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Business Principles Manual

CP 7.01A

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In the event of a conflict between this document and a relevant law or regulation, the relevant law or regulation shall be followed. If the document creates a higher obligation, it shall be followed as long as this also achieves full compliance with the law or regulation.

Use of Language

Throughout this document, the words ‘may’, ‘should’ and ‘shall’, when used in the context of actions by JIG or others, have specific meanings as follows:

- (a) ‘May’ is used where alternatives are equally acceptable.
- (b) ‘Should’ is used where a provision is preferred.
- © ‘Shall’ is used where a provision is mandatory.

Note that alternative or preferred requirements may be qualified by JIG in another referenced document.

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Foreword

CP 7.01A Business Principles Manual provides guidance on key business issues (principles) that a JV is recommended to consider in order to clearly define how it intends to conduct its business ethically and in compliance with the law.

This document can be used in either of two ways:-

- (1) Where a JV has already developed its own set of business principles and policies, CP 7.01A can simply be used as a check list and used as guidance to close any gaps that are identified. CP 7.01D Business Principles Manual – Review Form is provided for this purpose.
- (2) Where a JV does not already have its own set of business principles and policies it is recommended to use the CP 7.01A JV Business Principles Manual ‘Word’ document as a template.
 - It is recognized that a JV will need to adapt some of the business principles to suit local legislative requirements and its own unique circumstances. Sections that are most likely to require adaptation are highlighted in [square brackets].
 - Some of the business principles, such as JV Core Principles, are recognized industry best practice and should be adopted without change.
 - CP 7.01A Business Principles Manual has been written in a style that should be suitable to give to anyone carrying out work for the JV including: JV participants, JV Directors and officers, employees and third parties.

Having a Business Principles Manual (or equivalent documents) should ensure that everyone carrying out work for the JV has a clear understanding of what is required to work ethically and in accordance with the law – this is vital to the long term success of the JV business.

1 INTRODUCTION

1.1 Purpose of Our Business Principles and Who They Apply To

This document sets out the Business Principles of [JV Co] (the JV).

Our Business Principles give us the guidance and support we need to conduct our business ethically and to comply with the law; these two things are vital to our success.

Our Business Principles apply to all our employees and similar principles are expected to be followed by Counterparties that carry out work for or on behalf of the JV.

1.2 Definition - Counterparty and Third Party

Counterparty or Counterparties mean(s) any third party that the JV has a contractual relationship with now or intends to do business with in the future, either on a regular or one-off basis.

For operational JVs, Counterparties would also include: the shareholders, throughputters, resellers, the airport authority, suppliers of goods and services, banks, contractors, agents and professional advisers. For marketing JVs this would also include: airline customers, fuel suppliers and distributors.

Third Party(ies): wherever referenced in this documents includes “Counterparties” and all parties external to the JV, Participants, Users, JV Directors and Managers (‘Management’).

1.3 Business Principles Manual and Training

We will maintain this Business Principles Manual which will be the basis of training and reference for our employees on what they need to do to comply with our Business Principles.

Employees should seek advice from management if they require clarification or further information on how to comply with the Business Principles.

1.4 Assurance on Compliance with Our Business Principles

We will provide our JV Directors and Managers (Management) and Participants with assurance that we comply with our Business Principles by:-

- Reporting instances of Business Principles non-compliance and advising corrective/preventative measures taken to prevent reoccurrence,
- Responding to Management and Participant questions concerning compliance with our Business Principles,
- Completing regular self-audits, at least annually, to confirm the JV’s processes and activities comply with our JV Business Principles,
- Allowing JV Participants to audit the JV’s processes and activities to confirm compliance with our Business Principles,
- Providing Management and Participants with annual certification confirming compliance with our Business Principles,
- Completing an annual Business Risk Assessment process which includes assessment of legal compliance risks.

1.5 Reporting

You are expected to report to Management anything that you think may be contrary to the intent of the Business Principles.

