

To.
Board of Directors and
Risk Oversight Committee of
PT BANK CENTRAL ASIA Tbk

Subject: **Risk Oversight Committee Charter of PT Bank Central Asia Tbk**

Introduction

In accordance with Regulation of the Financial Services Authority No. 55/POJK.03/2016 dated 7 December 2016 on the Implementation of Good Corporate Governance for Commercial Banks and in light of the growth of PT Bank Central Asia Tbk, the Bank finds it necessary to update the existing Risk Oversight Committee Charter of PT Bank Central Asia Tbk (ref: SK.KOM No. 188/SK/KOM/2017 dated 12 July 2017).

References

The provisions hereunder have been established with reference to the following:

1. Regulation of the Financial Services Authority No. 55/POJK.03/2016 dated 7 December 2016 on the Implementation of Good Corporate Governance for Commercial Banks.
 2. Circular of the Financial Services Authority No. 13/SEOJK.03/2016 dated 17 March 2017 on the Implementation of Good Corporate Governance for Commercial Banks.
 3. Articles of Association of PT Bank Central Asia Tbk No. 125 dated 18 April 2018 and the amendments thereto on the Duties and Responsibilities of the Board of Commissioners.
 4. Good Corporate Governance Manual of PT Bank Central Asia Tbk dated 31 December 2018 and any updates thereto.
 5. Decision Letter of the Board of Commissioners of PT Bank Central Asia Tbk No. 119/SK/KOM/2019 dated 10 July 2019 on the Composition of the Risk Oversight Committee of PT Bank Central Asia Tbk
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Resolutions*)

The Board of Commissioners of BCA has adopted the following resolutions:

1. Approving the proposed draft amendment to the Risk Oversight Committee Charter of PT Bank Central Asia Tbk as contained in the attachment hereto, which forms an inseparable part of this decision letter.
 2. Revoking Decision Letter of the Board of Commissioners of PT Bank Central Asia Tbk No. 188/SK/KOM/2017 dated 12 July 2017 on the Risk Oversight Committee Charter of PT Bank Central Asia Tbk
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Attachment

Attached hereto is the Risk Oversight Committee Charter of PT Bank

Central Asia Tbk

Effective Date

The provisions hereunder shall be effective from the issuance date of this Decision Letter.

This Decision Letter has been made for your reference. Thank you.

PT BANK CENTRAL ASIA Tbk
BOARD OF COMMISSIONERS

[signed]

D. E. SETIJOSO
President Commissioner/ date 5/11/19

[signed]

CYRILLUS HARINOWO
Independent Commissioner/ date 6/11/19

[signed]

SUMANTRI SLAMET
Independent Commissioner/ date 6/11/19

Note:

*) The resolutions have been passed in a circular fashion.

[signed]

TONNY KUSNADI
Commissioner/ date 5/11/19

[signed]

RADEN PARDEDE
Independent Commissioner/ date 7/11/19

PT BANK CENTRAL ASIA Tbk
RISK OVERSIGHT COMMITTEE CHARTER

Purposes

The Risk Oversight Committee of PT Bank Central Asia Tbk must be formed by the Board of Commissioners of PT Bank Central Asia Tbk to provide support for and ensure effectiveness of the implementation of the duties and responsibilities of the Board of Commissioners according to Regulations of the Financial Services Authority.

References

The Risk Oversight Committee shall be formed by the Board of Commissioners in accordance with the following:

1. Regulation of the Financial Services Authority No. 55/POJK.03/2016 dated 7 December 2016 on the Implementation of Good Corporate Governance for Commercial Banks.
 2. Circular of the Financial Services Authority No. 13/SEOJK.03/2016 dated 17 March 2017 on the Implementation of Good Corporate Governance for Commercial Banks.
 3. Articles of Association of PT Bank Central Asia Tbk No. 125 dated 18 April 2018 and the amendments thereto on the Duties and Responsibilities of the Board of Commissioners.
 4. Good Corporate Governance Manual of PT Bank Central Asia Tbk dated 31 December 2018 and any updates thereto.
 5. Decision Letter of the Board of Commissioners of PT Bank Central Asia Tbk No. 119/SK/KOM/2019 dated 10 July 2019 on the Composition of the Risk Oversight Committee of PT Bank Central Asia Tbk.
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Composition and Membership

