



ANTI-SLAVERY AND HUMAN TRAFFICKING POLICY

1. POLICY STATEMENT

- 1.1 Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. Melrose Industries PLC and its Business Lines (comprising the GKN Aerospace Engines and Structures businesses) ("**Melrose**", "**Company**", "**Group**" or "**we**") have a zero-tolerance approach to modern slavery and are committed to acting ethically and with integrity in all the Group's business dealings and relationships and to investing in, implementing and enforcing effective systems and controls across the Group to safeguard against adverse human rights impacts and ensure modern slavery is not taking place anywhere in its business or in any of its supply chains.
- 1.2 The Group is also committed to ensuring there is transparency in its own business and in its approach to tackling modern slavery throughout its supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015 in the United Kingdom, the United States' Federal Procurement Regulation (FAR) 52.222-50 "Combating Trafficking in Persons" and other legal requirements imposed on us in other countries. The Group expects the same high standards from all of its contractors, suppliers and other business partners.
- 1.3 The purpose of this policy is to set out the Group's policy standards and obligations under modern slavery legislation, including in connection with the Group's supply chains. This policy cannot cover all possible facts and circumstances nor all applicable anti-modern slavery laws, which may evolve over time. It is broadly reflective of UK modern slavery legislation, but the Head of Legal of each Business Line should consider what other anti-modern slavery laws may be applicable to their Business Line.
- 1.4 This policy has been approved by the board of directors of Melrose Industries PLC.
- 1.5 Throughout the Group we seek to establish a "culture" of compliance with this policy. The executive team of each Business Line takes responsibility for ensuring effective transmission of this policy throughout the business, together with the provision of relevant guidance and training, and appropriate safeguards, monitoring, and resources, in order to ensure compliance with this policy.

2. WHO IS COVERED BY THE POLICY?

- 2.1 This policy applies to all individuals working at all levels, including senior managers, officers, directors, employees (whether permanent, fixed-term, or temporary), contractors, trainees, casual workers/agency staff, volunteers, or any other person working for the Group throughout the world (collectively referred to as "**Group Associates**" for the purposes of this policy).
- 2.2 This policy also applies to any person, or any organisation, working for or performing a service for or on behalf of the Group – for example, pension trustees, consultants, lawyers, accountants, other business advisers, suppliers, agents, distributors, joint venture partners or other persons whilst they are working for or performing a service for or on behalf of the Group throughout the world (collectively referred to as "**External Associates**" for the purposes of this policy). We expect the highest ethical standards from our business associates and expect them to comply with or exceed the principles of our Supplier Code of Conduct.
- 2.3 Group Associates and External Associates are together referred to as "**Associates**" for the purposes of this policy.
- 2.4 All Associates are responsible for ensuring they read, understand and comply with this policy.

3. EMPLOYEE RESPONSIBILITIES

- 3.1 It is important to ensure that employees are provided with training on modern slavery issues that is appropriate to the roles that they have and the risks they face in those roles. This could include providing awareness training to all employees and/or providing enhanced training to employees in higher risk teams. Appropriate training on this policy, and on the risk the Group faces from modern slavery in its supply chains, forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary.

3.2 The Group's zero-tolerance approach to modern slavery must be communicated to all suppliers, contractors and business partners at the outset of a business relationship with them and reinforced as appropriate thereafter.

3.3 The prevention, detection and reporting of modern slavery in any part of the Group's business or supply chains is the responsibility of all those working for the Group or under the Group's control and is an important element in the on-going development of an effective culture. All Associates are required to avoid any activity that might lead to, or suggest, a breach of this policy.

4. HOW TO RAISE A CONCERN

4.1 All Group Associates should raise concerns about any issue or suspicion of misconduct by a colleague or a third party (such as a customer, supplier, or agent) in any part of the Group or the Group's supply chains at the earliest possible stage. If a Group Associate believes that any part of this policy has been infringed they should contact their line manager (in the case of employees or other Group Associates), their Melrose/GKN Aerospace point of contact (in the case of External Associates), or refer to the Group's Whistleblowing policy for alternative actions.

4.2 If you are unsure whether a particular act, the treatment of workers more generally, or their working conditions within any tier of our supply chains constitutes any form of modern slavery or a breach of this policy in advance of any action, relevant details should be provided to your Business Line Head of Legal. Alternatively, follow the procedure as stated within the Group's Whistleblowing policy. No action in respect of matters reported should be taken without authorisation by your Business Line's Head of Legal.

4.3 Group Associates who raise concerns and report wrongdoing may be concerned about possible repercussions. The Group encourages openness and will support anyone who raises genuine concerns in good faith, even if they turn out to be mistaken.

4.4 The Group is committed to ensuring that no employee suffers any detrimental treatment as a result of raising concerns.

5. CONSEQUENCES OF A BREACH OF THIS POLICY

5.1 Any employee or other Group Associate who violates this policy will face disciplinary action, which could result in termination of employment. Where appropriate, the Group will also liaise with relevant law enforcement bodies.

5.2 Any breach of this policy by an External Associate may lead to the termination of the Group's relationship with that External Associate.

KEY DEVELOPMENTS AND STAKEHOLDER FOCUS

Environmental, social and governance (ESG) factors – including human rights and modern slavery – continue to be “hot topics” for key stakeholders, and there continues to be a move towards enhanced scrutiny in these areas. Navigating the constantly evolving ESG landscape is of paramount importance for companies.

Companies are increasingly required to report on steps taken to identify and mitigate modern slavery in their supply chains.

The UK Modern Slavery Act 2015 requires certain companies to publicly report on modern slavery risks in their supply chains (and similar public disclosures are required under the laws of other jurisdictions), and there have been further moves towards enhance transparency over recent years which make it easier for consumers, investors and civil society to hold organisations to account for the steps they have taken to identify and mitigate modern slavery risks.

Key stakeholders are increasingly focused on non-financial risks such as human rights risks in the supply chain.

Increasing expectations from key stakeholders – investors, shareholders and consumers alike – are driving companies to increase their focus on responsible and sustainable business. Stakeholders are putting more emphasis on ESG factors in making business decisions. The exposure of human rights violations can lead to irreparable reputational damage, weakened investor confidence and diminished company value.

Companies are responding to the evolving legal landscape by reviewing their human rights due diligence programmes.

The increasing stakeholder expectations and reputational risk exposure have already led many companies to (re)consider their human rights due diligence programmes to identify, manage and prevent human rights abuses in their supply chains. This includes (i) carrying out a human rights impact assessment and taking proportionate counter-measures, as well as communicating internally and externally what measures have been taken; (ii) reviewing and reinforcing complaints mechanisms and speak-up programmes; (iii) ensuring the business is well equipped to deal with ‘crises’; (iv) reviewing the extent to which their board is equipped to address supply chain risks; and (v) reviewing the role, resources and expertise of the legal and compliance functions, who should play a key part in addressing these new challenges.