

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF PT ABM INVESTAMA TBK  
NO. 005/ABM-RES-BOC/XII/2011  
ADOPTION OF THE AUDIT COMMITTEE CHARTER**

In line with the principles of Good Corporate Governance and in compliance with the prevailing laws and regulations, the Attachment to the Decree of the Chairman of Bapepam No.Kep-29/PM/2004 dated 24 September 2004, Rule IX.1.5 on the Establishment of and Work Manual for Audit Committees and the prevailing laws and regulations, the undersigned persons, in their capacities as Commissioners of PT ABM Investama Tbk., a limited liability company incorporated under the laws of the Republic of Indonesia, domiciling in South Jakarta (the "Company"), have decided to adopt the Audit Committee Charter as attached hereto.

Should any item in this Decree require amendment, the necessary adjustments shall be subsequently effected.

Jakarta, 22 December 2011

**Rachmat Mulyana Hamami**  
(President Commissioner)

**Mivida Hamami**  
(Commissioner)

**Erry Riyana Hardjapamekas**  
(Independent Commissioner)

**CHARTER OF THE AUDIT COMMITTEE  
PT ABM INVESTAMA TBK**

**I. DEFINITIONS**

1. Company refers to PT ABM Investama Tbk.
2. Subsidiary refers to any corporation having the form of a limited liability company or any similar corporate entity located inside and outside Indonesia, in which the Company's shareholding constitute more than 50% of the share issued by such company.
3. Affiliate refers to any corporation having the form of a limited liability company or any similar corporate entity, in which the Company shareholding constitute less than 50% of the share issued by such affiliate company.
4. Good Corporate Governance (GCG) is a process and mechanism of corporate governance used by the Company aimed to enhance the Company's business and accountability in order to create and increase corporate value with due consideration of the stakeholders' interest based upon the prevailing laws, moral values and ethics.
5. Company Organs are the General Meeting of Shareholders (GMS), the Board of Commissioners and the Board of Directors.
6. Board of Commissioners is the entire members of the Board of Commissioners acting as a Board.
7. Commissioner is any member of the Board of Commissioners which refers to an individual (not to the Board).
8. Board of Directors is the entire Directors acting as a Board.
9. Director is any member of the Board of Directors which refers to an individual (not to the Board).
10. Management is the Board of Directors and officers 1 (one) level below the Board of Directors, namely officers at the level of General Managers assisting in the governance of the Company.
11. Audit Committee is a committee established by the Board of Commissioners to assist the Board in the performance of its duties and functions;
12. Audit Committee Charter is the work manual of the Audit Committee setting forth objectives, vision, mission, purpose, duties and responsibilities, authority, relationship with relevant persons, membership, code of ethics, remuneration and budget, reporting, and performance evaluation.
13. Stakeholders are parties having interest in the Company, whether directly or indirectly, namely employees, creditors, suppliers, the community and the government and other interested parties.

**II. VISION AND MISSION**

1. The vision of the Audit Committee is to serve as a professional, independent and active supporting organ of the Board of Commissioners.
2. The mission of the Audit Committee is to assist the Board of Commissioners in evaluating and ensuring the quality of financial statements, the effectiveness of the internal control system, the effectiveness of the Internal Audit Unit and External Audit's performance of duties, and effectiveness of risk management, towards optimizing the application of Good Corporate Governance.

### **III. PURPOSE OF THE PREPARATION OF THE CHARTER**

The Audit Committee Charter (hereinafter referred to as the Charter) has been prepared to serve as a manual to allow the Audit Committee to discharge their duties and responsibilities in an efficient, effective, transparent, independent and accountable manner and thus be accepted by all parties concerned and in compliance with the regulations.

### **IV. DUTIES AND RESPONSIBILITIES**

The Audit Committee is charged with professionally and independently assisting the Board of Commissioners in conducting supervision and provides opinions and recommendations on the management of the Company. The primary duty of the Audit Committee includes the following activities:

1. Review compliance with the prevailing accounting standards and policies which apply to the preparation of financial statements and other financial information to be published by the Company;
2. Promote the establishment of an adequate internal control system for the management of the Company, by conducting evaluations and providing recommendations on enhancements of the Company's internal control system and its implementation, and ensuring that the Management follows up on recommendations provided by the Internal Auditors and External Auditors.
3. Review the quality of work and independence of the Internal Auditor and External Auditor;
4. Review the business risk management as practiced by the Company and the application of Good Corporate Governance, in accordance with the prevailing best practices;
5. Identify and evaluate matters that are deemed material by the Board of Commissioners, including any complaints made by the stakeholders;
6. Discharge any other assignment given by the Board of Commissioners in relation to the role and responsibilities of the Board of Commissioners.

