

**WORK CODE OF CONDUCT OF
THE AUDIT COMMITTEE OF
PT BANK TABUNGAN NEGARA (PERSERO) Tbk**

**PART I
GENERAL PROVISIONS AND PURPOSE OF ESTABLISHING
WORK CODE OF CONDUCT OF THE AUDIT COMMITTEE**

**Article 1
GENERAL PROVISIONS**

In this regulation, the following definitions are given:

- (1) **Bank/Company** means PT Bank Tabungan Negara (Persero) Tbk.;
- (2) **Perusahaan Perseroan**, hereinafter referred to as Persero, means a SOE in the form of a Limited Liability Company whose capital is divided into shares, all of which or at least 51% (fifty one percent) of the shares are owned by the Republic of Indonesia;
- (3) **General Meeting of Shareholders**, hereinafter referred to as the GMS, means a Persero Organ which has authority not granted to the Board of Directors or Board of Commissioners within the limits specified in Law Number 40 of 2007 and/or the Company's Articles of Association;
- (4) **Board of Commissioners** means the Bank Organ which is tasked with carrying out general and/or specific supervision in accordance with the Articles of Association as well as providing advice to the Board of Directors in carrying out Bank management activities;
- (5) **Independent Commissioners** mean members of the Board of Commissioners who do not have financial, management, share ownership and/or family relationships with other members of the Board of Commissioners, Board of Directors and/or controlling shareholders or relationships with the Bank, which could affect the ability of the person concerned to act independently;
- (6) **Commissioners** mean members of the Board of Commissioners who are not independent Commissioners.
- (7) **Board of Directors** means a Bank Organ that is fully responsible for the management of the Bank for the interests and objectives of the Bank and represents the Bank inside and outside the court in accordance with the provisions of the Articles of Association.
- (8) **Supporting Organs** of the Board of Commissioners mean the Board of Commissioners' instruments whose function is to assist the Board of Commissioners in carrying out their duties.
- (9) **Audit Committee** means a supporting organ for the Board of Commissioners which was formed by and is responsible to the Board of Commissioners in assisting in carrying out the duties and functions of the Board of Commissioners.
- (10) **Independent parties** mean parties outside the Bank who do not have financial, management, share ownership and/or family relationships with the Board of Commissioners, the Board of Directors and/or controlling shareholders or relationships with the Bank, which may affect the ability of the person concerned to act independently;

- (11) **Good Corporate Governance** means a good corporate governance based on a balance of authority so that there is no abuse of authority and the existence of checks and balances in the Company's operations by applying the principles of transparency, accountability, responsibility and independency, and fairness;
- (12) **Conflict of Interest** means a conflict between the Company's economic interests and the personal economic interests of the owner, members of the Board of Commissioners, members of the Board of Directors, Executive Officers, Employees and/or parties affiliated with the Company.

Article 2
UNDERSTANDING, AIMS AND OBJECTIVES OF
THE WORK CODE OF CONDUCT OF THE AUDIT COMMITTEE

- (1) The understanding of the Work Code of Conduct of Audit Committee:
Work Code of Conduct or Charter of the Audit Committee are work guidelines which contain a set of rights, obligations and work procedures determined by the Board of Commissioners for the Audit Committee in order to assist the Board of Commissioners in carrying out its duties and functions.
- (2) Purpose of the Work Code of Conduct of Audit Committee:
Work Code of Conduct or Charter of the Audit Committee is intended as work guidelines for the Audit Committee to carry out its duties to assist the Board of Commissioners.
- (3) Objectives of the Work Code of Conduct of Audit Committee:
The Work Code of Conduct or Charter of the Audit is created with the aim of becoming a basis and guideline for the Audit Committee in carrying out its duties, including monitoring and evaluating the implementation of the internal control system, assessing the implementation of activities and audit results carried out by the Internal Audit Unit and external auditors, reviewing information finances to be issued by the Bank, and review compliance with provisions relating to Bank activities.

