



Corporate Governance

Corporate Governance

Corporate Governance Policy

Asia Aviation Plc. (“Asia Aviation”) and Thai AirAsia Co., Ltd. (“Thai AirAsia”) has complied and continue followed the principles of corporate governance in business operations through Directors, Management and employees. The Company believes that effective, transparent, and measurable administration will create confidence for Shareholders, investors, and stakeholders, which in turns, will be the key factors to generate return and maximise value as well as enhance competitiveness of the Company to sustainable growth. Therefore, the Board of Directors has established the policy to follow the Code of Best Practices for Directors of Listed Company and adopted the policy in accordance to the Principles of Good Corporate Governance for Listed Companies, 2013, and Corporate Governance Code for listed companies 2017 (“CG Code”) as prescribed by the Stock Exchange of Thailand and The Securities and Exchange Commission Thailand. Policy is reviewed annually and communicated to Directors, Management, and employees to adhere. The policy covers the rights of Shareholders; equitable treatment of Shareholders; role of stakeholders; information disclosure and transparency; and responsibilities of the Board of Directors.

In 2023, the Board of Directors has applied key principles and best practices according to the corporate good governance for listed companies in 2017 (CG Code) and every Director has acknowledged them and understood their benefits. The Directors have realised their role as organisation leaders and assigned each department to implement the CG Code principles in each department to create more sustainable value to the organisation. The Company discloses the information in accordance with the practices under the Corporate Governance policy in each as follows:

Section 1 Rights of Shareholders

Asia Aviation is aware of and prioritises the fundamental rights of the Shareholders, by not doing anything to violate the rights of its Shareholders and supporting its Shareholders to exercise their rights. The fundamental rights of the Shareholders include the right to buy and sell or to transfer shares, the right to receive profit sharing from Asia Aviation, the right to receive adequate information with regard to Asia Aviation, the rights relating to participation and voting in the Shareholders Meeting to elect or remove members of the Board, appoint the external auditor, and make decisions on any transactions that affect the Company such as dividends payment, amendments to the Company's Memorandum of Association and Articles of Association or the Company's by laws, capital increases or decreases, and the approval of extraordinary transactions, etc.

Asia Aviation has the policy to provide convenience for the Shareholders to exercise their rights as follows:

- Asia Aviation will send the notice of the Shareholders' Meeting and supporting documents to each Shareholder at least five business days prior to the Meeting date (or any period of time as required by laws). The invitation will provide relevant information on each agenda item with opinions from the Board of Directors of Asia Aviation, proxy form as regulated by Ministry of Commerce, and list of Independent Directors that the Shareholders may select as their proxy, as well as map of the Meeting venue.

The invitation will inform the list of required documents that the Shareholders need to bring to the Meeting in order to support the rights to participation in the Shareholders Meeting and to voting, as regulated by Asia Aviation's Articles of Association regarding the Shareholders' Meeting.

Shareholders can also access any information concerning the agenda of the each Meeting of Asia Aviation at www.aavplc.com

- In the case that any Shareholder cannot attend a Shareholders' Meeting in person, Asia Aviation allows such shareholder to appoint a proxy, either an Independent Director or any person, to attend the Meeting on his/her behalf.

- Asia Aviation shall proceed Meeting registration and votes count with a barcode system so as to promote transparency, fairness and benefits for Shareholders. In addition, the Company has provided a document check point in case of proxy to attend the Shareholders' Meeting and provide stamp duty for the proxy form as well as staff to service at the registration. The Company will open for registration at least 2 hours before the Meeting. Furthermore, the Company provided convenience for the Shareholders by holding the Shareholder's Meetings in 2023 via electronic media in compliance with the Emergency Decree on the meeting via electronic media B.E. 2563 (2020) as well as the laws and other regulations concerned.

- Chairman of the Meeting will inform the Shareholders of rules of the Meeting and voting procedures. Time will be allotted appropriately.

- All Shareholders will be treated equally in expressing their opinion and raising questions in the Meeting. Directors and relevant Management team members will attend the Shareholders' Meeting to provide responses to any inquiry raised at the Meeting and to take any comments and suggestions into consideration or for further actions. After the Shareholders' Meeting, Asia Aviation prepares the complete and accurate minutes of the Meeting within 14 days and submits to related agencies within the prescribed timeframe. Minutes of the Meeting will also be posted on Asia Aviation's website to allow interested Shareholders and stakeholders to access the information.

Section 2 Equitable Treatment of Shareholders

Asia Aviation applies the principle of equal treatment to all Shareholders, be they Management or Non-Management Shareholders, Majority or Minority Shareholders, or local or foreign Shareholders, as follows:

- Meeting shall be carried out as specified in the agenda enclosed with the Meeting notice. Additional agenda item shall not be impose without informing the Shareholders prior to the Meeting unless necessary, especially items that Shareholders should need significant time to study relevant information before making any decision.

- The Minority Shareholders can nominate Directors by submitting details of nominees and consent letters to the Chairman of the Board prior to the Shareholders Meeting within reasonable time period as regulated by Asia Aviation.

- Shareholders are encouraged the use of ballots for each agenda item. Ballots shall be kept in the Meeting room for vote count prior to the resolution announcement. For transparency, Asia Aviation will keep the ballots with Shareholders' or proxy's signatures in case of examination if there is any future argument.

- Minutes of Meeting shall be recorded completely and accurately. The Minutes will be submitted to the Stock Exchange of Thailand within 14 days after the meeting. Minutes of the Meeting will also be posted on Asia Aviation's website.

- Information is accessible in a complete, accurate, timely, and transparent manner, for Shareholders by making relevant and significant information available regularly.

- The Company and its subsidiary have set the policy and procedure for the Directors and Management and employees in using the inside information that has not been made public for personal interest and communicated the policy to their Directors, Management, and employees for their acknowledgement in writing under the Code of Conducts with details as follows:

The Use of Inside Information

1) Inform the Directors and Management regarding their duties in reporting the Securities Holding Reports for themselves, their spouses or cohabiting couple, and their minor children to the Securities and Exchange Commission as prescribed in Article 59, and the penalty as prescribed in Article 275 of the Securities and Exchange Act B.E. 2535 (and its amendment), along with the Acquisition or Disposal of Securities Report for themselves, their spouses, and their minor children to the Securities and Exchange Commission as prescribed in Article 246, and the penalty as prescribed in Article 298 of the Securities and Exchange Act B.E. 2535 (and its amendment).

2) The Directors and Management of Asia Aviation, along with their spouses or cohabiting couple, and their minor children to prepare and disclose the Securities Holding Reports and the Acquisition or Disposal of Securities Report of Asia Aviation's securities to the Securities and Exchange Commission as prescribed in Article 59, and the penalty as prescribed in Article 275 of the Securities and Exchange Act B.E. 2535 (and its amendment), and copies of the reports to be submitted to Asia Aviation on the same day as to the Securities and Exchange Commission.

3) Directors, Management and employees of Asia Aviation and its subsidiary, who have an access of any inside information that can affect price of stocks, shall be avoid or refrain from trading of Asia Aviation's stocks within one month before the financial statements or the inside information are accessible to the public and 24 hours after the said information is accessible to the public. The person related to the information shall not disclose the information to the third party before the information is disclosed to the Stock Exchange of Thailand. Disciplinary punishment shall be imposed on the offender, as prescribed in the staff regulations of Asia Aviation and its subsidiary. Punishment, appropriately determined on a case to case basis, includes verbal warning, written warning, probation, or dismissal.

4) Directors, Management and employees of Asia Aviation and its subsidiary shall not use any inside information they receive from their positions, that can affect price of stocks and has not been disclosed to the public, for trading, or offering to buy or sell, or persuade others to buy or sell, or to trade other stocks or securities (if any) of Asia Aviation directly or indirectly, which may cause any damage to Asia Aviation directly or indirectly, for their own interests or for others', nor shall they disclose the said information to others for compensations or nothing.

Conflict of Interests

The Board of Directors of Asia Aviation and subsidiary has established guidelines to prevent conflicts of interest, which are incorporated into the written code of conduct on the basis that any decision-making on business transactions shall be made only for the best interest of Asia Aviation and subsidiary and it shall avoid any act which may cause conflicts of interest. It is required that a person who is involved in or has interest in any transaction shall report the involvement or interest in such transaction to the Company and shall abstain from voting for decision-making and shall have no power to approve such transaction.

