



PT HM SAMPOERNA Tbk.

PT HANJAYA MANDALA SAMPOERNA TBK.

RISK MANAGEMENT MONITORING COMMITTEE CHARTER

May 18, 2025



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1. Background

As a company listed on the Indonesia Stock Exchange (IDX), the Company must comply with all the provisions of the laws and regulations applicable in the capital market area in which the shares of the Company are listed.

As the Company's supervisor and adviser, the BOC has the responsibility to follow laws, regulations, and the Company's Articles of Association in its daily duties. Effective corporate governance is built upon TARIF (Transparency, Accountability, Responsibility, Independence and Fairness) principles, which are guidelines for good corporate governance. These principles emphasize prioritizing the shareholders' well-being while upholding the Company's values and ethics. Therefore, it is crucial to implement TARIF principles to ensure the interest of all parties involved are satisfied.

Hence, the Charter is crucial as it acts as a practical guideline for the Committee to effectively carry out its duties, responsibilities, and authority. The Charter should be in line with the expectations of shareholders and other stakeholders, while also considering relevant laws, regulations, the Company's Articles of Association, and established corporate governance practices.

2. Legal Basis

- 2.1 Articles of Association of the Company (as amended);
- 2.2 ASEAN Corporate Governance Score Card;
- 2.3 Indonesian GCG Guidelines from the National Committee on Corporate Governance Policy 2021;
- 2.4 Charter of the Board of Commissioners.

3. Purpose and General Principles

- 3.1 The BOC plays a crucial role in overseeing the Company's operations. To effectively fulfill its responsibilities, the BOC can create a committee that reports directly to the BOC. To enhance corporate governance practices within the BOC and considering the Company's current growth, it is deemed necessary to establish the Committee that will support the BOC in implementing strategies, policies, procedures and approaches to manage risks within the Company.
- 3.2 The purpose of the Charter is to offer the Committee a practical manual for carrying out its duties, responsibilities, and authority. This document takes into account relevant laws, regulations, the Company's Articles of Association, and established corporate governance practices. Its main goal is to ensure that the Committee operates efficiently and adheres to relevant guidelines and standards.



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- 3.3 The BOC may delegate certain responsibilities to the Committee which will require formal reporting back to and final decision by the BOC. The ultimate responsibility of risk management monitoring policy matters shall remain with the BOC.

4. Composition, Structure and Requirements of Membership

- 4.1 The Committee is responsible to monitor the Company's risk management and shall report to the BOC.
- 4.2 The Committee must have at least 3 (three) members that comply with the following provisions:
- a. The chairman of the Committee must be an independent commissioner;
 - b. Other members of the Committee can be:
 - i) BOC members;
 - ii) Individuals external to the Company who meet the following criteria: (i) possess no affiliations with the Company, members of the Board of Directors ("**BOD**"), BOC, or the Company's main shareholder; (ii) possess relevant experience in risk management, legal, compliance, accounting or finance; and (iii) do not hold any positions in other committees within the Company; or
 - iii) Individuals who occupy managerial positions under the BOD and are responsible for risk management and/or compliance, but their representation shall not comprise the majority.
 - c. BOD members are prohibited to serve as members of the Committee.
- 4.3 The Committee members must also fulfill the following requirements:
- a. Possess integrity and adequate knowledge aligned with their educational background; and
 - b. Have no conflicts of interest that could potentially impact the Company.
- 4.4 The appointment, removal, and replacement of Committee members are determined through resolutions of a BOC meeting with the possibility of reappointment. Committee members shall be appointed by the BOC meeting commencing from the date of their appointment and continuing until the conclusion of the Company's Annual General Meeting of Shareholders for the specified term of office of the BOC appointing them. However, the BOC reserves the right to dismiss Committee members at any given time.
- 4.5 The tenure of the Committee members must not exceed the duration of the BOC's term of office.
- 4.6 The term of office of a Committee member shall expire if:
- a. He/she resigns;



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- b. He/she is dismissed pursuant to a resolution of the BOC;
- c. He/she passes away;
- d. He/she no longer meets the requirements set forth under the prevailing laws and regulations.

- 4.7 A Committee member may resign from their position by submitting a written notice of resignation to the BOC at least 30 (thirty) days prior to the intended effective date of resignation. The resigning Committee member remains accountable for their actions and decisions during their tenure. The BOC reserves the right to request the fulfillment of the resigning member's accountability through a formal resolution.

The BOC shall promptly convene a meeting within a maximum of 30 (thirty) days following the receipt of a resignation letter, to acknowledge and address the resignation of a Committee member.

If the resignation of one or more Committee members results in the total number of Committee members falling below 3 (three), such resignations will be considered valid only if approved during a BOC meeting and the BOC has appointed new Committee member(s) to fulfill the minimum required number of Committee members.

