

Adtran

**Building  
a secure  
tomorrow**

Sustainability Statement 2025

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# Management Summary

Adtran's sustainability statement 2025 was prepared with reference to the European Sustainability Reporting Standards (ESRS) and to comply with Sections 289b / 315b of the German Commercial Code (HGB). It is based on our double materiality analysis, which is based on feedback from stakeholder relevant to Adtran and identifies the material topics.

Key stakeholders for Adtran are investors, customers, and our own workforce. Material aspects were identified in the areas of ESRS E1, E5, S1, and G1. This covers environmental matters (E1, E5), employee matters (S1), and the fight against corruption and bribery (G1) in accordance with Section 289c of the German Commercial Code (HGB).

In the area of climate change and energy (ESRS E1), we are on track with our official SBTi net-zero targets. Decarbonization is being driven by three key levers: energy efficiency measures for our products, the switch to renewable energies, and our own generation of green electricity wherever possible.

For resource inflows and outflows (ESRS E5), we are focusing on the circular economy. The main areas of focus are the eco-design of our products, planned cooperation with major semiconductor manufacturers, as application-specific integrated circuits (ASICs) and similar components have a significant environmental impact, and programs for the return and reuse of products.

In the area of governance (ESRS G1), the prevention and detection of corruption and bribery are among the material topics. Adtran addresses this issue through a comprehensive compliance management system with the aim of reducing the number of such incidents to a minimum.

In the area of employee matters (ESRS S1), the focus is currently on work-life balance and training. Both issues also address personnel-related risks such as the recruitment and training of (new) employees.

Our climate risk analysis follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

*Identified physical risks:* Severe weather events and heat waves are being monitored, but are not (yet) critical. Adtran and its supply chain have not been affected to date.

*Identified transition risks:* The biggest challenge is the increasing complexity and number of new sustainability requirements and regulations, which tie up significant resources without helping to improve our actual performance in this area.

*Identified opportunities:* Our energy-efficient products and contribution to greening by ICT (enabling decarbonization in other sectors) offer clear opportunities and competitive advantages.

The transition plan is based on the SBTi targets and includes measures such as increasing energy efficiency, decarbonizing the supply chain, and switching entirely to green electricity (Scope 2). Our performance for 2025 is better than the defined set points of the SBTi targets for that year.

## **Overall assessment:**

Adtran strives to meet regulatory requirements and is consistently developing its sustainability strategy. Climate targets are on track, resource issues are being scaled, corruption is being addressed with solid processes, and employee matters are being expanded. Risks are identified and actively managed; opportunities are exploited where they exist to strengthen our position in the market. Residual risks remain that are not entirely under our control, particularly in the area of overregulation.

# Introduction

Our approach to sustainability is rooted in our corporate purpose: helping the world act together through communication, for example in combating climate change. Sustainability is therefore an integral part of Adtran's technology strategy as well as its product and operational strategies.

This sustainability statement has been prepared by Adtran, similarly to the year 2024, with reference to the European Sustainability Reporting Standards (ESRS) and in compliance with Sections 289b / 315b of the German Commercial Code (HGB). The statement reflects Adtran's sustainability performance, impacts, risks and opportunities across the areas of environmental matters, employee matters and anti-corruption. It is based on the long-standing three-pillar model we follow – the Triple Bottom Line of People, Planet, Profit. A deviation from ESRS arises from the fact that this non-financial report is issued as a standalone report and is therefore not integrated into the management report.

With this sustainability statement, Adtran aims to demonstrate its commitment to transparent sustainability statementing while also outlining its strategic approach to managing sustainability impacts, risks and opportunities. In doing so, Adtran acknowledges its role in addressing global sustainability challenges, particularly with regard to climate action.

The 2025 sustainability statement covers Adtran's worldwide activities and includes relevant information about the material impacts along the value chain. It focuses on the sustainability topics that are most relevant to Adtran's business model and operational context, as well as on fulfilling mandatory sustainability disclosure requirements.

Adtran welcomes feedback from stakeholders to continuously improve its sustainability statementing practices. This document therefore serves a dual purpose: ensuring compliance with applicable disclosure requirements and advancing the quality of sustainability statementing and stakeholder engagement.

# 1. General information

## 1.1. General basis for the preparation of the combined separate non-financial report

The scope of this combined separate non-financial report is Adtran Networks SE, Meiningen, and its subsidiaries (the Adtran Networks SE Group, hereinafter referred to as "Adtran" or "Adtran Networks SE"). In addition, some of the policies and measures described in this report, including the double materiality and risk assessments, apply to the wider group of companies belonging to the parent company Adtran Holdings, Inc. (Huntsville, USA), Adtran Holdings, Inc. Group. This is indicated accordingly. However, these qualitative statements, as well as the double materiality analysis and risk assessments, were assured only to the extent of their applicability to Adtran Networks SE.

This chapter comprises the combined separate non-financial report for Adtran Networks SE and the Adtran Networks SE Group, which, for the sake of simplicity, will be referred to below as the "non-financial report" or "sustainability statement." This non-financial report was prepared in accordance with Sections 315b, 289b, and 315c of the German Commercial Code (HGB) in conjunction with Sections 289c to 289e HGB and also takes into account the general principles of the European Sustainability Reporting Standards (ESRS). This results in deviations from the ESRS, as this non-financial report is a separate report and is therefore not integrated into the management report, and does not provide a complete breakdown of waste volumes by treatment and disposal methods. In addition, there are justified deviations due to limited data availability.

The non-financial report is subject to a voluntary limited assurance in accordance with ISAE 3000 (Revised). The independent auditor's limited assurance report on the combined separate non-financial report can be found on pages 21 and 119 of the 2025 annual report..

The content of this sustainability statement is based on the double materiality analysis conducted by Adtran in accordance with German GAAP (HGB) and with reference to the ESRS (European Sustainability Reporting Standards), which identified the key sustainability topics and the corresponding disclosures and information. The sustainability statement was prepared on a consolidated basis. The scope of reporting for Adtran's own activities corresponds to that of the consolidated financial statements. All statements regarding strategies, policies, measures, key performance indicators, and targets refer to Adtran.

The non-financial report includes the components required by Section 289c, namely a description of the business model and the material aspects identified. The non-financial report also considers Adtran's value chain (both suppliers and customers) where Adtran's activities may have sustainability-related impacts, risks, and opportunities. The sustainability statement demonstrates how Adtran's business activities take stakeholders and their interests into account.

No risks were identified for 2025 in accordance with Section 289c Paragraph 3 Nos. 3 and 4 of the German Commercial Code (HGB) that are very likely to have or will have serious negative effects on the aspects as defined in the HGB.

### **Inclusion of the upstream and downstream value chain**

Risk and materiality analyses also relate to aspects of the upstream and downstream value chain. Here, climate change and its associated risks and impacts are the most important aspects for both the supply chain and the customers.

Value chain data includes the production-related emissions of the upstream components we purchase and the emissions from the use phase of the downstream products we sell. For both upstream and downstream emissions, we must rely on averaged emissions data because comprehensive primary data is not available from our numerous suppliers and customers. For both upstream and downstream data, we use the emission factors proposed in Recommendation L.1470 of the International Telecommunication Union, Standards Division (ITU-T), for the ICT sector. We consider these factors appropriate for customers and suppliers, as many of them use renewable energy to power their networks, data centers, and facilities. We are working to improve the availability of primary data through the use of tools such as IntegrityNext, a supply chain management tool.

## **Disclosures relating to certain circumstances**


### *Time horizons*

Following the ESRS definitions, we consider a short-term time horizon of zero to one year, a medium-term time horizon of one to five years, and a long-term time horizon of five years or more. Furthermore, we use periods of three consecutive years in our assessments of the enterprise risk management (ERM).

### *Sources of uncertainty in estimates and results*

We regularly review the use of estimates and assessments in our non-financial reporting and strive to use only precise primary data wherever possible. With the exception of the averaged downstream emissions data and the total number of working hours, all quantitative measures in this report are precise. However, upstream environmental impacts are calculated using life cycle assessments, which are subject to some uncertainty due to the assumptions and scenarios used in the assessments. Due to a lack of precision in primary data, the resource inflows and waste figures are also based on estimates or extrapolations.

### *Changes in the creation or presentation of sustainability information*

The scope of the qualitative statements has not changed. The qualitative statements are presented for Adtran Networks SE and the entire Adtran Holdings, Inc. Group. However, we are not required to report quantitative figures for Adtran Holdings, Inc., but, with regard to the German Commercial Code (HGB), only for Adtran Networks SE. All quantitative data for the Adtran Holdings, Inc. Group has been reported voluntarily. It has not been subject to a voluntary limited assurance audit by KPMG in accordance with ISAE 3000 (Revised). All quantitative data for the Adtran Holdings, Inc. Group are marked with  as unaudited.

### *Errors in reporting in previous periods*

No significant errors were found in the reporting of earlier periods.

### *Omission of information due to intellectual property rights*

No information has been omitted for reasons of intellectual property, know-how, or other confidentiality.

## **Table of contents**

The list of disclosure obligations under the ESRS, which are addressed in the sustainability statement, as well as the list of data points derived from other EU legislation, are included in the [annex to the sustainability statement](#).

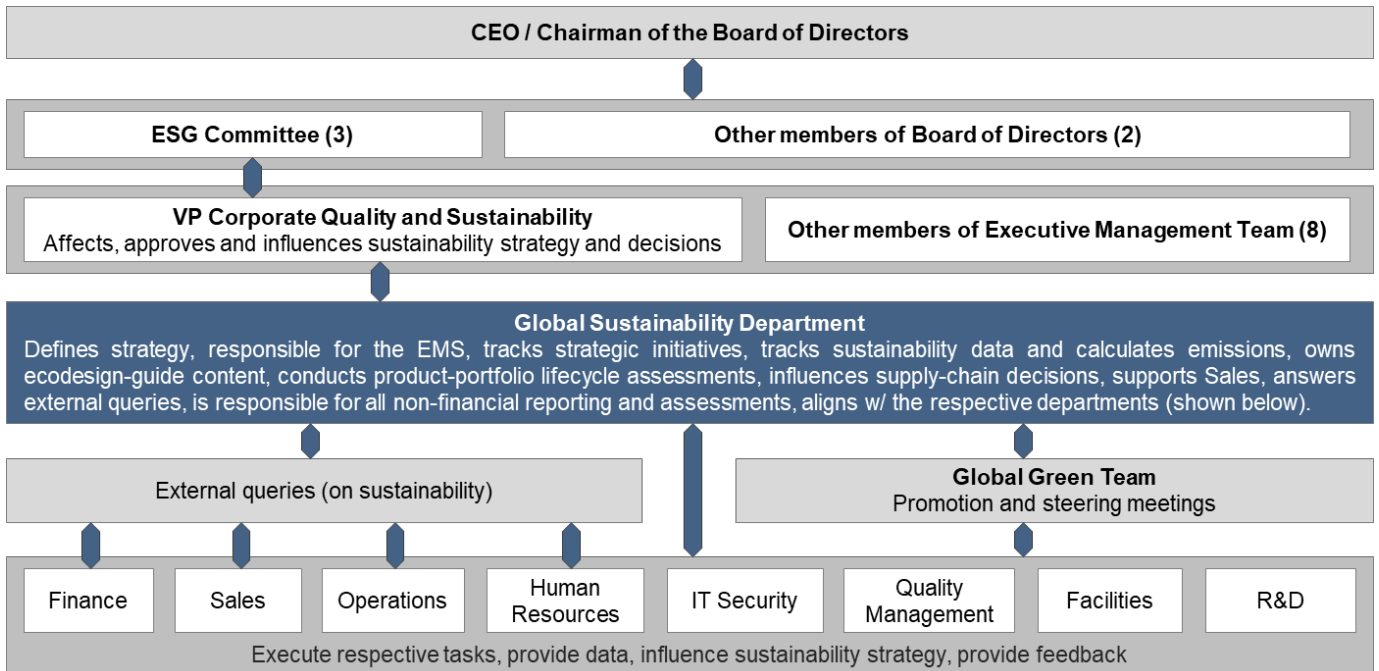
### *Information contained in the non-financial report*

The information contained in this report includes selected ESRS disclosure requirements relating to the key sustainability aspects described in the preceding sections (environmental issues, employee issues, anti-corruption) and the associated impacts, risks, opportunities (IROs), as well as information required under the EU Taxonomy Regulation.

## 1.2. Governance

### The role of administrative, management and supervisory bodies

We begin with an overview of the Adtran Holdings, Inc. Group, as Adtran Networks SE does not have its own sustainability department or ESG committee. The following is an overview of the Adtran Holdings, Inc. Group's sustainability-related bodies, including their reporting lines. The three members of the ESG committee and the two other members of the Board of Directors are independent and non-executive, while all members of the Executive Management Team are executive.



Within the Adtran Holdings, Inc. Group, the Global Sustainability department is responsible for monitoring sustainability, materiality and risk assessments, reporting and compliance, product life cycle assessments, and the content of our ecodesign recommendations. Similar to the Global Green Team, it comprises members from Adtran Inc. and Adtran Networks SE. Therefore, the Global Sustainability department is also responsible for Adtran Networks SE. This includes monitoring and integrating sustainability into the supply chain.

The Head of Global sustainability reports to the VP of Quality and Sustainability, who, as part of the Adtran Holdings, Inc. Group Management Team, reports directly to the Chief Executive Officer (CEO). The VP of Quality and Sustainability also regularly reports on sustainability issues to the ESG Committee, a subcommittee of the Board of Directors. The ESG Committee's meetings examine material sustainability issues and their associated impacts, risks, and opportunities, and assess progress in each area. The ESG Committee is also responsible for addressing stakeholder feedback and concerns regarding the Group's sustainability performance.

The CEO, the ESG Committee, the VP of Quality and Sustainability, and the global sustainability department are jointly responsible for managing sustainability issues, including company-wide policies and strategies. The CEO is responsible for decision-making regarding material impacts, risks, and opportunities that significantly affect investment and operating costs, such as investments in the generation or use of renewable energy.

The management structure within Adtran Networks SE varies slightly, with the main differences illustrated in the diagram below. Within Adtran Networks SE, the Supervisory Board consists of three independent, non-executive members, while the Management Board consists exclusively of three executive members.

Board of Directors / Supervisory Board, incl. Chairman (3)

Executive Board, incl. CEO (3)



The global sustainability department shown in this diagram is that of the Adtran Holdings, Inc. Group. Neither the Management Board nor the Supervisory Board of Adtran Networks SE are involved in the day-to-day operations of the sustainability department. However, they are involved in the preparation of the non-financial report and oversee its implementation.

### Skills and expertise regarding material sustainability topics

As described above, sustainability issues are addressed by the management team and board of directors of the Adtran Holdings, Inc. Group. Together, these bodies have over 20 years of experience in sustainability and extensive expertise in CO<sub>2</sub> management and energy efficiency. To further enhance their knowledge, the Global Sustainability department regularly participates in sustainability training, collaborates with German research institutions, and actively engages in industry forums and associations. All members of the Group's sustainability governance structure also possess in-depth knowledge of sustainability issues specifically related to the ICT sector, including regional characteristics.

### Experience and skills of the board members

Adtran's management board possesses many years of experience in their respective fields and, in some cases, has been with the company for more than 20 years. This applies to both Adtran Networks SE, whose board consists of the CEO, CTO, and CFO, and Adtran Holdings, Inc., whose executive board comprises the CEO, CTO, Chief Revenue Officer (CRO), and Senior VP and CFO. With the exception of the CRO, the management board is identical in both companies. This extensive experience is also reflected in their academic qualifications. Three of the board members hold relevant degrees in electrical engineering or computer engineering, and the fourth in accounting. A similar profile can be found on the supervisory board of Adtran Networks SE and the board of directors (BoD) of Adtran Holdings, Inc.

### Employee representation

Employees and other workers are represented by the Senior Vice President (SVP) of Human Resources, who reports directly to the CEO. They are also represented by the Adtran Networks SE Works Council, which acts as an intermediary between the employees and the company.

### Diversity in the board and management

At Adtran Networks SE, 33% of the supervisory board members are female, while 0% of the management board members are female.

### Providing information to the company's administrative, management and supervisory bodies and addressing sustainability issues

Sustainability issues are independently presented to and discussed with the CEO, the management team, and the Board of Directors, represented by the ESG Committee. These meetings take place at least quarterly, with additional meetings held as needed in the event of significant, unexpected occurrences. These meetings also address significant impacts, risks, opportunities, and forward-looking plans and actions. Sustainability issues reviewed by the CEO, the management team, and the Board of Directors in 2025 included progress toward our SBTi net-zero emissions targets, new sustainability regulations, and value chain sustainability activities.

## Integration of sustainability-related performance into incentive systems

Sustainability performance was not considered in Adtran's incentive schemes in 2025, and this is not planned in the short term.

## Due Diligence Statement

Material sustainability topics, including their associated impacts, risks and opportunities, are supported by appropriate due diligence processes.

Regarding the material sustainability aspect of climate change, the Adtran Holdings, Inc. Group has implemented group-wide net-zero targets and an energy reduction strategy. Adtran Networks SE is covered by these targets and does not have independent targets or a corresponding strategy. This is supported by the regular monitoring of our Scope 1, Scope 2, and Scope 3 emissions and site management in accordance with the ISO 50001 energy management system.

With regard to the circular economy, we regularly monitor the relevant requirements, which has led us to offer refurbished products and strengthen our collaboration with our suppliers on resource utilization and reduction. Regarding sustainability issues related to our workforce, we conduct employee surveys, monitor employee feedback, launch relevant initiatives, and track employee turnover and retention, as well as diversity metrics. We plan to continue this in 2026.

The Global Sustainability department is responsible for implementing due diligence processes on all material sustainability issues. These due diligence processes consider relevant regulatory requirements, best practices, and industry guidelines, and relate to how we collaborate with our suppliers, customers, and investors. For our material sustainability aspects, including climate change and energy, we have established appropriate minimum targets that inform our strategic decision-making, including decisions on investments, operating expenditures, and risk management.

Key elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	General information - pp. 5ff, 10
Involvement of the affected stakeholders in all key steps of the due diligence process	General Information - Interests and viewpoints of stakeholders - pp. 12f
	Social Information - Own Workforce - Procedures for involving the own workforce and employee representatives regarding the impacts; procedures for addressing negative impacts and channels for the own workforce to raise concerns - pp. 50ff
Identification and assessment of negative impacts	General information - Material impacts, risks and opportunities and their interaction with strategy and business model - pp. 14ff
Taking measures to address these negative impacts	Environmental information - Climate change - pp. 30f ; Resource use and circular economy - pp. 36f; Social information - Own workforce - page 50; Governance - Anti-corruption and bribery - page 59
Monitoring the effectiveness of these measures and communication	General information - pp. 20ff; Environmental information - climate change - pp. 30ff ; Resource use and circular economy - pp. 37ff; Social Information - Own Workforce - pp. 50ff; Governance - Anti-Corruption and Bribery - page 61

## Risk management and internal controls of sustainability statementing

Adtran has an established Enterprise Risk Management (ERM) process that systematically incorporates sustainability risks. The ERM includes the ongoing identification, assessment, and monitoring of actual and potential risks, as well as quarterly reporting to the CEO, the management team, and the board of directors. Sustainability-related risks are also reviewed and managed by the ESG committee in regular quarterly meetings.

The assessment is based on the financial impact over a three-year period and the probability of occurrence. Financial impacts include, among other things, potential customer loss, revenue declines, reputational damage, or regulatory violations. The structured monitoring of these risks supports the identification of appropriate mitigation and control measures.

For 2025, the identified sustainability risks relate in particular to climate change (ESRS E1), the transition to a circular economy (ESRS E5), and the management requirements arising from a multitude of new sustainability regulations. The latter represents an operational risk that, while not explicitly part of the ESRS risk categories, is of high organizational relevance for Adtran.

Internal audit is an integral part of the control system and regularly reviews the effectiveness of internal processes and controls, including sustainability statementing processes. This strengthens the reliability, traceability, and auditability of the disclosed sustainability information.

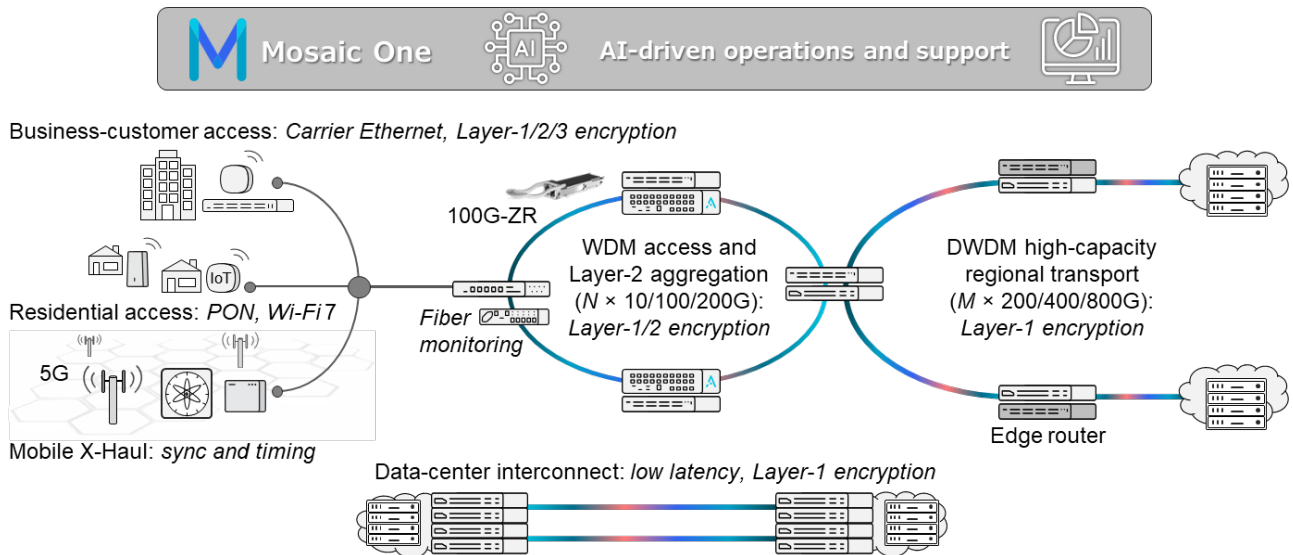
# 1.3. Strategy

## Strategy, business model and value chain

The following figure provides an overview of the products and services of the Adtran Holdings, Inc. Group. The portfolio of ICT network products includes fiber optic (WDM) transmission technology, Ethernet access and aggregation technology, PON and DSL subscriber solutions, and solutions for network function virtualization. Adtran Networks SE covers all of these areas except for PON and DSL subscriber solutions. In addition, Adtran Networks SE provides technologies for Layer 1 and Layer 2 encryption, network synchronization and monitoring, as well as the software necessary for the secure and efficient operation of the networks.

In addition, we offer maintenance and installation services, including the corresponding reverse logistics.

