

Guidance on Main Duties and Work Functions
of the Audit Committee according to Good
Corporate Governance

**AUDIT
COMMITTEE
CHARTER**

PT ELNUSA TBK



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CHAPTER I

INTRODUCTION

1.1 Background

In order to improve the application of the principles of Good Corporate Governance, PT Elnusa Tbk (the “Company”) as one of Issuer shall meet the legislation in capital market sector. In accordance with Decree of the Financial Services Authority Number 55 dated December 7, 2012 dated December 7, 2012 regarding the Establishment and Implementation Guidance of the Audit Committee.

Issuer or Public Company must have an Audit Committee (the “Committee”) appointed by and responsible to the Board of Commissioners in assisting the Board of Commissioners in performing the supervisory, advisory duties and its functions.

1.2 Purposes and Objectives

This Audit Committee Charters’ objectives are: To assist the Board of Commissioners in performing the supervisory

1. To deliver the duties, responsibilities and authority of the Committee members clearly.
2. To implement the relevant provisions of the principles of Good Corporate Governance as determined by the Financial Services Authority.
3. Apply the provisions related to the principles of Good Corporate Governance as determined by the Financial Services Authority

1.3 Legal Basis

Legal basis of the Audit Committee Charters’ are:

1. Law no. 40 Year 2007 dated August 16, 2007 concerning Limited Liability Company.
2. Law no. 21 Year 2011 dated November 22, 2011 concerning Financial Services Authority.
3. Decree of the Financial Services Authority Number 55 dated December 7, 2012 regarding the Establishment and Implementation Guidance of the Audit Committee.
4. General Guidance of Good Corporate Governance of the Republic of Indonesia Year 2006 issued by National Committee for Governance Policy (KNKG).

1.4 Definition

The Audit Committee is a committee appointed by and responsible to the Board of Commissioners in assisting the Board of Commissioners in performing the supervisory, advisory duties and its functions.

1. The Company written in capital letter “C”, means PT Elnusa Tbk, while company written in small letter c shall refer to other companies in general;
2. The Board of Directors is a Company’s organ that is responsible on the Company’s management, for the interest of the Company and to meet the objectives of the Company and shall also represent the Company both in and out of a court in accordance with the provisions contained in the Articles of Association.
3. The Board of Commissioners is the organ that is in charge of supervising the Company in general and/or special accordance with the Articles of Association and providing advice to the Board of Directors. Independ-

dent Commissioner is a Member of the Board of Commissioners from outside the Company and qualified as Independent Commissioner.

4. The Board of Commissioners is a corporate organ tasked with conducting general and / or specific supervision in accordance with the articles of association and advising Board of Directors
5. Independent Commissioner is the member of the Board of Commissioners who comes from outside the Company and fulfill the requirements as Independent Commissioner

CHAPTER II

MEMBERSHIP

2.1 Structure of Membership

1. Member of the Audit Committee consist of at least three (3) members, one of which must be an Independent Commissioner and at least two (2) other members those who come from outside the Company.
2. The member of the Audit Committee who is Independent Commissioner shall act as the Chairman of Audit Committee.
3. The other members of the Audit Committee are those who come from outside the Company

2.2 Term of Office

1. The members of the Audit Committee shall be appointed and dismissed by the Board of Commissioners.
2. The term of office for the members of the Audit Committee must not be longer than the term of office of the Board of Commissioners as stipulated in Article of Association which is three (3) years starting from the date of appointment and ending up to three (3) times of the General Meeting of Shareholders of the Company after the date of appointment.
3. The members of the Audit Committee can be re-appointed only for another one (1) period.
4. The membership of the Audit Committee may be ended at any time before the term of office ends accordance with the Decision of the Board of Commissioners.

2.3 Membership Requirements

1. Independent Commissioner

- a. Are not working or having authority and responsibility for planning, directing, controlling, or supervising activities of the Company within the last six (6) months before being appointed by the Board of Commissioners.
- b. Having no shares either directly or indirectly in the Company.
- c. Has no affiliation relationship with the Company, the members of the Board of Commissioners, the members of the Board of Directors or majority shareholders of the Company.
- d. Has no business relationship either directly or indirectly related to the activities of the Company.

2. Independent Commissioner

- a. Must have high integrity, competency, knowledge, experience in line with the tasks, and able to communicate well.
- b. Must have adequate knowledge to understand financial statement, company's business particularly that related to the services and activities of the Company, audit process, risk management and regulations in capital market sector and other statutory regulations.
- c. Obligated to adhere to the code of conduct for Audit Committee which established by the Company.
- d. Willing continuously improving the competency through education and training.
- e. Should have at least one (1) member who has educational background or expertise in accounting and/or finance.
- f. Are not working in Public Accounting, Legal Consultant Office, Appraisal Services Company Firm or other parties who provide *assurance* services, *non-assurance* services, appraisal services and/or other advisory services to the Company within the last six (6) months.

- g. Are not working or having authority and responsibility for planning, directing, controlling, or supervising activities of the Company within the last six (6) months.
- h. Having no shares either directly or indirectly in the Company.
- i. In the event the members of the Audit Committee acquires share (s) of the Company either directly or indirectly as a result of legal event, those share(s) must be transferred to other parties within maximum of six (6) months after the share(s) acquired.
- j. Has no affiliation relationship with the Company, the members of the Board of Commissioners, the members of the Board of Directors or majority shareholders of the Company.
- k. Has no business relationship either directly or indirectly related to the activities of the Company.

