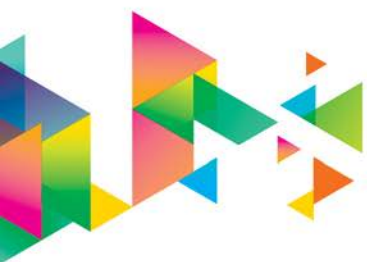


**TERMS OF REFERENCE
BOARD RISK MANAGEMENT COMMITTEE**

**AXIATA GROUP BERHAD
(242188-H)**



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1.0 FUNCTION OF THE BOARD RISK COMMITTEE MANAGEMENT COMMITTEE (“BRMC”)

1.1 The primary functions of the BRMC are to assist Axiata Group Berhad (“**Axiata**”) Board of Directors (“**Board**”) to fulfill its responsibilities with regard to risk management in order to manage overall risk exposure for Axiata. The BRMC is also responsible to determine that there is a robust process in place for identifying, assessing and monitoring key business risks to safeguard shareholders’ investment and the Company’s assets.

2.0 COMPOSITION OF THE BRMC

2.1 The BRMC members shall be appointed by the Directors.

2.2 The Chairman of the BRMC shall be appointed by the Board.

2.3 The BRMC must be composed of no fewer than 3 members, all of whom shall be wholly or mainly Non-Executive Directors and the majority of whom shall be Independent Non-Executive Directors/members.

3.0 SECRETARY OF THE BRMC

3.1 The BRMC Secretary shall be a member of Group Legal and Enterprise Risk Management Department or any other person appointed by the BRMC.

3.2 The Secretary shall:

- i) ensure that the BRMC receives information and papers in a timely manner to enable full and proper consideration to be given to issues.
- ii) prepare the minutes of the BRMC meetings and record the conclusions of the BRMC in discharging its duties and responsibilities.
- iii) circulate the minutes of the BRMC meetings promptly to all members of the BRMC and make the same available to Board members who are not members of the BRMC.
- iv) ensure that the minutes of the BRMC meetings are properly kept and produced for inspection if required.

4.0 MEETING GUIDELINES OF THE BRMC

4.1 Quorum

In order to form a quorum, minimum two (2) members must be present.

Where only two (2) members are competent to vote on the question in issue and there is equality in vote, the resolution shall be deemed not to have been passed, whereupon the question in issue shall be tabled at the next meeting of the BRMC or referred to the Board of Directors of Axiata, whichever is more expedient.

4.2 Meetings

4.2.1 The BRMC shall meet at least two (2) times in a year and such additional meetings, the Chairman of the BRMC shall decide. The BRMC meetings shall be governed by the provisions of the Company's Articles of Association relating to Board meetings unless otherwise provided for in this Terms of Reference. The BRMC may establish procedures from time to time to govern its meetings, keeping of minutes and its administration.

4.2.2 The BRMC may request other Directors, members of Board committees /management, counsels and consultants as applicable to participate in the BRMC meetings, as necessary, to carry out the BRMC's responsibilities, provided, however, that no Director shall be entitled to vote at such meetings or be counted as part of the quorum for any meeting of the BRMC unless he or she is a member of the BRMC.

4.2.3 A member of the BRMC shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to an actual or perceived conflict of interest situation for him. Where this causes a lack of quorum, the BRMC shall appoint on an ad-hoc basis, another candidate(s) who meets the membership criteria.

4.2.4 A member of BRMC may participate in a meeting of BRMC by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

4.2.5 The notice and agenda for each BRMC meeting shall be sent to all members of the BRMC and any other persons who may be required to attend.

4.2.6 The Chairman of the BRMC shall report to the Board on any matter that should be brought to the Board's attention and provide recommendations of the BRMC that require the Board's approval at the Board meeting.

4.3 BRMC Circular Resolution

4.3.1 Decision of the BRMC made by Circular Resolution shall be valid provided it is approved by all Members.

5.0 DUTIES AND RESPONSIBILITIES OF THE BRMC

5.1 In carrying out its responsibilities, the BRMC's policies and procedures remain flexible to changes in circumstances and conditions that are in compliance with legal and regulatory requirements. The following are the main duties and responsibilities of the BRMC respectively:-

5.1.1 Risk Management

- To review and recommend the risk management methodologies, policies (including framework) and risk tolerance levels for the approval of the appropriate authority in accordance with Axiata Limits of Authority.
- To review and assess the adequacy of the governing policies, framework and structure in place for managing risks as well as the extent to which these are operating effectively.
- To ensure adequate infrastructure, resources and systems are in place for effective risk management. This includes ensuring that the staff responsible for implementing risk management systems perform their responsibilities independently of the risk-taking activities.
- To review the management's periodic reports on risk management activities, risk exposure and risk mitigating actions.

