



Brief Report of the Audit Committee Activities In 2020

The Audit Committee has carried out its duties and functions as stipulated in the Audit Committee Charter by always implementing the principle of independence in accordance with applicable regulations and in accordance with the 2020 Audit Committee work plan approved by the Board of Commissioners.

The work plan for the Audit Committee for 2020 is divided into 2 (two) activities, namely Mandatory/Regular and Non-Regular as follows:

1. Mandatory/Regular, which includes review of Financial Statements, appointment and implementation of audits by Public Accountants (AP) and Public Accounting Firms (KAP), implementation of Compliance, Internal Audit, review of Company Work & Budget Plans (RKAP) and Bank Business Plans (RBB), as well as the Internal Audit Committee's Activities.
2. Non-Regular, which includes the Audit Committee's concerns and focus on certain issues concerning Credit, IT, Compliance, and Financial Statements.

The activities of the Audit Committee during 2020 were as follows:

1. Holding 21 Audit Committee Meetings, including compiling Minutes of Meetings.
2. Holding 62 internal discussions, discussions with related work units, as well as joint discussions with the Risk Monitoring Committee.
3. Reviewing and preparing recommendations for more than 25 reports, including Consolidated Financial Statements (quarterly and annually), Significant Findings Reports, Compliance

Director Reports, Audit Results Main Reports, Internal and External Auditor Audit Results Reports, Post Facto progress reports PEN Program Review, Progress Report for Completion of Follow-up Monitoring Lists (DMTL), and Reports related to fraud cases that occurred during 2020.

4. Reviewing and preparing recommendations for 7 Proposals/Proposals from the Board of Directors that require written approval from the Board of Commissioners, namely the Proposal for Appointment of KAP to carry out audit services for the 2020 and 2021 Consolidated Financial Statements, Proposals for the RKAP & RBB and their revisions, the Proposed Annual Audit Plan for 2020 along with its revisions, and the Proposed Appointment of an Independent Party to conduct a review of the 2020 Internal Audit performance.
5. Preparing 4 (four) quarterly reports on Committee activities and submitting them to the Board of Commissioners.
6. Preparing a Report on the Results of Evaluation on the Implementation of Audit Services for Bank Mandiri's Annual Historical Financial Information for the 2019 Financial Year by KAP Purwantono, Sungkoro & Surja (Ernst & Young)
7. Conducting 3 (three) Work Visits on a site visit including the preparation of a Visit Result Report, namely the Strong Room Credit Operations (10 March 2020), PT Mandiri Sekuritas (08 December 2020), and the Rempoa Data Center (15 December 2020).
8. Preparing the Audit Committee Work Plan for 2021 and it was approved by the Board of Commissioners on January 14, 2021.
9. All Committee members had participated in at least 1 (one) time competency development activities related to Banking/Audit.

Work Plan of the Audit Committee for 2021

At the end of 2020, the Audit Committee had prepared a work plan for 2021 and had obtained approval from the Board of Commissioners. The Audit Committee work plan for 2021 was divided into 2 (two) activities, namely Mandatory/Regular and Non-Regular as follows:

1. Mandatory/Regular, which included review of Financial Statements, appointment and implementation of audits by Public Accountants (AP) and Public Accounting Firms (KAP), implementation of Compliance, Internal Audit, review of Company Work & Budget Plans (RKAP) and Bank Business Plans (RBB), as well as the Internal Audit Committee's Activities.
2. Non-Regular, which included matters of concern and focus of the Audit Committee and the Board of Commissioners, including:
 - a. Credit, in connection with macroeconomic conditions which were still shrouded in uncertainty and the National Economic Recovery (PEN) program.
 - b. Operations and IT, in connection with the massive and dynamic development of digitalization.
 - c. Fund Management/Liquidity.
 - d. Treasury activities, particularly in derivative products.
 - e. Management of Whistle Blowing System/Letter to CEO facilities.



Statement of Audit Committee on the Effectiveness of Internal Control System and Risk Management

The internal control system performed by Bank Mandiri was considered effective and adequate, reflected in the effectiveness of the implementation of internal control functions, including internal audit function, risk management, compliance, financial and operational controls.

