

BOARD OF COMMISSIONERS CHARTER

PT Federal International Finance

Revisi 1

1. Introduction

As an Indonesian limited liability company, PT Federal International Finance (the “Company” or “FIFGROUP”) has 3 (three) corporate bodies, comprising:

- General Meeting of Shareholders
- Board of Commissioners
- Board of Directors

Each corporate body of the Company has its respective duties and authority with independence to carry out its duties and functions in accordance with Articles of Association and prevailing laws and regulations.

The General Meeting of Shareholders (“GMS”) in principle is the forum for shareholders to appoint members of the Company’s Board of Directors and Board of Commissioners as well as to approve the annual financial statements, annual reports, appropriation of net income, changes to the capital and significant changes to the structure of the Company.

The Board of Commissioners carries out an oversight function, while the Board of Directors manages the Company.

This Charter was developed to provide guidance to the Board of Commissioners and its members in the management and/or operation of the Company.

This Charter is part of FIFGROUP’s Good Corporate Governance.

2. Legal Basis

1. The Indonesian company law
2. The Indonesian capital market law
3. The Otoritas Jasa Keuangan (Financial Services Authority) (“OJK”) regulations
4. The Indonesia Stock Exchange (“IDX”) regulations
5. The Articles of Association of the Company (the “Articles of Association”)

3. Philosophy – Values

Catur Dharma

As part of Astra Group, Company also adhered to the Catur Dharma philosophy. Catur Dharma is the core values that guide all Astra persons in their actions and behavior and unites all Astra persons in the spirit of Astra. The internalization and consistent application of the Catur Dharma’s values create a winning culture, which drives Astra to reach its vision.

The elements of Catur Dharma are as follow:

1. To be an Asset to the Nation
 - a. To become a role model company in managing the business
 - b. To develop sustainable businesses
 - c. To consistently implement social responsibility and environmental management
2. To Provide the Best Service to the Customers
 - a. Service to customers is conducted in a consistent, full of commitment manner, and based on competency
 - b. Customers are the source of inspiration for innovative products and services
 - c. To develop delighted, loyal, and 'advocacy' customers
3. To Respect Individuals and Promote Teamwork
 - a. Employee as individual is an asset of the company
 - b. Cooperation based on interdependency
 - c. Synergy generates an effective and efficient organization
4. To Continually Strive for Excellence
 - a. Excellent business strategy and concept
 - b. Excellent system and process
 - c. Excellent management and team

FIFGROUP's Value

FIFGROUP has its own corporate value called TEAM, with elaboration as following:

1. Teamwork
 - a. Sinergy
 - b. Mutual respect and trust
 - c. Spirit of togetherness
2. Excellence
 - a. Quality improvement
 - b. Continuous improvement
3. Achieving
 - a. Innovative
 - b. Professional
 - c. Focus on achievement
4. Moving Forward
 - a. Broadmindend and visionary
 - b. Inventing and creating opportunity
 - c. Sustainability growth

4. Duties and Authorities

4.1 Duties of the Board of Commissioners

The Board of Commissioners shall oversee and provide advice to the Board of Directors in managing the Company in accordance with the purposes and objectives of the Company, the Articles of Association, prevailing laws and regulations and the principles of Good Corporate Governance.

The duties of the Board of Commissioners include among others:

- a. To provide feedback and recommendations on the Company's strategic proposals and plans (including annual work plan) submitted by the Board of Directors;
- b. To supervise the implementation of the principles of Good Corporate Governance in the Company's business activities;
- c. To supervise and advise the Board of Directors on the Company's business risks as well as management's efforts at internal control;
- d. To consider any decisions of the Board of Directors which are subject to the Board of Commissioners approval pursuant to the Articles of Association;
- e. To provide a report of its supervision and advisory activities in the annual report and to review and approve the annual report;
- f. To approve in the event of the Sharia Supervisory Board (Dewan Pengawas Syariah) of the Company necessity of assistance from the member(s) of the committee formed under the Board of Commissioners;
- g. To ensure that the Board of Director of the Company has followed up the audit finding(s) and recommendation from internal audit of the Company, external auditor, Financial Services Authority (Otoritas Jasa Keuangan) and/or findings from other authority's supervision.

In performing its duties, the Board of Commissioners shall not participate in making operational decisions. Decisions by the Board of Commissioners are made in its oversight capacity, and thus decisions on operational activities remain the responsibility of the Board of Directors.

