

PILATUS AIRCRAFT LTD
CODE OF CONDUCT



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1. SCOPE

We have a Code of Conduct for the entire Pilatus Group which applies to all line managers and employees. We also require our contractual partners to adhere to our Code of Conduct.

The Code of Conduct is binding for all line managers and employees of Pilatus Aircraft Ltd (Pilatus), its subsidiaries and its joint venture partners. The Code of Conduct is issued to all managers and all employees as an integral part of their employment contract and is also available on the Pilatus Intranet.

We also expect our contractual partners along the entire supply chain (namely customers, suppliers, contractors, advisers, service providers and Pilatus Centers and Pilatus Service Centers staff) to comply with our Code of Conduct. Their business practices may also affect our own reputation and we may be held accountable for their actions. Consequently, our contractual partners must be informed about our Code of Conduct, and the Code of Conduct may be issued to them for this purpose.



2. COMMITMENT OF THE BOARD OF DIRECTORS AND MANAGEMENT

Pilatus' success and globally recognised reputation are based on decades of accumulated expertise and the stringent quality requirements placed on its products and services. Wherever a high degree of reliability, minimal maintenance costs and outstanding flight qualities are required, Pilatus aircraft can deliver. This assurance of quality serves as both an incentive and an obligation for all employees.

In order to meet these high expectations and requirements at all times, it is vital that we maintain a high level of professionalism in our work. To achieve this, it is essential that each and every

employee acts in an impeccable and responsible manner towards work colleagues, customers and business partners and in public.

This Code of Conduct is an expression of this endeavour and sets out the kind of behaviour we require of all our employees. Compliance with the Code of Conduct is a condition of employment. All employees must read it, sign it to confirm that they have understood it and agree to comply with it. The Board of Directors and Senior Management have also committed themselves to the Code of Conduct and its provisions and take the utmost care to ensure full compliance.

2. COMMITMENT OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Pilatus does not tolerate breaches of the Code of Conduct and is committed to investigating any breaches rigorously. Breaches of the Code of Conduct can have serious consequences for the company and for employees themselves. If employees become aware of a possible breach, they should not turn a blind eye, but think critically about the situation, seek advice and report the breach.

In business practice, situations may arise which the Code of Conduct cannot conclusively regulate. In addition to our other regulations, directives and rules of procedure, which contain more

detailed regulations for individual departments and areas of activity, the principles of the Code of Conduct are to be applied in such situations accordingly. In order to provide our employees with further guidance, this Code of Conduct is supplemented by another document entitled 'The Code of Conduct explained in detail', which, like the Code of Conduct itself, is available on the Pilatus Intranet. This document provides employees with further explanations of the principles of the Code of Conduct, in some cases more detailed guidelines and answers to frequently asked questions. This is a living document which will be continuously updated.

2. COMMITMENT OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Furthermore, if you have any questions or are unclear about any aspect of the Code of Conduct, you can contact your line manager or the Compliance Reporting Office at any time.





3. PURPOSE

The Code of Conduct is our constitution; it governs all our actions.

The Code of Conduct is our constitution. It governs all our current and future internal regulations, as well as our actions during everyday business operations and whenever we represent Pilatus publicly.

We always prioritise our Code of Conduct, regardless of what others expect or require and even if compliance may result in loss of business opportunities. Acting with integrity always takes precedence. It protects our excellent reputation and allows us to continue to realise our vision. It also helps us make an important contribution towards shaping honest business practices within the aviation industry.

4. MATERIAL SPECIFICATIONS AND PRINCIPLES

4.1 PROCEDURE IN CASE OF QUESTIONS AND BREACHES/WHISTLE-BLOWING

All of us – line managers, employees and also our contractual partners – are responsible for ensuring compliance with the Code of Conduct. If we have questions, we inquire, and if we suspect a breach, we report it.

We require all line managers and contractual partners to inform their employees about the Code of Conduct and to create a working environment that ensures honest business activities. We expect our

employees to familiarise themselves with the Code of Conduct and to contact their line manager or the **Compliance Reporting Office** if they are unsure about how it should be applied in a particular situation.

We will not tolerate breaches of the Code of Conduct by our employees or contractual partners. Breaches may result in disciplinary action or termination of employment or the working relationship.

If an employee reasonably suspects that a breach of the Code of Conduct has occurred, they must report the circumstances of this suspicion to the Compliance Reporting Office, regardless of whether there is certainty that a violation of the law has also been committed.

Employees who report possible breaches of the Code of Conduct or violations of the law will not be disadvantaged or punished unless

they are responsible for a breach of their own. This also applies to employees in subsidiaries or companies associated with the Pilatus Group, regardless of their role.

