



ANTI-BRIBERY AND IMPROPER PAYMENTS POLICY

Revision	Document Number	Page
A	CO1-LEG-13	1 of 8

1.0 PURPOSE: The purpose of this Policy is to promote Ciena's commitment to the conduct of its business and operations in a lawful and ethical manner, in compliance with applicable legal requirements relating to bribery, corruption and improper payments, including the Foreign Corrupt Practices Act (the "FCPA") and the UK Bribery Act (the "Bribery Act").

2.0 APPLICATION: This Policy applies to all officers, directors and employees of Ciena and its subsidiaries. Ciena's Commercial Representatives must also comply with this Policy and applicable laws relating to bribery, corruption and improper payments in connection with the performance of activities in support of Ciena's business and operations.

3.0 DEFINITIONS

"Commercial Representative" means a reseller, distributor, agent, representative, consultant or other third party performing services on behalf of Ciena, including marketing and selling, or facilitating the marketing and selling, of Ciena's products and services, or obtaining any governmental authorization related to Ciena's operations.

"Government Official" means any officer, director or employee of a governmental entity, agency, department or other instrumentality (whether executive, legislative, judicial, military, administrative or municipal), including any government-owned or controlled entity or enterprise, or of a public international organization, such as World Bank or European Commission. Government Official also includes any person acting in an official capacity on behalf of a government or organization above, a political party, as well as any party official or candidate for public office.

A "Person" means any individual person, corporation or other commercial enterprise or organization, including any representative thereof.

4.0 COMPLIANCE WITH APPLICABLE LEGAL REQUIREMENTS

4.1 Required Compliance and Broad, Extraterritorial Application to Ciena Business and Activities: Ciena requires all persons covered by this Policy to strictly comply with the FCPA, the Bribery Act and all applicable legal requirements relating to bribery, corruption and improper payments. The scope of these legal requirements, including, in particular, the Bribery Act, apply broadly to Ciena's global operations and its activities with all individuals, enterprises and organizations -- not just Government Officials, as was previously the case under the FCPA.

- i. Activities involving Government Officials. You must always engage in activities with Government Officials in a legally compliant, ethical and responsible manner. Specifically, Ciena prohibits you, *directly or indirectly*, from promising, offering, authorizing, giving or providing to a Government Official:



ANTI-BRIBERY AND IMPROPER PAYMENTS POLICY

Revision

Document Number

Page

A

CO1-LEG-13

2 of 8

- a. any payment or other item of value for the purpose of obtaining, influencing or retaining business, or in order to secure any improper business advantage; or
 - b. a financial or other advantage with the intent to influence such person in his or her official capacity and with the intent to obtain or retain business or an advantage for Ciena.
- ii. **Activities involving Other Persons:** It is Ciena's policy to deal fairly and ethically with all customers, suppliers, and other business partners. As such, Ciena prohibits you, *directly or indirectly*, from:
- a. offering, promising, authorizing, providing or giving to another Person a financial or other advantage, including any payment or other item of value, with the intention of inducing or rewarding such Person to perform, or refrain from performing, certain functions improperly (where there is an expectation that those functions would be performed in good faith, impartially, or as a result of a position of trust); and
 - b. requesting, soliciting, receiving, or accepting from another Person a financial or other advantage, including any payment or other item of value, for the purpose of causing you to perform, or refrain from performing, a function or activity improperly, or as a reward for the improper performance of your function.

