



## English Translation

### **COMMITTEE AUDIT CHARTER OF PT DHARMA SATYA NUSANTARA Tbk**

#### **I. INTRODUCTION**

To establish an adequate supervision system to maintain and secure business activities in line with the Company's objectives and policies, PT Dharma Satya Nusantara Tbk (the Company) is obliged to comply with all regulations and provisions set by the Limited Liability Law in conducting its business. According to Law Number 8 of 1995 regarding Capital Market and Regulation Number IX.I.5: Establishment and Implementation Guidelines for Audit Committee's Work stipulated in the Decree of the Chairman of the Capital Market Supervisory Board (BAPEPAM) No. Kep-643/BL 12012 dated December 7, 2012, the establishment of an Audit Committee is part of the Company's efforts to implement Good Corporate Governance. Therefore, the role of the Audit Committee is strategic in assisting and improving the role of the Board of Commissioners in supervising the Company's management by the Board of Directors.

As a reference and guideline in carrying out the supervisory function of the Audit Committee, an Audit Committee Charter has been established. The Audit Committee Charter is a formal document that represents the Company's commitment to implementing Good Corporate Governance optimally. This Audit Committee Charter will also be socialized and used as a guideline for all related elements within the Company to create good cooperation in realizing the Company's vision and mission.

#### **II. VISION AND MISSION**

##### **Vision**

To become a highly competent Audit Committee that works objectively and professionally, reliable, responsive, and independent in assisting the Board of Commissioners in carrying out its supervisory duties over the Board of Directors.

##### **Mission**

To assist the Board of Commissioners in carrying out its tasks and functions, particularly by encouraging the Company to practice business in accordance with Good Corporate Governance (GCG) principles, which include transparency, independence, accountability, responsibility, as well as fairness in accordance with healthy corporate principles and compliance with regulations.

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### III. OBJECTIVES OF THE AUDIT COMMITTEE

The Audit Committee Charter is established by the Board of Commissioners' Decision in carrying out its duties and responsibilities. The Audit Committee has a clear work reference, can work independently, objectively, transparently, and can be accountable in accordance with applicable regulations, as well as a corridor for the Board of Commissioners in effectively carrying out the supervisory function mandated by the Company's Articles of Association, especially in ensuring the integrity of financial statements and the Company's compliance with applicable regulations and laws (regulatory compliance).

### IV. STRUCTURE AND MEMBERSHIP OF THE AUDIT COMMITTEE

#### Audit Committee Structure

The Audit Committee is established to assist the Board of Commissioners to ensure the implementation of good corporate governance, the formation of adequate internal control structures, the improvement of the quality of financial reporting and disclosure, and the review of the scope, accuracy, independence, and objectivity of public accountants. Members of the Audit Committee are appointed and dismissed by the Board of Commissioners.

The Audit Committee is led by an independent Commissioner and consists of at least 3 (three) members who come from independent Commissioners or outside the Company.

An Independent Commissioner is a member of the Board of Commissioners who comes from outside the Company and is not a person who works or has authority and responsibility to plan, lead, control, or supervise the Company's activities in the last 6 (six) months.

#### Membership of the Audit Committee

- a. Has high integrity, abilities, knowledge, and experience in their field and is able to communicate effectively.
- b. Includes at least 1 (one) member with a background in accounting or finance education and expertise.
- c. Has sufficient knowledge to read and understand financial statements.
- d. Has adequate knowledge of capital market regulations and related legislation.
- e. Not an insider of Public Accounting Firms, Law Consultancy Firms, Public Appraisal Service Firms, or other parties providing audit, non-audit, and/or other consulting services to the Company within the last 6 (six) months.



- f. Not a person with the authority and responsibility to plan, lead, or control the activities of the Company within the last 6 (six) months, except for Independent Commissioners.
- g. Does not hold any shares, directly or indirectly, in the Company. If a member of the Audit Committee acquires shares due to a legal event, they must transfer them to another party within a maximum period of 6 (six) months after acquiring the shares.
- h. Does not have any affiliation with members of the Board of Commissioners, Board of Directors, or the Company's Major Shareholders.
- i. Does not have any direct or indirect business relationships related to the Company's business activities.

## **V. TERM OF SERVICE**

- a) The term of service for members of the Audit Committee cannot be longer than the term of the Board of Commissioners as stipulated in the Articles of Association and can only be re-elected for 1 (one) subsequent period.
- b) The Board of Commissioners can dismiss any non-Board of Commissioners member of the Audit Committee at any time if they are deemed unable to carry out their duties properly.

