

## TECHPOINT, INC.

### COMPENSATION COMMITTEE CHARTER

(As adopted by the Board of Directors effective as of January 27, 2016)

#### **Purpose**

The purpose of the Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board of Directors*”) of Techpoint, Inc. (the “*Company*”) shall be to assist the Board of Directors in meeting its responsibilities with regard to oversight of executive compensation and to review and make recommendations to the Board of Directors with respect to major compensation plans, policies and programs of the Company.

#### **Membership**

The Committee shall consist of at least three members of the Board of Directors (except that the Committee may consist of only two members of the Board of Directors until the first anniversary of the Company’s initial public offering), with the exact number to be determined by the Board of Directors. Committee members shall be appointed from time to time by the Board of Directors having given consideration to the recommendations, if any, from the Nominating and Governance Committee, but not less than annually at its first meeting following the Annual Meeting of Stockholders. Also having given consideration to the recommendation of the Nominating and Governance Committee, if any, the Board of Directors shall designate a Chairman of the Committee, provided that if the Board of Directors does not so designate a Chairman the members of the Committee, by a majority vote, may designate a Chairman. The Chairman (or in his or her absence a member designated by the Chairman) shall preside at all meetings of the Committee.

Committee members may be removed, without cause, by the affirmative vote of the majority of the Board of Directors at any time. Any Committee member may resign effective upon giving oral or written notice to the Chairman of the Board, the Corporate Secretary or the Board of Directors (unless the notice specifies a later time for the effectiveness of such resignation).

Each member of the Committee shall meet the independence standards that may be established from time to time by the Mothers market of the Tokyo Stock Exchange (the “*TSE Mothers*”) and the Securities and Exchange Commission (the “*SEC*”) and any other applicable United States federal and Japanese securities laws, including such independence standards that may be established to apply specifically to members of the Committee, as well as independence standards that may be established from time to time by the Board of Directors or by the Nominating and Governance Committee. In addition, each member shall qualify as an “outside director” as such term is defined in Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, or any successor provisions thereto, and as a “non-employee director” as such term is defined in Section 16 of the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, or any successor provisions thereto.

## **Resources and Authority**

The Committee shall have the resources and appropriate authority, without seeking the approval of the Board of Directors, to discharge its responsibilities, including the authority to select, retain, terminate and approve, at the Company's expense, outside compensation, legal, accounting or other consultants to advise the Committee and to authorize or conduct investigations into any matters within the scope of its responsibilities and to approve related fees and retention terms. The Committee may request any director, officer or employee of the Company, the Company's outside counsel or independent auditors or such other persons as it deems appropriate to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities. The Committee shall have full access to all books, records, facilities and personnel of the Company in connection with the discharge of its responsibilities.

## **Appointment, Compensation and Oversight of Advisers**

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any outside compensation, independent legal, accounting or other advisers (collectively, "**Advisers**") retained by the Committee. Any Adviser so appointed shall report directly to the Committee.

Prior to retaining any Adviser, the Committee shall take into consideration all factors relevant to any such Adviser's independence from management, including the independence standards for Advisers that may be established from time to time by the TSE Mothers and the SEC, as well as any independence standards that may be established from time to time by the Board of Directors or the Nominating and Corporate Governance Committee, including but not limited to the following factors: (i) the provision of other services to the Company by the firm employing the Adviser; (ii) the amount of fees received from the Company by the firm employing the Adviser, as a percentage of the firm's total revenue; (iii) the policies and procedures adopted by the firm employing the Adviser that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the Adviser with any member of the Committee; (v) any ownership of the Company's stock by the Adviser; and (vi) any business or personal relationships between the Company's executive officers and the Adviser or the firm employing the Adviser.

The Committee shall conduct an independence assessment of its Advisers at least on an annual basis.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to the Advisers retained by the Committee.

## **Delegation to Subcommittee**

The Committee may form and delegate authority to subcommittees consisting of one or more members of the Committee when appropriate, as are provided in the resolutions of the Committee, except to the extent such delegation is limited by applicable law, regulation or listing standard. The actions of any such subcommittee shall be presented to the full Committee at the next scheduled Committee meeting.

