

STRENGTH at sea

DCNS

Code of Ethics

Ethics, commitment by each person, illustrated by:

- Assuming responsibilities in the framework of corporate governance principles approved by OECD countries.
- Understanding cultures, thereby guaranteeing for Group staff throughout the world: respect for their identity, culture and abilities.
- A sharing of knowledge, in compliance with certain conditions related to our Defence environment, which is the only means of ensuring that our Group stays at the cutting edge of technology and provides our customers with the best practices.



A message from Patrick Boissier

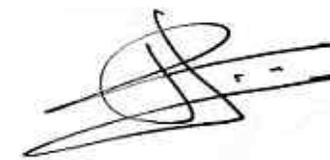
This edition of our Ethical Code sets out the main principles on which the DCNS Group intends to base its development. Although it was drawn up before I became Chairman, I have asked for it to be republished as it stands, to demonstrate a continuity of purpose with the approach initiated by my predecessor.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

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

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



Patrick Boissier
Chairman and CEO of the DCNS Group



The Code of Ethics

4

In application of DCNS values, this Code of Ethics sets out the behaviour rules applicable within the Group and companies controlled thereby.

This Code will undergo a constant improvement process.

The rules specified herein do not substitute each country's applicable national and international legislation, with which the Group complies.

The said rules are not contractually binding, but all Group and controlled companies' permanent and temporary employees must be aware of and apply these rules. Everyone is responsible for their application.

THESE RULES ARE APPLICABLE TO FOUR KEY AREAS FOR THE GROUP, AS REGARDS:

- Customers, suppliers and subcontractors.
- Members of staff.
- Shareholders and media.
- Our environment.

5

■ **WITH RESPECT TO CUSTOMERS, SUPPLIERS AND SUBCONTRACTORS**

DCNS strives to establish stable relationships based on mutual confidence and respect with its customers, suppliers and subcontractors. Accordingly, DCNS customers, suppliers and specialised subcontractors are Group associates. This status entitles the latter to expect:

- Genuine and loyal information, in accordance with their requirements.
- Compliance with Group commitments thereto.

CUSTOMERS

Satisfying French and international Group customers is a priority for DCNS employees. In particular, this is based on:

- Paying attention to their requirements, resulting in clear, exhaustive and precise offers.
- Constant concern for the quality of systems, equipment, products and services supplied and their appropriateness with the customer's needs as expressed in specifications.

- A follow-up and quality service for vessels, systems, equipment, products and services supplied.

DCNS trades in accordance with currently prevailing OECD texts, legislation and regulations. The Group absolutely refuses to directly or indirectly grant any undue advantage to any public, French or foreign agent whomsoever, or to any customer employee, resulting in DCNS being awarded any particular favour due to the latter's actions or behaviour when performing

his/her duties. The Group also performs business in compliance with rules applicable to export control.

Group members of staff may only grant any advantages, gifts, entertainment or travels to a customer within strictly defined limits, in compliance with currently prevailing rules and commonly agreed practices. Management's agreement thereto is mandatory.

SUPPLIERS AND SUBCONTRACTORS

DCNS establishes purchasing relationships based on mutual loyalty with its suppliers and subcontractors.

Loyalty towards suppliers and subcontractors involves:

- Compliance with purchasing procedures:
 - Transparency of implemented selection rules, in particular the fair treatment of companies during bidding.
 - A commitment to implement negotiated conditions, in

particular with respect to payment deadlines and intellectual property rights.

- Behaviour which ensures that prices paid correspond to the value of supplied goods, assets and services.

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

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

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

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

■ WITH RESPECT TO MEMBERS OF STAFF

DCNS growth and efficiency relies on enhancing the value of people. An appropriate management system and the individual development of each member of staff are mandatory conditions for the collective success of DCNS.

The Group is particularly attached to compliance with the three following principles:

— Equal treatment: this involves avoiding any discrimination whatsoever on the grounds of origin, customs, sex, age, political or religious opinions, trade union membership or handicaps. Issues on the basis of persons' nationality shall be restricted to exceptions specified by national legislation relating to the protection of national interests.

— Respect for the individual: this excludes any behaviour which may impede this principle and the respect of private life. Accordingly, personal staff data which is collected or filed by DCNS is strictly delimited and declared; the use thereof is restricted.

— The will to ensure a work environment which complies with currently prevailing legal provisions, procedure follow-up, the prevention of sanitary and professional risks as well as staff training.

- Behaviour - Transparency - Integrity - Sincerity - Ethics - Value - Commitment -

In their relationships with colleagues, superiors and teams, each member of DCNS staff shall monitor:

- That commitments are complied with.
- That information held by the latter is dealt with in all transparency and sincerity.

DCNS staff members shall be totally loyal to the Group. This results in not working for a current or potential competitor and excluding any dishonest competition, unless previously and formally agreed to.

