FINAL ASSESSMENT
DCNS

The following pages contain the detailed scoring for your company based on public information.

The following table represents a summary of your scores:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Number of questions</th>
<th>% score based on public information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership, Governance and Organisation</td>
<td>10</td>
<td>60%</td>
</tr>
<tr>
<td>Risk Management</td>
<td>7</td>
<td>42.9%</td>
</tr>
<tr>
<td>Company Policy and Codes</td>
<td>12</td>
<td>58.3%</td>
</tr>
<tr>
<td>Training</td>
<td>5</td>
<td>30%</td>
</tr>
<tr>
<td>Personnel and Helplines</td>
<td>7</td>
<td>35.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>48.8%</strong></td>
</tr>
</tbody>
</table>
A1:
Does the company publish a statement from the Chief Executive Officer or the Chair of the Board supporting the ethics and anti-corruption agenda of the company?

Score:

1

Comments:

Based on public information, there is evidence that the company has published a statement from the CEO supporting the ethics agenda of the company. This statement can be found on the company website. A similar statement in the company’s Code of Ethics is inapplicable, as it was published over two years ago. The company therefore scores 1. To score higher the company would need to provide evidence of at least two more strong statements from the CEO in the last two years, which promote its ethics and anti-corruption agenda. Alternatively, the company would need to have published one statement from the CEO or Chairman in the last two years, which specifically supports the company’s strong stance against corruption.

References:

Public:
DCNS Website: ’Ethics and Compliance –
The Chief Executive Officer words
Acting with integrity is a requirement to each of us towards our employees, our clients, business partners, shareholders, and all our stakeholders. I personally consider this of outstanding importance as it has a strategic dimension for the Group.

I am convinced that Ethics and Compliance secure our durability and contribute to our performance. An environment of integrity and respect gives a competitive advantage to the Group because employees are proud of the company they work for and therefore more motivated and efficient.

Our ambition beyond our development in the market is to be a responsible company. The proximity of the sea reminds us every day how our business goes beyond our own destiny. We want to be faithful to this commitment by writing a new chapter of the human and industrial adventure of DCNS.

Patrick Boissier, Chief Executive Officer’
Code of Ethics (July 2011), p.3:
‘This edition of our Ethical Code sets out the main principles on which the DCNS Group intends to base its development. Although it was drawn up before I became Chairman, I have asked for it to be republished as it stands, to demonstrate a continuity of purpose with the approach initiated by my predecessor. Reflecting our values, these rules are founded on exactitude, integrity, respect for others and a concern for preserving the environment.

For our Group, implementing this Code of Ethics goes beyond currently prevailing laws and regulations to illustrate our responsible attitude. We must all act in compliance with it in our practices and behaviour, our commitment to customers, suppliers, subcontractors, employees, shareholders and partners.

Every one of us should therefore fully apprehend this Code of Ethics and make it the framework of reference for everything we do on a day to day basis. Please read it carefully. Our solidarity in its application will be the best foundation for assuring our Company’s long-term future.’

Patrick Boissier, Chairman and CEO of the DCNS Group

DCNS website: Hervé Guillou becomes Chairman & Chief Executive Officer of DCNS
‘French President François Hollande has ratified the proposal of the DCNS Board of Directors to appoint Hervé Guillou as Chairman of the Group’s Board of Directors and to delegate to him the duties of Chairman and Chief Executive Officer.’

A2:
Does the company’s Chief Executive Officer or the Chair of the Board demonstrate a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company?

Score:

1

Comments:
Based on public information, there is no readily available evidence that the company’s CEO demonstrate a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company. However, evidence shows that this engagement is delegated. For example, Chief Compliance Officer Adam Smith, gave an external lecture on Joint Venture corruption risks. The company therefore scores 1. To score higher the company would need to provide evidence that the CEO has demonstrated active external engagement in anti-corruption matters, on more than one occasion over the last two years.

References:
Public:
Anti-Corruption: Minimising Your Company’s Corruption Risks (13 May 2014)
Adam Smith gave a lecture at this event on ‘Tackling the Bribery and Corruption Risks Posed by Joint Ventures’.
A3:
Does the company’s Chief Executive Officer demonstrate a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company, actively promoting the ethics and anti-corruption agenda at all levels of the company structure?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the CEO demonstrates a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company.

References:
Public:
NA
A4:
Does the company publish a statement of values or principles representing
high standards of business conduct, including honesty, trust, transparency,
openness, integrity and accountability?

Score:

2

Comments:
Based on public information, there is evidence that the company publishes a statement of
values representing high standards of ethical business conduct. This includes trust, honesty
transparency. Further, the company demonstrates that these values are translated into
company policies and codes.

References:
Public:
Company Website:
‘Values
The sea is this planet’s future. We are inventing high-tech solutions to sustainably secure
and develop its potential. In line with our vision 2020+, our values guide our interaction with
our clients and colleagues as well as with the group’s partners and shareholders.
Theses values are the result of an involvement initiative launched by DCNS on all its sites:
over one year, more than 700 staff members discussed this subject to express what
stimulates them, motivates them and draws them together. Four core values in line with the
Group’s history, culture and ambitions for the future emerged from these passionate
debates.
Conquering spirit:
• We maintain an optimistic, clearheaded outlook on the future.
• We aim for the top and measure ourself against the very best.
• We move onward and upward by taking on new challenges.
• We drive change and take responsible risks.
Rigour:
• We never compromise on our performance.
• We deliver the results we promise.
We anticipate changes and adapt to unexpected situations.
We recognize our successes as well as our failures and learn from both.

Trust:
• We develop honest, transparent and balanced relationships.
• We place the Group’s interest above those of individuals or teams.
• We stand behind our colleagues and help resolve problems that arise.
• We implement with conviction all decisions that are made.

Respect:
• We respect people, the environment and our code of ethics.
• We recognize the value of different viewpoints and demonstrate an open mind.
• We combine professionalism with humility.
• We consider the consequences of our actions.’

Video Presentation on Values: http://en.dcnsgroup.com/group/about-us/valeurs/

Company Website: Ethics and Compliance
‘For several years, DCNS has promoted within the Group and towards its industrial partners, values that we consider fundamental in the conduct of our business. The principle of integrity is fully in line with the values of respect and rigour that the Groups seeks to attain with respect to its stakeholders and its environment.
DCNS has made the commitment by its employees and stakeholders to ethical principles one of its priorities. To assist everyone in acting in accordance with these principles and applicable regulations, the Group has developed its own reference framework:

- A Code of Ethics,
- A Practical Guide on Ethical Behaviour to be applied by employees, including five specific charters
- An Ethical Reference Guide for our major foreign subsidiaries (ERG-Subsidiary)
- A Code of Conduct for Suppliers

This framework demonstrates the commitment of DCNS to carry on responsible business.’


Company Website:
‘Economic Responsibility
Economic responsibility, a CSR pillar
“DCNS’s international expansion involves relationships with new stakeholders. For these relationships to be long lasting and mutually beneficial, they must be based on shared values.”

Ethics, a key to sustainable growth
Building on its continuing geographical expansion and new activities (including civil nuclear engineering and marine renewable energy), DCNS sees good business ethics as a key factor in its future success and continuing existence. The Group has also launched a number of initiatives to build mutually beneficial relations with stakeholders old and new.

A fresh look at how to create added value

Taking into account the interests of all stakeholders, DCNS is taking a fresh look at its traditional areas of expertise in an effort first to innovate and open up new prospects, later to create added value. Examples include R&D work with EDF Énergies Nouvelles on marine renewable energy and training programmes set up in the job catchments serving the Group’s main centres.

Control and accountability: new tools

Brazil, Finland, China, France... DCNS is an increasingly global player. As such, the Group must ensure that its principles of accountability are applied consistently by internal stakeholders (including subsidiaries and joint ventures) as well as external ones (i.e. customers, suppliers, partners, etc.).

The Export Control department is responsible for ensuring compliance with French and international regulations and for monitoring information flows and exchanges. Turning to its dealings with customers, DCNS distributed its Charter on Customer Relations. The document, actively promoted by the management team, is an integral part of the Group-wide ethics policy. It lays down rules to establish and maintain business relations that are healthy, respectful and confidential.

“DCNS employees are encouraged to practise exemplary behaviour and to observe the rules detailed in our Charter on Customer Relations. DCNS is also keen to promote its values and best practice in dealing with partners and suppliers.”

Philippe Sauvageot, SVP, Marketing & Sales and Alain Fougeron, Deputy Director, Sales

http://en.dcnsgroup.com/group/group-responsibility/economic-responsibility/

Annual Corporate and CSR Report 2013: This report includes an interview with Bernard Plachais, EVP and COO, discussing the company values and how the company approaches the issue of getting stakeholders to adopt the company values (pp.42-43).


Annual Corporate and Social Responsibility Report 2013, pp.54-55:

‘Values on the Silver Screen

DCNS IN THE SPOTLIGHT AT CINEMAS

Produced by Gaumont, Turning Tide tells the story of a skipper competing in the Vendée Globe race whose solo voyage is upset by the presence of an unexpected passenger on board. Directed by Christophe Offenstein and acted by François Cluzet, Samy Seghir, Guillaume Canet and Virginie Efira, the film mainly takes place on the former DCNS racing monohull. The Group plays a key role in the Turning Tide story and benefits from unprecedented exposure. This partnership is a really outstanding opportunity for DCNS to build its awareness during screenings of this film in cinemas, on DVD and then on television.
in France and in foreign countries...

HIGHLIGHTING THE GROUP’S VISION AND VALUES
The film’s heroes represent DCNS’ four values: conquering spirit, rigour, trust and respect. The film is also an opportunity for the Group to highlight the importance of the sea and the importance it will have in the planet’s future, a conviction which is key to its corporate vision.’

A5:
Does the company belong to one or more national or international initiatives that promote anti-corruption or business ethics with a significant focus on anti-corruption?

Score:
2

Comments:
Based on public information, there is readily available evidence that the company is a member of IFBEC and a signatory to the ASD Common Industry Standards. The company plans to sign the United Nations Global Compact in 2014.

References:
Public:
DCNS Website:
"Ethics and Compliance - Integrity Program"
"Requirements and legislation on Corporate Social Responsibility constantly evolve throughout the world. This leads to an increasing demand for transparency and strengthening of governance rules, particularly in the areas of anti-corruption, fair competition and data protection. Indeed, particular attention must be paid to the prevention of corruption, as an offence could have critical consequences for the company and its employees, both judicial and reputational.

In that context, DCNS implements the recommendations of recognized international organizations such as the United Nations, the OECD, and the ISO.

In June 2012, the Group also signed the Common Industry Standards (CIS) of the Association of the AeroSpace and Defence in Europe (ASD). The CIS are the result of an initiative involving both industrial and institutional experts as well as civil society. The aim is to develop and ensure compliance with common principles of the defence sector in the field of business ethics.

DCNS has initially decided to focus on compliance with laws and regulations in our relationships with our partners, compliance with competition law and compliance with the rules of data protection.

Adam Smith, Chief Compliance Officer of DCNS has the task of developing our Integrity Programme and improving our policies and procedures in this area.
I urge all DCNS employees to take the time to familiarize themselves with these principles and to promote them both internally and externally. 

Patrick Boissier, Chief Executive Officer – CEO


‘Ethics and Compliance – Initiatives

DCNS has taken the initiative to reach the level of Ethics and Compliance best practices. To do so, the Group created a Compliance Department, and participates on the French and International scene in the development and promotion of such good practices, in particularly in the Defence sector.

DCNS has signed the Common Industry Standards (CIS) of the Association of Aerospace and Defence in Europe (ASD). These principles aim to ensure that our activities comply with anti-corruption regulations and governance rules, both at national and international level, by providing best practices for doing so. The Integrity Programme developed within DCNS by the Compliance Department provides guidelines and best practices to follow in order to ensure compliance with business ethics rules by the Group in its commercial relations

Learn more about CIS.

DCNS is also a signatory of the Global Principles of the International Forum of Ethical Business Conduct (IFBEC) of which the Group is a member. These principles aim to promote business ethical standards and their implementation: Zero Tolerance to Corruption, Use of Advisers, Management of Conflicts of Interest and Respect for Proprietary Information.

Learn more about IFBEC and Global Principles

DCNS is a contributor to several working groups on Ethics and Compliance both in national and international associations.

The purpose of these working groups is to develop and promote best practices, and discuss operational implementation of Ethics and Compliance in the industry in general, and more specifically in the areas of aeronautics, space and defence, relying sometimes on the presence of experts.

DCNS is a member of the following organizations and committees:

- ASD Business Ethics Committee
- GIFAS Ethics and Corporate Responsibility Working Group
- IFBEC (International Forum on Business Ethics)
- Cercle Ethique des Affaires
- EBEF (European Business Ethics Forum)
- AFNOR Compliance and Anti-Corruption Working Groups’


Annual Corporate and Social Responsibility Report 2013, p.46:
‘Furthermore, in 2014, the Group is preparing to sign the United Nations Global Compact which involves major commitments in terms of ethics.’
A6:
Has the company appointed a Board committee or individual Board member with overall corporate responsibility for its ethics and anti-corruption agenda?

Score:

2

Comments:

Based on public information, there is evidence that the company’s Ethics and Corporate Social Responsibility Managerial Committee has responsibility for defining and verifying the company’s Ethics and Corporate Social Responsibility Policy. In addition, ethics and compliance fall under the remit of the Ethics Committee, the Corporate Responsibility Committee and the Compliance Department. The responsibilities of these groups are clearly outlined.

