

# Code of Conduct – Anti-Bribery and Anti-Corruption

Nordic Aviation Capital  
NAC Corporate Legal/ Compliance

**Issued 1 November 2022**

## **Introduction and Purpose**

Corruption, including bribery and facilitation payments, are illegal and are taken very seriously at NAC (and a zero-tolerance approach is applied).

NAC's Anti-Bribery and Anti-Corruption Policy (the "**Policy**") sets out mandatory rules and procedures, as well as relevant guidance on corruption and bribery risk. This is to raise awareness and thus avoid and mitigate any bribery or corruption risk NAC or NAC Personnel may become exposed to while doing business, including potential adverse consequences flowing from any such risk.

It is important to protect NAC's reputation as a professional and responsible company acting with integrity, and to avoid the potential legal, regulatory and commercial effects of corruption on NAC and NAC Personnel, including civil or criminal liability, fines, invalidation of agreements (including Credit Agreements), prohibition on the conduct of business, and damage to NAC's reputation, together with all business and other economic losses resulting therefrom.

The Policy is aimed at ensuring that NAC and NAC Personnel fully comply with their legal and ethical obligations in relation to anti-bribery and anti-corruption laws and regulations in all relevant jurisdictions. It applies to all NAC's activities and to all NAC Personnel as required under the strictest applicable law, even if a directly concerned jurisdiction is more lenient.

NAC Personnel means any person employed by NAC, contractors and any member of the Board while acting for NAC.

## **Roles and Responsibilities**

NAC prohibits corruption of any kind in all business dealings, in every jurisdiction and in all sectors. All NAC Personnel should be aware of the requirements of applicable laws and regulations that impact your job roles and responsibilities. This can include, but may not be limited to the following:

- Never provide financial or other incentives to government officials to perform actions that already fall within their official responsibilities (i.e., facilitation payments).
- Never misuse or misappropriate funds received on behalf of someone else (i.e., embezzlement).
- Never make dishonest statements with a view to causing private benefit (i.e., fraud).
- Do not participate in nepotism - giving advantage to a family member or friend, by authority of one's position and not otherwise available to them.
- Understand the business policy around providing gifts and hospitality (G&H). The provision of G&H to government officials is highly regulated across the globe and often prohibited. The provision of G&H to employees of private entities should be completed in accordance with the applicable business policies and thresholds (see below).
- Follow all business due diligence procedures around selecting any third parties that represent NAC. They must be carefully selected to ensure they follow all NAC ABAC policies. For the avoidance of doubt, NAC Personnel may not retain any agent or third party to act as an intermediary in relation to the procurement, sale, leasing or financing of aircraft, engines,

or parts. Likewise, NAC Personnel may not engage in negotiations with any agent or third party on behalf of a potential counterparty in relation to the sale, leasing or financing of aircraft, engines, or parts without the express written permission of the Compliance Team.

- Treat with suspicion any requests for payments to be made to persons who are not related to a business transaction or to make payments to a different country/account. Follow all payment policies.
- Do not make any political donations or contributions in the name of NAC.
- Always treat all regulators professionally and honestly, ensuring co-ordination with NAC business experts as needed when responding to requests.

A Government Official means any person who performs a public function or acts in an official capacity on behalf of a Government Authority. This definition is broad and includes individuals not typically thought of as "officials." A Government Official can include, but is not limited, to the following:

1. an employee, officer or representative of, or any person otherwise acting in an official capacity for or on behalf of a Government Authority or entity which is partially or wholly Government owned. This includes regulatory and airworthiness authorities as well as certain airlines.
2. a legislative, administrative, or judicial official, regardless of whether elected or appointed.
3. an officer of, or individual who holds a position in, a political party or a candidate for political office, plus an individual who holds any other official, ceremonial, or inherited position with a government or any of its agencies.
4. an officer or employee of a supra-national organisation (including, without limitation, the World Bank, EU, United Nations, IMF and OECD).

