



ANTI-HUMAN TRAFFICKING

As our airlines begin to go full scale with operations, our exposure to human trafficking risk increases. In 2023, we revived awareness of our anti-trafficking e-learning module, #KnowtheSigns, through a reminder campaign in conjunction with World Day Against Trafficking in Persons. Infographics on the signs of human trafficking and key information on reporting guides for identified cases were displayed at Cabin Crew reporting areas of all AOCs. The infographics were also made into wallet-sized cards, with a total of 7,400 distributed to all frontliners including cabin crew, security and guest services for the ease of reference.

Human trafficking is widespread in Asean, and needs to be checked because it is a gross violation of human rights while also leading to the possibility of cyber scams. Since the initiation of the training in 2017, we have trained 27,504 Allstars. We are continuously strengthening our efforts as we plan to update our e-learning module once every three years to reflect the latest trafficking trends for Allstars to be well equipped. The e-learning module has also been incorporated into Capital A's onboarding programme and is compulsory for frontliners to complete once every two years.

The module covers:



Our Progress

7,835
Allstars completed the module

↑634%
increase from 2022

>4,170
Training hours on anti-human trafficking

PAA Anti Human Trafficking Campaign

The Philippine Government takes a strong stance against human trafficking, evident in its Tier 1 ranking, the highest ranking in the U.S. State Department's Trafficking in Persons (TIP) Report.

To further equip our Allstars, we engaged in discussions with frontline agencies combating this issue including the Bureau of Immigration (BI), the National Bureau of Investigation (NBI), and Manila International Airport Authority (MIAA).

Acknowledging our responsibility in preventing human trafficking, the talks were aimed at educating Allstars on combating this crime and providing more insight into prevention efforts.

With the participation of 300 Allstars, the sessions covered topics such as profiling, identifying and handling potential victims of human trafficking. PAA is committed to working alongside all stakeholders to actively prevent human trafficking.

Moving Forward

Human rights issues are complex and any situation that happens on the ground needs proper remediation through cooperation and dialogue. We work continuously to improve and strengthen our approach in response to changing situations. In 2024, we aim to enhance human rights awareness in other key relevant departments.









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TRANSFORMING INTO A DIGITAL TRAVEL AND LIFESTYLE BRAND

Guest Experience

Capital A strives constantly not just to meet but exceed the needs and expectations of our guests and customers through the delivery of quality service and products. As we expand into digital ventures, we are enhancing our customers' guests' experience through new products and offerings in our travel and lifestyle app, AirAsia MOVE.

2023 Performance Overview

-  **20.2 mil**
guests used AskBo
-  **31.9 mil**
guests performed self check-in
-  **18 mil**
e-Boarding Passes shared
-  **>1.2 mil**
active FACES guests
-  **4.5**
mishandled baggage/10,000 passengers (global average: 7.6)
-  **77%**
on-time performance
-  **88%**
load factor for short-haul flights
-  **NPS** score of 52

Our Management Approach

- ISO 10002-2018 Customer Satisfaction and Complaints Management
- AirAsia Complaints Handling Policy Statement

Supporting the UN SDGs



REDEFINING TRAVEL AND LIFESTYLE

Capital A is dedicated to delivering courteous and seamless travel experiences across all facets of our operations, as we redefine travel and lifestyles within the region. Through ongoing investments into our digital portfolios and aviation services, we seek to create an ecosystem of thoughtfully curated experiences at every interaction point for our guests. We also employ an increasing array of data analysis tools such as artificial intelligence (AI), big data and predictive analytics to analyse and anticipate customers' behaviour, thereby enhancing their journey with us.

We maintain various customer touchpoints on which customers can engage with us as well as provide feedback. This helps us to improve our service delivery while solidifying their trust in us.