Service offerings of the Adtran Holdings, Inc. Group

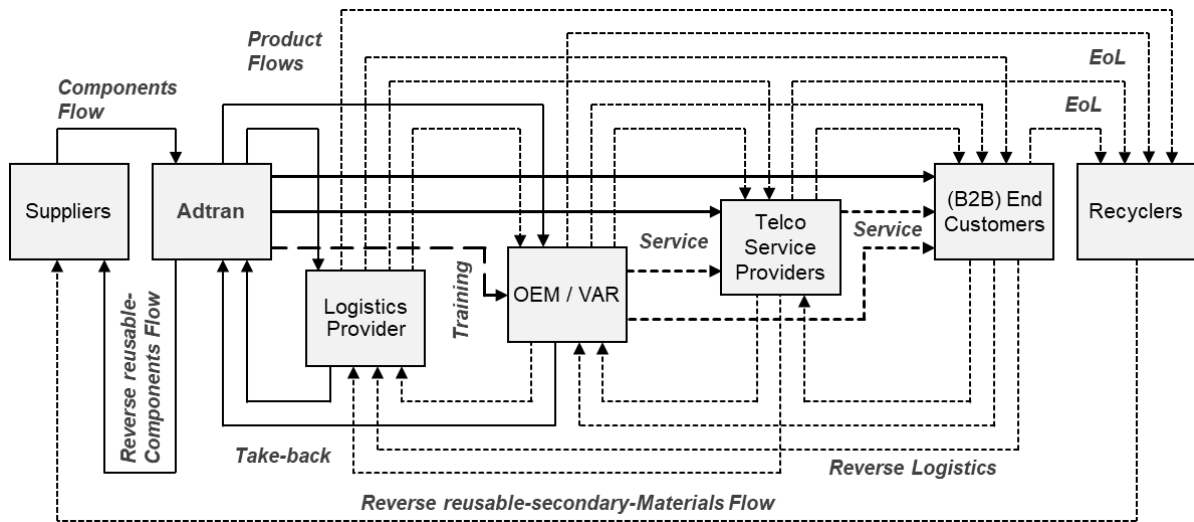


Our markets are geographically distributed across all continents, with a focus on Europe and North America. We do not ship to North Korea, Iran, Sudan, Venezuela, Belarus, or Russia. These countries are subject to comprehensive EU and US sanctions and export control regulations, which we strictly adhere to as part of our responsible business practices and compliance obligations. We also maintain internal exclusion lists to ensure that no business activities violate applicable sanctions regulations or our own due diligence standards.

Our primary customer groups in terms of revenue are Tier 1 and Tier 2 telecommunications network operators, large enterprises with their own data centers, and data center and cloud operators. Unlike Adtran Inc., Adtran Networks SE did not sell any end-user products in 2025 or earlier, and we do not currently plan to do so.

Our value chain consists of contract manufacturers, suppliers of photonic and/or electronic components, and logistics service providers in the upstream sector, and our customers in the downstream sector. We serve our customers directly and indirectly through resellers or OEM (Original Equipment Manufacturer) partners. The following diagram provides an overview of Adtran Networks SE's value chain.

Visualization of Adtran's value chain



One of our core business functions at Adtran Networks SE is that of a systems integrator. In addition to manufacturing certain product components ourselves, we purchase optoelectronic components and integrate them into our products that are developed in-house. The products are then delivered to our customers either directly via logistics providers or indirectly via resellers or OEM partners. Some of our customers, particularly network operators, supply residential or commercial customers, while we ourselves also supply commercial customers, including businesses and data centers, directly.

### Revenue and staffing levels

Adtran Networks SE Group's total revenue in 2025 was €482 million. This revenue was generated exclusively in the ICT sector. Adtran does not operate in any other sectors, and we are neither directly involved in nor sell to customers directly involved in activities related to the production of fossil fuels or chemicals, controversial weapons, or the cultivation and production of tobacco.

As of December 31, 2025, Adtran Networks SE employed a total of 2,174 people worldwide, of which 1,570 were in Europe, Middle East and Africa (EMEA), 313 in the Americas and 291 in Asia-Pacific (APAC).

### Sustainability-related goals of products and services

Based on the results of our materiality and risk assessments, our most important sustainability-related goal for our products is to achieve the highest possible energy efficiency, meaning the lowest possible energy consumption per unit of data processed. This stems from the material (sub-) topics of climate change and energy efficiency. This goal applies to all products and regions and is primarily aimed at our customers as stakeholders. Achieving this goal directly benefits customers by helping to reduce their own carbon footprint. This overarching goal is further supported by integrating circular economy principles into our product strategy through life cycle assessments and the application of ecodesign principles. The stakeholder groups that benefit most from this goal are our customers, resellers, OEM partners, and investors, as achieving energy efficiency in our products supports downstream decarbonization and helps reduce our customers' Scope 2 emissions. These emissions can be quantified, for example, compared to predecessor products, using given customer-specific emission factors. At the same time, the goal serves to meet investor demands for energy-efficient products.

Adtran is a mid-sized supplier (with between 1,000 and 10,000 employees) in the ICT network equipment sector. Furthermore, in certain product segments – including WDM transport and Ethernet access and aggregation equipment – we rank among the top 10 suppliers in terms of revenue. We are therefore well-positioned to pursue and achieve ambitious product-related sustainability goals.

Our product-level focus on improving energy efficiency and the circular economy will remain a priority in the medium to long term. Our energy efficiency target is paramount, as it impacts emissions during the use phase of our products and thus our largest Scope 3 emissions and our customers' Scope 2 emissions. Furthermore, high energy efficiency helps limit our customers' operating costs. In addition, product design for the circular economy addresses the critical challenge of raw material consumption, waste, and production-related emissions, which primarily affect our upstream business activities and the end of the product life cycle. This can be achieved, for example, by designing products to allow for efficient recycling at the end of their life. Beyond our product-level focus, we are also actively working with our suppliers to support their decarbonization journey, continuing a specific bilateral engagement with selected semiconductor suppliers in 2025. We also plan to expand our circular economy action plan to increase our range of refurbished products and to incorporate new requirements, such as a higher proportion of recycled materials in products, into our ecodesign process.

Current and future benefits of ICT products in the area of sustainability include supporting climate protection and adaptation measures in non-ICT sectors. The most important of these sectors, where ICT supports climate protection, are energy, transportation, industry, buildings, and agriculture. Climate-protection and -adaptation measures in these sectors require comprehensive, real-time monitoring of the respective systems, the generation of data-driven insights, and the use of these insights to increase process efficiency. These activities therefore require data transport, which is enabled by Adtran products.

### Interests and viewpoints of stakeholders

In the context of sustainability, we define relevant stakeholder groups as those who have an interest in, significantly influence on, or are affected by Adtran's sustainability strategy, measures, or reputation. The table below lists key stakeholder groups and how we collaborate with them. The three most important stakeholder groups are investors, customers, and our own employees. These were also considered in the materiality analysis.

Stakeholder group	Type of interaction	Purpose of the interaction	Result of the interaction
Customers	Regularly, sometimes bilaterally, via Customer alliances (JAC) or Customer satisfaction surveys (CSAT)	Gathering relevant views and requirements, especially regarding the environment and society	Impact on measures to combat climate change
Shareholders, investors	Regularly, bilaterally		
Employees	Regularly, through surveys, round tables, town halls and at the bilateral level	Employee satisfaction feedback	Positive influence on the voluntary turnover rate
Suppliers, contract manufacturers, logistics and energy suppliers	Regularly, sometimes bilaterally	Commitment primarily to improving the environmental impact of the supply chain	Ongoing collection of life cycle assessments and other data
OEMs, VARs, service partners	Both sides		Provision of compliance data
Legal departments, government agencies	Occasion-related	Gather upcoming requirements	Compliance with regulations, registrations where applicable
Associations, alliances, NGOs	Occasional, sometimes regular	Gather requirements, actively advocate for environmental aspects	Cooperation, e.g., chairing a Working groups, collaboration on white papers
Communities	Partly regularly	Commitment to social or environmental issues	Charity events, social engagement

Since Adtran Networks SE has no access to its end users, they were not included in the table above. End-user interests are communicated to us by our customers.

The group's approach to stakeholder engagement is to maintain a dialogue with the respective parties as regularly as possible. With certain stakeholders, such as strategic customers, our largest investors, and key industry associations, this exchange often takes place daily. With other stakeholders, the dialogue is conducted on a quarterly basis or upon request.

Examples of this commitment include targeted, needs-based activities with key customers and investors, customer satisfaction surveys, employee surveys, and active participation in industry associations such as the Telecommunications Industry Association and the Fiber Broadband Association.

Through these activities, we regularly gain insight into the sustainability priorities of our key stakeholders and receive valuable feedback on their perspectives and assessment of our sustainability efforts. The corresponding findings are reported internally to the management team and the board. If feedback relates to significant risks or opportunities requiring immediate attention, appropriate corrective actions are taken.

How the interests and views of stakeholders are taken into account in our materiality analysis process will be explained in more detail in the next section.

## Value chain and stakeholder mapping

To conduct our assessment, we first identified the relevant value chains and business activities, the stakeholders affected, and the users of sustainability information in order to determine potentially relevant sustainability issues. Our understanding of our value chain, our business activities, and our stakeholders is consistent with the materiality analyses of previous years. Of the stakeholder groups identified in this report, we have determined that the most relevant or affected groups are customers, investors, and our own workforce.

The following table provides an overview of the most important activities and their location in the value chain.

*Key business activities and their position in the value chain.*

	Upstream			Own operations				Downstream		
Value chain	Material sourcing and processing	Components and services procurement	Manufacturing and assembly	Technology creation	Manufacturing and assembly	Installation	Real-estate activities	Product use	Customer support and maintenance	End-of-life management
Business activity	<ul style="list-style-type: none"> <li>• Mining of raw materials</li> <li>• Refining and smelting of virgin materials</li> <li>• Refining of recycled (secondary) materials</li> </ul>	<ul style="list-style-type: none"> <li>• Hardware incl. OEM</li> <li>• Software</li> <li>• Cloud services</li> <li>• Labor and services that are sub-contracted</li> </ul>	<ul style="list-style-type: none"> <li>• Outsourced manufact.</li> <li>• Outsourced R&amp;D</li> <li>• Outsourced repair services</li> </ul>	<ul style="list-style-type: none"> <li>• Hardware R&amp;D</li> <li>• Software R&amp;D</li> <li>• Mgmt. of IP and licensing</li> </ul>	<ul style="list-style-type: none"> <li>• Own manufact., assembly and repair</li> </ul>	<ul style="list-style-type: none"> <li>• Installation of network elements and (SW) support systems</li> </ul>	<ul style="list-style-type: none"> <li>• Lease and property mgmt., facility mgmt.</li> <li>• Energy use for offices and labs</li> </ul>	<ul style="list-style-type: none"> <li>• Hardware, software and services in customer networks</li> <li>• Operation and optimization of customer networks</li> </ul>	<ul style="list-style-type: none"> <li>• Hardware maintenance and replacemnt.</li> <li>• Software maintenance</li> <li>• Upgrades (software, hardware)</li> <li>• Other tech. support</li> </ul>	<ul style="list-style-type: none"> <li>• Recycling and waste mgmt.</li> <li>• Refurbishment, re-manufacturing of products</li> </ul>
Cross-cutting	Logistics, distribution and transportation, business travel									
	Sales and marketing, general business services (e.g., legal, quality, sustainability, HR)									
	Financing and investments									

### *Employees in the value chain, affected communities, consumers and end users*

The interests of workers in the value chain, the affected communities, and consumers and end users were not considered material. Adtran operates in the ICT sector and regularly monitors and audits its suppliers. Adtran does not consider the working conditions of workers in its supply chain to be a material risk. The same applies to customers in our downstream value chain.

Adtran is a major employer, particularly in locations with larger company sites. As a major employer, we have a responsibility to lead charitable initiatives and community engagement activities. Furthermore, we indirectly provide telecommunications services to end users through our B2B customers. Compared to the matters deemed material, these matters have not reached our materiality threshold, and no further information will be disclosed. However, the omission of this information does not prevent an accurate picture from emerging of the business's development and performance, operating results, financial position, and the impact of its activities.

## 1.4. Material impacts, risks and opportunities and their interaction with strategy and business model

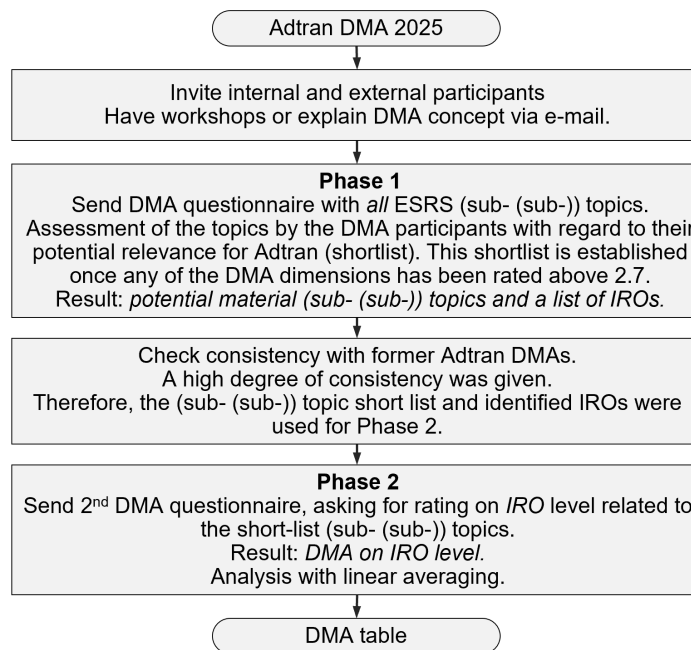
Our process for the double materiality analysis (DMA) 2025 is based on the ESRS while simultaneously ensuring compliance with the German Commercial Code (HGB) requirements.

### Our process

Our assessment for 2025 is based on the approach of previous years, in which we analyze double materiality along two dimensions: financial materiality and impact materiality. In accordance with the definitions of the ESRS and the German Commercial Code (HGB), we consider financial materiality from an outside-in perspective, i.e., how social and environmental developments affect our business. Impact materiality, on the other hand, follows an inside-out perspective and assesses how our business activities influence society and the environment.

The following flowchart provides an overview of the DMA process.

Flowchart of the DMA 2025



### Identifying relevant sustainability issues

Based on our understanding of our value chain and our stakeholders, we used the ESRS 1 AR-16 list of sustainability topics as our primary topic list. This list covers the environmental, employee, and social matters, respect for human rights, and the fight against corruption and bribery that must be reported in accordance with Section 289c Paragraph 2 of the German Commercial Code (HGB).

The surveys were distributed to internal subject matter experts from Adtran Holdings, Inc.'s Global Green Team, as well as to selected colleagues representing external stakeholders. The goal was to identify potentially relevant topics and IROs to be assessed at the IRO level in Phase 2. This year's assessment included a broader group of internal participants to ensure balanced representation. Additionally, the Managing Director of the JAC (Joint Alliance for Corporate Social Responsibility), representing a significant customer group, participated. Participants were asked to identify potentially relevant IROs and then rate the topics on a five-point scale, where 1 represents low relevance and 5 represents very high relevance. The feedback from our external participant was weighted at a factor of 2. All other participants were weighted equally at a factor of 1. In Phase 1, a threshold of 2.7 was also set in both dimensions (outside-in and inside-out) to determine potential relevance – corresponding to the value used in Adtran Networks SE's DMA 2024. Applying the same threshold as in the previous year, climate change, the circular economy, the company's own workforce, and business conduct were identified as potentially relevant. Topics exceeding the threshold were further analyzed in a more detailed Phase-2 Impact, Risk, and Opportunity (IRO) assessment, in accordance with ESRS requirements.

While the shortlisted topics largely corresponded to the materiality analyses of previous years, this year the topic of business conduct reached the threshold for further detailed assessment at the IRO level in Phase 2.

## Identification and assessment of the material impacts, risks and opportunities

In addition to the IROs assigned to the topics identified as potentially material in Phase 1, several additional IRO statements were identified that could potentially be relevant to the company. A total of 12 impacts, 29 financial risks, and 9 financial opportunities were included in the assessment during Phase 2. The following characteristics were considered for each identified IRO statement.

Positive or negative effects
Actual or potential impacts
Risks and opportunities
Short-, medium- or long-term time horizons
Place in the value chain
Relevant economic activity
Global versus Europe-specific IRO

## Determination of materiality

To determine the materiality of the identified IROs, surveys were conducted among internal and external stakeholders according to the previous flowchart. All participants from Phase 1 also participated in Phase 2. Respondents were instructed to first assess each impact in terms of magnitude, scope, irreversibility (for potential impacts), and probability. Subsequently, each financial risk and opportunity was assessed in terms of magnitude and probability. All assessments were conducted using the same five-point scale that was also used for the issue-level assessment.

Impact Materiality	Financial materiality
<b>Scale:</b> how severe or beneficial the effects are on society or the environment	<b>Potential scale:</b> The scope of the financial risks or opportunities
<b>Scope:</b> how far-reaching the effects are on society or the environment	
<b>Irremediability:</b> how difficult it is to reverse negative effects	
<b>Likelihood</b> How likely is it that the potential impact, the risk or the opportunity will occur	

Extent, scope, irreversibility, potential extent, and probability are each rated on a scale of 1 to 5. Extent, magnitude, and irreversibility are linearly averaged and then, similar to potential extent, multiplied by probability. Therefore, both DMA dimensions fall on a scale of 1 to 25. The responses from internal participants were weighted equally, as only the subject matter experts together provide a holistic perspective on the most critical IROs for our company. In accordance with Phase 1, only the feedback from our external participant, the JAC, was weighted with a factor of 2. Our DMA is based on the net approach and therefore takes into account all preventive measures already implemented for risk mitigation and impact reduction.

Based on the results from Phase 2, we agreed on the application of asymmetric thresholds: 13 for impacts and 8 for risks and opportunities. This reflects the fact that impacts were rated significantly higher on average than risks and opportunities. This brings us to the material findings of the DMA 2025. Four sustainability topics – climate change (E1), the company's own workforce (S1), business conduct (G1), and the circular economy (E5) – were identified as material, along with 7 related material topics and 11 IRO statements. This result reflects a continuity, albeit not a complete one, with previous materiality analyses.

An overview of all the essential facts and IRO statements is presented in the table below.

## Material topics, risks and opportunities identified in the DMA

Material topics		Where does IRO apply?	Significant impact, risk or opportunity	Where in the value chain?
E1	Climate change	Products and Services	Our products contribute significantly to emissions in our downstream value chain.	Actual negative impact, short- to long-term
	Energy	Energy Management	The limited influence on the cost, availability and resilience of renewable energy and power grids may lead to higher operating costs and delay Adtran's achievement of its Scope 2 targets.	Risk
		Energy-efficient equipment	Energy-efficient product design can lead to stable or higher revenues.	Opportunity
E5	Resource inflows	Supply chain risk management	Volatility and concentration risks in critical raw materials could lead to price increases for components, uncertainties in delivery times, redesigns and risks regarding delivery reliability, which could potentially result in delivery delays, margin pressure and missed opportunities in time-critical tenders.	Risk
		Ecodesign and resource efficiency	Integrating resource reuse requirements into product design and research and development can reduce the cost of virgin materials and enable the use of recycled materials in components, resulting in both environmental and financial benefits.	Opportunity
		Designed for disassembly and reuse	The reuse of products/components/materials and recyclable packaging reduces electronic waste, lowers environmentally harmful raw material extraction and promotes the availability of resources – for the benefit of communities and ecosystems along the entire value chain.	Actual positive impact, short- to long-term
	Resource outflows and waste	Ecodesign and resource efficiency	Meeting customer expectations regarding resource reuse through designs that improve recyclability and repairability will remain crucial in the coming years. Supported by targeted research and development, these principles can reduce resource consumption and, as a strong differentiator in the market, unlock new revenue streams.	Opportunity
		Ecodesign and product innovations	Circular design and business principles increase the recyclability of products and the raw materials they contain, and reduce waste – for the benefit of communities and ecosystems along the entire value chain.	Actual positive impact, short- to long-term
S1	Education and training as well as skills development	Recruitment	In the coming years, staff shortages are likely due to retirements unless young talent can be recruited and retained. Good training programs can help prevent this.	Opportunity
	Working conditions: Work-life balance	Flexible working time models	Adtran promotes work-life balance through family-friendly vacation policies, flexible working models and part-time offers.	Actual positive impact, short- to long-term
	Measures against violence and harassment in the workplace	Within the company's own workforce	Despite existing measures, there remains a risk of isolated incidents of violence or harassment, which can lead to employment law and reputational consequences.	Risk
G1	Prevention and detection of corruption and bribery	Due Diligence, Compliance	This could lead to a freeze on government contracts and negatively impact the awarding of contracts in the private sector.	Risk

### Decision-making, internal controls and interaction with risk management processes

The results of the DMA were approved by the Board of Directors of Adtran Holdings, Inc. Decision-making, monitoring, and control of significant IROs are the joint responsibility of the Global Sustainability Department, the ESG Committee, and the Executive Management Team, as described in Section 1.2.

The DMA process is closely aligned with the enterprise risk management process of Adtran Holdings, Inc. Sustainability-related financial risks are integrated into the company-wide risk register and are assessed based on their potential financial impact and probability of occurrence – consistent with the assessment logic used in the DMA. Thresholds are defined as a financial impact of at least EUR 3 million within a three-year period and a probability of occurrence exceeding 50%. Sustainability-related financial risks and – where relevant – opportunities are updated quarterly.

Internal Audit is integrated into this process and regularly assesses the effectiveness of internal controls, including those relating to the preparation and quality assurance of sustainability statementing. This strengthens the integrity, reliability, and traceability of the disclosed information and supports the independent assurance of a consistent and robust reporting framework.

### Interaction of the material impacts, risks and opportunities with Adtran's strategy and business model

The material sustainability aspects and the corresponding IROs identified within the framework of the DMA are directly related to Adtran's strategy and business model, as described in the following table.

