

Member of the Board of Directors and Officers to
Division Head # 074
Branch Manager and Officers to
Division Head # 074

December 29, 2011

RISK MONITORING COMMITTEE CODE OF CONDUCT

Referring to Bank Indonesia Regulation No. 8/4/PBI/2006 dated, January 30, 2006 concerning Good Corporate Governance for Commercial Banks, Bank Indonesia Regulation No. 8/14/PBI/2006 dated, October 05, 2006 concerning Amendment to Bank Indonesia Regulation No. 8/4/PBI/2006 dated, January 30, 2006 concerning Implementation of Good Corporate Governance for Commercial Banks, Bank Indonesia Circular No. No. 9/12/DPNP dated May 30, 2007 concerning Implementation of Good Corporate Governance for Commercial Banks and Bank Indonesia Circular No. 009/KEP/DIR/IV/2007 dated April 16, 2007 concerning Establishment of Risk Monitoring Committee as latest amended by Board of Directors Decree No. DIR/137/X/2010 dated October 28, 2010 concerning the Amendment to the Risk Monitoring Committee Members, it is necessary to improve the Work Guidelines and Code of Conduct of the Risk Monitoring Committee as follows:



I. Definitions

Risk Monitoring Committee shall mean a committee established by the Board of Commissioners to assist carrying out duties and functions thereof.

II. General Provisions

1. Member of Risk Monitoring Committee shall at least consists of:

- a. An Independent Commissioner.
- b. A person of Independent Party with expertise in finance
- c. A person of Independent Party with expertise in risk management.

2. An Independent shall mean a Commissioner or party outside the Bank who:

- a. has no financial relationship with the Board of Commissioners, Directors and/or Controlling Shareholders;
- b. has no management relationship with the Board of Commissioners, Directors and/or Controlling Shareholders;



c. has no shareholding relationship with the Board of Commissioners, Directors and/or Controlling Shareholders;

d. has no family relationship with the Board of Commissioners, Directors and/or Controlling Shareholders;

e. has no relationship with the Bank;

which could affect ability thereof to act independently.

3. Requirements for member of Risk Monitoring Committee includes:

a. Shall have integrity, good character, good morals, competency, knowledge and adequate experience according to educational background, and able to well-communicate.

b. Member of Risk Monitoring Committee shall be presided over by an Independent Commissioner.

c. Member of Board of Directors shall be prohibited to be the member of Risk Monitoring Committee.

d. Independent Commissioners and Independent parties that become members of Risk Monitoring Committee



shall be at least 51% of the number of members of Risk Monitoring Committee.

e. Chairman of the Committee may only hold the concurrent position as Chairman of the Committee at most one (1) other Committee at the same Bank.

f. Committee Members shall be appointed and dismissed by the Board of Directors by resolution of the Board of Commissioners.

III. Duties and Responsibility of Risk Monitoring Committee

1. Shall provide recommendations to the Board of Commissioners on the following results:

a. Evaluate the conformity between the risk management policies and the implementation of the policy.

b. Shall monitor and evaluate the implementation of the duties of Risk Management Committee and Risk Management Unit.

2. Shall perform assessment under risk conditions in the field, among others, by considering:

a. Authority Limit for Deciding Credit (Batas Wewenang Memutuskan Kredit - BWMK).



- b. Human Resources in terms of competency and integrity.
 - c. Adequacy of office facilities and infrastructures.
 - d. Information from other parties related to risk-exposed operational activities.
3. Shall keep confidentiality of documents, data and information of the Bank.

IV. Implementation of Meeting

1. Committee Meeting shall be held at least four (4) times a year and can convene the meetings outside the specified schedule if deemed necessary.
2. Risk Monitoring Committee meetings can only be held if attended by at least 51% of total members including an Independent Commissioner and Independent Parties.
3. Resolution of the Committee Meeting shall be adopted under deliberation for consensus, in case of no deliberation for consensus is achieved, adoption of resolution shall be based on the majority vote.



4. In case of any dissent of opinion in the Committee Meeting, it shall be clearly stated in the Minutes of the Meeting along with reasons for such dissent.
5. Results of Meeting shall be included in the Minutes of Meeting which are signed by all members of the attending Risk Monitoring Committee and well documented.
6. Shall submit a memorandum to the Board of Commissioners regarding the results of Risk Monitoring Committee Meeting on matters of concern to the Committee.

In witness where, these Work Guidelines and Code of Conduct of Risk Monitoring Committee is made and shall come into effect on January 2, 2012 and will be reviewed periodically to be conformed to the developments/ amendment of applicable regulations.

With the enactment of this Management Circular, then the Management Circular No. 057 Dated May 15, 2008 concerning: Work Implementation Guidelines of Risk Monitoring Committee shall be declared no longer valid.

Happy Working!

<u>Wikan Aryono S</u>	<u>Hendrik Atmaja</u>	<u>Ir. Rachmat M.S., MBA</u>
President Director	Director	President Commissioner.

I, **FATCHUROZAK**, a Sworn and Authorized Translator
by the virtue of Jakarta Capital Territory Governor's Decree **No. 1690/2007**, practicing in Jakarta
do solemnly and sincerely declare that the foregoing document is a true and faithful translation
from Indonesian into English of the original version.

Jakarta, December 26, 2015

