

## The DII Principles

DII members, and the CEOs of every DII company, must abide by DII's core principles. The DII Principles, updated in March 2010, state:

We, the members of the Defense Industry Initiative on Business Ethics & Conduct (DII), affirm our commitment to uphold the highest ethical standards in all our business dealings with the government, as expressed through the following principles:

- (1) We shall act honestly in all business dealings with the U.S. government, protect taxpayer resources, and provide high-quality products and services for the men and women of the U.S. Armed Forces.
- (2) We shall promote the highest ethical values as expressed in our written codes of business conduct, nurture an ethical culture through communications, training, and other means, and comply with and honor all governing laws and regulations.
- (3) We shall establish and sustain effective business ethics and compliance programs that reflect our commitment to self-governance, and shall encourage employees to report suspected misconduct, forbid retaliation for such reporting, and ensure the existence of a process for mandatory and voluntary disclosures of violations of relevant laws and regulations.
- (4) We shall share best practices with respect to business ethics and compliance, and participate in the annual DII Best Practices Forum.
- (5) We shall be accountable to the public, through regular sharing and reporting of signatory activities in public fora, including <a href="www.dii.org">www.dii.org</a>. These reports will describe members' efforts to build and sustain a strong culture of business ethics and compliance.