

Ciena's 2025 Task Force on Climate-related Financial Disclosures Report

Introduction

This report provides insights and information on how Ciena manages its climate change risks and opportunities and how we are working towards ambitious decarbonization goals. This document is prepared in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework in order to meet the requirements for the California Climate-Related Financial Risk Act (SB 261). The data in this report is based on our global operations during our fiscal year 2024, which ran from November 1, 2023, to November 2, 2024. The report was approved by Ciena's Sustainability Leadership Committee, which includes executive leaders representing key functional areas. This report was published in December 2025 and can be found on the [Corporate Governance page](#) of Ciena's website.

Section 1: Climate change governance framework

Our approach to climate change governance engages all levels of the organization, including our Board of Directors, Executive Leadership team, and our functional teams. We maintain a cross functional Environmental Steering Committee (ESC) who manages our environmental programs, works towards our goals, and helps promote climate awareness across our global workforce, encouraging them to embrace sustainability practices within their areas of responsibility. This approach enables us to have comprehensive oversight, strategic planning, and operational execution of our sustainability and environmental programs.

Board-level oversight

Ciena's Board of Directors oversees and reviews management's strategy, approach and any applicable enterprise-wide, publicly announced goals on environmental matters material to Ciena. They also ensure that such strategy, approach and goals are adequately communicated to Ciena's stockholders. The Board, through its Governance and Nominations Committee, oversees the company's sustainability strategy, programming, the development and monitoring of goals, and the adequacy and accuracy of Ciena's reporting and related data. In 2025, the Governance and Nominations Committee received an update on Ciena's sustainability program, its latest climate change risks and opportunities assessment, as well as stakeholder engagement findings related to sustainability, our reporting obligations, and the evolving regulatory landscape. These regular updates are part of the Committee's workplan and enable them to fulfill their oversight role.

Ciena's Board of Directors also oversees our Enterprise Risk Management efforts, which include a range of strategic, financial, operational, and regulatory risks, and which considers the impact of, and Ciena's efforts to manage, climate risk in our operations. Additionally, as part of its review of Ciena's three-year strategic plan and annual operating plan, the Board reviews our research and development strategy and investment priorities such as those

related to product performance advances, power and space reduction, and innovative material systems, as well as efficiencies in our supply chain operations.

Management-level oversight

At the executive management level, Ciena’s Sustainability Leadership Committee (SLC) is responsible for overseeing our sustainability strategy, goals, and programs. The SLC is composed of executive-level leaders who report directly to the CEO and have functional accountability for organizational areas aligned with Ciena’s material sustainability topics. The SLC is chaired by the Chief Strategy Officer and facilitated by the Deputy General Counsel and the Director of Sustainability Communications and Social Impact, who jointly lead Ciena’s sustainability program.

Specific responsibilities within the SLC related to sustainability and climate change include:

- **Chief Strategy Officer:** Oversees corporate strategy and strategic planning, enterprise risk management, and sustainability programming, including Ciena’s climate strategy, goals and risk management.
- **Senior Vice President, General Counsel and Interim Chief People Officer:** Manages legal and regulatory risk, government relations, our people strategy and human capital management.
- **Senior Vice President of Global Products & Supply Chain:** Promotes sustainable advances in product design and performance and ensures responsible practices and resiliency across the supply chain.
- **Senior Vice President of Global Marketing and Communications:** Oversees social impact programs and sustainability reporting as well as how we communicate to stakeholders on our sustainability programs and the sustainability benefits of our products, software, and services.

The SLC meets twice per year and receives written updates quarterly to maintain accountability, with leaders regularly informed on program direction and progress across various initiatives.

Working-level teams

At the operational level, Ciena’s Environmental Steering Committee implements programs and policies designed to achieve the company’s climate goals, integrates environmental stewardship into our operations, and engages our workforce. The ESC is a cross-functional team with representation from Research & Development, Product Line Management, Services, Real Estate, Procurement and Supply Chain, IT, Legal, Accounting, and Marketing.

The ESC plays a critical role in promoting awareness of climate risks and opportunities and integrating these considerations into Ciena’s business practices and the work of our teams. The ESC regularly provides updates on its performance to the SLC and its members. Specific responsibilities include:

- Reviewing risks and opportunities, considering market trends, investor expectations, and regulatory legislation.

- Implementing programs to meet climate goals and mitigate climate risks.
- Integrating sustainable design considerations into our product development processes.
- Working with our supply chain to implement environmental initiatives across our value chain.
- Engaging our people and teams in incorporating sustainability into their roles as well as generating awareness on climate change.

