



PROGRAMA DE  
**INTEGRIDADE MRV**

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

**MRV'S GROUP  
DONATIONS AND SPONSORSHIP POLICY**

**SUMMARY**

<b>1. SCOPE</b>	<b>2</b>
<b>2. APPLICATION</b>	<b>2</b>
<b>3. DEFINITIONS</b>	<b>2</b>
<b>4. SPECIFIC DIRECTIVES</b>	<b>2</b>
<b>4.1. Donations for Social Responsibility</b>	<b>3</b>
4.1.1 Unacceptable Donations	3
4.1.2 Due Diligence and Periodic Review	3
4.1.3 Monitoring Donations	4
4.1.4 Anti-Corruption and Integrity Clause	4
4.1.5 Clarifications	4
<b>4.2. DONATIONS FOR INSTITUTIONS PURPOSES</b>	<b>4</b>
<b>4.3 DONATION POLICIES</b>	<b>5</b>
<b>4.4 SPONSORSHIPS</b>	<b>5</b>
4.4.1 Unacceptable Sponsorships	6
4.4.2 Due Diligence and Periodic Review	6
4.4.3 Monitoring Sponsorship	7
4.4.4 Anti-Corruption and Integrity Clause	7
4.4.5 Clarifications	7
<b>5. CONFIDENTIAL COMMUNICATION CHANNEL</b>	<b>7</b>
<b>6. SANCTIONS AND INVESTIGATIONS</b>	<b>8</b>
<b>7. RESPONSIBILITIES</b>	<b>8</b>

## **1. SCOPE**

To establish the guidelines and directives in carrying out donations and sponsorships within the MRV Group aiming to ensure that these contributions take place according to the highest standards of transparency, integration and legality.

## **2. APPLICATION**

This policy shall be understood and complied with by all staff members, particularly those that deal directly with handling and managing donations and sponsorships.

## **3. DEFINITIONS**

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

- **PUBLIC OFFICIAL:** any individual holding a public position, whether 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.
- **DUE DILIGENCE:** understood as a methodical procedure of analysis of information and documents aiming to dutifully get to know and understand the organization with which the company intends to deal with and interact.
- **SPONSORSHIPS:** understood as the payment of funds or transfer of goods and services of an institution or organized event to a third party, seeking to promote the company brand or logo and strengthen company communication with its clients, suppliers and the public.
- **POLITICALLY EXPOSED PEOPLE (PEP):** understood as public officials who hold, or has held in the last five years, a public post, position or relevant employment, in addition to the individuals' representatives, family members and direct associates, as defined by Financial Controls Council in Res. 16.
- **NON-PROFIT ORGANIZATIONS:** understood as private entities, bearing legal representatives working toward a common purpose among all its members; the purpose is non-profit.

## **4. SPECIFIC DIRECTIVES**

Contribution such as donations and sponsorships will be carried out in accordance with the strictest standards of transparency, integrity and legality.



#### **4.1. Donations for Social Responsibility**

Aiming to guarantee that donations intended for Social Change take place under the strictest transparency, integrity and legal guidelines, the following policy directives have been established and shall be followed.

The MRV Institute, a non-profit social assistance association, is responsible for selecting, deliberating and managing social programs for non-profit organizations.

The social programs may take many forms such as donations, outreach programs, volunteer work, sport, leisure, professional skills training, among others.

##### **4.1.1 Unacceptable Donations**

Any donations offered, promised or issued seeking to gain unfair advantage for influence the actions of another individual, public official, supplier or third-party service provider shall be deemed unacceptable, independent of the organization that will gain favor.

Any donations made to non-profit organizations that have been involved in any form of corruption or fraud shall also be deemed unacceptable.

Any donations to organizations that are run, directly or indirectly, by individuals or public figures that have any business affairs with the MRV Group will be deemed unacceptable, aiming to minimize potential conflicts of interest in observance with the rules stated in the MRV Group's Code of Conduct.

In the event that an organization seeking donation is run by an individual or public figure, but does not maintain business affairs with the MRV Group, the donation will be possible as long as it is carried out in accordance with the guidelines of due diligence and the appropriate authorization is issued by the Compliance Department.

