

INTERNAL AUDIT CHARTER PT LINK NET TBK

1. INTRODUCTION

The purpose of PT Link Net Tbk Internal Audit Charter (Charter) is to define the purpose, authority, and responsibility of the Internal Audit Function under the policies established by the Board Audit Committee.

2. POLICY

It is the policy of PT Link Net Tbk ("the Company") to maintain an Internal Audit Function across PT Link Net Tbk and Subsidiaries as a primary resource of Board Audit Committee (BAC) in the effective discharge of its duties and oversight responsibilities by reviewing and evaluating the effectiveness of governance, risks management and internal controls systems ("GRC") in managing risks and delivering all business objectives.

3. VISION AND MISSION

Vision

To be the independent & trusted Assurance provider and Advisor to Management and BAC on governance, risk management and internal controls enhancements, and consequently, contribute to the achievement of the Company's Vision and Goals.

Mission

Provision of risk-based and objective assurance, advice, and insights through a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes, hence, help the Company and all its Subsidiaries in accomplishing its operational, compliance, ethical, and business objectives within a defined risks appetite.

4. PURPOSE

The primary objective of the Internal Audit Function, in line with BAC terms of reference, is to assist members of Management and the Board Audit Committee through the provision of Internal Audit Assurance on the organization's risk management, governance, and internal control processes, whether they are adequately designed and operating effectively for its intended purposes/objectives.

Additionally, the Internal Audit Function would consider accepting proposed consulting/ advisory engagements based on their potential to add value and improve an organization's governance, risk management, and control processes without the internal auditor assuming management responsibility.

5. INDEPENDENT REPORTING

The Head of Internal Audit (HIA) reports functionally to the Board Audit Committee and administratively to the Company's President Director & CEO.

6. SCOPE OF INTERNAL AUDIT ACTIVITIES

The scope of internal auditing encompasses, but is not limited to, the examination, evaluation and advisory on the adequacy and effectiveness of the governance, risk management and internal controls ("GRC") in relation to the Company's and Subsidiaries' defined goals, objectives, and risks. This includes:

- Evaluate governance processes.
- Evaluate risk management processes and related systems.
- Evaluate the reliability and integrity of information systems and the means used to identify, measure, classify, and report such information.
- Evaluate the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on the Group.
- Evaluate the means of safeguarding assets and as appropriate, verifying the existence of such assets.
- Evaluate the proper keeping of financial records and financial controls in accordance with approved accounting policy, procedures and reporting standards.
- Evaluate the effectiveness and efficiency with which resources are employed.
- Evaluate operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Evaluate the effectiveness of the Company's risk management processes.
- Report completely and transparently significant risk exposures and control issues, including fraud risks, irregularities, governance issues and other matters needed or requested by the Board Audit Committee.
- Perform special audit reviews and evaluate specific operations at the request of the Board Audit Committee and/or Management, as appropriate.
- Perform consultancy/advisory activities requested by the Board Audit Committee and/or Management in the areas of governance, risk, and control consistent with the organization's values, strategies, and objectives.

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7. ADHERENCE TO THE INTERNATIONAL PROFESSIONAL PRACTICE FRAMEWORK (IPPF) AND STANDARDS FOR INTERNAL AUDITING

Standards & Guidance

The Internal Audit Function will govern itself in adherence to the mandatory elements of the Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF). The Standards are a set of principles-based, mandatory requirements for the professional practice of internal auditing and for evaluating the effectiveness of performance that are internationally applicable.

Core principles for the professional practice of internal auditing

Demonstrates integrity, competence, due professional care, objective, free from undue influence (independent), aligns with strategies, objectives, and risks of the organization, appropriately governed, adequately resourced, quality, and continuous improvement, effective communications, focus on risk-based assurance, insightful, proactive, future-focused and promotes organizational improvement.

Definition of internal auditing

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations.

Code of Ethics

All employees of the Internal Audit Function are expected to hold themselves high against The Institute of Internal Auditor's Code of Ethics (IPPF global standard) as well as the Company's Code of Conduct.

All auditors are subjected to sign an Auditor's Objectivity and Ethics Statement yearly.

8. AUTHORITY

a) The Board Audit Committee is the authority to:

- Approve the Internal Audit Charter
- Approve the risk-based Internal Audit Plan, Financial Budget, and Manpower Plan
- Receive communications from the HIA on the internal audit function's performance relative to its plan and other matters.
- Approve decisions regarding the removal or appointment of the HIA inclusive of the HRL, remuneration, benefits, and compensations.
- Make appropriate inquiries of Management and the HIA to determine whether there is inappropriate scope or resource limitation.

