



**CHARTER OF AUDIT, RISK & COMPLIANCE
COMMITTEE**
PT Petrosea Tbk

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DAFTAR ISI

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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 the Company’s increased focus on sustainability, the Board of Commissioners added a Sustainability Committee to oversee the Company’s sustainability practices, which was previously within the duties and responsibilities of the ARC Committee. Therefore, the ARC Committee Charter was adjusted to reflect this change to better align the scope and coordination between committees. Furthermore, the Company also made improvements to applicable governance principles in accordance with the latest 2021 General Guidelines for Indonesian Corporate Governance (PUGKI) issued by the National Committee for Governance Policy (KNKG) and the ARC Committee meeting notices.

In 2024, the Audit, Risk & Compliance Committee Charter was adjusted to align with the recommendations of the Global Internal Auditing Standards released by The Institute of Internal Auditors.

This Charter will be reviewed and updated periodically, if necessary, to anticipate 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

Once printed this document becomes uncontrolled. Refer to Petrosea Intranet for controlled copy.

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
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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 to 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. LEGAL REFERENCE

1. Law No. 8 of 1995 regarding the Capital Market.
2. Law No. 21 of 2011 regarding the Financial Service Authority.
3. Financial Service Authority Regulation No. 33/POJK.04/2014 regarding the Board of Directors and Board of Commissioners of Issuers or Public Companies.
4. POJK 55 (as defined in Chapter IV. Definition).
5. Financial Service Authority Regulation No. 56/POJK.04/2015 regarding the Establishment and the Guideline of Internal Audit Charter.
6. Financial Service Authority Regulation No. 21/POJK.04/2015 regarding the Implementation of Good Corporate Governance in a Public Company.
7. Financial Service Authority Regulation No. 13/POJK.03/2017 regarding the Use of Public Accountant and Auditing Firm in Financial Services Activities.
8. Financial Service Authority Circular Letter No. 32/SEOJK.04/2015 regarding the Implementation of Good Corporate Governance of the Public Company.
9. General Guidelines for Indonesian Corporate Governance (PUGKI) 2021 issued by the National Committee for Governance Policy.
10. The Board of Commissioners and the Board of Directors Manual.
11. ISO 37001:2016 Anti-Bribery Management System.
12. Global Internal Audit Standards 2024.

IV. GOVERNANCE PRINCIPLES

There are eight principles of corporate governance in Indonesia, divided into three groups: the group of principles that regulate the management and oversight functions of corporations, namely the Board of Directors and the Board of Commissioners; the group of principles that regulate the processes and outputs produced by the Board of Directors and the Board of

Commissioners; and the group of principles that regulate resource owners, who will primarily benefit from the implementation of corporate governance.

These principles and their derivatives are inspired by the four pillars of governance, namely Ethical Behavior, Accountability, Transparency and Sustainability:

