



## **AUDIT COMMITTEE CHARTER**

### **1. Definitions**

- a. Audit committee PT Unilever Indonesia Tbk ("Company") is a committee established by and has its responsibilities to the Board of Commissioners to assist the Board in fulfilling its oversight responsibilities.
- b. Affiliation is
  - i. a family relationship by marriage and descent to the second level, horizontal as well as vertical;
  - ii. a relationship between a person and his employee, director, or commissioner;
  - iii. a relationship between two companies with one or more directors or commissioners in common;
  - iv. a relationship between a company and a Person that directly or indirectly controls or is controlled by that company;
  - v. a relationship between two companies that are controlled directly or indirectly by the same person; or
  - vi. a relationship between a company and a primary shareholder.
- c. Independent Commissioner is a member of the Board of Commissioners who:
  - i. is from outside the company;
  - ii. does not own, either directly or indirectly, shares of the company;
  - iii. does not have any affiliation with the company, commissioners, directors or primary shareholders of the company; and
  - iv. does not have any business relation, either directly or indirectly, with the Company.
  - v. is not a person who work or have authorities and responsibilities to plan, lead and control or supervising the company activities within the last 6 (six) months, except for re-appointment as the Company's Independent Commissioner in the following period.
- d. Key employees are persons having authorities and responsibilities to plan, preside, or control activities of the company, they include members of the Board of Commissioners, members of the Board of Directors, and managers in the company.

### **2. Organisation of the Audit Committee**

- a. Members of the Audit Committee are appointed and dismissed by the Board of Commissioners and reported to the General Meeting of Shareholders ("AGMS").

- b. The Audit Committee comprises a minimum of 1 (one) Independent Commissioner acting as the chairperson and 2 (two) members from other than the Company.
- c. If the number of Independent Commissioners who become members of the Audit Committee is more than one, one of them shall act as the Chairperson.

### 3. **Qualifications of Members in Audit Committee**

- a. Having high integrity and adequate capability, knowledge, and experience according to their educational backgrounds, and the ability to communicate well;
- b. One of them must have an educational background in accountancy or finance;
- c. Having adequate knowledge to read and understand financial statements, the Company's business, especially those related to the Company's services or business activities, the audit process, risk management;
- d. Having adequate knowledge of capital market laws and other related laws;
- e. Not working in a Public Accountant Firm, Legal Consulting Firm, Public Appraisal Service Office or other party that provide insurance services, non-insurance services, appraisal services and/or other consulting services to the Company concerned in the last 6 (six) months prior to their appointment;
- f. Not being Key Employees of the Company in the last 6 (six) months prior to their appointment;
- g. Having no ownership, either directly or indirectly, of shares of the Company;
- h. Not having affiliation with the Company's Board of Commissioners, or Main Shareholders of the Company;
- i. Having no business relations, either directly or indirectly, with the Company;
- j. Not working or having authorities and responsibilities to plan, lead or supervising company activities in the last 6 (six) months, except independent commissioner
- k. Having obligation to comply with the company's Audit Committee Ethics
- l. Willing to continuously improve competence through education and training
- m. In the event that a member of the Audit Committee acquires the Company's 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 shares were acquired.

### 4. **Responsibilities of the Audit Committee**

The Audit Committee has the duties to convey professional independent opinions to the Board of Commissioners against reports or matters submitted by the Board of Directors to the Board of Commissioners, to identify matters requiring attention of the Board of Commissioners, such as:

- a. To prepare the annual plan works which is approved by Board of Commissioners;
- b. To review financial information that will be issued the company, such as financial statements, projections, and other financial information;
- c. To review the Company's compliance with capital market laws and other related laws;
- d. To review and to evaluate the audit performed by the internal auditor and supervising its follow up actions by the board of directors;
- e. To review and report, to the Board of Commissioners, complaints, if any, relating to the Company's Financial Statement;
- f. To maintain confidentiality of the company's documents, data and information;
- g. To oversee relations with external auditors, to have regular discussions with external auditors;
- h. To issue, review and improve the audit committee charter when necessary;
- i. To self assess and to confirm that all responsibilities set out in the current Audit Committee Charter have been carried out;
- j. To provide independent opinion if any different standing point between company and public accountant upon service rendered;
- k. To provide recommendation to the board of commissioner related to the appointment, re-appointment or termination of appointment of public accountant, based on the independency, scope of work and fee;
- l. To review risk management activities performed by the board of directors, if the company does not posses risk management review function under the board of commissioners;
- m. To review and provide views to the board of commissioner upon a potential conflicts of interest matters in the company; and
- n. To evaluate the implementation of the provision of audit services on annual historical financial information by Public Accountants and/or Public Accounting Firms

#### **5. Authorities of the Audit Committee**

- a. To have full, free, and unlimited access to records, employees, fund, assets, and other resources of the company in the performance / execution of its duties;
- b. to make contacts with employees, including board of directors and functions which carried out internal audit role, risk management and public accountant related to the scope and responsibilities of audit committee;
- c. To involve independent parties outside the audit committee, if needed, to help audit committee in performing their tasks; and

- d. To perform other authorities given by the board of commissioner.

#### **6. Meeting of the Audit Committee**

- a. The Audit Committee shall convene meeting, at least 1 (one) times in a month and at any time when deemed necessary. The meeting shall be presided by Chairperson of the Audit Committee or the most senior member of the Audit Committee in the case the Chairperson is absent;
- b. The Committee meeting is also attended by the Chief Financial Officer, Corporate Secretary, Head of Internal Audit and other parties invited to the Audit Committee Meeting;
- c. The meeting may be performed if attended by at least 1/2 (half) of total members;
- d. The meeting resolution should be based on consensus, if applicable;
- e. Resolution shall be deemed valid if agreed by more than 1/2 (half) of total members of the Audit Committee;
- f. The meeting reviews the overall good corporate governance practices including risk management and control environment, financial reporting arrangements, standards of business conduct; and
- g. Each meeting must be written in Minutes of Meeting signed by all present members of the Audit Committee.

#### **7. Reporting**

- a. The Audit Committee shall submit report, to the Board of Commissioners, on every duty assigned on it.
- b. The Audit Committee shall submit an annual report on its activities to the Board of Commissioners (to publish also in the annual report of the company).

#### **8. Term of Duties & Honorarium**

- a. The term of the duty of members of the Audit Committee shall not exceed the term of office of the Board of Commissioners as stipulated in the Articles of Association; and members may be re-appointed for another tenure;
- b. If the independent commissioner who acts as the chairperson of Audit Committee resigns before the end of term of office as a member of Board of Commissioners, other independent commissioner will succeed his post.
- c. The Board of Commissioners determines and approves the fee of Audit Committee.
- d. Costs and expenses incurred by the Audit Committee are charged to the company.

In the event of any conflict or inconsistency between any of the provisions in this Audit Committee Charter with the Financial Services Authority Regulation Number 55/POJK.04/2015 concerning the Establishment and Guidelines for the Work Implementation of the Audit Committee ("POJK"), the POJK will prevail, and or other related applicable laws.

Stipulated in Tangerang  
On 25<sup>th</sup> July 2018