



# CODE OF CONDUCT



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### 1. Introduction

In the operation of the Company whether as directors or officers of the company, we will meet and deal with the question or concerns related to ethics or law at all times such as what the company or what we're working on is a reasonable action or if it is contradict to the ethics laws and regulations. In practice, there is no fixed answer that can be applied in all situations.

To ensure that the operation of the company as well as executives and employees are in compliance with law and based on ethic, the Company therefore has established the code of conduct for everyone to use as a guide or framework for action or to answer questions of that individual whether or not what they are doing is correct and appropriate. The concept of doing business of the company are as follows;

### 2. Ethics

#### 2.1 Responsibility to Shareholders

The Company acts as a representative to its shareholders in carrying out the business in order to maximize shareholder satisfaction with regards to sustainable growth of the Company's value in the long term future, and the disclosure of transparent and reliable information to its shareholders.

#### 2.2 Responsibility to Customers

Customer satisfaction and consumer confidence are very important to the Company, which aims to provide high quality goods and services at reasonable prices, and maintain a good relationship with its customers. The Company has thus determined the following guidelines:

- The Company shall provide high quality products and services, and continuously strive to improve these. The Company shall also provide complete and accurate disclosure of all information pertaining to its products and services without any misrepresentation.

- Directors, management, and staff members at all levels shall not disclose any information on customers without prior permission from those customers or authorized personnel of the relevant company in the Group. The only exception to this is information requested by law enforcement officers acting in accordance with the law.

#### 2.3 Responsibility to Business Partners and Creditors

The Company's dealings with any business partner shall be conducted in a manner that upholds its reputation and all relevant laws. All Company personnel must be aware of the common interests of the Company's business partners and treat them equitably. The selection of business partners shall be fair. The Company shall also consider its business partners to be the key factor in jointly creating a value chain for customers.

The Company shall keep all its promises and perform in accordance with the terms and conditions agreed with its creditors for the repayment of principal and interest, as well as safeguarding all guaranteed assets

## **2.4 Responsibility to Staff**

All members of staff are valuable assets and a critical success factor, so the Company must place emphasis on developing and promoting a good culture and working atmosphere, teamwork, courtesy, and respect for individuality. The employment, promotion and transfer of all staff members shall be conducted in a fair manner based on ethical standards whilst maximizing human resource utilization.

The Company is responsible for implementing and maintaining a safe working environment to protect the lives and property of its employees. The Company must also adhere strictly to the labor law.

The Company respects the privacy of all its staff members and will not disclose any personal information such as salaries, medical records or family data to anyone who does not have the right to that information unless it is required to do so by law.

## **2.5 Business Competition**

The Company has a policy of free and fair competition, and will not acquire information about its competitors by any illegal or unethical methods.

## **2.6 Responsibility to Society and the Environment**

The Company is aware that it is a Thai company and has a responsibility to Thailand and Thai society. The Company is committed to making a contribution to society by supporting activities of public interest and cooperating with the communities in which those activities are located.

The Company has a policy to produce goods and render services that are environmentally friendly and comply with all related environmental laws.

The Company supports activities that protect the environment and save energy. In addition, the Company has a policy to purchase and promote the use of products that are environmentally friendly.

## **2.7 Conflicts of Interest**

Directors, management, and staff members at all levels involved in any outside interest or additional source of remuneration which may impair their independence towards performing their duties, or may affect the interests of the companies in the Group or their customers, shall adhere to the following regulations:

### **2.7.1 Receiving money or other remuneration**

Directors, management, and staff members at all levels shall not personally receive any money or benefits from the Company's customers or business partners, or from any other persons when working on behalf of the Company.

Directors, management, and staff members at all levels shall not borrow or raise funds from, or lend money to, the Company's customers or business partners, unless they are independent customers of banks or financial institutions which are connected to the Company.

### **2.7.2 Engaging in other business outside the Company**

Directors, management, and staff members at all levels shall not engage in any other business that affects their performance, duties and working hours in the Company. Every member of the Company is prohibited from participating in any other business which is in competition with the companies in the Group, regardless of whether the management or the staff directly or indirectly benefit from that business.

### **2.7.3 Engaging in business with the companies in the Group**

Every director, manager and staff member shall disclose his or her relationship to any other business entity the Company may be dealing with, according to the Company's disclosure criteria.

No director, manager or staff member may approve a business transaction on behalf of the Company if he or she has a conflict of interest related to that transaction.

Prior to entering into any business dealings, the management of the Company has a duty to determine the relationship between business partners and the Company's directors, managers and staff members who are conducting business with those partners.

The definition of "relationship" is given in the Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure of Information and Act of Listed Companies Concerning Connected Transactions, 2003.

### **2.7.4 Outside directorships**

The Company has no policy to nominate members of its management team as board members of a company outside the Group. In the event that a member of the management team is invited to serve on the board of a company outside the Group, approval is required, unless the invitation is for a non-profit organization and does not infringe any related laws or regulations governing the Company's business. Furthermore, the person involved shall not use his or her position in the Company to promote the business of the outside company.

