

**F5 NETWORKS, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**  
**(as of July 10, 2015)**

**1. Director Selection**

Annually the Board of Directors of F5 Networks, Inc. (“F5” or the “Company”), led by the Chair of the Board, will conduct an assessment of critical Company and Board needs, and will develop a matrix of critical needs based on the present and future strategic objectives of Company and the specific skills required for the Board as a whole and for each Board committee.

The Nominating and Corporate Governance Committee will assess personal qualities, diversity, age, skills, and experience of Board members in the context of the critical needs matrix. It will also determine whether the Board meets the appropriate independence requirements and, in conjunction with the Lead Independent Director and the committee chairs, whether existing committee members have the requisite skill and personal qualities to perform the committee functions effectively.

Generally, an outside recruiter will be engaged to conduct a search for Board candidates. The Board will, however, consider candidates properly proposed by shareholders or other creditable sources. All candidates will be evaluated based on the critical needs matrix, as well as overall abilities such as leadership, vision, availability, potential conflicts and a sincere commitment to contribute to the success of F5. Recommendations on specific candidates and recommendations on re-nomination will be made by the Nominating and Corporate Governance Committee, in consultation with the Lead Independent Director or an independent Board Chair as applicable, to the full Board. Selection of director nominees will be made by the Board including a majority of the independent directors. The invitation to join the Board should be extended by the Board Chair, acting on behalf of the Board.

**2. Director Qualifications and Limitations**

To be considered for Board membership, an individual must, at a minimum, have demonstrated expertise in the specific skill area sought by the Board in a high-level professional capacity and the ability to work effectively as part of a team. The individual must have unquestionable integrity and either a good working knowledge of the Company's business or the ability to gain this knowledge promptly upon joining the Board pursuant to the Director orientation process.

The Board and the Nominating and Corporate Governance Committee will consider whether any Board nominee or existing Board member has a conflict of interest with the Company with applicable consultation the Company's Audit Committee. An individual will not be eligible for Board service if a conflict of interest exists that a majority of the Board believes could reasonably be expected to interfere with that person's or the Board's ability to fulfill their fiduciary duty to the Company or its shareholders.

An individual director who materially changes his or her professional responsibilities (including a change in employment position or status) or becomes aware of circumstances that may negatively reflect on the individual or the Company or otherwise negatively affect the individual's ability to effectively serve as a director of the Company, must tender his or resignation from the Board (and all other positions or memberships held with the Company or any of its subsidiaries) contingent on the Board's acceptance thereof at its sole discretion. The Board does not believe that a director should necessarily leave the Board due to such changes of circumstance. There should, however, be an opportunity for the Board to determine, following consultation with the Nominating and Corporate Governance Committee, the continued appropriateness of such director's service with the Company under the changed circumstances

Directors generally cannot serve on a total of more than three public company boards, including the F5 Board. Directors should advise the Chair and the Nominating and Governance Committee chair in advance of accepting an invitation to serve on another public company board. Directors who wish to serve on more than three public company boards may request an exception from the full F5 Board, which may approve the request if it determines, following consultation with the Nominating and Corporate Governance Committee, that such service will not adversely affect the requesting director's ability to serve effectively on the F5 Board and its committees.

The Board does not believe it should establish term limits or a mandatory age-related director retirement policy. While term limits or a mandatory age-related director retirement policy could help insure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of, among other things, losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an often increasingly valuable contribution to the Board as a whole. An individual director's tenure with the Company is considered each time a director's qualifications and attributes are reviewed in connection with potential renomination for director.

### **3. Director Responsibilities**

The basic responsibility of the directors generally is to exercise their informed business judgment to act in what they reasonably believe to be in the best long-term interests of the Company and its shareholders. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The directors will also be entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Company's charter, by-laws and any indemnification agreements, and to exculpation as provided by state law and the Company's charter.

Directors must adhere to applicable policies and practices of the Company. These include, for example, those relating to insider trading, conflicts of interest, conduct, ethics and confidentiality, and related party transactions, as well as director stock ownership guidelines.

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to become

informed on the issues and properly discharge their responsibilities. Directors are also expected to be present at the Company's annual meeting of shareholders.

The Board believes that the offices of Board Chair and CEO should generally be kept separate, although it recognizes that specific circumstances may warrant having one person hold both positions.

The full Board will meet at least quarterly. The CEO and Board Chair, in consultation with and with the approval of the Lead Independent Director, as applicable, will establish the agenda and oversee that relevant and timely information is provided, for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda, and to raise subjects that are not on the agenda for any particular meeting. The Board will review the Company's long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year.