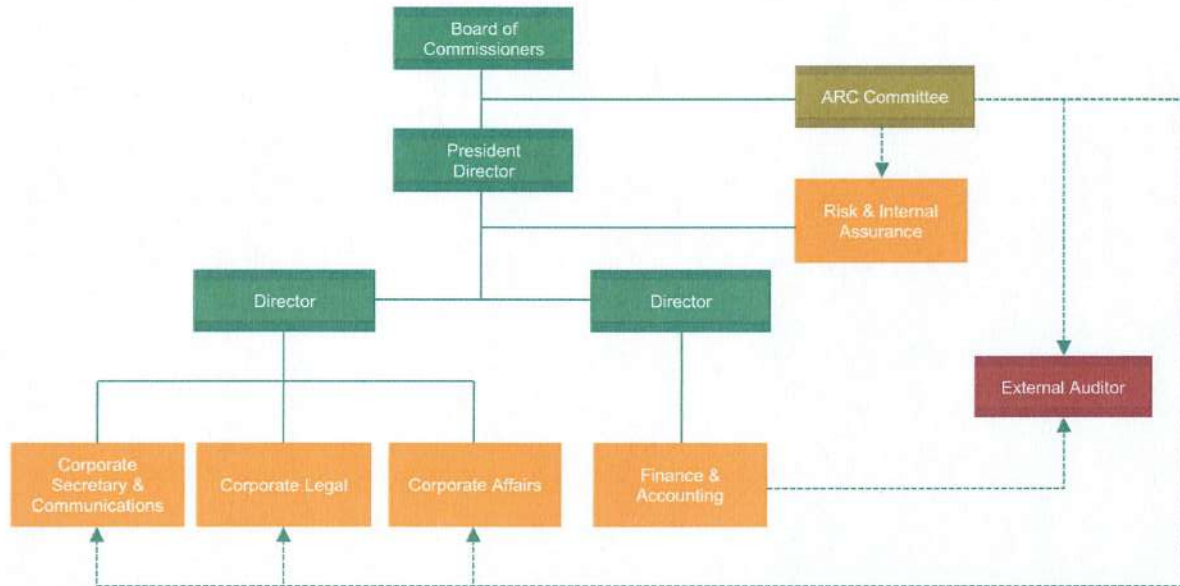
- (a) **Ethical Behavior.** In carrying out its activities, the Company always prioritizes honesty, treats all parties with respect, fulfills commitments, builds and maintains moral values and trust consistently. The Company pays attention to the interests of shareholders and other stakeholders based on the principles of fairness and equality and is managed independently so that each company organ does not dominate each other and cannot be intervened by other parties.
- (b) **Accountability.** The company must be accountable for its performance in a transparent and fair manner. Therefore, the company must be managed properly, measurably, and in accordance with the company's interests, while still taking into account the interests of shareholders and stakeholders. Accountability is a necessary prerequisite for achieving sustainable performance.
- (c) **Transparency.** To maintain objectivity in conducting business, corporations provide material and relevant information in a manner that is easily accessible and understood by stakeholders. Corporations take the initiative to disclose not only matters required by laws and regulations, but also matters that are important for decision-making by shareholders, creditors and other stakeholders.
- (d) **Sustainability.** The Company complies with laws and regulations and is committed to carrying out its responsibilities towards society and the environment in order to contribute to sustainable development through collaboration with all relevant stakeholders to improve their lives in a manner that aligns with business interests and the sustainable development agenda.

V. DEFINITIONS

Internal Audit	Internal audit division of PT Petrosea Tbk
External Audit	External auditor appointed by PT Petrosea Tbk
IDX	Indonesian Stock Exchange
ARC Committee	Audit, Risk & Compliance Committee
FSA	Financial Service Authority previously BAPEPAM-LK
POJK 55	Financial Service Authority Regulation No. 55/POJK.04/2015 regarding the Establishment and the Implementation Guidelines of Audit Committee
Charter	ARC Committee Charter

VI. ORGANIZATION

VI.1. Organization Structure



VI.2. Structure

VI.2.1 Appointment and Dismissal The members of the ARC Committee are appointed and dismissed by the Board of Commissioners.

- VI.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.

VI.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.

10. Does not have any business relationship, directly or indirectly, which relates to the Company's main line of business.

VI.3. Term of Service and Honorarium

- VI.3.1 Term of Service**
1. ARC Committee members are appointed for a term of 3 (three) years, but may not be longer than the term of office of the Board of Commissioners as stipulated in the Company's Articles of Association.
 2. The Board of Commissioners has the right at any time to dismiss members of the ARC Committee and appoint their replacements for the term of office as stipulated 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.

VI.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.

VI.3.3 Honorarium The honorarium of the ARC Committee Members will be decided by the Board of Commissioners.

VI.4. Cost Incurred

- VI.4.1 Cost** Any costs incurred in relations to the ARC Committee's activities will be borne by the Company.

VII. DUTIES, RESPONSIBILITIES AND AUTHORITIES

VII.1 Duties and Responsibilities

VII.1.1 Duties and responsibilities of the ARC Committee members are as follows:

- VII.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.
- VII.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.
 - 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.

VII.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.

VII.1.1.4. Internal Audit

1. Discuss and review the Internal Audit Charter, which includes the internal audit mandate and the scope and types of internal audit services, before approval by the Board of Commissioners and determined by the Board of Directors.
2. Collaborate with the Management to determine the qualifications and competencies the organization expects in the Head of Internal Audit, as described in the Global Internal Audit Standards.
3. Provide opinions and suggestions to the Board of Commissioners for consideration in approving the appointment and dismissal of the Head of Internal Audit.
4. Approve the risk-based internal audit plan.
5. Receive communications from the Head of Internal Audit about the internal audit function including its performance relative to its plan.
6. Conduct a thorough review of the internal audit activities and the results presented in the audit report. Additionally, ensure effective follow-up by the Board of Directors regarding the internal audit findings.
7. Monitor and evaluate the effectiveness of the internal audit function.