References:

Public:
Company website: Ethics and Compliance – Organisation
‘Ethics and Compliance are the responsibility of three entities within the DCNS Group: the Ethics Committee, the Corporate Responsibility Committee and the Compliance Department.
The Ethics Committee was created in 2009.
It has a consultative, advisory and policy role on topics concerning Ethics. It also provides individual assistance to management and employees, investigates allegations where appropriate and supports training and communication related to ethical issues.
The activities of the Ethics Committee are relayed on each site across the Group by a network of Ethics Officers.
The Ethics Committee can be contacted directly at any time through the “Advice and Recommendations Process” by e-mail, the address of which is noted in the Code of Ethics and mentioned on the Intranet and Internet Group websites: cm. erase@dcnsgroup.com.
The Company Responsibility Committee was established in June 2011.
It’s role is to implement the overall policy of the Group’s Corporate Social Responsibility as decided by the Top Management. The Committee proposes a plan of action and progress to comply with international best practices and provides leadership for its implementation.
Each functional department is then responsible for the action that falls within its field of competence, in coordination with any other relevant department if needed.

The Compliance Department was created in June 2012.

Patrick Boissier, CEO of DCNS, decided to engage the Group beyond the obligations of a non-listed company. Therefore, he created the Compliance Department in order to bring the Group to the level of defence industry best practices with respect to identification and control of business ethical and regulatory risks.

The Compliance Department is responsible for developing the DCNS Integrity Programme whose objective is the prevention of risks identified as major for the Group.

The activities of the Compliance Department are relayed on each site across the Group through a network of Compliance Officers.


Code of Ethics, p.11: ‘DCNS directors are concerned with ensuring the Group’s perenniality and are the guarantors of the Group’s corporate interests; they therefore monitor that shareholders’ interests are maintained. They are members of Committees set up within the Board of Directors. The said Committees receive all required information. Members of staff are represented on the DCNS Group Board of Directors, in compliance with the law on the democratisation of the public sector.’

Code of Ethics. p.16:
‘Group Ethical Organization
To support implementation of the Code of Ethics, DCNS has set up a Committee for ethical management and corporate responsibility (CEMCR). Supported by all DCNS Management teams, the said CEMCR is responsible for deploying this Code of Ethics and verifies the application thereof.

The Committee’s assignments are:
• To contribute to the definition and implementation of Group policy as regards ethics and corporate responsibility.
• To alert and propose guidance on ethical standards relating to governance, commercial, environmental, social and corporate issues.
• To monitor deployment and follow-up of the Code of Ethics within DCNS.
• To monitor respect of the individual and collective values on which the Group bases its actions. To study the positions, actions and measures implemented by the Group relating to corporate responsibility (sustainable development). To define the main priorities of the training and communication schedule on the said subjects.
• To study commitments undertaken by Group subsidiaries’ Chairpersons certifying compliance with their applicable Code of Ethics.
• To launch the necessary inquiries in the event of non-compliance with the said Code and propose possible actions to be undertaken.’

The Board of Directors ensures that the Group is run properly and determines its strategy objectives. It protects the interests of the company’s principal stakeholders: the shareholders, employees and customers.

Four specialized committees:
- The Audit and Accounts Committee, whose principal mission is to assist the Board of Directors with the analysis of economic and financial information about the Group.
- The Proposals Committee reviews key proposals before they are referred to the Board of Directors.
- The Appointments and Compensation Committee recommends to the Board levels of remuneration and provision for retirement and personal risk insurance schemes for corporate officers and members of the company’s Executive Committee.
- The Strategy Committee assists the Board in its analysis of the 10-year strategic plan and scrutiny of major projects.

http://en.dcnsgroup.com/group/about-us/organization/

Annual Corporate and Social Responsibility Report 2013, p.43:
‘What role does corporate responsibility play in the way your governance is organised?
B.P.: In 2013, we organised our governance in this field around three entities:
• the Ethics Committee, which puts forward ethical approaches to follow and deals with individual cases;
• the company’s Corporate Responsibility Committee, which steers the scheduling and implementation of initiatives resulting from the Group’s CSR principles;
• the Compliance Department, which defines our in-house procedures for establishing a sound approach and makes sure it is implemented.
This change aims to make DCNS’ responsible stance more efficient and apparent to all stakeholders.’

Company website: Main axes of our policy CSR
‘Management Ethics & CSR Committee (CM.ERSE)
In January 2009, DCNS set up its Management Ethics & CSR Committee (CM.ERSE) comprising five members representing the full spectrum of DCNS activities. Drawing on in-house expertise and best practices adopted by other companies, the CM.ERSE advises, issues recommendations and responds to queries on CSR. In 2009, it approved the Group’s Code of Ethics and distributed it to Group employees. The CM.ERSE provided support for Group initiatives on the international market and in the energy sector. It also contributed to work on how to accommodate OECD guidelines and other key standards, including the ISO 26000 guideline standard and the French government’s green initiatives, specifically the provisions of the Grenelle I and II environmental laws.
In 2010, the CM.ERSE committee provided support for increased emphasis on the Group’s CSR policy in its dealings with all stakeholders, including employees. An in-house network of
‘ethics delegates’ was also set up. For its dealings with the outside world, DCNS has adopted an approach based on continuous improvement. Customers, suppliers and subcontractors are all encouraged to adopt French and international standards and benchmarks. Codes and charters are a key component of this approach, with one or more applying to each category of stakeholder. Specific charters deal with Customer Relations and Relations with Suppliers and Subcontractors.’

A7:  
Has the company appointed a person at a senior level within the company to have responsibility for implementing the company’s ethics and anti-corruption agenda, and who has a direct reporting line to the Board?

Score:

2

Comments:

Based on public information, there is evidence that the company has appointed Chief Compliance Officer Adam Smith, with responsibility for implementing the company’s ethics and anti-corruption agenda. Specifically, the Chief Compliance Officer is responsible for developing the company’s ethics and anti-corruption programme, and improving its policies and procedures.

References:

Public:  
DCNS Website:  
‘Ethics and Compliance – Integrity Program’

”Requirements and legislation on Corporate Social Responsibility constantly evolve throughout the world. This leads to an increasing demand for transparency and strengthening of governance rules, particularly in the areas of anti-corruption, fair competition and data protection. Indeed, particular attention must be paid to the prevention of corruption, as an offence could have critical consequences for the company and its employees, both judicial and reputational.

In that context, DCNS implements the recommendations of recognized international organizations such as the United Nations, the OECD, and the ISO. In June 2012, the Group also signed the Common Industry Standards (CIS) of the Association of the AeroSpace and Defence in Europe (ASD). The CIS are the result of an initiative involving both industrial and institutional experts as well as civil society. The aim is to develop and ensure compliance with common principles of the defence sector in the field of business ethics.

DCNS has initially decided to focus on compliance with laws and regulations in our relationships with our partners, compliance with competition law and compliance with the rules of data protection.
Adam Smith, Chief Compliance Officer of DCNS has the task of developing our Integrity Programme and improving our policies and procedures in this area.

I urge all DCNS employees to take the time to familiarize themselves with these principles and to promote them both internally and externally. ”

Patrick Boissier, Chief Executive Officer – CEO’

A8:
Is there regular Board level monitoring and review of the performance of the company’s ethics and anti-corruption agenda?

Score:

1

Comments:
Based on public information, there is some evidence of regular Board level monitoring, of the company’s Integrity Program. However, it is not clear if this is a major, periodic review of the anti-corruption agenda. The company therefore scores 1.

References:

Public:
Company Website, Ethics and Compliance – Integrity Programme:
‘To respond to these concerns, DCNS has created a Compliance Department responsible for developing the Group’s Integrity Programme.
This Integrity Programme is based on a risk assessment which was conducted internally. It should enable better prevention of the risks identified as major by the Group: non-compliance with laws and regulations in its relationships with its partners, non-compliance with competition law and with the rules of data protection.
Particular attention is paid to the prevention of corruption as any offence in this area would have serious consequences for the company and its employees both from a legal and a reputational point of view.
The DCNS’ Integrity Programme aims to inform the management and staff of these risks, to provide the tools to protect the Group and ensure traceability and transparency of actions undertaken by each of us to reduce these risks.
The DCNS Integrity Program has four components...
3 – Monitoring of compliance and implementation of these tools at Group level.
4 – Updating and continuous improvement of these tools’

Code of Ethics. p.16:
Group Ethical Organization

To support implementation of the Code of Ethics, DCNS has set up a Committee for ethical management and corporate responsibility (CEMCR). Supported by all DCNS Management teams, the said CEMCR is responsible for deploying this Code of Ethics and verifies the application thereof.

The Committee’s assignments are:

• To contribute to the definition and implementation of Group policy as regards ethics and corporate responsibility.

• To alert and propose guidance on ethical standards relating to governance, commercial, environmental, social and corporate issues.

• To monitor deployment and follow-up of the Code of Ethics within DCNS.

• To monitor respect of the individual and collective values on which the Group bases its actions. To study the positions, actions and measures implemented by the Group relating to corporate responsibility (sustainable development). To define the main priorities of the training and communication schedule on the said subjects.

• To study commitments undertaken by Group subsidiaries’ Chairpersons certifying compliance with their applicable Code of Ethics.

• To launch the necessary inquiries in the event of non-compliance with the said Code and propose possible actions to be undertaken.  

A8(a):
Is there a formal, clear, written plan in place on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, and evidence of improvement plans being implemented when issues are identified?

Score:

0

Comments:
Based on public information, there is no readily available evidence of a formal, clear, written plan in place on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, or evidence of improvement plans being implemented when issues are identified.

References:
Public:
TI notes:
Company website: Ethics and Compliance
‘Written in 2008 and reissued in 2011, the Code of Ethics is subject to a continuous process of improvement.’
A9: Does the company have a formal process for review and where appropriate update its policies and practices in response to actual or alleged instances of corruption?

Score: 1

Comments: Based on public information, there is evidence that the Committee for ethical management and corporate responsibility monitors the implementation of the Code, launches necessary inquiries in the event of non-compliance and proposes possible actions to be taken. However, it is not clear whether this is part of a formal process to update policies and practices in response to alleged instances of corruption. The company therefore scores 1.

References:

Public:
Code of Ethics (p.16):
‘Group Ethical Organization
To support implementation of the Code of Ethics, DCNS has set up a Committee for ethical management and corporate responsibility (CEMCR). Supported by all DCNS Management teams, the said CEMCR is responsible for deploying this Code of Ethics and verifies the application thereof.
The Committee’s assignments are:
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• To alert and propose guidance on ethical standards relating to governance, commercial, environmental, social and corporate issues.
• To monitor deployment and follow-up of the Code of Ethics within DCNS.
• To monitor respect of the individual and collective values on which the Group bases its actions. To study the positions, actions and measures implemented by the Group relating to corporate responsibility (sustainable development). To define the main priorities of the training and communication schedule on the said subjects.
• To study commitments undertaken by Group subsidiaries’ Chairpersons certifying
compliance with their applicable Code of Ethics.

- To launch the necessary inquiries in the event of non-compliance with the said Code and propose possible actions to be undertaken.

A9(a):
Does the company have a formal anti-corruption risk assessment procedure implemented enterprise-wide?

Score:

1

Comments:
Based on public information, there is some evidence that the company has a formal anti-corruption risk assessment procedure implemented enterprise-wide. The company implemented an internal risk assessment to formulate its Integrity Programme, which includes focus on corruption issues. It is unclear if this risk assessment was a one-off event or whether the company conducts regular assessments. The company therefore scores 1. To score higher the company would need to provide further evidence of the anti-corruption risk assessment procedure, including the implementation of mitigation plans.

References:
Public: Company Website: ‘Main axes of our policy CSR… Governance and CSR Governance is central to DCNS’s CSR policy. The board of directors, which comprises representatives of the French state, members appointed by shareholders and employee representatives, is assisted by four committees: Strategy Proposals Appointments & Compensation Audit, Accounts and Risks with a new, broader mandate reflecting recent diversification and geographical expansion. Risk mapping Risk mapping helps DCNS to identify major risks and rank their criticality. Existing risk maps were simplified and made more uniform in 2009. The new maps also accommodate the Group’s geographical expansion and new technical dominions, the most important being nuclear engineering.’
Requirements of corporate social responsibility continue to evolve throughout the world. This leads to an increasing demand for strengthening ethics and transparency in corporate governance rules.

To respond to these concerns, DCNS has created a Compliance Department responsible for developing the Group’s Integrity Programme.

This Integrity Programme is based on a risk assessment which was conducted internally. It should enable better prevention of the risks identified as major by the Group: non-compliance with laws and regulations in its relationships with its partners, non-compliance with competition law and with the rules of data protection.

Particular attention is paid to the prevention of corruption as any offence in this area would have serious consequences for the company and its employees both from a legal and a reputational point of view.

The DCNS’ Integrity Programme aims to inform the management and staff of these risks, to provide the tools to protect the Group and ensure traceability and transparency of actions undertaken by each of us to reduce these risks.

The DCNS Integrity Program has four components.

1 – Development of tools: policies and procedures
- Gifts and Hospitality Policy (VF only)
- Policy on Sponsoring (VF only)
- Policy on Appointing and Managing Business Advisers (VF only)

2 – Employees’ training and awareness raising on these tools
- Training of 54 executives on white-collar crime.
- Leadership Workshops: these events are aimed at executives of the Group. Each session hosted between 3 and 7 members of the Executive Committees of DCNS entities.

