

DEFENCE COMPANIES INDEX (DCI) ON ANTI-CORRUPTION AND CORPORATE TRANSPARENCY 2020

FINAL ASSESSMENT

DASSAULT AVIATION SA

The following pages contain the detailed scoring for this company based on publicly available information.

The table below shows a summary of the company's scores per section:

Section	Number of Questions*	Score Based on Publicly Available Information
1. Leadership and Organisational Culture	4	7/8
2. Internal Controls	6	1/12
3. Support to Employees	7	3/14
4. Conflict of Interest	4	1/8
5. Customer Engagement	7	1/14
6. Supply Chain Management	5	2/10
7. Agents, Intermediaries and Joint Ventures	10	0/20
8. Offsets	4	0/8
9. High Risk Markets	4	3/8
10. State-Owned Enterprises	0	N/A
TOTAL		18/102
BAND		E

*This column represents the number of questions on which the company was eligible to receive a score; i.e. where the company did not receive a score of N/A.

1. Leadership and Organisational Culture

Question
1.1. Does the company have a publicly stated anti-bribery and corruption commitment, which is authorised by its leadership?
Score
2
Comments
<p>There is evidence that the company has a publicly stated anti-corruption commitment, which details the company's stance against any form of corruption within the organisation, which is understood to include bribery. It is clear that this commitment was authorised and endorsed by the company's leadership.</p>
Evidence
<p>[1] Ethical Charter (Document) Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter-english-translation-29-09-16_bd.pdf</p> <p>[p.1] Founded almost a century ago, the Dassault Aviation Group is now one of the world's major players in civil and military aeronautics.</p> <p>Renowned for its technical and industrial expertise, buttressed by employees who are passionate about what they do, offering outstanding products, innovative processes and working in synergy with its partners, the Group looks to the future with confidence.</p> <p>The Dassault Aviation Group also nurtures and projects a clear identity, strong values and strict ethical principles.</p> <p>Since 2001, the Group has stated these principles in this very document, its Ethical Charter.</p> <p>The Charter comprises two sections.</p> <p>The first section is entitled "Our values" and describes our five main guiding principles. The second section is called "Our code of conduct" which pragmatically illustrates daily conduct flowing from these values.</p> <p>The Ethical Charter aims to rally the men and women in our Group around these values and is intended to inspire their actions and convey Dassault Aviation's image to our customers, partners and suppliers.</p> <p>This Charter represents a collective commitment which will come into its own as long as everyone is on board.</p> <p>Higher together!</p> <p>Eric Trappier</p>
<p>[3] Fair practices (Webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/</p> <p>Dassault Aviation carries out its business in compliance with the national laws and international conventions in force in the countries in which it operates.</p> <p>As well as complying with the relevant laws, the company adheres to a strict ethical code in its activities. Dassault Aviation has set out in its Ethical Charter, the values that federate the action of all its employees and the conduct that each must follow in his or her dealings with the company's customers, suppliers subcontractors and partners.</p> <p>Observing a strict Code of ethics, the Group promises to act in accordance with the Convention of the Organization for Economic Cooperation and Development (OECD), the United Nations Convention (UN) and national laws.</p>

For many years, the Dassault Aviation Group has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation of the Group in its commercial relations.

Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy” towards corruption and influence peddling, for the company and its subsidiaries.

Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling:

- an Anticorruption Code , introduced by the , the Chairman-Chief Executive Officer who reaffirms his commitment to apply a “zero tolerance policy”, that defines and illustrates different types of behavior to be avoided as characteristics of corruption or influence peddling ; this Code, integrated in the internal rules of the various Company sites, is illustrated by an Anticorruption Guide that is composed of practical examples and situations; the Code has been brought to the knowledge of all the employees;
- an Internal Alert Procedure that allows employees and outside and occasional agents to signal a crime or offense, violations of international commitments, laws or regulations, or even the Anticorruption Code; Dassault Aviation respects the rules of the French criminal law (article 122-9) about the protection for whistle blowers(non- retaliation). The Ethics department is in charge of this process.
- risk mapping, intended to identify, analyze and rank the risks of exposure to corruption;
- procedures for assessing the situation of customers ,first-tier suppliers and intermediaries (specific and strong procedures) in the mapping of risks;
- internal or external accounting control procedures intended to ensure that the books, ledgers and accounts do not mask acts of corruption or influence peddling;
- specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (theory and practice)
- a system of control and internal evaluation of the measures implemented (there levels of control).

All these procedures (and information and formations) are available on the company intranet site.

The Ethics Department, an independent unit reporting to the Chairman-Chief Executive Officer and to the board, is responsible for establishing, evaluating and monitoring these measures.

The company respects the rules set up by the law of 10 December 2016 regarding the lobbying actions.

CONTACT

Jacqueline Meyson
Senior Vice President / Ethics and compliance

Question
<p>1.2. Does the company have a comprehensive anti-bribery and corruption policy that explicitly applies to both of the following categories:</p> <p>a) All employees, including staff and leadership of subsidiaries and other controlled entities;</p> <p>b) All board members, including non-executive directors.</p>
Score
1
Comments
<p>There is some evidence that the company has an Ethical Charter and Code of Ethics, both of which it indicates apply to all employees. These policies outline the company’s zero tolerance position on corruption and commit to complying with all relevant anti-bribery laws.</p> <p>However, the company receives a score of ‘1’ because it is not clear from publicly available information that its policies specifically prohibit payments to public officials and facilitation payments. It is also not clear whether the Code of Ethics applies to all board members, including non-executive members.</p>
Evidence
<p>[1] Ethical Charter (Document) Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter- english-translation-29-09-16_bd.pdf [p.5] The commercial relations of our employees and agents with customers must be grounded on the principles of integrity, professionalism, and the interest of the Group. Any actions directed at a customer – invitations, entertainment, travel, and gifts – must remain appropriate in nature and within accepted limits, in both amount and frequency.</p> <p>Respecting the customer also means that the Dassault Aviation Group acts in conformity with the national and international laws which are in force. We will comply scrupulously with the commercial ethics and principles of the OECD convention of December 17th, 1997, which has been ratified by France which, in particular, prohibit offering or granting any undue benefits, directly or indirectly, to any government employee, in exchange for acting, or refraining to act, in the performance of his duties or mandate, so as to favor the Dassault Aviation Group.</p> <p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Dassault Aviation carries out its business in compliance with the national laws and international conventions in force in the countries in which it operates.</p> <p>As well as complying with the relevant laws, the company adheres to a strict ethical code in its activities. Dassault Aviation has set out in its Ethical Charter, the values that federate the action of all its employees and the conduct that each must follow in his or her dealings with the company’s customers, suppliers subcontractors and partners.</p> <p>Observing a strict Code of ethics, the Group promises to act in accordance with the Convention of the Organization for Economic Cooperation and Development (OECD), the United Nations Convention (UN) and national laws. For many years, the Dassault Aviation Group has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation of the Group in its commercial relations.</p> <p>Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy” towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling:</p> <ul style="list-style-type: none"> • an Anticorruption Code , introduced by the , the Chairman-Chief Executive Officer who reaffirms his commitment to apply a “zero tolerance policy”, that defines and illustrates different types of behavior to be avoided as characteristics of corruption or influence peddling ; this Code, integrated in the internal rules of

the various Company sites, is illustrated by an Anticorruption Guide that is composed of practical examples and situations; the Code has been brought to the knowledge of all the employees;

- an Internal Alert Procedure that allows employees and outside and occasional agents to signal a crime or offense, violations of international commitments, laws or regulations, or even the Anticorruption Code; Dassault Aviation respects the rules of the French criminal law (article 122-9) about the protection for whistle blowers(non- retaliation). The Ethics department is in charge of this process.

[4] Global Compact good practices 2018

Accessed 21/06/2019

<https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf>

[p.7] Anti-corruption (principles10) Dassault Aviation follows a proactive policy against corruption. This is in compliance with the French law which, ever since 2000, has enacted and applied stringently numerous international conventions under the OECD, the UN and the European Union against foreign corruption practices.

The Dassault Aviation policy is stated in its Chart of Ethics and is in accordance with Principle 10 of the Global Compact. For many years, the Company has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation.

Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to indentify, analyze and rank the risk of exposure to corruption, procedures for assessing the situation of clients , first –tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (For more explanations, see annual reports pages 88,89).

In order to promote business ethics, Dassault Aviation has initiated within the AeroSpace and Defence Industries Association of Europe, ASD, a committee in charge of elaborating European business ethics standards. These” Common Industry Standards” have been approved by the Council of the ASD then chaired by Dassault Aviation CEO Charles Edelstenne and signed by Dassault Aviation.

Within GIFAS, the French aerospace industries association, Dassault Aviation contributes to good governance standards through several committees. In 2012, Dassault Aviation joined the international Forum of Business Ethical Conduct (IFBEC). The purpose of IFBEC is to: - promote and forster through “the Global Principles“, the development of global, industry-wide ethical standards for the companies that are active in the aerospace and defense business sector. - organize opportunities for industry and relevant stakeholders to exchange information and best practices concerning ethical business challenges, practices and opportunities worldwide.

[8] Annual report 2018

Accessed 21/06/19

https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf

[p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.

It has built a solid organization, based on the following procedures and tools:

- an anti- corruption code as part of internal rules, defining the different types of prohibited behaviors, and an anti-corruption guide that shows how this works, with practical examples and exercises;
- an internal alert procedure, enabling employees, temporary staff and outside partners to signal any infraction, or any behavior not in line with the anti- corruption code; [...]

[p.111] Through its Code of Ethics, Dassault Aviation Group asserts the values that serve to unite the actions of all its employees. This charter also sets out a code of conduct that the Group follows with its customers, partners, suppliers and subcontractors.

Observing a strict code of ethics, the Group commits to acting in accordance with the Convention of the Organization for Economic Cooperation and Development (OECD), the United Nations Convention and national laws.

For many years, the Dassault Aviation Group has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation of the Group in its industrial and commercial relations.

Pursuant to the Sapin 2 Law of December 9, 2016 concerning the fight against corruption and the modernization of economic life, the Dassault Aviation Group supplemented and enhanced its process to prevent and detect corruption and influence peddling in both the Parent Company and its subsidiaries under the guidance of the Chairman and Chief Executive Officer who promotes a zero-tolerance policy. The measures required by the Sapin 2 Law have been effective within the Group as of December 31, 2018.

[p.111] An Anti-corruption Code specifically dedicated to the prevention of and fight against corruption was implemented in the Dassault Aviation Group alongside the Code of Ethics. This Code defines and illustrates the different types of employee behavior to be proscribed as likely to constitute acts of bribery or influence peddling. It is integrated into the internal rules of the company's various sites. Any violation is therefore punishable. The Anti-Corruption Code is illustrated by an Anti-Corruption Guide consisting of practical examples and scenarios.

[p.112] Special internal and external accounting control procedures intended to ensure that the books, ledgers and accounts do not mask acts of corruption or influence peddling have been deployed within the Finance Department, thus reinforcing existing procedures.

[p.112] A page dedicated to the Ethics Department is available on the Parent Company Intranet site. This page presents the Company's Ethics Policy, Ethics Department contacts, and the reference documents, including the Anti-Corruption Code, the Anti-Corruption Guide and the Internal Alert Procedure.

