

**PT. MATAHARI DEPARTMENT STORE, TBK ("Company")  
RISK MANAGEMENT COMMITTEE CHARTER  
AND TERMS OF REFERENCE**

**I. Purposes and Objective**

- Risk Management Committee and its charter are established to assist the Board in fulfilling and establishing the responsibilities to oversight risk management system and policy, internal control system and procedures, corporate governance and regulatory compliance system.

**II. The Member**

The Risk Management Committee ("Committee") members are:

1. Chief Executive Officer ("*Chairman of Committee*")
2. Chief Financial Officer
3. Chief People and Culture Officer
4. Head of Risk Management and Internal Audit
5. Director/Executive related suspect employee

**III. Duties and Responsibility**

The following are the duties and responsibilities of the Committee:

- 1) Monitoring and ensure Company has conducted regular Risk Assessment and effective Risk Management process, including cyber risk to support the accomplishment of company' objectives.
- 2) Review, discuss and oversee the development, implementation and effectiveness of Company compliance program, internal policies and procedures, Code of Conduct, application of prevailing laws and regulations and industry standards.
- 3) Ensuring Loss Prevention Programs, Environment Health and Safety, Insurance Coverage, Cyber Insurance and Business Continuity Plan/Management are in place.
- 4) Ensuring Cyber Security and Data Protection are managed properly, by identifying the associated risks, assessing them, and defining the control and procedures or technology, and review of its controls.
- 5) Initiate communications and raise the level of compliance awareness of employee(s) by ensuring Company's Code of Conduct, Policy and Procedures, Regulations are properly disseminated, understood, followed and oversee its ongoing implementation across the organizations.
- 6) Ensure the informations/reports received through the whistleblowing system (Suara Matahari) and other sources are being followed up properly.
- 7) Resolve and decide appropriate course of actions upon an integrity violation, including approve the recommended changes of control or procedures which might affected to Company's objectives.
- 8) To review and discuss any update of new laws and regulations which will impact to the Company's business and operation.

#### **IV. Meetings, Decision Making and Meeting Results**

- Risk Management Committee should have regular meeting at least on quarterly basis. However, an extraordinary meeting to discuss any urgent issue faced by the Company can be conducted by the Committee at any time whenever required.
- Notification of Committee Meeting shall be delivered directly to each member of the Committee in written either through a letter or electronically against a proper proof of receipt at least 7 working days before the meeting is convened.
- The meeting is chaired by the Chairman of the Risk Monitoring Committee or a member appointed in writing, if the Chairman of the Risk Monitoring Committee is unable to attend.
- Committee Meeting may only be held if:
  - a) Attending by more than 50% (fifty percent) of the total members of the Committee;
  - b) and One of the majority Committee members is the chairman of the Committee.
- The quorum for the Risk Management Committee Meeting shall consist of 3 Members including the Chairman of Committee or designated on his/her absence.
- Publish copies of its Terms of Reference and Minutes of its meetings and disseminate to committee member and relevant employee(s)

#### **V. Reporting**

- The Risk Monitoring Committee must make periodic reports to the Board of Commissioners regarding the activities of the Risk Monitoring Committee, at least once in 6 (six) months.
- The Risk Monitoring Committee shall report to the BOC on any assignments given and or for any issues identified requiring the attention of the Board of Commissioners.

This Risk Management Committee Charter shall become effective immediately.

Date : November 21, 2022

The Board of Directors



**Terry O'Connor OBE**  
Chief Executive Officer



**Niraj Jain**  
Chief Financial Officer