

Arch Meter Corporation
Audit Committee Charter

Article 1: This Charter is established in accordance with Article 3 of the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies."

Article 2: Matters concerning the number of members, term of office, powers and duties, rules of procedure, and resources to be provided by the Company when the Committee exercises its powers shall be governed by this Charter.

Article 3: The Audit Committee shall operate with the primary purpose of overseeing the following matters::

1. The fair presentation of the Company's financial statements.
2. The engagement and dismissal of the independent auditor, as well as the evaluation of their independence and performance.
3. The effective implementation of the Company's internal control system.
4. The Company's compliance with applicable laws and regulations.
5. The management of existing or potential risks faced by the Company.

Article 4: The Audit Committee shall be composed entirely of independent directors, with no fewer than three members. One member shall serve as the convener, and at least one member shall possess expertise in accounting or finance. The convener of the Audit Committee shall represent the Committee externally.

Article 5: The term of office for each independent director serving on the Audit Committee shall be three years and may be renewed upon re-election. If an independent director is dismissed and the number of members falls below the requirement set forth in Article 4 or the Company's Charter, a by-election shall be held at the next shareholders' meeting. If all independent directors are dismissed, the Company shall convene a special shareholders' meeting within sixty days from the date of occurrence to hold a by-election.

Article 6: The provisions of the Securities and Exchange Act, the Company Act, and other applicable laws and regulations governing supervisors shall apply mutatis mutandis to the Audit Committee. The provisions of Paragraph 4, Article 14-4 of the Securities and Exchange Act, concerning the powers and duties of supervisors under the Company Act, shall apply mutatis mutandis to the independent directors serving on the Audit Committee.

Article 7: The Company's representative for matters governed by Articles 213, 214, and 223 of the Company Act shall be appointed with the consent of more than one-half of all members of the Audit Committee. The Audit Committee may resolve that such representative be appointed either individually or jointly by its members. If no

representative is appointed in accordance with the above procedure, all members of the Audit Committee shall jointly act as the Company's representative.

Article 8: The powers and duties of the Audit Committee shall include the following matters:

1. Establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of the internal control system.
3. Establishment or amendment of procedures for major financial transactions, including acquisition or disposal of assets, engagement in derivative transactions, lending of funds to others, and endorsements or guarantees, in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving the personal interests of directors.
5. Major asset acquisitions or disposals, or derivative transactions.
6. Major lending of funds, endorsements, or provision of guarantees.
7. The offering, issuance, or private placement of equity-type securities.
8. The engagement, dismissal, or compensation of the independent auditor.
9. The appointment or removal of financial, accounting, or internal audit officers.
10. Annual financial reports signed or sealed by the Chairperson, General Manager, and Chief Accounting Officer, and second-quarter financial reports subject to CPA audit and attestation.
11. Other significant matters as required by the Company or competent authorities.

Article 9: Resolutions on the matters listed in the preceding Article shall be approved by more than one-half of all members of the Audit Committee and submitted to the Board of Directors for final resolution. Except for the matter specified in Item 10 of Article 8, if any other matter fails to obtain the consent of more than one-half of all Audit Committee members, it may be approved by a vote of at least two-thirds of all directors. The term "all members" as used in this Charter refers to those currently holding office. The convener of the Audit Committee shall represent the Committee externally.

Article 10: Convening and Notice of Audit Committee Meetings

1. The Audit Committee shall convene at least once per quarter and may hold additional meetings as needed. The time and location of the meetings shall be within the Company's place of business and during business hours, or at a time and place convenient for the attendance of Committee members and suitable for holding the meeting.
2. Meeting notices shall specify the purpose of the meeting and be delivered to all independent directors of the Committee at least seven days in advance. In case of emergency, this requirement may be waived.
3. The convener and chairperson of the meeting shall be elected by mutual vote among all members. If the Committee fails to elect a convener, the

independent director who receives the highest number of votes shall serve as convener. If the convener is on leave or otherwise unable to convene the meeting, they shall designate another independent director to act on their behalf. If no such designation is made, the independent directors of the Committee shall elect one among themselves to act as convener.

4. The meeting agenda shall be set by the convener. Other members may also propose items for discussion by the Committee.
5. If more than one-half of all independent directors of the Committee submit a written request stating the proposed matters and reasons, the convener shall convene a meeting of the Audit Committee. If the convener fails to convene the meeting within fifteen days of the request, more than one-half of all independent directors of the Committee may convene the meeting themselves.

