



CHARTER OF AUDIT, RISK & COMPLIANCE COMMITTEE

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I. BACKGROUND

The initiative to form the Audit, Risk and Compliance Committee (previously Audit and Corporate Governance Committee) demonstrates the commitment of PT Petrosea Tbk. (the “**Company**”) to support good corporate governance.

We believe that an effective Audit, Risk and Compliance Committee (the “ARC Committee”) will enhance transparency within the Company’s internal structure, in order to promote openness and objectivity in addressing issues related to business risks, financial reports and good corporate governance which in turn will improve the quality of decisions at the Board of Commissioners and the Board of Directors levels.

The first Charter of Audit, Risk dan Compliance Committee was first created in November 2009 (previously named the Audit Committee) with the objective of providing a reference to define the role, organization, focus and primary responsibility of the Company’s Audit Committee as well as the membership criteria, periodical meeting implementation and annual work plan.

Due to the development and dynamics of the Company, in May 2016 the Board of Commissioners added the Corporate Governance function to the Audit Committee, which function was previously the authority of the Good Corporate Governance Committee.

In 2018, the Board of Commissioners added the Risk function to the Audit and Corporate Governance Committee, and therefore it was called the Audit, Risk and Compliance Committee.

In 2019, this Audit, Risk and Compliance Committee Charter is adjusting to the resolution on the Extraordinary General Meeting of Shareholders of PT Petrosea Tbk held on 1 March 2019, which was to amend the term of service of the Board of Commissioners and the Board of Directors.

In 2022, in line with Company’s growing focus to sustainability, the Board of Commissioners added the Sustainability Committee to oversee the Company’s sustainability practices, which previously included under ARC Committee duties and responsibilities. Hence, ARC Committee Charter is adjusting to this change to better align the scope and coordination between committees.

This charter will be reviewed and renewed periodically, if so required, to align with any changes and new regulations.

Description	2001 – 2014	2014 – 2016	2016 – 2018	2018 – Now
Name of Committee	1. Audit Committee 2. Good Corporate Governance Committee	Audit Committee	Audit & Good Corporate Governance Committee	Audit, Risk & Compliance Committee
Charter	1. Audit Committee Charter (17 Nov 2009) 2. Corporate Governance Committee Charter (20 Dec 2010)	-	Audit Committee Charter (Updated) (14 Aug 2017)	Audit, Risk & Compliance Committee Charter

II. OBJECTIVE AND PURPOSE

This charter is prepared as a basis to clarify the function, duties, and responsibilities of the ARC Committee and for the Board of Commissioners to ensure that the ARC Committee has performed its function effectively.

This charter will be reviewed and renewed periodically, if so required, to align with any changes of prevailing regulations and the Company's requirements.

The ARC Committee must uphold the good faith, accountability, professionalism, and prudent principles in conducting its tasks.

III. CHARTER'S REFERENCE

1. Law No. 8 of 1995 regarding the Capital Market dated 10 November 1995;
2. Law No. 21 of 2011 regarding the Financial Service Authority dated 22 November 2011;
3. Financial Service Authority Regulation No. 33/POJK.04/2014 regarding the Board of Directors and Board of Commissioners of Issuers or Public Companies dated 8 December 2014;
4. POJK 55 (as defined in Chapter IV. Definition);
5. Financial Service Authority Regulation No. 56/POJK.04/2015 concerning the Establishment and the Guideline of Internal Audit Charter dated 23 December 2015;
6. Financial Service Authority Regulation No. 21/POJK.04/2015 concerning the Implementation of Good Corporate Governance in a Public Company dated 16 November 2015;
7. Financial Service Authority Regulation No. 13/POJK.03/2017 concerning the Use of Public Accountant and Auditing Firm in Financial Services Activities dated 27 March 2017;
8. Financial Service Authority Circular Letter No. 32/SEOJK.04/2015 concerning the Implementation of Good Corporate Governance of the Public Company dated 17 November 2015;
9. Indonesia GCG Manual of 2006 concerning the National Committee on Good Corporate Governance (KNKG); and
10. Charter of the Board of Commissioners and the Board of Directors dated 5 September 2016.
11. ISO 37001:2016 Anti-Bribery Management System.

