

## **RISK OVERSIGHT COMMITTEE CHARTER OF THE BOARD OF COMMISSIONERS OF PT INDONESIA INFRASTRUCTURE FINANCE**

### **1. Introduction**

PT Indonesia Infrastructure Finance ("IIF" or the "**Company**") has been established as an Indonesian non-bank financial institution under the Financial Service Authority Regulation of the Republic of Indonesia (*Peraturan Otoritas Jasa Keuangan Republik Indonesia*) 46/POJK.05/2020 on Infrastructure Financing Company dated 10 November 2020, which functions on the principles that govern any modern international financial institution.

As stipulated in IIF's: (i) Shareholders Agreement dated 15 January 2010 as lastly amended and restated by the Fourth Amendment and Restatement Agreement to Shareholders Agreement dated 11 April 2018 ("**Shareholders Agreement**"); (ii) Deed of Establishment No. 34 dated 15 January 2010, made before Aulia Taufani, S.H., substitute of Sutjipto, S.H., Notary in Jakarta, which has been approved by the Minister of Law and Human Rights of the Republic of Indonesia ("**MOLHR**") as stated in MOLHR Decree No. AHU-21503.AH.01.01.Year 2010 dated 28 April 2010, which articles of association is lastly amended and restated by Deed No. 43 dated 24 July 2018, made before Utiek Rochmuljati Abdurachman, S.H., M.LI., M.Kn., Notary in Jakarta, which has been notified to the MOLHR as stated in MOLHR Letter No. AHU-AH.01.03-0227487 dated 31 July 2018 ("**Articles of Association**"); and (iii) Operating Manual, the Board of Commissioners ("**BoC**") of IIF must form a Risk Management Committee, which is adapted from the above-mentioned guidelines and enriched with best practices for relevant financial institutions.

The Company adopts a two-tier board system, whereby the function of the BoC is more supervisory/ oversight rather than management. Therefore, the Risk Management Committee of the BoC in this charter shall be named as the Risk Oversight Committee ("**ROC**" or the "**Committee**").

This ROC Charter shall supersede and replace any other ROC Charter of IIF that may have been formally created in the past.

### **2. Main Objective**

- a. The main responsibility of the Committee as defined in the Shareholders Agreement is to support the development and oversight of the Company's risk management program, the introduction of adequate risk controls for the Company's assets and liabilities and the provision of recommendations on risk mitigations.
- b. The Committee is formed by IIF's shareholders and the BoC to support the supervisory function, primarily in providing oversight of the risk management issues of IIF on behalf of the BoC.

### **3. Authority**

The Committee shall have the following authorities to perform its responsibilities:

- a. ROC shall have access to obtain the required information within its responsibilities from directors, executives, employees, and from external/ professional resources (for avoidance

- of doubt, in the case an external/professional resources are requested, the Committee shall consult and seek approval with IIF's Board of Commissioner and/or Board of Directors) to support its duties;
- b. The Chairperson of the Committee may invite directors/ executives/ employees/ independent auditor of IIF to attend the Committee meeting.

In implementing the above authorities, the Committee coordinates with the Risk Director.

#### 4. Structure and Qualification

##### 4.1. Composition

The composition of the members of the Committee shall be as follows:

- a. Chairman, who is an Independent Commissioner. The Chairman of ROC is entitled to appoint a Vice Chairman, who is one of the members of ROC other than the Independent Commissioner;
- b. One member, who is a Commissioner nominated by PT SMI;
- c. Two members, who are Commissioners nominated by the Supranational Investors<sup>i</sup>;
- d. Non-permanent members (non-voting members): any other member(s) that the BoC deem necessary, except the Head of Advisory business. The non-permanent members should ideally include:
  - President Director;
  - Investment Director;
  - Risk Director;
  - Finance Director; and
  - Head of Operational and Enterprise Risk (as Secretary of the Committee).
- e. 1 (one) person representative of PT SMI as an observer and non-voting member.

##### 4.2. Qualification

The Committee members must meet the following requirements:

- a. Poses good integrity, reputation, and independent attitude;
- b. Has adequate expertise, background knowledge, and experience; and
- c. The Chairperson is an Independent Commissioner<sup>ii</sup> as defined in the Shareholders' Agreement and IIF's Operations Manual and Article 13 paragraph (3) of IIF's Articles of Association and relevant regulations (if any). Unless prohibited by prevailing laws and regulations, any exceptions to this shall obtain consent from IIF's shareholders<sup>iii</sup>.