4.2 Facilitating Payments: "Facilitating payments" relate to certain payments to Government Officials to obtain non-discretionary, routine governmental action, such as obtaining a permit or license, obtaining police protection, or processing a visa, customs invoice or other governmental paper. Though permitted under limited circumstances under the FCPA, facilitating payments are unlawful under the Bribery Act and therefore prohibited by Ciena. **If you are asked to make a facilitating payment relating to Ciena's business, you must immediately inform an attorney in the Legal Department.**

4.3 Travel, Lodging and Similar Expense: Where directly related to legitimate Ciena business and offered in good faith, in certain circumstances it may be appropriate to pay or reimburse the bona fide travel or lodging expense of certain Persons. For example, it may be appropriate to provide sponsored travel and lodging expenses in connection with the demonstration of Ciena's products or services at one of Ciena's customer demonstration labs. **Before seeking to offer, provide or receive sponsored travel, lodging and/or reimbursement similar expenses, you must:**

- i. **in the case of activities involving a Government Official, obtain prior approval from an attorney in the Legal Department; and**
- ii. **in the case of activities involving a Person, other than a Government Official, obtain prior approval from the Vice President of the relevant function.**

Payment of travel or lodging expense may never be given or received for the purpose of inducing or rewarding someone to perform their business functions improperly or to

Unless otherwise specified, information shown on this document is proprietary and is not to be reproduced wholly or in part without the expressed permission of the Ciena Corporation. Before using, verify this copy is the correct revision by accessing the controlled document on the network.



ANTI-BRIBERY AND IMPROPER PAYMENTS POLICY

Revision

Document Number

Page

A

CO1-LEG-13

3 of 8

improperly influence an official decision. Any payment or reimbursement of these expenses must comply with Ciena's *Gifts and Hospitality Policy* and be properly documented and recorded. Any question as to the propriety of offering, providing or receiving travel, lodging or similar items should be directed to an attorney in the Legal Department.

4.4 Gifts, Entertainment and Hospitality: Because improper payments and bribery enforcement actions can arise from giving or receiving of items of value such as gifts and entertainment, you must always be mindful of how such gifts will be perceived by the person providing or receiving such gifts, and how this exchange would appear to third parties. Gifts and entertainment may never be offered, given or received for purposes of performing or causing someone to perform (or refrain from performing) a function improperly or other than impartially. **You should make appropriate inquiries to ensure any gifts or entertainment comply with Ciena's *Gifts and Hospitality Policy*, applicable law and any other restrictions applicable to the recipient. Any gifts and entertainment relating to Government Officials always require the prior approval of an attorney in the Legal Department.**

4.5 Charitable and Political Donations: Political or charitable contributions to any Person for purposes of obtaining, influencing or retaining business on behalf of Ciena or to gain an improper advantage or benefit for Ciena are strictly prohibited. Because of the risk of an actual or apparent conflict of interest, you may not make political contributions of any kind on behalf of Ciena. **Before offering or making any charitable donation on behalf of Ciena (i) outside of Ciena's formal, charitable matching programs, or (ii) to a Government Official or an organization associated with a Government Official, you must obtain prior approval of an attorney in the Legal Department.**

5.0 ENGAGING COMMERCIAL REPRESENTATIVES

5.1 Ciena may be subject to legal and reputational exposure as a result of the actions of its Commercial Representatives, including those instances that you know, or have reason to know, that Commercial Representatives are making improper payments. Ciena can be held responsible for the actions of its Commercial Representatives, even if Ciena is not actively involved in any wrongdoing. As a result, if you know, or have reason to know, that any Commercial Representative is engaging in unlawful activities or conducting its business in violation of this Policy, you must report it via one of the methods in Section 9 below. Red flags to help identify these potential situations are set forth in Section 6 below. Because of the significant potential risks and liabilities associated with using Commercial Representatives, special care must be taken in selecting, engaging and managing Commercial Representatives.

5.2 Engaging Commercial Representatives: In addition to any other applicable Ciena policies and procedures, Ciena has established a Process for *Engaging and Contracting with Ciena Resellers, Sales Agents and Other Distribution Partners*. Included among these

Unless otherwise specified, information shown on this document is proprietary and is not to be reproduced wholly or in part without the expressed permission of the Ciena Corporation. Before using, verify this copy is the correct revision by accessing the controlled document on the network.

