

# Anti-Corruption Policy



## Anti-Corruption Policy

Asia Aviation and Thai AirAsia operate businesses on the basis of transparency, fairness and integrity by identifying the organisation structure with clear segregation of responsibilities, working process, chain of command in each organisation so as to balance the appropriately intra-related power. Practical guidelines for directors, management, staff and related parties are determined so as to protect and prevent every form of fraud and corruption. This is the joint obligations to perform duties, make decisions and conduct businesses that may expose to certain fraud and corruption under good investigation and care. Details are as follows:

### Definition

“Corruption” means any act of bribery by engaging in the act of directly or indirectly offering, promising, soliciting, asking, or accepting money, valuable items, or any inappropriate advantages with government officials, state or public agencies, or any concerned agents so that the said agents perform or refrain from performing their duties rightfully in order to gain or achieve unethical advantages for business. Exceptions shall be made should they be permitted by laws, rules, regulations, announcements, customs, local traditions, or common business practices.

### Overall Policy

All Directors, members of Management, employees of Asia Aviation and Thai AirAsia are prohibited from implementing or accepting any act of direct or indirect corruption. Anti-Corruption policy audit or examination shall be done regularly along with revision of roles and duties of all concerned parties and the guidelines for practice, in order to remain relevant to changes in businesses, rules, regulations, and legal requirements.

### Roles and Responsibilities

1. Board of Directors has duties and responsibilities in setting policies and overseeing the promotion of the effective anti-corruption system in order to ensure that its members of Management are aware and give importance to counter bribery and corruption.

2. Audit Committee has duties and responsibilities in auditing the financial reporting system, internal control system, and risk assessment, to ensure that the systems hold least risk in corruption that may affect the Company's financial position and operations, and that the systems are appropriate, trustworthy, and in accordance with international standards. The Committee shall also be notified of suspicious engagement in corruption or bribery involving internal parties, and examines cases and proposes punishments alongside the Board of Directors.

3. Chief Executive Officer and members of Management have duties and responsibilities in setting up the system and promoting and supporting anti-corruption policy in order to disseminate to employees and all

associated parties to adopt for operation. They also shall review the appropriateness of the system and measures in correspond with the changes in business, and rules, regulations and legal requirements.

4. Internal Control Department has its duty to audit that the performance of all departments in the Company is accurate and line with the regulations. The Department is responsible for the audit report and the risk evaluation in relation to corruption from internal control examination, for the Audit Committee. In addition, the Department is to be responsible for any tasks assigned by the Audit Committee concerning corruption investigation.

### **Operating Guidelines**

1. Directors, Management, and employees at all levels shall uphold the Anti-Corruption and business ethics policy by not directly or indirectly engaging in any act of corruption.

2. Any employee who discovers any act of corruption related to the Company or its subsidiary must report it to his/her supervisor or a responsible person. Employees shall provide cooperation in investigation. Should employees have any questions or doubts, they can consult their supervisors or a responsible person whose duty is to monitor business ethics compliance through established channels.

3. Asia Aviation and Thai AirAsia shall provide justice and shall protect the employees or the persons reporting the violations by adopting measures to protect whistleblowers or those who cooperate in reporting the corruption as specified by the Whistleblowing Policy.

4. The violator of the Anti-Corruption policy is deemed as breaching the business ethics, and shall be considered for disciplinary punishment as regulated, and may be punished by laws should the violation is unlawful.

5. Asia Aviation and Thai AirAsia communicate and create understanding and awareness for all stakeholders who perform or operate any significant issues that may affect the Company or its subsidiaries in relevance to the Anti-Corruption policy.

6. Any activity in concern with the Anti-Corruption policy shall follow the guidelines on code of conduct, good corporate governance principles, and practice guideline towards stakeholders, relevant rules, regulations, and operating guidelines, and other guidelines that Asia Aviation and Thai AirAsia may issue in the future. However, for operation clarity in issues that involve high corruption risk, Directors, Management, all employees at all levels shall take extra attention when handle the following issues:

### **Financial or Other Benefits**

- Directors, Management, and employees shall not personally accept financial or other benefits from customers, business counterparts, or any persons for working in the name of Asia Aviation and Thai AirAsia.

- Directors, Management, and employees shall not lend or borrow, or collect contribution from customers or business counterparts of Asia Aviation and Thai AirAsia except loans from banks or financial institutions as customers of said banks or financial institutions.

#### **Gift and Hospitality**

- Directors, Management, and employees shall not personally accept financial or other benefits from customers, business partners, or any persons for working in the name of Asia Aviation and Thai AirAsia.

- Directors, Management, and employees shall not lend or borrow, or collect contribution from customers or business partners of Asia Aviation and Thai AirAsia except loans from banks or financial institutions as customers of said banks or financial institutions.

#### **Cash or Other Rewards**

Asia Aviation and Thai AirAsia do not have any policy to offer cash, bribery, inducement, or any special rewards in any forms to customers, business counterparts, other external agents, or any individuals in order to gain business advantages, except customary business hospitality, business discount, and the Company's sales promotion.

#### **Charitable Contribution or Sponsorship**

Charitable contribution or sponsorship shall be done in a lawful and transparent manner and follows procedures specified by Asia Aviation and Thai AirAsia. Examination and approval of transaction shall be done by authorised persons of Asia Aviation and Thai AirAsia and follow up shall be done in order to ensure the contribution or sponsorship is used in accordance to its objectives and not as a subterfuge for bribery.

#### **Risk Assessment for Corruption**

The Company has set up a team consisting of Internal Audit Manager, Compliance and Accounting Manager to assess its exposure to fraud and corruption. Their responsibilities are to determine the procedures for risk management on fraud and corruption by jointly assess, analyse, monitor, control and update risk status on the overall fraud and corruption to remain at the acceptable level. The team will investigate the suspected cases that are vulnerable to fraud and prepare the annual report for presentation to the Audit Committee.

Risk assessment tools are used to assess exposures to fraud and corruption by adjusting The Association of Certified Fraud Examiners' guidelines in evaluating the internal control environment and various kinds of frauds that may incur in the Company. In 2020, the team analysed and assessed business risks of various departments so as to identify their exposures to fraud and corruption e.g. manipulation; forge; change of record or document or financial report; misuse of business assets; misappropriation; conflict of interest; abuse of internal information;

corruption in various forms; etc. Last year, exposures to fraud and corruption remain in the acceptable level. Information from the assessment will be used as guidelines to increase the Company's internal audit efficiency and effectiveness and to find preventive measures on fraud operations by setting the good internal control system.

#### **Dissemination of Anti-Corruption Policy**

For every individual in the organisation to be aware of the Anti-Corruption policy, Asia Aviation and Thai AirAsia will perform the following actions:

1. Communicate the Anti-Corruption policy through cooperate communication channel, namely the Company's website, Form 56-1 One Report.
2. Provide training on Anti-Corruption policy for new recruits.
3. Review Anti-Corruption policy annually.