



CONFLICT MINERALS POLICY

1. INTRODUCTION

- 1.1 Melrose Industries PLC and its Business Lines (comprising the GKN Aerospace Engines and Structures businesses) ("**Melrose**", "**Company**", "**Group**" or "**we**") are committed to improving business for the good of shareholders, the environment and other stakeholders.
- 1.2 The purpose of this policy is to set our expectations of the Group's suppliers with regard to conflict minerals.
- 1.3 This policy has been approved by the board of directors of Melrose Industries PLC.
- 1.4 Throughout the Group we seek to establish a "culture" of compliance with this policy.

2. POLICY STATEMENT

- 2.1 US legislation and OECD due diligence guidance generally define conflict minerals as cassiterite (tin), coltan (tantalum), wolframite (tungsten) and gold (or derivatives of these minerals) (collectively referred to as "**3TG**") and which are mined in the Democratic Republic of Congo ("**DRC**") or an adjoining country (Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia), and directly or indirectly finance or benefit armed groups in the DRC or any adjoining country.
- 2.2 The Group is committed to conducting business with integrity and in a responsible, ethical and sustainable manner. This applies both to our business operations and to our global supply chain. Consistent with this commitment, where our Business Lines source products or raw materials containing 3TG, we will adopt procedures, to the extent required by applicable laws or customer expectations, that seek to identify whether such 3TG minerals are sourced responsibly and from conflict-free regions ("**3TG Conflict Free**"), taking a risk-based approach. This policy sets out our expectations of suppliers in respect of due diligence steps and related reporting to the relevant Business Line in connection with 3TG materials.

3. SUPPLIER EXPECTATIONS

- 3.1 We expect our suppliers to operate their businesses in a way that supports our commitment to acting ethically and responsibly. We have a supplier qualification process which requires suppliers to commit to our Supplier Code of Conduct and, depending on the determined level of risk, may also result in an audit or further reviews.
- 3.2 In accordance with this policy, where our Business Lines source products or raw materials containing 3TG they will, to the extent required by applicable laws or customer expectations, work with our supply chain partners to ensure compliance with all applicable laws and regulations and seek to identify whether 3TG materials sourced by that Business Line are considered 3TG Conflict Free, taking a risk-based approach. As a minimum, relevant suppliers are required to:
 - (a) perform due diligence to ascertain whether any 3TG minerals in products are conflict free;
 - (b) complete the Responsible Minerals Initiative reporting template or equivalent, as required by the respective business division;
 - (c) ensure that their suppliers are complying with applicable laws;
 - (d) request that their next tier suppliers perform due diligence;

- (e) obtain raw materials from audited sources as a matter of principle wherever possible, using independent, third-party assurance;
 - (f) disclose their supply chain upon request to the us;
 - (g) give their consent to audits that may be performed by us (or third parties acting on our behalf).
- 3.3 Our Business Lines may impose stricter requirements than those set out in paragraph 3.2 on its supply chain partners under its own Supplier Code of Conduct or equivalent policy.
- 3.4 In addition, where applicable local laws and regulations exist in the jurisdiction in which the supplier operates, we expect our suppliers to comply with such laws and regulations.
- 3.5 Our Business Lines reserve the right to periodically request any information it deems necessary from suppliers, including certifications and documentation, to monitor and determine compliance with this policy. Our Business Lines also reserve the right to consider, on a risk-based basis, performing independent third party audits on suppliers.
- 4. RESPONSIBILITY FOR THE SUCCESS OF THE POLICY**
- 4.1 This policy forms part of our Group compliance policies, which fall under the overall responsibility of the board of directors of Melrose Industries PLC.
- 4.2 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.
- 4.3 All staff should be aware of and are responsible for the success of this policy and should ensure that they take steps to support it.