



PROGRAMA DE
INTEGRIDADE MRV

A REGRA É CLARA. E FAZER O QUE É CERTO É COMPROMISSO DE TODOS.

**MRV'S GROUP
ANTI-CORRUPTION POLICY**

SUMMARY

1. SCOPE	2
2. APPLICATION	2
3. REGULATORY IMPACT	2
4. DEFINITIONS	3
5. GENERAL DIRECTIVES	4
5.1. Relationships with the Public Sector	4
5.1.1. Anti-Corruption Law	5
5.2. Third-Party Service Provider Relations	5
5.3. Facilitation Payment	6
5.4. Anti-Corruption Clause	6
5.5. Conflict of Interest	6
5.6. Gifts, Presents and Hospitality	7
5.7. Outreach Donations and Sponsorships	7
5.8. Political Donations	8
5.9. Mergers and Acquisitions	8
5.10. Registering Accounting-Financial Operations	8
5.11. Participation in Public Licitations	9
5.12. Measures to Prevent Money Laundering	9
6. CORRUPTION PRACTICE SIGNS (“RED FLAGS”)	9
7. COMMUNICATION, TRAINING AND QUESTIONS	10
8. CONFIDENTIAL COMMUNICATION CHANNEL	10
9. INVESTIGATIONS AND SANCTIONS	11
10. RESPONSIBILITIES	11

1. SCOPE

The objective of this anti-corruption policy is to strengthen the MRV Groups' commitment to maintaining the highest standards of integrity, ensuring ethics in corporate governance while conducting its business, as well as establishing firm guiding principles to combat corruption and improper business dealings.

Therefore, the following policy seeks to ensure that all staff members, stakeholders and suppliers within the MRV Group fully understand the requirements and directives of the Anti-Corruption Law (Federal Law n. 12.846/13), so that all individuals will observe anti-corruption prevention and be aware of the internal legal penalties.

The MRV Group has sought to develop serious efforts in combating corruption, not only in relation to public organizations, but also with private organizations, adhering to international anti-corruption legislation, following the directives as set out in the both the FCPA – Foreign Corrupt Practices Act (USA) and the UKBA – United Kingdom Bribery Act.

2. APPLICATION

The current policy applies to all MRV Group companies, all staff members (direct and third-party service provider staff), individuals and organizations, on any level of the organization, including all suppliers, service providers, brokers, real estate agents, consultants, auditors, assistants and partners, among others.

Compliance with this policy for all those involved (directly or indirectly) in any kind of business within the MRV Group is vital to guaranteeing the protection and sustainability of the company. As a result, any act of corruption, improper business dealings, payment and/or taking bribes will not be tolerated.

3. REGULATORY IMPACT

This policy has been developed in accordance with all of the laws and applicable regulatory regulations against bribery and corruption, including but not limited to: MRV Group Code of Conduct, Anti-Corruption Laws (Law n. 12.846/13), Integrity Law (Law n. 8.429/1992), FCPA – Foreign Corrupt Practices Act, UKBA – United Kingdom Bribery Act – 2010, UNCAC - the United Nation Convention Against Corruption and the United Nation Global Pact.



4. DEFINITIONS

In order to better understand this policy, some terms have been listed below and shall be defined as follows:

- **PUBLIC OFFICIAL:** understood as any individual holding a public post, temporary or permanent, paid or unpaid, by election, appointment, designation, contract or with any vested interest and/or connection, term, title, position or public post. The term public official may also encompass any individual that works for a contracted or partner service provider carrying out employment or tasks in the area of public administration.
- **FOREIGN PUBLIC OFFICIAL:** understood as an individual, including temporary or unpaid, holds a post, position or employment in departments, state departments or diplomatically represents a foreign country, in addition to regulated organizations and individuals, directly or indirectly, by foreign public offices or international public organizations.
- **DIRECT STAFF:** understood as any individual providing regular services (routine) to the MRV Group such as salaried staff members.
- **THRID-PARTY SERVICE PROVIDER STAFF:** understood as any individual or organization, that works directly or indirectly, in the name of the MRV Group such as service providers, suppliers, consultants, business partners, outsourced or subcontract staff, independent of formal contract or otherwise.
- **CORRUPTION:** understood as the act or effect of giving, promising, offering, authorizing, soliciting or receiving favor, directly or indirectly, for the individual or another, unfair advantage from a public official or individual who therefore strays from, acts or abstains from acting in accordance with the law, morality or good business practices. According to the Brazilian Penal Code, corruption can be understood as:
 - A) **Passive:** carried out by any public official against public administration, consisting of soliciting or receiving, for the individual or another, directly or indirectly, during regular office hours or otherwise, seeking to gain unfair advantage, or except the promise of unfair advantage.
 - B) **Active:** carried out by an official in the private sector against public administration, consisting of offering or promising unfair advantage to a public official, seeking the public official to practice, omit or delay in the procedure of official orders of business.According to this policy, any form of corruption, whether carried out by public official or private entities will not be tolerated.



