

Charter of the Audit Committee of the Board of Commissioners of PT Vale Indonesia Tbk

This Charter of the Audit Committee of the Board of Commissioners (the “**Audit Committee**”) of PT Vale Indonesia Tbk (“**PT Vale**” or the “**Company**”) serves as a working guideline for the Audit Committee in performing its duties and responsibilities. This Charter is intended as a complement to, and not as a substitute for or interpretation of the Company’s mission and vision, Articles of Association, the Charter of Board of Commissioners of the Company (the “**BOC**”), the Charter of Board of Directors of the Company (the “**BOD**”), the Nomination and Remuneration Process Policy or applicable laws and regulations.

CHAPTER I

OVERALL PURPOSE AND OBJECTIVES

1. The Audit Committee is an independent committee established by the BOC to assist the BOC in overseeing the process and integrity of governance, risk management and internal control practices in the Company.
2. In performing its duties and responsibilities, the Audit Committee will work closely with the BOD, the Risk Management Unit (the “**RMU**”), the Internal Audit Unit (the “**IAU**”) and external auditors of the Company.
3. Each member of the Audit Committee shall perform his/her duties and responsibilities in good faith, with due care; full responsibility and in accordance with: (i) prevailing laws and regulations, in particular the regulations of the Financial Services Authority (Otoritas Jasa Keuangan or “**OJK**”) and the Indonesian Stock Exchange (the “**IDX**”); (ii) the Company’s Articles of Association; (iii) this Charter; (iv) the Nomination and Remuneration Process Policy; and (v) instructions received from the BOC.

CHAPTER II

DUTIES, RESPONSIBILITIES AND AUTHORITY

1. The Audit Committee shall have duties and responsibilities over the following matters:
 - 1.1 *Financial Reports*
 - 1.1.1 Review and analyze the reliability and objectivity of the Company’s financial reports (such as financial statements, projection, and other financial related report) intended for issuance to the public and other external parties (including governmental entities and regulatory agencies); and

- 1.1.2 Review and assess complaints related to the accounting and financial reporting processes in the Company and monitor the action plan derived from the complaint. Complaint must be submitted in written to the Audit Committee. To handle the received complaint, the Audit Committee may request for an audit investigative to be performed by the IAU and/or Company's management and/or an independent third party. All proven complaints will be reported to the BOD and the Audit Committee will monitor the follow up of the action plans to address the complaints.
 - 1.2 *Risk Management Activities* – Review and analyze the risk management activities performed by the BOD, in coordination with the Risk Mitigation Committee.
 - 1.3 *Assurance Activities – Internal Audit*
 - 1.3.1 Review and analyze the plans, progress and results of activities conducted by the IAU, including its audit report and recommendation to the BOD and the BOC to assess whether key risks are appropriately evaluated and addressed and to ensure the adequacy of internal control policies;
 - 1.3.2 Oversee the follow-up by the BOD with regard to the findings and recommendations of the IAU; and
 - 1.3.3 Review the objectivity and independence of the IAU.
 - 1.4 *Assurance Activities – External Auditor*
 - 1.4.1 Provide a recommendation to the BOC with regard to the appointment, re-appointment and dismissal of the Company's external auditor;
 - 1.4.2 Review and evaluate the audit plan, progress and results of activities conducted by the Company's external auditor based on the criteria established by the applicable OJK Regulations. The result of the evaluation for the performance of audit service by the external auditor is submitted to the OJK within six (6) months after financial year ended;
 - 1.4.3 Provide independent opinion in the event of disagreement between the BOD and the external auditor for services rendered;
 - 1.4.4 Review the objectivity and independence, audit scope of work, and audit fees of the Company's external auditors; and
 - 1.4.5 Oversee the follow-up by the BOD with regard to the findings and recommendations issued by the external auditor.
 - 1.5 *Miscellaneous*
 - 1.5.1 Take action on such other matters as the BOC may from time to time request;