### **V. AUTHORITY OF THE AUDIT COMMITTEE**

1. The Audit Committee is authorized to access records or information pertaining to employees, funds, assets and other resources of the Company, which are relevant to its duties;
2. In exercising its authority, the Audit Committee must work with its working partners, among others the Secretary of the Board of Commissioners, other Committees, the Internal Audit Unit and/or the Company's operational units, including its Subsidiaries;
3. Engage in direct communication with the Board of Commissioners and the Internal Audit Unit;
4. Prepare, evaluate, amend and implement the Charter, including to determine the procedures and scope of work of the Audit Internal Unit, subject to the approval of the Board of Commissioners;
5. Receive advice from professional sources if necessary;

### **VI. RELATIONSHIP WITH RELEVANT PARTIES**

1. Relationship with the External Auditor

- a. Provide recommendations with regard to the appointment, including the reappointment and/or dismissal, of the External Auditor;
  - b. Review the engagement letter entered into between the Company and the External Auditor ;
  - c. Review the scope and plan of the external audit and the reasonability of fee charged by the External Auditor;
  - d. Review reports prepared by the External Auditor;
  - e. Monitor the performance and quality of the external audit personnel and ensure that the External Auditor complies with the applicable accounting standards and the principles of professionalism, particularly with respect to independence as External Auditor.
2. Relationship with the Internal Audit Unit
- a. Provide recommendations on the appointment and/or dismissal of the Head of the Internal Audit Unit as proposed by the President Director to the Board of Commissioners;
  - b. Review the internal audit charter;
  - c. Review the annual internal audit plan;
  - d. Ensure that the internal audit function possess adequate methodologies, tools and resources and competencies to meet the requirements set forth in the internal audit charter, and able to satisfactorily complete the annual internal audit plan;
  - e. Review the internal audit report and monitor the follow up actions of the audit result;
  - f. Ensure that the Internal Audit Unit complies with the applicable standards of professionalism.
3. Relationship with the Management
- a. Identify issues that have been specifically delegated by the Board of Commissioners with respect to financial reports, internal control and risk management;
  - b. Regularly and openly discuss with the Management with regard to issues that may affect the Company whether with respect to financial matters or otherwise;
  - c. Receive support and assistance from the Board of Directors in the form of:
    - 1) Adequate access to all relevant information available within the Company premises;
    - 2) Facilitate the provision of the appropriate resource persons relevant to the specific functional needs;
    - 3) Provision of workspace and secretarial support;
    - 4) Facilitation for competence development purposes.

## **VII. MEMBERSHIP OF THE AUDIT COMMITTEE**

1. Members of the Audit Committee are appointed and discharged by the Board of Commissioners;
2. Members of the Audit Committee shall work collegially, professionally, effectively and efficiently with priority given to amicable discussion in the decision making process;
3. Members of the Audit Committee receive their mandate from and are accountable to the Board of Commissioners;
4. The structure of the Audit Committee is as follows:
  - a. The Audit Committee consists of at least 1 (one) Independent Commissioner serving concurrently as Committee Chairperson and at least 2 (two) independent external persons, who possess the required skills, experience, specifications and other qualities;

- b. The Audit Committee is assisted by a Secretariat;
5. Service term of the Audit Committee members is a maximum of 3 (three) years, but shall not exceed the office term of the Board of Commissioners without prejudice to the right of the Board of Commissioners to dismiss them at any time;
6. Members of the Audit Committee whose service term has concluded may be reappointed for 1 (one) subsequent service term;
7. The names and personal history of each member of the Audit Committee are posted on the Company's website and annual report to allow social control as to their independence.

#### **VIII. MEMBERSHIP REQUIREMENT**

1. Members of the Audit Committee must jointly have a balanced set of skills and experience, along with a comprehensive understanding of the Company's business process in general
2. Members of the Audit Committee must jointly have adequate competence and experience in the following fields:
  - a. Audit and accounting and financial matters (understanding of the concepts and practices regarding corporate finance, internal control, business risk management, audit and fraud);
  - b. Statutory regulations (in-depth understanding of the concepts and practices relating to laws and regulations, good corporate governance, the capital market and financial market);
3. Members of the Audit Committee must be independent, objective and professional and possess integrity and dedication to the Company;
4. Members of the Audit Committee must possess good communication skills;
5. Members of the Audit Committee must not have any personal interest/relationships which may cause adverse effect and conflict of interest on the Company, such as:
  - a. Vertical and horizontal family relationship with any employee or Management of the Company, up to the second degree;
  - b. Shareholding in the Company;
  - c. Relationship with any business partner of the Company.