Section 2: Strategy

Sustainability is ingrained into Ciena’s corporate strategy as a lens through which we plan and conduct business. We incorporate sustainability factors into strategic scorecards monitored by our leadership team and Board. This integration into our business is instrumental in helping us towards our corporate decarbonization goals, which have been approved by the Science Based Targets initiative. Our approach focuses on three key decarbonization priorities, which align to our company purpose and our goals:

Advancing sustainable innovation in network design

- Our products and software solutions empower network operators to reduce energy consumption, waste, and material use while meeting increasing network capacity and performance demands.
- Our services enable network operators to transform and scale networks, optimizing capacity and efficiency while reducing environmental impact.

Progressing circular practices

- We extend the useful life of our products through refurbishment, reclamation services, and responsible end-of-life treatment of e-waste across our value chain.
- We collaborate with suppliers to reduce waste and increase the use of recycled materials in our products and packaging.

Embracing sustainable operations

- We prioritize the use of renewable energy and aim to reduce energy consumption and emissions in our operations.
- We work to reduce waste throughout our operations, supply and value chain.

By focusing on these areas, Ciena drives progress toward achieving its science-based targets, delivering value to customers, and unlocking business opportunities.

Section 3: Climate risks and opportunities

Ciena integrates climate risk and opportunity assessment into its regular business reviews and Enterprise Risk Management (ERM) program. Ciena’s ERM program ensures key risks are identified, considered, prioritized, and managed through mitigation plans. Senior leadership oversees day-to-day risk management, while our Board of Directors provides

strategic oversight. Climate risk considerations are integrated into investor facing disclosures, materiality assessments based on Global Reporting Initiative (GRI) guidelines, and the work of our Environmental Steering Committee (ESC).

Scenario analysis and quantification

In 2024, we partnered with a third-party consultant to conduct a comprehensive climate risks and opportunities quantification assessment, which assessed our physical and transition risks and opportunities across our direct operations, as well as our upstream and downstream value chains. This assessment also enabled us to create a new methodology and quantification model for which to conduct our climate risk assessment process going forward.

When conducting our risk and opportunities assessment, we interviewed cross-functional teams including Research & Development, Services, Supply Chain, Strategy, Legal, Finance, Real Estate, and others. We also reviewed internal data, documents, as well as insights gained from our Environmental Management System (EMS) audits to help identify our risks and opportunities. We then rank the risks and opportunities based on their relevance, impact (financial, operational, strategic, and compliance), likelihood, and urgency.

In our most recent climate risk and opportunity assessment, we identified ten key risks and twelve opportunities, which we then ran through scenario analyses aligned with Shared Socioeconomic Pathway (SSP) frameworks, focusing on short- and medium-term timelines. The Environmental Steering Committee then shared a summary of these findings with our Governance and Nominations Committee of the Board and our Sustainability Leadership Committee, with our functional teams working to ensure awareness and that we have mitigation plans in place.

Climate risks

The risks that would cause the most disruption to our operations are extreme weather events (flooding, heat waves, and natural disasters), and supply chain risks such as resource scarcity, and climate-related transportation and logistics disruptions. These risks are deemed most significant as they may have an impact on product manufacturing, availability of product inputs, delivery timelines, and workforce safety. Ciena leverages its ISO 22301-certified business continuity management system to help mitigate these risks and ensure emergency preparedness, response protocols, and operational continuity. Additionally, our geographically diverse manufacturing footprint allows us to shift production in case of regional disruptions.

Other risks include regulatory changes, evolving market demands, and compliance and related disclosure requirements related to climate action. These risks could have an impact on our operational costs, reporting obligations, product development, and customer expectations. To address these, we continuously monitor regulatory trends and market shifts, ensuring our strategy and product offerings align with emerging requirements.

Climate risks	Risk type
Extreme weather events:	Acute physical

<ul style="list-style-type: none"> Impact on supply chain and manufacturing due to increase in severe weather events (storms, floods, etc.) 	
Supply chain disruptions: <ul style="list-style-type: none"> Disruptions to resource availability, increased production costs, and transportation disruptions due to climate-related events and industry shifts 	Market
Changing customer preferences towards sustainability: <ul style="list-style-type: none"> Customer preference for low-power, low-cooling and low-space products may result in loss of customer demand and market share if we do not provide products with these features 	Market
Non-compliance with emerging regulations and ESG reporting requirements: <ul style="list-style-type: none"> Potential costs from increased demand for sustainability-related data and reporting 	Policy and legal

Climate opportunities

Our opportunities include the continued innovation of low emission, energy-efficient network products, services and software solutions that align with evolving market demands. As customers increasingly prioritize sustainability, Ciena’s products and services are well-positioned to support their goals while driving growth for our business.

