

AUDIT COMMITTEE CHARTER OF PT BUMI RESOURCES TBK.

1. Background and Purposes

Audit Committee is a committee formed by and is responsible to Board of Commissioners. Its main function is to assist Board of Commissioners in fulfilling its oversight responsibilities in respect of financial reporting process, application of business risk and financial management, as well as internal control system relating to audit, and application of corporate governance in the management of the Company.

1.1 Formation of Audit Committee and preparation of Audit Committee Charter are based on the following laws and regulations:

1.1.1 Law No. 40 of 2007 on Limited Liability Companies.

1.1.2 Rule of Financial Services Authority (OJK) No. 55/POJK.04/2015 on Formation and Guidelines for Work Performance of Audit Committee.

1.1.3 Rule of Financial Services Authority (OJK) No. 13/POJK.03/2017 dated 27 March 2017 on the Use of Public Accounting Services and Public Accounting Offices in Financial Service Activities.

1.2 In performing its duties, Audit Committee holds meetings with Board of Commissioners, Directors, Risk Management Officer, Managers, Internal Auditor, and External Auditor.

1.3 Audit Committee relies upon information obtained from Directors, Risk Management Officer, Managers, Internal Auditor, and External Auditor in carrying out its oversight role.

1.4 Audit Committee performs its role and functions in accordance with laws and regulations required by Financial Services Authority and the Indonesia Stock Exchange, and in accordance with the instruction received from Board of Commissioners, and in reference to Committee Audit Manual of the Indonesian Institute of Audit Committee (IKAI).

2 **Scope of Role**

Audit Committee assumes the role of conducting oversight on the following:

- 2.1.1. **Financial Information**— to review the reliability and objectivity of the Company’s financial statements and other information pertaining to financial information issued for public interest;
- 2.1.2. **Risk Management**—together with Risk Management Committee, to oversee any actions conducted by management in identifying and controlling financial and business risks;
- 2.1.3. **Internal Control**—to review the effectiveness of internal control applied by the management in managing the Company;
- 2.1.4. **Assurance & Consulting Activity of Internal Auditor**—to review the conformity of planned activities to results thereof conducted by Internal Auditor, as well as to oversee the follow up to audit findings by Management and to ensure the effectiveness of risk management;
- 2.1.5. **Assurance Activity of External Auditor**—to review planned activities and results thereof conducted by External Auditor in ensuring that financial statements are free of any material misstatements;
- 2.1.6. **Objectivity and Independence** —to review the objectivity and independence of both Internal and External Auditors;
- 2.1.7. **Corporate governance**—to review the sufficiency of oversight over compliance with the prevailing laws and regulations, and business ethics, as well as to ensure that no significant conflict of interest exists; to review and give recommendations to Board of Commissioners in the event of any potential conflict of interest.

3 **Authority**

- 3.1 Board of Commissioners confer the authority on Audit Committee to conduct a review of all activities within the latter’s scope of role, and at any time may seek as well as ask for any necessary information from:

- 3.1.1. Directors;
 - 3.1.2. Each employee (and all employees are directed to cooperate to accommodate what is needed by Audit Committee);
 - 3.1.3. Relevant external parties.
- 3.2 Audit Committee is authorized to request the following financial information and reports:
- 3.2.1. Annual and quarterly financial statements;
 - 3.2.2. Activity Summary Report of Risk Management Officer and Internal Audit, including significant findings identified by Internal Auditor;
 - 3.2.3. Summary Report of significant legal issues or matters of non-compliance with laws and regulations identified by Legal Department;
 - 3.2.4. Other necessary reports or information;
 - 3.2.5. These forms of reports will be assessed and agreed at any time with the persons preparing the same.
- 3.3 Upon consultation with and upon approval of Board of Commissioners, Audit Committee may request the assistance of external legal advisor or other professional services, and the costs thereby incurred will be borne by the Company.

