

### Implementation of Duties of the Board of Commissioners Secretary

The Secretary of the Board of Commissioners of the Company had been equipped with Work Guidelines to support each of its activities which referred to the Board of Commissioners' Work Guidelines and Procedures and refer to the Work Program of the Board of Commissioners which was compiled annually.

The duties and responsibilities of the Secretary of the Board of Commissioners of the Company have been regulated by Regulation of the Minister of BUMN Number PER-12/MBU/2012. The Secretary of the Board of Commissioners plays the role of supporting the Board of Commissioners in carrying out its supervisory function and ensuring the Board of Commissioners carries out GCG practices in accordance with existing regulations. Throughout 2020, the Secretary of the Board of Commissioners carried out the following activities:

1. To carry out administrative activities within the secretariat of the Board of Commissioners.
2. To organise Board Meeting and conference/meeting between Commissioners, Shareholders, Directors and related parties (stakeholders), including a meeting invitation Preparation, Preparation of meeting materials, documentation of papers and preparation of minutes of meetings.
3. To prepare minutes of meetings of the Board of Commissioners and the minutes of a joint meeting between Commissioners Board of Directors together with the Corporate Secretary.
4. Delivering the original minutes of the Board of Commissioners meeting to the Company.
5. To Draft the Work Plan and Budget BOC.
6. Prepare the reports of the Board of Commissioners.
7. To Ensure that the BoC comply with legislation and to apply the principles of good corporate governance.
8. To Provide the information required by the Board of Commissioners periodically at any time if requested.
9. To Coordinate Committee members if necessary to facilitate the task of the Board of Commissioners.
10. To collect data or information relevant to the implementation of the duties of the Board of Commissioners.
11. To Provide data/information required by the Commissioner and Committees of the Board of Commissioners.
12. To Collect technical data derived from committees in the Board of Commissioners for BOC.
13. As a liaison between the Board of Commissioners with the Shareholders, the Board of Directors, as well as other related parties (stakeholders).
14. To perform other duties assigned by the Board of Commissioners regarding the tasks and functions of the Board of Commissioners.

### Audit Committee

The Company established an Audit Committee in order to support the Board of Commissioners in carrying out its supervisory functions, including monitoring and evaluating the implementation of the internal control system, assessing the implementation of activities and results of audits carried out by the Internal Audit Unit and external auditors, reviewing financial information to be issued by the Company, and reviewing the compliance against the provisions relating to Company activities.

### Basis for Establishing the Audit Committee

Dasar pembentukan Komite Audit berdasarkan pada peraturan-peraturan sebagai berikut:

1. Regulation of the Minister for State-Owned Enterprises No. PER-12/MBU/2012 concerning the Organ of the Board of Commissioners/Board of Supervisors of BUMN.
2. POJK No. 33/POJK.04/2014 dated 8 December 2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies.
3. POJK No. 55/POJK.04/2015 dated 23 December 2015 concerning the Establishment and Guidelines for the Work Implementation of the Audit Committee;
4. POJK No. 55/POJK.03/2016 dated 7 December 2016 concerning Implementation of Governance for Commercial Banks.
5. POJK No. 46/POJK.03/2017 dated 12 July 2017 concerning Implementation of Commercial Bank Compliance Function.
6. Financial Services Authority Regulation (POJK) No. 1/POJK.03/2019 dated 28 January 2019 concerning the Implementation of the Internal Audit Function in Commercial Banks.
7. Bank Indonesia Circular Letter (SEBI) No. 13/28/DPNP dated 9 December 2011 concerning the Implementation of Anti-Fraud Strategies for Commercial Banks.
8. Financial Services Authority Circular Letter (SEOJK) No. 13/SEOJK.03/2017 dated 17 March 2017 concerning Implementation of Governance for Commercial Banks;
9. Articles of Association of the Company.

### Duties and Responsibilities of the Audit Committee

The Audit Committee worked collectively in carrying out its duties to assist the Board of Commissioners. The Audit Committee was independent both in carrying out its duties and in reporting, and was directly responsible to the Board of Commissioners. In carrying out its functions, the Audit Committee performed duties and responsibilities as follows:

1. Assisting the Board of Commissioners to ensure the effectiveness of the internal control system and the effectiveness of the implementation of internal and external auditors' duties.
2. Assessing the implementation of activities and the results of audits carried out by the Internal Supervision Unit and external auditors.
3. Providing recommendations regarding the improvement of the management control system and its implementation.
4. Identifying matters requiring the attention of the Board of Commissioners and other duties of the Board of Commissioners.
5. Reviewing financial information issued by the Bank to the public and/or authorities, including financial reports, projections and other reports related to the Company's financial information.
6. Reviewing compliance with laws and regulations related to Company activities.
7. Providing independent opinion in the event of disagreements between management and accountants for services rendered.
8. Providing recommendations to the Board of Commissioners regarding the appointment, re-appointment and dismissal of an Accountant based on independence, scope of assignment and fees.
9. Providing recommendations to the Board of Commissioners regarding the appointment and dismissal of the head of the Internal Audit Unit (SKAI).
10. Provide recommendations to the Board of Commissioners for the preparation of the annual audit plan, scope and budget of the Internal Audit Unit.
11. Reviewing the implementation of audits by internal auditors and supervising follow-up actions by the Board of Directors on internal auditors' findings.
12. Reviewing complaints related to the accounting and financial reporting processes of the Company.
13. Reviewing and providing advice to the Board of Commissioner regarding potential conflicts of interest in the Company.
14. Maintaining the confidentiality of the Company documents, data and information.
15. Performing other duties of the Board of Commissioners in accordance with the duties of the Audit Committee.

### The Audit Committee's Authority

The Audit Committee was authorized by the Board of Commissioners to:

1. Accessing Bank documents, data and information regarding the Bank's employees, funds, assets, and required resources.
2. Communicating directly with employees including the Board of Directors and those who carry out the internal audit function, risk management and accountants regarding the duties and responsibilities of the Audit Committee.
3. Involving independent parties outside the members of the Audit Committee who are needed to assist in carrying out their duties (if needed).
4. Exercising other powers assigned by the Board of Commissioners.

### Period Duty of Audit Committee

The term of service for members of the Audit Committee who were not members of the Board of Commissioners was no longer than 3 (three) years and could be extended once for 2 (two) years of service, without prejudice to the right of the Board of Commissioners to dismiss them at any time.

### Audit Committee Charter

The Audit Committee had an Audit Committee Charter based on the Decree of the Board of Commissioners of Bank BTN No.01/DEKOM-BTN/ IX/2020 dated September 16, 2020. The Audit Committee Charter was the reference for the Audit Committee in carrying out its duties effectively. The Audit Committee Charter was created with the aim of being the basis and guidance for the Audit Committee in carrying out its duties, including monitoring and evaluating the implementation of the internal control system, assessing the implementation of audit results carried out by the Internal Supervisory Unit and external editors, reviewing financial information to be issued by the Company and reviewing compliance with regulations relating to the Company's activities.

The contents of the Audit Committee Charter were:

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| <b>Part I</b>  | General Provisions, Purpose of Establishing the Audit Committee Charter |
| <b>Part II</b> | Tugas dan Tanggung Jawab serta Wewenang Komite Audit                    |
- Duties and Responsibilities and Authorities of the Audit Committee
  - Duties and Authorities of the Audit Committee
  - Responsibilities of the Audit Committee in Implementing the Internal Audit Function
  - Obligations of the Audit Committee
  - Access and Confidentiality of Information
  - Audit Committee Membership Requirements