2 HEALTH, SAFETY, SECURITY AND THE ENVIRONMENT

In line with our commitment to being respectful and responsible, we make it a top priority to protect our own safety, as well as that of our employees, contractors and everyone else we come into contact with involved in our operation. We are also committed to protecting the environment and respecting the communities where we do business.

Our HSSE Policy is set out in APPENDIX 1.

Our Drugs and Alcohol Policy is set out in APPENDIX 2.

3 JV EMPLOYEES

We are committed to creating a workplace characterised by respect, responsibility, honesty, fairness and mutual trust. We value diversity and inclusion and believe everyone should have equal opportunity.

We aim to select staff in a fair, honest, transparent way based on merit. We work in good faith, within the appropriate legal framework, with trades unions and other bodies that are relevant to our operation.

Where appropriate, we will provide training for employees to ensure they maintain the competencies required to carry out their roles.

3.1 Treating people fairly and giving everyone equal opportunity

Our people are one of our greatest strengths. We value diversity of people and thought, and we value every employee as an important member of one JV team.

We aim to make sure that everyone at the JV – and everyone we come into contact with – is treated with fairness, respect and dignity, and never unfairly discriminated against.

Our aim is that as a JV employee you:-

- Know what is expected of you in your role,
- [Large JVs may want to make further statements about aims for the JV's employees e.g.
- Have open and constructive performance conversations,
- Get the help you need to develop your capabilities,
- Are recognized and rewarded fairly for your performance,
- Are listened to and involved in improving team performance,
- Are supported by Management and provided with the necessary equipment and resources to complete your objectives for the JV.]

3.2 Creating a respectful, harassment-free workplace

We aim to treat everyone at the JV fairly, with courtesy and respect and we strive to create a harassment and abuse free workplace.

3.3 Protecting privacy and confidentiality

We respect people's privacy and the confidentiality of their personal information. We will only acquire and keep personal information that we need to operate the JV effectively or to comply with the law.

Because we respect an individual's right to privacy, we do not usually take an interest in what anyone does outside of work — unless it impairs their work performance, or threatens the JV's reputation or legitimate business interests.

4 BUSINESS RELATIONSHIPS

Business relationships based on trust, in which everyone benefits, are vital to our success. To make sure our business relationships work to everyone's advantage, we need to understand the needs of our Participants, users (Participants and throughputters), suppliers of goods and services, contractors, airport authorities and other regulatory authorities and other third parties, and work with them honestly, respectfully and responsibly whilst being mindful of and compliant with all relevant laws and regulations including the JV Core Principles.

4.1 Appropriately exchanging gifts and entertainment

We only give or accept gifts and entertainment that are for clear business purposes and are of minimal value and are not frequent. Exchanging gifts and sharing entertainment (including paying for travel and accommodation expenses) in connection with a legitimate business purpose can foster constructive relationships with Third Parties. However, gifts and entertainment should never affect, or appear to affect, impartial decision-making by JV employees or any Third Party. Costs for travel and accommodation should normally be paid by each attending party themselves. Gifts and entertainment should never be offered or received:-

1. In exchange for preferential treatment in any business dealing,
2. If they appear to be bribes,
3. If they raise questions about conflicts of interest for you or the JV,
4. If they might damage the JV's reputation.

We support laws prohibiting bribery and corruption, which often include stringent rules concerning gifts and entertainment involving government officials and other Third Parties.

JV employees shall record in the JV Gifts and Entertainment Register all business meals, gifts and entertainment, accepted, declined or provided by the JV employee that exceed an aggregated value in a calendar year of [\$50] for gifts and [\$200] for entertainment. The Gifts and Entertainment Register is regularly reviewed by JV Management.

4.2 Preventing conflicts of interest

Conflicts of interest can happen if an employee's personal, social, financial or political activities interfere, or potentially interfere, with their duty to the JV.

Potential conflicts of interests of Management and JV employees should be declared. Wherever possible, conflicts of interest should be avoided. If and when they do happen, they must always be carefully managed. Even the appearance of a conflict of interest can be harmful and needs to be addressed.

4.3 Complying with competition and antitrust laws

The JV has adopted and complies with the 'JV Core Principles'.