Material topics		Interaction with strategy and business model
E1	Climate change	Climate mitigation, adaptation to climate change, and energy use are reflected in Adtran's product strategy and our net-zero ambition. This also applies to Adtran Networks SE. Our plans to transition to a low-carbon products portfolio and reduce our own carbon footprint not only help mitigate the negative impacts of climate change and financial risks, but also create financial opportunities. Offering low-CO <sub>2</sub> products can increase Adtran's revenues and also enable climate protection activities in other sectors and for our customers, e.g., for customers who do not yet operate their networks or data centers with renewable energy.
E5	Circular economy	Considerations regarding the circular economy, including the inflow and outflow of resources and Waste management is also integrated into Adtran's product strategy and increasingly into our core business model. Applying circular economy principles is a challenge for products where the life cycle assessment is heavily dominated by the use phase. For such products, extending their lifespan beyond their nominal lifespan can negatively impact the resulting total emissions. We anticipate that the ability to offer recycled and refurbished products will lead to positive effects and financial opportunities in the medium term. Our business model could also evolve to include product or service leasing.
S1	Own workforce	Our employee-related IROs focus on working conditions, which are also linked to attracting and retaining talent. Human resources considerations are a high priority in our business strategy. The ICT sector is highly competitive and experiences high employee turnover. Effective human resource management can help improve employee satisfaction, retain talent, and mitigate the long-term financial risks of high turnover and the resulting business slowdown or loss of knowledge and skills. This includes considering work-life balance and providing appropriate training to further develop the workforce. Additionally, we address the increasing risk of compliance violations related to discrimination and are continuously strengthening our policies, training, and reporting channels to ensure an inclusive and safe working environment.
G1	Business conduct	In the area of business conduct, the aspect of combating corruption was identified as essential. This is critical for our business model and growth strategy because cases of corruption can lead to impairments, particularly (but not exclusively), of government contracts, up to and including exclusion from business and other legal consequences. Accordingly, combating corruption is a core component of our compliance management system.

### Policies for addressing material sustainability questions

Adtran has developed a comprehensive policy document, the Adtran Management System Policy, which covers all material sustainability issues. It details our approach to emissions reduction, energy consumption, resource use, and waste generation, applicable to both our own operations and our products, to consider the entire product life cycle. The policy also covers non-material issues, including water use, biodiversity conservation, and pollution control. The document applies to both Adtran Inc. and Adtran Networks SE.

The policy mandates product- and operation-related emission reductions in accordance with our SBTi commitment. It also outlines our plans to improve energy-related performance through the increased use of renewable energy. Regarding our circular-economy commitments, the policy covers the transition to a circular economy and the conservation of natural resources. Where applicable, the policy also extends to our supply chain. Our supply chain policies include the procurement of environmentally friendly products and services, as well as renewable energy.

In addition to our policy document, Adtran has a detailed manual. The manual is regularly revised and approved by the CEO.

Our policies are managed through appropriate management approaches and processes, including the assignment of internal responsibilities and process owners, internal audits, compliance training, and an annual external review through third-party assessments and audits. Furthermore, employee satisfaction surveys ensure that our policies align with employee expectations.

The VP of Quality and Sustainability is responsible for emissions, the CTO for circular economy, and the SVP of Finance and CFO for energy to ensure compliance with policies related to the management of significant environmental concerns. The SVP of Global Human Resources is responsible for compliance with policies related to the management of significant social concerns.

In the event of deviations from or violations of the policy, such as breaches of our compliance policies, corrective action will be taken. This includes analyzing the deviation or violation, identifying improvement measures, and implementing those measures.

## Policies for managing material sustainability topics

Material sustainability topics at Adtran are supported and managed through corresponding policies. These policies are the high-level management standards. They are supplemented by downstream processes and their definitions. The policies relevant to the material topics ESRS E1, E5, S1, and G1 are summarized in the table below .

*Adtran policies on material topics from ESRS E1, E5, S1 and G1*

Adtran Policy	Scope of the policy	Governance responsibility	Relevance to material topics
Adtran Management System Policy	The Adtran Management System Policy summarizes values and expectations and unites employees and partners behind a shared vision. It is available online <(Link: <a href="https://www.adtran.com/en/resources/downloads/pdf/adtran-management-system-policy">https://www.adtran.com/en/resources/downloads/pdf/adtran-management-system-policy</a> )> The management policy covers environmental, social and governance issues as well as complementary areas such as cybersecurity, quality and business continuity. It applies to all employees, managers and subsidiaries, as well as to all products.	The Executive Board adopts the Adtran Management System Policy. Technical managers are responsible for ensuring that the guidelines and processes of our management system are up-to-date and legally compliant – worldwide.	E1, E5, S1, G1 (For material subtopics see DMA)
Code of Conduct (CoC), Supplier CoC	The Adtran Code of Conduct and the supplementary Supplier Code of Conduct contain our principles on key business topics. Both are available online <(Link: <a href="https://www.adtran.com/en/resources/downloads/pdf/adtran-supplier-code-of-conduct">https://www.adtran.com/en/resources/downloads/pdf/adtran-supplier-code-of-conduct</a> )> The codes define ethical standards for employees and business partners and are based on the RBA framework. The Adtran Code of Conduct applies worldwide to all employees, managers, and subsidiaries. The Supplier Code of Conduct applies to all direct suppliers.	Senior Vice President, General Counsel, reports directly to the CEO	S1, G1 (For material subtopics see DMA)
Environmental framework	Adtran's environmental framework encompasses processes, objectives, and measures in various environmental areas. It applies group-wide, including all subsidiaries and products. It is based on our management systems according to ISO 14001 and ISO 50001.	Location aspects (buildings and facilities): CFO, Product aspects (research and development): CTO, All other environmental aspects (sustainability): VP Quality and Sustainability, all report directly to the CEO.	E1, E5 (For material subtopics see DMA)
Framework workforce	Adtran's personnel framework contains key principles for its own workforce. It applies to all employees and subsidiaries. It regulates all personnel-related processes, practices, and guidelines.	Senior Vice President Global Human Resources, reports directly to the CEO	S1 (For material subtopics see DMA)
Compliance Management System	Adtran's Compliance Management System encompasses the frameworks for our codes as well as all relevant aspects of business ethics, human rights and anti-corruption measures. It applies group-wide, including all subsidiaries.	Senior Vice President, General Counsel, reports directly to the CEO	S1, G1 (For material subtopics see DMA)
Anti-Modern Slavery Statement	Adtran's statement against modern slavery is part of its compliance system. It addresses human rights risks in the supply chain and among its own workforce and is available online. <(Link: <a href="https://www.adtran.com/en/resources/downloads/pdf/adtrans-position-on-slavery-and-human-trafficking">https://www.adtran.com/en/resources/downloads/pdf/adtrans-position-on-slavery-and-human-trafficking</a> )>	Senior Vice President, General Counsel, reports directly to the CEO	S1, G1 (For material subtopics see DMA)

## Interaction of the company's risk management processes with Adtran's strategy and business model

Sustainability risks are considered within Adtran's Enterprise Risk Management (ERM) process. This process covers the Adtran Networks SE Group, with the parameters of probability and impact each being qualitatively assessed in five stages. In addition, the Adtran Networks SE Group conducts a quantitative assessment of the associated risks. Sustainability risks are treated similarly to all other risks; that is, they are assessed by the product of the probability of occurrence and the potential monetary impact within three consecutive years and prioritized using the same ERM thresholds. These thresholds are set at an impact of €3 million over three consecutive years and a probability of more than 50%. Therefore, sustainability risks can be assessed consistently with other non-sustainability risks.

Risks exceeding the defined threshold for the product of probability of occurrence and monetary impact are listed in the ERM and presented to the CEO and the board of directors for discussion. They also require defined risk mitigation techniques.

Sustainability risks are also presented to the ESG Committee. They are reviewed quarterly. Opportunities are also considered where applicable.

Our risks and opportunities are captured through a comprehensive risk management system. This includes sustainability as a strategic goal of Adtran, where sustainability management is a key aspect. This is led by our Head of Global Sustainability, who ensures consistency between non-financial and financial risks.

External consultants have not yet been commissioned to handle the ERM for sustainability risks.

The sustainability risks and opportunities in Adtran's ERM overlap significantly with the material sustainability aspects identified in our DMA.

A summary of sustainability risks and opportunities in the ERM can be found in the following table. Compared to the DMA, the topic of sustainability regulations has been added. This topic was not assessed in the DMA, which was based on the ESRS topics. However, it is one of the risk areas in the ERM within the field of sustainability.

Risks and opportunities according to ERM	Interaction with strategy and business model
Climate change	Climate change poses a risk to Adtran insofar as the company might not be able to successfully pursue its net-zero targets. This could lead to business losses in the medium term, as customers expect us to achieve these goals. However, climate change also presents certain opportunities, as Adtran can sell low-carbon products that simultaneously enable climate change mitigation and adaptation activities in other sectors. Therefore, no need is seen to change the company's strategy or business model in this regard.
Circular economy	The transition to a circular economy presents both risks and opportunities. Risks arise from the fact that not all parts of our portfolio are equally well-suited to circular economy processes. Opportunities include additional business, for example, through refurbished products and improved customer loyalty. We expect the refurbished product business to grow in the medium term and that the business model could be complemented by leasing options for products and/or services.
Sustainability regulations	New and future sustainability regulations can impact Adtran's strategy, particularly regarding our products, as well as our business model. They represent a potentially significant risk, as the number of sustainability regulations and their overall complexity have increased exponentially over the past two decades, and the overall effort required for compliance is already very high.
Attracting and retaining talent	Attracting and retaining talent (two separate risks in our ERM) poses a risk for Adtran as a company operating in a highly competitive, high-tech environment. It is linked to work-life balance and voluntary employee turnover and, in the worst-case scenario, has the potential to slow the successful implementation of our strategy and business model. This is all the more true given that the baby boomers in our workforce will be retiring in the medium term.
Training and talent development	The loss of knowledge and skills can be caused by dissatisfied employees and their turnover. In some cases, this can lead to significant operational and innovation problems. This must be addressed through measures focused on employee satisfaction, including further training and professional development. As an opportunity, this results in a motivated workforce. This risk and opportunity aspect impacts our strategy, prompting us to implement appropriate strategic measures. The impact on the business model is minimal.
Measures against violence and harassment in the workplace	Incidents of violence and harassment in the workplace can negatively impact access to public tenders and major private sector clients. Since our business model and growth strategy rely on long-term client relationships and participation in such tender processes, we implement preventive and corrective measures to ensure a safe working environment and minimize associated business and reputational risks.

Adtran's resilience to significant sustainability impacts and risks is equivalent to its resilience to all other relevant impacts and risks. It does not depend on specific sustainability risks, but rather on general economic conditions.

Adtran views its sustainability strategy and business model as resilient to the identified risks, impacts, opportunities, and material aspects with a short- to medium-term horizon. This is because sustainability risks, opportunities, and stakeholder expectations are constantly evolving, and Adtran has already initiated significant medium- to long-term initiatives. Examples include our climate change and energy-related measures and initiatives, namely our SBTi Net Zero approach and our ISO 50001 energy activities.

### Measures and resources relating to material sustainability questions

A summary of the measures and resources related to the material sustainability topics is provided in the table below. Key resources include the necessary personnel and their associated operating costs. Specific quantitative details cannot be provided due to overlaps with other activities not related to material sustainability topics. Operating costs are also affected by the purchase of renewable energy. Further details on OpEx and CapEx related to climate change and the circular economy can be found in section 2.3 on the EU Taxonomy Regulation.

Aspect	Key objectives	Targets in detail	Important initiatives/actions	Resources
Climate change	Reducing Adtran's global CO <sub>2</sub> footprint	SBTi net-zero targets for Scope 1+2 and the majority of Scope 3, with two short-term (2032) and two long-term (2034, 2048) targets each. <sup>1</sup>	Reduction of emissions from in-house operations (partly dependent on the availability of renewable energy) Ecodesign (energy efficiency) Participation in the JAC supply chain initiative for the decarbonization of IC manufacturers	For Scope 1+2 targets (e.g., purchase of renewable energy certificates, responsible: Facility) and Scope 3 targets (responsible: R&D, Operations, (Sustainability department) resources are budgeted
Energy	Reducing global energy consumption by Adtran	Adtran Networks SE aims to reduce its energy consumption by 1.9% annually until 2030; targets for the period after 2030 will be determined later.	ISO 50001 activities, including efficiency improvements for laboratories and LED lighting	All ISO 50001 activities are budgeted (responsible: Facility)
Circular economy (CE)	Scaling the CE business Improving cooperation with the supply chain	Introduction and expansion of the range of refurbished products Sustainability risk assessment covers >95% of active manufacturers and suppliers by 2026 (based on expenditure).	Expansion of product take-back, maintenance and remanufacturing (short- to long-term) Expansion of the coverage of our supply chain tool IntegrityNext (short to medium term)	Resources for offerings of refurbished products and supply chain management (IntegrityNext) are allocated within the Operations department, with support from the Sustainability department and Sales.
Prevention and detection of corruption and bribery	The fewest possible violations	Cases of corruption or bribery should be kept to a minimum (ideally zero per year) in order to reduce or completely avoid consequential costs.	Mandatory training on the topic for all employees as part of the Compliance Management System and in implementation of the Zero-Tolerance Policy	Resources for the prevention and detection of corruption and bribery are allocated within the area of compliance.
Work-life balance	Flexible working time models	Alignment and implementation of our corresponding policy (mix of office and remote work) in all regions where we operate.	Monitoring of Employee satisfaction regarding work-life balance in the different regions.	Resources related to the issue of work-life balance are allocated within the HR department.
Education and training as well as skills development	Succession planning, recruitment	Succession planning will be a strategic necessity for Adtran in the coming years. Retaining (new) talent also includes its further development.	Expansion of Adtran University. Supplemented by external training programs.	Resources for training and professional development are allocated company-wide in all relevant departments. This is organized using existing HR resources.

## Targets

Adtran uses various mechanisms to track the effectiveness of our policies and objectives. These include the results of external assessments such as those by CDP and EcoVadis, and the results of our own customer and employee satisfaction surveys. This is complemented by our internal and external sustainability audits, which are based on ISO 14001 and ISO 50001 (as well as TL 9000, ISO 27001, and ISO 22301).

### Climate change

Since mid-2024, Adtran Networks SE has no longer had its own climate-related targets. At that time, the net-zero targets of the Adtran Holdings, Inc. Group, including Adtran Networks SE, were validated by SBTi. The emissions figures of the Adtran Holdings, Inc. Group are not the subject of the limited assurance engagement. However, the SBTi targets are the most important climate-related targets, which are also pursued by Adtran Networks SE as part of the Adtran Holdings, Inc. Group. Their baseline figures, target values, and status are therefore reported below for the second time.

The SBTi Net Zero targets consist of two short-term (2032) and two corresponding long-term targets (2034, 2048). The targets encompass total combined Scope 1 and 2 emissions, as well as the two Scope 3 categories: purchased goods (components) and emissions during the use phase of products. The latter covered >95% of all Scope 3 emissions in the base year. For all targets, the impact on company growth, the availability of new energy efficiency technologies, and the development of average electricity emission factors were considered. Our key levers for emission reduction are converting our vehicle fleet to electric

<sup>1</sup> These are the time horizon definitions according to the SBTi. They are not identical to those according to the ESRS.

mobility (Scope 1), purchasing and installing renewable energy (Scope 2), continuously striving for the highest possible energy efficiency in our products (Scope 3, use phase of sold products), and decarbonizing our supply chain (Scope 3, purchased goods).

Our targets are published on the SBTi website. The overarching net-zero target for the Adtran Holdings, Inc. Group is to achieve net-zero greenhouse gas emissions across the entire value chain by 2048. Short-term targets are to reduce absolute Scope 1+2 emissions by 74.5% in 2032, from a base year of 2016, and absolute Scope 3 emissions by 40% over the same period. Long-term targets are to reduce absolute Scope 1+2 emissions by 90% in 2034 and absolute Scope 3 emissions from purchased goods and services and the use of sold products by 95% in 2048, from the same base year. The following is the status for 2025.

<Status of the SBTi Net Zero targets of the entire Adtran Holdings, Inc. Group\*>

	2016 Baseline	2034 / 2048 long-term goals		2025 target	2025 Status
		GWP [tCO <sub>2</sub> e]	[%]	GWP [tCO <sub>2</sub> e]	
Scope 1+2	31292	3,129 in 2034	-90%	17,050	6,215
Scope 3**, emissions from purchased goods	72,029	3,602 in the year 2048	-95%	52,761	33,845
Scope 3**, Emissions from the use phase of sold products	1,056,362	52,818 in the year 2048	-95%	774,046	679,536

\*) This table is not subject to voluntary limited assurance testing.

\*\*\*) The two main components of the combined Scope-3 target.

The Science Based Targets initiative is a collaboration between CDP, the UN Global Compact, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). It was established to help companies set emissions reduction targets that, according to SBTi, are aligned with the goals of the Paris Agreement and aim to limit global warming to 1.5°C above pre-industrial levels.

A science-based target is a specific reduction target for greenhouse gas emissions, based on the latest scientific findings in climate research, that aims to limit global warming to well below 2°C, ideally to 1.5°C. These targets are tailored to individual companies and take into account factors such as industry affiliation and emission reduction capacities. For the Adtran Holdings, Inc. Group, the cross-sectoral pathway was used in the absence of ICT-specific pathways.

Our greenhouse gas reduction targets were set using the SBTi methodology. This methodology involves accounting for greenhouse gas emissions under the Greenhouse Gas Protocol and setting short- and long-term targets. The SBTi methodology is subject to inherent uncertainties in the underlying forward-looking assumptions. The methodology published in 2021 is currently being revised, and newer scientific evidence and assessments could lead to changes. The level of ambition of the targets may not be sufficient to limit global warming to 1.5°C.

## Energy

For Adtran Networks SE, the energy-related target is an annual reduction of 1.9%, as shown in the table above on targets and action plan. This is a continuation of a previous ISO 50001 energy reduction target of 1.5% per year.

## Circular economy

Our circular economy goals include introducing remanufactured product offerings, increasing supplier response rates in IntegrityNext, and improving collaboration within our supply chain. IntegrityNext is the tool Adtran uses for supply chain risk and sustainability management. This tool can be used, for example, to collect product- or material-related data. The remanufactured product target is currently a qualitative goal, as we are working to understand the adoption rate among our customers. This target is being continuously monitored and is not limited to a specific region, but will likely initially focus on Europe. The IntegrityNext target rate will be gradually increased to well over 90%.

In 2024, the initiative for bilateral cooperation with selected customers on the topic of circular economy was shifted towards suppliers of integrated circuits, as these suppliers have a comparatively high environmental impact according to life cycle assessments. To this end, we have initiated joint collaborations with certain key customers and other suppliers. The targeted medium-term outcomes are improved life cycle assessment data, optimization of our products' lifespan, and support for the decarbonization of the supply chain.

## Work-life balance

Maintaining a healthy work-life balance for our employees remained a key focus in 2025. One initiative launched in 2024 to achieve this is our global flexible working model. This allows eligible employees in all regions where we operate to work three days a week in the office and two days from home. This initiative was implemented company-wide in 2025.

The following table summarizes important goals in the areas of sustainability.

*Targets in the areas of environment and governance*

2025	2026	2032	2048
Environment			
Tracking the trajectory for our SBTi Net Zero targets (base year 2016)		Net Zero Near Term targets for all scopes. Scope 1+2 reduced to 25%, Scope 3 reduced to 40%.	Scope-3 Net Zero Long Term Target, Scope 3 reduced to 5%.
ISO 50001 target: electricity consumption reduction of 1.9% per year (defined by 2030)		Definition of a target for reducing electricity consumption	
	Increasing the recycled content in packaging to >50%	Further increase in the recycled content and recyclability	
	IntegrityNext: 90% of suppliers, based on	95% of all suppliers, expenditure-based	
	LCAs: 25% of the portfolio, expenditure-based, improving the automation/efficiency of LCAs	90% of the portfolio is covered by LCAs, expenditure-based.	
	75% of the components are covered with Full Material Declarations (FMD).	80% of the components are covered with Full Material Declarations (FMD).	
Governance			
95% of the workforce participates in the annual compliance training			

## 2. Environmental information

### 2.1. Climate change (ESRS E1)

Based on the DMA's findings, climate change and the circular economy were identified as material environmental topics. Regarding climate change, the material IROs focus on climate protection and energy use. With respect to the circular economy, the material IROs focus on resource inflows and outflows.

This is summarized again in the table below with regard to climate change.

Material topics		Significant impact, risk or opportunity		Management
E1	Climate protection	Our products contribute significantly to emissions in our downstream value chain.	Negative impact	Since the majority of our Scope 1-3 emissions occur during the use phase of our sold products, we are working to improve their energy efficiency. This is achieved through established development processes, with the aim of limiting the energy consumption of the products during operation. As a result, their energy consumption does not increase at the same rate as global bit rate growth.
	Energy	Costs, availability and resilience of renewable energies / electricity grids	Risk	We are converting our sites to renewable energy where possible. In addition, our infrastructure products, such as WDM systems, can support the resilience of renewable energy grids.
		Product design with high energy efficiency that contributes to stable or increasing sales.	Opportunity	We are improving the energy efficiency of our products and evaluating them against available standards. This helps to stabilize and potentially increase the relevant sales.

The following sections contain our qualitative and quantitative data on these topics.

#### Management of impacts, risks and opportunities

Our approach to identifying material impacts, risks and opportunities is described in the section "[General Information](#)".

#### Climate risks

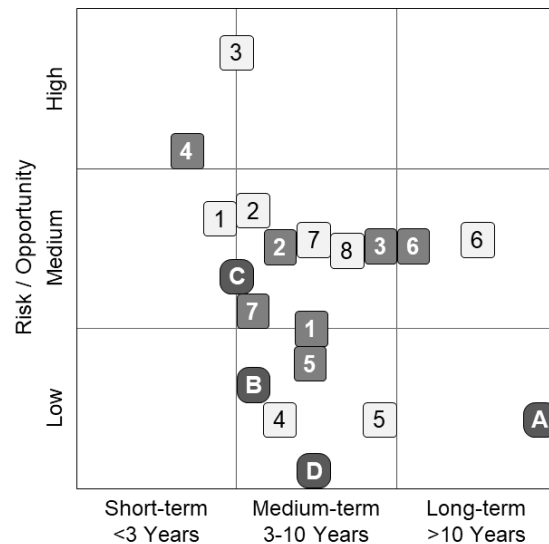
Adtran regularly (at least annually) and systematically examines climate-related risks and opportunities (where applicable). This is done in two steps. First, an analysis of climate risks and opportunities is conducted using relevant reference documents, such as the IPCC AR5 and AR6.

In accordance with the TCFD guidelines, both financial risks and opportunities during the transition to climate neutrality, as well as physical climate risks such as extreme weather events, are considered. For Tier 1 suppliers, this also extends to the supply chain. Climate scenario and resilience analyses are also conducted for some activities involving Scope 2 and Scope 3 emissions. The following table summarizes the relevant aspects of this climate risk and opportunity analysis.

*Climate risks and opportunities according to our TCFD analysis*

Physical climate risks		Transitional opportunities	
A	Sea level rise of 0.3-0.6 m (by 2100), especially on the US West Coast and in Asia	1	Improved integration in the value chain
B	Extreme precipitation events in Asia and the Mediterranean	2	Increase in long-term investments
C	More consecutive hot days, decreased soil moisture, higher drought risk in Europe (Mediterranean region), southern USA	3	Positive corporate image through solid emission reductions
D	More hurricanes	4	Revenue from highly efficient products
Transition risks		Transitional opportunities	
1	Effort and costs for ecodesign	5	Revenues from ICT-enabled climate change mitigation/adaptation
2	Initiatives for the targeted development of sustainability in the supply chain	6	Savings on transport/travel costs
3	New regulations	7	Energy cost savings (locations)
4	Costs of circular economy		
5	Fuel change (building)		
6	Transport mode change		
7	Carbon tax / energy costs		
8	Negative company image due to unrealistic assessment/customer evaluation		

The aspects listed here take into account the current situation of our sites. The same applies to the locations of our Tier 1 suppliers. The risks and opportunities are assessed in the following diagram with regard to their impact and the expected timeframe for their occurrence.



