

BOARD OF COMMISSIONERS  
OF PT BUKIT ASAM TBK

Menara Kadin Indonesia, 11<sup>th</sup> Floor, Jl. H.R. Rasuna Said Block X-5 Kav. 2-3 Jakarta 12950

DECREE OF THE BOARD OF COMMISSIONERS OF PT BUKIT ASAM Tbk  
NUMBER: 18/SK/PTBA-DEKOM/XII/2023

CONCERNING  
STIPULATION OF THE AUDIT COMMITTEE CHARTER OF  
BOARD OF COMMISSIONERS OF PT BUKIT ASAM TBK

- Considering :
1. That, in order to assist the Board of Commissioners of PT Bukit Asam Tbk in carrying out supervision, an Audit Committee has been formed;
  2. That, as a guideline for the Audit Committee, in carrying out its duties, the Board of Commissioners has issued Decree of the Board of Commissioners of PT Bukit Asam Tbk Number: 01/SK/PTBA-KOM/IV/2028 concerning Stipulation of the Audit Committee Charter;
  3. That, complying with cthe applicable laws and regulations and the implementation of the Audit Committee's duties, it is necessary to make adjustments to the Audit Committee Charter;
  4. That, based on the considerations as intended in number 3, it is necessary to stipulate a Decree of the Board of Commissioners of PT Bukit Asam Tbk concerning Stipulation of the Audit Committee Charter.

PT BUKIT ASAM TBK

Head Office: Jl. Parigi No.1, Tanjung Enim, Muara Enim, South Sumatra 31716, T (0734) 451 096, (0734) 452 352, F (0734) 451 095, (0734) 452 993;

Jakarta Office: Menara Kadin Lt.15 Jl. HR. Rasuna Said, Block X-5, Kav 2-3 Jakarta 12950 T(021) 529 4014, F (021) 525 4002

Pelabuhan Tarahan: Jl. Soekamo Hatta Km. 15, Tarahan, Bandar Lampung 35242, T (0721) 31 545, (0721) 31 686, F (0721) 31 577

Dermaga Kertapati: Jl. Jl. Stasiun Kereta Api, South Sumatra 30142, T (0711) 512 617, F (0711) 511 388

Pertambangan Ombilin: Jl. Manan Jatin No.1 Siringan Sawahlunto, West Sumatra 27421, T (0754) 61 021, F (0754) 61402

- Referring to : 1. Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Human Settlements into Law;
2. Law Number 40 of 2007 concerning Limited Liability Company;
3. Law Number 19 of 2003 concerning State-Owned Enterprises;
4. Law Number 8 of 1995 concerning Capital Markets;
5. Government Regulation of the Republic of Indonesia Number 46 of 2022 concerning Capital Inclusion of the Republic of Indonesia for the Establishment of Companies in the Mining Sector in the name of PT Mineral Industri Indonesia (Persero);
6. Government Regulation Number 55 of 2002 concerning Additional Capital Participation of the Republic of Indonesia into the share capital of PT Tambang Batubara Bukit Asam;
7. Government Regulation Number 12 of 1998 concerning Limited Liability Company;
8. Government Regulation Number 56 of 1990 concerning the dissolution of the Coal Mining Public Company (Perum) and the addition of State Capital of the Republic of Indonesia to the share capital (capital stock) of PT Tambang Batubara Bukit Asam;

9. Government Regulation Number 42 of 1980 concerning Capital Inclusion of the Republic of Indonesia for the Establishment of the Bukit Asam Coal Mining Company;
10. Regulation of the Minister of BUMN Number PER-1/BU/03/2023 concerning Special Assignments and Social and Environmental Responsibility Programs for State-Owned Enterprises;
11. Regulation of the Minister of BUMN Number PER-2/BU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of State-Owned Enterprises;
12. Regulation of the Minister of BUMN Number PER-3/BU/03/2023 concerning Organs and Human Resources of State-Owned Enterprises;
13. Financial Services Authority Regulation Number 09 of 2023 concerning the Use of Public Accountant Services and Public Accounting Firms in Financial Services Activities;
14. Financial Services Authority Regulation Number 55/OJK.04/2015 dated 23 December 2015 concerning the Establishment and Guidelines for Implementing the Work of the Audit Committee;
15. Financial Services Authority Regulation Number 21/POJK.04/2015 concerning Public Company

Governance Guidelines;

16. Financial Services Authority Regulation Number 33/POJK.04/2014 dated 8 December 2014 concerning Directors and Board of Commissioners of Issuers or Public Companies; Establishment and Guidelines for the Implementation of Audit Committee Work;

17. Financial Services Authority Handbill Number 36/SEOJK.03/2017 dated 11 July 2017 concerning Procedures for Using Public Accountants and Public Accounting Firms;

18. Financial Services Authority Handbill Number 32/SEOJK.04/2015 dated 17 November 2015 concerning Guidelines for Public Company Governance;

19. The Articles of Association of PT Bukit Asam Tbk as contained in Deed Number 61 dated 15 June 2023 made by Jose Dima Satria, S.H., M.Kn., Notary Public in Jakarta.

