



AsBAA Code of Ethics and Conduct

Introduction

Asian Business Aviation Association (“Association”) has established this Code of Ethics and Conduct (“Code”) which sets out the basic standard of conduct expected of all Board members, members, officers and contractors of the Association. Some of the policies in this Code are based on various laws and regulations while others are based on business and ethical principles that enhance the Association’s ability to conduct its business effectively.

The purpose of this Code is to provide guidance and set common ethical standard each of us must adhere to on a consistent basis. It governs the actions and working relationships of the Association’s Board of Directors, Board of Governors, employees, contractors and volunteers in dealing with each other as well as its guests, vendors, suppliers, governmental agencies, media and anyone else the Association has contact with. These relationships are essential to the continued success of the Association.

This Code:

- Requires the highest standards for honest and ethical conduct, including proper and ethical procedures for dealing with conflicts of interest between personal and professional relationships.
- Requires compliance with applicable governmental laws, rules and regulations.
- Requires the prompt internal report of any illegal behaviour or violations of the Code.
- Establishes accountability for adherence to the Code.
- Provides for methods to communication violations of the Code.

Administration

1. The Association may require you to acknowledge in writing that you have reviewed and agreed to abide by this Code. In addition, you should disclose any previously unreported transactions, relationships or activities known to you that appear to be in violation of this Code or that this Code requires to be disclosed.

2. You should contact the Association's Chief Operating Officer or one of its Board of Directors with any questions about this Code.
3. You should promptly report to the Association's Chief Operating Officer or Board of Directors any activity that appears to be fraudulent or illegal or otherwise in violation of this Code. Reports will be investigated once sufficient information is provided and deemed actionable by the Chief Operating Officer and Board of Directors.
4. In the event anyone knowingly or recklessly provides false information or makes unsubstantiated allegations or complaints, it may result in disciplinary action, including immediate dismissal.

Diversity & Equal Employment Opportunity

5. It is the Association's policy to be an equal opportunity employer. All terms and conditions of employment including, but not limited to hiring, training, promotions, compensation benefits, transfers and other personnel actions will be made without regard to actual or perceived religion, colour, race, sex, national origin, age, disability, marital status, citizenship and sexual orientation.

Prevention of Bribery Ordinance

6. All employees should comply with the provisions of Section 9 of the Prevention of Bribery Ordinance (Cap 201) if they accept or offer any "advantage" to another (see Appendix 1). The term "advantage" has a very wide meaning under the Prevention of Bribery Ordinance (Cap 201) and includes anything that is of value such as money, fee, commission, gift, employment, service or favour, etc., but does not include entertainment, which is defined as food or drink provided for immediate consumption on the occasion.

Acceptance of Advantages

7. It is the policy of this Association to prohibit all employees from soliciting any advantage from any persons having business dealings with the Association (e.g. members, industry bodies, suppliers, contractors). Those who wish to accept any advantage from such persons should seek special permission from the Board of Directors prior to such acceptance.
8. Any gifts offered voluntarily to the employees in their official capacity are regarded as gifts to the Association and they should not be accepted without permission. Employees should decline the offer if the acceptance could affect their objectivity in conducting the

Association's business, or induce them to act against the interest of the Association, or lead to complaints of bias or impropriety.

9. For gifts which are presented to employees in their official capacity and of a value below HKD 1,000, the refusal of which could be seen as unsociable or impolite (e.g. a plaque presented to a employees member during a seminar in which he or she is invited to be the guest speaker), the Board of Directors have given a blanket permission for the employees to accept these gifts. In other circumstances, the employees should apply in writing to the Board of Directors for permission to accept the gifts. Each application should be carefully considered by the Board of Directors or other person delegated the authority to consider such applications. Proper records of these applications should be kept showing the name of the applicant, the occasion of the offer, the nature and estimated value of the gift, and whether permission has been granted for the applicant to retain the gift or other directions have been given to dispose of the gift. Possible ways of disposal of such gifts are listed in Appendix 2.
10. There is no restriction on the acceptance of advantages, in the employees's private capacity, from any person who does not have any official dealings with the Association. In case of doubt, the employees should refer the matter to the Chief Operating Officer and/or Chairman for advice and instruction.

Entertainment

11. As defined in Section 2 of the Prevention of Bribery Ordinance (Cap 201), "entertainment" refers to food or drink provided for immediate consumption on the occasion, and any other entertainment provided at the same time. Although entertainment is an acceptable form of business and social behaviour and is not an "advantage", employees must not accept lavish or frequent entertainment from persons with whom the Association has official dealings (e.g. suppliers or contractors), so that they will not be placed in a position of obligation to the offeror.

