

## **CALIX, INC.**

### **CORPORATE GOVERNANCE GUIDELINES**

The Board of Directors (the “**Board**”) of Calix, Inc. (the “**Company**”) has adopted the following Corporate Governance Guidelines (these “**Guidelines**”) to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Certificate of Incorporation, Bylaws and other corporate governance documents. These Guidelines acknowledge the leadership exercised by the Board’s standing committees and their chairs and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. These Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate and in the best interests of the Company and its stockholders or as required by applicable laws and regulations.

#### **The Board**

##### *Size of the Board*

The Company’s Bylaws and Certificate of Incorporation provide that the number of directors will be fixed from time to time by the Board. The Board will periodically review the size of the Board and determine the size that is most effective.

##### *Independence of the Board*

The Board will be comprised of a majority of directors who qualify as independent directors (the “**Independent Directors**”) under the listing standards of the New York Stock Exchange (“**NYSE**”).

##### *Separate Sessions of Non-Management Directors and Independent Directors*

The non-management directors will meet in executive session without management directors or management present on a regularly scheduled basis, but no less than two (2) times a year. Non-management directors are all directors who are not Company officers (as that term is defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended), including such directors who are not independent by virtue of a material relationship, former status or family membership, or for any other reason.

In addition, if the non-management directors include directors who are not also Independent Directors, the Independent Directors shall also meet separately at least once per year in an executive session.

##### *Director Qualification Standards*

The Nominating and Corporate Governance Committee is responsible for reviewing with

the Board the appropriate characteristics, skills and experience required for the Board as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current Board members), the Nominating and Corporate Governance Committee, in recommending candidates for election, and the Board, in approving (and, in the case of vacancies, appointing) such candidates, may take into account the following factors, among other factors the Committee may deem appropriate: diversity of personal and professional background, perspective and experience, including diversity of gender, age and ethnicity; personal and professional integrity, ethics and values; experience in corporate management, operations or finance; experience relevant to the Company's industry and with relevant social policy concerns; experience as a board member or executive officer of another publicly held company; relevant academic expertise; practical and mature business judgment; promotion of a diversity of business or career experience relevant to the success of the Company; and any other relevant qualifications, attributes or skills. The Board evaluates each individual in the context of the Board as a whole, with the objective of assembling a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas. In determining whether to recommend a director for re-election, the Nominating and Corporate Governance Committee may consider the director's past attendance at meetings and participation in and contributions to the activities of the Board.

#### *Selection of New Directors*

The Board is divided into three (3) classes, as nearly equal in number as possible. As a result, approximately one-third (1/3) of the Board will stand for election by the stockholders of the Company each year at the Company's annual meeting for three (3)-year terms. Each year, at the annual meeting, the Board will recommend a slate of directors for election by the stockholders. In accordance with the Bylaws and Certificate of Incorporation of the Company, the Board will also be responsible for filling vacancies or newly created directorships on the Board that may occur between annual meetings of stockholders unless the Board determines that any such vacancies or newly created directorships will be filled by the stockholders. The Nominating and Corporate Governance Committee is responsible for identifying, screening and recommending candidates to the entire Board for Board membership.

#### *Director Orientation and Continuing Education*

The Nominating and Corporate Governance Committee will develop and oversee a Company orientation program for new directors and a continuing education program for current directors, periodically review these programs and update them as necessary. Management will provide background material on the Company and its business to new directors and, as appropriate, will prepare additional educational sessions for directors on matters relevant to the Company and its business.

#### *No Specific Limitation on Other Board Service*

The Board does not believe that its members should be prohibited from serving on boards of other organizations and has not adopted any guidelines limiting such activities. However,

the Nominating and Corporate Governance Committee may take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors in evaluating the suitability of individual director candidates and current directors. Service on other boards and/or committees should be consistent with the Company's conflict of interest policies.

