



**AIRA & AIFUL Public Company Limited**

90 Cyber World Tower Bldg., 833<sup>rd</sup>/ 834<sup>th</sup> Floor, Ratchadapisek Rd., Huai Khwang, Bangkok 10310

Registration Number: 0107557000489

Website: [www.aira-aiful.co.th](http://www.aira-aiful.co.th)

**ENTERPRISE RISK MANAGEMENT POLICY**  
**AIRA AND AIFUL PUBLIC COMPANY LIMITED**  
**(Revision B.E. 2567)**



**AIRA AND AIFUL PUBLIC COMPANY LIMITED**  
**ENTERPRISE RISK MANAGEMENT POLICY**  
**(Revision B.E. 2567)**

---

**A. REASON FOR THE POLICY**

AIRA AND AIFUL PUBLIC COMPANY LIMITED (“COMPANY”), the Personal Loan Business service provider, under our vision is to be the fastest growth of Personal Loan Business in Thailand together with efficiency of growth and encourage the participation in society through corporate activities with sincerely according to our corporate values.

From the current operations of the growing Company and facing change from external factors all the time, whether in politic, economy as well as development of information technology and the condition of the transaction in the market, including internal factors such as changing, improving the operation according to the change of conditions, strategy development to improve process of the Company, improve structure of the Company and the information management of the Company etc. According to such change and development of factors, they may cause a risk to the Company's business.

The Company gives precedence to manage risk which may occur against the Company, in order to assure and step into effective control. Moreover, it is also raising the awareness of risk management, operations on the basis of good risk management, reduce the obstacle and damages to resources which caused by risk etc. In order to promote risk awareness to all employees as responsibility of the entire employees.

Therefore, the Company has focused on risk administration and risk management by encouraging all person throughout the Company to be involved in the thinking, analysis and forecast to the event or risk that may occur. Including identifying guidelines for dealing with such risks to be reasonable or acceptable. For helping the Company to achieve their objectives and the goal for maximum return. Encourages the shareholders and stakeholders in the long run under the vision and mission according to Corporate Governance and Business Ethics for keeping the Company sustainable continuously.

**B. OBJECTIVE**

1) To implement the risk management system in the same direction throughout the Company. And to determine the risk management is to be a part of decision making, strategic planning, plan and the operation of the Company.



2) To determine the remaining of risk management approach, to be risk appetite level for the Company by considering measures to reduce opportunities and / or the impact of the risk that may occur effectively, for achieving the objectives of the Company defined both in the Company level and in the unit level.

3) For the Board of Director and Risk Management Committee, get to know the important risk information, trend of risk and overall risk. It also oversees the Company's risk to efficient and to be effective.

4) For every function of the business participate into assess and manage key risks usually. By considering the risk appetite level and the ability to practice it with the right cost.

5) To communicate and transfer knowledge, risk management, and employees regularly, develop the staff to understand, be aware of risk ownership as well as cooperate of risk management under the responsibility.

### C. SCOPE OF APPLICATION

This policy applies for risk management, risk ranking, risk management process, and other related work directly with the corporate risk management to be effectively operate the Company and achieve the highest objectives.

The Risk Management unit has the direct responsibility to comply with this policy strictly. Considering to the impact on the business of the Company under management effective risk. For avoiding any loss, damage and possible affect to the operation of the Company. This may be due to the risk of business operation of the Company.

-----



## Chapter 1

### General Provision

#### Clause 1. Definition

*"Company"* means AIRA AND AIFUL PUBLIC COMPANY LIMITED

*"Employee"* means all employees of AIRA AND AIFUL PUBLIC COMPANY LIMITED

*"Risk"* means an opportunity or event that is uncertain or the thing that makes the plan or operation of the Company are not completed by making the impact or damage to the Company. In terms of monetary effects and / or non-monetary effects such as corporate image and reputation.

*"Enterprise Risk Management"* means the process that is performed by all directors, management and employees. The risk management process is designed to be able to identify events that may occur and affect the Company. And they can manage the risk to an acceptable level to make sure that the operation of the Company will be accomplished by achieving the objectives with efficiency.

*"Risk Management unit"* means a sector which has a direct duty to supervise, set the criteria of risk management, administer the risk, and coordinate with other sector including to do other related things to comply with this policy.

*"Risk Management Committee"* means the Risk Management Committee of AIRA & AIFUL Public Company Limited, appointed by the Board of Directors. The Risk Management Committee is responsible for overseeing and managing the risk by reporting to the Board of Directors or other committees as assigned and as appropriate.

