



AUDIT COMMITTEE CHARTER

PT Darya-Varia
Laboratoria Tbk

2017

1. Purpose

In compliance with Financial Services Authority (“Otoritas Jasa Keuangan” or “OJK”) Regulation No. 55/POJK.04/2015 dated 29 December 2015 Concerning Establishment and Guidelines of Implementation of the Works of Audit Committee, the purpose of the Audit Committee (the “Committee”) of PT Darya-Varia Laboratoria Tbk (the “Company”) is to:

- (i) Provide opinion to the Board of Commissioners (the “BOC”) on reports or other matters submitted by the Board of Directors (the “BOD”) to the BOC, and to identify matters that require attention from the BOC.
- (ii) Assist the BOC in its oversight function over:
 - (a) the integrity of the Company’s financial statements including but not limited to Financial Reports, Projections, and other related information;
 - (b) the Company’s compliance with capital market and other regulations which are relevant for the operation of the Company;
 - (c) the activities of the Company’s Internal Auditor;
 - (d) risks that may be faced by the Company, including the monitoring of the implementation of risk management program conducted by the Directors;
 - (e) the examination of any complaint related to the Company as a public company.
- (iii) Prepare an annual report to the BOC.

The Committee will primarily fulfil these responsibilities by performing activities described in Section 4 of this Charter.

The Committee is required by law to maintain confidentiality of all documents, data and information of the Company at all times.

The BOC recognizes that while the Committee has been given certain duties and responsibilities pursuant to this Charter, the Committee is not responsible for guaranteeing the accuracy of the Company’s financial statements or the quality of the Company’s accounting practices. The fundamental responsibility for the Company’s financial statements and disclosures rests with the BOD and the BOC. The BOC also recognizes that meeting the responsibilities of the Audit Committee requires a degree of flexibility. The BOC may assign the Audit Committee to conduct additional tasks based on the BOC resolutions.

The Charter will be reviewed by the BOC every year to ensure that it is for the best interest of the Company’s shareholders and in compliance with the regulations of OJK and other regulations applicable to the Company. Any amendment to the Charter shall be adopted in a BOC meeting in accordance with the Company’s Articles of Association.

The BOC shall evaluate annually the Committee’s performance to determine whether it is functioning effectively.

2. Structure Requirements and Term of Office

The Committee shall be comprised of at least 1 (one) independent Commissioner and 2 (two) independent individuals from outside the Company.

The members of the Committee shall be appointed and dismissed by the BOC. The Chairman of the Committee is appointed by the BOC and shall be an Independent Commissioner of the Company.

The term of office of the members of the Committee shall not be longer than the term of office of the members of the BOC in accordance with the Company's Articles of Association. After the term of office of a member of the Committee is expired, the person may only be appointed as a member of the Committee for one more term, which term shall not be longer than the maximum term of office of a Commissioner under the Company's Articles of Association.

The members of the Committee shall fulfil the following requirements:

- a. Have high integrity, ability, knowledge, and adequate experience relating to their educational background and also able to communicate well including allocating their time in conducting their duties and enhancing their competence continuously through education and training;
- b. Have adequate knowledge in reading and understanding financial statement, the Company's business particularly related to the Company's service or business activities, audit process, and risk management;
- c. Each member of the Committee shall comply with the code of ethics of the Committee;
- d. Each member of the Committee shall be willing to improve competence continuously through training and education;
- e. At least one member shall have finance and/or accounting educational background.
- f. Has not been serving as a person in a Public Accountant Office, Legal Consultant Office and other parties that provides assurance and or non-assurance services or appraisal or other consulting services to the Company for the past 6 (six) months prior to the appointment by the Board of Commissioners.
- g. Does not constitute as a person who works or has the authority and responsibility to plan, lead, control, or supervise the Company's activities for the past 6 (six) months prior to the appointment the BOC, except for the Independent Commissioner;
- h. Does not own shares either directly or indirectly in the Company. In the event the members of the Committee obtain shares resulting from a legal affair then at no later than 6 (six) months after the shares has been obtained, it shall be transferred to other party;

- i. Is not affiliated with the Company, BOD, BOC, or the Principal Shareholder of the Company;
- j. Does not have any business relationship, either directly or indirectly related to the Company's business activities.

3. Meetings

The Committee will meet periodically, and the frequency of meetings shall at least once every 3 (three) months. Additional meetings may occur as circumstances dictate. The Chairman of the Committee shall approve an agenda prior to each meeting. The Committee may meet by telephone or video conference and may take action by written consent. The Committee may be consulted and give advice through email.

