



Risk Monitoring Committee Work Plan 2019

The Risk Monitoring Work Plan in 2019 includes:

1. Give suggestions and recommendations to the Board of Commissioners about:
 - a. Compilation of RKAP and RBB
 - b. Compilation of Risk Management Policy Guidelines (PKMR)
2. Monitoring Risk Management consisting of Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Legal Risk, Strategic Risk, Compliance Risk and Reputation Risk
3. Monitoring Risk Profile, Bank Health Rating, Minimum Capital Requirement (KPMR), Net Open Position (NOP), Legal Lending Limit
4. Review the performance results or Performance Review, which is related to the level of achievement of the RKAP and RBB and risk management
5. Provide input to the Board of Commissioners in order to prepare responses to Quarterly Performance to the Ministry of State-Owned Enterprises
6. Providing input to the Board of Commissioners in the framework of preparing the Bank Business Plan (RBB) Inspection Supervision Report to the Financial Services Authority (semester)
7. Conducting studies and proposals for improvement of company policies related to credit policy in the following matters:
 - a. Earning Assets Quality
 - b. Credit / Novation Restructuring
 - c. Collection of NPL
 - d. Preparation in the framework of implementing PSAK 71
 - e. Adequacy of CKPN

Accomplishment of the 2018 Risk Monitoring Committee Work Plan

Risk Monitoring Committee Implementation Report

Throughout 2018, the Risk Monitoring Committee has implemented tasks supporting the supervisory function of the Board of Commissioners by delivering recommendations to the Board of Commissioners, regarding Risk Management, which are detailed as follows:

- a. Evaluated the implementation of Risk Management through:
 - Periodic discussions regarding the Bank's Risk Profile Reports (quarterly)
 - Periodic discussions regarding the Bank's Soundness
 - Discussions regarding the performance reviews every month
- b. Evaluated and provided input relevant to the Board of Commissioners:
 - Credit Consultation according to the authority limit
 - Approval of the Provision of Funds to Related Parties
 - Limitations and criteria regarding the actions of the Board of Directors that are not required to obtain the Board of Commissioners' Approval
 - Application of new policies or new products
 - Plans for capital participation in the framework of inorganic growth
- c. Analyze credit quality by reviewing:
 - Drag allowance that occurs with the core debtor
 - Progress regarding the implementation of credit consulted with the Board of Commissioners
 - Follow-up regarding the financial write off activity of the previous year.
 - "back testing" mechanism to find the root of the problem in the event of a decrease in credit quality.
- d. Analyze the suitability of the Risk Management Policy Guidelines in line with the Bank's business activities.
- e. Evaluating Company Policies in respect to:
 1. Anti-Money Laundering and Prevention of Terrorism Funding Program (APUPPT) Application
 2. Guidelines for Co-operation between State-Owned Enterprises in accordance with the Regulation of the Minister of State-Owned Enterprises of the Republic of Indonesia Number PER-03/MBU/08/2017 dated August 14, 2017 and amended by Regulation of the Minister of State-Owned Enterprises of the Republic of Indonesia Number PER-04/MBU/09/2017 September 13, 2017
 3. Due Diligence & Capital Participation Plans at PT. Cerdalan Nasional Madani Investment Management
 4. Regulations of the Board of Directors regarding the Management of Customer Complaints, in accordance with:
 - FSA No. 1/POJK.07/2013 Regulation concerning the Financial Services Sector Consumer Protections
 - FSA No. 2/POJK.07/2014 Circular Letter concerning Services and Settlement of Consumer Financial Services Complaints
 - BI Circular Letter No. 7/24/DPNP concerning the Settlement of Customer Complaints