



2018-2019 GRANT GUIDELINES

PARTNERSHIP PROGRAM GRANTS

Embraer Foundation is a Section 501(c)(3) private foundation that aims to consolidate and expand the charitable initiatives Embraer, S.A. (“Embraer”) in the U.S. The Foundation is a sister organization to the Brazil-based Embraer Institute (Instituto Embraer), which has led the social investment initiatives of Embraer since 2001.

Launched in April 2017, Embraer Foundation’s Social and Environmental Partnership Program, or Partnership Program, funds projects with an innovative approach. They need to be conducted by Section 501(c)(3) public charities that satisfy the eligibility criteria specified in Section 3, below, and that further the charitable mission of Embraer Foundation.

Please refer to the guidelines below when completing the application form:

1. GEOGRAPHIC SCOPE

The Partnership Program aims to promote social and environmental development in the geographic areas where Embraer has operations. Embraer operates in 9 locations around the U.S., and proposals should be for projects to be conducted in the following cities or their surrounding communities:

- Fort Lauderdale, FL
- Irwindale, CA
- Jacksonville, FL
- Melbourne, FL
- Memphis, TN
- Mesa, AZ
- Nashville, TN
- Titusville, FL
- Windsor Locks, CT

Each project should reflect the realities of the applicable local community, and, if applicable, the expertise of the Embraer employee leading the project.

Eligible Section 501(c)(3) public charities that operate programs benefiting these communities but that are not locally based in the communities will be considered on a case-by-case basis.

2. THEMATIC SCOPE

To contribute to a global cause, and considering the complexity of social, environmental and educational challenges, the Embraer Foundation, through its Partnership Program, finances projects that aim to address one or more of the following United Nations Sustainable Development Goals (“SDGs”):

- No Poverty (SDG # 1)
- Zero Hunger (SDG # 2)
- Quality Education (SDG # 4)
- Gender Equality (SDG # 5)
- Decent Work and Economic Growth (SDG # 8)
- Industry, Innovation and Infrastructure (SDG # 9)
- Reduced Inequalities (SDG # 10)
- Sustainable Cities and Communities (SDG # 11)
- Climate Action (SDG # 13)

While the Embraer Foundation primarily funds projects that seek to address these categories of SDGs, the Partnership Program does not restrict its support to these types of projects. Initiatives that focus on the categories above will receive priority in the

preliminary selection process, however.

To learn more on the United Nation's Sustainable Development Goals, please visit: <https://sustainabledevelopment.un.org/sdgs>

3. GRANT ELIGIBILITY

In order to be eligible to receive a grant under the Partnership Program, the grant recipient must be a non-governmental Section 501(c)(3) public charity that has been active for at least one year and that satisfies the following criteria:

- The organization has received a letter from the Internal Revenue Service determining the organization to be a public charity described by Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "IRC"), and such status has not been revoked; and
- The organization is classified as a public charity under either Section 509(a)(1) or (2) of the IRC (i.e., the organization is not a "supporting organization" described by Section 509(a)(3) of the IRC).

In order to receive a grant, the proposed recipient must be able to prove that it satisfies each of the above criteria by supplying to Embraer Foundation documentation from the Internal Revenue Service. If selected, the proposed recipient must also sign an agreement with Embraer Foundation pursuant to which the proposed recipient agrees, among other things, to share financial and program audit reports and data with Embraer Foundation.

Embraer Foundation will not approve a grant:

- For an organization outside the United States;
- For a Section 501(c)(3) organization classified as a public charity under Section 509(a)(3) of the IRC (i.e., a "supporting organization");
- For a private foundation, even if classified as a Section 501(c)(3) organization;
- For a for-profit business;
- For an individual or family, as opposed to a qualified, charitable organization;
- For a program that focuses solely on a particular ethnicity, religious group, or sexual orientation;
- For a project limited to one gender only (while the project may focus on a gender, it may limit participation solely to that gender);
- For political lobbying activities, attempts to influence legislation or political purposes, including support of a political candidate, a political party or a political action committee;
- For religious activities;
- For a project intended to take place or provide services in a different state or abroad, even though the location of the applicant is in one or more of the targeted geographic areas;
- For project costs incurred by the applicant prior to the approval of the grant;
- For any purpose that is not entirely charitable;
- To fund general operating expenses of the applicant, including expenses for salaries;
- For capital campaigns, fundraising dinners or other fundraising events; or
- For endowment funds.

4. FINANCIAL CONTRIBUTION

The Partnership Program will grant a **maximum amount of \$5,000 per project.**

As a condition of receiving a grant, each grant recipient will be required to provide to Embraer Foundation upon request financial and program audit reports and data. Upon conclusion of the project, the grant recipient will be required to provide a brief final report, on a template form provided by Embraer Foundation, that includes: a description of the completed project, information about the impact of the project, information regarding the expenses for which the grantee used the grant funds (including receipts for purchased

items), and lessons learned as a result of the project.

While a project may be part of a larger initiative of a grant recipient organization, the organization must maintain separate financial records for a project funded by Embraer Foundation.

5. DUE DILIGENCE

Prior to the approval of any grant, the potential recipient goes through an internal due diligence process through the Embraer Compliance Department.

6. VOLUNTEER COMMITTEES

Each of the 9 Embraer locations around the U.S. has established a Volunteer Committee. Each Committee is made up of interested Embraer employees who live and work around the communities where the projects will be implemented. Each Committee selects the winning project for their location through a secret criteria ranking vote. All decisions made by the Volunteer Committees are subject to final approval of the Foundation's Governing Board, following confirmation of eligibility for a grant.

