

DZS INC.
CHARTER OF THE STRATEGY COMMITTEE
OF THE BOARD OF DIRECTORS

Effective August 16, 2021

I. STATEMENT OF POLICY

This Charter specifies the scope of the responsibilities of the Strategy Committee (the “Committee”) of the Board of Directors (the “Board”) of DZS Inc. (the “Company”) and the manner in which those responsibilities shall be performed, including its structure, processes and membership requirements.

The purpose of the Committee is to assist the Board in carrying out its responsibilities of oversight over the Company’s business strategy, make recommendations to the Board on the Company’s strategic direction and objectives and serve as a liaison between the Board and management. In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company’s bylaws.

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be comprised of three (3) or more directors, as determined by the Board, each of whom has experience, in the business judgment of the Board, that would be helpful in addressing the matters delegated to the Committee.

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 removed or replaced by the Board. Unless a chairman is elected by the full Board, the members of the Committee may designate a chairman by majority vote of the full Committee membership. The Committee may, from time to time, delegate duties or responsibilities to subcommittees or to one member of the Committee.

A majority of the members shall represent a quorum of the Committee, and, if a quorum is present, any action approved by at least a majority of the members present shall represent the valid action of the Committee.

The Committee shall have the authority to obtain advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate to perform its duties hereunder, and to determine the terms, costs and fees for such engagements. The fees and costs of any consultant or advisor engaged by the Committee to assist the Committee in performing its duties hereunder shall be borne by the Company.

III. MEETINGS

The Committee shall meet as often as it deems necessary to fulfill its responsibilities hereunder, but not less frequently than once each year, and may meet with management or individual directors at any time it deems appropriate to discuss any matters before the Committee.

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

IV. COMMITTEE AUTHORITY AND RESPONSIBILITY

The primary responsibilities of the Committee are to assist and advise in the strategic planning process for the Company and in developing long-term strategic plans for the Company. The Committee may request that the Company’s officers and employees, who are not members of the Committee, participate in the Committee’s meetings. Among its specific duties, the Committee will:

1. Review and provide guidance to management with respect to the Company's long-term strategic plans;
2. Review and evaluate modifications to the Company's long-term strategic plans to reflect changes in market or business conditions;
3. Review and evaluate strategic actions, including strategic investments, acquisitions, divestitures and other M&A and financing strategies and assess such actions for strategic alignment, short and long-term impact on the Company's objectives and stockholder value and other considerations;
4. Review and evaluate on an ongoing basis the Company's performance and progress with respect to the Company's execution of its strategies and the financial and other impacts to the Company's objectives and stockholder value; and
5. Evaluate annually the performance of the Committee and the adequacy of the Committee's charter.