Government Officials also include spouses and other immediate family members of Government Officials, as well as former Government Officials.

### Gifts and Hospitality (G&H):

Gifts and hospitality ***above certain thresholds*** require prior approval, either (a) via in the online "G&H Module", which can be found in the "Policies & Handbooks" section on the Corporate Hub; or (b) as described below.

Effective from 1<sup>st</sup> October 2022:

**1) Giving gifts and hospitality to employees of privately owned entities require prior approval as follows:**

- Gifts (other than aircraft models) **over \$100** require ***prior*** Compliance Team approval via the G&H Module.
- Aircraft models – no more than 10 standard models (produced by NAC's approved vendor) in total should be provided to internal NAC / airline customer deal teams for any transaction without prior approval of EVP Marketing and GC.
- Hospitality of **over \$200** per person require ***prior*** Compliance Team approval via the G&H Module.
- Meals/ entertainment **over \$1,400** in total for either (i) a single event or (ii) a specific customer per annum, requires prior approval by the appropriate employee, by email, from both the applicable functional EVP and GC.

Gifts <\$100 and meals or entertainment of <\$200 per person (subject to the \$1,400 limit referred to above) are only approved through the normal Expensify system. All attendees and purpose of the event should be specified in the expense report. The most senior member of NAC team should review and pay the bill.

## **2) Giving G&H to government officials or government authorities:**

All G&H requires **prior** Compliance Team approval via the G&H Module, unless, if allowed by local law, considered of *de minimis* value, such as inexpensive items bearing a corporate logo (e.g., calendars, pens or baseball caps) or appropriate hospitality of *de minimis* value (e.g., ordinary tea, coffee, sandwiches or other refreshments at a business meeting). Local law requirements should be checked with the Compliance Team as early as possible prior to any proposed G&H activities.

## **3) Accepting G&H from employees of privately-owned entities by NAC Personnel:**

- NAC employees cannot accept any meals or entertainment valued at **over \$200** without pre-approval. Approval to be sought via the G&H Module.
- NAC Employees cannot accept any Gifts valued at **over \$100** without pre-approval. Approval to be sought via the G&H Module

## **Reporting and Training**

The Board (with support from the General Counsel and the Compliance Team) has overall responsibility for ensuring compliance with this Code of Conduct and the Policy by NAC and NAC Personnel. All NAC Personnel have day-to-day responsibility for compliance with this Code of Conduct and the Policy.

NAC's compliance program includes training (both initial and ongoing mandatory annual training for NAC Personnel), updates, and the monitoring of compliance with the Policy. NAC's Compliance Team will also deal with any internal queries and audit internal control systems and procedures (in cooperation with the General Counsel and Chief Risk Officer) to ensure that they are effective.

Reporting will be a crucial part of the Policy's awareness program. If NAC Personnel become aware of, or suspect that, a breach of law or of this Code of Conduct or the Policy has occurred, they must promptly report via the appropriate internal channels (including their manager, the next most senior supervisor, or the NAC Compliance Team), and/ or via the confidential external hotline (contact details for which can be found in the "Policies & Handbooks" section on the Corporate Hub).

NAC Personnel raising concerns in accordance with the Policy will not be subjected to retaliation or penalised in any way for raising a concern. NAC will not tolerate retaliation against individuals who raise matters under this Code of Conduct or the Policy and instances of retaliation will be taken seriously and addressed appropriately.

Please also refer to NAC's Global Whistleblowing Policy concerning reporting generally.

## **Consequences For Failure to Comply**

Bribery and Corruption and failure to comply with applicable laws and regulations are serious offences and strictly prohibited both by law and by the Policy. NAC Personnel who act in breach of this Code of Conduct or the Policy may be subjected to disciplinary measures, up to and including dismissal. They also risk being prosecuted by the criminal prosecution authorities.

For further information, please refer to the full text of the Policy (and NAC's other codes of conduct and compliance policies) available in the "Policies & Handbooks" section on the Corporate Hub.