



**CONFLICTS
OF INTEREST
POLICY**



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Date of Issue: 15 March 2022

How we manage a Conflict of Interest demonstrates who we are, as employees, and as a company. Sometimes, a conflict of interest can occur: our personal interest may conflict with our role within MBDA and therefore with MBDA’s interests. This Conflicts of Interest Policy details how conflicts of interest of MBDA employees, interns and apprentices shall be managed.

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WHY IS MBDA ASKING ITS EMPLOYEES TO DECLARE CONFLICTS OF INTEREST

Who you are as a person is why we recruited you and why you are at MBDA. As a company, we value it and we want to help preserve the reputation of our employees as honest and transparent people so that every decision we make in the name of MBDA is made in the sole interest of MBDA and only on the merits of the available options.

As any person, we have family and friends we love and care for and a private life we want to protect.

However, sometimes, a conflict of interest can occur: our personal interest may conflict with our role within MBDA and therefore with MBDA's interests. It may happen to all of us, one day.

HOW MBDA MANAGES CONFLICTS OF INTEREST

How we manage a Conflict of Interest demonstrates who we are, as employees, and as a company.

First we want to be honest and transparent by immediately declaring a conflict. Declaring a conflict is the first step to ensure that we are not seen as being conflicted and that our reputation and the reputation of the people we care for are preserved.

Second, we want the conflict to be decided on so that we remain in a capacity to be objective and loyal to the company when conducting business activities and assignments.

Declaring and deciding on a conflict protects your relatives, your friends and your integrity. It ultimately protects the integrity of the company.

Therefore we must declare any situation where our personal interests could influence, or appear to influence, our business decisions so that our colleagues are confident that this supplier we selected is the best one for MBDA (not because the buyer owns shares in the supplier), or that this employee we recruited or promoted was the best placed candidate (not because they are a relative or a spouse of ours), or that we will not be tempted to share confidential information with a competitor's employee even if they are friend of ours.

The process is designed to help employees identify situations of Conflicts of Interest to appropriately manage them.

This process sets forth sound decision-making to allow MBDA to best manage the Conflicts of Interest employees may have, enabling trust and confidence. This process also allows us to manage conflicts homogenously throughout the company.



DEFINITIONS AND TYPES OF CONFLICTS OF INTEREST

A “Conflict” or “Conflict of Interest” consists in a set of facts where the personal or financial interest of a person may conflict with her/his role within MBDA and therefore with MBDA’s interests.

Depending on the circumstances, people may find themselves in a situation of Conflict which may in certain cases be considered as fraudulent or corruptive. Please refer to BMS4645 Anti-Bribery and Corruption Policy.

Conflicts of Interest come in different shapes and forms and may occur intentionally or unintentionally. They may arise from family or close personal relationships like a partner, a friend (defined here as “Friends & Relatives”), ownership and investment interests as well as external activities and positions.

The main types of Conflicts are listed below:

- “Professional Conflict”: caused by the specific position a person holds while dealing with the company’s customers, suppliers, competitors, or public officials or with their employees.
- “Personal Conflict”: exists because of personal relationship the person has with friends and relatives.
- “Public office Conflict”: exists because a position (elected or governmental) in the public life (be it local, regional or national) in addition to the MBDA role.

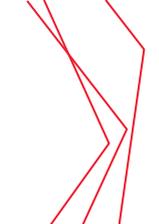
Declaring a conflict is the essential step to protect you, your relatives and ultimately MBDA.

Conflicts shall only be declared by the person facing the declared Conflict. Persons having serious doubts about the behaviour of a person or suspect a practice contrary to the Code of Ethics (BMS1231) or Anti-Bribery and Corruption Policy (BMS4645) must refer to the MBDA Integrity Line procedure (BMS 3488).

PRINCIPLE STEPS OF THE PROCESS

The final goal of the process is to mitigate all declared conflicts to protect MBDA’s employees, reputation and business.

MBDA is committed to handling each declaration timely, ensuring confidentiality, and respecting applicable laws, in particular privacy and data protection laws.



In the event of breach of this Policy, MBDA reserves the right to apply the disciplinary process as provided for in its internal rules of procedure or national Human Resources procedures.

Identifying a Conflict

People should consider all applicable policies and guidance as well as their responsibilities with MBDA to assess whether they face any Conflict.