In the case of any transaction which is not consistent with the normal course of business or the general trading conditions and may cause conflicts of interest, the entry into such transaction shall be submitted to the Audit Committee to consider with respect to the transaction appropriateness before proposing to the Board of Directors' Meeting or Shareholders' Meeting (depending on the case) for consideration and approval. In such case, Asia Aviation and subsidiary shall comply with the requirements prescribed by the Capital Market Advisory Board, the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

Section 3 Role of Stakeholders

Asia Aviation and its subsidiary have placed importance on the rights of all stakeholders and adhere to the principle of creating shared value between the Company and all stakeholders for sustainable mutual benefit. The guidelines towards each stakeholder group can be summarised as follows:

Shareholders

Asia Aviation determines to be a good representative for its shareholders in conducting its business for the satisfaction of its shareholders with transparency and emphasis on sustainable long-term growth, and to ensure the adherence of the policy regarding shareholders to maintain the basic rights of the shareholders, and to not violate the rights of the shareholders listed under rights of shareholders and equitable treatment of shareholders, along with the transparent disclosure of information to shareholders.

The encourage for the shareholders to attend the Shareholders' Meeting to help participate in major decision making, to acknowledge the Company's operation and activities, and to monitor the performance of the Directors and Management.

Customers

Asia Aviation and its subsidiary are committed to customers' satisfaction and confidence in the Company by delivering quality products and services at a fair and appropriate price, and to maintain good relations. The operation guideline is set as follows:

- Provide quality products and services with the resolute aim to constantly increase the standards and disclose news and information regarding products and services completely and accurately as well as initiating new varieties of products and services to serve the lifestyle of everybody.
- Listen to customer opinions through satisfaction surveys in various forms, such as customer satisfaction surveys after using online services or Net Promoter Score or quarterly customer satisfaction survey on various issues.
- Listen to the problems of customers and receive complaints via live chat (ask Bo) throughout 24 hours a day
- Directors, Management and employees at all levels shall not disclose customers' details without prior consent from customers or control persons of the Company group, unless the information is required to be disclosed to the third party by laws.

The details of the policy regarding responsibilities toward customers in 2023 are listed in the "Sustainability Report".

Business Partners

The Company and its subsidiary regard business partners as an important factor in creating value for customers. Therefore, conducting business with any trade partners must not lead to tarnishing of the reputation of the Company and its subsidiary or against any laws. There is no demand or acceptance of assets or any other dishonest benefits in trading with partners but take into account equality in business operations and mutual benefits with traders as well as strictly comply with contracts or conditions that have been agreed upon, and not to disclose business partners' information to others, except with consent from the business partners. In addition, the selection of trading partners must be done in a fair and transparent manner, considering the reasonable and fair purchase price and taking into account the reasonableness of the price, quality and service received. Appropriate reasons can be given upon inspection. The Company adheres to the procurement regulations that clearly outline procedures and practices.

Creditors

Asia Aviation and its subsidiary enter into contract with all types of creditors legally, equitably, fairly, and transparently without taking advantage of the contract party or concealment of any information that might harm the Company's creditors. The Company complies strictly with creditors under the conditions and term of agreements. Loan management must be subjected to the objectives of use of proceeds; money must not be used in a way that could cause damage, control various collaterals and repayment of loan and interest to the lenders of all types in full and by the due date, comply with the terms of the entire loan agreement, as well as management to ensure the creditors of financial position and high repayment capacity. In case of default, the Company will notify creditors in advance for trouble shooting.

Competitors

Asia Aviation and its subsidiary have a policy to promote and support fair and open competition. The Company does not seek its competitors' trade secrets or information through illegal or unethical means. The Company shall not violate the intellectual properties of its competitors or others.

Society

The Company and subsidiary as Thai Company and serve Thai people for a long time, therefore the Company realises and is conscious to pay back and help the society together with supporting local activities in which the Company is operating.

Asia Aviation and its subsidiary have a policy to provide environmentally friendly products and services and to follow environmental-related laws including promote activities that help preserve the nature and conserve energy. It has a policy to select and promote the use of environmentally friendly products.

The details of the policy regarding responsibilities toward the society in 2023 are listed in the "Sustainability Report".

Employees

Asia Aviation did not have employees because all Asia Aviation's employees had been transferred to Thai AirAsia since December 31, 2011.

Our employees are our most valuable resource and key to success. Therefore, Asia Aviation and its subsidiary are committed to continuously enhance our corporate culture and good working environment, to promote teamwork, and to treat our employees with courtesy and to respect them as individuals as well as their privacy. Private information of employees, for example, salaries, medical records, and families, shall not be disclosed to outsiders or those who are not relevant, unless the information is required to be disclosed to the third party by laws. The employment, appointment, transfer and compensation shall be on the ethical basis and the human resources shall be engaged to the best advantage. The details are appeared as follow:

Recruitment Policy

Thai AirAsia shall recruit and select the employees by considering the man power rates to be suitable for the size as well as structure of the organisation and developing nomination process of qualified personnel with knowledge, abilities and potentiality which is appropriate to the working position and conformable to the value of the Company including the objectives, development plan and succession by treating and giving equal opportunities to persons of every race, skin color, religion, gender, nationality, age, disabilities or other underprivileged groups.

- Process of Nomination and Recruitment shall be equitable and justifiable by having written examination and interview by the experienced committee with knowledge and abilities transparently.
- Employees are given importance and taken care of as a family member. Employees are appropriately taken care of in terms of compensation and benefit, in the warm and sharing working atmosphere.
- Mentoring system is promoted in order to create happiness for employees at work.

Benefit Management

Thai AirAsia provides the benefits for employees under the policy to manage benefits according to the needs and advantages of the employees. Benefits include:

- Annual health check-up
- Group life insurance
- Group health insurance
- Provident fund which Thai AirAsia contributes according to the period of membership at the maximum of 10%
- Thai AirAsia Savings Cooperative
- Free air ticket for employees' weddings
- Free air tickets (8 points per year)
- A discount of 90% for unlimited air ticket per year
- Financial aid in case of death of family members, namely parents, spouses, and children
- Financial aid for employee family in case of death of employee
- Financial aid for child birth
- Employee uniforms
- Financial aid for medical treatment of diseases including cancer, heart disease, stroke, chronic renal failure and lung disease.

Remuneration and Benefits Management

Thai AirAsia has established a policy to manage remuneration in a fair and appropriate manner suitable for knowledge and skills of the employees according to the appraisal system and the job positions. Salary survey is done based on the external market and leading companies for appropriate adjustment in order to remain competitive in the same industry and to attract new talents.

Employee Relation Activities

Thai AirAsia provides opportunities for employees to express their opinions on activities and participate in various internal activities in order to promote good relations between employees and employees and employees and the organisation as well as employees and the community, thus causing unity in the group and leading to happiness in working together in the organisation. Those activities include:

- Social activities such as Allstars Do Good. Thai AirAsia recognises the importance of safety in air travel and daily life. The Company therefore hosted Safety on Tour 2023 which focused on educating safety knowledge to the community. In 2023, Safety on Tour activities were led by the Corporate Safety Team, along with the volunteers from various departments.
- Company Anniversary Day activities: The Management and employees jointly make merit on the anniversary of the Company's establishment according to the rituals of each religion.