##### 4.3. Appointment

- a. The Committee members are appointed by the BoC and acknowledged by the Board of Directors ("BoD");
- b. The appointment of the Committee Chairperson and members shall be reported in the Annual General Meeting of Shareholders ("AGMS").



#### 4.4. Membership Period

The period of Committee membership is the same period as the term of office of the BoC.

### 5. Responsibilities and duties

- a. Evaluates the risk management policy for credit, market, operational and environmental and social risks for BoC approval. Regularly evaluates and analyses the adequacy of risk management policies and gives opinions in the form of suggestions and/or recommendations to the BoC concerning the necessary improvements and perfection of risk management;
- b. Suggests modifications to the above-mentioned risk management policies to suit the changing environment;
- c. Defines the roles and responsibilities of the Risk Management Committee of the Board of Directors;
- d. Provides input and comments on the issues raised by Risk Management Committee of the Board of Directors;
- e. Reviews quarterly risk management report prepared by IIF's Risk Management Team prior to submission to IIF's Shareholders;
- f. Provides suggestions and/or recommendations (if any) to IIF's Risk Management Team to be incorporated in the subsequent quarterly risk management report;
- g. Reviews framework of risk management parameters or registers and provide approval for any proposed changes to such parameters or registers going forward;
- h. Provides information on any other matter, which is deemed fit by the Board of Commissioners in the normal course of business.

### 6. Meeting

#### 6.1. Frequency

The Committee manages its regular meeting at least once a quarter, and the meetings shall be attended at least by fifty one percent (51%) of the permanent members of the Committee – but shall include the Independent Commissioner and the Commissioner who is nominated by PT SMI.

#### 6.2. Agenda

The Committee's meeting agenda shall be clearly defined and be distributed to the Committee members at least 5 (five) working days, excluding the date of the meeting and notification of the meeting, prior to the meeting.

#### 6.3. Attendees

- a. Notwithstanding the provisions of 4.1 above, the Committee may request the Risk Management Committee of the BoD, Risk Director, other Directors, principal risk owners, executives, and internal auditor to attend the Committee meeting if required.
- b. The Committee meetings can be attended by 1 (one) person representative of PT SMI as an observer and non-voting member.

#### **6.4. Secretary**

Head of Operational and Enterprise Risk or his/her representative shall attend all meetings of the Committee to provide a Minutes of Meeting.

#### **6.5. Minutes**

The Committee's meetings must be well documented in form of a Minutes of Meeting, which shall be signed by all attending members. Any dissenting opinions in the meeting must be written clearly in the Minutes of Meeting, together with the reason of the dissenting opinions for further decision of BoC. A copy of the Minutes of Meeting shall be distributed to the BoC members for their information.

### **7. Reporting**

#### **7.1. Report to the Committee**

- a. Quarterly Risk Management Report of IIF shall be provided to the Committee prior to sending to the Shareholders;
- b. The minutes of meeting of the Asset Liability Committee and Risk Management Committee of BoD shall be made accessible to the Committee upon request;
- c. The Risk Director and other IIF's Directors shall ensure that all information of material concerns that are relevant to the Committee's responsibilities are brought to the attention of the Committee promptly.

#### **7.2. Report by the Committee**

- a. The Committee must prepare a report explicating roles and responsibilities that the Committee has done during the period audited by the independent auditor. The said report shall become part of the annual report to the shareholders.
- b. Once a year the Committee shall make a self-assessment upon the effectiveness of the Committee's activities and report this to the BoC.

### **8. Secrecy/ Confidentiality**

Each Committee member shall maintain the secrecy/confidentiality of IIF's documents, data and information, as well as adhere to the Code of Conduct as outlined in IIF's Operations Manual.

