

Corruption risk management of Category 2 business partners

1 Validity

The entire Saab Group.

2 Purpose

Saab adheres to a policy of zero tolerance of bribery and corruption.

The purpose of this directive is to set out the rules and procedures to be applied when entering into certain business agreements to prevent Saab from being associated with corruption and bribery.

3 Application

This directive applies to the agreement types defined as Category 2 in INF-0741 and includes the following business arrangements.

Reference

INF-0741 Management and Prevention of Bribery and Corruption Risks

- a) Agreements for joint marketing or sales activities, for example teaming agreements and non-incorporated joint ventures for marketing and sales.
- b) Agreements for establishment of all incorporated joint ventures regardless of purpose.
- c) Agreements with prime contractors where Saab's order intake value is (i) estimated to account for more than 20 percent but less than 50 percent of the prime contract value (if 50 percent or more, refer to INF 0742), or (ii) in excess of [amount] SEK.

Reference

INF-0742 Corruption risk management of Category 1 business partners (Intermediaries)

- d) Agreements for procurement of goods or services, with local suppliers, intended to strengthen Saab's offer in a specific business prospect. This refers to suppliers that are identified or contracted before there is a contract with the end customer in place and which would not have been contracted absent the specific business prospect in question.
- e) Offset related agreements, i.e. agreements for discharging of offset requirements, offset credit swap agreements, offset brokering agreements etc.
- f) Agreements for purchase, lease or construction of real property.

This directive is not applicable to non-binding arrangements such as memoranda of understanding and letters of intent.

4 Corruption risk management procedure

Prior to execution of any agreement identified above the following process shall be applied (Figure 1).

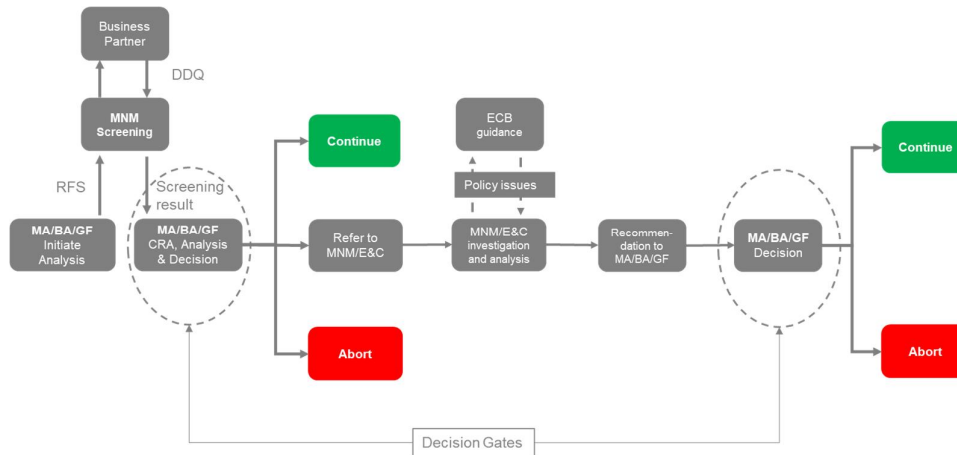


Figure 1: Corruption risk management process for Category 2 business partners

The Business Area, Market Area or Group Function shall ensure that the following requirements are complied with:

- a) A “Request For Screening” (IN 5000363-037) shall be submitted to MNM by e-mail to [email address]. MNM will then send the Due Diligence Questionnaire to the potential business partner.
- b) When the completed Due Diligence Questionnaire has been received by MNM, the potential business partner shall be screened against relevant databases, including denied parties and politically exposed persons (PEP) lists. The screening report) and completed Due Diligence Questionnaire will be provided to the stakeholders listed in the Request For Screening via a web link.
- c) A corruption risk assessment shall be conducted and recorded (IN 5000362-320 for protocol and INF-0743 App 1 for assessment guidance). The assessment may upon request involve the assistance of MNM and Ethics and Compliance.

Reference
INF-0743 Corruption risk assessment guideline
App 1

- d) The corruption risk assessment and all supporting material shall be filed for future reference.
- e) The agreement shall include business ethics and anti-bribery and corruption clauses based on templates approved by Ethics and Compliance.

5 Appendices

INF-0743 Corruption risk assessment guideline
App 1