

**PT HANJAYA MANDALA SAMPOERNA TBK.**

**AUDIT COMMITTEE CHARTER**

**MAY 18, 2025**

## **1. Background**

As a publicly listed company, the Company is bound by the imperative of adhering to the tenets of Good Corporate Governance ("GCG") in every facet of its business endeavors. In line with the GCG principles, the Company's operations should be accompanied by effective management oversight. As a result, the BOC establishes the Committee to support the BOC in carrying out supervisory and advisory responsibilities in the following areas:

- a. Enhancing the quality of the financial statements;
- b. Enhancing the effectiveness of internal control systems, internal audit, and external audit functions; and
- c. Enhancing compliance with the prevailing laws and regulations.

Hence, the Charter is crucial as it acts as a practical guideline for the Committee to effectively carry out duties, responsibilities, and authority. The Charter should be in line with the expectations of shareholders and other stakeholders, while also considering relevant laws, regulations, the Company's Articles of Association, and established corporate governance practices.

## **2. Legal Basis**

- 2.1 Financial Services Authority Regulation No. 55/POJK.04/2015 dated December 23, 2015, concerning Establishment and Guidelines for the Work of the Audit Committee;
- 2.2 Articles of Association of the Company (as amended);
- 2.3 ASEAN Corporate Governance Score Card;
- 2.4 Indonesian GCG Guidelines from the National Committee on Corporate Governance Policy 2021;
- 2.5 Charter of the Board of Commissioners.

## **3. Purpose and General Principles**

- 3.1 The BOC plays a crucial role in overseeing the Company's operations. To effectively fulfill its responsibilities, the BOC can create a committee that reports directly to the BOC. To enhance corporate governance practices within the BOC and considering the Company's current growth, it is deemed necessary to establish the Committee that will support the BOC in implementing strategies, policies, procedures and approaches relating to scope of activities stipulated in Section 1 (Background) above within the Company.
- 3.2 The purpose of the Charter is to offer the Committee a practical manual for carrying out its duties, responsibilities, and authority. This document considers relevant laws, regulations, the Company's Articles of Association, and established corporate governance practices. Its main goal is to ensure that the Committee operates efficiently and adheres to relevant guidelines and standards.
- 3.3 The BOC may delegate certain responsibilities to the Committee which will require formal reporting back to and final decision by the BOC. The ultimate responsibility relating to these matters shall remain with the BOC.

#### **4. Composition, Structure and Requirements of Membership**

4.1 The Committee must have at least 3 (three) members with the following provisions:

- a. The chairman of the Committee must be an independent commissioner; and
- b. Other members of the Committee should be Individuals external to the Company who meet the following criteria: (i) possess no affiliations with the Company, members of the BOD, BOC, or the Company's main shareholder; and (ii) possess relevant experience in accounting or finance.

4.2 The Committee must also comply with the following additional membership requirements:

- a. Members must have high integrity, adequate capabilities, knowledge and experiences in their area of duty, and good communication skills;
- b. One of the members must have an academic background and expertise in accounting or finance;
- c. Members must have sufficient knowledge to read and understand financial statements, the Company's business and audit processes;
- d. Members must have sufficient knowledge of laws and regulations in the capital market sector and other relevant laws and regulations;
- e. Members must be willing to continuously increase their competencies through education and training;
- f. Members must not be an insider of a Public Accounting Firm, Law Firm, Office of Appraisal Services or other parties who are or have been providing assurance service, non-assurance service, appraisal service and/or other advisory service to the Company within the past 6 (six) months prior to their appointment;
- g. Save for the Independent Commissioner, members must not be individuals who possess the authorities and responsibility to plan, lead, control or supervise the Company's activities within the past 6 (six) months prior to appointment;
- h. Members must not be shareholders of the Company, either directly or indirectly;
- i. In the event that a member of the Committee acquires shares of the Company, either directly or indirectly as a result of a legal event, said shares must be transferred to another party as soon as practicable, and no later than 6 (six) months from the date of acquisition; and
- j. Members must not have business relationships, either directly or indirectly, that relate to the Company's business activities.

4.3 The appointment, removal, and replacement of Committee members are determined through resolutions of a BOC meeting with the possibility of reappointment. Members of the Committee shall be appointed by the BOC meeting commencing from the date of their appointment and continuing until the conclusion of the Company's Annual General Meeting of Shareholders for the specified year. However, the BOC reserves the right to dismiss Committee members at any given time.

4.4 The appointment or removal of the Committee members must be reported to the Financial Services Authority and the Indonesian Stock Exchange ("IDX") within 2 (two) business days. The appointment or removal of the Committee shall be published on the Company's website and/or IDX's website.

