

PT BANK CENTRAL ASIA Tbk RISK OVERSIGHT COMMITTEE CHARTER

Purpose The Risk Oversight Committee of PT Bank Central Asia Tbk (the Company) must be formed by the Company's Board of Commissioners to assist it in effectively carrying out its duties and responsibilities in the field of risk management and ensure that the risk management policy is properly implemented according to the prevailing laws and regulations.

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. Regulation of the Financial Services Authority No.4/POJK.03/2016 dated 27 January 2016 on the Assessment of Commercial Banks' Soundness Level.
3. Regulation of the Financial Services Authority No. 18/POJK.03/2016 dated 22 March 2016 on the Implementation of Risk Management for Commercial Banks
4. Regulation of the Financial Services Authority No. 38/POJK.03/2016 dated 7 December 2016 on the Implementation of Risk Management in the Use of Information Technology by Commercial Banks.
5. Regulation of the Financial Services Authority No. 14/POJK.03/2017 dated 7 April 2017 on the Recovery Plan for Systemic Banks.
6. Circular of the Financial Services Authority No. 13/SEOJK.03/2017 dated 17 March 2017 on the Implementation of Good Corporate Governance for Commercial Banks.
7. Circular of the Financial Services Authority No.14/SEOJK.03/2017 dated 17 March 2017 on the Assessment of Commercial Banks' Soundness Level.
8. Circular of the Financial Services Authority No.21/SEOJK.03/2017 dated 6 June 2017 on the Implementation of Risk Management in the Use of Information Technology by Commercial Banks.
9. Circular of the Financial Services Authority No. 34/SEOJK.03/2016 dated 1 September 2016 on the Implementation of Risk Management for Commercial Banks.
10. The Company's Articles of Association.

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RISK OVERSIGHT COMMITTEE CHARTER, continuation

Duties and Responsibilities

In performing its function, the Risk Oversight Committee shall have the following duties and responsibilities:

1. The Risk Oversight Committee is responsible for assisting and providing recommendations to the Board of Commissioners to ensure effective performance of its duties and responsibilities in the field of risk management and 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 Company's policy.
 - b. Monitoring and evaluating the implementation of duties of the Risk Management Work Unit, the Risk Management Committee, and the Information Technology Steering Committee.
3. Supporting the Board of Commissioners in carrying out its duties and responsibilities in the implementation of risk management, including, among other things, the following risks:
 - a. Credit Risk;
 - b. Market Risk;
 - c. Liquidity Risk;
 - d. Operational Risk;
 - e. Legal Risk;
 - f. Reputation Risk;
 - g. Strategic Risk;
 - h. Compliance Risk.
4. Assisting the Board of Commissioners in carrying out its duties of maintaining and monitoring the Bank's Soundness Level and taking the necessary measures to maintain and/or improve the Bank's Soundness Level.
5. Assisting the Board of Commissioners in monitoring and evaluating the implementation of the Recovery Plan.
6. Developing working guidelines and rules for the Committee (the Charter) and conducting reviews as needed.
7. Carrying out other duties and responsibilities as stipulated by the Board of Commissioners from time to time.

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RISK OVERSIGHT COMMITTEE CHARTER, *continuation*

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 risk management issues 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 Risk Oversight Committee in accordance with the Risk Oversight Committee Charter.

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 based on a resolution 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 Risk Oversight 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; and
 - c. 1 (one) Independent Party having expertise in the field of risk management and at least 2 (two) years' work experience in the field of risk management.
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.

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RISK OVERSIGHT COMMITTEE CHARTER, *continuation*

**Eligibility
Criteria for
Membership**

The criteria for membership of 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 Board of Directors or former Executive Officer of the Company or other parties affiliated with the Company in a way that may affect their ability to act independently may 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, or any relationship with the Bank that may affect their ability to act independently, such as a relationship arising from ownership of the Company's shares in the amount of more than 5% (five) percent of the Company's paid-up capital.
 6. The Independent Party that becomes a member of the Risk Oversight Committee must be recommended by the Remuneration and Nomination Committee.
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**Dual
Capacity**

1. The Chairperson of the Risk Oversight Committee must not serve as Committee Chairperson in more than 1 (one) other committee.
 2. A member of the Risk Oversight Committee that comes from an Independent Party may concurrently serve as a member of another committee in the capacity as an Independent Party in the Company, 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 keep the bank's secrets or confidential information;
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RISK OVERSIGHT COMMITTEE CHARTER, continuation

Dual Capacity d. complies with the applicable code of ethics; and
(Continuation) e. does not neglect his/her duties and responsibilities as a member of the Risk Oversight Committee.