- **DUE DILIGENCE OF THIRD-PARTY SERVICE PROVIDERS:** understood as the methodical analysis of information and documents seeking to better understand organizations with which the MRV Group intend deal with and carry out regular business affairs.
- **HOSPITALITY:** encompasses travel costs (air, ground or maritime travel costs), hospitality fees, food services and costs, whether classified as corporate entertainment, or otherwise.
- **PRIVATE ENTITIES:** any individual or organization that is not direct contract staff, third-party service staff and a national or foreign public official.
- **POLITICALLY EXPOSED PEOPLE (PEP):** understood as any individual that holds or has held, in Brazil or abroad, a post, position or relevant public post, or has family members, representatives or maintains a close relationship with any individuals with the above-mentioned conditions.
- **KICKBACKS AND BRIBERY:** understood as the act of corruption consisting in the act of promising, offering were paying an authority figure, government agent, public official or private sector individual any sum of money or any other advantages so that the individual in question strays from regular professional and ethical business practices.
- **THIRD-PARTY INTERMEDIARY:** any individual or organization hired to act in the name of the MRV Group.
- **UNFAIR ADVANTAGE:** understood as any benefit, not only economic, such as gifts, presents, trips, meals, hotel stays, entertainment and work opportunities. It is worth noting that any benefits, even of a lesser value or other value that may not be commonly considered a value providing unfair advantage, may fall under the category of personal or business advantage.

5. GENERAL DIRECTIVES

All staff members, third-party service providers and stakeholders must observe, comply with and uphold all of the terms and conditions of this policy.

5.1. Relationships with the Public Sector

MRV Group reiterates its sole and transparent posture in Public Sector relationship and forbid any acts of corruption and bribery, directly or indirectly, in its relationship with a Public Agent or a third-party related, being national or international.



All staff members, third-party service providers and stakeholders that act on behalf of the MRV Group are strictly prohibited to offer, promise, authorize or receive (directly or indirectly) any unfair advantage, payment, present or transfer of any amount from any individual, public agent or otherwise, to influence, facilitate or aid in any act or decision, thereby benefiting the individual or the MRV Group.

No employee, third- party or partner will suffer any kind of retaliation or penalty due to delay or loss of business resulting from their refusal to pay or receive bribery. It is essential to act responsibly in reporting the situation, which must be consistent and truthful.

Finally, it should be highlighted the existence of the "Public Office Relations Policy" that must be observed and complied on a complementary way to this Policy.

5.1.1. Anti-Corruption Law

The Brazilian Anti-Corruption Law disposes on the objective responsibility, administrative and civil of legal entities for the practice of corruption acts against national or foreign public administration.

Through this law, the legal entity becomes objective responsible for the illegal act committed by its collaborator, intermediary agent or representative that benefits the company, this means that the company will respond for any act of corruption without the need to prove the guilt or knowledge of the company's responsible.

To performance harmful acts it is not necessary to complete the illicit act, it is enough to promote or offer undue advantages to Public Agents or people related to him.

The penalties foreseen by the law may be administrative as a fine on the gross revenue and publication of condemnatory decision in large circulation communication media, and judicial such as the prohibition of receiving incentives or loans from public financial institutions or controlled by the public office, loss declaration of assets and rights, compensation for damages, even the suspension or dissolution of the company's activities.

The criminal act by an organization does not remove the criminal individual responsibility by senior staff or administrators nor any other individual, orchestrator or participant involved in illegal business dealings.

5.2. Third-Party Service Provider Relations

In accordance with the Anti-Corruption Law, the MRV Group may be held responsible for improper activity with its suppliers, service providers, distributors or intermediaries when they are providing services, or other business dealings, in the name of the group with public and private organizations.



Therefore, seeking to minimize risk and avoid any implications with improper behavior of the Groups' suppliers, the MRV Group reserves the right to carry out regular compliance risk evaluation through due diligence and integrity screening.

In the event that any type of sensitive information, as relates to corruption, may appear during diligence screening, the issue shall be dealt with adequately with support of the Compliance Department before the relationship with a third-party service provider is formally renewed or continued.

Finally, it should be highlighted the existence of the "Supplier,Third-Party Provider and Partner Relations Policy" that must be observed and complied on a complementary way to this Policy.

5.3. Facilitation Payment

“Facilitation Payment” are the payments done by employees of the public or private sector, as personal benefit, to guarantee or accelerate the execution of routine acts the company have the right.

MRV Group forbid and not tolerate the offer or facilitation payment to accelerate or to benefit the analysis and acquisition of licenses, authorizations and permissions to be realized by its employees, suppliers and intermediate agents.