- Activities to promote physical health of employees: Thai AirAsia highlighted the importance of employees health, employees can use smart phone application called “Wirtual” to track health activities daily for examples, running or walking. Thai AirAsia also rewards employees who have the most steps in the application.
- Activities to promote mental health of employees: Thai AirAsia recognises the importance of employees' mental health and encourages employees to use mental health counselling service that the Company has started under the name of "Allstars Peer Support" and Mental Health Care program called “Naluri” through smart phone application which have mental coach standby to give advice to employees 7 days a week, 24 hours a day.
- Activity to promote Financial Wellness: This activity aims to promote basic personal financial planning, covering aspects such as income management, expenses, savings, retirement planning, and investment. It is conducted in collaboration with financial institutions and consulting firms.
- Other employee relations activities occur both online and offline. In 2023, COVID-19 pandemic situation has been lift-up. The Company organises offline activities along with online channels such as CEO Town Hall to keep employees informed of the Company's operations, “Yoga after work”, “Dr.Talk activities” by doctors from different fields to educate employees and prevent risks from such diseases as diabetes, cancer, etc. Moreover, the organisation also hosts “ROV Competition Tournament” for employees to compete in online games in their free time.
- Annual employee appreciation event 2023 is a good opportunity for the Management and employees to meet and talk with one another and to express their gratitude to the employees who have worked diligently for AirAsia throughout the year. This event brings out joy to employees to enjoy food and beverages along with the artist that performed in the event.

Human Resources Development

As Thai AirAsia aims to continuously develop human resources with knowledge and expertise, and good quality of life according to the good corporate governance, Thai AirAsia has established a policy to develop human resources to their potential and to prepare them for the competition that will drive and sustainably strengthen the organisation. The goal is to get the employees to develop themselves using their own potential and to create proactive working atmosphere in practicing their skills and developing their knowledge and expertise to create confidence in dealing with changes and challenges in business competition.

Additionally, Thai AirAsia realises that the loss of any key personnel may affect negatively to the Company substantially, resulting in perseverance of the Thai AirAsia to motivate and maintain the employees of Thai AirAsia through offering the motivation on the basis of performances and upgrading the skills and abilities of the employees with training by Thai AirAsia to let the employees participate in the meeting and attend the training continually in order that the employees receive and lift their skill level and abilities concerned (both in practice and development) to conform to the objectives of the business. On-the-job training is another essential guideline to transfer knowledge from the specialists to the new employees or employees in practitioner level. The investment in human resources helps the employees increase their abilities in Thai AirAsia. Furthermore, these development activities still help the Executives at the primary and middle level to get ready for responsibilities of the Senior Management continually.

Thai AirAsia is providing trainings according to needs of each business unit as follows:

Pilot

All student pilots of Thai AirAsia enroll for domestic trainings at Bangkok Aviation Center Plc. (BAC). BAC provides modern and advanced equipment and is certified by Federal Aviation Administration (FAA), Joint Aviation Requirements (JAR) and Civil Aviation Authority of Thailand (CAAT). BAC offers aviation trainings which are approved as a standard. Thai AirAsia grants an equal opportunity in student pilot recruitment. Employees from other departments can also apply. Student pilots usually finish their trainings in one year and continue with flight stimulator training for Airbus A320 aircraft. Thai AirAsia provides financial support for the trainings for student pilots, in return for the employment contract of ten years with Thai AirAsia.

Newly recruited pilots of Thai AirAsia who have not been trained for specific aircraft will be required to take part in the said trainings first. Trainings for specific aircraft are the categorising system to allow each pilot to specialise in one type of aircraft specially. Currently pilots are trained with Airbus A320 Flight Simulator, operated by CAE Kuala Lumpur Sdn Bhd. in Kuala Lumpur.

Training for Pilots

- Meteorological
- Weight & Balance procedures
- Flight Operation, Report, Form, Merlot
- Pilot Transit Check
- Auto Flight
- Aircraft System Examination

Cabin Crew

Cabin Crew training project for approximately 60 days (holidays included) held in Asia Aviation Academy Training Center in Bangkok. All the trainings are conducted by the licensed trainers from the Civil Aviation Center of Thailand and/or certified by Thai AirAsia exclusive of mandatory curriculum pursuant to the Regulations of the Civil Aviation Center of Thailand and additional curriculum for examples, the announcement to the public, personality caring and taking care of the passengers, selling goods on the aircraft and selling skills.

Additionally, the cabin crew training will be conducted teaching and learning in English only and the training to review knowledge and abilities according to the fixed cycle of the regulations of the Civil Aviation Center of Thailand to maintain knowledge and abilities for Airlines operation.

Training for Cabin Crew

- Safety Emergency Procedures
- First Aid and In-flight Medical Events
- Safety Management System

- Crew Resource Management
- Dangerous Goods Regulations
- Aviation Security

Ground Staff

All ground personnel shall take part in customer service training at Asia Aviation Academy Training Center in Bangkok, which covers ticket reservation and check-in procedures of Thai AirAsia, baggage claim procedures, and customer services. Ground staff are taking part in year-round trainings, for example, dangerous good identification, first aid, and bomb threat handling.

Ground personnel also need to participate in ramp training for two to three weeks, which covers driving on the apron, cargo loading and cargo transfer, air traffic signaling, aircraft towing, apron safety, and safety procedures. Moreover, newly recruited employees also need to learn civil aviation regulations, aircraft maps, and vehicle movement regulations in the airport. In addition, Thai AirAsia provides training course (Supervisory Skills for Team Leader) to Ramp Team Leader to increase their management skill.

Training for Ground Staff

- Customer Service Excellence
- Central Baggage Tracking Office
- Sky Speed
- Duties & Checks
- Disability Equality Training

Training for Ramp

- Ramp Ground Handling
- Aircraft Pushback
- Initial Airside Safety and ERP Plan

Engineer

All engineers of Thai AirAsia shall take part in training at CAE Kuala Lumpur Sdn. Bhd. in Kuala Lumpur and Asia Aviation Academy Training Center in Bangkok. The training takes 52 days with six-month on-the-job training before a test by the Quality Assurance Department of Thai AirAsia. Nevertheless, Thai AirAsia is offering a commitment for an employment of three years in return. Engineers at Thai AirAsia are stationed at Thai AirAsia's hubs in Bangkok (Don Mueang), Bangkok (Suvarnabhumi), Phuket and Chiang Mai.

Trainings for Engineers

- Maintenance Familiarisation
- AMOS Training

- Aircraft And System Familiarisation
- Fuel Tank Safety
- Basic Electrical

Trainings for other positions

Soft skills training

- Leading in you Program for Senior cabin crew
- 7 Service wonders for Guest services
- Celebrating diversity
- Effective Time Management
- Effective Communication Skills
- Change management course
- Coaching for great performance course
- Managing performance through DE&I course
- Proactive leader
- Self mastery
- Service experience programmed
- Systematic thinking development
- Win the diversity at work Data Management
- Building Psychological Safety at Work

Occupational Safety, health and environment in the workplace

In 2023, Thai AirAsia has responsibility of maintaining a safe working environment for its employees and safeguarding the organisation's property, all while strictly adhering to relevant laws. The Company activity pursued aviation safety initiatives under the Safety Management System, fostering cooperative coordination with the Safety Department, sub-committees on Flight Safety, Cabin Safety, Engineering Safety, and the Occupational Safety, Health, and Environment in the Workplace Committee for projects. These efforts reported directly to the Chief Executive Officer, solidifying a focus on sustainable safety within the organisation.

Throughout the past year, Thai AirAsia consistently supported and promoted safety through various activities and initiatives. Safety promotion aimed to cultivate the organisation's safety culture, aptly named "AirAsia Safety Culture." This culture emphasizes that "SAFETY ALWAYS" is everyone's responsibility. To achieve a sustainable safety culture, the Company implemented various examples, such as:

- Annual Safety Day Activity: This event strengthened the organisation's safety culture.