- b) The Internal Audit Function, which assists BAC in discharging BAC terms of reference and responsibilities, with strict accountability for confidentiality and safeguarding of independence, records, and information, is authorized to:
- Have full, free, unrestricted, and timely access to any and all of the Company's records, systems, physical properties, and personnel, pertinent to the performance of the audit assignment.
 - Have full and free access to the Board Audit Committee including private meetings without the presence of Management.
 - Issue audit reports to Auditee, Management, and BAC without the need to secure specific approvals of the Auditee in any part of the audit reports for whatever reason.
 - Allocate resources, set frequencies, select subjects, determine the scope of work and apply the techniques required to accomplish audit objectives.
 - Obtain the necessary assistance of personnel in the Company as well as other specialized services from within or outside the Company with the approval of the Board Audit Committee.

Management and all employees are responsible to assist the Internal Audit Function in fulfilling its role and responsibilities as required and expected by BAC, in a timely manner, at any stage of an audit, reviews, and/or special assignment.

Internal Audit Function shall report in a timely manner to the President Director & CEO, as well as to the BAC if **unrestricted and untimely access** is being experienced in executing its audit plan and/or any other assignment required by the Management and/or BAC.

In addition, the Internal Audit Function has access to external auditors to satisfy itself of the external auditors' coverage and work can be relied upon for internal audit purposes. The Internal Audit Function is responsible for respecting the confidentiality of any information, programs and working papers provided by external auditors.

9. RESPONSIBILITIES

The HIA, in the discharge of his/her duties, shall be accountable to the Board Audit Committee and Management to:

- Develop annual audit plan using the appropriate risk-based methodology, including any risks control concerns identified by Management and submit that plan including the financial budget and manpower requirements to the BAC for review and approval.
- Provide information periodically on the status and results of the annual audit plan as well as the sufficiency of its resources.
- Implement the annual audit plan as approved in a timely manner, including and as appropriate, any special task or projects requested by the Management and/or the BAC.
- Review and adjust the internal audit plan, as necessary, in response to changes in the Company's and Subsidiaries' business, governance, risks, operations, and systems of

internal controls.

- Communicate to Management and BAC of any significant interim changes to the internal audit plan.
- Report significant issues from audit works related to absence, breaches, non-compliance, and ineffectiveness of key controls related to governance, risks management, and internal controls systems (“GRC”) in the Company and Subsidiaries including potential improvements concerning such issues.
- Report / communicate in writing to Human Resources on audit findings that are a misconduct against the the Company Code of Conduct (eg LoA breaches, unauthorized access, unauthorized contracts, conflict of interest, fraud, theft, misappropriation, etc), breaches resulting in financial misstatements, and breaches of laws (eg license conditions, Telecoms Act, data privacy, etc), no later than 2 weeks after the Final Audit Report is issued
- Provide an annual assessment on the adequacy and effectiveness of the Company and Subsidiaries GRC systems in managing risks and supporting the delivery of business objectives.
- Furnishing reports in relation to matters including but not limited to major control issues, audit reports, quarterly reports, BAC Summary Report to the Board of Commissioners (BOC), and any reports related to IA works requested by Axiata BAC for the purpose of the Group reporting.
- Maintain professional audit staff with sufficient knowledge, skills, experiences and professional certifications to meet the requirements of this charter.
- Ensure the principles of integrity, independence, objectivity, confidentiality and competency are applied and upheld at all times.
- Retain evidence of audit working paper and data of up to 7 years.

10. INDEPENDENCE AND OBJECTIVITY

- i. The Internal Audit Function will remain free from interference including matters of audit selection, scope, procedures, frequencies, timing, or report content to permit maintenance of a necessary independence and objectivity as expected by BAC.
- ii. Internal Auditors will have no direct or indirect operational responsibility or authority over any of the activities audited that may impair Internal Auditor’s judgment. Consequently, they will not participate in / approve / support any business and operational decisions, implement internal controls, develop procedures, install systems, prepare record, initiate or approve accounting transactions, direct the activities of any personnel in the Group not employed by the Internal Audit Function, except to the extent such personnel have been appropriately assigned to the Internal Audit Function.
- iii. Internal Auditors will exhibit the highest level of professionalism, objectiveness, integrity independence, and transparency in gathering, evaluating and communicating information about the activity or process being examined.

