



AIRASIA GROUP SUPPLIER CODE OF CONDUCT POLICY

AirAsia Group's objective, through adopted daily business practices, is acting efficiently, ethically, responsibly and profitably in the low-cost commercial aviation and digital travel solutions market. When we act in such a way, we set the standards for our employees, customers and suppliers to achieve a fair market, fair competition and sustainable business results. Our expectation is that our suppliers, vendors, contractors, subcontractors, consultants, agents and other providers of products and services who are doing business directly and indirectly for AirAsia Group ("Suppliers") to follow the Supplier Code of Conduct (SCOC) and all other relevant policies or commitments(*) of AirAsia Group as a condition of doing business with AirAsia Group and its affiliates. Our expectations from the suppliers, under this SCOC, are:

1. Business Integrity and managing Conflict of Interest
2. Labour practices
3. Confidentiality and Personal Data Protection
4. Environmental Health and Safety management
5. Social Responsibility
6. Competitive Pricing & Terms

We also expect all suppliers to be advocates of our ethical and responsible business practices, by communicating and applying the SCOC and relevant policies throughout the value chain. AirAsia Group expects from all suppliers to conduct business responsibly, with integrity, in an honest and transparent way, by adhering to the following principles:

1. Be aware and maintain compliance to all applicable laws and regulations in the countries of their operation and in the countries where they provide products and services to AirAsia Group and its entities.
2. AirAsia Group recognises the importance of personal data protection and confidentiality. Suppliers must take all reasonable and necessary precautions to protect all confidential information about AirAsia, its affiliates and its partners, which it has access to, not disclose to anyone inside AirAsia Group or outside, unless a written authorisation to disclose is provided to the Supplier, in connection with a clearly defined real business need and always subject to a written confidentiality agreement. They shall store confidential and personal information appropriately to prevent unauthorized access, alteration or disclosure. The Suppliers shall also impose AirAsia's personal data protection and confidentiality requirements to its employees, consultants, contractors, subcontractors and representatives. Suppliers shall undertake to not sell the personal data of AirAsia Group's guests or employees and further prevent of such data being shared with third parties.
3. AirAsia Group is committed to conduct its business dealings with integrity and good corporate governance. The Group adopts a zero-tolerance approach against all forms of bribery and corruption and has implemented a group wide Anti-Bribery and Anti-Corruption Policy accessible at: <https://ir.airasia.com/misc/AAGB-ABAC-Policy.pdf> and the Supplier agrees, on behalf of itself and its officers, directors, employees, affiliates, agents and representatives, that it shall comply with Anti- Bribery and Anti-Corruption Policy in connection with this Purchase Order and the performance of its obligations hereunder. The Suppliers shall exercise all reasonable care and diligence to prevent any action from being taken or condition from arising which conflicts with AirAsia Group's best interest. This obligation shall apply to



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Supplier's representatives, including its employees and subcontractors, in performing duties in relation to the business being conducted on behalf of the Supplier. The Suppliers shall establish precautionary measures to prevent its representatives from making, receiving, providing or offering gifts, entertainment, payments, loans or other considerations for the purpose of influencing individuals to act contrary to AirAsia Group's interest with regard to performing its duties to fulfill its obligations and requirements of business dealing with AirAsia Group. If the Supplier is aware or has knowledge on any such misconduct that causes unfair business advantage or personal benefit to parties influential in securing the business for the Supplier, or representative which constitutes corruption or bribery, or if the Supplier has substantive suspicion in this regard, the Supplier shall review such conduct against our **Whistleblowing Policy** (https://ir.airasia.com/whistleblowing_channel.html) and shall report such misconduct by sending an email to whistleblower@airasia.com. All such reports are treated as confidential, and you may remain anonymous where permitted by law.

4. Suppliers shall create a work environment in which employees and business partners are respected and valued for their contributions, free from discrimination or any form of abuse. All employment decisions must be based on qualifications, skills, performance, and experience.

5. Suppliers shall comply with all applicable wage, working hours, and benefits laws and regulatory requirements. Suppliers should also strive to meet international standards for working hours and rest periods. Where a supplier's practices do not meet such international standards, the supplier should identify the root causes and work to improve its practices.

6. Suppliers shall maintain and promote fundamental human rights including freedom of movement of workers. Employment decisions must be freely conducted and fair and there can be no coerced or prison labor, and no use of physical punishment or threats of violence or other forms of physical, sexual, psychological or verbal abuse to discipline or control. Employment contracts must clearly state the terms of employment and must not restrict worker movement or aimed to prevent worker termination of their employment.