Conflict of Interest

12. A conflict of interest situation arises when the "private interests" of the Board of Directors, Board of Governors, employees, contractors or volunteers compete or conflict with the interests of the Association. "Private interests" means both the financial and personal interests of the employees or those of their connections including:
 - family and other relations;
 - personal friends;
 - the clubs and societies to which they belong; and

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- any person to whom they owe a favour or are obligated in any way.
13. The Association's Board of Directors, Board of Governors, employees, contractors or volunteers should avoid using their official position or any information made available to them in the course of their duties to benefit themselves, their relations or any other persons with whom they have personal or social ties. They should avoid putting themselves in a position that may lead to an actual or perceived conflict of interest with the Association. Failure to avoid or declare any conflict of interest may give rise to criticism of favouritism, abuse of authority or even allegations of corruption. In particular, employees involved in the procurement process should declare conflict of interest if they are closely related to or have beneficial interest in any company which is being considered for selection as the Association's supplier of goods or services. Appendix 3 provides some examples of conflict of interest situations which may be encountered by employees.
 14. When called upon to deal with matters of the Association for which there is an actual or perceived conflict of interest, the employees member should make a declaration in writing to the Chief Operating Officer or the Chairman of the Board. He should then abstain from dealing with the matter in question or follow the instructions of the Chief Operating Officer or the Chairman of the Board who may reassign the task to other employees.

Misuse of Official Position

15. Employees who misuse their official position for personal gains or to favour their relatives or friends are liable to disciplinary action or even prosecution. Examples of misuse include a employees member responsible for the selection of suppliers giving undue favour or leaking tender information to his relative's company with a view to awarding the contract to the latter.

Handling of Confidential Information

16. Non-public information regarding the Association and its members must be kept confidential and should not be disclosed without written authorisation from the Chief Operating Officer or the Chairman of the Board. Those who have access to or are in control of such confidential information should at all times provide adequate safeguards to prevent its abuse or misuse. Examples of misuse include disclosure of information in return for monetary rewards or use of information for personal interest. It should also be noted that unauthorised disclosure of any personal data may result in a breach of the Personal Data (Privacy) Ordinance (Cap. 486).



Communications with Media and Public

17. Any press release, public statement or marketing material produced on behalf of the Association must be authorized by the relevant Board of Governor responsible for marketing and communications, the Chief Operating Officer or the Board of Directors.

Property of the Association

18. Employees given access to any property of the Association should ensure that it is properly used for the purpose of conducting the Association's business. Misappropriation of the Association's property for personal use or resale is strictly prohibited.

Gambling

19. Employees must not engage in frequent or excessive gambling with persons who have business dealings with the Association as well as among colleagues, particularly with subordinates. If on social occasions where refusal of gambling is considered unsociable, the amount of money involved should not be significant. Gambling in the Association's premises is strictly forbidden.

Compliance with the Code

20. It is the personal responsibility of every employees member to understand and comply with this Code. Any problems encountered as well as any suggestions should be addressed to the Chief Operating Officer or the Chairman of the Board for consideration and advice.
21. Any person who violates any provision of this Code will be subject to disciplinary action by the Chief Operating Officer or the Board of Directors. In cases of suspected corruption or other criminal offences, a report will be made to the ICAC or the appropriate authorities.

Limits on Authority

22. Those covered by this Code should be aware of the limitations on their authority to act on behalf of the Association and should not take any action that exceeds those limits. Those covered by this Code must not sign any document on behalf of the Association, or in any other way represent or exercise authority on behalf of the Association, unless specifically authorized to do so by the Board of Directors or the Chief Operating Officer.

Illegal or Unethical Behaviour

23. Fraud is an element of business that can significantly affect the reputation and success of the Association. The Association requires persons covered by this Code to report to the Chief Operating Officer or the Board of Directors any known or suspected criminal and other fraudulent activity involving the Association, its members, guests, vendors and suppliers.