- Hazard reporter activity that focuses on the participation of employees in reporting hazards or unsafe work environments, and improvement on the safety issues reported by employees. Our staff can submit the hazard report via REDEYE system which the employees can also report by computer or mobile application.
- Kiken Yoshi Training (KYT): This training empowered employees to analyse and predict potential hazards in their operations, enabling them to prevent them effectively.
- Safety Journal Activity: This monthly activity aimed to raise awareness and participation by communicating safety knowledge to all employees.
- Well Done Awards Activity: This initiative recognised and certified employees who identified abnormal or hazardous conditions in the workplace.
- Safety Improvement Activity: This program embraced the "Kaizen" concept, encouraging continuous improvement of areas and work processes with a focus on safety.
- Emergency Response Manual: This manual provided guidelines for handling emergencies accurately, promptly, and appropriately, adhering to the latest ICAO requirements.
- Safety Management System (SMS) Manual: This manual established procedures for managing the company's safety comprehensively, accurately, and in accordance with the latest ICAO requirements.
- Occupational Health & Safety Management System (OHSMS) Manual: This manual outlined procedures for managing the company's occupational health and safety effectively, accurately, and in line with the latest Occupational Safety, Health, and Environment Act B.E. 2554 (A.D. 2011) requirements.
- The Company established and regularly revised emergency plans for each station within Thailand and abroad. These plans served as crucial guides for handling emergencies appropriately at each location.
- Thai AirAsia held monthly Occupational Safety, Health, and Environment in the Workplace Committee meetings to review safety performance. This practice ensured ongoing monitoring and improvement.
- The Company also conducted regular inspections of the working environment to identify and address potential hazards, including noise dose monitoring, light inspections, and chemical agents monitoring.
- To safeguard employee health, Thai AirAsia provided health checkups specific to occupational risk factors, adhering to legal requirements. These checkups included pre-placement examinations, periodic examinations, and return-to-work assessments.
- Recognising the diverse needs of different employee groups, Thai AirAsia offered targeted training programs. These programs covered various safety aspects, including:
 1. Pilots and Cabin Crew (Annually):
 - Crew Resource Management training

- Safety Emergency Procedure
2. All Employees:
- Emergency Response Plan
 - Safety Management System
 - Human Factors
 - Dangerous Goods Regulations
 - First aid training and medical evacuation training (to mitigate risks associated with incorrect medical evacuation)
 - Occupational Disease and Environmental Disease
 - Occupational Health and Safety (for both employees and outsourcers)

Thai AirAsia established clear targets and safety performance indicators for its Occupational Health, Safety, and Environment Management System. This data-driven approach enabled the company to track progress and identify areas for improvement.

The Company achieved a notable reduction in ground accidents rate in 2023, with a rate of 4.45 per 10,000 flight departures, representing a 0.9% decrease compared to the previous year. It's important to note that most accidents involved unsafe acts and conditions related to driving vehicles and ground equipment.

In light of these findings, Thai AirAsia remains committed to continuous improvement in safety, occupational health, and the workplace environment. This commitment involves ongoing hazard identification, risk assessments, and implementation of preventive measures to minimise risks and hazards to acceptable levels. The Company prioritises engineering controls, job-specific risk training, regular review of safety regulations, and effective utilisation of technology to achieve its safety goals.

Thai AirAsia's unwavering dedication to safety is undoubtedly a cornerstone of its sustainable business operations.

Human Rights Policy

Asia Aviation and Thai AirAsia operate with respect to and give importance to promote the protection of human rights in all aspects, and will not engage or take part in any act of violation of human rights. The Company and its subsidiary shall adhere to the principles of human rights and all applicable laws and regulations.

Asia Aviation and Thai AirAsia impartially respect the rights of all employees and stakeholders without prejudice against origin, race, religion, gender, ethnicity, age, disability, or any other status entitled for rights, by adopting the principle of human rights.

Asia Aviation and Thai AirAsia regularly study and follow changes and modifications in applicable regulations and laws related to human rights in order to effectively enhance the Company's policy on human rights.

Asia Aviation and Thai AirAsia provide knowledge and understanding for the Board of Directors, Management, and all employees in regard of human rights in terms of policy and operating practice, and urge all employees and stakeholders to cooperate in examination and reporting any violation of human rights through Whistle Blower. For the year 2023 the Company had not received any complaint regard to violation of human rights.

Treatment for Employees

- Recruitment shall be done on the basis of fairness and equality. Everyone shall receive an equal opportunity in applying and examination for employment under the applicable legal framework and related regulation, without any discrimination based on gender or disability that does not prevent the person from performing his or her duty.

- Employees shall be treated with fairness and honesty. All employees shall be employed under regulations and conditions that comply with laws, regulations, and customary practices. Child labor, forced labor, or breach of labor standard shall not be practiced.

- Any violation of human rights shall be eliminated. Discrimination shall be prohibited and measures will be put in place to ensure equal opportunity for all employees.

- Operating policy shall be put in place to guarantee personal safety for all employees, along with their entitled rights for a clean, safe, and healthy workplace.

- Physical punishment, mental or physical abuse, or verbal harassment shall not be practiced or accepted.

Treatment for Other Stakeholders

The Company shall respect the rights in relation to laws, culture and traditions, for all the stakeholders including customers, business partners, subcontractors, and communities around the workplaces. All stakeholders shall be treated equally and encouraged to follow the international standards for human rights.

Intellectual Property Right Policy and Practice

Asia Aviation and Thai AirAsia operate with respect to, and encourage the human resources to perform their duties, in compliance with laws and regulations regarding intellectual property right, including trademarks, patents, copyrights, trade secrets, and other intellectual properties specified by laws, for example, the use of copyrighted computer software that are inspected and installed by the Company's information technology department only, the encouragement for employees to examine their work or information that it does not violate any intellectual property right.

Communication with Stakeholders and Whistleblowing Policy

Stakeholders can inquire for information, complain, or report any unlawful violation, the inaccuracy of financial reports or internal control system, and the breach of business ethics of the Company and its subsidiary directly to the Independent Directors or the Audit Committee at taa_auditcommittee@airasia.com and thaiwhistleblower@airasia.com.

The Company has disclosed Whistleblowing Policy on its website at www.aavplc.com under “Corporate Governance” and “Whistleblowing Channel”. Complaints and reports shall be protected and treated confidentially by the Independent Directors or the Audit Committee for further inspection and solution (if any) and shall be reported to the Board of Directors later.

Section 4 Information Disclosure and Transparency

Asia Aviation has put an importance on disclosing information that is accurate, complete, transparent, timely, and up to the standards set by to the Stock Exchange of Thailand and the Securities and Exchange Commission. These financial reports, general information, and any other significant information that can affect the price of stocks and decision making of investors and stakeholders of Asia Aviation. In order for stakeholders of Asia Aviation to have an equal access to information, Asia Aviation is publishing its information through the Stock Exchange of Thailand and Asia Aviation’s website at www.aavplc.com.

The Board of Directors is aware of the responsibility in preparing Asia Aviation’s financial reports and information presented to Shareholders in 56-1 One Report, and in assuring the quality of the financial reports, including financial statements of Asia Aviation. Asia Aviation arranges to have the financial reports done according to the accounting standards and audited by reliable and independent auditors. Asia Aviation has established and adhered to appropriate accounting policies and made certain that financial reports of Asia Aviation are accurate, complete, and trustworthy, with important information being accessible.

The Board of Directors also set up an Audit Committee to review the financial reports for their accuracy, completion, and reliability and to make sure information is disclosed in an accurate, transparent and timely manner as regulated for listed companies. The Audit Committee also ensures effective internal control and that laws and regulations, as well as Asia Aviation's regulations are adhered to. Moreover, the Committee considers related party transactions or transactions with conflict of interest and consider the reasonableness and appropriateness before proposing to the Board of Directors of Asia Aviation for further approval.

The Company has a policy to disclose important information to the public as follows:

1. Objectives and Articles of Association of the Company
2. Financial and Non Financial reports in an accurate and timely manner
3. Report on the responsibilities of the Board of Directors toward financial statements together with the Auditor’s report in 56-1 One Report
4. Information on each Director, sub-committee member and Management and his/her roles and responsibilities and remuneration
5. Information on the attendance of Directors and sub-committee members in Meetings
6. Reports on the Interests of Directors, Management, and related persons
7. Each Director and Management has a duty to report buy-sale the Company’s shares to Company Secretary at least one day before the trading day and disclose summary of shareholding reports at the Board of Director Meeting in quarterly.