UNCONTROLLED IF STORED OUTSIDE REPOSITORY OR PRINTED

DOCUMENT TEMPLATE CO4-QSG-07 – REV: D



ANTI-BRIBERY AND IMPROPER PAYMENTS POLICY

Revision

Document Number

Page

A

CO1-LEG-13

4 of 8

procedures are the following requirements, which must be adhered to when engaging Commercial Representatives:

- **Due Diligence Review:** In advance of any engagement, employees must conduct a reasonable, risk-based due diligence evaluation to determine the relevant experience, capability, reputation and integrity of the proposed Commercial Representative, and to determine whether there is a reasonable risk that such Commercial Representative is likely to authorize, make or receive improper payments in the performance of its activities on behalf of Ciena. This evaluation may include, among other things: (i) background checks regarding the reputation and integrity of the Commercial Representative; (ii) an examination of the leadership and/or ownership structure of the Commercial Representative; and (iii) the qualifications of the Commercial Representative to perform the necessary work. The Legal Department shall determine the scope of any additional due diligence evaluation to be performed as a condition of any renewal or extension of an existing Commercial Representative's engagement.
- **Contract Requirements:** Before *any* work is done or services are performed on behalf of Ciena, the relationship with a Commercial Representative must be reduced to a written agreement that:
 - specifies the services to be performed;
 - details the compensation arrangement;
 - includes an acknowledgement of applicable anti-bribery requirements, and a covenant relating to its compliance with applicable legal requirements relating to bribery, corruption and improper payments;
 - provides for termination by Ciena in the event of a violation of applicable law relating to bribery, corruption and improper payments; and
 - complies with any additional contractual requirements established by Ciena's Legal Department.
- **Compensation Requirements:** Commissions or other compensation to be paid to the Commercial Representative must be reasonable and customary in the local jurisdiction in relationship to the services provided and comply with any additional restrictions, including any compensation limits, established by Ciena's commercial policies.

6.0 RED FLAGS REQUIRING HEIGHTENED AWARENESS IN DEALINGS WITH COMMERCIAL REPRESENTATIVES

In order to ensure that Ciena is acting lawfully and ethically, you must be alert to circumstances or situations involving Commercial Representatives that may suggest a potential likelihood for violations of this Policy and applicable law. These situations require heightened sensitivity and should be promptly communicated to an attorney the Legal Department:

Unless otherwise specified, information shown on this document is proprietary and is not to be reproduced wholly or in part without the expressed permission of the Ciena Corporation. Before using, verify this copy is the correct revision by accessing the controlled document on the network.



ANTI-BRIBERY AND IMPROPER PAYMENTS POLICY

Revision

Document Number

Page

A

CO1-LEG-13

5 of 8

Concerns Associated with Evaluation or Engagement of a Commercial Representative:

- Lack of business need or Ciena rationale for engaging Commercial Representative;
- Commercial Representative does not appear to be sufficiently qualified;
- Due diligence investigation reveals information that calls into question the experience, reputation or integrity of Commercial Representative;
- Due diligence investigation reveals that Commercial Representative has previously engaged in, or been the subject of legal proceedings relating to, improper payments or other transactions involving material conflicts of interest;
- Commercial Representative discloses inaccurate/incomplete information or refuses to disclose information regarding its business, its principals or its relationships with customer candidate;

Concerns Associated with Activities or Payment of a Commercial Representative:

- Commercial Representative relies disproportionately on political and government contacts instead of knowledgeable staff or invested time and effort;
- Commercial Representative requests:
 - unusual or unreasonable commission or compensation arrangement;
 - cash payment or payment up front;
 - payments be made outside of their resident country or to another third party;
 - false invoices or documentation;
- Commercial Representative suggests or makes payments, gifts or gratuities as a way of influencing official action;
- Commercial Representative engages or seeks to engage subagents or other third parties or individual's unknown to Ciena;
- Commercial Representative desires to keep the representation secret;
- Commercial Representative engages in extravagant entertaining of Persons, or their families;

Concerns Associated with Relationships or Home Country of a Commercial Representative:

- Commercial Representative is required or suggested by a Government Official or other Person;
- Commercial Representative has family or business relationships with the targeted customer opportunity;
- Commercial Representative holds a position within the government, a political party or is a candidate for office; and
- Commercial Representative operates in a country that is identified, or generally accepted, as a "high risk" geography for incidence of corruption.