The principles of the corporate governance implemented by the Company are Transparency, Accountability, Responsibility, Independency dan Fairness (TARIF), as stated below:

- (a) **Transparency.** To ensure the objectivity in running its business, the Company must provide all materials and relevant information as required by all shareholders and stakeholders by providing information that is easy access in a timely manner and easily understood.

The information provided is not only limited to information required by the prevailing laws and regulations as well as the regulator, but also any important information which is deemed necessary for the decision-making process of the shareholders.

The information, which according to the laws and regulations is deemed as the Company's property and classified as confidential, does not need to be disclosed in accordance with the confidentiality and personal rights.

- (b) **Accountability.** The Company is managed accordingly, measurable and in accordance with the Company's interest without foregoing the interest of the shareholders, stakeholders, and business.

The Company will be held responsible for its work in a transparent and fair way, in order for the Company to have better accountability and achieve better performance.

- (c) **Responsibility.** The Company, in conducting its business, must always ensure its compliance with prevailing regulations, Articles of Association, prevailing corporate practices, as well as fulfil its corporate social responsibilities to the community and environment for sustainability purposes.

- (d) **Independency.** The Company is organized independently to avoid domination and intervention from other parties.

The General Meeting of Shareholders, Board of Commissioners and Board of Directors, are allowed to conduct their own functions and duties according to the Articles of Association and prevailing laws and regulations, without any dominations, free from conflicts of interest or interventions and influences from third parties, therefore resulting in decisions being made objectively and accurately.

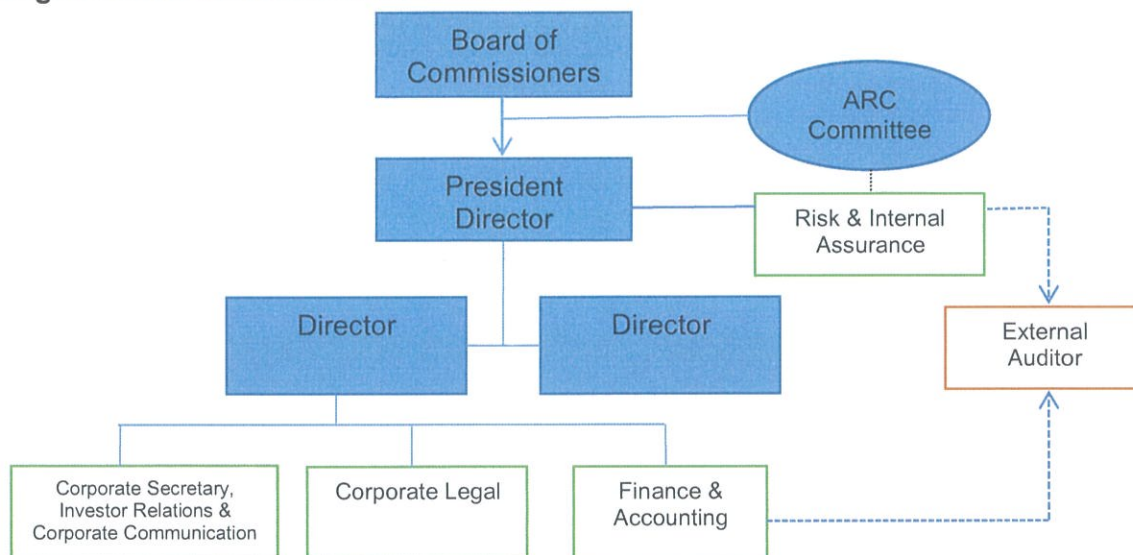
- (e) **Fairness and Equality.** The Company, in conducting its business, must prioritize shareholder and stakeholder interests based on fair and equal principles.