As for the activities to serve investors' demand, the Company has set up the Investor Relations Unit delegated to handle and communicate significant business information of the Company with interested parties which include the Company's shareholders, investment analysts, general investors and other persons in the investment community. The Investor Relations Unit can be reached via the following channels:

Telephone: 02 562 5745-46
 Fax: 02 562 5705
 Email: taa_investorrelations@airasia.com
 Website: www.aavplc.com

Asia Aviation discloses and communicates operational performance and other significant information of the Company to the investment analysts, investors, and internal staff on a regular basis at several events such as results briefings, one-on-one or group meetings, roadshows, conference calls, and conferences organised by various entities. The Company also holds joint activities with the SET to meet with retail investors and holds a press conference to publicise such information about the Company and its subsidiary. Also, any person in the investment community is provided with the ability to make an appointment with the Management or investor relations officers via the IR Booking webpage at his or her convenience to inquire or discuss business-related issues during the Company's office hours. Investors' inquiries are also directly responded to via e-mail and phone calls on a regular basis. Summary of IR activities for 2022 - 2023 are as follows:

Activities	2022 (times)	2023 (times)
International Roadshow	4 ¹	8 ¹
Domestic Roadshow	11 ¹	16 ¹
Results Briefing / Annual General Meeting of Shareholders	5	5
Site visit, Joint activities with the SET and other agencies	2	10

Note: ¹ The events were held in a virtual or physical meeting.

The Company also arranges for the Compliance Unit to oversee the disclosure of information through various channels, for example, the Company's website, The Stock Exchange of Thailand's website, and 56-1 One Report. Information shall be accurate, sufficient, timely, and complete, as required by laws, in order to create confidence from investors in the Company's transparency in business operation.

Section 5 Responsibilities of the Board of Directors

Leadership and Vision

The Board of Directors of Asia Aviation and Thai AirAsia consists of Directors with leadership skill and vision to drive Thai AirAsia to become the leading sustainable travel technology company in Asia providing more than just affordable flights.

The Company's Board of Directors revises and specifies vision and mission for the Company every five years to keep them relevant and appropriate for the changing business environment in the future.

Board of Directors' Structure

Asia Aviation's Board of Directors consists of twelve Directors with four being the Independent Directors who are fully qualified under the relevant regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand. Each Director has knowledge, competence, experience and expertise in various professions. The number of Directors shall be sufficient to oversee the business of the Company, with at least one Director with direct experiences in aviation business and another one Director with experiences in accounting and finance.

Asia Aviation's Board of Directors has the duties to consider and approve significant matter related to the Company's administration such as policies, visions, strategies, goals, missions, business plans and budgets of Asia Aviation, as well as to supervise the Management team to effectively and efficiently manage the business of Asia Aviation under the legal framework, objectives, Articles of Association of Asia Aviation and the resolutions of the Board of Directors' Meeting and the Shareholders' Meeting. Such duties must be performed with accountability, loyalty and care under the principles of good corporate governance in order to achieve the best economic value for the business and stability for its shareholders.

Qualifications of Directors

1. The Directors shall understand their duties and responsibilities as well as description of the business operation of the Company. In addition, the Directors shall be the persons having knowledge, competency, honesty and business ethics, and having sufficient time to dedicate their knowledge and competency for their performance in the Company.

2. The Directors shall possess full qualifications and do not have any prohibited characters in compliance with applicable laws related to public companies and other relevant laws, nor any characters that result in the inappropriateness to be trusted with the administration of a public company as required by The Securities and Exchange Commission Thailand.

3. The Directors shall not enter into a partnership or be a shareholder or hold the position of Director of any business which has the same nature as and is in competition with the business of Asia Aviation for their own or others' interests, except the Shareholders' Meeting has been informed prior to the appointment.

4. The Directors shall not hold the position of Director in more than five other listed companies. In case of any Director holding the position of Director in more than five listed companies, the Board of Directors shall consider the effectiveness of his/her performance. In the case of the Chief Executive Officer taking the position of Director in other companies, the matter needs to pass the approval from the Company's Board of Directors.

5. The Independent Directors shall possess all the qualifications required by the Stock Exchange of Thailand and The Securities and Exchange Commission Thailand and can oversee the interest of all Shareholders equally without any conflicts of interests. The Independent Directors shall be able to attend the Board of Directors' Meetings and provide opinions independently. The qualifications are as follows:

Qualifications of Independent Directors

1. Holding not exceeding 1% of the total shares with voting rights of Asia Aviation, its parent company, its subsidiary company, its associated company, Major Shareholder or control person of Asia Aviation. (inclusive of the shares held by any related person of such Independent Director).

2. Not being, nor having been, a Director who participates in the Management, an employee, staff member or advisor who receives a regular salary, or a control person of Asia Aviation, its parent company, subsidiary company, its associated company, its subsidiary at the same level, Major Shareholder or control person of Asia Aviation, unless the holding of the aforementioned positions has been discontinued for at least two years. However, such prohibition shall not apply in the case where such Independent Director has been a government official or consultant of the government sector, which is a Major Shareholder, or control person of Asia Aviation.

3. Not being person who has a relationship by blood or registration under laws, as father, mother, spouse, sibling, and child, including spouse of child, of its Directors, its Executives, its Major Shareholder, its control person or the person who will be nominated to take up the position of Director or Executive or control person of Asia Aviation or its subsidiary.

4. Not having, or not having had, any business relationship with Asia Aviation, its parent company, its subsidiary company, its associated company, Major Shareholder or control person of Asia Aviation in a manner which may obstruct its independent judgment. Additionally, not being or not having been a substantial shareholder or control person of a person who has a business relationship with Asia Aviation, its parent company, its subsidiary company, its associated company, Major Shareholder or control person of Asia Aviation, unless such business relationship has been discontinued for at least two years. (the aforementioned business relationship and transaction size shall have the same definition as in the Notification of the Thai Capital Market Supervisory Board Re: Application for and Approval of Offer for Sale of Newly Issued Shares).

5. Not being, or not having been, an auditor of Asia Aviation, its parent company, its subsidiary company, its associated company, Major Shareholder, control person of Asia Aviation, and not being Substantial Shareholder or control person or the partner of the audit company for which the auditor of Asia Aviation, its parent company, its subsidiary company, its associated company, Major Shareholder or control person of Asia Aviation has worked therein, unless such holding of the aforementioned positions has been discontinued for at least two years.

6. Not being or not having been a professional service provider, including service provided as legal counsel or financial advisor which is retained for a fee exceeding Baht two million per annum from Asia Aviation, its parent company, its subsidiary company, its associated company, major shareholder or control person of Asia Aviation, and not being substantial shareholder or control person or the partner of such professional service provider, unless such business relationship has been discontinued for at least two years.

7. Not being a Director nominated to be a representative of a Director of Asia Aviation, Major Shareholder or Shareholders who are related persons to the Major Shareholder.

8. Not undertaking any business which has the same nature as and is in competition with the business of Asia Aviation or its subsidiary company or not being a partner of the partnership or a Director who participates in the Management, an employee, a staff member, or advisor who receives a regular salary or holds shares exceeding 1% of the total shares with voting right of other companies which undertakes business of the same nature as and is in competition with the business of Asia Aviation or its subsidiary company.

9. Having no other qualifications causing any inability to express independent judgment in respect of Asia Aviation's business operation.

The qualifications of the Independent Directors shall be as required by the Thai Capital Market Supervisory Board.

Nomination and Appointment of Directors

The appointment of a Director shall be in compliance with the Company's Articles of Association and applicable laws, in a transparent and clear manner. The nomination shall go through the process by the Nomination and Remuneration Committee to consider qualified candidates to replace the Directors whose positions are vacant by rotation or other reasons and to provide opportunity for minority shareholders to nominate candidates for the Company's Directors. Thus, the Nomination and Remuneration Committee shall propose the list of the persons nominated with profile and details of such persons sufficiently to advantage in decision making for the Board of Directors to consider before passing it to the Shareholders Meeting for approval of the appointment or for the Board of Directors to appoint him in case that the Director position is vacant because of other reason than the retirement by rotation.

Policy on qualifications and nomination of Directors

The Company's Board of Directors consists of qualified directors according to Section 68 of the Public Limited Companies Act B.E. 2535 (1992) (and its amendments) and the Securities and Exchange Commission's Notifications and does not have prohibited characteristics under the Securities and Exchange Act B.E. 2535 (1992) (and its amendments) and other related laws and regulations and Company's Articles of Association. And the Company's Board of Directors should be diverse in terms of skills, experience, knowledge and expertise that are beneficial to the Company as well as not limiting or discriminating in terms of gender, age, race, nationality, religion, culture and customs for the Company to achieve its objectives and business goals. And the Board of Directors should promote and support the Company to operate in accordance with good corporate governance principles, which lead to fairness and transparency that can create returns and increase long-term value for shareholders and build confidence among all stakeholders.