Everyone at the JV must comply with competition laws — known in the US and some other countries as antitrust laws. These are laws that protect competition by prohibiting anti-competitive behaviour. This behaviour may include:-

- Entering into anti-competitive agreements with competitors, including price fixing, bid rigging, market allocation and agreements to restrict supply,
- Exchanging competitively sensitive information with competitors,
- Imposing restrictions on customers or suppliers,
- Abusing a position of market dominance,

- Entering into certain mergers and acquisitions without due clearance from relevant authorities,
- Even where some behaviours may be lawful (for example, in a country that has not adopted competition laws), we will not enter into any arrangements with competitors that could harm the JV's reputation.

4.4 Complying with sanctions, export controls and anti-boycott laws (International Trade Restrictions)

The JV recognizes its Participants may have significant business in the US and the EU. We always comply with the applicable laws governing trade restrictions of the countries in which we operate unless those laws conflict with the laws of the US, the UK or other EU countries. Consult the JV legal advisor in the case of a conflict or if you are not sure if there is a conflict.

[Additionally for Marketing JVs (JVs that buy and/or sell product or sell services) - We also comply with all legally mandated controls on the export and the end use of certain products, technology, software and services.]

Screening Counterparties for compliance with ITR is included within [JVCO's] Counterparty Due Diligence Process detailed in APPENDIX 3.

4.5 Preventing money laundering (AML)

Money laundering is the process of concealing illicit funds or making them look as though they are legitimate. This includes concealing the criminal origin of money or other property — sometimes called the proceeds of crime — within legitimate business activities. It also covers the use of legitimate funds to support crime or terrorism.

We never condone, facilitate or support money laundering, which means:-

- We will always comply with anti-money laundering laws and regulations,
- [For Incorporated JVs that receive external bank financing and Marketing JVs to consider if appropriate -
- We will seek to minimize money risks through our anti-money laundering policies and practices. These are designed to avoid receiving, or being involved in an arrangement or transaction that relates to, funds that may be the proceeds of crime.]
- We take reasonable and appropriate actions to identify and assess the integrity of our business counterparties.

Screening Counterparties for compliance with AML is included within [JVCO's] Counterparty Due Diligence Process detailed in APPENDIX 3.

4.6 Working with Third Parties

We will make Counterparties that carry out work on behalf of the JV, or supply the JV, aware that they are expected to operate to principles that are similar to those in our Business Principles (by providing them with a copy of our Business Principles and including them in contract documentation where appropriate).

5 BUSINESS INTEGRITY

We have a responsibility to the countries where we operate and to the communities we may affect. We are committed to complying with the law and our own Business Principles.

5.1 Preventing bribery and corruption (ABC)

We do not engage in bribery or corruption in any form, whether in the private or public sector. This means:-

- Our employees or anyone acting for us must never offer, solicit, promise, give or accept a bribe, kickback or any other improper payment — including “facilitation” payments. Payments made under personal threat would not be considered facilitation payments but shall be reported to Management. [JV to state its process to back up this policy e.g. an annual declaration by employees and agents],
- We comply with all laws and regulations that prohibit bribery and corruption,
- All Third Parties that supply the JV must be asked to comply with applicable bribery and corruption laws,
- All Third Parties that carry out work on behalf of the JV or who represent or act on behalf of the JV must be asked to comply with applicable bribery and corruption laws. Where appropriate, they must show that they have appropriate programmes to prevent bribery in place.

We never allow “facilitation” or “grease” payments to government officials by anyone who works for the JV or anyone acting for us. This applies no matter how small the amounts are. Facilitation payments are payments made to a government official to secure or speed up routine, non-discretionary, legal government actions, such as issuing permits or releasing goods held in customs.

5.2 Screening Counterparties for compliance with ABC is included within [JVCO’s] Counterparty Due Diligence Process detailed in APPENDIX 3. Dealing with governments

As a JV employee you must make sure that any information you give to government or regulatory officials is true and accurate, and that our legitimate business interests are protected.

This applies whenever you have contact with government officials during your work. It also applies if you are asked to provide information in connection with a government or regulatory agency enquiry or investigation.