A page dedicated to ethics is also accessible on the Group's website.

The compliance program deployed by Dassault Aviation and its subsidiaries Dassault Falcon Service, Dassault Falcon Jet and Sogitec demonstrates our commitment to effectively combating corruption and influence peddling.

Moreover, Dassault Aviation is also a signatory of a number of international commitments to prevent corruption: the Global Pact, Common Industry Standards, and Global Principles. The Company is also a member of several ethics and corporate responsibility committees at the national, European and international levels (see website www.dassault-aviation.com, ethics page).

Question
1.3. Does the board or a dedicated board committee provide oversight of the company's anti-bribery and corruption programme?
Score
2
Comments
<p>Based on publicly available information, there is evidence that the company's Ethics Department is responsible for evaluating and monitoring all anti-corruption policies and processes. The company indicates that this department reports directly to the Chairman-Chief Executive Officer and the board of directors. In addition, there is evidence that the Ethics Department's responsibilities include formal oversight functions such as reviewing the functioning of the programme and conducting risk mapping exercises. It is clear that this department is the main body responsible for the company's anti-corruption measures and that it has the authority to require that any necessary changes to the programme are made.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling:</p> <ul style="list-style-type: none"> • an Anticorruption Code , introduced by the , the Chairman-Chief Executive Officer who reaffirms his commitment to apply a “zero tolerance policy”, that defines and illustrates different types of behavior to be avoided as characteristics of corruption or influence peddling ; this Code, integrated in the internal rules of the various Company sites, is illustrated by an Anticorruption Guide that is composed of practical examples and situations; the Code has been brought to the knowledge of all the employees; <p>[...] All these procedures (and information and formations) are available on the company intranet site</p> <p>The Ethics Department, an independent unit reporting to the Chairman-Chief Executive Officer and to the board, is responsible for establishing evaluating and monitoring these measures.</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>[p.111] An Ethics Department, an independent body that reports to the Chairman and Chief Executive Officer of Dassault Aviation, was created. It is tasked with implementing and monitoring procedures related to the fight against corruption, in compliance with the new regulation. Risk mapping has been deployed within the Group. Its purpose is to identify, analyze and rank our risks of exposure to corruption. This mapping specifies and summarizes activities and risks of corruption and associated influence peddling throughout the Group's various processes. It takes into account the sectors of activity, both military and civilian, as well as the geographical areas in which the company deploys its activity. The mapping led the Dassault Aviation Group to strengthen existing anti-corruption procedures and put new measures in place.</p>

Question
1.4. Is responsibility for implementing and managing the company's anti-bribery and corruption programme ultimately assigned to a senior executive, and does he or she have a direct reporting line to the board or board committee providing oversight of the company's programme?
Score
1
Comments
<p>There is some evidence that a senior individual – the Senior Vice President Ethics and Compliance – has responsibility for implementing and managing the company's anti-bribery and corruption programme.</p> <p>However, the company receives a score of '1' because there is no clear publicly available evidence that this individual as a direct reporting line to the Ethics Department, which oversees of the anti-corruption programme, nor is there evidence of reporting and feedback activities between this person and the board as part of the company's reporting structure. It is also not clear that this individual or position is a senior executive.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy” towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling:</p> <ul style="list-style-type: none"> • an Anticorruption Code , introduced by the , the Chairman-Chief Executive Officer who reaffirms his commitment to apply a “zero tolerance policy”, that defines and illustrates different types of behavior to be avoided as characteristics of corruption or influence peddling ; this Code, integrated in the internal rules of the various Company sites, is illustrated by an Anticorruption Guide that is composed of practical examples and situations; the Code has been brought to the knowledge of all the employees; <p>[...]</p> <p>CONTACT Jacqueline Meyson Senior Vice President / Ethics and compliance</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>[p.85] The Ethics Department, which reports to the Chairman-CEO, is responsible for ensuring compliance with fair practices. It handles procedures implemented under the “Sapin 2” law.</p> <p>[p.111] An Ethics Department, an independent body that reports to the Chairman and Chief Executive Officer of Dassault Aviation, was created. It is tasked with implementing and monitoring procedures related to the fight against corruption, in compliance with the new regulation. Risk mapping has been deployed within the Group. Its purpose is to identify, analyze and rank our risks of exposure to corruption. This mapping specifies and summarizes activities and risks of corruption and associated influence peddling throughout the Group's various processes. It takes into account the sectors of activity, both military and civilian, as well as the geographical areas in which the company deploys its activity. The mapping led the Dassault Aviation Group to strengthen existing anti-corruption procedures and put new measures in place.</p>

2. Internal Controls

Question
2.1. Is the design and implementation of the anti-bribery and corruption programme tailored to the company based on an assessment of the corruption and bribery risks it faces?
Score
1
Comments
<p>There is evidence that the company has a formal bribery and corruption risk assessment procedure in place that informs the design of the anti-corruption and bribery programme. The company indicates that its risk management system includes a mapping of all relevant corruption risks and that there is evidence that the results of such reviews are used to update specific parts of its anti-corruption programme.</p> <p>However, there is no clear publicly available evidence that such assessments are undertaken on at least an annual basis, nor is there clear evidence that the results are reviewed at board level.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: ... <ul style="list-style-type: none"> • risk mapping, intended to identify, analyze and rank the risks of exposure to corruption; • procedures for assessing the situation of customers ,first-tier suppliers and intermediaries (specific and strong procedures) in the mapping of risks; </p> <p>[4] Global Compact good practices 2018 Accessed 21/06/2019 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf [p.7] Anti-corruption (principles 10) Dassault Aviation follows a proactive policy against corruption. This is in compliance with the French law which, ever since 2000, has enacted and applied stringently numerous international conventions under the OECD, the UN and the European Union against foreign corruption practices.</p> <p>The Dassault Aviation policy is stated in its Chart of Ethics and is in accordance with Principle 10 of the Global Compact. For many years, the Company has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation.</p> <p>Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to indentify, analyze and rank the risk of exposure to corruption, procedures for assessing the situation of clients , first-tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling.</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>It has built a solid organization, based on the following procedures and tools:</p>

- an anti- corruption code as part of internal rules, defining the different types of prohibited behaviors, and an anti- corruption guide that shows how this works, with practical examples and exercises;
- an internal alert procedure, enabling employees, temporary staff and outside partners to signal any infraction, or any behavior not in line with the anti- corruption code;
- a chart of risks to identify, analyze and rank corruption exposure risks;
- procedures to assess the situation of customers, tier- 1 suppliers and consultants in relation to this chart;
- internal and external accounting control procedures;
- special training sessions for staff with the greatest risk exposure.

To support this initiative, Dassault Aviation has also set up an internal assessment and control structure.

[p.86] The risk management procedures detailed in Chapter 2 of this report are based on a risk mapping updated by all of the Company's major departments for the activities that concern them.

The risks identified in this mapping, whatever their nature, have been assessed according to their seriousness and their frequency of occurrence. The procedures for treating risks are also recorded in this mapping.

The risk management procedures are defined and applied by the departments of the Company.

In particular, audits of Program risks at Dassault Aviation are performed through regular risk reviews held by the Program Departments with the Operational Departments.

Risks are monitored at the various stages in a product's life cycle based on various reviews. The purpose of these reviews is to identify new risks and monitor and reduce existing risks.

The Total Quality Management Department, through the Internal Audit and Risk Department, notifies Executive Management of risks by transmitting the list of most critical risks identified.

[p.86] Finally, the Risk Committee's mission, based on risk mapping and a campaign of interviews with all Departments, is to:

- validate the identified risks, their classification and the risk reduction actions carried out,
- ensure that new risks are identified, taken into account and their financial impacts measured.

To this end, the Committee conducts interviews with those in charge of the Company's processes who are responsible for updating the risk mapping.

This Committee also ensures, through interviews with Dassault Falcon Jet, Dassault Falcon Service and Sogitec Industries executives, that the risk management system in the subsidiaries is taken into account.

It is chaired by the Senior Executive Vice President, Total Quality, assisted by the Director of Internal Audit and Risks, secretary of the Committee, and reports to the General Management.

[p.111] An Ethics Department, an independent body that reports to the Chairman and Chief Executive Officer of Dassault Aviation, was created. It is tasked with implementing and monitoring procedures related to the fight against corruption, in compliance with the new regulation. Risk mapping has been deployed within the Group. Its purpose is to identify, analyze and rank our risks of exposure to corruption. This mapping specifies and summarizes activities and risks of corruption and associated influence peddling throughout the Group's various processes. It takes into account the sectors of activity, both military and civilian, as well as the geographical areas in which the company deploys its activity. The mapping led the Dassault Aviation Group to strengthen existing anti-corruption procedures and put new measures in place.

Question
2.2. Is the company's anti-bribery and corruption programme subject to regular internal or external audit, and are policies and procedures updated according to audit recommendations?
Score
0
Comments
<p>Based on publicly available information, there is some evidence that the company's anti-corruption programme is subject to annual audit or review. The company indicates that it has systems in place to review and evaluate its anti-corruption measures, and there is evidence to indicate that the Ethics Department is responsible for implementing planned updates to the programme on the basis of such reviews.</p> <p>However, it is not clear from publicly available information that the company's review process includes clear internal and/or external audits of the entire anti-corruption programme, to ensure that it is consistent with best practice and the business risks facing the company. There is also no clear publicly available evidence to indicate how frequently these reviews are undertaken, nor is it clear that high-level findings are presented to the board.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/</p> <p>Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a "zero tolerance policy" towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling:</p> <p>...</p> <ul style="list-style-type: none"> • a system of control and internal evaluation of the measures implemented (there levels of control). <p>All these procedures (and information and formations) are available on the company intranet site.</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf</p> <p>[p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>It has built a solid organization, based on the following procedures and tools:</p> <ul style="list-style-type: none"> – an anti- corruption code as part of internal rules, defining the different types of prohibited behaviors, and an anti- corruption guide that shows how this works, with practical examples and exercises; [...] <p>To support this initiative, Dassault Aviation has also set up an internal assessment and control structure.</p> <p>[p.84] Internal auditing reference documents</p> <p>The Company's internal auditing is guided by the following reference documents:</p> <ul style="list-style-type: none"> • the Quality Manual, which describes the Company processes, • the Organization Manual, which describes the tasks and organization of each department, • for financial and accounting activities, the "Managing Economic and Financial Data" process described in the Quality Manual, • an Anticorruption Code and an Internal Alert Procedure complete the processes that already exist, • a Supplier Vigilance Plan.

[p.86] In particular, audits of Program risks at Dassault Aviation are performed through regular risk reviews held by the Program Departments with the Operational Departments.

Risks are monitored at the various stages in a product's life cycle based on various reviews. The purpose of these reviews is to identify new risks and monitor and reduce existing risks.

The Total Quality Management Department, through the Internal Audit and Risk Department, notifies Executive Management of risks by transmitting the list of most critical risks identified.

[p.112] Special internal and external accounting control procedures intended to ensure that the books, ledgers and accounts do not mask acts of corruption or influence peddling have been deployed within the Finance Department, thus reinforcing existing procedures.