## Duties and Responsibilities

The following shall be the common recurring duties and responsibilities of the Committee in carrying out its oversight function. These duties and responsibilities are set forth below as a guide to the Committee with the understanding that the Committee may alter or supplement them as appropriate under the circumstances to the extent permitted by applicable law, regulation or listing standard.

The Committee shall:

- Have full authority to review and set the corporate goals and objectives relevant to the compensation of the Chief Executive Officer (“*CEO*”) and the other executive officers.
- Evaluate the performance of the CEO and the other executive officers of the Company in light of such goals and objectives at least annually and communicate the results to the Board of Directors and to the CEO.
- Based on the evaluations referred to above, have full authority to set the compensation levels for the CEO and the other executive officers of the Company, including, as applicable, (i) base salary, (ii) bonus, (iii) long-term incentive and equity compensation, and (iv) any other compensation, perquisites, and special or supplemental benefits.
- In consultation with the CEO, review and make recommendations to the Board of Directors regarding guidelines for the review of the performance and the establishment of compensation policies for all other employees of the Company and for the delegation to executive officers of the Company the determination of compensation for all employees of the Company who are not executive officers.
- Have full authority to set the terms and conditions of employment of the CEO and other executive officers of the Company, by contract or otherwise, including terms that will govern the situations in which severance payments will be due upon a change in control and providing necessary determinations in connection with executive compensation to qualify for tax deductions in excess of limitations under Section 162(m) of the Internal Revenue Code.
- Administer the stock and other equity-based compensation plans of the Company in accordance with the terms of such plans and provide necessary approval in order to qualify the Company’s equity compensation plans for various exemptions that may be established by the SEC under Section 16 of the Securities Exchange Act of 1934; *provided, that*, prior to any equity award to the CEO or other executive officer or any member of the Board of Directors, such award shall have received approval by the independent members of the Board of Directors.
- Oversee the administration of the Company’s other employee benefit plans.

- Maintain sole discretionary authority to interpret provisions of the Company's executive compensation plans.
- Establish all rules necessary or appropriate for implementing and conducting the Company's executive compensation plans.
- Determine, as applicable in connection with the Company's stock plans, such matters as eligibility for participation; persons to receive awards; the amount, form and other terms and conditions of awards; and the form of agreements pertaining to such awards. The Committee may delegate to the CEO or to the executive officers who are members of the Board of Directors the authority to carry out all of the powers of the Committee to grant equity awards under the Company's stock plans to employees or consultants of the Company or any subsidiary thereof who are not members of the Board of Directors, the CEO or executive officers of the Company; provided, that no such grant or award shall exceed the maximum number of shares that may be awarded to individuals and/or in the aggregate in any fiscal quarter or year as the Committee shall direct from time to time, and all such grants and awards shall be at an exercise or grant price per share at least equal to fair market value on the date of such grant or award.
- Determine the fees and other compensation to be paid to non-employee members of the Board of Directors for their services as directors and as members of committees of the Board of Directors.
- Periodically review the Company's incentive compensation and other equity-based plans and practices and recommend changes in such plans and practices to the Board of Directors.
- Periodically evaluate whether there are any risks arising from the Company's compensation policies for all employees and overall actual compensation practices which are reasonably likely to have a material adverse effect on the Company, and recommend to the Board of Directors any changes deemed appropriate by the Committee. This evaluation shall be conducted in such manner as the Committee deems appropriate.
- Review and discuss with management the Company's Compensation Disclosure and Analysis ("**CD&A**"), and based on that review and discussion, recommend to the Board of Directors whether the Company's CD&A should be included in the Company's annual proxy statement or annual report on Form 10-K.
- Prepare the Committee report as required by rules of the SEC for inclusion in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC.
- Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors. The Committee also shall undertake an annual evaluation assessing its performance with respect to its duties and

responsibilities set forth in this Charter, which evaluation shall be reported to the Board of Directors. The self-assessment shall be conducted in such manner as the Committee deems appropriate.

- Make regular reports on the activities of the Committee to the Board of Directors.