#### Clause 2. Core Policy on Enterprise Risk Management

2.1 To determine an Enterprise Risk Management Policy as responsibility of employees at all levels to aware of the operation risks in function and the Company by giving precedence of risk management to be adequate and appropriate level.

2.2 To determine a risk management process that is in line with good practice in accordance with international guidelines, to achieve an effective risk management process, develop and implement risk management across the Company in the same direction. The risk management system is used as part of the decision making process, strategic planning, plan and operation to focus on achieving the objectives, goal, vision, mission, defined strategy. To prevent potential risks and affect the operation of the Company and to build excellence in the workplace and build the confidence of those involved.



2.3 Define risk prevention and mitigation measures to prevent and/or avoid damage and/or losses that may occur including tracking regularly assess and evaluate risk management.

2.4 Encourage the use of Information Technology in the risk management process appropriately.

2.5 Encourage all levels of staff to access the information of risk management information thoroughly.

2.6 Encourage risk management reporting systems to report to Executive Management, the Risk Management Committee (“RMC”), the Board of Directors and/or other committees (if any) efficiently.

### **Clause 3. Roles and Responsibilities of the Risk Management unit**

3.1 The Risk Management unit responsible for managing risk of the Company to meet its criteria.

3.2 The Risk Management unit responsible to define risk management guideline and criteria to manage the risk by applying the policies, rules or regulations or other procedures —related to the risk management—approved subsequently the right to practice including assessment and monitoring the risk management to an acceptable level.

3.3 In the risk management execution, The Risk Management unit defines guidelines to identify risks, assess the level of risk to meet the criteria under the risk management measures to be risk appetite. Including the follow up and report on risk status, review the adequacy and effectiveness of risk management measures continuously to ensure that the incident can manage the risk in a timely manner.

3.4 The Risk Management unit, report on critical risk status to Top Management and the relevant committees specified duly, and report to the control agency or supervise.

3.5 The Risk Management unit establishes a guideline to enhance knowledge of risk. And to build a working culture. Or management based on risk management. To the management and employees continuously.

**Clause 4.** The Vice President of the Risk Management unit or the Vice President who is assigned by the CEO act will be the acting person in charge and in control of compliance to this policy, which includes examination and evaluation of rules, regulations, requirements, manuals and/or any practice guidelines created by related department in order to ensure the successful implementation of this policy by submitting requests for approvals to authorized persons in line with the Company's delegation of authority policy

**Clause 5.** Rules, regulations, guidelines, and/or specifications which are enforced prior to this policy still validate and apply mutatis mutandis.

## Chapter 2

### Level of risk

**Clause 6.** The Risk Management unit has to manage risk govern this following:

- a) Risk identification
- b) Risk assessment
- c) Risk Management Plan
- d) Monitoring and management significant risk

**Clause 7.** To ensure that the risk can be effectively managed. The Risk Management unit has to establish a risk management framework covering major risks. It is divided into 3 levels.

7.1 Strategic Risk

7.2 Business Risk, the major risks are classified as business risk such as

- a) Information Technology Risks
- b) Risk of business disruption
- c) Investment risk
- d) Legal Risk
- e)

7.3 Process Risk

## Chapter 3

### Enterprise Risk Management Process

**Clause 8.** Establish a risk management process. To provide procedures and procedures for risk management. Systematically and in the same direction throughout the Company. This is an important step in the Company's risk management process at least.

**8.1 Analyze or evaluate the environment within the Company ( Internal Environment)** which is the basis for the risk management framework, influences to strategic planning, corporate goals, activities, indication, assessment and risk management.

In addition, the environment within the Company also includes other factors beyond the resources of the Company, for instance, the ethics, how employees and managers work, number of employees, model of management, delegation of authority and responsibility lead to build conscious, effort and awareness regarding risk and control to all employees of the Company.



**8.2 Objective Setting** The business objectives are clear to ensure that the intended purpose consistent with the strategic goals and risks acceptable to the Company. The management is within the framework of Risk Appetite and Risk Tolerance.

**8.3 Incident Identification**, all risk factors are considered as potential risk i.e. strategic risk, financial risk, personnel management risk, operational risk, legal risk and compliance risk, taxes risk, system risk, environmental risk, in consider of the relationship between events that may occur and affect include sources or cause of risk both internal and external environment.

In addition, identification of incident may be conducted by interviewing Senior Management or Management who is responsible for the plan or action. It also includes major risk issues that are of interest or concern to provide an overview of Corporate Risk Profile.

**8.4 Risk Assessment** consists of two main processes:

**8.4.1** Risk analysis, considers the causes and sources of risk both positive and negative consequences. As well as potential opportunities for such effects. The factors that affect the impact and the opportunity to occur in all aspects. Considering current risk management measures include the effectiveness of such measures.