Question
2.3. Does the company have a system for tracking, investigating and responding to bribery and corruption allegations or incidents, including those reported through whistleblowing channels?
Score
0
Comments
<p>There is some evidence that the company has procedures in place to deal with allegations, incidents and whistleblowing reports relating to possible bribery and corruption. The company indicates that it has established an internal alert procedure and that the Ethics Department, which reports to the Chairman-Chief Executive Officer, is responsible for this process.</p> <p>However, the company receives a score of ‘0’ because there is no publicly available evidence that the company has a specific procedure to deal with whistleblowing cases that stipulates clear documentation and actions to be taken at each step. There is also no clear evidence that the company takes steps to ensure the independence of its investigations, nor that it commits to inform whistleblowers of the outcome of investigations. The company’s investigation procedure, from receipt to final outcome, is not clear from publicly available information.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Observing a strict Code of ethics, the Group promises to act in accordance with the Convention of the Organization for Economic Cooperation and Development (OECD), the United Nations Convention (UN) and national laws. For many years, the Dassault Aviation Group has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation of the Group in its commercial relations.</p> <p>[...]</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...]</p> <ul style="list-style-type: none"> • an Internal Alert Procedure that allows employees and outside and occasional agents to signal a crime or offense, violations of international commitments, laws or regulations, or even the Anticorruption Code; Dassault Aviation respects the rules of the French criminal law (article 122-9) about the protection for whistle blowers (non- retaliation). The Ethics department is in charge of this process. <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>It has built a solid organization, based on the following procedures and tools: [...]</p> <ul style="list-style-type: none"> – an internal alert procedure, enabling employees, temporary staff and outside partners to signal any infraction, or any behavior not in line with the anti- corruption code; <p>[p.111] An Internal Alert Procedure that allows employees and outside and occasional agents to signal a crime or offense, violations of international commitments, laws or regulations, or even the Anti-Corruption Code, was also implemented. The Ethics Department is responsible for receiving and processing internal alerts. For this purpose, a dedicated e-mail address accessible to employees equipped with an encryption system has been created. This process has not been activated for acts of corruption or influence peddling for as long as it has existed.</p>

Question
2.4. Does the company have appropriate arrangements in place to ensure the quality of investigations?
Score
0
Comments
There is no publicly available evidence that the company assures itself of the quality of investigations, for example by indicating that staff conducting investigations are properly trained, by implementing a policy to handle complaints about the process or by reviewing the investigation process every three years.
Evidence
No evidence found.

Question
2.5. Does the company's investigative procedure include a commitment to report material findings of bribery and corruption to the board and any criminal conduct to the relevant authorities?
Score
0
Comments
There is no publicly available evidence that the company has an investigative procedure in place which includes a commitment to report material findings of bribery and corruption to the board and any criminal conduct to the relevant authorities.
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...]</p> <ul style="list-style-type: none"> an Internal Alert Procedure that allows employees and outside and occasional agents to signal a crime or offense, violations of international commitments, laws or regulations, or even the Anticorruption Code; Dassault Aviation respects the rules of the French criminal law (article 122-9) about the protection for whistle blowers(non- retaliation). The Ethics department is in charge of this process.

Question
2.6. Does the company publish high-level results from incident investigations and disciplinary actions against its employees?
Score
0
Comments
There is no evidence that the company publishes any data on ethical or bribery and corruption investigations or disciplinary actions involving its employees.
Evidence
No evidence found.

3. Support to Employees

Question
3.1. Does the company provide training on its anti-bribery and corruption programme to all employees across all divisions and geographies, and in all appropriate languages?
Score
1
Comments
<p>There is evidence that the company provides training sessions on the basic principles of the anti-bribery and corruption policy to employees and managers who are most exposed to corruption risk.</p> <p>However, there is no clear evidence that the company provides such training to all employees across all divisions, all countries regions of operation or in all appropriate languages. In addition, the company does not provide further publicly available information regarding the content of its training so it is not clear whether these sessions cover the whistleblowing options available to employees. It is also unclear how frequently employees must undertake or refresh their training in this area.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...]</p> <ul style="list-style-type: none"> • specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (theory and practice) <p>[4] Global Compact good practices 2018 Accessed 21/06/2019 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf [p.7] Anti-corruption (principles10)</p> <p>[...] Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to indentify, analyze and rank the risk of exposure to corruption, procedures for assessing the situation of clients , first –tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (For more explanations, see annual reports pages 88,89).</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] It has built a solid organization, based on the following procedures and tools: [...]</p> <ul style="list-style-type: none"> – special training sessions for staff with the greatest risk exposure.

Question
<p>3.2. Does the company provide tailored training on its anti-bribery and corruption programme for at least the following categories of employees:</p> <ul style="list-style-type: none"> a) Employees in high risk positions, b) Middle management, c) Board members.
Score
1
Comments
<p>There is some evidence that the company provides tailored anti-corruption training to certain employees based on an assessment of their role and exposure to corruption risk. The company indicates that it provides such training to managers and those most exposed to possible corruption and influence-peddling.</p> <p>However, there is no publicly available evidence that the company provides tailored anti-corruption training to board members. It is also not clear how frequently employees in high risk positions must undertake and refresh their training in this area.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...] <ul style="list-style-type: none"> • specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (theory and practice) </p> <p>[4] Global Compact good practices 2018 Accessed 21/06/2019 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf [p.7] Anti-corruption (principles10)</p> <p>[...] Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to identify, analyze and rank the risk of exposure to corruption, procedures for assessing the situation of clients , first –tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (For more explanations, see annual reports pages 88,89).</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] It has built a solid organization, based on the following procedures and tools: [...] <ul style="list-style-type: none"> – special training sessions for staff with the greatest risk exposure. </p> <p>[p.111] The Ethics Department launched specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling. Three training sessions taught by a specialized law firm took place during 2018. The content of each session is set in consultation with the Ethics Department, the relevant Management Department and the law firm. Its purpose is to provide customized training for each of the</p> <p>[p.112] most exposed categories of employees. These sessions must allow the fundamental principles of the Sapin 2 Law to be acquired based on concrete situations.</p>

Question
3.3. Does the company measure and review the effectiveness of its anti-bribery and corruption communications and training programme?
Score
0
Comments
<p>There is no publicly available evidence that the company measures or reviews the effectiveness of its anti-bribery and corruption communications or training programme. The company indicates that it has a system in place to evaluate its internal controls, however it is not clear from publicly available information that this specifically includes measuring effectiveness nor that it covers the company’s anti-corruption training and communications initiatives.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy“ towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...]</p> <ul style="list-style-type: none"> • specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (theory and practice) • a system of control and internal evaluation of the measures implemented (there levels of control). <p>[...]</p> <p>All these procedures (and information and formations) are available on the company intranet site.</p>

Question
3.4. Does the company ensure that its employee incentive schemes are designed in such a way that they promote ethical behaviour and discourage corrupt practices?
Score
0
Comments
<p>There is no publicly available evidence that the company's incentive schemes incorporate ethical or anti-bribery and corruption principles. The company provides some details on its compensation policy in its Annual Report, however there is no evidence that it includes clear information on how it incentivises employees to promote ethical behaviour and discourage corrupt practices.</p>
Evidence
<p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.94] The Dassault Aviation Group is committed to keeping its employees motivated at a high level by offering interesting projects along with an attractive compensation policy.</p> <p>The Group's compensation policy rewards and inspires loyalty among its employees while adapting to the economic situation and to the economic environment in order to maintain its competitiveness in a highly competitive market.</p> <p>In addition, the Group's French companies are developing a very attractive employee participation policy. Sector-based participation agreements are signed to distribute a large portion of profits to employees. These companies also promote employee savings by offering company savings plans with a wide choice of investments.</p> <p>Dassault Aviation and Sogitec also have a collective retirement savings plan which is financed by Dassault Aviation. In addition, the Parent Company and Dassault Falcon Service give employees a sense of involvement in the financial results of the company by entering into a particularly advantageous incentive agreement.</p> <p>The average annual salary of Group employees in 2018 was EUR 57,092. The average annual salary at the Parent Company, including profit-sharing and incentives, was EUR 67,372. The French subsidiaries of the Group hold derogatory participation agreements.</p> <p>Furthermore, the French companies of the Group paid EUR 25.8 million into the works committees to fund social and cultural activities, representing 5% of the total payroll.</p>

Question
3.5. Does the company commit to and assure itself that it will support and protect employees who refuse to act unethically, even when it might result in a loss of business?
Score
0
Comments
There is no publicly available evidence that the company commits to support or protect employees who refuse to act unethically.
Evidence
No evidence found.

Question
3.6. Does the company have a clear policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents?
Score
0
Comments
<p>There is some evidence that the company has a policy of non-retaliation against whistleblowers, in line with relevant national legislation, and that this policy applies to all employees and those employed by subsidiaries.</p> <p>However, there is no publicly available evidence that this commitment extends beyond whistleblowers to any employees who report bribery and corruption-related allegations and incidents through other channels. In addition, there is no evidence that the company assures itself of its employees' confidence in this commitment through surveys or other clearly stated means.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a "zero tolerance policy" towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling:</p> <p>[...]</p> <ul style="list-style-type: none"> • an Internal Alert Procedure that allows employees and outside and occasional agents to signal a crime or offense, violations of international commitments, laws or regulations, or even the Anticorruption Code; Dassault Aviation respects the rules of the French criminal law (article 122-9) about the protection for whistle blowers (non- retaliation). The Ethics department is in charge of this process. <p>[...]</p> <ul style="list-style-type: none"> • a system of control and internal evaluation of the measures implemented (there levels of control). <p>All these procedures (and information and formations) are available on the company intranet site.</p> <p>The Ethics Department, an independent unit reporting to the Chairman-Chief Executive Officer and to the board, is responsible for establishing evaluating and monitoring these measures. [...]</p>

Question
3.7. Does the company provide multiple whistleblowing and advice channels for use by all (e.g. employees and external parties), and do they allow for confidential and, wherever possible, anonymous reporting?
Score
1
Comments
<p>There is some evidence that the company has an internal alert procedure to allow employees to report incidents or possible breaches of its Anti-Corruption Code. The company indicates that this system is open to outside employees, including temporary staff and those working for subsidiaries or third parties.</p> <p>However, the company receives a score of ‘1’ because it does not provide further publicly available information on its whistleblowing and reporting mechanisms. There is no evidence that the company provides an external reporting mechanism, for example a channel operated by an independent third party, nor is there evidence that the company’s alert system allows for anonymous or confidential reporting. In addition, it is not clear from publicly available information that these channels are available to all employees in all countries of operation, or in multiple languages.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy” towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling:</p> <p>[...]</p> <ul style="list-style-type: none"> • an Internal Alert Procedure that allows employees and outside and occasional agents to signal a crime or offense, violations of international commitments, laws or regulations, or even the Anticorruption Code; Dassault Aviation respects the rules of the French criminal law (article 122-9) about the protection for whistle blowers(non- retaliation). The Ethics department is in charge of this process. <p>[...]</p> <ul style="list-style-type: none"> • a system of control and internal evaluation of the measures implemented (there levels of control). <p>All these procedures (and information and formations) are available on the company intranet site.</p> <p>The Ethics Department, an independent unit reporting to the Chairman-Chief Executive Officer and to the board, is responsible for establishing evaluating and monitoring these measures.</p> <p>[4] Global Compact good practices 2018 Accessed 21/06/2019 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf [p.7] Anti-corruption (principles10) Dassault Aviation follows a proactive policy against corruption. This is in compliance with the French law which, ever since 2000, has enacted and applied stringently numerous international conventions under the OECD, the UN and the European Union against foreign corruption practices.</p> <p>The Dassault Aviation policy is stated in its Chart of Ethics and is in accordance with Principle 10 of the Global Compact. For many years, the Company has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation.</p> <p>Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to indentify, analyze and</p>

rank the risk of exposure to corruption, procedures for assessing the situation of clients , first –tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (For more explanations, see annual reports pages 88,89).

