

Resources

DII and its signatories offer a wide variety of training tools including manuals and DVDs. Additionally, DII has an Information Clearinghouse of program materials arranged by signatory. As an added service to the public and to the defense industry—especially for smaller companies—DII has developed a guide for creating an effective ethics program.

Events

Every year DII hosts events providing best practices in business ethics and conduct, and discussing new statutory and regulatory developments affecting defense contractors. DII events include seminars and webinars and DII's Annual Best Practices Forum, the organization's centerpiece event. The Forum is widely attended by representatives of the Department of Defense and the defense industry and serves as a unique learning opportunity for both government and industry personnel. DII's focus seminars and webinars are open to all DII company personnel. Past topics for these events include Developing Ethical Leadership, International Contracting, Export Controls, Supply Chain Management, and developing internal controls and disclosure practices under Sarbanes-Oxley and identifying compliance risk issues.



"The excellent work of DII has heightened the awareness of the importance of ethical conduct within the defense industry and has motivated other industries to follow the DII lead."

Ken Dahlberg
Chairman of the Board & CEO, SAIC
Chair, DII Steering Committee



Defense Industry Initiative on Business Ethics and Conduct

Richard J. Bednar, DII Coordinator
1001 Pennsylvania Avenue, Suite 1000
Washington, DC 20004-2595

Phone: (202) 624-2619

Email: RBednar@crowell.com

Jennifer N. Hawkins, DII Assistant

Phone: (202) 508-8979

Email: JHawkins@crowell.com

www.DII.org

DEFENSE INDUSTRY
INITIATIVE ON
BUSINESS ETHICS
& CONDUCT

**Setting Principles and
Sharing Practices for
Achieving High Standards
of Business Ethics
and Conduct**



Who We Are

DII consists of companies that provide systems, professional services, weapons, technology, supplies and construction to the U.S. Department of Defense. DII Signatory Companies are united in their commitment to adopt and implement the highest standards of business ethics and conduct. Not a lobbying organization, DII seeks to promote and nurture a culture of ethical conduct within every company in the defense industry.

We work together by sharing best practices for creating an organizational culture in which ethics and compliance are paramount. In all activities, we seek to advance the objective of maintaining the highest ethical standards and encouraging employees to engage in ethical conduct in the pursuit of all business affairs.

What We Do

Established in June 1986, DII has been the foundation of demonstrating over the years that self-governance can work, such that when an isolated act of business misconduct occurs in one of our organizations, the integrity of the affected company (and the industry as a whole) is not called into question.

DII's fundamental purposes are assuring the public, Congress and the Department of Defense that DII takes ethics and compliance seriously. We follow a systematic approach to it, share best practices to learn from each others' experiences, and seek to instill a culture of integrity in every corner of our industry.

Our sincere commitment to ethics and compliance has earned the confidence of DoD and Congress.



Our Program

Sharing Best Practices

DII brings together industry leaders to share their perspectives on the value of effective ethics and conduct programs; to discuss the development of these ethics and compliance programs; and to offer lessons learned in the practical implementation of these programs.

Effective Ethics and Business Conduct Program

DII has developed a guide for creating an effective ethics program. This is especially useful for smaller companies. Our program consists of 5 core components and 4 essential program elements

Core Practices

DII believes that the most effective ethics and business conduct programs include 5 core components: Established Core Values, Leadership Commitment, Risk Assessment, Clear Ethics and Business Conduct Policies, and Regular Program Assessment and Evaluation.

Program Elements

Accompanying these 5 core components are 4 program elements that ensure the success of ethics and business conduct programs: Communication Plan and Awareness Initiatives, Awareness Training, Inquiry and Reporting Mechanisms, and Code of Conduct.



Become A Member

Eligibility

Membership in The Defense Industry Initiative is open only to U.S. business organizations that contract or subcontract with the U.S. Department of Defense, i.e., defense contractors.

Membership Responsibilities

As a Signatory member, each DII company commits to adopt and adhere to DII's six principles of business ethics and conduct:

- 1) Have and adhere to written Codes of Conduct;
- 2) Train employees in those Codes;
- 3) Encourage internal reporting of violations of the Code, within an atmosphere free of fear of retribution;
- 4) Practice self-governance through the implementation of systems to monitor compliance with federal procurement laws and the adoption of procedures for voluntary disclosure of violations to the appropriate authorities;
- 5) Share with other firms their best practices in implementing the principles, and participate annually in "Best Practices Forum"; and
- 6) Be accountable to the public.

To ensure consistent compliance with DII's six principles, each Signatory company is required to respond to a detailed annual questionnaire, and to participate in the annual DII "Best Practices Forum," in Washington, DC.

Assessments

DII Signatory companies are assessed an annual fee keyed to their respective total annual revenues. Annual assessments range from \$1,000 to \$20,000.

To Join

To apply for acceptance as a DII Signatory, visit www.DII.org and fill out the online application. Applications must be accompanied by a letter from the company's chief executive agreeing to the aforementioned prerequisites.