IV. DEFINITIONS

Internal Audit	Internal audit division of PT Petrosea Tbk.
External Audit	External auditor appointed by PT Petrosea Tbk.
IDX	Indonesian Stock Exchange
Board of Commissioners	Board of Commissioners of PT Petrosea Tbk.
Board of Directors	Board of Directors of PT Petrosea Tbk.
Code of Conduct	Code of Conduct in April 2016
ARC Committee	Audit, Risk & Compliance Committee
FSA	Financial Service Authority previously BAPEPAM-LK
Regulation	Legal reference when drafting this Charter
The Company	PT Petrosea Tbk.
POJK 55	Financial Service Authority Regulation No. 55/POJK.04/2015 regarding the Establishment and the Implementation Guidelines of Audit Committee on 23 December 2015
Charter	ARC Committee Charter on 4 September 2018

V. ORGANIZATION

5.1 Organization Structure of ARC Committee



5.2 ARC Committee Structure

5.2.1. Appointment and Dismissal The members of the ARC Committee are appointed and dismissed by the Board of Commissioners.

- 5.2.2. ARC Committee Composition**
1. The ARC Committee must consist of at least 3 (three) members, namely an Independent Commissioner and at least 2 (two) members all of whom have independency/integrity, are in compliance with the prevailing laws and regulations, including but not limited to POJK 55, and the provisions under this Charter.
 2. The Chairman of the ARC Committee must be an Independent Commissioner of the Company.
 3. At least 1 (one) member of the ARC Committee must have educational qualifications and expertise in accounting and finance.
 4. Members of the ARC Committee must be independent persons and have expertise in enterprise risk and experience in good corporate governance principles and adequate knowledge in corporate governance.
 5. The ARC Committee may request assistance from other parties who are not members to act as the ARC Committee Secretary provided that the ARC Committee can ensure that such appointed parties will treat Company matters in strict confidence.

5.2.3. Membership Each member of the ARC Committee must fulfill the following requirements:

1. Have high integrity, capability, knowledge, and relevant experience, as well as ability to communicate effectively;
2. Understand financial statements, the Company's line of business particularly the services provided by the Company or its area of operation, the audit process, risk management and prevailing regulations in the Capital Market and other relevant regulations;
3. Comply with the Company's Code of Business Conduct;
4. Willing to continually improve his/her competency through education and training;
5. Is not an insider of a Public Accountant Office, Law Firm, Independent Appraiser, or other parties that provide assurance services, non-insurance services, appraisal services and/or other consultancy services to the Company within the last 6 (six) months prior to his/her appointment;
6. Is not an individual who works in or has the authority and responsibility to plan, lead, control or supervise the Company's activities within the last 6 (six) months, except for Independent Commissioners;
7. Does not own any shares, either directly or indirectly in the Company;
8. In the event that a member of ARC Committee holds/acquires the Company's shares, directly or indirectly as a result of any legal event, those shares must be transferred to another party within a maximum period of 6 (six) months after the shares are obtained;
9. Does not have an affiliated relationship with any member of the Board of Commissioners, member of the Board of Directors or the majority shareholder of the Company; and
10. Does not have any business relationship, directly or indirectly, which relates to the Company's main line of business.

5.3 Term of Service and Honorarium of ARC Committee

5.3.1. Term of Appointment

1. A Member of the ARC Committee is appointed for 3 (three) years but must not serve beyond the term of service of the Board of Commissioners as stated in the Company's Articles of Association.
2. The Board of Commissioners reserves the right to dismiss a member of the ARC Committee at any time and appoint a successor for the term of service set forth in this Charter.
3. The term of service of the ARC Committee may be extended in accordance with the prevailing regulations.

4. In the event that the Chairman of the ARC Committee is not re-elected as an Independent Commissioner, then such person will automatically cease to hold his position as the Chairman of the ARC Committee. The position of the Chairman of ARC Committee must only be held by an Independent Commissioner.

5.3.2. Early Dismissal An ARC Committee member can be dismissed before the end of his/her term:

1. If the Member of the ARC Committee becomes a suspect in an investigation relating to dishonesty, criminal acts, or financial bankruptcy.
2. If the Member of ARC Committee ceases to be independent according to POJK 55 caused by the following conditions:
 - a. The ARC Committee Member becomes a director or is appointed to a managerial position in the Company or the Company's subsidiary;
 - b. The ARC Committee Member becomes a majority shareholder in a company which is a buyer or major supplier for the Company;
 - c. The ARC Committee Member becomes a director or is appointed to a managerial position in a company in the same market segment as the Company.