[8] Annual report 2018

Accessed 21/06/19

https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf

[p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.

It has built a solid organization, based on the following procedures and tools:

- an anti- corruption code as part of internal rules, defining the different types of prohibited behaviors, and an anti- corruption guide that shows how this works, with practical examples and exercises;
- an internal alert procedure, enabling employees, temporary staff and outside partners to signal any infraction, or any behavior not in line with the anti- corruption code;
- a chart of risks to identify, analyze and rank corruption exposure risks;
- procedures to assess the situation of customers, tier- 1 suppliers and consultants in relation to this chart;
- internal and external accounting control procedures;
- special training sessions for staff with the greatest risk exposure.

To support this initiative, Dassault Aviation has also set up an internal assessment and control structure.

[p.111] An Internal Alert Procedure that allows employees and outside and occasional agents to signal a crime or offense, violations of international commitments, laws or regulations, or even the Anti-Corruption Code, was also implemented. The Ethics Department is responsible for receiving and processing internal alerts. For this purpose, a dedicated e-mail address accessible to employees equipped with an encryption system has been created. This process has not been activated for acts of corruption or influence peddling for as long as it has existed.

4. Conflict of Interest

Question
4.1. Does the company have a policy defining conflicts of interest – actual, potential and perceived – that applies to all employees and board members?
Score
1
Comments
<p>There is some evidence that the company has a policy on conflicts of interest. The company's Ethical Charter indicates that all employees should avoid direct or indirect conflicts where possible, and there is some evidence that this statement addresses possible conflicts arising from personal relationships and financial interests.</p> <p>However, the company receives a score of '1' because it is not clear from publicly available information that this policy addresses conflicts possible conflicts arising from outside employment or government relationships. There is also no clear evidence to indicate that this applies to board members.</p>
Evidence
<p>[1] Ethical charter (Document) Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter-english-translation-29-09-16_bd.pdf</p> <p>[p.6] The personnel of the Dassault Aviation Group owe the Group undivided loyalty. It is, for example, prohibited to work, without the Group's express permission, for an actual or potential competitor.</p> <p>[p.8] As a general rule, a conflict between one's own personal or financial interest, whether direct or indirect, and the group's interests must be avoided.</p>

Question
4.2. Are there procedures in place to identify, declare and manage conflicts of interest, which are overseen by a body or individual ultimately accountable for the appropriate management and handling of conflict of interest cases?
Score
0
Comments
There is no publicly available evidence that the company has procedures to identify, declare and manage conflict of interest or to manage the oversight of any identified conflicts.
Evidence
<p>[1] Ethical Charter (Document) Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter- english-translation-29-09-16_bd.pdf</p> <p>[p.6] The personnel of the Dassault Aviation Group owe the Group undivided loyalty. It is, for example, prohibited to work, without the Group’s express permission, for an actual or potential competitor.</p> <p>[p.8] As a general rule, a conflict between one’s own personal or financial interest, whether direct or indirect, and the group’s interests must be avoided.</p>

Question
4.3. Does the company have a policy and procedure regulating the appointment of directors, employees or consultants from the public sector?
Score
0
Comments
There is no publicly available evidence that the company has a policy regulating the employment of current or former public officials.
Evidence
No evidence found.

Question
4.4. Does the company report details of the contracted services of serving politicians to the company?
Score
0
Comments
There is no evidence that the company publishes details of the contracted services of any serving politicians.
Evidence
No evidence found.

5. Customer Engagement

5.1 Contributions, Donations and Sponsorships

Question
5.1.1. Does the company have a clearly defined policy and/or procedure covering political contributions?
Score
0
Comments
There is no publicly available evidence to indicate that the company has a policy on corporate political contributions. The company indicates that it does not finance political parties, elected officials or candidates unless such activities are in full compliance with existing relevant laws. Since the company does not prohibit political contributions, it receives a score of '0'.
Evidence
<p>[1] Ethical Charter (Document) Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter-english-translation-29-09-16_bd.pdf</p> <p>[p.9] As a corporate citizen, it maintains the strictest political, religious, and philosophical neutrality; it does not finance political parties, elected officials, or candidates unless such activities fully comply with existing laws.</p>

Question
5.1.2. Does the company publish details of all political contributions made by the company and its subsidiaries, or a statement that it has made no such contribution?
Score
0
Comments
There is no evidence that the company publishes any details of its political contributions, nor is there evidence that it publishes a statement to indicate that it has not made any such contributions in the past 12 months.
Evidence
No evidence found.

Question
5.1.3. Does the company have a clearly defined policy and/or procedure covering charitable donations and sponsorships, whether made directly or indirectly, and does it publish details of all such donations made by the company and its subsidiaries?
Score
0
Comments
<p>Based on publicly available information, there is no clear evidence that the company has a policy or procedure on charitable donations and sponsorships to ensure that such expenses are not used as vehicles for bribery and corruption. The company provides some information about the charities that it supports and sponsorship programmes; however there is no clear evidence of a policy to support this, nor is there evidence that the company publishes full details of its contributions made, such as details of the recipient, amount, country of recipient and which corporate entity made the payment.</p>
Evidence
<p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.109] 4.5.6 Charitable actions</p> <p>The Dassault Aviation Group is actively involved in many charities:</p> <ul style="list-style-type: none"> • La Course du Cœur, for organ donation; • Rêves de Gosses, to give children with disabilities an opportunity to have their first flight; • Hanvol, for employment training and insertion of people with disabilities; • Fondation Antoine de Saint-Exupéry pour la Jeunesse, which works to improve the lives of young people in many countries; • Fondation des Œuvres Sociales de l'Air and the association Les Ailes Brisées, which aim to help flight crew members who were victims of accidents and their families; • Les Mirauds Volants, which enables the visually impaired to fly planes; • L'École des pupilles de l'air, an equality of opportunity actor; • Association pour le Développement des Œuvres Sociales de la Marine; • and Technowest, for the insertion of young people in the professional world. <p>We have developed:</p> <ul style="list-style-type: none"> • a partnership with the associations 4A and Canopée (donations of equipment and financial support for the restoration of aircraft by members who are passionate about aviation), • and activities for the association Vieilles Racines (former employees of aviation companies). <p>[p.109] Through sponsorship agreements, Dassault Aviation supports the Fondation de l'Armée de l'Air, the Fondation d'Auteuil pour la prévention et la protection de l'enfance and the Bourget Air and Space Museum. Dassault Aviation also has a partnership with Aviation Sans Frontières (ASF).</p> <p>In the United States, Dassault Falcon Jet takes part in initiatives including Habitat for Humanity, the Arkansas Food Bank, the American Red Cross and the Muscular Dystrophy Association. Humanitarian missions were also conducted in 2017 in the Americas after the hurricanes.</p>

5.2 Lobbying

Question
5.2.1 Does the company have a policy and/or procedure covering responsible lobbying?
Score
0
Comments
There is no publicly available evidence that the company has a clear policy or procedure on lobbying. The company publishes a statement on its website to indicate that it complies with a piece of French legislation from December 2016 that applies to lobbying activities; however, the company does not provide any further publicly available information on any specific controls, oversight mechanisms or standards of conduct that it has in place to ensure compliance.
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ The company respects the rules set up by the law of 10 December 2016 regarding the lobbying actions.</p>

Question
5.2.2 Does the company publish details of the aims and topics of its public policy development and lobbying activities it carries out?
Score
0
Comments
There is no evidence that the company publishes any information on its lobbying aims, topics or activities.
Evidence
No evidence found.

Question
5.2.3 Does the company publish full details of its global lobbying expenditure?
Score
0
Comments
There is no evidence that the company publishes any details about its global lobbying expenditure.
Evidence
No evidence found.

5.3 Gifts and Hospitality

Question
5.3.1 Does the company have a policy and/or procedure on gifts and hospitality to ensure they are bona fide to prevent undue influence or other corruption?
Score
1
Comments
<p>Based on publicly available information, there is some evidence that the company has a policy on the giving and receipt of gifts and hospitality. The company indicates that any gifts provided must be within accepted limits and states that certain types of gifts, such as offers of travel or participation in non-professional events, must be declined.</p> <p>However, the company receives a score of ‘1’ because it does not provide further publicly available information on its policy to manage and handle gifts and hospitality, for example by addressing the risks associated with gifts given to or received from public officials or by establishing clear financial limits and approval procedures. In addition, there is no publicly available evidence that all gifts and hospitality above a certain threshold are recorded in a dedicated central register or database that is accessible to those responsible for oversight of the process.</p>
Evidence
<p>[1] Ethical Charter (Document) Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter-_english-translation-29-09-16_bd.pdf</p> <p>[p.5] The commercial relations of our employees and agents with customers must be grounded on the principles of integrity, professionalism, and the interest of the Group. Any actions directed at a customer – invitations, entertainment, travel, and gifts – must remain appropriate in nature and within accepted limits, in both amount and frequency.</p> <p>Respecting the customer also means that the Dassault Aviation Group acts in conformity with the national and international laws which are in force. We will comply scrupulously with the commercial ethics and principles of the OECD convention of December 17th, 1997, which has been ratified by France which, in particular, prohibit offering or granting any undue benefits, directly or indirectly, to any government employee, in exchange for acting, or refraining to act, in the performance of his duties or mandate, so as to favor the Dassault Aviation Group.</p> <p>[p.8] The Group’s employees owe it loyalty. This includes not requesting or accepting gifts or benefits which exceed standard business practice or which might influence the employee’s behavior. Offers of travel, junkets, and participation in non-professional events must be declined.</p>

6. Supply Chain Management

Question
6.1. Does the company require the involvement of its procurement department in the establishment of new supplier relationships and in the oversight of its supplier base?
Score
1
Comments
<p>There is some publicly available evidence that the company has a specific body responsible for the oversight of its supplier base. The company states that it has a Supply Chain Committee composed of those responsible for the supply process, and indicates that this body is responsible for making decisions in this area.</p> <p>However, the company receives a score of '1' because it is not clear from publicly available evidence that this Committee is the main body or department responsible for the establishment and oversight of its entire supply base, nor is there evidence that the company assures itself that proper procedures regarding the onboarding of suppliers are followed through clearly stated means at least every three years.</p>
Evidence
<p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.106] Our purchasing policy aims to secure our supply chain by strengthening the structural evaluation of our suppliers. This evaluation has two phases: authorization, which authorizes the referencing of a supplier, and monitoring, which makes it possible to ensure that it remains compliant with our reference system. A supplier approval procedure has been in place since 2007. In 2016, Finance and Security components were added to this procedure. In 2018, the Sapin 2 and Duty of Care aspects were added to supplement the Prevention of Corruption and Influence Peddling components on the one hand, and the HSE and Human Rights / Basic Freedoms components on the other.</p> <p>The monitoring of suppliers takes into account the same themes.</p> <p>We are taking steps to improve supplier performance:</p> <ul style="list-style-type: none"> • evaluation of control of the management of our suppliers' supply chain, • increase in the panel of qualified auditors to support our suppliers <p>This approach, which is applied to all areas of purchasing, is in line with the GIFAS Industrial Performance project and the methodologies developed by SPACE (Supply Chain Progress towards Aerospace Community Excellence) in the Aerospace sector.</p> <p>The guiding principles of our purchasing policy lead us to integrate our suppliers in the industrial and logistical processes, with a view to:</p> <ul style="list-style-type: none"> • better responsiveness, • sustainable relationships, • cost control, • optimization of the consumption of resources, • inventory reduction. <p>The strengthening of collaborative work with our suppliers is based on the deployment of the "BoostAeroSpace/Air Supply" digital platform, the standard in our industry.</p> <p>Our corporate approach is passed on to our suppliers by way of our technical and industrial specifications, our Quality/Environment purchasing clauses and our contractual requirements.</p> <p>Efforts to raise awareness of potential environmental risks are conducted with Dassault Aviation subcontractors. These actions target subcontractors whose industrial processes have a potential environmental impact.</p>

[p.106] To strengthen monitoring of our suppliers, we have a Supply Chain Committee. This committee is made up of stakeholders in the supply process of the Parent Company. It makes all decisions and takes all strategic actions in this area.

