

FINISAR CORPORATION
CORPORATE GOVERNANCE
GUIDELINES
(as amended through September 6, 2016)

I. Introduction.

These guidelines represent the current thinking of the Board of Directors of Finisar Corporation (the “Company”) with respect to selected corporate governance issues considered to be of significance to stockholders. These guidelines, along with the charters of the committees of the Board, provide the framework for the governance of the Company. The guidelines are only guidelines and not rigid rules. The Nominating and Governance Committee will continue to assess the appropriateness and efficacy of the guidelines and recommend from time to time changes for approval by the Board as it deems appropriate in the best interests of the Company or as required by applicable laws and regulations, including regulations of the Securities and Exchange Commission (the “SEC”) and the NASDAQ Stock Market (“NASDAQ”).

II. The Role of the Board of Directors.

The Company’s business is conducted by its employees, managers and officers, under the direction of the Company’s Chief Executive Officer and the oversight of the Board, to enhance the long-term value of the Company for its stockholders. The Board is elected by the stockholders to oversee management and to assure that the long-term interests of the stockholders are being served.

The fundamental role of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. In fulfilling that responsibility, the directors may reasonably rely on the honesty and integrity of the Company’s senior management and expert legal, accounting, financial and other advisors.

The Company faces a number of risks, including general economic risks, operational risks, financial risks, competitive risks and reputational risks. Management is responsible for the day-to-day management of those risks, while the Board, as a whole and through its committees, has responsibility for the oversight of risk management. While the full Board is charged with ultimate oversight responsibility for risk management, committees of the Board have responsibilities with respect to various aspects of risk oversight. In particular, the Audit Committee plays a significant role in monitoring and assessing the Company’s financial and operational risks. The Audit Committee reviews and discusses with management areas of financial risk exposure and steps management has taken to monitor and control such exposure.

The Audit Committee also is responsible for establishing and administering the Company’s code of ethics and reviewing and approving transactions between the Company and any related parties. The Compensation Committee monitors and assesses risks associated with the Company’s compensation policies, and oversees the development of incentives that encourage a level of risk-taking consistent with the Company’s overall strategy. The Nominating and Governance

Committee has oversight responsibility for corporate governance risks, including risks associated with director independence. The Board believes that management of the Company should speak for the Company.

Although individual directors may occasionally meet or otherwise communicate with stockholders, customers and others with whom the Company deals regarding Company matters, absent unusual circumstances or as contemplated by the charters of the Board's various committees, such communications should be undertaken only with the knowledge of management and, in most instances, at the request of management.

III. Composition of the Board of Directors.

A. Director Qualifications.

The Nominating and Governance Committee is responsible for, among other things, the selection and recommendation to the Board of Directors of nominees for election as directors.

When considering the nomination of directors for election at an annual meeting or to fill an existing vacancy, the Nominating and Governance Committee reviews the needs of the Board for various skills, background, experience and expected contributions and the qualification standards established from time to time by the Committee. When reviewing potential nominees, including incumbents, the Nominating and Governance Committee considers the perceived needs of the Board, the candidate's relevant background, experience and skills and expected contributions to the Board. The Nominating and Corporate Governance Committee also seeks appropriate input from the Chairman of the Board, the Chief Executive Officer and other executive officers in assessing the needs of the Board for relevant background, experience and skills of its members.

The Nominating and Governance Committee's goal is to assemble a Board of Directors that brings to the Company a diversity of experience at policy-making levels in business and technology, and in areas that are relevant to the Company's global activities. Directors should possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of the stockholders. They must have an inquisitive and objective outlook and mature judgment. They must also have experience in positions with a high degree of responsibility and be leaders in the companies and institutions with which they are, or have been, affiliated. While the Company does not have a specific policy regarding diversity, when considering the nomination of directors, the Nominating and Governance Committee does consider the diversity of its directors and nominees in terms of knowledge, experience, background, skills, expertise and other demographic factors.

Director candidates must have sufficient time available, in the judgment of the Nominating and Governance Committee, to perform all Board and committee responsibilities that will be expected of them. Members of the Board of Directors are expected to rigorously prepare for, attend and participate in all meetings of the Board of Directors and applicable committees.

B. Director Independence.

A majority of the directors shall satisfy the independence requirements of the Securities and Exchange Act of 1934 (the “Exchange Act”), and the rules of the SEC and NASDAQ.