5.3 Engaging with communities

[Airport authorities normally lead any engagement with communities so this may not be applicable to many aviation JVs. However, some JVs may have a statutory obligation to communicate with their local communities e.g. JVs that operate facilities that come under regulations such as the Seveso II Directive for control of major accident hazards. Such JVs should include a statement on how the JV and its employees engage with local communities to comply with the local regulations].

6 PROPERTY AND FINANCIAL INTEGRITY

We all share a responsibility and a legal duty to protect the JV’s property, intellectual property and financial assets. We always take care in using our assets and resources.

We comply with all applicable laws and regulations concerning the way we record, retain and report information.

We are always honest, straightforward and transparent about our operations and performance, and accurately record and report data and results.

6.1 Accurate and complete information, records, reporting and accounting

We record and report JV information honestly, accurately and objectively. This includes financial and non-financial information.

Any information we create will accurately reflect transactions and events. This includes financial data and other information such as HSSE performance information or HR records.

Our books, records and accounts conform to [International Financial Reporting Standards (IFRS) (for group financial reporting), and other relevant Generally Accepted Accounting Principles (GAAP) and] the JV accounting and reporting policies.

We create, retain, and destroy paper and electronic information in line with the applicable laws and the JV's requirements.

Falsifying records or misrepresenting facts can never be justified or excused. The JV does not tolerate any kind of fraud.

6.2 Protecting the JV's assets

Everyone at the JV is responsible for making sure our assets are not damaged, misused or wasted. Our assets include property, time, proprietary information, corporate opportunities, JV funds, and JV equipment.

As a JV employee, this means you must always:-

- Make sure you do not damage, misuse or waste any JV property or equipment you use, or have contact with,
- Give the time needed to your work to fulfil your responsibilities in accordance with the JV's policies, standards and procedures,
- Protect the JV's confidential and proprietary information and intellectual property,
- Advance the JV's legitimate business interests when the opportunities arise.

6.3 Respecting intellectual property and protected information

We are committed to respecting the intellectual property and protected information of others.

6.4 Using our digital systems responsibly and securely

The security of our information and digital systems is essential to our success.

Anyone who uses the JV's or JV Participants' digital assets must know how to keep them secure by following the JV's requirements.

APPENDIX 1 - HSSE POLICY

We all share responsibility for protecting people's health, safety, security and the environment (HSSE). This includes everyone at the JV and everyone touched by our activities. This is essential to our success.

[JVs may want to make a statement about HSSE e.g. We work hard to improve our impact on the environment and health by:-

- Reducing waste, emissions and discharges.
- Using energy efficiently.
- Reducing workplace exposure to health risks.
- Producing and/or delivering safe, high-quality products.

We also set measurable HSSE performance targets in our business plans, which we are all committed to meeting.]

Personal and process safety is about more than following rules. We all need to be alert to safety risks as we go about our jobs. Nothing is so important that we cannot take the time to do it safely.

Basic rules you must follow

ALWAYS

- Act first to protect the safety and well-being of everyone around you,
- Comply with the applicable laws and follow the HSSE requirements set out in the JV operating manual.
- Stop work that you believe is unsafe, may harm health, or is likely to result in a loss of containment that will damage the environment.
- Only undertake work if you are competent, medically fit, and sufficiently rested and alert to carry it out.
- Make sure you know the emergency procedures that apply where you work.
- Help make sure that those who work with you - employees, contractors and third parties - act consistently with our HSSE and operating commitments.
- Report any accident, injury, illness, unsafe or unhealthy condition, incident, spill, unplanned release of material to the environment, or apparent breach of law or the JV requirements to the JV's management so that immediate action can be taken. Never assume that someone else will report a risk or concern.

NEVER

- Work while your performance is impaired by alcohol or any prescription or over-the-counter drug, whether it is legal or illegal.
- Threaten, intimidate or act violently towards anyone at work or in the communities where we operate.
- Bring weapons - including those carried for sporting purposes - onto the JV premises, or use weapons anywhere to advance the JV business unless you have obtained approval to do so. These prohibitions, and the need for approval, do not apply at any location where their application or enforcement would be inconsistent with the applicable law at that location.

