

Transactions & Risk Committee of Nordic Aviation Capital Designated Activity Company

1. Constitution

The board of directors (the “**Board**”) of Nordic Aviation Capital Designated Activity Company (the “**Company**”) resolved on 31 May 2022 to establish a standing committee of the Board, to be known as the transactions & risk committee (the “**Transactions & Risk Committee**”), in accordance with these terms of reference (“**Terms of Reference**”) which were adopted.

2. Membership

2.1 The Transactions & Risk Committee shall comprise the Chief Executive Officer (“**CEO**”) (provided that one is appointed at that time) and at least two other directors of the Company (“**Directors**”) (“**Members**” and each a “**Member**”) as determined by the Board from time to time (with, prior to the date falling 12 months from the date of the shareholders’ agreement dated 1 June 2022 between NAC Holdings Limited, the Company and the Shareholders (as defined therein) (the “**Shareholders’ Agreement**”), prior Shareholder Consent (as that term is defined in the Shareholders’ Agreement)) except to the extent permitted by the following paragraph.

2.2 Prior to the date falling 12 months from the date of the Shareholders’ Agreement, the Board may appoint a Director without prior Shareholder Consent to fill any vacancy that has arisen on the Transactions & Risk Committee (other than a vacancy arising as a result of the removal of a Director by the Board) to ensure the Transactions & Risk Committee has the minimum number of Directors required for a quorate meeting of the Transactions & Risk Committee in accordance with paragraph 3.3(a).

2.3 The initial Members of the Transactions & Risk Committee shall be Norman Liu (in his capacity as CEO), Patrick Blaney, Paul O’Donnell and (subject to the chairperson of the Board having approved the form of his engagement letter in respect of his appointment as a Director and Vice Chairperson, whether before or after the execution of the Shareholders’ Agreement in accordance with its terms) Richard Laxer.

2.4 Any Member (other than the CEO) may be removed from the Transactions & Risk Committee by the Board.

2.5 The Chairperson of the Transactions & Risk Committee (the “**Chairperson**”):

- (a) will be appointed by the chairperson of the Board;
- (b) must be drawn from the Members; and
- (c) shall be a voting Member and (subject to he or she not having any conflict of interest in the relevant matter) may vote on any matter that is before the Transactions & Risk Committee.

The initial Chairperson shall be Norman Liu.

2.6 The Company secretary or his or her nominee shall act as the secretary of the Transactions & Risk Committee (the “**Secretary**”) and shall ensure that the Transactions & Risk Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. Meetings

3.1 Frequency

The Transactions & Risk Committee shall meet on a weekly basis (or more frequently on an as-needed basis if decided by its Members) (“**Meetings**”).

3.2 Summoning, Location, Notice and Agendas

- (a) Meetings shall be summoned by the Secretary at the request of the Chairperson.
- (b) Members may attend Meetings remotely or in person (including by alternate).
- (c) Where practicable, reasonable notice of each Meeting – confirming the venue, time and date, together with an agenda of items to be discussed – shall be forwarded to each Member and to any other person who is required to attend before the date of the Meeting. Where practicable, supporting papers should accompany the notice of the meeting.
- (d) Notices, agendas and supporting papers may be sent in electronic form.

3.3 Quorum and Attendance

- (a) The quorum necessary for the transaction of business is at least two (2) voting Members of the Transactions & Risk Committee. A duly convened meeting of the Transactions & Risk Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions that are vested in or are exercisable by the Transactions Committee.
- (b) Any decision taken by the Transactions & Risk Committee shall be decided by a majority of the votes cast, with each voting Member having one vote.
- (c) A Member may attend a Meeting of the Transactions & Risk Committee by telephone, video-conference or other means of electronic communication, in accordance with section 161(6) of the Companies Act 2014 (the “**Act**”) and the Company’s articles of association.
- (d) Only Members have the right to attend Meetings, save that the CRO shall be entitled to attend, observe and speak at (but not vote at) meetings of the Transactions & Risk Committee. The Chairperson of the Transactions & Risk Committee may invite other persons to its Meetings as it deems necessary. Non- Members, including management (other than the CRO), may only attend Meetings if specifically invited by the Chairperson. The Chairperson of the Transactions & Risk Committee may require the attendance of the Auditors or of any employee of the Company and its subsidiaries (the “**Group**”). This is without prejudice to the Transactions Committee’s powers under paragraph 4 of these Terms of Reference.

3.4 Procedure at Meetings

- (a) In the absence of the Chairperson and of his or her appointed deputy (if any), the Members that are in attendance at a Meeting shall elect one of their number to chair the Meeting.
- (b) The Secretary shall, at the beginning of every Meeting, ascertain whether there exists any conflict of interest and (if any) the Secretary shall minute that conflict accordingly.

3.5 Minutes

- (a) The Secretary shall minute the proceedings and resolutions of every Meeting, including recording the names of those present and in attendance.
- (b) Draft minutes of Meetings shall be circulated to all Members. Once approved by the Chairperson, minutes of the Meetings shall be circulated promptly by the Secretary to all other Members and shall be available to the Board.
- (c) The Secretary shall maintain a complete record of transactions approved by the Transactions & Risk Committee.

3.6 Written Resolutions

Resolutions of the Transactions & Risk Committee may, instead of in a Meeting, be passed in writing) signed by all voting Members acting unanimously. The Transactions & Risk Committee may also pass resolutions by electronic means by following such electronic approval process (which shall provide for approval by all voting Members acting unanimously) as may be approved by the Board from time to time.

