

MITEL NETWORKS CORPORATION

(the “Company”)

CORPORATE GOVERNANCE GUIDELINES

A. *Introduction*

The board of directors and management of the Company are committed to promoting and maintaining a high standard of corporate governance. The board has adopted these corporate governance guidelines (the “Guidelines”) to foster an understanding of the Company’s governance relationship framework between the board of directors and management of the Company, thereby enhancing the effective decision making capabilities of the Company within such governance relationship framework.

B. *Review and Modification of Corporate Governance Guidelines*

The nominating and governance committee shall review these Guidelines periodically and submit any recommended changes to the board for approval. These Guidelines may be amended or modified by the board and the board may waive compliance with any of the provisions of these Guidelines subject to disclosure of such amendments, modifications and waivers in the Company’s public disclosure documents, as required.

C. *The Governing Role and Responsibilities of the Board*

1. *The Role of the Board*

The board is elected by the shareholders and has the statutory power and obligation to supervise the management of the Company. The board has adopted a formal mandate setting out the board’s primary duties and responsibilities, including the board’s responsibility to appoint the chief executive officer and other senior officers, to oversee strategy implementation and performance, to identify and oversee management of principal business risks, to monitor the financial performance of the Company and other financial reporting matters, to monitor the legal, ethical and financial performance of the Company and to maintain shareholder relations.

2. *Director Responsibilities*

Directors are expected to use their skill and experience to provide oversight to the business of the Company. Directors have a duty to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would in comparable circumstances.

Directors should routinely attend all board and committee meetings in person. It is acceptable, on an infrequent basis, for directors to participate in such meetings by conference call if attendance in person is not possible. A director shall notify the chair of the board or committee or the corporate secretary if the director will not be able to attend or participate in a meeting.

Directors are expected to review and be familiar with board and committee materials which have been provided in sufficient time for review prior to a meeting. Directors are to advise the board or committee chair of matters which they believe should be added to a meeting agenda.

3. *The Role of Chair of the Board*

The primary responsibility of the chair of the board is to provide leadership to the board to promote the effectiveness of the board within the governance relationship framework. The chair of the board, as the presiding member of the board, must ensure that the board discharges the duties assigned to it by law and pursuant to these Guidelines. The board has adopted a position description for the chair of the board setting out the chair's primary duties and responsibilities.

4. *The Lead Director*

At any time when the chair is not an independent director, the non-management directors shall select an independent director to carry out the functions of a lead director. The lead director would chair any meetings of the non-management directors and assume other responsibilities which the independent directors as a whole designate to the lead director. The board has adopted a position description for the lead director setting out the lead director's primary duties and responsibilities.

5. *The Role of Board Committees*

The board has determined that there should be three board committees: (i) the audit committee; (ii) the nominating and governance committee; and (iii) the compensation committee. This structure may change as the board considers from time to time which of its responsibilities can best be fulfilled through detailed review of matters in committee. Each committee shall operate according to a board-approved written charter outlining its duties and responsibilities.

6. *Oversight of Committee Functions*

The purpose of board committees is to assist the board in discharging its responsibilities. Notwithstanding the delegation of responsibilities to a board committee, the board is ultimately responsible for matters assigned to the committee. Except as may be explicitly provided in applicable laws, rules and regulations, the charter of the committee or a resolution of the board, the role of the board committee is to review and make recommendations to the board with respect to the approval of matters considered by the committee.

D. *The Role of Management*

7. *The Role of Management and the Chief Executive Officer*

The chief executive officer of the Company, establishes proposed goals, objectives and strategies for the business of the Company with a view to enhancing shareholder value for approval by the board. The board oversees management's implementation of approved goals, objectives and strategies and also approves the position description or terms of reference for the chief executive officer. The chief executive officer is responsible for the executive leadership and operational management of the Company and reports to the board on the Company's performance against the approved goals, objectives and strategies including any deviations from such approved goals, objectives and strategies.

8. *Evaluation of the Chief Executive Officer*

The compensation committee shall conduct an annual review of the performance of the chief executive officer against approved goals, objectives and strategies and shall review, assess and recommend the compensation of the chief executive officer to the board for approval. The results of the review shall be communicated to the chief executive officer by the chair of the board and/or the chair of the compensation committee.

9. Board Relationship with Management

The board shall support and encourage the members of management in the performance of their duties. The board shall also support and encourage the members of management to act in a manner that reflects strict adherence to core corporate values and contributes to the creation of a culture of integrity throughout the Company. Management shall make appropriate use of the board's skills before decisions are made on key issues. The nominating and governance committee shall review and assess the board's relationship to management.

