



FINANCE

PIAGAM KOMITE AUDIT
(Audit Committee Charter)

PT BFI Finance Indonesia Tbk, hereinafter referred to as the Company, complies with the Financial Services Authority (OJK) Regulation Number 55/POJK.04/2015 regarding Establishment and Work Guidelines of Audit Committee, and therefore it's necessary to make amendments to previous Audit Committee Charter that has been stipulated based on Decisions of the Board of Commissioners as follows:

- SK/BOC/VII/2011-15 dated September 15th, 2011
- SK/BOC/II/2013-01 dated February 7th, 2013
- SK/BOC/I/2016-01 dated January 26th, 2016

Audit Committee Charter (hereinafter referred to as Charter) is composed as the guidelines for the Audit Committee to perform its duties and responsibilities consistently, transparently and independently, and also in accordance with the prevailing stipulations in the aforementioned OJK Regulation.

This Charter comprises several parts with the following details:

1. Duties and Responsibilities of the Audit Committee

The Audit Committee's main duty is to give opinion and assist the Board of Commissioners in identifying subjects that require attention from the Board of Commissioners, and to carry out other duties related to the Board of Commissioners' duties, or other duties required by the Board of Commissioners.

In performing its function, the Audit Committee has the following duties and responsibilities:

- a. Review financial information to be released by the Company to public or other authorities, such as among others financial report, projection, and other reports related to the Company's financial information;
- b. Inspect the Company's compliance with laws and regulations in relation to company activities, specifically in accounting and finance;
- c. Provide independent opinions in the event of disagreement between management and Public Accountant for service rendered;



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- d. Give recommendations to the Board of Commissioners regarding appointment of Public Accountant on the basis of independence, scope of work, and fee;
- e. Evaluate the implementation of examinations carried out by Internal Auditor and supervise follow-up actions by the Board of Directors in relation to Internal Auditor's findings;
- f. Evaluate the implementation of risk management activities performed by the Board of Directors by working closely with the Risk Oversight Committee;
- g. Study complaints related to the Company's accounting process and financial reporting;
- h. Analyze and provide suggestions to the Board of Commissioners regarding potential conflict of interests in the Company; and
- i. Maintain the confidentiality of the Company's data and information;

2. Composition, Structure, and Membership Requirements

- a. Composition, Structure, and Audit Committee Membership
 - i. Audit Committee at least consists of 3 (three) members of Independent Commissioners and other parties from outside the Company.
 - ii. Audit Committee members are appointed and dismissed by the Board of Commissioners.
 - iii. Audit Committee is led by Independent Commissioners and responsible to the Board of Commissioners.
 - iv. Independent Commissioner must fulfill the following qualifications:
 - i. Not a person who works or has authority and responsibilities to plan, lead, control, or oversee the Company's activities in the last 6 (six) months;
 - ii. Does not own shares in the Company both directly or indirectly;
 - iii. Does not have affiliated relationship with the Company, members of the Board of Commissioners, members of the Board of Directors, or the Company's main shareholders;
 - iv. Does not have direct or indirect relationship related to the Company's business activities;
- b. Audit Committee Membership
 - 1. Must have high integrity, capability, knowledge, and experience in related field of work, and able to communicate proficiently;



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2. Must understand financial report, the Company's business specifically that of services or company business activities, audit process, risk management, and laws and regulations in capital market as well as other related laws and regulations;
3. Must comply with Audit Committee code of ethics stipulated by the Company;
4. Willing to improve competency continuously through education and training;
5. Must have at least one member who has education background and expertise in accounting and/or finance;
6. Not an insider of Public Accounting Firm, Legal Consulting Firm, Public Assessor's Office, or other parties providing assurance service, non-assurance service, assessment service and/or other kinds of consulting services to the Company in the last 6 (six) months;
7. Not a person who works or has authority and responsibility to plan, lead, control, or oversee the Company's activities in the last 6 (six) months, except Independent Commissioner;
8. Does not own shares in the Company both directly or indirectly;
9. In the event that an Audit Committee member obtains the Company's shares both directly or indirectly due to a legal action, the shares must be transferred to other party within of 6 (six) months after the obtaining of the shares;
10. Does not have affiliated relationship with the Company, members of the Board of Commissioners, members of the Board of Directors, or the Company's main shareholders; and
11. Does not have direct or indirect relationship related to the Company's business activities;

3. Authority of the Audit Committee

In performing its duties, the Audit Committee has the following authority:

- a. Have access to the Company's documents, data, and information about employees, funds, assets, and resources that are needed;
- b. Communicate directly with employees, including the Board of Directors and those who perform internal audit function, Risk Management Committee, and Public Accountant in relation to the Audit Committee's duties and responsibilities;
- c. Involving independent parties other than members of the Audit Committee as needed to assist in carrying out the required tasks; and
- d. Perform other authority given by the Board of Commissioners;



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4. Work Practices and Procedures

For implementation of the Audit Committee's duties, work practices and procedures have been stipulated as follows:

- a. In relation to the Company's internal control system, the Audit Committee holds periodic meetings to discuss activity plan and scope of work for internal audit for the next period of time, and conducts evaluation on results of completed audit;
- b. In relation to study on risks related to the Company's business risks, the Audit Committee holds discussion with the Risk Oversight Committee about risk management that has been done by the Company's risk management;
- c. The Audit Committee deliver annual accountability to the Board of Commissioner regarding its work performance ahead of the preparation of the Board of Commissioners Report that contains the Board of Commissioners' duties and responsibilities and will be included in the Company's Annual Report. In relation to that, the Audit Committee will be evaluated by the Board of Commissioners every year; and
- d. The Audit Committee works closely with the Company's Corporate Secretary to carry out Audit Committee's administration and documentation and to convene Audit Committee's meetings;

5. Policy for Convening of Audit Committee Meetings

- a. The Audit Committee convenes periodic meetings at least once in 3 (three) months.
- b. Audit Committee meeting can be convened only when it is participated by more than $\frac{1}{2}$ (a half) of the number of members.
- c. Decisions of Audit Committee meetings are made on the basis of negotiation for consensus.
- d. Each Audit Committee meeting is documented in minutes of meeting, including when there are dissenting opinions, which is signed by all participating members of the Audit Committee and submitted to the Board of Commissioners.

6. Activity Reporting System

- a. The Audit Committee must deliver periodic report to the Board of Commissioners for every given task.



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- b. The Audit Committee must make annual report on implementation of the Audit Committee's activities, which is conveyed in the Company's Annual Report.

7. Stipulations Regarding Handling of Complaints or Reports on Alleged Infringement in Financial Report

- a. Based on Assignment Letter of the Board of Commissioners, the Audit Committee can conduct investigation and examination on actions that disadvantage the Company, including alleged infringement related to Financial Report, and other duties in accordance with the Board of Commissioners' need.
- b. With approval from the Board of Commissioners, for the purpose of performing the investigation task, the Audit Committee can appoint a third party to collect facts from the investigation and examination. All costs for the third party appointment are paid by the Company.

8. Term of Service for Audit Committee

Term of service for the Audit Committee members shall not be longer than the term of service for the Board of Commissioners as regulated in the Articles of Association and they can be reappointed only for 1 (one) subsequent period.