



SAAB



MANAGEMENT OF INTERMEDIARIES

INTRODUCTION

A key feature in modern international anti-corruption laws is that a company is liable for third parties that act on behalf of the company. As a general requirement Saab therefore requires every third party relation to be preceded by a corruption risk assessment.

For specific categories of third party relations that are deemed to carry a higher corruption risk, Saab has taken extra precaution and established a mandatory appointment and management process which is headed by Market Network Management (MNM).

The full process is set out in **DIR-C-063 Appointment and Management of International Intermediaries**.

This document includes a summary of the process and its key features.

Third parties covered by the process

The process applies to every third party arrangement intended to develop, advance, expand or maintain Saab's market presence. This means that the process covers marketing consultants, advisors, agents, re-sellers, distributors and other commercial intermediaries as well as certain offset partners, joint ventures and service providers.

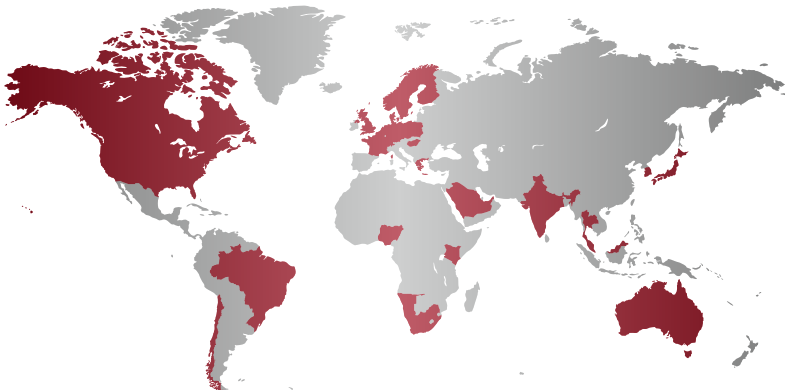
In the event of uncertainty whether a specific agreement falls under the process, this shall be assumed to be the case until otherwise is determined by MNM.

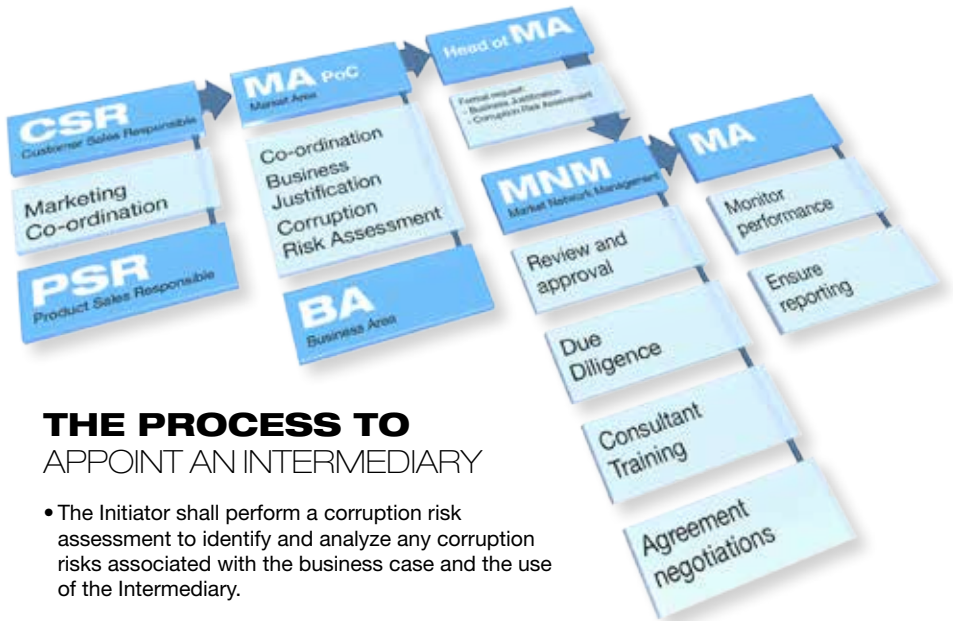
A third party covered by the process is referred to as an Intermediary.

The purpose of the process

The purpose of the process is to ensure that Intermediaries are managed and controlled in a transparent and uniform process across all areas of Saab's operations and that they are retained only after due consideration and conclusion that Saab's standards on business ethical conduct are ensured.

Under no circumstances may an Intermediary receive instruction by, or start working for, Saab before the Process has been concluded and a written agreement has been signed.





THE PROCESS TO APPOINT AN INTERMEDIARY

- The Initiator shall perform a corruption risk assessment to identify and analyze any corruption risks associated with the business case and the use of the Intermediary.
- If the corruption risk assessment indicates an acceptable risk level, the Initiator shall proceed to issue a business justification motivating the need for the proposed Intermediary and the remuneration and requesting MNM to proceed with the appointment.
- The request to MNM to proceed with the appointment shall be preceded by internal co-ordination to ensure that the initiative is aligned with Saab's overall marketing and product strategies.
- Upon approval of the business justification and the corruption risk assessment, MNM will initiate the appointment process and conduct a due diligence investigation, including questionnaires, external inquiries and interviews.
- As part of the vetting process MNM will also conduct anti-corruption & compliance training of the Intermediary.
- The assignment is documented in a written agreement based on internal templates including provisions on scope of work, remuneration, business ethics, reporting, audit rights etc.
- Agreements where the underlying business case exceeds certain thresholds are referred to the Ethics and Compliance Board (ECB) for approval.
- After completion of the appointment process, it is the responsibility of the Initiator to monitor and follow-up the proper performance of the Intermediary's work and ensure that applicable reporting requirements are complied with.



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Further information:

Saab Code of Conduct

DIR-C-200 E Management and Prevention of Corruption Risks

DIR-C-063 E Appointment and Management of International Intermediaries

Business Justification template

Corruption Risk Assessment Tool

All available on the Business Ethic section on Saabnet

Support:

Group Legal Affairs

Market Network Management