WhatsApp

TRANSFORMING INTO A DIGITAL TRAVEL AND LIFESTYLE BRAND

AIRLINES

Customer experience is a top priority at Capital A and is one of the most challenging to fulfill as it involves meeting the needs and expectations of millions of customers. As our business ramps up and passengers return in the millions, one of the key lessons we have learnt over the past three years is the importance of leveraging the power of technology and improving our interfaces to meet our service pledge. In 2023, many of our touchpoints were enhanced with AI functionalities to enable guests to manage their travel experience independently and conveniently, from their booking process all through to the completion of their journey with us.

The diagram provides a snapshot of some of the touchpoints which were enhanced in 2023.



1 airasia

In September 2023, airasia SuperApp refreshed its name to AirAsia MOVE, reflecting the new direction being taken by the super app and BigPay to be travel focused. To create a seamless journey for our passengers, we added the following new features to our app:

New Feature	2024 Plans
Integration of BigPay into the app in Malaysia for easy balance viewing while making flight bookings	To enable easy BigPay Lite Wallet sign-up within the app
Two-factor authentication (2FA) for secure login/sign-up through email and SMS OTP verification	To allow managing accounts linked with multiple emails
Booking status card enhancement, where Guests can find real-time updates on their booking status displayed on the home screen	To improve booking cards and enable booking sharing with friends and family for easier group management.
Card authentication and payment security enhancement validation to reduce fraudulent activities	To focus on cleaning up invalid saved cards and encouraging users to re-authenticate their cards
Account security improvement and security integration to combat fraud	Converge email and SMS OTP across regions for a smoother login/sign-up experience

Following the updates to our app, in 2023, we received an NPS score of 49, with a CSAT score of 55% for live chat and 44% for email.

2 AskBo

In February 2023, we introduced our latest AI chatbot, AskBo, to replace our first iteration, affectionately known as AVA. While AVA met our original design scope, we acknowledged the limits of our first-generation chatbot. Drawing on valuable insights from AVA, we introduced AskBo, named after our airline group CEO Bo Lingam, to address more complex queries, efficiently and swiftly.

AskBo was developed with refined AI and machine learning capabilities built on a thorough analysis of guests' needs and primary concerns by our customer experience team. Among the new capabilities featured are:

- live updates on flight status in multiple languages
- notifications alerting guests to any operational changes
- baggage information
- real-time automatic updates of departure timing directly into the electronic boarding pass

The introduction of these functionalities has significantly boosted efficiency in handling queries, lowered our costs and enhanced overall customer satisfaction by delivering instant, consistent and personalised interactions. Our customers' view of AskBo's performance is measured via dedicated AskBo CSAT Scores (see results below).

**Bye Bye AVA,
Hello AskBo!**



**In 2023, AskBo
successfully assisted**

✓ **20.2 million** guests
✓ **14 million** queries resolved

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3 SELF-SERVICE SOLUTIONS

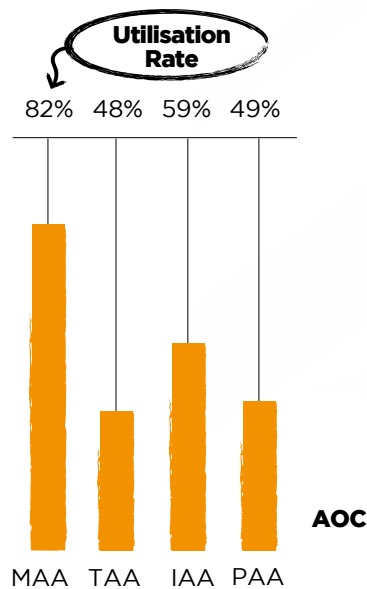
Technology also helped us provide more independence to our guests in preparing for their upcoming travel and reduce or even entirely eliminate queuing time at airport check-in counters and checkpoints. We enhanced our self-service solutions to offer more convenience based on the travel patterns of our customers.

Self Check-In

To drive up utilisation rates, we focused on addressing two adoption barriers.

- 1) Securing agreement of the authorities to accept digital boarding passes (e-BPs)
- 2) Increasing the number of passengers in group bookings permitted for self check-in from 18 to 50

This drove adoption rates up across the board, especially in Malaysia, where the enhancements were first introduced.



