

PT United Tractors Tbk

Internal Audit Charter

I. Vision and Mission

Vision

To become the strategic partner for the management in creating good corporate governance, risk management, and internal control with international standard.

Mission

1. To generate added value for all stakeholders through internal supervision and independent and objective consultation.
2. To conduct professional studies and evaluation on the internal control, risk management and corporate governance through risk-based audit.
3. To conduct effective and efficient internal audit activities.
4. To strengthen synergic relationship with all stakeholders.

II. Structure and Position

1. Corporate Internal Audit constitutes an independent part of the management and has responsibilities to assist all ranges of PT UT's organization in evaluating all of its operational business activities.
2. In maintaining the independence of Corporate Internal Audit, Corporate Internal Audit structurally shall directly be responsible to the President Director of PT UT and does not involve directly in any business operational activities.
3. Corporate Internal Audit is led by a Head of Corporate Internal Audit.
4. The Head of Corporate Internal Audit shall be appointed and dismissed by the President Director with approval from the Board of Commissioners.
5. The President Director may dismiss the Head of the Corporate Internal Audit after obtaining approval from the Board of Commissioners if the Head of Corporate Internal Audit does not meet the requirements as the internal audit or fails or is not competent in performing his duties.

6. The Head of Corporate Internal Audit shall be responsible to the President Director.
7. Internal Audit Staff who holds office in Corporate Internal Audit shall be responsible directly to the Head of Corporate Internal Audit.
8. The Head of Corporate Internal Audit and Internal Audit Staff may not concurrently have duties and offices both in PT UT as well as in any of its subsidiaries.

III. Duties and Responsibilities

Duties and Responsibilities of Corporate Internal Audit:

1. To make and perform annual internal audit plan which is in line with strategy, objectives, and risk of the company.
2. To examine and evaluate the implementation of internal control by using systematic, orderly and risk-based approach for improving governance, risk management process in accordance with the company's policy.
3. To conduct verification and assessment on the efficiency and effectivity in the field of finance,

accountancy, operation, human resources, marketing, information technology and other activities.

4. To conduct evaluation upon the effectivity of risk management implementation.
5. To make report on audit result and to submit the report to the President Director and to the Board of Commissioners.
6. To monitor, analyze and report further implementation of the suggested corrections.
7. To give suggested corrections and objective information with respect to activity which is verified at all levels of management.
8. To cooperate with Audit Committee in implementation of audit activities.
9. To make program for evaluating quality of conducted internal audit.
10. To conduct special verification if necessary.

IV. Authorities of Corporate Internal Audit

The Board of Director provides authorities to Corporate Internal Audit to:

1. Access all relevant information regarding company related to its duties and functions.
2. Carry out communication directly with the Board of Directors, the Board of Commissioners, and/or Audit Committee and members the Board of Directors, the Board of Commissioners, and/or Audit Committee.
3. Provide report and carry out consultation with the President Director and/or the Board of Commissioners and/or Audit Committee and to coordinate with the management on audit activity.
4. Hold meeting both periodically and incidentally with the Board of Directors, the Board of Commissioners and/or Audit Committee.
5. Get suggestion and advice from professional sources in relation to audit activity.
6. Conduct coordination on its activity with External Auditor's activity.
7. Procure adequate resources in line with internal audit activity.

V. Corporate Internal Audit Report

1. Corporate Internal Audit is obliged to make report on the result of audit to the President Director and

the Board of Commissioner, at the latest 5 business days after the audit is completed.

2. Corporate Internal Audit is obliged to make report quarterly to the Internal Audit Astra Group and the Audit Committee.

VI. Requirements for Corporate Internal Audit staff

1. He/she has the integrity and professional, independent and objective behavior in performing his/her duties.
2. He/she has knowledge and experience with respect to technical audit and other relevant disciplinary knowledge which is relevant to his/her field of duties.
3. He/she has knowledge regarding laws and regulations in the field of capital market and other related laws and regulations.
4. Internal Audit Staff must sustainably get ample education and training in his/her field and must improve his/her competency.