- 4.8 A replacement for a Committee member who is not coming from the BOC shall be appointed within 60 (sixty) days from the date of the member's incapacity to fulfill his/her duties.

5. Duties and Responsibilities

- 5.1 The Committee must always act independently and be responsible to the BOC in carrying out its duties.
- 5.2 The Committee shall have the following authority and responsibilities:
- a. Monitoring corporate performance against the risk management framework, including ensuring that the Company operates within the Company's established risk appetite;
 - b. Monitoring controls against key risks, including key fraud risks;
 - c. Reviewing any material incidents involving fraud or significant weaknesses in corporate risk controls, as well as lessons learned to prevent future recurrence;
 - d. Receiving reports from Internal Controls, or also known as Internal Auditor, on the results of reviews of the adequacy of corporate risk management processes;
 - e. Receiving reports from the BOD on new and emerging sources of risk and the risk control and mitigation measures that the BOD has taken to address these risks;



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- f. Preparing recommendations to the BOC regarding changes to be made to the Company's risk management framework or the Company's established risk appetite;
- g. Ensuring the effective implementation of risk management within the Company, as well as evaluating and offering advice or recommendations concerning the risk management systems and new business initiatives undertaken by the Company;
- h. Ensuring the Company's adherence to its code of conduct and to provide guidance or recommendations regarding compliance related matters within the Company; and
- i. Preparing the Committee's annual work plan and reporting the results of its work/duties and plans to the BOC.

6. Meetings

- 6.1 The Committee must hold a meeting at least once every 4 (four) months.
- 6.2 The Committee shall have full discretion regarding the timing and agenda of the meeting.
- 6.3 The date, time, venue, and agenda of a meeting shall be provided to each member at least 3 (three) working days prior to the date of the meeting. Shorter notice may be given, provided that all members of the Committee have given their consent.
- 6.4 The meeting shall be attended by a majority of the Committee members.
- 6.5 The meeting shall be chaired by the Committee chairman or, in the absence of the chairman, by any member present in and appointed by the meeting.
- 6.6 The Committee decisions must first be made unanimously. If no consensus is reached by deliberation, decisions are made by majority voting, and the dissenting opinions must be stated in the minutes of meeting together with the reasons for dissent.
- 6.7 The Committee may also adopt valid resolutions without convening a meeting of the Committee, provided that all members of the Committee have been notified in writing of the resolutions and all members of the Committee have given their approval thereof by signing such resolutions. Resolutions adopted in such a manner shall have the same legal force as resolutions validly adopted in a meeting of the Committee.
- 6.8 In the event where any member of the Committee has a conflict of interest, it is mandatory that he/she excuses him/her-self from the decision-making process, whereby remaining members of the Committee will have the full authority to vote.
- 6.9 The Committee may invite any Director(s), any member(s) of the management team and/or any employee(s) of the Company to a meeting. The Committee may also invite a third party, such as a professional consultant, to a Committee meeting.



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- 6.10 The meeting may be conducted either by direct attendance or via telephone conference or any other method of simultaneous conversation.
- 6.11 The minutes of a meeting must always be made in writing. The minutes of a meeting shall be signed by the chairman of the meeting and another Committee member present at the meeting.
- 6.12 The minutes of meetings will be distributed to each and all of the Committee's members and the BOC (addressed to the President Commissioner) of the Company.
- 6.13 Any use of the content of any minutes of meetings for public disclosure shall be subject to the approval of the BOC.

7. Reporting

- 7.1 The Committee shall report to the BOC on the performance of its duties and provide recommendations or suggestions relating to its remit, if required, in a timely manner.
- 7.2 The report referred to in Article 3.3 is an inseparable part of the BOC's reports on the performance of its duties and must be conveyed to the General Meeting of Shareholders.
- 7.3 The Committee shall submit the Committee's annual work report to the BOC in a timely manner.
- 7.4 The Committee must evaluate its performance by way of self-assessment on an annual basis to improve the performance of the Committee. The results of the evaluation must be reported and discussed with the BOC.
- 7.5 The implementation and performance of Committee's duties must be disclosed by the Company in the Annual Report.

8. Miscellaneous

- 8.1 This Charter shall be effective as from the date of stipulation.
- 8.2 Any change or amendment to this Charter shall be made and approved by the BOC.
- 8.3 Everything related to the establishment and the guidelines for the Committee's work implementation, which is not explicitly covered in this Charter, shall be subject to the prevailing laws and regulations applicable to the matters addressed in this Charter. However, this is applicable only if it does not contradict the specific regulations established for publicly listed companies or the industry in which the Company operates.



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Stipulated in : Jakarta
Date : May 18, 2025

**PT HANJAYA MANDALA SAMPOERNA TBK.
Board of Commissioners**

John Gledhill
President Commissioner

Paul Janelle
Vice President Commissioner

Justin Mayall
Independent Commissioner

Luthfi Mardiansyah
Independent Commissioner