

## RISK MANAGEMENT COMMITTEE REPORT

The Risk Management Committee assists the Board of Commissioners in establishing an appropriate policy concerning risk assessment and risk management as well as in reviewing the adequacy, completeness and implementation effectiveness of the Company's risk management process, and recommend to the Board of Commissioners improvements where deemed necessary.

The Risk Management Committee comprises Mr. Sum Soon Lim as Chairman, Mr. Sio Tat Hiang as member, Mr. Roes Aryawijaya as member and Mr. Setyanto P. Santosa as member.

The Committee has held four meetings during 2007. A matrix of the Commissioners' participation and attendance at the Committee meetings held during the year is set out below:

M e m b e r s	Number of Meetings Attended
Sum Soon Lim	4
Sio Tat Hiang	3
Roes Aryawijaya	4
Setyanto P. Santosa	4

### Activities

The Risk Management Committee conducted its duties and responsibilities in accordance with its terms of reference. The main activities undertaken by the Committee were as follows:

1. Review and monitor the Work-Plan and schedule of Enterprise Risk Management.
2. Monitor the socialization of Enterprise Risk Management Concept.
3. Review the Organization Structure for Enterprise Risk Management.
4. Review and monitor the implementation of Enterprise Risk Management Manual.
5. Review and monitor Enterprise Risk Management Road Map and Key Risk Profile of the Company.
6. Review the Risk Reporting Framework for Enterprise Risk Management.