Desired characteristics of each Director

The Nomination and Remuneration Committee will consider and determine the individual characteristics of those selected for nomination as Directors in various areas such as

- Leadership and vision,
- Morality, ethics and responsibility,
- Making informed and rational decisions,
- Maturity, knowledge, understanding and ability to communicate, able to express opinions independently,
- Adhering to the principles and standards of working professionally,
- Other characteristics that the Nomination and Remuneration Committee deems important.

Knowledge and expertise that should be on the Board

The Nomination Committee will consider the knowledge, ability, work experience and overall structure of the Board to determine which skills of Directors are lacking by creating a Board Skill Matrix, which will help the nomination of Directors consistent with the Company's business direction in order to determine persons who have experience, knowledge and ability that will be beneficial to the Company to become Directors in accordance with the Company's business strategies such as

- Accounting and finance knowledge,
- Knowledge of aviation business,
- Risk management and crisis management,
- Management and business administration,
- Marketing and marketing communications,
- Laws and regulations related to business,
- Economics,
- Corporate governance and sustainable development,
- Other specialised expertise that the Nomination and Remuneration Committee deems necessary for the Company over the next 3-5 years, such as technology and cybersecurity skills, information management, supply chain management and research and development, etc.

Recruitment and nomination

To identify the names of candidates to be elected as Directors, the Nomination and Remuneration Committee may use recruitment sources such as persons recommended by Directors, nomination of new Directors by shareholders, third-party consulting firms and listings from credible sources, etc.

Election of the Directors

1. Election of Directors to replace those who are due to retire by rotation or in the case of Directors who resigned during the remaining term of office for less than 2 months, in this case the Directors shall be appointed by the shareholders' meeting by a majority vote in accordance with the following rules and procedures:

- 1) Each shareholder has one (1) share for one (1) vote.
- 2) Each shareholder may use all the votes available in Item 1) to elect one or more persons to be Directors. In the event that several persons are elected as Directors, the votes cannot be divided for any individual.
- 3) Persons receiving the highest number of votes in descending order will be elected as Directors equal to the number of Directors to be elected at that time. In the event that the number of votes cast for candidates in descending order is equal, which would otherwise cause the number of Directors to be exceeded, the chairman of the meeting shall have a decisive vote.

2. To appoint Directors to replace those resigned during the tenure, the Board of Directors shall appoint persons to become Directors, without having to propose to the shareholders' meeting for consideration and election.

Term of Positions for Directors

1. The Director's term of positions is according to the Articles of Association of Asia Aviation that at every Annual General Meeting, one-third (1/3) of the total number of the Directors shall vacate office. If the number is not a multiple of three, then the number nearest to one-third (1/3) must retire from the office. The retiring Directors are eligible for re-election. The Director who has been in office for the longest term shall retire.

2. Any Director wishing to resign from the Director's position shall submit a resignation letter to Asia Aviation. The resignation shall take effect upon the date on which the resignation letter reaches Asia Aviation.

3. The Shareholders' Meeting may pass a resolution to remove any Director prior to retirement by rotation, by a vote of not less than three-fourths of the number of shareholders attending the Meeting and having the right to vote, and the shares held by them shall not, in total, be less than one half the number of the shares held by the shareholders attending the Meeting and having the right to vote.

4. In case of vacancy due to reasons other than expiry of service terms, the Board of Directors shall appoint any candidate who does not possess any of the prohibited characteristics in compliance with the Securities and Exchange Act B.E. 2535 (and its amendments) and other applicable laws and regulations to fill the position for the next Board of Directors' Meeting unless the remaining term is less than two months. The replacement Director shall hold the office only for the remaining term of the Director whom he/she replaces.

5. The tenure of an independent director should not exceed a cumulative term of nine years from the first day of service. In the past year, the Company did not have any Independent Directors who had held office for more than 9 years.

Duties and Responsibilities of the Directors

Asia Aviation's Board of Directors, as a leader of the organisation, shall oversee and administer the business and mission of Asia Aviation to be in line with the approval by Shareholders and applicable laws, objectives, articles of association, Shareholders' Meeting resolutions, and Board of Directors' resolutions. Directors shall use their judgement and vigilance in making business decision and perform their duties with caution, accountability, and honesty for the best interest of Asia Aviation.

Moreover, the Board of Directors shall attach importance to the business operation with social responsibilities and environment, not violating the rights of the stakeholders as well as promoting and supporting the Company and its subsidiary to operate with anti-corruption in every form for the progress and sustainable growth.

Asia Aviation's Board of Directors has the duties to consider and approve significant matter related to the Company's administration such as policies, visions, strategies, goals, missions, business plans and budgets of Asia Aviation, as well as to supervise the Management team to effectively and efficiently manage the business of Asia Aviation under the legal framework, objectives, Articles of Association of Asia Aviation and the resolutions of the Board of Directors' Meeting and the Shareholders' Meeting. Such duties must be performed with accountability, loyalty and care under the principles of good corporate governance in order to achieve the best economic value for the business and stability for its shareholders.

The Division of Duties and Responsibilities between Board of Directors and Management

Asia Aviation has clearly divided duties and responsibilities between Board of Directors and Management. The Board of Directors sets out policies and administer the operation of the Management on the policy level, while the Management manages each area according to the policies and Authority Limit which has been approved by Board of Directors and recorded as resolution passed in the Minutes of Board of Director Meeting. Consequently, the Chairman of the Board of Directors cannot be the same person as the Executive Chairman, Chief Executive Officer nor the Executive Director in order to balance and examine the Management.

The Chairman of the Board of Directors has an important role as follows.

1) The Chairman has an important part in making decisions for the Company's policies as a result of the Board of Directors' Meeting that considers and sets the business direction together with the Management, and provides recommendations for business operation to the Management through the Chief Executive Officer without interfering in the daily duties of the Management. The Chairman as the leader of the Board of Directors, oversees and monitors the performance of the Board of Directors and sub-committees and encourages all Directors to achieve the objectives as planned.

2) To be a leader in the Board of Directors' Meeting and to ensure that the Meetings are conducted effectively and efficiently and also comply with the laws, regulations and Article of Association of the Company. In addition, the Chairman encourage Directors to participated in Meetings, express their opinions equally and provide comments independently. In case of the votes come to a draw between two sides, the Chairman of the Board of Directors makes the casting vote. Another key role of the Chairman is to summarise the resolutions of the Meeting and ensure that all proceeding will be done clearly.

3) To be a leader in the Shareholders' Meeting and to ensure that the Meetings are conducted effectively and efficiently and also comply with the laws, regulations and Article of Association of the Company. In addition, the Chairman shall allocate sufficient time and allow Shareholders to express their opinions equally as well as answer inquiries of Shareholders' appropriately and transparently.

4) To support and be a good role model in compliance with corporate governance and business ethics.

The Company has clearly set scopes of duties and responsibilities for Board of Directors, Executive Chairman and the Chief Executive Officer, which can be found under "Scope of Duties and Responsibilities of the Board of Directors", "Duties and Responsibilities of the Executive Chairman" and "Duties and Responsibilities of the Chief Executive Officer" in Form 56-1 One Report.

Asia Aviation has appointed the Company Secretary with the duties and responsibilities as follows:

1) To provide advice to the Board of Directors regarding legal framework and regulations of Asia Aviation that the Board of Directors shall be aware of, to ensure compliance to the rules and regulations, and to report any significant changes in the legal matters to the Board of Directors.

2) To organise the Shareholders' Meeting and Board of Directors' Meeting in accordance to laws and regulations of Asia Aviation.

3) To record the Minute of the Shareholders' Meeting and Board of Directors' Meeting and to make sure the resolutions of the Meetings are followed.

4) To prepare and keep record of a register of Directors, the Company's Annual Report, Notice of the Board of Directors' Meeting, Minutes of the Board of Directors' Meeting, Notice of the Shareholders' Meeting and Minutes of the Shareholders' Meeting of Asia Aviation.

5) To keep the reports of interest filed by the Directors or Management, with the copies submitted to the Chairman of Board of Directors and the Chairman of Audit Committee within seven business days after the report is received.