### **9. Others**

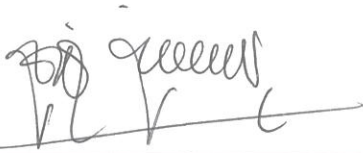
- a. The Committee must review and if required, improve this Charter, by approval from the BoC;
- b. To maintain and improve the quality of the Committee, the Committee might arrange orientation, development, training or continuing education program for the Committee members, which shall be coordinated through the Risk Director and obtain approval from the BoC;
- c. The Committee shall have the power to engage and select independent counsel and other professional advisers at the expense of IIF and to invite them to attend meetings. This requires prior approval from BoC.

This Risk Oversight Charter of the Board of Commissioners of the Company is effective as of 11 November 2024.

**THE BOARD OF COMMISSIONERS  
PT INDONESIA INFRASTRUCTURE FINANCE**



By \_\_\_\_\_  
Name>Nama : Darmin Nasution  
Title/Jabatan : President Commissioner/  
Independent Commissioner  
Date/Tanggal : \_\_\_\_\_



By \_\_\_\_\_  
Name>Nama : Rizal Bambang Prasetijo  
Title/Jabatan : Independent Commissioner  
Date/Tanggal : \_\_\_\_\_



By \_\_\_\_\_  
Name>Nama : Rinaldi Firmansyah  
Title/Jabatan : Independent Commissioner  
Date/Tanggal : \_\_\_\_\_



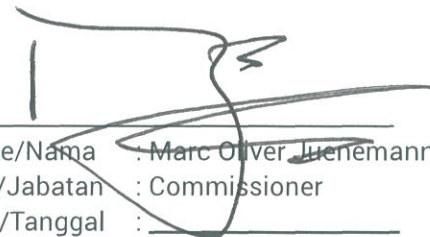
By \_\_\_\_\_  
Name>Nama : Bhimantara Widyajala  
Title/Jabatan : Commissioner  
Date/Tanggal : \_\_\_\_\_

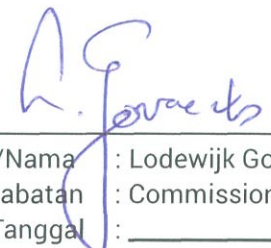


By \_\_\_\_\_  
Name>Nama : Oza Olavia  
Title/Jabatan : Commissioner  
Date/Tanggal : \_\_\_\_\_



By   
Name>Nama : Supriya Prakash Sen  
Title/Jabatan : Commissioner  
Date/Tanggal : \_\_\_\_\_

By   
Name>Nama : Marc Oliver Luenemann  
Title/Jabatan : Commissioner  
Date/Tanggal : \_\_\_\_\_

By   
Name>Nama : Lodewijk Govaerts  
Title/Jabatan : Commissioner  
Date/Tanggal : \_\_\_\_\_

By   
Name>Nama : Yuji Fukuda  
Title/Jabatan : Commissioner  
Date/Tanggal : \_\_\_\_\_

<sup>i</sup> As defined in IIF's Shareholders Agreement, the Supranational Investors are: Asian Development Bank, International Finance Corporation and Deutsche Investitions- und Entwicklungsgesellschaft.

<sup>ii</sup> A person qualified to become an Independent Commissioner of the Company is a person who: (i) has not been employed by the Company or any subsidiary of the Company, any shareholder, or their respective Affiliates in the past five years, (ii) is not, and is not affiliated with a company that is an advisor or consultant to the Company or any subsidiary of the Company, any shareholder, or their respective Affiliates, (iii) is not affiliated with a significant customer or supplier of the Company or any subsidiary of the Company, any shareholder, or their respective Affiliates, (iv) has no personal service contracts with the Company or any subsidiary of the Company, any shareholder, their respective Affiliates, or their respective senior management, (v) is not a member of the immediate family of an individual who is, or has been during the past five years, employed by the Company or any subsidiary of the Company, any shareholder, or their respective Affiliates as an executive officer; (vi) is not a Controlling Person of the Company (or member of a group of individuals and/or entities that collectively exercise control over the Company) (vii) is not a direct or indirect shareholder of the Company, (viii) is not an Affiliate to the Company, any director, any commissioner or any Shareholder holding 5% (five per cent) or more of issued shares of the Company, (ix) does not have a business relation directly or indirectly with the business of the Company.

<sup>iii</sup> As per IIF's Shareholders Agreement, sections relating to Social and Environmental Framework and Corporate Governance of IIF's Operations Manual must not be revised unless consent is obtained from the shareholders.