2023 Results

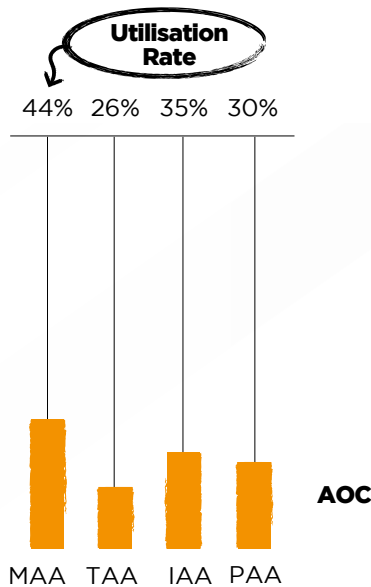
31.9 million self check-ins

200,000 paper boarding passes eliminated

e-Boarding Pass

Enhancements this year included:

- Enabling e-BPs to be generated, downloaded and shared for multiple passengers travelling on the same booking using the same mobile
- Adding a live flight status field
- Including latest boarding gate updates



2023 Results

18 million e-BPs shared

Flight Notifications

We enhanced notifications on our mobile app to be more proactive, displaying:

- Baggage acceptance at Self Baggage Drop or at check-in counter
- Boarding gate and Flight disruption updates
- Travel requirements



4 **FACES**

AirAsia introduced its biometric facial recognition technology, FACES, in 2021 revolutionising the check-in experience by incorporating contactless processes such as baggage drop, identity validation, and pre-security clearance. The primary objective is to harness innovation and technology, digitising our operational procedures and enhancing security measures to ensure a safe and seamless travel experience.

AirAsia also worked with Malaysia Airports to integrate FACES with MAHB's facial recognition-based token registration technology, EZPaz, at klia2 for improved pre-security clearance measures.

This year, we laid the groundwork to expand FACES to other Malaysian hub airports in 2024. FACES will also be expanded for international flights.

**In 2023,
FACES registered**

✓ **1.2 million**
enrolments

✓ **20%**
domestic
travellers
in Malaysia



5 **ADVANCED BAGGAGE TRACING SYSTEM**

In 2023, AirAsia embarked on a major initiative to upgrade our baggage tracking system. Although AirAsia's baggage handling track record has been stellar, this upgrade will prepare us for growth in the next decade.

Among the enhancements include decentralised baggage tracking capabilities. At present, baggage tracking can only be performed using desktop machines. Our advanced baggage tracing system will enable our ground service Allstars to track baggage via a mobile phone app. In March 2023, we finalised our software solution and commenced the upgrading process.

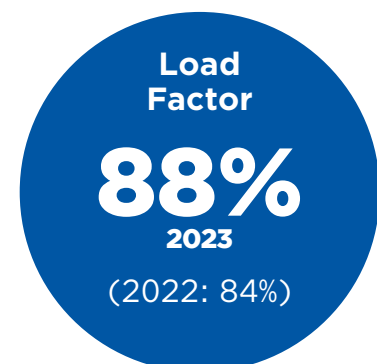
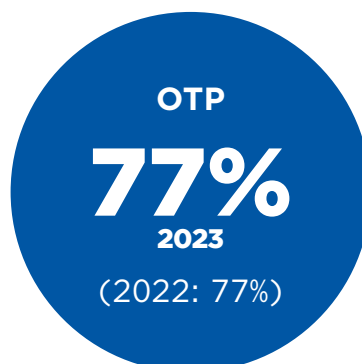
These improvements helped keep our baggage mishandling rate well below global averages. According to the SITA Baggage IT Insights 2023 Report, the global baggage mishandling rate rose to 7.6 bags per thousand in 2022.



