities**

#### **General Responsibilities**

1. The Committee provides open avenues of communication among the internal auditors, the independent accountant and the Board.
2. The Committee must report its actions to the full Board and may make recommendations to the Board as appropriate.
3. The Committee has the power to conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities. The Committee is authorized to retain independent counsel, accountants or others it needs to assist in an investigation or to carry out its duties, at the expense of the Company.
4. The Committee is directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit review or attest services for the Company, and the auditor must report directly to the Committee. The Committee is also responsible for the resolution of disagreements between management and the independent accountants regarding accounting and financial reporting.
5. The Committee shall have such additional responsibilities related to the financial matters of the Company as the Board may, from time to time, assign to the Committee.

While the Committee has the responsibilities and powers set forth in this Charter, its role is oversight. Accordingly, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of Company management and, in the case of the audit of the Company's financial statements, the independent accountants.

#### **Specific Duties**

In carrying out its oversight responsibilities, the Committee will:

1. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. This should be done in compliance with applicable Nasdaq audit committee requirements.
2. Review with the Company's management, internal audit personnel and independent accountants the Company's accounting and financial reporting processes and internal controls. Obtain annually in writing from the independent accountants their letter as to the adequacy of the Company's internal controls.
3. Review with the Company's management, internal audit personnel and independent accountants significant accounting and reporting principles, practices and procedures applied by the Company in preparing its financial statements, including any significant changes in the Company's selection or application of accounting principles. Discuss with the independent accountants their judgments about the quality, not just the acceptability, of the Company's accounting policies and practices, and any changes therein. Obtain and review annually, prior to the completion of the annual audit of the Company's financial statements, a report from the independent accountants describing (i) all critical accounting policies and practices to be reflected in the annual audit, (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of such alternative disclosures and treatments and the treatment preferred by the independent accountants, and (iii) other material written communications between the independent accountants and management, such as any management letter or schedule of unadjusted differences.
4. Review the scope of internal audit's work plan for the year and receive a summary report of major findings by the Company's internal auditors and how management is addressing the conditions reported.
5. Pre-approve all audit and permitted non-audit services (including the planning, staffing and scope of the audit and fees to be charged) provided to the Company by the Company's independent accountants. The Committee's review of the scope of the annual audit should include an explanation from the independent accountants of the factors considered by the accountants in determining the audit scope, including the major risk factors. The independent accountants should confirm to the Committee that no limitations have been placed on the scope or nature of their audit procedures. The Committee may consult with management regarding the pre-approval of audit and non-audit services, including the fee arrangement with the independent accountants for such services, but shall not delegate these responsibilities to management.
6. Inquire as to the independence of the independent accountants and obtain from the independent accountants, at least annually, a report describing (i) the independent accountants' internal quality control procedures, (ii) any material issues raised by the most recent internal quality control review or peer review of the independent accountants, 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 independent accountants, and (iii) any steps taken to deal with any such issues, as well as a formal written statement delineating all relationships between the independent accountants and the Company consistent with applicable requirements of the Public Company Accounting Oversight Board ("PCAOB"). The Committee should discuss with the independent accountants any issues or relationships disclosed to the Committee in such report that may have an impact on the competence or independence of the independent accountants and shall evaluate the qualifications, performance and independence of the independent accountants, including considering whether the independent accountants' quality controls are adequate and the provision of any non-audit services is compatible with maintaining the independence of the independent accountants.
7. Review with management, internal audit and the independent accountants the Company's quarterly

financial statements prior to the filing of the applicable Form 10-Q of the Company. [Have a predetermined arrangement with the independent accountants that (i) they will advise the Committee, through its chairperson, and management of the Company of any matters identified through procedures followed for interim quarterly financial statements, and (ii) such notification is to be made prior to the release of the applicable quarterly financial press release or, if not practicable, prior to filing of the applicable Form 10-Q.] The Committee shall also receive a communication from the independent accountants at the end of each of the first three quarters of the year concerning all other matters required to be communicated by the independent accountants to the Committee with respect to the review of the Company's financial statements as set forth in applicable standards adopted by the PCAOB.

