



ADURAN®

*CODE OF BUSINESS
CONDUCT AND ETHICS*



Table of Contents

4	1.0	EMPLOYEE AND BUSINESS ASSOCIATE RESPONSIBILITIES	14	2.0	COMPANY RESPONSIBILITIES	
5	1.1	Enforcement		2.1	Diversity and Inclusion	
	1.2	Responsibility	15	2.2	Human Rights	
6	1.2.1	Media Relations		2.3	Anti-Discrimination	
	1.3	Internal Control Guidelines	17	2.4	Anti-Harassment	
	1.3.1	Compliance		2.5	Health and Safety	
	1.3.2	Illegal Payments		2.6	Substance Abuse	
8	1.3.3	Reporting and Review Procedure	18	2.7	ANTI-VIOLENCE	
	1.4	Education and Awareness		2.8	Community Involvement	
	1.5	Conflicts of Interest		2.8.1	Local Workforce	
	1.5.1	Outside Employment	20	2.8.2	Innovation	
9	1.5.2	Board Memberships		2.8.3	Sustainability	
	1.5.3	Family Members and Close Personal Relationships		2.9	Accuracy of Business Records	
	1.5.4	Investments	21	2.10	Document and Business Records Retention	
	1.6	Global Anti-Corruption Policy		2.11	Non-Retaliation	
	1.7	Import/Export Control		2.12	Where to go with Questions, Concerns or to Report a Violation	
10	1.7.1	Antitrust Compliance	22	2.13	How to Submit a Code Complaint or Concern	
	1.8	Bribes, Gifts and Entertainment		2.13.1	Receipt and Retention of Submissions	
	1.8.1	Gifts	23	2.14	Treatment of and Response to Submissions	
	1.8.2	Entertainment		3.0	DISCIPLINARY ACTION	
12	1.8.3	Travel		3.1	Violation of the Code	
	1.8.4	Political Contributions and Activities		3.2	Waivers of the Code	
	1.9	Taking Company Business Opportunities		24	4.0	FREQUENTLY ASKED QUESTIONS
13	1.10	Protection of Company Property and Assets				
	1.11	Computer Data and Software				
	1.12	Rights of Invention, Discovery, and Ideas				
	1.13	Proprietary Information				
	1.14	Insider Information and Securities Trading				

Introduction

ADTRAN is a leading global provider of networking and communications equipment. Our products enable voice, data, video and Internet communications across a variety of network infrastructures. These solutions are currently in use by service providers, private enterprises, government organizations, and millions of individual users worldwide.

ADTRAN is known not only for the quality products and services it provides, but for the way it does business. Adhering to the highest standards for business conduct in our relationships with one another, our partners, customers and investors has set ADTRAN apart from other businesses and remains at the foundation of the company today.

The ADTRAN Code of Business Conduct and Ethics has been developed to ensure that all ADTRAN employees and business associates (those conducting business on behalf of the Company such as distributors, sales representatives and consultants) understand the expectations of the Company and those expectations they should hold for the Company regarding business conduct. This code is applicable to all ADTRAN employees, board members and any other individual or entity acting for or on behalf of the Company, anywhere in the world. Adherence to these guidelines will enable ADTRAN to remain a company of high ethical and moral standards.

The ADTRAN Code of Business Conduct and Ethics consists of four parts:

- Employee and Business Associate Responsibilities
- Company Responsibilities
- Disciplinary Action
- Frequently Asked Questions

1.0 EMPLOYEE AND BUSINESS ASSOCIATE RESPONSIBILITIES

ADTRAN is committed to “doing the right thing” in all aspects of operation, from employment practices to investor relations to community involvement. At ADTRAN, our employees are our most valued asset. For this reason, we want to ensure that all of us are invested in and committed to the same standards of integrity and ethical conduct in all aspects of company operations. Our commitment to deliver sustained growth through our empowered employees acting with accountability, responsibility and building trust is based on our corporate values. We must always strive to:

- Care for our employees, customers, shareholders, consumers and the world at large.
- Sell products that are strong in innovation and quality.
- Speak with truth and candor.
- Balance short-term and long-term goals.
- Win with diversity and inclusion.
- Respect others and succeed together.

This Code of Business Conduct and Ethics is ADTRAN's statement of its commitment to these core values. This document is not intended to be a comprehensive manual covering every situation that an employee or business associate may encounter. However, it is designed to allow you to become familiar with basic principles that will allow you to recognize the types of situations that may cause problems. In many cases, more specific requirements are contained in various corporate policies, procedures and guidelines which can be obtained from your department manager and through the ADTRAN Human Resources Department. If in doubt about an action you are about to take, ask yourself: "How would I feel if the course of action I am considering were reported on the front page of the local newspaper or blog?"

