



**BUSINESS
ADVISERS
POLICY**



BUSINESS ADVISERS POLICY

Date of Issue: 18 November 2024

The use of business advisors is strictly governed by internal procedures. MBDA is fully aware of the risk of hiring Business Advisors and made the conscious decision, because our presence abroad is limited, to use them for campaigns outside of our home countries, provided they pass a very rigorous compliance process. MBDA has therefore implemented a reinforced vetting procedure when selecting, appointing, reappointing, monitoring or remunerating this type of third party.

SUMMARY

SCOPE..... 3
POLICY 4
PROCEDURE SUMMARY..... 6



SCOPE

This Policy details the various compliance control points put in place to reduce the risk of bribery and corruption by third parties appointed by MBDA in support of its development, sales and marketing activities. It serves to implement the key principles stated in the Anti-Bribery and Corruption Policy regarding contractual arrangements with Business Advisers.

The spirit, and not only the letter, of this Policy must be complied with at all times. Deliberately trying to avoid applying this Policy by any means will be considered as a breach. Any breach of this Policy is deemed a breach of the Anti-Bribery and Corruption Policy and may result in disciplinary action up to and including dismissal for serious or gross misconduct, without prejudice to any civil or criminal action that may be brought.

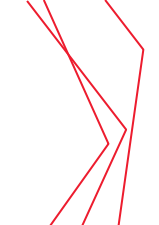
If uncertain of whether this Policy applies or on how to apply it, please seek advice from a Compliance Officer.

For the purpose of this Policy, any company or other legal entity which is engaged or to be engaged to support MBDA's future business development and assist its marketing and sales activities in a given territory is called a Business Adviser.

This Policy covers all the steps of the relationship with a Business Adviser, from selection, assessment (due diligence), appointment, monitoring, payment, renewal, and termination. Each and every step of the relationship between MBDA and a Business Adviser shall follow this Policy, be duly approved, formalised in writing, and recorded. Verbal approvals have no value

Business Adviser's missions can include (not exhaustive list):

- Consultants: Advising MBDA on specific commercial campaign(s), based on the Business Adviser's knowledge of the defence and missile market in the territory where MBDA intends to do business, and of the business environment: customer, competition, potential industrial partners, etc.;
- Service providers: Providing SBD with the necessary information and support to develop its knowledge of the territory where MBDA intends to do business and to build a sales strategy. The services provided are not linked to a specific commercial campaign and can also include logistic support to MBDA in the territory;
- Commercial Agents: Marketing the MBDA portfolio to an existing customer in a given territory to provide after-sale services or to support the sale of adjacent products and services by MBDA;
- Assisting MBDA in carrying out the necessary steps for customer contract signature and entry into force; and/or fulfilling its offset obligations, through project engineering, banking, trading of offset credits and/or by means of capturing eligible business flows;



and/or promoting its offset project towards the customer's offset administration so as to obtain the targeted offset credits.

As it is the Business Adviser's mission, not its title, that is important, any intermediary irrespective on what it is called (adviser, agent, consultant, service provider, representative, lobbyist or other) will be called a Business Adviser if its mission and duties aim in any way at supporting MBDA Activities. All Business Advisers are subject to this Policy. Moreover, any legal entity which once was characterised as a Business Adviser under this Policy (and any affiliated company of said legal entity) that provides any type of product or services to MBDA when or after having been appointed by MBDA as a Business Adviser shall undergo all the Compliance Checks under this Policy before being entrusted with any kind of new assignment by MBDA even when this new assignment is not related to MBDA Activities.

Professional advisers such as lawyers, accountants, investment bankers, surveyors or tax specialists, acting for MBDA are not Business Advisers for the purpose of this Policy. However, if they are to be hired in relation to MBDA Activities, they shall undergo all the Compliance Checks under this Policy before being entrusted with any kind of assignment and the Compliance Officer shall decide whether additional scrutiny is required on a case-by-case basis.

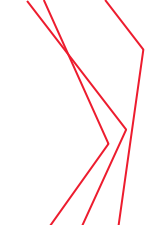
Business Advisers have no authority, and shall not be given authority, to commit on behalf of MBDA. They do not represent MBDA, they are only advising MBDA.