Additional opportunities include enhancing our supply chain resilience through a diversified supply chain and transportation options. Ciena has been addressing this opportunity by manufacturing products in various geographies across the globe, so that we can increase production in one area if there are events related to climate change in another region. We are also working with logistics suppliers to use lower emissions transportation methods for shipping our products. Other opportunities are in our facilities, particularly in our labs, where we invest in infrastructure upgrades to improve energy efficiency and reduce waste.

Climate opportunities	Risk type
Low-emission and low-power products to meet potential market demands: <ul style="list-style-type: none"> Market and revenue growth due to increased investment in low-emission and low-power products and services 	Products and services

<p>Enhanced supply chain resilience:</p> <ul style="list-style-type: none"> • Reduced expenses and risk of disruptions resulting from diversified supply chain, increased reliability, reduced vulnerability, and enhanced operational continuity 	Resilience
<p>Enhanced operational resilience:</p> <ul style="list-style-type: none"> • Reduced cost of direct operations and positive reputational benefits from lean operating principles, improved energy efficiency, and reduced waste 	Resilience
<p>Enhanced transportation efficiency</p> <ul style="list-style-type: none"> • Reduced transportation costs due to shorter shipping networks, mode shifting, and efficient tracking technologies 	Resource efficiency

Section 4: Climate change metrics and targets

We measure our scope 1, scope 2, and scope 3 greenhouse gas emissions on an annual basis and report our results in our [Sustainability Report](#) and our [CDP submission](#). Within scope 3, we include emissions from category 1 (purchased goods and services), scope 3 (fuel and energy related activities), category 4 (upstream transportation and distribution), category 5 (waste generated in operations), category 6 (business travel), category 7 (employee commuting), category 11 (use of sold products), and category 12 (end-of-life treatment of sold products). Our greenhouse gas inventory accounts for all applicable emissions in Ciena’s value chain.

Ciena’s science-based targets

We are committed to two near-term science-based targets that have been approved in 2023 by the Science Based Targets initiative (SBTi), an organization that enables companies in setting greenhouse gas emissions reduction targets. These targets are aligned to the latest climate science and aim to limit global heating to below 1.5 degrees Celsius from pre-industrial levels.

We are committed to the following science-based targets:

- An absolute goal to reduce scope 1 and 2 greenhouse gas emissions by 80.6% by fiscal 2030 from fiscal 2019 levels
- An intensity-based goal to reduce total scope 3 greenhouse gas emissions per unit of capacity shipped in Gb/s by 71.3% by fiscal 2030 from fiscal 2019 levels

In 2024, we reduced our scope 1 and 2 emissions by 91.9% from 2019, making significant progress against our scope 1 and 2 science-based target, which we seek to maintain. We attribute this progress to our continued commitment to invest in clean energy: sourcing 100% renewable energy where direct grid access is accessible, using Renewable Energy Credits (RECs) and implementing energy-efficiency projects in our facilities. We also reduced our scope 3 emissions per unit of capacity shipped in Gb/s by 74.6% in 2024, a level of reduction that we endeavor to advance as we move forward. We attribute this reduction to the ongoing innovation of our products for energy efficiency.

Key performance metrics	2024	2023	2022	2021	2020	2019
Scope 1 emissions (mtCO ₂ e)	1,709	2,136	2,501	2,686	1,976	5,060
Scope 2 emissions (mtCO ₂ e)	0	32	8,208	2,335	15,614	16,138
Scope 3 emissions (mtCO ₂ e)	1,722,455	2,426,871	1,824,388	1,873,237	1,978,015	2,268,787
Total greenhouse gas emissions (mtCO ₂ e)	1,724,164	2,429,039	1,835,097	1,878,257	1,995,605	2,289,985
Greenhouse gas emissions intensity (mtCO ₂ e per capacity shipped in Gb/s)	0.0253	0.0351	0.0384	0.0505	0.0686	.0999
Total electricity use (MWh)	88,219	87,586	76,941	73,673	81,248	81,395
Total energy use (MWh)	95,702	95,461	85,306	83,505	88,180	100,236
Renewable energy use (MWh)	88,219	87,040	57,860	41,577	0	0
Percentage renewable energy used	99.9%	99.4%	75.2%	51.9%	0%	0%

Conclusion

Ciena is committed to mitigating our impact on climate change through effective management, programs, and innovation that helps reduce the environmental impact of networks across the globe. As we move forward in our sustainability journey, we will continue to assess our climate risks and opportunities and find ways to advance further efficiencies and improvements that lead us even closer to our goals.