

**DECREE OF BOARD OF COMMISSIONERS OF
PT BANK TABUNGAN NEGARA (PERSERO) TBK
NO.: 01/DEKOM-BTN/IX/2020**

REGARDING

**RENEWAL OF AUDIT COMMITTEE CHARTER OF
PT BANK TABUNGAN NEGARA (PERSERO) TBK.**

Considering:

1. that part of the duties and responsibilities of the Board of Commissioners in carrying out supervision of PT Bank Tabungan Negara (Persero) Tbk. as set forth by the Regulator is to monitor the performance of the internal audit at PT Bank Tabungan Negara (Persero) Tbk.;
2. that for this purpose, it is necessary to establish a Committee as a Bank organ in charge of assisting and reporting directly to the Board of Commissioners in carrying out its duties;
3. that for this purpose, it is necessary to prepare a charter as a work guideline for the Audit Committee which is constantly evaluated and refined;
4. that for this purpose, it is necessary to include it in a Decree of the Board of Commissioners of PT Bank Tabungan Negara (Persero), Tbk,

In view of:

1. Law of Republic of Indonesia No. 7 of 1992 on March 25, 1992 regarding Banking as amended by Law of Republic of Indonesia No. 10 of 1998 on November 10, 1998.
2. Law of Republic of Indonesia No. 8 of 1995 regarding Capital Market on November 10, 1995.
3. Law of Republic of Indonesia No. 19 of 2003 on June 19, 2003 concerning State-Owned Enterprises.
4. Law of Republic of Indonesia No. 40 of 2007 on August 16, 2007 concerning Limited Liability Company.
5. Regulation of State Minister of State-Owned Enterprises of Republic of Indonesia No. PER-01/MBU/2011 on August 01, 2011 on the Implementation of Good Corporate Governance at State-Owned Enterprises as amended by Regulation of State Minister of State-Owned Enterprises of Republic of Indonesia No. PER-09/MBU/2012 on July 06, 2012.
6. Regulation of State Minister of State-Owned Enterprises No. PER-12/MBU/2012 regarding Supporting Organ of Board of Commissioners/Board of Supervisors of State-Owned Enterprises.
7. Otoritas Jasa Keuangan Regulation No. 33/POJK.04/2014 on December 08, 2014 on Directors and Board of Commissioners of Issuers or Public Companies.

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8. Otoritas Jasa Keuangan Regulation No. 55/POJK.04/2015 on December 23, 2015 on the Establishment of and Guidance for the Work Performance of Audit Committee.
9. Otoritas Jasa Keuangan Regulation No. 55/POJK.03/2016 on December 07, 2016 regarding the Implementation of Governance for General Banks.
10. Otoritas Jasa Keuangan Regulation No. 13/POJK.03/2017 on March 27, 2017 concerning the Use of Public Accounting Services and Public Accounting Firms in Financial Service Activities.
11. Otoritas Jasa Keuangan Regulation No. 01/POJK.03/2019 on January 28, 2019 on the Implementation of Internal Audit Functions at General Banks.
12. Circular of Otoritas Jasa Keuangan No. 13/SEOJK.03/2017 on March 17, 2017 regarding the Implementation of Governance for General Banks.
13. Articles of Association of PT Bank Tabungan Negara (Persero) Tbk as amended last by Deed of Decisions of Annual General Meeting of Shareholders No. 66 on March 23, 2018.
14. Decree of Board of Commissioners No. 01/DEKOM-BTN/2017 on August 10, 2017 regarding Guidelines and Work Procedures of Board of Commissioners.
15. Joint Decree of Board of Commissioners and Directors of PT Bank Tabungan Negara (Persero) Tbk. No. 02/DEKOM-BTN/2017 – No. 01/DIR-BTN/2017 on November 24, 2017 on the Work Relations of Board of Commissioners and Directors.
16. Regulation of Directors No. 04/PD/HCD/2015 on March 31, 2015 regarding the Income of Supporting Organ of Board of Commissioners, Directors of PT Bank Tabungan Negara (Persero), Tbk.