- 1.5.2 Analyze and assess the Company's potential conflict of interests and further to advise the BOC of such matter;
 - 1.5.3 Maintain confidentiality of the Company's documents, data and information; and
 - 1.5.4 Analyze and assess the Company's compliance to applicable laws and regulations.
2. In performing its duties and responsibilities, the Audit Committee shall have the following authorities.
- 2.1 *Access to Information.* The BOC authorizes the Audit Committee to perform any activity, within the scope of its responsibilities, and to seek and request at any time document, data, and information it reasonably requires from: (i) each member of the BOD; (ii) any employees; and (iii) relevant external parties. With respect to information to be obtained from employees and relevant external parties, the BOC shall instruct the BOD to ensure that all such employees and relevant external parties are directed to cooperate with any reasonable request made by the Audit Committee.
 - 2.2 In executing its authority, the Audit Committee shall cooperate with IAU, RMU and the external auditor.
 - 2.3 *Reliance of Information Provided.* The Audit Committee shall be entitled to reasonably rely upon: (i) the integrity of those persons and organizations within and outside the Company from whom the Audit Committee receives information; and (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the BOC).
 - 2.4 *Reports to be Received by the Audit Committee.* The following reports will be regularly submitted to the Audit Committee (and in the form agreed to from time to time with the reporting party):
 - i. *Financial Statements* – Quarterly, Semi-Annual and Annual Financial Statements;
 - ii. *IAU* – An annual audit plan and summary of the IAU's activities and significant findings;
 - iii. *RMU* – a summary of the RMU's activities and an assessment of the Company's risk profile;
 - iv. *Legal Department* – (i) a summary of significant legal issues or instances of legal non-compliance that have been identified, (ii) a summary of any new relevant laws and regulations and its implementation or compliance

- by the Company; (iii) a report on potential conflict of interest (if any); and (iv) a report on any claim and dispute or potential claim dispute that may adversely affect the Company's assets or businesses;
- v. *Complaints* – any complaints related to the accounting process and financial reporting of the Company.
 - vi. *Miscellaneous* – Any other reports of information requested by the Audit Committee after consultation with and approval from the BOC.
- 2.5 Authority to Engage Independent Advisors. After consultation with the BOD, the Audit Committee may obtain outside legal or other professional advice, the cost of which will be borne by the Company.
- 2.6 To perform other authorities as may be given by the BOC.

CHAPTER III REPORTING

The Audit Committee's reporting obligations to the BOC shall include the following:

1. *Quarterly Reports* – Providing the BOC with a report at least once a quarter setting out details of the activities of the Audit Committee, providing recommendations for follow up, and detailing significant matters for the BOC's considerations;
2. *Annual Report* – Preparing an annual report to the BOC for inclusion in the Company's Annual Report detailing activities of the Audit Committee which shall include (without limitations) the following:
 - a. Review of compliance with prevailing laws and regulations;
 - b. Material errors or omissions in the preparation of the Company's financial reports or implementation of internal control policies; and
 - c. Any issue which would, in the reasonable judgment of the Audit Committee, undermine or raise serious concerns about the independence of the Company's external auditors;
3. *Periodic Assessment of Recommended Management Actions* – Providing an assessment to the BOC of the adequacy (including any significant failures by or shortcomings) of BOD action taken regarding matters previously identified by the BOC as requiring action and within the Audit Committee's mandate.
4. *Miscellaneous* – Provide analysis or guidance on such other matters as required by the relevant laws and regulations and as the BOC may from time to time request (including any reports related thereto).

