

Audit Committee Work Guidelines

The Audit Committee's Work Guidelines refers to the Audit Committee Charter where the Audit Committee Charter is compiled based on the applicable laws and regulations and is regularly reviewed and has been ratified based on the Board of Commissioners Decree Number 02/DEKOMBTN/2016 and the Board of Directors Decree Number SKB-02/DIR-BTN/2016 concerning Amendments to the Joint Decree of the Board of Commissioners Number 02/DEKOM-BTN/2013 and the Board of Directors Number SKB-02/DIRBTN/2013

Scope of the Audit Committee Charter

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| <ol style="list-style-type: none"> 1. General Provisions; 2. Audit Committee Meetings; 3. The purpose and objectives; 4. Reporting Committee; 5. The duties and responsibilities and authority of the Audit Committee 6. Term of Office; 7. The obligations of the Committee; 8. Increased Professionalism of Audit Committee Members and Use of Supporting Personnel; | <ol style="list-style-type: none"> 9. Information Access and Confidentiality; 10. Committee Budget; 11. Structure, Appointment and Dismissal of the Committee; 12. Income of Committee Members; 13. Requirements for Committee Members; 14. Closing 15. Procedures and Working Procedures of the Committee |
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In full, the Audit Committee Charter can be retrieved from the Company's website (www.btn.co.id) on the Investor Relations menu under Governance Policies

Duties and Responsibilities of the Audit Committee

The duties and responsibilities of the Audit Committee are as follows:

1. Assisting the Board of Commissioners to ensure the effectiveness of the Internal Control System and the effectiveness of implementation of the tasks of the External and Internal Auditors.
2. Assessing the activities and the results of Audits conducted by the Internal Audit Unit and External Auditors.
3. Presenting recommendations regarding improvements of the Management Control System and its implementation.
4. Warranting satisfactory evaluation procedures for all information issued by the Company.
5. Identifying matters that require the attention and duty of the Board of Commissioners.
6. Examining the financial information to be released by the Company to the public and/or authorities including Financial Statements, Projections, and other reports related to the financial information of the Company.
7. Assessing adherence to the laws and regulations related to the activities of the Company.
8. Offering independent opinions in the event of disagreements between management and accountants over the services rendered.
9. Providing recommendations to the Board of Commissioners regarding the appointment, re-appointment, and discharge of the Public Accountant based on independency, scope of the assignment, and audit fee.
10. Evaluating the implementation of the Financial Report Audit services by the KAP
11. Reviewing the implementation of inspections by the Internal Auditor and supervising the implementation of the follow-up by the Board of Directors regarding the Internal Auditor's findings.

12. Reviewing complaints related to Accounting Processes and Financial Reports by the Company.
13. Reviewing and offering advice to the Board of Commissioners related to any potential Conflicts of Interest of the Company.
14. Upholding and maintaining the confidentiality of documents, data, and information regarding the Company.

The Audit Committee's Authority

1. The Committee is authorized to access documents, data, and information regarding the Company's employees, funds, assets, and the Company's resources as required.
2. The Committee is authorized to communicate directly with the Board of Directors and employees including those who perform the functions of Internal Audit, Risk Management, and Accounting-related duties and responsibilities of the Committee.
3. The Committee is authorized to engage independent parties outside the Committee members, if required, to assist in performing their duties.
4. The Committee is authorized to perform other powers granted by the Board of Commissioners.

The Audit Committee's Training and Competence Development Program

The Audit Committee systematically arranges the Committee's training and development programs in order to further update their knowledge and understanding regarding current issues concerning tasks and programs they perform, therefore, improving the effectiveness of the implementation of the Audit Committee's functions in assisting the Board of Commissioners in overseeing and advising. The Company has put aside budget for training derived from the Company's Board of Commissioners budget.