Given: Decisions of meeting of Board of Commissioners on September 16, 2020 on the Review of Audit Committee Charter of PT Bank Tabungan Negara (Persero), Tbk.

Having decided:

To stipulate : DECREE OF BOARD OF COMMISSIONERS ON THE RENEWAL OF AUDIT COMMITTEE CHARTER OF PT BANK TABUNGAN NEGARA (PERSERO) TBK.

ONE : Audit Committee Charter is regulated as attached to the Decree of Board of Commissioners.

TWO : This decision shall be effective from the day of its stipulation.

THREE : In case of any future amendment, appropriate rectification will be made.

Initial:

Stipulated : in Jakarta
On : September 16, 2020

PT BANK TABUNGAN NEGARA (PERSERO), Tbk
Board of Commissioners

[signed]

[signed]

Chandra M. Hamzah

President / Independent Commissioner

Ahdi Jumhari Luddin

Independent Commissioner / Chairman of Audit
Committee

Initial:

**Annex to Decree of Board of Commissioners
No.: 98/KOM-BTN/IX/2020, on September 16, 2020**

**AUDIT COMMITTEE CHARTER OF
PT BANK TABUNGAN NEGARA (PERSERO), TBK**

**SECTION I
GENERAL PROVISIONS, PURPOSE OF ESTABLISHMENT OF
AUDIT COMMITTEE CHARTER**

**Clause 1
GENERAL PROVISIONS**

In this regulation, the following has the meanings as follows:

1. **Bank/Company** is PT Bank Tabungan Negara (Persero) Tbk.;
2. **State Share Company**, hereinafter referred to as Persero, refers to a State-Owned Enterprise (SOE) in the form of a Limited Liability Company whose capital is divided into shares in which its entire or at least 51% (fifty-one percent) of its shares is owned by Republic of Indonesia;
3. **General Meeting of Shareholders**, hereinafter referred to as GMS (RUPS), is a Corporate Organization with authority not granted to the Directors or Board of Commissioners within the limits as set forth in the Law No. 40 of 2007 and/or the Company's Articles of Association;
4. **Board of Commissioners** is Bank Organization with the duty of performing general and/or special supervision under the Articles of Association and advising Directors in Bank management;
5. **Independent Commissioner** is a member of Board of Commissioners who has no financial, management, share ownership and/or family relationship with other members of Board of Commissioners, Directors and/or controlling shareholders or relationship with the Bank, which may affect its capability of acting independently;
6. **Commissioner** is a member of Board of Commissioner which is not Independent Commissioner;
7. **Directors** are Bank Organization fully responsible for the management of the Bank for the benefit and interest of the Bank and representing Bank within and outside the court according to the provisions of Articles of Association.
8. **Supporting Organ of Board of Commissioners** refers to apparatus or Organ established by the Board of Commissioners to assist in the smooth supervision carried out by the Board of Commissioners, consisting of the Secretary to the Board of Commissioners, Audit Committee, Risk Monitoring Committee and Remuneration and Nomination Committee; or any other Committees when necessary.
9. **Audit Committee** refers to a committee established by and responsible to the Board of Commissioners in carrying out the company's supervising function, including but not limited to, ensuring the effectiveness of the internal control system, reviewing and confirming financial information to be issued by the Bank and ensuring the effectiveness of external and internal auditors' duties.

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10. **Independent Parties** are parties outside the Bank which have no financial, management, share ownership and/or family relationship with Board of Commissioners, Directors and/or controlling shareholders or relationship with the Bank, which may affect the capability of acting independently;
11. **Corporate Governance** refers to a corporate governance based on a balance of authority so that there is no abuse of authority and checks and balances in the Company's operations by applying the principles of transparency, accountability, responsibility, independence and fairness;
12. **Conflict of Interest** is a conflict between economic interests of the Company and personal economic interests of the owners, members of Board of Commissioners, members of Directors, Executive Officers, Employees and/or affiliated parties of the Company.