POLICY

Key Rules

Key rules. The following key rules shall be complied with:

- Business Advisers have no authority, and shall not be given authority, to commit on behalf of MBDA. They do not represent MBDA, they are only advising MBDA.
- Any legal entity (and any affiliated company of said legal entity) that provides any type of product or services to MBDA when or after having been appointed by MBDA as a Business Adviser shall be monitored by compliance before being entrusted with non-Business Adviser assignments.
- Only a duly incorporated legal entity may be a Business Adviser. An individual cannot be a Business Adviser.
- No work can be entrusted by MBDA to a Business Adviser before the Business Adviser passed all the Compliance Checks and a written agreement was signed as per the templates of this Policy.
- No Business Advisers works without being approved or that there is no time-gap between the successive agreements of an existing Business Advisers.
- The Business Adviser shall be located in the country where the customer or the end-user seats. The bank account on which it is paid shall be located in that country.

- 
-
- Only one Business Adviser may be appointed in a given territory or for a given campaign.
 - A Business Adviser may only sign one Business Adviser agreement with a given MBDA entity.
 - No payment to a Business Advisers shall be made except under the approval process described in this Policy.

Necessity. A Business Adviser shall be appointed or renewed only if the necessity is evidenced:

- The full and detailed mission and duties entrusted to the Business Adviser;
- The reasons why the mission and duties cannot be completed by MBDA itself (e.g. no local presence, no experience in the territory, culture and language gaps, requirement coming from the customer, etc...); and
- The objective pursued cannot be achieved without the appointment of a Business Adviser.

Selection. Candidate Business Advisers shall satisfy the following factors:

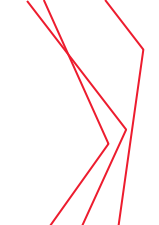
- Expertise in military products and in defence acquisition rules applicable in the territory (government defence policy, decision making process, specific defence procurement rules etc.);
- Reputation in terms of ethics, compliance, and responsibility;
- Capability in terms of headcount, workload, and access.

Legality. Compliance with applicable and law and regulations shall be ensured, including:

- The country where MBDA intends to appoint or renew a Business Adviser shall allow it and any condition or restriction to such appointment or renewal shall be complied with.
- The contractual relationship between MBDA and the Business Adviser shall be compliant with all relevant applicable laws and regulations in force within the countries where the parties are located (MBDA Company, Business Adviser, and end-user).
- Contemplated relationship shall also be consistent with all anticipated relevant provisions of the commercial contract, according to past experience with the customer and/or specific customer's procurement processes.

Remuneration:

- The services to be provided by the Business Adviser shall always be tangible and the price commensurate with the tasks to be assigned and the value MBDA derives from these tasks.

- 
- When the Business Adviser supports MBDA in winning a sale (main sale or adjacent sale), the remuneration may include an incentive element to drive the performance of the Business Adviser (success fees).
 - The remuneration options are defined by the Business Ethics Committee of MBDA and are applicable to all Business Advisers.
 - Any exception to the remuneration options either in terms of percentage value, sliding scale, cap, or deductibility which result in a higher remuneration for the Business Adviser is subject to approval by the Business Ethics Committee of MBDA.

Clearance. A Business Adviser appointment is conditioned to compliance clearance:

- A Business Adviser cannot be hired before having obtained approval as per this Policy;
- It cannot work for MBDA before having obtained approval as per this Policy;
- It cannot continue working for MBDA after its agreement has expired and that MBDA will not pay for any work between the expiration of the old agreement and the signature of a new one or a renewal; and
- MBDA will not pay for any work done before a written agreement is signed between MBDA and the approved Business Adviser.

PROCEDURE SUMMARY

Business Adviser assignments approval is needed for all new Business Adviser assignments and in case of renewal of existing Business Advisers assignments.

The cycle of due diligence follows a minimum pattern but Compliance Officers may apply a higher standard to ensure risk-based checks. Three levels of due diligence are performed which includes various levels of checks on documents provided by Business Advisers, Business Advisers interviews and external due diligences (involving identifying ultimate beneficiary ownership). On each due diligence, three categories of checks are run: Know Your Counterpart (“KYC”), Value For Money (“VFM”), and Follow The Money (“FTM”).

Approval goes through various review gates depending on the conditions of the agreements and the result of the risk assessments.

If the Business Adviser is approved, Compliance Officers prepare a Business Adviser agreement based on a template including an anti-bribery clause.

Compliance Officers review Business Advisers quarterly activity reports ensuring the activity is sufficiently documented, in line with the mission and duties as defined in the agreement, showing reasonable evidence of the materiality and added value of the services.

Payment of Business Advisers invoices is subject to checks and controls including when applicable evidences of work performed by the Business Advisers.