6) To ensure the information disclosure and report the responsible information to the related agencies as prescribed by the government's rules and regulations.

7) To facilitate activities of Asia Aviation's Board of Directors and manage other related matters in accordance to the legal framework, or as assigned by Asia Aviation's Board of Directors, or as prescribed by the Notification of the Capital Market Supervisory Board.

Sub-committees

In addition to the Board of Directors, Asia Aviation has set up sub-committee to assist in administering the business, that is the Audit Committee. The three members, who are responsible for auditing and internal control for Asia Aviation, are of the qualifications as required by the Stock Exchange of Thailand and the Securities and Exchange Commission. Their duties and responsibilities are as assigned by the Board of Directors of Asia Aviation, as specified in the Audit Committee Charter.

Additionally, Asia Aviation's Board of Directors' Meeting No. 2/2014, held on February 26, 2014, the resolution was to approve the appointment of the Nomination and Remuneration Committee. The Committee set appropriate nomination and remuneration for Directors, with the details shown under "Nomination and Remuneration Committee" in Form 56-1 One Report.

Report of the Board of Directors

The Audit Committee has the duty to review the Company's financial reporting and proposes the reports to the Board of Directors of Asia Aviation on a quarterly basis. The Board of Directors of Asia Aviation shall be responsible for the accuracy Asia Aviation's financial statements and financial information as described in the Form 56-1 One Report. The financial statements shall be prepared in accordance with the accounting principles which are generally accepted in Thailand and audited by a certified public accountant. An appropriate accounting policy shall be applied and always be complied with. In addition, information shall be adequately disclosed in the notes to the financial statements.

At the Asia Aviation's Audit Committees' Meeting No. 1/2024, held on February 22, 2024, without the attendance of any Executive Directors or Management, the Audit Committee, consisting of three Independent Directors, evaluated the internal control system by interviewing the Internal Audit Manager and concluded that the internal control for Asia Aviation and its subsidiary was sufficiently effective in alleviating business risks. The operation of the internal audit in 2023 in inspecting other departments within Asia Aviation and its subsidiary did not result in any significant weakness in internal control system that can affect the operation of Asia Aviation and its subsidiary. Auditor did not report any significant weakness.

Board of Directors' Meeting

The Articles of Association of Asia Aviation specified that the Board of Directors shall hold a Meeting at least once every three months and may be additional special Meeting as necessary and specified that the Directors attending the Meeting shall consist of at least half of the total numbers of Directors to form a quorum whereas the Board of Directors shall set the Meeting date for the whole year in advance and notify each Director to acknowledge it and distribute the letter of invitation for the Meeting to the Directors to consider before the Meeting date not less than 5 business days unless it is necessary or urgent to preserve the rights or benefits of Asia Aviation. In every Meeting, the agenda shall be set up precisely during which the Chairman of the Board discussed with the Chief Executive Officer and the Company Secretary to approve the agenda of the Meeting while the other Directors can propose the agenda or other related issues for consideration including the complete and sufficient documents supporting the Meeting by distributing them to the Board of Directors in advance to study the information sufficiently before attending the Meeting. While in the Board of Directors, Asia Aviation Meeting, every Director can discuss and express the opinion openly. Furthermore, in Asia Aviation Board of Directors Meeting, Senior Management shall be invited to attend the Meeting in order to provide more details as the direct persons concerned.

Asia Aviation is committed to providing the Board of Directors with adequate, complete continuous and timely information prior to Board of Directors' Meeting. The Directors can directly and independently contact the Company Secretary. The Company Secretary is responsible for advising the Board of Directors of Asia Aviation on the compliance with legal and regulatory requirements.

The Board of Director has also specified that Non-Executive Directors can organise meetings as deemed appropriate without the attendance of any Executive Director or Management, in order to create an opportunity for discussion on business challenges of the Company or other topics of interest.

Remuneration

At the Asia Aviation's Board of Directors' Meeting No. 2/2014, held on February 26, 2014, and the Thai AirAsia's Board of Directors' Meeting No. 1/2014, held on March 3, 2014, the resolution was to approve the appointment of the Nomination and Remuneration Committee to determine and propose remuneration for Directors annually for the Board of Directors' and/or Shareholders' approval. The determination of remuneration of Directors will be considered in comparison with the remuneration of Directors of leading companies in the stock exchange and other companies in the same industry or similar to the Company, along with their experience, duties, scope of roles, responsibilities, success in the performance, the performance assessment results of the Board of Directors and Company's performance as well as other relevant environmental factors. Such remuneration must be at an appropriate level and sufficient to motivate and retain the Company's qualified Directors. The Company has disclosed the aforementioned information and the remuneration for each Director in Form 56-1 One Report of the Company, which can be found under title "Report and Results of Major Performance on the Corporate Governance" under subtitle "Remuneration for Directors".

Development on Directors and Management

The Board of Directors of Asia Aviation and subsidiary have a policy to enhance and accommodate the provision of training and knowledge for Directors and Management to administer the business of the Company effectively with the continuous improvement on operation. Directors and Management are encouraged to participate in valuable trainings that are beneficial to their performance, including training by state agencies or independent organisations, for example, Director Training by the Thai Institute of Directors that the SEC requires Directors of listed companies to participate at least in one programme, including the Directors Certification Program (DCP), Directors Accreditation Program (DAP) and the Audit Committee Program (ACP).

In the case of a change in Directorship, the Company Secretary is assigned to assist in the preparation for the Director's duties by coordinating in the following areas:

1) Collecting required information related to Directorship to ensure the compliance with applicable laws related to Directorship.

2) Preparing useful information for new Director to perform his/her duties, for example, Articles of Association of the Company, Director's Manual for Listed Companies, Operating Results, and Nature and Direction of Business.

3) Organising meetings or discussions between Chairman and Directors, and Management to acknowledge and inquire about the business operation of the Company and its subsidiary.

The Performance Assessment of the Board of Directors

Asia Aviation and its subsidiary have the Performance Assessment of the Board of Directors and sub-committee once a year by dividing into the Performance Assessment of the Board of Directors as a whole and the Self-Assessment of the board of directors on an individual basis, to be used as the framework in examining the performance of the Board of Directors and sub-committee including consideration reviewing performances, problems and obstructions incurred in the passed last year and it is the opportunity to consider contributing the time to perform the duties and also to improve the relationship between the Company's Board of Directors and the Management while the annual assessment of the performance results of the Board of Directors and sub-committees shall be presented to the Board of Directors Meeting to give suggestions the benefit of the efficiency improvement and development of the performances of the Board of Directors to conform to the policy procedures set forth and to set up benchmark for comparing it with the performances with criteria and revealed in the 56-1 One report.

The Performance Assessment of the Board of Directors and sub-committee covers main areas as follows:

1. Structure and qualifications of the Board of Directors
2. Roles, duties and responsibilities of the Board of Directors
3. Board of Directors' Meeting
4. Performance of the Directors
5. Relationship with the Management
6. Self-improvement of the Directors and Executive development

In 2023, the Performance Assessment of the Board of Directors and sub-committee of Asia Aviation detail as follows:

the Board of Directors / Sub-committee	Self-Assessment as a whole (%)	Self-Assessment on an individual basis (%)
Board of Directors	96	97
Audit Committee	97	98
Nomination and Remuneration Committee	85	94

The Performance Assessment of the Board of Directors and sub-committee of Thai AirAsia detail as follows:

the Board of Directors / Sub-committee	Self-Assessment as a whole (%)	Self-Assessment on an individual basis (%)
Board of Directors	96	98
Audit Committee	95	99
Nomination and Remuneration Committee	91	95
Corporate Governance and Sustainability Committee	97	98
Risk Management Committee	91	92

As such, the Nomination and Remuneration Committee is responsible for reviewing performance assessment to be accurate, complete and comply with good corporate governance. Also the Committee has considered the results of the Director self-assessment in the past year as a reasonable criteria for the consideration of the remuneration of directors. The Company Secretary summarises the results of the assessment and reports them to the Nomination and Remuneration Committee. Subsequently, the Committee proposes to the Board of Directors to further improve operational efficiency in more effective manner.