CHAPTER IV

MEMBERSHIP OF THE AUDIT COMMITTEE

1. *Membership.* The Audit Committee members shall comprise of no less than three (3) members appointed by the BOC, consisting of at least one Independent Commissioner, and independent members from outside of the Company.
2. *Chair.* The Audit Committee will be chaired by an Independent Commissioner (as defined under OJK Regulations) who, in addition to the general qualification of a commissioner as set out in the Charter of Board of Commissioners, is required to meet the following qualifications:
 - 2.6.1 He/she is not a person who has worked for nor has had the authority and responsibility over planning, directing, controlling, or supervising activities of the Company within the six (6) months period prior to the proposed appointment, except in the case of re-appointment as the Company's Independent Commissioner for the next period;
 - 2.6.2 He/she does not own, either directly or indirectly, shares of the Company;
 - 2.6.3 He/she does not have any affiliation with the Company, any member of the BOC, any member of the BOD, or majority shareholder(s) of the Company; and
 - 2.6.4 He/she does not have any, either directly or indirectly, business relationship related to the business activities of the Company.
3. *Qualifications.* Members of Audit Committee shall meet the following qualifications:
 - i. All members must have a high integrity, competency, knowledge, experience compatible with his/her professional background, and ability to communicate properly;
 - ii. Each member is required to understand the financial statement, in particular the Company's industry and business activities, audit process, risk management, capital market regulations and other relevant laws and regulations;
 - iii. All members shall comply with the Code of Conduct of the Audit Committee established by the Company;
 - iv. All members must be willing to improve his/her competency continuously through formal education or training;
 - v. At least one member shall be designated as the "financial expert", with educational and expertise experience in finance and accounting as defined by the relevant laws and regulations;
 - vi. The member is not a person from a Public Accounting Firm, a Legal Counsel Firm, an Appraisal Services Firm, or any other parties that has provided assurance services, non-assurance services, appraisal services and/or other

- consulting services to the Company within the six (6) month period prior to his/her proposed appointment;
- vii. The member is not a person who has worked for, or has had the authority and responsibility for planning, directing, controlling, or supervising the activities of the Company within the six (6) month period prior to his/her proposed appointment, except for a candidate who is the Independent Commissioner;
 - viii. The member shall not own, either directly or indirectly, shares in the Company. In the case that an Audit Committee member acquires shares in the Company, whether directly or indirectly, due to a legal event, such shares must be transferred to a third party no later than six (6) months after the date of which such shares were acquired;
 - ix. The member shall not have any affiliation with the Company, any member of the BOC, any member of the BOD or any Principal Shareholder; and
 - x. The member shall not have, either directly or indirectly, business relationship related to the business activities of the Company.
4. *Term.* The BOC shall appoint the members of the Audit Committee for a three-year term or shall not be longer than the term of office of the BOC as regulated in the Company's Articles of Association. The members of the Audit Committee shall only be eligible to consecutively serve two (2) full terms; provided that service by an Audit Committee member for part of a full two-year term as the result of the filling of a vacancy shall not count toward this limitation.
5. *Resignation.* Resignation from the Audit Committee must be made in writing to the BOC and, at the BOC's discretion, shall be deemed effective on the effective date specified in such resignation letter, the date of receipt or no more than one month from the date of receipt.
6. *Audit Committee Member's Inability to Perform.* In the event that a member of the Audit Committee cannot perform his or her duties, for whatever reason, then the BOC may remove such Audit Committee member and appoint a new Audit Committee member for a single time period of up to six (6) months until an acceptable permanent member is identified and appointed.
7. *Reporting.* The Company shall inform OJK regarding the appointment, dismissal or resignation of Audit Committee members within two (2) business days since the date of appointment, dismissal or resignation. Information on the appointment, dismissal or resignation of the Audit Committee members shall be published in the website of IDX and/or the Company.

CHAPTER V
WORK PROCESS

To perform its roles and responsibilities, the Audit Committee is assisted by the Head of IAU as its secretary. In addition, for the assurance aspect of the Company's operation, compliance to the rules and regulations, and sufficient internal control, the Audit Committee shall work together with the Company's IAU and RMU.