CHAPTER III

DUTIES AND RESPONSIBILITIES

3.1 Duties and Responsibilities

In performing its function, the Audit Committee has duties and responsibilities among others, as follows:

1. Reviewing financial information to be issued by the Company to the public and/or authorities such as financial statements, projections, and other reports related to financial information of the Company.
2. Reviewing the adherence to the statutory regulations related to the activities of the Company.
3. Giving independent opinion in the event of any disagreement between the management and Public Accounting Firm for services rendered.
4. Giving recommendation to the Board of Commissioners with respect to the appointment of Public Accounting Firm based on independency, audit scope, and fee.
5. Performing a review of the audit work of the Internal Auditor and monitoring the implementation of the Internal Auditor recommendation by the Board of Directors.
6. Reviewing complaints (if any) relating to accounting process and the Company's financial reporting.
7. Reviewing and providing advice to the Board of Commissioners in relation to the presence of potential conflicts of interest of the Company.
8. Maintaining confidentiality of documents, data and information of the Company.

3.2 Authorities

In performing its function, the Audit Committee has authorities as follows:

1. Has access to any document on employees, funds, assets and other resources belonging to the Company relating to performance of its duties.
2. Has authority to communicate directly to employees including the Board of Directors and parties who perform the functions of internal audit, risk management and Public Accounting Firm in relation with the Audit Committee's duties and responsibilities.
3. If necessary, the Audit Committee may employ independent parties to assist the Audit Committee in performing its duties.
4. The Audit Committee has another authority granted by the Board of Commissioners.

3.3 Ethical Code of Confidentiality

1. Members of the Audit Committee who are still in office, or who have been ceased to be members of the Committee shall keep confidentiality of the documents, data and information they have obtained during in office as Committee member, from both internal and external parties and shall only use then for purpose of performing their duties.
2. The Audit Committee members are prohibited from abusing any important information relating to the Company for personal benefits.
3. The Audit Committee members in
4. performing their duties and responsibilities shall comply with the Company Ethic Standards and are prohibited from taking personal benefits both directly and indirectly from the Company's activities other than the honorarium together with the facilities and other allowances.

CHAPTER IV

WORK PROCEDURES, MEETINGS, REPORTING AND COMPLAINT HANDLINGS

4.1 Work Procedures

1. In the implementation of its duties and responsibilities, the Audit Committee prepares and submits the Audit Committee Work Plan for the current financial year.
2. The Audit Committee Work Plan adapted and aligned with the Company's financial reporting cycle and also the Annual Audit Work Program (PKAT) of Company's Internal Audit Division.
3. The implementation of tasks related to the Independent Auditors carried out in coordination with the Division of the Comptroller & Corporate Tax, Internal Audit Division and the Management directly (with or without the Board of Directors).
4. The implementation of the Audit Committee duties related to compliance and performance of internal audit for the Company and Subsidiaries are coordinated with the Internal Audit Division of the Company and management of the Company and its subsidiaries.
5. The implementation of the Audit Committee duties related to financial information to be issued by the Company to the public and/or authorities carried out in coordination with the Division of the Comptroller & Tax Company.

4.2 Meetings

1. The Audit Committee shall hold meeting at least 1 (one) time within 3 (three) months.
2. The Audit Committee meeting must be attended by at least more than 1/2 (half) of total members.
3. Resolution of the Audit Committee meetings is taken by consensus.
4. Everything discussed and decided in the Audit Committee meetings, including any dissenting opinions shall be stated in the Minutes of Meeting that is signed by all members of the Audit Committee who present and reported to the Board of Commissioners.

4.3 Reporting

1. The Audit Committee shall make report to the Board of Commissioner on any given assignment.
2. The Audit Committee shall make Annual Report in writing to be published in Company's Annual Report related to the duties and responsibilities.
3. The Audit Committee monitors that the Company shall submit to Financial Services Authority (Otoritas Jasa Keuangan/OJK) about the information concerning the appointment and dismissal of the Audit Committee within maximum 2 (two) working days after the appointment or dismissal.
4. The information regarding the appointment and dismissal as referred in point 3 should be loaded to website of Stock Exchange and/or the Company.

4.4 Complaint Handling

The Audit Committee will conduct a review of complaints or violations related to accounting and financial reporting process and follow-up the steps that have been taken with respect to such reporting.

CHAPTER V

PROHIBITIONS

1. The members of the Audit Committee are prohibited from taking personal advantage, either directly or indirectly from the Company in addition to a legitimate income.
2. The members of the Board of Commissioners who act as the Chairman or Member of the Audit Committee is not given any additional income.

CHAPTER VI

CLOSING

1. The Audit Committee Charter effectively starts after the approval of the Board of Commissioners.
2. With the enactment of this latest Audit Committee Charter, thus the Audit Committee Charter previously which was approved by the Board of Commissioners on December 18, 2017 was revoked and declared no applicable
3. This Audit Committee Charter will be evaluated on annual basis for improvement or updating thereof as may be necessary with regard to the statutory regulations.

Jakarta, 22nd July 2019

Board of Commissioners

PT Elnusa Tbk

President Commissioner	Narendra Widjajanto	(Signed)
Independent Commissioner	Lusiaga Levi Susila	(Signed)
Independent Commissioner	Anis Baridwan	(Signed)
Commissioner	Eman Salman Arief	(Signed)
Commissioner	Antonius Ratdomopurbo	(Signed)



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