Internal training of our buyers and suppliers results in the issuing of a “Passport” (Buyer Passport and Supplier Performance Manager Passport) to give them the keys necessary for the performance of their missions.

Question
6.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging with its suppliers?
Score
0
Comments
<p>There is no publicly available evidence that the company conducts anti-bribery and corruption due diligence on its supply chain. The company indicates that it has procedures in place to assess suppliers and map any associated risks, but it does not provide further publicly available evidence to indicate whether this includes establishing the ultimate beneficial ownership of suppliers nor is it clear that such a process is undertaken and repeated at regular intervals.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy“ towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...]</p> <ul style="list-style-type: none"> • risk mapping, intended to identify, analyze and rank the risks of exposure to corruption; • procedures for assessing the situation of customers ,first-tier suppliers and intermediaries (specific and strong procedures) in the mapping of risks; <p>[4] Global Compact good practices 2018 Accessed 21/06/2019 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf [p.7] Anti-corruption (principles 10) Dassault Aviation follows a proactive policy against corruption. This is in compliance with the French law which, ever since 2000, has enacted and applied stringently numerous international conventions under the OECD, the UN and the European Union against foreign corruption practices.</p> <p>The Dassault Aviation policy is stated in its Chart of Ethics and is in accordance with Principle 10 of the Global Compact. For many years, the Company has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation.</p> <p>Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to indentify, analyze and rank the risk of exposure to corruption, procedures for assessing the situation of clients , first –tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (For more explanations, see annual reports pages 88,89).</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>[p.35] It has built a solid organization, based on the following procedures and tools: [...]</p> <ul style="list-style-type: none"> – a chart of risks to identify, analyze and rank corruption exposure risks; – procedures to assess the situation of customers, tier- 1 suppliers and consultants in relation to this chart;

To support this initiative, Dassault Aviation has also set up an internal assessment and control structure.

[p.110] Our general purchasing conditions require our suppliers and service providers to comply with our Code of Ethics when they execute their orders. Our corporate approach is passed on to our suppliers in our technical and industrial specifications and quality and environment purchasing clauses.

Under our purchasing and supply chain security policy, the evaluation procedure for suppliers and service providers in place since 2007 now incorporates parameters for evaluating respect for human rights. During the supplier approval phase, the human rights and fundamental freedoms aspects are evaluated through a questionnaire in which the supplier summarizes its commitments in those areas. Each structural change on the part of the supplier triggers a follow-up phase in which the same themes and principles (finance, security, ethics, hygiene, environment and human rights) are reanalyzed.

[p.112] The procedures for evaluating customer, supplier and consultant situations have been strengthened (see Section 4.6 Human Rights).

Special internal and external accounting control procedures intended to ensure that the books, ledgers and accounts do not mask acts of corruption or influence peddling have been deployed within the Finance Department, thus reinforcing existing procedures.

Finally, the Ethics Division conducted three follow-up missions for the new evaluation procedures for first-tier suppliers and civilian aircraft customers. In particular, the supplier evaluation monitoring procedure revealed that the evaluation process that incorporated the Sapin 2 issue is securely in place.

Question
6.3 Does the company require all of its suppliers to have adequate standards of anti-bribery and corruption policies and procedures in place?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company requires that its suppliers have adequate ethics and anti-corruption standards in place by ensuring that they follow its Code of Ethics. There is evidence to indicate that this includes a ban on commercial bribery and any improper gifts or hospitality. The company also indicates that all parties must comply with relevant anti-bribery legislation.</p> <p>However, the company receives a score of ‘1’ because it does not provide further publicly available information on its supplier standards to indicate that such partners must have policies in place to prohibit facilitation payments or procedures to address conflicts of interest and whistleblowing. In addition, there is no clear evidence to indicate how the company takes active steps to ensure supplier compliance in this area, whether at the start of the relationship or on a regular basis thereafter.</p>
Evidence
<p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>It has built a solid organization, based on the following procedures and tools:</p> <ul style="list-style-type: none"> – an anti- corruption code as part of internal rules, defining the different types of prohibited behaviors, and an anti- corruption guide that shows how this works, with practical examples and exercises; – an internal alert procedure, enabling employees, temporary staff and outside partners to signal any infraction, or any behavior not in line with the anti- corruption code; – a chart of risks to identify, analyze and rank corruption exposure risks; – procedures to assess the situation of customers, tier- 1 suppliers and consultants in relation to this chart; – internal and external accounting control procedures; – special training sessions for staff with the greatest risk exposure. <p>To support this initiative, Dassault Aviation has also set up an internal assessment and control structure.</p> <p>[p.110] Our general purchasing conditions require our suppliers and service providers to comply with our Code of Ethics when they execute their orders. Our corporate approach is passed on to our suppliers in our technical and industrial specifications and quality and environment purchasing clauses.</p> <p>Under our purchasing and supply chain security policy, the evaluation procedure for suppliers and service providers in place since 2007 now incorporates parameters for evaluating respect for human rights. During the supplier approval phase, the human rights and fundamental freedoms aspects are evaluated through a questionnaire in which the supplier summarizes its commitments in those areas. Each structural change on the part of the supplier triggers a follow-up phase in which the same themes and principles (finance, security, ethics, hygiene, environment and human rights) are reanalyzed.</p> <p>[p.112] The procedures for evaluating customer, supplier and consultant situations have been strengthened (see Section 4.6 Human Rights).</p> <p>Special internal and external accounting control procedures intended to ensure that the books, ledgers and accounts do not mask acts of corruption or influence peddling have been deployed within the Finance Department, thus reinforcing existing procedures.</p>

Finally, the Ethics Division conducted three follow-up missions for the new evaluation procedures for first-tier suppliers and civilian aircraft customers. In particular, the supplier evaluation monitoring procedure revealed that the evaluation process that incorporated the Sapin 2 issue is securely in place.

[1] Ethical charter

Accessed 21/06/19

https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter-english-translation-29-09-16_bd.pdf

[p.5] The commercial relations of our employees and agents with customers must be grounded on the principles of integrity, professionalism, and the interest of the Group. Any actions directed at a customer – invitations, entertainment, travel, and gifts – must remain appropriate in nature and within accepted limits, in both amount and frequency.

Respecting the customer also means that the Dassault Aviation Group acts in conformity with the national and international laws which are in force. We will comply scrupulously with the commercial ethics and principles of the OECD convention of December 17th, 1997, which has been ratified by France which, in particular, prohibit offering or granting any undue benefits, directly or indirectly, to any government employee, in exchange for acting, or refraining to act, in the performance of his duties or mandate, so as to favor the Dassault Aviation Group.

Question
6.4 Does the company ensure that its suppliers require all their sub-contractors to have anti-corruption programmes in place that at a minimum adhere to the standards established by the main contractor?
Score
0
Comments
There is no publicly available evidence that the company takes steps to ensure that the substance of its anti-bribery and corruption programme and standards are required throughout the supply chain.
Evidence
No evidence found.

Question
6.5 Does the company publish high-level results from ethical incident investigations and disciplinary actions against suppliers?
Score
0
Comments
There is no evidence that the company publishes any data on ethical or anti-bribery and corruption-related reports, investigations or disciplinary actions involving its suppliers.
Evidence
No evidence found.

7. Agents, Intermediaries and Joint Ventures

7.1 Agents and Intermediaries

Question
7.1.1 Does the company have a clear policy on the use of agents?
Score
0
Comments
<p>There is no publicly available evidence that the company has a clear policy on the use of agents. The company indicates that it has implemented procedures for assessing and mapping risks relating to intermediaries, but there is no further publicly available information regarding its approach to managing the corruption risks associated with agents or intermediaries.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy” towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...]</p> <ul style="list-style-type: none"> procedures for assessing the situation of customers ,first-tier suppliers and intermediaries (specific and strong procedures) in the mapping of risks; <p>All these procedures (and information and formations) are available on the company intranet site.</p> <p>The Ethics Department, an independent unit reporting to the Chairman-Chief Executive Officer and to the board, is responsible for establishing, evaluating and monitoring these measures.</p>

Question
7.1.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging its agents and intermediaries?
Score
0
Comments
<p>There is no publicly available evidence that the company conducts anti-bribery and corruption due diligence on its agents and intermediaries. The company indicates that it has implemented procedures for assessing and mapping risks relating to intermediaries, but there is no further publicly available information regarding its approach to formal due diligence and evaluations of agents or intermediaries prior to engagement and throughout the business relationship.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy“ towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling:</p> <p>...</p> <ul style="list-style-type: none"> • procedures for assessing the situation of customers ,first-tier suppliers and intermediaries (specific and strong procedures) in the mapping of risks; <p>All these procedures (and information and formations) are available on the company intranet site .</p> <p>The Ethics Department, an independent unit reporting to the Chairman-Chief Executive Officer and to the board, is responsible for establishing evaluating and monitoring these measures.</p> <p>[4] Global Compact good practices 2018 Accessed 21/06/2019 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf [p.7] Anti-corruption (principles 10) Dassault Aviation follows a proactive policy against corruption. This is in compliance with the French law which, ever since 2000, has enacted and applied stringently numerous international conventions under the OECD, the UN and the European Union against foreign corruption practices.</p> <p>The Dassault Aviation policy is stated in its Chart of Ethics and is in accordance with Principle 10 of the Global Compact. For many years, the Company has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation.</p> <p>Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to indentify, analyze and rank the risk of exposure to corruption, procedures for assessing the situation of clients , first –tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (For more explanations, see annual reports pages 88,89).</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p>

It has built a solid organization, based on the following procedures and tools:

- an anti- corruption code as part of internal rules, defining the different types of prohibited behaviors, and an anti-corruption guide that shows how this works, with practical examples and exercises;
- an internal alert procedure, enabling employees, temporary staff and outside partners to signal any infraction, or any behavior not in line with the anti- corruption code;
- a chart of risks to identify, analyze and rank corruption exposure risks;
- procedures to assess the situation of customers, tier- 1 suppliers and consultants in relation to this chart;
- internal and external accounting control procedures;

To support this initiative, Dassault Aviation has also set up an internal assessment and control structure.