1.1 ENFORCEMENT

The ADTRAN Board of Directors has charged senior management with the responsibility to ensure that this code and ADTRAN's corporate policies will govern, without exception, all business activities of the company.

If you have any questions concerning the code, please contact the Director of Internal Audit via email at codecompliance@adtran.com or hotline@adtran.com, or via phone at (256) 963-8477.

All ADTRAN employees are responsible for complying with the Code, reporting violations of the Code, and its enforcement.

Due to local privacy laws in certain countries and the European Union region, phone or email hotlines will be used as permitted to report specific types of calls, such as accounting, financial, auditing and bribery matters. In those countries, contact a Human Resources manager to report other issues.

1.2 RESPONSIBILITY

We expect all employees and business associates to act honestly in all dealings, comply with the laws and regulations governing our business, and maintain an ethical work environment.

Everyone is expected to take responsibility for their actions, including:

- Observance of the guidelines outlined in this code and other company policies;
- Compliance with all laws and regulations governing ADTRAN's business in the area where business is being conducted; and
- Reporting violations of this code immediately.

Management has the added responsibility to:

- Be familiar with both ADTRAN's Code of Conduct and Business Ethics and resolution procedures;
- Promote and maintain a work environment in which honest, ethical and legal business conduct is expected and required; and
- Take appropriate action to see that all possible misconduct is reported as required by this code.

The absence of a guideline covering a particular situation does not relieve any of us from the responsibility for acting ethically and in accordance with ADTRAN's principles of integrity and fair dealing.

1.2.1 MEDIA RELATIONS

Employees may be asked by representatives of the news media for information concerning the company's position on public issues. Employees should coordinate any responses to the media with the ADTRAN Public Relations staff. Employees may not release information to the news media about company activities or the activities of other company employees. The Public Relations staff has established procedures for responding to news media requests and for obtaining management approval for public statements. If an activity merits or requires public disclosure, its release will be coordinated by the Public Relations staff.

1.3 INTERNAL CONTROL GUIDELINES

The company has established systems, controls and records for authorizing, executing and recording transactions involving assets and liabilities. ADTRAN also controls access to assets and periodically reconciles recorded and existing assets. The following is a summary of some of the more significant internal policies and controls:

1.3.1 COMPLIANCE

No employee will engage in any activity that circumvents ADTRAN's internal controls. ADTRAN employees will abide by the requirements of all laws and regulations applicable to business. If you become aware of the violation of any law or regulation by the company, or suspect that ADTRAN may be in violation of any law or regulation, it is your responsibility to promptly report the matter to the Director of Internal Audit or email hotline@adtran.com.

To assist the company in investigating your report, you are encouraged to communicate all of the information you feel comfortable providing. The information will be kept confidential, except as needed to conduct a full, fair investigation. Your identity, phone number or IP address will not be recorded or included in any report that is provided to ADTRAN. The information being reported matters, not the individual reporting it.

1.3.2 ILLEGAL PAYMENTS

Employees and business associates are strictly prohibited from offering, making or causing to be offered or made any payment, contribution or gift of any kind that violates any law or regulation. Refer to the ADTRAN Global Anti-Corruption Policy (available from Human Resources or at www.adtran.com) for company guidelines and commitment for compliance with anti-corruption laws.



1.3.3 REPORTING AND REVIEW PROCEDURE

Any employee or business associate who thinks a transaction may be illegal must follow at least one of the reporting processes described in the section of this code entitled “Where to go with a question, concern or to report a violation.”

1.4 EDUCATION AND AWARENESS

Employees and business associates are required to review, understand and comply with the ADTRAN Code of Business Conduct and Ethics. As part of the company’s efforts to assure ethical behavior, all employees and business associates, both current and future, will be required to certify that they have read, understand and commit to abide by the requirements of the Code. ADTRAN will provide training to employees regarding their rights and responsibilities under the Code.

The Code establishes the standards of business conduct that all employees and business associates are expected to meet. These standards, drawn from our corporate policies, describe our responsibility to:

- Protect ADTRAN and customer assets.
- Comply with global business laws.
- Deal fairly with customers and third parties.
- Foster a work environment of diversity and inclusion, human rights, equal employment opportunity and safety.
- Report misconduct.
- Address questions and concerns.
- Protect employees and business associates from retaliation.

1.5 CONFLICTS OF INTEREST

Business decisions and actions must be based on the company’s best interests and must not be motivated by personal considerations or relationships. Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect your independent and sound judgment on behalf of the company. General guidelines to help you better understand several of the most common examples of situations that may cause a conflict with the Code of Business Conduct and Ethics are listed below. However, employees and business associates are required to disclose to management any situation that may be, or appear to be, a conflict of interest. When in doubt, it is best to discuss your specific situation with your supervisor or the Director of Internal Audit.