5.4. Anti-Corruption Clause

All signed contracts between the MRV group and its suppliers, service providers or third-party intermediary must include an anti-corruption clause where in both parties state their awareness of the Brazilian Anti-Corruption Laws and are committed to fully comply with those laws, thereby agreeing to avoid any activity that constitutes or maybe constituted as a violation to any anti-corruption rules.

Any act that does not comply with this clause may result in sanctioning from a warning or requests for clarification, to suspension or rescission of contract, without threat of greater measures and losses.

Any and all questions about this clause shall be directed to the Compliance or Legal department.

5.5. Conflict of Interest

All MRV Group staff must endeavor, to the best of their abilities, to avoid or remedy situations that may cause, provide or create a conflict of interest among staff members, suppliers, competitors and public departments, where issues, if not brought to light, may



bring the MRV Group's reputation into question and tarnish the group's credibility in the marketplace.

Therefore, staff members must not abuse their position, use confidential information improperly for either personal gain or give favor to a third-party service provider, nor may be directly involved in business dealings that may conflict with the MRV Group's business dealings or that in anyway may compromise their objective or impartial view.

Aiming to mitigate the risks with possible conflicts of interest, staff members must state on the company internal communication network any type of relationship that may lead to a conflict of interest.

Finally, it should be highlighted the existence of the "Conflict of Interest Policy" that must be observed and complied on a complementary way to this Policy.

5.6. Gifts, Presents and Hospitality

In accordance with current Anti-Corruption Laws, it remains illegal to offer or give any sum of money, including gifts and hospitality to any individual, public official or otherwise, seeking to obtain advantage, influence or sway their decision to benefit a staff member or the company.

Therefore, when conceding or accepting any benefit, gift, present, meal, trip, hotel stay or entertainment, staff members must remain fully aware of what is permitted as long as benefit regards promotion, demonstration or explanation of a product or service, or follows the procedure of a contractual obligation.

Thus, in order to avoid situations that may interfere in decisions or shed doubt on a staff members who are the MRV Group's credibility, excepting institutional gifts with no commercial value is permitted. Nevertheless, in the event a gift or present listed above is received it must be declared on the company's internal communication network in order to be raffled off among staff members, with the Internal Audit monitoring.

Should staff members have any questions about offering or receiving any type of gift, present, meal, trip, hotel stay or entertainment, they should contact their immediate superior, or its manager or through the "Speak with the Compliance".

Finally, it should be highlighted the existence of the "Gifts, Hospitality and Entertainment Policy" that must be observed and complied on a complementary way to this Policy.

5.7. Outreach Donations and Sponsorships

Outreach donations and sponsorships must be carried out according to the rules of transparency. They must be previously documented, approved and carried out strictly for



legitimate purposes such as for humanitarian support to cultural or educational institutions and to develop brand awareness.

Contributions in the form of donations and sponsorships shall follow the highest standards of transparency, integrity and legality.

It is prohibited to offered, promise or concede donations or sponsorships aiming to gain unfair advantage or influence the action of a public official.

Therefore, in order to check the background and legality of an organization, both for donations and sponsorships, due diligence analysis shall be carried out looking for information such as involvement in corruption, fraud, in addition to background checking whether administrators have been involved in such actions with public officials or politically exposed people, among other issues.

In conclusion, it is henceforth stated that all outreach donations and sponsorships must follow the directives and rules as stated in the MRV Group's "Donation and Sponsorships Policy".

5.8. Political Donations

The MRV Group is not involved in any political party activities. Thus, political donations are prohibited two candidates, political parties, and party representatives for campaigns by the MRV Group or on behalf of the MRV Group.

The MRV Group nevertheless respects staff members' rights to participate in political activities as long as they are carried out in a proper personal nature, outside of work office hours and observe the directives as stated in the Ethical Code of Conduct.

5.9. Mergers and Acquisitions

Each time the MRV Group seeks out new business through mergers, incorporation, acquisition of an organization or asset, the group must carry out the proper economic evaluation and due diligence analysis seeking to identify any involvement in the corruption or illegal conduct involving the company to be acquired.

5.10. Registering Accounting-Financial Operations

The MRV Group demands and ensures that all accounting/financial transaction/operations are thoroughly documented, properly approved and classified as justifiable expenses, reflecting the elevated standards with which the group carries out its business dealing and shows its respect to its shareholders, investors and the public in general.



Under no circumstances are false, inaccurate or misleading documents included in accounting and financial records.

All records and the respective original hardcopies of the group's accounting/financial operations will be presented to public Compliance departments and external auditors upon request.

5.11. Participation in Public Licitations

In the event the MRV Group should participate in any public bidding, the group remains committed to full compliance with the legal description of the Bidding Law (n. 8.666/13), Anti-Corruption Laws, the standards therein and any contractual clauses with the public department responsible.

