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**DIVERSITY, INCLUSION AND  
BELONGING POLICY**

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## **1. Purpose**

- 1.1. One of the fundamental principles of Melrose Industries PLC and its Business Lines (comprising the GKN Aerospace Engines and Structures businesses) ("Melrose", "Company," "Group" or "we") is to conduct all of its business in an open, honest and ethical manner. The Group commits to prohibiting any form of unlawful discrimination, bullying, harassment (both sexual and non-sexual) or victimisation in the workplace. We take a zero-tolerance approach and act professionally, fairly and with integrity in all business dealings and relationships, within all jurisdictions in which we operate.
- 1.2. The Group's reputation for lawful and ethical business relations is of utmost importance and we require all Group Associates and other business associates, whether employed directly or indirectly (including customers, suppliers, agents, distributors, and others working for or on behalf of the Group), to act professionally and with integrity at all times.
- 1.3. The prevention, detection and reporting of unlawful discrimination, bullying, harassment (sexual and non-sexual) or victimisation, are the responsibility of all Group Associates; each Group Associate is required to avoid any activity that might constitute, lead to, or suggest unlawful discrimination, bullying, harassment (sexual and non-sexual), or victimisation.
- 1.4. In all jurisdictions where we do business, we are subject to various laws and regulations governing how and under what conditions we employ our people. Equality legislation, the International Labour Organisation conventions and anti-discrimination, harassment and bullying laws are just a few examples of these. The Group recognises each of these laws and while we uphold a global commitment to inclusion, we implement this policy in a manner that is consistent with local laws and cultural contexts. The Group operates in a compliant manner to ensure everyone has equal and non-discriminatory access to jobs, training and development opportunities for which they are qualified, and for all Group Associates to be treated fairly and with respect.
- 1.5. The Group maintains clear and accessible case management, grievance and anonymous reporting channels for all Group Associates to report incidents of discrimination, bullying, harassment, or victimisation. All reports are taken seriously and investigated promptly, sensitively and, as far as possible, confidentially. Individuals who raise concerns about discrimination, bullying, harassment, or victimisation in good faith will not be treated less favourably as a result. Where a complaint is substantiated, appropriate remediation measures will be implemented, which may include disciplinary action, dismissal, support for affected individuals, and steps to prevent recurrence.
- 1.6. This policy will be made available to Group Associates through our Aerospace Policy Management System (APMS). APMS serves as the primary source of Group level documentation and a portal for accessing documents that reside at a global level. Internal Audits and the Internal Compliance Check (ICC) will be used to identify and understand any compliance risks, and to verify the mandatory requirements are being correctly implemented.

## **2. Who is Covered by the Policy?**

- 2.1. This policy applies to all individuals working at all levels throughout the Group, 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. In developing this policy, the Group considered the interests and perspectives of key stakeholders, including Group Associates, employee representatives, Employee Resource Groups (ERGs), senior leadership, and external partners, to ensure the policy reflects the lived experiences of our workforce, supports regulatory compliance, and aligns with broader societal expectations around diversity, inclusion, belonging and sustainability.

### **3. Responsibilities**

- 3.1. All Associates are responsible for ensuring they read, understand and comply with this policy.
- 3.2. Group Associates must participate in periodic training, as determined by the SVP Human Resources for each Business Line.
- 3.3. The Group reserves the right to fully cooperate with the police or other enforcement authorities as may be necessary for the proper investigation into breaches of this policy or related local laws. Legal proceedings (and/or disciplinary action in relation to the Group’s Associates, which could result in dismissal for gross misconduct) may be made against any Group Associates who breach this policy, where it is deemed by management to be appropriate. The Group may also cease to continue working with Associates (acting for or on its behalf) who the Group believes to have breached this policy.
- 3.4. The Melrose Nomination Committee will review this Policy on an annual basis to monitor its effectiveness, and has responsibility for implementing the Policy.