PART II
DUTIES, RESPONSIBILITIES AND AUTHORITY OF THE AUDIT COMMITTEE

Article 3
DUTIES AND AUTHORITY OF THE AUDIT COMMITTEE

- (1) The Audit Committee works collectively in carrying out its duties to assist the Board of Commissioners.
- (2) The Audit Committee is independent both in carrying out its duties and in reporting, and is directly responsible to the Board of Commissioners.
- (3) In carrying out its functions, the Audit Committee carries out duties and responsibilities, including:
 - a. Internal and External Audits
 - 1) Assist the Board of Commissioners to ensure the effectiveness of the internal control system;
 - 2) Monitor, review and assess the effectiveness of the implementation of Internal Audit and External Audit, including WBS management;
 - 3) provide recommendations to the Board of Commissioners regarding: the appointment and dismissal of the Head of the Internal Audit Work Unit, and the provision of annual remuneration for the Internal Audit Work Unit as a whole as well as performance awards;

- 4) carry out monitoring and evaluation of audit planning, audit implementation and follow-up monitoring of audit results, to assess the adequacy of internal control including the adequacy of the financial reporting process in accordance with the provisions of statutory regulations, articles of association, and/or GMS/Ministerial decisions;
 - 5) provide recommendations to the Board of Commissioners regarding the preparation of the audit plan, scope, and budget of the Internal Audit Work Unit;
 - 6) ensure that the Internal Audit Work Unit communicates with the Board of Directors, Board of Commissioners, Sharia Business Unit Supervisory Board, External Auditor and Financial Services Authority;
 - 7) review and evaluate internal auditor reports periodically, recommend and ensure that the Board of Directors takes corrective action to overcome control weaknesses, fraud, compliance issues with policies and laws and regulations or other problems identified and reported by the Internal Audit Work Unit;
 - 8) evaluate the performance of the Internal Audit Work Unit;
 - 9) ensure the objectivity and independence of internal auditors and external auditors;
 - 10) ensure that the Internal Audit Work Unit upholds integrity in carrying out its duties;
 - 11) review the implementation of audits by internal auditors and supervise the implementation of follow-up actions by the Board of Directors regarding the findings of internal and external auditors;
 - 12) Provide recommendations to the Board of Commissioners regarding the issuance of the Internal Audit Charter;
 - 13) Provide recommendations to the Board of Commissioners regarding the appointment of an independent quality controller from an external party to conduct a review of SKAI performance;
 - 14) carry out monitoring and evaluation used to provide recommendations to the Board of Commissioners regarding at least:
 - a. implementation of the duties of the internal audit work unit;
 - b. conformity of financial reports with financial accounting standards; and
 - c. implementation of follow-up actions by the Board of Directors regarding the findings of the Bank's internal audit work unit, external auditors, results of supervision by the Financial Services Authority, and/or results of supervision by other authorities and institutions.
- b. Financial Reporting
- 1) carry out the procurement process for prospective public accounting firms in accordance with the provisions for the procurement of bank goods and services, and if necessary, can ask for assistance from the Board of Directors in the procurement process
 - 2) provide recommendations to the Board of Commissioners regarding the appointment of Accountants/Public Accountants/Public Accounting Firms based on independence, scope of assignment and compensation for services;
 - 3) evaluate the implementation of audit services for annual financial information carried out by Accountants/Public Accountants/Public Accounting Firms.
 - 4) monitor and review the financial reporting process audited by the External Auditor;

- 5) ensure the credibility and objectivity of the Bank's financial reports to be issued to external parties and supervisory bodies, including following up on complaints and/or notes of irregularities in the report during the Audit Committee review period;
 - 6) carry out monitoring and evaluation used to provide recommendations to the Board of Commissioners regarding the conformity of financial reports with financial accounting standards; and
 - 7) reviewing financial information that will be issued by the bank to the public and/or authorities, including financial reports, projections and other reports related to the bank's financial information;
 - 8) provide an independent opinion in the event of a difference of opinion between management and the Accountant regarding the services provided
 - 9) reviewing complaints related to the bank's accounting and financial reporting processes;
- c. Others
- 1) Provide evaluations/recommendations to the Board of Commissioners regarding the appointment, re-appointment, and dismissal of Rating Companies to carry out Sound Level Assessments (Company Ratings) based on independence, scope of assignment and service fees;
 - 2) provide recommendations regarding improvements to the management control system and its implementation;
 - 3) ensure that there are satisfactory evaluation procedures for all information issued by the bank;
 - 4) identify matters that require the attention of the Board of Commissioners as well as other duties of the Board of Commissioners;
 - 5) carry out tasks related to risk management as regulated in statutory regulations;
 - 6) carry out other authorities, duties and responsibilities related to their functions;
 - 7) review compliance with laws and regulations relating to bank activities;
 - 8) review and provide advice to the Board of Commissioners regarding potential conflicts of interest of the bank;
 - 9) maintain the confidentiality of documents, data, and bank information.
 - 10) Carry out other duties of the Board of Commissioners in accordance with the Audit Committee's field of duties.
- (4) In carrying out its duties, the Audit Committee has the following authorities:
- a. Access all relevant information including documents, data, information about employees, funds, assets, and Bank resources required in relation to the duties and functions of the Audit Committee.
 - b. Communicate directly with employees including the Board of Directors and parties carrying out internal audit, risk management and accountant functions regarding the duties and responsibilities of the Audit Committee.
 - c. Involving independent parties outside the Audit Committee members who are needed to assist in carrying out duties, if necessary).
 - d. Carry out other authorities granted by the Board of Commissioners.