Graphical representation of our climate-related risks and opportunities. The aspects shown here are explained in the table above.

In the second stage of climate risk assessment, these risks are integrated into the company-wide enterprise risk management (ERM) if they meet the relevant criteria for consideration. To do so, they must fulfill the ERM criteria regarding potential impacts, probability of occurrence, and time horizon. If this is the case, the corresponding climate risks are also listed in the company's financial statements. Conversely, they are not listed if they represent only a comparatively minor risk. In the 2023-2025 risk reports, climate change is listed as one of the sustainability risks .

Climate-related risks are mitigated depending on their potential impacts. Furthermore, financial opportunities are pursued, provided they do not lead to consequential risks in other areas (cf. the do-no-significant-harm principle in the EU Taxonomy Regulation) and can be implemented promptly.

If a climate risk meets the criteria of company-wide risk management, rules for risk mitigation automatically apply. These include defining responsibilities, regular reviews by management, and targeted, monitored countermeasures.

Climate risks are addressed, among other things, through our participation in the SBTi, which is part of our corporate strategy. The corresponding emission reduction measures are therefore subject to regular internal and external monitoring. Consequently, appropriate countermeasures are initiated over time as soon as significant deviations from the emission reduction pathways occur.

For the analysis shown above, we mainly used three relevant references regarding transition and physical risks:

- Organization for Economic Co-operation and Development (OECD) / International Energy Agency (IEA) 2017: Energy Technology Perspectives 2017, Catalyzing Energy Technology Transformations
- Intergovernmental Panel on Climate Change (IPCC), 2013: Climate Change 2013: The Physical Science Basis. Working Group I contribution to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Stocker, TF, D. Qin, G.-K. Plattner, M. Tignor, SK Allen, J. Boschung, A. Nauels, Y. Xia, V. Bex and PM Midgley (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA, 1535 pp.
- IPCC. (2023). Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee & J. Romero (Eds.)]. IPCC, Geneva, Switzerland; pp. 35-115. <https://doi.org/10.59327/IPCC/AR6-9789291691647>

The IEA reference primarily describes measures that must be taken to avoid dramatic climate change, while the IPCC Fifth Assessment Report (AR5) and Sixth Assessment Report (AR6) describe regional and path-dependent climate and weather events that are to be expected.

## Climate scenario and resilience assessment

The TCFD recommends analyses using at least two climate scenarios from relevant sources. We use the IEA and IPCC sources mentioned above. Two of the scenarios discussed there show good agreement regarding the resulting global warming. These are the IEA's Better 2°C (B2DS) scenario and the IPCC's Representative Concentration Pathways 2.6 (RCP2.6). Both describe a pathway to limiting global warming to less than 2°C. This is also the pathway to which Adtran, as part of the Adtran Holdings, Inc. Group, has committed with its SBTi Net Zero targets. The second scenario is the IEA's Technical Reference Scenario and the IPCC's RCP6.0. These describe a pathway that, despite certain measures, leads to global warming of more than 2°C. While these measures are better than Business as Usual (BAU), they will prove insufficient to achieve the goal of limiting global warming to less than 2°C.

We analyze risks and opportunities during the transition phase for three areas: costs, cost savings, and emissions related to purchased electricity (Scope 2) and the Scope 3 categories of transport and product use. The resulting emissions and costs are calculated for each of these three scenarios (electricity, transport, and product use). The costs consist of the extrapolated prices payable to the respective supplier and additional, also extrapolated, CO<sub>2</sub> taxes. All analyses were revised in 2025. They cover the period 2025-2050 (where 2050 is the net-zero target year of the Paris Agreement).

For all parameters – costs, taxes, emission factors, electricity consumption, transport tonnage, distribution of transport modes, product efficiency improvements, etc. – plausible, practical assumptions were made. This inevitably leads to certain errors, but our analyses show clear trends that persist even when the parameters vary.

The Scope 2 (electricity cost) analysis shows an increasing cost advantage over time for the B2DS/RCP2.6 scenario. This scenario also achieves our SBTi Scope 1+2 target in 2032 and 2034, respectively. This target is not achieved by the RTS/RCP6.0 pathway, although it does achieve some emission reductions.

This analysis assumed a steeper increase in the cost of green electricity (with a near-zero emission factor), but also a slight decrease in consumption due to more effective ISO 50001 measures. Therefore, electricity costs are almost identical over time for both scenarios. There is a growing difference regarding the CO<sub>2</sub> tax, resulting from the reduction of this tax due to an increasing share of green electricity.

The analysis for the Scope 3 category of transport also shows cost and emission savings for the B2DS/RCP2.6 pathway. Over time, these savings will be so significant that transport costs will level off and no longer increase. This is primarily achieved by switching modes of transport, with a particular focus on reducing air freight. This may be supplemented by a shift of some land transport to rail, as rail has lower emission factors than road transport. Additional cost savings will also result from a reduction in the CO<sub>2</sub> tax.

This analysis assumed an annual increase in tonnage. It also assumed that, with the exception of rail transport, the emission factors of all other modes of transport cannot be significantly reduced by 2050. This is because even in the medium to long term, fuel switching, for example in air freight, is considered very difficult and not scalable (e.g., with so-called Sustainable Air Fuels, SAF).

Overall, emissions are reduced for the B2DS/RCP2.6 path, in contrast to the RTS/RCP6.0 path, where emissions continuously increase.

The third scenario analysis focuses on Scope 3 emissions during the use phase of our products and the associated costs. Here, we considered a commercially important example of our coherent, high-end WDM products and the development of operating costs and emissions over a period up to 2050. This is because such products significantly dominate the use phase in terms of environmental impact, according to life cycle assessments. We used the same IEA and IPCC scenarios as before. Additionally, as part of life cycle emissions optimization, we included two product replacements with more efficient successor products after eight years each within the assessment period. This corresponds to emissions optimization that can also be carried out using ITU-T Recommendation L.1028 (11/2024).

In both scenarios, annual operating costs increase, while the annual Global Warming Potential (GWP, i.e., emissions in CO<sub>2</sub> equivalents) decreases. This is due to rising energy costs and the CO<sub>2</sub> tax, or conversely, lower emission factors for the energy consumed. The B2DS/RCP2.6 scenario performs better in terms of both operating costs and emissions during the usage phase. We consider this scenario analysis as an example of an opportunity (rather than a risk). Combined with the aspect of greening by ICT (climate protection enabled in other sectors), products like the one evaluated here are likely to be in greater demand in the future. The emissions figures include the production emissions of the replacement devices. Therefore, while replacing a device may be worthwhile in terms of total emissions, this is generally not the case for total costs. The savings in operating costs usually do not offset the costs of the replacement devices.

Regarding resilience, we examined the supply chain, our own production and operations, and the general market (including our customers). The timeframe considered here corresponds to that of the scenario analyses (until 2050). Transition risks as well as

acute and chronic physical risks were drawn from the climate risk analysis. For the resilience analysis, we examined our value chain, assuming that it is evolving towards net zero.

We consider our resilience to be high, both for our operations and the (global) market. The probability of any disruptions occurring is assessed as very low, while the potential impact is considered medium. This is primarily due to our diversified locations and markets (international operations with network operators, cloud operators, and enterprises as customers). The main risks identified are acute physical events (such as extreme heavy rainfall) affecting our own business and a partial market collapse resulting from supra-regional events.

Regarding the supply chain, the probability of any disruptions was assessed as medium-high, while the potential impact was considered medium. While individual suppliers could be affected by extreme weather events, for example, potential impacts are mitigated by our ISO 22301 business continuity measures. Furthermore, there has been no incident of supply chain disruption due to weather events in recent years.

## Transition Plan

According to our analysis, climate protection, particularly due to its acute physical and transitional aspects, poses higher risks than climate change adaptation. Furthermore, Adtran Networks SE has a greater capacity to achieve positive impacts in climate protection than in adaptation.

Adtran is pursuing a strategic emissions reduction strategy. This began in 2019 when the targets of ADVA Optical Networking SE, submitted in 2016, were officially approved by the SBTi. ADVA Optical Networking SE later became part of the Adtran Holdings, Inc. Group and was renamed Adtran Networks SE. The SBTi targets were initially compatible with the 2.0°C maximum global warming target compared to pre-industrial levels. They were raised to the 1.5°C target a year later. These targets were part of ADVA's strategic corporate objectives. This approach to emissions reduction continued in 2023 when the entire Adtran Holdings, Inc. Group submitted short- and long-term net-zero targets to the SBTi. These targets were validated by the SBTi in July 2024. Accordingly, the SBTi targets are a core element of our Transition Plan, and the Transition Plan is part of Adtran's long-term sustainability strategy.

The main objective of Adtran's Transition Plan is to lay the foundations for achieving net-zero emissions by 2034 (Scope 1 and 2) and 2048 (Scope 3). Furthermore, we aim to promote the reduction of other emissions by stakeholders through collaboration within our value chain.

The Transition Plan is a multi-year plan that takes into account the regulatory requirements at European level, the objectives of the Paris Agreement and the recommendations of the TCFD.

### Overview of the Transition Plan

The following table provides an overview of the net-zero targets of Adtran Holdings, Inc.

*Overview of the Net Zero Transition Plan of Adtran Holdings, Inc.*

Scope	Target and target year	Base	Detection area
Scope 1+2 short term	Decline to 25% in 2032	2016	97% of the total Scope 1+2 (Scope 1: 100%, Scope 2: small sales offices excluded)
Scope 1+2 long term	Decline to <10% in 2034		
Scope 3 short term	Decline to 60% in 2032		Emissions from purchased goods and services and use of sold products, 98% of total Scope 3 in the base year
Scope 3 long term	Decline to <5% in 2048		

Scope 1+2 emissions will continue to be reduced (towards zero) even after 2034, but 2034 is the official target year for SBTi registration.

The long-term goal for Scope 3 lies further in the future, as it largely involves indirect downstream processes that are not under our direct control.

### Scope 1+2

The SBTi Net Zero targets consist of short-term and long-term objectives. The Scope 1+2 targets must cover at least 95% of combined Scope 1 and Scope 2 emissions, and the long-term targets must demonstrate a reduction of at least 90%. The target and baseline years, as well as the reduction values, are listed in the table above. All emission figures are published annually in the CDP and on EcoVadis, ensuring complete transparency.

The most important measures for achieving the Scope 1+2 target are:

- Scope 1
  - Conversion of company vehicles to electric mobility
  - Replacing coolants with those with a lower GWP
- Scope 2
  - Own renewable energy generation at sites owned by Adtran
  - Conversion of all other locations without their own energy generation to the purchase of renewable energy
  - Reduction of energy consumption as a result of our ISO 50001 activities.

### Scope 3

The targets for Scope 3 are similar to those for Scope 1 and 2, except that at least 90% of total Scope 3 emissions must be covered. Of all applicable Scope 3 categories, we consider the two most relevant: purchased goods and services, and the use of sold products (these account for the majority of production emissions). These two categories cover 98% of our total Scope 3 emissions in the base year. They also cover the value chain, as emissions from the use phase fall under our downstream segment (customers), and those from purchased components fall under our upstream segment (suppliers).

Accordingly, the most important measures for achieving the Scope 3 objectives are:

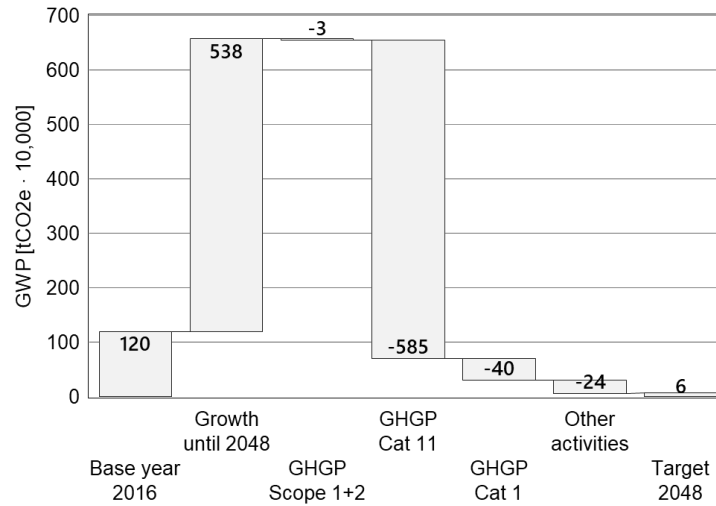
- Continuous improvement of the energy efficiency of our products. This is achieved, for example, through the integration of energy-optimized components such as more efficient power supplies and low-power ICs.
- The commitment includes active collaboration with stakeholders in the supply chain – especially with manufacturers of integrated circuits (ICs).
  - With the aim of reducing their Scope 2 emissions
  - With the aim of re-iterating this activity into deeper layers of the supply chain.

This activity is coordinated with other system manufacturers and (large) network operators.

- Various activities and processes in the field of circular economy aim to keep products and their components in circulation for longer, for example through repair services, and thus reduce the need for new components (the second highest contributor to emissions) in the medium term. This is supported by ecodesign, life cycle assessments, and operational processes (maintenance, reverse logistics).

In addition to the measures mentioned above, the achievement of Adtran's Scope 3 targets is facilitated by general market developments. These include the general decarbonization of the ICT sector globally, encompassing all relevant regions such as Europe, North America, and Asia. It should be noted that some large network and cloud operators already use 100% renewable energy.

The following waterfall diagram illustrates our Transition Plan, growth effects until 2048, and the relationship between the scopes of the Greenhouse Gas Protocol (GHGP) and their most important categories in terms of their proportional contribution.



Transition from Adtran to Net Zero. Other activities include, among others, shifts in transportation modes (away from air freight), reduction of business travel/flights, and savings in commuting (e.g., through e-mobility) and capital assets (e.g., by extending their service life). They may also include CCU/CCS (Carbon Capture and Storage/Utilization).

### Supplementary objectives (ISO 50001, life cycle assessments)

To support our net-zero goals, we have defined supporting targets that contribute directly and indirectly to emission reduction.

The first of these objectives is the aforementioned reduction in electricity consumption according to ISO 50001. This objective is recurring and requires an annual reduction of 1.9% compared to the previous year until 2030. This energy-related target is externally validated through ISO audits.

The second objective relates to the life cycle assessments (LCAs) we conduct for our products. LCAs are important because they indicate the environmental footprint of the products and can provide insights for ecodesign improvements. The LCA objective stipulates that, starting in 2032, 90% of our product portfolio (based on expenditure) will be covered by LCAs. These LCAs must be carried out according to relevant standards (ISO 14040/14044). This objective is recurring and is not limited to specific product groups or regions.

Adtran collaborates with stakeholders across its value chain, both upstream and downstream. We are conducting bilateral discussions with several customers to explore opportunities for further reducing emissions in their networks or data centers and increasing the efficiency of product and packaging materials.

Similarly, we are committed to reducing our upstream Scope 3 emissions in our supply chain. Back in 2024, we launched an initiative targeting suppliers of integrated circuits (e.g., ASICs (application-specific integrated circuits) or FPGAs (field-programmable gate arrays)). According to life cycle assessments (measured by GWP), the emissions impact of these components is among the largest of our products. This initiative is being pursued jointly with certain customers and some other system providers. It is intended as a medium- to long-term initiative. Since no empirical data is yet available, numerical targets can be set no earlier than 2026.

### Verification

The emissions of the Adtran Holdings, Inc. Group are reported annually to CDP and EcoVadis, including an external, standards-based verification covering the relevant Scope 1, Scope 2 and Scope 3 emissions. For Adtran Networks SE, this verification is done within the assurance of this sustainability statement.

### Integration of sustainability-related services into incentive systems

Sustainability performance was not considered in Adtran Networks SE's incentive schemes in 2025. We are working on integrating climate change-related targets into incentive schemes. However, this is expected to happen at the Adtran Holdings, Inc. Group level and not before 2027.

## Strategy

### Transition plan to mitigate climate change

See the previous chapter on the Transition Plan.

### Details on OpEx and CapEx expenditures

The implementation of the Net Zero transition plan requires corresponding operating expenditures. These potential expenditures include labor costs for implementing the Ecodesign Principles. Ecodesign is part of our R&D activities and is not pursued in a separate program. In the medium term, R&D expenditures represent our largest operating expenditures, related to investments in hardware development and ecodesign. Further details on our activities supporting climate action and the transition to a circular economy, as well as the corresponding total investment and operating expenditures allocated to eligible and ineligible activities, can be found in the [EU Taxonomy section](#) of this report.

Revenue, capital costs (CapEx) and operating costs (OpEx) related to low CO<sub>2</sub> products and repair activities are also listed in the EU Taxonomy Regulation report in this document.

In the medium term, the plan is to at least maintain activities in the area of low-CO<sub>2</sub> products and to expand activities in the area of repair services .

### Integration of the transition plan into strategy and business model

Adtran's transition plan is integrated into our business strategy. Aspects of emissions reduction and the circular economy are reflected in the ecodesign of our products, which is a strategic part of our product development. This includes life cycle assessments. Product-related emissions reduction activities can be divided into targets relating to emissions reduction during product use and the circular economy. Circular economy activities primarily focus on material efficiency and indirectly support emissions reduction. These targets cover the critical area of achieving carbon neutrality and encompass the upstream and downstream value chain, including suppliers and customers. They therefore also affect Adtran's departments such as R&D, operations, facilities, and indirectly, sales. The product-related targets are complemented by Scope 1 and Scope 2 net-zero targets.

Climate-related IROs are reviewed annually at the highest management levels of Adtran. Within the Adtran Holdings, Inc. Group, including Adtran Networks SE, the Global Sustainability department is responsible for sustainability statementing, compliance, materiality and risk assessments, as well as aspects of supply chain management and ecodesign. The Head of sustainability statements to the VP of Quality and Sustainability, who, as part of the Adtran Management Team, reports directly to the CEO and also regularly reports on sustainability matters to the ESG Committee, a subcommittee of the Adtran Holdings, Inc. Group's Board of Directors. Section 1.2 provides further details on Adtran's complete sustainability governance structure, including the governance of climate-related IROs.

### Climate-related physical risks and transition risks

#### Material impacts, risks and opportunities and their interaction with strategy and business model

#### Climate-related physical risks and transition risks

These risks were already addressed in the section on *climate risks* . The corresponding risk analyses are supported by climate-related scenario analyses. These analyses assess the risks and opportunities during the transition phase for three aspects: costs, cost savings, and emissions related to purchased electricity (Scope 2) and, in relation to Scope 3, transportation and product use. The analysis considers the potential impacts, probability of occurrence, and time horizon for these risks and opportunities, thus enabling a structured approach to understanding how climate change may affect the company in the short, medium, and long term.

### Risk and opportunity management

Climate-related risks and opportunities are assessed as part of Adtran's Enterprise Risk Management (ERM) process. ERM also falls under the responsibility of the VP of Corporate Quality and Sustainability. Therefore, climate-related risks and opportunities are regularly reviewed at Adtran's highest management levels. Climate risks are addressed through appropriate countermeasures, depending on their potential impact. These risks are addressed, among other things, through our SBTi net-zero investment, which is itself part of the company's strategy. The corresponding emission reduction measures are therefore subject to regular internal and external monitoring. Furthermore, financial opportunities are pursued, provided they do not lead to consequential risks in other areas.

### Guidelines for mitigating climate change

Adtran has developed a policy document that covers the environmental aspects of emissions, energy and raw material consumption, and waste generation. This applies to our operations as well as the entire life cycle of our products. The policy applies to the entire Adtran Holdings, Inc. Group, and therefore also to Adtran Networks SE. A more detailed explanation can be found in the section "*Guidelines for addressing material sustainability topics.*"

## Measures and resources related to climate change guidelines

Adtran's measures to mitigate climate change are synonymous with achieving our SBTi Net Zero targets. They can be summarized as follows:

- Improving the energy efficiency of the product portfolio, continuously without an end date. This is achieved, for example, through the integration of energy-optimized components such as more efficient power supplies and low-power ICs.
- Bilateral commitment to climate change with selected suppliers. This was redefined in 2024 to specifically target manufacturers of integrated circuits, as these have a high environmental impact according to life cycle assessments. This is a medium-term, ongoing commitment.
- Increasing the response rate of suppliers in IntegrityNext, continuously without an end date, e.g., by introducing an escalation path for repeatedly non-responding suppliers.
- Increasing the LCA coverage of relevant products, continuously without an end date, e.g., through collaboration with key suppliers to provide reliable primary data for additional product categories.
- Reduction of energy consumption at our sites, continuously, until 2030, e.g., through the introduction of site-specific energy management systems in accordance with ISO 50001.

These measures require varying resources in terms of labor and operating costs. A significant portion of the effort is dedicated to developing highly energy-efficient products across our entire portfolio; see our [EU Taxonomy Report](#). This measure must be pursued consistently, as improvements in energy efficiency are partially offset by constantly increasing internet bitrates. It is also part of our R&D strategy and is addressed by our SBTi Scope 3 climate protection target.

The ability to implement measures depends on the availability and allocation of resources, primarily operating costs in the form of required personnel. Additional costs may arise from an increasing volume of purchased renewable energy, which is influenced by renewable energy prices and Carbon taxes. Investment expenditures for key initiatives depend on government funding (subsidized projects) and general economic conditions; therefore, precise figures cannot be provided for budgeting purposes.

## Metrics and targets

### Targets related to climate change mitigation

The climate protection metrics include individual emissions for Scopes 1-3 of the GHGP. These are expressed in tonnes of CO<sub>2</sub> equivalents [tCO<sub>2</sub>e]. Additionally, the ratio of total emissions to revenue is provided as an intensity metric. Furthermore, energy consumption and the energy mix (composition of renewable and non-renewable energy sources) are considered. These values are expressed in megawatt hours [MWh]. These metrics are reported below.

### Goals related to climate protection

As part of the Adtran Holdings, Inc. Group, Adtran Networks SE has net-zero targets. These targets have been validated by the SBTi and are summarized on page 30. The SBTi is an organization that helps companies define science-based climate targets. Its targets are widely accepted and considered "science-based." However, the SBTi methodology is subject to inherent uncertainties regarding the underlying scientific evidence and forward-looking assumptions for reducing greenhouse gas emissions, which are necessary to achieve the 1.5-degree target. The company has also set a target to reduce site-specific energy consumption by 1.9% per year until 2030. The base year for this target is 2022. This target is part of our ISO 50001 activities. As it is only set until 2030, it will need to be redefined after 2030.