7. Suppliers shall adhere to national law or regulations for employment and comply with relevant International Labor Organization (ILO) standards. Notwithstanding this, Suppliers, hereby represents, warrants and undertakes that it has full knowledge of, and is compliant with, all provisions of: (a) The Bribery Act 2010 (UK); (b) The Modern Slavery Act 2015 (UK); (c) The General Data Protection Regulation 2016/679 (EU); (d) The Malaysian Personal Data Protection Act 2010; and (e) The Malaysian Anti-Corruption Commission Act 2009, each of the foregoing as amended/supplemented from time to time. Without prejudice to the specificity of the foregoing, Suppliers, also represents, warrants and undertakes that it has full knowledge of and is compliant with all applicable laws relating to its place of registration, domicile, operation and/or in any way related to AirAsia and the provision of the goods and/ or services. Further, and without prejudice to the generality of the foregoing, Suppliers, shall comply with all instructions, notices and documents supplied to it by AirAsia Group. Breach of this clause shall be deemed a material breach of this Agreement. Suppliers shall never hire children to perform work.



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8. Suppliers shall proactively manage, through systems and controls, health and safety risks to provide an incident-free environment where occupational injuries and illnesses are prevented. In addition, Suppliers shall provide access to safe drinking water, sanitation and hygiene, including adequate restrooms and handwashing facilities; fire exits and essential fire safety equipment; emergency aid kits; and access to emergency response services including environmental, fire and medical.

9. Suppliers shall carry out operations with care for the environment and comply with all applicable environmental laws and regulations, as well as consideration of opportunities for conservation of natural resources, material recycling and pollution control to ensure cleaner air and water and reduction of landfill wastes. AirAsia Group Suppliers shall identify, set targets and implement action plans for reducing environmental impacts in the areas of water, wastewater, energy, greenhouse gas emissions, waste and packaging, to support delivering the needs of AirAsia's Sustainability commitments.

10. Suppliers shall maintain accurate financial and business records in accordance with all applicable legal and regulatory requirements and accepted accounting practices, including with respect to all invoices submitted to AirAsia Group for payment or reimbursement.

11. Suppliers shall deliver products and services meeting applicable quality and safety standards. Consistent with AirAsia Group's commitment to low operational cost, in doing so, AirAsia Group suppliers must ensure they will not compromise on any Safety Standards. Suppliers involved in any aspect of developing, handling, manufacturing, packaging, transporting, or storing our products are expected to a) know and comply with the product quality standards, safety requirements, policies, specifications, and procedures that apply to the products produced at your location, b) follow and adhere to good manufacturing practices, testing and safety protocols, c) comply with all applicable local and international laws and regulations, d) Report issues immediately to AirAsia Group that could negatively affect the safety, quality, cost or public perception of AirAsia Group. Furthermore, Suppliers shall ensure that externally supplied systems and services has all necessary local and/or international certifications, and meets AirAsia Group's safety standards and requirements.

12. Suppliers must enter into contracts and execute purchase orders that mandate compliance with the SCOC. With reasonable advance notice, AirAsia Group may conduct audits to verify Supplier's compliance with the SCOC. In addition, certain suppliers may be required to complete a Reputation and Financial Due Diligence process before becoming eligible to do business with AirAsia and during the period of conducted business, from time to time.

13. Suppliers, or anyone acting on AirAsia Group's behalf, are prohibited from providing or offering gifts to AirAsia Group employees that could inappropriately influence business decisions made for AirAsia or gain an unfair advantage.

14. AirAsia Group takes constructive interest in acting socially responsible and promotes the wellbeing of people in the communities. Suppliers, where required, shall adhere to AirAsia's social responsibility commitments and policies while conducting business.

15. Profitability is essential for staying in business. It is a measure of both efficiency and the economic value that our guests place on AirAsia Group Services. Therefore, it is essential for AirAsia Group to maintain low



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operational unit cost without compromising Flight Safety Standards and quality of services to be able to consistently provide low cost fares to guests. Without profits and a strong financial foundation it will not be possible for AirAsia Group to fulfill its responsibilities outlined above and continue the business relationship with Suppliers. Suppliers, by agreeing to do business with AirAsia, also commit to endeavour seeking efficiencies in their daily business activities and continuously improve the cost of the goods supplied to AirAsia Group to support its annual financial plans which includes productivity efficiency targets.

() Applicable policies and commitments of AirAsia Group include: (i) Environmental Policy Statement (ii) Sustainability Policy (iii) Safety Policy Statement. Copies of each document can be found on www.airasia.com*