Cobham Mission Systems

Anti-Bribery & Anti-Corruption (ABAC) Policy

Policy Summary

This Policy ensures that bribery and corruption risks are understood and all business operations are properly managed to comply with applicable anti-bribery and corruption laws in particular the requirements of the UK Bribery Act and the US Foreign Corrupt Practices Act. CMS has a zero tolerance to all forms of bribery or corruption. It is CMS policy never to offer, promise, pay, solicit, request, or agree to receive or accept bribes or kickbacks or other prohibited payments or inducements, whether in cash or in any other form, to or from private individuals, company representatives or government or other public officials, with a view to obtaining or retaining business or influencing government or public officials to act improperly in the performance of their duties.

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<th>How to Comply</th>
<th>Actions &amp; Responsibilities</th>
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<tbody>
<tr>
<td>1. All business transactions must be free from any kind of bribery or corruption.</td>
<td>All covered persons shall ensure that no bribes (in whatever form) are ever offered, given or accepted and any violations or suspected violations are reported immediately.</td>
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<td>2. No gift and/or hospitality may be offered, given, accepted or approved except in compliance with the Gifts and Hospitality Policy.</td>
<td>All covered persons shall ensure that any gift or hospitality offered given or accepted is compliant with the key principles contained in the Gifts and Hospitality Policy, and where required, that appropriate approval is obtained and recorded in the Corporate Gifts and Hospitality Register.</td>
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### Anti-Bribery & Anti-Corruption (ABAC) Policy

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<td>3.</td>
<td>No gift and/or hospitality may be given or offered to any non-US government or public official (whether directly or indirectly through a third party) unless it is legally compliant with local laws and it complies with the Gifts and Hospitality Policy.</td>
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<td>4.</td>
<td>No gift and/or hospitality may be offered to any US government official except in accordance with the US Government Gratuities Policy.</td>
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<td>5.</td>
<td>No payments to or from any third party may be made in cash (except fully documented and recorded petty cash payments or receipts).</td>
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<td>6.</td>
<td>Use of Intermediaries must comply with the Intermediary Policy.</td>
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<td><strong>7.</strong></td>
<td>All charitable donations made on behalf of any company must comply with Community Involvement Policy.</td>
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<td><strong>8.</strong></td>
<td>Do not use Company funds, assets or facilities to make political donations.</td>
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<td><strong>9.</strong></td>
<td>No facilitation payments of any kind may be made to any third party and any such payment made to a government or public official as a result of threats or duress must be reported immediately.</td>
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<tr>
<td><strong>10.</strong></td>
<td>CMS books and records must be maintained accurately.</td>
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payments fully and accurately and must never forge or dishonestly alter any CMS books or records.

Definitions

1. **CMS**: Cobham Mission Systems
2. **Covered Persons**: Employees and contractors of Cobham Mission Systems.
POLICY

A. **Compliance with Laws:**

   It is CMS policy to comply with all anti-bribery and corruption laws in all the jurisdictions in which it operates, including the requirements of the UK Bribery Act and the US Foreign Corrupt Practices Act (FCPA) which apply to all employees, officers, directors, and other persons associated.

B. **Zero-Tolerance of Bribery and Corruption:**

   It is CMS policy to conduct all of our business in an honest and ethical manner. Bribery is a criminal offence. CMS takes a zero-tolerance approach to bribery and corruption in all its forms. Accordingly all employees, officers, directors, and other party representing CMS must never offer, promise, pay, solicit, request, agree to receive or accept bribes or kickbacks or other prohibited payments or inducements, whether in cash or any other form to or from private individuals, company representatives, domestic or foreign government or public officials, in order to obtain or retain business or to influence individuals or the companies they represent or to induce government or public officials to act improperly in their duties.

C. **No Payments to Government or Public Officials:**

   All covered persons must never:

   a. offer, promise, give, receive, agree to receive, or accept, any payment or other form of inducement in order to induce any government or public official to improperly perform a function, or to secure, maintain, or direct business (including business that is public in nature) improperly from a government or public official;

   b. Provide or offer to provide any gift and/or hospitality to any non-US government or public official, whether directly or indirectly through a third party, unless it is legally
compliant with local laws and complies with all other requirements of the Gifts and Hospitality Policy;

c. Provide or offer to provide any gift or hospitality to a US public or US government official unless it complies with the requirements of the US Government Gratuities Policy.