ANTI-BRIBERY AND IMPROPER PAYMENTS POLICY

Revision	Document Number	Page
A	CO1-LEG-13	6 of 8

7.0 FINANCIAL CONTROLS AND ACCOUNTING

Ciena is committed to proper financial controls and accounting and maintains a system of internal controls over financial reporting and related procedures designed to ensure compliance with applicable anti-bribery laws and regulations. Accordingly, Ciena's books and records must, in reasonable detail, fairly reflect all transactions, expense and payments. False or misleading entries, fictitious invoices, over-invoices or other misleading documentation intended to conceal the true nature of a transaction, expense or payment are prohibited. "Off the books" transactions, "slush funds", misuse of corporate reimbursements, use of personal funds with the intent to circumvent this Policy, or similar mechanisms used in Ciena's business, are strictly prohibited.

8.0 PENALTIES

The FCPA, the Bribery Act, and other legal requirements relating to bribery, corruption and improper payments impose severe criminal and civil liability on the individuals and corporations engaged in the wrongdoing. If you engage in conduct in violation of these laws, you may be personally subject to fines and criminal sanctions including imprisonment. In addition, persons or companies found in violation of the FCPA or the Bribery Act may be precluded from doing business with the U.S. government or government entities in the UK or European Union.

Violations of applicable law or this Policy will result in discipline by Ciena, up to and including termination of employment. Commercial Representatives violating applicable law or this policy will be subject to unilateral termination by Ciena of any business relationship.

9.0 RESPONSIBILITY AND REPORTING

It is the individual responsibility of each person covered by this Policy to ensure strict compliance with this Policy. If you become aware of any violation of this Policy or applicable legal requirement relating to bribery, corruption or improper payments in connection with Ciena's business activities, you must report it promptly. Reporting can be made to any of the following people:

- your Ciena supervisor or a higher-level manager in your management chain;
- the General Counsel or another attorney in the Legal Department; or
- Internal Audit personnel.

If you prefer, you can report potential violations anonymously via EthicsPoint, an independent reporting service. It may be accessed either:

- at www.ethicspoint.com;
- via Ciena's website at www.ciena.com/corporate/ethics_violations.htm;
- through Quick Links on inside.Ciena ("Report a Violation of the Code of Business Conduct"); or
- by telephone using one of EthicsPoint's toll-free domestic and international telephone numbers.



ANTI-BRIBERY AND IMPROPER PAYMENTS POLICY

Revision	Document Number	Page
A	CO1-LEG-13	7 of 8

Under no circumstances will you be subject to retaliatory actions for reporting a potential violation in good faith. No one in Ciena will be allowed to retaliate against you, and attempts to do so will be subject to disciplinary action.

If you have other questions or problems concerning this Policy, please contact Ciena's General Counsel or another attorney in the Legal Department.



ANTI-BRIBERY AND IMPROPER PAYMENTS POLICY

Revision

Document Number

Page

A

CO1-LEG-13

8 of 8

A. Applicable and Reference Documents

Document Name	Document Number
Code of Conduct & Business Ethics	CO1-LEG-03
Gifts & Hospitality Policy	CO1-LEG-12
Business Analysis and Approval Process (BAAP)	CO2-LEG-09
Process for Engaging and Contracting with Ciena Resellers, Sales Agents and Other Distribution Partners	CO2-LEG-11

B. Standard and Reference Elements

Std. / Req.	Ref No./ Cycle	Description / Title	Relevant Paragraph Within This Document
N/A			

C. Definitions

Process Term / Acronym	Definition / Explanation
N/A	