

AUDIT COMMITTEE CHARTER OF

PT BLUE BIRD Tbk

I. BACKGROUND AND OBJECTIVE

1. BACKGROUND

PT Blue Bird Tbk hereinafter referred to as the Company, is a public company listed on the Jakarta Stock Exchange, therefore the Company has to comply with the prevailing regulations in the Indonesian capital market (the Financial Services Authority) and implement the good corporate governance as its operating base in order that the Company can be managed based on the principles of transparency, independence, accountability, fairness and responsibility.

In line with the above mentioned matter, in order that the Audit Committee can give the optimum contribution in the implementation of good corporate governance at the Company and its consolidated subsidiaries, the role of the Audit Committee must also be developed and stipulated based on the regulations and provisions concerning the Audit



Committee issued by the capital market authority in Indonesia (Regulation of the Indonesian Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) No. KEP-643/BL/2012 dated December 7, 2012 concerning the Establishment and Implementation Guidelines of Audit Committee).

2. AUDIT COMMITTEE OF BLUE BIRD GROUP

The financial statements which must be submitted by the Company to the Financial Services Authority (OJK) are the consolidated financial statements which include the Company's financial statements and the financial statements of the consolidated subsidiaries. Therefore, although the Company and the consolidated subsidiaries are separate legal entities, in the perspective of financial reporting to the capital market authority, the Company and consolidated subsidiaries are an integral financial reporting.

The Board of Commissioners establishes the Audit Committee of Blue Bird Group, hereinafter referred to as the Audit Committee. The scope of work of this Audit Committee includes the Company and all of the



subsidiaries whose financial statements are consolidated into the consolidated financial statements of the Company. This is also aimed at encouraging that the Company and the subsidiaries, whose financial statements are consolidated into the Company's consolidated financial statements, are managed in accordance with the principles of good corporate governance which are implemented consistently, adherence to the prevailing statutory regulations and provisions in the Indonesian capital market.

3. OBJECTIVE OF THE ESTABLISHMENT

The Audit Committee is established to assist the Board of Commissioners in carrying out its duties and responsibilities, particularly in the oversight of the quality and integrity of the Company's financial reporting. The main objective of the Audit Committee in assisting the Board of Commissioners is to perform oversight of the Company's accounting and financial reporting process, audit on financial statements and internal control on the Company's reporting, qualification and independence of the independent auditors, performance of the Internal Audit unit and



the independent auditors, as well as compliance with the prevailing statutory regulations. The Audit Committee also performs other tasks in accordance with the regulations and provisions issued by the capital market authority in Indonesia.

In assisting the Board of Commissioners in performing the oversight function as mentioned above, the Audit Committee acts professionally and independently.

II. ESTABLISHMENT AND MEMBERSHIP

1. ESTABLISHMENT AND APPOINTMENT

- a. The Audit Committee is established and stipulated by the Decision of the Board of Commissioners and reports to the Board of Commissioners;
- b. Members of the Audit Committee are appointed and dismissed by the Board of Commissioners;
- c. The appointment and dismissal of the members of the Audit Committee shall be reported to the Financial Services Authority within no later than 2 (two) business days after such appointment.



dismissal and shall be posted on the stock exchange's website and/or the Company's website;

- d. The Chairperson of the Audit Committee is entitled to propose replacement of the Audit Committee members if any of the Audit Committee members will finish his/her tenure, resigns, or is terminated.

2. MEMBERSHIP STRUCTURE

The Audit Committee shall consist of 3 (three) members from among the Independent Commissioners and from the Company's external parties;

- a. The member of the Audit Committee who is an Independent Commissioner shall act as the Chairperson of the Audit Committee. In the event that there are more than 1 (one) Independent Commissioners who become members of the Audit Committee, one of them shall act as member of the Audit Committee;
- b. The financial and accounting expert shall be selected from one of the members of the Audit



Committee and shall be appointed by the Board of Commissioners;

- c. To facilitate the implementation of the Audit Committee's day-to-day tasks, a Secretary to the Audit Committee shall be appointed.