IMPROVING SCHEDULE RELIABILITY

Other than the booking experience, the most important factor influencing customer experience is our on-time performance (OTP). Over the past three years, airlines around the world have struggled to improve OTP as the industry continues to reel from the impact of the pandemic shutdowns. AirAsia experienced many delays in aircraft coming on line, largely due to supply chain issues such as availability of manpower and parts, as well as maintenance slots at many of our partners and vendors. In addition, aircraft were coming into service after long periods of hibernation, we discovered many additional findings after extensive maintenance checks which had to be rectified.

Nonetheless, we were able to keep our OTP rate steady in 2023 even as we rebuilt our network and increased our load factors. Comparing the two years, our performance is as follows:



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Although there was no year-on-year improvement in our OTP, we consider this a relative success when viewed in the context of the significant network-rebuilding that had to be undertaken together with high demand. Comparing the two years, our load factor increased by four percentage points, which translates to 32.7 million more guests in 2023 than the previous year.

Among the tools deployed to manage our OTP performance is an algorithm to predict delays four hours in advance of a flight. This allows our Network Management Centre to mitigate and minimise the impact of the delays. Our Customer Happiness team will notify guests in advance and our Guest Services team will prepare for new check-in times. In addition, our Operations leaders conduct regular walkabouts to assess various touchpoints and to identify any potential delay factors, particularly at kiosks and self baggage drop areas. During peak periods, additional assistance is deployed at these locations to facilitate a smoother guest experience.

As we head into 2024, we have worked hard to educate and train our Allstars on data literacy to ensure that they have the skills to better monitor and improve our performance as we continually strive to achieve our OTP target of 85% or above.

MEASURING GUEST SATISFACTION

To track the results of ongoing improvements, the Customer Happiness Team conducts continuous customer satisfaction surveys. Survey forms are automatically sent to guests once they have completed their bookings and when they complete their journeys. The results of these surveys are used to calculate our Net Promoter Score (NPS) and Customer Satisfaction (CSAT) scores.

Accountability for our guest satisfaction levels lies with the CEOs of our airlines and MOVE businesses. Each month, NPS and CSAT scores are shared with the CEOs during strategy meetings, as well as through monthly NPS reports. Reviews are conducted monthly at our Customer Experience Steering Board meetings.

Net Promoter Score

metric used by AirAsia and AirAsia MOVE to measure the entire customer experience across all touchpoints from booking to end of transaction.

Customer Satisfaction Score

assesses customer satisfaction of specific touchpoints.



Measure	2022	2023
NPS	36	52
CSAT (Livechat)	47%	67%
CSAT (AskBo)	N/A	82%

In 2023, we gathered a total of 2.8 million responses across our NPS and CSAT surveys. From the feedback provided, we can confirm that our guest satisfaction levels have risen as a result of improved on-time performance and ease of use of our self-service solutions. Further improvements will be made to continue our upward journey.



As one of the fastest-growing fintech apps in the region, BigPay hosts products and solutions that help customers manage their daily financial needs. In 2023, BigPay introduced several new features to further enhance the customer experience for more convenient transactions.

Integration with AirAsia MOVE

In October 2023, BigPay was integrated into AirAsia MOVE to enable seamless payments using the one-stop travel platform. By linking BigPay to the app, guests will be able to check their credit balance, make payments more conveniently, and access exclusive rewards.

Cross-border DuitNow QR Payments

In an effort to improve financial connectivity within the Asean region, BigPay has introduced instant QR payments featuring competitive foreign exchange rates. The aim is to provide added convenience for cross-border transactions without the need for cash or cards while travelling. As of 2023, QR payments have been made accessible in Thailand, Singapore, Indonesia and China.

BigPay tracks its performance and customer satisfaction through an annual customer satisfaction survey.

In 2023, more than 34,000 users responded, indicating:

94%
Customer satisfaction
(+3.2ppts from 2022)

100%
complaints received
were addressed



As the in-flight catering provider for AirAsia, Santan is committed to consistently satisfying guests while upholding the taste and quality of its signature meals. In 2023, the team revamped its menu, introducing new food items, including vegetarian, vegan and superfood options such as Pak Nasser's

Plant-Based Nasi Lemak and the Schroom Wrap, to accommodate a broader spectrum of dietary preferences.