The Committee Meeting may adopt a resolution if attended by at least more than 1/2 (one-half) of the members. The Committee may also adopt lawful resolution through unanimous written approval without convening a meeting and all of them give their approval in writing by signing the document concerned. The resolution of the Audit Committee meeting shall be adopted based on deliberation to reach consensus.

The Committee and the Corporate Secretary of the Company shall maintain copies of the Minutes of each meeting of the Committee as well as any written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee, including any dissenting opinions. The Minutes of each meeting shall be signed by all members of the Committee who attended the meeting and shall be reported to the BOC. A copy of the Minutes of each meeting and all consents shall be kept by the Corporate Secretary. The Corporate Secretary shall maintain a checklist of issues and agenda items to be considered by the Audit Committee over a full year.

In order to foster open communication and facilitate its work, the Committee should meet at least annually with the BOD, the head of Internal Audit department and the Independent Auditor in separate executive sessions to discuss any matter that the Committee or each of these groups believe should be discussed privately. Upon request, senior representatives of the Independent Auditor and the Internal Auditor shall attend the scheduled meeting of the Committee.

The Committee should meet with the Independent Auditor and the President Director and/or the Director in charge for financial matters ("Finance Director") or such other person acting in such position in accordance with the Company's Articles of Association prior to the release of the Company's annual financial reports.

Other than the members of the Committee and the Corporate Secretary, a party may only attend the meeting of the Committee for specific topic(s) based on a written invitation from the Chairman of the Committee.

4. Authorities, Duties and Responsibilities

The Committee is appointed and authorised by the BOC to assist the BOC in fulfilling certain statutory, fiduciary and regulatory responsibilities. As such, the Committee exercises the authority and power delegated to it by the BOC in accordance with:

- (a) The prevailing laws, regulations, and/or regulatory authority obligations;
- (b) The Company's Articles of Association;
- (c) This Charter; and
- (d) Separate BOC delegations, resolutions, and approvals granted to it from time to time.

To fulfil its duties and responsibilities the Committee shall:

A. Reviews and Procedures

- (a) Review and discuss the financial information, including the disclosures prior to filing or distribution to the Authority, and/or the public.
- (b) Review the compliance of the Company to the applicable laws and regulations in relation to the operation of the Company, together with the Company's legal department and Corporate Secretary.
- (c) Providing independent opinion in the event of difference of opinion between the management and the Accountant on the services provided.
- (d) Providing recommendation to the BOC on the appointment of Public Accountant based on the independence, the scope of work and, service fee.
- (e) Receive and review the Internal Auditor's Annual Audit Plan and Internal Auditor Charter which are prepared by Internal Auditor and provide comments to the BOD and supervise the implementation by the BOD upon the Internal Auditor's findings.
- (f) Receive and review copies of all risk management reports provided to the BOD and provide its opinion to the BOC on policies with respect to risk assessment and risk management, the Company's major financial or non-financial risk exposures and the steps the BOD has taken to monitor and control such exposures, provided that it is understood that it remains to be the responsibility of the BOD to assess and manage the Company's exposure to those risks.
- (g) Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, financial reporting or auditing matters and (ii) the confidential, anonymous submission by any parties of concerns regarding questionable accounting or auditing

matters. Review periodically with the BOC, BOD and Internal Audit these procedures and any significant complaints received.

- (h) Prepare a report to the BOC on each assignment given by the BOC to the Committee.
- (i) Keep the BOC informed of the Committee's activities and prepare an annual report to the BOC on those activities to be presented in the Company's Annual Report.
- (j) Review and provide suggestions to the BOC of any potential conflict of interest of the Company.
- (k) Maintain confidentiality of documents, data and information of the Company.

B. Independent Auditor

In relation with the Independent Auditor appointed by the Company, the Committee shall:

- (a) Pre-approve all non-audit services to be provided to the Company by the Independent Auditor, subject to the Company's Articles of Association and the prevailing laws and regulations applicable to the Company. The Committee may delegate to one or more of its members the authority to grant such pre-approvals, provided that any such decision of such member or members must be presented to the full Committee at its next scheduled meeting.
- (b) At least annually, the Committee shall obtain and review a report by the Independent Auditor describing: (i) the firm's internal quality control procedures, (ii) any material issues raised by the latest internal control review or peer review of the firm or any inquiry by government or professional authorities within the last five years (in respect to one or more independent audits performed by the firm) and any remediation taken, and (iii) overall relationships between the Independent Auditor and the Company during the review of the annual audited financial statement.
- (c) Obtain assurance from the Independent Auditor that the audit was conducted in a manner consistent with the prevailing laws and regulations.
- (d) Review the Independent Auditor's management letter, interim and final, communicate and discuss with the BOD, monitor any remediation action taken by the BOD and communicate remediation results to Independent Auditor.

