

# **EXTREME NETWORKS, INC.**

## **CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS (As amended and restated on November 17, 2016)**

### **I. PURPOSE**

This Charter specifies the scope of the responsibilities of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Extreme Networks, Inc. (the “Company”) and the manner in which those responsibilities shall be performed, including its structure, processes and membership requirements.

The primary purpose of the Committee is to discharge the Board’s responsibilities relating to compensation and benefits of the Company’s directors and Senior Executives, and including responsibility for evaluating and reporting to the Board on matters concerning management performance, director and Senior Executive compensation and benefits plans and programs. In carrying out these responsibilities, the Committee shall review all components of Senior Executive and director compensation for consistency with the Company’s compensation philosophy.

For purposes of this Charter, “executive officers” shall include any persons designated by the Board as an “executive officer” under Rule 3b-7 of the Securities Exchange Act of 1934 (“Exchange Act”) or a Section 16 “officer” under Rule 16a-1(f) under the Exchange Act. For purposes of this Charter, “Other Executive Employees” shall include any senior level employees who report directly to the Chief Executive Officer of the Company who are not Executive Officers. Executive officers and Other Executive Employees shall be collectively referred to as the “Senior Executives.”

### **II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS**

The Committee shall be comprised of at least three directors selected by the Board. Each member of the Committee shall meet the requirements of an “independent” director as set forth in the rules established by the rules of NASDAQ and applicable law. In addition, no director may serve on the Committee unless he or she is both (1) a “non-employee director” for purposes of Rule 16b-3 under the Exchange Act, and (2) an “outside director” for purposes of Section 162(m) of the Internal Revenue Code. A director shall not serve as a member of the Committee if any executive officer of the Company serves on the board of directors of an entity that employs that director as an executive officer.

The members shall be appointed by the Board upon recommendation of the Nominating and Corporate Governance Committee and shall serve until their successors are duly elected and qualified or their earlier resignation or removal. The Nominating and Corporate Governance Committee shall make recommendations to the Board in connection with the removal of Committee members. The members of the Committee may be removed, with or without cause, by the Board. The Committee may delegate duties or responsibilities to subcommittees or to one member of the Committee from time to time, as appropriate as set forth below in more detail below.

A majority of the members present shall represent a quorum of the Committee, and if a quorum is present and subject to the other provisions of this Charter, any action approved by at least a majority of the members present shall represent the valid action of the Committee. Any actions taken by the Committee during any period in which one or more members fail for any reason to meet the membership

requirements set forth above shall be nonetheless duly authorized actions of the Committee for all corporate purposes.

### **III. DELEGATION**

The Committee may delegate duties or responsibilities to: (a) subcommittees (including a committee of one) comprised of Committee members, (b) an executive officer (including the Chief Executive Officer), or (c) subcommittees comprised of employees of the Company, from time to time, as appropriate and in compliance with applicable law.

The Committee has delegated, or may in the future delegate, to the Company's Chief Executive Officer the authority to grant options or service-based restricted stock unit awards to employees of the Company or of any subsidiary of the Company who are not members of the Board of Directors, Senior Executives, or Vice Presidents of the Company. Notwithstanding the above, grants pursuant to this delegation must be made: (i) within the equity grant budget and pre-established guidelines ("Equity Grant Guidelines") that have been approved in advance by the Committee, and (ii) within the limits allowed under the Delaware General Corporation Code.

### **IV. MEETINGS**

The Committee shall meet as often as it deems appropriate to review the compensation of the Senior Executives and other employees of the Company, and otherwise perform its duties under this charter, but not less frequently than four times each year.

The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Committee will also record its recommendations to the Board in written form, which will be incorporated as part of the minutes of the Board meeting at which those recommendations are presented.

The Committee may request that any directors, Senior Executives or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. The Committee may also exclude from its meetings any persons it deems appropriate to carry out its responsibilities.

### **V. COMMITTEE AUTHORITY AND RESPONSIBILITIES**

To fulfill its responsibilities and duties, the Committee shall:

1. Oversee establishment and administration of the Company's benefit, incentive-based and equity-based compensation programs, including by establishing a comprehensive and responsible set of assumptions, policies and procedures for determining executive compensation as set forth in more detail below:
  - a. The Committee shall review and approve amendments to, or the establishment of, the Company's cash incentive compensation plans and review any general compensation guidelines for the Company's employees, including the size of the Company's cash incentive pools, if any.
  - b. The Committee shall oversee the administration of significant employee health and welfare and other benefit plans of the Company, including the Company's 401(k) plan, subject to delegation to an Executive Officer or a subcommittee of employees

of the Company such day-to-day administrative duties as are consistent with applicable laws, regulations and financial accounting rules.