Additionally, Santan unveiled its instant freeze-dried coffee, featuring sustainably sourced pure coffee beans, devoid of artificial flavours, sweeteners and other additives. This new selection allows guests onboard to enjoy drinking a fresh cup of coffee as much as they would when on the ground.



Feedback is gathered through customer surveys as well as reviews on platforms like Google and Shopee Food, along with online surveys. To continuously evaluate our service, we implement a mystery shopper programme, motivating our outlet staff to consistently perform at their best.

In 2023, we received over 200 comments, predominantly positive, praising our food and customer service. However, 51% of the feedback were suggestions on improving meal portions and 82% on pricing.

In the latest update, Santan has strategically restructured its business model to focus on catering services and the provision of ready-to-eat frozen food to the retail sector. As a result, we are significantly expanding our Santan catering and cafe services at various locations including our RedQ office, the LOB office at Wisma Tunes, the ramp cafeteria, GTR office, corporate events, and other occasions. Additionally, we are extending our catering services externally to places like KPJ Hospital. Furthermore, Santan is actively supporting local businesses by collaborating with ZUS Coffee and Penang Chendul for both inflight and on-ground services.

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Ground Team Red (GTR) strives to deliver the highest quality of ground handling services and productivity by embracing technology. The company currently serves AirAsia as well as 16 other local and global customers. The team distributes an NPS survey to its foreign carrier customers on a quarterly basis, while AirAsia's assessment on satisfaction is done collaboratively with its internal Customer Happiness team.

49

NPS score in 2023
(2022: 26; Target: 50)

Gathering feedback from more than 3,500 respondents through the NPS survey, it attained a score of 49. Although slightly below target, GTR considers this an accomplishment, given the notable 23-point improvement from 2022, especially considering the challenges of fully restoring operations post-hibernation, such as manpower and equipment shortages. By reviewing its NPS scores on a weekly basis, the goal in 2024 is to enhance this process further by ensuring response to feedback within 48 hours.

GTR AMBASSADOR PROGRAMME

The programme's main objective is to identify high-potential exemplary Allstars with leadership qualities and nurture them to become mentors as well as GTR's customer-facing representatives.

The first phase of the programme was launched in 2023 with modules that cover:

- problem-solving and conflict resolution
- handling difficult customers
- effective communication

As at the end of January 2024, GTR had trained 40 Allstars. The positive feedback on this programme reinforces GTR's commitment to cultivating a leader that can prioritise customer satisfaction.



56

participants
successfully completed
the training in 2023 across
all hubs in Malaysia

teleport

By optimising its service to help freight forwarders, e-commerce marketplaces and third-party logistics, Teleport is working to be Asean's leading logistics provider. With the introduction of two new freighters in 2023, it strives to help consumers save time, money and effort on each shipment. Its mission is to move things across the region better than anyone else through its competitive network advantage.

Customers are asked for feedback at the close of any engagement with Teleport across platforms such as email, live chat and social media. They are also requested to rate Teleport on a scale of one to five. To continuously deliver the best service to customers, Teleport has restructured its customer care team to handle complaints 24/7. This was reflected in a high customer satisfaction score in 2023:

86.6%
customer satisfaction score
(Target: >80%)

100%
**complaints received were
addressed**

airasia academy places great importance on the learning experience of its students through education technology (edtech). Committed to UN SDG 4: Quality Education, airasia academy uses a hybrid model of on-demand learning (ODL) and instructor-led training to bridge the gap between tertiary education and advanced industries. This hybrid model allows learners from diverse backgrounds to access high quality training from anywhere in the world.

Upskilling, training and developing employees creates a significant competitive advantage for any organisation, especially in today's technology-driven world. airasia academy provides a platform that does precisely this, targeting the Asean workforce.

