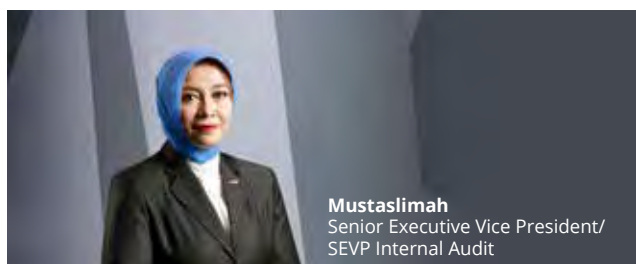


Position of The Internal Audit In The Organizational Structure

At Bank Mandiri, Internal Audit is directly responsible to the President Director and can communicate with the Board of Commissioners through the Audit Committee. Since November 1, 2017, Internal Audit possesses 4 (four) Working Units whose work is adjusted to Bank Mandiri's business strategy, i.e. Wholesale & Corporate Centre Audit Group, Retail Audit Group, IT Audit Group and Senior Investigator. In addition, Internal Audit also has 2 (two) Departments that are directly responsible to the Senior Executive Vice President/Chief Audit Executive, i.e. the Audit Development Department and Quality Assurance Department.

Profile of Head of Internal Audit



Age	53 years old
Nationality	Indonesia
Domicile	Depok
Education	Bachelor Degree in Agricultural Industrial Engineering from Institut Pertanian Bogor (1988).
Certification	Level 5 Risk Management Certification
Employment History	<ul style="list-style-type: none"> - Senior Executive Vice President/SEVP Internal Audit (2015 – present). - Group Head of Human Capital and Services (2014-2015). - Group Head of Procurement and Fixed Asset (2010-2014). - Group Head of Compliance (2006-2010).
Basis of Appointment	Since 2015 he has served as Senior Executive Vice President/SEVP Internal Audit based on Directors Decree No. KEP.DIR/095/2015 dated March 26, 2015.

Appointing and Dismising Parties of The Head of Internal Audit

The Chief Audit Executive is appointed and dismissed and is responsible directly to the President Director with the approval of the Board of Commissioners or the Audit Committee and subsequently reported to the Financial Services Authority. The appointment of the Company's Chief Audit Executive has been reported to the Financial Services Authority through a letter dated April 14, 2015.

Internal Audit Charter

Internal Audit possesses an Internal Audit Charter which was approved by the President Director as well as the President Commissioner of Bank Mandiri and was last updated on December 17, 2015. The Internal Audit Charter provides guidance on the purpose, position, authority, responsibility and scope of the internal audit work. The position, authority and responsibility formally stated in the Internal Audit Charter are in accordance with Bank Indonesia Regulations concerning the application of the Internal Bank Audit Function Implementation Standard (SPFIB), Decree of the Chairperson of the Capital Market Supervisory Agency, Financial Institutions on the Establishment and Guidelines for Preparation of the Internal Audit Unit Charter as well as best practices that refer to the standards of the International Professional Practice Framework (IPPF) by The Institute of Internal Auditors (IIA).

Duties and Responsibilities of Internal Audit

In carrying out its functions, the duties and responsibilities of Internal Audit include the following:

1. Plan and implement internal audit activities with emphasis on fields/activities that have high risk and evaluate existing procedures/control systems to gain conviction that the Company's goals and objectives are able to be achieved optimally and sustainably.
2. Implement measures in order to explore information (investigation), report, and submit recommendations/conclusions on fraud to Management.
3. Develop and run programs to evaluate and improve the quality of Internal Audit.
4. Provide recommendations on results of the audit and monitor the follow-up of the results of internal audit activities and investigative activities.