5.3.3. Honorarium The honorarium of the ARC Committee Members will be decided by the Board of Commissioners.

5.4 Cost Incurred by ARC Committee

5.4.1. Cost Any costs incurred in relations to the ARC Committee's activities will be borne by the Company.

VI. DUTIES, RESPONSIBILITIES AND AUTHORITIES

6.1 Duties and Responsibilities of ARC Committee

6.1.1 Duties and responsibilities of the ARC Committee members are as follows:

- 6.1.1.1. Financial Statement**
1. Reviewing financial information that will be released by the Company to the public and/or other authorities, such as financial statements, projections, and other related financial information.
 2. Together with Management, Internal Audit and External Auditor, review the audit results, including any issues related thereto.
 3. Providing an independent opinion if there is a disagreement between the Management and External Auditor for services rendered.
 4. Reviewing the annual report to assure the consistency

and accuracy of the information.

6.1.1.2. Appointment and Performance of External Auditor

1. Provide recommendations to the Board of Commissioners regarding the appointment of an External Auditor which is to be decided by the General Meeting of Shareholders (GMS), based on independency, scope of work and fee, expertise and experience, methodology, technique and audit facilities, the benefit of a fresh perspective that can be obtained through the replacement of the External Auditor, as well the potential risks of auditing services by the same External Auditor consecutively for an extended period of time.
2. In the event that the GMS does not appoint an External Auditor, the appointment of an External Auditor must be delegated to the Board of Commissioners, accompanied by explanations relating to the:
 - a. Reason for the delegation; and
 - b. Criteria or limitations of the External Auditor that will be appointed.
3. Provide recommendations to the Board of Commissioners regarding the substitute candidates of the External Auditor, in the event that the External Auditor appointed during the GMS is unable to fulfill its professional assignment, provided this is mandated by the GMS.
4. Conduct evaluations of the audit services rendered on annual financial information by the External Auditor, including the following:
 - a. Compatibility of the audit implementation by the External Auditor with applicable audit standards;
 - b. Adequacy of fieldwork time;
 - c. Assessment, scope of services provided, and the sufficiency of sampling conducted;
 - d. Provided recommendations for improvement.

6.1.1.3. Internal Control System

Monitor, assess and discuss with the Management, Internal Auditor and External Auditor regarding the adequacy and effectiveness of internal controls in the financial statements, including any deficiency in design and implementation as well as operations, which can interfere with the Company's ability to record, process, summarize and report the financial information.

6.1.1.4. Internal Audit

1. To review the Internal Audit Charter prior for approval by the Board of Commissioners.
2. To approve the scope of tasks and annual programs of the Internal Audit function.
3. To monitor the effectiveness of the Company's Internal Audit function.

4. To provide opinions and suggestions to the Board of Commissioners.
5. To review every Internal Audit Report which is conveyed to the Board of Commissioners, in this matter the ARC Committee, including every report regarding irregularities conveyed to the Board of Directors.
6. To review the audit implementation conducted by the Internal Auditor and to supervise the follow up implementation by the Board of Directors regarding the findings of the Internal Auditor.

6.1.1.5. Complaint

Review and discuss with Management, Internal Audit and / or External Audit on the prevention, detection, and follow-up of the handling of complaint reports relating to the Company's accounting and reporting process, as well as significant legal and litigation cases faced by the Company (if any).

6.1.1.6. Risk Management

1. Review the activities relating to the implementation of risk management conducted by the Board of Directors.
2. Review the implementation of risk mitigation conducted by the Board of Directors.

6.1.1.7. Compliance

1. Review and assure the Company's compliance with prevailing laws and regulations, specifically on capital market regulations.
2. Monitor the effectiveness of any policy and implementation of fraudulent financial reporting risks prepared and conducted by the Board of Directors.
3. Ensure the implementation of corporate governance principles (TARIF), including the implementation of appropriate disclosure of information and transparency.
4. Review the compliance with the Company's Code of Conduct.
5. Review the compliance of Company's policies, including assuring that the Company has a firm basis in its implementation.

6.1.1.8. Potential Conflicts of Interest

Review and advise the Board of Commissioners regarding potential conflicts of interest. In the event that this function has been conducted by another Committee, the ARC Committee must receive such report which includes reviews and suggestions on potential conflicts of interest.