C. Conflicts of Interest.

Directors are expected to avoid any action, position or interest that conflicts with an interest of the Company or gives the appearance of such a conflict. The Company will annually solicit information from directors in order to monitor potential conflicts of interest and directors are expected to be mindful of their fiduciary obligations to the Company.

D. Confidentiality.

The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her services as a director.

E. Change in Director Circumstances.

A director who experiences any significant change in his or her personal circumstances , including a change in the director’s principal occupation or job responsibilities, shall consult with the Chairman of the Board and the Chairman of the Nominating and Governance Committee regarding the impact of such change on the director’s ability to continue to carry out his or her duties and responsibilities effectively and whether continued Board service is appropriate. The Board does not believe any director who experiences such a change in circumstances should necessarily leave the Board or any committee thereof; however, there should be an opportunity for the Board, through the Nominating and Governance Committee, to review the continued appropriateness of Board membership under these circumstances. In addition, the Board shall also review the suitability of each Board member for continued service on the Board and each relevant committee thereof at least annually.

F. Mandatory Retirement Age.

The Board does not believe that a fixed retirement age for directors is appropriate.

G. Term Limits.

The Board does not believe it is appropriate to establish term limits for service as a director. Although term limits could help ensure that fresh ideas and viewpoints are available to the Board, they have the disadvantage of forcing the loss of directors who have been able to develop, over a period of time, valuable insight into the Company and its operations and who, therefore, provide an increasingly valuable contribution to the Board as a whole.

H. Size of Board.

The Company’s Certificate of Incorporation provides that the authorized number of members of the Board shall be fixed from time to time by the Board. The Board will periodically

evaluate the appropriate size of the Board and make any changes it deems appropriate.

I. Limits on Board Memberships and Other Significant Activities.

Service on the Board requires significant time and attention. Generally, directors should not serve simultaneously on more than five public company boards, including the Company's Board, except with the prior approval of the Board. In addition, directors who also serve as Chief Executive Officers, or in equivalent positions, generally should not serve on more than two public company boards, including the Company's Board, in addition to their employer's board. Directors should advise the chairperson of the Nominating and Corporate Governance Committee before accepting membership on other boards or significant commitments involving affiliation with other businesses, non-profit entities or governmental units.

IV. Chairman of the Board.

The Company's Bylaws provide that the directors shall elect a Chairman of the Board from among the directors. The Board has no policy mandating the separation of the offices of Chairman and the Chief Executive Officer. The Board does not believe there should be a fixed rule as to whether the offices of Chairman and Chief Executive Officer should be vested in the same person or two different people, or whether the Chairman should be an employee of the Company or should be elected from among the non-employee directors. The needs of the Company and the individuals available to fill these roles may dictate different outcomes at different times, and the Board believes that retaining flexibility in these decisions is in the best interest of the Company.

V. Lead Director.

The Board believes that, at any time that the office of Chairman is filled by the Chief Executive Officer or another executive officer employed by the Company, a non-employee director should be designated Lead Director. The Lead Director serves as the principal liaison between the independent directors and the Chairman. In that capacity, the Lead Director presides over executive sessions of the independent directors, chairs Board meetings in the Chairman's absence, and collaborates with the Chairman on agendas, schedules and materials for board meetings. The Board believes that this leadership structure provides the appropriate balance of management and non-management oversight.

VI. Executive Sessions of the Independent Directors.

The independent directors will meet periodically in executive session. In normal circumstances, executive sessions shall be scheduled as a part of all regular Board meetings, and, in any event, such sessions shall be held not less than twice during each calendar year. Executive sessions shall be chaired by the Chairman of the Board if he or she is an independent director or, if not, by the Lead Director. The chairman of each executive session will report to the Chief Executive Officer and, if applicable the Chairman of the Board, regarding relevant matters discussed in the executive session.

VII. Stockholder Communications with Directors.

Stockholders may communicate with the Board of Directors, or any individual director, by transmitting correspondence by mail, facsimile or email, addressed as follows: Board of Directors or individual director, c/o Corporate Secretary, 1389 Moffett Park Drive, Sunnyvale, California 94089-1113; Fax: (408) 745-6097; Email Address: corporate.secretary@finisar.com. The Corporate Secretary will maintain a log of such communications and will transmit as soon as practicable such communications to the Board of Directors or to the identified director(s), although communications that are abusive, in bad taste or that present safety or security concerns may be handled differently, as determined by the Corporate Secretary.