CLAUSE 2**DEFINITION, OBJECTIVE AND PURPOSE OF AUDIT COMMITTEE CHARTER**

1. Definition of Audit Committee Charter:
The Audit Committee Charter is a working guideline that contains a set of rights, obligations and work procedures established by Board of Commissioners for Audit Committee in order to assist the Board of Commissioners in carrying out their duties and functions.
2. Objective of Audit Committee Charter:
The Audit Committee Charter is intended as a working guideline for the Audit Committee to carry out its duties to assist the Board of Commissioners,
3. Purpose of Audit Committee Charter:
The Audit Committee Charter is made with the aim of being the basis and guidance for the Audit Committee in carrying out its duties, including but not limited to monitoring and evaluating the implementation of internal control system, assessing the performance of audit activities and results carried out by Internal Control Unit and external auditors, reviewing financial information to be issued by the Bank, and reviewing compliance with regulations related to Bank activities.

SECTION II**DUTIES AND RESPONSIBILITIES AND AUTHORITIES OF AUDIT COMMITTEE****CLAUSE 3****DUTIES AND AUTHORITIES OF 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 directly responsible to the Board of Commissioners.
3. In carrying out its functions, the Audit Committee performs the following duties and responsibilities:
 - a. Assisting the Board of Commissioners to ensure the effectiveness of internal control system and the effectiveness of the performance of duties of the internal auditors and external auditors.
 - b. Assessing the performance of audit activities and results carried out by the Internal Control Unit and external auditors.

Initial:

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- c. Providing recommendations on the improvement of management control system and its performance.
 - d. Identifying matters that require the attention of the Board of Commissioners and any other duties of the Board of Commissioners.
 - e. Reviewing the financial information to be issued by the Bank to the public and/or authorities, including financial statements, projections, and any other reports related to the Bank's financial information.
 - f. Reviewing compliance with laws and regulations related to the Bank's activities.
 - g. Providing an independent opinion in the event of a difference of opinion between the management and the accountants on the services provided.
 - h. Providing the Board of Commissioners with recommendations regarding the appointment, reappointment and dismissal of Accountants based on independence, scope of assignment and fees.
 - i. Reviewing the performance of audit by internal auditors and supervising the performance of follow-up by the Directors on the findings of the internal auditors.
 - j. Reviewing complaints related to the Bank's accounting and financial reporting processes.
 - k. Reviewing and providing the Board of Commissioners with advice regarding potential conflicts of interest with the Bank.
 - l. Maintaining the confidentiality of Bank documents, data and information.
 - m. Performing any other duties of the Board of Commissioners in accordance with the duties of the Audit Committee.
4. The Audit Committee is authorized by the Board of Commissioners to:
- a. Access the Bank's documents, data, and information about the Bank's employees, funds, assets, and resources as required.
 - b. Communicate directly with employees including the Directors and those who carry out internal audit, risk management and accounting functions regarding the duties and responsibilities of the Audit Committee.
 - c. Involve independent parties other than members of the Audit Committee as necessary to assist in carrying out duties (if required).
 - d. Perform other authorities granted by the Board of Commissioners.

CLAUSE 4
RESPONSIBILITIES OF AUDIT COMMITTEE IN THE PERFORMANCE OF INTERNAL AUDIT FUNCTIONS

In the performance of internal audit functions of the Bank, the Audit Committee is responsible for:

1. providing recommendations on the appointment and dismissal of the Head of SKAI;
2. providing recommendations on the issuance of the Internal Audit Charter;
3. providing the Board of Commissioners with recommendations on the appointment of an independent quality controller from an external party to review the performance of SKAI;

Initial:

4. monitoring and reviewing the effectiveness of the Bank's internal audit;
5. evaluating the performance of SKAI;
6. ensuring that SKAI communicates with the Directors, Board of Commissioners, Sharia Board of Supervisors for sharia commercial banks and conventional commercial banks with sharia business units, external auditors, and the Otoritas Jasa Keuangan;
7. ensuring that SKAI works independently;
8. providing the Board of Commissioners with recommendations regarding the preparation of the audit plans, scope, and budget of SKAI;
9. reviewing audit reports and ensuring that the Directors take the necessary corrective actions in a quick manner to address control weaknesses, fraud, compliance issues with policies, laws, and regulations, or any other issues identified and reported by SKAI;
10. providing the Board of Commissioners with recommendations regarding the provision of SKAI's annual remuneration as a whole and performance awards; and
11. ensuring that SKAI upholds integrity in carrying out its duties.