3. MEMBERSHIP REQUIREMENTS

a. Independent Commissioner

- 1) Not being a person who works for the Company or has the authority and responsibility to plan, lead, control, or supervise the Company's activities within the past 6 (six) months;
- 2) Not holding shares, either directly or indirectly, in the Company;
- 3) Not having an affiliate relationship with the Company, member(s) of the Board of Commissioners, member(s) of the Board of Directors, or Primary Shareholder(s) of the Company;



4) Not having a business relationship, either directly or indirectly, in relation to the Company's business activities.

b. Membership Requirements

1) Not being an insider in a Public Accounting Firm, Law Firms, Public Appraisal Service Firm, or other parties providing assurance services, non-assurance services, appraisal services and/or other consulting services to the Company at least within the past 6 (six) months;

2) Not being a person who works for the Company or has the authority and responsibility to plan, lead, control, or supervise the Company's activities within the past 6 (six) months, except for Independent Commissioners;

3) Not holding shares, either directly or indirectly, in the Company. In the event that a member of the Audit Committee acquires the Company's shares, either directly or indirectly, due to a legal circumstance, such shares must be assigned to



another party within a maximum period of 6 (six) months after the acquisition of the shares;

- 4) Not having a business relationship, either directly or indirectly, which is related to the Company's business activities;
- 5) Not having an affiliate relationship with the member(s) of the Board of Commissioners, member(s) of the Board of Directors, or Primary Shareholder(s) of the Company;
- 6) Having high integrity, capacity, knowledge, and experience suitable to his/her area of work, as well as being able to communicate well;
- 7) Adhering to the Code of Ethics stipulated by the Company;
- 8) At least one of the members of the Audit Committee must have educational background, expertise and experience in the Area of finance and accounting (finance and accounting expert);



- 9) Having the knowledge of reading and understanding financial statements, the Company's business, particularly those related to the Company's services or business activities, audit process, risk management and prevailing statutory regulations in the Indonesian capital market as well as other related statutory regulations;
 - 10) Continuously improving his/her competency through education and training.
- c. Requirements for financial and accounting expert

- 1) Comprehending and understanding the Financial Accounting Standards in Indonesia;
- 2) Having experience in implementing financial accounting standards, particularly those related to accounting judgment and estimation, accrualization, and reserve establishment;
- 3) Having experience in preparing and implementing general audit on financial statements;



4) Comprehending and understanding internal control on financial reporting, including its audit process.

4. Tenure of the Audit Committee Members

The tenure of the Audit Committee members can not exceed the tenure of the Board of Commissioners as regulated in the Company's Articles of Association and the members can be re-appointed only for the 1 (one) subsequent period.

III. DUTIES AND RESPONSIBILITIES

The Company's Board of Directors is responsible for preparing and presenting the Company's financial statements in accordance with the generally applicable accounting standards in Indonesia, developing and implementing an effective internal control on financial reporting, as well as evaluating the effectiveness of internal control on financial reporting.

The Company's Board of Directors is also responsible for ensuring the conformity of the Company's



operations with the prevailing regulations, both internal as well as external.

The independent auditors are responsible for the result of the audit, which includes the audit on the Company's consolidated financial statements.

Referring to the regulations and provisions concerning the Audit Committee issued by the capital market authority in Indonesia, the duties and responsibilities of the Audit Committee are elaborated in details as follows:

1. Providing recommendation to the Board of Commissioners concerning the appointment of candidate independent auditors who will perform the audit on the Company and consolidated subsidiaries based on independence, scope of assignment and fee;
2. Providing independent opinion in the event of difference of opinions between the management and independent auditors;
3. Granting pre-approval for non-audit services which will be assigned to the independent auditors;



4. Conducting assessment on the financial information which will be published by the Company such as financial statements, projections, and other financial information;
5. Monitoring the adequacy of the management's effort in developing and operating an effective internal control, particularly internal control on financial reporting;
6. Monitoring the effectiveness of the Company's Internal Audit and supervising the implementation of follow-up on the internal auditors' findings by the Board of Directors;
7. Ensuring the availability of facility for receiving, assessing, and following up complaints related to the accounting and financial reporting processes of the Company and consolidated subsidiaries;
8. Monitoring the Company's adherence to the statutory regulations in the Indonesian capital market and other statutory regulations related to the Company's business;



9. Monitoring the effectiveness of risk management policy and implementation made and carried out by the Board of Directors;
10. Performing assessment and providing advice to the Board of Commissioners related to the potential conflict of interests in the Company;
11. Protecting the confidentiality of the Company's documents, data and information;
12. Performing other duties assigned by the Board of Commissioners.

IV. AUTHORITY

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

1. Accessing the Company's documents, data and information (*if necessary*) concerning employees, fund, assets and resources of the Company and consolidated subsidiaries. In performing such



authority, the Audit Committee shall cooperate with the Company's Internal Audit unit;

2. Communicating directly with employees, including the Board of Directors and the parties who carry out the internal audit, risk management, and accounting functions related to Audit Committee's duties and responsibilities;
3. If necessary, Audit Committee may involve independent parties out of the Audit Committee members to assist in the implementation of its duties.
4. Performing other authorities granted by the Board of Commissioners.