Professional and Unprofessional Conduct

24. The Association's Board of Directors, Board of Governors, employees, contractors and volunteers are always held to a high code of ethics with an expectation that they conduct themselves professionally. The Association is responsible for ensuring positive perceptions of the industry it represents.
25. The Association prides itself on being fair, ethical and transparent and is committed to creating an environment that is composed of professional and competent personnel. A positive working environment promotes efficiency, productivity, performance, teamwork and camaraderie.
26. Unprofessional conduct will not be tolerated and this applies to the Association's Board of Directors, Board of Governors, employees, contractors and volunteers. Examples of unprofessional conduct can be found in Appendix 4.

Sexual Harassment

27. Sexual harassment is any unwelcome or inappropriate sexual behaviour which is generally regarded as offensive, humiliating or intimidating. This includes unwelcome sexual advances or unwelcome requests for sexual favours and those covered by this Code should comply with the provisions of the Sex Discrimination Ordinance (Cap 480).
28. Sexual harassment will not be tolerated and this applies to the Association's Board of Directors, Board of Governors, employees, contractors and volunteers. Examples of sexual harassment can be found in Appendix 5.

Disciplinary Action

29. Since circumstances may vary considerably, the Chief Operating Officer or the Board of Directors shall have the discretion to decide what action to take if someone violates the Code. Actions taken include, but are not limited to, verbal warning, written warning and termination.

Appendix 1

Section 9 Corrupt transactions with agents

- (1) Any agent who, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his -
- (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,

shall be guilty of an offence.

- (2) Any person who, without lawful authority or reasonable excuse, offers any advantage to any agent as an inducement to or reward for or otherwise on account of the agent's -
- (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,

shall be guilty of an offence.

- (3) Any agent who, with intent to deceive his principal, uses any receipt, account or other document –
- (a) in respect of which the principal is interested; and
 - (b) which contains any statement which is false or erroneous or defective in any material particular; and
 - (c) which to his knowledge is intended to mislead the principal,

shall be guilty of an offence.

- (4) If an agent solicits or accepts an advantage with the permission of his principal, being permission which complies with subsection (5), neither he nor the person who offered the advantage shall be guilty of an offence under subsection (1) or (2).

- (5) For the purposes of subsection (4) permission shall -
- (a) be given before the advantage is offered, solicited or accepted; or
 - (b) in any case where an advantage has been offered or accepted without prior permission, be applied for and given as soon as reasonably possible after such offer or acceptance, and for such permission to be effective for the purposes of subsection(4), the principal shall, before giving such permission, have regard to the circumstances in which it is sought.

Appendix 2

Ways to dispose of gifts presented to an Association Board member or employees in their official capacity:

- If the gift is of perishable nature (e.g. food or drink), it may be shared among the office or during an activity organised by the Association.
- If the gift is of historical or other interest, it may be sent to a library or museum.
- If the gift is suitable for display (e.g. a painting, vase, etc), it may be retained for display in the recipient's office or elsewhere in the Association.
- If the gift is of low value (below HKD\$1,000), it may be donated to the Association's social function as a lucky draw prize.
- If the gift is a personal item of low value (below HKD\$1,000), it may be retained by the recipient.



Appendix 3

Examples of Conflict of Interest Situations

Some examples of conflict of interest include, but are not limited to, the following:

- A person takes part in the selection of suppliers or contractors, one of the bidders under consideration being his family member, relative or close personal friend.
- A person has a financial interest in a company which is being considered for selection as the Association's supplier of goods or services.
- A person accepts frequent or lavish entertainment or expensive gifts from the Association's suppliers or contractors.
- A person serves as a member of the Association's recruitment or promotion board, and one of the candidates under consideration is his family member, relative or close personal friend.

Appendix 4

Examples of Unprofessional Conduct

Some examples of unprofessional conduct include, but are not limited to, the following:

- Intimidation or bullying;
- Sexual harassment;
- Offensive and abusive language;
- Vexatious litigation, retribution, and violent threats;
- Dishonesty related to work;
- Possession, use or sale of illegal drugs or controlled substances during work hours or Association events;
- Misuse of Association funds;
- Fighting with, engaging in an assault upon, or threatening harm to anyone during the course of work or at Association events;
- Deliberate or careless damage to or theft of Association property.

Appendix 5

Examples of Sexual Harassment

Acts of sexual harassment may be carried out directly or indirectly in physical or verbal forms. Some examples of sexual harassment include, but are not limited to, the following:

- Unwelcome physical contact like hugging, kissing or touching;
- Staring or leering;
- Purposely brushing up against the body of another person;
- Sexually offensive gestures;
- Making sexually suggestive comments or jokes;
- Insults or taunts based on sex;
- Whistling specifically directed at another person.