1.5.1 OUTSIDE EMPLOYMENT

Your employment with ADTRAN should be your primary employment. Any other employment must be reported to Senior Vice President, Quality and Administration. Any outside activity must be strictly separated from your employment at ADTRAN and should not impact job performance. As an employee, you may not work for, or receive payments for services from, any of the company’s competitors, customers, distributors or suppliers without the approval of the Chief Executive Officer (CEO).

1.5.2 BOARD MEMBERSHIPS

We encourage employees to be good community citizens. Helping the community by serving on boards of non-profit or community organizations is encouraged and does not require prior company approval. However, anyone wishing to serve on the board of directors or a similar body for an outside company or government agency must obtain advance approval from the CEO.

1.5.3 FAMILY MEMBERS AND CLOSE PERSONAL RELATIONSHIPS

Employees and business associates cannot use personal influence to direct ADTRAN business to a company in which any family member or friend has an interest. Such relationships must be disclosed to the Director of Internal Audit prior to engaging in business activities.

1.5.4 INVESTMENTS

Employees and business associates may not allow their personal investments to influence, or appear to influence, their independent and sound judgment on behalf of ADTRAN. If there is any doubt about how an investment may be perceived, it should be disclosed to the Director of Internal Audit.

1.6 GLOBAL ANTI-CORRUPTION POLICY

ADTRAN is a global company and, as such, is committed to follow not only U.S. laws that deal with foreign business transactions, but also applicable laws and regulations of the countries where we do business. Refer to the ADTRAN Global Anti-Corruption Policy, which is available from the Human Resources Department or at www.adtran.com, for our guidelines and commitment for compliance with anti-corruption laws. Instances where law does not explicitly address an ethical matter require employees to use good judgment, adhere to the principles of the law, and follow the principles of honesty, integrity and common sense. If local law is stricter than ADTRAN's Code of Conduct and Business Ethics, local law should be followed. In instances where the Code of Business Conduct and Ethics is stricter than local law, follow the Code.

Perceived pressure from supervisors or demands due to business conditions are not valid excuses for violating the law. Any questions or concerns about the legality of an action should be addressed with the Director of Internal Audit or the Senior Vice President, Quality and Administration.

1.7 IMPORT/EXPORT CONTROL

It is ADTRAN's policy to comply with all domestic and foreign import and export laws and regulations. Failure to do so could result in you being liable for criminal and civil penalties, as well as the loss of the company's ability to import or export products and services.

If an employee or business associate is involved in the transfer of goods, services and technologies across national borders on behalf of ADTRAN or customers, the employee or business associate must comply with these laws, regardless of where they are located. If U.S. law conflicts with a local trade law, U.S. law may apply. Always consult with the Director of Internal Audit for proper guidance on this topic.

1.7.1 ANTITRUST COMPLIANCE

Employees are required to comply with the antitrust and unfair competition laws of all countries in which ADTRAN does business. The main objective of antitrust laws is to preserve competition by prohibiting practices such as price fixing, resale price maintenance, price discrimination, agreements to limit production, and boycotts that attempt to influence the actions of one business by exerting pressure on another business. Employees or business associates who question whether a contemplated action may violate fair competition laws should speak to the Director of Internal Audit or email hotline@adtran.com.

1.8 BRIBES, GIFTS AND ENTERTAINMENT

The purpose of business entertainment and gifts of nominal value offered by ADTRAN is to create good will and sound working relationships. It is your duty to exercise good judgment and to act with moderation in offering entertainment or gifts. ADTRAN prohibits all improper payments of any nature including payments to third parties, Government officials and/or customers anywhere in the world.

1.8.1 GIFTS

Gifts to Employees and Business Associates - In compliance with the Global Anti-Corruption Policy (available from the Human Resources Department or at www.adtran.com), ADTRAN employees and business associates may not accept bribes, kickbacks, gifts of more than nominal value, or lavish entertainment. Gifts valued at \$100 or more should be reported to the Director of Internal Audit or via email at hotline@adtran.com immediately. Employees who are directly involved in the procurement of goods or services must report ALL gifts or entertainment to their immediate supervisor.

Gifts Given by the Company - Some business situations call for giving gifts. Gifts given on behalf of the company must be legal, reasonable, and approved by your manager in advance. ADTRAN employees or business associates must never pay bribes or kickbacks.

ADTRAN employees and business associates may not provide any gift if it is prohibited by law or the policy of the recipient's organization. For example, many government employees are prohibited from accepting gifts. If in doubt, discuss your specific situation with your manager.

