

IRIDEX CORPORATION AUDIT COMMITTEE CHARTER

(As adopted on May 7th, 2020)

1. Purpose

The purpose of the Audit Committee (the “Audit Committee”) of the Board of Directors (the “Board”) of IRIDEX Corporation (the “Company”) shall be to:

- Oversee the accounting and financial reporting and disclosure processes of the Company and audits of the financial statements of the Company;
- Assist the Board in oversight and monitoring of (i) the integrity of the Company’s financial statements, (ii) the Company’s compliance with financially oriented legal and regulatory requirements, (iii) the independent auditor’s qualifications, independence and performance, (iv) the Company’s internal audit function, and (v) the Company’s internal accounting, financial and disclosure controls; and
- Undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

This Charter sets forth the authority and responsibility of the Audit Committee in fulfilling its purpose. While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company’s financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of the Company’s management and the Company’s independent auditors.

2. Membership and Organization

The Audit Committee members will be appointed by, and will serve at the discretion of, the Board of Directors. The Audit Committee will consist of at least three members of the Board of Directors. Members of the Audit Committee must meet the following criteria (as well as any criteria required by the U.S. Securities and Exchange Commission (the “SEC”)):

- Each member will be an independent director, as defined in (i) Rule 5605(a)(2) of The Nasdaq Stock Market and (ii) the rules of the SEC;
- Each member will be able to read and understand fundamental financial statements, in accordance with The Nasdaq Stock Market Audit Committee requirements;
- At least one member will have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background, including a current or past position as a principal

financial officer or other senior officer with financial oversight responsibilities or public accountant or auditor; and,

- Each member shall not simultaneously serve on more than four public company audit committees.

3. ***Responsibilities and Authority***

The responsibilities of the Audit Committee shall include:

- Reviewing on a continuing basis the adequacy of the Company's system of internal controls, including meeting periodically with the Company's management and the independent auditors to review the adequacy of such controls and to review before release the disclosure regarding such system of internal controls required under SEC rules to be contained in the Company's periodic filings and the reports, and if applicable, the attestations by the independent auditors relating to such disclosure;
- Appointing, compensating and overseeing the work of the independent auditors (including resolving disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work;
- Pre-approving audit and non-audit services provided by the independent auditors of the Company (or subsequently approving non-audit services in those circumstances where a subsequent approval is necessary and permissible); in this regard, the Audit Committee shall have the sole authority to approve the hiring and firing of the independent auditors, all audit engagement fees and terms and all non-audit engagements, as may be permissible, with the independent auditors;
- Reviewing and providing guidance with respect to the external audit and the Company's relationship with its independent auditors by (i) reviewing the independent auditors' proposed audit scope, approach and independence; (ii) obtaining on a periodic basis a statement from the independent auditors regarding relationships and services with the Company which may affect independence; (iii) reviewing the independent auditors' peer review as the same may be conducted from time to time; (iv) discussing with the Company's independent auditors the financial statements and audit findings, including any significant adjustments, management judgments and accounting estimates, significant new accounting policies and disagreements with management and any other matters that are the required to be communicated to the Audit Committee by the independent auditors pursuant to requirements of the Public Company Accounting Oversight Board; and (v) reviewing reports submitted to the Audit Committee by the independent auditors in accordance with the applicable SEC requirements;
- Reviewing and discussing with management and the independent auditors the

annual audited financial statements and quarterly unaudited financial statements, including the Company's selection, application and disclosure of critical accounting policies and practices, prior to filing the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, respectively, with the SEC;

- Reviewing before release the unaudited annual and quarterly GAAP and non-GAAP (to the extent used) operating results in the Company's annual and quarterly earnings releases;
- Overseeing the activity of the internal audit function within the Company including the composition of the internal audit staff, the scope of the internal audit staff's annual work plan and, as appropriate, review significant findings and management's actions to address these findings;
- Reviewing, approving and monitoring the Company's code of ethics for its senior financial officers;
- Reviewing management's monitoring of compliance with the Company's standards of business conduct and with the Foreign Corrupt Practices Act;
- Providing oversight and reviewing at least annually of the Company's investment policies;
- Overseeing and reviewing the Company's policies regarding information technology and management information systems;
- Assisting the Board in the Company's overall risk management as and when directed by the Board;
- If necessary, instituting special investigations with full access to all books, records, facilities and personnel of the Company;
- As appropriate, obtaining advice and assistance from outside legal, accounting or other advisors;
- Reviewing and approving in advance proposed related party transactions;
- Reviewing its own charter, structure, processes and membership requirements, and, by agreement of either the members of the Compensation Committee or the Board, at the Board's discretion, appoint a chair of the Audit Committee on the recommendation of the Nominating & Governance Committee;

- Preparing the report that the rules of the SEC required to be included in the Company's annual proxy statement; and
- Establishing procedures for receiving, retaining and treating complaints received by the Company regarding accounting, internal accounting controls or auditing matters and procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

4. *Meetings*

The Audit Committee will meet at least four times each year. The Audit Committee may establish its own schedule, which it will provide to the Board of Directors in advance.

The Audit Committee will meet with senior members of management responsible for the Company's financial reporting and internal controls at such times as are appropriate to review the financial affairs of the Company. The Audit Committee will meet separately with the independent auditors of the Company, at such times as it deems appropriate, but not less than quarterly, and with the internal finance department, at such times as it deems appropriate, to fulfill the responsibilities of the Audit Committee under this charter.

5. *Compensation*

Members of the Audit Committee shall receive such fees, if any, for their service as Audit Committee members as may be determined by the Board in its sole discretion. Such fees may include retainers or per meeting fees. Fees may be paid in such form of consideration as is determined by the Board.

Members of the Audit Committee may not receive any compensation from the Company except the fees and equity that they receive for service as a member of the Board or any committee thereof.

6. *Delegation of Authority*

The Audit Committee may delegate to one or more designated members of the Audit Committee the authority to pre-approve audit and permissible non-audit services, provided such pre-approval decision is presented to the full Audit Committee at its scheduled meetings.

7. *Funding*

The Audit Committee shall have the authority to engage independent counsel and other advisors, as it deems necessary to carry out its duties. In this connection, it has the sole authority to determine the appropriate amount of funding for payment of compensation to (i) the registered public accounting firm retained by the Company, (ii) any advisers used by the Audit Committee, and shall so inform the Board of Directors, (iii) and to fund the activities of the Audit Committee.

8. *Minutes*

The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.