

**ULTRA CLEAN HOLDINGS, INC.**  
a Delaware corporation  
(the “**Company**”)

**Audit Committee Charter**  
Amended as of February 18, 2016

**1. Purpose**

The Audit Committee is created by the Board of Directors of the Company (the “**Board**”) to:

- assist the Board in its oversight of
  - the accounting and financial reporting processes of the Company and audits of the financial statements of the Company;
  - the integrity of the financial statements and internal controls of the Company;
  - the qualifications, independence and performance of the Company’s independent auditors;
  - the performance of the Company’s internal audit function;
  - review, approval and oversight of the Company’s Cash and Investment Policy and Financial Risk Management Policy, including oversight over the Company’s and its subsidiaries’ hedging strategy and the use of swaps and other derivative instruments for hedging risks;
  - compliance by the Company with legal and regulatory requirements; and
  - compliance with the Company’s Code of Business Conduct and Ethics as established by the Board and requests for waivers therefrom.
- prepare the audit committee report that Securities and Exchange Commission rules require to be included in the Company’s annual proxy statement.

**2. Membership**

The Audit Committee shall consist of at least three members comprised solely of independent directors meeting the independence and experience requirements of the Securities and Exchange Commission and Nasdaq rules and regulations. Accordingly, each member shall, in the judgment of the Board, have the ability to read and understand the Company’s fundamental financial statements. At least one member of the Audit Committee shall be an “audit committee financial expert” within the meaning of Securities and Exchange Commission rules and regulations.

Audit Committee members may not serve on the audit committees of more than three public companies (including the Company) unless the Board determines that such simultaneous service will not impair the ability of the member to serve effectively on the Committee. The Nominating and Corporate Governance Committee shall recommend to the Board nominees for appointment to the Audit Committee annually and as vacancies or newly created positions occur. Audit Committee members shall be appointed by the Board and may be removed by the Board at any time. The Nominating and Corporate Governance Committee shall recommend to the Board, and the Board shall designate, the Chairman of the Audit Committee.

### **3. Responsibilities**

In addition to any other responsibilities which may be assigned from time to time by the Board, the Audit Committee is responsible for the following matters.

#### *Independent Auditors*

The Audit Committee shall be directly responsible for appointing, compensating, retaining 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. The Audit Committee shall submit its selection of the independent auditors to the Company's stockholders for their non-binding ratification on an annual basis.

The Audit Committee has the sole authority and responsibility to select, evaluate and, where appropriate, replace the independent auditors of the Company (subject to any required stockholder ratification).

The Audit Committee shall pre-approve the audit services and non-audit services to be provided by the Company's independent auditors before the auditors are engaged to render services. Such services include, but are not limited to:

- the quarterly review and annual audit of the Company's financial statements;
- internal control reviews and attestation services;
- merger and acquisition due diligence;
- technical tax planning and other procedures related to transfer pricing; and
- any other agreed upon procedure engagements.

The Audit Committee may delegate its authority to pre-approve services to one or more Audit Committee members; *provided* that such designees present any such approvals to the full Audit Committee at the next Audit Committee meeting.

The Audit Committee shall discuss with the independent auditor its responsibilities under generally accepted auditing standards, review and approve the planned scope, staffing and timing of the independent auditors' annual audit plan(s) and discuss significant findings from the audit, including any problems or difficulties encountered.

The Audit Committee shall evaluate the independent auditors' qualifications, performance and independence and shall present its conclusions with respect thereto to the full Board on no less than an annual basis. As part of each such evaluation, the Audit Committee shall:

- to the extent required by Securities and Exchange Commission rules and regulations or by Nasdaq or other stock exchange requirements, obtain and review one or more written reports from the Company's independent auditors:
  - describing the independent auditors' internal quality-control procedures;
  - describing any material issues raised by (i) the most recent internal quality-control review, peer review, or Public Company Accounting Oversight Board ("PCAOB") review of the auditing firm or (ii) any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the auditing firm and any steps taken to deal with any such issues; and
  - delineating all relationships between the independent auditors and the Company consistent with applicable requirements of the PCAOB regarding the independent auditors' communications with the audit committee concerning independence.
- review any reports issued by the Company's independent auditors pursuant to Section 10A of the Securities Exchange Act of 1934;
- actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditors and take, or recommend that the full Board take, appropriate action to oversee the independence of the outside auditors;
- review and evaluate the senior members of the independent auditors' team(s), particularly the partners on the audit engagement teams;

- consider periodically whether the independent auditors should be rotated so as to assure continuing auditor independence; and
- obtain the input of management and the internal auditors of the independent auditors' performance.

