

Q&A ADVA Group Code of Conduct

Can the thresholds for invitations of 100 € per invitation/200 € per year be further split?

Yes, employees of the ADVA Optical Networking group (“ADVA”) can decide how to better allocate the aggregate annual amount of 200 €, provided the 100 € per (single) invitation is not exceeded, and provided the hospitality is made in line with the ADVA Group Code of Conduct (“ADVA Group CoC”), e.g. not offered to achieve dishonest business advantages, not contrary to the compliance rules of the business partner or local business practice and offered transparently.

Can the hospitality be extended to the wife/husband, other partner or family member (“Partner”) of the invited business partner? And, if so, are there separate caps of 100 €/200 € for the Partner?

In Germany and several other countries it is not business practice to extend hospitality to a Partner. In these countries hospitality to a Partner therefore requires prior written approval of the customer and approval of the Chief Compliance Officer. However, in those countries where extending hospitality to a Partner is standard business practice, or where it would be inappropriate for religious, moral or ethical reasons to meet without a Partner no such approvals are needed, provided this is public knowledge or otherwise documented. For these exemptions, a separate cap of 100 € per invitation/200 € per year applies for the Partner.

Can our customers approve their employee’s participation to ADVA events during which benefits are offered that exceed the thresholds of values as set out in the ADVA Group CoC?

By asking customer for their approval we emphasize transparency and honesty and leave it to the customer to decide if the participation of its employee is appropriate or not. ADVA’s Marketing Department manages these approvals through specific Authorization Forms.

Do we have to consider employees of telecommunication service provider (“Carriers”), which are wholly or partially controlled or owned by the government, as public office holders?

There is no general answer to this question as this mainly depends on the combination of any official duties of the Carrier, the specific duties of the individual employee and applicable German and local laws. E.g. employees of Deutsche Telekom AG are not considered as public office holders regarding German corruption laws, because they are not exercising any official duties any more. A good starting point is a Code of Conduct/Ethics of the Carrier. If the Carrier has a Code of Conduct/Ethics that allows invitations and gifts to its employees, ADVA employees can offer them invitations and gifts, provided they are within the rules/thresholds of the Carrier’s Code of Conduct/Ethics and in addition the ADVA Group CoC.

Who is in charge of tracking expenditure for hospitality and gifts and how do we avoid exceeding thresholds for employees of accounts that are managed by different teams/ regions?

Each ADVA employee has to ensure compliance with the ADVA Group CoC and is thus responsible for not exceeding the thresholds. Expenditures can be tracked through proper use of ADVA’s applications.

Martinsried, October 12, 2011