Our SBTi targets cover all of our Scope 1 and 2 emissions. The Scope 3 targets for emissions from the use phase of purchased goods and sold products cover approximately 98% of our total Scope 3 emissions. This applies to the base year 2016. This covers the vast majority of all direct and indirect emissions from our activities, as required by SBTi. The base year 2016 was chosen because it was the year in which the former ADVA Optical Networking SE, now Adtran Networks SE, commenced its SBTi activities. The base year was not audited for this report. It was also the first year in which decarbonization considerations were undertaken within the company. When extending ADVA's targets to the entire Adtran Holdings, Inc. Group, we maintained the base year in accordance with SBTi recommendations. We also have no indication that the base year needed to be changed due to external factors.

Adtran uses various mechanisms to track the effectiveness of our policies and targets, including the results of external CDP and EcoVadis assessments and customer input. This includes dedicated customer reviews and the results of our customer satisfaction survey, supplemented by internal and external sustainability audits (ISO 14001, ISO 50001). The targets are scientifically sound and, in accordance with the SBTi, contribute to the long-term 1.5°C net-zero target.

## Disclosure tables

### Energy consumption and energy mix

Due to the high energy consumption involved in the production of electronic and optical network components, Adtran Networks SE reports in detail on energy consumption and energy sources. The energy-intensive value chain in communications technology is one reason for its classification as a climate-intensive sector according to ESRS E1. For 2025 reporting, publicly available and reliable sources were used where no supplier-specific information or contractual instruments were available.

Energy consumption and energy mix	Adtran Networks SE
(1) Fuel consumption from coal and coal products (MWh)	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	1,359
(3) Fuel consumption from natural gas (MWh)	835
(4) Fuel consumption from other fossil sources (MWh)	0
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	4,746
(6) Total fossil energy consumption (MWh) (calculated as the sum of rows 1 to 5)	6,941
Share of fossil sources in total energy consumption (%)	42
(7) Consumption from nuclear sources (MWh)	814
Share of energy consumption from nuclear sources in total energy consumption (%)	5
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	8,821
(10) The consumption of self-generated non-fuel renewable energy (MWh)	0
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	8,821
Share of renewable energy sources in total energy consumption (%)	53
Total energy consumption (MWh)(calculated as the sum of rows 6, 7 and 11)	16,575

Energy intensity per revenue	Adtran Networks SE Group
Total energy consumption per net revenue	0.0000344 (MWh/EUR)

<Energy intensity per revenue	Adtran Holdings, Inc. Group <sup>2</sup>
Total energy consumption per net revenue	0.0000372 (MWh/USD)

Greenhouse gas intensity per revenue	Adtran Networks SE Group
Total GHG emissions (location-based) per net revenue	0.0003805 (tCO <sub>2</sub> e/EUR)

<Greenhouse gas intensity per revenue	Adtran Holdings, Inc. Group <sup>3</sup>
Total GHG emissions (location-based) per net revenue	0.0007018 (tCO <sub>2</sub> e/USD)

<sup>2</sup> The table for the Adtran Holdings, Inc. Group is not part of the limited assurance audit.

<sup>3</sup> The table for the Adtran Holdings, Inc. Group is not part of the limited assurance audit.

Gross GHG emissions of categories Scope 1, 2 and 3, as well as total GHG emissions

The following table provides an overview of the emissions of the Adtran Networks SE group in 2025. To provide context for these emissions, the table is repeated on the next page for the entire Adtran Holdings, Inc. Group. The latter emissions figures were not subject to voluntary assurance. The same applies to the 2016 base year column in the following table.

Gross Scopes 1, 2, 3<sup>4</sup> and Total GHG Emissions 2025 (Adtran Networks SE Group).

	Retrospective		Milestones and target years			Annual % target / Base year
	<Base year (SBTi) 2016> <sup>5</sup>	2025	2032 (SBTi)	2034 (SBTi)	2048 (SBTi)	
<b>Scope 1 GHG emissions</b>						
Gross Scope 1 GHG emissions [tCO <sub>2</sub> e]	1,162	497	See the next table. There are only targets for the Adtran Holdings, Inc. Group.			5%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)		0				
<b>Scope 2 GHG emissions</b>						
Gross location-based Scope 2 GHG emissions [tCO <sub>2</sub> e]	5,511	6,881	See the next table. There are only targets for the Adtran Holdings, Inc. Group.			
Gross market-based Scope 2 GHG emissions [tCO <sub>2</sub> e]		3,059				5%
<b>Scope 3 GHG emissions</b>						
Total Gross indirect (Scope 3) GHG emissions [tCO <sub>2</sub> e]	388,145	175,919	See the next table. There are only targets for the Adtran Holdings, Inc. Group.			
Purchased goods and services [tCO <sub>2</sub> e]	41,697	14,997				3%
Capital goods [tCO <sub>2</sub> e]	4,500	17,142				
Fuel and energy-related activities [tCO <sub>2</sub> e]	281	2,261				
Waste generated in operations [tCO <sub>2</sub> e]	5.7	1.4				
Use of sold products [tCO <sub>2</sub> e]	322,000	131,516				3%
End-of-life treatment of sold products [tCO <sub>2</sub> e]	1,260	286				
Upstream transportation and distribution [tCO <sub>2</sub> e]	7,795	4,398				
Downstream transportation and distribution [tCO <sub>2</sub> e]	3,794	2,636				
Business travels [tCO <sub>2</sub> e]	3,462	1,181				
By air [tCO <sub>2</sub> e]		1,179				
By car [tCO <sub>2</sub> e]		1.7				
By train [tCO <sub>2</sub> e]		0				
Employee commuting [tCO <sub>2</sub> e]	3,450	1,500				
<b>Total GHG emissions [tCO<sub>2</sub>e]</b>						
<b>Total GHG emissions (location-based) [tCO<sub>2</sub>e]</b>	394,818	183,297				
<b>Total GHG emissions (market-based) [tCO<sub>2</sub>e]</b>	388,185	179,475				

<sup>4</sup> Estimates were used for most Scope 3 emissions. Limitations arise from the unavailability of primary data.

<sup>5</sup> The base year data is not part of the limited assurance assessment.

<Gross Scopes 1, 2, 3 and Total GHG Emissions 2025 (Adtran Holdings, Inc. Group)<sup>6</sup>, not subject to voluntary limited assurance review.>

	Retrospective		Milestones and target years			Annual % target / Base year
	Base year (SBTi) 2016	2025	2032 (SBTi)	2034 (SBTi)	2048 (SBTi)	
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions [tCO <sub>2</sub> e]	1,280	552	10,264	3,129		5%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)		0	S1+S2 combined	S1+S2 combined		
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions [tCO <sub>2</sub> e]	30,012	9,586	See Scope 1, combined S1+S2			
Gross market-based Scope 2 GHG emissions [tCO <sub>2</sub> e]		5,664				5%
Scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions [tCO <sub>2</sub> e]	1,165,117	754,449				
Purchased goods and services [tCO <sub>2</sub> e]	72,029	33,845	43,217		3,601	3%
Capital goods [tCO <sub>2</sub> e]	4,673	17,446				
Fuel and energy-related activities [tCO <sub>2</sub> e]	1,171	2,954				
Waste generated in operations [tCO <sub>2</sub> e]	91	4				
Use of sold products [tCO <sub>2</sub> e]	1,056,362	679,536	633,817		52,818	3%
End-of-life treatment of sold products [tCO <sub>2</sub> e]	1,560	645				
Upstream transportation and distribution [tCO <sub>2</sub> e]	10,473	12,031				
Downstream transportation and distribution [tCO <sub>2</sub> e]	4,043	3,557				
Business travels [tCO <sub>2</sub> e]	8,351	1,431				
By air [tCO <sub>2</sub> e]		1,425				
By car [tCO <sub>2</sub> e]		5.7				
By train [tCO <sub>2</sub> e]		0				
Employee commuting [tCO <sub>2</sub> e]	6,364	3,000				
Total GHG emissions [tCO <sub>2</sub> e]						
Total GHG emissions (location-based) [tCO <sub>2</sub> e]	1,196,409	760,665				
Total GHG emissions (market-based) [tCO <sub>2</sub> e]	1,165,117	764,587				

<sup>6</sup>The table for the Adtran Holdings, Inc. Group is not part of the limited assurance audit.

## Principles for reporting on key performance indicators

Adtran has an internal document, the Documentation of Sustainability KPIs, which defines the key principles for data collection and reporting, including data sources, data scope, and sources of uncertainty. Key aspects of this document are explained below with regard to emissions data .

### Energy consumption

The energy data includes the combustion of fuels by stationary and mobile plants as well as the consumption of electricity and heat at our locations.

Energy consumption data is generally collected from site-level invoices provided by the respective utility companies. For (multi-unit) locations without their own data, estimates are used based on our proportional floor space. This results in an average energy consumption per unit area (kWh/m<sup>2</sup>). All larger locations are included; only small (sales) locations with less than 7% of the total employees are excluded due to insufficient data.

### Greenhouse gas emissions (GHG)

Our approach to measuring greenhouse gas emissions follows the Greenhouse Gas (GHG) Protocol, developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

We refer to:

- The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard
- GHG Protocol, Scope 2 Guidance, a supplement to the GHG Protocol Corporate Standard
- Corporate Value Chain (Scope 3), Accounting and Reporting Standard, published by the GHG Protocol Corporate Accounting and Reporting Standard.

The GHG Protocol defines three scopes for CO<sub>2</sub> emissions:

- Scope 1: direct emissions from sources owned or controlled by the company.
- Scope 2: indirect emissions from the consumption of purchased electricity, heat and/or steam (site-based or market-based).
- Scope 3: indirect emissions resulting from the company's activities but originating from sources not owned or controlled by the company.

Adtran reports emissions in CO<sub>2</sub> equivalents (CO<sub>2</sub>e) according to the requirements of the GHG Protocol. CO<sub>2</sub>e is the unit of measurement used to indicate the global warming potential of, for example, energy sources under the Kyoto Protocol; it also takes into account other greenhouse gases besides CO<sub>2</sub>. Adtran uses the International System of Units (SI) for reporting.

Adtran uses the operational control approach to define the organizational boundaries for the GHG emissions inventory in Scopes 1, 2 and 3. The emission factors we use are based on data from the International Energy Agency, the OECD and other sources, in line with the views of the International Panel on Climate Change.

### Scope 1 emissions

Adtran's direct CO<sub>2</sub> emissions include emissions from stationary (sites) and mobile (vehicles) sources. Emissions from refrigerants.

(fugitive emissions) are also taken into account here.

### Scope 2 emissions

Indirect CO<sub>2</sub> emissions from Adtran sites are primarily recorded using the market-based approach of the GHG Protocol. The site-based method quantifies emissions based on average network emission factors, while the market-based methods consider emissions based on supplier-specific emission factors or contractual instruments.

### Scope 3 emissions

Adtran records indirect GHG emissions in all applicable Scope 3 categories. This includes purchased goods and services, capital goods, upstream and downstream transport and distribution, employee commuting, business travel, product use, and end-of-life product management. For Scope 3 emissions, we use different methods, assumptions, and emission factors to calculate emissions in each category. In some cases, expenditure-based calculation approaches are used. Estimates were also made for some Scope 3 categories. For example, a pure average-data approach was used for employee commuting. Due to the

necessary estimations and assumptions, the quantification of non-financial performance indicators for Scope 3 greenhouse gas emissions is subject to inherent uncertainties due to significant estimation and measurement uncertainties.

### **Verification**

Greenhouse gas emissions and energy consumption are assessed as part of the sustainability statement review in accordance with the ISAE 3000 (Revised) standard and – for the determination of greenhouse gases – using the methodology of the GHG Protocol.

Corporate Standard audit. The audit is conducted with limited assurance and includes a plausibility check of the data, methods, and internal controls.

### **GHG reduction and GHG mitigation projects financed through emission credits**

In 2025, the Adtran Networks SE Group had no projects aimed at reducing greenhouse gases.

<For the year 2025, the Adtran Holdings, Inc. group purchased RECs from its energy supplier, TVA, in Huntsville, equivalent to 9,000 MWh. This represented 52% of TVA's total deliveries to Huntsville and nearly 30% of the Adtran Holdings, Inc. Group's total electricity consumption in 2025. The RECs were Green-e certified.> This information is unverified, as it pertains only to the Huntsville site and not to Adtran Networks SE.

### **Internal carbon pricing**

In 2025, we continued internal carbon pricing. This involves applying a shadow price to purchased electricity, transport emissions, and emissions from the use phase of sold products. This supports our net-zero efforts and is also used in our TCFD scenario analyses. The shadow price is based on the German CO<sub>2</sub> tax. This tax was introduced in 2021 and amounted to €55/tCO<sub>2</sub>e in 2025. For the quantitative TCFD analyses, a modeled CO<sub>2</sub> tax of €57/tCO<sub>2</sub>e was assumed for the reporting year 2025. When considering total emissions from purchased electricity, transportation, and the use phase of sold products, this leads to an overestimation in a global context. While the German CO<sub>2</sub> tax is representative for the EU, the US did not yet have a CO<sub>2</sub> tax in 2025, and countries like Japan had a significantly lower CO<sub>2</sub> tax (2025: ~2 EUR/tCO<sub>2</sub>e). Consequently, the assumed 57 EUR/tCO<sub>2</sub>e, based on a global sales-related average, represents an upper limit for the carbon tax. An estimate of this global average yields a mean carbon tax in the range of approximately 32 EUR/tCO<sub>2</sub>e. We expect that, in the medium to long term, the carbon tax will align with EU values rather than deviate further from them. The resulting carbon shadow prices on purchased electricity, transport emissions, and emissions from the use phase of sold products are used to predict future carbon taxes and to analyze possibilities for reducing these taxes. Future carbon taxes represent a potential financial risk; therefore, we consider an approach that tends to produce overly optimistic results rather than a conservative calculation that does not underestimate potential risks.

## 2.2. Resource use and circular economy (ESRS E5)

Based on the DMA's findings, the circular economy was classified as a material environmental topic. These topics are also consistent with the environmental aspects that must be considered according to the requirements of the German Commercial Code (HGB). In the area of the circular economy, material IROs relate to resource outflows and inflows.

An important fraction of resource outflows is electronic waste (Waste Electrical and Electronic Equipment, WEEE).

The following sections contain our qualitative and quantitative data on these topics.

Material topics		Significant impact, risk or opportunity		Management
E5	Resource inflows	Political and economic factors already influence the availability and cost of critical raw materials from specific regions (e.g., China).	Risk	We work on process-based improvements to enhance the resource efficiency of our products and processes. This helps conserve resources and meet corresponding customer requirements. For example, reusing parts from returned products can save critical raw materials and costs. Furthermore, we cooperate with nearby WEEE (electronic waste) recyclers at all our logistics locations.
		Customer requirements regarding resource utilization remain relevant and can be positively influenced through R&D and product design.	Opportunity	
		Secondary use of products, components and materials reduces waste, improves the availability of critical raw materials and lowers costs.	Positive impact	
	Resource outflows	Customer requirements regarding resource utilization remain relevant, can be positively influenced through R&D and design, and offer differentiation potential.	Opportunity	
		Circular design and business principles increase the recyclability of products and the raw materials they contain.	Positive impact	

### Management of impacts, risks and opportunities

Our approach to identifying material impacts, risks and opportunities is described in the section "[General Information](#)".

### Policies relating to resource use and the circular economy

The overarching policy document of the Adtran Holdings, Inc. Group encompasses considerations regarding the circular economy and the conservation of natural resources, energy and raw material consumption, and waste generation. This applies to our operations as well as our products throughout their entire life cycle and, where applicable, to our supply chain. This policy also aims to raise awareness that ultimately promotes the circular economy. Furthermore, it serves to ensure compliance with legal and regulatory requirements, such as the WEEE Directive, which also incorporates aspects of the circular economy.

### Measures and resources related to resource use and the circular economy

The measures related to the IROs concerning resource use and the circular economy affect our customers, our own operations, and our collaboration with suppliers. These circular economy measures are not limited to specific products, regions, customers, or suppliers. The time horizon for these activities is short-, medium-, and long-term.

Short-term measures include, in particular, operational optimizations and initial improvements in resource consumption and waste management at our sites.

Medium-term measures primarily focus on the gradual expansion of circular economy practices within product development, the supply chain, and customer relationships.

Long-term measures aim at the systematic development of circular business models, the increased use of secondary materials, and the structural integration of circular economy principles along the entire value chain.

In 2023, we began offering refurbished products to our first European customers, and we are exploring how to expand this offering to more customers or regions in the future. As of 2025, no refurbished products had been requested. One challenge in market expansion is that not all products are equally well-suited for life extension through refurbishment. The main reason for this is that some products evolve very rapidly in terms of energy efficiency during their use phase, meaning that extending their lifespan through refurbishment can lead to an increase in overall lifetime emissions compared to retiring and replacing these products. In 2024, an ITU-T Recommendation, authored by Adtran, was adopted addressing the impacts of life extension.

<It is available under the name ITU-T L.1028 (<https://www.itu.int/rec/T-REC-L.1028-202411-I/en>).>

As early as 2024, we launched a specific environmental supply chain initiative with our first suppliers. This initiative was revised in 2024/2025 and now focuses specifically on integrated circuit manufacturers, as these manufacturers have a comparatively

high environmental impact according to life cycle assessments. Furthermore, this commitment is now part of a consolidated effort by several members of the Joint Alliance for CSR (JAC) and their Tier 1 suppliers. JAC members include Deutsche Telekom AG, BT Group, AT&T, Verizon, Orange, Telecom Italia, Telefónica, Vodafone, A1 Telekom Austria, and other network operators, which together represent a significant portion of Adtran's business. It is therefore expected that the initiative will have a greater impact than if all participating partners were to act independently. This is particularly true in the case of engagement with very large semiconductor manufacturers. In the medium term, the initiative will cover the environmental impact of parts of our purchased goods and services (especially semiconductors) and will affect both the decarbonization of the supply chain and insights into the optimal lifespan of various integrated circuits with regard to total emissions over their lifetime. Quantitative analyses in this area are expected no earlier than 2026.

In the context of our products, the circular economy is one of the aspects covered by our ecodesign process and related activities. This includes both resource inflows and outflows. Ecodesign is part of our R&D activities and therefore requires operating expenditure. We cannot calculate the exact proportion of our R&D budget allocated to ecodesign activities, as some aspects of ecodesign overlap with other design requirements. Where applicable, the ecodesign activities related to the circular economy focus on preparing for reuse and recycling. Reuse is achieved through the modularity of most of our products and ensuring a long product lifespan, supported by maintenance activities. Reuse is further supported by design for manual disassembly and the avoidance of hazardous substances in accordance with legal requirements. Additionally, reducing material consumption and waste is addressed through the ongoing miniaturization of parts in our product portfolio.

In 2022, we began implementing initiatives aimed at optimizing the environmental footprint of our products throughout their entire life cycle. These activities include analyses of optimal product lifespan. This is relevant for ICT devices and therefore for our portfolio. Due to rapid development cycles, there are improvements in product energy efficiency, measured in energy consumption per unit of throughput (Gbit/s, gigabits per second). In these analyses, we calculate whether extending the lifespan after several years of use is advisable in terms of the overall environmental impact over the product's life cycle. This includes considering the production impact of successor products in the event that the original products are replaced by more efficient successors after a certain period of use.

These analyses show that for some of our products, including coherent high-speed wavelength division multiplex (WDM) systems, replacement is advisable to reduce negative impacts on global warming. The analyses can therefore be used for the assessment of the avoidance of significant adverse effects required by the EU Taxonomy Regulation. This applies when circular economy activities aimed at extending product life must undergo this assessment. The analyses show whether reuse and refurbishment are beneficial for certain products, or whether these products should be serviced or repaired within a specific nominal lifespan and then recycled. In 2023, we submitted these analyses to the ITU-T standardization process in Question 7/5. As mentioned previously, the corresponding recommendation was adopted in 2024 and is available as ITU-T L.1028.

A technical repurposing is not an option for the products in Adtran Networks SE's portfolio.

Further circular economy measures focus on optimizing packaging, including its reuse. In addition, packaging that cannot be reused is sent for material-specific recycling. These circular economy measures are supported by reducing the amount of plastic in packaging. This is particularly important for non-recyclable plastics.

## Metrics and targets

### Targets regarding resource use and circular economy

One of our circular economy goals is to create offerings for remanufactured products, with initial activities starting with selected customers and products. These activities include taking back and inspecting the products and, if necessary, remanufacturing them. Further repurposing is not planned. This goal also aligns with our management system policy (specifically, "foster a circular economy") and the EU Circular Economy Action Plan. This remains a qualitative target for 2025, and we do not plan to change it in the short term. It is not limited to specific regions, but we plan to begin introducing remanufactured products with WDM products and later expand to other product lines. To date, no business has been conducted with customer-requested remanufactured products. While there have been some early pilot projects, their relative sales volume has been very low. For future evaluations, we will use 2022 as the base year. This target replaces an older legacy ADVA target that focused on the adoption of product-service systems (PSS). This replacement specifies the scope to PSS that include take-back and refurbishment. The target is long-term, as customer interest in PSS beyond the purchase of products and associated maintenance services remains very low. Maintenance services are a significant component of Adtran Networks SE's revenue. However, there is no unified target for product-plus-maintenance-service revenue.

No additional measures are planned for operational reverse logistics, maintenance, and refurbishment during this period. The objective does not lead to any additional requirements for circular design or waste management. Product design – modularity, durability, and maintainability – already supports this objective, and end-of-life treatment in the form of WEEE recycling remains in place.

One limitation regarding the use of refurbished products has already been identified. It was described in the previous section, "*Measures and Resources related to Resource Use and the Circular Economy*," and is determined by the optimal product lifespan. Beyond a certain product-specific phase of use, further extending the lifespan may no longer be advisable and could lead to negative environmental impacts. This must be taken into account when offering refurbished products.

The highest level of responsibility for our resource utilization and circular economy activities within the Adtran Holdings, Inc. Group lies with the CTO, who reports to the CEO. This leadership structure also applies to Adtran Networks SE. A supporting objective is the integration of suppliers, either directly or through IntegrityNext. This objective primarily relates to emissions but can also be used to expand the circular economy across the supply chain. Over time, this objective aims to improve collaboration regarding supply chain decarbonization and circular economy activities. This outcome is currently qualitative, as no metrics for quantitative tracking have yet been developed. The use of recycled materials and recyclability are part of our ecodesign guidelines.

### **Reporting principles for key performance indicators**

The internal *Documentation of Sustainability KPIs* defines data collection and reporting, including for data related to the circular economy. The key principles are explained below.

### **Resource inflows**

Adtran's resource inflows include:

- Telecommunications products and components containing minerals, metals and polymers
- Secondary hardware, e.g., returned devices from customers
- Product packaging, including wood- and plastic-based materials.