By reporting concerns regarding compliance with the Code of Conduct, we ensure Pilatus' integrity and ability to respond promptly and take corrective action. Our corporate culture is designed to encourage open discussion of discrepancies

4. MATERIAL SPECIFICATIONS AND PRINCIPLES

and we look beyond our own surroundings to ensure that the Code of Conduct and all our internal and external regulations are complied with.

If you have any questions regarding the interpretation or application of the Code of Conduct or if you wish

to report a reasonable suspicion, a breach of the provisions of the Code of Conduct and/or applicable legal provisions, you can contact your line manager or the **Compliance Reporting Office**. Confidentiality is guaranteed as far as this is possible for legal and other reasons.



4.2 COMPLIANCE WITH LEGAL PROVISIONS IN SWITZERLAND AND ABROAD

We act in accordance with the applicable legal provisions.

Pilatus employees, its subsidiaries and its joint venture partners are obliged to comply with the legal provisions in Switzerland and abroad in relation to their business decisions and actions.

Every employee is obliged to familiarise himself/herself with

the applicable legal provisions and internal regulations and directives that are relevant to his/her professional activities on an ongoing basis, and to implement and comply with them. Senior Management is responsible for providing the necessary information, instruction and training.

4.3 SAFETY AND QUALITY OF PRODUCTS AND SERVICES

We develop and produce safe, high-quality products and services and continuously carry out work to improve them.

Safety, the highest quality and continuous quality improvement are essential for the growth and success of the company. Employees should meet the expectations of both internal and external customers and constantly strive to improve the quality of Pilatus products and services. All

safety standards and all applicable legal regulations must be complied with during development, production, delivery and when providing after-sales support. We should report any concerns about the safety or quality of our products accordingly. The Pilatus Safety Management System (SMS) is available for this purpose. Reports can be sent **by E-mail**.





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4.4 OCCUPATIONAL HEALTH AND SAFETY

We respect the occupational health and safety and integrity of our employees and ensure a safe and healthy working environment for all.

Pilatus advocates health and safety at the workplace. For this reason, every employee recognises and complies with all legal and

internal occupational health and safety regulations. We inform our line manager or the responsible units about any safety or health concerns. The Pilatus Safety Management System (SMS) is available for this purpose. Reports can be sent **by E-mail**.

4.5 DISCRIMINATION AND HARASSMENT

We respect the dignity, freedom of expression and personal rights of every individual and we reject inappropriate and discriminatory behavior towards others.

Pilatus rejects all forms of discrimination or harassment based on race, ethnic origin, national origin, sex, religion or world view, age, marital status, political opinion, sexual orientation, socio-economic background, physical, mental or other characteristics and prohibits such behaviour.

This prohibition on discrimination also applies to the selection, employment, mentoring and management of employees.

This means that all employees are required to treat each other and third parties with fairness, politeness and respect. Sexual or other types of harassment, bullying, physical, psychological, verbal violence or abuse in the workplace will not be tolerated.



4.6 FAIR COMPETITION

We do not engage in anti-competitive practices.

Pilatus is committed to fair and open competition. We do not engage in anti-competitive practices.

Anti-competitive practices may include agreements and concerted efforts with competitors, suppliers and distributors, the objective or effect of which is to prevent or restrict competition. Examples of such practices include reaching

agreements concerning customer or market allocations, refusals to provide services on objectively unjustified grounds, boycotting certain companies or organisations, exclusivity clauses, price agreements or price discrimination, exclusive agreements, territorial restrictions and other agreements or business practices that could negatively affect competition, but also the exchange of sensitive commercial information with competitors.

4.7 DATA PROTECTION

We collect, store, use or transfer personal data in accordance with the applicable law.

We collect and process personal data only to the extent that this is justified and permissible for business purposes. This data is only made accessible to those persons who absolutely need it to

carry out their duties. The privacy of employees must be respected and protected when collecting and processing particularly sensitive data. Reports or enquiries relating to data protection matters can be directed to the **Pilatus Data Protection Officer**. The HR Privacy Statement for employees is available on the Pilatus Intranet.

4.8 ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

We take our responsibility towards the environment and society seriously and operate our business sustainably.

It is a fundamental concern of ours to protect the environment for present and future generations. We place particular emphasis on the use and development of product and manufacturing technologies that conserve natural resources, enable recycling, largely reduce environmental impact and preserve the natural environment. Pilatus pursues a documented Environmental, Social and Governance (ESG) strategy.

As an ISO 14001 certified company, Pilatus expects and supports environmentally conscious behaviour from employees.