#### DECIDES

TO STIPULATE : DECREE OF THE BOARD OF COMMISSIONERS OF PT BUKIT ASAM Tbk CONCERNING DETERMINATION OF THE AUDIT COMMITTEE CHARTER

FIRST : Provisions regarding Audit Committee Work Implementation Guidelines are regulated in the Audit Committee Charter as contained in the Attachment to this Decree.

SECOND : With the re-stipulation of this Decree, the Decree of the Board of Commissioners of PT Bukit Asam Tbk Number 01/SK/PTBA-DEKOM/IV/2018 dated 17 April 2018 concerning Determination of the Audit Committee Charter is revoked and declared no longer valid.

THIRD : This Decree comes into force on the date of stipulation, if, in the future, it turns out there are errors in this Decree, then appropriate corrections will be made.

Stipulated in : Jakarta

On : December 31, 2023



**Irwandy Arif**

The president commissioner



**Ahdi Pahril Pawi**

Independent Commissioner



**Kurnia Toha**

Independent Commissioner



**Carlo B. Tewu**

Commissioner



**E. Piterdono HZ**

Commissioner



**Bahmat Hidayat P**  
Komisaris Independen

The copies of this Decree shall be submitted to:

1. Commissioner of PT Bukit Asam Tbk;
2. Directors of PT Bukit Asam Tbk;

3. Secretary to the Board of Commissioners of PT Bukit Asam Tbk;
4. Corporate Secretary of PT Bukit Asam Tbk;
5. Member of the Audit Committee of PT Bukit Asam Tbk.

ATTACHMENT TO THE DECREE OF THE BOARD OF COMMISSIONERS

PT BUKIT ASAM TBK

NUMBER : 18 /SK/PTBA-KOM/XII/2023

DATE : December 31, 2023



**CHARTER OF THE AUDIT COMMITTEE OF PT BUKIT ASAM Tbk**

Reference in implementing the work of the Audit Committee of PT Bukit Asam Tbk

# **CHAPTER I**

## **INTRODUCTION**

### **1. Background**

Complying with the provisions of Financial Services Authority Regulation Number 55/POJK.04/2015 concerning the Establishment and Guidelines for Implementing the Work of the Audit Committee and Regulation of the Minister of BUMN Number 2/PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of State Owned Enterprises (SOE), Public Company and SOE Subsidiaries are required to develop committee work guidelines and rules.

PT Bukit Asam Tbk ("PTBA") itself has basically prepared an Audit Committee charter last amended and updated with the provisions of applicable laws and regulations and Good Corporate Governance best practices in 2018.

### **2. PURPOSE AND SCOPE OF WORK**

This Charter is intended to assist the Audit Committee in carrying out oversight responsibilities for the financial reporting process, internal control system, (internal and external) audit process and compliance with applicable laws and regulations in order to assist the implementation of the duties of the Board of Commissioners in a transparent, competent, objective and independent, and accountable manner.



The availability of quality financial information is a reflection of the implementation of good governance requiring the role of the Audit Committee in supervising the effectiveness of internal control over the Company's financial reports and the financial reports of the Micro and Small Business Funding Program (PUMK Program) as well as the implementation of the audit function by internal and independent auditors (Public Accountant and KAP).

The scope of work covers the Company and all subsidiaries whose Financial Statements are consolidated into Financial Reports of the Company.

### **3. LEGAL BASIS**

The preparation of the Audit Committee Charter refers to the provisions of laws and regulations in the legal jurisdiction of the Republic of Indonesia and other provisions deemed relevant, including:

- a. Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Human Settlements into Law;
- b. Law Number 40 of 2007 concerning Limited Liability Companies;
- c. Law Number 19 of 2003 concerning State-Owned Enterprises (SOE);
- d. Law Number 8 of 1995 concerning Capital Markets;