3 – Monitoring of compliance and implementation of these tools at Group level.

4 – Updating and continuous improvement of these tools.

All employees of the Group have the responsibility to take ownership of the Integrity Programme and to promote it both internally and externally.’


Company website: Ethics and Compliance – Organisation
‘The Compliance Department is responsible for developing the DCNS Integrity Programme whose objective is the prevention of risks identified as major for the Group.’

<table>
<thead>
<tr>
<th>Annual Corporate and Social Responsibility Report 2013, p.43:</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Two major audits at the end of 2014 will enable us to measure the progress we have made. They will be carried out by two organisations: Vigeo for corporate social responsibility and Ethic Intelligence for ethical issues.’</td>
</tr>
</tbody>
</table>

(p.52): ‘ETHICS: following the recommendations of the “Ethics Intelligence” audit, interviews with members of the Executive Committee are published on the Group’s intranet every month and a managerial ethical report is issued every year.’
A10:

Does the company have a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied.

References:

Public:

NA
A11:
Does the company conduct due diligence that minimises corruption risk when selecting or reappointing its agents?

Score:
1

Comments:
Based on public information, there is evidence that the company conducts due diligence when selecting agents. The company therefore scores 1. To score higher the company would need to provide evidence it refreshes the due diligence at least every 3 years and/or when there is a significant change in the business relationship.

References:
Public:
Policy on Appointing and Managing Business Advisors:
L'utilisation de prestataires de services est autorisée par la loi. Cependant, la sélection et la gestion de ces prestataires doit être menée avec toute la rigueur nécessaire afin d'éviter tout risque de conflit d'intérêts, de fraude ou de corruption, réel ou apparent.

DCNS agit en stricte conformité avec la réglementation et s'aligne sur les meilleures pratiques internationales, notamment en matière de lutte contre la corruption. Le Groupe veille à ce que chaque collaborateur adopte un comportement irréprochable dans le cadre de ses activités, et aussi à promouvoir et faire respecter sa démarche par l'ensemble de ses parties prenantes, parmi lesquelles les prestataires de service.

Tout manquement à cette politique peut avoir de graves conséquences pour le Groupe tant sur le plan de la réputation et de l'image que sur le plan judiciaire et financier.

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Sont des Prestations Commerciales, au sens de cette politique, le conseil, le lobbying, la promotion, le marketing, ou toute autre prestation similaire visant à soutenir les opérations commerciales de DCNS et les contrats commerciaux avec les clients.

La Corruption se définit comme l'obtention ou la conservation d'un contrat ou d'un marché grâce à la promesse, l'offre ou le don d'un avantage indu.

Le Conflit d'Intérêt se définit comme la situation dans laquelle une personne a des intérêts professionnels ou personnels (familial, financier, associatif, politique, syndical, etc.) de nature à influer ou paraître influer sur ses décisions dans le cadre des responsabilités professionnelles exercées.

La Due Diligence est le processus de sélection par lequel DCNS évalue la pertinence ainsi que l'intégrité de l'organisme sélectionné ou en cours de sélection afin de se prémunir notamment contre tout risque de conflit d'intérêts, de fraude ou de corruption, réel ou apparent.

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Le Groupe applique une politique de tolérance zéro face à la Corruption, que celle-ci ait été commise directement par le groupe DCNS et/ou indirectement via un prestataire de service.
La politique de DCNS se décline selon les principes suivants :

- Seul un nombre limité et identifié de personnes au sein du Groupe est autorisé à exprimer des besoins de prestations commerciales (voir définition point 2) dans le cadre des activités du Groupe à l’export.

- Tout besoin doit être exprimé exclusivement auprès de DCNS Cooperation, filiale spécialisée du Groupe, seule entité habilitée à recevoir les expressions de besoin, à les traiter, puis à fournir les services demandés.

- DCNS Cooperation est la seule entité du Groupe autorisée à rechercher, contracter et le cas échéant, gérer les Prestataires de Services.

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- La mise en œuvre de cette Procédure fait l’objet d’un audit annuel afin d’en vérifier le bon fonctionnement et son application systématique.

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La Direction Compliance et la Direction de l’Audit et des Risques mènent conjointement des contrôles réguliers sur le respect et la mise en œuvre effective par les managers et collaborateurs du Groupe de cette politique et de la Procédure.

6. Sanctions

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Entrée en vigueur : 3 février 2014

Patrick Boissier
Président directeur général

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Translation:

p.1: Using service providers is regulated by law. That is why the selection and the management of these providers have to be executed with all the necessary strictness in order to avoid all the risks of conflicts of interest, fraud or corruption, real or potential.

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3. Principles
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- This procedure is subject to a regular update in order to make sure it conforms with all the best practices or the new legislative and regulatory dispositions

4. Scope
This policy applies to all the management and all the collaborators/partners of the DCNS Group. It applies to all activities – civil or military of the export of the Group.

5. Control
The Compliance Directorate and the Audit and Risk Directorate lead the regular controls on the respect and the implementation of this policy and procedure by the managers and the collaborators/partners of the Group.

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Patrick Boissier, President General Director

A12:
Does the company have contractual rights and processes for the behaviour, monitoring, control, and audit of agents with respect to countering corruption?

Score:

2

Comments:
Based on public information, there is evidence that the company has contractual rights for the behaviour, monitoring and audit of agents with respect to countering corruption. In particular, the company clearly outlines the consequences of engaging in corrupt activities.

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Entrée en vigueur : 3 février 2014

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6. Sanctions
All the managers and the collaborators/partners of the DCNS who do not respect the present policy and procedure are subject to disciplinary measures and criminal sanctions.

Patrick Boissier, President General Director

A13:
Does the company make clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance?

Score:

2

Comments:
Based on public information, there is evidence that company makes clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance.

References:
Public:
Code of Ethics p.6:
‘With respect to customers, suppliers and subcontractors
DCNS strives to establish stable relationships based on mutual confidence and respect with its customers, suppliers and subcontractors. Accordingly, DCNS customers, suppliers and specialised subcontractors are Group associates. This status entitles the latter to expect:
– Genuine and loyal information, in accordance with their requirements.
– Compliance with Group commitments thereto.’

(pp.7-8): ‘Suppliers and Subcontractors
DCNS establishes purchasing relationships based on mutual loyalty with its suppliers and subcontractors.
Loyalty towards suppliers and subcontractors involves:
— Compliance with purchasing procedures:
• Transparency of implemented selection rules, in particular the fair treatment of companies during bidding.
• A commitment to implement negotiated conditions, in particular with respect to payment deadlines and intellectual property rights.
— Behaviour which ensures that prices paid correspond to the value of supplied goods,
assets and services.

All members of Group personnel, whether purchasers or line staff, are expected to have the integrity to refuse any personal advantage or gift of significant value, either on their own behalf or for family and friends. Offers of travel, trips or shows shall be refused, unless these have a professional character within the framework of customer, supplier or subcontractor seminars, or collective events. Invitations to restaurants or a show shall be restricted to a specific event, be reciprocal and kept to a reasonable level.

An employee’s personal interests shall never be taken into account when selecting a supplier or subcontractor. Management is especially vigilant if a personal, family or financial connection exists between a supplier or subcontractor and a member of staff.

In order to guarantee the neutrality and independence of relationships between DCNS, our suppliers and subcontractors, and within the framework of Human Resources management policy, the purchasing department endeavours to regularly change purchasers’ portfolios, at least every five years.

Application of the principles set forth herein is all the more necessary due to the fact that the Group purchasing policy is based on the selection of a limited number of suppliers and subcontractors, and the development of performing and long-lasting relationships with the latter, thereby guaranteeing the long-term competitiveness of DCNS solutions at both national and international levels.

(p.14): ‘This Code of Ethics may also be communicated beyond the Group if necessary, in particular to customers, suppliers, subcontractors and shareholders, in accordance with rules specified by the Committee for ethical management and corporate responsibility’.


Code of Conduct for Suppliers to the DCNS Group (April 2012), p.1:

‘The DCNS group makes sure that its suppliers, service providers and subcontractors (hereinafter collectively referred to as "Suppliers" or individually as "Supplier") are associated with the DCNS group's performance, which means their close involvement in the group's CSR policy.

DCNS suppliers shall play a full and comprehensive part in this strategy. As part of its CSR policy, the DCNS group wishes to provide its clients with products and services that meet contractual commitments, are sensitive to their lifecycles and are ecodesigned. The DCNS group expects its Suppliers to contribute to the achievement of these aims.

The Code of Conduct for Suppliers to the DCNS group (the "Code of Conduct") sets out the principles DCNS expects its Suppliers to commit to as part of their joint effort towards continuous progress and sustainable development.’

(p.2): ‘1.1 Governance

1.1.1 Suppliers shall apply a principle of governance that is based on transparency to their stakeholders and risk prevention and is suitable for their own areas of business. They shall
therefore communicate clearly with their stakeholders, providing them with truthful information on their strategic objectives, financial positions and social and environmental management systems.

Suppliers shall keep exhaustive and reliable accounts and shall not engage in off the books transactions or pay in or out cash that is not recorded in a dedicated cash register.

1.1.2 Honest trading in compliance with current laws and practices, including the prevention of corruption is a permanent requirement of the DCNS group. Consequently the DCNS group expects its Suppliers to comply in full with all national and international legal prohibitions intended to prevent corruption and money laundering and to apply all necessary resources to prevent conflicts of interest, corruption and influence peddling.

a. Prevention of conflicts of interest
Suppliers shall prevent and avoid any situation that might create a conflict of interests. Such situations may appear especially where the private interests of one of the Supplier's employees or representatives (or of a close relative of that employee or relative) conflict with the interests of the DCNS group.

b. Prevention of corruption
When dealing with public and private bodies (including their employees and representatives) Suppliers shall not offer, promise, give or solicit either directly or indirectly any benefit or payment of money to obtain a contract or obtain any improper profit or advantage.

c. Respect for competitors
The suppliers, in the countries in which they operate, shall conduct their activities in compliance with the conventional laws and texts in force with respect to free and fair competition.’

(p.4-5): ‘CLAUSE 2: IMPLEMENTATION OF THE CODE OF CONDUCT

2.1 Contractual validity and scope
Once Suppliers have undertaken to apply the Code of Conduct under a duly signed contract agreement, the contract agreement itself (including the Code of Conduct) shall form an integral part of the purchase agreements signed by any member of the DCNS group with the Supplier concerned (hereafter together the "Purchase Agreements" or individually the "Purchase Agreement").

"DCNS group entity" shall mean: DCNS SA, a French company, registered office 40-42, rue du Docteur Finlay 75075 Paris, France; or any French or foreign company where more than 50% of the share capital and/or voting rights are held directly or indirectly by DCNS SA.

2.2 Suppliers' commitments
Suppliers shall comply at least with the laws and other legal rules applying in their own countries. Where the principles enshrined in the Code of Conduct are more rigorous than the legal rules applying in a Supplier's own country, the principles shall prevail, subject however to their compatibility with the public law legal requirements applying in that country.

By signing a Contract Agreement concerning the Code of Conduct, Suppliers shall accept its
terms and become liable to the DCNS group for strict compliance with it. The DCNS group expects its Suppliers to honour this commitment in the long term and to use their best efforts within their own spheres of influence to promote behaviour that is in line with the Code of Conduct.

2.3 Measurement of CSR performance - Progress plan

As part of its supplier assessment and selection process, the DCNS group measures the supplier's overall CSR performance. Suppliers are required to reply to any CSR questionnaire sent to them by the DCNS group in this respect.

Furthermore, suppliers shall spontaneously report to the DCNS group any event that might compromise the accuracy of the information which they provided during the assessment and selection processes and/or audits conducted by the DCNS group.

Should it be discovered that a Supplier is unable to comply in full with certain obligations under the Code of Conduct, the Supplier and the DCNS group may agree, depending on the difficulties involved, to set up a progress plan that will be run by the Supplier over an agreed period with the aim of maintaining a successful and long-term relationship between that Supplier and the DCNS group.

2.4 Audits - Consequences of failure to comply with the Code of Conduct

The DCNS group reserves the right to audit its Suppliers to ensure they are complying with and implementing the Code of Conduct principles.

Suppliers shall co-operate with the audits which shall be organized in a manner that shall be agreed, either by the DCNS group or by external auditors mandated by the DCNS group. However, if the supplier already regularly uses an independent auditing body with a good international reputation in the CSR field, DCNS may take into consideration the results of the audits carried out, subject to the corresponding audit reports being available for consultation by DCNS and that the said body has received DCNS approval.

In the event of serious or repeated failure by a Supplier to comply with the Code of Conduct, the DCNS group may terminate all Purchase Agreements with the Supplier, without prejudice to the right of the DCNS group to claim compensation for damage suffered.

CLAUSE 3: DISSEMINATION OF THE CSR PRINCIPLE

DCNS group Suppliers shall also use their best efforts to promote and trickle down the principles of the Code of Conduct to their own suppliers, providers and sub-contractors and to persuade them to implement said principles.’


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The policy is defined according to the following principles:

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- All the needs have to be expressed exclusively in front of the DCNS Corporation, a specialised subsidiary, a single entity authorised to receive such requests
- ....
- Application of a strict selection process by the single authorised entity, conducting Due Diligence necessary to prevent against all the risks of unethical behaviour and more specifically corruption
- Internal procedure to implement this policy and to distribute it to all relevant parties
- The implementation of this procedure is subject to annual audit in order to verify its good application and functioning
- This procedure is subject to a regular update in order to make sure it conforms with
all the best practices or the new legislative and regulatory dispositions

4. Scope
This policy applies to all the management and all the collaborators/partners of the DCNS Group. It applies to all activities – civil or military of the export of the Group.