When in doubt about the existence of Conflict, employees may contact their line manager, proximity managers, client facing HR representative, or Compliance Officer. If employees would feel more comfortable, they may reach out to their manager's manager.

Line Managers are asked to communicate with their team on this Policy and to help employees identifying Conflicts.

Managers shall promptly report to the Compliance function any Conflict that comes to their attention.

Declaring a Conflict

Persons facing a Conflict shall declare it immediately. This is called a "Spot Declaration".

They shall not take part in discussions and decision-making on the concerned matters until the Conflict is closed.

While any person may face a Conflict, some persons are more exposed because of their position within MBDA.

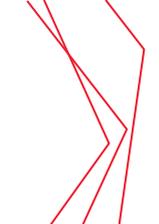
Exposed persons are required to issue an "Annual Declaration" stating whether they are facing a Conflict or not. The Executive population and the Compliance function are also subject to an Annual Declaration.

Discussing and Deciding How to Mitigate the Conflict

Each Conflicts will be reviewed and managed by the Compliance Officer of the country of declaration.

The Compliance Officer may contact the Declarant to discuss, in a confidential manner, relevant elements of information submitted in order to assess the conflict and its potential impact on the Declarant and on MBDA.

The Compliance Officer will then determine if the situation constitutes a Conflict or not i.e. a "No Conflict versus a "Substantial Conflict" situation.



If the Declarant faces a Substantial Conflict, the Compliance Officer will determine who within the organisation are the appropriate persons to best decide on the Conflict with the Declarant (together the “Stakeholders”). Those persons may be the direct manager of the Declarant and/or the site client facing HR partner or any other person deemed to be in a position to decide on the Conflict.

Only the persons whose input is needed to decide on the conflict will be made aware of the Substantial Conflict. The Stakeholders shall maintain confidentiality.

The Stakeholders are required to comply with the following “Deciding Principles” to decide on the Substantial Conflict:

- Gather all comprehensive information about the Substantial Conflict to ensure an informed decision;
- Discuss in an transparent and impartial manner;
- Rely only on objective and legitimate data;
- Agree on a mitigation that protects both the Declarant and MBDA.

The Compliance Officer shall ensure the Deciding Principles are complied with. The Compliance Officer shall approve the measures proposed by the Stakeholders to mitigate the Conflict.

If the Compliance Officer does not approve the measures, the matter will be escalated to the Chief Ethics Compliance and Corporate Responsibility Officer (“CECRO”) and the local Human Resources Director to mitigate the Conflict.

Once the Substantial Conflict is mitigated, it is closed.

Documenting the process

Statements of absence of conflict in the context of Annual Declarations and declared Conflicts shall be stored and recorded.

By process, there are two outcomes to a declared Conflict:

- The Compliance Officer determined that it is a No Conflict situation; or
- The Compliance Officer (or the CECRO, if the matter was escalated) determined the measures proposed to mitigate the Substantial Conflict are complying with the Deciding Principles and approved them.

Except where new information comes to light, both determinations are binding on the Company and are stored to protect the interests of both the Declarant and MBDA. Records shall be maintained in tools for a six year duration.



Communicating the outcome

Once the Substantial Conflict is closed, the Stakeholders and Declarant shall be informed by the Compliance Officer or the CECRO for escalated Conflicts.

Similarly, if the situation giving rise to the Substantial Conflict is no longer in force, the Declarant informs the Compliance Officer.

Note: Information relative to Data Protection

MBDA collects information in order to manage Conflicts of Interest in accordance with BMS 1231 Code of Ethics and BMS 4645 Anti-Bribery and Corruption Policy. Such information is mandatory. No personal data from people outside MBDA but the declarant are collected. Your information relative to the statement of absence of Conflicts is accessible only to your Human Resources manager and the Compliance function and will be stored for six years. Your information relative to a declaration of Conflict is accessible to your Compliance Officer, Chief Ethics Compliance and Corporate Responsibility Officer and internal stakeholders needed to mitigate the Conflict; it will be stored for six years. Within the limits set forth by applicable law, you have a right of access, of modification and of deletion of the data that concerns you, a right of limitation of the processing of the aforesaid data as well as a right to give MBDA post-mortem directives. To exercise your rights or for any question, you can contact our Data Protection Officer as per BMS 4358 MBDA Group Data Protection Policy. If, after having contacted us, you consider that our answers are insufficient, you may file a complaint with the National authority. For more information concerning the processing of your data and your rights, please read our employees' data protection policy.