Expenditure incurred by a member of staff, for which the latter requests reimbursement, shall have been effectively undertaken and have a direct connection with the project or activity performed on behalf of the Company.

Furthermore, each member of staff shall monitor compliance with the protection of DCNS intellectual property. Relating to Defence, special attention shall be paid to compliance with confidentiality rules in the scope of specific procedures.

all cash collections or disbursements shall be recorded in a cash ledger. DCNS shareholders are entitled to receive reliable and exhaustive information.

DCNS directors are concerned with ensuring the Group's perennality and are the guarantors of the Group's corporate interests; they therefore monitor that shareholders' interests are maintained.

They are members of Committees set up within the Board of Directors. The said Committees receive all required information.

Members of staff are represented on the DCNS Group Board of Directors, in compliance with the law on the democratisation of the public sector.

THE MEDIA

The media are an important link between the Group and the various parties involved. Therefore, it is important for DCNS to supply the latter with relevant and timely information.

The said information must comply with the rules of ethics set forth herein and shall only be disclosed in strict accordance with corporate communication rules. Only specifically identified spokespersons are authorised to speak in the name of the DCNS Group.

■ WITH RESPECT TO SHAREHOLDERS AND MEDIA

COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

All operational and financial transactions shall comply with the principles of segregation of duties and traceability.

To achieve this, the said transactions shall be immediately recorded in Group information systems and entered into the relevant Company's financial and cost accounts.

No transactions shall be undertaken "off the books";

■ WITH RESPECT TO THE ENVIRONMENT

RESPECT OF THE ENVIRONMENT

DCNS is committed to a resolute approach to environmental protection and in particular defends this principle in the scope of its activities.

In support of the said approach, the Group:

- Identifies new environmental risks and implements the required measures for the purpose of preventing or limiting the effects thereof.

- Undertakes a constant improvement and staff training programme so that the reduction of our sites, activities and products' environmental impact is taken into account.

DCNS monitors compliance with national, European and international regulations on environmental matters and deploys appropriate management systems and performance measurement tools.

Lastly, the Group communicates information with respect to the impact of its activity on the environment.

CITIZENSHIP

DCNS monitors compliance with the national and international regulations applicable in States where it is established.

DCNS respects political, religious and philosophical neutrality. Accordingly, the Group commits to not providing any financial contribution to candidates, elected representatives or political parties.

Nevertheless, all members of DCNS staff may personally take part in politics, outside their place of work and working hours, but shall not use the Group's image in support of their commitment.

DCNS takes part in financing associations, foundations or sponsorship operations insofar as these come within the scope of values and priorities specified by the Group and currently prevailing legislation.

THE GROUP'S TANGIBLE AND INTANGIBLE ASSETS

DCNS' assets are a major aspect of its perennality and development. Each member of staff shall act in the interest of preserving the Group's tangible and intangible assets, of which the loss, theft or illegal use would cause a prejudice to DCNS.

Any incident, deterioration or incorrect operating of equipment used, which belongs to the Group, shall be reported in accordance with currently prevailing procedures.

Special attention shall be paid to confidential information held by DCNS, in particular as regards Group products, processes, patents, know-how, staff, or industrial, strategic and financial operations. The said information shall not be disclosed to any third party without prior and formal agreement thereto by DCNS.

Ethics implementation in the DCNS Group

14

The DCNS Group distributes this Code of Ethics to each member of staff. It ensures training for any member of staff who wishes to supplement his/her knowledge in this field.

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

- Group ethical organisation.
- Procedure for compliance with the DCNS Group Code of Ethics.

15

■ GROUP ETHICAL ORGANISATION

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

The Committee's assignments are:

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

■ PROCEDURE FOR COMPLIANCE WITH THE DCNS CODE OF ETHICS

The Group Code of Ethics, by contributing to the development of responsible awareness, is part of DCNS Group overall policy, concerned by compliance with legislation and principles which govern companies.

The “advice and recommendation process”, implemented as of promulgation of the Code of Ethics, offers various channels for DCNS staff to contact the Group's ethics authorities.

- If you have any queries or doubts, the “advice and recommendation process” enables each member of staff to receive information and advice on the application and interpretation of Code of Ethics rules, current texts and legislation. The said queries or doubts are transmitted through management channels or directly to the CEMCR.
- The “advice and recommendation process”, directly triggered by a member

of staff with the CEMCR, is performed with identification and through secured data-processing channels, against a confidentiality undertaking.

- The implementation of the “advice and recommendation process” implies each person's serious responsibility, and calls on each member of staff's specific ethics. The said process can only operate on the basis of information transmitted in good faith, supported as far as possible by physical and verifiable facts which may endanger the Group's liability or damage the reputation and/or image thereof.

DCNS

40-42, rue du Docteur Finlay

F-75732 Paris Cedex 15

Tel.: +33(0)1 40 59 50 00

www.dcnsgroup.com