- 4.5 The tenure of the Committee members must not exceed the duration of the BOC's term in office.
- 4.6 The term of office of a member of Committee shall expire if:
- He/she resigns;
  - He/she is dismissed pursuant to a resolution of the BOC;
  - He/she passes away;
  - He/she no longer meets the requirements set forth under the prevailing laws and regulations.
- 4.7 A Committee member may resign from their position by submitting a written notice of resignation to the BOC at least 30 (thirty) days prior to the intended effective date of resignation. The resigning Committee member remains accountable for their actions and decisions during their tenure. The BOC reserves the right to request the fulfillment of the resigning member's accountability through a formal resolution.

The BOC shall promptly convene a meeting within a maximum of 30 (thirty) days following the receipt of a resignation letter, to acknowledge and address the resignation of a Committee member.

If the resignation of one or more Committee members results in the total number of the Committee members falling below 3 (three), such resignations will be considered valid only if approved during a BOC meeting and the BOC has appointed new Committee member(s) to fulfill the minimum required number of Committee members.

## **5. Duties and Responsibilities**

- 5.1 The Committee must always act independently and be responsible to the BOC in carrying out its duties.
- 5.2 The Committee shall have the following duties and responsibilities:
- With respect to financial statements:  
Reviewing financial information prior to its release to the public and/or authorities, such as the interim and annual financial statements and other financial reports, to ensure that the financial information is fair and credible.
  - With respect to internal controls and internal audit:
    - Evaluating the effectiveness and adequacy of the Company's internal controls systems to ensure the reliability of financial information, compliance with applicable regulations, and the safeguarding of the Company's assets;
    - Providing recommendations to the BOC regarding the appointment of the Head of Internal Audit division, including the scope of work and budget for the internal control function, as well as the removal or dismissal of the Head of Internal Audit Division;
    - Evaluating the qualifications and experience of the Internal Audit Division to ensure the division possesses the necessary competencies to carry out its responsibilities;
    - Reviewing the adequacy and the effectiveness of the internal auditor's work plan and its implementation to ensure that all key risks are appropriately addressed; and

- v) Evaluating audit findings and the effectiveness of management action plans, as well as monitoring the timeliness of their implementation.
- c. With respect to public accountant:
- i) Providing recommendations to the BOC regarding the appointment of the Public Accountant, including the scope of work, competency, fees, and independence of the Public Accountant, as well as their removal or dismissal;
  - ii) Reviewing and approving non-audit services provided by the Public Accountant;
  - iii) Reviewing the adequacy and the effectiveness of the Public Accountant's audit work plan;
  - iv) Evaluating audit findings and the effectiveness of management action plans, and monitoring the timeliness of their implementation;
  - v) Conducting independent discussions with the Public Accountant, without the presence of management, to ensure transparency and objectivity in the audit process;
  - vi) Overseeing communication and interactions between the BOD and/or BOC and the Public Accountant; and
  - vii) Providing an independent opinion in the event of any disagreement between management and the Public Accountant regarding the services rendered.
- d. With respect to compliance with laws and regulations:  
The Committee shall review the changes in laws and regulations, as well as the Company's business activities, to ensure ongoing compliance with all relevant legal requirements.
- e. With respect to other responsibilities:
- i) Reviewing any complaints or reports regarding alleged violations related to financial reporting and providing recommendations to the BOC;
  - ii) Evaluating the Company's related party transactions to assess potential conflicts of interest and providing opinions to the BOC;
  - iii) Maintaining the confidentiality of the Company's documents, data, and information; and
  - iv) Reviewing and providing advice to the BOC regarding any potential conflicts of interests involving either themselves or the Company.

## 6. Authorities

The BOC shall give the Audit Committee authority to:

- 6.1 Gain full, free and unfettered access to records, employees, funds, assets and other Company resources related to the undertaking of its duties.
- 6.2 Communicate directly with employees at all levels, including management and other parties involved in internal audit and the Public Accountant, in relation to the performance of its duties.
- 6.3 Obtain professional advice from legal counsel or other professional service providers, provided such advice is relevant to the performance of its duties

- 6.4 Involve independent parties, other than Committee members, who possess relevant experience and expertise, when necessary, in relation to the undertaking of its duties,.
- 6.5 Request a special audit by internal auditors or the Public Accountant, if deemed necessary.
- 6.6 In exercising its authority, the Committee shall collaborate with the Internal Audit division.
- 6.7 Carry out additional duties as deemed appropriate by the BOC, subject to prior approval from the BOC.