- e. Regulation of the Minister of BUMN Number PER-1/MBU/03/2023 concerning Special Assignments and Social and Environmental Responsibility Programs for State-Owned Enterprises;
- f. Regulation of the Minister of BUMN Number PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of State-Owned Enterprises;
- g. Regulation of the Minister of SOE (BUMN) Number PER-3/MBU/03/2023 concerning Organs and Human Resources of State-Owned Enterprises;
- h. Republic of Indonesia Government Regulation Number 46 of 2022 concerning State Capital Inclusion of the Republic of Indonesia for the Establishment of Companies in the Mining Sector in the name of PT Mineral Industri Indonesia (Persero);
- i. Government Regulation Number 12 of 1998 concerning Limited Liability Companies;
- j. Financial Services Authority Regulation Number 09 dated 11 July 2023 concerning the Use of Public Accounting Services and Public Accounting Firms in Financial Services activities;
- k. Financial Services Authority Regulation Number 55/POJK.04/2015 dated 23 December 2015 concerning the Establishment and Guidelines for Implementing the Work of the Audit Committee;
- l. Financial Services Authority Regulation Number 21/POJK.04/2015 concerning Public Company Governance Guidelines;

- m. Financial Services Authority Regulation Number 33/POJK.04/2014 dated 8 December 2014 concerning Directors and Board of Commissioners of Issuers or Public Companies; Establishment and Guidelines for the Implementation of Audit Committee Work;
- n. Financial Services Authority Circular Number 36/SEOJK.03/2017 dated 11 July 2017 concerning Procedures for Using Public Accountants and Public Accounting Firms;
- o. Financial Services Authority Handbill Number 32/SEOJK.04/2015 dated 17 November 2015 concerning Guidelines for Public Company Governance;
- p. Amendments to the Articles of Association and Bylaws of PT Bukit Asam Tbk No. 61 dated 15 June 2023.

#### **4. DEFINITION**

- a. PT Bukit Asam Tbk, hereinafter abbreviated to the Company, is a party carrying out financial services activities in the Capital Market sector regulated and supervised by the Financial Services Authority as intended in the Law concerning the Financial Services Authority.
- b. The Audit Committee is a committee formed by and responsible to the Board of Commissioners to assist in carrying out the duties and functions of the Board of Commissioners.
- c. Assignment Period is the assignment period to carry out assurance assignments such as preparing reports to the Financial Services

Authority starting from the time of field work or signing of the assignment, whichever is earlier, and ends on the date the Public Accountant or Client reports to the Financial Services Authority that the assignment has been completed, whichever comes first.

- d. A Public Accountant is someone having obtained a license to provide services as intended in the Law concerning Public Accountants.
- e. Public Accounting Firm, hereinafter abbreviated to KAP, is a Business Entity established under the provisions of statutory regulations and obtaining a business license as intended in the Law concerning Public Accountants.
- f. The General Meeting of Shareholders, hereinafter abbreviated to GMS, is a Limited Liability Company's Organ having exclusive authority that is not given to the Directors and the Board of Commissioners. The authority of the GMS, its form and extent, is determined in the Limited Liability Company's Law and the Company's Articles of Association.

## **CHAPTER II**

### **ORGANIZATION**

#### **1. VISION AND MISSION**

The Audit Committee is a Committee formed UNDER the Decree of the PTBA Board of Commissioners, whose function is to assist the PTBA Board of Commissioners with the Vision and Mission, as follows:

##### **A. Vision**

Becoming an independent and professional working partner for the Board of Commissioners of PTBA in order to support the duties of the Board of Commissioners to ensure the implementation of good corporate governance.

##### **B. Mission**

- Encouraging and ensuring the effectiveness of the internal control system and effectiveness of carrying out the duties of external and internal auditors;
- Encouraging the increased business success and company accountability, in order to increase the company's added value.

#### **2. COMPOSITION AND STRUCTURE**

A. The Audit Committee consists of at least 1 (one) Independent Commissioner and at least 2 (two) expert members who are not members of the Board of Commissioners and parties affiliated with the Company.<sup>1</sup>

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<sup>1</sup> Article 4 of POJK No.55/POJK.04/2015 in conjunction with Article 123, paragraph (3) of BUMN Ministerial Regulation No.3/2023.

- B. Members of the Audit Committee who are Independent Commissioners act as Chairperson of the Audit Committee. In the event that more than 1 (one) Independent Commissioner is a member of the Audit Committee, then one of them acts as Chairperson of the Audit Committee.
- C. One member of the Audit Committee must have an educational background and expertise in accounting/finance, auditing, and one must understand the Company's industry/business.<sup>2</sup>

### **3. MEMBERSHIP REQUIREMENTS**

#### **A. INDEPENDENCE**

- 1) Not a person in a KAP, Legal Consultant Office, Public Appraisal Services Office or other party providing assurance services, non-assurance services, appraisal services and/or consulting services to the Company concerned within the last 6 (six) months.<sup>3</sup>
- 2) Not a person who works or has the authority of a responsible body to plan, lead, control or supervise the activities of the company within the last 6 (six) months except for the Independent Commissioner.<sup>4</sup>
- 3) Having no direct or indirect shares in the Company.<sup>5</sup>
- 4) In the event that a member of the Audit Committee acquires Company shares either directly or indirectly as a result of a legal

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<sup>2</sup> Article 136 paragraph (2) BUMN Ministerial Regulation No.3/2023.