5. Control
The Compliance Directorate and the Audit and Risk Directorate lead the regular controls on the respect and the implementation of this policy and procedure by the managers and the collaborators/partners of the Group.

6. Sanctions
All the managers and the collaborators/partners of the DCNS who do not respect the present policy and procedure are subject to disciplinary measures and criminal sanctions.

Patrick Boissier, President General Director

A13(a):
Does the company explicitly address the corruption risks associated with offset contracting?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company explicitly addresses the corruption risks associated with offset contracting.

References:
Public:
NA
A13(b):

Does the company conduct due diligence that minimises corruption risk when selecting its offset partners and offset brokers?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company conducts due diligence that minimises corruption risk when selecting its offset partners and offset brokers.

References:

Public:
NA
A15:
Does the company have an anti-corruption policy that prohibits corruption in its various forms?

Score:

1

Comments:
Based on public information, there is some evidence that the company has an anti-corruption policy that prohibits corruption in its various forms. However, TI notes that the Code of Ethics only appears to limit staff granting advantages. The company therefore scores 1. To score higher the company would need to provide evidence that it explicitly prohibits corruption in its various forms, including both the giving and receiving of bribes.

References:
Public:
Code of Ethics, p.6:
‘Group members of staff may only grant any advantages, gifts, entertainment or travels to a customer within strictly defined limits, in compliance with currently prevailing rules and commonly agreed practices.’

Policy on Appointing and Managing Business Advisors:
L'utilisation de prestataires de services est autorisée par la loi. Cependant, la sélection et la gestion de ces prestataires doit être menée avec toute la rigueur nécessaire afin d'éviter tout risque de conflit d'intérêts, de fraude ou de corruption, réel ou apparent.

DCNS agit en stricte conformité avec la réglementation et s'alligne sur les meilleures pratiques internationales, notamment en matière de lutte contre la corruption. Le Groupe veille à ce que chaque collaborateur adopte un comportement irréprochable dans le cadre de ses activités, et aussi à promouvoir et faire respecter sa démarche par l’ensemble de ses parties prenantes, parmi lesquelles les prestataires de service.

Tout manquement à cette politique peut avoir de graves conséquences pour le Groupe tant sur le plan de la réputation et de l’image que sur le plan judiciaire et financier.

2. Définitions

Le Groupe DCNS signifie DCNS SA et ses filiales contrôlées.

Est une Filiale Contrôlée, toute société dont DCNS SA détient, directement ou indirectement plus de 50% du capital ou des droits de vote, ou le pouvoir de nommer ou de révoquer plus de 50% des administrateurs.

Les Prestataires de Services, au sens de cette politique, sont les fournisseurs de prestations commerciales telles que définies ci-dessous.

Sont des Prestations Commerciales, au sens de cette politique, le conseil, le lobbying, la promotion, le marketing, ou toute autre prestation similaire visant à soutenir les opérations commerciales de DCNS et les contrats commerciaux avec les clients.

La Corruption se définit comme l’obtention ou la conservation d’un contrat ou d’un marché grâce à la promesse, l’offre ou le don d’un avantage indu.

Le Conflit d’Intérêt se définit comme la situation dans laquelle une personne a des intérêts professionnels ou personnels (familial, financier, associatif, politique, syndical, etc.) de nature à influer ou paraître influer sur ses décisions dans le cadre des responsabilités professionnelles exercées.

La Due Diligence est le processus de sélection par lequel DCNS évalue la pertinence ainsi que l’intégrité de l’organisme sélectionné ou en cours de sélection afin de se prémunir notamment contre tout risque de conflit d’intérêts, de fraude ou de corruption, réel ou apparent.

3. Principes

Le Groupe applique une politique de tolérance zéro face à la Corruption, que celle-ci ait été commise directement par le groupe DCNS et/ou indirectement via un prestataire de service.
La politique de DCNS se décline selon les principes suivants :

- Seul un nombre limité et identifié de personnes au sein du Groupe est autorisé à exprimer des besoins de prestations commerciales (voir définition point 2) dans le cadre des activités du Groupe à l’export.

- Tout besoin doit être exprimé exclusivement auprès de DCNS Cooperation, filiale spécialisée du Groupe, seule entité habilitée à recevoir les expressions de besoin, à les traiter, puis à fournir les services demandés.

- DCNS Cooperation est la seule entité du Groupe autorisée à rechercher, contracter et le cas échéant, gérer les Prestataires de Services.

- Pour ce faire, DCNS Cooperation applique un processus de sélection précis et rigoureux et conduit les Due Diligences nécessaires afin de se prémunir contre tout risque de comportement non-éthique et plus spécifiquement de Corruption.

- Une procédure interne de mise en œuvre de cette politique (ci-après, « Procédure ») est diffusée systématiquement à toute personne concernée par son application.

- La mise en œuvre de cette Procédure fait l’objet d’un audit annuel afin d’en vérifier le bon fonctionnement et son application systématique.

- Enfin, cette Procédure fait l’objet d’une mise à jour régulière afin d’être en permanence conforme aux meilleures pratiques et, le cas échéant, aux nouvelles dispositions législatives et réglementaires.

4. Champ d’application

Cette politique s'applique à tout le management et à tous les collaborateurs du Groupe DCNS. Elle s’applique à toutes les activités civiles et militaires à l’export du Groupe DCNS.

Les membres du COMEX ont la responsabilité de diffuser la Procédure à tous les collaborateurs concernés par son application et de s’assurer que ces derniers la respectent et la mettent en œuvre conformément aux principes énoncés.

5. Contrôle

La Direction Compliance et la Direction de l'Audit et des Risques mènent conjointement des contrôles réguliers sur le respect et la mise en œuvre effective par les managers et collaborateurs du Groupe de cette politique et de la Procédure.

6. Sanctions

Tout manager ou collaborateur de DCNS qui ne respecterait pas la présente politique et la Procédure s’expose à des sanctions disciplinaires, voire à des sanctions pénales.

Entrée en vigueur : 3 février 2014

Patrick Boissier
Président directeur général

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Translation:

p.1: ‘Using service providers is regulated by law. That is why the selection and the management of these providers have to be executed with all the necessary strictness in order to avoid all the risks of conflicts of interest, fraud or corruption, real or potential. DCNS acts in strict abidance with the regulations and the best international practices especially in the field of anti-corruption. The Group makes sure that each collaborator/partner adopts impeccable behaviour in their activities...

Any breach of this policy may have grave consequences for the Group both on its reputation and in judicial and financial aspects.

2. Definitions:
The DCNS Group – DCNS SA and its subsidiaries...
Service providers – in the framework of this policy are the suppliers of commercial services defined below
Commercial Services – advice, lobbying, promotion, marketing, and all the similar services that are used in order to maintain commercial services of DCNS and the commercial contracts with its clients
Corruption – is defined as the obtaining or keeping a contract or market thanks to the promise, offer or the improper donation.
Conflicts of Interest – the situations in which a person has professional or personal interests that can influence or appear to influence the decisions in the framework of the professional responsibilities
Due Diligence – the process of selection through which DCNS evaluates the relevance and the integrity of the selected entities or on its way to selecting in order to prevent all the risks associated with conflicts of interest, fraud or corruption, real or potential.

3. Principles
The Group applies a policy of ‘zero tolerance’ against corruption, which is a commitment of the Group and/or indirectly through the service providers

(p. 2):
The policy is defined according to the following principles:

- Limited number of people in the Group are authorised to express need of commercial services
- All the needs have to be expressed exclusively in front of the DCNS Corporation, a specialised subsidiary, a single entity authorised to receive such requests
- .....  
- Application of a strict selection process by the single authorised entity, conducting Due Diligence necessary to prevent against all the risks of unethical behaviour and more specifically corruption
- Internal procedure to implement this policy and to distribute it to all relevant parties
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all the best practices or the new legislative and regulatory dispositions

4. Scope
This policy applies to all the management and all the collaborators/partners of the DCNS Group. It applies to all activities – civil or military of the export of the Group.

5. Control
The Compliance Directorate and the Audit and Risk Directorate lead the regular controls on the respect and the implementation of this policy and procedure by the managers and the collaborators/partners of the Group.

6. Sanctions
All the manageres and the collaborators/partners of the DCNS who do not respece the present policy and procedure are subject to disciplinary measures and criminal sanctions. ‘

Patrick Boissier, President General Director


Exceprts from the Gifts and Hospitality Policy:
Translation:
p.1: ‘Under certain circumstances, gifts and hospitality may create a conflict of interest, real or potential, could be seen as corruption because it can make a business relation susceptible to undue influence. It has to abide by certain conditions in order to be legal.

If you have been offered a gift, or hospitality or other benefit, ask yourself whether accepting it may have an influence, real or potential on your objectivity or whether it can constitute an obligation towards the giver on your behalf or this of the company. The same applies if you would like to offer gifts or hospitality or other benefits.

You have to be informed on the local legislation applicable for the public servants because certain states prohibit the giving or receiving of gifts and hospitality.

If you are in a doubt, always place the gift or hospitality within the framework of the DCNS standards (Code of Ethics, the Practical Guide of Ethical Behaviour, Charter of the clients and suppliers, Code of conduct of suppliers of the DCNS, the Integrity Programme)….. If the doubt persists after checking the documents, seek advice from your superiors or the Compliance Directorate.

2. Definitions
Gift: everything of value or with financial advantage, donations, service, invitation, favour, discount, offering or receiving, directly or indirectly

Hospitality: contains all the forms of meals, trips, accommodation, cultural or sport events, giving or receiving directly or indirectly.

(pp. 1-2): Corruption/Conflicts of interest
Civil servant: the members or the representatives of the government, parliament, the
national assembly, the public administration, the political parties and the international organisations.

(p. 2): 3. The Principle

It is forbidden to receive gift or hospitality or other advantage of any nature that could be perceived as influence on the personal judgement or that can carry potential to affect the integrity of the decision-making process’
A16: Is the anti-corruption policy explicitly one of zero tolerance?

Score: 2

Comments: Based on public information, there is evidence that the company has zero tolerance for corruption.

References:
Public: Policy on Appointing and Managing Business Advisors:
L'utilisation de prestataires de services est autorisée par la loi. Cependant, la sélection et la gestion de ces prestataires doit être menée avec toute la rigueur nécessaire afin d'éviter tout risque de conflit d'intérêts, de fraude ou de corruption, réel ou apparent.

DCNS agit en stricte conformité avec la réglementation et s'aligne sur les meilleures pratiques internationales, notamment en matière de lutte contre la corruption. Le Groupe veille à ce que chaque collaborateur adopte un comportement irreproachable dans le cadre de ses activités, et aussi à promouvoir et faire respecter sa démarche par l'ensemble de ses parties prenantes, parmi lesquelles les prestataires de service.

Tout manquement à cette politique peut avoir de graves conséquences pour le Groupe tant sur le plan de la réputation et de l'image que sur le plan judiciaire et financier.

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La Corruption se définit comme l'obtention ou la conservation d'un contrat ou d'un marché grâce à la promesse, l'offre ou le don d'un avantage indu.

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- Seul un nombre limité et identifié de personnes au sein du Groupe est autorisé à exprimer des besoins de prestations commerciales (voir définition point 2) dans le cadre des activités du Groupe à l’export.

- Tout besoin doit être exprimé exclusivement auprès de DCNS Cooperation, filiale spécialisée du Groupe, seule entité habilitée à recevoir les expressions de besoin, à les traiter, puis à fournir les services demandés.

- DCNS Cooperation est la seule entité du Groupe autorisée à rechercher, contracter et le cas échéant, gérer les Prestataires de Services.

- Pour ce faire, DCNS Cooperation applique un processus de sélection précis et rigoureux et conduit les Due Diligences nécessaires afin de se prémunir contre tout risque de comportement non-éthique et plus spécifiquement de Corruption.

- Une procédure interne de mise en œuvre de cette politique (ci-après, « Procédure ») est diffusée systématiquement à toute personne concernée par son application.

- La mise en œuvre de cette Procédure fait l’objet d’un audit annuel afin d’en vérifier le bon fonctionnement et son application systématique.

- Enfin, cette Procédure fait l’objet d’une mise à jour régulière afin d’être en permanence conforme aux meilleures pratiques et, le cas échéant, aux nouvelles dispositions législatives et réglementaires.

4. Champ d’application

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5. Contrôle

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6. Sanctions

Tout manager ou collaborateur de DCNS qui ne respecterait pas la présente politique et la Procédure s’expose à des sanctions disciplinaires, voire à des sanctions pénales.

Entrée en vigueur : 3 février 2014

Patrick Boissier
Président directeur général
Translation:


The Group applies a policy of ‘zero tolerance’ against corruption, which is a commitment of the Group and/or indirectly through the service providers’


Annual Corporate and Social Responsibility Report 2013, p.43:

‘We have a zero tolerance attitude when it comes to ethical shortcomings.’

(p.46): ‘The first policies and procedures defined as part of this programme emphasise the Group’s relationships with its partners and, more specifically, prevention of corruption. This approach is in line with the zero tolerance policy that has been lacking in the Code of Ethics advocated by DCNS.’
A17:
Is the company’s anti-corruption policy easily accessible to Board members, employees, contracted staff and any other organisations acting with or on behalf of the company?