The Board of Commissioners shall carry out its duties in good faith, with full responsibility and in a prudent manner in the interest of the Company and with due consideration to the interest of the stakeholders of the Company.

4.2 Authorities of the Board of Commissioners

In discharging its supervision and advisory duties, Board of Commissioners is authorized to perform, among other the following:

- a. To inspect records and other documents as well as assets of the Company;
- b. To request and accept information relating to the Company from the Board of Directors;
- c. To grant approval to the Company's proposed corporate action submitted by the Board of Directors;
- d. To temporarily dismiss the members of the Board of Directors if they act contrary to the Articles of Association and/or the prevailing laws and regulations.

5. Rules of Conduct

5.1 Non-competition and integrity

A Commissioner shall not:

- a. Participate in the management of or own shares in a competitor of the Company, either directly or indirectly;
- b. Give or accept (substantial) gifts from business partners of the Company;
- c. Provide unjustified advantages to any third party to the detriment of the Company; or

- d. Take advantage of business opportunities, to which the Company is entitled, for themselves or for their spouse, child or relative by blood or marriage up to the second degree.

5.2 Transparency

In establishing communication with the Board of Directors, the Board of Commissioners and its members and committees shall act in an atmosphere of mutual trust and transparency.

5.3 Confidentiality

During their tenure and afterwards, a member of the Board of Commissioners shall not use or disclose (whether directly or indirectly) any confidential information belonging to FIFGROUP or any company in which FIFGROUP has interest ("**Confidential Information**"). They are also prohibited from abusing such information.

Confidential Information includes documents and/or strategic information that are formulated or acquired by the Company, which may not be disclosed or submitted to external parties, with the following considerations:

- To maintain the Company's competitive advantage; and/or
- To honor agreements or regulations, which requires the Company to maintain the confidentiality of such information.

Information included in the Company's Confidential Information categories are:

- Financial statements and/or material transactions that have not been disclosed to the public;
- Strategic corporate plan;
- Information bound by confidentiality agreement;
- Products of the Company that are still in the development stage;
- Uniqueness of technology; and
- Other information that are considered confidential.

5.4 Securities Dealing

Any shareholding in the Company by member of the Board of Commissioners shall be for long-term investment purposes. Members of the Board of Commissioners are bound by FIFGROUP's Securities Dealing Rules under FIFGROUP's Code of Ethics, as amended from time to time, which is posted in the Company's website and shall comply with the regulations applicable to ownership and transaction in securities.

Each member of the Board of Commissioners is entitled to disclose regarding these following matters to the Company and it shall be stated in the Good Corporate Governance implementation report, which are:

- a. Their ownership in the Company and/or in another company (in Indonesia territory and outside Indonesia territory) reaches 50% (fifty percent) or more; and
- b. Their financial relationship and family relationship with the other members of the Board of Commissioners of the Company, members of the Board of Directors of the Company, members of Sharia Supervisory Board (Dewan Pengawas Syariah) of the Company, and/or the shareholders of the Company

5.5 Conflicts of interest

A Commissioner shall not make any transactions which has a conflict of interest with the Company's business.

A Commissioner shall immediately report to the President Commissioner and to the other Board of Commissioners members any conflict of interest or potential conflict of interest that is of material significance to the Company and/or to them, and shall provide all relevant information in the report.

The Board of Commissioners shall decide, without the presence of the concerned Commissioner, whether there is a conflict of interest.

The President Commissioner shall provide all relevant information to the Board of Directors regarding conflict of interest and the Board of Commissioners Decision of the matter.

A transaction in which a Commissioner has a conflict of interest must be concluded on terms at least customary in the relevant sector, must be approved by the Board of Commissioners and/or Board of Directors and must comply with the applicable regulations on affiliated party and/or conflict of interest transactions and Article of Association.

In the event that the member of Board of Commissioners owns shares of the Company, they must comply with reporting requirements provided under the prevailing laws and regulations.

On a quarterly basis, and whenever there is any changes, each Commissioner is required to disclose in a special share register of the Company regarding their own, their spouse and/or child share ownership of shares in any business, company or organization.

6. Relationship with the Shareholders and Other Stakeholders

The Board of Commissioners in carrying out their duties shall ensure that the rights of the shareholders are protected and exercised fairly in accordance with the Articles of Association and prevailing regulations, which among others are:

- a. The right to attend, convey their views and vote at the GMS;
- b. The right to obtain the Company's material information in a timely basis.
- c. The right to receive dividends;
- d. The right to receive distribution of the remaining assets of the Company's upon liquidation in proportion with their respective shareholding.

