



**CHARTER OF AUDIT COMMITTEE  
PT TOWER BERSAMA INFRASTRUCTURE Tbk.**

## **A. Background**

The implementation of Good Corporate Governance “GCG” principal within PT Tower Bersama Infrastructure Tbk. and all of its subsidiaries (“Company”) is an important and inseparable part of efforts to achieve the Company’s vision and mission. One of the forms of GCG implementation is to formulate the functions and duties of each organ of the Company so that the work process can be established and managed in a transparent, accountable, responsible, independent, and reasonable manner.

In accordance with the provisions of the Company’s article of associations, the Board of Commissioners is assigned and responsible for (i) supervising the management policy, the course of management in general, both regarding the Company or the Company’s business; (ii) providing advices to Board of Directors and; (iii) to examine and review each report, including the annual report prepared by the Company’s Board of Directors, as well as sign the report before seeking for approval from the shareholders through the General Meeting of Shareholders.

In order to be managed in accordance with GCG principles that are implemented consistently and in compliance with laws and regulations, the Company needs to establish an Audit Committee that works professionally and independently and also to assist the Board of Commissioners in carrying out its supervisory function. Along with the implementation of GCG principle, the role of Audit Committee is very important to assist and improve the performance of the Board of Commissioners in carrying out its supervisory function, including:

- Improve the quality of Financial Reports;
- Monitor the effectiveness of the internal control system; and
- Identify matters that requires the attention of the Board of Commissioners.

Given its strategic role, it is considered necessary to formulate a reference and work program for the Audit Committee which are set by the Board of Commissioners, as the basis for the Audit Committee to execute its authority based on applicable provisions, in the form of the Audit Committee Charter which is hereinafter referred to as the Charter.

## **B. Legal Basis**

This charter is formulated and established based on the Financial Services Authority Regulation (OJK) No. 55/POJK.04/2015 regarding the Establishment and Guidelines for the Implementation of the Audit Committee as amended from time to time.

## **C. Duty, Responsibility, and Authority**

### **1. Duty and Responsibility**

The Audit Committee, which was established based on the Decree of the Board of Commissioners of the Company, acts independently in carrying out its function and has the following duties and responsibilities:

- 1) conduct a review of the financial information that will be issued by the Company to the public and/or the authorities including: financial report, and any other reports related to the Company's financial information;
- 2) conduct a review of the Company's compliance with laws and regulations related to the Company's business activities;
- 3) provide an independent opinion in the event of a difference of opinion between management and the Public Accountant regarding the service provided;
- 4) provide recommendations to the Board of Commissioners regarding the appointment of Public Accountants which based on independence, scope of assignment, and remuneration for services;
- 5) conduct a review of the implementation of audits by Internal Audit and supervise the implementation of follow-up actions by the Board of Directors regarding the Internal Audit's findings;
- 6) conduct a review of risk management implementation activities carried out by the Board of Directors;
- 7) conduct a review of complaints related to the Company's accounting and financial reporting processes;
- 8) review and provide suggestion to Board of Commissioners related to potential conflicts of interest of the Company; and
- 9) maintain the confidentiality of the Company's documents, data, and information.

## 2. Authority

In conducting its duty, the Audit Committee has the following authority:

- 1) access the Company's documents, data, and information that are relevant and related to the performance of its duties regarding the Company's employees, funds, assets, and resources that are necessary.
- 2) communicate directly to employee, including the Board of Directors and parties who perform the following functions: internal audit, risk management, and Public Accountant regarding the duties and responsibilities of the Audit Committee.
- 3) involve independent parties other than members of the Audit Committee as necessary in order to assist in the implementation of its duties (if required); and
- 4) conduct any other authorities given by the Board of Commissioners.

## **D. Requirements, Composition, and Membership Structure**

### **1. Requirements**

The requirements of Audit Committee are the followings:

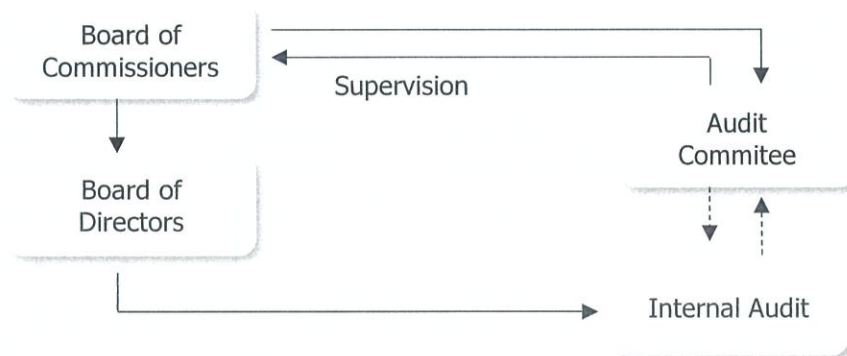
- 1) not an insider of the Public Accounting Firm, Legal Consultant Office, Public Valuation Service Office, or other parties who provide assurance services, non-assurance services, valuation services and/or other consulting services to the Company within the last 6 (six) months before being appointed by the Board of Commissioners.
- 2) not a person who works or has the authority and responsibility to plan, lead, control or supervise the Company's activities within the last 6 (six) months before being appointed by the Board of Commissioners, except for Independent Commissioners;
- 3) does not have any direct or indirect shares in the Company. In the event that a member of the Audit Committee acquires shares either directly or indirectly as a result of a legal event, the shares must be transferred to another party within a maximum period of 6 (six) months after the possession of the shares;
- 4) does not have an affiliated relationship with members of the Board of Commissioners, members of the Board of Directors or Major Shareholders of the Company;
- 5) does not have any direct or indirect business relationship related to the Company's business activities.
- 6) must comply with the Audit Committee's code of ethics set by the Company.

