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## THE BOARD OF COMMISSIONER

### Duties and responsibilities of the Board of Commissioners

The duties and the responsibilities of the commissioners, in line with the shareholders' agreement and established practices in Indonesian banks are as follows:

The Board of Commissioners is responsible for overseeing the policies and management in general, of its business that is under the management of the Board of Directors (BOD), and to provide advise to the BOD including oversight on the execution of the IIF's business plan and budget, rules under the Articles of Association, resolution of the General meeting of the shareholders, and prevailing laws and regulation and at the same time in line with the interest of the IIF.

The main responsibilities of Board of Commissioners in Indonesian Infrastructure Finance, among other things, are:

- a. Provide supervisory and advisory on the policy of managing the organization and business operation for the interest of shareholders and according to the vision, mission and objectives of IIF
- b. Supervise the policy of Board of Directors including the achievement of IIF objectives and compliance with applicable law and regulation
- c. Evaluate and provide advice periodically on the main operation of the internal risk management and control system as well as agree on necessary changes or corrective action regarding such system
- d. Performing duties in accordance with the interests of IIF and the business associated with it, taking into consideration the interests of all the stakeholders of IIF

As Indonesia has a two tier Board structure, a company is managed by a Board of Directors which runs the day-to-day management of the company. A company also has a Board of Commissioners which has supervisory and advisory roles to the Board of Directors on behalf of the shareholders. Company law provides that every member of the Board of Commissioners is obliged to perform his tasks in good faith and with a full sense of responsibility for the interest and business of the company.

In order to fulfil the above duties, the Board of Commissioners is authorised to request clarification from the Board of Directors and /or other officials on issues pertaining to the IIF, and to form Committees to support the effective discharge of the Commissioners' duties and responsibilities.

The Board of Commissioners must form the following committees:

1. Audit committee
  2. Compensation committee
  3. Risk management committee
  4. Investment committee
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The Board of Commissioners, at its discretion can form any other committee/s and staff them adequately, if it so determines that such committee/s is/are required for specific or general purposes, in order for the Board to discharge its duties and responsibilities effectively.

The Board of Commissioners is expected to provide an opinion and approval over the Business Plan and Annual Budget as well as other plans that are submitted by the Directors. Other liabilities include among other things to propose at the General Meeting of Shareholders on the appointment the Public Accounting Firm that will audit the financial statements of IIF.