

## **ISAVIA PROCUREMENT PRACTICES**

Isavia ohf. is a limited company owned by the Icelandic state that falls under its general ownership policy. One of the goals of the ownership policy is to ensure equality, objectivity and non discrimination in procurement.

Isavia's procurement practices apply to all companies within the Group.

### **Isavia legal framework**

Isavia's procurement practices fall under Article 9 of the Act on Public Procurement No. 120/2016. From this, it follows that the provisions of Regulation No. 340/2017, concerning the procurement by institutions in charge of water, energy, transport and telecommunications (implements EU Utilities Directive No. 2014/25), are applicable to the company's procurements.

### **Execution of procurement**

The Group's procurement practices are based on the principles of equality, transparency and efficiency, where quality, environmental concerns and price considerations, amongst other things, are taken into account.

Isavia has established procurement rules that apply to all of the Group's procurements, and they take into account the Public Procurement Act and the main principles of the ownership policy. Purchasing is the responsibility of the relevant managing director, but Isavia's purchasing department oversees the Group's purchasing.

The Group's employees are not involved in the processing of issues that relate to business transactions with companies or individuals with whom they are personally or financially connected, directly or indirectly.

A code of conduct has been established that the Group's suppliers must follow. The rules take into account the Group's policy on social responsibility.

When purchasing over the reference amounts set in Article 15 of Regulation No. 340/2017, the procurement methods set out in Chapter VI of the Regulation shall be used.

When purchasing under the reference amounts, the main principles for purchasing are followed, as Article 16 of the Regulation provides.

Isavia's purchasing practices are accessible on the company's internal and external website.

Approved by the CEO of Isavia ohf., Sveinbjörn Indriðason, on 08.05.2020.