The Performance Assessment of Chief Executive Officer

Consequently, Asia Aviation operates its business by holding shares in Thai AirAsia which is its subsidiary that operates the core business for the Company, therefore, The performance assessment of Chief Executive Officer has been established for Thai AirAsia.

The Board of Directors and the Nomination and Remuneration Committee of Thai AirAsia has arranged for an annual performance assessment for the Chief Executive Officer, main areas as follows:

Section 1: Progress of plan with specified goals and milestone for each goal

Section 2: Performance assessment

- Leadership
- Strategic setting
- Strategic practice
- Financial planning and results
- Relationship with the Board of Directors
- External relationship
- Management and relationship with human resources
- Position succession
- Knowledge of products and services
- Personal characteristics

Section 3: Self-improvement

Succession Plan

The Board of Directors of Thai AirAsia has established succession plans for positions of Chief Executive Officer and Senior Management by evaluating and analysing the potential and performance of qualified candidates to set the individual plan for development training and management learning in order to prepare the replacement of important positions in case of resignation or retirement or other reasons and also maintain confidence from stakeholders that the operation of the Company can continue without any disruption.

The Board of Directors has assigned the Nomination and Remuneration Committee to consider and specify the criteria and succession plan when the position of Chief Executive Officer and Senior Management is vacant. Revision of the succession plan shall be carried out and Chief Executive Officer is to report to the Board of Directors regularly on the succession plan.

Corporate Governance Policy

Asia Aviation has set up a written policy on corporate governance and the Board of Directors is to review this policy and the compliance therewith on an annual basis. After the Company's ordinary shares have been listed on the Stock Exchange of Thailand, Asia Aviation shall comply with the relevant rules and regulations as prescribed by the Securities and Exchange Commission, the Stock Exchange of Thailand and the Capital Market Supervisory Board. The details of the report on corporate governance will be included in the Company's Form 56-1 One Report.

Corporate Governance Code for listed companies 2017 (CG Code)

In 2023, the Board of Directors has applied key principles and best practices according to the corporate good governance for listed companies in 2017 (CG Code), issued by the Securities and Exchange Commission. Every Director has acknowledged them and understood their benefits. Directors have realised their role as organisation leaders and assigned each department to implement the CG Code principles in each department to create more sustainable value to the organisation. The Board of Directors has reviewed those CG Code principles on an annual basis to make sure that every department has followed those CG Code principles appropriate to the Company's business. This point has been noted as a resolution in the Meeting of the Board of Directors.

Code of Conduct

Asia Aviation has operated its business in adherent to strict business ethics, including safeguarding Asia Aviation's and its subsidiary' confidentiality, abiding laws, operating in an honest and prudent manner, paying respect to each other, and taking good care of Asia Aviation's properties and the environment. All Directors, Executives and employees shall oblige by this guideline. All Directors and new recruits shall receive a business ethics manual that they have to acknowledge and strictly follow. The Company has disclosed its complete Code of Conduct on the Company's website, under "Corporate Governance", under "Corporate Governance Policy and Download" and under "Code of Conduct".

Compliance to Rules and Regulations and Business Ethics

Thai AirAsia determines to promote understanding among the employees in regard of principles and policies related to code of conduct and the compliance to rules and regulations, along with the handling and reporting of suspicion of violation of laws, rules and regulations, and policies of Thai AirAsia that raises doubts in integrity of the employees or Thai AirAsia.

Thai AirAsia has prepared a Code of Conduct Training Course for all employees to understand the principles and standards that all employees must follow in order to prevent doubts about honesty of the employees and Thai AirAsia. The training covers educating and understanding employees in relation to the prevention and suppression of corruption so that employees can learn how to prevent and report incidents or behaviors that imply corruption to the Company as well as Anti-Corruption & Bribery Policy so that employees may understand the problems and impacts of corruption and bribery and learn how to prevent and report incidents or behaviors that may indicate corruption or bribery through different channels to the Company.

The said training courses are compulsory to all employees at all levels to attend and pass a test and new employees must attend all training testing courses within the probationary period and will not be placed as permanent employees if they do not pass the training and testing.

Thai AirAsia monitors and evaluates the compliance of rules and regulations and code of conduct of employees, Management and the Board of Directors. The internal audit department is responsible and reports the evaluation results to the Audit Committee annually.

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 subsidiary 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 not accepting gift, in cash or in kind, from customers or business partners of Asia Aviation and Thai AirAsia
- Directors, Management, and employees shall not accept business hospitality from customers, business partners or any persons who may be influential to the business decision.

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

Thai AirAsia has assessed the corruption risks which is one of the internal control sufficiency evaluation of the Company. It has assessed, analysed, monitored, controlled and collected the status of the overall corruption risk to be under the acceptable risk level as well as investigate suspected cases where there is a risk of fraud and prepare a report to present to the Audit Committee and Board of Directors quarterly.

In 2023, the team analysed and assessed the risks of the business to identify the operations of parties at risk that may be involved in corruption such as embellishment, forgery or alteration of records or financial documents or reports, misuse or misappropriation of entity assets, conflicts of interest, misuse of internal information of the Company and various forms of corruption, etc. The information obtained from the assessment will be used to increase the efficiency and effectiveness of the internal audit guidelines as well as prevention of fraud in the operation by having a 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 and Form 56-1 One Report.
2. Provide training on Anti-Corruption policy for new recruits.
3. Review Anti-Corruption policy annually.

Report of Interest

The Company has required Directors, Executives and employees to report their own interests and those of related persons when starting their positions or when there is a change in various information. Directors have to present their stakeholder reports to the Company secretary and the Management and employees to the People Department.

Internal Control and Internal Audit

The Board of Directors of Asia Aviation has put the internal control system in place in order for the operation of Asia Aviation to go according to the objectives, Article of Association, and applicable rules and regulations, as well as the internal audit and the check and balance system to effectively protect and look after the capital and investment of Shareholders and Asia Aviation and its subsidiary's properties. Asia Aviation and its subsidiary have stipulated levels of authority and responsibilities of Management and employees and operating regulations in writing. The 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 Audit Committee shall monitor the administration and operation of Asia Aviation in order for Asia Aviation to achieve an effective internal control and reliable financial reporting system. The Internal Control Department shall directly submit the audit report to the Audit Committee for revision and evaluation of the internal control system of Asia Aviation and its subsidiary. Miss.Orawan Phunamsarp acts as the Head of Internal Control. The details on internal control and internal audit can be found under "Internal Control and Internal Audit" in Form 56-1 One Report.

Risk Management

Asia Aviation is aware and realises the importance of risk management in order to achieve effectiveness and efficiency in the management of the Company and its subsidiary and to promote confidence among stakeholders. However, as Asia Aviation operates its business by holding shares in Thai AirAsia, therefore, risk management system has been established for Thai AirAsia. Which is its subsidiary and operates core business.

Risk Management Committee consists of Executive Chairman, Chief Executive Officer and the Management from all departments together with the Risk Department to manage internal and external risks that may affect operation to an acceptable and appropriate level by evaluating and examining evaluation result from all departments and revising policy regarding risk management annually. The details on risk management can be found on the Company's website, under "Corporate Governance", under "Corporate Governance Policy and Download".

Audit Fee for the year 2023

Asia Aviation and its subsidiary paid the audit fee to EY Office Limited, as external auditors for 2023. Nevertheless, EY Office Limited, do not have any relation or any conflict of interest with the Company, the Executives, or the Major Shareholders, or anyone related to the aforementioned persons. The details of audit fee for the year 2023 are as follow;

Audit Fee

In 2023, Asia Aviation and its subsidiary paid the audit fee of Baht 5.30 million to the office of the Auditors, comprising Asia Aviation and subsidiary's audit fees of Baht 1.00 million and Baht 4.30 million, respectively. In addition, no other audit fee had been paid to the auditors or related parties to the auditors and the Auditors' office.

Non-Audit Fee

The Company and Subsidiary did not pay compensation for other services in 2023.

The engagements of the office of the Auditors and its related parties to provide the non-audit work were reported to the Audit Committee to ensure that it would not involve any conflict of interest or any review of their own work which would contaminate the independence judgment of the Auditors.