- c. The Committee shall review and approve the establishment or amendment of equity-based incentive programs, plans, policies and procedures and approve the submission of the equity incentive plans or amendments to the shareholders to the extent required by law.
2. Identify appropriate companies to comprise any peer group used for compensation comparison purposes.
3. Review and approve the disclosures in the Company's Compensation Discussion and Analysis and any other disclosures regarding executive compensation to be included in the Company's public filings or shareholder reports. Based upon its review and discussion with management, recommend to the Board whether the Compensation Discussion and Analysis should be included in the Company's proxy statement, Form 10-K, or information statement, as applicable and as required by law or SEC or Nasdaq rules, and prepare and approve the related Compensation Committee Report required by the rules of the Securities and Exchange Commission.
4. Review and approve at least annually the persons as officers for purposes of Section 16 of the Exchange ("Section 16"), and that the Committee recommends to the Board that the Board ratify the designation of the persons subject to Section 16 reporting.
5. Review and approve annual performance objectives and goals relevant to the Chief Executive Officer and the other Senior Executives, and evaluate the performance of the Chief Executive Officer in light of these goals and objectives.
6. Review and approve both direct and indirect compensation of the Company's Chief Executive Officer and the other Senior Executives, including but not limited to: (a) the annual salary, (b) the semi-annual cash incentive bonus opportunity and payouts and any other cash-based bonus plan opportunities and payouts, (c) the equity grants or other equity related compensation from the Company or any subsidiary of the Company, (d) any perquisites, (d) the death and disability benefit, (e) any change in control related benefits, and (f) any other material compensation or benefits.
7. The salary and compensation of the Company's Chief Executive Officer shall be based on the Committee's annual evaluation of the performance of the Chief Executive Officer in relation to the established goals and objectives, and shall be determined in consideration of the Company's performance and relative stockholder return, the value of similar incentive awards to Chief Executive Officers at comparable companies, and the awards given to the Company's Chief Executive Officer in past years. The Chief Executive Officer may not be present during such voting or deliberations
8. Review and approve all offer letters, and any employment, severance, indemnification, or change-in-control agreements, special or supplemental benefits, or provisions including the same, applicable to Senior Executives or members of the Board of Directors.
9. Review and approve Board of Director compensation. As necessary, cross reference compensation actions with the Nominating and Governance Committee. For purposes of this

Charter, director compensation shall include any payments made by the Company or a subsidiary of the Company to any member of the Board for services including any equity grants made by the Company or any subsidiary of the Company to a member of the Board as well as any other compensation of any director that will need to be disclosed in the Company's annual proxy statement.

10. Periodically review and advise the Board concerning both regional and industry-wide compensation practices and trends in order to assess the adequacy and competitiveness of the Company's executive compensation programs among comparable companies in the Company's industry.
11. Perform such other functions and have such other powers as may be necessary or convenient to the efficient discharge of the foregoing, including the formation and delegation of authority to subcommittees (as provided in Section III above) when appropriate.
12. Regularly report to the Board on executive compensation activities.
13. Monitor and assess the risks associated with the Company's compensation policies and programs and consult with management regarding such risks.
14. Review and reassess the adequacy of this Charter on at least an annual basis and as appropriate and recommend any proposed changes to the Board for approval. The Committee shall annually review its own performance.
15. For compensation intended to comply with Section 162(m) of the Internal Revenue Code: (a) set the performance targets for the Senior Executives within the first 90 days of the performance period to which such target relates or, if shorter, within the period provided by Section 162(m) in order for such target to be "preestablished" within the meaning of Section 162(m); and (b) certify that any and all performance targets used for any performance-based goals have been met before payment of any executive bonus or compensation or vesting of any equity award granted under any such plans to any Senior Executives

In carrying out these responsibilities, the Committee shall have the authority to obtain advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate, to perform its duties hereunder and to determine the terms, costs and fees for such engagements. Without limitation, the Committee shall have the sole authority to retain or terminate any consulting firm used to evaluate independent director or executive compensation, and to determine and approve the terms of engagement, fees and costs for such engagements. Prior to selecting or receiving advice from any consultant or advisor, the Committee shall consider the independence of such consultant or advisor based on the independence factors listed in Nasdaq Rule 5605(d)(3); provided, that the Committee shall not be prohibited from obtaining advice from consultants or advisors that it determines are not independent. The fees and costs of any consultant or advisor engaged by the Committee to assist it in performing any duties hereunder shall be borne by the Company.