[p.112] Finally, the Ethics Division conducted three follow-up missions for the new evaluation procedures for first-tier suppliers and civilian aircraft customers. In particular, the supplier evaluation monitoring procedure revealed that the evaluation process that incorporated the Sapin 2 issue is securely in place.

A page dedicated to the Ethics Department is available on the Parent Company Intranet site. This page presents the Company's Ethics Policy, Ethics Department contacts, and the reference documents, including the Anti-Corruption Code, the Anti-Corruption Guide and the Internal Alert Procedure.

Question
7.1.3 Does the company aim to establish the ultimate beneficial ownership of its agents and intermediaries?
Score
0
Comments
<p>There is no publicly available evidence that the company aims to establish the ultimate beneficial ownership of its agents and intermediaries, nor is there evidence that it commits to not engage or terminate its engagement with such entities if beneficial ownership cannot be established.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Within the context of this ethical approach, the Chairman-Chief Executive Officer reaffirms his commitment to apply a “zero tolerance policy“ towards corruption and influence peddling, for the company and its subsidiaries.</p> <p>Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...]</p> <ul style="list-style-type: none"> • procedures for assessing the situation of customers ,first-tier suppliers and intermediaries (specific and strong procedures) in the mapping of risks; <p>All these procedures (and information and formations) are available on the company intranet site.</p> <p>The Ethics Department, an independent unit reporting to the Chairman-Chief Executive Officer and to the board, is responsible for establishing evaluating and monitoring these measures.</p> <p>[4] Global Compact good practices 2018 Accessed 21/06/2019 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf [p.7] Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to identify, analyze and rank the risk of exposure to corruption, procedures for assessing the situation of clients , first –tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling (For more explanations, see annual reports pages 88,89).</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>It has built a solid organization, based on the following procedures and tools: [...]</p> <ul style="list-style-type: none"> – procedures to assess the situation of customers, tier- 1 suppliers and consultants in relation to this chart; – internal and external accounting control procedures; – special training sessions for staff with the greatest risk exposure. <p>To support this initiative, Dassault Aviation has also set up an internal assessment and control structure.</p> <p>[p.112] Finally, the Ethics Division conducted three follow-up missions for the new evaluation procedures for first-tier suppliers and civilian aircraft customers. In particular, the supplier evaluation monitoring procedure revealed</p>

that the evaluation process that incorporated the Sapin 2 issue is securely in place.

A page dedicated to the Ethics Department is available on the Parent Company Intranet site. This page presents the Company's Ethics Policy, Ethics Department contacts, and the reference documents, including the Anti-Corruption Code, the Anti-Corruption Guide and the Internal Alert Procedure.

Question
7.1.4 Does the company's anti-bribery and corruption policy apply to all agents and intermediaries acting for or on behalf of the company, and does it require anti-bribery and corruption clauses in its contracts with these entities?
Score
0
Comments
<p>There is some evidence that the company requires that its service providers abide by its own Code of Ethics and that this forms part of the company's general purchasing conditions. There is evidence to indicate that this includes a ban on commercial bribery and any improper gifts or hospitality. The company also indicates that all parties must comply with relevant anti-bribery legislation.</p> <p>However, the company receives a score of '1' because there is no clear publicly available evidence that it takes active steps to ensure that intermediaries comply with its ethical standards by including anti-corruption clauses in contracts with such entities, with clear audit and termination rights.</p>
Evidence
<p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.110] Our general purchasing conditions require our suppliers and service providers to comply with our Code of Ethics when they execute their orders. Our corporate approach is passed on to our suppliers in our technical and industrial specifications and quality and environment purchasing clauses.</p> <p>Under our purchasing and supply chain security policy, the evaluation procedure for suppliers and service providers in place since 2007 now incorporates parameters for evaluating respect for human rights. During the supplier approval phase, the human rights and fundamental freedoms aspects are evaluated through a questionnaire in which the supplier summarizes its commitments in those areas. Each structural change on the part of the supplier triggers a follow-up phase in which the same themes and principles (finance, security, ethics, hygiene, environment and human rights) are reanalyzed.</p> <p>[1] Ethical charter Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter-english-translation-29-09-16_bd.pdf [p.5] The commercial relations of our employees and agents with customers must be grounded on the principles of integrity, professionalism, and the interest of the Group. Any actions directed at a customer – invitations, entertainment, travel, and gifts – must remain appropriate in nature and within accepted limits, in both amount and frequency.</p> <p>Respecting the customer also means that the Dassault Aviation Group acts in conformity with the national and international laws which are in force. We will comply scrupulously with the commercial ethics and principles of the OECD convention of December 17th, 1997, which has been ratified by France which, in particular, prohibit offering or granting any undue benefits, directly or indirectly, to any government employee, in exchange for acting, or refraining to act, in the performance of his duties or mandate, so as to favor the Dassault Aviation Group.</p>

Question
7.1.5 Does the company ensure that its incentive schemes for agents are designed in such a way that they promote ethical behaviour and discourage corrupt practices?
Score
0
Comments
There is no publicly available evidence that the company's incentive structures for agents are designed to minimise risks of anti-bribery and corruption.
Evidence
No evidence found.

Question
7.1.6 Does the company publish details of all agents currently contracted to act with and on behalf of the company?
Score
0
Comments
There is no evidence that the company publishes any details of the agents currently contracted to act for or and on its behalf.
Evidence
No evidence found.

Question
7.1.7 Does the company publish high-level results from incident investigations and sanctions applied against agents?
Score
0
Comments
There is no evidence that the company publishes any data on ethical or bribery and corruption-related reports, investigations or disciplinary actions involving its agents.
Evidence
No evidence found.

7.2 Joint Ventures

Question
7.2.1 Does the company conduct risk-based anti-bribery and corruption due diligence when entering into and operating as part of joint ventures?
Score
0
Comments
There is no publicly available evidence that the company conducts anti-bribery and corruption due diligence on its joint ventures.
Evidence
No evidence found.

Question
7.2.2 Does the company commit to incorporating anti-bribery and corruption policies and procedures in all of its joint venture partnerships, and does it require anti-bribery and corruption clauses in its contracts with joint venture partners?
Score
0
Comments
<p>There is no evidence that the company commits to establishing or implementing anti-bribery and corruption policies or procedures in its joint ventures or that it requires anti-bribery and corruption clauses in its contracts with joint venture partners. There is some evidence that the company requires that its suppliers and service providers comply with its Code of Ethics, but it is not clear whether this requirement includes or extends to joint ventures.</p>
Evidence
<p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.110] Our general purchasing conditions require our suppliers and service providers to comply with our Code of Ethics when they execute their orders. Our corporate approach is passed on to our suppliers in our technical and industrial specifications and quality and environment purchasing clauses.</p> <p>Under our purchasing and supply chain security policy, the evaluation procedure for suppliers and service providers in place since 2007 now incorporates parameters for evaluating respect for human rights. During the supplier approval phase, the human rights and fundamental freedoms aspects are evaluated through a questionnaire in which the supplier summarizes its commitments in those areas. Each structural change on the part of the supplier triggers a follow-up phase in which the same themes and principles (finance, security, ethics, hygiene, environment and human rights) are reanalyzed.</p>

Question
7.2.3 Does the company commit to take an active role in preventing bribery and corruption in all of its joint ventures?
Score
0
Comments
There is no publicly available evidence that the company commits to taking an active role in preventing bribery and corruption in all of its joint ventures.
Evidence
No evidence found.

8. Offsets

Question
8.1 Does the company explicitly address the corruption risks associated with offset contracting, and is a dedicated body, department or team responsible for oversight of the company's offset activities?
Score
0
Comments
There is no publicly available evidence that the company addresses the corruption risks associated with offset contracting, nor is there evidence that a dedicated body, department or team is responsible for monitoring the company's offset activities.
Evidence
No evidence found.

Question
8.2 Does the company conduct risk-based anti-bribery and corruption due diligence on all aspects of its offset obligations, which includes an assessment of the legitimate business rationale for the investment?
Score
0
Comments
There is no publicly available evidence that the company conducts risk-based anti-bribery and corruption due diligence on all aspects of its offset obligations.
Evidence
No evidence found.

Question
8.3 Does the company publish details of all offset agents and brokers currently contracted to act with and/or on behalf of the company?
Score
0
Comments
There is no evidence that the company publishes any details of the offset agents, brokers or consultancy firms currently contracted to act with and on behalf of its offset programme.
Evidence
No evidence found.

Question
8.4 Does the company publish details about the beneficiaries of its indirect offset projects?
Score
0
Comments
<p>There is no evidence that the company publishes any clear details of its offset obligations or contracts. The company provides some information on one particular offset project associated with the Indian government which represented 50% of the contract value, however in publicly available information the company does not provide any further details nor does it provide details of any other indirect or direct offset contracts or projects.</p>
Evidence
<p>[10] Interview with Eric Trappier (webpage) Accessed 21/06/19 https://www.dassault-aviation.com/en/group/about-us/strategy/ Q Have your investments in India generated the expected results?</p> <p>A As part of the Indian government's Make in India policy, our sale of 36 Rafales to India, signed in 2016, also included an offset contract representing 50% of the contract value. Starting with this obligation, we are building a strategic partnership with ambitious objectives: win new Rafale orders, bolster our competitiveness in the business aircraft market, multiply high- tech projects. The plant built for the Dassault- Reliance Aerospace Ltd. joint venture in Nagpur, in the middle of the country, produced its first sub assemblies for the Falcon 2000 at the end of 2018, as planned, and is now expanding to eventually handle the complete assembly and flight testing of the Falcon 2000. In addition to DRAL, Dassault Aviation is also handling production in India through an extensive supply chain that already counts dozens of companies. We are encouraging partnerships between the supply chains in France and India. We also created a civil and military aircraft engineering center in Pune, near Mumbai. At the same time, we are considering R&D programs with the Indian Ministry of Defense. In short, everything is proceeding as planned, which means we are well placed, despite the heavy competition, to win contracts from India's armed forces for 167 new combat aircraft – which would extend the legacy partnership linking us to India for the last 65 years.</p>

9. High Risk Markets

Question
9.1 Does the company have enhanced risk management procedures in place for the supply of goods or services to markets or customers in countries identified as at a high risk of corruption?
Score
0
Comments
<p>Based on publicly available information, there is some evidence that the company has a risk assessment procedure in place that informs its operations and anti-corruption measures. However, there is no clear publicly available evidence that this process includes an assessment of the corruption risks of operating in different markets, nor is it clear that has risk management procedures that are used to inform the company’s operations in high risk markets.</p>
Evidence
<p>[3] Fair practices (webpage) Accessed 21/06/2019 https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/ Since 2017, Dassault Aviation and its subsidiaries completed their process by implementing specific measures to prevent and detect corruption and influence peddling: [...]</p> <ul style="list-style-type: none"> • risk mapping, intended to identify, analyze and rank the risks of exposure to corruption; • procedures for assessing the situation of customers ,first-tier suppliers and intermediaries (specific and strong procedures) in the mapping of risks; <p>[4] Global Compact good practices 2018 Accessed 21/06/2019 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf [p.7] Anti-corruption (principles10) Dassault Aviation follows a proactive policy against corruption. This is in compliance with the French law which, ever since 2000, has enacted and applied stringently numerous international conventions under the OECD, the UN and the European Union against foreign corruption practices.</p> <p>The Dassault Aviation policy is stated in its Chart of Ethics and is in accordance with Principle 10 of the Global Compact. For many years, the Company has implemented strict internal procedures to prevent corruption and ensure the integrity, ethics and reputation.</p> <p>Dassault Aviation completed and updated recently its process by implanting specific measures: an Anticorruption Code with an Anticorruption Guide, an Internal Alert Procedure, a risk mapping intended to indentify, analyze and rank the risk of exposure to corruption, procedures for assessing the situation of clients , first –tier suppliers and intermediaries in the mapping of risks, specific training sessions for the managers and personnel most exposed to risks of corruption and influence peddling.</p> <p>[8] Annual report 2018 Accessed 21/06/19 https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf [p.35] Strict ethical principles Dassault Aviation applies very strict business ethics, in compliance with national laws and international agreements. The Ethics department, an independent body which reports directly to the Chairman and Chief Executive Officer of Dassault Aviation, is tasked with implementing measures to fight corruption and influence peddling, and closely monitoring performance in these areas.</p> <p>It has built a solid organization, based on the following procedures and tools: [...]</p> <ul style="list-style-type: none"> – a chart of risks to identify, analyze and rank corruption exposure risks; – procedures to assess the situation of customers, tier- 1 suppliers and consultants in relation to this chart;

To support this initiative, Dassault Aviation has also set up an internal assessment and control structure.

