



INTERNAL AUDIT CHARTER



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1. VISION

To be a unit that plays an active role in oversight through assurance and consulting activities in assisting the Company to achieve its vision and mission, and gives value added to the Company as well.

2. MISSION

To ensure that the Company's operations are conducted according to the highest standards by providing an independent, objective assurance function and by advising on best practices. Through a systematic and disciplined approach, Internal Audit helps the Company accomplish its objectives by evaluating and improving the effectiveness of risk management, control, and governance processes.

3. PURPOSES

As a service to Management, Internal Audit acts as an assurance and consulting function by examining, evaluating, and advising on the adequacy and effectiveness of the Company's system of internal control and quality of performance. This control assurance function systematically evaluates and improves the effectiveness of risk management, control, and governance processes, enabling management to be more effective in meeting its business objectives and fulfilling its obligations to its shareholders.

4. ORGANIZATION & REQUIREMENTS

The Internal Audit Unit shall consist of one or more internal auditors of the Company. The Internal Audit Unit is headed by a Head of Internal Audit. The Head of Internal Audit Unit is appointed and dismissed by the President Director with the Board of Commissioner's approval. He/she is directly responsible to the President Director. He/she shall submit the report to the President Director and Board of Commissioners through the Chairman of the Audit Committee. He/she is also responsible for the development, review, and modification of audit policies, procedures, and goals for the conduct of audits. Each appointment, replacement, or dismissal of the Head of Internal Audit Unit should be notified immediately to the Financial Services Authority (*Otoritas Jasa Keuangan/ OJK*).

The requirements of the internal auditor are:

- Demonstrates integrity, independence, fairness, and objectivity, and applies professional skepticism in the execution of duties;
- Possesses relevant knowledge and experience in audit methodologies and other areas essential to the role;
- Has a sound understanding of laws and regulations applicable to the Company and its industry;
- Communicates effectively, both verbally and in writing, with various stakeholders;
- Complies with and continuously enhances knowledge of professional standards established by the Institute of Internal Audit (IIA);
- Adheres to the Code of Ethics established by both the Company and the IIA;
- Maintains the confidentiality of the Company's information and/or data obtained in the course of performing the Internal Audit Unit's duties and responsibilities, except when disclosure is required by law, regulations or court order;
- Understands and applies principles of good corporate governance and risk management; and
- Commits to ongoing professional development to enhance knowledge, expertise, and skill.

5. RESPONSIBILITIES

The Head of the Internal Audit Unit is responsible for:

- Annually confirming to the Audit Committee, the organizational independence of the Internal Audit function;
- Assisting the Audit Committee in understanding the qualifications and competencies required of the Head of Internal Audit to effectively lead the function;
- Continuously maintaining and enhancing the qualifications and competencies necessary to fulfill the roles and responsibilities expected by the Audit Committee;

- Preparing a budget that supports the effective implementation of the internal audit strategy and achievement of the audit plan. The Audit Committee should acknowledge this budget as part of the annual audit plan. Any limitations arising from insufficient financial resources should be promptly communicated to the Audit Committee and the Senior Management;
- Providing regular reports to the Audit Committee on the annual audit plan and budget, including any significant subsequent revisions;
- Assessing whether Internal Audit Unit resources are adequate to fulfill the mandate and complete the Internal Audit plan. Any resource deficiencies should be reported to the Audit Committee and the President Director for appropriate action;
- Disclosing any potential impairments to independence to both the Audit Committee and the President Director;
- Developing, implementing, and periodically reviewing a strategy plan for the Internal Audit function that aligns with the organization's strategic objectives and meets the expectations of the Audit Committee, Senior Management, and other key stakeholders. This strategy should articulate a clear vision, strategic objectives, and supporting initiatives for the internal audit function;
- Establishing and applying systematic and disciplined methodologies to guide the Internal Audit function in alignment with the audit strategy, audit plan, and professional standards;
- Periodically evaluating the effectiveness of these methodologies and updating them as necessary to strengthen the Internal Audit function and address significant organizational changes;
- Ensuring that the Internal Audit function is supported by appropriate technology and regularly assessing its adequacy and effectiveness. Any limitation affecting performance should be communicated to the Audit Committee and Senior Management;
- Coordinating with internal and external assurance providers, documenting the basis for reliance on their work, and maintaining accountability for the conclusions of the Internal Audit function. Any coordination challenges should be escalated to Senior Management and, if necessary, the Audit Committee;
- Assessing the emerging risks and trends that may impact the organization and provide recommendations for improvement, beyond the annual audit work plan;

