

**CHARTER OF THE  
INTERNAL AUDIT UNIT  
PT DUTA INTIDAYA, TBK**

## **CHARTER OF THE INTERNAL AUDIT UNIT**

### **(THE INTERNAL AUDIT CHARTER)**

- A. PT Duta Intidaya Tbk (the **Company**) as a public company listed at the Indonesian Stock Exchange (**BEI**) shall comply with the prevailing laws and regulations in capital market sector as well as provisions under the prevailing Law No. 40 of 2007 regarding Limited Liability Companies.
- B. With respect to the above, in accordance with the Financial Services Authority Regulation No. 56/POJK.04/2015 on the Formation and Guidance of Charter of the Internal Audit Unit, the Internal Audit Unit (the **IAU**) shall form a charter stipulating the work ethics of the IAU.
- C. The Audit Charter is a formal document containing statements about the existence and commitment of the management in relation to the functions of the IAU in an organization or legal entity. The Audit Charter of the Company shall become the basis for the existence and implementation of the supervisory duties of the IAU auditors so that it is known by the employees and other related parties, and in order to reach a mutual understanding and proper cooperation in realizing the vision and purpose of the Company.
- D. The Audit Charter shall bind each member of the IAU and shall form an integral part of the Company's good corporate governance.

#### **1. INTERNAL AUDIT**

Internal Audit is an independent assurance function established by the management of the Company.

The principal objective of the Internal Audit is to provide independent, objective assurance and consulting services designed to add value and improve the operations of the Company. Internal Audit assists the Company to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management and internal control and governance processes.

#### **2. VISION**

The vision of the IAU is to be an Internal Auditor who is professional, objective, independent and a dependable partner for the management, and who supports the Board of Directors in reaching its goals.

#### **3. STRUCTURE AND POSITION**

The structure and standing of the IAU are as follows:

- (a) IAU shall be led by a Head of the Internal Audit Unit.
- (b) The Head of IAU shall be appointed and dismissed by the President Director subject to the approval from the Board of Commissioners.
- (c) The Head of IAU shall be responsible to the President Director.
- (d) The auditors within the IAU shall be responsible directly to the Head of IAU.

#### **4. DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the IAU of the Company are as follows:

- (a) to prepare and implement the annual working plan of the IAU;
- (b) to test and evaluate the implementation of internal controls and risk management system in accordance to the applicable policies of the Company;
- (c) to examine and evaluate the efficiency and effectiveness of the following Company's departments including but not limited to: finance, trading, store operations, buying, supply chain & logistics human resources, and information technology;
- (d) to advise on how to improve the efficiency and effectivity of the sectors set out in paragraph (c);
- (e) to provide objective information about the activities being examined at every level of the management;
- (f) to prepare reports containing the audit findings and submit such reports to the President Director, the Board of Commissioners and the Audit Committee;
- (g) to observe, analyse and report the implementation of the improvements that have been suggested;
- (h) to cooperate with the Audit Committee;
- (i) to arrange a program to evaluate the quality of the activities conducted by the internal audit; and
- (j) to conduct a specific examination if required.

5. **AUTHORITIES**

The authorities of the IAU of the Company are as follows:

- (a) to have access to all relevant information, documents and notes regarding the company in relation to its duties and functions;
- (b) to conduct direct communication with any members of the Board of Directors, Board of Commissioners and/or Audit Committee;
- (c) to hold regular and incidental meetings with the Board of Directors, Board of Commissioners and/or the Audit Committee; and
- (d) to coordinate its activities with the activities of the external auditor.

6. **REQUIREMENTS**

Members of the Internal Audit shall fulfil the following requirements:

- (a) exhibit integrity and professional behaviour, independence, honesty and objectivity in conducting his or her duties;
- (b) have knowledge and experience regarding the technicalities of audit and other disciplines relevant to his or her duties;
- (c) have knowledge about laws and regulations in the capital market sector and other relevant laws and regulations;
- (d) have the skills to effectively interact and communicate whether orally or in

writing;

- (e) follow the professional standards issued by the Internal Audit Association;
- (f) comply with the Code of Conduct set by the Internal Audit;
- (g) shall keep confidential the Company's information and/or data relating to the implementation of duties and responsibilities by the Internal Audit except if required otherwise based on applicable laws and regulations or determination/decision by a court;
- (h) understand the principles of good corporate governance and risk management; and
- (i) be willing to continuously improve his or her knowledge, expertise and professional capability.

#### **7. PROHIBITION ON DUAL POSITION AND ASSIGNMENT**

The Auditors and Management who hold positions in the IAU shall be prohibited from holding positions within the operational activity of the Company, as well as any subsidiaries of the Company.

Therefore, the Board of Directors under the approval of the Board of Commissioners of the Company establishes the Audit Charter as a guide for the implementation of the duties by the Internal Audit Unit and instructs all of the Head of Audit and the employees to cooperate with the Internal Audit Unit in order to realize the points contained in this Audit Charter. This Audit Charter shall become effective upon its execution.