Feedback forms are sent to participants of instructor-led training programmes whereas on-demand learning subscribers are free to use the forum to give feedback and make requests. In 2023, the academy achieved:

93%
learner
satisfaction rate
(Target: 80%)

750,000
ODL platform users
in 2023
(↑59% from 473,000 users in
2022)



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Technology & Innovation

(GRI 3-3)

Advancing as a digital lifestyle company, technology and innovation have emerged as primary focal points shaping the future of our businesses, encompassing both internal operations and product offerings. This year, we are dedicating a standalone section on technology to present a more comprehensive overview of how advanced technologies and innovation are driving business throughout the entire Group, enhancing efficiency, cost-savings and convenience.



2023 Performance Overview



Avoided printing
2.9 mil
passenger manifests



99.9%
Google Cloud migration



14.2 mil
monthly active users on
AirAsia MOVE

Our Management Approach

- Information Security Policy
- Data Governance Policy
- Access Control Policy
- ISO/IEC 27001:2023 - Information security, cybersecurity and privacy protection - Information security management systems
- Personal Data Protection Act 2010
- Data Security and Privacy

Supporting the UN SDGs



Capital A has seen positive outcomes from our digital transformation and is now focused on scaling up the process as we sustain an innovation culture within the organisation including our LOBs. Various digital systems introduced in the past are widely adopted - e.g. guests normalising self check-in, and employees managing work efficiently with the cloud-based system. Meanwhile, many more major innovations are being integrated into our operations bringing more value to everyone.

DIGITAL TRANSFORMATION OF OUR OPERATIONS

AIRLINES

Digital transformation is revolutionising the way airlines operate and manage their customer traffic. Since the start of our journey, AirAsia has introduced multiple innovations to increase travel convenience, improve processes and reduce resource utilisation, especially paper.

We continue our mission to digitalise the travel experience of AirAsia guests through innovative self-service solutions that minimise waiting times, manpower requirements and physical documents. In the Guest Experience chapter, we detail the self-service solutions that have enhanced the customer experience and contributed to improving our Net Promoter Score while delivering sustainability gains in cutting paper use.

Less visible but equally impactful is progress made in updating legacy ground operations procedures around documentation and filing. This drive, which began in 2020, has seen AirAsia replace thousands of paper documents with digital versions to ease information accessibility and alleviate storage constraints. Below are some highlights of our ongoing efforts.

Digital Trip Files (DTF)

Trip files are sets of documents that are required to be filed to regulators to record each flight arrival. Every trip file contains an average of 20 A4 sheets of printed material.

Between 2021 and 2022, AirAsia began to engage with regulators in all our AOC countries to advocate a transition to DTF, taking advantage of the opportunity provided by the pandemic to catalyse digitalisation of legacy processes. Once fully implemented, DTF will enable AirAsia to cut millions of sheets of printing annually and save hundreds of man-hours required to perform administrative functions. Unlike physical documents which require storage facilities, DTF can be stored in a secure cloud platform, enabling all the benefits of digitisation such as easily accessible file directories and online search functions.

Throughout 2023, our trial continued with civil aviation authorities in Malaysia, Thailand, Indonesia and Philippines. During this period, digital copies of all trip files were created and stored in internal servers. A major enhancement was to move the digital files from internal to cloud servers for better data protection.

We expect to receive final approval for a full transition to digital filing from mid-2024 in Malaysia, where the initiative first kicked off, followed by other AOC countries.

Expected outcome



**Elimination
of 6.5
million**

sheets of A4 documents per year



Passenger Manifests

Passenger manifests are typically printed one day in advance of a flight as backup for any unexpected system down time.

In 2022, AirAsia implemented a system that enabled the auto-upload of manifests to be stored in local drives. Manifests are also automatically shared with immigration departments 30 minutes after a flight departure.

2023 outcome



Avoided printing of

2.9 million

A4 documents

Ground Ops Manual Bot

AirAsia's GOMBot is a new interactive search engine application platform that uses artificial intelligence (AI) to assist ground service Allstars retrieve information from manuals and SOPs through their devices.