Article 4

OBLIGATIONS OF THE AUDIT COMMITTEE

In carrying out its duties, the Audit Committee is obliged to:

- (1) Create work guidelines as outlined in the Audit Committee Charter.
- (2) Create an Audit Committee work program and approve it by the Board of Commissioners.
- (3) Maintain the confidentiality of documents, data, and Bank information.
- (4) The Audit Committee is obliged to make a report to the Board of Commissioners regarding each assignment given.
- (5) The Audit Committee is required to prepare an annual report on the implementation of the Audit Committee's activities as disclosed in the Bank's Annual Report.
- (6) The committee is required to sign an integrity pact which is a statement and commitment to fulfill all provisions of laws and regulations and the principles of good corporate governance.

PART III

PROCEDURES, WORK PROCEDURES, ACCESS AND CONFIDENTIALITY OF INFORMATION, COMPOSITION, STRUCTURE AND REQUIREMENTS FOR MEMBERS

Article 5

WORKING PROCEDURES AND PROCEDURES OF THE AUDIT COMMITTEE

- (1) Work Code of Conduct or Charter of the Audit Committee is proposed by the Audit Committee and determined by the Board of Commissioners.
- (2) The original Work Code of Conduct or Charter of the Audit Committee is submitted to the Board of Directors for documentation.
- (3) Before the current financial year, the Audit Committee is obliged to prepare and submit an annual work plan and budget to the Board of Commissioners for adoption.
- (4) A copy of the Audit Committee's work plan and budget as referred to in paragraph 3 (three) is submitted by the Board of Commissioners to the Board of Directors for information.
- (5) The implementation of the Audit Committee's annual work plan and budget is reported to the Board of Commissioners.

Article 6

ACCESS AND CONFIDENTIALITY OF INFORMATION

- (1) Based on a written assignment letter from the Board of Commissioners, the Audit Committee can access records or information about employees, funds, assets, and other resources belonging to the Bank related to the implementation of its duties.
- (2) The Audit Committee is obliged to report in writing the results of the assignment as intended in paragraph (1) to the Board of Commissioners.
- (3) The Audit Committee is obliged to maintain the confidentiality of Bank documents, data and information from both internal and external parties and is only used for the purposes of carrying out its duties.

Article 7

STRUCTURE, APPOINTMENT AND DISMISSAL OF THE AUDIT COMMITTEE

- (1) The Audit Committee is formed by the Board of Commissioners whose membership consists of a chairman and members and must be entirely independent.
- (2) The Chairman of the Audit Committee is an independent Commissioner or member of the Board of Commissioners who can act independently.
- (3) Membership of the Audit Committee consists of at least 3 (three) members consisting of 1 (one) Independent Commissioner or member of the Board of Commissioners who can act independently and serves as Chairman, 1 (one) Independent Party from outside the bank who have expertise in the field of accounting or finance, and 1 (one) Independent Party who has expertise in the field of law or banking.
- (4) The Chairman and members of the Audit Committee are appointed and dismissed by the Board of Commissioners.
- (5) The Audit Committee is responsible to the Board of Commissioners.
- (6) The appointment and dismissal of Audit Committee members is reported to the General Meeting of Shareholders, and submitted to the Financial Services Authority no later than 2 (two) working days after the appointment and dismissal.
- (7) Information regarding appointment and dismissal as intended in paragraph (7) above must be published on the Stock Exchange Website and/or Bank Website.
- (8) Members of the Audit Committee who are members of the Board of Commissioners, automatically cease when their term of office as a member of the Board of Commissioners ends.
- (9) In the event that a member of the Board of Commissioners who serves as Chairman of the Audit Committee ceases to be a member of the Board of Commissioners, the Chairman of the Audit Committee must be replaced by another member of the Board of Commissioners within no later than 30 (thirty) days.

