



CHARTER OF THE GOVERNANCE AND NOMINATING COMMITTEE
OF THE BOARD OF DIRECTORS OF
COHERENT, INC.

PURPOSE:

The purpose of the Governance and Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of Coherent, Inc. (the “Company”) is to ensure that the Board of Directors is properly constituted to meet its fiduciary obligations to stockholders and the Company and that the Company has and follows appropriate governance standards. To carry out this purpose, the Governance and Nominating Committee shall: (1) assist the Board by identifying prospective director nominees; (2) consider director nominees recommended by security holders for election to the Board; (3) recommend the appointment of directors to fill vacancies or newly created directorships on the Board; (4) develop and recommend to the Board the governance principles applicable to the Company; (5) oversee the evaluation of the Board and its committees; (6) recommend to the Board, director nominees for each committee; and (7) oversee director continuing education and compliance with any applicable director continuing education requirements.

MEMBERSHIP AND ORGANIZATION:

The Governance and Nominating Committee shall be comprised of no fewer than two (2) members, each of whom is a member of the Board.

The members of the Committee shall meet the independence requirements of: (i) the Nasdaq National Market (except to the extent that the Company has chosen to avail itself of the “exceptional and limited circumstances” exemption from Nasdaq’s independence requirement, as set forth in NASD Rule 5605(e)(3)); and (ii) those set forth in the Governance Guidelines.

The members and Chair of the Governance and Nominating Committee shall be appointed and replaced by the Board. The Chair (or in his or her absence, a member designated by the Chair) shall preside at all meetings of the Committee. The Chair shall be responsible for leadership of the Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.

The Committee shall meet at least once annually.

RESPONSIBILITIES AND AUTHORITY:

- Evaluate the current composition, organization and governance of the Board and its committees, evaluate future requirements and make recommendations to the Board for approval.



- As needed or appropriate, conduct or authorize searches for potential Board members.
- Evaluate, propose and recommend to the Board, nominees for election or appointment to the Board.
- Consider, evaluate and, if deemed appropriate and desirable, propose and recommend for approval, security holder nominees for election to the Board.
- In performing its responsibilities, the Governance and Nominating Committee shall have the authority to retain, compensate and terminate any search firm to be used to identify director candidates.
- Oversee the Board and committee performance evaluation process, including, as deemed appropriate and desirable, conducting surveys of director observations, suggestions and preferences.
- Form and delegate authority to subcommittees when appropriate.
- Evaluate and make recommendations to the Board concerning the appointment of directors to Board committees and the selection of Board committee chairs.
- Consider and evaluate any offer by a director to resign from the Board, and make recommendations to the Board as to whether such resignation should be accepted.
- Evaluate and recommend termination of membership of individual directors in accordance with the Board's governance principles, for cause or for other appropriate reasons.
- Oversee, and implement as necessary, director continuing education programs, including review of compliance with any applicable director continuing education requirements.
- Review this Charter periodically, as appropriate, and make recommendations to the Board for any proposed changes.
- Periodically review and evaluate, as appropriate, the performance of the Governance and Nominating Committee.
- In performing its responsibilities, the Governance and Nominating Committee shall have the authority to engage and obtain advice, reports or opinions from internal or external counsel and expert advisors.

- Conduct a procedure to elicit, receive and consider nominations for the Board by stockholders as specified in the Company's Bylaws. As part of this procedure, the Governance and Nominating Committee will annually contact stockholders that (1) own greater than four percent of the Company's outstanding common stock and (2) have recommended candidates, to discuss the nomination process and why the recommended candidates were included or not included in the Company's slate of nominated directors. The Governance and Nominating Committee shall consider in good faith any potential director recommended pursuant to the foregoing procedure.
- Periodically determine, as appropriate, whether there are any specific, minimum qualifications that the Governance and Nominating Committee believes must be met by a nominee to be recommended by the Governance and Nominating Committee for a position on the Board and whether there are any specific qualities or skills that the Governance and Nominating Committee believes are necessary for one or more directors to possess.
- The Governance and Nominating Committee shall review the disclosure in the Company's proxy statement for its annual meeting of stockholders and shall inform management whether there are any changes that are necessary or appropriate with respect to disclosure in the proxy statement regarding: (i) the Governance and Nominating Committee's process for identifying and evaluating nominees for director, including nominees recommended by security holders; (ii) any minimum qualifications that the Governance and Nominating Committee believes must be met by nominees recommended by the Governance and Nominating Committee; (iii) any specific qualities or skills that the Governance and Nominating Committee believes are necessary for one or more of the Company's directors to possess; (iv) the procedures to be followed by security holders in submitting director recommendations; and (v) the policy of the Governance and Nominating Committee with regard to the consideration of director candidates recommended by security holders.
- Periodically review the Governance Guidelines of the Company and recommend, if applicable, changes thereto.
- Periodically review and propose to the Board, the number of authorized Board positions within the limits set by the Company's Bylaws, and propose changes to the Bylaws in this regard if appropriate and desirable.
- Review and make recommendations to the Board concerning any shareholder proposals or nominees for director.
- Periodically report to the Board concerning matters within the Committee's purview.



- Either determine and approve, or make recommendations to the Board regarding, compensation for Board membership and Board committee activities.
- Either determine and approve, or make recommendations to the Board regarding, assignment responsibility for risk oversight categories for the Board and its committees

MINUTES:

The Committee will maintain minutes of meetings, which will be filed with the minutes of the meetings of the Board.

FUNDING OF THE COMMITTEE’S FUNCTIONS:

The Company shall provide funding for the Committee in its capacity as a Committee of the Board in such amounts as determined by the Committee for payment of compensation to any advisors engaged by the Committee in connection with discharging its responsibilities hereunder or as otherwise delegated by the Board.

Despite the enumeration above of certain responsibilities and functions of the Committee, nothing in this charter is intended to alter or impair operation of the “business judgment rule” as interpreted by the courts under the Delaware General Corporation Law. Further, nothing in this charter is intended to alter or impair the right of members of the Committee to rely, in discharging their oversight role, on the records of the Company and on other information presented to the Committee, the Board or the Company by its officers or employees or by outside experts such as the external auditors.