6.1.1.9. Confidentiality

Maintain the confidentiality of the Company's documents, data, and information.

- 6.1.1.10. Anti-Bribery Management System**
1. Approve Petrosea's anti-bribery policy.
 2. Ensure that Petrosea's strategy and anti-bribery policy are aligned.
 3. Receive and review the information on the content and operation of the anti-bribery management system (ABMS) on quarterly basis, at the minimum.
 4. Ensure that adequate and appropriate resources needed for effective operation of ABMS are allocated and assigned.
 5. Exercise reasonable oversight over the implementation of the organization's ABMS by Top Management.
- 6.1.2 The primary responsibility for compliance in relation to the Company's financial information, implementation of internal controls, risk management and sufficient good corporate governance rests with the Board of Directors. The responsibility of the ARC Committee is to review the Company's financial information, the scope of internal control, risk management and good corporate governance as referred to above.
- 6.2 Authority of ARC Committee**
- 6.2.1. Access to Documents, Data, and Information**
1. Have access to documents, data and information about the Company's employees, financials, assets, or other information required by ARC Committee to perform its duties.
 2. Receive the following reports:
 - Quarterly Financial Statements;
 - Annual Audited Financial Statements and Reports from Public Accountant;
 - Analytical Review of the Financial Statement;
 - Internal Audit Reports;
 - Report on the Implementation of Internal Audit Work Plan;
 - Report on the Anti-Bribery Management System Implementation and Effectiveness;
 - Risk Management Report;
 - Compliance Report relating to corporate governance;
 - Code of Conduct Report;
 - Relevant regulations for ARC Committee; and
 - Report or information as deemed required by the ARC Committee.
- 6.2.2. Communication** Communicate directly with the employees, including the Board of Directors and internal audit function, risk management, legal, corporate secretary, and external auditor in relation to the duties and responsibilities of the ARC Committee.
- 6.2.3. Independent Parties** Involve any independent parties as required to support the duties (if needed) at the cost of the Company; and
- 6.2.4. Other Authorities** Exercise other powers granted by the Board of Commissioners.

VII. WORKING PROCEDURES

- 7.1. Rules** Duties and responsibilities of the ARC Committee will be conducted, among others, through the ARC Committee Meetings.
- 7.2. Secretarial Duties** To expedite its tasks, the ARC Committee is assisted by the BOC Secretariat who will perform secretarial duties, as follows:
- Arrange meeting schedules;
 - Propose and contact any necessary experts;
 - Prepare and distribute meeting invitation and materials; and
 - Compile and distribute the minutes of meeting.
- 7.3. Independent Sources** If needed, and as stated above, the ARC Committee may invite experts from the Board of Commissioners, Board of Directors, or other parties, either internal or external to the Company.

VIII. MEETINGS

- 8.1. Regular Meeting**
- The ARC Committee must conduct a regular meeting at least 1 (once) in 3 (three) months.
 - Conduct a regular meeting with Internal Audit at least 1 (once) in 3 (three) months.
- 8.2. Ad-hoc Meeting**
- The ARC Committee may hold meetings with External Auditor as needed.
 - The ARC Committee may hold meetings as needed or for special assignments given by the Board of Commissioners.
- 8.3. Notice of Meeting**
- In order for the meetings to be held as scheduled, written notice (meeting invitation) may be sent through facsimile, e-mail or registered mail to all members of the ARC Committee at least 7 (seven) working days prior to the meeting, accompanied by documents relevant to the agenda.
 - Written notice (invitation) must include the agenda of the meeting, which may be based on the annual work plan or specific matters requested by the Board of Commissioners or as deemed necessary by the Chairman of ARC Committee, after discussing with members of the ARC Committee.
- 8.4. Quorum of the Meeting** The ARC Committee meeting may adopt resolution if attended by more than ½ of the members of the ARC Committee.
- 8.5. Resolution of the Meeting** The resolution of the ARC Committee Meeting must be adopted by deliberation and consensus. If no consensus is reached, the ARC Committee may adopt a resolution if approved by more than ½ of the ARC Committee Members present at the meeting.
- 8.6. Minutes of Meeting**
- Significant matters discussed in a meeting must be recorded in a minute of meeting, including any dissenting opinions.
 - Minutes of meeting must be signed by the Chairman of the Committee as well as all members of the ARC Committee present in the meeting.