The composition and membership of the Risk Oversight Committee are as follows:

1. The Risk Oversight Committee is responsible to the Board of Commissioners.
 2. The members of the Risk Oversight Committee shall be appointed by the Board of Directors under the resolutions of the Board of Commissioners' meeting.
 3. The Risk Oversight Committee shall at least consist of:
 - a. 1 (one) Independent Commissioner, who concurrently serves as the Chairperson of the Committee.
 - b. 1 (one) Independent Party having expertise in the field of finance and at least 5 (five) years' work experience in the fields of economy, finance, and/or banking.
 - c. 1 (one) Independent Party having expertise in the field of risk
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management and at least 2 (two) years' work experience in the same field.

4. The Risk Oversight Committee shall be chaired by an Independent Commissioner, who concurrently serves as a member.
5. The Independent Commissioners and Independent Parties that become members of the Risk Oversight Committee must form at least 51% (fifty-one percent) of the total membership of the Risk Oversight Committee.

Eligibility Criteria for Membership

The requirements to be fulfilled by the Risk Oversight Committee are as follows:

1. The members of the Risk Oversight Committee must have good integrity, character and morals.
2. No member of the Board of Directors may become a member of the Risk Oversight Committee.
3. Any former member of the Company's Board of Directors or former Executive Officer or other parties having affiliation with the Company in a way that may affect their ability to act independently shall not become an Independent Party in the Risk Oversight Committee until the lapse of a minimum of 6 (six) months' cooling-off period.
4. The requirement for the minimum of 6 (six) months' cooling-off period shall not apply to any former member of the Board of Directors in charge of the oversight function or any former Executive Officer charged with the implementation of the oversight function at the Bank.
5. The Independent Party that becomes a member of the Risk Oversight Committee shall be a party from outside the Bank that has no financial, management, ownership and/or family relationships with any member of the Board of Directors, any member of the Board of Commissioners and/or any controlling shareholder, nor any relationship with the Bank that may affect their ability to act independently. Such relationship with the Bank that may affect the ability to act independently includes, among others, the relationship by virtue of more than 5% (five) percent ownership of the Bank's paid-up share capital.

Term of Office

The term of office of the members of the Risk Oversight Committee shall not exceed the term of office of the Board of Commissioners as stipulated in the Company's Articles of Association, and the members of the Risk Oversight Committee may be reappointed.

Dual Capacity

1. The Chairperson of the Risk Oversight Committee must not have dual capacity by serving as a Chairperson of another committee in the Bank.
 2. A member of the Risk Oversight Committee that comes from an
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Independent Party may concurrently serve as a member of another Committee in the capacity as an Independent Party in the Bank, another Bank, and/or another company, provided that such member:

- a. meets all the required competencies and qualifications
 - b. meets the independence criteria
 - c. is able to implement the Banking secrecy
 - d. complies with the applicable code of ethics; and
 - e. does not neglect his/her duties and responsibilities as a member of the Risk Oversight Committee.
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Duties and Responsibilities

The Risk Oversight Committee shall have the following duties and responsibilities:

1. The Risk Oversight Committee shall assist and provide recommendations to the Board of Commissioners to ensure effectiveness in the implementation of its duties and responsibilities in the field of risk management and to ensure that the risk management policy is properly implemented.
2. In providing recommendations to the Board of Commissioners, the Risk Oversight Committee must conduct at least the following:
 - a. Evaluating the consistency between the risk management policy and the implementation of the Bank's policy.
 - b. Monitoring and evaluating the implementation of the duties of the Risk Management Work Unit, the Risk Management Committee and the Information Technology Steering Committee.
3. The Risk Oversight Committee must have an internal policy that stipulates at least the working guidelines (work mechanism, description of duties and responsibilities) and working rules and regulations (work ethics, working time and meetings and voting rights), which shall be fully understood by and binding upon each member.

