

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF EMAGIN CORPORATION
(as amended September 20, 2022)**

This Charter governs the operations of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of eMagin Corporation (the “Company”). At least annually, the Committee shall review and reassess this Charter and recommend any proposed changes to the Board for its approval. The Company shall make this Charter available on its website at www.emagin.com.

Role of the Audit Committee

The Committee’s primary responsibilities fall into four broad categories:

First, the Committee is charged with overseeing the Company’s accounting and financial reporting processes and the quality and integrity of the quarterly and annual financial reports by the Company’s management, including discussions with management and the Company’s independent auditors about annual financial statements and key accounting and reporting matters;

Second, the Committee is responsible for matters concerning the relationship between the Company and its independent auditors, including approving their appointment or removal; reviewing the scope of their audit services and related fees, as well as any other services being provided to the Company; and determining the independence of the independent auditors (based in part on the annual letter provided to the Company pursuant to Public Company Accounting Oversight Board (“PCAOB”) Rule 3526);

Third, the Committee oversees management’s implementation of effective accounting controls, and reviews recommendations of the Company’s internal auditing program; and

Fourth, the Committee oversees management’s compliance with all applicable rules and regulations of the Securities and Exchange Commission (“SEC”) and any other applicable regulatory authority.

Composition of the Audit Committee

1. The Committee shall consist of at least three Board members, all of whom meet the requirements for independence under the SEC rules and NYSE American listing standards;
2. Prospective members shall be recommended by the Nominating and Governance Committee, if one exists, shall be appointed annually by the Board, and may be replaced or removed by the Board. Resignation or removal of a Director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from the Committee. Vacancies, for whatever reason, may be filled only by the Board. One member shall be designated by the Board as the Committee Chair;
3. All members shall be financially literate (e.g., able to read and understand fundamental financial statements, including a balance sheet, income statement, and cash flow statement), as determined by the Board in its business judgment;
4. No member of the Committee shall have 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 years;
5. At least one member of the Committee shall have accounting or related financial management expertise, as determined by the Board in its business judgment, and shall be an “Audit Committee Financial Expert”, as defined by the SEC; and
6. A member of the Committee may not, other than as a member of the Committee, the Board or any other committee established by the Board, receive directly or indirectly any consulting, advisory or other compensatory fee from the Company.

Meetings

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this Charter, but not less frequently than quarterly. The Committee can meet in person or by video or telephone conference or such other means by which all participants in the meeting can hear each other. A majority of the members of the Committee shall constitute a quorum for purposes of holding a meeting, and the Committee may act by vote of a majority of members present at a meeting. The Committee may have in attendance at meetings members of management, consultants, or others it deems necessary in order to provide the information necessary to carry out its duties. The Committee will also meet periodically in executive session without members of management present. The Committee shall establish, and periodically review, an annual schedule of agenda items for the Committee's meetings.

Committee Duties and Responsibilities

The Committee shall have the following duties, responsibilities and powers:

1. With respect to the independent auditor, the Committee shall:
 - a. Serve as the Board's avenue of communication with the independent auditor;
 - b. Select, evaluate, monitor, retain, and, if necessary, discharge the independent auditor;
 - c. Resolve any disagreements between management and the independent auditor regarding financial reporting;
 - d. Ensure the independent auditor and management understand that the Committee, as the shareholders' representative, is the independent auditor's client, and therefore that the independent auditor is ultimately accountable to the Committee; the independent auditor must report directly to the Committee;
 - e. Meet regularly with the independent auditor. Meet separately on a periodic basis with management, the internal auditors and the independent auditor. Provide an opportunity for the independent auditor to meet with the Board when necessary and appropriate;
 - f. Confirm and assure the independent auditor's independence by:
 - i. Reviewing the independent auditor's annual written statement delineating all relationships between the independent auditor and the Company, consistent with applicable requirements of the PCAOB;
 - ii. Approving in advance any significant audit or non-audit engagements or relationship between the Company and the independent auditors (other than "prohibited non-auditing services");
 - iii. Monitoring, pre-approving and, if appropriate, limiting fees paid to the independent auditor for audit services, internal control-related services, and other non-audit services;
 - iv. Discussing with the independent auditor any relationships or services that may impact the independent auditor's objectivity or independence;
 - v. Verifying that the independent auditor has complied with requirements regarding the rotation of lead audit partners;
 - vi. Confirming and assuring no attempts have been made to improperly influence the performance of the independent auditor's audit functions; and