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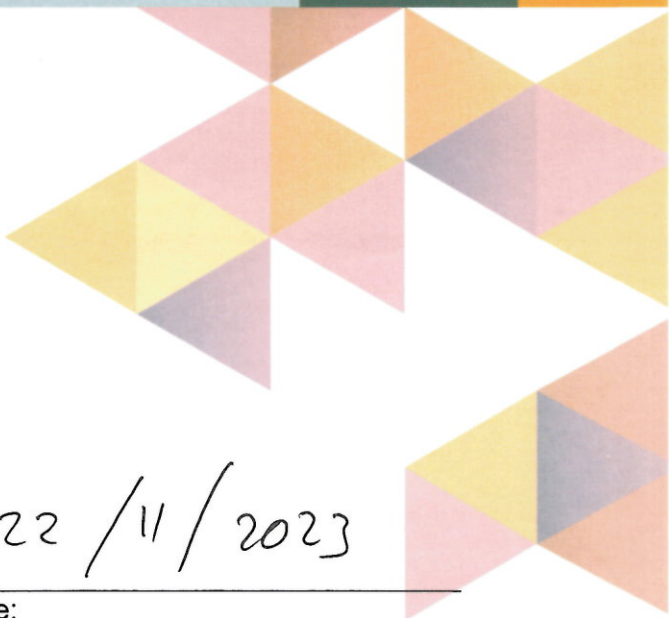
- iv. Internal Auditors will make balanced assessment of all relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.
- v. The HIA will confirm to the Board Audit Committee, at least annually, the organizational independence of the Internal Audit Function
- vi. In the event that the HIA is recruited from the Management / Business, a cooling off period of 1 year is maintained from the function of which the person is recruited, especially in the area of potential conflict.

11. QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

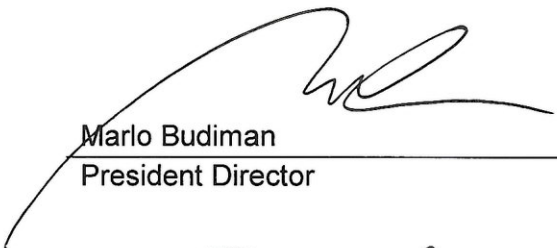
- i. The Internal Audit Function will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity.
- ii. The program will include an evaluation of the Internal Audit Function's conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether Internal Auditors apply the Code of Ethics.
- iii. The program shall assess the efficiency and effectiveness of the Internal Audit Function and identifies opportunities for improvement.
- iv. The Internal Audit Function will communicate to Senior Management and the BAC on the Internal Audit Function's quality assurance and improvement program, including the results of ongoing internal assessments and external assessments conducted at least once every five (5) years by a qualified, independent assessor or assessment team from outside the Company.
- v. The duly signed Internal Audit Charter is available for viewing in the Company IA.
- vi. The Internal Audit Charter at minimum is reviewed once in two years.

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Board of Directors,



Marlo Budiman
President Director

22 / 11 / 2023

Date:



Edward Sanusi
Director

Nov 17' 2023

Date:



Kanishka Gayan Wickrama
Director

Date:



**Approved by,
Board of Commissioners**

Shridhir Sariputta Hansa Wijayasuriya

President Commissioner

Date:

Thomas Hundt

Commissioner

Date:

Dian Siswarini

Commissioner

Date:

Jonathan Limbong Parapak

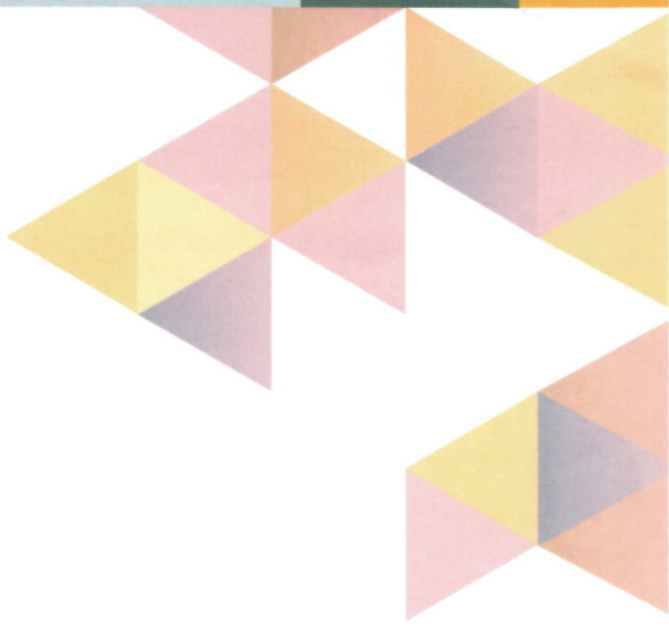
Independent Commissioner

Date:

Alexander S. Rusli

Independent Commissioner

Date:



Approved by,
Board of Commissioners

Shridhir Sariputta Hansa Wijayasuriya
President Commissioner

Date:

Thomas Hundt
Commissioner

Date:

Dian Siswarini
Commissioner



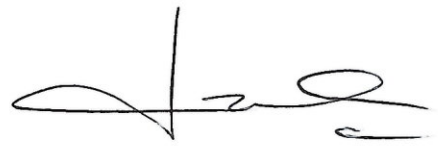
Date:

Jonathan Limbong Parapak
Independent Commissioner



Date:

Alexander S. Rusli
Independent Commissioner



Date: