

FINISAR CORPORATION
CHARTER OF THE COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS

(as amended through September 7, 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 Finisar Corporation (the “Company”) and the manner in which those responsibilities shall be performed, including the Committee’s 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 executive officers. In carrying out these responsibilities, the Committee shall review all components of executive officer compensation for consistency with the Committee’s compensation philosophy as in effect from time to time.

The Committee is also responsible for producing an annual report on executive compensation, including a Compensation Discussion and Analysis, for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations of the Securities and Exchange Commission (the “SEC”), and approving grants under the Company’s equity incentive plans.

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be comprised of at least two directors, each of whom shall satisfy the independence requirements of The Nasdaq Stock Market (“Nasdaq”), any corporate governance guidelines of the Company that may be in effect from time to time, and applicable law. Members of the Committee and the Audit Committee shall not be identical. A director shall not serve as a member of the Committee if any executive officer of the Company serves on the compensation committee of another company that employs that director as an executive officer.

The members of the Committee shall be appointed by the Board and shall serve until their successors are duly elected and qualified or their earlier resignation or removal. Any member of the Committee may be replaced by the Board. Unless a chairman is elected by the Board, the members of the Committee may designate a chairman by the majority vote of the full Committee membership; provided, however, that the chairman of the Audit Committee may not serve simultaneously as the chairman of the Committee. The Committee may from time to time delegate duties or responsibilities to subcommittees or to one member of the Committee.

III. RESOURCES

The Committee shall have the authority to obtain such advice or assistance from compensation consultants, legal counsel, accounting or other advisors as it deems appropriate to perform its duties hereunder. Without limiting the generality of the foregoing, the Committee shall have sole authority to retain and terminate any consulting firm or other advisor used to assist the Committee in the performance of its duties and to determine and approve the terms, fees and costs for such engagements. Prior to selecting, or receiving advice from, any advisor, the Committee shall consider the independence of such advisor based on any applicable criteria specified by the SEC or Nasdaq, including the independence factors listed in Nasdaq Rule 5605(d)(3); provided, however, that the Committee shall not be prohibited from obtaining advice from advisors that it determines are not independent. The Company shall provide appropriate funding, as determined by the Committee, for payment of fees and costs of any consultant or advisor engaged by the Committee to assist it in performing its duties hereunder.

IV. MEETINGS

The Committee shall meet as often as it deems appropriate, but not less frequently than quarterly. A majority of the members shall represent a quorum of the Committee. Formal action to be taken by the Committee shall be by the affirmative vote of at least a majority of the members present (in person or by telephone conference call) at a meeting at which a quorum is present or by unanimous written consent. 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. The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

V. COMMITTEE AUTHORITY AND RESPONSIBILITIES

To fulfill its responsibilities and duties, the Committee shall:

1. Determine and approve all compensation for the Chief Executive Officer of the Company and Chairman, if the Company has one, including salary and incentive-based and equity-based compensation. The Chief Executive Officer may not be present during voting or deliberations on his/her compensation.
2. Review and approve annual performance objectives and goals relevant to compensation for the Chief Executive Officer and evaluate the performance of such officers in light of such goals and objectives, taking into account input from the other non-employee members of the Board.
3. Consider, in determining the long-term incentive component of compensation for the Chief Executive Officer, the Company's performance and relative shareholder return, the value of similar incentive awards to officers at comparable companies, and the awards given to the Chief Executive Officer.
4. Make the determination described in Items 1-3 for the Executive Chairman, if the Company has an Executive Chairman who is also not the Chief Executive officer.

5. Determine and approve all compensation for the Company's executive officers other than the Chief Executive Officer, including salary and incentive-based and equity-based compensation and awards, taking into account recommendations of the Chief Executive Officer.
6. Approve all employment, severance, or change-in-control plans or agreements, special or supplemental benefits, or provisions including the same, applicable to executive officers.
7. Approve grants of equity awards to eligible individuals under the Company's equity incentive plans, subject to and in accordance with the terms of such plans and such guidelines, policies and procedures with respect to the grant of equity awards as may be adopted from time to time by the Board.
8. Periodically select and retain an independent consultant to compare the Company's executive compensation policies, practices and procedures to a set of peer companies selected by the Committee with input from the independent consultant and direct the independent consultant to prepare and submit to the Committee a report on this comparative study and its recommendations relating to executive compensation.
9. 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 compensation programs for the Company's executive officers relative to comparable companies in the Company's industry.
10. Prepare an annual report on executive compensation, including a Compensation Discussion and Analysis, for inclusion in the Company's proxy statement for the annual meeting of stockholders, in accordance with applicable rules and regulations of the SEC.
11. In connection with the administration of the Company's comprehensive enterprise risk management ("ERM") program, as in effect from time to time, monitor and assess risks associated with the Company's compensation policies and consult with management regarding such risks.
12. Perform such other activities consistent with this Charter, the Company's Bylaws, guidelines, policies and procedures and governing law, as the Committee deems necessary or appropriate or as the Board may direct.
13. Make regular reports to the Board of Directors regarding the foregoing.
14. Review and reassess the adequacy of this Charter, as appropriate, and recommend any proposed changes to the Board for approval.