

**FMSNA COMBATTING TRAFFICKING IN PERSONS**  
**COMPLIANCE PLAN**

**Purpose:**

As outlined in the Federal Acquisition Regulation (FAR 52.222-50) and Executive Order 13627 Strengthening Protections Against Trafficking in Persons in Federal Contracts, Fincantieri Marine Systems North America Inc, (hereinafter referred to as “FMSNA”), is required to develop and maintain a compliance plan during the performance of contract(s) or subcontract(s) that is appropriate for the size and complexity of the contract or subcontract and the nature and scope of the activities performed, including the risk that the contract or subcontract will involve services or supplies susceptible to trafficking. Additionally, relevant contents of the plan will be posted on our website.

**Combating Trafficking in Persons – Recruitment Activities and Employee Awareness**

**Introduction:**

Our global policies, procedures, and practices reflect our strong commitment to good corporate citizenship. Respect for human rights is an important part of being a good corporate citizen, as outlined in the FMSNA Business Ethics and Code of Conduct Policy. This commitment applies to all employees, subcontractors, and others who represent or act for us.

FMSNA globally recruits the best qualified talent to support business mission, goals, and services. This includes U.S. Citizens, local country nationals, and third country nationals who perform work on contracts outside the United States and abroad. Employees, agents, subcontractors, and recruiters play a key role in preventing human trafficking and related activities. Human trafficking and related activities include harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

To minimize the risk of human trafficking and to comply with contractual requirements regarding human trafficking and related activities, FMSNA employs a multifaceted approach to address the risk of human trafficking and related activities outlined below.

**External Recruitment Agency Support:**

FMSNA’s Human Resources department will ensure all contracts with external recruitment agencies or firms include the following contract clauses, as applicable, to facilitate compliance with prime contract requirements regarding human trafficking, in addition to requiring such agencies or firms to adhere to all applicable local, state, and national government laws:

*FAR 52.222-50 Combating Trafficking in Persons (applies to all subcontracts and contracts with agents).*

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*DFARS 252.225-7040 Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States (applies to subcontracts under Department of Defense prime contracts that require subcontractor personnel to be available to deploy with or otherwise provide support in the theater of operations to U.S. military forces deployed outside the United States in (1) contingency operations; (2) humanitarian or peacekeeping operations; or (3) other military operations or exercises designated by the Combatant Commander).*

**Recruitment:**

FMSNA's Hiring Managers, Recruitment team, and contracted recruitment agencies that support recruitment activities must adhere to all internal policies (domestic and international) and host-country recruitment standards to combat trafficking in persons and trafficking related activities. FMSNA prohibits charging of recruitment fees to employees and prospective employees and prohibits the use of any recruiting firms unless the firm's employees have received training on combating trafficking related activities.

**Wage Plan:**

FMSNA ensures that employee wages meet host-country legal requirements or explains any variance. FMSNA maintains a comprehensive total remuneration program providing compensation and benefits that comply with country-specific laws and regulations and are competitive with external, country-specific labor markets and levels of employee performance.

**Housing Plan:**

Should an element decide that housing or reimbursement for housing is necessary for the assignment, adherence to company international policies, along with host-country housing and safety standards is mandatory.

**Training and other Assistance:**

FMSNA has developed initial training for hiring managers. FMSNA will continue to develop and maintain training modules that support our commitment to human rights, including child or forced labor, trafficking of persons, adherence to labor laws, including adherence to truthful and trustworthy practices during the recruitment of employees or offering of employment, proper disclosure of information, and proper representations during the recruitment process to include key terms and conditions of employment, wages, fringe benefits, work location, housing, and nature of work.

**Process for Reporting Violations:**

Any credible information received from any source (including host country law enforcement) that an employee, subcontractor, subcontractor employee, or their agent has violated FAR 52.222-50 must be reported immediately to Legal Counsel, who will further notify FMSNA Program Manager, and FMSNA Human Resources of the report. FMSNA Program Manager, in consultation with Legal Counsel and Human Resources will inform the Contracting Officer and Inspector General of the

allegation. Legal Counsel will make any other disclosures required under FAR 52.203-13. Employees may also report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking in persons to Human Resources.

If a violation of FAR 52.222-50 is substantiated:

Human Resources, in consultation with Legal Counsel, will ensure that the appropriate disciplinary action is taken, up to and including termination, on subcontractors, agents, and external recruitment agencies who fail to comply with FAR 52.222-50.

FMSNA Program Manager, in consultation with Legal Counsel and Human Resources, will inform the Contracting Officer of any actions taken against an employee, a subcontractor, or a subcontractor employee pursuant to FAR 52.222-50.

**Periodic Reassessment of the Plan:**

FMSNA will periodically review and assess the internal controls assuring compliance with this Plan. Modification of controls and measures will be implemented as required.

