



Sustainable Development Policy



ASIA'S BOUTIQUE AIRLINE
6 Years - Asia's Best Regional Airline



1. Principle and justification

At present businesses are facing many challenges due to rapid and continuous changes in the economy, social and environment such as competitiveness, technological progress, higher customers' expectations and severe environmental crises. All these factors have positive and negative impact on businesses in terms of opportunities and risks. Therefore, they need to make adjustments and develop greater work efficiency in order to survive. At the same time consideration must be made regarding responsibilities to stakeholders through the entire value chain, both socially and environmentally, based on corporate good governance and efficient risk management process, in order to develop competitive abilities with immunity to various incoming effects, to ensure the business has a strong foundation with capabilities to achieve sustainable growth.

In addition, the requirement of sustainability data by users worldwide such as investors and analysts accelerates the need for businesses to focus on presenting full report on ESG performance, in consistence with requirements and standard of Securities and Exchange Commission (SEC) in the form of ESG One Report, beginning in 2022. Data users considered that businesses with good ESG report, in the long run have lower risks with regard to competitive potential and acceptance by stakeholders which links to survival of the business and capabilities for growth.

Bangkok Airways Public Company Limited (the Company) is committed to enhance disclosure of information on sustainable business drive to reflect how the Company operates business, in order to meet the needs of stakeholders and increase their confidence in the Company, in addition to promotion of brand acceptance and support, increasing long term business value, through internal sustainable business drive with full cooperation from all departments in the Company.

2. Sustainable business development concept

The Company uses Triple Bottom Line concept as basis of framework for operation of business with sustainable growth by consideration of balancing three areas of performance.

2.1 Economic

consideration of the impact of operation on economic growth

2.2 Social

consideration of impact of operation on stakeholders



2.3 Environment

consideration of impact of operation on the environment

The concept also includes the ability to manage risks, creating opportunities for growth, increase capability to compete and operate business under good governance principles as follows:

(1) Integrity

- management with honesty, reliability and adherence to correctness

(2) Fairness

- fair treatment of stakeholders

(3) Transparency

- disclosure and verification of data to related parties

(4) Responsibility

- comply by own roles and responsibilities, using full capability and expertise, be committed to improve and successfully complete the assignment

(5) Accountability obligation

- responsible for all consequences of own actions whether to issue order, to assign duties, to make decisions and able to provide explanations why such decisions were made

3. Sustainable Business Drive Process

The Company uses 5 processes to manage sustainable business drive

3.1 Materiality: analysis of context, relationship between the organization and stakeholders and related issues, in order to define significant sustainability issues of the organization.

- 3.1.1 Context analysis: study and understand context of the organization
- 3.1.2 Sustainability analysis: identification and analysis of stakeholders, analysis the impact stakeholders and the organization have on each other, and determination of method to engage with stakeholders
- 3.1.3 Materiality analysis: determination and prioritization of sustainability issues

3.2 Set corporate sustainability policy

- 3.2.1 Commitment: set policy and goal for sustainability management.
- 3.2.2 Team set up: assign responsible person with role and responsibility to drive each significant sustainability issue to ensure connectivity of work.

3.3 Determination of sustainability strategy

- 3.3.1 Determination of sustainability framework or strategy
- 3.3.2 Determination of sustainability initiative

3.4 Determination of sustainImplementation

3.5 Disclosure

- 3.5.1 Data collection and verification: collection, storage and verification of sustainability data
- 3.5.2 Evaluation: analysis and assessment of sustainable implementation result
- 3.5.3 Communication: disclose and communicate sustainability implementation results to stakeholders
- 3.5.4 Review: review in order to consistently adjust and improve implementation result

4. Sustainability Commitment to High Purpose, Stakeholders, Value Proposition and Value Chain

4.1 Sustainability Commitment to High Purpose: Connect Your Happiness

- 4.1.1 Delivery of impressive travel and aviation products and enhancement of service experience
- 4.1.2 Spreading happiness through unique, reliable and seamless service
- 4.1.3 Promote sustainability in operation of the business with focus on stakeholders' engagement

4.2 Stakeholders

The Company considers six stakeholder groups that the company must appropriately demonstrate responsibility throughout the value chain as follows;

- 4.2.1 Business Partners



- 4.2.2 Community and Society
- 4.2.3 Customers
- 4.2.4 Employee
- 4.2.5 Investors and Shareholders
- 4.2.6 Regulators

4.3 Value Proposition

presented to stakeholders by merging with the Boutique that is unique to the company which aligns and supports successful commitments towards sustainability goals.