Term of Office The term of office of the members of the Risk Oversight Committee shall be as follows:

1. 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.
2. In the event that:
 - a. the term of office of the members of the Risk Oversight Committee ends due to the expiry of the term of office of the members of the Board of Commissioners as described in item 1 above, new members of the Audit Committee must be appointed within 3 (three) months from the appointment of the new members of the Board of Commissioners or from the date the new members of the Board of Commissioners are declared to have passed the fit and proper test by the OJK.
 - b. there is a vacancy in the Risk Oversight Committee, i.e., the number of members of the Risk Oversight Committee becoming less than the required membership due to permanent unavailability or resignation of a member for any reason, a new member of the Risk Oversight Committee must be appointed within 3 (three) months from the occurrence of the vacancy.

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 be performed through Committee Meetings.
2. To help the Risk Oversight Committee perform its duties smoothly, the Risk Oversight Committee shall be assisted by a Committee Secretary to do the secretarial work, which includes, among others:
 - a. Arranging meeting schedules;
 - b. Preparing meeting agenda based on the inputs from the members;
 - c. Proposing and contacting the required resource persons;
 - d. Preparing and distributing invitations to all meeting participants;
 - e. Preparing and distributing meeting materials;

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RISK OVERSIGHT COMMITTEE CHARTER, continuation

- Work Mechanism (Continuation)**
- f. Writing up and circulating Minutes of Meeting to all members of the Risk Oversight Committee, the meeting participants, and other relevant parties.
 - g. Monitoring the follow-ups to the meeting resolutions.
3. The Risk Oversight Committee may invite resource persons from the Board of Commissioners, the Board of Directors, or other parties, from within or outside the Company.
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Working Hours

The Risk Oversight Committee shall provide ample time to discharge its duties and responsibilities optimally.

- Risk Oversight Committee's Meetings**
- The provisions for the Risk Oversight Committee's Meeting shall include the following:
- 1. Conduct of Meetings:
 - a. The Risk Oversight Committee's Meeting shall be held according to the needs of the Company, at least 1 (one) time every three months or 4 (four) times a year.
 - b. The Risk Oversight Committee's 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.
 - c. The members of the Risk Oversight Committee shall participate in at least 75% (seventy-five percent) of the total number of Risk Oversight Committee's Meetings held by the Risk Oversight Committee.
 - d. A meeting can be attended either physically or virtually through electronic media, or through a combination thereof.
 - e. A virtual meeting can be conducted through teleconferencing, videoconferencing, or other electronic media that must allow all the meeting participants to see and/or hear one another directly and participate in the meeting.
 - f. The meeting invitations and materials must be distributed to the members of the Committee no later than 5 (five) business days before the date of the meeting.
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RISK OVERSIGHT COMMITTEE CHARTER, continuation

- Risk Oversight Committee's Meeting**
(Continuation)
2. Mechanism for Adopting Meeting Resolutions:
 - a. The Risk Oversight Committee's Meeting shall first seek to adopt resolutions by deliberation for a consensus.
 - b. If such consensus cannot be reached, the resolutions shall be adopted by a majority vote subject to the principle of 1 (one) person 1 (one) vote.
 - c. All resolutions of the Risk Oversight Committee's Meeting shall be binding on all members of the Risk Oversight Committee.
 3. Minutes of Meeting:
 - a. The outcomes of the Risk Oversight Committee's Meeting must be recorded in 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.
 - b. Any dissenting opinions in the Risk Oversight Committee's Meeting shall be expressly set out in the Minutes of Meeting as well as the reasons for such dissenting opinions.
 - c. The outcomes of the Risk Oversight Committee's Meeting shall constitute the committee's recommendations, which can be optimally utilized by the Board of Commissioners and the Board of Directors.
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Competence To enhance their knowledge and understanding for the smooth performance of their duties, the members of the Risk Oversight Committee must attend a coaching/training/seminar/workshop session at least 1 (one) time in a year.

- Reporting**
1. The Risk Oversight Committee must submit a report to the Board of Commissioners on each task assigned to it.
 2. The Risk Oversight Committee must prepare a report on its supervisory activities and the outcomes of its supervision on a quarterly basis.
 3. The Risk Oversight Committee must prepare an annual report on the implementation of its activities to be incorporated in the Company's Annual Report.
 4. The Risk Oversight Committee must prepare an Accountability Report to be submitted to the Board of Commissioners no later than 1 (one) week before the end of its term of office.
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- Concluding provisions**
1. This Risk Oversight Committee Charter shall be effective as of the date of its issuance.
 2. This Risk Oversight Committee Charter must be posted on the Company's website.
 3. This Risk Oversight Committee Charter shall be periodically reviewed and updated to ensure compliance with the latest laws and regulations in force.
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