We respect the core principles of the International Labour Organization (ILO), which include freedom of association, abolition of forced labour, elimination of child labour and ensuring equality, as well as the United Nations conventions on children's and human rights.

If we need to procure 'conflict minerals' (e.g. gold, tin, tungsten),

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we commit to procure them in compliance with all national and international laws so as not to contribute, consciously or

unconsciously, to armed conflicts or human rights violations that may be taking place as part of this trade.



4.9 INTEGRITY IN BUSINESS TRANSACTIONS (BRIBERY)

We do not accept or pay bribes or facilitation payments, nor do we influence decisions with gifts, hospitality or donations.

Pilatus does not tolerate bribery or corrupt business practices; this applies to both the public and private sector. Employees are prohibited from offering or promising, directly or indirectly, improper pecuniary advantages of any kind, such as improper payments or bribes, kickbacks, rebates, facilitation payments or any other improper advantage, to

any public official, private individual or company for the purposes of doing business, obtaining services or an improper advantage or influencing their business decisions. Employees are also prohibited from accepting or being promised any form of improper advantage from public officials, private individuals or companies. This also applies to family members or other affiliated persons. Furthermore, it is prohibited to circumvent these prohibitions by involving third parties, e.g. by means of

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agreements with support service providers, consultants, agents or advisers.

Accordingly, we may only provide or receive gifts and offer or accept entertainment, hospitality or other favours when they are reasonable and proportionate and are given without the intention of improperly influencing a business decision. This applies to business partners as well as public officials and authorities.

In addition, payments and donations to political

organisations, parties, committees or to individual politicians with a view to supporting political interests are strictly prohibited.

Pilatus prevents any involvement in international corruption thanks to a rigorous process of selecting and monitoring the activities of foreign company representatives and also providing relevant training

4.10 CONFLICTS OF INTEREST

We disclose potential or existing conflicts of interest without delay so as to ensure they do not interfere with Pilatus' interests.

in the private sphere, however, such as when we or family members have personal relationships or interests vis-à-vis business partners or competitors.

All employees are required to avoid situations in which their personal and financial interests may be in conflict with those of Pilatus.

In order to avoid conflicts of interest, neither employees nor their immediate family members may, without prior permission from Senior Management, hold shares directly or indirectly in businesses which are in an active business relationship with Pilatus or striving to be such. An exception is made for holdings which have no influence on the activity with Pilatus.

Such conflicts of interest can result from second jobs, mandates from governing bodies, operative functions or financial participation in other businesses as well as taking on public roles, for example. Conflicts of interest can also arise

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If conflicts of interest arise and they cannot be avoided, we disclose them to our line manager without delay for prompt clarification.



4.11 ASSETS AND INFORMATION

We use our tangible and intangible assets responsibly and treat them with care.

Employees are required to protect all tangible and intangible assets belonging to Pilatus and to use them in the correct manner.

Tangible assets include the company's own equipment, tools, stock, office equipment and systems including hardware and software. By handling them with care, we extend their service life, which in the long term reduces expenditure on such items and in

turn contributes to Pilatus' economic success.

Intangible assets or intellectual property include patents, trademarks, designs and copyrights, but also business secrets, such as information about our products, customers, business partners, services, technologies and strategies, financial information, information about company acquisitions, the sale of important business units or subsidiaries, changes in management, technical developments and inventions and

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the conclusion of or failure to
conclude important contracts.
Every employee is obliged to take
the necessary security measures

to protect Pilatus' assets and
business secrets from
unauthorised disclosure, theft,
fraud or even attacks by hackers.



4.12 COMPUTERS AND TELECOMMUNICATIONS EQUIPMENT

As a matter of principle, we only use our ICT systems for professional purposes and protect our devices and ICT systems from internal and external threats.

Computers and telecommunication equipment are to be used in principle for the purpose of completing work-related tasks and not for improper, illegal, unethical or personal purposes.

Work mobile phones may also be used for private purposes in accordance with the Executive Regulation.

When using ICT systems, we ensure that they are protected against operational failures, cyberattacks, data loss and other internal or external threats through adequate measures. Every employee takes care not to introduce any cyber risks into the ICT systems, for example through phishing e-mails or malware.

4.13 INSIDER INFORMATION

We comply with applicable insider trading laws regarding information about Pilatus or other companies.

Employees who become aware of confidential information relating to Pilatus or business partners with which Pilatus intends to enter into a strategic alliance, acquisition, disinvestment or merger agreement are prohibited from using this information specifically to buy or sell securities or derivatives of such

business partners or otherwise trade in them. It is also prohibited to bring such information to the attention of third parties.

Confidential information refers to insider information which, if it became known, could influence the share price of the companies involved, the price of other securities or of options.