**Trafficking in Persons Compliance Plan for Global Supply Chain Contracts**

**Introduction:**

(FMSNA) uses subcontractors frequently in the performance of its contracts. This includes domestic U.S. suppliers, including recruitment agencies, that perform work under contracts outside the United States and international subcontractors that perform work throughout the world. Subcontractors play a key role in preventing human trafficking and related activities. To minimize the risk of human trafficking in its supply chain, and to comply with contractual requirements to prevent human trafficking in connection with FMSNA's contracts, FMSNA employs a multifaceted approach to address the risk of human trafficking in its supply chain.

**Monitoring of Government Databases:**

FMSNA frequently monitors the U.S. Government's System for Award Management (SAM) Exclusions database and other restricted parties lists and complies with applicable limitations on award to debarred, suspended, proposed for debarment, or otherwise restricted subcontractors.

**Flow downs:**

All subcontracts include mandatory flow down clauses necessary to ensure compliance with this Plan and the requirements of prime contracts. This includes the following:

*FAR 52.222-50 Combating Trafficking in Persons (applies to all subcontracts and contracts with agents).*

*252.225-7040 Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States (applies to subcontracts under Department of Defense prime contracts that require*

*subcontractor personnel to be available to deploy with or otherwise provide support in the theater of operations to U.S. military forces deployed outside the United States in (1) contingency operations; (2) humanitarian or peacekeeping operations; or (3) other military operations or exercises designated by the Combatant Commander)).*

**Certifications:**

FMSNA will obtain trafficking in persons certifications from subcontractors required to certify under FAR 52.222-50. Certificates will be required before award of subcontracts and annually thereafter when performance extends beyond one year.

**Obtaining and Reviewing Supplier Compliance Plans:**

FMSNA will require subcontractors to provide copies of their trafficking in persons compliance plan upon request of either the contracting officer or FMSNA. Plans may also be required when needed in conducting due diligence of supplier compliance.

**Registry as a FMSNA Supplier:**

Prospective international subcontractors are required to disclose certain contractor integrity and anticorruption information prior to being eligible for receipt of subcontracts. Among the disclosures required is whether the subcontractor has been convicted of, indicted or otherwise charged by any governmental entity for the commission of among other things, violation of human trafficking or child labor laws. Subcontractors are required to inform FMSNA if their status changes. If a supplier discloses a violation, the matter will be investigated, and appropriate action taken.

**Supplier Code of Conduct**

FMSNA maintains a Supplier Code of Conduct which is published on FMSNA's public website. It includes the following:

We expect our suppliers to not engage in the use of forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery, or trafficking of persons. This includes transporting, harboring, recruiting, transferring, or receiving vulnerable persons by means of threat, force, coercion, abduction, or fraud for the purpose of exploitation.

**Monitoring of Contracts Performed Outside the United States:**

When FMSNA personnel are present in international areas where subcontractors are performing work, the activities of the subcontractors will be monitored for potential trafficking problem or issues. If issues are suspected or found, the matter will be investigated, and appropriate action taken.

**Investigations:**

FMSNA will investigate evidence or allegations that subcontractors have violated human trafficking prohibitions. Subcontractors are required by FMSNA's terms and conditions of purchase to "provide

reasonable cooperation to FMSNA in conducting any investigation regarding the nature and scope of any failure by [the subcontractor] or its personnel to comply with applicable local, state, and federal laws, orders, rules, regulations, and ordinances that may affect the performance of [the subcontractor's] obligations under this Contract.”

FMSNA will make appropriate disclosures to the U.S. Government of violations by subcontractors and cooperate with any Government investigation.

**Remedies:**

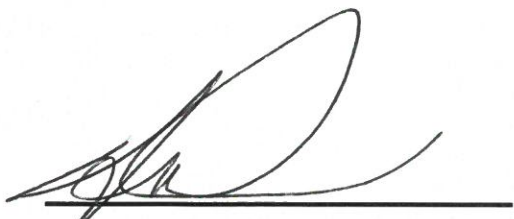
FMSNA will take appropriate action when subcontractors are found to engage in prohibited conduct, including the remedies specified in FAR 52.222.50. Where appropriate or required, FMSNA will coordinate with the U.S. Government prior to the implementation of remedies against subcontractors.

**Eligibility for Future Contracts:**

The record of a subcontractor's compliance with human trafficking requirements will be considered in making future subcontractor source selections. Subcontractors that have engaged in prohibited conduct may be excluded from eligibility of future awards.

**Periodic Reassessment of the Plan**

FMSNA will periodically review this Plan. Additional or different controls and measures will be implemented as required.



Richard Dinsmore  
FMSNA Vice President / General Manager