The Audit Committee shall set clear hiring policies for employees or former employees of the Company's independent auditors, consistent with SEC and NASDAQ regulations and guidelines.

#### Internal Auditors

At least annually, the Audit Committee shall evaluate the performance, responsibilities, budget and staffing of the Company's internal audit function and review and approve the internal audit plan. The Audit Committee shall seek input from the independent auditors in performing such evaluation.

At least annually, the Audit Committee shall evaluate the performance of the senior officer or officers responsible for the internal audit function of the Company, and make recommendations to the Board and management regarding the responsibilities, retention or termination of such officer or officers.

The Audit Committee shall be responsible for approving the organizational structure and staffing of the internal audit function.

#### Financial Statements; Disclosure and Other Risk Management and Compliance Matters

The Audit Committee shall review:

- with management and the independent auditors, in separate meetings if the Audit Committee deems it appropriate, the annual audited financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the filing of the Company's Form 10-K;
- the quarterly financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the filing of the Company's Form 10-Q;
- any analyses or other written communications prepared by management and/or the independent auditors 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 Generally Accepted Accounting Principles (“GAAP”) methods on the financial statements;

- the critical accounting policies and practices of the Company;
- the effect of and disclosure relating to related-party transactions and off-balance sheet transactions and structures;
- any significant issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles;
- the Company’s practices with respect to the use of non-GAAP financial information in its public disclosures; and
- regulatory and accounting initiatives or actions applicable to the Company (including any Securities and Exchange Commission investigations or proceedings).

The Audit Committee shall review the Company’s earnings press releases and all financial information, including earnings guidance to be provided, and presentations to be made, to analysts and rating agencies, paying particular attention to the use of non-GAAP financial information, in all cases prior to the release thereof.

The Audit Committee shall, in conjunction with the Company’s Chief Executive Officer and Chief Financial Officer, review the Company’s disclosure controls and procedures and internal control over financial reporting. The review of internal control over financial reporting shall include whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect the Company’s ability to record, process, summarize and report financial information and any fraud involving management or other employees with a significant role in internal control over financial reporting. The Audit Committee shall also review any special audit steps adopted in light of material control deficiencies.

The Audit Committee shall review and discuss with the independent auditors any audit problems or difficulties and management’s response thereto, including those matters required to be discussed with the Audit Committee by the auditors pursuant to Auditing Standards AU Section 380 (Communication with Audit Committees) as adopted by the PCAOB, or any successor auditing standards, such as:

- any restrictions on the scope of the independent auditors’ activities or access to requested information;
- any accounting adjustments that were noted or proposed by the auditors but were “passed” (as immaterial or otherwise);

- any communications between the audit team and the audit firm's national office regarding material auditing or accounting issues presented by the engagement;
- any management or internal control letter issued, or proposed to be issued, by the auditors; and
- any significant disagreements between the Company's management and the independent auditors.

The Audit Committee shall have sole authority over the resolution of any disagreements between management and the independent auditors regarding the Company's financial reporting.

The Audit Committee shall review and discuss with management and the independent auditors the Company's policies and practices with respect to risk assessment and risk management, including discussing with management the Company's financial risk exposures and the steps that have been taken to monitor and control such exposures, as well as assessing the policies and processes management has implemented to monitor and control such exposures.

The Audit Committee shall assist the Board in fulfilling its oversight responsibilities regarding the Company's policies and processes with respect to enterprise risk assessment and management, including any significant non-financial risk exposures.

The Audit Committee shall review the Conflict Mineral Policy on an annual basis and review the status of the Conflict Mineral Audit (if any) prior to the Company's annual SEC Form SD filing.