C. Internal Controls

- (a) Review annually and discuss with the BOD, the Internal Auditor and the Independent Auditor issues concerning the adequacy of the Company's system of internal control with BOD and Internal Auditor.

- (b) Discuss annually with Finance Director and independent Auditor their qualitative judgments about the quality, not just the acceptability of accounting principles and financial disclosure practices by the Company.
- (c) Review annually with Internal Auditor any audit problems or difficulties and BOD' response.
- (d) Review annually with the Independent Auditor, Internal Auditor and BOD the extent to which any changes or improvements on the previously-approved financial or accounting practices and internal controls.
- (e) Review annually the effect of regulatory and accounting pronouncement on the company's financial statements.
- (f) Review annually management's assessment of the effectiveness of internal controls over financial reporting as of the end of the most recent fiscal year and the Independent Auditor's report on management's assessment.

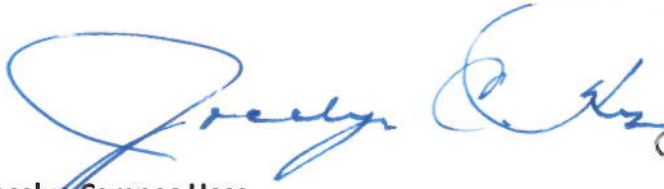
D. Authority

The Committee is authorized to:

- (a) access any document, data and information within its scope of responsibilities, including but not limited to any notes and information in relation to employees, funds, assets and resources of the Company. The Committee has unrestricted direct access to the management and managers in the Company, as well as to the Independent Auditor.
- (b) receive and review all accounting adjustments proposed by the Independent Auditor but not reflected in the financial statements.
- (c) communicate directly to the employees, including Board of Directors and the parties conducting the function of internal audit, risk management and accountant related to the duties and responsibilities of the Audit Committee.
- (d) engage an independent party from outside the members of the Audit Committee which is required to assist the implementation of its duties (if necessary).
- (e) conduct other authorities given by the Board of Commissioners in writing.

This Audit Committee Charter is made in Jakarta and will be implemented effective as from December 1, 2017.

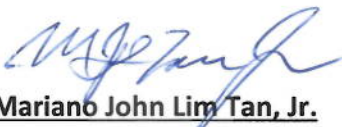
Approved by,
Board of Commissioners
PT DARYA-VARIA LABORATORIA Tbk



Jocelyn Campos Hess
President Commissioner



Clinton Andrew Campos Hess
Vice President Commissioner




Mariano John Lim Tan, Jr.
Commissioner



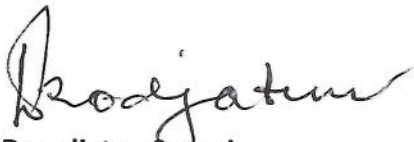
Manuel Paras Engwa
Commissioner



Laksamana Madya (Purn.) Soedibyo Rahardjo
Independent Commissioner



Sonny Kalona
Independent Commissioner



Darodjatun Sanusi
Independent Commissioner

SUMMARY OF DOCUMENT
for signature by the Board of Commissioners of
PT Darya-Varia Laboratoria Tbk ("Darya-Varia")

Dear All Members of the Board of Commissioners,

Kindly approve the attached document with summary as follows:

Name of Document	:	Audit Committee Charter
Note	:	<p>The previous Audit Committee Charter of Darya-Varia was made in 3rd of June 2014 and referred to the Bapepam & LK Regulation (currently known as Financial Services Authority or "FSA") No. IX.1.5 dated 7th of December 2012.</p> <p>To comply with FSA Regulation No. 55/POJK.04/2015 dated 29th of December 2015 concerning the Establishment and Guidelines of Implementation of the Works of Audit Committee, please kindly sign the attached 2017 Audit Committee Charter, with changes only in Page 2 regarding the FSA Regulation which become the reference for 2017 Audit Committee Charter. The other terms and conditions of 2017 Audit Committee Charter are still the same with 2014 Audit Committee Charter.</p>

Prepared by,

Widya Olivia Tobing

Head of Legal and Corporate Secretary of Darya-Varia