APPENDIX 2 - DRUGS & ALCOHOL POLICY

It is the JV's drugs and alcohol policy that employees and contractors that carry out work for the JV shall not:-

- (a) perform services or activities while performance is impaired by any prescribed **Controlled Substance** (as defined below) or while under the influence of alcohol;
- (b) misuse legitimate drugs or prescribed **Controlled Substances** or possess, use, distribute or sell illicit or unprescribed **Controlled Substances** whilst performing aviation operational activities;
- (c) possess, use, distribute or sell alcoholic beverages whilst performing aviation operations activities.

In applying this policy, the JV aims to achieve a high level of health, safety and reliability performance that complies with the law, local bye-laws and meets our JV's minimum standards.

In following this policy, employees and contractors carrying out work for the JV shall be aware that:-

1. The JV's drugs and alcohol policy is included in employee's contract of employment. Failure to follow the JV drugs and alcohol policy may result in disciplinary action up to and including termination of employment.
2. The JV's drugs and alcohol policy is included in the contracts of contractors carrying out work for the JV where appropriate. Failure to follow the JV drugs and alcohol policy shall be considered to be a breach of contract which may result in the JV taking appropriate action up to and including termination of the contract. In so far as it does not conflict with any provision of the law, the JV shall have the right to conduct searches of possessions, vehicles and any other property of employees, agents or Subcontractors whilst at the JV.
3. Where permitted by local law, the JV shall test any employees or contractor carrying out work for the JV immediately following:-
 - a. Involvement in any **Serious Incident** (defined below) whilst carrying out work for the JV or whilst on the JV's premises.
 - b. Involved in any safety incident where the JV believes drug and/or alcohol abuse could have been a contributing factor or
 - c. If the JV becomes aware that cause exists to suspect alcohol and/or drug use and/or abuse by an employee or contractor carrying out work for the JV.

The JV should consider suspending any of its employees or contractors carrying out work for the JV who refuse to take, or test positive in, any alcohol and/or drug test, to perform any work and/or services for the JV.

4. [If permitted by local law, JV to consider requiring pre-employment drugs and alcohol test.][JV provide pre-access drugs and alcohol testing programme e.g. The Operator shall ensure and certify that all its employees who are to perform any work and/or service in any position which is deemed to be a **Safety Sensitive** or **Designated Position** (defined below), have passed a pre-access alcohol and drugs test within the 12 month period immediately prior to commencing such work and/or services. Any type of alcohol and drug test conducted during this period as part of the Operator's substance use and/or abuse program that meets the standards contained or referred to in this policy may be used to satisfy this requirement.]
5. [If permitted by local law, JV to consider whether it will have random drugs and alcohol testing] [JV to provide a continuous programme of random alcohol and drugs testing. E.g. In addition, the Operator should ensure that it's employees who perform any work and/or services in a position which is deemed to be a **Designated Position**, shall be subject to a continuous program of random alcohol and drugs testing without prior notice and, where required by the [JV Board/Participants], regular fitness checks.]
6. [In so far as it does not conflict with any provision of the law, the JV has the right to conduct searches of possessions, vehicles and any other property of employees or contractors whilst

carrying out work for the JV or on the JV's premises. Any person who refuses to co-operate with such a search shall be removed from such premises and not permitted to return.]