V. WORK PROGRAM AND WORKING MECHANISM

1. In performing its duties and responsibilities, the Audit Committee shall prepare the annual work program and report it to the Board of Commissioners. The annual work program of the Audit Committee shall be adjusted and aligned with the Company's financial reporting cycle;



2. As detailed guidelines for the members of the Audit Committee in performing their duties and responsibilities, the Audit Committee shall prepare a working mechanism which is stipulated by the Chairperson of the Audit Committee.

VI. PROVISIONS WITH REGARD TO COMPLAINT HANDLING

The Audit Committee shall ensure the availability of facility for receiving, assessing, and following up complaints related to the accounting, financial reporting and internal control processes of the Company and consolidated subsidiaries. The provisions concerning the complaint handling are stipulated in the working mechanism determined by the Chairperson of the Audit Committee.

VII. COMMUNICATION

1. In the implementation of its duties and responsibilities, the Audit Committee shall develop and maintain free, open communication with the Independent Auditors, Internal Audit, Board of Directors or Management by maintaining objectivity and independence.



In order to obtain data and information which are relevant to the duties and responsibilities of the Audit Committee, periodic communication with the Independent Auditors, the Company's Internal Audit, and Senior Management can be made directly (with or without the attendance of the Board of Directors);

2. Communication for the implementation of the Audit Committee's duties related to the independent auditors, Internal Audit, and management of the subsidiaries which already have their own Audit Committee shall be conducted through coordination with the Audit Committees of the subsidiaries;
3. Communication for the implementation of the Audit Committee's duties related to the independent auditors, Internal Audit, and management of the subsidiaries which do not have their own Audit Committee shall be conducted through coordination with the Company's Internal Audit and the Commissioners of the subsidiaries who are from the Company.



VIII. MEETINGS

1. The Audit Committee shall conduct meetings periodically at least once in every 3 (three) months;
2. An Audit Committee meeting can only be conducted if it is attended by more than $\frac{1}{2}$ (one-half) of total members;
3. The resolutions of the Audit Committee meetings shall be made based on deliberation to reach consensus;
4. The Audit Committee meetings shall be chaired by the Chairperson of the Audit Committee. in the event the Chairperson of the Audit Committee is unable to attend the meeting, the meeting shall be chaired by the Independent Commissioner being a member of the Audit Committee or by the most senior member of the Audit Committee;
5. *If necessary*, the Audit Committee may invite other parties relevant to the materials of the meeting to attend the Audit Committee meetings;



6. The result of any Audit Committee meeting shall be set forth in the minutes of meeting, including in the event of dissenting opinion, signed by all attending members of the Audit Committee and submitted to the Board of Commissioners.

IX. REPORTING

As the form of responsibility to the Board of Commissioners, the Audit Committee shall prepare and submit reports to the Board of Commissioners as follows:

1. The report for any execution of assignment from the Board of Commissioners containing, among other things, findings, recommendation, and matters requiring the attention of the Board of Commissioners;
2. Annual Report of the implementation of the Audit Committee activities disclosed in the Company's Annual Report;
3. Any appointment and dismissal of the Audit Committee must be reported to the Financial Services Authority



within the maximum period of 2 (two) business days after the appointment and dismissal date and must be posted on the stock exchange's website and/or the Company's website.

X. CLOSING

1. The Audit Committee Charter shall come into effect since the date of its stipulation;
2. The Audit Committee Charter must be posted on the Company's website;
3. The Audit Committee Charter shall be periodically evaluated in conformity to the development in the prevailing statutory regulations;



4. The working mechanism as the detailed guidelines for the members of the Audit Committee in performing their duties and responsibilities shall be modified from time to time in order to reach the format adequate for maintaining the quality and consistency of work of the Audit Committee.

Stipulated in : Jakarta

Date : April 28, 2015

SIGNED BY

THE BOARD OF COMMISSIONERS OF

PT BLUE BIRD Tbk

I, Eko Tjahyadi Sworn & Certified Translator, hereby declare that this document is an English translation of a document prepared in Indonesian language. In translating this document an attempt has been made to translate as literally as possible without jeopardizing the overall continuity of the text. However differences may occur in translation and if they do the original text has precedence in law.

Jakarta, July 14, 2015

Audit Committee Charter of PT Blue Bird Tbk