3. For efficiency, minutes of meeting also must serve as the ARC Committee's report to the Board of Commissioners.
4. For specific matters, the ARC Committee may issue a confidential report separately to the Board of Commissioners.

IX. REPORTING SYSTEM

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| 9.1. Annual Work Plan | <ol style="list-style-type: none"> 1. The ARC Committee must prepare an annual work plan to fulfill the responsibilities of the ARC Committee. 2. Such annual work plan must be submitted to the Board of Commissioners. |
| 9.2. Report and Review of the Board of Directors' Fulfillment Actions on Audit Results | <ol style="list-style-type: none"> 1. Report to the Board of Commissioners for each assignment, including a written report at least every 3 months, which covers the activities of the ARC Committee and the recommendations for follow-up of important matters requiring the special attention of the Board of Commissioners. 2. Review the implementation of activities needed to be conducted by the Board of Directors as required by the ARC Committee and reporting to the Board of Commissioners for any negligence of the parties concerned to carry out such action. |
| 9.3. Appointment Recommendation and the Performance of External Auditor | <ol style="list-style-type: none"> 1. Provide recommendations to the ARC Committee and considerations used in the appointment of the Public Accountant Office. The recommendations and considerations of the ARC Committee and documentations related to the appointment of the Public Accountant Office must be reported to the Financial Services Authority. 2. The evaluation report on the audit service rendered on the annual financial information by the Public Accountant and/or Public Accountant Office must also be reported to the Financial Services Authority. |
| 9.4. Annual Report | Prepare an annual report regarding the ARC Committee activities which must also be disclosed in the Company's Annual Report, including the detailed description on such activities. |

X. COMPLAINT PROCEDURES AND REPORTING

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| 10.1. Policy | <ol style="list-style-type: none"> 1. Provide recommendations to accept any complaints relating to the Company and any of its consolidated subsidiaries from third parties and specifically from employees relating to the accounting process, financial reporting, internal control, and audit processes. 2. Review and following-up on the complaints relating to the Company and its consolidated subsidiaries. 3. The ARC Committee must ensure that the complaint-handling |
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policies have been prepared by the Company in line with the complaint procedures and the Company's Code of Business Conduct, for any acceptance retention and handling of such complaints received by the Company or complaints filed anonymously by the employees relating to accounting standards, weakness of internal control or fraud.

4. The objective of this policy is to provide a mechanism for handling complaints related to the Company's issues arising from accounting standards, internal control weaknesses, audits, risk management, governance, and fraud, so that those complaints will receive a fair hearing at the ARC Committee level and to comply with the prevailing laws and regulations.

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| 10.2. Complaint Receipt | Any complaints related to the deviation from accounting standards, weaknesses of internal control, any matters relating to auditing and fraud received by the Company from the employees, both confidentially and anonymously, must be examined in accordance with the complaints-handling procedure established by the Company. The parties receiving the complaint are obliged to keep the identity of the complainant confidential. |
| 10.3. Complaint Handling | The investigation of the complaint shall be in accordance with the complaint-handling and investigation procedures of the Company, if any. |
| 10.4. Complaint Retention | The report of Anti Bribery Management System for the ARC Committee must include a recapitulation report and the status of the complaints. The Chairman of the ARC Committee must provide feedback on the complaint-handling process and send the recapitulation report to the Board of Commissioners. The completed investigation file will be stored in line with the Company's retention policy. |

XI. MISCELLANEOUS

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| 11.1. ARC Committee Charter | The ARC Committee must review and reassess the contents of this Charter annually and recommend any amendment to the Board of Commissioners for their approval. |
| 11.2. Performance Review | The ARC Committee must review its performance annually and report the results thereof to the Board of Commissioners. |
| 11.3. ARC Committee's Charter Publication | The ARC Committee Charter will be published on the Company's website in accordance with the prevailing laws and regulations. |
| 11.4. Discrepancy with the Regulations | In the event of any contradictions or non-conformities to the provisions of the ARC Charter of the Committee under the provisions of OJK regulations 55, as amended from time to time, the provisions of OJK regulations 55 or applicable legislation will prevail. |