### **Weight of products, materials and their packaging**

The total weight of products, technical materials and biological materials is based on the global delivery quantities of the relevant models and the weight per unit as recorded in the Adtran ERP systems.

Products or materials are considered delivered in terms of resource inflow when they have been transferred by subcontractors or suppliers to the company's own (Adtran) warehouses.

The ESRS E5 standard requires disclosure of the percentage of biological materials that have been sustainably sourced, as well as the absolute weight of reused or recycled components, secondary intermediates and secondary materials used in manufactured products and services.

We source biological materials sustainably, within the limits of our resources, and are in the process of further developing processes for verifying the sustainability and tracing of these materials. No reliable data is yet available for the 2025 reporting year.

### **Recycling content in mechanical material sources**

The recycling rate of mechanical material sources is currently determined primarily based on estimates from our suppliers and external sources. In cases where data is missing, we use the best possible approximations. Due to the complex structure of our products, complete transparency is not currently possible and is expected to take several more years. Achieving this transparency requires considerable organizational and technical effort.

The recycling rate is calculated as the proportion of recycled materials by weight to the total weight of the mechanical parts. We would like to explicitly point out that this metric is extremely meaningless for complex ICT products like those built by Adtran, as this rate is dominated by the housings, which, according to life cycle assessments, only account for a marginal share of the overall environmental impact of the products and their production.

### **Recycled content in product packaging**

In 2025, not all packaging suppliers were able to provide data on the recycled content of their packaging. Therefore, we use estimates where no data is available.

The recycled content in our products is less than <50% by weight, primarily determined by the proportion of recycled metal in the chassis. The recycled content in the packaging is higher (in the range of 50%), due to the use of recycled cardboard. Furthermore, we avoid using plastic in the packaging wherever possible, taking into account the need to protect the products from damage if dropped.

Materials used in 2025	2025
Total weight of products and technical materials [t]	1598
Percentage of recycled content in the products	
Aluminum casting	~50%
Deformed aluminum	~30%
Stainless steel	~40%
Low-alloy steel	~25%
Copper alloys	~30%
Polycarbonates	~5%
Recycled percentage of product packaging	~45%

## Resource outflows

Adtran's main outflows are telecommunications network products, including their packaging, and the waste generated in our operational activities.

A product or material is considered delivered in terms of resource outflow when Adtran has handed it over to downstream service providers (logistics service providers, sales partners, recycling partners).

## Product durability

Circular principles such as reliability, product lifespan, and reparability are historically embedded in our products. Reusing products after their initial use, as well as repairing and restocking them as spare parts, are standard practices at Adtran.

In general, Adtran products have a long lifespan, often exceeding 10 years, limited primarily by functional or energy-efficiency-related obsolescence. This lifespan is supported by the modularity of the products, their ease of maintenance, and the associated maintenance services. Precise data on average lifespan is not available due to the large number of customers, product lines, and customer-specific variants.

## Repairability assessment

Adtran does not currently use any external rating systems to determine the repairability of its products. No globally established rating standards exist for our product categories, as these products are too specialized compared to other electronic devices. On the other hand, Adtran has a vested interest in efficient maintenance services. Therefore, repairability is one of our design criteria. This is facilitated, for example, by the high degree of modularity in our products.

## Recyclability of products and their packaging

Due to the large number of components used, the complexity of the products, and a lack of primary data, we are unable to specify the percentage of recyclable content in products and packaging.

## Waste cycle

Since resource outflows are significant, Adtran pursues the overarching goal of further strengthening the waste recycling rate and continuously improving waste management. The focus is on maximizing recycling and minimizing disposal rates – particularly, but not exclusively, for the main product-related waste streams. This objective encompasses all Adtran sites as well as product take-back programs. Up to and including 2025, this was a qualitative goal without a defined target value.

Adtran has identified areas where a high recovery rate has already been achieved, as well as areas where further measures are needed. This includes Adtran's product packaging. Two targets have been defined for this, which should be implemented before 2030 if possible:

- Packaging materials must contain at least 50% recycled ingredients.
- Avoid plastic wherever possible (this may not be possible with heavy products and required drop tests).

The waste generation and disposal for Adtran Networks SE are shown in the following table. As a manufacturer of ICT equipment, Adtran has three industry-specific waste streams: waste electrical and electronic equipment (WEEE), cardboard from used packaging, and plastic, primarily used for packaging. Packaging plastic consists mostly of PE foam and PU foam. WEEE contains, among other things, precious metals, rare earth elements, aluminum, steel, non-metallic minerals such as phosphorus, and plastics. The latter consists mostly of low- and high-density PE and PP. WEEE also includes batteries. For sites without

complete waste data, annual waste volumes are estimated based on sites with available primary data and comparable reference values, such as the number of employees.

*Waste disposal and GWP 2025 (landfills and other recovery/disposal do not apply).*

Waste disposal	Adtran Networks SE Group 2025	
	Weight [t]	GWP [tCO <sub>2</sub> e] <sup>7</sup>
Hazardous waste	0	0
Radioactive waste	0	0
Cardboard	115	0.5
Plastic	13	0.1
WEEE	29.4	0.1
Other	138.4	0.7
Total waste [t]	295.8	

WEEE: waste electrical and electronic equipment.

<sup>7</sup> The calculation of CO<sub>2</sub>e emissions from waste was based on the assumption that the waste generated is thermally treated (incinerated).

## 2.3. Disclosure regarding the EU Taxonomy Regulation

### Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy KPIs)

#### Regulatory context

The EU Taxonomy is a classification system for sustainable economic activities. Over the years, the scope of the EU Taxonomy Regulation has expanded and serves as an important pillar in promoting the objectives of the European Green Deal, which aims to mobilize private capital to foster environmentally sustainable activities.

Adtran Networks SE is subject to the disclosure requirements of the EU Taxonomy Regulation (Regulation (EU) 2020/852) and reports, in accordance with Article 8, on the proportion of its economic activities that qualify as environmentally sustainable. This information is provided as part of the environmental disclosures in this non-financial report. For the 2025 financial year, we are submitting this taxonomy information for the fifth time – and for the first time taking into account the amendments introduced by the new Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, which clarifies and, in some cases, simplifies the reporting requirements from the 2025 financial year onwards.

#### Our economic activities

Since Adtran Networks SE is the only entity within the Adtran Holdings, Inc. Group required to report according to the EU Taxonomy, the scope of information on taxonomy-eligible or compliant activities is limited to Adtran Networks SE. To this end, Adtran Networks SE has conducted a comprehensive analysis of all business activities described in the EU Taxonomy.

This analysis involved evaluating the activity descriptions provided by the EU Taxonomy, particularly those relating to the NACE classification codes relevant to our products and services ("core activities"), as well as activities that are not part of our core business but support internal operations ("non-core activities"). For activities that could fall under multiple taxonomy-eligible categories, we determined and documented which single activity should be reported to avoid double counting. Once we had identified the core and non-core activities, we assessed their taxonomy eligibility and compliance.

Following the analysis, Adtran considers the following activities to be eligible for taxonomy classification in 2025. However, the requirements for taxonomy compliance in particular, fulfilling the technical assessment criteria for a substantial contribution, the "Do No Significant Harm" criteria, and adherence to minimum safeguards cannot yet be fully demonstrated for the identified activities. Accordingly, we do not classify any of these activities as taxonomy-aligned for 2025.

Type of activity	Taxonomy targets	Adtran's activities	Relevant financial KPIs
Repair, refurbishment and remanufacturing	Circular economy [CE5.1]	Extending the lifespan of Products within the framework of Adtran's "Care" business and maintenance and repair services	Revenue, CapEx, OpEx
Manufacture of electrical and electronic equipment	Circular economy [CE1.2]	Design for durability, reparability and upgradability of our products, and thus for longevity in the sense of a circular economy	Revenue, CapEx, OpEx
Installation, maintenance and repair of energy-efficient appliances	Climate protection [CCM7.3]	Services for energy-efficient network technology. This only concerns installation and the associated revenue and operating expenses (OpEx) to avoid overlap with the first activity.	Revenue (installation only), OpEx (installation only)

Material changes compared to the previous year include the addition of the *manufacture of electrical and electronic equipment* [CE1.2] as well as the *installation, maintenance and repair of energy-efficient equipment* [CCM7.3], whereby for CCM7.3 we only consider installation activities to avoid double counting with CE5.1. These new activities belong to our core business operations and make material contributions to the circular economy (CE1.2) and to climate change mitigation (CCM7.3), respectively.

For the same reason of avoiding double counting, we do not list in the above table the activities *preparation for re-use of products and product components* [CE5.3] and *manufacture of other low-carbon technologies* [CCM3.6]. These activities constitute sub-components of CE5.1 (CE5.3) and CE1.2 (CCM3.6), respectively.

In addition, taxonomy-eligible CapEx related to *transport by motorcycles, passenger cars and light commercial vehicles* [CCM6.5] generally fall into the year 2025. However, these are no longer reported in detail, as was still the case in 2024, because they are not part of our core activities and fall below the reporting threshold.

No revenue, capital expenditure (CapEx), or operating expenditure (OpEx) activities related to climate change adaptation, the sustainable use and protection of water and marine resources, pollution prevention and control, or the protection and restoration

of biodiversity and ecosystems were identified. Adtran Networks SE continues to have no economic activities in the fossil fuel or nuclear energy sectors.

## Accounting principles

Article 8 of the EU Taxonomy Regulation requires the disclosure of three key performance indicators (KPIs) – turnover, capital expenditure, and operating expenditure – relating to activities, products, or services connected with taxonomy-eligible and compliant economic activities. These KPIs are derived in accordance with Annex I to the Delegated Act relating to Article 8 of the EU Taxonomy Regulation and as of the balance sheet date, based on the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), taking into account the interpretations of the IFRS IC (IFRIC).

Significant judgments were applied in the context of CE5.1 and CCM7.3. For CE5.1, the total revenue as well as the total CapEx and OpEx associated with the “Care” activities – specifically repair, reuse, and refurbishment processes – was included. This determination was based on the assessment that all such activities contribute to extending the useful life of products. This judgment is supported by product characteristics such as repairability, modular architecture, and long-term software support.

For CCM7.3, only product lines assessed as sufficiently energy efficient based on the Telecommunications Equipment Energy-efficiency Rating (TEER) methodology were considered eligible.

A significant assumption in estimating revenue and OpEx attributable to CCM7.3 was made. The KPIs were derived indirectly by allocating the proportion of revenue generated from TEER-rated energy-efficient product lines, based on the assumption that this revenue proportion reliably represents the actual underlying KPIs. The rationale for this assumption is that direct measurement was not feasible with reasonable effort, and that revenue shares constitute an appropriate proxy.

## Turnover

**[Activity CE5.1] Repair, refurbishment, and remanufacturing:** Adtran operates a structured “Care” division whose goal is to extend the service life of products through systematic reuse, disassembly, repair, and technical refurbishment. Components recovered through these processes are either reused or – if no longer technically usable – sent for appropriate recycling.

This activity makes a significant contribution to the transition to a circular economy and meets the requirements for a taxonomy-eligible activity in the repair, refurbishment, and reprocessing sector. Adtran plans to further refine the documentation of waste streams and material flows in this area to fully comply with the Technical Assessment Criteria of the Taxonomy Regulation.

**[Activity CE1.2] Manufacturing of electrical and electronic equipment:** As part of its product development, Adtran pursues a design concept focused on the durability, repairability, and upgradability of its products. This includes, among other things, modular designs, software and maintenance support extending beyond the product life cycle, and measures for simplified disassembly.

These features help to extend the lifespan of the devices and reduce resource consumption in line with the principles of a circular economy. Revenue from the production of such products is therefore potentially taxonomy-aligned, provided the technical criteria are met.

**[Activity CCM7.3] Installation, maintenance and repair of energy-efficient equipment:** Adtran provides services related to the installation and commissioning of energy-efficient network technologies. The activity includes only installation services and related revenues and operating expenses to avoid overlap with the “Care” sector (repair and refurbishment).

These services support the use of energy-efficient devices and can be classified as a taxonomy-aligned activity under the EU taxonomy, provided that, among other things, the technical criteria for energy-efficient applications are met.

**Calculation of turnover:** The share of our total revenue from taxonomy-eligible and compliant business activities is calculated as the portion of net revenue resulting from products and services within these taxonomy-eligible and compliant activities (numerator), divided by net revenue (denominator). The numerators are included in our EU taxonomy tables. The denominator of the revenue KPI is based on our consolidated net revenue for Adtran Networks SE in accordance with IAS 1.82(a) and can be reconciled with our consolidated financial statements. In 2025, our total revenue was €482 million.

## CapEx

**[Activity CE5.1] Repair, refurbishment and remanufacturing:** As described in the sales section, Adtran extends the lifespan of its products through structured repair, refurbishment and remanufacturing processes, thereby contributing to the transition to a circular economy.

For this activity, the CapEx KPI considers those investments that enable and support the delivery of “Care” services. These include, in particular, investments in building and site infrastructure, technical equipment, diagnostic and testing systems, and specific workshop equipment. These investments ensure the systematic execution of repair and refurbishment and are therefore classified as taxonomy-eligible CapEx.

**[Activity CE1.2] Manufacturing of electrical and electronic equipment:** As described under Revenue, Adtran pursues a design concept focused on durability, repairability, and upgradability. For the CapEx KPI, those investments that enable or improve these product characteristics are relevant.

This includes investments in development infrastructure, testing and validation systems, production facilities, and modular or repair-friendly manufacturing and testing technologies. These capital expenditures (CapEx) contribute to ensuring the technical design of circular economy products and can therefore be classified as taxonomy-eligible investments.

**CapEx calculation:** The CapEx KPI is defined as CapEx that are taxonomy-eligible and compliant (numerator), divided by our total CapEx (denominator).

The denominator comprises additions to property, plant and equipment and intangible assets during the financial year under review before depreciation, amortization, and any revaluations, including those resulting from revaluations and impairments, and excluding changes in fair value for the financial year in question. The denominator must also include additions to property, plant and equipment and intangible assets from business combinations. For non-financial companies applying International Financial Reporting Standards (IFRS) adopted by Regulation (EC) No 1126/2008, CapEx includes costs recognized on the basis of property, plant and equipment, intangible assets, investment property, and leases in accordance with IFRS 16. Our total CapEx in 2025 is €80 million.

The numerator corresponds to the portion of investment expenditure included in the denominator that relates to one of the following: a. in connection with assets or processes linked to taxonomy-eligible or taxonomy-aligned economic activities; b. part of a plan to extend taxonomy-aligned economic activities or to convert taxonomy-eligible to taxonomy-aligned economic activities to the taxonomy; c. in connection with the acquisition of products from taxonomy-eligible or taxonomy-aligned economic activities and individual measures that enable the target activities to become low-carbon or lead to greenhouse gas reductions, provided that these measures are implemented and put into operation within 18 months.

The capital expenditures included in the 2025 figures for the activities "Repair, refurbishment and remanufacturing" and "Manufacturing of electrical and electronic equipment" fall under Category A CapEx. These CapEx are directly related to the corresponding activities.

## OpEx

**[Activity CE5.1] Repair, refurbishment, and remanufacturing:** As described in the sales section, Adtran extends the service life of its products through reuse, disassembly, repair, and technical refurbishment. This activity makes a significant contribution to the transition to a circular economy.

The OpEx KPI considers ongoing operating expenses directly related to the provision of "Care" services. These include costs for purchased goods and services from third parties, specialized service expenses, and internal departmental expenses for maintenance and repair processes. These expenses directly support the performance of the taxonomy-eligible activity.

**[Activity CE1.2] Manufacturing of electrical and electronic equipment:** The activity described under Revenue and CapEx for the manufacture of durable, repairable, and upgradeable equipment incurs ongoing operating expenses that are relevant for the OpEx KPI. These include, among other things, expenditures for product-related development work, quality assurance, modular design and testing processes, and maintenance and repair of production-related infrastructure.

These OpEx components support the continuous implementation of circular product principles and are therefore taxonomy-compatible.

**[Activity CCM7.3] Installation, maintenance, and repair of energy-efficient equipment:** Adtran provides services related to the installation and commissioning of energy-efficient network technologies. Relevant OpEx include ongoing project- and installation-related operating expenses, such as those for technical services, external services, and internal installation resources.

These expenditures support the implementation of a taxonomy-aligned activity in the field of energy-efficient devices.

**OpEx calculation:** The OpEx KPI is defined as OpEx that are taxonomy-eligible and compliant (numerator), divided by our total OpEx (denominator).

The denominator comprises direct, non-capitalized costs relating to research and development, building renovations, short-term leases, maintenance and repairs, and all other direct expenditures connected with the day-to-day upkeep of property, plant and equipment by the company or outsourced third parties, and necessary to ensure the continued and effective operation of these assets. Our total OpEx in 2025 is €140 million and includes:

- R&D expenses that are recognized as operating expenses in the income statement for the reporting period. In accordance with our consolidated financial statements (IAS 38.126), these are all non-capitalized expenses that can be directly attributed to research and development activities.
- The amount of non-capitalized short-term leases as derived in accordance with IFRS 16.
- Maintenance and repair costs, as well as other direct expenses related to the daily maintenance of property, plant and equipment, were compiled based on the maintenance and repair costs allocated to our internal cost centers. This includes costs related to maintenance and repair as a service provided by our "Care" business, as well as costs related to the maintenance of property, plant and equipment used to support other business units. The respective cost items can be found in various line items of our income statement. These include maintenance and repair costs related to the "Care" business, maintenance costs for property, plant and equipment supporting other business units, and expenses for building renovations at our Meiningen plant.

The numerator corresponds to the portion of OpEx that is included in the denominator and, as with CapEx, can be divided into the three categories described above for the numerator of CapEx.

The activities listed for 2025, "Repair, refurbishment and remanufacturing", "Manufacture of electrical and electronic equipment" and "Installation, maintenance and repair of energy-efficient equipment", fall under Category A OpEx. These OpEx are directly linked to the corresponding services.

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year 2025															
KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Breakdown by environmental objectives of Taxonomy-aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (2024)	Proportion of Taxonomy-aligned activities in previous financial year (2024)
					Climate protection	Adaptation to climate change	Water	Circular economy	Pollution	Biological diversity					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	Currency (kEUR)	%	Currency (kEUR)	%	%	%	%	%	%	%	%	%	%	Currency (kEUR)	%
Turnover	481,747	96.4	0	0	0	0	0	0	0	0	0	0	0	0	0
CapEx	79,614	1.5	0	0	0	0	0	0	0	0	0	0	0.5%	0	0
OpEx	139,800	21.6	0	0	0	0	0	0	0	0	0	0	0	0	0

Proportion of turnover from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure 2025 (activity breakdown)

Reported KPI (turnover)													
Financial year 2025													
Economic activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Environmental objective of Taxonomy-aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Bio-diversity			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	Currency (kEUR)	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Repair, refurbishment and remanufacturing	CE5.1	16.8	0	0	0	0	0	0	0	0			0
Manufacture of electrical and electronic equipment	CE1.2	78.0	0	0	0	0	0	0	0	0			0
Installation of energy-efficient appliances	CCM7.3	1.6	0	0	0	0	0	0	0	0			0
Sum of alignment per objective					0	0	0	0	0	0			
<b>Total KPI (Turnover)</b>		<b>96.4</b>	0	0	0	0	0	0	0	0			0

Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure 2025 (activity breakdown)

Reported KPI (CapEx)													
Financial year 2025													
Economic activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Environmental objective of Taxonomy-aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	Currency (kEUR)	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Repair, refurbishment and remanufacturing	CE5.1	0.8	0	0	0	0	0	0	0	0			0
Manufacture of electrical and electronic equipment	CE1.2	0.7	0	0	0	0	0	0	0	0			0
Sum of alignment per objective					0	0	0	0	0	0			
<b>Total KPI (CapEx)</b>		<b>1.5</b>	0	0	0	0	0	0	0	0			0

Proportion of OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure 2025 (activity breakdown)

Reported KPI (OpEx)													
Financial year 2025													
Economic activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Environmental objective of Taxonomy-aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	Currency (kEUR)	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Repair, refurbishment and remanufacturing	CE5.1	12.4	0	0	0	0	0	0	0	0			0
Manufacture of electrical and electronic equipment	CE1.2	4.6	0	0	0	0	0	0	0	0			0
Installation, maintenance and repair of energy-efficient appliances	CCM7.3	4.6	0	0	0	0	0	0	0	0			0
Sum of alignment per objective					0	0	0	0	0	0			
<b>Total KPI (OpEx)</b>		<b>21.6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>

### 3. Social information

#### Own workforce (ESRS S1)

The term "own workforce" refers to the people directly employed by the organization. This includes both permanent and temporary staff, as well as non-employees who are part of the workforce.

#### Management of impacts, risks and opportunities

Material IROs related to our own workforce focus on work-life balance, training and development, and skills development. According to Adtran's Employee Resource Management (ERM) system, associated risks include the potential inability to attract, retain, train, and develop talent. These material IROs are managed through established company-wide policies, processes, and measures .

Material topics		Significant impact, risk or opportunity	Management
S1	Education, training and skills development	In the coming years, staff shortages are likely due to retirements unless young talent can be recruited and retained. Good training programs can help prevent this.	Opportunity Adtran views training, further education, and skills development as strategic elements for ensuring the long-term performance of its workforce. The corresponding qualification programs are provided both through the internal Adtran University and by selected external training providers.
	Working conditions: Work-life balance	Adtran promotes work-life balance through family-friendly vacation policies, flexible working models and part-time offers.	Positive impact In addition to regular vacation entitlement, Adtran grants all employees additional paid days off on public holidays. This has a particularly positive effect in countries where such days off are not already legally mandated. Furthermore, other types of leave, such as maternity leave, paternity leave, parental leave, adoption leave, sick leave, and bereavement leave, are of great importance. Adtran also follows a global policy of reviewing all sabbatical requests subject to operational requirements and local sabbatical regulations.
	Measures against violence and harassment in the workplace	Despite existing measures, there remains a risk of isolated incidents of violence or harassment, which can lead to employment law and reputational consequences.	Risk The risk of discrimination and harassment is systematically managed and minimized through company policies, mandatory training programs, defined reporting and investigation processes, and regular effectiveness checks.

Material IROs and their interaction with our strategy and business model, as well as our processes for capturing stakeholder interests and views, were described in the [Management Summary section](#) .The processes for engaging our employees are described in more detail in this section.

#### Management of impacts, risks and opportunities

Our approach to identifying material impacts, risks and opportunities is described in the section "[General Information](#)".

#### Policies related to own workforce

Adtran's employee-related policies and processes are based on relevant international standards, including the United Nations Universal Declaration of Human Rights, the fundamental conventions developed by the International Labour Organization, and the United Nations Guiding Principles on Business and Human Rights. Adtran also actively strives to comply with the Responsible Business Alliance (RBA) Code of Conduct and the ISO 26000:2010 guidelines.

