FINAL ASSESSMENT

SAFRAN SA

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>35%</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>62.5%</td>
</tr>
<tr>
<td>Training</td>
<td>5</td>
<td>50%</td>
</tr>
<tr>
<td>Personnel and Helplines</td>
<td>7</td>
<td>7.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>41.5%</strong></td>
</tr>
</tbody>
</table>

Please note the public references have been removed at the company’s request.
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’s CEO has published two statements mentioning the company’s anti-corruption agenda in the last two years. However, these statements are contained in the company’s annual registration document and are identical. The company therefore scores 1.

References:
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 evidence that the company’s CEO, Jean Paul Herteman and Deputy CEO Dominique Jean-Chertier have made external commitments by making statements about the company’s ethics and anti-corruption agenda in interviews in the last two years, although one of two interviews is internal to the company and a statement was issued on behalf of the company in response to a corruption allegation. The company therefore scores 1.

References:
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, for example through speaking at training events, chairing reviews of the company’s anti-corruption programme.

References:
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:
1

Comments:
Based on public information, there is evidence that the company publishes a statement of values representing high standards of business conduct, including honesty and integrity. There is evidence that these ethical principles are explained and translated into company policies such as the policy on gifts and hospitality. However, the values mentioned fall short of the range of values sought by the question. The company therefore scores 1.

References:
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 evidence that the company is a member of IFBEC and a signatory of the ASD Common Industry Standards. Furthermore, the company was acceded into the UN Global Compact in 2013. The company is also a member of the Ethics Committee and Export control Committees of the GIFAS and a board member of the “Cercle Ethique des Affaires” (EBEF), as well as the Aviation and Travel Partnership Against Corruption Initiative of the World Economic Forum (PACI) and the Anti-corruption task force of the International Chamber of Commerce.

References:
A6:
Has the company appointed a Board committee or individual Board member with overall corporate responsibility for its ethics and anti-corruption agenda?

Score:
0

Comments:
Based on public information, there is evidence that the company’s Audit and Risk Committee has responsibility for the company’s internal control and risk management systems. However, it is not explicitly clear that this covers the company’s ethics and anti-corruption agenda. Further, TI notes that the company’s registration document indicates that Stéphane Abrial, Deputy Chief Executive Officer, Corporate Office, is also responsible for audit and internal control; however, the full remit of his responsibility regarding ethics and anti-corruption is also unclear.

References:
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 implementation of the company’s ethics and anti-corruption programme falls under the responsibility of the Executive Vice-President, European and International Relations, Bruno Cotté. Cotté is a member of the Executive Committee, which has a direct reporting line to the Board.

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

Score:
0

Comments:
Based on public information, there is no readily available evidence of regular Board level monitoring and review of the performance of the company’s ethics and anti-corruption agenda. The company states that it orders independent firms to carry out audits for specific cases, but this does not appear to include a comprehensive review of the company’s ethics and anti-corruption agenda.

References:
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 that the company has a formal, clear, written plan in place on which the review takes place and there is no evidence of implementation of improvement plans.

References:
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:
0

Comments:
Based on public information, there is no readily available evidence that the company has a formal process for review and update of its policies and practices in response to actual or alleged instances of corruption.

References:
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 evidence that the company has a general risk assessment procedure implemented enterprise-wide that covers non-compliance risks, but there is uncertainty as to how it is applied and mitigation plans are not mentioned. The company therefore scores 1.

References:
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 information of a risk assessment procedure for assessing business decisions, other than the general approach outlined in the Registration Document.

References:
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 has a procedure for conducting due diligence when selecting its agents. The company therefore scores 1. To score higher the company would need to provide evidence that it refreshes the due diligence at least every three years and/or when there is a significant change in the business relationship.

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

Score:

1

Comments:
Based on public information, there is evidence that the company has formal procedures and contractual rights in place. However, TI notes that monitoring appears to relate only to auditing for correct billing rather than to more general activities. The company therefore scores 1.