8. In connection with the annual audit, review with management, internal audit and the independent accountants the following:
  - The annual financial statements and related footnotes and financial information to be included in the Company's annual report on Form 10-K.
  - Results of the audit of the financial statements and the related report thereon and, if applicable, a report on changes during the year in accounting principles and their application.
  - Significant changes to the audit plan, if any, and any serious disputes or difficulties with management encountered during the audit. The Committee shall inquire about the cooperation received by the independent accountants during their audit, including access to all requested records, data and information. In addition, the Committee shall inquire of the independent accountants whether there have been any disagreements with management which, if not satisfactorily resolved, would have caused them to issue a nonstandard report on the Company's financial statements.
  - Any other matters required to be communicated by the independent accountants to the Committee with respect to the annual audit of the Company's financial statements pursuant to applicable standards adopted by the PCAOB.

If deemed appropriate after such review and discussion, recommend to the Board that the financial statements be included in the Company's annual report on Form 10-K.

9. After preparation by management and review by internal audit personnel and independent accountants, approve the report required under SEC rules to be included in the Company's annual proxy statement. The Committee's charter shall be posted on the Company's website.
10. Discuss with the independent accountants the quality of the Company's financial and accounting personnel. Also, elicit the comments of management regarding the responsiveness of the independent accountants to the Company's needs.
11. Meet with management, internal audit personnel and the independent accountants to discuss any relevant significant recommendations that the independent accountants may have, particularly those characterized as "material" or "serious."
12. The Committee shall periodically review management's assessment regarding the adequacy and effectiveness of internal controls and procedures and may take appropriate action with respect to any significant deficiencies or material weaknesses in the design or operation of internal controls and procedures and any irregularities involving management or other employees with a significant role in such controls and procedures. The Committee shall review with management, the independent accountants and the internal audit staff the adequacy of internal controls. The Committee shall also review with the CEO and CFO how they are meeting their obligations under the certification requirements of Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 and shall make recommendations as the Committee deems necessary. In particular, the Committee

shall review any issues related to the Company's disclosure controls and procedures and internal control over financial reporting and any special audit steps adopted in light of identified deficiencies. The Committee does not have any responsibility for the certifications pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act.

13. As needed, establish clear policies, consistent with governing laws and regulations, for hiring employees or former employees of the independent accountants.
14. Review the appointment and replacement of the senior internal audit executive.
15. Review with management, internal audit personnel and the independent accountants the methods used to establish and monitor the Company's policies with respect to unethical or illegal activities by Company employees that may have a material impact on the financial statements.
16. The Committee shall establish such procedures as it deems appropriate or as are required pursuant to the rules and regulations of the SEC and the Nasdaq regarding the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, as well as the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. The Committee shall periodically review with management any significant complaints received.
17. Generally as part of the review of the annual financial statements, receive an oral report(s), at least annually, from the Company's general counsel or other applicable in-house or outside counsel concerning legal and regulatory matters that may have a material impact on the financial statements.
18. Oversee and periodically review the Company's system to monitor compliance with the Company's Code of Business Conduct and Ethics and Code of Ethics for Financial Professionals (collectively, the "Codes"), and approve in advance any waivers of compliance with such Codes for directors and executive officers as required by the rules of the SEC and Nasdaq.
19. Review reports and disclosures of significant conflicts of interest and related party transactions, and consider for waiver, ratification or approval, as applicable, any such conflicts of interest or related party transactions, to the extent required by the Codes or applicable law.
20. Discuss policies with respect to risk assessment and risk management, the Company's major financial exposures and the steps management has taken to monitor and control such exposures, it being understood that it is the job of management to assess and manage the Company's exposure to risk and that the Committee's responsibility is to discuss guidelines and policies by which risk assessment and management are undertaken.
21. As the Committee may deem appropriate, obtain, weigh and consider expert advice as to Audit Committee related rules of the Nasdaq, applicable auditing or accounting standards and other accounting, legal and regulatory provisions.
22. At least once every three (3) years, the Committee shall request that its independent auditing firm conduct a comprehensive review and assessment of the Company's internal controls and internal audit function and prepare and submit to the Committee a report and recommendation.
23. At least annually, the Committee shall meet with the Company's internal auditors and independent accountants to review, discuss and approve the Company's accounting for stock-based compensation.