Article 8

REQUIREMENTS FOR AUDIT COMMITTEE MEMBERSHIP

Audit Committee membership requirements include:

- (1) One of the Audit Committee members must have an educational background or have expertise in accounting or finance, and one must have legal expertise or understand the banking or Sharia banking industry/business.
- (2) The expertise of the Independent Party as referred to in paragraph (1) is proven at least by the possession of a competency certificate that supports the implementation of the committee's functions and responsibilities.
- (3) Has high integrity, ability, and knowledge as well as sufficient work experience in the field of inspection supervision.
- (4) Has no personal interests/relationships that could have a negative impact or conflict of interest on the Bank.
- (5) Able to communicate well.
- (6) Can provide sufficient time to complete the task.

- (7) Must understand financial reports and Bank business, especially those related to Bank services or business activities.
- (8) Must understand the audit process, risk management and provisions of laws and regulations in Capital Market sector as well as other related laws and regulations.
- (9) Must comply with the Audit Committee code of ethics established by the Bank.
- (10) Willing to continuously improve competence through education and training.
- (11) Not a person in a Public Accounting Firm, Legal Consultant Firm, Public Appraisal Services Firm, or other party that provides assurance, non-assurance services, appraisal services and/or other consulting services to the Bank within the last 6 (six) months.
- (12) Not a person who works or has the authority and responsibility to plan, lead, control or supervise Bank activities within the last 6 (six) months except for the Independent Commissioner.
- (13) Does not have direct or indirect shares in the Bank.
- (14) In the event that a member of the Audit Committee acquires Bank shares either directly or indirectly as a result of a legal incident, the shares must be transferred to another party within a maximum period of 6 (six) months after acquiring the shares.
- (15) Has no affiliation with members of the Board of Commissioners, members of the Board of Directors, or the Main Shareholders of the Bank.
- (16) Has no direct or indirect business relationships related to the Bank's business activities.
- (17) Members of the Board of Directors are prohibited from becoming members of the Audit Committee.

PART IV
MEETINGS, REPORTING, WORK PLANS, BUDGETTING, INCOME AND
TERM OF OFFICE OF THE AUDIT COMMITTEE

Article 9
AUDIT COMMITTEE MEETING

- (1) The Audit Committee holds meetings at least equal to the minimum provisions for meetings of the Board of Commissioners stipulated in the articles of association and/or 1 (one) time in 1 (one) month.
- (2) Audit Committee meetings can be held if attended by the majority of Audit Committee members or at least 51% (fifty one percent) of the total number of Audit Committee members.
- (3) In the event that there is a conflict of interest of an Audit Committee member with the object of discussion, the committee member is required to declare the existence of a conflict of interest and does not have voting rights in decision making.
- (4) The meeting is chaired by the Chairman of the Audit Committee or the most senior member if the Chairman of the Audit Committee is unable to attend.
- (5) Audit Committee meeting decisions are made based on deliberation and consensus.
- (6) In the event that consensus deliberation as referred to in paragraph (5) is not reached, the decision will be made based on the majority vote.
- (7) Each Audit Committee meeting must be outlined in the minutes of the meeting signed by all members of the Audit Committee present and these minutes must be properly documented in accordance with statutory provisions.

- (8) Minutes of meetings are submitted in writing by the Audit Committee to the Board of Commissioners.
- (9) Dissenting opinions that occur at Audit Committee meetings must be stated clearly in the minutes of the meeting along with the reasons for the differences in opinion.
- (10) In the event that members of the Audit Committee cannot attend the meeting physically, they can attend the meeting face to face by utilizing information technology.
- (11) The attendance of Audit Committee members at meetings is reported in the quarterly report and the Audit Committee's annual report.

Article 10

AUDIT COMMITTEE REPORTING

- (1) The Audit Committee is obliged to submit a report to the Board of Commissioners regarding each implementation of its duties, accompanied by recommendations if necessary.
- (2) The Audit Committee makes quarterly and annual reports to the Board of Commissioners.
- (3) The Audit Committee report as referred to in paragraphs 1 and 2 is signed by the Chairman and Members of the Audit Committee.
- (4) The content of the report contains at least the problem, analysis, and recommendations.
- (5) Reporting is limited and only for the Board of Commissioners.