*Directors Who Resign or Materially Change Their Current Positions with Their Own Company or Become Aware of Circumstances that May Adversely Reflect upon the Director or the Company*

When a director, including any director who is currently an officer or employee of the Company, resigns or materially changes his or her position with his or her employer or becomes aware of circumstances that may adversely reflect upon the director or the Company, such director should notify the Nominating and Corporate Governance Committee of such circumstances. The Nominating and Corporate Governance Committee will consider the circumstances and may in certain cases consider requesting that the director submit his or her resignation from the Board if, for example, continuing service on the Board by the individual is not consistent with the criteria deemed necessary for continuing service on the Board.

*Term Limits*

As each director is periodically subject to election by stockholders, the Board does not believe it is in the best interest of the Company to establish term limits at this time. Additionally, such term limits may cause the Company to lose the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company's business and therefore can provide an increasingly significant contribution to the Board.

*Director Responsibilities*

The business and affairs of the Company will be managed by or under the direction of the Board, including through one or more of its committees. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. These include:

- exercising their business judgment in good faith;
- acting in what they reasonably believe to be the best interest of all stockholders;
- becoming and remaining well-informed about the Company's business and operations and general business and economic trends affecting the Company; and
- ensuring that the business of the Company is conducted so as to further the long-term interests of its stockholders.

*Compensation*

The Board believes that director compensation should fairly pay directors for work

required in a business of the Company's size and scope, and that compensation should align directors' interests with the long-term interests of stockholders. The Compensation Committee will review and make recommendations to the Board regarding the cash and equity compensation of directors. The Company's executive officers do not receive additional compensation for their service as directors.

Members of the Audit Committee may not directly or indirectly receive any compensation from the Company other than their directors' compensation, including any compensation for service on committees of the Board and the receipt of equity incentive awards.

#### *Stock Ownership Guidelines*

Each director is expected to acquire and maintain ownership of Calix common stock having a value of no less than four (4) times the annual Board cash retainer. Each director shall acquire ownership of the requisite number of shares on or before the later to occur of: January 1, 2018; or the date five years after the initial appointment date of such director. In the event that any director fails to meet these guidelines, shares from such director's annual equity grants will be held until the guidelines are met.

#### *Conflicts of Interest*

Directors are expected to avoid any action, position or interest that conflicts with the interests of the Company or gives the appearance of a conflict. If an actual or potential conflict of interest develops, the director should immediately report all facts regarding the matter to the Board. Any significant conflict must be resolved, or the director should resign. If a director has a personal interest in a matter before the Board, the director must disclose the interest to the Board, excuse himself or herself from discussion on the matter and not vote on the matter.

#### *Interaction with Institutional Investors, the Press and Customers*

The Board believes that management speaks for the Company. Each director should refer all inquiries from institutional investors, the press or customers regarding the Company's operations to management. Individual Board members may, from time to time at the request of management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chief Executive Officer in his or her Board capacity or other member of the Board designated by the Board.

#### *Board Access to Senior Management*

The Board will have complete access to Company management in order to ensure that directors can ask any questions and receive all information necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not distract managers from their jobs or disturb the business operations of the Company. To the extent appropriate, such contact, if in writing, should be copied to the Chief Executive Officer of the Company.

### *Board Access to Independent Advisors*

The Board committees may hire independent advisors as set forth in their applicable charters. The Board as a whole shall have access to such advisors and such other independent advisors that the Company retains or that the Board considers necessary to discharge its responsibilities.

### *Annual Self-Evaluation*

The Nominating and Corporate Governance Committee will, at least annually, review the performance of each current director and oversee an annual assessment by the Board of the Board's performance and the performance of management.

The Board assessment should include a review of any areas in which the Board or management believes the Board can make a better contribution to the governance of the Company, as well as a review of the committee structure and an assessment of the Board's compliance with the principles set forth in these Guidelines. The Nominating and Corporate Governance Committee will utilize the results of the Board evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board.