Score:

2

Comments:
Based on public information, there is evidence that the company’s ethics and anti-corruption policies are easily accessible to Board members, employees and third parties. In particular when the Code of Ethics was first published, it was sent to the home of every employee.

References:
Public:
DCNS Website:
“The Code of Ethics
We are judged by our actions. Therefore, our reputation depends on the commitment of our employees to the values that we consider fundamental: integrity, rigour, respect for people and the environment. As such, DCNS developed in 2008 a Code of Ethics to help each of our employees to act in accordance with these values. It was sent to the home of each of our employees.
In 2009, the new CEO Patrick Boissier immediately supported the DCNS Code of Ethics by writing a preface. The Code of Ethics was reissued in 2011 and distributed to each employee through his/her manager. The Code is given to each new employee of the Group. It is available on the Intranet and Internet. It is supplemented over time by guides and instructions disseminated throughout the group.
Practical Guide on Ethical Behavior (PGEB)
The PGEB aims to provide guidance to employees of DCNS in the implementation of the Code of Ethics. It is composed of approximately thirty thematic fact sheets organized according to stakeholders with whom DCNS has a professional relationship. These fact sheets describe fictional but concrete situations. They provide advice as to how to behave. The PGEB is completed by four charters which outline the ethical principles that the Group expects to see applied on a day-to-day basis by all employees and business partners as well
as a code of conduct for suppliers.
- Charte on relations with customers
- Charte on relation with suppliers
- Code of conduct for suppliers

Ethical Reference Guides for our Subsidiaries (ERG-Subsidiary)
DCNS’s governance complies with laws, rules and standards in force relating to governance, protection of environmental and social rights. Because these texts are evolving, DCNS has decided to make available to the managers of its subsidiaries overseas an “Ethical Reference Guide” which summarizes concisely national and international laws that DCNS must comply with in the conduct of its activities in the country. The ERG-Subsidiary also indicates the relevant internal people to call in case of problems or questions.’


Code of Ethics, p.14:
‘The DCNS Group distributes this Code of Ethics to each member of staff. It ensures training for any member of staff who wishes to supplement his/her knowledge in this field. This Code of Ethics may also be communicated beyond the Group if necessary, in particular to customers, suppliers, subcontractors and shareholders, in accordance with rules specified by the Committee for ethical management and corporate responsibility.’


Company website: Ethics and Compliance
‘Written in 2008 and reissued in 2011, the Code of Ethics is subject to a continuous process of improvement. It is available on DCNS Intranet and Internet websites, and is handed out to each new employee of the Group. It is also made available outside the Group when needed, especially to customers, suppliers, subcontractors and shareholders.’

A17(a):

Is the company’s anti-corruption policy easily understandable and clear to Board members, employees and third parties?

Score:

2

Comments:

Based on public information there is evidence that the company’s ethics and anti-corruption policies are easily understandable to Board members, employees and third parties.

References:

Public:
Code of Ethics (p.17):
‘Procedure for Compliance with the DCNS Code of Ethics
The Group Code of Ethics, by contributing to the development of responsible awareness, is part of DCNS Group overall policy, concerned by compliance with legislation and principles which govern companies.
The “advice and recommendation process”, implemented as of promulgation of the Code of Ethics, offers various channels for DCNS staff to contact the Group’s ethics authorities.
— If you have any queries or doubts, the “advice and recommendation process” enables each member of staff to receive information and advice on the application and interpretation of Code of Ethics rules, current texts and legislation. The said queries or doubts are transmitted through management channels or directly to the CEMCR.
— The “advice and recommendation process”, directly triggered by a member of staff with the CEMCR, is performed with identification and through secured data-processing channels, against a confidentiality undertaking.
— The implementation of the “advice and recommendation process” implies each person’s serious responsibility, and calls on each member of staff’s specific ethics. The said process can only operate on the basis of information transmitted in good faith, supported as far as possible by physical and verifiable facts which may endanger the Group’s liability or damage the reputation and/or image thereof.’
Policy on Appointing and Managing Business Advisors:

L'utilisation de prestataires de services est autorisée par la loi. Cependant, la sélection et la gestion de ces prestataires doit être menée avec toute la rigueur nécessaire afin d'éviter tout risque de conflit d'intérêts, de fraude ou de corruption, réel ou apparent.

DCNS agit en stricte conformité avec la réglementation et s'aligne sur les meilleures pratiques internationales, notamment en matière de lutte contre la corruption. Le Groupe veille à ce que chaque collaborateur adopte un comportement irréprochable dans le cadre de ses activités, et aussi à promouvoir et faire respecter sa démarche par l'ensemble de ses parties prenantes, parmi lesquelles les prestataires de service.

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3. Principes

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Entrée en vigueur : 3 février 2014

Patrick Boissier
Président directeur général

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Translation:

‘p. 1: Using service providers is regulated by law. That is why the selection and the management of these providers have to be executed with all the necessary strictness in order to avoid all the risks of conflicts of interest, fraud or corruption, real or potential.

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Corruption – is defined as the obtaining or keeping a contract or market thanks to the promise, offer or the improper donation.

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- ....
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6. Sanctions
All the managers and the collaborators/partners of the DCNS who do not respect the present policy and procedure are subject to disciplinary measures and criminal sanctions. ‘

Patrick Boissier, President General Director


Company website: Ethics and Compliance

‘The Practical Guide on Ethical Behaviour (GPCE)
The Practical Guide on Ethical Behaviour aims to provide guidelines to DCNS’ employees in the implementation of the Code of Ethics. It consists of thirty factsheets organized by themes corresponding to the stakeholders with whom DCNS is in relation. These factsheets provide behavioural guidance for employees by describing concrete but fictional situations.’

A18:
Does the anti-corruption policy explicitly apply to all employees and members of the Board?

Score:
1

Comments:
Based on public information, there is evidence that the company’s ethics and anti-corruption policies apply to all employees. The company therefore scores 1. To score higher the company would need to provide evidence that these policies apply to Board members.

References:

Public:
Code of Ethics (p.5):
‘These rules are applicable to four key areas for the group, as regards:
- Customers, suppliers and subcontractors.
- Members of staff.
- Shareholders and media.
- Our environment.’

Company website: Ethics and Compliance
‘The Code of Ethics defines the rules of business conduct applicable at Group level. These rules apply to the entire DCNS Group in its relations with customers, suppliers and subcontractors; employees; shareholders; the media and the Group’s other stakeholders. It provides guidance for staff wishing to enhance their understanding of the issue.
A20:
Does the company have a policy on potential conflicts of interest, and does it apply to both employees and board members?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a policy on potential conflicts of interest. TI notes that the only information available applies to employee relations with suppliers and subcontractors. Further, a definition of a conflict of interest is not provided and examples of possible conflicts of interest are not given. In addition, it is unclear if this policy also applies to Board members.

References:

Public:
Policy on Relations with DCNS Suppliers and Subcontractors (2009):
‘This policy is an integral part of DCNS’s Group-wide ethics policy. When acting on the Group’s behalf, employees must:
• comply with the rules of the Group’s Code of Ethics
• show respect for and behave in accordance with Group values
• comply with all relevant laws
• ensure that their behaviour and decisions are free of any conflict with private interests
• refrain from disclosing confidential information concerning the Group
• ensure that their behaviour and decisions contribute to the Group’s good name.’

‘An employee’s private interests must never be taken into consideration in relations with a supplier or subcontractor. DCNS Group employees undertake to inform their chain of management in the event of any personal, family or financial link with a supplier or subcontractor.’

A21:

Does the company have a policy for the giving and receipt of gifts to ensure that such transactions are bona fide and not a subterfuge for bribery?

Score:

2

Comments:

Based on public information, there is evidence that the company has a policy for the giving and receipt of gifts, to ensure that such transactions are bona fide and not a subterfuge for bribery. The company states that there are upper limits for gift exchange, with each country having specific upper limits.

References:

Public:

Gifts and Hospitality Policy (July 2013):

Dans certaines circonstances, les cadeaux d’affaires et marques d’hospitalité peuvent créer un conflit d’intérêt, réel ou apparent, voire être perçus comme de la corruption car susceptibles d’influencer une relation d’affaire. S’ils font parfois partie des usages, ils doivent répondre à certaines conditions pour être acceptables, voire légaux.

Lorsqu’un cadeau, une marque d’hospitalité ou tout autre bénéfice, vous est offert, demandez-vous si l’acceptation pourrait avoir une influence réelle ou apparente sur votre objectivité ou si elle pourrait sembler constituer une obligation à l’égard du donateur, à votre niveau ou à celui de l’entreprise. La même réflexion doit vous guider lorsque c’est vous, collaborateur de DCNS qui souhaitez offrir un cadeau, marque d’hospitalité ou tout autre bénéfice.

De par la nature de notre business, nous traitons avec un nombre important d’agents publics. Informez-vous sur la législation locale applicable aux agents publics car de nombreux pays leur interdisent de recevoir et/ou de donner des cadeaux et/ou marques d’hospitalité.

En cas de doute, replacez toujours le cadeau ou la marque d’hospitalité dans le cadre des standards de DCNS (Code d’éthique, Guide Pratique de Comportements Ethiques, Charts clients et fournisseurs, Code conduite des fournisseurs de DCNS, Programme d’Intégrité) et demandez-vous si vous seriez à l’aise si des parties prenantes internes (Collaborateurs, Instances Représentatives du Personnel, contrôle interne, etc...) ou externes (presse, associations etc...) venaient à révéler le cadeau ou la marque d’hospitalité dont vous avez bénéficié ou que vous avez offert. Si votre doute persiste, sollicitez un avis préalable de votre hiérarchie ou de la Direction Compliance, elles sont là pour vous conseiller.
2. Définitions

Le terme **cadeau** se réfère à toute chose de valeur et inclut tout avantage pécuniaire ou non, donation, service, invitation, faveur, rabais, offert ou reçu, directement ou indirectement.

L’expression **marque d’hospitalité** englobe toute forme de repas, voyage, hébergement, événement culturel ou sportif, réception, offert ou reçu, directement ou indirectement.

La **corruption** se caractérise par l’obtention ou la conservation d’un marché ou d’un contrat grâce à la promesse, l’offre ou le don d’un avantage indu, direct ou indirect.

Le **conflit d’intérêts** se définit comme la situation dans laquelle une personne a des intérêts professionnels ou personnels (familial, financier, associatif, politique, syndical, etc.) de nature à influer ou paraître influer sur la décision prise dans le cadre des responsabilités exercées.

La notion d’**agent public** inclut les membres et représentants du gouvernement, du parlement, de l’assemblée, de l’administration, des partis politiques et des organisations internationales.

3. Principe

Il est interdit de recevoir un cadeau, une marque d’hospitalité ou tout autre avantage de quelque nature que ce soit, qui pourrait être perçu comme pouvant influer sur le jugement personnel ou porter atteinte à l’intégrité du processus de décision devant conduire à la conclusion d’une transaction commerciale.

4. Champ d’application

Cette politique s’applique :
- A tout collaborateur du Groupe DCNS (DCNS SA et ses filiales à 100%), et s’étend aux membres de la famille et aux proches du collaborateur,
- A toute personne agissant au nom de DCNS (consultant, intermédiaire, conseiller),
- Aux cadeaux et aux marques d’hospitalité reçus et/ou offerts,
- Que la personne à laquelle nous offrons ou de laquelle nous recevons le cadeau ou la marque d’hospitalité soit un agent public ou privé, national ou international.

Elle ne s’applique pas aux « paiements de facilitation » qui feront l’objet d’un document spécifique. Ces paiements, à destination d’agents publics dans le but d’accélérer la réalisation de tâches à caractère non discrétionnaire, visent à influencer le délai d’action des agents publics (accélérer la délivrance d’un visa, le dédouanement des marchandises à la douane, etc...), et non le résultat.
5. Responsabilités

La procédure d’application de la présente politique définit des montants plafonds qui, dans certains pays où DCNS est présent et/ou fait du commerce, seront trop élevés au regard du niveau de vie local et devront être abaissés.

Il est de la responsabilité des directeurs de filiales, fonctions, divisions, Business Units de produire des guidelines adaptées à l’environnement culturel et économique. Ces guidelines devront indiquer les montants plafonds retenus pour le pays concerné. En aucun cas, la politique adoptée ne pourra être plus souple que la politique Groupe. En revanche, chaque directeur pourra décider de la décliner de manière plus stricte.

Les directeurs qui adapteront cette politique à leur environnement ont la responsabilité de la diffuser au sein de leurs équipes et des personnels DCNS qui voyagent dans le pays concerné (expatriés, personnel en déplacement). Ils devront en envoyer une copie aux directeurs des autres Directions concernées ainsi qu’à la Direction Compliance afin que celle-ci soit informée et en mesure de renseigner tous les collaborateurs.

Tout collaborateur de DCNS amené à travailler à l’étranger a la responsabilité, en complément des informations déjà reçues, de s’informer auprès de sa hiérarchie sur le droit local applicable ainsi que sur les politiques internes applicables localement.

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6. Contrôle

Il est de la responsabilité des directeurs de s’assurer de la mise en œuvre de cette politique au sein de leur direction.

La Direction de l’Audit et des Risques et la Direction Compliance mèneront des vérifications régulières sur la mise en œuvre de cette politique par les collaborateurs de DCNS.

7. Sanctions en cas de non respect de cette politique

Se laisser influencer ou tenter d’influencer quelqu’un par des cadeaux ou des marques d’hospitalité peut vous rendre passible de sanctions disciplinaires, et de sanctions pénales.

