

ADVA's position on slavery and human trafficking

Transparency statement 2018

About us

ADVA Optical Networking ("ADVA") develops next-generation networking technology that enables the creation of high-performance cloud and mobile services. Our products are based on fiber optic transmission technology combined with Ethernet functionality, timing and synchronization solutions and intelligent software for network management and virtualization. Our overarching mission is to be the trusted partner for connecting, extending and assuring the cloud.

Our commitment

Integrity is at the core of who we are. At ADVA, we are committed to running our business responsibly. We strive to live up to our ethical standards embodied in our values and documented in our [Group Code of Conduct](#) ("Code"). Our efforts are supported by periodic training sessions for all employees and a dedicated team with clearly allocated responsibilities within the areas of compliance, sustainability and corporate social responsibility. In addition, we actively encourage all individuals to report any perceived deficiency either to our ombudsman or via our Ethics and Compliance Helpline.

Modern slavery and human trafficking

Nobody should be forced to undertake work against their will. For millions of people around the world this statement unfortunately does not reflect reality as they are exploited and forced into work. As a result, they often suffer physical, psychological and sexual abuse.

ADVA tries to ensure that modern slavery is not taking place in any part of our business or supply chain. Our standards include a variety of different policies and practices to address slavery and human trafficking issues in the different areas where they may occur. This aligns with the United Kingdom Modern Slavery Act of 2015, the California Transparency in Supply Chains Act of 2010 (SB 657) and other similar laws and regulations. As the focus of our activities is the development, selling and servicing of network equipment but not the production of such, our business depends on hundreds of suppliers and service providers and several contract manufacturers. It is hence in our supply chain where we see the highest risk for modern slavery and human trafficking.

ADVA's supply chain

We buy a wide range of different things, including hardware components for our solutions and expert services to help develop, produce, maintain or even dispose of our products. To ensure that slavery and human trafficking does not occur within our supply chain, we took multiple actions, including the following:

- **Our Code and Supplier Code of Conduct:** Our Code derives from our values and sets forth the ethical standards that every employee, manager, director and officer of ADVA (collectively "Employees") needs to comply with. All Employees receive periodic training and need to acknowledge their adherence in writing. Our commitment extends to our business partners and we strive to work with companies that operate under similar principles. In addition to our Code, our Supplier Code of Conduct addresses specific issues for our strategic suppliers and is modeled on the EICC's framework. We do not tolerate any form of forced or compulsory labor.
- **Risk assessment:** Risk profiling helps us effectively assess our focus with regard to all different types of business partners, including strategic suppliers. Our risk assessment includes the type of product and service as well as

the business partner's location. Throughout 2018, we started with the implementation of a specialized IT based solution to further improve any such risk assessment as well as the subsequent screening and qualification.

- **Screening, qualification and contracting:** ADVA implemented screening, qualification and contracting processes for strategic suppliers and other selected business partners. Our measures include standardized questionnaires, technical and operational support and contracting according to pre-defined master purchasing agreements that require compliance with our ethical values, applicable laws or regulations.
- **Auditing and monitoring:** ADVA utilizes online assessment and auditing tools to evaluate strategic suppliers. In addition, clear and specific key performance indicators help us to continuously evaluate our strategic suppliers' performance and to drive improvements where required. Furthermore, on-site audits are conducted where needed.

Ethical conduct does not simply happen. It is the product of a corporate culture based on integrity and accountability which is modelled by the top management and demonstrated by example. Constant reinforcement and improvement are required. This statement describes our key measures for preventing slavery and human trafficking relevant to our supply chain. It is applicable for the period January 1 to December 31, 2018 and has been approved by the management board of ADVA Optical Networking SE.

A handwritten signature in black ink, appearing to read 'Brian Protiva'.

Brian Protiva
Chief Executive Officer
January 2019