

Enterprise Risk Management Policy

Objectives and Scope of the Policy

Enterprise Risk Management Policy has objectives for management and employees to manage uncertain events that may impact the achievement of company's vision, mission and strategy. Scope of risk management policy cover and apply to Advance Info Service Plc (AIS). and AIS's subsidiaries (collectively called "AIS").

Definition¹

Events: These may result in a negative or positive outcomes. Events that are beneficial to the achievement of one objective may at the same time pose a challenge to the achievement of other objectives.

Risk: The possible events which will occur and affect the achievement of strategy and business objectives.

Enterprise risk management: The culture, capabilities, and practices, integrated with strategy-setting and performance, that organizations rely on to manage risk in creating, preserving, and realizing value.

Key Tasks

It is the policy of the company:

1. To manage our obligations and to pursue opportunities, involving an acceptable degree of risk, to achieve our commercial and operating objectives, and to fulfil expectations of our stakeholders. Our policy gives consistent consideration to the balance of risk and commercial implications.
2. To set business strategies that are consistent with the company's risk appetite (as approved by the Board of Directors).

¹ The definition refers to Enterprise Risk Management Integrating with Strategy and Performance, COSO ERM 2017

3. To achieve the corporate strategy, including supporting operating plans, key business decisions, and key day-to-day operating activities. The company should
 - identify new and emerging risks and review existing risks regularly so that management can deploy risk responses on time;
 - assess the severity of the risk, with an understanding of how the risk may change;
 - prioritise risks, allowing management to optimize the allocation of resources in response to those risks;
 - identify and select responses to risk; and
 - develop a portfolio view to enhance the ability of the organization to articulate the amount of risk assumed in the pursuit of strategy and entity-level business objectives.

Roles and Responsibilities

1. **Board of Directors** is responsible for providing risk oversight of enterprise risk management culture, capabilities, and practices. Therefore, the board's oversight role should be objective, capable, and inquisitive.
2. **Audit and Risk Committee**, appointed by the Board of Directors, is responsible for performing risk oversight to ensure compliance with the Company's risk management framework and guidelines. The Audit and Risk Committee is also responsible for reviewing the appropriateness and effectiveness of the Company's business processes and risk management process.
3. **Risk Management Committee** comprises of senior executives. The Risk Management Committee holds regular meetings in order to identify and assess new risks and correlations with other identified risks. They also review and follow up on the accomplishments of its risk management strategy by comparing action plans against their measured results. The Risk Management Committee reports the risk management results to the Audit and Risk Committee, and the Board of Directors on regular basis to ensure that the Company's key risks are closely monitored and managed to an acceptable level and that the Company is able to accomplish its goals and objectives.

4. **Chief Executive Officer** is responsible for implementing the Risk Management Policy and monitoring its ongoing actions and controls to facilitate the achievement of business plans and goals.
5. **Management and employees** are responsible for identifying, evaluating, and managing their risks from company business, operation, and ensure compliance with risk management policy and framework.
6. **Risk Management Team** is responsible for providing advice to the management and employees on implementing the risk management process and integrating it with strategy and performance.

The implementation of this policy will include the establishment of guidelines for management and employees on risk management processes and providing sufficient resources to enable this policy to be implemented satisfactorily.

Enterprise Risk Management Framework

AIS adopts COSO ERM 2017: Enterprise Risk Management Integrating with Strategy and Performance.

Relevant Existing Policy and Enterprise Risk Management Manual

Risk Management Policy covers manual, standards, and regulatory requirements as specified below:

- AIS Enterprise Risk Management Manual
- ISO 22301 Business Continuity Management System
- ISO/IEC 27001 Information Security Management
- ISO 14001 Environmental Management System
- Other standards and regulatory requirements as agreed by Risk Management Committee

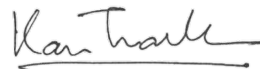
No Exceptions under the Policy

In situations where management believes that any situations or actions are not in line with this policy, such matter must be referred to the Risk Management Committee for consideration and approval in advance before any commitment being entered into by the Executive.

Policy Review and Update

This policy and the underlying guideline framework procedures will be reviewed annually to ensure that it shall be continuously applied to the relevant processes. A periodical and independent review in the adoption and effectiveness of this policy will be undertaken in order to provide feedback to the Risk Management Committee and to facilitate continuous improvement, and those shall be approved by the Risk Management Committee and the Audit and Risk Committee.

When there are significant changes to this policy, the Risk Management Team shall propose such changes to relevant parties and seek approval before putting the policy into enforcement.

A handwritten signature in black ink, appearing to read "Kan Trakulhoon", is positioned above a horizontal line.
Kan Trakulhoon

Chairman of the Board of Directors

Advanced Info Service Public Company Limited