We maintain a zero-tolerance policy towards human rights violations, human trafficking, and forced and/or child labor, particularly in countries where there is an increased risk of such incidents. <A related statement on modern slavery for our subsidiary Adtran Networks (UK) Limited can be found on our website at <https://www.adtran.com/de-de/about-us/esg/reports-and-policies.>>

Furthermore, we have a zero-tolerance policy towards all forms of discrimination and harassment and promote equal opportunities, diversity, and inclusion. This is reflected in our Diversity, Equality, and Inclusion (DEI) policy, our Code of Conduct, and our transparent, Workday-based hiring process. Our Non-Discrimination and Anti-Harassment Policy covers multiple grounds for potential discrimination, including but not limited to race and ethnicity, gender, sexual orientation, disability, age, and religion. Therefore, we have taken steps to increase transparency in recruitment and have established a training program for managers and others involved in the hiring process. The goal of recruitment is to improve diversity within our teams. This is supported by employee and manager training on sexual harassment prevention, anti-harassment, and diversity at a global level. In addition, we conduct regular employee engagement surveys to proactively identify and address any gaps or concerns.

For our own workforce, two additional key policies apply: Diversity, Equity & Inclusion, and Human Rights. These policies enshrine the commitment of Adtran Networks SE and its subsidiaries to respect and protect the rights of all people.

A supplementary policy for the company's own workforce establishes the framework for hybrid working. It contains a clearly defined description of the purpose, scope, and validity of the remote work arrangement, including the employee groups affected. Furthermore, it formulates key objectives such as ensuring performance, effective collaboration, safety, availability, and compliance. The policy also defines the roles and responsibilities of employees, managers, HR, IT, and occupational health and safety, and describes the underlying processes for implementation, monitoring, and compliance – including mandatory training, regular check-ins, performance reviews, and documentation requirements. Additionally, it includes detailed specifications for workplace design, ergonomics, and safety, as well as for handling risks and incidents, including safety checklists and reporting obligations. It also governs the mechanisms for reporting concerns or complaints, for example, regarding workplace safety, overwork, or technical limitations.

Cases of policy violations can be reported via the WhistleB Reporting Hotline, a third-party provider that allows employees to anonymously report concerns about potential misconduct in the workplace. Further details about our whistleblowing procedures can be found in Section 4 of this report.

#### *Processes for engaging with own workforce and workers' representatives about impacts*

Adtran has several procedures and policies in place to discuss our impact with our employees and employee representatives. These include direct dialogue with our staff and the establishment of an Adtran Networks SE Workers Council (AWC) where feasible. Our commitment also includes an open-door policy in the HR department, which extends to key members of our leadership team.

Employee satisfaction surveys are also part of our engagement efforts. Although these surveys were temporarily suspended due to the Covid-19 pandemic and the integration of Adtran Networks SE into the Adtran Holdings, Inc. Group, they were resumed in 2024. These activities are complemented by town hall meetings, roundtables (consisting of smaller employee groups with a senior manager), departmental meetings, and one-on-one meetings between employees and managers, facilitated by Workday. Overall, these meetings are frequent, taking place at least quarterly or on an ad-hoc basis as needed. In addition to the meetings mentioned above, there are also regular employee assemblies organized by the Adtran Works Council (AWC), which are attended by members of the management team. The AWC also offers regular (weekly) office hours where employees can raise work-related concerns. The effectiveness of this engagement is tracked by the voluntary turnover rate. We plan to conduct the next employee satisfaction survey in 2026.

Some of the integration processes described here, e.g., town hall meetings, departmental meetings and individual discussions, also apply to non-employees in our workforce.

#### *Processes to remediate negative impacts and channels for own workforce to raise concerns*

Adtran encourages and prompts its employees to report actual or potential violations. If employees are aware of any behavior that may violate the Code of Conduct, they are encouraged to report the violation. Reporting a potential violation demonstrates commitment, responsibility, and fairness towards Adtran's customers, shareholders, business partners, and employees. Adtran also provides an Ethics and Compliance Hotline for reporting potential violations, as mentioned above and described in Section 4. These violations include, but are not limited to:

- Fraudulent activities/theft
- Misconduct
- Unethical behavior
- Violations of health and/or safety regulations
- Data breaches
- Discrimination/harassment

Whenever potential violations are investigated, employees must fully cooperate and provide complete, accurate, timely, and truthful information to the neutral departments leading the investigation. At the conclusion of an investigation, Adtran Networks SE will decide on swift and decisive action, which may include external disclosure of the violation or legal proceedings. This action may also include termination of employment for employees or termination of business relationships with business partners. Unfounded allegations reported in good faith will not be taken into account. The reporting procedure is communicated to employees in the Code of Conduct and through training. External stakeholders are informed of the reporting channel on the website <https://investors.adtran.com/governance/governance-documents/default.aspx>

We are committed to ensuring that our employees are aware of the complaint channels and procedures available to them for expressing their concerns or needs, and we are also committed to ensuring that they have sufficient confidence in these

channels and procedures to use them. Adtran employees will not experience any retaliation for raising concerns. All employees should feel comfortable expressing questions or concerns. Adtran Networks SE strictly prohibits any form of retaliation against individuals who report a breach of the Code of Conduct or the policies, if they believe such a breach has occurred. The policy of non-retaliation is set out in the Code of Conduct, chapter on non-retaliation. This policy implements EU Directive 2019/1937 on the protection of persons reporting breaches of Union law, as well as other national legislation on harassment/retaliation.

### **Taking measures in relation to significant impacts on its own workforce and approaches to managing significant risks and pursuing significant opportunities related to its own workforce, as well as the effectiveness of these measures**

Our key Internal Rate of Responsibility (IRR) related to work-life balance is managed by our Human Resources department, headed by the SVP of Global Human Resources, who reports directly to the CEO. HR reviews the results of our employee engagement survey, the voluntary turnover rate, and any reported violations of our Code of Conduct.

Resources for measures and initiatives are available; the number of HR employees is over 20 (Adtran Networks SE).

Adtran assesses significant risks and opportunities arising from the impact on and dependencies on our workforce. Significant adverse impacts on our employees can result from internal or external events or actions that increase our employee retention risk (ERM) of being unable to train and develop talent. To address this challenge, Adtran relies on a number of ongoing measures and established processes. These include, among others, training programs offered through both the internal Adtran University and selected external training partners, as well as regular engagement surveys and other structured feedback tools. The effectiveness of all these activities is tracked, in part, through the engagement processes outlined in the section "*Procedures for involving Employees and Employee Representatives Regarding Impacts.*"

Furthermore, we have begun to consider the "do no significant harm" principle of the EU Taxonomy Regulation in relation to sustainability issues as well. This principle can be applied to other measures and practices besides taxonomy reporting. This allows us to assess whether our actions and practices in other areas are causing harm, in this case, to our employees. As we move towards climate neutrality, we recognize that this transition could impact employment opportunities and the functions required to continue our business operations, and we plan to develop a strategy to minimize these impacts. Since we are still in the early stages of our climate transition, we have not yet developed targets for employee training to understand the necessary changes, but we plan to do so in the coming years.

### **Metrics and targets**

#### **Targets relating to the management of significant negative impacts, the promotion of positive impacts, and the management of significant risks and opportunities.**

As early as 2024, the Adtran Holdings, Inc. Group, which includes Adtran Networks SE, introduced a new global flexible working model with the aim of addressing the employee issue of work-life balance.

Regarding the second material sub-topic, training and development, Adtran pursued the qualitative goal of systematically developing leadership skills across all levels in 2025. To this end, the management training program was revised and expanded. It is designed to enable managers to further develop their organizational, professional, and strategic skills and to strengthen collaboration within the company. No quantitative targets were set for 2025. Training and development is continuously monitored, but currently without company-wide thresholds or targets; the priority was on expanding the content and tailoring the programs to specific needs.

## Disclosure tables

### Characteristics of the undertaking's employees

Adtran Networks SE's employee characteristics are listed in the tables below, categorized by gender, region, and contract type. The data for the separate consolidated non-financial report includes headcount, broken down into employee categories, including students and temporary workers.

We use Workday to collect, track, and report data on all employees, including non-employees.

All data refers to December 31, 2025.

*Number of employees by gender*

Number of employees (staff size as of December 31, 2025)	
Gender	Adtran Networks SE
Male	1,783
Female	491
Other*	1
Not specified	2
<b>Total employees</b>	<b>2,277</b>

\*) Gender as specified by the employees themselves

The information on the number of employees can be found on page 22 in the 2025 financial report.

*Number of employees in countries with at least 50 employees*

Number of employees (staff size as of December 31, 2025)	
Country	Adtran Networks SE
United States of America	292
Germany	654
Poland	643
India	237
United Kingdom	103
Israel	99
China	52
Switzerland	52

Employees by contract type, broken down by gender

Adtran Networks SE, as of December 31, 2025				
Female	Male	Other*	Not specified	In total
<b>Number of employees (headcount)</b>				
491	1,783	1	2	2,277
<b>Number of employees with permanent employment contracts (headcount)</b>				
468	1,735	1	2	2,206
<b>Number of employees with fixed-term employment contracts (headcount)</b>				
23	48	0	0	71
<b>Number of full-time employees (headcount)</b>				
413	1,736	1	2	2,152
<b>Number of part-time employees (headcount)</b>				
78	47	0	0	125

\*) Gender as specified by the employees themselves

Employees by contract type, broken down by region

Adtran Networks SE, as of December 31, 2025			
EMEA region	North and South America region	APAC region	In total
<b>Number of employees (headcount)</b>			
1,648	316	313	2,277
<b>Number of employees with permanent employment contracts (headcount)</b>			
1,579	314	313	2,206
<b>Number of employees with fixed-term employment contracts (headcount)</b>			
69	2	0	71
<b>Number of full-time employees (headcount)</b>			
1,526	313	313	2,152
<b>Number of part-time employees (headcount)</b>			
122	3	0	125

Employee turnover

Adtran Networks SE, as of December 31, 2025	
Number of employees who left the organization during the reporting period (number of people)	173
Employee turnover during the reporting period*	7.7%
Voluntary employee turnover**	7.1%

\*) Employee turnover encompasses all departures of employees within a specific period of time – regardless of the reason.

\*\*\*) Voluntary turnover only includes departures initiated by employees.

*Characteristics of non-employees in the undertaking's own workforce*

The number of non-employed staff at the end of 2025 is listed in the following table, broken down by department.

<b>Headcount</b>	<b>Adtran Networks SE</b>
<b>Temporary workers</b>	<b>14</b>
CFO	0
CIO	0
CRO, Sales	0
CRO, Services	0
CTO	7
Operations	7
HR	0
Other	0
<b>Contractor</b>	<b>109</b>
CFO	24
CIO	20
CRO, Sales	3
CRO, Services	14
CTO	43
Operations	2
HR	0
Other	3
<b>In total</b>	<b>123</b>

*Work-life balance metrics*

**Family Leave**

100% of employees of the entire Adtran Networks SE Group are entitled to family-related leave as part of our social policy.

Percentage of employees entitled to family leave (as of December 31, 2025)	
Female	100%
Male	100%
Other*	100%
Not specified	100%
<b>In total</b>	<b>100%</b>

Percentage of eligible employees who took family leave (as of December 31, 2025)	
Female	20%
Male	15%
Other*	0
Not specified	0
<b>In total</b>	<b>16%</b>

Number of employees who took leave for family reasons (as of December 31, 2025)	
Female	99
Male	261
Other*	0
Not specified	0
<b>In total</b>	<b>360</b>

\*) Gender as specified by the employees themselves

*Incidents, complaints and serious human rights impacts*

In the reporting year 2025, no cases of discrimination or harassment were reported within the company's own workforce. Likewise, no further human rights complaints were received that were not already covered by these categories. Furthermore, no incidents were identified that had a serious impact on the human rights of employees. Throughout the entire reporting period, no fines, sanctions, or court convictions were imposed in connection with human rights violations against employees. Likewise, no fines, sanctions, or other legal measures were taken in connection with potentially serious cases of human rights impact. Overall, no significant fines, penalties, or claims for damages were pursued in 2025.

*Metrics for education and skills development*

A total of 79% of Adtran Networks SE employees participated in performance and career development reviews. This applies to both full-time and part-time employees. Performance reviews are managed via the Workday platform. Training is tracked through our Human Resources Information System. In 2025, a total of 12,840 hours of training were completed across the Adtran Networks SE Group, averaging 5.6 hours per employee. Training sessions ranged in length from 30 minutes to a full week (5 days). The average number of training hours per employee is 5.6.

As of December 31, 2025		
	Percentage of employees who have participated in regular performance and career development discussions	Average number of training hours
Female	70%	5.1
Male	81%	5.8
Other*	n/a	n/a
Not specified	n/a	n/a
<b>In total</b>	<b>79%</b>	<b>5.6</b>

\*) Gender as specified by the employees themselves

### Diversity metrics

The tables below list the diversity indicators for Adtran. They are broken down by total employees and management staff, gender, and age. In 2025, we continued our efforts toward diversity and inclusion. All data presented here refers to December 31, 2025.

	Adtran Networks SE	
	Headcount	%
Males overall	1,783	78.3%
Males in management	321	85.6%
Females overall	491	21.6%
Females in Management	54	14.4%
Other* total	1	-
Others in management	0	-
Total not specified	2	0.1%
Not specified in management	0	-

Management	Adtran Networks SE
Males, not in management	1,462
Females not in management	437
Other*, not in management	1
Not specified, not in administration	2
Overall, not in management	1,902
Males in management	321
Females in Management	54
Other* in management	0
Not specified in management	0
Overall in management	375

\*) Gender as specified by the employees themselves

With regard to the goal of succession planning (see page 21), we report below on Adtran's age structure.

Gender	Age group	Adtran Networks SE
Male	<30 years	309
	30-50 years	936
	>50 years	538
Total male		1783
Female	<30 years	95
	30-50 years	287
	>50 years	109
Total female		491
Other*	<30 years	
	30-50 years	
	>50 years	
Other total		1
Not specified	<30 years	
	30-50 years	
	>50 years	
Total not specified		2
Total employees		2,277

\*) Gender as specified by the employees themselves

## Reporting principles – Scope and definition of Adtran's own workforce

**Adtran Networks SE's own workforce includes:**

### *Employees (own employees)*

All persons directly employed by Adtran Networks SE are on permanent contracts, fixed-term contracts (including internships), and full-time or part-time contracts. Employees in all regions where Adtran operates are on Adtran's payroll. This complies with the reporting thresholds according to ESRs S1 and German GAAP (HGB).

### *Non-employees*

Non-employees are individuals who are contracted through external suppliers, work under the direction of Adtran, and perform tasks equivalent to those of Adtran employees (e.g., covering for absent employees, working on-site at Adtran facilities).

**Non-employees include:**

- Temporary workers
- Assigned service personnel
- Temporary external staff

They are not on Adtran's payroll and are recorded separately.

## Reporting period and valuation approach

### Employees

The KPI for the workforce are presented as follows:

- Number of employees as of December 31, 2025
- Gender categories: female, male, other, not specified
- Contract categories: permanent, fixed-term

- Working time model: full-time, part-time

### **Non-employees**

The figures for non-employees are given as follows:

- Number of employees for the reporting period (January-December 2025) as of December 31, 2025
- Categorized by functional area (CFO, CTO, CIO, CRO, Operations, etc.).

### **Distribution by contract type and region**

The KPI relating to the workforce are broken down as follows:

#### **Type of contract**

- Permanent employees
- Temporary workers
- Full-time
- Part-time

#### **Regions**

Adtran reports its workforce in the following regions:

- EMEA (majority)
- America
- APAC

### **Diversity indicators**

#### *Definition of top management*

Adtran's top management level for 2025 will comprise all managers at all levels. Going forward, this will include the first and second levels below the executive management.

#### *Employees by age group*

Designated as:

- <30 years
- 30-50 years
- 50 years

The figures represent the number of employees as of December 31, 2025.

#### *KPIs for female employees in management*

The percentage of female employees in management is calculated as follows:

Number of female employees in management as of December 31, 2025 ÷ Total number of employees in management as of December 31, 2025.

Except: none – Adtran has no abandoned business units.

### **KPIs on training and skills development**

#### *Performance and development assessments/appraisals*

Adtran reports the percentage of employees who receive annual performance reviews, based on completed reviews from the previous cycle.

Reason: the assessment process extends into the first and second quarters of the following year, so the actual figures are only available after the reporting period.

### *Training hours*

The KPI reflects:

- Average number of learning hours per employee
- Defined as total number of learning hours ÷ number of employees

The training includes internal training (Adtran University), external training, and self-reported informal learning activities (seminars, reading, self-study).

### *Employee base for the KPI:*

- Number of employees as of December 31, 2025.

## **KPIs on work-life balance**

Adtran reports on qualitative and quantitative elements relating to:

Home office days within the framework of the global hybrid working model (3 days office / 2 days remote), approved and used parental leave, registered family leave as defined, documented measures for occupational safety.

### *Definitions and distinctions: Family leave*

Adtran defines family leave as paid or unpaid leave for the care or support of family members. This includes, in particular:

- Parental leave for all genders (birth, adoption or fostering of a child).
- Care leave for immediate family members with acute or long-term care needs.
- Short-term family breaks (e.g., special leave days for family events such as illness of children or close relatives).

These categories are systematically recorded in the HR system and assigned to the respective employees as "Family Leave".

### *Methods for determining the key figures according to S1-15*

#### **Data collection**

The data comes from the consolidated HR systems, in which all working time models, absences and special leave are documented in a standardized manner.

#### **Calculation of KPIs**

The S1-15 indicators are calculated according to the following principles:

- Percentage of employees on family leave within the reporting year.

Work-life balance is a material S1 topic and part of Adtran's risk reduction strategy for employee retention.

## 4. Governance information

### Business Practices (ESRS G1)

Our DMA 2025 revealed that a material IRO was identified in the governance sub-topic of combating corruption and bribery. Furthermore, governance is an important component of our strategy and business model. We consider governance aspects important and have clearly defined processes and control mechanisms in this area. We define serious violations as compliance or governance failures that could lead to significant financial impacts, legal consequences, significant reputational damage, or breaches of material internal policies. No such serious violations were identified in fiscal year 2025.

#### Material impacts, risks and opportunities related to business conduct

Material topics		Significant impact, risk or opportunity		management
G1	Prevention and detection of corruption and bribery	This could lead to a freeze on government contracts and negatively impact the awarding of contracts in the private sector.	Risk	Adtran has company-wide regulations in place to prevent and detect corruption and bribery. These include a binding code of conduct and a global anti-corruption and anti-bribery policy. Implementation is supported by training programs, internal controls, and a company-wide whistleblower system.

#### Management of impacts, risks and opportunities

Our approach to identifying material impacts, risks and opportunities is described in the section "[General Information](#)".

#### Corporate culture and policies for business conduct

Adtran maintains a zero-tolerance policy towards all forms of human rights violations, corruption, and bribery. This is enshrined in our Group Code of Conduct and our Supplier Code of Conduct, which are reviewed and updated annually. Our Supplier Code of Conduct addresses specific points for our suppliers and is aligned with the RBA framework. We also do not tolerate any violations of the International Labour Organization's (ILO) labor standards.

#### Prevention and detection of corruption and bribery

Integrity is the foundation of all our actions. We strive to meet the highest ethical standards, which are enshrined in our values and documented in our Code of Conduct. All employees must adhere to these standards. Bribery and corruption are considered a critical issue and are addressed through our Compliance Management System (CMS). Our long-term goal is to maintain our strong track record in combating corruption and bribery through the measures described in this report.

Adtran Networks SE's Compliance Management System (CMS) is supported by a central Compliance Department based in Munich and six Regional Compliance Officers (RCOs) who provide additional support alongside their regular duties. The RCOs strengthen Adtran's compliance culture, remove potential barriers that might prevent employees from raising concerns, and contribute their specific expertise to the CMS. Their activities are coordinated by the Chief Compliance Officer (CCO), who reports to the Chief Financial Officer (CFO) and the Supervisory Board. Employees are encouraged to speak up whenever they have questions or suggestions regarding compliance or suspect a violation. In addition to numerous clearly defined and actively communicated internal contact points, an external ombudsman and an externally operated ethics and compliance hotline allow for confidential and anonymous reporting.

Our compliance activities are evaluated and assessed both internally and externally. Some reviews are conducted annually and/or continuously, while others take place only once every several years. In cases where material findings are identified, corrective action is taken immediately.

The goal of our Compliance Management System (CMS) is the complete prevention of corruption and bribery throughout the entire company. Accordingly, the CMS is implemented for all employees at all locations. The Adtran Networks SE Group aims to provide regular training for all employees. Implementation is based on a defined process and is supported and monitored by the Group's Human Resources department.

Our understanding of compliance extends beyond our own company to our sales, distribution, and service partners, whom we collectively define as business partners. The procurement of hardware components as well as technical and professional services results in a broadly diversified supplier base. This diversity of suppliers with varying regulatory frameworks and compliance levels increases the relevance of integrity risks in the supply chain. Against this backdrop, Adtran places particular emphasis on the prevention of corruption and bribery throughout its procurement and business partner management processes.

We apply a three-stage, risk-based due diligence approach to our business partners. First, we conduct a risk-based due diligence review for new business partners and update it regularly for existing ones. Then, we negotiate detailed framework agreements with strict compliance obligations with all new business partners. Risk-based monitoring allows us to further reduce

the corresponding compliance risks. Apart from non-disclosure agreements (NDAs), Adtran aims to avoid entering into any contractual relationships without first conducting the necessary due diligence. Like all internal processes, business partner due diligence is subject to regular internal review. This is also coordinated by the Chief Compliance Officer (CCO), who in turn holds ultimate responsibility at the CFO level.

Accordingly, various targets were set for this area, such as increasing the response rate for the IntegrityNext supply chain management software to over 90% and increasing the number of Full Material Declarations for the components we procure to 75%. These processes and management approaches encompass the responsible employees and the highest level of responsibility on the part of the SVP of Global Operations. The management approaches are reviewed at least annually through external assessments (EcoVadis) and audits (ISO audits, sustainability statement validation), as well as through accompanying internal risk analyses and assessments. Corrective actions are taken in cases of imminent deviations from targets, as well as in cases where a reassessment is necessary. These actions include analyzing the root causes of target failures and identifying and implementing improvement measures.

Adtran Networks SE has had no confirmed cases of corruption or bribery in the last 5 years.

### **Whistleblowing procedure**

Adtran Networks SE requires the reporting of potential and actual violations of the Code of Conduct. Reporting a potential violation demonstrates vigilance, commitment, responsibility, and fairness towards customers, shareholders, partners, and employees. Violations can be reported via the Adtran Networks SE Ethics and Compliance Hotline. The hotline is managed by WhistleB Reporting, a third-party provider, to ensure that employees can report incidents anonymously and without fear of retaliation. The WhistleB Reporting Hotline is available 24 hours a day, seven days a week, and can be reached online <https://report.whistleb.com/en/adtran - Customer Code: 453581>) or by phone (1.800.218.8954).