Information or data available to the public is not considered insider information within the meaning of this provision.



4.14 MONEY LAUNDERING

We only do business with clients and partners whose financial resources have a legitimate origin.

Pilatus strives to comply with all regulations regarding money laundering and we take appropriate measures to prevent Pilatus from being used knowingly or unknowingly for money laundering operations. Money laundering occurs when illegally acquired money or other assets (directly or indirectly resulting from illegal activities such as tax

evasion) are reintroduced into the general economic cycle in order to make them appear as though they originate from a legal source. To this end, we take appropriate measures to clarify the identity of clients and contractual partners as well as the legitimacy of their activities and the origins of their assets, and only enter into business relationships with reputable and transparent business partners. We comply with national laws that may restrict cash transactions at all times.

4.15 EXPORT CONTROLS, SANCTIONS AND CUSTOMS

We comply with all national and international regulations relating to export control, sanctions and customs.

Pilatus operates internationally and maintains relationships with business partners worldwide. In addition to Swiss export control, sanctions and customs regulations, corresponding regulations in place in other countries and/or organisations (for example the USA, EU or United Nations) may therefore also apply to our business relationships. Examples of such provisions include bans or

restrictions on exports or imports, financial sanctions, embargoes or asset freezes, which can be directed against individuals, specific companies or even entire industrial and business sectors. By regularly updating our knowledge of applicable national and international regulations regarding customs, export control and sanctions and making the necessary enquiries, we ensure that none of our national and international business activities violate relevant embargoes, sanctions and other trade and customs regulations.



4.16 COMPANY REPRESENTATIVES

We only appoint as company representatives persons who meet the requirements of this Code of Conduct and who acknowledge and commit to it.

A contractual relationship with a Pilatus company representative may only be entered into after thorough preliminary clarification of their professional qualifications,

experience and, in particular, personal integrity.

When entering into a contractual relationship with a prospective company representative, the representative must sign a written agreement expressly prohibiting the payment and receipt of bribes. The Code of Conduct is an integral part of this written agreement.

4.17 DOCUMENTATION OF BUSINESS TRANSACTIONS

We take a diligent, thorough and transparent approach to documentation, meaning we are able to provide a complete picture of our business activities at any time.

All business transactions must be properly documented in full. Each business transaction must be fully traceable in accounting terms at all times so that it can be

allocated to the initiating and responsible person. Prohibited in this context are, in particular, off the books accounts, other secret accounts which are not accessible to the external audit, as well as false or misleading entries. We comply with all accounting, financial reporting and tax laws and adhere to the relevant accounting standards.



4.18 SANCTIONS IN THE EVENT OF NON-COMPLIANCE WITH THIS CODE OF CONDUCT

We do not accept breaches of this Code of Conduct from our employees.

We expect our employees to abide by this Code of Conduct at all

times. Employees who violate the Code of Conduct are subject to disciplinary measures and/or consequences under labour law, irrespective of the consequences under criminal law.

4.19 BUSINESS PARTNERS AND SUPPLY CHAIN

We encourage all our business partners to observe the principles and provisions set out in our Code of Conduct.

Strong relationships with our business partners are important, as they help us meet our customers' expectations. However, the business conducted by our business partners also affects our own reputation and it is possible for us to be held accountable for their actions.

We choose our business partners carefully and only work with companies and individuals who

share our values and conduct their business responsibly.

We promote compliance with the contents of this Code of Conduct among our business partners along the entire value chain within the framework of our respective opportunities and scope of action. To this end, we communicate our Code of Conduct in an appropriate form to all our business partners and, where appropriate, request evidence of compliance with its principles and values.

We are aware of our increasing responsibility for the business

4. MATERIAL SPECIFICATIONS AND PRINCIPLES

practices within our supply chain, reflected in evolving legislation as well as in our role as an aircraft

manufacturer, and are taking the necessary measures in this regard.



Founded in 1939, Pilatus Aircraft Ltd develops and produces the world's most unique aircraft: from the legendary PC-12, the best-selling single-engine turbo-prop in its class, to the PC-7 MKX and PC-21 and associated simulators, the market-leading systems for pilot training. The brand-new PC-24 is the world's first ever business jet designed for use on short unprepared runways. The Pilatus team consists of over 2,500 exceptional employees who make the company, which is domiciled in Stans, one of the largest and most innovative employers in Central Switzerland. The Pilatus Group also includes independent subsidiaries in the USA and Australia. Pilatus provides training for over 140 apprentices in various professions – job training for young people has always been a very high priority. Pilatus remains committed to Switzerland as a hub for work and new ideas, and acts in a sustainable and environmentally-conscious manner at all times.