### **4. What is Diversity, Inclusion and Belonging**

- 4.1. The Group believes that our collective strength comes from the unique qualities and contributions of every individual. Our commitment to Diversity, Inclusion, and Belonging (DIB) is about creating a workplace where everyone, regardless of their background or identity, feels genuinely valued, respected, and empowered to thrive.
- 4.2. Fundamentally, Diversity, Inclusion and Belonging is about ensuring that our workforce truly reflects the richness of society, that every voice is heard and actively considered, and that all of our people feel a profound sense of acceptance and psychological safety. It moves beyond simply acknowledging differences; it is about actively fostering an environment with opportunities where every individual feels connected to our shared purpose and community. This commitment is central to our success, driving innovation, enhancing collaboration, and creating a truly enriching experience for everyone within the Group.
- 4.3. We seek to achieve these goals through non-discriminatory practices that are consistent with local laws.

### **5. General Principles**

- Ensure that Group Associates act in accordance with our Culture Principles, our values, are treated fairly and protected from discrimination, retaliation, bullying or harassment.
- Create an environment where Group Associates can raise, report and challenge potentially discriminatory or other problematic behaviours, and take appropriate steps when reports arise. This includes the option for anonymous reporting.
- Promote a healthy work environment, positive relationships, meaningful work, and Group Associate well-being.
- Establish monitoring systems and complaint reporting procedures that enable the business to address any potential discriminatory, harassment, or bullying conduct.
- Recognise the diversity ambitions set out in the Financial Conduct Authority's Listing Rules, FTSE Women Leaders Review and Parker Review on gender and ethnicity representation within the Group's Executive Committee and direct reports. Note - We seek to achieve these ambitions through non-discriminatory practices that are compliant with local laws.
- The Group commits to improve recruitment processes by promoting fair recruitment and selection processes, ensuring equal employment opportunity.
- Use recruitment sourcing pipelines that cast a wide net to attract the most qualified applicants.
- Provide fair and open access to development opportunities in order to fully utilise the talents and strengths of all Group Associates.
- Provide information and resources for all Group Associates, needed to support learning on diversity in all its forms, including good mental health.
- Provide reasonable accommodations / adjustments where applicable and appropriate.
- Where appropriate encourage, develop, and promote flexible workplace policies that emphasise work/life balance.
- Provide ongoing training and development to all Group Associates on anti-discrimination and harassment, relevant laws and the benefits of maintaining a professional and respectful work environment, where all Group Associates feel valued and able to excel. Training will comply with local legal requirements.
- The Group is committed to achieving gender pay equality by ensuring fair and equitable compensation practices across all roles and levels, in line with local laws and global best practices. We regularly review pay structures and conduct pay analyses to identify and address any disparities, supporting a workplace where all Group Associates are valued equally for their contributions.
- Work towards eliminating mental health stigma through encouraging an open and welcoming environment where mental health is discussed in a positive and non-judgemental way.
- Establish champions or a structure amongst Group Associates e.g. managers, employees, trade union appointed representatives and/or Employee Resource Groups (ERGs) throughout the business who promote diversity, inclusion and belonging, as outlined in this policy.
- Employee Resource Groups (where in place) are employee led, open to all employees and not mandated.

- Build effective and productive relationships in the wider community through partnerships with community based groups and stakeholders including efforts to make progress within the engineering sector as a whole.
- Provide appropriate reminders of our Group Associates' expectations under this policy.

## **6. Consequences of a Breach of this Policy**

6.1. Any breach of this policy may lead to disciplinary action being taken by the Group up to and including termination of employment. Where appropriate the Group will also liaise with relevant law enforcement bodies.

## **7. Related Policies**

Where applicable, this policy should be read in conjunction with any local policies covering the following topics: Anti-Harassment and Bullying, Behaviour at Work, Case Management/Grievance Family Leave/Parental Leave, Flexible Working, Homeworking, Stress, Mental Health and Wellbeing, Whistleblowing and Workplace Adjustments.