The shareholders, in exercising their rights and responsibilities, shall consider the sustainability of the Company and comply with the Articles of Association and prevailing regulations. The responsibilities of shareholders are among others:

- a. The controlling shareholder shall consider the interest of the minority shareholders and other stakeholders
- b. The minority shareholders shall exercise their rights in a proper manner

The Board of Commissioners in carrying out their duties shall always seek to have a good relationship between the Company and other stakeholders based on the principle of fairness in accordance with prevailing regulations. The guiding principles on the relationship between the Company and its stakeholders are further elaborated in the Company's Code of Ethics.

7. Composition

The Board of Commissioners consists of at least 3 (three) members, comprising:

- a. 1 (one) President Commissioner;
- b. 1 (one) or more Vice President Commissioner (if required); and/or
- c. 1 (one) or more Commissioner.

The Company shall appoint Independent Commissioners which consist of a minimum 30% (thirty percent) of the total members of the Board of Commissioners.

8. Appointment & Re-appointment

A Commissioner is appointed by a GMS, for a term of office as from the date as resolved in the GMS appointing them until the closing of the second Annual GMS following such date.

A GMS may dismiss a Commissioner at anytime assigning a reason therefor after the Director has been given a chance to defend themselves in said GMS.

The term of office of a Commissioner shall terminate if the concerned party:

- Tenders their resignation;
- No longer complies with the requirements of the prevailing laws and regulations;
- Passed away; and/or
- Is dismissed by a resolution of GMS.

A Commissioner, whose term of office has expired, may be reappointed by a GMS.

Before effectively served, each member of the Board of Commissioners of the Company shall pass the fit and proper test in accordance with OJK regulations.

9. Resignation

- a. A Commissioner may resign from their position by giving a written notice to the Company at least 30 (thirty) days prior to the resignation date. A resigning Director shall only be discharged from their responsibilities during their term of office, if a GMS releases them from their responsibilities;
- b. The Company must convene a GMS to resolve such resignation at the latest 90 (ninety) days after receiving the resignation letter.

10. Concurrent Position

A Commissioner is restricted from holding concurrent positions in other Issuers or Public Companies/Company, with the following conditions:

- a. The Commissioner can only be appointed as a Director of a maximum 2 (two) other Issuers and/or Public Companies.
- b. The Commissioner can only be appointed as a Commissioner of a maximum 2 (two) other Issuers and/or Public Companies (excluding the Company).

In the Event that a Commissioner of the Company doesn't hold a concurrent position as a Director in any other Issuer and/or Public Company, they can serve as a Commissioner of a maximum 4 (four) Issuers and/or Public Companies (Excluded from their current position in the Company)

A member of the Board of Commissioners can serve as a member of Committee of a maximum five (5) Issuers and/or Public Companies (including their current position in the Company)

11. Meeting

11.1 Schedule

The Board of Commissioners shall hold a regular meeting once every 2 (two) months ("**Regular Meeting**"). In addition, the Board of Commissioners may hold a meeting (i) at any time when deemed necessary by 1 (one) or more member of the Board of Commissioners or (ii) upon a written request by 1 (one) or more members of the Board of Directors or (iii) upon a request of 1 (one) shareholder or more representing at least 1/10 (one tenth) of the total number of shares with valid voting rights.

Each member of the Board of Commissioners shall present in Regular Meetings at least 75% (fifty percent) of the total Regular Meetings in 1 (one) year period.

The total of the Regular Meetings has been held and attended by each member of the Board of Commissioners shall be stated in Good Corporate Governance implementation report.

The Board of Commissioners shall convene joined meeting with the Board of Commissioners ("**Join Meeting**") regularly at least once every four months.

The Board of Commissioners shall schedule the Regular Meeting for the next year before the end of fiscal year.

11.2 Invitation and Material

- a. Invitations of the Board of Commissioners meeting are issued by the President Commissioner or a member of the Board of Commissioners.
- b. Invitations of the Regular Meeting must be delivered to each member of the Board of Commissioners at least 5 (five) calendar days before the meeting is convened (excluding the date of invitation and the date of meeting). For urgent matters required to be discussed at a Board of Commissioners meeting, the notice period may be shortened.
- c. Invitations for the Board of Commissioners meeting is not required if all members of the Board of Commissioners are present;
- d. The material for the Regular Meeting and Join Meeting must be delivered to the member of the Board of Commissioners in at least 3 (three) calendar days before the meeting is convened. Materials for other meetings may be delivered within a shorter period.