Any donations to organizations in which staff members of the MRV Group or their immediate family members hold any type of Trusteeship and/or position in senior management will be deemed unacceptable, aiming to minimize potential conflicts of interest in observance with the rules stated in the MRV Group's Code of Conduct.

##### **4.1.2 Due Diligence and Periodic Review**

The MRV Institute shall carry out due diligence and periodic review on any possible donations to organizations to be handled by the Compliance Department. This review and due diligence will be carried out on both the organization and its administrators aiming to ensure compliance with the requirements in this policy.



The Compliance Department will issue a report based on the findings of their analysis to the MRV Institute. In critical situation, Compliance can send this report for the Ethics Committee deliberation about the approval or rejection of the donation for social responsibility purposes.

#### 4.1.3 Monitoring Donations

The MRV Institute shall be committed to continuous monitoring of the effectiveness of donations to and social programs carried out by non-profit organizations.

Donations will be made by direct bank deposit to registered organizations, save projects that are otherwise referred to as public, where individuals and non-registered organizations have been stipulated as authorized to participate.

All donations will be posted annually, in the form of invoicing and activity reports on the MRV Institute website (<http://www.institutomrv.com.br/pt/>).

#### 4.1.4 Anti-Corruption and Integrity Clause

Signed contracts to recipient institutions shall include an anti-corruption clause that protects the MRV Group in the event that recipient institutions violate anti-corruption laws (Law n. 12.846) thereby impacting the groups reputation negatively.

Sign contracts shall also include a clause clearly recommending recipient organizations align their activities in accordance with the MRV group Code of Conduct, and that the organ it position remains committed to ethical standards.

#### 4.1.5 Clarifications

Any and all exceptions, questions and/or clarifications about the application of this policy shall be directed to the Compliance Department.

### **4.2. DONATIONS FOR INSTITUTIONS PURPOSES**

The MRV Group makes donations for the purpose of establishing an institutional relationship, whether through cooperation, partnership or support to cultural, scientific, educational and public entities, since they are in accordance with the company's strategic objectives and values.

Donations for institutional purposes may occur through various modalities, such as (i) unserviceable (unused or obsolete) materials that make up the MRV Group's equity; (ii) consumables or inputs purchased specifically for donations; (iii) contracting services for donations; and (iv) execution of own services in general (eg square construction, renovation, among others) and (v) financial values.



Institutional donation requests should be documented and directed to the Institutional Relations Board responsible for validating whether the donation objective and aim are consistent with MRV Group's business strategy and values.

Public entities requests should be ordered through a notification letter signed by the Public Agent responsible for the management of the requested donation, that have to inform the objective, purpose and resource destination.

Donations to public entities will only be effected if they are in conformity with the directive of the MRV Group Code of Conduct and Anti-Corruption Policy.

After receiving the donation request, the Institutional Relations Board will submit the possible benefited entity to the integrity due diligence to be made by the Compliance Department in order to verify the risks and impacts related to the anticorruption and compliance rules, interest conflicts and this Policy observation.

Based on the realized analysis, Compliance Department will release a report to the Institutional Relations Board. In critical situation, Compliance can send this report to the Ethics Committee deliberation about the approval or rejection of the donation with institutional purposes.

The benefited entities, public, private or mixed, must prove the application and effectiveness of the donation received through an accountability procedure.

Any exceptions, doubts and / or clarifications regarding the application of this Policy should be reported to the Compliance department.

#### **4.3 DONATION POLICIES**

The MRV Group does not make donations to political parties, candidates seeking elected office, campaign committees, coalitions or individuals or organizations otherwise related, as stated and established by the Code of Conduct and the electoral legislation currently in effect.

The MRV group 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.

#### **4.4 SPONSORSHIPS**

The MRV Group sponsors a wide range of groups and projects seeking to promote an increase brand awareness, in addition to maintaining clear lines of communications with its clients, suppliers and the public in general.



