

Supplier Relations Charter

This Charter is in line with the ethical process of the DCNS group. It applies to all DCNS group employees who deal with suppliers and sub-contractors during the process of "providing the requested supplies". It defines the principles and values to be implemented in terms of ethics and contractual relations.

Ethical behaviour of DCNS representatives

Generally, each employee, when acting on behalf of the DCNS group, is required to:

- comply with the applicable rules of law
- abide by the rules laid down by the Code of Ethics of the DCNS group
- abide by the group's instructions, policies and procedures and specifically the integrity programme developed by the Compliance Department
- adopt a behaviour that reflects the values of the group
- be courteous in all dealings with the employees and representatives of suppliers including during times of conflict
- refrain from disclosing the confidential information of the DCNS group or its suppliers
- contribute through his or her behaviour and his or her decisions to the group's good reputation.

In particular, each employee shall strive to avoid any situation that could be interpreted as a real or apparent conflict of interest. In this respect, the employee shall systematically inform his or her line manager whenever there is a personal, family or financial link between a supplier and such employee.

Similarly, each employee shall strive to avoid any behaviour likely to be interpreted as real or apparent corruption, such as receiving gifts or tokens of hospitality that may not be compliant with the Group's policy.

In the event of doubt about the right behaviour to adopt or decision to take regarding the above rules, the employee concerned must consult his or her line manager before taking any action or decision.

The ethical process of DCNS also applies to the suppliers registered on the Group's panel. DCNS therefore requires from all these companies a commitment to abide by the "Code of Conduct of DCNS suppliers": a document containing guidelines on the Group's expectations in matters of governance, environment, human rights and social issues.

In this context, buyers must ask suppliers on the panel (or companies likely to be members of this panel) to sign an "undertaking" to comply with the "Code of Conduct of DCNS Suppliers".

Any identified deviation should be the subject of a supplier progress plan which assures DCNS of the supplier's wish to ultimately comply with the "Code of Conduct for DCNS Suppliers".

Without a progress plan, an exit plan from the DCNS suppliers panel is organised.

"Supplier relations" section

The DCNS group undertakes to develop fair and mutually beneficial relations with its suppliers.

In this respect, the DCNS Group:

- undertake to treat its suppliers fairly throughout tender invitation procedures,
- communicate to its suppliers the pertinent elements used to assess invitations to tender and inform rejected applicants without breaching the rules of confidentiality,
- communicate on activity forecasts and ensure that such forecasts are not misleading for the supplier,
- undertake to protect the confidentiality of the information received from suppliers when processing invitations to tender or during the performance of contracts and undertake to refrain from using a supplier's know-how,
- promptly notify the supplier of any reservations or claims relating to delivered supplies or breaches of their obligations,
- undertake to duly respond to the solicitations from suppliers,
- promote the development of a long-term relationship with its suppliers, monitor any situations of dependence and avoid any abrupt termination of contractual relations,
- share with suppliers the results of the assessments of their services,
- take into account the efforts of its suppliers in the field of corporate social responsibility.

It is the responsibility of the Purchasing and Supplier Relations Department of the DCNS Group to ensure that the purchasing teams and the line staff in contact with suppliers fully understand and implement these rules.

Furthermore, through the "Plan PME DCNS", the Group supports small and mid-sized suppliers with the goal of strengthening the naval and marine energy industrial sectors.

The "Plan PME DCNS" seeks to facilitate the access of small and mid-sized companies to its panel of suppliers and build purchasing contracts that reflect their size. Specifically, DCNS purchasing teams and line staff are encouraged to:

- set up financing plans (advances, interim accounts and balance) that match works implementation schedules;
- introduce penalty conditions adapted to the stakes of the contract and the structure of suppliers;
- follow the principle of protecting or fairly compensating intellectual property and the use of the contract's results;
- optimise the terms of payment.

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