5.12. Measures to Prevent Money Laundering

Money laundering can be understood as the process of transforming resources gained from illegal activities into assets of an apparently legal nature.

The crime of money laundering is clearly explained in Law n. 12.683/12, which also includes measures to ensure greater responsibility to financial and economic intermediaries.

Therefore, the MRV Group is committed to transparency and legality of financial transactions. As a result, staff members who have evidence or suspect money-laundering practices should immediately seek out the Confidential Communication Channel or the Compliance Department.

6. CORRUPTION PRACTICE SIGNS (“RED FLAGS”)

For the purposes of this Policy and to ensure the execution of the Anti-Corruption Law, certain concrete situations may establish indications of corruption occurrence, and the Employees (Own and Third Parties) should pay special attention to the following situations:

- The counterpart has a bad reputation for having been involved, albeit indirectly, in matters related to corruption, unethical or potentially illegal acts;
- The counterpart has requested a commission that is excessive, paid in cash or otherwise irregular;
- The counterpart is controlled by a Public Agent or has close relationship with the Public Administration;
- The counterpart is recommended by a Public Agent;



- The counterparty provides or requests invoice or other dubious documents;
- The counterparty refuses or attempts to make it more difficult to include written anti-corruption clauses in the contract;
- The counterparty has no office or employees compatible with its activity;

The situations described above do not constitute a limiting role and the indications may vary depending on the nature of the operation, the request for payment and / or expense, as well as the geographical location.

Such situations are not necessarily proof of corruption, neither they automatically disqualify Staff Members, Suppliers, Service Providers or Intermediary Agents. However, they must be verified until it is certain that they do not constitute an infraction of the Anti-Corruption Law and this Policy.

Any staff member who comes across one of the situations listed above must immediately communicate it to the Confidential Channel.

7. COMMUNICATION, TRAINING AND QUESTIONS

The MRV Group will maintain a communication plan and constant, periodic training sessions for all of its staff members aiming to release and educate about the importance of observing this Policy rules and of the Anticorruption Policy.

All MRV Group leaders are responsible for disseminate to their subordinates the content of this Policy and to make them aware about the necessity and importance of its observance, stimulating the submission of questions or concerns regarding its application.

Any situations, exceptions and/or clarification about the application of this policy should be handled through the Confidential Communication Channel under the heading, 'Speak with the Compliance Department', available on the company network.

8. CONFIDENTIAL COMMUNICATION CHANNEL

It is imperative that all individuals affected by this policy immediately report any acts or suspicions of bribery, corruption and/or giving/receiving bribes or any other act that may violate the Anti-Corruption policy. Suspicions do not necessarily prove corruption, nor do they automatically disqualify partners and staff members.

Nevertheless, suspicions do raise issues that must be investigated, thus ensuring the MRV Group adheres to the strictest ethical standards preventing corruption and preserving the brand image in the marketplace.

The MRV Confidential Communication Channel has been established and can be contacted through one of the channels below:



- E-Mail: canalconfidencialmrv@ictsglobal.com

- www.canalconfidencial.com.br/mrv – available 24 hours/day

- 0800 888 2833 – representative available from Monday to Friday, from 9am-5pm – voice mail available outside of office hours

- Mail Box 521 CEP 06320-971

This media channel is operated by a specialized company, thereby guaranteeing ensured confidentiality and safety. Individuals need not identify themselves upon contacting this hotline, nevertheless individuals are requested to act responsibly and any reports must be consistent and truthful. Staff members can be ensured that there will be no retaliation as a result of using the channel as established in the Non-Retaliation Confidentiality Policy.

9. INVESTIGATIONS AND SANCTIONS

All reported incidence of infractions of this policy will be immediately investigated to the full extent. If any misconduct is, in fact, verified after the appropriate investigation, immediate and exemplary corrective measures will be taken adequate to the circumstances and within the applicable laws.

Any staff member, third-party service provider or partner that carries out, allows, authorizes or overlooks fraud or corruption, thus violating any of the items in this policy will be subject to disciplinary action as listed below:

- Written warning
- Suspension
- Dismissal without just cause
- Dismissal with just cause
- Exclusion of supplier, partner or contractor from MRV group
- Appropriate legal action

10. RESPONSIBILITIES

All MRV group staff members must comply with the anti-corruption policy to the best of their abilities and ensure that all third-party service providers and partners within their communication network are aware of the Terms and Conditions therein.

Compliance with this policy is mandatory for all staff members and all staff must sign a document agreeing to the Terms and Conditions of the Anti-Corruption Policy.



11. REFERENCE DOCUMENTS

- MRV Group Conduct Code
- Public Office Relations Policy
- Supplier, Third- Party and Partner Relations Policy
- Conflict of Interest Policy
- Gifts, Hospitality and Entertainment Policy
- Donation and Sponsorship Policy