### **2.7.5 Receiving gifts and entertainment**

Every director, manager and staff member should refrain from accepting monetary or non-monetary gifts from the Company's business partners, suppliers, customers, creditors or any other person they are dealing with on behalf of the Company. The only exceptions are traditional, seasonal gifts which are in accordance with normal cultural practice. The value of any gift received may not be over 5,000 baht: if the value is above this amount, the recipient must consult his or her immediate supervisor for advice. Every director, manager and staff member can accept normal business entertainment provided by business partners, suppliers, customers, creditors or any other person they are dealing with on behalf of the Company. However, any member of the Company accepting this entertainment should exercise good judgment and due care regarding the nature of the entertainment to ascertain that it is in line with normal business relationships.

#### **2.7.6 Accepting invitations to seminars, business events and company visits**

Every director, manager and staff member can accept invitations to seminars, business events and company visits where the traveling expenses are sponsored by suppliers, customers, creditors or any other person they are dealing with on behalf of the Company. However, the aforementioned activities must benefit the Company's business and be authorized by the relevant supervisor. No director, manager or staff member may accept spending money or other benefits provided for these events.

#### **2.8 Giving Gifts, Entertainment and Gratuities**

The Company has no policy to give money, incentives or other special benefits to its suppliers, customers, creditors or any other person in order to influence, or in exchange for, business deals, with the exception of providing normal business entertainment, trade discounts or promotional campaigns

#### **2.9 Participation in Political Activities**

The Company has a policy of political neutrality and does not make donations to any political party. The Company also avoids activities that may favor any particular political party.

Directors, management, and staff members at all levels are able to participate in political activities under the terms of the Constitution of Thailand. However, no member of the Company shall claim the status of being a Company employee or use any of the Company's property or equipment for the purpose of political activities.

Any director, manager or staff member who accepts a politically related position or stands for any local or national elections in any constituency in Thailand must resign from the Company forthwith.

#### **2.10 Safeguarding the Company's Assets**

Directors, management, and staff members at all levels are responsible for looking after, maintaining and maximizing the use of property and fixed assets belonging to the companies in the Group, and shall not use any of these for their own or others' benefit.

The Company has a policy to prepare all business documents and financial reports, and record all accounting and financial data on an honest and timely basis, in compliance with generally accepted accounting standards and related laws.

No director, manager or staff member may disclose material inside information to any party that has no right to access that information. It is the duty of every member of the Company to secure and protect confidential information, data and document

#### **2.11 Use of Inside Information and Trading of the Group's Securities**

Directors, management, and staff members at all levels shall not use any significant inside information about the Company or any company in the Group which has not been disclosed to the public, for their own or others' benefit.

Directors, management, and staff members at all levels shall have the right and freedom to invest and trade in the securities of the companies in the Group. However, in order to prevent conflicts of interest, all directors and employees should avoid or suspend trading for a period of one month prior to the disclosure of all financial statements to the public.

#### **2.12 Distribution of Information and Interviews with the Press or Public**

The distribution of information about the Company shall be conducted in a factual, accurate and careful way.

A Company employee who is not authorized or assigned to speak to the press shall not give any interview with the media or the general public, nor disclose any information about the companies in the Group which may adversely affect their reputation or business operations

#### **2.13 Related Transactions within the Group**

In the case of related transactions amongst the companies within the Group, the Company shall conform to the rules and procedures of granting approval by upholding its best interests as if the Company were dealing with outside parties on an arm's length basis.

#### **2.14 Compliance with Laws, Rules and Regulations**

Directors, management and staff members at all levels shall abide by the law and all related rules and regulations pertaining to their position. No member of the Company shall commit or support illegal acts

### **3. Supervision and Administration**

3.1 Every director, manager and staff member shall strictly adhere to the Company's code of conduct in the performance of his or her duties. If any unethical conduct is discovered, the Company will punish the wrongdoer in a manner appropriate to the case and commensurate with the degree of the breach. The following disciplinary action can be taken:

- Verbal warning
- Written warning
- Suspension without pay not exceeding seven days
- Termination

3.2 It is the duty of every director, manager and staff member to read the code of conduct, including all amendments that are made, and sign an agreement to abide by its conditions.

3.3 All executives and supervisors should behave as role models for the staff, promote the code of conduct among their subordinates and encourage all of them to comply with its conditions.

3.4 Any waivers to the code of conduct for senior executives and directors must be approved by the Board.

### **Reporting of Non-Compliance**

Every director, manager and staff member has a duty to report any activity that infringes the code of conduct or situation where they were forced to perform a task that conflicts with the code, to their supervisor, a senior executive, the Internal Audit Department, the Human Resources Department, the Code of Conduct Committee or the Audit Committee, as the case may be. Reports can also be made through the Ethics Hotline on the Company's intranet or by email to: [taa\\_auditcommittee@airasia.com](mailto:taa_auditcommittee@airasia.com)

The Company has a policy to protect the identity of anyone who reports non-compliance with the code of conduct. All information received will be treated in the strictest confidence and the Company will not take any disciplinary action against the person reporting the allegation if that person acted in good faith