The Audit Committee shall be responsible for the review, approval and oversight of the Company's Cash and Investment Policy and Financial Risk Management Policy. The Audit Committee will review the implementation and effectiveness of these policies at least annually with management.

The Audit Committee shall establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting, auditing matters, internal controls and related matters, and the Audit Committee shall review any significant concerns so submitted.

All complaints received by the Company regarding accounting, internal accounting controls, auditing or related matters shall be directed to the Chairman of the Audit Committee, and the Audit Committee shall establish procedures for the receipt, retention and treatment of all such complaints.

The Audit Committee shall prepare the Audit Committee report that Securities and Exchange Commission rules and regulations require to be included in the Company's annual proxy statement.

The Audit Committee shall review actual or potential conflicts of interest involving directors and shall determine whether such director or directors may vote on any issue as to which there may be a conflict.

#### Corporate Governance Matters

The Audit Committee shall oversee compliance with the Company's Code of Business Conduct and Ethics and review periodic reports received from management as to the administration of and compliance with the Company's Code of Business Conduct and Ethics.

The Audit Committee shall review and consider requests for waivers of the Company's Code of Business Conduct and Ethics for the Company's directors, executive officers and other senior financial officers and shall make a recommendation to the Board with respect to any such request for a waiver.

The Audit Committee shall review the Company's compliance with laws and regulations, including major legal and regulatory initiatives with the Company's compliance personnel and external counsel. The Committee shall also review any major litigation or investigations against the Company that may have a material impact on the Company's financial statements. The Committee shall meet and discuss these matters with management and others as appropriate, including the Company's outside counsel.

#### Reporting to the Board

The Audit Committee shall report to the Board as often as necessary or advisable (as determined by the Audit Committee) or as requested by the Board as to any recommendations or issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the qualifications, independence and performance of the Company's outside auditors, the performance of the internal audit function, any funding requirements for the outside auditors, Audit Committee and any advisers retained by the Audit Committee to assist it in its responsibilities and any other matters that the Audit Committee deems appropriate or as requested by the Board.

At least annually, the Audit Committee shall evaluate its own performance and report to the Nominating and Governance Committee on such evaluation.

The Audit Committee shall review and assess the adequacy of this charter annually and recommend any proposed changes to the Board.

The Audit Committee shall perform other activities related to this charter as requested by the Board.

#### **4. Authority and Delegation**

The Audit Committee has the authority to retain independent legal, financial, accounting or other advisers as it determines necessary to carry out its duties and shall have access to any officer or employee of the Company or the Company's outside counsel, independent auditors or external parties, and may request that any such person or parties meet with any members of, or advisers to, the Audit Committee and the Audit Committee may otherwise seek information from any of the foregoing.

The Audit Committee has the authority to conduct or authorize investigations into any matters within its scope of responsibility.

The Audit Committee shall have available appropriate funding from the Company as determined by the Audit Committee for payment of:

- compensation to any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
- compensation to any advisers employed by the Audit Committee; and
- ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee may delegate its authority to subcommittees or the Chairman of the Audit Committee when it deems such delegation to be appropriate and in the best interest of the Company.

#### **5. Procedures**

The Audit Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter, but on no less than a quarterly basis. The Chairman of the Audit Committee, in consultation with the other Audit Committee members, shall determine the frequency and length of committee meetings and shall set meeting agendas consistent with this charter.

All committee members are expected to attend each meeting, in person or via tele- or video-conference. Meeting minutes will be taken.

On a periodic basis and at least quarterly, the Audit Committee shall meet separately with the independent auditors outside the presence of



management. On a periodic basis, and at least semi-annually, the Audit Committee shall meet separately with the internal auditors outside the presence of management. On a periodic basis, the Audit Committee shall meet separately with members of management.

#### **6. Limitations Inherent in the Audit Committee's Role**

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 GAAP. This is the responsibility of management and the independent auditors. Furthermore, while the Audit Committee is responsible for reviewing the Company's policies and practices with respect to risk assessment and management, it is the responsibility of the Chief Executive Officer and management to determine the appropriate level of the Company's exposure to risk.