

In June 2017, an updated version of the Airbus Standards of Business Conduct was published, to comply with the requirements of France's new Sapin II law. The updated version defines both bribery and influence peddling, and provides illustrations of each. Changes were also made to cross-refer to the Airbus Anti-Corruption Policy, and to include a new section on Anti-Money Laundering.

In June 2017, an updated version of the Airbus OpenLine Policy was also published, to enhance the provisions to protect the whistleblower from retaliation in line with Sapin II.

In September 2017, Airbus published its revised Business Development Support Initiative Directive (BDSI). The directive defines the Airbus requirements for the prevention of corruption in the engagement of BDSI third parties. It provides employees with step-by-step explanation of the due diligence, engagement, remuneration and monitoring of BDSI third parties.

In October 2017, Airbus published a directive defining the requirements for identifying and mitigating corruption risks in connection with M&A, JV and similar transactions. This directive is intended to help ensure a consistent approach to these matters across Airbus.

Our Awareness and Training

Airbus aims to educate its people about the standards of conduct that apply to their jobs and the potential consequences of violations. Target populations are reviewed annually and required to undergo training and awareness eLearning or face to face sessions based on job function, role and responsibility.

In 2017, Airbus conducted 84,273 Ethics & Compliance digital training sessions.

Our Confidential Speak-Up Channel: OpenLine

Airbus recognises that the Standards of Business Conduct cannot address every challenging situation that may arise. Airbus therefore encourages its employees to speak-up through various channels, including through OpenLine (<https://www.airbusopenline.com/>). The OpenLine enables employees to confidentially raise their concerns via the internet or by phone. Subject to local legal restrictions, the OpenLine alert system has been available for several years to employees in France, Germany, Spain, UK, Canada, Brazil, Australia and the US. In 2014, it was made available to employees in Mexico, China and Saudi Arabia. Airbus does not tolerate retaliation against employees making reports in good faith and/or assisting in investigations of suspected violations of the Standards of Business Conduct. For further information on the OpenLine please refer to the Airbus Group OpenLine Policy (available at <https://www.airbusopenline.com/PoliciesAndNotices>). Employees, customers, suppliers and third-party intermediaries are encouraged to share their concerns with management or with Ethics & Compliance resources.

b. Responsible Suppliers

Airbus designs and integrates complex aerospace and defence products, leveraging an extensive supply chain. Co-operation with suppliers occurs in several fields of the business and is key to ensure quality standards which lead to shared success, growth through innovation and a commitment to sustainability. Airbus also engages its suppliers on its sustainability journey and shares a commitment to improve social and environmental performance, constantly driven by values of integrity and transparency.

1. Procurement at Airbus

More than 15,000 suppliers from more than 100 countries supply parts, components or sub-systems to Airbus. In 2016, Airbus spent around €49 billion with its suppliers. The Procurement function is improving its performance through creating a more integrated, effective and lean organisation. It aims at increasing harmonisation of internal and supplier-related processes, job profiles, training processes and tools.

Whilst Airbus products and services are sold all over the world, the majority of its workforce and supply chain are based in Europe and the Organisation for Economic Cooperation and Development (OECD) countries. In the past few years, the supply chain has become concentrated and more international. Such rising concentration is the result of consolidation within the aerospace and defence sector, as well as larger work packages for the major new aircraft programmes being placed with a smaller number of lead suppliers. Airbus has identified global sourcing as one of its leading long-term objectives. To promote the globalisation of its sourcing footprint, an Airbus Global Sourcing Network (GSN) has been established including regional sourcing offices in USA, China and India.

2. Responsible Supplier Management

As a global leader in aeronautics and space, Airbus has taken a commitment to conduct its business responsibly and with integrity. Taking into consideration the level of outsourcing at Airbus, the supply chain is an integral part of Airbus' ecosystem and the Company is therefore committed to ensure that, as far as possible within its own scope of responsibility and legal obligations, potential adverse impacts of Airbus activities are managed. The Procurement function is ISO 14001 certified as part of the global Airbus environmental certification.

The Airbus Supplier Code of Conduct is the document of reference for Airbus' responsible supplier management. This Code represents the group-wide values and principles in line with internationally recognised standards and conventions (such as OECD and ILO). It has been developed with the International Forum on Business Ethical Conduct (IFBEC) in 2015 in the form of a Model Supplier Code of Conduct. Airbus is proud to be a co-founder of IFBEC, which supports the application of global standards for business ethics and compliance in the aerospace and defence industries. Airbus implemented the IFBEC Model Supplier Code of Conduct in its entirety as the Airbus Supplier Code of Conduct in 2016.