**8.4.2** Risk assessment, compares the level of risk based on risk analysis compared to risk appetite and immediate measurement when found the level of risk is out of acceptable level.

**8.5 Risk Response**, risk management plan is defined and present risk management plans to the Executive Managements, the Risk Management Committee or the Board of Directors as deemed appropriate, for consider and approve allocation of resources needed to implement (if any). The most appropriate risk management approach should take into account the risk appetite. The costs incurred are compared to the benefits received and at least to consider the law, relevant provisions, and responsibility to the society to undertake risk management to an acceptable level.

**8.6 Control Activities**, make sure to have control over this policy by providing rules and procedures for operating procedures or guidelines or any other clear announcement. To ensure that risk is managed to an acceptable level in order to prevent the impact the goal of the Company. The steps, objectives and implementation techniques required to present to the Executive Managements, the Risk Management Committee or the Board of Directors as deemed appropriate. Controls may be considered for the purposes set out below;

8.6.1 Preventive Control, to prevent the risk and error from the first.

8.6.2 Detective Control, to find the error has already occurred.

8.6.3 Directive Control, to promote or stimulate the achievement of the desired purpose.

8.6.4 Corrective Control, to correct errors that occur and prevent from re-happening in the long run.



In order that, the implementation of control activities has to consider cost-effectiveness and cost in comparison to the expected benefits cover the activities, procedures, process, assignment of person in charge of control to determine the effectiveness of risk management which currently implemented and additional practice considerations needed to increase effectiveness of risk management in the long run. And determine the completion time of the control activity.

**8.7 Information and Communication**, the use of information and communication has to identify, assess and manage risks. The relevant information both from internal and external sources should be recorded and communicated to the appropriate person to be able to perform duties and responsibilities effectively including risk management reporting, to be aware of the risks and result of risk management.

Risk management should use historical and current data to show trends of the incident and predict future performance. And for the benefit of considering the risks involved in the workflow, process or business unit to allow the Company to modify its control activities as necessary to keep the risk at an acceptable level.

**8.8 Monitoring**, to control the progress of risk management, maintain track record of major risks including incidents which continuing abnormalities. The main purpose is to ensure that;

8.8.1 Risk Owner has their own monitoring of the situation, analyze and manage the risks under its responsibility appropriately,

8.8.2 The risk has a significant impact on the Company's objectives be informed about progress in risk management and the risk tendency toward responsible Executives,

8.8.3 The internal control system is adequate and effective. It is actually used to protect or reduce the risk that may occur. Including updated the control always constantly and to be consistent with the changing circumstances or risks.

The Risk Management unit coordinates to manage and responsible risk management, risk status report Include the process of risk management to the Executive Managements, the Risk Management Committee or the Board of Directors as deemed appropriate for consideration.

## Chapter 4

### Classification of risk

**Clause 9.** The Company provides a classification of risk into 4 categories at least such as;

**9.1 Strategic Risk** involving the strategic, plan and also includes improper implementation of the plan. It is Including changes from external factors and internal factors which impact on strategy or operations to achieve the main objectives and business.





**9.2 Operational Risk** is the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. This definition includes risks arising from change initiatives such as the release of new financial products or services, the emergence of new markets, process changes, system changes, or the expansion of operation activities located far from the Headquarter, among others. Additionally, it encompasses risks that may occur due to dependencies on third parties."

**9.3 Financial Risk**, due to internal factors related to liquidity management, credit, investment or may be due to external factors related to changes in interest rates, exchange rate or risk from unmeet the agreed obligations of the counterparty which may affect the operation and also causes damage to the Company.

**9.4 Compliance Risk**, including risks associated with the laws and regulations related to business operations, for instance the Bank of Thailand ("BOT"), the Anti-Money Laundering Office ("AMLO"), the Securities and Exchange Commission ("SEC") etc. This includes impact on reputation and image of the Company caused by no applicable to policy and regulation of regulator also.

## Chapter 5

### Risk criteria

**Clause 10.** To define risk criteria used to assess risk, reflecting value, reputation, objectives and resources of Company, comply with law requirements or regulations of the regulator or the current member and in line with this policy.

**Clause 11.** Considering factors used for risk criteria should cover the at least contend following:

- 11.1 Category and type of impact which may occur and impact assessment.
- 11.2 Guidelines for identifying potential risk.
- 11.3 Time frame of opportunity and impact of risk.
- 11.4 Guidelines for determining the level of risk.
- 11.5 The level of risk appetite.
- 11.6 The level of risk that must be managed.