1.8.2 ENTERTAINMENT

Employee Entertainment - ADTRAN employees may accept entertainment that is reasonable in the context of company business and that advances the company's interests. For example, accompanying a customer to a local cultural or sporting event, or to a business meal, would in most cases be acceptable.

Entertainment that is lavish or frequent may appear to influence one's independent judgment. Accepting entertainment that could appear inappropriate must be discussed with your manager in advance.

Entertainment by the Company - ADTRAN employees may provide entertainment that is reasonable in the context of company's business. If you have a concern about whether providing entertainment is appropriate, discuss the issue with your manager in advance.



1.8.3 TRAVEL

Acceptance of Travel Expenses - ADTRAN employees may accept transportation and lodging provided by a supplier or other third party if the trip is for business purposes and is approved in advance by the individual's manager.

Providing Travel - Unless prohibited by law or the policies of the recipient's organization, ADTRAN may pay the transportation and lodging expenses incurred by customers, agents or suppliers in connection with a visit to an ADTRAN facility or installation site. The visit must be for business purposes and must be approved in advance by your manager.

1.8.4 POLITICAL CONTRIBUTIONS AND ACTIVITIES

The laws governing participation by corporations in the political process vary widely by country. To ensure compliance with the law, any contribution to be made by or in the name of ADTRAN must be reviewed and approved in advance by the CEO.

Any employee is free to make personal political contributions or engage in personal political activities as long as such contributions or activities do not infringe upon the employee's duties for ADTRAN, are not inconsistent with this Code of Business Conduct and Ethics, and the employee does not do so, and does not appear to do so, in the name of ADTRAN.

Employees, regardless of position, may not use the influence of his or her position to persuade another employee to work for candidates, political organizations or political issues, or to make personal contributions to a party or candidate. No employee will be favored or penalized because of making or not making a political contribution or for participating or not participating in any legal political activity.

1.9 TAKING COMPANY BUSINESS OPPORTUNITIES

Employees and business associates may not take for themselves business opportunities that rightfully belong to ADTRAN. Opportunities rightfully belong to the company when, for example:

- it has pursued the prospect,
- the opportunity has been offered to the company,
- it is the kind of business ADTRAN competes in,
- the company has funded the opportunity,
- ADTRAN has devoted facilities or personnel to develop it,
- or it is in the same line of business as the company's business.

1.10 PROTECTION OF COMPANY PROPERTY AND ASSETS

Company assets should be used for the benefit of ADTRAN. Employees are responsible for ensuring that all corporate assets are used for valid corporate purposes. All employees have the responsibility to protect company assets from loss, damage, misuse or theft. ADTRAN's assets may not be improperly used to provide personal gain and may not be transferred to other people and/or companies, except in the ordinary course of business. The company's assets may never be used for illegal purposes. ADTRAN property should not be taken out of or away from company facilities unless necessary in connection with company business.

**1.11 COMPUTER DATA
AND SOFTWARE**

Employees and business associates should not attempt to access or otherwise possess any company information to which they are not required to or entitled to access in their normal course of work. No identification (including, without limitation, computer passwords, computer log-on IDs, and access badges) may be given or divulged to any other person unless previously authorized. No software program purchased from a vendor shall be used other than in accordance with the terms of any governing license or rental agreement.

**1.12 RIGHTS OF INVENTION,
DISCOVERY, AND IDEAS**

All inventions, discoveries, or ideas relating to ADTRAN's business or products, which employees may make, develop, or have during the term of their employment shall be ADTRAN's exclusive property regardless of whether the employee developed their invention, discovery, or idea outside of normal business hours. At ADTRAN's request, an employee shall sign all documents necessary or helpful to transfer patent rights or copyrights to ADTRAN with respect to any such inventions, discoveries, or ideas, or to convey title to ADTRAN. This does not include those inventions, discoveries or ideas which pre-date employment by the company.

**1.13 PROPRIETARY
INFORMATION**

All confidential information must be protected. This includes, for example, pricing, inventions, financial data, proprietary information, trade secrets and know-how, acquisition and divestiture opportunities, marketing and sales programs, research and development information, technologies, concepts, business strategies and plans, financial data, customer and supplier information, insider information and other sensitive data.

No employee may disclose confidential information to anyone within or outside of ADTRAN unless the recipient is required to use the information to carry out his or her assigned responsibilities as an employee, or as an outsider who has been properly authorized by a company officer to receive such information. The obligation not to disclose this confidential information continues after employment or after a contractual relationship with ADTRAN has been terminated.

