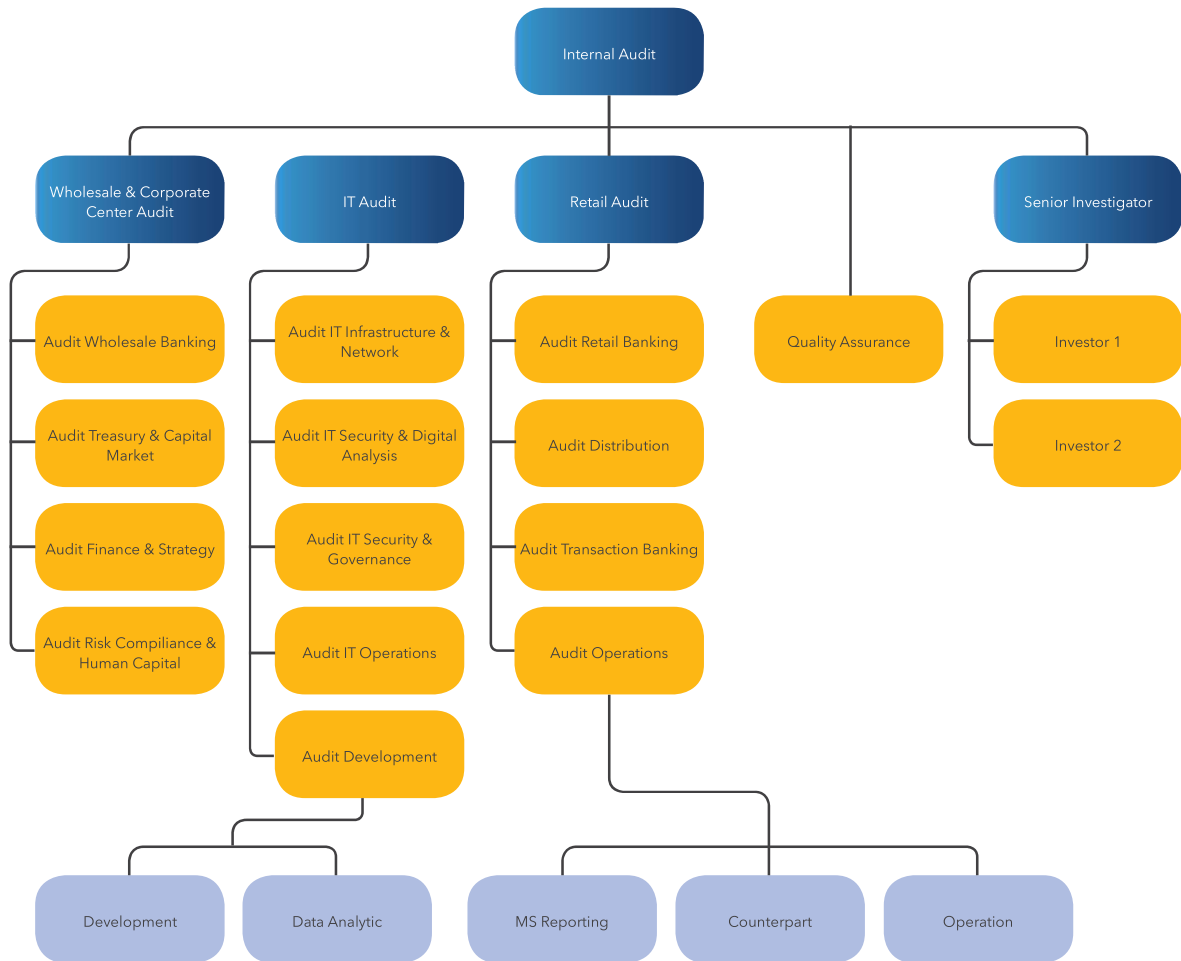


## INTERNAL AUDIT

## Organizational Structure 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 1 November 2017, Internal

Audit operates 4 (four) Units which works are adapted to Bank Mandiri's business strategy, namely the Wholesale & Corporate Centre Audit Group, Retail Audit Group, IT Audit Group and Senior Investigator. In addition, Internal Audit also has 1 (one) Department, the Quality Assurance Department, which is directly responsible to the Senior Executive Vice President/ Chief Audit Executive.

## Parties in Charge of the Appointment and Dismissal of the Head of Internal Audit

The Chief Audit Executive is appointed and dismissed and is directly responsible to the President Director with the approval of the Board of Commissioners by considering the Audit



## INTERNAL AUDIT

Committee recommendations and subsequently reported to the OJK. The appointment has been reported to the OJK through a letter dated 2 September 2021.

### Internal Audit Charter

Internal Audit has a Charter ratified by the President Director and President Commissioner, which was last updated on 15 February 2022. The Internal Audit Charter provides guidance regarding the purpose, position, authority, responsibilities and scope of internal Audit works. The position, authority and responsibilities expressed formally in the Internal Audit Charter are in accordance with the POJK No. 1/POJK.03/2019 on Implementation of Internal Audit function in the Commercial Banks.

### Internal Audit Duties and Responsibilities

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

1. Act as a System Supervisor for Investigation activities, including for Investigations carried out by work units outside the Internal Audit.
2. Assisting the duties of the President Director and the Board of Commissioners

in conducting oversight by outlining operationally both in the planning, implementation, and monitoring audit results.

3. Communicating directly with the Board of Directors, Board of Commissioners, Audit Committee and Integrated Governance Committee.
4. Preparing analysis and assessment in the field of finance, accounting, operations and other activities through audits.
5. Identifying any possibilities for improving and enhancing the efficiency of the use of resources and funds.
6. Providing suggestions for improvement and objective information about the activities examined at all levels of management.
3. Communicating and coordinating with external parties including regulators and external auditors.
4. Organising the meetings periodically and incidental with the President Director, Board of Commissioners, 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/issues in every aspect and element of activities that are indicative of fraud and violation of the code of Conduct in the Bank's organization, subsidiaries and affiliates in accordance with the prevailing governance.
7. Participating in the strategic meeting without voting rights.

### Internal Audit Authority

The authority of Internal Audit are, among others:

1. Conducting internal audit activities of all working units in the Bank's organization, subsidiaries and affiliates in accordance with the prevailing governance.
2. Communicating directly with the Board of Directors, Board of Commissioners, and the Audit Committee, as well as Integrated Governance Committee.

### Internal Audit Personnel Composition

In carrying out its duties, the Bank's Internal Audit is supported by competent and qualified resources. The following is Internal Audit personnel composition.

Position	Total Personnel
SEVP/ Chief Audit Executive	1
Chief Auditor	3
Senior Investigator Head	1
Audit Manager	11
Investigator Head	2
Department Head	3