5. He/she understands good corporate governance and risk management principles.
6. He/she has aptitude to interact and communicate effectively both verbally and in writing.
7. He/she has proactive attitude, broad insight and is future oriented.
8. He/she must comply with the professional standard issued by internal audit association.
9. He/she shall observe the Code of Ethics of Corporate Internal Audit (as attached and which constitutes an integral part of this Internal Audit Charter).
10. He/she is obliged to keep information and/or data of the company confidential in relation to the implementation of Corporate Internal Audit's duties and responsibilities unless it is required based on laws and regulations or based on a court decree/decision.

VII. Internal Audit's Code of Ethics (as attached)

Internal Audit's Code of Ethics

All internal auditors of PT United Tractors Tbk. must hold firmly the code of ethics which has four principles/articles as behaviour guidance, as follows:

Article 1

Integrity

The integrity of internal auditor shall shape/establish conviction and therefore it shall constitute as the basis of credibility for any consideration of internal auditor, as follows:

1. He/she must perform his/her work honestly, carefully and responsibly.
2. He/she must comply with laws and shall make disclosure as required by laws or by profession.
3. He/she must not consciously involve in any illegal activity or must not do any activity that may discredit the profession of internal audit or organization.

4. Must respect and support the valid and ethical objectives of organization.

Article 2

Objectivity

Internal Auditor shall show professional objectivity at the highest level in obtaining, evaluating and communicating any information regarding activity or process which is tested. Internal Auditor shall conduct balanced assessment on all relevant matters and shall not be improperly impacted by any personal or any other party's interest in providing consideration.

Rules of Internal Auditor:

1. He/she must not participate in any activity or relationship which may or may be reasonably assumed, will hinder fair assessment of Internal Auditor. Including in this matter any activity or relationship which causes conflict of interest with organization.

2. He/she must not receive any thing which may or may be reasonably assumed, will impair his/her professional consideration.
3. He/she must disclose all material fact known by him/her which if not disclosed, may distort the report on the reviewed activity.

Article 3

Confidentiality

Internal Auditor shall respect value and proprietorship of the information received by him/her and shall not disclose the said information without valid authorization, except in the event it is required by law or profession.

Rules of behavior of internal auditor are:

1. He/she must be careful to use and to keep information which is obtained during the performance of his/her duties.
2. He/she must not use any information to obtain personal benefit or in any way which contravenes with law or harms the valid and ethical objectives of the organization.

Article 4

Competency

Internal Auditor shall apply necessary knowledge, competency and experience in providing internal audit services.

Rules of behavior of internal auditor are:

1. He/she must only involve in providing services that require his/her knowledge, skill and experience.
2. He/she must provide internal audit services pursuant to International Standard Practices of Internal Audit Standard)
3. He/she must always improve his/her effectivity and quality services.

VIII. Closing

1. This internal audit charter is effective as from it is approved by the Board of Commissioners and the Board of Directors.
2. This internal audit charter shall be evaluated periodically every 3 years or if it is necessary to be adjusted with development of the prevailing regulations.

**STIPULATION OF INTERNAL AUDIT CHARTER OF PT UNITED TRACTORS
Tbk ("INTERNAL AUDIT CHARTER")**

Referring to Regulation of Financial Service Authority No. 56/POJK.04/2015 regarding Formation and Guidance for Framing Internal Audit Unit Charter dated 29 December 2015, the Board of Directors of PT United Tractors Tbk. (the "**Company**") hereby entered into the following decision :

1. To stipulate Internal Audit Charter dated 22 April 2019.
2. To revoke Internal Audit Charter dated 1 June 2018 as of the stipulation date of this Internal Audit Charter.

Jakarta, 22 April 2019

Director of the Company

Frans Kesuma

President Director

Iman Nurwahyu

Director

ENGLISH TRANSLATION



 UNITED TRACTORS



Loudy Irwanto Elias

Director

Iwan Hadiangoro

Director

Idot Supriadi

Director

Edhie Sarwono

Director