



# INTERNAL AUDIT FUNCTION

The Internal Audit Function is a strategic business partner for management in optimizing the Company's GCG implementation and providing assurance and advice independently and objectively regarding the Company's Internal Controls. The Internal Audit Function is implemented by the Internal Audit Division (IAD), one of which is by objectively evaluating Risk-Based Audits and consulting services, especially those that involve improving and refining Risk Management, Internal Control and Governance Processes. This function is performed through a proactive, enthusiastic and dynamic approach, communicating effectively, business and stakeholder oriented, understanding the root issues of the problem and areas that possess a high risk, emphasizing the findings of quality, and recommending practical and workable solutions.

## POSITION OF THE INTERNAL AUDIT FUNCTION WITHIN THE ORGANIZATIONAL STRUCTURE

The position of the Internal Audit Division (IAD) as the executor of the Internal Audit Function is under the supervision of the President Director as stipulated based on the Board of Directors' Decree No. 03/KD/DIR/SIPD/2017 dated April 20, 2017 concerning the Organizational Structure of PT Bank Tabungan Negara (Persero) Tbk, which was updated in the Decree of the Board of Directors No. 02/DIR/KD/HCOD/2018 dated March 29, 2018 concerning changes to the provisions of the Board of Directors Number 04/KD/SIPD/2017 concerning the Organizational Structure of PT Bank Tabungan Negara (Persero) Tbk. In addition, the position of the Internal Audit Function is also explained in the Internal Audit Charter No. 03-SKB/DECOM-DIR/BTN/IAD/VI/2011 dated June 30, 2011 in Chapter II, article 3 as follows:

1. Article 3 Paragraph (1) states that the Internal Audit Division (IAD) is an Internal Audit Work Unit (SKAI) within a Bank organization whose position is directly under the President Director.

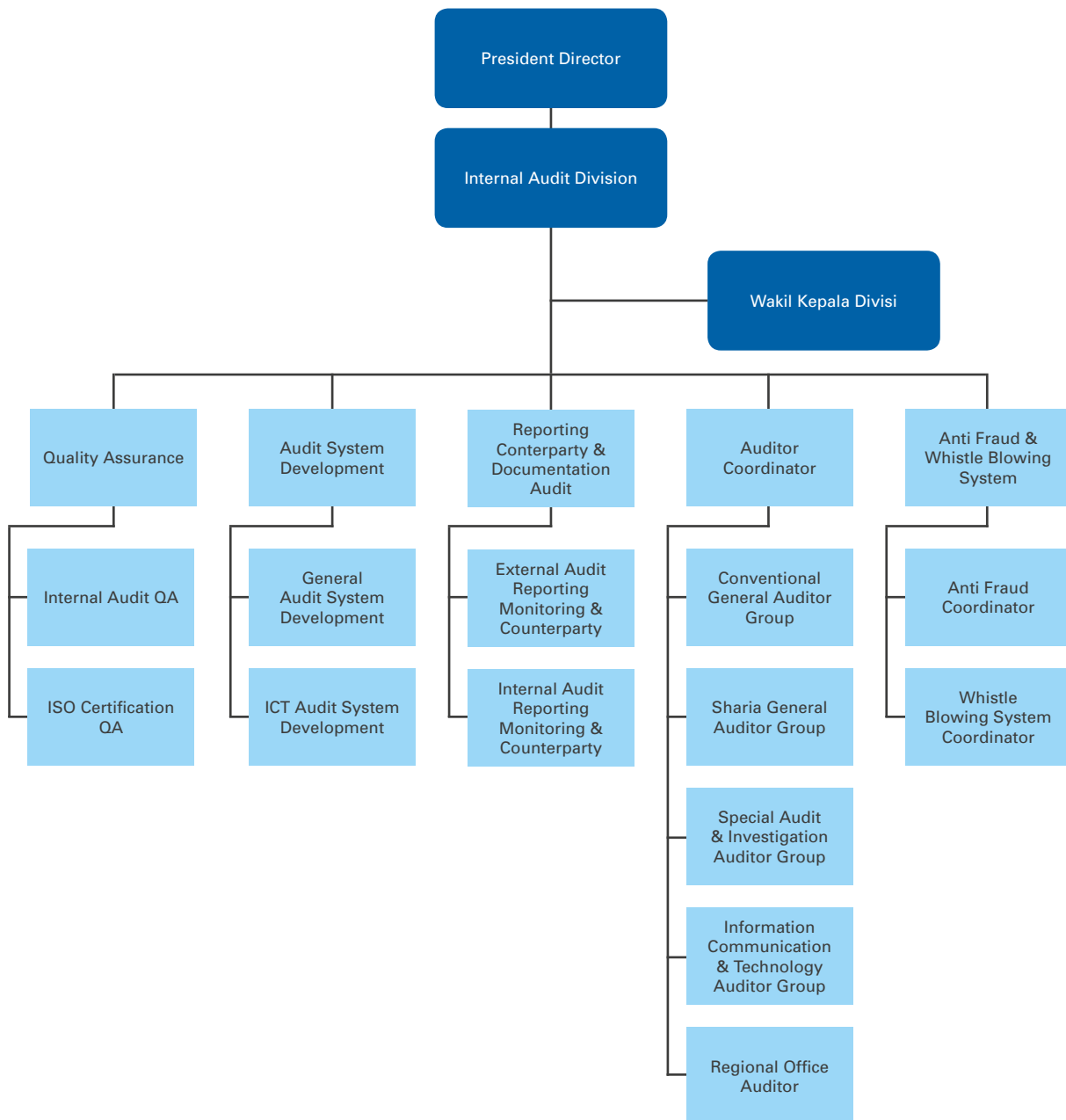
2. Article 3 Paragraph (2) states that the IAD as referred to in paragraph (1) is led by a Division Head who is directly responsible to the President Director.
3. Article 3 Paragraph (3) states that the Head of the IAD as referred to in paragraph (2) is appointed and dismissed by the President Director with the approval of the Board of Commissioners and reported to Bank Indonesia and the Capital Market and Financial Institution Supervisory Agency.
4. Article 3 Paragraph (6) states that the Auditors serving in the IAD are directly responsible to the Head of the IAD.

