



7. Handling Complaints/Reporting Regarding Dug aan Violations Regarding Financial Reporting
8. Closing

#### **Duties and Responsibilities of the Audit Committee**

Duties and responsibilities of the Audit Committee that have been regulated in the Audit Committee Charter are as follows:

1. Financial Report
  - a. Monitoring and analyzing:
    - Reports and financial information both internal and financial information that will be released by the Company to the public and/or authorities
    - Audit Reports related to the Company's Financial Statements.
    - Work Plan and Budget of the Company and the Company's Long Term Plan.
    - Complaints relating to the Company's accounting and financial reporting processes.
  - b. Conducting regular meetings with relevant work units and Auditors (Internal and External) to the field of accounting and finance the field of accounting and finance.
2. Internal Control
  - a. Systems and Processes of Internal Control in conducting Monitor and review:
    - The Company's internal control system is in accordance with applicable best practices.
    - Reports on the results of examinations of the Internal Audit Work Unit and the External Auditor examining the Company to ensure that internal control has been properly implemented.
    - Implementation of follow-up actions by the Board of Directors on the findings of the Internal Audit Unit, public accountants, the Audit Board and the Financial Services Authority.
    - Adequacy of internal control in Subsidiary Companies.
  - b. Internal Audit
    - Monitoring and reviewing:
      - (1) Audit Plan, Scope, and Budget of the Internal Audit Work Unit and provide recommendations to the Board of Commissioners.
      - (2) Effectiveness of internal audit implementation.
      - (3) Internal Audit Work Unit Performance.
      - (4) Audit Reports are particularly significant findings and ensure that the Board of Directors take corrective actions that are needed quickly to overcome weaknesses in control, fraud, compliance with policies, laws and regulations, or other problems identified and reported by the Internal Audit Work Unit.
    - Ensuring that the Internal Audit Work Unit works independently and upholds integrity in carrying out its duties.
    - Requesting the assistance of the Internal Audit

Work Unit to carry out special investigations/ investigations if there are audit findings and/or information relating to violations of applicable laws and regulations and provide input deemed necessary in conducting the audit.

- Ensuring that the Internal Audit Work Unit communicates with the Board of Directors, the Board of Commissioners, the External Auditor, and the Financial Services Authority.
- Providing recommendations to the Board of Commissioners regarding the overall annual remuneration of the Internal Audit Work Unit and performance awards.
- Providing recommendations to the Board of Commissioners regarding the appointment and dismissal of the Head of the Company's Internal Audit Work Unit which is proposed by the Directors.
- Conducting communication/meetings with the Internal Audit (periodically or if necessary) to discuss matters, among others as follows:
  - (1) Realization of the Annual Audit Plan and Internal Audit Cost Budget.
  - (2) Significant audit findings and not follow up on Internal Audit recommendations.
  - (3) Other matters that require clarification or explanation.
- c. External Audit
  - Providing recommendations for:
    - (1) Appointment of a Public Accountant (AP) and a Public Accountant Office (KAP) who will audit the Company's financial statements to the Board of Commissioners to be submitted to the General Meeting of Shareholders (GMS). In preparing the recommendations, the Audit Committee may consider:
      - (i) Independence of AP and/or KAP;
      - (ii) The scope of the Audit;
      - (iii) Rewards for Audit services;
      - (iv) The expertise and experience of AP and/or KAP, and the Audit Team of KAP;
      - (v) Methodologies, techniques, and audit tools used by KAP;
      - (vi) Benefits of the most current perspectives that will be obtained through the replacement of AP and/or KAP, and the Audit Team from KAP;
      - (vii) Potential risks from the use of audit services by the same KAP in a row for a sufficiently long period of time; and/or
      - (viii) Evaluation results of the implementation of providing audit services on annual historical financial information by the AP and/or KAP in the previous period, if any.



When the AP and/or KAP that has been decided by the GMS cannot complete the provision of audit services on annual historical financial information during the professional assignment period, the appointment of a replacement AP and/or KAP is carried out by the Board of Commissioners after obtaining the GMS approval by taking into account the recommendations of the Audit Committee.

- (2) Termination of AP and KAP.
- Reviewing and ensuring that:
  - (1) Bank Mandiri has standard procedures and is in accordance with applicable regulations/provisions in the implementation of KAP elections.
  - (2) The process of implementing KAP selection in accordance with standard procedures.
    - The Audit Committee evaluates the implementation of providing audit services on annual historical financial information by the AP and/or KAP. The evaluation is carried out through:
      - (1) The suitability of audit implementation by the AP and/or KAP with the applicable audit standards
      - (2) Adequacy of field work time.
      - (3) Assessment of the range of services provided and the adequacy of pick tests.
      - (4) Recommendations for improvements given by the AP and/or KAP.
    - Communicating periodically with KAP who is currently checking Bank Mandiri to discuss matters that need to be communicated, including the following:  
Conducting periodic communication with KAP who is examining the Mandiri Bank to discuss matters that need to be communicated, including the following:
      - (1) Progress of the inspection.
      - (2) Important findings.
      - (3) Changes to the rules/regulations in accounting and financial records from the authorized institution.
      - (4) Adjustments that occur based on the results of the inspection.
      - (5) Constraints/obstacles encountered in the implementation of the inspection.
    - Reviewing and monitoring of:
      - (1) All significant findings from the results of the examination of external auditors and other examining institutions.
      - (2) Follow up of the auditee on the results of examinations conducted by external auditors.

- Providing independent opinion in the event of disagreement between the Directors and the Accountant for the services they provide.

### 3. Compliance

Monitoring and analyzing:

- a. The Company's compliance with laws and regulations, both internal and external relating to the Company's business activities.
- b. Inspection report related to the Company's compliance with internal and external regulations issued by the Internal and External Audit Work Unit.
- c. The suitability of the audit implementation by the Public Accounting Firm with the applicable audit standards.
- d. Conformity of financial statements with applicable accounting standards.
- e. Potential conflicts of interest of the Company.
4. Conducting regular meetings with related work units to discuss matters which are within the scope of supervision.
5. Arranging the Audit Committee Charter and Work Procedures and conducting reviews as needed at least once every 2 (two) years.
6. Reporting the results of monitoring and review periodically, as well as providing input on matters that need the attention of the Board of Commissioners.

### Audit Committee Authority

The Audit Committee has the authority to:

1. Communicating with the Head of Work Unit and other parties in the Company and the Public Accounting Firm that inspects the Company for information, clarification and requests for documents and reports needed.
2. Obtaining reports on the results of internal auditors and external auditors and other supervisory/examining institutions.
3. Assigning internal auditors and/or external auditors to carry out special investigations/investigations, if there are strong allegations of fraud, violation of the law and violation of applicable laws and regulations.
4. Accessing records or information about employees, funds, assets and other company resources related to the implementation of their duties.
5. Obtaining input and or suggestions from outside parties of the Company relating to their duties.
6. Performing other authorities granted by the Board of Commissioners.

### The Position of the Audit Committee

The term of office of members of the Audit Committee must not be longer than the term of office of the Board of Commissioners as stipulated in the Articles of Association and can be re-elected for the next 1 (one) period. If a member of the Commissioner who becomes the Chairman of the Audit Committee resigns before his term of office as Commissioner of the Company, the Chairman of the Audit Committee is replaced by another Independent Commissioner. If his term of office as a Board of Commissioners ends, his tenure as a member of the Audit Committee will also end.