The proposed project is encouraged to include the participation of volunteers. The Embraer Foundation will support the selected organization in finding employees to volunteer during the project (if needed).

7. EMBRAER FOUNDATION AMBASSADOR

Each project for which a grant application is submitted is highly encouraged to have the participation of at least one Embraer employee who volunteers to become the "Ambassador" of the project. If a grant is awarded for the project, the Ambassador will serve as a liaison between Embraer Foundation and the selected organization and will provide leadership and oversight to assure project completion. Embraer Foundation will have an active role in assisting the Ambassador in monitoring and reporting to assure that the project is running according to the proposal.

Embraer Foundation will support the organizations in finding an Ambassador after a project is selected (if needed).

Project Ambassadors:

- Must be an Embraer employee
- Must reside close by to the community where the project will be implemented
- May not vote during the selection process to avoid a conflict of interest
- May be the Ambassador for only one financed project at a time

8. PROJECT EVALUATION CRITERIA

When evaluating proposed projects, the following criteria are among those to be considered, and a good proposal will address each of these:

- All required information is included in the application.
- The organization has demonstrated its capacity or experience to implement the proposed project.
- The project is consistent with the mission of the applicant and Embraer Foundation.
- The proposed project seeks to address at least one of the indicated SDGs.
- The problem or need to be addressed is clearly defined and documented, the constituency to be served is identified, and the manner in which the proposed project will address the need is clearly defined. Clear and coherent connection between the inputs, outputs and outcomes
- The number of people to be benefited by the project will be considered; the greater the number of people benefitted, the better.
- The degree of social impact will be considered. How impactful will the project be in the community?

- Innovation, creativity and originality of the proposed solution to an acknowledged need will be considered, with some preference given for innovative solutions.
- The anticipated short-term and long-term results of the project are clear and realistic.
- A realistic timetable for implementation is provided.
- A complete, detailed budget for the project is provided, and any other sources of funding for the project have been identified.
- If the project is to extend beyond the grant period, a plan for sustaining the project has been developed.

9. GRANT APPLICATION PROCESS

Any organization that wishes to be considered for a grant that meets the grant guidelines may apply for a grant. Generally, the online grant application will provide us sufficient information to make a decision if it is complete when submitted. We reserve the right to ask for additional information, however.

To apply:

- Visit our website at: www.embraerfoundation.org
- Follow instructions and complete the Grant Application form via our online portal

The applicant organization will receive an email confirming receipt of the application.

An organization may submit a Grant Application for more than one project, but each project should be addressed in a separate Grant Application Form.

The timeline for grants is set forth in Exhibit A to these Guidelines.

10. GRANT AGREEMENT & GRANT DISBURSEMENT

Before a grant may be disbursed, a Grant Agreement must be signed between Embraer Foundation and the recipient organization. Embraer Foundation and the Project Ambassador will monitor progress of the project, but the organization is responsible for keeping all parties up to date. At end of the project, the organization must submit a final report, describing the fulfillment of the project's objectives and lessons learned, and providing certain financial information relating to expenditure of the grant. A final report template will be provided at the time of grant disbursement.

FOR MORE INFORMATION

Please contact Embraer Foundation at info@embraerfoundation.org or +1.954.359.3438

These Grant Guidelines are intended to set forth general information about Embraer Foundation's grant process. The Guidelines may be modified by Embraer Foundation's Governing Board in any manner and at any time, at the sole and absolute discretion of the Governing Board.

EXHIBIT A

GRANT SELECTION PROCESS OVERVIEW & TIME TABLE

This time table sets forth the expected timeframes for Grant Application consideration, but it is subject to change.

| | STEP | DEADLINES |
|----------|---|--|
| 1 | Submission of Grant Application <ul style="list-style-type: none"> The organization completes and submits the Grant Application Form through Embraer Foundation's website by the deadline. | 08.19.18 |
| 2 | Eligibility & Volunteer Committee Vote <ul style="list-style-type: none"> Embraer Foundation determines eligibility of the proposed project and the applicant organization, based on the Grant Guidelines. Details of the eligible proposals are presented to the local Volunteer Committee. | September |
| 3 | Due Diligence & Notification <ul style="list-style-type: none"> The proposed selected projects and proposed recipient organizations undergo a due diligence process by Embraer's Compliance Department to confirm that all eligibility criteria are satisfied. Once the proposed project and proposed recipient organization pass the due diligence process, Embraer Foundation's Governing Board will be notified of the winning organizations. They hold the right to veto a project when sound reason is given. | October |
| 4 | Grant Agreement & Disbursement <ul style="list-style-type: none"> The proposed recipient organization completes, signs and returns the Grant Agreement and other required documentation to Embraer Foundation. Upon receipt of the required documentation, Embraer Foundation disburses the grant to the project Ambassador in the form of a check via by U.S. registered mail. The project Ambassador is responsible to delivering the check to the recipient organization. | November/ December |
| 5 | Monitoring & Reporting <ul style="list-style-type: none"> The Project Ambassador and Embraer Foundation monitor progress of the funded project. The recipient organization is responsible for sharing documentation on the project's progress (for example, photos, update emails, etc.) on a bi-monthly basis. The recipient organization submits a brief final report (on a template provided by Embraer Foundation) about the project that includes, | November, 2018 – November, 2019 |