

AIRASIA X BERHAD

(Company No. 734161-K)

(“**AirAsia X**” or “**Company**”)

AirAsia X Safety Review Board

Terms of Reference

TERMS OF REFERENCE

Items	Name of Committee	:	Safety Review Board of AirAsia X Berhad (“SRB”)
1	Applicable laws / Guidelines	:	<p>Including but not limited to:</p> <ul style="list-style-type: none"> (a) the Companies Act 2016 (“CA”); (b) the Malaysian Code on Corporate Governance 2017 issued by the Securities Commission (“MCCG”); (c) the International Civil Aviation Organization Annex 19 – Safety Management; (d) the Civil Aviation Act 1969 including Civil Aviation Regulations 2016; (e) the ICAO DOC 9859 Management Manual; and (f) where applicable, the provisions of the Constitution of the Company.
2	Objectives/Principles	:	<p>The SRB provides oversight over the effective and efficient implementation of the Company Safety Policy within the overall AirAsia X Safety Management System.</p>
3	Roles and Responsibilities	:	<p>The SRB:</p> <ul style="list-style-type: none"> a) ensures that processes are in place to inculcate a culture of safety throughout the Company, prioritising guests, employees and third parties; b) reviews the Safety Policy and the Safety Management System to ensure that these are fit for purpose. The reviews will include reviews of the safety organisation structure, including reporting lines, authorities, responsibilities, as well as processes and procedures, allocation of resources and training requirements; c) defines and reviews the safety performance goals and sets safety performance indicators to enable effective monitoring of these goals; d) reviews the safety performance indicators to ensure that these are adequately met and that the necessary corrective action is taken where improvements are required; e) monitors the effectiveness of the Safety Management System implementation plan;

			<ul style="list-style-type: none"> f) reviews activities that require formal application of risk management techniques; g) monitors actions recommended by incident/accident investigations are adequately tracked and implemented by relevant parties; h) monitors the effectiveness of the organisation's safety management processes which support the declared corporate priority of safety management as another core business process; i) monitors the effectiveness of the safety supervision of subcontracted operations; j) ensures that appropriate resources are allocated to achieve safety performance beyond that required by regulatory compliance; k) provide strategic directions on safety to operational departments where applicable; and l) reviews regulations, standards and latest best practises to ensure best in class safety standards in the company.
4	Authority	:	<p>The SRB is authorised to seek independent professional advice, at the expense of the Company, in carrying out its duties.</p> <p>The SRB shall be delegated with decision making powers.</p>

5	Members	:	<p>Members of the SRB comprise the following:</p> <ul style="list-style-type: none"> a) Chief Executive Officer; b) Safety Director; c) Flight Operations Director; d) Head of Security; e) Head of Engineering; f) Head of Ground Operations; g) Chief Pilot Flight Safety h) Chief Pilot Training and Standard i) Chief Pilot Operation j) Cabin Safety Manager k) Ground Safety / ERP manager l) Hazard Identification and Risk Assessment Executive m) Quality Assurance Manager; Safety n) Quality Assurance Manager; Engineering o) Ramp Manager <p>The permanent invitees of the SRB are the Chief Executive Officers of the airlines (other than the CEO of the Company) within the Company.</p> <p>Each appointed SRB member shall hold office until the earlier of: (i) such time as the Board determines to terminate his/her appointment; or (ii) the SRB member ceasing to (A) be a member of the Board (applicable to members appointed by the Board) or (B) hold the said positions (applicable to non-Board appointed members of the SRB).</p> <p>Where there is a specific need for information or clarification on any matters, the relevant employee may be invited to attend the specific part(s) of the SRB meeting(s).</p>
6	Chairman	:	<p>The Chairman of the SRB shall be appointed by the Board and must be an Independent Director. In the absence of the Chairman at any meeting, the remaining members present shall elect one amongst themselves to chair the meeting.</p>
7	Quorum	:	<p>The quorum for meetings shall be at least five (5) members, including Chief Executive Officer or his/her delegate.</p> <p>A duly convened meeting of the SRB at which a quorum is present, either in person or via teleconferencing facility, shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the SRB.</p>
8	Frequency and notice of meetings	:	<p>The SRB shall meet not less than four times a year (once every quarter) and at such other times as the Chairman of the SRB considers necessary or appropriate.</p> <p>Meetings of the SRB shall be called by the Secretary of the SRB at the request of the Chairman of the SRB.</p>

			<p>Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the SRB and any other person required to attend, no later than seven (7) calendar days before the date of the meeting. Reasonable time should be given for the SRB members and to other attendees as appropriate, to consider all relevant papers and materials prior to the SRB meeting.</p>
9	Voting, Proceedings and Minutes of meeting	:	<p>Matters arising at any meeting shall be decided by a majority vote of the members present, each member having one (1) vote. In the event of equality of votes, the Chairman of the SRB shall have a second or casting vote.</p> <p>The Secretary of the SRB shall minute the proceedings and resolutions of all SRB meetings, including the names of those present and in attendance. The minutes of the SRB, when approved by the SRB, should be circulated to the Board.</p> <p>The SRB may approve administrative/non-material matters by circular resolution.</p>
10	Reporting structure	:	<p>The Chairman of the SRB will report formally to the Board of Directors on the key aspects of its proceedings after each meeting.</p> <p>The SRB shall compile a report to the shareholders on its activities to be included in the Company's Annual Report.</p> <p>The Chairman of the SRB shall respond to any questions relating to the SRB's activities at the Annual General Meeting of the Company, at the discretion of the Chairman of the AGM.</p>
11	Secretary	:	<p>The Safety Director or his/her designate shall act as Secretary of the SRB and shall be responsible, with the concurrence of the Chairman of the SRB, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting.</p> <p>The Secretary of the SRB shall be entrusted to record all proceedings and minutes of all meetings of the SRB, including the names of those present and in attendance. Meeting minutes shall be approved by the SRB at its next meeting.</p> <p>The approved minutes of the SRB, shall be circulated to the Board.</p>
12	Review of the Terms of Reference	:	<p>The Terms of Reference of the SRB has been approved by the Board on 21 February 2018.</p>

			The SRB shall conduct annual review of its own performance and Terms of Reference to ensure its effectiveness and recommend any changes to the Board, as it considers necessary and in compliance with any regulations.
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