



**GKN AEROSPACE**  
**AGENT SUMMARY POLICY**

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## 1. POLICY STATEMENT

- 1.1 GKN Aerospace operates a Third Party Agent Engagement Policy (“the **Agents Policy**”). This policy is designed to ensure that the highest standards of business integrity are applied when GKN Aerospace engages third party service providers to provide goods or services on its behalf (**agents**). GKN Aerospace must be diligent in selecting agents who have the appropriate skills, experience, credibility and integrity to act on our behalf. We will only do business with agents that we know are reputable, having carried out appropriate due diligence in line with this policy.
- 1.2 The cornerstone of the Agents Policy is the Agent Review Board (**ARB**), an executive-level committee that examines requests to engage, and renew contracts with, third parties who will act on our behalf. Each agent approved by the ARB will be audited regularly to ensure that they are meeting GKN Aerospace’s high ethical standards. No agent (or other third party that acts materially like an agent) may be engaged to act on our behalf without being approved through this policy.
- 1.3 The **Business Line President** shall be the Business Sponsor responsible for ensuring compliance with the Agents Policy in the engagement of agents.
- 1.4 This Summary Policy is a summary of the key provisions of the Agents Policy.

## 2. APPLICATION

- 2.1 The Summary Policy and the Agents Policy apply to all individuals working at all levels of GKN Aerospace, including officers, directors, senior managers, employees (whether permanent, fixed-term, or temporary), contractors, trainees, casual workers/agency staff, or any other person working for GKN Aerospace throughout the world (collectively referred to as “**Company Employees**”)

## 3. PROCEDURE

- 3.1 All new agents (re)engaged by the Group must be assessed and reviewed in accordance with the procedure set out below.

### Stage 1: Information Gathering

- 3.2 **Business Sponsor** shall ask the **Agent** to complete the Agent Due Diligence Questionnaire.
- 3.3 **Business Line Legal team** shall:
  - (a) Conduct sanctions screening and adverse media searches;
  - (b) Commission a legally privileged external “boots on the ground” due diligence report on the agent from a reputable external third party investigative firm; and

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- (c) Conduct an interview with the Business Sponsor and other members of the business team involved in the proposed engagement.

3.4 **Business Sponsor** shall complete the [Agent Red Flag Due Diligence Questionnaire](#) and send this to the Business Line Legal team for the purpose of obtaining legal advice.

Stage 2: ARB Review Process

3.5 At least 7 days prior to an ARB Review meeting:

- (a) The **Business Sponsor** shall prepare and submit to the ARB an ARB review pack (**ARB Review Pack**); and
- (b) **Business Line Legal** shall prepare and submit to the ARB a legally privileged dossier setting out its legal advice to the ARB and summarising the key facts and any potential red flags relating to the agent, based on its review of the ARB Review Pack documents and the interview referred to in paragraph 3.3(c).

3.6 The **Business Sponsor** shall prepare for the ARB Review in accordance with the [Agent Review Board Preparation Guidance](#). This includes preparing a presentation to be delivered at the ARB meeting outlining: (i) the commercial rationale for engaging the agent; (ii) the proposed agent remuneration level; (iii) what risks may be presented by the engagement of the agent and its activities; and (iv) what steps GKN could take to mitigate those risks.

3.7 At the ARB Review meeting, **the ARB**, which shall comprise GKN’s CEO, CFO and General Counsel, shall discuss the topics and questions set out in the [ARB Guidance](#) to assess whether or not the Group can proceed to engage the proposed agent. The Business Sponsor may not participate in the decision of the ARB in respect of an agent proposed by that Business Sponsor. Following due consideration of the ARB Review Pack and the topics set out in the [ARB Guidance](#), the ARB shall make one of the following determinations:

- (a) The agent is approved, subject to any mitigating steps and/or monitoring requirements determined by the ARB; or
- (b) The agent is not approved by the ARB, and so the GKN business may not proceed to (re)engage the agent.

Stage 3: Document Written Agreement

3.8 If the agent is approved in accordance with paragraph 3.7(a) above, the **Business Line Legal team** shall be responsible for drafting the Agency Agreement to reflect the agreed scope of work and to incorporate any conditions required by the ARB. The Agency Agreement shall be based on GKN’s [Template Agency Agreement](#), which includes certain minimum contractual protections required by the Group. **The Agent Agreement shall be for a term of no longer than two years, subject always to compliance with, and the output of, Stage 4 (Monitoring and Review).**

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- 3.9 The **Business Line Legal team** shall send the final form of the contract to the **General Counsel** for approval. The Business Sponsor shall not enter the contract with the agent unless written approval has been granted by the General Counsel.
- 3.10 Following the receipt of written approval from the General Counsel, the **Business Sponsor** may proceed to enter the contract and formally (re)engage the agent.

Stage 4: Monitoring and Review

- 3.11 The **Business Sponsor** shall conduct a quarterly review with the agent to discuss the agent’s activities following a review of its monthly activity reports (which an agent must supply to GKN under GKN’s Template Agency Agreement). The Business Sponsor shall report any concerns raised during such review to the Business Line Legal team. In the event any concerns raised cannot be remedied, the Business Line Legal team shall escalate the matter to the General Counsel for guidance.
- 3.12 At least once per year, the **Business Line Legal team** shall also conduct an anti-bribery and corruption audit (**ABC Audit**) of the agent in accordance with GKN’s Sales Agent Audit Methodology.

**4. RECORDKEEPING**

- 4.1 Each GKN business shall store and retain all information gathered in respect of a potential agent pursuant to this Policy for a minimum of seven years, including where a potential agent is ultimately not engaged by the GKN business. This includes copies of: the documents included in the ARB Review Pack, the Agency Agreement, underlying customer contracts relating to the agent’s remuneration, activity reports provided by the agent, audit reports in respect of the agent and minutes of the ARB Review meetings in which the engagement of the agent was approved or rejected.

**5. HOW TO RAISE A CONCERN**

- 5.1 If Company Employees suspect that the Agents Policy or this Summary Policy has been breached, they should consult their Business Legal Line team in the first instance. Where necessary, the Business Line Legal team may escalate queries relating to this guidance to the General Counsel.
- 5.2 Company Employees can also make a disclosure through the GKN Aerospace Disclosure Hotline.
- 5.3 Agents should speak to their GKN Aerospace contact or the General Counsel of GKN Aerospace.
- 5.4 GKN Aerospace encourages openness and will support anyone who raises genuine concerns, even if they turn out to be mistaken. All concerns will be investigated. GKN Aerospace is committed to ensuring that no Company Employee suffers any detrimental treatment as a result of raising a concern.

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