CLAUSE 5
OBLIGATIONS OF AUDIT COMMITTEE

In the performance of its duties, Audit Committee is obliged:

1. To prepare work guidelines as outlined in the Audit Committee Charter.
2. To make Audit Committee work program at the beginning of the year and approved by the Board of Commissioners
3. To maintain the confidentiality of Bank documents, data and information.
4. The Audit Committee is required to make a report to the Board of Commissioners on each assignment given,
5. The Audit Committee is required to make an annual report on the performance of the activities of the Audit Committee disclosed in the Bank's Annual Report.

CLAUSE 6
ACCESS TO AND CONFIDENTIALITY OF INFORMATION

1. Under a written assignment letter from the Board of Commissioners, the Audit Committee can access records or information about the Bank's employees, funds, assets and any other resources related to the performance of its duties.
2. The Audit Committee is required to report in writing the results of the assignment as referred to in sub-clause (1) to the Board of Commissioners.
3. The Audit Committee is required to maintain the confidentiality of the Bank's documents, data, and information from both internal and external parties and those are only used for the purpose of carrying out its duties.

CLAUSE 7
STRUCTURE, APPOINTMENT AND DISMISSAL OF AUDIT COMMITTEE

1. The Audit Committee consists of at least 3 (three) members from Independent Commissioners and Parties from outside the Bank.²
2. The membership of the Audit Committee consists of at least 1 (one) Independent Commissioner who also serves as Chairman, 1 (one) Independent Party with expertise in finance/accounting, and 1 (one) Independent Party with expertise in law/banking.³
3. The chairman and members of the Audit Committee are appointed and dismissed by the Board of Commissioners.
4. The Chairman of the Audit Committee is an Independent Commissioner.
5. Members of the Audit Committee can come from members of the Board of Commissioners or from outside the Bank.
6. The Audit Committee is responsible to the Board of Commissioners.
7. The Appointment and Dismissal of Members of the Audit Committee are reported to the General Meeting of Shareholders, and submitted to the Otoritas Jasa Keuangan no later than 2 (two) business days after the appointment and dismissal.
8. Information regarding the appointment and dismissal as referred to in sub-clause (7) above must be posted on the Stock Exchange Website and/or Bank Website.
9. Members of the Audit Committee who are members of the Board of Commissioners, will resign automatically when their term of office as a member of the Board of Commissioners expires.
10. 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 Independent Board of Commissioners within 30 (thirty) days at the latest.

CLAUSE 8
MEMBERSHIP REQUIREMENT OF AUDIT COMMITTEE

Membership requirement of the Audit Committee includes the following:

1. They shall have high integrity, ability and knowledge and sufficient work experience in supervision/inspection, and be able to communicate well.
2. They do not have any personal interests/relationships that may have a negative impact and conflict of interest on the Bank.
3. They can provide sufficient time to complete the duties.
4. One member of the Audit Committee must have educational background or have expertise in accounting or finance, and one must understand Bank industry/business.

² Article 4 of POJK No. 55/POJK.04/2015 regarding the Formation and Guidelines for the Work Performance of Audit Committee

³ Article 41 paragraph (1) of POJK No. 55/POJK.03/2016 regarding the Implementation of Governance for Conventional Banks