**1.14 INSIDER INFORMATION
AND SECURITIES TRADING**

In the course of business activities, employees may become aware of non-public information regarding the business, operations or securities of the company. The United States securities laws prohibit trading securities on the basis of such non-public information (often called "insider information") if it is material. Information is considered to be non-public unless it has been adequately disclosed to the public and there has been sufficient time and opportunity for the market as a whole to assimilate the information. Generally, this means that the information has been available to the public for at least three business days. Information is deemed to be material if an investor would consider it important in deciding whether to buy, sell, or hold securities.

Examples of items that may be material include:

- current business activities;
- financial results and forecasts;
- possible mergers, acquisitions, divestitures and investments;
- obtaining or losing important contracts;
- significant discoveries; and or
- major litigation developments.

An employee who is aware of non-public material information related to ADTRAN, or to firms negotiating or competing with the company, may not buy or sell shares or other securities of ADTRAN or these firms. Such information may not be disclosed to anyone, other than ADTRAN employees or appropriate agents or representatives who have established their need to know, until the information has been adequately disclosed to the public by authorized company officials.

Material insider information is any information regarding ADTRAN's business and operations, which is not yet disclosed to the public, and which could influence investors. Federal securities laws impose civil and criminal penalties on people who give or receive "tips" based on material insider information, if these individuals trade in stock or stock options while the information is still non-public. Any confidential information, including material insider information, must not be disclosed to brokers, competitors, suppliers, or anyone else who might use it in a manner detrimental to the interests of ADTRAN or contrary to law.

All ADTRAN employees are expected to be aware of and comply with applicable company insider trading policies.

2.0 COMPANY RESPONSIBILITIES

ADTRAN is committed to treating all employees with honesty, fairness and respect, as well as providing a safe and healthy work environment. Abusive, harassing or offensive conduct is unacceptable, whether verbal or physical. Any employee who believes that they have been subjected to harassment and/or discrimination, or who witnesses harassment and/or discrimination must report this conduct immediately to Senior Vice President, Quality and Administration.

2.1 DIVERSITY AND INCLUSION

Each of us must respect the diversity, talents and abilities of others. At ADTRAN, we define "diversity" as the unique characteristics that make up each of us: personalities, lifestyles, thought processes, work experiences, ethnicity, race, color, religion, gender, gender identity, sexual orientation, marital status, age, national origin, disability, genetic information, military/veteran status, or other differences. We strive to attract, develop and retain a workforce that is as diverse as the markets we serve, and to ensure an inclusive work environment that embraces the strength of our differences.

You play an important role in creating a work environment where employees and business associates feel valued and respected for their contributions. You promote diversity and inclusion when you:

- respect the diversity of each other's talents, abilities and experiences;
- foster an atmosphere of trust, empowerment, openness and candor; and
- value the input of others.

We will better understand the needs of our customers and foster innovation if each of us embraces diversity and inclusion in all aspects of business.

2.2 HUMAN RIGHTS

ADTRAN recognizes the importance of maintaining and promoting fundamental human rights in all of our operations and throughout our supply chain. Our values, code, talent, sustainability strategies and employment policies work together to support the United Nation's Universal Declaration of Human Rights and the International Labour Organization Fundamental Principles and Labor Standards. We operate under programs and policies that:

- Provide fair and equitable wages, benefits and other conditions of employment in accordance with local laws
- Recognize employees' rights to freedom of association
- Prohibit forced or child labor
- Promote a workplace free of discrimination and harassment

2.3 ANTI-DISCRIMINATION

Each employee should have the opportunity to reach his/her full potential and contribute to ADTRAN's success. To accomplish this, you should never discriminate or treat employees or job applicants unfairly in matters that involve recruiting, hiring, training, promoting, compensating or any other term of employment.

Your employment decisions regarding employees and applicants must always be based on merit, qualifications and job-related performance, without regard to non-job related characteristics such as:

- Race, color, ethnicity, or national origin
- Gender or gender identity
- Sexual orientation
- Age
- Religion
- Disability
- Military/veteran status
- Genetic information
- Pregnancy
- Any other legally protected status

Making employment decisions based on any of these personal characteristics is against our policies and is illegal under the laws of many countries. You must always act fairly and give qualified individuals the chance to develop their abilities and advance within the company.



2.4 ANTI-HARASSMENT

ADTRAN seeks to provide a work environment that is free from harassment of any kind and/or other offensive or disrespectful conduct. The company complies with all country and local laws prohibiting harassment, and our Code of Business Conduct and Ethics prohibits harassment in the workplace.