4. Duties and Responsibilities

- 4.1 Audit Committee shall have the obligation and responsibility to:
- 4.1.1 submit written reports to Board of Commissioners, minimum once a quarter, including presenting any significant activities and issues which call for the attention of Board of Commissioners, as well as the recommendations of Audit Committee, if any;
 - 4.1.2 grant recommendations to Board of Commissioners for appointment, and/or replacement, and/or removal of head of internal audit unit of the Company;
 - 4.1.3 evaluate and submit the results of evaluation of internal audit charter to Board of Commissioners prior to being approved by Board of Commissioners;
 - 4.1.4 render an independent opinion in the event of divergence of opinion between management and External Auditor;
 - 4.1.5 conduct evaluation of the grant of audit services in respect of annual historical financial information by Public Accountant and/or Public

Accounting Office. To grant recommendations to Board of Commissioners based on the evaluation report and management opinion regarding the reappointment or replacement of External Auditor. If the recommendation is for replacement of External Auditor, Audit Committee shall be responsible for conducting the process of finding and appointing the replacement External Auditor.

- 4.1.6 forward the recommendation regarding the reappointment or replacement of External Auditor to Directors. Directors will further prepare an evaluation report being addressed to the Financial Services Authority.
- 4.1.7 review any complaints relating to financial statements of the Company;
- 4.1.8 prepare reports to be incorporated in annual reports, which among others contain detailed information on Audit Committee's activities;
- 4.1.9 prepare special reports to Board of Commissioners, if requested;
- 4.1.10 Audit Committee shall treat the confidentiality of corporate documents, data and information obtained during the performance of its role.

5. Organization and Membership

- 5.1 Organization and membership requirements of Audit Committee are based on OJK Regulations;
- 5.2 At least, one member of Audit Committee must be experienced and has expertise in auditing, accounting, and finance;
- 5.3 Board of Commissioners shall nominate, appoint and designate members of Audit Committee;
- 5.4 Resignation from the membership of Audit Committee must be stated in writing and submitted to Board of Commissioners not later than one month prior to the effective date of the resignation;
- 5.5 In the event that a member of Audit Committee is unable to perform its duties, for any reason whatsoever, that will reduce the number of members of Audit Committee to less than three, Board of Commissioners will appoint a new member of Audit Committee for a maximum period of six months, and may be appointed and designated as a permanent member of Audit Committee;
- 5.6 Chairman of Audit Committee is an Independent Commissioners appointed by Board of Commissioners.

6. Meeting of Audit Committee

- 6.1. An Audit Committee Meeting is held as and when needed, minimum once in three months;
- 6.2. Audit Committee may invite any parties relevant to the topic to be discussed at the Meeting to be present at the Audit Committee Meeting;
- 6.3. Meeting outcome is documented in the form of meeting minutes to be signed by all members of Audit Committee and distributed to each member of Audit Committee;
- 6.4. Meeting quorum is attended by minimum $\frac{1}{2}$ (one half) of the members of Audit Committee. In the event the Meeting fails to reach the quorum, the Meeting shall be postponed and rescheduled;
- 6.5. Member of Audit Committee who is unable to attend the meeting may be represented by other member of Audit Committee attending the meeting by means of a proxy.

7. Term of Office

Term of office of a member of Audit Committee who is not a member of Board of Commissioners is the same as that of Board of Commissioners as provided for in the Articles of Association of the Company and may be re-elected for only one period of the subsequent term of office.

8. Amendment of Charter and Performance of Audit Committee

- 8.1. Audit Committee:
 - 8.1.1 to periodically review and update the Audit Committee Charter or in the event of change of regulations affecting the same. Change of Charter must obtain approval from Board of Commissioners;
 - 8.1.2 to routinely evaluate the performance of Audit Committee via self assessment, minimum once a year and report the results of the evaluation to the Board of Commissioners;
- 8.2 In the event of any inconsistency between this Audit Committee Charter and the prevailing laws and regulations, the latter shall prevail.