[p.86] The risk management procedures detailed in Chapter 2 of this report are based on a risk mapping updated by all of the Company's major departments for the activities that concern them.

The risks identified in this mapping, whatever their nature, have been assessed according to their seriousness and their frequency of occurrence. The procedures for treating risks are also recorded in this mapping.

The risk management procedures are defined and applied by the departments of the Company.

In particular, audits of Program risks at Dassault Aviation are performed through regular risk reviews held by the Program Departments with the Operational Departments.

Risks are monitored at the various stages in a product's life cycle based on various reviews. The purpose of these reviews is to identify new risks and monitor and reduce existing risks.

The Total Quality Management Department, through the Internal Audit and Risk Department, notifies Executive Management of risks by transmitting the list of most critical risks identified.

[p.86] Finally, the Risk Committee's mission, based on risk mapping and a campaign of interviews with all Departments, is to:

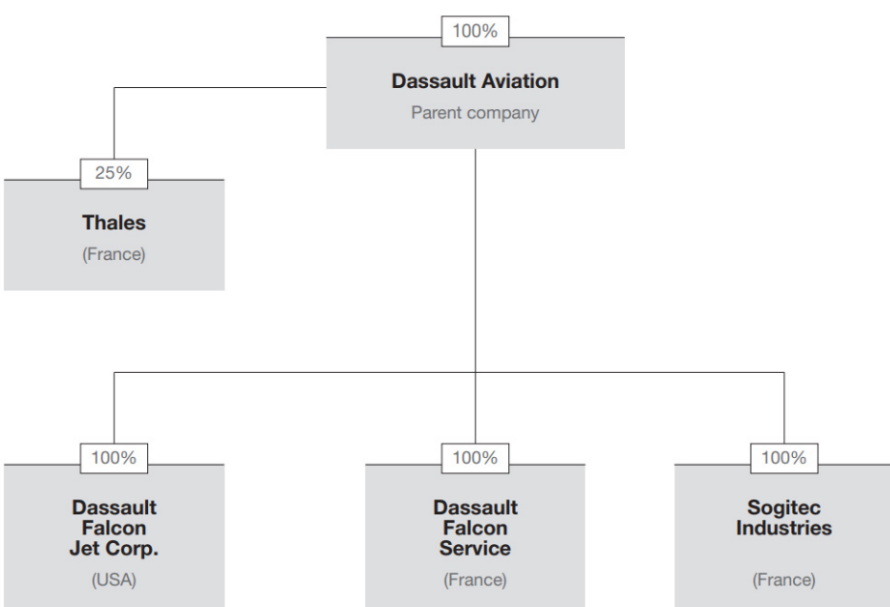
- validate the identified risks, their classification and the risk reduction actions carried out,
- ensure that new risks are identified, taken into account and their financial impacts measured.

To this end, the Committee conducts interviews with those in charge of the Company's processes who are responsible for updating the risk mapping.

This Committee also ensures, through interviews with Dassault Falcon Jet, Dassault Falcon Service and Sogitec Industries executives, that the risk management system in the subsidiaries is taken into account.

It is chaired by the Senior Executive Vice President, Total Quality, assisted by the Director of Internal Audit and Risks, secretary of the Committee, and reports to the General Management.

[p.111] An Ethics Department, an independent body that reports to the Chairman and Chief Executive Officer of Dassault Aviation, was created. It is tasked with implementing and monitoring procedures related to the fight against corruption, in compliance with the new regulation. Risk mapping has been deployed within the Group. Its purpose is to identify, analyze and rank our risks of exposure to corruption. This mapping specifies and summarizes activities and risks of corruption and associated influence peddling throughout the Group's various processes. It takes into account the sectors of activity, both military and civilian, as well as the geographical areas in which the company deploys its activity. The mapping led the Dassault Aviation Group to strengthen existing anti-corruption procedures and put new measures in place.

Question
9.2 Does the company disclose details of all of its fully consolidated subsidiaries and non-fully consolidated holdings (associates, joint ventures and other related entities)?
Score
1
Comments
<p>There is some evidence that the company publishes information on its organisational structure on its website. The company indicates that it has three wholly-owned subsidiaries and that it holds some shares in one other company. For each entity, the company indicates its percentage ownership and a country, which is understood to represent the country of incorporation.</p> <p>However, the company receives a score of ‘1’ because there is no publicly available evidence that it provides details on the country or countries of operation for each entity. In addition, it is not clear that this list is updated on an annual basis, nor is there evidence to confirm that this chart represents all of the company’s fully consolidated and non-fully consolidated holdings such as associates, joint ventures and other related entities.</p>
Evidence
<p>[4] Shareholding structure and voting rights (webpage) Accessed 21 June 2019 https://www.dassault-aviation.com/en/group/about-us/shareholding-structure-and-organization-chart/</p> <p>ORGANIZATION CHART OF DASSAULT AVIATION GROUP</p>  <pre> graph TD DA["Dassault Aviation Parent company 100%"] TH["Thales (France) 25%"] DFJ["Dassault Falcon Jet Corp. (USA) 100%"] DFS["Dassault Falcon Service (France) 100%"] SI["Sogitec Industries (France) 100%"] DA --- TH DA --- DFJ DA --- DFS DA --- SI </pre>

Question

9.3 Does the company disclose its beneficial ownership and control structure?

Score

1

Comments

There is evidence that the company is publicly listed on multiple stock exchanges in the European Economic Area, and therefore it does not need to disclose further information on its beneficial ownership to receive a score of '2'. In addition, there is evidence that the company publishes information on its significant shareholding entities on its website and in its Annual Report.

Evidence

[18] Financial Times Markets Data – Search “Dassault Aviation”
 Accessed 28/01/2021
<https://markets.ft.com/data/equities/tearsheet/summary?s=AM:PAR>

[4] Shareholding structure and voting rights (webpage)
 Accessed 21/06/2019
<https://www.dassault-aviation.com/en/group/about-us/shareholding-structure-and-organization-chart/>

SHAREHOLDING STRUCTURE AND VOTING RIGHTS

Shareholding structure
(at December 31, 2018)

- Groupe Industriel Marcel Dassault : 62.2%
- Float : 27.4%
- Airbus SE : 9.9%
- Dassault Aviation : 0.5%

Voting rights
(at December 31, 2018)

- Groupe Industriel Marcel Dassault : 76.8%
- Float : 17.1%
- Airbus SE : 6.1%

[8] Annual report 2018

Accessed 21/06/19

https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf

[p.118]

5.5 SHAREHOLDER INFORMATION

5.5.1 Capital structure

As of December 31, 2018, the share capital of the Company is EUR 66,789,624. It is divided into 8,348,703 shares, each with a par value of EUR 8. The shares are listed on the regulated "Euronext Paris" market – Compartment A – International Securities Identification Numbers (ISIN Code): FR0000121725. They are eligible for deferred settlement. In 2016, following the increase in the free-float, Dassault Aviation joined the following market indices: Sociétés des Bourses Françaises 120 (SBF 120) and the Morgan Stanley Capital International World (MSCI World).

As of December 31, 2018, the shareholding structure of Dassault Aviation is as follows:

Shareholders	Number of shares	%	Exercisable voting rights ⁽²⁾	%
GIMD	5,196,076	62.2	10,314,316	76.8
Float	2,289,624	27.4	2,294,226	17.1
Airbus SE	825,828 ⁽³⁾	9.9	825,828	6.1
Treasury shares ⁽¹⁾	37,175	0.5	-	-
TOTAL	8,348,703	100.0	13,434,370	100.0

⁽¹⁾ Treasury shares recorded in the "fully registered shares" account, without voting rights.

⁽²⁾ Pursuant to the Florange Law, and in the absence of contrary provisions in the articles of association of Dassault Aviation, shares held in a registered account for more than two years are entitled to double voting rights.

⁽³⁾ Shares underlying the bonds exchangeable for Dassault Aviation shares issued by Airbus SE on June 9, 2016.

5.5.2 Information on capital, shareholders and voting rights

Direct or indirect shareholdings in the Company of which it is aware, pursuant to Articles L. 233-7 and L.233-12 of the French Commercial Code are set forth in the table above.

As of December 31, 2018, 2,152 shares (0.03% of the share capital) were held by one of the corporate investment funds whose members are current or former employees of the Company.

Pursuant to Law No. 2014-384 of March 29, 2014, "seeking to reconquer the real economy," and since April 3, 2016, shares issued by the Company and held in a registered account for two years or more are entitled to double voting rights.

The Company has not issued any securities representative of its current capital. The only securities giving rights to Dassault Aviation shares are the bonds issued by Airbus SE on June 9, 2016.

The Company did not create any stock options in 2018.

4

[p.119]

The General Meeting of September 23, 2015 authorized the Board of Directors to allocate, in one or more stages, existing performance shares of the Company (to the benefit of Company employees or certain employee categories it may determine, and to the benefit of eligible corporate officers of the Company). The General Meeting states that the Board of Directors shall determine the identity of the beneficiaries of such allocations and, as required, the conditions and the criteria for allocating the shares.

This authorization was for a maximum of 40,500 shares representing 0.44% of the capital as of September 23, 2015. It was the responsibility of the Board of Directors to determine the length of the vesting and holding period for such shares. This authorization was valid for a period of 38 months from said General Meeting.

Pursuant to this authorization (see Table 9 of the Board of Directors' Report on Corporate Governance), on March 7, 2018 the Board of Directors decided to award 850 performance shares to the Chairman-Chief Executive Officer and 725 performance shares to the Chief Operating Officer. To acquire them, the following performance criteria had to be met:

- Parent Company net margin level,
- qualitative assessment of individual performance.

In addition, this same Board Meeting defined the following other conditions:

- a vesting period of one year, expiring on March 7, 2019,
- presence in the workforce at the end of the vesting period,
- a one-year holding period, beginning on March 7, 2019 and ending on March 6, 2020 inclusive,
- starting on March 7, 2020, the retention of 20% of those shares for the duration of their term.