Harassment includes unwelcome verbal, visual, physical or other conduct of any kind that creates an intimidating, offensive or hostile work environment. While the legal definition of harassment may vary by jurisdiction, we consider the following non-exhaustive list to be unacceptable behavior:

- Sexual harassment
- Offensive language or jokes
- Racial, ethnic, gender or religious slurs
- Degrading comments
- Intimidating or threatening behavior
- Showing hostility towards others because of individual characteristics

You should never act in a harassing manner or otherwise cause your co-workers to feel uncomfortable in their work environment. It is important to remember that harassment, sexual or otherwise, is determined by your actions and how they impact others, regardless of your intentions. Any such conduct must be reported promptly to the Senior Vice President, Quality and Administration.

2.5 HEALTH AND SAFETY

ADTRAN is committed to safeguarding the health and safety of its employees, visitors, customers and communities. Our health and safety policies and procedures are designed to help you to work safely, whether at our facilities, in the marketplace or on the roadways. Accordingly, all employees will comply with all health and safety laws and regulations governing health and safety. Employees are responsible for immediately reporting all accidents, injuries and unsafe equipment, practices or conditions to a supervisor or the Safety Manager at safety@adtran.com. No employee shall be subject to adverse employment action, or any form of retaliation, for reporting an accident, injury, or unsafe working condition in good faith.

Safety is everyone's responsibility – you must insist that work be performed safely, no matter what your job is.

2.6 SUBSTANCE ABUSE

ADTRAN has a zero-tolerance policy for illegal drug use, impairment by a lawful prescription, and/or influence of alcohol or a controlled substance while on duty at the workplace. The unlawful manufacture, distribution, dispensation, possession, sale, use, or transfer of illegal drugs or controlled substances in the workplace or while engaged in ADTRAN's business while out of the office is strictly prohibited.

If you work under the influence of drugs or alcohol, you pose a safety risk to yourself or others. Drugs may include illegal drugs, controlled substances or misused prescription medication. You are expected to perform your job duties free from the influence of any substance that could impair job performance.

We therefore prohibit:

- Working under the influence of alcohol, illegal drugs or controlled substances on or off ADTRAN's premises
- Possessing, selling, using, transferring or distributing illegal drugs or controlled substances while working on or off the premises
- Working while impaired by a lawful prescription medication or over-the-counter drugs

If you have an alcohol or drug problem, you are encouraged to seek assistance and should contact your Human Resources representative.

2.7 ANTI-VIOLENCE

The company's safety programs include a zero-tolerance for workplace violence. You are prohibited from engaging in any act that could cause another individual to feel threatened or unsafe. This includes verbal assaults, threats or any expressions of hostility, intimidation, aggression or hazing.

ADTRAN also prohibits the possession of weapons in the workplace. To the full extent permitted by local law, this prohibition extends to company parking lots and our facilities. Our zero-tolerance policy for workplace violence applies to behavior on company premises, as well as the behavior of our employees engaged in ADTRAN business anywhere in the world outside of our premises.

2.8 COMMUNITY INVOLVEMENT

ADTRAN aims to be an active partner with the local communities in which we operate through the support of community initiatives and charities. The company will work with our communities by volunteering and financially supporting worthy causes. Employees are encouraged to volunteer with civic and community organizations throughout their communities.

ADTRAN is committed to delivering long-term profitable growth by investing in a healthier future for our employees and our communities. We operate based on the principle "what is good for business must always be good for our communities." We strive to invest in our local communities by hiring local people, creating innovative products that cater to the needs of the communities we serve, protecting natural resources and further supporting the needs of our communities with our time and our charities.

2.8.1 LOCAL WORKFORCE

At ADTRAN, our employees are our greatest asset. As such, we look to establish offices throughout the world in locations rich with talent that meets our business needs and will allow us to achieve our business goals. This also provides the opportunity for the company to invest in the local community through jobs, philanthropy and resources.



2.8.2 INNOVATION

ADTRAN is known for its entrepreneurial spirit. With this comes innovation. The company prides itself as a place where innovation is born. We encourage our employees to develop new and innovative processes, technologies and techniques that will allow us to better meet the needs of our customers. The innovation of our employees is recognized with a public display at our corporate headquarters and corporate support to obtain patents when applicable.

2.8.3 SUSTAINABILITY

As a responsible corporate citizen we realize that we must also do our part to protect natural resources. As we follow our vision to “enable a fully connected world,” we have embracing sustainability. As more people are connected, work and life can be accomplished using fewer resources. We accomplish this by:

- Using our environmental management system as a tool to support our initiatives as we explore and understand environmental issues and adapt our processes.
- Developing and delivering products that meet our customer requirements, while incorporating material and energy conservation initiatives.
- Striving to communicate and incorporate sustainability initiatives throughout the supply chain.
- Continually reviewing our operations to increase efficiencies, improve and protect our environment, and conserve natural resources while preserving the unique corporate culture.
- Educating, developing and empowering our employees, and thus enabling them to identify and adopt best practices that will enhance sustainability.
- Maintaining our financial responsibility to our shareholders and employees while supporting our sustainability initiatives.