11.3 Conduct and Resolutions

- a. The Board of Commissioner meeting shall be valid and entitled to adopt legally binding resolutions if attended by at least more than ½ (half) of the total number of the Board of Commissioners.
- b. The meeting shall be led by the President Commissioner, and in case the President Commissioner is absent, the meeting shall be led by a Vice President Commissioner. If the Vice President Director is also absent, the meeting shall be led by a Commissioner which will be appointed by the members of the Board of Commissioners that present at the meeting.
- c. Resolutions of the meeting shall be taken based on deliberation to reach a consensus. If a consensus is not achieved, the resolutions shall be taken by affirmative votes of more than ½ (half) of the total number of the member of Board of Commissioners present at the Meeting.
- d. In the event of a tied vote, the proposal shall be deemed to be rejected.
- e. Each present Commissioner shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each other member of the Board of Commissioners who they legally represent.
- f. Voting concerning an individual shall be made in an unsigned, folded ballot paper, while voting concerning other matters shall be conducted orally, unless the chairman of meeting decides otherwise without any objection of other majority attendance.
- g. The Board of Commissioners can take valid resolutions without convening a meeting if all members of the Board of Commissioners give their written approval to the proposal submitted evidenced by their signatures.
- h. Resolutions of the Board of Commissioners meeting shall be stipulated and well documented as minutes of meeting, which must be signed by all members of the Board of Commissioners that present at the meeting. If there is a member that does not wish to sign the minutes of meeting, said member must state the reason in a written letter that will be attached to the minutes of meeting.
- i. Any dissenting opinions risen during the Board of Commissioners meeting shall be stated clearly in the minutes of Board Commissioners meeting followed by the reason of such dissenting opinions.
- j. The amount of the held Board of Commissioners meeting and the attendance of each member of Board of Directos shall be stated in the Good Corporate Governance Implementation Report.

Meetings of the Board of Commissioners shall be organized by the Corporate Secretary in a proper manner.

12. Committees of the Board of Commissioners

To assist the Board of Commissioners in its oversight responsibilities, the Board of Commissioners may establish permanent or ad-hoc committees with due observance to the requirements of the prevailing regulations.

The Board of Commissioners shall establish charters for each permanent committee and may amend such charters at any time. The Board of Commissioners shall determine the composition and the role and responsibilities of any ad hoc committee in written manner.

The Board of Commissioners of the Company has established as permanent committees, which are the Audit Committee and the Executive Committee.

13. Working Hours

The working hours is based on the needs of the Company, in line with the applicable laws and regulations.

14. Accountability

The Board of Commissioners shall review for its approval the annual report prepared by the Board of Directors prior to the issuance of the annual report.

The Board of Commissioners shall provide a report of its supervision activities for the year. Such report shall be included in the annual report of the Company, which shall be submitted to the GMS for its approval.

Independent Commissioner of the Company shall report to Financial Services Authority (Otoritas Jasa Keuangan) within 10 (ten) calendar days since the findings of:

- a. Violation of prevailing laws and regulations within the field of financing; and/or
- b. Circumstances or foreseeable circumstances which may endanger the business continuity of the Company.

15. Performance Assessments and Remuneration

Assessment on the performance of the Board of Commissioners shall be carried out periodically by the Nomination and Remuneration function which undertaken by Board of Commissioners.

The GMS shall determine the remunerations for the members of the Board of Commissioner based on the recommendation of the Nomination and Remuneration function. The GMS may also authorize the Board of Commissioners to determine the remuneration for the members of the Board of Directors with due observation to the opinions of Nomination & Remuneration function of the Company.

16. Induction Program for new Commissioner

Newly elected Commissioner shall participate in an induction program of the Company, covering among others the Company's Philosophy, Astra Management System the business of the Company and its group, Astra Good Corporate Governance and the roles and responsibilities of the Board of Commissioners and the Board of Directors.

17. Closing

This Board of Commissioners Charter is stipulated in conformnity with Regulations of Financial Services Agency Number 30/POJK.04/2014 regarding Good Corporate Governance for Financing Company and Regulations of Financial Services Agency Number 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of Issuers or Public Company.

This Board of Commissioners Charter shall be applicable since the validation date. When this Board of Commissioners Charter is applicable, therefore “Board of Commissioners Charter PT Federal International Finance” which valid previously in 27th November 2015 will be deemed null and void.