CHAPTER VI
MEETINGS OF THE AUDIT COMMITTEE

1. The Audit Committee shall meet at least four (4) times per financial year at no more than three-monthly intervals, or as determined otherwise by the BOC. Any meeting shall be held in person or through remote means (such as teleconference, video conference or other electronic media) if such remote means are permissible by the relevant laws and regulations and enable all participants to hear, or view and hear each other and to participate in the meeting. The quorum and voting requirements for any such remote meetings shall be the same as provided for meetings conducted in person.
2. The meeting shall be chaired by the Chairman of the Audit Committee. In the event that the Chairman is unable to attend any meeting of the Audit Committee, the meeting shall be chaired by a member of the Audit Committee selected by those members of the Audit Committee in attendance at such meeting.
3. The quorum of all meetings shall be more than half of the total number of the members of the Audit Committee. If a quorum is not present within half an hour of the time appointed for a meeting or if a quorum ceases to be present during the course of a meeting, the members of the Audit Committee present shall adjourn the Audit Committee meeting to a specified place and time not less than five (5) business days after the original date and the quorum for such adjourned meeting shall be more than 1/2 (one half) of the total number of members of the Audit Committee. Notice of the adjourned meeting shall be given to all members of the Audit Committee at least four (4) business days prior to the date of the adjourned meeting.
4. Any decision in the meeting shall be made by way of the deliberation to reach consensus. If the Audit Committee meeting fails to reach a consensus then the decision shall be effective if approved by simple majority of the votes of the Audit Committee members in attendance at a meeting where a quorum is present. Each member of the Audit Committee shall have one (1) vote. The Audit Committee may also adopt lawful resolutions without holding a meeting of the Audit Committee, provided that all members of the Audit Committee have been notified in writing of the proposals to be voted on and

all members of the Audit Committee have given their written approval thereof and signed the approvals concerned.

5. The Audit Committee shall designate a secretary of the Audit Committee who shall be responsible for preparing and circulating the agenda and all supporting and supplementary material for each meeting, preparing and maintaining a proper record of the minutes of each meeting. Each member of the Audit Committee who attends a meeting shall sign the minutes of such meeting which will be presented to the BOC.
6. The Audit Committee may invite relevant parties to attend Audit Committee meetings as appropriate.

CHAPTER VII

PERFORMANCE EVALUATION

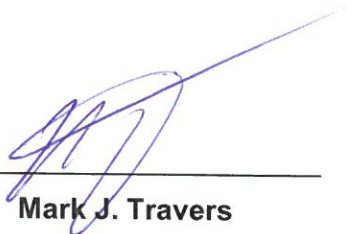
The Audit Committee's performance shall be evaluated collectively annually based on the self-assessment principle and the result shall be reported to the BOC together with the Annual Report of the Audit Committee.

CHAPTER VIII

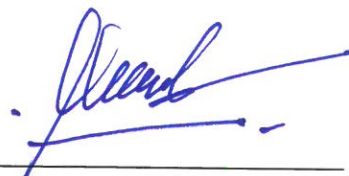
MISCELLANEOUS

1. This Charter shall take effect as of the date stated in the signatory page below (the "**Effective Date**") and shall be reviewed from time to time to comply with the prevailing laws and regulations.
2. Any amendments to this Charter must be approved by the BOC.
3. In the event of any conflict between this Charter and the Company's Articles of Associations or the prevailing laws and regulations, the provisions of the Articles of Association or the prevailing laws and regulations (as the case may be) shall prevail.
4. Each member of the Audit Committee is considered to accept and agree to the contents of this Charter and undertakes to the Company to comply with the provisions hereof. Any member of the Audit Committee elected or appointed after the Effective Date hereof shall, upon his/her election or appointment, be automatically deemed to have accepted and agreed to the contents of this Charter and to have undertaken to the Company to comply with the provisions hereof.

IN WITNESS WHEREOF, this Charter of the Audit Committee of the BOC has been executed on August 29th, 2021 by each member of the BOC.



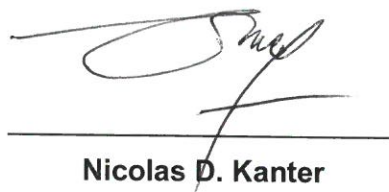
Mark J. Travers
President Commissioner



Ogi Prastomiyono
Vice President Commissioner



Rizal Sukma
Commissioner




Nicolas D. Kanter
Commissioner

Luiz Fernando Landeiro
Commissioner



Alexandre D' Ambrosio
Commissioner

Nobuhiro Matsumoto
Commissioner



Raden Sukhyar
Independent Commissioner



Rudiantara
Independent Commissioner



Dwia Aries Tina Pulubuhu
Independent Commissioner