8. Ensure a quality assurance and improvement program has been established and review the results of the quality assurance and improvement program annually.
9. Make appropriate inquiries of Management and the Head of Internal Audit to determine whether scope or resource limitations are inappropriate.

VII.1.1.5. 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.

VII.1.1.6. 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, including the implementation of appropriate information disclosure and transparency.
4. Review the compliance with the Company's Code of Business Conduct.
5. Review the compliance of Company's policies, including assuring that the Company has a firm basis in its implementation.

VII.1.1.7. Anti-bribery Management System

1. Approve to the 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.

VII.1.1.8. Potential Affiliate Transaction & Conflicts of Interest Review and advise the Board of Commissioners regarding potential affiliate transaction and/or 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.

VII.1.1.9. Complaint Review and discuss with Management, Internal Audit, Forensic & Investigation, 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).

VII.1.1.10. Confidentiality Maintain the confidentiality of the Company's documents, data and information.

VII.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.

VII.2 Authority

- VII.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.
 - Risk Management Report.
 - Compliance Report relating to corporate governance.
 - Code of Conduct Report.
 - Relevant regulations for ARC Committee.
 - Report or information as deemed required by the ARC Committee.

- VII.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.
- VII.2.3 Independent Parties** Involve any independent parties as required to support the duties (if needed) at the cost of the Company.
- VII.2.4 Other Authorities** Exercise other powers granted by the Board of Commissioners.

VIII. WORKING PROCEDURES

- VIII.1 Rules** Duties and responsibilities of the ARC Committee will be conducted, among others, through the ARC Committee Meetings.
- VIII.2 Secretarial Duties** To expedite its tasks, the ARC Committee is assisted by the BOC Secretariat and/or Corporate Secretary who will perform secretarial duties, as follows:
- a. arrange meeting schedules.
 - b. propose and contact any necessary experts.
 - c. prepare and distribute meeting invitation and materials.
 - d. compile and distribute the minutes of meeting.
- VIII.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.

IX. MEETINGS

- IX.1 Regular Meeting**
1. The ARC Committee must conduct a regular meeting at least 1 (once) in 3 (three) months.
 2. Conduct a regular meeting with Internal Audit at least 1 (once) in 3 (three) months.
- IX.2 Ad-hoc Meeting**
1. The ARC Committee may hold meetings with the External Auditor as needed.
 2. The ARC Committee may hold meetings as needed or for special assignments given by the Board of Commissioners.
- IX.3 Notice of Meeting**
1. 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 3 (three) working days prior to the meeting, accompanied by documents relevant to the agenda.

2. The written notification (meeting invitation) lists the agenda of the meeting, which can be made based on the annual work plan or special matters submitted by the Board of Commissioners or determined by the Chair of the ARC Committee after consulting with the members of the ARC Committee.
3. Materials or meeting materials must be prepared to the ARC Committee at least 3 (three) days before the meeting is held or within a shorter time if necessary.

- IX.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.
- IX.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.
- IX.6 Minutes of Meeting**
1. Significant matters discussed in a meeting must be recorded in a minute of meeting, including any dissenting opinions.
 2. 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, the minutes of meetings 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.

X. REPORTING SYSTEM

- X.1 Annual Work Plan**
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.
- X.2 Report and Review of the Board of Directors' Fulfillment Actions on Audit Results**
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 that needed to be conducted by the Board of Directors as required by the ARC Committee and report to the Board of Commissioners for any negligence of the parties concerned to carry out such action.
- X.3 Appointment Recommendation and the Performance of**
1. Provide recommendations and considerations used in the appointment of the Public Accountant Office to the Board of Commissioners. The recommendations and considerations of the ARC Committee and documentations related to the appointment

External Auditor 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 Accounting Firm must also be reported to the Financial Services Authority.

X.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.

XI. COMPLAINT PROCEDURES AND REPORTING

XI.1 Policy

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 follow-up on the complaints relating to the Company and its consolidated subsidiaries.

3. The ARC Committee must ensure that the complaint-handling 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.

XI.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.

XI.3 Complaint Handling The investigation of the complaint shall be in accordance with the complaint-handling and investigation procedures of the Company, if any.

XI.4 Complaint Retention The report on the 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.

XII. MISCELLANEOUS

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| XII.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. |
| XII.2 Performance Review | The ARC Committee must review its performance annually and report the results thereof to the Board of Commissioners. |
| XII.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. |
| XII.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. |