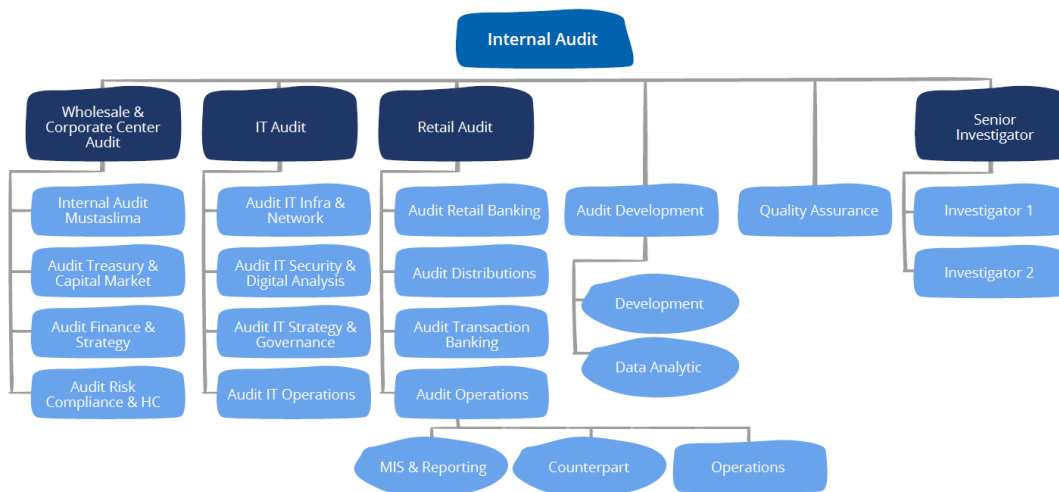




## Internal Audit PT Bank Mandiri (Persero) Tbk.

Holding a role as the Third line of defence, Bank Mandiri’s Internal Audit ensures that Internal control in each line of defence is getting stronger and more mature. Therefore, Internal Audit continues to innovate in the use of audit methodologies and tools so that audits are more effective and efficient.

### Organizational Structure And Chairman Of Internal Audit



### 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



#### Mustaslimah

Senior Executive Vice President/SEVP Internal Audit

Age	54 years old
Nationality	Indonesia Citizen
Domicile	Depok
Education	Bachelor in Agricultural Industrial Engineering from Bogor Agricultural Institute (1988)
Certification	Level 5 Risk Management Certification
Employment history	- Group Head Compliance (2006-2010) - Group Head Procurement and Fixed Asset (2010-2014) - Group Head Human Capital and Services (2014-2015) - Senior Executive Vice President/SEVP Internal Audit (2015 – until now)
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 has an Internal Audit Charter ratified by the President Director and chairman of Bank Mandiri, which was last updated on 9 October 2019. Internal Audit Charter provides guidance regarding the purpose, position, authority, responsibilities and scope of internal Audit work. The position, authority and responsibilities expressed formally in the Internal Audit Charter are in accordance with the FSA regulation of the Republic of Indonesia No. 1/POJK. 03/2019 on implementing the internal Audit function of the commercial Bank.

## **Internal Audit Tasks And Responsibilities**

In carrying out its functions, the tasks and responsibilities of Internal Audit are as follows :

1. Planning and implementing internal audit activities with emphasis on areas/activities that are of high risk and evaluate existing procedures/control system to gain confidence that the Bank's objectives and objectives can be achieved optimally and continuously.
2. Conducting investigations, reporting, and conveying recommendations/conclusions on fraud to management.
3. Acting as a system builder for investigative activities, including for investigations carried out by work units outside of Internal Audit.
4. Developing and running programs to evaluate and improve the quality of Internal Audit.
5. Providing recommendations on audit results and monitor follow-up activity results of internal audit and investigative activities.
6. Assisting the tasks of the President Director and Board of Commissioners in conducting oversight by describing the operational operations of both planning, implementation, and monitoring the audit results.
7. Coordinate its activities with external audit activities and other units/functions of assurance provider, in order to be achieved comprehensive and optimum audit results. Coordination can be carried out through periodic meetings to discuss things that are important to both sides.
8. Communicating directly with the board of directors, the BOC, the Audit Committee and the Integrated Governance Committee.
9. Making analysis and assessment in the field of finance, accounting, operations, and other activities through auditing.
10. Identifying everything possible to improve and improve the efficiency of resource and fund use.
11. Providing suggestions on improvements and objective information about the activities examined at all levels of management.





### **Internal Audit Authority**

The authority is owned by the Internal Audit, among others, as follows :

1. Conducting internal audit activities of all working units in the organization of the Bank, subsidiaries and in accordance with the prevailing governance.
2. To communicate directly with the board of Directors, Board of Commissioners, and the Audit Committee and Integrated Governance Committee.
3. Conducting communication and coordination with external parties including regulators and external auditors.
4. Convene meetings periodically and incidental to the President Director, BOC, and Audit committee.
5. Access all information, records, employees, and including but not limited to accounts and resources and other matters deemed necessary in connection with their tasks and functions.
6. Conducting investigative activity on the cases/problems in every aspect and element of activities that are indicative of fraud and violation of the code of Conduct in the organization of the Bank, subsidiaries and in accordance with the prevailing governance affiliation.
7. Joining strategic meeting without voting rights.