D. **Cash Payments To/From Third Parties:**

To avoid any appearance of impropriety, no payments to or from any third party must be made or received in cash other than a fully documented petty cash disbursement with supporting receipt (examples include: taxi fares, road tolls or minor stationery items), which must be submitted for approval in accordance with the Expenses Policy.

E. **Use of Intermediaries and Other Third Parties:**

Under UK, US and other Anti Bribery and Corruption (ABAC) legislation, CMS, its officers, directors and employees can face huge fines and other civil penalties as well as criminal liability in certain cases for bribery or corruption committed by third parties promoting and/or acting on behalf of CMS (including sales agents, advisors, resellers, distributors, or joint venture or bid partners). In order to mitigate this serious risk, the Intermediary Policy and its supporting processes must be complied with at all times (including the requirement (i) for appropriate pre-engagement due diligence to identify bribery and corruption risks, (ii) for risk-weighted internal reviews and approvals, and (iii) that every CMS Intermediary to enter into a written agreement in pre-approved form to address potential bribery and corruption risks).

F. **Gifts and Entertainment/Hospitality:**

Bribery involves not just making or receiving cash payments but also any offer, promise, gift, receipt, agreement to receive or accept a financial or other advantage with the intention of inducing or rewarding improper performance of a person's function, or to
obtain business or an advantage in business in contravention of the UK Bribery Act, the US Foreign Corrupt Practices Act and other ABAC legislation. In order to mitigate this serious risk, the Gifts and Hospitality Policy and its supporting processes must be complied with at all times.

G. **No Facilitation Payments:**

Facilitation payments are unofficial payments made to government or public officials to expedite or secure the performance of a lawful and routine service or action, which has already been paid for (examples include payments to expedite the granting of licences or other documents to do business in a foreign country, or to process visas or obtain Customs clearances). It is prohibited to make (or offer to make) a facilitation payment to any third party. An immediate report must be made to the Business Compliance Officer using a Duress Payment Report Form, if such a payment has to be made to a government or public official as a result of threats or duress.

H. **Charitable Gifts and Donations:**

Charitable donations must not be made (or offered to be made) on behalf of CMS, with the intention of inducing or rewarding improper performance of a person's function or to obtain business or an advantage in business, or in any other circumstances where such a donation could constitute or appear to constitute a bribe. Anyone planning to make a bona fide charitable donation on behalf of CMS must seek approval under the Community Involvement Policy.

I. **Political Contributions:**

It is prohibited to use CMS funds or other assets or facilities for the benefit of political parties or candidates anywhere in the world. All covered persons are entitled to make donations in their own personal capacity (including, in the US, through the CMS CEO).

J. **Bid and Procurement Activity:**
Interactions with customers and/or suppliers during bidding or procurement processes can raise bribery risks. It is not acceptable for any officer, director or employee or anyone representing or promoting CMS to offer or accept any gift or hospitality which is linked (or appears to be linked) to any bid or procurement activity, as set out more fully in the Gifts and Hospitality Policy.

K. **Books and Records:**

CMS books and records (which include most forms of business documentation) must be completed accurately and must fairly reflect, in appropriate detail, all transactions and dispositions of assets. Forging or inappropriately altering CMS books and records constitutes fraud and is absolutely prohibited. No undisclosed or unrecorded funds or assets may be established or maintained for any purpose and under no circumstances may accounts be kept “off the book “, whether to facilitate or to conceal improper payments/receipts or otherwise. All Covered Person must co-operate fully and honestly with internal or external auditors, and all those dealing with US Government contacts must keep accurate records for their time and a comply fully with the time-keeping requirements appearing in relevant US Government contracts.

L. **Mergers and Acquisitions:**

There are a potential risks associated with acquiring or merging with a business which may have been involved in corrupt practices. To help manage these risks, every CMS acquisition or merger must include appropriate due diligence to assess the inherent risks of bribery related to the target entity including its market business, the countries in which it operates, its routes to market and the adequacy of the target’s anti-bribery programme. Mitigations must be put in place to manage any identified risks as set out more fully in the “Mergers and Acquisitions – ABAC Due Diligence & Risk Assessment Toolkit”.

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