## APPOINTMENT AND DISMISSAL OF THE HEAD OF THE INTERNAL AUDIT

The parties involved in the appointment or dismissal of the Head of the Company's Internal Audit are the Managing Director, the Board of Commissioners and the Financial Services Authority as regulators. Broadly speaking, the involvement of several parties referred to in the appointment or dismissal is as follows:

1. The President Director conducts a Fit and Proper Test for candidates of the Head of the Internal Audit Work Unit.
2. The President Director submits an application for the approval of the appointment/dismissal of the Head of the Internal Audit Unit to the Board of Commissioners.
3. The Board of Commissioners then either approves or does not approve the appointment/dismissal of the Head of the Internal Audit Unit.
4. The Board of Commissioners and the Board of Directors submit reports regarding the appointment/dismissal of the Heads of the Internal Audit Unit to the Financial Services Authority as regulators.

THE INTERNAL AUDIT ORGANIZATIONAL STRUCTURE





## HEAD OF THE INTERNAL AUDIT PROFILE

The current Head of the Internal Audit Unit is Ms. Triani Pudjiastuti, who has served effectively since November 13, 2017 based on the Decree of the Board of Directors No. 612/DIR/2017 November 7, 2017 concerning Employee Rotation/Promotion and was approved by the Board of Commissioners.



Indonesian citizen, 55 years old, domiciled in Jakarta. Obtained a Bachelor of Economics degree from Gajah Mada University, Yogyakarta in 1985.

### Work Experience

Started her career at PT Bank Tabungan Negara (Persero) Tbk since 1986 and previously has served as Head of Finance & Accounting Division (2011 - 2017).

### Training

Participated in a number of educational workshops both at home and abroad as follows: Developing The Strategic Manager 2 organized by AGSM UNSW business School, Australia in 2016, Training in Asset Accounting (PSAK & ISAK) held by the Indonesian Accounting Association (IAI), Jakarta in 2017, the Asset Accounting Implementation Workshop held by PT Barka Cahaya Mediatama in Jakarta in 2017.

## Triani Pudjiastuti

Head of Internal Audit

## INTERNAL AUDIT PERSONNEL PROFILE

The Company is highly motivated regarding the adequacy in the composition of the Internal Audit Division in supporting the implementation of its duties in terms of the number of job qualifications for competence. The Internal Audit Division personnel numbers 99 (ninety nine) personnel who are led by 1 (one) Head of Division and assisted by 1 (one) Secretary, 1 (one) Audit Coordination Head, 6 (six) Quality Assurance people, 6 (six) Personnel in the Audit System Development Department, 7 (seven) Personnel in the Audit Department Reporting to Counterparty, 42 (forty two) Conventional General Auditors, 8 (eight) Sharia General Auditors, 8 (eight) Special & Investigative Auditors, 5 (five) Information Technology Communication Auditors, 9 (nine) Regional Office Auditors, 3 (three) Personnel in the Anti-Fraud & Whistleblowing System Strategy and 2 (two) personnel on Special Assignments (Audit Committee)