4.3.1 Trust

- (1) Transparent operation of the business under corporate good governance principle will gain confidence from stakeholders to use our services or to become a business partner.
- (2) The Company set procedures for reliable delivery of products and services that are able to ensure safety of lives, assets and data.
- (3) Products and services rendered by the Company are reliable, widely acceptable and certified under standardized principle.
- (4) The Company will make every effort to ensure that stakeholders are provided with the best treatment on timely basis.

4.3.2 Service

- (1) Procedures for delivery of professional services with attention to details aimed at creating the most impressive experience for all customers.
- (2) The Company recognizes the importance of Human Rights and renders services to all passengers without discrimination of gender, age, race or religion.

4.3.3 Smooth travel

- (1) Apply effective technology or innovation not only to provide additional conveniences to customers and respond to their

expectations but also to reduce wasteful use of our own resources.

- (2) The Company provides a variety of easily accessible sales channels to facilitate customers in conducting transactions.
- (3) Effective and efficient management of fleet and flight operations to ensure on-time performance.
- (4) The company takes care of customers who are inconvenienced by various incidents, taking impact on customers into account as important.

4.3.4 Value for money

- (1) The company presents worthwhile products in terms of comprehensiveness, convenience, and service.
- (2) Delivery of quality products and services that are adjustable consistence with related context.

4.3.5 Inspire

- (1) Offer unique domestic and international flight routes in respond to travel demand.
- (2) The Company's airports are located in interesting tourist destinations with high potential (Samui, Sukhothai and Trat).
- (3) The Company delivers inspiring messages through its Public Relations, Marketing and Advertising work.

4.3.6 Privilege

- (1) Seeking a variety of partnership to ensure selection of best benefits for customers
- (2) Operating business under SD principle to deliver best benefits for the organization and stakeholders

4.4 Value chain

4.4.1 **Eco-Business Intelligence:** Setting policy and planning products and services by using Business Ecosystem data to create competitive advantage and to deliver value to stakeholders

4.4.2 **Marketing & Sales:** Efficient marketing and sales to ensure stakeholders can



access products, services and valued delivered by the organization

- 4.4.3 **Operational Efficiency:** Optimizing operation of business by all units relevant to customer service
- 4.4.4 **Smart Collaboration:** Building a network and seeking cooperation in order to deliver products and value to stakeholders
- 4.4.5 **Engaged Excellence:** Create good relationship with stakeholders to enhance quality of products and services

5. Corporate Sustainability Strategy

The Company has formulated the Corporate Sustainability Strategy (2022) by considering 3 key issues regarding the sustainability of the organization and summarized into 3 strategies as follows;

Economic	<ul style="list-style-type: none"> 1) Cyber Security 2) Safety 3) Good Governance
Social	<ul style="list-style-type: none"> 1) Data Privacy 2) Employee Retention and Motivation
Environment	<ul style="list-style-type: none"> 1) Greenhouse Gases Management 2) Effluents and Waste Management 3) Energy Management 4) Pollution Management

5.1 Strive for a data-driven culture to optimize business outcomes and performances

Objective: To create a culture for recording, measuring, analyzing, and storing data correctly to benefit data processing. Processed data helps executive to make the right business decision.

5.2 Inspire our people to establish the learning organization to enhance human potential

Objective: To upgrade knowledge learning throughout the organization by promoting and providing appropriate learning environment, ensure concrete management of knowledge, develop work potential of employees under context of changes in business.

5.3 Strive for Excellence Operational Eco-Efficiency

Objective: To increase value of products and services by efficient use of resources to ensure minimum impact on the environment.

6. Sustainability Drive - from policy to practice

6.1 Management Committee, Corporate Sustainability Management Committee and employees in all departments are jointly committed to drive the Company towards sustainability through operational practices and initiative work process in consistence with corporate sustainability strategy with consideration of short term, middle and long-term goals.

6.2 The Company participates the assessment of sustainability implementation project, Thailand Sustainability Investment (THIS), organized by the Stock Exchange of Thailand (SET) beginning in 2022. It is used as a tool to improve sustainability implementation process and development of organizational potential for long term growth.

7. Policy review

Corporate Sustainability Management Committee shall review this policy once a year.

This Sustainability Policy, approved by resolution of Board of Directors Meeting No. 4/2022 held on 26 May 2022 was effective on 1 June 2022.