**Clause 12.** Provide opportunities to risk (Likelihood) and level of damage is divided into 5 levels.

- 12.1 Level 5 risk refers to the chance of risk as absolutely occur
- 12.2 Level 4 risk refers to the chance of as potential
- 12.3 Level 3 risk refers to the chance of risk as possible to be born.
- 12.4 Level 2 risk refers to the chance that the risk is unlikely to occur.
- 12.5 Level 1 risk refers to the chance that the risk is difficult to occur.



**Clause 13.** Determine the level of impact of the risk (Risk Impact) and damage from the risk cover the Enterprise Risk Management by taking into account the impact of at least 5 aspects.

- 13.1 Financial impact
- 13.2 Impact on the reputation and image of the Company.
- 13.3 Impact on which not complying of Law and regulation of Regulator and the Company
- 13.4 Impact on key personnel of the Company.
- 13.5 Impact on delays in the implementation of major projects of the Company and also

impact on management which not achieve target.

Each level determines severity. It is divided into 5 levels. Each level is defined as follows.

- a) Level 5 means to Severe.
- b) Level 4 means Major.
- c) Level 3 means Moderate.
- d) Level 2 means Minor
- e) Level 1 means Not Significant.

**Clause 14.** Provide a tool for reporting the level of risk that has been assessed, shown in diagram shows risk ranking assessed in High, quite high, Moderate or Low.

The Risk Management unit analyze, summary of the assessment and prioritize of risk issues, presenting the results of assessment, risk issues and measurements that requires more management to the Executive Managements, the Risk Management Committee or the Board of Directors Meeting as the case may be, or other committees as deemed appropriate. To know and consider major risk issues to manage including the responsible business unit to find additional risk management measurement more from current applicable risk management.

## Chapter 6

### Guidelines for risk management

**Clause 15.** Guidelines for risk management take into account the methods set out in this article at least;

15.1 Avoid, take action to avoid risky incident in case of high risk cannot find a way to reduce or manage it at an acceptable level.

15.2 Share, contribute or transfer all or part of the risk to the person or entity outside to help bear the risk instead, such as the purchase of insurance policy.

15.3 Reduction, provide management measures to reduce the chance of a risk incident or reduce the potential impact to an acceptable level such as preparing an emergency plan. (Contingency plan)

15.4 Accept, the current risk is at an acceptable level without any action, to reduce the chance or impact that may occur. The risk of using high cost management measures is not worth the benefits.

## Chapter 7

### Enterprise Risk Management Policy Review

**Clause 16.** The Risk Management unit analyzes changes in the environment both inside and outside and review this policy at least once a year.

The Risk Management unit is responsible to analyze, follow changes related environment include changes in potential risks. This may result in a risk management review and/or priority to review and improve the risk management plan to be effective by taking into account the importance of reviewing and improving of action plan. It may be proposed to consider as urgent change without waiting for annual scheduled to review the action plan or policy.

**Clause 17.** Records of Amendment

#### Records of Amendment/Adjusted Content

Revision no.	Effective Date	Amended/Adjusted Content	Page
1	16 December 2021	Amended "Risk Management section" to "Risk Management unit"	2,3,4,5 7,9,10
		Amended and added Chapter 4 Classification of Risk Clause 9 no. 9.2 Operational Risk	8
2	26 March 2024	Amended and added Chapter 1 General Provision as follows; - Clause 1 Definition - Clause 2 Core Policy on Enterprise Risk Management no. 2.6" - Clause 3 Roles and responsibilities of the Risk Management unit - Clause 4 person in charge and in control of compliance to this policy	3-4
		Amended and added Chapter 2 Level of Risk Clause 7.2 Business Risk	5



Revision no.	Effective Date	Amended/Adjusted Content	Page
		Amended and added Chapter 3 Enterprise Risk Management process as follows; <ul style="list-style-type: none"><li>- No. 8.5 Risk Response</li><li>- No. 8.6 Control Activities</li><li>- The last paragraph of chapter 3</li></ul>	6-7
		Amended and added Chapter 4 Classification of Risk as follows; <ul style="list-style-type: none"><li>- No. 9.2 Operational Risk</li><li>- No. 9.4 Compliance Risk</li></ul>	8
		Amended and added Chapter 5 Risk Criteria in the last paragraph.	9
		Amended and added Chapter 6 Guideline for Risk Management no. 15.4 Accept.	10

---

AIRA AND AIFUL PUBLIC COMPANY LIMITED

Dated 26 March 2024 (B.E. 2567)