Article 11

AUDIT COMMITTEE WORK PLAN AND BUDGET

- (1) Before the current financial year, the Audit Committee is obliged to prepare and submit an annual work plan and budget to the Board of Commissioners for approval.
- (2) A copy of the Audit Committee's annual budget as referred to in paragraph (1) is submitted by the Board of Commissioners to the Board of Directors for information.
- (3) The realization of the Audit Committee's annual budget is reported to the Board of Commissioners.
- (4) The Audit Committee budget is part of the Board of Commissioners' budget whose use does not require approval from the Board of Directors.

Article 12

INCOME OF COMMITTEE MEMBERS

- (1) The income of Audit Committee Members is determined by the Board of Commissioners taking into account the Bank's capabilities.
- (2) The income of Committee Members as referred to in paragraph 1 consists of:
 - a. maximum honorarium of 20% (twenty percent) of the salary of the Bank's President Director;
 - b. health facilities in the form of inpatient care, outpatient care, and medicines for those concerned, excluding families; and
 - c. holiday allowance paid once in 1 (one) year is 1 (one) time the honorarium.
- (3) The Minister can determine certain SOEs to provide an honorarium for Audit Committee members of a maximum of 25% (twenty five percent) of the salary of the Company's President Director.

- (4) Members of the Board of Commissioners who are Chairman or Member of the Audit Committee are not given additional income from that position other than income as a Member of the Board of Commissioners.
- (5) Taxes on the income of the Audit Committee of the Board of Commissioners are borne by the company.
- (6) The Audit Committee is prohibited from receiving income other than the income referred to in paragraph (2).

Article 13 PERIOD OF DUTY

The term of office of members of the Audit Committee who are not members of the Board of Commissioners is a maximum of 3 (three) years and can be reappointed for a maximum of 2 (two) years, without prejudice to the right of the Board of Commissioners to dismiss them at any time.

PART V EDUCATION, SUPPORT PERSONNEL AND COMPLAINT HANDLING

Article 14 IMPROVEMENT IN THE PROFESSIONALISM OF AUDIT COMMITTEE MEMBERS AND THE USE OF SUPPORTING PERSONNEL

- (1) The Audit Committee can submit a request to management to attend workshops, seminars or certification education related to their field of duties to improve professional abilities to support the implementation of their duties.
- (2) The Audit Committee may request assistance from independent staff to support the smooth implementation of its duties at the Bank's expense.

Article 15 HANDLING COMPLAINTS OR REPORTING ALLEGED VIOLATIONS RELATED TO FINANCIAL REPORTS

- (1) Based on the assignment of the Board of Commissioners, the Audit Committee is obliged to handle complaints or reports regarding alleged violations related to financial reporting that are complained of by third parties to the Board of Commissioners.
- (2) In following up on the assignment of the Board of Commissioners, the Audit Committee collects information and evidence from internal and external company sources and conducting analysis, studies, and compiling reports.
- (3) The Audit Committee reports the results of the Board of Commissioners' assignments at the first opportunity at the Board of Commissioners meeting.

**PART VI
EVALUATION & CLOSING**

**Article 16
EVALUATION**

- (1) Evaluation of the performance of the Audit Committee is carried out periodically as part of the Board of Commissioners' periodic reports using methods determined by the Board of Commissioners.
- (2) Any costs incurred in connection with the implementation of the Committee's duties are borne by Bank BTN.

**Article 17
CLOSING**

- (1) Work Code of Conduct or Charter of Audit Committee is subject to applicable laws and regulations.
- (2) Work Code of Conduct or Charter of Audit Committee is jointly signed by representatives of the Board of Commissioners and members of the Committee.
- (3) So that Bank officials and employees are aware, this Decree of the Board of Commissioners is documented by the Board of Directors and published in the Bank Announcement Gazette.
- (4) Work Code of Conduct or Charter of Audit Committee will be reviewed periodically and updated at least 1 (one) time in 2 (two) years or at any time if necessary.

Stipulated in : Jakarta
On : 13 December 2023

PT BANK TABUNGAN NEGARA (PERSERO) Tbk

signed

CHANDRA M. HAMZAH
President Commissioner/
Independent Commissioner

signed

IQBAL LATANRO
Vice President Commissioner/
Independent Commissioner/
Chairman of Audit Committee