



PROGRAMA DE
INTEGRIDADE MRV

MRV'S GROUP

CONFLICT OF INTEREST POLICY

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1. OBJECTIVE

This policy aims to establish the directives and serve as a guide in order to identify, report and solve situations that may present real, potential or apparent conflicts of interest.

The items within this policy should be interpreted as a whole and should serve as a compliment to the directives as established in the MRV Group's Code of Conduct and Anti-Corruption Laws policies.

2. SCOPE

The current policy applies to all company administrators and staff members within the MRV Group, regardless of management level, in addition to suppliers, third-party service providers and associates that carry out duties in the name of the MRV Group.

3. DEFINITIONS

Some of the terms of this policy have been listed below and shall be defined as follows:

- **Public official:** any individual permanently or temporarily carrying out public service, with or without remuneration by election, appointment, designation, contract or any other investment or connection, title, position, employment for public office. This also applies to public officials who carry out third-party services within any public administration departments.

- **Family members:** parents, spouses, children, siblings, grandparents, in-laws and first-degree cousins.

- **Bribery:** Any act of giving or receiving any amount aimed at influencing or inappropriately guaranteeing an advantage as regards any business dealings, contract, decision or result.

4. GENERAL DIRECTIVES

Conflict of interest may occur in situations in which personal or general interests inappropriately influence the judgment or transparent performance of administrators, staff members or third-party providers in MRV Group business dealings.

A real, potential and apparent conflict of interest can be understood as:

Real: a situation where there is a clear conflict of interest.

Potential: a situation that may become or may develop into a conflict of interest.

Apparent: A situation where an individual may reasonably come to the conclusion that a staff member did not carry out duties under the principles of integrity and did not act in the companies' interest.

A conflict exists even in situations where no harm has actually come as a result, nevertheless an apparent conflict of interest is capable of weakening the trust and credibility of the MRV Group or staff member.

Therefore, any situation that may create a real, potential or apparent conflict of interest should be avoided, as well as brought to the Compliance Area's attention by filing the proper forms on the company network, according to the rules set out in this policy and the company Code of Conduct.

5. SPECIFIC DIRECTIVES

The following is a list of some situations that may be interpreted or perceived as a conflict of interest and should be avoided under the principles of this policy:

- Offering, promoting, giving or paying out cash payments or bribes, advantages, favors, gratification or commission to public or private staff members, agents, consultants or any other individual seeking to influence decision-making or seeking favors in exchange for such acts.
- Using an individual's position or title in the company to take advantage of opportunities, commissions, kickbacks, business deals, loans, discounts, favors, gratification or personal gains to themselves, their family members or third parties.
- Directly or indirectly securing personal financial advantage from suppliers, third-party service providers or institutions that hold or wish to hold business dealings with the MRV Group.
- Inappropriately using privileged information, financial resources and business opportunities for personal or third-party gains by any means contrary to company interests.

- Directly or indirectly maintaining parallel business activities or being partner in a company registered as a supplier, competitor and/or business with conflicting interests to those of the MRV Group.
- Directly or indirectly benefiting from privileged information from the sale or purchase of MRV Group stocks or shares.

The aforementioned situations are not a complete list of conflicts and a variety of other situations may also fall under the category of conflict of interest that should be properly filed according to this policy and Code of Conduct.

5.1. Conflicts of Interest in Recommending and Hiring New Staff

Current staff members may recommend individuals within their personal network for the hiring and selection process at within the MRV Group, including relatives or individuals that may have some type of personal connection.

Nevertheless, staff members that recommend individuals should clearly state their relationship to the recommended candidate and should adopt an objective position, thus removing themselves from participation in the hiring, selection and promotion process.

Staff members holding managerial posts, executive management positions and non-statutory directorships may recommend individuals with whom they share personal or family relationships, however these hires must receive prior consent from the Ethics Committee.

Hiring new staff or keeping staff members employed will not be permitted should their family or personal relations directly contradict this policy.

5.2. Conflict of Interest in Recommending or Contracting Suppliers

Family or personal relationships between staff members and suppliers, service providers and third-party partners is permitted as long as it has been properly reported and filed with the Compliance Department through the proper company channels.

Staff members that have any sort of relation with suppliers must abstain from participating in any negotiations, approvals or management of suppliers or service providers in order to avoid any type of improper influence or mismanagement.

5.3. Conflict of Interest in Public Offices

Staff members that may have relatives carrying out roles as public officials with decisive power in business dealings with in the MRV Group must openly express their possible conflict of interest by filing the appropriate forms provided for such claims.

The statement will be received and analyzed by the Compliance Department that will in turn suggest the appropriate measures to be taken in order to avoid conflicts of interest.

5.4. Conflict of Interest on the Administrative Board

It is the solemn duty of all the members of the Administrative Board to monitor and administrate potential conflicts of interest between executives and council members in order to avoid the misuse of company assets, particularly in business dealings among those involved.

Any executive staff member or Administrative Board member that has a personal interest or conflict to those objectives of the MRV Group or to any specific issue, individuals must immediately communicate the situation and abstain, both politically and physically, from participation in discussions and deliberations. The individual's abstinence should be officially noted in the company minutes.

5.5. Conflict of Interest Outside Work

Staff members and service providers may not carry out other professional activities that conflict or compete with the business and interests of the MRV Group.

Staff members are allowed to be involved in other activities outside of work, however they may not handle outside affairs within the Group's office installations or work hours.

6. DECLARING CONFLICTS OF INTEREST

Upon filing a conflict of interest staff members or administrators must following the steps below unless otherwise instructed:

- Abstain from any debate, negotiation or decision involving the subject of conflict.
- Abstain from directly or indirectly influencing other individuals in discussions or decisions associated to the conflict on file.
- Abstain from participating in the management or administration of any contract, transaction, project, relationship or other activity involving the conflict on file.

It is impossible to define all of the situations that may arise as a result of the conflict of interest however some basic guiding questions should remain at the forefront such as:

- Do I have the company's best interest in mind, and am I carrying out my role in the interest of personal gain, family involvement or any other secondary interests?

Good judgment should be employed at all times taking into consideration the perceived intention, but a case-to-case approach may be used to determine whether there may be or truly is a conflict of interest.

7. COMMUNICATION, TRAINING AND QUESTIONS

The MRV Group will maintain a communication plan and constant, periodic training sessions for all of its stakeholders aiming to promote and strengthen the importance of compliance of the Public Office Relations Policy.

All MRV Group leaders should be held responsible for discussing the importance of this policy with staff members and promoting awareness of compliance with company policy by creating a safe environment for staff members to openly approach leaders with questions or concerns regarding how to deal with questionable issues.

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 immediately report any acts or suspicions of infractions of the policy, thus preventing any acts of fraud, corruption and preserving the MRV Group image.

As a result, we have created the Confidential Communication Channel:

-E-Mail: canalconfidencialmrv@br.ictsglobal.com

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

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

-Address: Caixa Postal 521 (Post Office Box) 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 retribution as a result of using the channel in good faith to report suspicions or file complaints as regards this policy or instances of corruption.

9. INVESTIGATIONS AND SANCTIONS

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

Any staff member, third-party service provider or partner that violates any the policies herein stated will be subject to the proper disciplinary sanctions as stated in the MRV Group's Code of Conduct, 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.