Entrée en vigueur de cette politique : 15 juillet 2013

Patrick Boissier, Président directeur général

Translation:

p.1: ‘Under certain circumstances, gifts and hospitality may create a conflict of interest, real or potential, could be seen as corruption because it can make a business relation susceptible to undue influence. It has to abide by certain conditions in order to be legal.'
If you have been offered a gift, or hospitality or other benefit, ask yourself whether accepting it may have an influence, real or potential on your objectivity or whether it can constitute an obligation towards the giver on your behalf or this of the company. The same applies if you would like to offer gifts or hospitality or other benefits.

You have to be informed on the local legislation applicable for the public servants because certain states prohibit the giving or receiving of gifts and hospitality.

If you are in a doubt, always place the gift or hospitality within the framework of the DCNS standards (Code of Ethics, the Practical Guide of Ethical Behaviour, Charter of the clients and suppliers, Code of conduct of suppliers of the DCNS, the Integrity Programme)..... If the doubt persists after checking the documents, seek advice from your superiors or the Compliance Directorate.

2. Definitions
Gift: everything of value or with financial advantage, donations, service, invitation, favour, discount, offering or receiving, directly or indirectly
Hospitality: contains all the forms of meals, trips, accommodation, cultural or sport events, giving or receiving directly or indirectly.

(pp. 1-2): Corruption/Conflicts of interest
Civil servant: the members or the representatives of the government, parliament, the national assembly, the public administration, the political parties and the international organisations.

(p. 2): 3. The Principle
It is forbidden to receive gift or hospitality or other advantage of any nature that could be perceived as influence on the personal judgement or that can carry potential to affect the integrity of the decision-making process.

4. Scope
This policy applies:
- All the collaborators of the Group as well as family members or relatives
- All the people that act on behalf of DCNS (consultant, intermediary, advisers)
- For the gifts and hospitality offered or/and received
- No matter whether the person we are offering or from whom we are receiving is a civil servant or private agent, national or international

This policy does not apply to ‘facilitation payments’. These payments with the objective to influence civil servants to facilitate/accelerate the realisation of the tasks of non-discretionary character ....

5. Responsibilities
The responsibility of this policy lies with the directors of the subsidiaries, Functions, Divisions, Business Units in order to elaborate guidelines and adapt them to the specific cultural and economic environment. These guidelines also have to define the upper limits for the relative country. In each case, the adopted policy cannot be more flexible than the
general policy of the Group. On the other side, each director can decide to make it stricter. The directors that adapt this policy for the specific environment have the responsibility also to distribute it to their teams and the DCNS personnel who travel to the relevant countries. They have to send a copy to the other respective Directorates as well as to the Compliance Directorate in order to inform all the parties involved. ....

(p.3):
6. Control
It is the directors’ responsibility to ensure the implementation of this policy in their directorate. The Audit and Risk Directorate and the Compliance Directorate lead the regular checks on the implementation of this policy.
7. Sanctions in case the policy has not been respected
If you allow gifts or hospitality to influence anyone, this may lead to liability, disciplinary sanctions and criminal sanctions.
Patrick Boissier, President General Director’

Code of Ethics, p.7:
‘SUPPLIERS AND SUBCONTRACTORS
All members of Group personnel, whether purchasers or line staff, are expected to have the integrity to refuse any personal advantage or gift of significant value, either on their own behalf or for family and friends.’

Charter on relations with customers (2009), p.2:
‘In particular, each employee must abide by the following rules:
• Gifts received or given are always of low value. Invitations are limited to working lunches and must be reciprocated and kept to a limited budget.
• Personal advantages and gifts of significant value are always to be refused, whether the advantage and / or gift is offered to the employee or his/her relatives. Offers of travel, accommodation, entertainment etc. are to be declined unless they have a professional character and are organized within the frame of seminars or other collective events.
• Gifts and invitations shall be done without expecting any compensation in return, and shall further be done in total transparency towards the professional environment of both the offering party and the receiving party.
In case of doubt as regard the compliance of any behaviour or decision with the above rules, the concerned employee shall have to clarify the matter with his/her hierarchy before taking any course of action of making any decision.’
http://fr.preprod.dcnsgroup.prosodie.com/wp-content/uploads/2013/02/Charter-on-
Policy on Relations with DCNS Suppliers and Subcontractors (2009):
‘This policy is an integral part of DCNS’s Group-wide ethics policy.
When acting on the Group’s behalf, employees must:
• comply with the rules of the Group’s Code of Ethics
• show respect for and behave in accordance with Group values
• comply with all relevant laws
• ensure that their behaviour and decisions are free of any conflict with private interests
• refrain from disclosing confidential information concerning the Group
• ensure that their behaviour and decisions contribute to the Group’s good name.
Employees should pay particular attention to comply with the following rules:
- Gifts received or granted must be of low monetary value. Invitations must not go beyond working lunches and must be both reciprocal and reasonable.
- Personal benefits and gifts of significant value must not be accepted, whether for the employee or relatives. Offers involving travel, accommodation, shows, etc. must be refused unless organised as part of a professional conference or group event.
- Gifts or invitations deemed acceptable must only be accepted if nothing is expected in return. They must be offered transparently and with the full knowledge of colleagues working with the giver and the receiver. If in doubt as to how to respond to a third party or what action to take, employees must consult their chain of management before taking action or a decision.’

A22:
Does the company’s anti-corruption policy include a statement on the giving and receipt of hospitality that ensures that such transactions are bona fide and not a subterfuge for bribery?

Score:

2

Comments:
Based on public information, there is evidence that the company has a policy for the giving and receipt of hospitality, to ensure that such transactions are bona fide and not a subterfuge for bribery. The company states that there are upper limits and each country has specific upper limits.

References:
Public:
Gifts and Hospitality Policy (July 2013):

Dans certaines circonstances, les cadeaux d'affaires et marques d'hospitalité peuvent créer un conflit d'intérêt, réel ou apparent, voire être perçus comme de la corruption car susceptibles d'influencer sur une relation d'affaire. S'ils font parfois partie des usages, ils doivent répondre à certaines conditions pour être acceptables, voire légaux.

Lorsqu'un cadeau, une marque d'hospitalité ou tout autre bénéfice, vous est offert, demandez-vous si l'acceptation pourrait avoir une influence réelle ou apparente sur votre objectivité ou si elle pourrait sembler constituer une obligation à l'égard du donateur, à votre niveau ou à celui de l'entreprise. La même réflexion doit vous guider lorsque c'est vous, collaborateur de DCNS qui souhaitez offrir un cadeau, marque d'hospitalité ou tout autre bénéfice.

De par la nature de notre business, nous traitons avec un nombre important d'agents publics. Informez-vous sur la législation locale applicable aux agents publics car de nombreux pays leur interdisent de recevoir et/ou de donner des cadeaux et/ou marques d'hospitalité.

En cas de doute, replacez toujours le cadeau ou la marque d'hospitalité dans le cadre des standards de DCNS (Code d'éthique, Guide Pratique de Comportements Éthiques, Chartes clients et fournisseurs, Code conduite des fournisseurs de DCNS, Programme d’Intégrité) et demandez-vous si vous seriez à l'aise si des parties prenantes internes (Collaborateurs, instances Représentatives du Personnel, contrôle interne, etc...) ou externes (presse, associations etc...) venaient à révéler le cadeau ou la marque d'hospitalité dont vous avez bénéficié ou que vous avez offert. Si votre doute persiste, sollicitez un avis préalable de votre hiérarchie ou de la Direction Compliance, elles sont là pour vous conseiller.
2. Définitions

Le terme cadeau se réfère à toute chose de valeur et inclut tout avantage pécuniaire ou non, donation, service, invitation, faveur, rabais, offert ou reçu, directement ou indirectement.

L'expression marque d'hospitalité englobe toute forme de repas, voyage, hébergement, événement culturel ou sportif, réception, offert ou reçu, directement ou indirectement.

La corruption se caractérise par l'obtention ou la conservation d'un marché ou d'un contrat grâce à la promesse, l'offre ou le don d'un avantage indu, direct ou indirect.

Le conflit d'intérêts se définit comme la situation dans laquelle une personne a des intérêts professionnels ou personnels (familial, financier, associatif, politique, syndical, etc.) de nature à influer ou parait influer sur la décision prise dans le cadre des responsabilités exercées.

La notion d'agent public inclut les membres et représentants du gouvernement, du parlement, de l'assemblée, de l'administration, des partis politiques et des organisations internationales.

3. Principe

Il est interdit de recevoir un cadeau, une marque d'hospitalité ou tout autre avantage de quelque nature que ce soit, qui pourrait être perçu comme pouvant influer sur le jugement personnel ou porter atteinte à l'intégrité du processus de décision devant conduire à la conclusion d'une transaction commerciale.

4. Champ d'application

Cette politique s'applique :
- A tout collaborateur du Groupe DCNS (DCNS SA et ses filiales à 100%), et s'étend aux membres de la famille et aux proches du collaborateur,
- A toute personne agissant au nom de DCNS (consultant, intermédiaire, conseiller),
- Aux cadeaux et aux marques d'hospitalité reçus et/ou offerts,
- Que la personne à laquelle nous offrons ou de laquelle nous recevons le cadeau ou la marque d'hospitalité soit un agent public ou privé, national ou international.

Elle ne s'applique pas aux « paiements de facilitation » qui feront l'objet d'un document spécifique. Ces paiements, à destination d'agents publics dans le but d'accélérer la réalisation de tâches à caractère non discrétionnaire, visent à influencer le délai d'action des agents publics (accélérer la délivrance d'un visa, le dédouanement des marchandises à la douane, etc...), et non le résultat.
5. Responsabilités

La procédure d’application de la présente politique définit des montants plafonds qui, dans certains pays où DCNS est présent et/ou fait du commerce, seront trop élevés au regard du niveau de vie local et devront être abaissés.

Il est de la responsabilité des directeurs de filiales, Fonctions, Divisions, Business Units de produire des guidelines adaptées à l’environnement culturel et économiques. Ces guidelines devront indiquer les montants plafonds retenus pour le pays concerné. En aucun cas, la politique adoptée ne pourra être plus souple que la politique Groupe. En revanche, chaque directeur pourra décider de la décliner de manière plus stricte.

Les directeurs qui adapteront cette politique à leur environnement ont la responsabilité de la diffuser au sein de leurs équipes et des personnes DCNS qui voyagent dans le pays concerné (expatriés, personnel en déplacement). Ils devront en envoyer une copie aux directeurs des autres Directions concernées ainsi qu’à la Direction Compliance afin que celle-ci soit informée et en mesure de renseigner tous les collaborateurs.

Tout collaborateur de DCNS amené à travailler à l’étranger a la responsabilité, en complément des informations déjà reçues, de s’informer auprès de sa hiérarchie sur le droit local applicable ainsi que sur les politiques internes applicables localement.

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6. Contrôle

Il est de la responsabilité des directeurs de s’assurer de la mise en œuvre de cette politique au sein de leur direction.

La Direction de l’Audit et des Risques et la Direction Compliance mèneront des vérifications régulières sur la mise en œuvre de cette politique par les collaborateurs de DCNS.

7. Sanctions en cas de non respect de cette politique

Se laisser influencer ou tenter d’influencer quelqu’un par des cadeaux ou des marques d’hospitalité peut vous rendre passible de sanctions disciplinaires, et de sanctions pénales.

Entrée en vigueur de cette politique : 15 juillet 2013

Patrick Boissier, Président directeur général

Translation:

p.1: ‘Under certain circumstances, gifts and hospitality may create a conflict of interest, real or potential, could be seen as corruption because it can make a business relation susceptible to undue influence. It has to abide by certain conditions in order to be legal.'
If you have been offered a gift, or hospitality or other benefit, ask yourself whether accepting it may have an influence, real or potential on your objectivity or whether it can constitute an obligation towards the giver on your behalf or this of the company. The same applies if you would like to offer gifts or hospitality or other benefits.

You have to be informed on the local legislation applicable for the public servants because certain states prohibit the giving or receiving of gifts and hospitality.

If you are in doubt, always place the gift or hospitality within the framework of the DCNS standards (Code of Ethics, the Practical Guide of Ethical Behaviour, Charter of the clients and suppliers, Code of conduct of suppliers of the DCNS, the Integrity Programme)..... If the doubt persists after checking the documents, seek advice from your superiors or the Compliance Directorate.

2. Definitions

Gift: everything of value or with financial advantage, donations, service, invitation, favour, discount, offering or receiving, directly or indirectly

Hospitality: contains all the forms of meals, trips, accommodation, cultural or sport events, giving or receiving directly or indirectly.

(pp. 1-2): Corruption/Conflicts of interest

Civil servant: the members or the representatives of the government, parliament, the national assembly, the public administration, the political parties and the international organisations.

(p. 2): 3. The Principle

It is forbidden to receive gift or hospitality or other advantage of any nature that could be perceived as influence on the personal judgement or that can carry potential to affect the integrity of the decision-making process

4. Scope

This policy applies:
- All the collaborators of the Group as well as family members or relatives
- All the people that act on behalf of DCNS (consultant, intermediary, advisers)
- For the gifts and hospitality offered or/and received
- No matter whether the person we are offering or from whom we are receiving is a civil servant or private agent, national or international

This policy does not apply to ‘facilitation payments’. These payments with the objective to influence civil servants to facilitate/accelerate the realisation of the tasks of non-discretionary character ....