Authorities

In carrying out its supervisory duties, the Risk Oversight Committee shall have the following authorities:

1. Obtaining reports from the Board of Directors and the Management on any significant issues related to risk management to enable it to give recommendations to the Board of Commissioners.
2. Conducting other activities as may be delegated by the Board of Commissioners to the Committee in accordance with the Guidelines and Working Rules and Regulations for the Risk Oversight Committee.

Work Mechanism

The work mechanism of the Risk Oversight Committee shall be as follows:

1. The duties and responsibilities of the Risk Oversight Committee shall
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be performed by means of the Committee Meetings.

2. To help the Risk Oversight Committee perform its duties smoothly, the Risk Oversight Committee shall be assisted by the Committee Secretary to do the secretarial work, which includes, among others:
 - a. Arranging the meeting schedules;
 - b. preparing the meeting agenda based on the recommendation given by the members
 - c. Proposing and contacting the required meeting participants and/or resource persons;
 - d. Preparing and distributing the meeting materials;
 - e. Writing up and circulating the Minutes of Meeting to all members of the Risk Oversight Committee, and other meeting participants or parties concerned.
3. If necessary, the Risk Oversight Committee may invite any member of the Board of Commissioners, the Board of Directors, or other parties from within or outside the Company as resource persons.

Work Ethics

The members of the Risk Oversight Committee must comply with the Bank's Code of Ethics.

Working Time

The Risk Oversight Committee shall provide ample time for discharging its duties and responsibilities optimally.

Committee Meeting

The scope of the Risk Oversight Committee Meeting shall include the following:

1. Conduct of Meetings
2. Mechanism for Adopting Meeting Resolutions
3. Minutes of Meeting

Conduct of Meetings

The Risk Oversight Committee Meeting shall be conducted subject to the following provisions:

1. The Risk Oversight Committee Meeting shall be held according to the needs of the Company, at least 1 (one) time in three months or at least 4 (four) times in a year.
2. The Risk Oversight Committee Meeting can only be held if attended by at least 51% (fifty-one percent) of all members of the committee including 1 (one) Independent Commissioner and 1 (one) Independent Party.

Mechanism for Adopting Meeting Resolutions

The resolutions of the Risk Oversight Committee Meeting shall be adopted subject to the following provisions:

1. The Risk Oversight Committee Meeting shall first seek to adopt resolutions by deliberation for a consensus.
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2. If such consensus cannot be reached, the resolutions shall be adopted by majority vote subject to the principle of 1 (one) person 1 (one) vote.
 3. All resolutions of the Risk Oversight Committee Meeting shall be binding on all members of the Risk Oversight Committee.
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Minutes of Meeting

The Minutes of the Risk Oversight Committee Meeting shall be subject to the following provisions:

1. The outcomes of the Risk Oversight Committee Meeting must be recorded in the Minutes of Meeting, which shall be signed by all members of the Risk Oversight Committee present and properly documented in accordance with the prevailing laws and regulations.
2. Any dissenting opinions in the Risk Oversight Committee Meeting shall be expressly set out in the Minutes of Meeting as well as the reasons for such dissenting opinions.
3. The outcomes of the Risk Oversight Committee Meeting shall become a recommendation for the optimal benefit of the Board of Commissioners and the Board of Directors.

Concluding provisions

1. This Risk Oversight Committee Charter shall be effective from its issuance date.
2. This Risk Oversight Committee Charter must be uploaded to the Bank's website.
3. This Risk Oversight Committee Charter shall be regularly evaluated and updated to ensure compliance with the latest laws and regulations in force.