References:
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:

1

Comments:
Based on public information, there is evidence that the company makes its stance on bribery and corruption clear to contractors, subcontractors, and suppliers through policy and contractual terms, but it is unclear about how these apply or whether contracts are terminated for non-compliance. The company therefore scores 1.

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

Score:

1

Comments:
Based on public information, there is evidence that the company does not explicitly address the corruption risks associated with offsets, but mentions abiding by anti-corruption regulations. The company therefore scores 1.

References:
A13(b):
Does the company conduct due diligence that minimises corruption risk when selecting its offset partners and offset brokers?

Score:

1

Comments:
Based on public information, there is evidence that the company conducts due diligence that minimises corruption risk when selecting its offset partners and offset brokers. However, there is no evidence that due diligence is refreshed at least every three years and/or when there is a significant change in the business relationship. The company therefore scores 1.

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

Score:

2

Comments:
Based on public information, there is evidence that the company has an anti-corruption policy that prohibits corruption in its various forms.

References:
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 an explicit policy statement of zero tolerance of corruption.

References:
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 anti-corruption policy is easily accessible to all employees and affiliated organizations via their website in several languages including Chinese, Spanish and Russian.

References:
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 anti-corruption policy is written in clear, comprehensible language.

References:
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 anti-corruption policy applies to all employees, but it is not clear if this includes Board members. The company therefore scores 1.

References:
A20:
Does the company have a policy on potential conflicts of interest, and does it apply to both employees and board members?

Score:

1

Comments:
Based on public information, there is evidence of a policy on potential conflicts of interest at employee and Board levels. However, the policy relating to employees is assessed to be limited in detail and no explicit examples are provided to guide employees. The company therefore scores 1.

References:
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:

1

Comments:
Based on public information, there is evidence that the company has a policy on the giving and receiving of gifts, but there is no readily available evidence of clear upper limits or a threshold for senior authorisation. The company therefore scores 1.

References:
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:

1

Comments:

Based on public information, there is evidence that the company has a policy on the giving and receiving of hospitality, but there is no readily available evidence of clear upper limits or a threshold for senior authorisation. The company therefore scores 1.

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

Score:
0

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

References:
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 states that it does not make any political contributions.

References:
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:

1

Comments:

Based on public information, there is evidence that the company has a clear policy explained in their lobbying charter which regulates lobbying activities to prevent undue influence or other corrupt intent; however, guidelines on its application are not provided and it is not clear that the company discloses the issues on which it lobbies. The company therefore scores 1.

References:
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:
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:

0

Comments:

Based on public information, there is no readily available evidence that the company provides written guidance to help Board members and employees understand and implement the firm’s ethics and anti-corruption agenda.

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

Score:

2

Comments:
Based on public information, there is evidence that the company has a training programme that includes an explicit anti-corruption module.

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

Score:

2

Comments:
Based on public information, there is evidence that the company’s instructional training courses are available in the Group’s companies worldwide. The company therefore scores 2.

References:
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 members of the Board.

References:
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 has a varied training program, and organises targeted training; however, the scope of this is unclear. The company therefore scores 1.

References:
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 a formal process exists for declaring conflicts of interest.

References:
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:

0

Comments:
Based on public information, there is no readily available evidence that the company applies disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities.

References:
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:
0

Comments:
Based on public information, there is no readily available evidence that the company has 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.

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

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has whistleblowing channels available to all employees in all geographies.

References:
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, and that whistleblowers are treated supportively.

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

Score:

1

Comments:
Based on public information, there is evidence that the company has resources available to all employees where help and advice can be sought on corruption-related issues. However, it is not clear that those appointed as resources have been trained for the job. The company therefore scores 1.

References:
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 that the company has a commitment to non-retaliation for bona fide reporting of corruption.

References:
Information Sources:

Company website:
www.safran-group.com