- Assessing the competencies of individual internal auditors within the IA function and promoting their ongoing professional development;
- Defining performance objectives for Internal Audit function's, incorporating input and expectations from the Audit Committee and Senior Management;
- Developing a performance measurement framework to monitor progress toward objectives and support continuous improvement of the Internal Audit function; and
- Seeking feedback from the Audit Committee and Senior Management during the performance evaluations and develop an action plan to address identified issues and opportunities for enhancement.

The Internal Audit Staff has responsibilities to:

- Develop a flexible annual audit plan using an appropriate risk-based methodology, incorporating risks or control concerns identified by management;
- Implement the approved annual audit plan, including any special assignments or projects requested by management and/or the Audit Committee;
- Maintain professional development with adequate knowledge, skills, experience, and relevant professional certifications to fulfill the requirements of the Internal Audit Charter;
- Assess efficiency and effectiveness of key organizational function, including finance, accounting, operations, human resources, marketing, information technology, and other functions;
- Evaluate and assess significant changes such merging, consolidating, new service, or evolving process and controls during their development, implementation, and/or expansion;
- Perform audits to ensure compliance with applicable laws and regulations;
- Monitor, analyze, and report on the implementation status of recommended follow-up actions;
- Provide periodic reports to the President Director and the Audit Committee on audit activities and outcomes;


- Summarize and communicate audit results to the Board of Commissioners through the Audit Committee;
- Keep the Audit Committee informed of emerging trends and best practices in internal auditing;
- Support investigation of significant suspected fraudulent activities within the organization and report the results to management and the Audit Committee;
- Facilitate coordination and communications among the Audit Committee, internal and external assurance providers, and management;
- Continuously enhance the quality of internal audit function through a structured evaluation program, which may include periodic external review to ensure alignment with the standard issued by the Institute of Internal Audit.

6. DEFINITION OF AUDIT SCOPE

The scope of internal auditing encompasses a comprehensive review and evaluation of the adequacy and effectiveness of the organization's internal control, as well as the quality of performance in fulfilling assigned responsibilities.

Internal audit activities are generally categorized into two types: assurance engagements and advisory engagements.

Assurance engagement refer to activities where internal auditor provides an independent conclusion intended to increase the confidence of stakeholders, other than the responsible for subject matter, regarding the results of the evaluation or measurement conducted against established criteria.



Advisory engagement is defined as a service activity in which the nature and scope are agreed upon with the auditee, aimed at adding value and supporting improvement in governance, risk management, and internal control processes. It is important to note that while the internal auditors may provide recommendations and insights, they do not assume management responsibilities during such engagements.

The scope of internal auditing includes:

- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information;
- Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations that could have a significant impact on operations and reports, and determining whether the organization complies;
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets;
- Reviewing established systems of internal control to ascertain whether they are functioning as designed;
- Reviewing and appraising the economy and efficiency with which resources are employed; and
- Reviewing specific programs or initiatives to ascertain whether results are consistent with established objectives and goals, and whether the programs or initiatives are being carried out as planned.

7. REPORTING RESPONSIBILITIES

The Head of Internal Audit will prepare and issue a written audit report, which will be distributed to relevant stakeholders as appropriate. The manager of the audited activity or department is responsible for reviewing the draft report and providing a formal response to the audit recommendations. This response should include a proposed timeline for implementing corrective actions and an explanation for any recommendations that will not be implemented, along with the rationale. The response will then be incorporated into the final version of the report.