<sup>3</sup> Article 7, letter f of POJK No.55/POJK.04/2015.

<sup>4</sup> Article 7, letter g of POJK No.55/POJK.04/2015.

<sup>5</sup> Article 7, letter h of POJK No.55/POJK.04/2015.

incident, the shares must be assigned to another party within a maximum period of 6 (six) months after acquiring the shares.<sup>6</sup>

- 5) Having no affiliated relationship (blood or joint family relationship up to the third degree either in a straight line or sideways) with members of the Board of Commissioners, members of the Board of Directors, or Major Shareholders of the Company.<sup>7</sup>
- 6) Having no any direct or indirect business relationships related to the Company's activities.<sup>8</sup>
- 7) Having no personal interests/relationships that could have a negative impact or conflict of interest on the Company.<sup>9</sup>

## B. COMPETENCY

- 1) Must have high integrity, ability, knowledge, experience in accordance with the field of work (supervision and inspection), be able to communicate well and effectively, be able to provide sufficient time to complete tasks.<sup>10</sup>
- 2) Must understand the Financial Report, the company's business, especially those related to the Company's services or business activities, the audit process, risk management and laws and regulations in the Capital Market sector as well as other related laws and regulations.<sup>11</sup>

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<sup>6</sup> Article 7, letter i of POJK No.55/POJK.04/2015.

<sup>7</sup> Article 7, letter j of POJK No.55/POJK.04/2015.

<sup>8</sup> Article 7 letter j POJK No.55/POJK.04/2015.

<sup>9</sup> Article 136, paragraph (1), letter b of Minister of BUMN Regulation No.3/2023.

<sup>10</sup> Article 136, paragraph (1), letters a, c, and d of Minister of BUMN Regulation No.3/2023.

<sup>11</sup> Article 7, letter b of POJK No.55/POJK.04/2015.

- 3) Must comply with the Audit Committee code of ethics established by the Company.<sup>12</sup>
- 4) Must have ability to continuously improve competence through education and training.<sup>13</sup>

#### **4. PROHIBITION OF DUAL POSITIONS**

Members of the Audit Committee who are not members of the Board of Commissioners are prohibited to have dual positions:

- 1) Member of the Board of Commissioners/Supervisory Board at BUMN/other companies;
- 2) Secretary/staff of the Secretariat of the Board of Commissioners/Supervisory Board at BUMN/other companies;
- 3) Members of other committees in the Company; and/or
- 4) Committee members at BUMN/other companies.

#### **5. THE TERM OF OFFICE (TENURE)**

- A. The term of office of members of the Audit Committee who come from elements of the Board of Commissioners may not be longer than the term of office of the Board of Commissioners as regulated in the Company's Articles of Association and can be re-appointed for 1 (one) subsequent period.<sup>14</sup>
- B. The term of office of members of the Audit Committee who are not members of the Board of Commissioners is a maximum of 3 (three)

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<sup>12</sup> Article 7, letter c of POJK No.55/POJK.04/2015.

<sup>13</sup> Article 7, letter d of POJK No.55/POJK.04/2015.

<sup>14</sup> Article 8 of POJK No.55/POJK.04/2015.



years and can be reappointed for a maximum of 2 (two) years, without prejudice to the right of the Board of Commissioners to dismiss (lay-off) them any time.<sup>15</sup>

C. The Board of Commissioners may dismiss any time a member of the Audit Committee who is not a member of the Board of Commissioners if the person concerned is deemed not carrying out their duties properly as stated in the Decree of the Board of Commissioners regarding the appointment of the person concerned as a member of the Audit Committee.<sup>16</sup>

D. The rights of members of the Audit Committee who are not members of the Board of Commissioners are regulated in separate provisions in the Decree of the Board of Commissioners with the knowledge of the Company's Directors.

## **6. MISCELLANEOUS**

Audit Committee members are required to sign an Integrity Pact that is a statement and commitment to comply with all statutory provisions and the principles of good corporate governance.<sup>17</sup>

## **7. CONFIDENTIALITY**

Audit Committee members are required to maintain the confidentiality of all Company documents, data and/or information from internal and external

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<sup>15</sup> Article 135 of BUMN Ministerial Regulation No.3/2023.

<sup>16</sup> *Ibid.*

<sup>17</sup> Article 152 of BUMN Ministerial Regulation No.3/2023.

parties as well as everything related to the Company and the implementation of the Committee's duties.<sup>18</sup>

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<sup>18</sup> Article 10, letter I of POJK No.55/POJK.04/2015 Jo Article 157 BUMN Ministerial Regulation No.3/2023.

**CHAPTER III**

**DUTIES AND RESPONSIBILITIES, AUTHORITY, WORK PROCEDURES AND  
PROCEDURES**

**1. DUTIES AND RESPONSIBILITIES<sup>19</sup>**

The Audit Committee acts independently in carrying out the following duties and responsibilities:

**A. MONITORING AND EVALUATION**

- 1) Evaluating the planning and implementation of the audit as well as monitoring the follow-up to the audit results in order to assess the adequacy of internal control, including the adequacy of the financial reporting process.
- 2) Providing recommendations regarding improvements to the management control system and its implementation;
- 3) Evaluating the adequacy of internal control in Subsidiary Companies.
- 4) Reviewing the financial information that the Company will release to the public and/or authorities, including financial reports and other reports related to the Company's financial information.
- 5) Ensuring that there are satisfactory evaluation procedures for all information released by the Company.
- 6) Reviewing compliance with laws and regulations relating to the Company's activities.

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<sup>19</sup> Article 10 OF POJK No.55/POJK.04/2015 in conjunction with Article 134 OF BUMN Ministerial Regulation No.2/2023.

- 7) Providing an independent opinion in the event of a difference of opinion between management and the Accountant regarding the services provided.
- 8) Providing recommendations to the Board of Commissioners regarding the appointment of an Accountant based on independence, scope of assignment and compensation for services.
- 9) Reviewing the implementation of audits by internal auditors and supervising the implementation of follow-up actions by the Board of Directors regarding the internal auditor's findings.
- 10) Reviewing complaints related to the Company's accounting and financial reporting processes.
- 11) Reviewing and providing advice to the Board of Commissioners regarding potential conflicts of interest of the Company.
- 12) Identifying matters requiring the attention of the Board of Commissioners as well as other relevant duties of the Board of Commissioners.

## **B. FINANCIAL STATEMENTS**

- 1) Reviewing the financial information that the company will release to the public and/or authorities, such as financial reports, projections and other financial information.
- 2) Conducting a review through discussions with Management, Internal Audit and Public Accountants and/or KAP during the audit process, including the difficulties encountered.

- 3) Providing an independent opinion in the event of a difference of opinion between Management and Public Accountants/KAP and/or the Audit Team from KAP regarding the services provided.
- 4) Reviewing the Annual Report to ensure the adequacy, consistency and accuracy of the information.

#### **C. INTERNAL CONTROL**

- 1) Reviewing the effectiveness and efficiency of the Internal Control System through discussions with Management, Internal Audit, and Public Accountants or Audit Teams from KAP regarding the adequacy and effectiveness of internal control over financial reports, including the presence of material weaknesses, both in design and operations, which could disrupt the Company's capabilities in recording, processing, summarizing and reporting financial information (ICOFR).
- 2) Conducting reviews and discussions with Management, Internal Audit and External Auditors regarding the adequacy and effectiveness of the company's internal control based on the Audit Results Reports of the Internal Auditor and External Auditor that indicate weaknesses in internal control.
- 3) Reviewing and monitoring Management's follow-up on findings and recommendations from the External Auditor.

#### **D. INTERNAL AUDIT/ INTERNAL SUPERVISION UNIT (SPI)**

- 1) Reviewing the effectiveness of the Company's Internal Audit, including through:

- Conducting reviews to provide recommendations to the Board of Commissioners for approval regarding the preparation of an Internal Audit work plan based on Risk Based Audit, scope and Internal Audit budget.
  - Reviewing the implementation of the Internal Audit Work Plan.
  - Reviewing the Internal Audit Result Report (LHP), including the evaluation results of the implementation of Risk Management.
  - Reviewing and monitoring Management's follow-up on Internal Audit findings and recommendations.
- 2) Providing opinions and suggestions to the Board of Commissioners for consideration in providing approval for the appointment and dismissal of the Head of Internal Audit.
  - 3) Reviewing each Internal Audit Report submitted to the Board of Commissioners c.q. Audit Committee, including reports regarding irregularities/violations submitted to the Board of Directors.
  - 4) Reviewing the Internal Audit Charter to provide opinions and suggestions for consideration by the Board of Commissioners in approving the Internal Audit Charter that will be determined by the Board of Directors.
  - 5) Reviewing and providing recommendations to the Board of Commissioners regarding the provision of overall Internal Audit annual remuneration and performance awards.
  - 6) Reviewing the effectiveness and efficiency of the Internal Control System based on information obtained from Internal Audit.

- 7) Providing recommendations to the Board of Commissioners regarding the appointment of an independent quality controller from an external party to conduct a review of Internal Audit performance (Quality Assurance Review) at least once every 3 (three) years.

#### **E. INDEPENDENT AUDITOR**

- 1) Selecting and recommending Public Accountants and/or KAP who will provide audit services for the Company's annual financial reports and PUMK Program financial reports to the Board of Commissioners to be decided by the Annual GMS.
- 2) Recommending to the Board of Commissioners, to propose an Annual GMS in the event that the Public Accountant and/or KAP that has been decided by the Annual GMS as referred to in point 1) cannot complete the provision of audit services for the Company's annual financial report and PUMK Program financial report during the Assignment Period Professional, so that the appointment of a replacement Public Accountant and/or KAP can be carried out by the Board of Commissioners taking into account the recommendations of the Audit Committee.
- 3) In the event that the Audit Committee cannot recommend a Public Accountant and/or KAP that will provide audit services for financial reports Company annual and PUMK Program financial reports to the Board Commissioner before the Annual GMS as in point 1), the Audit Committee recommends to the Board of Commissioners that it shall be proposed at the Annual GMS to delegate the authority to appoint

Public Accountants and/or KAP to the Board of Commissioners, accompanied by an explanation regarding:

- Reasons for delegation of authority; and Criteria or
- Limitations for Public Accountants and/or KAPs that can be appointed.

4) In preparing recommendations as referred to in point 1), the Audit Committee may consider:

- Independence of Public Accountants, KAP, and KAP insiders;
- Audit scope;
- Audit service fees;
- Expertise and experience of Public Accountants, KAPs, and Audit Teams from KAPs;
- Audit methodology, techniques and tools used by KAP;
- The benefits of fresh eye perspectives that will be obtained by replacing public accountants, KAP and the Audit Team from KAP;
- Potential risks of using audit services by the same KAP consecutively for a fairly long period of time; and/or
- Results of evaluation regarding the implementation of audit services for the Company's annual financial reports by Public Accountants and KAPs in the previous period, if any.

5) Proposing the dismissal of the Public Accountant, KAP or Audit Team from KAP if in carrying out their duties they do not comply with applicable standards and regulations.



- 6) Reviewing prospective Public Accountants, or Audit Team from KAP for consolidated subsidiaries. KAP for consolidated subsidiaries is appointed and determined by the subsidiary concerned in accordance with its articles of association but must be consulted with the Audit Committee to assess aspects of the independence of prospective Public Accountants, KAP or Audit Team from KAP and audit supervision carried out by the Audit Committee.
- 7) Providing prior approval (pre-approval) for non-assurance services that will be assigned to KAP. Pre-approval by the Audit Committee for non-assurance services assigned to KAP is carried out complying with the applicable regulations and legislation.
- 8) Evaluating the implementation of providing audit services for reports the Company's annual finances by the Public Accountant and/or KAP at most a little through:
  - Suitability of audit implementation by Public Accountants and/or KAP to the applicable audit standards;
  - Adequate time for field work;
  - Review of the scope of services provided and the adequacy of sampling tests; and
  - Recommendations for improvements provided by the Public Accountant and/or KAP

## **F. COMPLIANCE AND RISK MANAGEMENT**

- 1) Monitoring the effectiveness of risk management policies and implementation in accordance with the main laws and regulations

relevant to fraud related to financial reporting (fraudulent financial reporting risk) prepared and implemented by the Board of Directors.

- 2) Monitoring compliance with laws and regulations in the capital market sector and other laws and regulations related to the Company's operations.
- 3) Reviewing and providing advice to the Board of Commissioners regarding potential conflicts of interest in the Company's activities.
- 4) Conducting evaluations and providing recommendations to the Board of Commissioners regarding the process of appointing a rating company that will carry out a Company Health Level Assessment.

#### **G. COMPLAINTS**

- 1) Reviewing and monitoring the effectiveness of the Whistleblowing System (WBS) established by the Company.
- 2) Reviewing reports related to the prevention, detection and follow-up to handling complaints, both originating from the Company's (Whistleblowing System/WBS) and from other sources.

#### **H. INTEGRATION OF PARENT AND SUBSIDIARY ENTITIES**

- 1) Reviewing the effectiveness of the Master and Integrated Internal Control System.
- 2) Monitoring and evaluating the suitability of the implementation of the Parent and Subsidiary's financial policies.
- 3) Monitoring and evaluating the suitability of the implementation of the Parent and Subsidiary's internal audit policies (including recommendations for the annual audit plan).

- 4) Providing recommendations to the Board of Commissioners on matters that support the effectiveness and accuracy of the financial reporting process and conformity between the Parent Internal Audit and Subsidiary Internal Audit policies.
- 5) Coordinating with Internal Audit and KAP regarding the implementation of general audits of Subsidiary Entity financial reports.

## **I. MISCELLANEOUS**

- 1) Maintaining the confidentiality of documents, data and Company Information.
- 2) If necessary, participating in a joint review with the organs under the Board of Directors of the Corporate Action plans that are requested for approval from the Board of Commissioners by the Board of Directors.
- 3) Carrying out other tasks assigned by the Board of Commissioners complying with the provisions of applicable laws and regulations.

## **2. AUTHORITY**

- A. Full, free and unlimited access to records or information about employees, funds, assets, liabilities and other resources of the Company and consolidated subsidiaries related to the implementation of their duties.
- B. Communicating directly with employees, including the Board of Directors, Internal Audit Unit, Risk Management, Public Accountants,

KAP or the Audit Team from KAP regarding the duties and responsibilities of the Audit Committee.

C. Involving independent parties outside the Audit Committee members who are needed to assist in carrying out their duties (if necessary).

D. Receiving the following reports:

- 1) Annual, Draft and Final Financial Reports and Public Accountant Reports;
- 2) Quarterly Financial Reports, Draft and Final as well as Analytical Review of Quarterly Financial Reports;
- 3) Internal Audit Examination Results Report;
- 4) External Audit Examination Results Report;
- 5) Quarterly Internal Audit Work Plan Implementation Report;
- 6) Violation Complaint Report regarding the accounting process and Financial Reports;
- 7) Reports on Summary of Legal Issues and significant non-compliance with applicable laws and regulations.
- 8) Reports regarding potential and/or existing conflicts of interest.
- 9) Legal and regulatory decisions having relevance to the Audit Committee.
- 10) Other reports required by the Audit Committee.

E. Carrying out other authorities granted by the Board of Commissioners.

### **3. PROCEDURES AND WORK PROCEDURES**

#### **A. FORMATION AND AMENDMENTS**

- 1) The Audit Committee is formed by Decree of the Board of Commissioners.
- 2) The Audit Committee is responsible to the Board of Commissioners.
- 3) The Company is obliged to submit to the Financial Services Authority information regarding the appointment or dismissal of members of the Audit Committee within a maximum period of 2 (two) working days after the appointment and/or dismissal.<sup>20</sup>
- 4) Information regarding the appointment or dismissal of Audit Committee members must be published on the Stock Exchange Website and/or the Company Website.<sup>21</sup>
- 5) The Chairperson of the Audit Committee has the right to propose replacement of members of the Audit Committee if one of the members of the Audit Committee ends his term of office, resigns, or is dismissed.

#### B. COMMUNICATION

- 1) Coordinating with the Audit Committee of direct ownership and indirect ownership subsidiaries in order to carry out their duties.
- 2) Maintaining free and open communication with the Public Accountant, KAP, or Audit Team, Internal Auditor and Management.
- 3) Conducting periodic communications with Public Accountants, KAP, or the Audit Team from KAP, Internal Auditors, or employees who have key positions in the Company, carried out directly (with/without the presence of the Board of Directors).

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<sup>20</sup> Article 19 of POJK No.55/POJK.04/2015.

<sup>21</sup> Article 20 of POJK No.55/POJK.04/2015.

- 4) The Audit Committee communicates to carry out its duties and responsibilities with all related parties in the Company, especially through Internal Audit.
- 5) In carrying out its duties and responsibilities for the implementation of PTBA Group's integrated governance, the Audit Committee implements a coordination mechanism by:
  - a) Integrated Internal Audit in order to:
    - Monitor and evaluate the suitability of the implementation of financial policies and Internal Audit of PTBA parent and subsidiaries.
    - Monitor and evaluate the suitability of PTBA's internal audit implementation and subsidiary internal audit policies.
    - Carry out oversight over the implementation of general audits of subsidiary financial statements.
  - b) Integrated Governance Committee (KTKT) in the context of:
    - Carrying out oversight over the implementation of general audits of subsidiary financial statements.
    - Reviewing the effectiveness of internal control of subsidiaries and financial conglomerates.
- 6) Coordinating with the Secretariat of the Board of Commissioners to expedite the implementation of daily tasks.

**CHAPTER IV**  
**MEETING AND REPORTING**

**1. POLICY AND ORGANIZATION OF MEETINGS**

- A. Holding at least 1 (one) meeting every 1 (one) month.
- B. Holding periodic meetings with the Internal Auditor at least 1 (one) time per quarter.
- C. Holding meetings with the Public Accountant, KAP, or Audit Team from KAP at least 2 (two) times a year as needed.
- D. Holding periodic meetings with the MIND ID Group Audit Committee at least 2 (two) times a year.
- E. A meeting can make decisions if at least 2/3 (two thirds) of the total members attend.
- F. Meeting decisions are made under deliberation to reach consensus.
- G. If consensus is not reached, then the meeting resolution is considered valid if it is approved by more than 1½ (one-half) of the Audit Committee members present.
- H. The meeting is chaired by the Chairperson of the Audit Committee or a member of the Audit Committee who has double position as an Independent Commissioner, if the Chairperson of the Audit Committee is unable to attend.
- I. If deemed necessary, you can invite other parties related to the meeting material to attend the meeting.

- J. Each meeting is outlined in the minutes of the meeting, for example, if there are dissenting opinions signed by all members of the Audit Committee present and submitted to the Board of Commissioners.
- K. Each Audit Committee meeting is outlined in the minutes of the meeting signed by all committee members present.
- L. Minutes of meetings are submitted in writing by the audit committee to the Board of Commissioners.
- M. The attendance of Audit Committee members at meetings is reported in the committee's quarterly report and annual report.

## **2. ACTIVITY REPORTING SYSTEM**

Accountability to the Board of Commissioners is conveyed in the Report as follows:

- A. Quarterly Reports and Annual Reports on the implementation of the Audit Committee's duties submitted to the Board of Commissioners. The Annual Report on the implementation of the Audit Committee's duties is disclosed in the Company's Annual Report.
- B. Audit Committee recommendations and considerations used in providing recommendations for KAP appointment. The Audit Committee's recommendations and considerations are accompanied by KAP appointment documents and are reported to the Financial Services Authority to the Capital Market Supervision Department.
- C. Report on the results of the evaluation of the implementation of audit services for the Company's annual financial reports by Public



Accountants and/or KAP. This report is addressed to the Financial Services Authority u.p. Capital Market Supervision Department signed by the Audit Committee.

- D. Reports for each implementation of assigned tasks, accompanied by recommendations.
- E. The Board of Commissioners periodically evaluates the performance of the Audit Committee, especially regarding performance in the financial year. Annual report evaluating the performance of the Audit Committee collectively based on the principle of self-assessment.

### **3. HANDLING COMPLAINTS OR REPORTING ALLEGED VIOLATIONS RELATED TO FINANCIAL REPORTING**

- A. Providing facilities to receive complaints covering the Company and its consolidated subsidiaries from third parties and originating from employees regarding accounting processes, financial reporting, internal control and auditing.
- B. Reviewing and following up on complaints covering the Company and its consolidated subsidiaries.

### **4. WORK PLAN AND BUDGET**

- A. Before the current financial year, the Audit Committee must prepare and submit an annual work plan and budget to the Board of Commissioners for adoption.

- B. A copy of the Audit Committee's annual work plan and budget is submitted by the Board of Commissioners to the Board of Directors for your information.
- C. The implementation of the Audit Committee's annual work plan and budget is reported to the Board of Commissioners.

## **CHAPTER V**

### **CONCLUSION**

#### **1. MISCELLANEOUS PROVISIONS**

- A. If deemed necessary, the Audit Committee may propose improvements to the Audit Committee Charter.
- B. To maintain and improve the quality of implementation of its duties, the Audit Committee may participate in orientation, development, training programs and conduct comparative studies at the Company's expense.
- C. In carrying out its duties, if necessary, the Audit Committee can collaborate with other Committees.

#### **2. ENFORCEMENT OF THE CHARTER KA (AUDIT COMMITTEE)**

- A. This Audit Committee Charter is declared effective as of being signed by the PTBA Board of Commissioners.
- B. A copy of the PTBA Board of Commissioners' Decision regarding Determination of the Audit Committee Charter is submitted to the Board of Directors.

Stipulated in : Jakarta

On : 31 December 2023

Prepared by:

AUDIT COMMITTEE



Andi Pahril Pawi  
The President

Approved by:

BOARD OF COMMISSIONERS OF  
PT BUKIT ASAM TBK



Andi Pahril Pawi  
Independent  
Commissioner



Irwandy Arif  
The President  
Commissioner



Rahmat Hidayat P  
Komisaris Independen



Kurnia Toha  
Independent  
Commissioner



Carlo B. Tewu  
Commissioner



E. Piterdono HZ  
Commissioner