- vii. Establishing, or recommending to the Board, policies with respect to the potential hiring by the Company of current or former employees of the independent auditor;
 - g. Review and approve the scope and staffing of the annual audit plan and the audit reports of the independent auditor; and
 - h. Review and discuss with the independent auditor (outside of the presence of management) how the independent auditor plans to handle its responsibilities under the Private Securities Litigation Reform Act of 1995, and request assurance from the independent auditor that Section 10A(b) of the Exchange Act has not been implicated.
- 2. With respect to the internal auditor, the Committee shall:
 - a. Select, evaluate, monitor, retain, and, if necessary, discharge the internal auditor;
 - b. Set the priorities of the internal auditor;
 - c. At least annually, evaluate the performance, responsibilities, budget and staffing of the internal audit function; and
 - d. Receive and review periodically throughout the year the internal auditor's assessment of the Company's risk management process and system of internal controls.
- 3. With respect to the Company's financial disclosures, the Committee shall:
 - a. Perform the following with respect to the Company's consolidated financial statements:
 - i. Review with management and the independent auditor:
 - Significant financial reporting issues, judgments and estimates made in connection with the preparation of the Company's consolidated financial statements;
 - Significant issues regarding the Company's accounting and reporting principles and practices, including critical accounting policies;
 - Significant changes or developments in accounting and reporting principles and practices;
 - The results of the audit, including a review of any audit problems or difficulties encountered by the independent auditor in the course of the audit work, any restrictions on the scope of its activities or access to required personnel or information, and any disagreements with management;
 - Any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting;
 - Any significant changes required in the scope of the independent auditor's audit; and
 - Principles of accounting proposed or promulgated by regulatory accounting authorities.

- ii. Review legal matters that may have a material impact on the consolidated financial statements with the Company's management;
 - iii. Review any disclosures made to the Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls;
 - iv. Review and approve the annual audited and quarterly reviewed consolidated financial statements, including "Management's Discussion and Analysis of Financial Condition and Results of Operations," with management and the independent auditor prior to the Company's filing of the related Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, respectively, with the SEC;
 - v. Recommend to the Board whether the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K prior to its filing;
 - vi. Review quarterly and annual earnings releases, including pro forma and non-GAAP information; and
 - vii. Review and approve any guidance provided to, or elected not to be included to, the general public and the investment community prior to its dissemination.
4. With respect to accounting-related complaints, the Committee shall establish and review procedures for:
 - a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - b. The confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
 5. Review the effectiveness of the system for monitoring compliance with laws, regulations and the Company's code(s) of conduct. This includes establishment of procedures for reviewing the findings of any examinations by regulatory agencies and any auditor observations.
 6. Report to shareholders in the Company's annual proxy statement on those matters required by the SEC.
 7. Review and approve all related party transactions.
 8. Establish and delegate authority to carry out the Committee's responsibilities to one or more subcommittees consisting of one or more of its members.

The Committee may engage independent counsel and such other advisors it deems necessary to carry out the responsibilities set forth in this Charter, and, if such counsel or other advisors are engaged, the Committee shall determine the compensation or fees payable to such counsel or other advisors. The Company shall provide for appropriate funding for payment of such fees or compensation. The Company shall also provide for appropriate funding for payment of compensation of the independent auditor and payment for any ordinary administrative expenses of the Committee necessary or appropriate in carrying out its duties.

Oversight Role:

The Company's financial statements are the responsibility of management. The independent auditor's responsibility is to plan and perform its audit to obtain reasonable assurance that the financial statements present fairly, in all material respects, the Company's financial position, results of operations and cash flows. The Company's internal

audit function is responsible for providing an independent, objective appraisal of the Company's business activities to support management in its responsibilities to conduct operations in an environment of effective internal control, and in its assertion of the effectiveness of these internal controls for regulatory reporting purposes. The Committee's responsibility shall be to oversee these activities and the other matters outlined in this Charter.