Article 11: Conduct of Audit Committee Meetings

1. The Company shall prepare a sign-in book for independent directors attending the Audit Committee meetings.
2. Independent directors shall attend the meetings in person. If unable to do so, they may appoint another independent director to attend on their behalf. Participation via video conferencing shall be deemed as attendance in person.
3. When a member appoints another independent director to attend on their behalf, a written proxy specifying the scope of authorization and the matters to be discussed shall be issued for each meeting. Each proxy shall be limited to one designated representative.
4. The Audit Committee may invite relevant department managers, internal auditors, certified public accountants, legal advisors, or other personnel to attend the meeting and provide necessary information. However, such attendees shall leave the meeting during deliberation and voting.
5. Resolutions of the Audit Committee shall require the approval of more than one-half of all members. The voting results shall be announced immediately and recorded accordingly.
6. Independent directors who have a personal interest in any matter under discussion shall disclose the material aspects of such interest. If the interest may harm the Company's interests, the director shall abstain from discussion and voting, and shall not act as a proxy for another independent director in exercising voting rights. If the spouse or a relative within the second degree of kinship of an independent director has an interest in the matter, it shall be deemed that the independent director has a personal interest in that matter. If the Committee is unable to reach a resolution due to the restrictions in Paragraph 1, the matter shall be reported to the Board of Directors for

resolution.

7. The entire meeting process shall be recorded in audio or video format and retained for at least five years. Electronic storage is permitted. If litigation arises concerning any resolution of the Audit Committee before the retention period expires, the relevant recordings shall be preserved until the conclusion of the litigation.
8. For meetings held via video conferencing, the audiovisual recordings shall constitute part of the meeting minutes and shall be properly retained throughout the Company's existence.
9. If the Audit Committee cannot be convened for legitimate reasons, resolutions may be made with the consent of at least two-thirds of all directors. However, for matters under Item 10 of Article 8, the consent of the independent directors shall still be obtained.
10. If, at the scheduled meeting time, the number of attending members is less than one-half of all members, the chairperson may announce a same-day postponement of the meeting. Such postponement shall not exceed two times. If the quorum is still not met after two postponements, the chairperson shall reconvene the meeting in accordance with the procedure prescribed in Paragraph 2 of Article 10.
11. The Audit Committee shall proceed according to the agenda specified in the meeting notice. However, changes may be made with the consent of more than one-half of all members.
12. The chairperson shall not adjourn the meeting without the consent of more than one-half of all members.
13. During the meeting, if the number of attending members falls below one-half of all members, and a present independent director proposes to suspend the meeting, the chairperson shall announce the suspension and follow the procedure set forth in Paragraph 10 of this Article.
14. During the proceedings of the Audit Committee meeting, if the convener becomes unable to preside over the meeting, or if the chairperson fails to adjourn the meeting in accordance with Paragraph 12 of this Article, the appointment of a proxy shall follow the relevant provisions regarding convener substitution as set forth in Paragraph 3 of Article 10.

Article 12: The minutes of the Audit Committee meetings shall accurately record the following matters:

1. The meeting session, date, time, and location.
2. The name of the chairperson.
3. Attendance status of independent directors, including names and number of those present, on leave, or absent.

4. Names and titles of attendees.
5. Name of the minute taker.
6. Reporting items.
7. Discussion items: the method and result of each resolution; summaries of statements made by independent directors, experts, and other participants; names of independent directors with conflicts of interest as defined in Paragraph 6 of Article 11; explanations of the material aspects of such conflicts; reasons for recusal or non-recusal; details of recusal; and any dissenting or qualified opinions.
8. Ad hoc motions: the name of the proposer; the method and result of each resolution; summaries of statements made by independent directors, experts, and other participants; names of independent directors with conflicts of interest as defined in Paragraph 6 of Article 11; explanations of the material aspects of such conflicts; reasons for recusal or non-recusal; details of recusal; and any dissenting or qualified opinions.
9. Any other matters that shall be recorded.

Article 13: The sign-in sheet shall constitute part of the meeting minutes and shall be permanently retained for reference. The meeting minutes shall be signed or stamped by the chairperson and the minute taker, and distributed to all independent directors of the Committee within twenty days after the meeting. The minutes shall be classified as important company records and properly preserved throughout the duration of the Company's existence. The preparation and distribution of the minutes may be conducted electronically.

Article 14: The Committee may, by resolution, engage legal counsel, certified public accountants, or other professionals to conduct necessary audits or provide consultation regarding matters under Article 8. Any expenses incurred shall be borne by the Company.

Article 15: Members of the Committee shall perform their duties under this Charter with the care of a prudent administrator, act in good faith, and remain accountable to the Board of Directors. Proposals made by the Committee shall be submitted to the Board for resolution.

Article 16: The Committee shall periodically review matters related to this Charter and submit recommendations for amendments to the Board of Directors.

Article 17: Matters resolved by the Committee may be delegated to the convener or other members of the Committee for continued execution. During the execution period, written or verbal reports shall be provided to the Committee. When necessary, such matters shall be submitted to the Committee for ratification or reporting at the next meeting.

Article 18: This Charter shall take effect upon approval by resolution of the Board of Directors.
The same shall apply to any amendments.