5. Responsibilities

The responsibility of this policy lies with the directors of the subsidiaries, Functions, Divisions, Business Units in order to elaborate guidelines and adapt them to the specific cultural and economic environment. These guidelines also have to define the upper limits for the relative country. In each case, the adopted policy cannot be more flexible than the
general policy of the Group. On the other side, each director can decide to make it stricter. The directors that adapt this policy for the specific environment have the responsibility also to distribute it to their teams and the DCNS personnel who travel to the relevant countries. They have to send a copy to the other respective Directorates as well as to the Compliance Directorate in order to inform all the parties involved. ....

(p.3):
6. Control
It is the directors’ responsibility to ensure the implementation of this policy in their directorate. The Audit and Risk Directorate and the Compliance Directorate lead the regular checks on the implementation of this policy.
7. Sanctions in case the policy has not been respected
If you allow gifts or hospitality to influence anyone, this may lead to liability, disciplinary sanctions and criminal sanctions.
Patrick Boissier, President General Director’

Code of Ethics. p.7:
‘SUPPLIERS AND SUBCONTRACTORS
Offers of travel, trips or shows shall be refused, unless these have a professional character within the framework of customer, supplier or subcontractor seminars, or collective events. Invitations to restaurants or a show shall be restricted to a specific event, be reciprocal and kept to a reasonable level.’

Charter on relations with customers (2009), p.2:
‘In particular, each employee must abide by the following rules:
• Gifts received or given are always of low value. Invitations are limited to working lunches and must be reciprocated and kept to a limited budget.
• Personal advantages and gifts of significant value are always to be refused, whether the advantage and / or gift is offered to the employee or his/her relatives. Offers of travel, accommodation, entertainment etc. are to be declined unless they have a professional character and are organized within the frame of seminars or other collective events.
• Gifts and invitations shall be done without expecting any compensation in return, and shall further be done in total transparency towards the professional environment of both the offering party and the receiving party.
In case of doubt as regard the compliance of any behaviour or decision with the above rules, the concerned employee shall have to clarify the matter with his/her hierarchy before taking any course of action of making any decision.’
Policy on Relations with DCNS Suppliers and Subcontractors (2009):
‘This policy is an integral part of DCNS’s Group-wide ethics policy.
When acting on the Group’s behalf, employees must:
• comply with the rules of the Group’s Code of Ethics
• show respect for and behave in accordance with Group values
• comply with all relevant laws
• ensure that their behaviour and decisions are free of any conflict with private interests
• refrain from disclosing confidential information concerning the Group
• ensure that their behaviour and decisions contribute to the Group’s good name.
Employees should pay particular attention to comply with the following rules:
- Gifts received or granted must be of low monetary value. Invitations must not go beyond working lunches and must be both reciprocal and reasonable.
- Personal benefits and gifts of significant value must not be accepted, whether for the employee or relatives. Offers involving travel, accommodation, shows, etc. must be refused unless organised as part of a professional conference or group event.
- Gifts or invitations deemed acceptable must only be accepted if nothing is expected in return. They must be offered transparently and with the full knowledge of colleagues working with the giver and the receiver. If in doubt as to how to respond to a third party or what action to take, employees must consult their chain of management before taking action or a decision.’

A23:
Does the company have a policy that explicitly prohibits facilitation payments?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has a policy that explicitly prohibits facilitation payments.

References:
Public:
TI notes:
Excerpts from the Gifts and Hospitality Policy:
‘This policy does not apply to ‘facilitation payments’. These payments with the objective to influence civil servants to facilitate/accelerate the realisation of the tasks of non-discretionary character ....’
A24:
Does the company prohibit political contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent? Does the company record and publicly disclose all political contributions?

Score:
2

Comments:
Based on public information, there is evidence that the company prohibits political contributions.

References:
Public:
Code of Ethics, p.12:
‘CITIZENSHIP
DCNS monitors compliance with the national and international regulations applicable in States where it is established. DCNS respects political, religious and philosophical neutrality. Accordingly, the Group commits to not providing any financial contribution to candidates, elected representatives or political parties. Nevertheless, all members of DCNS staff may personally take part in politics, outside their place of work and working hours, but shall not use the Group’s image in support of their commitment.’
A25: 
Does the company have a clear policy on engagement in lobbying activities, in order to prevent undue influence or other corrupt intent, and discloses the issues on which the company lobbies?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has a clear policy on engagement in lobbying activities, or discloses the issues on which it lobbies.

References:
Public:
NA
A25(a):

Does the company prohibit charitable contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company prohibits or regulates charitable contributions, in order to prevent undue influence or other corrupt intent.

References:

Public:
TI notes:
Code of Ethics, p.13:
‘CITIZENSHIP
DCNS takes part in financing associations, foundations or sponsorship operations insofar as these come within the scope of values and priorities specified by the Group and currently prevailing legislation.’

Policy on Sponsorships (2014):
Les opérations de sponsoring et de mécénat doivent s'inscrire dans le cadre des valeurs et priorités définies par le Groupe et respecter les législations en vigueur, tel que rappelé dans le Code d'Éthique du Groupe DCNS.

Le caractère sensible des opérations de sponsoring et de mécénat résulte du fait qu'elles pourraient dissimuler un avantage indu et être détournées de l'objectif initialement prévu à d'autres fins (privées, occultes par exemple). Dans certaines circonstances, l'offre ou la sollicitation de sponsoring ou de mécénat par un organisme tiers peut créer un conflit d'intérêt, réel ou apparent, constituer ou être perçu comme constituant un abus de bien social, voire de la corruption car susceptible d'influer sur une décision commerciale.

Le risque est encore plus grand quand l'organisme bénéficiaire implique directement ou indirectement des agents publics, des hommes politiques, des membres de leur famille ou des proches, susceptibles ne serait-ce qu'en apparence, d'intervenir en faveur du Groupe.

Pour ces raisons, et afin d'éviter tout malentendu sur l'objet et/ou l'utilisation des ressources qu'il pourrait attribuer à un organisme, le Groupe DCNS se doit d'être particulièrement vigilant et transparent sur les opérations de sponsoring ou de mécénat qu'il va choisir de soutenir.

Il est fondamental que le management et les collaborateurs du Groupe en relation directe avec un organisme bénéficiaire soient bien informés du droit local, de la composition et structure de management de l'organisme en question, et qu'ils respectent les principes énoncés dans cette politique ainsi que dans la procédure d'application.
2. Définition

Le Groupe DCNS signifie DCNS SA et ses filiales contrôlées.

Est une filiale contrôlée de DCNS, toute société dont DCNS SA détient, directement ou indirectement plus de 50% du capital ou des droits de vote, ou le pouvoir de nommer ou de révoquer plus de 50% des administrateurs.

Le sponsoring désigne un soutien matériel ou financier apporté par le Groupe à un organisme, une personne ou un produit en vue d’en retirer un bénéfice direct et proportionnel à l’investissement initial. Le sponsoring permet à l’entreprise d’afficher ses valeurs, accroît la visibilité du Groupe, et augmente ainsi sa notoriété. La contribution du sponsor ne s’analyse pas en un don mais en une dépense de communication traitée comme des frais généraux et qui doit être comptabilisée pour ouvrir droit à la déductibilité des résultats imposables.

Le mécénat désigne un soutien matériel, humain ou financier apporté sans contrepartie directe ou indirecte de la part du bénéficiaire à une œuvre ou à une personne pour l’exercice d’activités présentant un caractère d’intérêt général. Il est admis que le nom de l’entreprise qui soutient soit discrètement associé aux opérations réalisées par l’association bénéficiaire. Le mécénat ouvre droit à une réduction d’impôts pour les entreprises de 60% du montant du don dans la limite de 0,5% de leur chiffre d’affaire (Loi n° 2003-709 du 1er août 2003 relative au mécénat, aux associations et aux fondations).

La corruption se définit comme l’obtention ou la conservation d’un contrat/marché ou autre grâce à la promesse, l’offre ou le don d’un avantage indu.
La due diligence est le processus de sélection par lequel DCNS évalue la pertinence ainsi que l'intégrité de l'organisme bénéficiaire afin de se prémunir notamment contre tout risque de conflit d'intérêt, de fraude ou de corruption, réel ou apparent.

Un organisme est d'intérêt général s'il répond à trois critères : il ne fonctionne pas au profit d'un cercle restreint de personnes, il a une gestion désintéressée et il exerce une activité non lucrative.

3. Principes

Toute opération de sponsoring ou de mécénat doit être pertinente au regard de la stratégie de communication du Groupe, ainsi que des valeurs et priorités définies par celui-ci.

Il est interdit de faire du sponsoring ou du mécénat qui pourrait influer ou être perçu comme pouvant influer sur le jugement personnel des personnes devant prendre une décision dans le cadre de la signature d'un contrat ou de l'obtention ou conservation d'un marché (exemple : devenir mécène ou sponsor d'un organisme sur recommandation d'un agent public ou avec l'objectif d'influencer un agent public qui pourrait peser dans le choix d'une décision commerciale en faveur du Groupe DCNS).

Toute décision commerciale prise en faveur du Groupe doit être fondée exclusivement sur la compétence et la qualité des produits, prestations, services, ou technologies du Groupe.

Toute opération de sponsoring ou de mécénat doit donc se faire dans le respect des exigences éthiques (telles que définies dans le Code d'Ethique et le Guide Pratique des Comportements Éthiques) légaux et applicables, ainsi que dans le respect de cette politique et de sa procédure d'application.

Toute opération de sponsoring ou de mécénat doit être faite au nom du Groupe et non au nom d'une Division, d'une Business Unit ou d'une Filiale.

4. Champ d'application

La politique s'applique à tous les managers et à tous les collaborateurs du Groupe.

Une procédure prévoit les modalités pratiques de mise en œuvre de cette politique.
5. Responsabiltés

Il est de la responsabilité de la Direction de la Communication au Siège, au sein des Sites, Divisions, Business Unit et Filiales de s'assurer du respect et de la mise en œuvre de cette politique.

Tout manager ou collaborateur sollicité pour un sponsoring ou mécénat doit transmettre la demande à la Direction de la Communication avec les informations requises spécifiées dans la procédure.

La Direction de la Communication, dans le cadre de l’organisation du Groupe, est responsable de la gestion globale des demandes de sponsoring ou mécénat (instruction des dossiers, consignation des pièces justificatives, obligations déclaratives, contrôle de l’utilisation des ressources) et de la décision finale quant au choix de l’organisme à soutenir ou non.

6. Contrôle

La Direction de l’Audit et des Risques mènera des vérifications régulières sur le respect et la mise en œuvre par les managers et collaborateurs du Groupe de cette politique et de sa procédure d’application. Elle pourra, si nécessaire, s’appuyer sur la Direction Compliance.

7. Sanctions en cas de non respect de cette politique

Tout manager ou collaborateur de DCNS qui tenterait d’influencer le résultat d’une négociation commerciale en vue de l’attribution ou conservation d’un marché ou d’un contrat par le biais d’opérations de mécénat ou de sponsoring s’expose à des sanctions disciplinaires, voire à des sanctions pénales.

Entrée en vigueur : 13 février 2014

Patrick Boissier
Président directeur général

Translation:
p.1: ‘Sponsoring and sponsorship have to abide the values and priorities defined by the Group and to respect the legislation and the principles of the Code of Ethics.
The sensitive nature of the sponsoring and the sponsorship is defined by the fact that they can construe an unfair advantage or to twist the initial objective. Under certain circumstances, the offering or solicitation of sponsorship may creat a conflict of interest, real or potential, abuse of the social good, the possibility of corruption or influence on decisions.

...In order to avoid the potential misunderstanding on the use of resources, the Group DCNS have to be particularly vigilant and transparent on the operations of sponsorship which we choose to support.

It is essential that the management and the collaborators of the Group in direct relation with a beneficiary be well informed on the local law, the composition and the structure of management of the entity in question and that they respect the principles of this policy and the procedures.

2. Definition
Sponsoring defines the material or financial support by the Group to an entity or person or a product for the withdrawal of benefits direct and proportionate to the initial investment. The sponsorship allows the company to promote its values, increase the visibility of the Groupe and its popularity.

(p.2): Sponsorship (mecenat) defines the material, human and financial support with no consideration direct or indirect on the part of the beneficiary to the work or the person for the carrying out of activities presenting the general interest.

Corruption/Conflicts of interest/ Due diligence/Entity of general interest

3. Principles
All the sponsorship have to be in line with the communication strategy of the Group as well as with the values and priorities defined in it.

It is prohibited to make sponsorship that can influence or appear to influence the personal judgement of someone before taking a decision.

... All the commercial decisions taken on behalf of the Group have to be founded exclusively on the competence and quality of the products, services or the technologies of the Group.

All the sponsoring have to be made with the respect of the ethical demands/regulations (defined in the Code of Ethics, The Practical Guide for Ethical Behaviour) and all the applicable legal requirements, and the respect of this policy and the procedure.

4. Scope
The policy is applicable to all the managers and all the collaborators of the Group. There is a procedure in place that provides for the implementation of this policy.

(p. 3):
5. Responsibilities
The people in charge of the policy are the Headquarters Communication Directorate, the ones on site, the divisions and business units and the subsidiaries that have to ensure the implementation of this policy.

All managers and collaborators solicited a sponsorship have to transfer the request to the Communication Directorate with the required information specified in the procedure. ...

6. Control
The Audit and Risk Directorate lead the regular checks about the implementation of the policy. If necessary, it can be assisted by the Compliance Directorate.

