

# SUPPLIER AND SUBCONTRACTOR RELATIONS CHARTER

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Purchasing and Supplier  
Relations Department

This charter applies to all Naval Group employees who, within the scope of the "Purchasing" process, are directly in contact with Suppliers and Subcontractors. It defines the principles and values to be implemented in terms of ethics as part of fair and mutually beneficial relationships with our suppliers.

## This charter falls within the scope of Naval Group's ethics approach.

**As a rule, each employee, when acting on behalf of Naval Group, must:**

- abide by the rules stipulated in the Naval Group code of ethics and compliance code of conduct;
- behave in a way that complies with the group's values;
- conform to the applicable legal rules;
- avoid, or where necessary inform of, any situation with a conflict of interest involving a supplier or subcontractor
- follow the instructions, policies and procedures of the group and in particular those established by the Purchasing and Supplier Relations Department and the Group ethics, compliance and governance department (*Direction Ethique, Compliance et Gouvernance Groupe - DECG*);
- not disclose any confidential information pertaining or entrusted to Naval Group;
- contribute to the good reputation of the Group through their behaviour and decisions.

**In particular, each employee must abide by the following rules**

- gifts received or made must always be of low value and declared in accordance with the instructions in force. Invitations must be limited to work-related lunches and must be reasonable;
- personal advantages and gifts for employees or their family members must be refused. Offers of travel, trips or shows must be refused unless they are expressly authorised by the Group ethics, compliance and governance department.
- gifts and invitations must be given or extended without expecting compensation and must be entirely unambiguous, open and public to the professional environment of the persons offering and receiving them.

- The personal interests of an employee can in no case influence the relationships with Suppliers or Subcontractors. Employees undertake to inform their line managers of any existing personal, family or financial relationship with a supplier and must then clearly request their line managers to be excluded from the ongoing selection or negotiation process.

**If any doubts arise on the behaviour to exhibit or a decision to be made concerning the rules stated above, the employee concerned must consult with their line managers or *compliance officer* of their site before taking any measures or decisions.**

**Naval Group is committed to developing fair and mutually beneficial relationships with its suppliers and subcontractors.**

**As such, Naval Group:**

- implements a supplier code of conduct as per French law 2017-399 dated 27 March 2017 relating to the duty of care by mother companies and prime contractors,
- undertakes to treat Suppliers and Subcontractors fairly during invitations to bids;
- shares relevant elements for assessing the invitations to bids with its Suppliers and Subcontractors and informs the candidates that were not selected, without infringing the confidentiality rules;
- undertakes to maintain the confidentiality of any information received from the Suppliers and Subcontractors within the framework of a signed confidentiality agreement;
- takes into account the progress plans of its Suppliers and Subcontractors whenever they are relevant to the services purchased;
- may implement contractual terms suited to the supplier's size;
- shares the results of the suppliers' service assessments with them;
- invests in developing a long-term relationship with its Suppliers and Subcontractors and oversees any possible dependency situations with them;
- takes into account the Suppliers and Subcontractors efforts in terms of social and environmental responsibility and in reducing occupational accidents
- implements a mediation process with its suppliers;

The various Naval Group departments are responsible for ensuring these rules are adopted by their teams, which are directly in contact with the suppliers and subcontractors.

In order for these rules to be more easily adopted, a practical guide for ethical conduct is made available to all Naval Group employees.



**Frédéric MASSA**

Naval Group Purchasing and Supplier Relations Manager