2.9 ACCURACY OF BUSINESS RECORDS

Generally accepted accounting principles and applicable United States laws require that transactions and events relating to ADTRAN’s assets must be properly recorded in the books and accounts of the company and accurately reported in the applicable reports required by and filed with the Securities and Exchange Commission (SEC) and other United States regulatory agencies. As a result, all financial personnel shall make and retain books, records and accounts that, in reasonable detail, accurately, completely and objectively reflect transactions and events, and conform both to required accounting principles and to the company’s systems of internal controls. No false or artificial entries may be made. No entry may be made or recorded in ADTRAN’s books and records or reported in any disclosure document that misrepresents, hides, or disguises the true nature of the event or transaction. All entries and reports must be made in a timely manner.

All employees must create accurate records that reflect the true nature of transactions and activities that are recorded (including time recording systems). Discrepancies are to be resolved in any records and appropriate corrections made. ADTRAN does not tolerate falsification or improper alteration of records. It is never appropriate to direct someone else to prepare or approve a false or misleading record.

Requirements for Senior Financial Officers – In addition to the requirements specified in the Code of Business Conduct and Ethics, ADTRAN's senior financial officers, including, but not limited to, the Chief Financial Officer, Controller or persons performing similar functions, must:

- conduct themselves in an honest and ethical manner, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- compile full, fair, accurate, timely and understandable disclosure in the periodic reports of ADTRAN; and
- comply with applicable governmental rules and regulations.

Any change or waiver of the code for senior financial officers must be immediately disclosed by filing a Form 8-K, dissemination by the Internet or by other electronic means, or in accordance with the rules and regulations promulgated by the SEC or the stock exchange governing the company.

2.10 DOCUMENT AND BUSINESS RECORDS RETENTION

Legal and regulatory practices require the retention of certain records for various periods of time, particularly in the accounting, tax, personnel, health and safety, environment, contract, and any and all other functional areas with record keeping requirements. In addition to these requirements, when litigation or a government investigation or audit is pending or imminent, relevant records must not be destroyed until the matter is closed. Destruction of records to avoid disclosure in a legal proceeding may constitute a criminal offense. You should direct questions concerning record retention to the legal department, particularly if any litigation, investigation, or administrative action involving ADTRAN or any of its officers, suppliers, or customers is pending or threatened.

2.11 NON-RETALIATION

ADTRAN both requires and encourages all employees to report actual or potential violations of the Code of Conduct. All employees should be comfortable in raising questions or concerns about the code. The company strictly prohibits any form of retaliation against any individual making a good faith report of a violation of this code or the policies referenced herein. Any ADTRAN employee who believes he or she may have been subjected to retaliation must report the conduct to the Senior Vice President, Quality and Administration in accordance with this policy and the Code of Business Conduct and Ethics.

2.12 WHERE TO GO WITH QUESTIONS, CONCERNS OR TO REPORT A VIOLATION

There are a number of options available if you have questions regarding the interpretation or application of any of the policies in this code, or any other legal or ethical matter related to ADTRAN. If you need an explanation or you want to know if a provision of the Code of Business Conduct and Ethics applies to a particular situation, the best place to start is with your supervisor, the Senior Vice President, Quality and Administration, the Director of Internal Audit, or your Senior Vice President.

If you are aware of any conduct that you believe may violate this code, you have a responsibility to report it. You may report such conduct through your normal reporting relationships to your senior vice president or the Director of Internal Audit or via email at codecompliance@adtran.com. Reporting a potential violation will not be considered an act of disloyalty; rather, such action demonstrates your sense of commitment, responsibility and fairness to ADTRAN's customers, shareholders and your fellow employees. Such action also helps safeguard the reputation and the assets of the company.

Reporting violations of the code is also necessary because in some cases failure to report an illegal act by another person is itself a criminal act for which you could be prosecuted. Failure to report a violation immediately is considered a separate violation of this code and may result in disciplinary action, up to and including termination of employment or termination of a contractual relationship. If you do not believe that the violation has been adequately addressed, report the violation to the Director of Internal Audit or email hotline@adtran.com.

Your report will be investigated with confidentiality and you will be protected from retaliation.

2.13 HOW TO SUBMIT A CODE COMPLAINT OR CONCERN

There are several ways you can submit complaints or concerns about possible violations of the Code of Business Conduct and Ethics. These include:

1. Mailing a written description of the concern or complaint to the following post office box:

**ADTRAN, Inc. Hotline
P.O. Box 5765
Huntsville, AL 35814**
2. Sending a written description of the concern or complaint to a designated email address: **hotline@adtran.com**
3. Calling the following hotline number and leaving a message describing the concern or complaint:

**Local: 256-963-6600
Toll-free: 1-888-723-8726 (1-888-7ADTRAN)**
4. Meeting with the Director of Internal Audit, the Senior Vice President, Quality and Administration, or an ADTRAN Senior Vice President via teleconference, videoconference or in person.