10. Limits to Management Authority

From time to time, the board will establish limits on management's approval authority depending on the nature and size of proposed transactions. These limits will anticipate that some flexibility exists within approved budgets but that transactions outside defined limits require approval by the board or an appropriate committee of the board.

11. Board Access to Management

All directors shall have open access to the Company's senior management for relevant information. Written communications from directors to members of management shall be copied to the chief executive officer or, in the case of accounting and financial matters, the chief financial officer. Individual directors are encouraged to make themselves available for consultations with management outside of board meetings in order to provide specific advice and counsel on subjects where such directors have special knowledge and experience.

E. Board of Directors Operating and Procedural Guidelines

12. Outside Advisors for Individual Directors

The board has determined that any director who wishes to engage a non-management advisor to assist on matters involving the responsibilities of the director at the expense of the Company should review the request with, and obtain the authorization of, the nominating and governance committee.

13. Assessment of Board and Individual Director Performance

The nominating and governance committee is responsible for making an annual assessment of the overall performance and effectiveness of the board and each committee, the chair, each committee chair and each director and for reporting on such assessments to the board. The objective of the assessments is to ensure the continued effectiveness of the board and its committees in the execution of their responsibilities and to contribute to a process of continuing improvement.

14. Independence of Directors

The board shall consist of at least a majority of "independent" directors who satisfy the independence requirements of the NASDAQ Stock Market ("NASDAQ"). An "independent" director is defined in Appendix A attached to these Guidelines or as otherwise subsequently defined in applicable securities laws and the rules of NASDAQ or any other stock exchange on which the Company's securities are listed for trading, or, if it is not defined, as that term is defined by the board.

15. Term Limits for Directors

The board has determined that fixed term limits for directors should not be established. The board is of the view that such a policy would have the effect of forcing directors off the board who have developed, over a period of service, increased insight into the Company and who, therefore, can be expected to provide an increasing contribution to the board. At the same time, the board recognizes the value of some turnover in board membership to provide on-going input of fresh ideas and views. The nominating and governance committee is mandated to annually consider and recommend changes to the composition of the board.

16. Retirement Age for Directors

Unless otherwise determined by the board, no person shall be appointed or elected as a director once that person has reached 75 years of age.

17. Adoption of Majority Voting for Directors

Any nominee for director in an uncontested election with respect to whom a majority of the votes represented by proxies validly deposited prior to a meeting of shareholders of the Corporation at which directors of the Corporation are to be elected (the “**Election Meeting**”) are “withheld” from his or her election (a “**Majority Withheld Vote**”), shall immediately tender his or her resignation to the board for consideration promptly following the Election Meeting. Directors other than those who received a Majority Withheld Vote at the same Election Meeting shall consider whether or not to accept the resignation within 90 days after the date of the relevant Election Meeting. If there are less than three directors who received a majority “for” vote, the entire board shall meet to consider the appropriate actions to be taken. The board shall accept the resignation absent exceptional circumstances and the resignation will be effective when accepted by the Board. A press release disclosing their determination (and the reasons for rejecting the resignation, if applicable) shall be issued promptly following such determination, and a copy of such press release shall be provided to the Toronto Stock Exchange.

18. Criteria for Board Membership

The nominating and governance committee is mandated to review annually the competencies, skills and personal qualities applicable to candidates to be considered for nomination to the board. The objective of this review is to maintain the composition of the board in a way that provides, in the judgment of the board, the best mix of skills and experience to provide for the overall stewardship of the Company. This review shall take into account the desirability of maintaining a reasonable diversity of personal characteristics such as age, gender, geographic residence and origin. However, all directors must possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of the shareholders. They must also have an inquisitive and objective perspective, practical wisdom and mature judgment, outstanding ability in their individual fields of expertise and a willingness to devote the necessary time to board matters.

A director’s acceptance of additional positions as a corporate director with for-profit corporations at arm’s length to the Company is subject to the board’s review.

19. Selection of New Director Candidates

The nominating and governance committee is mandated to recruit and consider candidates for director and to make recommendations to the board. Directors are encouraged to identify potential candidates. The chair and the chief executive officer shall be consulted and have input into the process. An invitation to stand as a nominee for election to the board will normally be made to a candidate by the board through the chair or the chair’s delegate.

