



# **SUSTAINABILITY COMMITTEE CHARTER**

**PT Petrosea Tbk**

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**Rev 0**

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## I. BACKGROUND

The initiative to form a Sustainability Committee demonstrates the commitment of PT Petrosea Tbk ("Company") in prioritizing the Environment, Social & Governance (ESG) aspects in line with global dynamics that are committed to environmental, social and governance aspects within the Company's business strategy in accordance with Sustainable Development Goals/SDGs.

## II. OBJECTIVE AND PURPOSE

The Charter needs to be prepared as a reference to clarify the functions, duties and responsibilities of the Sustainability Committee and for the Board of Commissioners to ensure that the Sustainability Committee has carried out its functions effectively.

This Charter needs to be reviewed and updated periodically, if necessary, to anticipate changes in the provisions of laws and regulations as well as the requirements of the Company.

The Sustainability Committee must uphold the principles of good faith, responsibility, professionalism and cautiousness in carrying out its duties.

## III. BASIS FOR PREPARING THE CHARTER

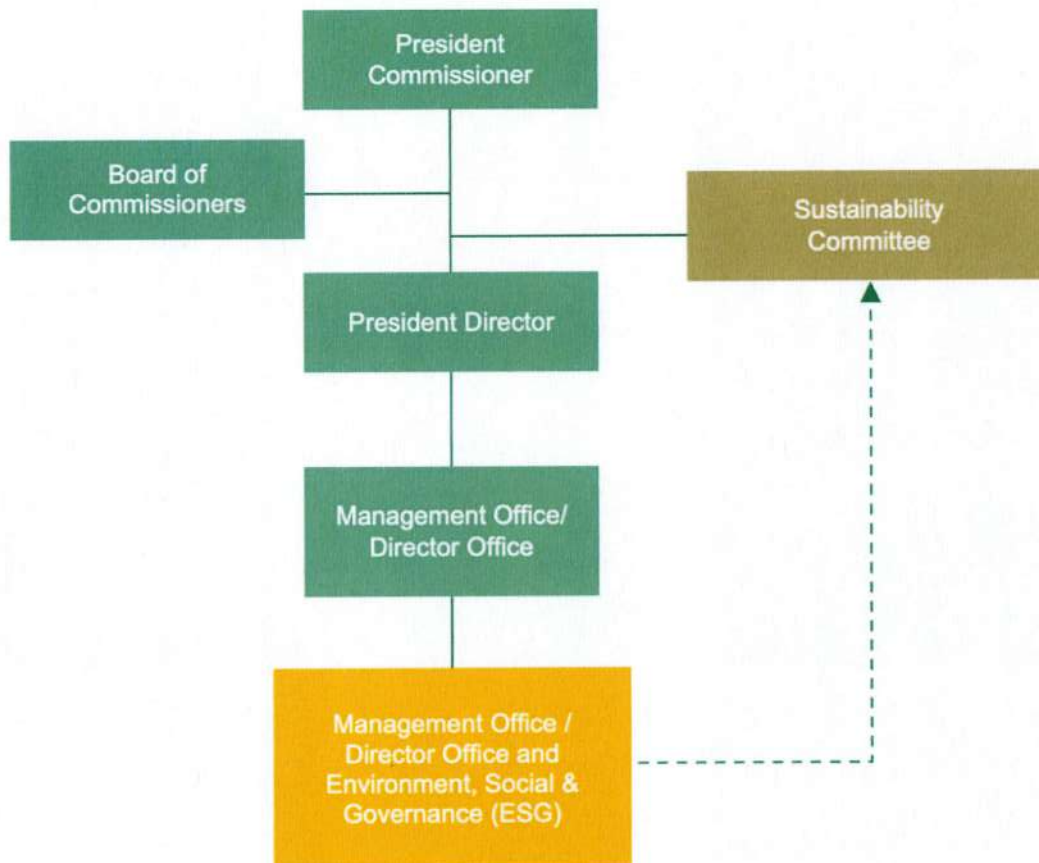
1. Law No. 16 of 2016 regarding the Ratification of the Paris Agreement to The United Nations Framework Convention on Climate Change;
2. Presidential Decree No. 61 of 2011 regarding the National Action Plan for Reducing Greenhouse Gas Emissions (RAN GRK);
3. Presidential Decree No. 29 of 2017 regarding the Implementation of Achieving Sustainable Development Goals;
4. National Medium-Term Development Plan 2020-2024;
5. Financial Services Authority Regulation No. 51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Services Institutions, Issuers & Public Companies.

## IV. DEFINITIONS

1. The Sustainability Committee is an organ of the Board of Commissioners that is independent and professional in the field of Sustainability. The task of the Sustainability Committee is to assist the Board of Commissioners in its supervisory function and ensure that all Sustainability systems and policies have been prepared and implemented based on applicable corporate governance principles.
2. The Company is PT Petrosea Tbk.

## V. ORGANIZATION

### V.1 Organization Chart



### V.2 Structure

#### V.2.1. Appointment and Dismissal

Members of the Sustainability Committee are appointed and dismissed by the Board of Commissioners.

#### V.2.2. Sustainability Committee Composition

The Sustainability Committee consists of at least 3 (three) members consisting of Commissioners, and at least 2 (two) members who have independency, and in accordance with the provisions of this Charter.