Since the authorization granted by the General Meeting of September 23, 2015 to the Board of Directors was only for 38 months, a similar authorization was granted by the General Meeting of May 24, 2018 to the Board of Directors. It affects a maximum number of 35,600 shares representing 0.43% of the share capital as of May 24, 2018. It is the responsibility of the Board of Directors to determine the length of the vesting and holding period for such shares. This authorization is valid for a period of 38 months from that General Meeting.

The Shareholders' Meeting has not agreed to delegate any authority or powers to the Board of Directors regarding capital increases.

Since the General Meeting of May 20, 2015, there has been a statutory obligation to provide information on the crossing of ownership thresholds for any fraction equal to or greater than 1% of the capital and voting rights of the Company, and any multiple of that percentage.

The Company's Articles of Association do not include any restrictions on the exercise of voting rights or on the transfer of shares.

No shareholder has special control rights. In particular, there is no shareholding system offering employees specific control.

[11] Open Ownership Register

Accessed 24/06/19

<https://register.openownership.org/search?utf8=%E2%9C%93&q=%22dassault+aviation%22>

Who controls, influences, or benefits from a company?


"dassault aviation"

No results containing all your search terms were found. Matches on some of your search terms:
Displaying results 1 - 10 of 5557 in total

Transliterate 

-  DASSAULT SYSTEMES S.E. France
10, Rue Marcel Dassault, Vélizy-Villacoublay, 78140
-  DASSAULT SYSTEMES S.E. France
10, Rue Marcel Dassault, 78140, Velizy-Villacoublay
-  DASSAULT SYSTEMES S.E. France
10, Rue Marcel Dassault, 78140 Velizy-Villacoublay

FILTER BY TYPE

Legal entity  5556

Person  1

FILTER BY COUNTRY

United Kingdom  5435

Denmark  78

Ireland  7

Netherlands  5

Question

9.4 Does the company publish a percentage breakdown of its defence sales by customer?

Score

0

Comments

There is no evidence that the company publishes clear information on its defence sales by customer. The company publishes some information on its significant orders and deliveries of certain products, however in publicly available evidence it does not indicate the customers of these orders nor does it provide a percentage breakdown of its defence sales by customer.

Evidence

[9] Orders, deliveries, sales and backlog (webpage)
 Accessed 21/06/19
<https://www.dassault-aviation.com/en/group/finance/2018-consolidated-financial-operating-highlights/>

ORDERS, DELIVERIES, SALES AND BACKLOG

	2018	2017
Orders (number of aircraft)	42 Falcon	38 Falcon
	12 Rafale	0 Rafale
Deliveries (number of aircraft)	41 Falcon	49 Falcon
	12 Rafale	9 Rafale
Orders (billions of euros)	5.0	3.3
Sales (billions of euros)	5.1	4.9
Backlog (at December 31, number of aircraft)	53 Falcon	52 Falcon
	101 Rafale	101 Rafale
Backlog (at December 31, billions of euros)	19.4	19.5



[8] Annual report 2018
 Accessed 21/06/19
https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf

[p.127] Besides, 2018 was eventful for the Company, in both defense and civilian programs. The following events in particular stand out:

- the announcement of the launch of the Falcon 6X to replace the Falcon 5X and the amicable agreement signed with Safran to settle the dispute over the difficulties encountered with the Silvercrest engine,
- the entry into force of the option for 12 additional Rafale for Qatar,
- the notification of the F4 standard (firm and optional batches) announced by the French Minister of the Armed Forces during her visit in Mérignac in early January 2019 showing the ongoing efforts to improve the Rafale, which will add innovative connectivity (new satellite and intra-patrol connections, communication server, software radio), new capabilities (enhanced radar sensors and optronic frontal sector) and incorporate new weapons (Mica NG air-to-air missile and 1,000 kg modular air-to-ground weapons).

In addition to these major events, 2018 was marked by:

In defense programs:

- the 2019-2025 French Military Procurement Law passed in 2018 shows a positive trend in the Nation's defense efforts and gives the Company expectations for the coming years: a batch of 30 additional Rafale (reaffirmation by the French Minister of the Armed Forces on January 14th in Mérignac), notification expected for 2023 ; launch of the European MALE drone program in 2019 (cooperation between Airbus, Dassault Aviation and Leonardo) ; selection by the Ministry of the Armed Forces of the Falcon platform to carry the Universal Electronic Warfare Capacity (CUGE), studies notified ; upgrade of 18 ATL2 instead of the 15 initially planned; initialization of the ATL2 replacement program (future PATMAR); renewal of the MARitime SURveillance aircraft fleet based on the Falcon 2000LXS, first studies notified ; and confirmation of the airborne component upgrade,
- in June 2018, in Meseberg, at the Franco-German council, in the presence of the French President and the German Chancellor, France and Germany signed a Letter of Intent materializing their will to build together the future weapons systems and act towards the construction of the Europe of Defense. This Letter of Intent was followed, on November 19 2018, by a common statement to launch the initial works of the Future Combat Air System (FCAS): on January 31, 2019, a 2-year conception and architecture study was notified under the leadership of Dassault Aviation and Airbus ; demonstrators for the combat aircraft and its engine are to be launched at the 2019 Paris Air Show ; Dassault Aviation being the leader of the New Generation Fighter (NGF),
- delivery of 3 Rafale to France, bringing the total Rafale delivered to the French Forces up to 152 (the last 28 Rafale out of the 180 aircraft ordered being forecasted to be delivered from 2022 on),
- the delivery to France of the last 2 Rafale Navy retrofitted from the F1 standard to the F3 standard; all 10 Rafale Marine now meet the F3 standard,
- the delivery to the French Air Force of the F3-R standard,
- the delivery of 9 Rafale to Egypt, bringing the total number of aircraft delivered to 23 out of the 24 ordered,
- the continuation of the Egyptian Rafale support and the entry into force of the associated Maintenance in Operational Conditions contract,
- the continued execution of the 36 Rafale contract with Qatar, including pilots training and support implementation : the official acceptance of the first Qatari Rafale took place on February 6 2019,

[p.128]

- the continued execution of the 36 Rafale Indian contract. The Indian Air Force is getting ready for the entry into service of the Rafale. Considering the important needs in India for combat aircraft, we answered in July 2018 the "Request for Information" for the supply of 110 combat aircraft to the Indian Air Force (in May 2017, we had answered the "Request for Information" for the supply of 57 combat aircraft to the Indian Navy),
- the continued upgrading works on the French Mirage 2000D (the Mirage 2000N entered into service in 1988 was discarded from French Air Forces),
- the start of a new nEUROn flight test campaign dedicated to stealthiness demonstration with the French Procurement Agency, the French Air Force, and the French Navy, in the frame of a contract for studies and flight tests over 2018-2020.

for the "Make in India" project we :

- launched the industrial operations of the JV DRAL: 2018 being the start of the ramp-up. Production of the first Falcon 2000 subassemblies (T3 front tank) completed in December 2018, first T1 section in February 2019,
- expanded our industrial ecosystem in India for our production line, with the deployment of a Supply Chain, regarding at first primary parts, tools, pylons, containers, as well as our engineering department activities, with the establishment of an engineering center in Pune (India).

in MARitime SURveillance and MARitime PATrol aircraft:

- the order of a 5th SURMAR Falcon 2000 (maritime surveillance) by the Japanese Coast Guard (first deliveries scheduled in first half 2019),

- the delivery of the 1st retrofitted SURMAR Falcon 50 with additional capacity for dropping SAR (Search And Rescue) chains.

regarding space programs (2018 was remarkable for on interest in the new Defense space policy), we notice:

- for space vehicles, a new bath of the study contract for the reusable orbital vehicle "Space Rider" from the European Space Agency (ESA), of which the first flight is scheduled in 2021. Dassault Aviation is in charge of the vehicle shape design,
- for the pyrotechnic, the contractualization of 2 studies with the French Defense Procurement Agency (DGA) and the French Space Agency (CNES) in order to apply the pyrodigital technology allowing a securitized digital bus to convey the pyrotechnic orders for both Callisto demonstrator and Rafale.

[p.129] • in Customer Support , Dassault Aviation was first in several categories of the Aviation International News (AIN) ranking (#1 Overall Average, #1 AOG Response, #1 Warranty Fulfillment, #1 Parts Availability, #1 Overall Aircraft Reliability, #1 Technical Reps). Besides, the Falcon Response offer which includes 2 dedicated Falcon, has performed 191 missions (1,395 flight hours),

- the future Falcon is in progress: marketing and technical studies are ongoing,
- the development of a high-quality customer support network, by the acquisition of service centers strengthening our footprint, in Europe, Asia-Pacific, Africa and Middle-East. In 2018 we pursued our transformation plan "Leading Our Future".

10. State-Owned Enterprises (SOEs)

Question
10.1 Does the SOE publish a breakdown of its shareholder voting rights?
Score
N/A
Comments
N/A
Evidence

Question
10.2 Are the SOE's commercial and public policy objectives publicly available?
Score
N/A
Comments
N/A
Evidence

Question
10.3 Is the SOE open and transparent about the composition of its board and its nomination and appointment process?
Score
N/A
Comments
N/A
Evidence

Question
10.4 Is the SOE's audit committee composed of a majority of independent directors?
Score
N/A
Comments
N/A
Evidence

Question
10.5 Does the SOE have a system in place to assure itself that asset transactions follow a transparent process to ensure they accord to market value?
Score
N/A
Comments
N/A
Evidence

List of Evidence & Sources

No.	Type (Webpage or Document)	Name	Download Date	Link
01	Document	Ethical charter	21/06/19	https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2016/09/Ethical-charter-english-translation-29-09-16_bd.pdf
02	Webpage	Values	21/06/19	https://www.dassault-aviation.com/en/group/about-us/ethics/values/
03	Webpage	Fair practices	21/06/19	https://www.dassault-aviation.com/en/group/about-us/ethics/fair-practices/
04	Document	Global Compact good practices 2018	21/06/19	https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2018/09/global-Compact-2018-2.pdf
05	Webpage	Common industry standards	21/06/19	https://www.dassault-aviation.com/en/group/about-us/ethics/common-industry-standards/
06	Webpage	Shareholding structure and voting rights	21/06/19	https://www.dassault-aviation.com/en/group/about-us/shareholding-structure-and-organization-chart/
07	Webpage	IFBEC	21/06/19	https://www.dassault-aviation.com/en/group/about-us/ethics/ifbec/
08	Document	Annual report 2018	21/06/19	https://www.dassault-aviation.com/wp-content/blogs.dir/2/files/2019/06/BAT_RA_2018_VA_BD.pdf
09	Webpage	Orders, deliveries, sales and backlog	21/06/19	https://www.dassault-aviation.com/en/group/finance/2018-consolidated-financial-operating-highlights/
10	Webpage	Interview with Eric Trappier	21/06/19	https://www.dassault-aviation.com/en/group/about-us/strategy/
11	Webpage	Open Ownership Register	21/06/19	https://register.openownership.org/search?utf8=%E2%9C%93&q=%22dassault+aviation%22
12	Webpage	Financial Times Markets Data – Search “Dassault Aviation”	28/01/2021	https://markets.ft.com/data/equities/tearsheet/summary?s=AM:PAR