A variety of areas may make suggestions about groups and projects to be sponsored by the MRT group and the marketing department will be responsible for deliberating, formalizing and managing sponsorships.

Aiming to guarantee that sponsorship contributions take place under the strictest transparency, integrity and legal guidelines. The following policy directive's have been established and shall be followed.

#### 4.4.1 Unacceptable Sponsorships

Any sponsorship contributions offered, promised or issued seeking to gain unfair advantage for influence the actions of another person, public official, supplier, third-party shall be deemed unacceptable, independent of the organization that will gain favor.

Any sponsorship contributions made to organizations that have been involved in any form of corruption or fraud shall also be deemed unacceptable.

Any sponsorship contributions to organizations that are run, directly or indirectly, by individuals or public figures that have any business affairs with the MRV Group will be deemed unacceptable, aiming to minimize potential conflicts of interest in observance with the rules stated in the MRV Group's Code of Conduct.

In the event that an organization seeking sponsorship contributions is run by an individual or public figure, but does not maintain business affairs with the MRV Group, the donation will be possible as long as it is carried out along the guidelines of do diligence and authorization issued by the Compliance Department.

#### 4.4.2 Due Diligence and Periodic Review

The marketing department shall carry out due diligence and periodic review and any possible recipient organizations to be handled by the Compliance Department; the Compliance Department will carry out due diligence on both the organization and its administrators aiming to ensure compliance with the requirements in this policy.

The Compliance Department will issue a report of their analysis of their findings to the marketing department. If the Marketing Board makes a request, this report may be sent for analysis by the Ethics Committee that will deliberate on the approval or rejection of the sponsorship. In critical situations, compliance may send this report for deliberation by the Ethics Committee on the approval or rejection of the sponsorship.



#### 4.4.3 Monitoring Sponsorship

The marketing department will regularly carry out monitoring of sponsorships to ensure that the value issued toward this aim complies with the established objectives and performance measurements.

Sponsorship contributions will be made by direct bank deposit to registered recipient organizations, save where sponsorship of an individual athlete thereby direct depositing to the athletes' bank account.

All sponsorship contributions will be posted annually on the MRV website under Sports/Sponsorship (<http://www.mrvnoesporte.com.br/>).

#### 4.4.4 Anti-Corruption and Integrity Clause

Signed contracts to recipient institutions shall include an anti-corruption clause that protects the MRV Group in the event that recipients or recipient organizations violate anti-corruption laws (Law n. 12.846) thereby impacting the groups' reputation negatively.

Signed contracts shall also include a clause clearly recommending recipient organizations align their activities in accordance with the MRV Group's Code of Conduct, and that the organization remains committed to ethical standards as a result of donations.

#### 4.4.5 Clarifications

Any and all exceptions, questions and/or clarifications about the application of this policy shall be directed to the Compliance Department.

### 5. CONFIDENTIAL COMMUNICATION CHANNEL

It is imperative that any individual immediately report any act or suspicious behavior that does not comply with the MRV Group's Code of Conduct and the items in this policy, thereby avoiding acts of corruption and preserving the MRV Groups image in the marketplace and with its shareholders. We have therefore established the MRV Confidential Communication Channel:

- E-Mail: [canalconfidencialmrv@ictsglobal.com](mailto:canalconfidencialmrv@ictsglobal.com)
- Website: [www.canalconfidencial.com.br/MRV](http://www.canalconfidencial.com.br/MRV) - available 24-hours/day
- Hotline: 0800 888 2833 – representatives available from Monday-Friday from 9am to 5pm – voicemail available outside of regular hours.
- Mailbox 521 CEP 06320-971
- 



This media channel is operated by a specialized company, thus 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.

Any and all situations, exceptions and/or clarifications about the application of this policy shall be directed to the Compliance Department.

## **6. SANCTIONS AND INVESTIGATIONS**

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 individual that does not comply with any of the criteria mentioned above in this policy will be subject to sanctions as stated in the MRV Group's Code of Conduct, 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

## **7. RESPONSIBILITIES**

All MRV Group staff members must comply with the Donations and Sponsorship 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.