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5. They are required to understand financial statements, the Bank's business, especially those related to the services or business activities of the Bank.
6. They must understand the audit process, risk management, and laws and regulations in the Capital Market and any other relevant laws and regulations.
7. They shall comply with the code of ethics of the Audit Committee set forth by the Bank.
8. They are willing to improve competence continuously through education and training.
9. They are not an insider of a Public Accounting Firm, Legal Consulting Firm, Public Appraisal Service Firm or any other party providing the Bank with assurance, non-assurance services, appraisal services and/or any other consulting services within the last 6 (six) months.
10. They are not an individual who works or has the authority and responsibility to plan, lead, control or supervise the Bank's activities within the last 6 (six) months, except for an Independent Commissioner.
11. They do not own shares directly or indirectly in the Bank.
12. In the event that a member of the Audit Committee acquires the Bank's shares either directly or indirectly as a result of a legal event, such shares must be transferred to another party within a maximum period of 6 (six) months after the acquisition of the shares.
13. They have no affiliation with members of the Board of Commissioners, members of Directors, or Major Shareholders of the Bank.
14. They have no business relationship either directly or indirectly related to the Bank's business activities.

CLAUSE 9**WORK METHOD AND PROCEDURES OF AUDIT COMMITTEE**

1. The Board of Commissioners stipulates the Audit Committee Charter based on the proposal of the Audit Committee
2. The original Audit Committee Charter is submitted to the Directors for documentation.
3. Prior to the current fiscal year, the Audit Committee is required to prepare and submit an annual work plan and budget to the Board of Commissioners for approval.⁴
4. A copy of the work plan and budget of the Audit Committee as referred to in sub-clause 3 (three) is submitted by the Board of Commissioners to the Directors for acknowledgement.
5. The performance of the Audit Committee's annual work plan and budget is reported to the Board of Commissioners.
6. Evaluation of the performance of the Audit Committee is made every 1 (one) year using the method specified by the Board of Commissioners.

⁴ Article 24 of Regulation of Minister of State-Owned Enterprises (SOEs) No. PER-12/MBU/2012 regarding Supporting Organ of Board of Commissioners/Board of Supervisors of SOEs.

**CLAUSE 10
AUDIT COMMITTEE MEETING**

1. The Audit Committee holds a meeting with the same minimal requirement as the meeting of Board of Commissioners as set out in the articles of association.
2. Audit Committee meetings can be held if attended by at least 51% (fifty -one percent) of the total members of the Audit Committee including an Independent Commissioner and an Independent Party.⁵
3. In case of a conflict of interest between members of the Audit Committee and the object of discussion, the committee members are required to declare a conflict of interest and do 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. The decisions of the Audit Committee meetings are made by deliberation and consensus.
6. In the event that the deliberation and consensus as referred to in sub-clause (5) are not reached, the decisions are made based on the majority vote.
7. Any of the Audit Committee meetings must be stated in the minutes of the meeting signed by all members of the Audit Committee present and these minutes shall be properly documented.
8. The minutes of the meeting as referred to in sub-clause 6 shall be submitted in writing by the Audit Committee to the Board of Commissioners.
9. Dissenting opinions that arise in the Audit Committee meetings must be clearly stated in the minutes of the meeting along with the reasons for the dissenting opinion.
10. In the event that members of the Audit Committee cannot attend the meeting physically, they can attend the meeting using the following manner:
 - a. Power of attorney or any other permitted methods in accordance with the procedures and provisions of the applicable laws or;
 - b. Electronic media facilities include teleconferencing.
11. Attendance of members of the Audit Committee in meetings is reported in the quarterly reports and annual reports of the Audit Committee.

**CLAUSE 11
REPORTING OF AUDIT COMMITTEE**

1. The Audit Committee must submit a report to the Board of Commissioners on each duty performance, accompanied by recommendations if necessary.
2. The Audit Committee shall prepare quarterly reports to the Board of Commissioners, and annual reports disclosed in the Bank's Annual Report.

⁵ Article 50 of POJK No. 55/POJK.03/2016 regarding the Implementation of Governance for Conventional Banks

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3. The Audit Committee reports as referred to in sub-clause 1 and sub-clause 2 are signed by the Chairman and Members of the Audit Committee.
4. The contents of the reports shall contain at least issues, analysis and recommendations.
5. Reporting is limited and only for the Board of Commissioners.