#### **IX. COMMITTEE MEETING**

1. The Audit Committee holds a meeting at least once every month.
2. Members of the Audit Committee must attend every meeting and, if necessary, may invite other persons such as members of the Board of Commissioners, Board of Directors, the Corporate Secretary, Secretary to the Board of Commissioners, Head of the Internal Audit Unit, heads of other operational units of the Company and/or External Auditor.
3. The meeting must be conducted in accordance with the applicable procedure, and in line with the meeting invitation and agenda.
4. An Audit Committee meeting is chaired by the Audit Committee Chairperson. In the event the Audit Committee Chairperson is unable to attend, the Meeting is chaired by an Audit Committee member appointed by the Audit Committee Chairperson.
5. Call for a meeting is issued by the Audit Committee Chairperson. In the event the Audit Committee Chairperson is unable to issue a call for a meeting, the Chairperson may be represented by an Audit Committee member appointed by the Audit Committee Chairperson.

6. A call for a meeting inviting persons outside the Audit Committee must be issued within 7 (seven) days or, in situations of exigency, 3 (three) days prior to the meeting date, by stating the day, date, hour, venue and agenda of the meeting.
7. Adoption of resolution at the meeting is conducted by way of amicable discussion. If no consensus can be reached a resolution will be adopted based on a majority vote.
8. All matters deliberated and resolved in a meeting, including any dissenting opinion, are recorded in a minute of meeting as valid evidence of the meeting resolution, validated by the signatures of all members of the committee attending the meeting.
9. The minute of meeting as referred to in paragraph 9 above must be completed within 14 (fourteen) days from the date of the meeting and each member of the Committee are entitled to receive a copy of the minute regardless of whether they attended the meeting.

## **X. CODE OF ETHICS**

1. Members of the Audit Committee are committed to giving their utmost effort, and maintaining the confidentiality of the Company's information and upholding their independence and professionalism and contribute an adequate amount of their time to undertake their duties.
2. Members of the Audit Committee discharge their work with priority placed on integrity, independence, objectivity, honesty and a high commitment to the Company's advancement and the implementation of Good Corporate Governance.
3. In unavoidable circumstances, causing the provision of paragraph VIII.5.C unable to be complied with, the person concerned must disclose such relationship and prepare a representation that he/she will not be involved in any decision making process with respect to such partner.

## **XI. REMUNERATION AND BUDGET**

1. The honorarium of members of the Audit Committee who are not members of the Board of Commissioners are determined pursuant to the applicable policies of the Company and for the account of the Company's budget.
2. Budget of the Audit Committee is prepared with due consideration of the work plan and priority activities of the Company, and in line with the Company's capacity and the aspect of reasonability.
3. Budget of the Audit Committee is proposed to and approved by the Board of Commissioners.
4. Budget of the Audit Committee is prepared for the upcoming period of 1 (one) year and may be revised regularly once every 6 (six) months.
5. Audit on the utilization of the Audit Committee's budget may be performed an External Auditor appointed by the Company.

## **XII. REPORTING**

1. The Audit Committee submits reports only to the Board of Commissioners.
2. The Audit Committee regularly submits reports on the performance of its duties and on any special assignment given at least once every 3 (three) months, comprising of:
  - a. Regular reports containing the principal results of the Audit Committee's work.
  - b. Regular reports or special reports setting forth findings deemed to have potential adverse impact on the Company's business operations.

3. The Board of Commissioners is entitled to receive copies of all minutes of the Audit Committee's meetings and other reports deemed necessary.

### **XIII. PERFORMANCE EVALUATION**

1. Evaluation of the performance of the Audit Committee and Audit Committee members comprises of an evaluation of the achievement of the targets set in the Audit Committee Annual Work Plan, comprising of:
  - a. Effectiveness of the Audit Committee in discharging its functions.
  - b. Attendance in Committee meetings.
  - c. Level of understanding of the Audit Committee members on issues relating arising in the Company.
2. The Board of Commissioners assesses the performance of the Audit Committee at least once every year.

### **XIV. ADOPTION AND IMPROVEMENTS**

1. This Charter comes into effect as of the date of its affirmation, and all activities of the Audit Committee must comply with the provision of this Charter as of such date.
2. This Charter shall be reviewed once every year as an effort to further improve the same in accordance with current developments and the Company needs based on the applicable laws and regulations and best practices.