4. Authority and Powers

4.1 The Transactions & Risk Committee is authorised and empowered by the Board:

- (a) to seek any information it requires from any employee or officer of the Company, the external auditors or any financier of the Company or any of its subsidiaries in order to perform its duties;
- (b) to investigate any matter that is within these Terms of Reference;
- (c) to obtain, at the Company's expense, outside legal or other professional advice on any matter that is within these Terms of Reference, and secure the attendance (at any Meeting of the Transactions & Risk Committee) of outsiders with relevant experience and expertise if the Transactions & Risk Committee considers that to do so is necessary in order that the Transactions & Risk Committee can perform its functions properly (either generally or in respect of a specific issue or set of issues); and
- (d) call any employee or officer of the Company or any of its subsidiaries to be questioned at a Meeting as and when required.

5. Duties and Functions

5.1 The Transactions & Risk Committee shall carry out the duties and functions that are set out in these Terms of Reference for the Group.

Transactions

5.2 The Transactions & Risk Committee shall review and (if it considers it appropriate to do so) approve certain proposed transactions by the Group, as itemised in the Annex¹, (the "**Reserved Transactions**") that are reserved to the Transaction Committee (and not reserved to the Shareholders or the Board) under and in accordance with the Shareholders' Agreement. The

¹ Annex has been removed for confidentiality purposes.

Company has covenanted in the Shareholders' Agreement that it shall, and shall procure that each Group Company shall, not effect, approve or agree to, any of the Reserved Transactions without the prior approval of the Transactions & Risk Committee.

- 5.3 The Transactions & Risk Committee shall be entitled to approve any Reserved Transaction without the need for any further resolution by the Board. Subject to the Company's Constitution and any mandatory provision of law, all powers, authority and discretions that are vested in the Board in respect of the Reserved Transactions are delegated to and can also be exercised by the Transactions & Risk Committee, without the need for any further resolution by the Board.
- 5.4 The Transactions & Risk Committee may grant one or more powers of attorney, in such forms as may be necessary or desirable, to such persons and for such purposes as the Transactions & Risk Committee may deem necessary or desirable, in any jurisdiction. Such powers of attorney may be executed under hand (or by any other means, including as a deed, if applicable) in accordance with the Constitution or any applicable law.
- 5.5 No person dealing with the Company or any other member of the Group shall be concerned to see or enquire whether any limitation imposed by paragraph 5.2 above is observed (or whether these Terms of Reference are consistent with the Shareholders' Agreement), and no transaction or obligation entered into in excess of any such limitation shall be invalid or ineffectual except in the case of express notice to the person dealing with the Company or any other member of the Group at the time when the transaction or obligation was entered into that any limitation thereby imposed had been or was thereby exceeded.

Risk Management

- 5.6 The Transactions & Risk Committee shall oversee the Group's risk management framework, policies and practices relating to its operations.
- 5.7 The Transactions & Risk Committee shall, in particular:
- (a) have oversight of and review all risk factors affecting the Group including:
 - (i) credit, asset, jurisdiction and concentration risks
 - (ii) risks inherent in the liability side of the balance sheet,
 - (iii) enterprise risks and contingencies which may have a financial and reputational impact on the Group;
 - (b) ensure that a process is in place to monitor the Group's risk profile against the Group's risk appetite and recommend changes in either the risk profile or risk appetite to the Board as appropriate
 - (c) identify and review emergent risk factors which may affect the Group and the industry more generally
 - (d) review the risk aspects of any proposed changes to the Group's strategy and strategic transactions, ensuring that a due diligence appraisal of the proposition is undertaken, focussing in particular on implications for the risk appetite, tolerance and strategy of the Group, and taking independent external advice where appropriate and available and advising the Board accordingly;

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- (e) review, and recommend to the Board for approval, risk policy guidelines and limits; and
 - (f) review departmental performance and resourcing and annual work plans.
- 5.8 The Transactions & Risk Committee shall carry out the following duties to assist the Board in fulfilling its reporting responsibilities in the annual report:
 - (a) monitor and review the Company's risk management framework;
 - (b) evaluate the Company's principal risks, to be taken into account by the Board when assessing the Company's prospects; and
 - (c) review the Company's procedures to manage or mitigate principal risks and to identify emerging risks, to assist in the Board's assessment of principal and emerging risks.
- 5.9 The Transactions & Risk Committee:
 - (a) will have the ability to meet separately with the CRO once a year, without management being present, to review the resourcing of the risk management function; and
 - (b) ensure that the risk function has appropriate access to information to enable it to perform its functions effectively.
- 5.10 The Transactions & Risk Committee shall:
 - (a) perform any additional functions that are prescribed by law;
 - (b) perform any other functions relating to the Company's transactions and risk management that the Board may delegate to the Transactions & Risk Committee (in accordance with the terms of the Shareholders' Agreement); and
 - (c) oversee any investigation of activities which are within these Terms of Reference.
- 6. Reporting Responsibilities**
- 6.1 The Chairperson shall, at the request of the Board, report to the Board on the proceedings of the Transactions & Risk Committee.
- 6.2 The Transactions & Risk Committee shall make to the Board whatever recommendations the Committee deems appropriate on any matter that is within its remit, where the Transactions & Risk Committee determines that action or improvement is required.
- 7. Transactions & Risk Committee Governance**
- 7.1 The Transactions & Risk Committee shall have access to sufficient resources in order to carry out its duties.
- 7.2 The Transactions & Risk Committee shall work and liaise as necessary with other committees of the Board in fulfilling its responsibilities.
- 8. Changes to the Terms of Reference**
- 8.1 Any change to these Terms of Reference must be approved by the Board. Any change to these Terms of Reference may not be inconsistent with the Shareholders' Agreement.