### **2. Competency Requirements**

- 1) members of the Audit Committee must have high integrity, ability, knowledge, and adequate experience in accordance with their educational background and field of work and be able to communicate well;
- 2) must be able to understand the Company's financial statements, the Company's business, especially those related to the Company's services or business activities, audit processes, risk management, and laws and regulations in the Capital Market and other relevant laws and regulations;
- 3) at least one of the Audit Committee members must have educational background, expertise, and experience in accounting and Finance;
- 4) has adequate knowledge of regulations in Capital Market and other relevant laws and regulations; and
- 5) each member of the Audit Committee continuously improves competence through education and training.

### 3. Membership Composition and Structure

- 1) The Audit Committee is appointed and dismissed by the Board of Commissioners.
- 2) The Audit Committee consists of at least 3 (three) people; whereby at least 1 (one) Independent Commissioner and at least 2 (two) expert members who are not employees of the Company.
- 3) Member of the Audit Committee who is Independent Commissioners will serve as Chairman of the Audit Committee.
- 4) The working relationship of the Audit Committee with other organs of the Company is:



### E. Terms of Office of Audit Committee Members

The term of office of the members of the Audit Committee shall not be longer than the term of office of the Board of Commissioners of the Company as stipulated in the Articles of Association of the Company with the following provisions:

1. The term of office of members of the Audit Committee shall be a maximum of 5 (five) years without prejudice to the right of the Board of Commissioners to terminate it at any time.
2. At the end of their first term, members of the Audit Committee may be reappointed for only one subsequent term.

The Chairman of the Audit Committee who is an Independent Commissioner is also considered a Member of the Audit Committee based on Article 4 of OJK Regulation 55/POJK.04/2015. Thus, the term of office limitation above also applies to the respective Independent Commissioner who is also a member of the Audit Committee.

## **F. Code of Conduct**

Each Audit Committee is obliged to:

1. Uphold integrity, professionalism, and professional standards in carrying out their duties as an Audit Committee.
2. Carry out every duty and responsibility honestly, objectively, and independently solely for the benefit of the Company.
3. Avoid activities that are contrary to the laws, ethics and norms applied in the community as well as activities that are contrary to the interests and objectives of the Company.
4. Not receive any reward or anything other than what has been determined as a reward for their duties.
5. Provide opinions by using sufficient and competent evidence to support such opinions and not to use Information relating to the Company for its personal gain.
6. Maintain the confidentiality of the Company's information and will not disclose such information unless permitted by applicable laws and regulations.
7. Develop professional abilities and expertise continuously.

## **G. Guidelines for Holding Meetings**

The Audit Committee Meeting is held with the following provisions:

1. At least once every 3 (three) months.
2. The Audit Committee meeting can make a decision if it is attended by more than 1/2 (one-half) of the number of the Audit Committee.
3. The Audit Committee Meeting is chaired by the Chairman of the Audit Committee, in the event that the Chairman of the Audit Committee is unable to attend, the Audit Committee Meeting is chaired by one of the members of the Audit Committee who is present based on an agreement between them.
4. The decision of the Audit Committee Meeting was taken based on deliberation to reach a consensus.
5. If deemed necessary, the Audit Committee may invite the Management and/or other parties related to the Audit Committee Meeting materials to attend the Audit Committee Meeting.
6. For each Audit Committee Meeting, it is stated in the minutes of the Audit Committee Meeting, including if there is a dissenting opinion signed by all members of the Audit Committee present, and reports the minutes of meeting to the Board of Commissioners.

## **H. Work Procedures and Guidelines**

The Audit Committee develops a work plan every year consisting of a meeting schedule, agenda including parties to be invited to the Audit Committee Meeting such as Public Accountant, Company Management, Internal Audit and/or other parties deemed necessary to support its duties and responsibilities. The agenda of the Audit Committee Meeting is aligned with the Company's annual work plan including but not limited to the discussion of the Financial Statements and/or relevant regulations.

## **I. Activity Reporting System**

1. The Audit Committee is obliged to make a report to the Board of Commissioners on each assignment given.
2. The Audit Committee is required to make an annual report on the implementation of the Audit Committee's activities which is disclosed in the Company's Annual Report.
3. The Company is obliged to submit to the Financial Services Authority ("OJK") information regarding the appointment and dismissal of the Audit Committee within a maximum period of 2 (two) working days after the appointment or dismissal.
4. Information regarding the appointment or dismissal as referred to above must be published on the website of the Indonesia Stock Exchange (IDX) and the Company's website.

## **J. Complaint Handling**

Complaints received by the Audit Committee will be followed up as best as possible and ask relevant parties to conduct an adequate investigation.

## **K. Closing**

The Audit Committee Charter is effective from the date it is established and will be periodically evaluated to adjust to the development of applicable regulations.

And with the effective implementation of this Audit Committee Charter, the previous Audit Committee Charter was declared invalid.

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*Last updated on June 5, 2020*