2.13.1 RECEIPT AND RETENTION OF SUBMISSIONS

Receipt - The Director of Internal Audit or the Senior Vice President, Quality and Administration will check the aforementioned post office box, email address and hotline on a weekly basis and review all submissions.

Retention - All messages left on the hotline shall be transcribed and all submissions shall be maintained in a confidential file by the Director of Internal Audit. All submissions will be maintained for a minimum of seven (7) years following receipt of the submission.

ADTRAN will post the Code of Business Conduct and Ethics, including these procedures, on its website.

2.14 TREATMENT OF AND RESPONSE TO SUBMISSIONS

Review and Response — The Director of Internal Audit will promptly review all submissions. All complaints or concerns contained in the submissions will be reported in writing to the Audit Committee in executive session, with independent and objective assessment of the complaint or concern and, to the extent relevant, recommended course of action. In appropriate circumstances, the Director of Internal Audit will have the authority to bring any submission immediately to the attention of the Audit Committee or to the Chairman of the Audit Committee. The Audit Committee will then determine the appropriate means of addressing the concerns or complaints and delegate that task to the appropriate member of senior management, or take such other action as it deems necessary or appropriate to address the concern or complaint, including obtaining outside counsel or other advisors to assist the Audit Committee.

Follow-up — The Director of Internal Audit is the designated contact person for employees who wish to follow up on their submission. If, after discussion with the contact person, an employee determines that appropriate action has not taken place, he or she may report the matter directly to a member of the audit committee.

Documentation of Response - Receipt of all submissions that are not anonymous must be acknowledged either orally or in writing, unless the employee submitting the complaint or concern indicates otherwise. The Director of Internal Audit will maintain a record of the response to each submission, including the date of the acknowledgement and any other actions taken. These records will be maintained in the confidential file along with the submission.

3.0 DISCIPLINARY ACTION

3.1 VIOLATION OF THE CODE

Violations of the Code of Business Conduct and Ethics may result in criminal and civil exposure for ADTRAN, as well as each employee and business associate involved, including imprisonment and other severe penalties. In addition to penalties that may be imposed by the laws of countries where we operate, violations of the Code may be punished with discipline, up to and including termination of employment and/or contract, as well as referral for prosecution.

3.2 WAIVERS OF THE CODE

In certain extraordinary situations, a waiver of a provision of the Code may be granted. Contact the Director of Internal Audit to request prior approval if you believe special circumstances warrant a waiver of any of the Code's provisions. Only ADTRAN's Board of Directors or a committee of the Board of Directors may issue a waiver of the Code for executive officers or directors, and the waiver must be promptly disclosed to shareholders as required by applicable law.

4.0 FREQUENTLY ASKED QUESTIONS

Q. Can I submit my complaints and concerns anonymously?

A. ADTRAN knows that you are concerned about confidentiality and anonymity. For this reason, submissions to the hotline will not be traced by the company and employees are free to make both written and hotline submissions anonymously.

Q. Will my complaints and concerns be kept confidential?

A. Confidentiality is a priority to ADTRAN. We will treat all submissions as confidential. If you give your name, please be aware that the company may need to contact you for additional information. In doing so, ADTRAN will use its best efforts to keep the information confidential. There may be situations, however, where we may not be able to maintain complete confidentiality due to legal requirements, such as legal proceedings, or governmental proceedings. Please remember that you are not required to leave your name or any other identifying information.

Q. Who will monitor and review the complaints?

A. All messages and letters, anonymous or otherwise, will be given serious consideration. A record of all submissions will be kept by the Director of Internal Audit. The Director of Internal Audit will review your complaints and report all complaints to the Audit Committee.

Q. Will anyone respond to my complaint?

A. If you provide your name, you will be contacted promptly to let you know that your submission was received. If you give your name but do not wish to be contacted, you can simply indicate this in your message or letter.

Q. How do I follow up on my submission?

A. All employees who wish to follow up on a submission may contact the Director of Internal Audit. If, after the follow up you believe that appropriate action has not been taken, you may report the matter directly to a member of the Audit Committee.

Q. How can I be sure there will be no retaliation?

A. Retaliation against any employee, who reports in good faith a concern about possible violations, including illegal or unethical conduct, will not be tolerated and will be cause for disciplinary action up to and including termination of employment. Any employee may report retaliation by the same procedure described above for reporting concerns.





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General Information

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