## **VI. DUTIES, RESPONSIBILITIES, AND AUTHORITY OF THE AUDIT COMMITTEE**

### **Duties and Responsibilities of the Audit Committee**

The Audit Committee is responsible for assisting the Board of Commissioners in carrying out their supervisory tasks and functions regarding the management of the Company by the Board of Directors, reviewing reports or matters submitted by the Board of Directors to the Board of Commissioners, identifying matters that require the attention of the Board of Commissioners, and carrying out other tasks related to the tasks of the Board of Commissioners, including but not limited to:

- a. Reviewing the financial information that will be released by the Company, such as financial statements, projections, and other financial information.
- b. Reviewing the Company's compliance with capital market regulations and other relevant legislation related to the Company's activities.
- c. Providing independent opinions in the event of differences of opinion between management and the accountant regarding services provided.
- d. Providing recommendations to the Board of Commissioners regarding the appointment of an Accountant based on independence, the scope of work, and fees.
- e. Reviewing the implementation of audits by the Internal Auditor and overseeing the implementation of follow-up actions by the Board of Directors on internal auditor findings.



- f. Reviewing the implementation of risk management activities carried out by the Board of Directors if the Company does not have a risk monitoring function under the Board of Commissioners.
- g. Reviewing complaints related to the accounting process and financial reporting of the Company.
- h. Reviewing and providing advice to the Board of Commissioners regarding potential conflicts of interest involving the Company.
- i. Maintaining the confidentiality of Company documents, data, and information.
- j. Before the start of the fiscal year, the Audit Committee must prepare and submit an annual Work Plan to the Board of Commissioners for approval.
- k. The Audit Committee must prepare quarterly reports and an annual report to be submitted to the Board of Commissioners.

#### **Authority of the Audit Committee:**

The Audit Committee has the authority to:

- a. Access the company's documents, data, and information about employees, funds, assets, and resources needed.
- b. Communicate directly with employees, including the Board of Directors and those who perform internal audit, risk management, and related accounting functions regarding the duties and responsibilities of the Audit Committee.
- c. Involve independent parties outside of the Audit Committee members as needed to assist in carrying out its duties; and
- d. Exercise other authorities granted by the Board of Commissioners.

#### **VII. AUDIT COMMITTEE MEETINGS**

- a. The Audit Committee holds regular meetings at least every three months.
- b. An Audit Committee meeting can only be conducted if attended by more than 1/2 (one per two) of its members.
- c. If necessary, the Audit Committee can invite other parties related to the meeting material to attend the Audit Committee meeting.
- d. The Audit Committee holds coordination meetings with Internal Auditing at least every three months.
- e. Decisions at the Audit Committee meeting are taken by consensus.
- f. Each Audit Committee meeting is documented in meeting minutes, including if there are dissenting opinions, signed by all attending members and submitted to the Board of Commissioners.

## VIII. AUDIT COMMITTEE CODE OF ETHICS

- a. Carry out every duty and responsibility with honesty, objectivity, and independence.
- b. Uphold integrity, professionalism, and professional standards in carrying out the Audit Committee's duties and avoid activities that conflict with applicable laws and norms, including avoiding activities that has conflict of interests and objectives of the company.
- c. Not receive any compensation or gifts beyond what has been set.
- d. Maintain confidentiality of the company's data and information unless permitted by applicable law.
- e. Provide opinions supported by supporting data.

## IX. WORK RELATIONSHIPS OF THE AUDIT COMMITTEE

### With the Board of Commissioners

The Audit Committee is established, and its members appointed by the Board of Commissioners. The Chair of the Audit Committee comes from one of the Independent Commissioners. In carrying out its duties, the Audit Committee has a direct relationship with the Board of Commissioners, both in carrying out its functions and regarding its rights, authority, and responsibilities. In this regard, the Audit Committee is obligated to assist the Board of Commissioners in overseeing the company.

### With the Board of Directors

The Audit Committee has an indirect relationship with the company's Board of Directors. However, the Board of Directors must support every task assigned by the Board of Commissioners to the Audit Committee.

### With the Internal Audit Unit and External Auditor

In carrying out its duties, the Audit Committee is assisted by the Internal Audit Unit through the submission of audit results and other reports. The relationship between the Audit Committee and the External Auditor is realized through meetings to produce quality and objective reports.

## X. REPORTING

- a. The Audit Committee is required to submit a report to the Board of Commissioners on each assignment given. The report must be submitted no later than 14 (fourteen) days after the completion of the assignment.

- b. The Audit Committee is required to prepare an annual performance report on the accountability and achievement of the Audit Committee's activities, which is submitted to the Board of Commissioners and disclosed in the Company's Annual Report. The report must be submitted no later than 30 (thirty) days from the reporting period.
- c. The Company is required to provide information to Bapepam and LK regarding the appointment and dismissal of the Audit Committee within a maximum period of 2 (two) working days after the appointment or dismissal.
- d. Reports on information regarding appointments and dismissals as referred to in point 5 above must be published on the Company's website.

## XI. CONCLUSION

This Audit Committee Charter is determined by the Board of Commissioners. If necessary, the Board of Commissioners may amend or add to this Charter based on recommendations from the Audit Committee to reassess the objectives, functions, and scope of this Audit Committee Charter.

This Audit Committee Working Guidelines are approved by being jointly signed by the Board of Commissioners of PT Dharma Satya Nusantara Tbk and serve as a binding guideline for both the Board of Commissioners, the Board of Directors, and the Company's Audit Committee.

Issued in Jakarta

On October 1, 2013

PT DHARMA SATYA NUSANTARA Tbk