CLAUSE 12
HANDLING OF COMPLAINTS OR REPORTING OF
ALLEGED VIOLATION RELATED TO FINANCIAL STATEMENTS

1. Based on the assignment of the Board of Commissioners, Audit Committee shall handle complaints or reports regarding alleged violations related to financial reporting reported by third parties to the Board of Commissioners.
2. In the follow-up of the assignment of the Board of Commissioners, the Audit Committee shall collect information and evidence from internal and external sources of the company and make analysis, reviews and prepare reports.
3. The Audit Committee shall report the assignment results of the Board of Commissioners in the first opportunity at the meeting of the Board of Commissioners.

CLAUSE 13
TERM OF OFFICE

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

CLAUSE 14
IMPROVED PROFESSIONALISM OF MEMBERS OF AUDIT COMMITTEE
AND THE USE OF SUPPORTING STAFF

1. The Audit Committee may submit a request to the management to attend workshops, seminars or certified education related to their field of work to improve their professional abilities in supporting the performance of their duties.
2. The Audit Committee may submit requests for independent personnel assistance in order to support the smooth performance of duties at the expense of the Bank.

CLAUSE 15
WORK PLANS AND BUDGET OF AUDIT COMMITTEE

1. Prior to the current fiscal year, the Audit Committee is required to prepare and submit an annual work plan and budget to the Board of Commissioners for approval.
2. The copy of the Audit Committee's annual budget as referred to in sub-clause (1) is submitted by the Board of Commissioners to the Directors for acknowledgement.
3. The realization of the Audit Committee's annual budget is reported to the Board of Commissioners.

Initial:

4. The Audit Committee's budget is part of the Board of Commissioners' budget, the use of which does not require the approval of the Directors.

CLAUSE 16
INCOME OF COMMITTEE MEMBERS

1. The income of the members of Audit Committee is determined by the Board of Commissioners by taking the ability of the Bank into account.⁶
2. The income of the Committee Members as referred to in sub-clause 1 is in the form of a maximum honorarium of 20% (twenty percent) of the salary of the Bank's President Director, provided that the tax is borne by the Bank, and they are not allowed to receive other income than the honorarium.⁷
3. Religious Holiday Allowances may be provided to members of the Audit Committee in accordance with the provisions and/or applicable laws and regulations.⁸
4. Tax on Holiday Allowance is borne by the Bank.⁹
5. Members of the Board of Commissioners who become Chairman/Members of the Audit Committee are not provided with additional income from the position other than income as members of the Board of Commissioners.¹⁰

CLAUSE 17
CLOSING

1. This Audit Committee Charter is subject to the prevailing laws and regulations.
2. This Audit Committee Charter is signed jointly by members of the Audit Committee and Board of Commissioners
3. For the acknowledgement of the Bank's officials and employees, this Decree of the Board of Commissioners is documented by the Directors and published in the Bank Announcement Sheet.

^{6 - 7} Regulation of Directors No. 04/PD/HCD/2015 on March 31, 2015 regarding the Income of Supporting Organ of Board of Commissioners, Directors of PT Bank Tabungan Negara (Persero), Tbk and Regulation of Minister of State-Owned Enterprises (SOEs) No. PER-12/MBU/2012 regarding Supporting Organ of Board of Commissioners / Board of Supervisors of the SOEs.

^{8 - 10} Regulation of Directors No. 04/PD/HCD/2015 on March 31, 2015 regarding the Income of Supporting Organ of Board of Commissioners, Directors of PT Bank Tabungan Negara (Persero), Tbk and Regulation of Minister of State-Owned Enterprises (SOEs) No. PER-12/MBU/2012 regarding Supporting Organ of Board of Commissioners / Board of Supervisors of the SOEs.

Stipulated : in Jakarta

On : September 16, 2020

PT BANK TABUNGAN NEGARA (PERSERO) Tbk

Board of Commissioners

[signed]

Chandra M Hamzah

President / Independent Commissioner

[signed]

Ahdi Jumhari Luddin

Independent Commissioner / Chairman of Audit
Committee

Initial: