

**AUDIT COMMITTEE CHARTER**  
**PT UNITED TRACTORS Tbk (the “Company”)**

**1) Purposes and Objectives**

- a) The Audit Committee of the Company shall be a committee established by and responsible to the Board of Commissioners for providing assistance in the performance of the duties and functions of the Board of Commissioners.
- b) In carrying out its duties, the Audit Committee shall cooperate with the Board of Directors, Audit Operational Group, Corporate Secretary, Legal Group, Risk Management, and external auditors of the Company.
- c) The Audit Committee shall carry out its supervisory responsibilities based on the information provided by the Board of Directors, Audit Operational Group, Corporate Secretary, Legal Group, Risk Management, and external auditors of the Company.
- d) The Audit Committee shall carry out its functions, including carrying out instructions from the Board of Commissioners, in accordance with the prevailing laws and regulations, especially regulations from the Financial Services Authority (“**OJK**”) and the Indonesia Stock Exchange (“**IDX**”).

**2) Membership Composition, Structure and Requirements**

Membership Composition and Structure

- a) The Audit Committee shall consist of 3 (three) persons, namely 1 (one) person as the Chairman of the Audit Committee and 2 (two) persons as members of the Audit Committee.
- b) The Chairman of the Audit Committee shall be an Independent Commissioner appointed by the Board of Commissioners.
- c) The Board of Commissioners may propose, appoint and dismiss members of the Audit Committee. The resignation from the Audit Committee must be submitted in writing to the Board of Commissioners at the latest within 1 (one) month before the effective date.
- d) In the event that any members of the Audit Committee are unable to carry out their duties, for any reasons, thereby reducing the number of members of the Audit Committee to be less than 3 (three) persons, the Board of Commissioners shall appoint independent members of the Audit Committee who shall hold the position temporarily and to serve for a maximum period of 6 (six) months, while waiting for the appointment of permanent member(s) of the Audit Committee.

Membership Requirements of the Members of the Audit Committee

- a) He/ she must have a high integrity, ability, knowledge, experience in accordance with the field of his/ her work, and be able to communicate well;
- b) He/ she must understand financial statements, company's business especially those related to the Company's services or business activities, audit process, risk management, and the laws and regulations in the Capital Market sector as well as other relevant laws and regulations;

- c) He/ she must comply with the code of ethics of the Audit Committee established by the Company;
- d) He/ she shall be willing to improve his competence continuously through education and training;
- e) The Audit Committee must have at least 1 (one) member who has educational background and expertise in accounting and finance, has served as a senior official (chief executive, finance director, or other senior positions) responsible in the field of financial supervision;
- f) He/ she is not a person in a Public Accounting Firm, Legal Consulting Firm, Public Appraisal Service Office or other parties providing assurance services, non-assurance services, appraisal services and/or other consulting services to the Company concerned within the last 6 (six) months;
- g) He/ she is not a person who works or has the authority and responsibility to plan, lead, control, or supervise the activities of the Company within the last 6 (six) months, except for the Independent Commissioner;
- h) He/ she does not own shares directly or indirectly in the Company;
- i) In the event that a member of the Audit Committee acquires the Company's shares either directly or indirectly as a result of a legal event, the said shares must be transferred to another party within a maximum period of 6 (six) months after the acquisition of the said shares;
- j) He/ she has no affiliation with members of the Board of Commissioners, members of the Board of Directors, or major shareholders of the Company; and
- k) He/ she does not have any business relationship, either directly or indirectly, related to the Company's business activities.

### **3) Term of Office of the Audit Committee**

The term of office of the Audit Committee shall be 2 (two) years in accordance with the term of office of the Board of Commissioners in the Articles of Association of the Company and can be re-elected only for the following 1 (one) period.

### **4) Duties, Responsibilities and Authorities**

#### Duties and Responsibilities of the Audit Committee

- a) The Audit Committee shall act independently in carrying out its duties and responsibilities.
- b) It shall conduct a review on the financial information to be published by the Company, such as financial statements, projections and other reports related to the financial information of the Company.
- c) It shall conduct a review on the compliance with the capital market regulations and general laws and regulations relating to the Company's activities.
- d) It shall provide an independent opinion when there are dissenting opinions between the management and the external auditor.
- e) It shall provide recommendations to the Board of Commissioners regarding the appointment of an accountant based on independence, scope of assignment and fee for services. The Audit Committee when appointing an accountant as an external auditor shall consider the following:



- i) the independence of Public Accountant (“AP”), Public Accounting Firm (“KAP”), and people within KAP;
  - ii) the scope of the audit;
  - iii) fee for audit services;
  - iv) expertise and experience of AP, KAP and external auditor team from KAP;
  - v) audit methodology, techniques, and tools used by KAP;
  - vi) the benefits of fresh eye perspectives that will be obtained through the replacement of AP, KAP, and the external auditor team from KAP;
  - vii) the potential risk of using audit services by the same KAP consecutively for a fairly long period of time; and/or
  - viii) evaluation results on the implementation of audit services on annual historical financial information by AP and KAP in the previous period (if any).
- f) It shall conduct a review on the implementation of the audit by the internal auditors and supervise the implementation of follow-up actions by the Board of Directors on the findings of the internal auditors, including conducting a joint review regarding:
- i) The plan and scope of internal audit activities;
  - ii) The results of the carried out inspections;
  - iii) The implementation of the internal control of the Company.
- g) It shall conduct a review on the implementation of the risk management of the Company.
- h) It shall review any complaints related to the accounting and financial reporting processes of the Company.
- i) It shall conduct a review on the policy, program and implementation of ESG (Environmental, Social and Governance) of the Company.
- j) It shall conduct a review and provide advice to the Board of Commissioners regarding potential conflicts of interest in the Company.
- k) It shall maintain the confidentiality of the documents, data and information of the Company;
- l) It shall conduct an evaluation on the implementation of the provision of audit services on annual historical financial information by external auditors, which shall be carried out at least through:
- i) conformity of the performance of audit by AP and/or KAP with applicable audit standards;
  - ii) sufficient time for field work;
  - iii) assessment of the scope of services provided and the adequacy of the picking test; and
  - iv) recommendations for improvement provided by AP and/or KAP.

#### Authority of the Audit Committee

- a) The Board of Commissioners shall grant authority to the Audit Committee to conduct investigations on any activities that fall within the scope of its responsibilities;
- b) It shall access the documents, data, and information of the Company with respect to the required employees, funds, assets, and resources of the company;
- c) It shall communicate directly with the employees, including the Board of Directors and those who carry out the functions of internal audit, risk management, and Accountants with respect to the duties and responsibilities of the Audit Committee;

- d) It shall involve independent parties other than the required members of the Audit Committee to assist in carrying out its duties (if needed);
- e) It shall perform other authorities given by the Board of Commissioners.

## 5) Work Mechanisms and Procedures

- a) The Audit Operational Group, Corporate Secretary, Legal Group and Risk Management shall provide information on operational activities and findings obtained by them to the Audit Committee.
- b) The overall results of meetings and decisions of the Audit Committee shall be reported to the Board of Commissioners in accordance with the obligations under the prevailing provisions.
- c) If necessary and after obtaining approval from the Board of Commissioners, the Audit Committee may request legal or other professional opinions from external parties regarding matters related to the Company, and the costs for such professional services will be borne by the Company.

## 6) Meeting Convening Policy

- a) Meeting of the Audit Committee shall be convened at least 1 (one) time in 3 (three) months. Information regarding the meeting agenda, the meeting venue and the meeting materials shall be submitted prior to the meeting.
- b) The Audit Committee may invite related parties to attend the meeting if necessary.
- c) If necessary, the Audit Committee may convene separate meetings with the Audit Operational Group, Corporate Secretary, Legal Group, Risk Management external auditors and other related parties within the Company.
- d) The results of the meeting will be recorded in the minutes of the meeting, including when there are dissenting opinions. The minutes of the meeting shall be signed by all members of the Audit Committee present and submitted to the Board of Commissioners.
- e) The meeting of the Audit Committee must be attended by more than half ( $\frac{1}{2}$ ) of the number of members of the Audit Committee.
- f) The resolutions of the meeting of the Audit Committee shall be taken based on the deliberation to reach consensus. In the event that consensus is not reached, the decision of the meeting shall be taken by majority vote.

## 7) Activity Reporting System

The reporting responsibilities of the Audit Committee shall consist of:

- a) Providing a written report to the Board of Commissioners at least 1 (one) time in every 3 (three) months containing details of the activities of the Audit Committee, recommendations for follow-up actions and explanation regarding important matters that the Board of Commissioners needs to know.
- b) Making a report to the Board of Commissioners on each assignment given.

- c) Preparing a report to be disclosed in the Annual Report, containing details of the activities of the Audit Committee.
  - d) Preparing special reports according to the request of the Board of Commissioners.
- 8) **Provisions Regarding Handling of Complaints or Reports in connection with alleged Breach related to Financial Reporting**
- a) If there are any complaints or reports regarding alleged breach related to the Financial Reporting, the Audit Committee must conduct a review on the said matter with related parties within the Company, if the matters complained or reported are within the scope of duties and responsibilities of the Audit Committee.
  - b) The Audit Committee shall provide recommendations to the Board of Commissioners on the results of the said review.
- 9) **Amendment to the Audit Committee Charter and Audit Committee Performance**
- a) The Audit Committee will:
    - i) Review and update the Audit Committee Charter if necessary, and request approval for the said amendment to the Board of Commissioners; and
    - ii) Evaluate their performance with the Board of Commissioners on a regular basis.
  - b) In the event of a conflict between this Charter and the laws and regulations, the prevailing laws and regulations shall govern.

Jakarta, 25 November 2022  
Audit Committee of PT United Tractors Tbk



**Paulus Bambang W.S.**  
Chairperson



**Arietta Andrianti**  
Member



**Purnama Setiawan**  
Member