5.1.2 Business Continuity Management

- To ensure Axiata Group adopts sound and effective Business Continuity Management (BCM) policies, procedures and practices to improve its resilience and preparedness for any eventualities.
- To ensure a comprehensive BCM framework which includes an appropriate and workable Business Continuity Plan (BCP), Disaster Recovery Plan (DRP) and crisis management have been formulated, implemented, tested and maintained by Axiata Group.
- To ensure that the BCP and DRP are reviewed and updated continuously to reflect changes in the operating environment.

5.1.3 Other Responsibilities

- To ensure ongoing awareness programmes, communication, training and education on risk management, BCM and compliance.
- To provide advice to the Board on risk strategies and coordinate the activities of various standing board committees for risk oversight.
- To promote a healthy risk culture and watch for dysfunctional behaviour that could undermine the effectiveness of the risk management process (e.g. excessive risk-taking due to misaligned key performance indicators and remuneration schemes).
- To consider other matters relating to risk management as referred to by the Board of Axiata or by BRMC by its own accord.

6.0 POWERS AND AUTHORITY OF THE BRMC

- 6.1 In carrying out its duties and responsibilities, the BRMC shall have the following powers and authority, in accordance with the procedures to be determined by the Board and at the cost to the Company:-

- i) Have the resources which are required to perform its duties.
- ii) Have full, free and unrestricted access to any information, records, properties and personnel of Axiata and of any other companies within the Axiata Group.
- iii) To appoint external counsels or other advisers and approve the terms and conditions of the appointment and obtain independent professional or other advice and services and to invite outsiders with relevant experience to attend the BRMC's meetings (if required) and to brief the BRMC thereof if the BRMC considers this as necessary.
- iv) Have access to the advice and services of the Company Secretary.

7.0 REVIEW & EVALUATION PROCEDURES OF THE BRMC

7.1 The BRMC shall at least annually perform a review and an evaluation of its performance to ensure that it is meeting its responsibilities as set forth in this Terms of Reference. The review shall specifically include consideration of the following:

- i) Frequency and timeliness of the BRMC meetings.
- ii) Adequacy and quality of information and materials provided to the BRMC.
- iii) Effectiveness of the BRMC in carrying out the duties as set out in this Terms of Reference.
- iv) Contribution of individual BRMC member.
- v) Appropriateness and adequacy of this Terms of Reference. The BRMC shall recommend to the Board such changes to this Terms of Reference in such manner as the BRMC deems appropriate.

POSITION DESCRIPTIONS

8.0 Position Description of the BRMC Chairman

8.1 The following are the main duties and responsibilities of the BRMC Chairman. These are not exhaustive and serve merely as a baseline:-

- i) Helps the BRMC fulfil the goals it sets by assigning specific tasks to members of the BRMC and identifies guidelines for the conduct of the members and ensures that each member is making a significant contribution.
- ii) Looks to the Group General Counsel and Risk Officer for guidance to the BRMC on what their responsibilities are under the rules and regulations to which they are subject and how those responsibilities should be discharged.

- iii) Provides a reasonable time for discussion at the meeting. Organises and presents the agenda for regular or special BRMC meetings based on input from members and ensures that all relevant issues are on the agenda. In addition, the Chairman should encourage a healthy debate on the issue and bring to the BRMC a healthy level of skepticism and independence.
- iv) Provides leadership to the BRMC and ensures proper flow of information to the BRMC, reviewing adequacy and timing of documentation.
- v) Ensures that all members are enabled and encouraged to play their full part in its activities. This includes making certain that all members receive timely, relevant information tailored to their needs and that they are properly briefed on issues arising at the BRMC meetings.
- vi) Secures good corporate governance and ensures that members look beyond their BRMC function and accept their full share of responsibilities of governance materials in support of management's proposals. Given the importance and particular nature of the Chairman's role of the BRMC, in principle it should be separated from that of the President & GCEO.
- vii) Manages the processes of the BRMC and for ensuring that the BRMC discharges their responsibilities.
- viii) Ensures that every BRMC resolutions are put to a vote where necessary to ensure that it is the will of the majority that prevails.
- ix) Ensures the working of the BRMC and BRMC's full discharge of its duties.

9.0 Position Description of BRMC members

9.1 Each BRMC member will be expected to:

- i) Provide individual external independent opinions to the fact-finding, analysis and decision making process of the BRMC, based on their experience and knowledge.
- ii) Consider viewpoints from the other BRMC members; make decisions and recommendations for the best interest of the Board collectively.
- iii) Keep abreast of the latest corporate governance guidelines & developments on risk management in relation to the BRMC and the Board as a whole.
- iv) Continuously seek out Best Practice in terms of the processes (performance assessment etc) utilised by the BRMC, following which these should be discussed with the rest of the BRMC for possible adoption.