20. Director Orientation and Education

The nominating and governance committee is mandated to oversee an orientation and education program for new directors and ongoing educational opportunities for all directors.

21. Board Meetings

The chair and the chief executive officer, in consultation with the chief financial officer and the corporate secretary, shall develop the agenda for each board meeting. Meeting materials shall be provided to directors before each board meeting in sufficient time to ensure adequate opportunity to review meeting materials. It is recognized that, under some circumstances, due to the confidential nature of matters to be discussed at a meeting, it would not be prudent or appropriate to distribute written materials in advance.

22. Non-Directors at Board Meetings

The board believes there is value in having certain members of senior management attend each board meeting to provide information and opinions to assist the directors in their deliberations. Attendance by senior management shall be determined by the chief executive officer with the concurrence of the chair. Management attendees shall be excused for any agenda items that are reserved for discussion among directors only.

23. Executive Sessions of Directors and Non-Management Directors

An in camera meeting of the directors and/or the non-management directors may be held in conjunction with a regular meeting of the board, as determined, in each case, by the board or the non-management directors. In addition, the independent directors shall, hold an in camera meeting at least twice a year in conjunction with regular meetings of the board and of each committee of the board.

24. Director Compensation

The compensation committee is mandated to review the compensation of the directors on an annual basis. The committee review shall include consideration of all forms of compensation which a director receives, directly or indirectly, including any charitable contributions which are made to organizations to which a director is affiliated.

The board has determined that the directors should be compensated in a form and amount which is appropriate and which is customary for comparative companies, having regard for such matters as time commitment, responsibility and trends in director compensation.

25. Share Ownership by Directors

The board has determined that it is appropriate to align the interests of the non-management directors with those of shareholders and, as a result, has approved ownership guidelines for non-employee directors and executives. These guidelines call for each non-employee director to own shares of Mitel's common stock having a value equal to at least three times the regular annual cash retainer, with a five-year period to attain that ownership level. Executives and directors who do not hold the requisite number of Mitel shares at the end of the applicable period will be required to hold 100% of any shares received as a results of any equity awards granted to them (net of shares sold or withheld to pay the exercise price of stock options or sold to pay the withholding tax.)

26. Avoidance of Conflicts of Interest

The board expects directors as well as officers and employees, to act ethically at all times and to acknowledge their adherence to the Company's Code of Business Conduct, with particular respect to the conflicts of interest provisions enumerated in the Code.

27. Disclosure of Conflicts of Interest

Prior to beginning service on the board, and thereafter as requested by the chair of the board or the corporate secretary, every director shall disclose to the corporate secretary all potential conflicts of interest the director may have, so that any conflicts can be resolved before jeopardizing the Company's interests. All directors shall immediately inform the corporate secretary of any new interests or relationships not previously disclosed. In addition, each director will comply with the provisions of the *Canada Business Corporations Act* with regards to the declaration of conflicts of interest and the abstention from voting on any matters to which such conflicts of interest pertain.

In addition to the statutory responsibilities of directors to disclose all actual or potential conflicts of interest and generally to refrain from voting on matters in which the director has a conflict of interest, the director shall recuse himself or herself from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest or which otherwise affects his or her personal, business or professional interests.

28. Principal Occupation Changes by Directors

A non-management director who makes a major change in principal occupation shall submit his or her resignation to the Board for consideration. It is not intended that non-management directors who retire or whose professional positions change should necessarily leave the Board. Rather, the Board believes it is appropriate in such circumstances to conduct a review, with the assistance of the Nominating and Corporate Governance Committee, of the continued appropriateness of Board membership under such circumstances.

When the CEO or any other officer ceases to be an officer, such officer, if a director, shall submit his or her resignation to the Board for consideration concurrent with ceasing to hold office with the Company. Whether that resignation is accepted shall be determined by the Board, taking into account the circumstances existing at that time.

APPROVED March 9, 2006, as revised March 11, 2010, November 30, 2011, November 5, 2014, November 4, 2015 and December , 2016.