#### V.2.3. Members

Members of the Sustainability Committee must meet the following requirements:

1. Have high integrity, ability, knowledge, experience in accordance with the field of work, and be able to communicate well;

2. Understanding of sustainability reports as well as capital market regulations & other related laws and regulations;
3. Comply with the Company's Code of Conduct;
4. Willing to continuously improve competencies through education and training.

### **V.3 Term of Service and Honorarium**

#### **V.3.1. Term of Service**

1. Members of the Sustainability Committee are appointed for a term of 3 (three) years, but not 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 to dismiss members of the Sustainability Committee at anytime and appoint their replacements for the term of service as stipulated in this Charter.
3. The term of service of the Sustainability Committee may be extended in accordance with applicable regulations.
4. Can be dismissed by the Board of Commissioners at anytime without any compensation.

#### **V.3.2. Honorarium**

The honorarium for members of the Sustainability Committee is determined by the Board of Commissioners.

### **V.4 Expenses**

#### **V.4.1. Expenses**

The expenses incurred for Sustainability Committee activities are borne by the Company (if any).

## VI. DUTIES, RESPONSIBILITIES AND AUTHORITIES

### VI.1 Duties and Responsibilities

1. The duties and responsibilities of the Sustainability Committee include at least the following:
  - **Planning:** Review and provide recommendations on the five-year ESG plan submitted by management.
  - **ESG Performance:** Monitor, review and evaluate ESG performance and initiatives.
  - **ESG Risk:** Review and provide considerations to the Board of Commissioners regarding ESG-related risks of projects and/or investments proposed by management.
  - **Sustainability Report:** Review and provide recommendations to the Board of Commissioners regarding the approval of the Sustainability Report.
2. The Board of Directors is fully responsible for realizing the fulfillment of the Company's ESG aspects, implementation of internal control, risk management and adequate corporate governance.

### VI.2 Authorities

1. The Sustainability Committee may recruit or appoint external experts as required to assist the Committee in carrying out its duties, with costs borne by the Company.
2. The Sustainability Committee may conduct investigations as assigned by the Board of Commissioners regarding any matters deemed important, and has access to all facilities and may conduct meetings or interviews with Company staff, auditors, both internal and external, and may invite such parties to attend Committee meetings, both with or without the presence of management.

## VII. WORKING PROCEDURES

### VII.1. Procedures

The duties and responsibilities of the Sustainability Committee are carried out, amongst others, through Sustainability Committee meetings.

### VII.2. Secretarial Duties

To facilitate its duties, the Sustainability Committee is assisted by the Corporate Secretary and/or Board of Commissioners Secretariat to carry out secretarial duties, including:

- a. manage meeting schedules;
- b. propose and contact required people sources;
- c. prepare and distribute meeting invitations and materials;  
and
- d. prepare and distribute minutes of meeting.

### VII.3. People Sources

If necessary, and as stated above, the Sustainability Committee may invite people sources from members of the Board of Commissioners, Board of Directors or other parties both internal and external to the Company.

## VIII. MEETINGS

### VIII.1. Regular Meetings

The Sustainability Committee holds regular meetings at least once every 6 (six) months.

### VIII.2. Ad-hoc Meetings

The Sustainability Committee may hold meetings as required or as a special assignment from the Board of Commissioners.

### VIII.3. Meeting Announcements

1. For all meetings to be conducted according to schedule, written notifications (meeting invitations) can be sent via email or registered mail to all members of the Sustainability Committee no later than 3 (three) working days before the meeting date and accompanied by documents deemed relevant to the agenda.
2. Written notifications (meeting invitations) must include the meeting agenda, which can be made based on the annual work plan or specific matters submitted by the

Board of Commissioners or determined by the Sustainability Committee Chairman after consulting with the members of the Sustainability Committee.

#### **VIII.4. Meeting Quorum**

The Sustainability Committee can make a decision if the meeting is attended by more than  $\frac{1}{2}$  of the number of Sustainability Committee members.

#### **VIII.5. Meeting Resolutions**

Sustainability Committee meeting resolutions are made through deliberation and consensus. If a resolution cannot be made through deliberation and consensus, then the resolution of the Sustainability Committee is considered valid if approved by more than  $\frac{1}{2}$  of the number of Sustainability Committee members present.

#### **VIII.6. Minutes of Meeting**

1. Significant matters discussed during the meeting must be recorded in the minutes of meeting, including any differences of opinion.
2. The minutes of meeting is signed by the Committee Chairman and all members of the Sustainability Committee present at the meeting.
3. For efficiency, the minutes of meeting can also act as a report from the Sustainability Committee to the Board of Commissioners.
4. For specific matters, the Sustainability Committee may decide to issue a separate confidential report to the Board of Commissioners.

### **IX. OTHERS**

#### **IX.1. Sustainability Committee Charter**

The Sustainability Committee may review and reassess the contents of the Sustainability Committee Charter if necessary and recommend any proposed changes to the Board of Commissioners for approval.

#### **IX.2. Performance Review**

Each year, the Sustainability Committee may conduct a self-assessment and report the results to the Board of Commissioners.