



INTERNAL AUDIT CHARTER OF PT BAKRIELAND DEVELOPMENT, TBK (IN COMPLIANCE WITH BAPEPAM AND LK REGULATION, NO. IX.1.7)

Internal Audit is the act of providing independent and objective assurance as well as consultation, with the purpose to increase the value and improve the Company's operations, through a systematic approach, by way of evaluating and improving the risk management effectivity, control and the Company's good corporate governance process.

1. VISION

To be an Internal Auditor with high dedication and professionalism, able to provide added value, to support efforts that generate good corporate governance practices in PT Bakrieland Development Tbk and its subsidiaries so that the Company becomes an efficient, effective and highly competitive in the real estate property, infrastructure, and other related business sectors.

2. MISSION

- a. Conduct supervisory function on activities in PT Bakrieland Development Tbk. and its subsidiaries, so that appropriate and sufficient control can be maintained;
- b. Conduct review and evaluation of the internal control, operation, finance, and risk management processes in the effort to establish good corporate governance;
- c. Conduct audit and consultation activities, and provide recommendations to improve efficiency, effectiveness and competitiveness.

3. STRUCTURE AND POSITION

Internal Audit Division is one of PT Bakrieland Development Tbk.'s work units that performs the internal audit functions with the following structure and position:

- a. Internal Audit Division is lead by an Internal Audit Division Head.
- b. Internal Audit Division Head is appointed and dismissed by the President Director & CEO with the approval of the Board of Commissioners.

- c. The President Director & CEO may dismiss the Internal Audit Division Head, upon receiving approval from the Board of Commissioners, should the Internal Audit Division Head do not meet the requirements as an Internal Audit Division auditor as stipulated in Bapepam and LK regulations and or is failed or incompetent to perform the tasks.
- d. The Internal Audit Division Head reports directly to the President Director & CEO.
- e. Considering the Internal Audit Division expands, auditors in the Internal Audit Division report to the Internal Audit Division Head according to the structure established within Internal Audit Division.

4. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Internal Audit Division include the following:

- a. prepare annual audit plans and risk-based audit placement plan;
- b. review and evaluate the performance of internal control and risk management systems according to the Company's policies;
- c. inspect and assess the efficiency and effectiveness of activities in such areas as in finance, accounting, operation, human resource, marketing, information technology and others;
- d. provide recommendations for improvements and objective information on activities inspected at all levels of management;
- e. prepare audit reports and present them to the President Director & CEO and through the Audit Committee submitting the report to the Board of Commissioners;
- f. monitor, analyze and report the implementation of suggested recommendations;
- g. work together with the Audit Committee;
- h. formulate a program to evaluate the quality of internal audit activities undertaken;
- i. evaluate compliance with applicable laws and legislation, Company's policies and procedures;
- j. evaluate the reliability and integrity of financial and operational information;
- k. assess the adequacy of the means to protect the Company's property;
- l. perform special assignments relevant to the scope of auditing works.

5. THE SCOPE

Internal Audit Division's activities include the entire operational Division within PT Bakrieland Development Tbk and its subsidiaries.

6. AUTHORITIES OF INTERNAL AUDIT DIVISION

- a. access all relevant information about the Company and subsidiaries related to the tasks and functions;
- b. communicate directly with the Board of Directors, the Board of Commissioners, and/or Audit Committee;
- c. hold periodic and incidental meetings with the Board of Directors, the Board of Commissioners, and/or Audit Committee;
- d. coordinate their activities with the External Auditors' activities;
- e. maintain the authority to allocate auditing resources, determining the focus, scope and schedule of audit, and implement audit techniques deemed necessary to achieve the audit purposes.

7. CODE OF CONDUCT

The Code of Conduct of PT Bakrieland Development Tbk's Internal Audit Division refers to internal audit standards set by The Institute of Internal Auditors, Inc and refers to the code of conduct included in the Standards for Professional Practice of Internal Auditing established by Consortium of Internal Auditing Professional Organization (Konsorsium Organisasi Profesi Audit Internal) in Jakarta, May 12, 2004.

8. AUDITOR'S REQUIREMENTS

- a. Holds on integrity, professional behavior, independent, honest, and objective in performing its duties;
- b. Holds on knowledge and experience regarding audit techniques and other disciplines relevant to the task;
- c. Holds on knowledge of the capital market sector's law and any other related laws;
- d. Has the ability to interact and communicate effectively on both oral and in writing;
- e. Required to comply with the professional standards issued by Internal Auditing associations;
- f. Shall comply with the professional standards issued by the internal audit association;
- g. Shall keep the Company's information and/or data confidential related to the performance of the internal audit tasks and responsibilities, unless required by the laws and regulations or judgment or the court's ruling;
- h. understand good corporate governance principles and risk management;
- i. open to increasing knowledge, expertise, and professional competence continuously.

9. Accountability

In accounting for the main tasks and functions, Internal Audit Division shall present accountability reports for the performance of their main tasks and functions to the President Director& CEO and through Audit Committee to the Board of Commissioners. The reporting should be balanced. This reporting includes, among others, the assessment results of adequacy and effectiveness of control and supervision systems and risk management process. The Internal Audit is also responsible for reporting the results and progress of the implementation of audit plans, the adequacy of required resources and follow-up on the suggested corrective measures.

10. OTHER PROVISIONS

The head and operative personnel of functions of Internal Audit Division is not allowed to double operational tasks of the company, both in the parent company and subsidiaries.