

Compensation Committee Charter

ROLE

The Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Alpha and Omega Semiconductor Limited (the "Company") is appointed by the Board to assist in fulfilling certain of the Board's oversight responsibilities. The Committee's role includes (a) to establish compensation arrangements and incentive goals for executive officers and to administer compensation plans and equity-based plans; (b) to evaluate the performance of executive officers and award incentive compensation and adjust compensation arrangements as appropriate based upon performance; and (c) to review and monitor management development and succession plans and activities.

MEMBERSHIP

The Committee shall be composed of at least three directors. All members of the Committee shall meet the independence requirements of the NASDAQ Stock Market, Inc. and any applicable legal requirements relevant to the proper administration of the Company's compensation plans and programs. The members of the Committee shall be appointed by the Board for one-year terms. The Board shall designate one member of the Committee to serve as Chairperson. The members of the Committee shall serve until their resignation, retirement, or removal by the Board or until their successors shall be appointed. Any member of the Committee may be removed by the Board at any time with or without cause.

MEETINGS AND PROCEDURES

The Committee shall meet on a regular basis and shall hold special meetings as circumstances require. The Committee may request that any directors, officers, or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting to provide such information as the Committee requests. The Committee shall fix its own rules of procedure, which shall be consistent with the bylaws of the Company and this Charter. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

RESPONSIBILITIES

The Committee shall have the following duties and responsibilities:

Compensation Philosophy, Plans, and Programs

1. Periodically review, consider, and approve the philosophy for compensation of the Company's executive officers and other employees.
2. Establish compensation plans and programs for executives officers and other employees, including incentive and equity-based plans and programs, and authorize appropriate employment contracts, special retirement benefits, and severance or change in control arrangements.
3. Periodically review the adequacy of such plans, programs and arrangements for the executive officers and other employees.
4. Administer the Company's incentive and equity-based plans and programs and otherwise exercise the authority of the Board with respect to such plans.

Specific Compensation Amounts and Incentives

1. Establish annual base salary amounts for executive officers and their annual incentive opportunity levels and the financial and any other goals to be met to earn annual and long-term incentive awards.
2. Review and evaluate, at least annually and taking into account the views of the other members of the Board, the performance and leadership of the Principal Executive Officer and determine the amounts of annual and any long-term incentive awards and any adjustments to the annual salary amounts based upon such performance and consistent with the achievement of the established goals.

3. Review and evaluate with the Principal Executive Officer the performance of the other executive officers of the Company and recommend Board approval of the amounts of annual and any long-term incentive awards and any adjustments to the annual salary amounts based upon such performance and consistent with the achievement of the established goals.

Other Responsibilities

1. Review and approve disclosure regarding compensation and benefit matters included in the periodic filings required by the rules and regulations of the Securities and Exchange Commission (the "SEC") and if applicable, prepare the report on executive compensation for inclusion in the Company's annual proxy statement or information statement filed with the SEC.
2. Review and reassess on an annual basis the adequacy of this Charter and recommend any proposed changes to the Board for its approval.
3. Perform any other activities consistent with this Charter, the Company's charter, if any, the Company's bylaws, and governing law as the Committee or the Board deems necessary or appropriate.
4. Report periodically to the Board on its meetings and other activities.