This tool will enhance our Allstars' ability to assist guests following accurate procedures without the need to print physical copies of manuals annually at all AirAsia stations.

2023 outcome



**GOMBot
went live**

at all AOCs in September 2023

RedApp

RedApp eliminates counter congestion by allowing most processes to be completed anywhere within the terminal. This solution enables ground service Allstars to conduct tasks typically undertaken at check-in counters including check-in, ancillary upgrades, payment and flight changes.

2023 outcome



**RedApp
went live**

at all AOCs in March 2023

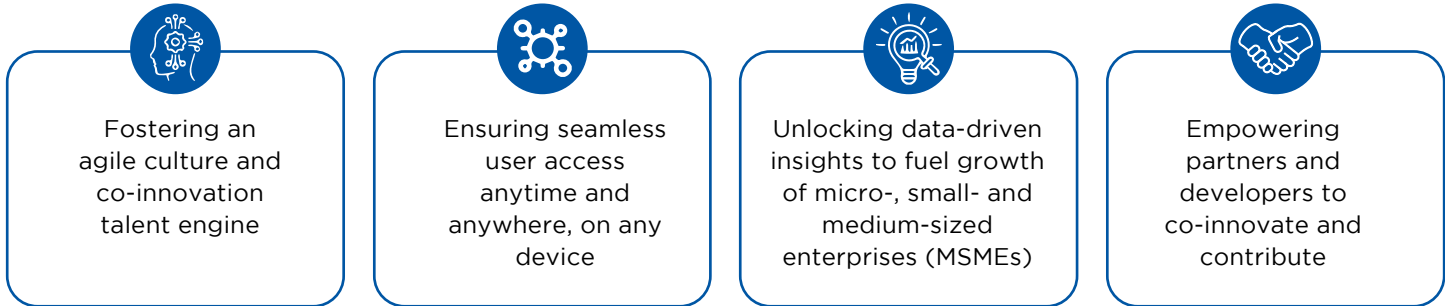
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CLOUD-POWERED ECOSYSTEM

The collaboration between Google Cloud and AirAsia MOVE in April 2022 was to transform our workplace into an integrated cloud-powered system for the data storage of our systems as well as communication channels.

The five-year strategic collaboration combines core competencies of both organisations around the following four pillars:



One of the primary benefits of cloud computing is the ability to scale resources up or down based on demand, which means we do not need to invest in additional hardware or servers when launching extensive promotions such as our low-fare or free seat campaigns. According to the International Data Corporation, the use of cloud services will help us to shave 30% or more of our cost as compared to using on-premise, traditional IT infrastructure.

The ability of Allstars to access the entire Google Suite tools has boosted productivity by streamlining communications, reducing server downtime and facilitating collaboration. As of end 2023, we had successfully migrated 99.9% of our data storage onto Google Cloud, up from 98% at the end of 2022.

Our approach as we move into 2024 is to continue with our Cloud First Policy where we prioritise solutions that support cloud hosting.

The infographic is a blue rectangular block with white text. On the left, the ADE logo is shown with the tagline 'ASIA DIGITAL ENGINEERING'. Below it, text describes ADE's journey in 2023 to introduce digital solutions in maintenance, repair, and operations (MRO). A central orange circle contains the text 'Two key initiatives are:'. To the right, two sections are detailed: 'ELEVATE FLEET' describes aircraft health management software that reduces cabin life vest inspection time from 20 to 2 minutes per aircraft, and 'ELEVATE PEOPLE' describes an in-house time tracking system for managing employee shifts, successfully deployed for over 2,800 Allstars in Thailand and China starting in December 2023.

In efforts to minimise paper-based documentation and reduce its carbon footprint, ADE aims to implement a more digital workflow in its operations. This begins by digitising all manufacturer's aircraft manuals and also planning to embrace artificial intelligence and machine learning for handwriting recognition for the conversion of the existing paper-based documents.