In cases where corrupt activities or violations of the Code of Conduct have been attempted or carried out, the Chief Compliance Officer (CCO) is responsible for conducting a thorough investigation into the nature, extent, origins, and consequences of the misconduct. Following an investigation, Adtran Networks SE will decide on corrective and disciplinary measures, which may include external disclosure of the violation or legal action. Disciplinary measures may include termination of employment or termination of business relationships. Unfounded allegations reported in good faith will not be addressed.

All reported violations and complaints will be treated confidentially to the extent permitted by law and the company's need to investigate the situation. All investigations will be conducted ethically and in accordance with the law by qualified personnel. Adtran Networks SE prohibits any form of retaliation against employees who submit reports, participate in investigations of violations, raise complaints or concerns, or ask questions. Retaliation can take many forms, from microaggressions, bullying, or harassment to unfair dismissal. All claims of retaliation will be taken seriously.

Comprehensive anti-corruption training is offered to ensure proper adherence to the outlined procedures. This training is typically part of the annual compliance training, which is offered as live or web-based training for all employees.

All governance activities related to respecting human rights and combating corruption and bribery are coordinated by the CCO of Adtran Networks SE, who reports to the CFO.

## Disclosure tables

### *Training in ethics and anti-corruption*

The table below shows the topics and frequency of anti-corruption training courses. Anti-corruption is a key focus of Adtran's "Ethical Business Training" course, which all employees are required to complete annually. In addition, Adtran offers separate, standalone courses on corruption risks at the frequencies indicated. Adtran does not differentiate between specific risk functions as defined by the ESRS. Accordingly, no specific training or qualification measures have been implemented for separately defined risk functions.

Topic	Type	Target audience	Frequency
Code of conduct (part of the Ethical Business Training) and disclosure of conflicts of interest	On-line	All employees	Yearly
Insider Training	On-line	All employees	Every 3-4 years
Anti-bribery/anti-corruption/illegal payments, gifts, travel and entertainment (part of Ethical Business Training)	On-line	All employees	Yearly
Global Non-Sales Training – Contract Law: Fundamentals in the areas of commerce, law and compliance	On-line	Non-sales staff	Yearly
Global Sales Training – Contract Law: Fundamentals in the areas of trade, law and compliance	On-line	Sales representative	Yearly
Governance, Risk and Compliance	On-line	All employees	Every 3 years
Global sanctions	On-line	All employees	Yearly

### *Ethics and compliance data*

In 2025, Adtran received no reports that were investigated as suspected violations of the Adtran Code of Conduct. The following table shows the reported cases by category for 2025:

Ethics and compliance data	2025
Total number of reported cases	0
Total number and type of confirmed cases of corruption or bribery	0
Number of confirmed cases in which company employees were dismissed or disciplined due to corruption or bribery	0
Number of confirmed incidents related to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0
Number of convictions and the amount of fines for violations of corruption and bribery regulations	0
Number of investigations by the Ethics and Regulatory Compliance function	0
Number of employees with a written warning or violation of the code of conduct	0
Number of employees dismissed for violating the code of conduct	0

## 5. Appendix to the Sustainability Statement

### Reference table

<b>ESRS 2 - General Information</b>		
<b>Title of Disclosure</b>	<b>Name of the disclosure requirement</b>	<b>Page</b>
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Basis for preparation	Disclosure Requirement BP-2 – Disclosures in relation to specific circumstances	5-6
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Governance	Disclosure Requirement GOV-3 – Integration of sustainability-related performance in incentive schemes	9
Governance	Disclosure Requirement GOV-4 – Statement on due diligence	9
Governance	Disclosure Requirement GOV-5 – Risk management and internal controls over sustainability statementing	9-10
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Metrics and targets	Metrics MDR-M – Metrics in relation to material sustainability matters	21-23
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Impact, risk and opportunity management	Minimum disclosure requirement - Policies MDR-P – Policies adopted to manage material sustainability matters	19-20
Impact, risk and opportunity management	Disclosure Requirement E1-3 – Actions and resources in relation to climate change policies	31
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Metrics and targets	Minimum disclosure requirement – Metrics MDR-M – Metrics in relation to material sustainability matters	21-23
Metrics and targets	Minimum disclosure requirement – Targets MDR-T – Tracking effectiveness of policies and actions through targets	22-23
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Metrics and targets	Disclosure Requirement E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	32-24
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Metrics and targets	Disclosure Requirement E1-8 – Internal carbon pricing	36
<b>ESRS E5 - Resource use and circular economy</b>		
Impact, risk and opportunity management	Disclosure Requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	14-16; 37ff
Impact, risk and opportunity management	Disclosure Requirement E5-1 – Policies related to resource use and circular economy	37ff
Impact, risk and opportunity management	Minimum disclosure requirement - Policies MDR-P – Policies adopted to manage material sustainability matters	19-20
Impact, risk and opportunity management	Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy	37f
Impact, risk and opportunity management	Minimum disclosure requirement - Actions MDR-A – Actions and resources in relation to material sustainability matters	20-21
Metrics and targets	Disclosure Requirement E5-3 – Targets related to resource use and circular economy	38ff
Metrics and targets	Minimum disclosure requirement – Metrics MDR-M – Metrics in relation to material sustainability matters	21-23
Metrics and targets	Minimum disclosure requirement – Targets MDR-T – Tracking effectiveness of policies and actions through targets	22-23
Metrics and targets	Disclosure Requirement E5-4 – Resource inflows	39f
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<b>ESRS S1 - Own Workforce</b>		
Strategy	Disclosure Requirement related to ESRS 2 SBM-2 – Interests and views of stakeholders	12-13
Strategy	Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	13
Impact, risk and opportunity management	Disclosure obligation S1-1 – Strategies relating to one's own workforce	50ff
Impact, risk and opportunity management	Minimum disclosure requirements – MDR-P strategies – Strategies for dealing with key sustainability aspects	19-20
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Metrics and targets	Minimum disclosure requirement – Metrics MDR-M – Metrics in relation to material sustainability matters	21-23
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Governance	Disclosure Requirement related to ESRS 2 GOV-1 – The role of the administrative, supervisory and management bodies	7-8
Impact, risk and opportunity management	Disclosure Requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	14-16
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Impact, risk and opportunity management	Minimum disclosure requirement - Policies MDR-P – Policies adopted to manage material sustainability matters	19-20
Impact, risk and opportunity management	Disclosure Requirement G1-3 – Prevention and detection of corruption and bribery	62ff
Metrics and targets	Disclosure Requirement G1-4 – Incidents of corruption or bribery	63
Impact, risk and opportunity management	Minimum disclosure requirement - Actions MDR-A – Actions and resources in relation to material sustainability matters	20-21

## List of data points in general and topic-specific standards resulting from other EU legislation

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU Climate Law Reference (26)	Essential (Yes/No)	Reference to section	Page
ESRS 2 GOV-1 Gender diversity in management and control bodies, paragraph 21(d)	Indicator No. 13 in Annex 1, Table 1		Commission Delegated Regulation (EU) 2020/1816 (27), Annex II		Yes	Disclosed in the section "Own Staff S1"	57
ESRS 2 GOV-1 Percentage of management body members who are independent, paragraph 21(e)			Commission Delegated Regulation (EU) 2020/1816, Annex II				
ESRS 2 GOV-4 Due Diligence Statement Paragraph 30	Indicator No. 10 in Annex 1 Table 3				Yes	Disclosed in the section "General Information"	5
ESRS 2 SBM-1 Participation in activities related to fossil fuels Paragraph 40(d)(i)	Indicator No. 4 Table 1 in Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28), Table 1: Qualitative information on environmental risks, and Table 2: Qualitative information on social risks	Commission Delegated Regulation (EU) 2020/1816, Annex II		No	Not applicable to Adtran	
ESRS 2 SBM-1 Participation in activities related to the manufacture of chemicals Paragraph 40 letter d point ii	Indicator No. 9 in Annex 1, Table 2		Commission Delegated Regulation (EU) 2020/1816, Annex II		No	Not applicable to Adtran	
ESRS 2 SBM-1 Participation in activities related to controversial weapons Paragraph 40(d)(iii)	Indicator No. 14 in Annex 1, Table 1		Delegated Regulation (EU) 2020/1818 (29), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		No	Not applicable to Adtran	
ESRS 2 SBM-1 Participation in activities related to the cultivation and production of tobacco, paragraph 40(d)(iv)			Delegated Regulation (EU) 2020/1818, Article 12(1); Delegated Regulation (EU) 2020/1816, Annex II		No	Not applicable to Adtran	
ESRS E1-1 Transition Plan for achieving climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Yes	Disclosed in section "Climate Change" E1	27ff
ESRS E1-1 companies exempt from the Paris-aligned benchmarks (paragraph 16(g))		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Reporting Form 1: Banking Book – Transitional Risk related to Climate Change: Credit Quality of Risk Positions by Sector, Issues and Remaining Maturity	Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2)		No	Not applicable to Adtran	

ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator No. 4 in Annex 1 Table 2	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Reporting Form 3: Investment Book – Transition Risk related to Climate Change: Alignment Parameters	Delegated Regulation (EU) 2020/1818, Article 6		Yes	Disclosed in section “Climate Change” E1	27ff
ESRS E1-5 Energy consumption from fossil fuels broken down by source (climate-intensive sectors only) Paragraph 38	Indicator No. 5 in Annex 1 Table 1 and Indicator No. 5 in Annex 1 Table 2				No	Not applicable to Adtran	
ESRS E1-5 Energy consumption and energy mix Paragraph 37	Indicator No. 5 in Annex 1, Table 1				Yes	Disclosed in section “Climate Change” E1	32
ESRS E1-5 Energy intensity related to activities in climate-intensive sectors, paragraphs 40 to 43	Indicator No. 6 in Annex 1, Table 1				Yes	Disclosed in section “Climate Change” E1	32
ESRS E1-6 Gross GHG emissions of categories Scope 1, 2 and 3 and total GHG emissions paragraph 44	Indicators No. 1 and 2 in Annex 1, Table 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Reporting Form 1: Banking Book – Transitional Risk related to Climate Change: Credit Quality of Risk Positions by Sector, Issues and Remaining Maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6 and Article 8(1)		Yes	Disclosed in section “Climate Change” E1	33
ESRS E1-6 Intensity of Gross GHG Emissions Paragraphs 53 to 55	Indicator No. 3 Table 1 in Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Reporting Form 3: Investment Book – Transition Risk related to Climate Change: Alignment Parameters	Delegated Regulation (EU) 2020/1818, Article 8(1)		Yes	Disclosed in section “Climate Change” E1	32
ESRS E1-7 Greenhouse gas reduction and CO <sub>2</sub> credits Paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Yes	Disclosed in section “Climate Change” E1	36
ESRS E1-9 Risk exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Annex II		No	Adtran has decided to take advantage of the option of a phased implementation and will not publish the relevant key figures in the 2025 reporting year.	

ESRS E1-9 Breakdown of cash amounts by acute and chronic physical risk Paragraph 66(a) ESRS E1-9 Location where significant assets with substantial physical risk are located Paragraph 66(c).		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Reporting form 5: Investment book – Physical risk related to climate change: Risk positions with physical risk.			No	Adtran has decided to take advantage of the option of a phased implementation and will not publish the relevant key figures in the 2025 reporting year.
ESRS E1-9 Breakdown of the book value of its real estate by energy efficiency classes, paragraph 67(c).		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Reporting Form 2: Invested Book – Transitional Risk related to Climate Change: Real Estate-backed Loans – Energy Efficiency of the Collateral			No	Adtran has decided to take advantage of the option of a phased implementation and will not publish the relevant key figures in the 2025 reporting year.
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities Paragraph 69			Commission Delegated Regulation (EU) 2020/1818, Annex II		No	Adtran has decided to take advantage of the option of a phased implementation and will not publish the relevant key figures in the 2025 reporting year.
ESRS E2-4 Quantity of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted into air, water and soil, paragraph 28	Indicator No. 8 in Annex 1 Table 1; Indicator No. 2 in Annex 1 Table 2; Indicator No. 1 in Annex 1 Table 2; Indicator No. 3 in Annex 1 Table 2				No	Adtran has decided to take advantage of the option of a phased implementation and will not publish the relevant key figures in the 2025 reporting year.
ESRS E3-1 Water and Marine Resources Paragraph 9	Indicator No. 7 in Annex 1, Table 2				No	Not applicable to Adtran
ESRS E3-1 Special Strategy Paragraph 13	Indicator No. 8 in Annex 1, Table 2				No	Not applicable to Adtran
ESRS E3-1 Sustainable Oceans and Seas Paragraph 14	Indicator No. 12 in Annex 1 Table 2				No	Not applicable to Adtran
ESRS E3-4 Total amount of recovered and reused water Paragraph 28 letter c	Indicator No. 6.2 in Annex 1 Table 2				No	Not applicable to Adtran
ESRS E3-4 Total water consumption in m3 per net income from own activities Paragraph 29	Indicator No. 6.1 in Annex 1 Table 2				No	Not applicable to Adtran

ESRS 2 – SBM-3 – E4 paragraph 16 letter a point i	Indicator No. 7 in Annex 1, Table 1				No	Not applicable to Adtran	
ESRS 2 – SBM-3 – E4 paragraph 16 letter b	Indicator No. 10 in Annex 1, Table 2				No	Not applicable to Adtran	
ESRS 2 – SBM-3 – E4 paragraph 16 letter c	Indicator No. 14 in Annex 1 Table 2				No	Not applicable to Adtran	
ESRS E4-2 Sustainable practices or strategies in the area of land use and agriculture, paragraph 24(b)	Indicator No. 11 in Annex 1, Table 2				No	Not applicable to Adtran	
ESRS E4-2 Sustainable practices or strategies in the area of oceans/seas paragraph 24 letter c.	Indicator No. 12 in Annex 1 Table 2				No	Not applicable to Adtran	
ESRS E4-2 Concepts for combating deforestation, paragraph 24(d)	Indicator No. 15 in Annex 1, Table 2				No	Not applicable to Adtran	
ESRS E5-5 Non-recycled waste paragraph 37 letter d	Indicator No. 13 in Annex 1, Table 2				No	Not applicable to Adtran	
ESRS E5-5 Hazardous and radioactive waste paragraph 39	Indicator No. 9 in Annex 1, Table 1				Yes	Disclosed in section “Circular economy and resource use” E5	41
ESRS 2 SBM3 – S1 Risk of forced labor paragraph 14 letter f	Indicator No. 13 in Annex I, Table 3				No		
ESRS 2 SBM3 – S1 Risk of child labour paragraph 14 letter g	Indicator No. 12 in Annex I, Table 3				No		
ESRS S1-1 Commitments in the area of human rights policy, paragraph 20	Indicator No. 9 in Annex I Table 3 and Indicator No. 11 in Annex I Table 1				Yes	Disclosed in the section “	19, 50, 50 and 63
ESRS S1-1 Due Diligence Regulations in respect of issues addressed in Fundamental Conventions 1 to 8 of the International Labour Organisation, paragraph 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		No		
ESRS S1-1 Procedures and measures to combat trafficking in human beings, paragraph 22	Indicator No. 11 in Annex I, Table 3				Yes	Disclosed in the section “	19, 50, 50 and 63
ESRS S1-1 Concept or Management System for the Prevention of Workplace Accidents Paragraph 23	Indicator No. 1 in Annex I, Table 3				No		
ESRS S1-3 Handling of Complaints Paragraph 32 Letter c	Indicator No. 5 in Annex I, Table 3				Yes	Disclosed in section “Social Information” S1, as well as in section “Governance” G1	51, 56 and 63
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88, letters b and c	Indicator No. 2 in Annex I, Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II		No	Not applicable to Adtran	

ESRS S1-14 Number of days lost due to injury, accident, death or illness Paragraph 88 Letter e	Indicator No. 3 in Annex I, Table 3				No	Not applicable to Adtran	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 letter a	Indicator No. 12 in Annex I Table 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		No	Not applicable to Adtran	
ESRS S1-16 Excessive remuneration of members of governing bodies Paragraph 97(b)	Indicator No. 8 in Annex I, Table 3				No	Not applicable to Adtran	
ESRS S1-17 Cases of discrimination paragraph 103 letter a	Indicator No. 7 in Annex I, Table 3				Yes	Disclosed in the section "Social Information" S1	56
ESRS S1-17 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104(a)	Indicator No. 10 in Annex I Table 1 and Indicator No. 14 in Annex I Table 3		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		No	Not applicable to Adtran	
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain Paragraph 11 letter b	Indicators No. 12 and 13 in Annex I, Table 3				No	Not applicable to Adtran	
ESRS S2-1 Commitments in the area of human rights policy paragraph 17	Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 in Annex 1 Table 1				No	Not applicable to Adtran	
ESRS S2-1 Concepts related to workers in the value chain, paragraph 18	Indicators No. 11 and 4 in Annex 1 Table 3				No	Not applicable to Adtran	
ESRS S2-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	Indicator No. 10 in Annex 1, Table 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		No	Not applicable to Adtran	
ESRS S2-1 Due Diligence Regulations in respect of issues addressed in Fundamental Conventions 1 to 8 of the International Labour Organisation, paragraph 19			Commission Delegated Regulation (EU) 2020/1816, Annex II		No	Not applicable to Adtran	
ESRS S2-4 Human Rights Issues and Incidents within the Upstream and Downstream Value Chain, Paragraph 36	Indicator No. 14 in Annex 1 Table 3				No	Not applicable to Adtran	
ESRS S3-1 Human Rights Obligations Paragraph 16	Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 in Annex 1 Table 1				No	Not applicable to Adtran	
ESRS S3-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Indicator No. 10 in Annex 1, Table 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		No	Not applicable to Adtran	
ESRS S3-4 Human Rights Issues and Incidents, Paragraph 36	Indicator No. 14 in Annex 1 Table 3				No	Not applicable to Adtran	

ESRS S4-1 Concepts relating to consumers and end-users Paragraph 16	Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 in Annex 1 Table 1				No	Not applicable to Adtran	
ESRS S4-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Indicator No. 10 in Annex 1, Table 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		No	Not applicable to Adtran	
ESRS S4-4 Human Rights Issues and Incidents, Paragraph 35	Indicator No. 14 in Annex 1 Table 3				No	Not applicable to Adtran	
ESRS G1-1 United Nations Convention against Corruption, paragraph 10(b)	Indicator No. 15 in Annex 1, Table 3				No	Not applicable to Adtran	
ESRS G1-1 Protection of Whistleblowers Paragraph 10 Letter d	Indicator No. 6 in Annex 1 Table 3				Yes	Disclosed in the section "Governance Information" G1	63
ESRS G1-4 Fines for breaches of corruption and bribery regulations, paragraph 24(a)	Indicator No. 17 in Annex 1, Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II		Yes	Disclosed in the section "Governance Information" G1	64
ESRS G1-4 Standards for Combating Corruption and Bribery, paragraph 24(b)	Indicator No. 16 in Annex 1 Table 3				Yes	Disclosed in the section "Governance Information" G1	62ff

# Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the separate combined non-financial report<sup>8</sup>

To Adtran Networks SE, Meiningen-Dreißigacker

## Assurance Conclusion

We have conducted a limited assurance engagement on the separate combined non-financial report of Adtran Networks SE, Meiningen for the financial year from January 1, 2025 to December 31, 2025, prepared to fulfil the requirements of the Sections 315b and 315c of the HGB [Handelsgesetzbuch: German Commercial Code] for a combined non-financial statement as well as the Sections 289b to 289e of the HGB for a non-financial statement of the company including the information contained in this combined non-financial statement to fulfill the requirements of Article 8 of Regulation (EU) 2020/852 applying Delegated Regulation (EU) 2026/73 of the European Commission, adopted on July 4, 2025 (hereinafter the "combined non-financial reporting.").

Not subject to our assurance engagement are the disclosures marked as unaudited with „<“ at the beginning and „>“ at the end, including the references to websites contained in the combined non-financial reporting.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying combined non-financial reporting for the financial year from January 1, 2025 to December 31, 2025 is not prepared, in all material respects, in accordance with Sections 315b and 315c of the HGB for a combined non-financial statement and Sections 289b to 289e of the HGB for a non-financial statement of the company as well as the requirements of Article 8 of Regulation (EU) 2020/852 applying Delegated Regulation (EU) 2026/73 of the European Commission, adopted on July 4, 2025 and the supplementary criteria presented by the executive directors of the Company.

We do not express an assurance conclusion on the disclosures marked as unaudited with „<“ at the beginning and „>“ at the end, including the references to websites contained in the combined non-financial reporting.

## Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section "German Public Auditor's Responsibilities for the Assurance Engagement on the combined non-financial reporting".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB]. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

## Responsibilities of the Executive Directors and the Supervisory Board for the combined non-financial reporting

The executive directors are responsible for the preparation of the combined non-financial reporting in accordance with the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a combined non-financial reporting in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the combined non-financial reporting) or error.

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<sup>8</sup> Our engagement applied to the German version of the combined separate non-financial report. This text is a translation of the Independent Assurance Report issued in the German language, whereas the German text is authoritative.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the combined non-financial reporting, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the combined non-financial reporting.

### **Inherent Limitations in Preparing the combined non-financial reporting**

The applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in section "Sources of uncertainty in estimates and results" of the combined non-financial reporting, the quantification of the non-financial performance indicators regarding the GHG emissions scope 3, resource inflows, and waste are also subject to inherent uncertainties due to significant estimation and measurement uncertainties.

These inherent limitations also affect the assurance engagement on the combined non-financial reporting.

### **German Public Auditor's Responsibilities for the Assurance Engagement on the combined non-financial reporting**

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the combined non-financial reporting has not been prepared, in all material respects, in accordance with the applicable German legal and other European requirements and the supplementary criteria presented by the company's executive directors, and to issue an assurance report that includes our assurance conclusion on the combined non-financial reporting.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism.

We also:

- obtain an understanding of the process used to prepare the combined non-financial reporting, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the combined non-financial reporting.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

### **Summary of the Procedures Performed by the German Public Auditor**

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the combined non-financial reporting
- inquired of the executive directors and relevant employees involved in the preparation of the combined non-financial reporting about the preparation process and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the combined non-financial reporting
- evaluated the reasonableness of the estimates and related information provided by the executive directors
- performed analytical procedures and made inquiries in relation to selected information in the combined non-financial reporting
- conducted site visits
- considered the presentation of the information in the combined non-financial reporting
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the combined non-financial reporting].

## **Restriction of Use / Clause on General Engagement Terms**

This assurance report is solely addressed to Adtran Networks SE, Meiningen.

The engagement, in the performance of which we have provided the services described above on behalf of Adtran Networks SE, Meiningen, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 ([www.kpmg.de/AAB\\_2024](http://www.kpmg.de/AAB_2024)). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to EUR 4 million specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Munich, 26. März 2026

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Marschner  
Wirtschaftsprüferin

Vogl  
Wirtschaftsprüferin

