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## THE CORPORATE AUDIT CHARTER

This Corporate Audit Charter provides principles and guidelines, whereby the Corporate Audit is to perform its duties and responsibilities. These principles and guidelines are to ensure that the Corporate Audit provides assurance and independent and objective consultation with the objective of increasing the value and improving the Company's operation through a systematic approach, such to enhance the efficiency and effectiveness of risk management and corporate governance process.

The Corporate Audit function is performed professionally, consistent with generally accepted auditing standards. The function of the corporate audit is performed by the Corporate Audit Unit (CAU).

This Charter and its implementation shall be governed by the Decree of Chairman of Capital Market & Financial Institution Supervisory Board No. KEP-496/BL2008 dated November 28, 2008 regarding the Establishment of the Internal Audit Unit and Guidelines for Formulating the Internal Audit Unit Charter, attached to this Charter.

### I. The Structure and the Position of the Corporate Audit Unit (CAU)

- a. The CAU is headed by an Unit Head.
- b. The Internal Audit Unit Head is appointed and terminated by the President Director with the approval of the Board of Commissioners.
- c. The President Director can terminate the CAU Head upon the approval of the Board of Commissioners if the CAU Head fails to meet the qualifications as auditor of the CAU as stipulated in this Charter and/or is incapable of performing his/her duties.
- d. The Internal Audit Unit Head is responsible to the President Director.
- e. The auditors in the Internal Audit Unit are directly responsible to the Head.

### II. The Qualifications for CAU Auditors

- a. Having high integrity and professional attitude, independent, honest and objective in carrying out their duties;
- b. Knowledgeable and experienced in auditing technique and other disciplines relevant to their duties;
- c. Knowledgeable in the capital market laws and regulations and other relevant laws and regulations;
- d. Having the capability to interact and to communicate, either verbally or in writing effectively;
- e. To adhere to professional auditing standard issued by the association of Internal Audit;
- f. To adhere to internal audit code of ethics;
- g. Should treat in strictest confidence all information and/or data about the company in respect of the performance and responsibilities of Internal Audit, except as required under the laws or court decision;
- h. Having good understanding of good corporate governance and risk management; and
- i. To be prepared to continually enhance their knowledge, expertise and professional capabilities.





### III. Duties and Responsibilities of the CAU

- a. To prepare and implement of the Annual Internal Audit Plan;
- b. To test and to evaluate the implementation of the internal control and risk management system, in accordance with the Company's policies;
- c. To review and evaluate the efficiency and effectiveness of performance in the areas of finance, accounting, operations, human resources, marketing, information technology, and other activities;
- d. To give recommendations for improvement and objective information about the activities under review at all management levels;
- e. To prepare reports on audit findings and to provide such reports to the President Director and the Board of Commissioners/ the Audit Committee;
- f. To monitor, analyze and report the execution of follow ups on improvements as recommended;
- g. To cooperate with the Audit Committee;
- h. To design programs for the evaluation of the quality of internal audit activities performed; and
- i. To conduct special audits as required.

### IV. The Authority of the CAU

- a. To access all relevant information about the Company in line with its duties and functions;
- b. To communicate directly with the Board of Directors, the Board of Commissioners and/or the Audit Committee, as well with members of the Board Directors, the Board of Commissioner, and/or the Audit Committee;
- c. To hold periodic and incidental meetings with the BOD, the BOC, and/or the Audit Committee, and
- d. To coordinate its activities with the external auditors' agenda.

### V. The Appointment, Replacement, Termination of the CAU Head

The appointment, replacement, and termination of the CAU Head should be reported immediately to the "Badan Pengawas Pasar Modal dan Lembaga Keuangan" (The Capital Market and Financial Institution Supervisory Board).

### VI. The Internal Audit Plan

- a. The CAU prepares Annual Audit Plan. Such plan is designed on the basis of "Risk Profiles" of the Auditees, priorities and implementation;
- b. The Audit Plan, should be presented to the President Director for approval;
- c. Any changes in the Audit Plan requires the approval of the President Director. Such changes, if any, should be executable in the current budget year.



## VII. The CAU Guidelines and Reporting

- a. The implementation of the CAU's duties and responsibilities is governed by this Corporate Audit Charter;
- b. *In giving its opinions, evaluations and recommendations, the CAU Audit shall be guided by and follow the norms and ethics of supervision, so that the CAU provides accurate, objectives and constructive opinions and evaluations;*
- c. Each Unit audited (auditee) is responsible to rectify all discrepancies covered/contained in the Audit Follow-up Report. The respective members of the Board of Directors (BOD) should ensure that all audit findings are properly followed-up by the respective Unit on a timely manner;
- d. The CAU should monitor and report to the President Director the status of the required follow-up / corrective actions done by the Auditee, which cover:
  - 1) Follow-up Monitoring  
The CAU is to ensure that follow-up / corrective actions have been done by the Auditee as schedules, or otherwise remind the Auditee of such required actions in case of failure to do so;
  - 2) Evaluation on the Adequacy of Follow-up Actions  
*To ensure the adequacy of follow-up actions by the Auditee, the CAU is to check if the Auditee has problems/ difficulties that might have delated follow-up/ corrective actions;*
  - 3) Follow-up Report
  - 4) In the case that follow-up cautions have not been taken by Auditee, a written report will be submitted to the President Director/ CEO for further action.

## VIII. The Internal Audit Independency and Objectivity

To maintain its independency and objectivity, the Corporate Auditors shall not directly involved in, responsible for and having an authority in any transactions conducted by the Company/ Auditees or its subsidiaries nor shall they assume any other positions/ responsibilities in the Company or its subsidiaries.



This Corporate Audit Charter shall become effective as of the date of signing.

Issued at : Bekasi

Date : January 31, 2011

The Board of Directors

A handwritten signature in black ink, appearing to read "Sylvia Lestariwati F. Kertawihardja".

**Sylvia Lestariwati F. Kertawihardja**  
*President Director*

A handwritten signature in black ink, appearing to read "Chrysologus R.N. Sinulingga".

**Chrysologus R.N. Sinulingga**  
*Director*

Approved:

A handwritten signature in black ink, appearing to read "Harijono Suwarno".

**Harijono Suwarno**  
*President Commissioner*

A handwritten signature in black ink, appearing to read "Jonathan L. Parapak".

**Jonathan L. Parapak**  
*Independent Commissioner*

A handwritten signature in black ink, appearing to read "Ketut Budi Wijaya".

**Ketut Budi Wijaya**  
*Commissioner*