



## Supplier Code of Conduct

### Introduction

Corporate integrity, responsible product sourcing, and the safety and wellbeing of workers across the global supply chain are of paramount importance to Adtran. These principles apply to all aspects of Adtran's business, and encompass all manufacturers, distributors, vendors, and other suppliers (each a "**Supplier**" and collectively "**Suppliers**") that supply products to Adtran, including without limitation the products (and components thereof) that Adtran sells.

These principles are reflected in this Code of Conduct ("**Code of Conduct**"), which establishes the minimum standards that must be met by any Supplier that sells goods to or does business with Adtran, regarding:

- Supplier's treatment of workers;
- workplace safety;
- Supplier's ethical business practices.

In addition to the Code of Conduct, Suppliers are required to act consistently with Adtran's Human Rights Policy and to adhere to the Adtran Global Anti-Corruption and Anti-Bribery Policy, each located at [www.adtran.com](http://www.adtran.com).

### Applicability

This Code of Conduct applies to all Suppliers that provide goods to Adtran. Supplier is responsible for compliance with the standards set out in this Code of Conduct ("**Standards**") throughout its operations and throughout its entire supply chain.

Without limiting Supplier's obligations hereunder, Supplier shall comply with the Standards in:

- all of its Facilities; and
- all of its operations, including with respect to manufacturing, distribution, packaging, sales, marketing, product safety and certification, intellectual property, labor, immigration, health, worker safety, and the environment.

Without limiting Supplier's obligations hereunder, Supplier is responsible for compliance with the Standards by all of its suppliers, vendors, agents, and subcontractors and their respective Facilities ("**Partner(s)**").

### Slavery, Human Trafficking, and Child Labor

All labor must be voluntary. Supplier shall not support or engage in slavery or human trafficking in any part of its supply chain. Supplier shall comply with all applicable child labor laws in its jurisdiction and the International Labour Organisation ("ILO") standards as set out in ILO Conventions No. 138 and 182.



Without limiting Supplier's obligations hereunder, Supplier shall not, and shall ensure that its Partners do not, support or engage in, or require any:

- compelled, involuntary, or forced labor;
- labor to be performed by children OR individuals under the age legally allowed to work in Supplier's jurisdiction;
- bonded labor;
- indentured labor; and
- prison labor.

### **Hazardous Work**

Without limiting Supplier's obligations hereunder, Supplier shall not, and shall ensure that its Partners do not, support or engage in, or require any hazardous labor to be performed by any person under the age of 18. Hazardous labor involves any work, that by its nature or the circumstances in which the work is undertaken, involves the substantial risk of harm to the safety or health of the worker or coworkers if adequate protections are not taken.

### **Identification Papers**

Without limiting Supplier's obligations hereunder, Supplier shall not require any worker to surrender control over original:

- identification papers or documents giving a foreign worker the right to work in the country;
- identification papers or documents, such as a passport, giving a foreign worker the right to enter or leave the country; or
- documents, such as a birth certificate, evidencing the worker's age.

### **Financial Obligations**

Without limiting Supplier's obligations hereunder, Supplier shall not, whether or not as a condition to the right to work, require any worker (or worker's spouse or family member) to, directly or indirectly:

- pay recruitment or other fees or other amounts (monetary or in-kind);
- incur debt.
- make financial guarantees; or
- incur any other financial obligation.



## **Freedom of Movement**

Without limiting Supplier's obligations hereunder, Supplier shall ensure that workers have the right to freedom of movement. Worker freedom of movement rights include each worker's right to leave the Facilities without retaliation:

- at the end of each workday;
- based on reasonable health and safety-related justifications; and
- based on any reasonable circumstances, such as personal or family emergencies.

## **Compensation and Benefits**

Supplier shall ensure that all workers receive at least the legally mandated minimum wages and benefits. Supplier shall offer vacation time, leave periods, and time off for legally recognized holidays.

Supplier shall compensate workers for overtime hours at the legal premium rate. Supplier shall communicate pay structure and pay periods to all workers. Supplier shall pay accurate wages in a timely manner, and wage deductions shall not be used as a disciplinary measure.

## **Work Hours**

### **Regular Work Hours**

Supplier shall not require or allow workers to work more than the maximum legally permitted number of regularly paid hours worked per week.

### **No Discrimination, Abuse, or Harassment**

Supplier shall not discriminate in hiring, compensation, training, advancement or promotion, termination, retirement, or any other employment practice based on race, color, national origin, gender, gender identity, sexual orientation, military status, religion, age, marital or pregnancy status, disability, or any other characteristic other than the worker's ability to perform the job.

Supplier shall treat workers with respect and dignity.

Supplier shall not subject workers to corporal punishment, or physical, verbal, sexual, or psychological abuse or harassment. Supplier shall maintain a work environment that fosters harmonious, productive working relationships and encourages mutual employee respect. Adtran prohibits and will not tolerate verbal or physical conduct by any Supplier that harasses, disrupts, or interferes with work performance or which creates an intimidating, offensive or hostile environment. Supplier must not condone or tolerate such behavior by its Partners.

### **Freedom of Association and Collective Bargaining**

- Adtran supports and recognizes freedom of association and collective bargaining as part of its commitment to support the fair and equitable treatment of workplace



workers. Supplier shall respect the rights of workers, as set forth in local laws, ILO, and as any relevant law allows, to associate freely, join or not join labor unions, and seek representation and jointworkers' counsels. Without limiting Supplier's obligations hereunder, Supplier shall not:take any action to prevent or suppress the workers' exercise of freedom of association or collective bargaining rights;

- discriminate or retaliate against, or discipline or punish, any worker who supports or exercises freedom of association or collective bargaining rights;
- discriminitate or retaliate against, or discipline or punish, any worker who raises collective bargaining compliance issues; or
- discriminate or retaliate against, or discipline or punish, any worker based on union membership or the worker's decision to join or not join a union.

### **Health and Safety**

Supplier shall provide a safe, healthy, and sanitary working environment, including for dining areas if provided by Supplier. Supplier shall implement procedures and safeguards to prevent workplace hazards, and work-related accidents and injuries, including procedures and safeguards to prevent industry-specific workplace hazards, and work-related accidents and injuries, that are not specifically addressed in these Standards.

Supplier shall provide workers adequate and appropriate personal protective equipment to protect workers against hazards typically encountered in the scope of work.

### **Facilities**

Supplier shall ensure that all Facilities meet all applicable building codes and industry design and construction standards

### **Environmental Protection**

#### **Operation of Supplier's Facilities**

Supplier shall operate its Facilities in compliance with all environmental laws. Supplier must ensure that the goods that it manufactures (including the inputs and components that it incorporates into its goods) comply with all environmental laws and treaties. Supplier must ensure that it will only use packaging materials that comply with all environmental laws and treaties. In addition, Adtran requires its Suppliers to have an environmental program that is registered or compliant with international standard. The environmental program must include:

- A public environmental policy. The policy must be based on an analysis of the Supplier's operations and environmental performance and be used as a basis for improvement;



- The identification and documenting of significant environmental aspects in the Supplier's operational activities;
- An environmental improvement program, with objectives and action plans;
- A process/methodology for ensuring the Supplier is aware of, and complies with, applicable environmental legislation and permits; and
- A program for ensuring that the supplier's employees have adequate and documented environmental competence.

### **Global Anti-Corruption Policy**

Suppliers must comply with all applicable U.S. laws that deal with foreign business transactions, including without limitation the Foreign Corrupt Practices Act, and the applicable laws and regulations of the countries where business is conducted. Supplier must comply with Adtran's Global Anti-Corruption Policy, which is available at [www.adtran.com](http://www.adtran.com).

### **Compliance with Laws**

Supplier shall comply with all applicable national and local laws and regulations, including laws and regulations relating to all the Standards. Where this Code of Conduct requires Supplier to meet a higher standard than set out by law or regulation, Supplier shall meet such higher standards. Supplier acknowledges that these Standards set out audit standards that Adtran may use to determine whether Supplier is meeting the requirements set out in this Code of Conduct.

### **Confidential Information**

Adtran has established a Third Party Information Security Policy along with non-disclosure-agreements and contracts for ensuring the proper management of confidential information. Suppliers are required to adhere to the Third Party Information Security Policy found at <https://portal.adtran.com/web/url/ITSecurityPolicy>, in addition to any non-disclosure agreements or contracts governing the use of confidential information of Adtran. In addition, Suppliers must protect all Adtran information, electronic data, and intellectual property or Adtran technologies with appropriate safeguards.

### **Compliance and Documentation.**

Supplier shall document its compliance to each of the requirements hereunder using industry-accepted methods of record-keeping and as required by applicable law. Supplier acknowledges that Adtran may in its discretion conduct inspections of the Facilities and such documentation to confirm Supplier's compliance with this Code of Conduct. Adtran has no obligation to conduct inspections.



### **Reporting Actual or Potential Violations.**

Adtran encourages its Suppliers to report actual or potential violations of this Code of Conduct. If a Supplier is aware of conduct that Supplier reasonably believe may violate this Policy, Supplier is responsible for reporting it to Adtran. Reporting a potential violation demonstrates a Supplier's sense of commitment, responsibility, and fairness to Adtran's customers, shareholders, and business associates, and to Supplier's employees and partners.

Any concerns regarding potential or actual violations of the Policy should be reported to Red Flag Reporting through the following means:

- Online: <https://www.redflagreporting.com> (client code: Adtran)
- Phone: 1.888.723.8726 (available 24 hours a day, 7 days a week)

Reporting potential Policy violations helps to safeguard the reputation and assets of Adtran. Any report by a Supplier will be investigated confidentially, and the reporter will be protected from retaliation. If you have any questions regarding this Policy, you may contact [compliance@adtran.com](mailto:compliance@adtran.com).

### **Termination**

Adtran may immediately terminate its business relationship (including any purchase order(s) and purchase contracts) with Supplier if Supplier or its Partners fail to meet the Standards.