## **Board Meetings**

### *Frequency of Meetings*

The Board will meet at least four (4) times annually. In addition, special meetings may be called from time to time as determined by the needs of the business. It is the responsibility of the directors to attend meetings.

### *Director Attendance*

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of non-management directors and the Independent Directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to notify the Chief Executive Officer (if he or she is a member of the Board) or the Chairperson of the appropriate committee in advance of such meeting, and, whenever possible, participate in such meeting via teleconference.

### *Attendance of Non-Directors*

The Board encourages invitations to management and outside advisors or consultants from time to time to participate in Board and/or committee meetings to (i) provide insight into items being discussed by the Board which involve the manager, advisor or consultant,

(ii) make presentations to the Board on matters which involve the manager, advisor or consultant and (iii) bring managers with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

#### *Advance Receipt of Meeting Materials*

Information regarding the topics to be considered at a meeting is essential to the Board's understanding of the business and the preparation of the directors for a productive meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the directors. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

### **Board Committee Matters**

#### *Number, Name, Responsibilities and Independence of Committees*

The Board currently has five (5) committees: Audit, Compensation, Nominating and Corporate Governance, Cybersecurity, and Strategic. The three (3) key committees, Audit, Compensation and Nominating and Corporate Governance Committees, are each composed entirely of Independent Directors.<sup>1</sup> From time to time, the Board may form a new committee or disband a current committee. Each committee will perform its duties as assigned by the Board in compliance with the Company's Bylaws and the committee's charter.

The current Board committees are:

(1) Audit Committee. The Audit Committee consists of at least three (3) members and reviews the work of the Company's internal accounting and audit processes and independent auditors. Among other things, the committee has sole authority to appoint and fire the Company's independent auditors and to approve any significant non-audit relationship with the independent auditors.

(2) Compensation Committee. The Compensation Committee consists of at least three (3) members. The committee, at least annually, reviews the compensation philosophy of the Company and stays informed as to market levels of compensation. The committee reviews and approves the corporate goals and objectives relevant to the Chief Executive Officer and other executive officer compensation, evaluates the Chief Executive Officer's and executive officers' performance in light of those goals and objectives, and, either on its own or together with the other Independent Directors, determines and approves all compensation of the Chief Executive Officer and executive officers based on such evaluation. The committee produces an annual Compensation Committee report for inclusion in the Company's proxy statement and reviews and determines whether to recommend Board approval of the Company's Compensation Disclosure and Analysis section of the proxy statement and annual report on Form 10-K, in accordance with applicable rules and regulations. The committee periodically reports to the Board concerning its compensation determinations with respect to management and employees

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<sup>1</sup> Subject to the exceptions as allowed by the NYSE listing requirements.

and also makes recommendations to the Board concerning compensation of the Company's non-management directors.

(3) Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee consists of at least three (3) members and is responsible for recommending to the Board individuals to be nominated as directors and the assignment of committee members. This includes evaluation of new candidates as well as evaluation of current directors. This committee is also responsible for developing and recommending to the Board these Guidelines, as well as reviewing and recommending revisions to the Guidelines on a regular basis. This committee also performs other duties as are described in these Guidelines.

(4) Cybersecurity Committee. The Cybersecurity Committee consists of at least three (3) members. The Cybersecurity Committee reviews the Company's key data security programs for management of cybersecurity and technology risks and periodically reports to the Board on the effectiveness of such programs.

(5) Strategic Committee. The Strategic Committee consists of at least three (3) members and is responsible for oversight over the Company's business strategy, makes recommendations to the Board on the Company's strategic direction and objectives and serves as a liaison between the Board and management.

#### *Assignment and Rotation of Committee Members*

Based on the recommendations of the Nominating and Corporate Governance Committee, the Board appoints committee members and committee chairs according to criteria set forth in the applicable committee charter and such other criteria that the Board determines to be appropriate in light of the responsibilities of each committee. Committee membership and the position of committee chair will not be rotated on a mandatory basis unless the Board determines that rotation is in the best interest of the Company.