APPENDIX A

CORPORATE GOVERNANCE GUIDELINES

DIRECTOR INDEPENDENCE STANDARDS

A director will not be considered independent if:

- the board determines that he or she has a direct or indirect relationship with the Company which could interfere with the exercise of the director's independent judgement;
- the director is, or at any time during the past three years has been, an employee or executive officer¹ of the Company or any parent or subsidiary of the Company;
- the director has an immediate family member² who is, or at any time during the past three years has been, an executive officer¹ of the Company or any parent or subsidiary of the Company;
- the director is (i) a partner of a firm that is the Company's internal or external auditor, (ii) an employee of that firm or (iii) a person who was within the last three years a partner or employee of that firm and personally worked on the Company's audit within that time;
- the director has an immediate family member² that (i) is a partner of a firm that is the Company's internal or external auditor, (ii) is an employee of that firm and participates in its audit, assurance or tax compliance³ practice or (iii) was within the last three years a partner or employee of that firm and personally worked on the Company's audit within that time;
- the director is an executive officer¹ of an entity where, at any time during the past three years, any of the Company's executive officers¹ serves or have served on the entity's compensation committee;
- the director has an immediate family member² who is an executive officer¹ of an entity where, at any time during the past three years, any of the Company's executive officers¹ serves or have served on the entity's compensation committee;

¹ As defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended, "executive officer" means (i) a chair, vice-chair or president of the Company, (ii) a principal financial officer or a principal accounting officer (or, if there is no such accounting officer, the controller) (iii) a vice-president of the Company in charge of a principal business unit, division or function such as sales, finance, administration or production, (iv) an officer of the Company, any parent or any of its subsidiary entities who performs a policy-making function in respect of the Company and (v) any other person who performs a policy-making function in respect of the Company. A director will not be considered to have a relationship with the Company solely because the director has previously acted as an interim executive officer of the Company for a period of less than one year.

² As defined in Rule 5605(2) of the NASDAQ Stock Market Rules, "immediate family member" means a person's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, whether by blood, marriage or adoption and anyone (other than an employee of either the individual or the individual's immediate family member) who shares such person's home.

³ For purposes of this requirement, tax planning does not constitute tax compliance.

- the director has received more than the lesser of (i) US\$120,000 or (ii) Cdn.\$75,000 in payments⁴ from the Company or any parent or subsidiary of the Company during any 12 month period within the last three years;
- the director has an immediate family member² who has received more than the lesser of (i) US\$120,000 or (ii) Cdn.\$75,000 in payments⁵ from the Company or any parent or subsidiary of the Company during any 12 month period within the last three years; or
- the director is or has an immediate family member² who is, a partner in, or a controlling shareholder or an executive officer¹ of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or US\$200,000, whichever is more, other than payments arising solely from investments in the Company's securities or payments under non-discretionary charitable contribution matching programs.

ADDITIONAL REQUIREMENTS FOR AUDIT COMMITTEE MEMBERS

Only independent directors may be members of the audit committee.

In addition to the rules set out above, a director shall not serve on the audit committee if:

- the director has a relationship with the Company pursuant to which the director may accept, directly or indirectly,⁵ any consulting, advisory or other compensatory fees⁶ from the Company or any subsidiary entity of the Company, other than as remuneration for acting in his or her capacity as a member of the board of directors, or any board committee or as a part-time chair or vice-chair of the board or any board committee, or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service); or
- the director is an “affiliated person or entity”⁷ of the Company or any of its subsidiary entities⁸.

⁴ For purposes of this requirement, payments do not include remuneration for board or board committee services, benefits under a tax-qualified retirement plan, or non-discretionary compensation, and in the case of an immediate family member of a director, compensation paid to the family member as a non-executive officer employee.

⁵ Indirect acceptance by a person of any consulting, advisory or other compensatory fee includes acceptance of a fee by (a) a person's spouse, minor child or stepchild or a child or stepchild who shares the person's home, or (b) an entity in which such person is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active rule in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the Company or any subsidiary entity of the Company.

⁶ Compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company if the compensation is not contingent in any way on continued service.

⁷ A person or entity is considered to be an affiliated person or entity of another person or entity if: (a) one of them directly, or indirectly through one or more intermediaries controls or is controlled by the other or if both persons or entities are controlled by the same person or entity, or (b) the person or entity is (i) both a director and an employee of an affiliated entity, or (ii) an executive officer, general partner or managing member of an affiliated entity. Control means the direct or indirect power to direct or cause the direction of management and policies of a person or company, whether through ownership of voting securities, by contract or otherwise.

⁸ A person or entity is considered to be a subsidiary entity of another person or entity if (a) it is controlled by, (i) that other, or (ii) that other and one or more persons or entities each of which is controlled by that other, or (iii) two or more persons or entities, each of which is controlled by that other; or (b) it is a subsidiary entity of a person or entity that is the other's subsidiary entity.