7. In applying the drugs and alcohol policy the JV commits that:-
 - a. All testing is carried out by suitable and appropriately qualified persons, and is analysed by reputable laboratory approved in advance by the [JV Board/Participants].
 - b. All urine and other samples are properly and lawfully obtained, that there is a proper and secure chain of custody for all samples and that testing is otherwise carried out in accordance with such protocol and procedures as approved by the [JV Board/Participants] from time to time.
 - c. A proper medical review process is in place to correctly assess the significance of the results of tests and analysis.
 - d. Full and accurate details of all test results (including without limitation the nature and concentrations of any substances present) are communicated in writing to the [JV Board/Participants] forthwith and that all necessary consents required to disclose such results to the [JV Board/Participants] have been obtained in advance.
8. Defined terms for the purposes of this policy (shown "**bold**" above)
 - a. **Controlled Substance** shall mean any substance which is prescribed under local law and shall include without limitation the following list of substances (which list the [JV Board/Participants] reserve the right to modify, supplement or vary from time to time): Marijuana, cocaine, amphetamines/methamphetamines, opiates, phencyclidines, barbiturates, methadone, propoxyphene, benzodiazepines [and methaqualone].
 - b. [[JV to define serious incident e.g.] **Serious Incident** shall mean any accident that causes: any injury to a JV employee, contractor or third party, damage to JV, contractor or third party assets or any other incident that has a financial, reputational or legal impact on the JV, its participants, contractors or third parties].
 - c. **Designated Positions** shall include, but not be limited to the following positions:-
 - i. The JV manager and their stand-in(s),
 - ii. All employees performing aircraft refuelling or handling aviation fuel/lubes and those supervising the same,
 - iii. All employees driving refuelling vehicles/bridgers (road tank trucks) on the apron or on the road,
 - iv. All employees driving on apron.
 - d. **Safety Sensitive Positions** shall include, but not be limited to the following positions:-
 - i. Mechanics,
 - ii. Electricians

APPENDIX 3 – COUNTERPARTY DUE DILIGENCE PROCESS

Principles

This Counterparty Due Diligence (CDD) process sets out the measures the JV takes to assess the risk posed by its Counterparties (in terms of money laundering, corruption, international trade restrictions or other compliance risks).

CDD should be proportionate, risk-based and conducted prior to entering into a contractual relationship with a Counterparty. CDD is based upon a combination of three key factors:-

- The perceived risk associated with that particular counterparty
- The jurisdiction where either the counterparty operates from, is incorporated in, or the business being conducted.
- The level and nature of the business proposed to be undertaken with the counterparty

Control processes for CDD shall have regard to compliance with data privacy laws, including data security, data sharing and any applicable external requirements or licenses.

CDD Process Outline

The objective of CDD is to:-

- Identify the Counterparty and verifying their identity on the basis of documents, data or information obtained from a reliable independent source
- Identify, where there is a beneficial owner who is not the Counterparty, the beneficial owner and taking adequate measures, on a risk-sensitive basis, to verify his identity so that the JV is satisfied that it knows who the beneficial owner is, including, in the case of a legal person, trust or similar arrangement, measures to understand the ownership and control structure of the person, trust or arrangement
- Obtain information on the purpose and intended nature of the business relationship.

The CDD process covers the following minimum steps:-

- Screening of counterparties through a risk intelligence data provider for any adverse information including trade sanctions, identifying politically exposed persons or other potentially adverse information
- Review of the counterparties responses to any questions asked
- Risk ranking the counterparties as high, medium or low risk
- Escalation process for any counterparties of concern.
- Ongoing due diligence periodically (at intervals dependent upon the risk level) and refreshing the risk ranking based on updating the information gathered during the initial due diligence process.

Application of CDD

[JVCo] has made an arrangement with [shareholder or competent independent party] to carry out its CDD process in two steps:-

- **Step 1 – [JVCo] completes an Initial Counterparty Due Diligence Screening Process** by assessing risk based on a threshold contract value. Any one off contract of more than [\$100,000] or a multi-year contract with aggregated total more than [\$250,000] is referred by [JVCo]. Any Counterparty that exceeds the JV's agreed financial threshold(s) or where [JVCo] feels further due diligence is necessary is then referred to [shareholder or competent independent party] for CDD Step 2.
- **Step 2 - [shareholder or competent independent party] completes appropriate CDD** on the Counterparty and advises [JVCo] whether or not it can proceed with executing a

contractual arrangement with the Counterparty. Appropriate CDD should be completed in accordance with local data privacy laws.

JV CDD Records

[JVCo] maintains a record of Step 1 and Step 2 CDD for all Counterparties.