7. Sanctions in case of violations of this policy
Every manager or collaborator of the DCNS who tries to influence the result of commercial negotiations by sponsorship is subject to disciplinary and criminal sanctions.

Patrick Boissier,
President General Director’
A26:

Does the company provide written guidance to help Board members and employees understand and implement the firm’s ethics and anti-corruption agenda?

Score:

1

Comments:

Based on public information, there is evidence that the company provides a Practical Guide to Ethical Behaviour, to help Board members and employees understand and implement its ethics and anti-corruption agenda. However, as only the contents of this guide are publicly available, its level of explanation is unclear. The company therefore scores 1.

References:

Public:

Company website: Ethics and Compliance
‘The Practical Guide on Ethical Behaviour (GPCE)

The Practical Guide on Ethical Behaviour aims to provide guidelines to DCNS’ employees in the implementation of the Code of Ethics. It consists of thirty factsheets organized by themes corresponding to the stakeholders with whom DCNS is in relation. These factsheets provide behavioural guidance for employees by describing concrete but fictional situations.’


Reference Documents:

‘For several years, DCNS has promoted within the Group and towards its industrial partners, values that we consider fundamental in the conduct of our business. The principle of integrity is fully in line with the values of respect and rigour that the Groups seeks to attain with respect to its stakeholders and its environment.

DCNS has made the commitment by its employees and stakeholders to ethical principles one of its priorities. To assist everyone in acting in accordance with these principles and applicable regulations, the Group has developed its own reference framework:

A Code of Ethics,
A Practical Guide on Ethical Behaviour to be applied by employees, including five specific charters

An Ethical Reference Guide for our major foreign subsidiaries (ERG-Subsidiary)

A Code of Conduct for Suppliers

This framework demonstrates the commitment of DCNS to carry on responsible business.’


A27: Does the company have a training programme that explicitly covers anti-corruption?

Score: 1

Comments: Based on public information, there is evidence that the company has a training programme on its ethics and compliance systems, which includes an anti-corruption policy. The company therefore scores 1. To score higher the company would need to provide evidence of a specific anti-corruption training module.

References:
Public: Code of Ethics, p.9:
‘With Respect to Members of Staff
DCNS growth and efficiency relies on enhancing the value of people. An appropriate management system and the individual development of each member of staff are mandatory conditions for the collective success of DCNS.
The Group is particularly attached to compliance with the three following principles: — Equal treatment: this involves avoiding any discrimination whatsoever on the grounds of origin, customs, sex, age, political or religious opinions, trade union membership or handicaps. Issues on the basis of persons’ nationality shall be restricted to exceptions specified by national legislation relating to the protection of national interests. — Respect for the individual: this excludes any behaviour which may impede this principle and the respect of private life. Accordingly, personal staff data which is collected or filed by DCNS is strictly delimited and declared; the use thereof is restricted. — The will to ensure a work environment which complies with currently prevailing legal provisions, procedure follow-up, the prevention of sanitary and professional risks as well as staff training.

Code of Ethics (p.14): «The DCNS Group distributes this Code of Ethics to each member of staff. It ensures training for any member of staff who wishes to supplement his/her knowledge in this field. This Code of Ethics may also be communicated beyond the Group if necessary, in particular to customers, suppliers, subcontractors and shareholders, in
accordance with rules specified by the Committee for ethical management and corporate responsibility.’

Code of Ethics, p.16:
‘Group Ethical Organization
To support implementation of the Code of Ethics, DCNS has set up a Committee for ethical management and corporate responsibility (CEMCR). Supported by all DCNS Management teams, the said CEMCR is responsible for deploying this Code of Ethics and verifies the application thereof.

The Committee’s assignments are:
• To contribute to the definition and implementation of Group policy as regards ethics and corporate responsibility.
• To alert and propose guidance on ethical standards relating to governance, commercial, environmental, social and corporate issues.
• To monitor deployment and follow-up of the Code of Ethics within DCNS.
• To monitor respect of the individual and collective values on which the Group bases its actions. To study the positions, actions and measures implemented by the Group relating to corporate responsibility (sustainable development).
• To define the main priorities of the training and communication schedule on the said subjects.
• To study commitments undertaken by Group subsidiaries’ Chairpersons certifying compliance with their applicable Code of Ethics.
• To launch the necessary inquiries in the event of non-compliance with the said Code and propose possible actions to be undertaken.’


Company Website, Ethics and Compliance – Integrity Programme:
‘2 – Employees’ training and awareness raising on these tools
- Training of 54 executives on white-collar crime.
- Leadership Workshops: these events are aimed at executives of the Group. Each session hosted between 3 and 7 members of the Executive Committees of DCNS entities.’

A28:
Is anti-corruption training provided in all countries where the company operates or has company sites?

Score:
0

Comments:
Based on public information, there is evidence that the company provides training on its ethics and compliance systems. However, there is no readily available evidence of how widely this training is undertaken across the company.

References:

Public:
NA
A29:
Does the company provide targeted anti-corruption training to members of the Board?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company provides targeted anti-corruption training to Board members.

References:
Public:
TI notes:
Company Website, Ethics and Compliance – Integrity Programme:
‘2 – Employees’ training and awareness raising on these tools
- Training of 54 executives on white-collar crime.
- Leadership Workshops: these events are aimed at executives of the Group. Each session hosted between 3 and 7 members of the Executive Committees of DCNS entities.’
A30:
Does the company provide tailored ethics and anti-corruption training for employees in sensitive positions?

Score:

1

Comments:
Based on public information, there is evidence that the company provides tailored ethics training for sales personnel and sales representatives abroad. The company therefore scores 1. To score higher the company would need to provide evidence that all employees in high risk positions receive tailored ethics and anti-corruption training.

References:
Public:
Annual Corporate and Social Responsibility Report 2013, p.52:
‘Awareness raised of all sales personnel and sales representatives abroad (including subsidiaries and sales offices) with regard to ethical behaviour and training for all new arrivals in this area.’
A31:

Does the company have a clear and formal process by which employees declare conflicts of interest?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a clear and formal process by which employees declare conflicts of interest.

References:

Public:
TI notes:
Code of Ethics, p.7:
‘SUPPLIERS AND SUBCONTRACTORS
An employee’s personal interests shall never be taken into account when selecting a supplier or subcontractor. Management is especially vigilant if a personal, family or financial connection exists between a supplier or subcontractor and a member of staff.’

Policy on Relations with DCNS Suppliers and Subcontractors (2009):
‘This policy is an integral part of DCNS’s Group-wide ethics policy.
When acting on the Group’s behalf, employees must:
• comply with the rules of the Group’s Code of Ethics
• show respect for and behave in accordance with Group values
• comply with all relevant laws
• ensure that their behaviour and decisions are free of any conflict with private interests
• refrain from disclosing confidential information concerning the Group
• ensure that their behaviour and decisions contribute to the Group’s good name. »
«An employee’s private interests must never be taken into consideration in relations with a supplier or subcontractor. DCNS Group employees undertake to inform their chain of
management in the event of any personal, family or financial link with a supplier or subcontractor.

A32:
Is the company explicit in its commitment to apply disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities?

Score:

1

Comments:
Based on public information, there is evidence that the company is explicit in its commitment to apply disciplinary procedures to ‘collaborateurs’ (understood to include employees and Directors) breaching company policies. However, it is not clear from publicly available evidence that this commitment to discipline explicitly extends to the company’s broader anti-corruption policy. The company therefore scores 1.

References:
Public:
Code of Ethics:
‘This Code will undergo a constant improvement process. The rules specified herein do not substitute each country’s applicable national and international legislation, with which the Group complies. The said rules are not contractually binding, but all Group and controlled companies’ permanent and temporary employees must be aware of and apply these rules. Everyone is responsible for their application.’

POLICY ON RELATIONS WITH DCNS SUPPLIERS AND SUBCONTRACTORS:
‘It is the responsibility of the DCNS Group’s Purchasing & Industrial Policy directorate to ensure that these rules are fully understood and applied by its purchasing teams and by all employees dealing with suppliers and subcontractors.’

Gifts and Hospitality Policy:
6. Contrôle

Il est de la responsabilité des directeurs de s’assurer de la mise en œuvre de cette politique au sein de leur direction.

La Direction de l’Audit et des Risques et la Direction Compliance mèneront des vérifications régulières sur la mise en œuvre de cette politique par les collaborateurs de DCNS.

7. Sanctions en cas de non-respect de cette politique

Se laisser influencer ou tacher d’influencer quelqu’un par des cadeaux ou des marques d’hospitalité peut vous rendre passible de sanctions disciplinaires, et de sanctions pénales.

Entrée en vigueur de cette politique : 15 juillet 2013

Patrick Boissier, Président directeur général


Policy on Selecting and Appointing Business Partners (February 2013), p. 2:

6. Sanctions

Tout manager ou collaborateur de DCNS qui ne respecterait pas la présente politique et la Procédure s’expose à des sanctions disciplinaires, voire à des sanctions pénales.

Entrée en vigueur : 3 février 2014

Patrick Boissier
Président directeur général


Sponsorship policy, p. 4:
7. Sanctions en cas de non respect de cette politique

Tout manager ou collaborateur de DCNS qui tenterait d'influencer le résultat d'une négociation commerciale en vue de l'attribution ou conservation d'un marché ou d'un contrat par le biais d'opérations de mécénat ou de sponsoring s'expose à des sanctions disciplinaires, voire à des sanctions pénales.

Entrée en vigueur : 13 février 2014

A33:
Does the company have multiple, well-publicised channels that are easily accessible and secure, to guarantee confidentiality or anonymity where requested by the employee (e.g. web, phone, in person), to report concerns or instances of suspected corrupt activity?

Score:
1

Comments:
Based on public information, there is evidence that the company has some channels, for employees to report concerns or instances of suspected corrupt activity. These channels include employees’ managers or the Ethical Management and Corporate Responsibility committee. The company therefore scores 1. To score higher the company would need to provide evidence that employees may report anonymously and to an independent source.

References:
Public:
Code of Ethics, p.17:
‘Procedure for Compliance with the DCNS Code of Ethics
The Group Code of Ethics, by contributing to the development of responsible awareness, is part of DCNS Group overall policy, concerned by compliance with legislation and principles which govern companies.
The “advice and recommendation process”, implemented as of promulgation of the Code of Ethics, offers various channels for DCNS staff to contact the Group’s ethics authorities.
— If you have any queries or doubts, the “advice and recommendation process” enables each member of staff to receive information and advice on the application and interpretation of Code of Ethics rules, current texts and legislation. The said queries or doubts are transmitted through management channels or directly to the CEMCR.
— The “advice and recommendation process”, directly triggered by a member of staff with the CEMCR, is performed with identification and through secured data-processing channels, against a confidentiality undertaking.
— The implementation of the “advice and recommendation process” implies each person’s serious responsibility, and calls on each member of staff’s specific ethics. The said process can only operate on the basis of information transmitted in good faith, supported as far as
possible by physical and verifiable facts which may endanger the Group’s liability or damage the reputation and/or image thereof.’

(p.18): ‘For further information... or if you encounter any difficulties, please contact: Your manager, The Committee for ethical management and corporate responsibility. • E-mail: CM.ERSE@dcnsgroup.com’

A33(a):
Are the whistleblowing channels available to all employees in all geographies?

Score:

1

Comments:
Based on public information, there is evidence that across all geographies, employees have access to one sufficient reporting channel, the Committee for Ethical Management and Corporate Responsibility. The company therefore scores 1. To score higher the company would need to provide evidence of at least one more whistleblowing channel.

References:
Public:
Code of Ethics, p.18:
‘For further information... or if you encounter any difficulties, please contact: Your manager, The Committee for ethical management and corporate responsibility. • E-mail: CM.ERSE@dcnsgroup.com’
A33(b):

Does the company have formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, and that whistleblowers are treated supportively?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, or that whistleblowers are treated supportively.

References:

Public:
NA
A34:
Does the company have well-publicised resources available to all employees where help and advice can be sought on corruption-related issues?

Score:

2

Comments:
Based on public information, there is evidence that company employees are able to contact the Ethical Management and Corporate Responsibility Committee, for help and advice on corruption-related issues.

References:

Public:
Company Website:
‘Ethics and Compliance – Organization...
The Ethics Committee can be contacted directly at any time through the “Advice and Recommendations Process” by e-mail, the address of which is noted in the Code of Ethics and mentioned on the Intranet and Internet Group websites: cm.erse@dcnsgroup.com.’

Annual Corporate and Social Responsibility Report 2013, p.52:
‘Economy...
All 100% owned DCNS subsidiaries have an Ethical Reference Guide at their disposal, can benefit from an ethical reporting analysis and receive an AAL (annual assertion letter) concerning self assessment of risk management and compliance with ethical rules.’

Code of Ethics (July 2011), p.18:
‘For further information... or if you encounter any difficulties, please contact:
- Your manager
- The Committee for ethical management and corporate responsibility.'
• E-mail: CM.ERSE@dcnsgroup.com'.
A35:
Is there a commitment to non-retaliation for bona fide reporting of corruption?

Score:
0

Comments:
Based on public information, there is no readily available evidence of a commitment to non-retaliation for bona fide reporting of corruption.

References:
Public:
NA
Information Sources:

Company website:

dcnsgroup.com
en.dcnsgroup.com

Code of Ethics (July 2011):


Annual Corporate and CSR Report 2013:


Gifts and Hospitality Policy (July 2013):


Policy on Sponsorships (2014):


Charter on relations with customers (2009):


Policy on relations with DCNS Suppliers and Subcontractors (2009):