Each member of the Audit Committee must satisfy the independence requirements of Rule 10A-3 under the Securities Exchange Act of 1934 and must be financially literate, as determined by the Board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment, and at least one (1) member of the Audit Committee must have accounting or related financial management expertise as determined by the Board in its business judgment. In addition, at least one (1) member of the Audit Committee must meet the definition of "audit committee financial expert" adopted by the Securities and Exchange Commission.

#### *Frequency of Committee Meetings*

The three (3) key committees shall meet as follows: Compensation Committee and the Nominating and Corporate Governance Committee will meet at least two (2) times annually, and the Audit Committee will meet at least four (4) times annually.

### *Committee Agendas*

The Chairperson of each committee, in consultation with the appropriate members of the committee, will develop his or her committee's agenda.

### *Committee Self-Evaluations*

Following the end of each fiscal year, each committee will review its performance and charter and recommend to the Board any changes it deems necessary.

### **Disclosure Committee**

In addition, the Company has a Disclosure Committee, which aids the Chief Executive Officer and Chief Financial Officer in fulfilling their responsibility for oversight of the accuracy and timeliness of the disclosures made by the Company. This includes designing and establishing controls and other procedures ("***Disclosure Controls***") to ensure that the information required to be disclosed to the Securities and Exchange Commission and the investment community ("***Disclosure Statements***") is recorded, processed, summarized and reported accurately and on a timely basis and that information is accumulated and communicated to management, as appropriate to allow timely decisions regarding such required disclosure. The committee also monitors the integrity and effectiveness of these controls and procedures.

The Disclosure Committee shall meet as frequently as circumstances dictate to (i) ensure the accuracy and completeness of the Disclosure Statements and (ii) evaluate the Disclosure Controls and determine whether any changes to the Disclosure Controls are necessary or advisable in connection with the preparation of the Company's upcoming periodic reports or other Disclosure Statements, taking into account developments since the most recent meeting, including changes in the Company's organization and business lines and any change in economic or industry conditions.

### **Leadership Development**

#### *Annual Review of Chief Executive Officer*

The Compensation Committee shall approve the corporate goals and objectives relating to the compensation of the Company's Chief Executive Officer. At the end of each year, the Chief Executive Officer shall make a presentation or furnish a written report to the Compensation Committee indicating his or her progress against such established performance criteria.

#### *Succession Planning*

The Board (or a committee delegated by the Board) will work on a periodic basis with the Chief Executive Officer to evaluate the Company's succession plans upon the Chief Executive Officer's retirement and in the event of an unexpected occurrence.

## **Oversight of Risk Management**

The Board and the Board committees shall have an active role in overseeing management of the Company's risks. The Board shall regularly review information regarding the Company's credit, liquidity and operations, as well as the risks associated with each. The Company's Compensation Committee shall be responsible for overseeing the management of risks relating to the Company's executive compensation plans and arrangements. The Company's Audit Committee shall oversee management of financial risks. The Nominating and Corporate Governance Committee shall manage risks associated with the independence of the Board and potential conflicts of interest. The Cybersecurity Committee shall oversee cybersecurity and technology risk. The Strategic Committee shall oversee risks relating to the Company's long-term strategic plan and strategic actions. While each committee shall be responsible for evaluating certain risks, and overseeing the management of such risks, the entire Board is regularly informed through committee reports about such risks.

## **Ethics Helpline**

The Audit Committee will cause the Company to implement, maintain and monitor an ethics helpline that is designed to receive anonymous reports of any known or suspected violations of the Company's Code of Business Conduct and Ethics or any applicable laws and regulations. The Audit Committee will investigate any reports received through the ethics helpline and report to the Board periodically with respect to the information received through the ethics helpline and any related investigations.

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Amended and Approved by the  
Nominating and Corporate  
Governance Committee  
on May 16, 2019