

Hong Kong Express Airways Limited (“HKE”)**Schedule – Use of Artificial Intelligence**

This Schedule sets out the AI compliance requirements applicable to each HKE Partner and Supplier that supplies or uses artificial intelligence in connection with the Products and/or Services. To the extent this Schedule is incorporated by reference into, or otherwise referred to in, an Agreement, this Schedule shall form an integral part of that Agreement and shall be binding on the relevant Partner/ Supplier. The Partner/ Supplier shall comply with the version of this Schedule applicable to that Agreement.

1. Use of Artificial Intelligence

1.1. For the purposes of this clause 1, capitalised terms shall have the following meanings:

AI means any artificial intelligence technologies or systems that, for a given set of explicit or implicit objectives, generate output data such as such predictions, content, recommendations, or decisions that can influence physical or virtual environments, including (but not limited to) technologies or systems using machine learning or deep learning techniques, supervised and unsupervised learning, logic or knowledge-based approaches.

AI Model means specific AI algorithm and algorithmic process used by the Supplier under this Agreement to generate output data.

1.2. **Transparency.** The Partner/ Supplier shall:

- (a) promptly notify HKE in writing prior to any supply and/or use of AI in connection with the supply of Products and/or Services, or prior to implementing any material change to the AI Models; and
- (b) provide any relevant information and cooperation requested by HKE in connection with any supply and/or use of AI under the Agreement, including (but not limited to) any algorithms and/or hyper parameters.

1.3. **Compliance.** The Partner/ Supplier shall ensure that the AI, including the AI Model and all data used in connection with the AI, including any input, training and generated output data, shall not violate or infringe applicable laws (including Privacy Laws) and/or intellectual property rights of any third party.

1.4. **Ensure fairness and no bias.** The Partner/ Supplier shall ensure that the data used to train, test or operate the AI, and any decisions derived from the AI are objectively appropriate, fair and unbiased, and do not systematically discriminate against any individual (or group of individuals) in relation to any protected attributes prescribed by law or otherwise. The Partner/ Supplier shall, upon HKE's request, provide adequate and reasonably legible explanation on how the output data is derived from the AI Model.

1.5. **Stability, security and oversight.** The Partner/ Supplier shall ensure that the behaviour of the AI remains stable and complies with the information security requirements set out in Schedule 4 (Information Security Requirements), and achieves an appropriate level of robustness, accuracy, safety and cybersecurity. The Partner/ Supplier shall ensure sufficient human oversight over the AI and validation of the implementation of the AI Model. The Partner/ Supplier shall ensure the use of

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any AI solution by its subcontractors and/or affiliates when performing their obligations under the Agreement complies with this clause 1.

- 1.6. **TPSA.** As part of HKE’s Third Party Security Assessment (**TPSA**), upon reasonable notice by HKE, the Partner/ Supplier shall submit its AI Model for an assessment of the Partner/ Supplier’s compliance with this clause 1 and HKE’s Information Security Requirements, and provide reasonable assistance to HKE to carry out appropriate system tests (which may be conducted onsite or remotely) necessary to assess such compliance. The Partner/ Supplier shall provide a remedial action plan (including remediation timelines) to HKE to address: (i) any failure by the Partner/ Supplier to ensure compliance of the AI Model with this clause 1 and/or HKE’s [Information Security Requirements]; and (ii) such other risks identified by the TPSA.
- 1.7. **Partner/ Supplier conducted/engaged audits.** The Partner/ Supplier shall make available to HKE, at no additional charge, the results of any internal or external review or audit conducted by the Partner/ Supplier or its Subcontractors (or an independent professional adviser), to the extent relevant to the AI Model within thirty (30) days after receipt or finalisation of the report in respect of such review or audit.
- 1.8. **Indemnities.** The parties acknowledge and agree that the Partner/ Supplier shall indemnify and keep indemnified HKE, Cathay Group Entities, and each of their respective Personnel from and against any Liability incurred by HKE to the extent related to or arising out of, directly or indirectly:
- (a) any claim by a third-party alleging infringement of its intellectual property rights by reason of: (i) provision, receipt or use of the AI Model in accordance with the Agreement; (ii) the Partner/ Supplier’s use of any training data for the purposes of training the AI Model; or (iii) the AI Model’s generation of output data that is unmodified by HKE; and
 - (b) any claim by a third party alleging HKE is not in compliance with Privacy Laws as a result of the AI Model’s generation of output data that is unmodified by HKE.

For the purposes of this Schedule,

Cathay Group Entity means Cathay Pacific Airways Limited (Business Registration Number 15833) and any entity that controls, is controlled by, or is under common Control with Cathay Pacific Airways Limited.

Privacy Laws means the privacy laws of the place of HKE’s incorporation or applicable to HKE’s business operations, the privacy policy issued by HKE from time to time (available at the Legal and Privacy section at <https://www.hkexpress.com/>), and any other applicable legislation, principles, industry codes and policies relating to the handling of Personal Data.