## **7. Work Procedures**

- 7.1 The duties and responsibilities of the Committee are carried out, among other means, through Committee Meetings.
- 7.2 The Committee collaborates with members of the BOD, the BOC, other committees under the BOD or BOC, relevant departments or functions within the Company, and external parties with prior approval from the BOC to ensure the effective fulfillment of its duties and responsibilities.
- 7.3 The Committee reviews the effectiveness of Internal Audit implementation, evaluates its annual performance, and submits the results to the BOC.
- 7.4 Committee members may conduct on-site field visits as part of fulfilling their duties.
- 7.5 Each Committee member is required to allocate sufficient time to effectively fulfill all assigned duties and responsibilities.

## **8. Meetings**

- 8.1 The Committee must hold a meeting at least once every 3 (three) months.
- 8.2 The Committee meeting may be held if attended by more than ½ of its total members.
- 8.3 Meetings may be conducted through physical attendance or via teleconference, videoconference, or any other means of real-time communication.
- 8.4 The Committee shall have full discretion over the timing and agenda of its meeting.
- 8.5 The date, time, venue, and agenda of a meeting shall be communicated to each member at least 3 (three) working days in advance. A shorter notice period may be applied, provided that all Committee members have given their consent.
- 8.6 The meeting shall be chaired by the Committee chairman or, in their absence, by any member present who is appointed by the meeting.

- 8.7 The Committee decisions must first be made unanimously. If no consensus is reached by deliberation, decisions are made by majority voting, and the dissenting opinions must be stated in the minutes of meeting together with the reasons for dissent.
- 8.8 The Committee may adopt valid resolutions without convening a meeting, provided that all members have been notified in writing of the resolutions and have given their approval by signing the resolutions. Such resolutions shall carry the same legal force as those adopted in a duly convened meeting.
- 8.9 In the event that a Committee member has a conflict of interest, they must recuse themselves from the decision-making process. The remaining members of the Committee shall retain full authority to vote on the matter.
- 8.10 The Committee may invite any Director, member of the management team, or employee of the Company to attend its meetings. The Committee may also invite third parties, such as professional consultants, as needed.
- 8.11 Meeting minutes must be documented in writing and signed by the chairman of the meeting and one other Committee member present.
- 8.12 Meeting minutes shall be distributed to all Committee members and the BOC, addressed to the President Commissioner.
- 8.13 Any use of meeting minutes for public disclosure shall require prior approval from the BOC.

## **9. Reporting**

- 9.1 The Committee shall report to the BOC on the performance of its duties and provide recommendations or suggestions relating to its remit, if required, in a timely manner.
- 9.2 The report referred to in Article 3.3 is an inseparable part of the BOC's reports on the performance of its duties and must be conveyed in the General Meeting of Shareholders.
- 9.3 The Committee shall submit the Committee's annual work report to the BOC in a timely manner.
- 9.4 The Committee must evaluate its performance by way of self-assessment on an annual basis to improve the performance of the Committee. The results of the evaluation must be reported and discussed with the BOC.
- 9.5 The implementation and performance of Committee's duties must be disclosed by the Company in the Annual Report and must include, at a minimum:
  - a. The profile and composition of the Committee
  - b. The objectives and scope of the Committee's work;
  - c. The Committee's independence status;

- d. The number of meetings held during the financial year and attendance details for each member; and
- e. Summary of the Committee's activities.

#### 10. Miscellaneous

- 10.1 This Charter shall be effective as from the date of stipulation.
- 10.2 Any change or amendment to this Charter shall be made and approved by the BOC.
- 10.3 Everything related to the establishment and the guidelines for the Committee's work implementation, which is not explicitly covered in this Charter, shall be subject to the prevailing laws and regulations applicable to the matters addressed in this Charter. However, this is applicable only if it does not contradict the specific regulations established for publicly listed companies or the industry in which the Company operates.

Stipulated in : Jakarta  
Date : May 18, 2025

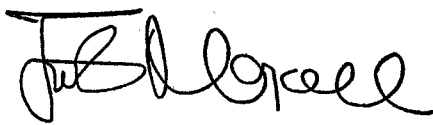
**PT HANJAYA MANDALA SAMPOERNA TBK.**  
**Board of Commissioners**



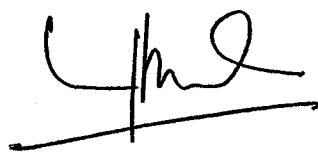
**John Gledhill**  
President Commissioner



**Paul Janelle**  
Vice President Commissioner



**Justin Mayall**  
Independent Commissioner



**Luthfi Mardiansyah**  
Independent Commissioner