The independent directors will meet in executive session at least quarterly, with an independent Chair or the Lead Independent Director, as the case may be, presiding over each session and being responsible for the session agenda. The independent Chair or the Lead Independent Director will brief the CEO (and Chair, if applicable) regarding the session, as deemed appropriate.

The Board believes that management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. It is expected that Board members would do this with the knowledge of the CEO and Chair, and, absent unusual circumstances or as contemplated by these Guidelines or the committee charters, only at the request of the CEO or the Chair. [

#### **4. Board Committees**

The Board will have at all times Audit, Compensation and Nominating and Corporate Governance Committees. All of the members of these committees will be independent directors under the applicable criteria established by NASDAQ, and will be appointed by the Board, following consultation with the Nominating and Corporate Governance Committee, with consideration of the desires of individual directors. The Lead Independent Director will be deemed an ex-officio, non-voting member of each Committee and will attend meetings of the various committees regularly. The Board believes that, if possible, consideration should be given to periodic rotation of committee members, but the Board does not feel that rotation should be mandated as a policy. Each committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees. The chair of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements contained in the committee's charter or otherwise. The chair of each committee, in consultation with the appropriate members of the committee and management, will develop the agenda for committee meetings. The Board and each committee (as well as the Chair and the Lead Independent Director) have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

## **5. Director Access to Officers and Employees**

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate with officers or employees of the Company may be arranged through the CEO or the Corporate Secretary or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company.

Executive officers and other employees of the Company may attend Board meetings at the discretion of the CEO, Chair or Lead Independent Director.

## **6. Shareholder Access to Board Members**

Shareholder communications to Board members will be directed to the Corporate Secretary of the Company who will forward all those that are reasonably related to the business or corporate governance of the Company to the Chair, the Lead Independent Director, other Board members, a committee(s), or the full Board, as appropriate.

## **7. Director Compensation**

The Compensation Committee will conduct an annual review of director compensation (including with regard to the Chair and the Lead Independent Director, as applicable) and make a recommendation on the form and amount of director compensation to the full Board. The Compensation Committee will consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

## **8. Director Information and Education**

All directors are expected to keep themselves informed of the Company's business and major issues affecting the Company and the industry in general to the extent necessary to effectively carry out their Board duties, and may request that the Company provide them with helpful materials. Directors are encouraged to attend seminars or otherwise stay informed on Board responsibilities and corporate governance issues, and will comply with any rules developed by NASDAQ or the SEC on director education. Seminar registration will be part of a plan for director education that is overseen by the Nominating and Corporate Governance Committee approved by the Board Chair. Directors will be reimbursed for reasonable expenses for director education that has been approved by the Board Chair or the Chair of the Nominating and Corporate Governance Committee.

## **9. Annual Performance and Succession Evaluation**

The Compensation Committee in conjunction with the Lead Independent Director (or in the absence of a Lead Independent Director, an independent Board Chair), will conduct an annual review of the CEO's performance, as described in its charter. The Board will review the Compensation Committee's report in order to ensure that the CEO is providing the best leadership for the Company in the long- and short-term

The Board, in consultation with the Nominating and Corporate Governance Committee, will periodically review and develop, as appropriate, executive officer development and corporate succession plans for the CEO and other executive officers.

The Nomination and Corporate Governance Committee will conduct an annual Board evaluation to determine whether the Board and its committees are functioning effectively. The Chair will receive comments from all directors and consult with the Lead Independent Director and the chair of the Nominating and Governance Committee and then report annually to the Board with an assessment of the Board's performance. This will be discussed with the full Board annually. The assessment will focus on the Board's contribution to the Company and specifically focus on areas in which the Board or management believes that the Board could improve or provide additional input or value.

## **10. Selection of Board Chair and Lead Independent Director**

The Board will elect a Board Chair in the manner that it determines to be in the best interests of the Company's shareholders. The Chair may be an employee or non-employee director. The Chair will have the duties specified in these Guidelines and such other duties as are assigned from time to time by the Board. The Chair position will be evaluated and elected on regular basis by the Board, in consultation with/on the recommendation by the Nominating and Corporate Governance Committee if requested.

In those circumstances where the Chair is not determined by the Board to meet appropriate director independence requirements, a majority of the Board's independent directors will appoint, following consultation with and recommendation by the Nominating and Corporate Governance Committee, a Lead Independent Director who will meet such independence requirements. The Lead Independent Director will serve as liaison between the Chair and the independent directors and may call meetings of the independent directors, and will have such other duties specified in these Guidelines and as are assigned from time to time by the Board. The Lead Independent Director will be evaluated and appointed by a majority of the Board's independent directors on an annual basis, in consultation with and on the recommendation of the Nominating and Corporate Governance Committee if requested.