

## **Air Service Training Ethical Business Practices Policy**

### **1. INTRODUCTION**

Air Service Training (Engineering) Limited (**AST**) aims to maintain a high standard of ethical business behaviour at all times from its Directors, Management, Employees and from the external organisations and members of the public with whom it has dealings. AST expects its Board, Management and Employees to treat others with fairness, honesty and respect.

The purpose of this Code is to:

- a. Articulate the high standards of honest, ethical and legal behaviour expected of its Directors, Management and Employees;
- b. Encourage the observance of these standards so as to protect and promote the interests of shareholders and the other stakeholders in AST;
- c. Guide Directors, Management and Employees as to the practices considered necessary to maintain confidence in AST's integrity;
- d. Set out the responsibility and accountability of Directors and Managers; and in particular to investigate any reports of unethical practices.

This Code of Conduct applies to Directors, Management and any other Employee who has the opportunity to materially influence the integrity, strategy and operation of the business and financial performance of AST. In this Code of Conduct, a reference to AST also includes a reference to anyone or more of AST's subsidiary and controlled entities.

### **2. HONESTY AND INTEGRITY**

AST is committed to the highest standards of ethical conduct in all that it does. The Company complies with all applicable legal and regulatory requirements governing business relationships and international trade. AST believes that honesty and integrity engender trust and conducts its business in accordance with all the applicable laws and regulations of the countries in which it does business and requires that its employees, agents and advisers also comply with such laws. AST expects its employees, agents and advisers also comply with such laws. AST expects its employees to act with integrity at all times. AST employees who have access to privileged information must not use it to achieve personal gain for themselves or others and no employee shall engage in personal activities or pursue financial or business interests which might give rise to, or give the appearance of, conflicts of interest with AST, or which might compromise their ability to meet the responsibilities of their job.

### **3. PREVENTION OF FRAUD AND CORRUPTION**

AST does not offer, promise, give, demand or accept bribes or other unethical inducements, including extortion, in order to obtain, retain or give business or other advantage and takes all reasonable measures within its power to ensure that its employees, advisers and agents follow the same practice. AST is committed to the elimination of fraud and corruption, where it may exist.

#### **For this purpose:**

- Fraud is any act of deception, which is, or is intended to be, to the financial detriment of AST.
- Corruption describes a situation where someone, either alone or with another person(s), carries out, or fails to carry out, an action as a result of an inducement or bribe.

AST operates within a framework of controls designed to prevent fraud and corruption and to enhance accountability, these are:

- Legislation
- Financial and other regulations
- Proper procedures and internal control systems
- Codes of Conduct

AST has a responsibility to ensure the proper administration of its business affairs and has in place systems and procedures which incorporate internal controls. Managers are required to ensure that such controls are properly maintained. Arrangements are in place which encourages the exchange of information on potential/suspected fraud and corruption between AST and other agencies, such as the Police and the UKCAA.

Directors, Managers and Employees must refrain from soliciting gifts and benefits from other parties. All employees must exercise due care and discretion when giving or receiving business gifts.

Directors, Managers and other Employees must not give or accept any gifts or entertainment from any person doing business with AST if the gifts or entertainment could be reasonably regarded as influencing the recipient, or creating business obligations on the part of the recipient. Reasonable offers of gifts or entertainment of moderate value may be provided or accepted where it is legal and in accordance with business practice. Employees should consult their manager if they are in any doubt as to whether they should make or accept any offer of a gift or entertainment.

### **4. BRIBERY (COMPLIANCE WITH THE BRIBERY ACT 2011)**

It is the policy of Air Service Training Ltd that the Company, its subsidiary and controlled entities, and their directors, officers and employees and others acting on its or their behalf shall neither offer, promise, give, nor seek, corruptly any benefit of any sort whatever, whether directly or indirectly, in connection with the performance of the business of Air Service Training Ltd.

For the purposes of this policy, a “bribe” shall include any payment, gift, fee, loan, consideration, benefit or advantage of any nature whatsoever conferred on a person, whether for the benefit of that person or another person, as a reward for, or for the purposes of, or which might in the reasonable opinion of the Company give the appearance of being for the purposes of:

- a) Influencing improperly any action, inaction or decision;
- b) Inducing any person to act or omit to act in violation of his lawful duty;
- c) Inducing any person to influence improperly an act, or decision of any other person; or
- d) Securing an improper advantage.

## **5. COMPETITION**

AST competes fairly and vigorously in its market sector and it does not engage in, nor is it a party to, any agreements, business practices or conduct that, as a matter of law, is anti-competitive or may be construed as participation in trade or associated cartels.

## **6. CUSTOMER, SUPPLIER AND SUB CONTRACTOR RELATIONSHIPS**

AST seeks to provide its customers with products and services which meet or exceed their requirement, to respond quickly to changing customer demand and to seek to continuously improve product quality, value and delivery times.

AST believes in working in partnership with suppliers and subcontractors to meet its customers' expectations and ensure quality, value and timeliness of delivery. Payment to suppliers and subcontractors will be made promptly within the agreed terms of business.

## **7. EMPLOYEES**

AST recruits, selects and promotes employees on the basis of their qualifications, skills, aptitude and attitude and treats all its employees with respect and dignity. Harassment or bullying is unacceptable, and will not be tolerated.

AST complies with all relevant anti-discrimination legislation and regulations in the countries in which it does business in respect of its employment related decisions.

## **8. HEALTH AND SAFETY**

AST is committed to conducting all its activities in a manner which achieves the highest practicable standards of health and safety. AST complies with all legislative requirements through adherence to Perth College UHI Health & Safety policy.

## **9. ENVIRONMENT**

AST is committed to a proactive policy on environmental issues. To meet this commitment, an Environmental Management System (EMS) is operated by Perth College UHI with which AST complies.

Compliance with legislation is a primary goal. AST is committed to providing adequate resources, both human and financial to maintain the company's EMS. Employees are expected to carry out tasks in an environmentally responsible manner and to act in accordance with the policy.

## **10. REPORTING AND INTERNAL CONTROLS**

AST records all business transactions accurately prudently and transparently in compliance with its accounting standards and utilises appropriate internal controls to ensure that it is managed effectively and that the reported results are accurate.

AST will retain and review all records of instances of initial and continuance training, annual employee records of compliance and records of gifts and benefits, whether accepted or not.

## **11. APPLICATION AND COMPLIANCE**

This Ethical Business Practices Policy applies throughout the Company and to all its employees, temporary contractors, third party advisors, agents and consultants worldwide. Disregard or breach of the policy may result in disciplinary action against an employee and sanctions/and or immediate dismissal for third parties representing the company.

AST seeks wherever possible to ensure that its key suppliers, business partners and any joint venture or project in which it participates, complies with the AST Ethical Business Practices Policy or has in place a similar code and business process of its own. AST will include this policy as part of any contract for in country delivery or agency agreement.

AST expects employees to bring any suspected or actual breach of Code promptly to management attention. Any employee making such information known to management will not face any adverse or unfavourable treatment for such disclosure.