All directors are encouraged to attend the Company's annual meeting of stockholders.

VIII. Directors' Access to Management.

The directors shall have complete access to the Company's senior management. Directors shall use their judgment to ensure that contacts with Company personnel are not disruptive to the Company's operations. Except for contacts specifically approved by the Board or the Audit Committee, directors will inform the Chairman of the Board and the Chief Executive Officer of the general nature of all communications with Company personnel.

The Board encourages the Chairman of the Board and the Chief Executive Officer to invite members of the Company's management to attend Board meetings in order to (a) provide the Board with additional insight into matters discussed during the meeting or (b) expose to the Board key employees with future potential as senior managers of the Company.

IX. Assessment of Board and Committee Performance.

The Nominating and Governance Committee is responsible for conducting an annual evaluation of the performance of the full Board and reports its conclusions to the Board. The Nominating and Governance Committee's report should generally include an assessment of the Board's compliance with the principles set forth in these guidelines, as well as identification of areas in which the Board could improve its performance. Each of the Audit, Compensation and Nominating and Governance Committee will also conduct an annual evaluation and assessment of the effectiveness of the performance of such committee.

X. Director Orientation and Continuing Education.

The Nominating and Governance Committee will develop with management an orientation process for new directors to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of conduct and ethics, corporate governance guidelines and other policies. In addition, the Nominating and Governance Committee will monitor the continuing education for existing directors and the Company may, from time to time, offer continuing education programs to assist the directors in maintaining the level of expertise to perform his or her duties as a director. The Company's directors are also encouraged to participate in accredited director education programs.

XI. Retention of Advisors and Consultants.

The Board and each committee of the Board shall have the authority to retain outside financial, legal or other advisors as they deem appropriate, and shall have the authority to obtain advice, reports or opinions from internal and external counsel and advisors, without consulting with or obtaining approval from any officer of the Company.

XII. Director Compensation.

Non-employee directors shall receive reasonable compensation for their services on the Board and its committees, as may be determined from time to time by the Board upon recommendation of the Nominating and Governance Committee. Compensation for non-employee directors shall be consistent with the market practices of other similarly situated companies.

XIII. Director Stock Ownership.

The Board believes that directors should be stockholders in order to better align their interests with the long-term interests of the Company's stockholders. In June 2012, the Board adopted a policy under which each non-employee director is required to attain ownership of not less than 10,000 shares of the Company's common stock by the earlier of three years from the adoption of the policy or three years from his or her first election as a director and to retain such minimum stock ownership so long as he or she continues to serve as a director. Non-employee directors are required to refrain from selling shares (other than for the purpose of paying federal or state income taxes related to the acquisition of such shares) until such minimum stock ownership is attained.

XIV. Committees of the Board.

The Board will at all times maintain an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. All members of these committees will be independent directors under the criteria established by the Securities Exchange Act and the rules of the SEC and NASDAQ. From time to time, the Board may establish such other standing or special committees as it may deem to be necessary or appropriate to carry out its responsibilities. Committee members will be appointed by the Board. Each committee will have its own charter which will set forth the purposes, duties and responsibilities of the committee.

XV. Executive Compensation.

The Compensation Committee shall annually review and establish the compensation of the Chief Executive Officer and the Chairman, if he or she is an employee of the Company. As part of its evaluation process, the Compensation Committee shall meet or confer with the other independent directors to review and evaluate the performance of such officer(s). The evaluation shall be based upon objective criteria, including the Company's financial performance, accomplishment of strategic objectives and the development of management.

The Compensation Committee shall also annually evaluate the performance of the Company's other executive officers and approve their compensation, including salary, bonus and other incentive and equity compensation.

XVI. Succession Planning.

The Chief Executive Officer and the Chairman, if he or she is an employee of the Company, shall report periodically to the Board on succession planning. The independent directors shall consult with the Chief Executive Officer and the Chairman, if he or she is an employee of the Company, to (i) develop plans for interim succession of the Chief Executive Officer and, if applicable, the Chairman in the event that such officer should become unable to perform his or her duties and (ii) assess the qualification of senior officers as potential successors to the Chief Executive Officer.