This process ensures accountability and facilitates effective follow-up on audit findings to support continuous improvement and strengthen internal controls.

8. AUTHORITY

Heads of the Department should inform Internal Audit without delay of any significant incident concerning security and/or compliance with regulations and procedures.

The Head and staff of the Internal Audit Unit are authorized to:

- Have unrestricted access to all functions, records, property, and personnel related to their duties and roles;
- Have full and unrestricted access to the Directors and direct communication with the Audit Committee and Commissioners;
- Perform regular and incidental meetings with the Directors, Audit Committee, and Commissioners;
- Serve as a counterparty for the external auditor;
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives; and
- Obtain the necessary assistance of personnel in units of the organization where they perform audits, as well as other specialized services, both within and outside the organization.

The Head and staff of the Internal Audit Unit are not authorized to:

- Perform any operational duties for the organization or its affiliates;
- Initiate or approve accounting transactions external to the internal audit unit;
- Direct the activities of any organization employee not employed by the internal audit unit, except to the extent such employees have been appropriately assigned to auditing teams or otherwise assist the internal auditors; and
- Hold any dual position, namely as an Internal Auditor in the Internal Audit Unit and an officer who is taking care of any operational activities of the Company or its subsidiary (if available).

9. ACCOUNTABILITY

The internal audit unit shall be accountable to the President Director:

- Provide annually an assessment of the adequacy and effectiveness of the organization's processes for controlling its activities and managing its risks in the areas set forth under the mission and scope of work;
- Report significant issues related to the processes for controlling the activities of the organization and its affiliates, including potential improvements to those processes, and provide information concerning such issues through resolution;
- Periodically provide information on the status and results of the annual audit plan and the sufficiency of department resources; and
- Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, and external audit).

10. CODE OF ETHICS

The Head of Internal Audit and all Internal Audit staff have a responsibility to conduct themselves in a manner that ensures their integrity, objectivity, confidentiality, and competency are not subject to question. Standards of professional behavior are based upon the Code of Ethics issued by the Company and the IIA. Internal auditors will:

- Exercise honesty, objectivity, and diligence in the performance of their duties and responsibilities;
- Exhibit loyalty in all matters pertaining to the affairs of the Company and not knowingly be a party to any illegal or improper activity;
- Refrain from entering any activity that may be in conflict with the interest of the Company or which would prejudice their ability to carry out their duties objectively;
- Decline to accept anything that may impair or be presumed to impair their professional judgment;
- Be prudent in the use of information acquired in the course of their duties and not use confidential information for any personal gain or in a manner that knowingly would be detrimental to the welfare of the Company;

- Use reasonable care to obtain sufficient, factual evidence to support the conclusions drawn and, in reporting, reveal such material facts known to them which, if not revealed, could distort the report of the results of operations under review or conceal an unlawful practice;
- Aware of an impairment that may affect their objectivity and disclose it to the Head of Internal Auditor. The Head of Internal Auditor assess the nature and extent of the impairment and determine its impact on the IA's ability to perform their duties impartially. If necessary, the Head of Internal Audit will consult with the management, the Board, and/or Directors, to evaluate the situation and determine appropriate corrective actions to preserve the integrity and independence of the internal audit function;
- Engage only in those projects in which they have the necessary knowledge, skill, and experience; and
- Continue to strive for improvement in the proficiency and effectiveness of their service.

11. STANDARDS

Internal Audit adheres to the standards of best professional practice, those published by the Institute of Internal Auditors and the Information Systems Audit and Control Association, and the relevant reports and recommendations.

12. CLOSING

- 1) The internal audit charter shall come into force on the date specified;
and
- 2) In accordance with the development and needs of the Company,
The Internal Audit Charter will be reviewed periodically at least once
every three years.

Jakarta, 10 December 2025

PT Indonesia Infrastructure Finance

Chairman of Audit Committee



Rinaldi Firmansyah

Chief Executive Officer



Rizki Pribadi Hasan