

BCA Syariah has issued the Board of Directors' Decree Number: 001/SK/KOM/2021 regarding the Internal Audit Charter for the year 2021, dated January 5, 2021.

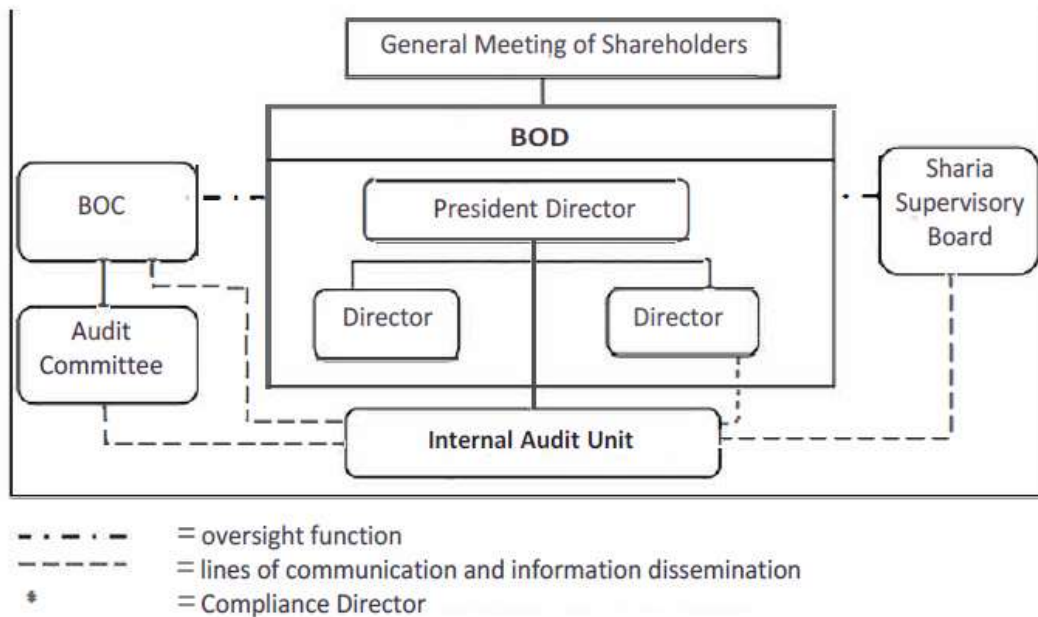
**The Internal Audit Charter consists of:**

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### Position of IAU

The internal audit function of BCA Syariah is conducted by the Internal Audit Division (IAU), which is led by the Head of SAI. The Head of SAI reports directly to the President Director.

The following chart illustrates the position of IAU within the organizational structure of BCA Syariah:



## Independence of the Internal Audit Unit (IAU)

To support independence and objectivity in carrying out its duties and functions, and to ensure smooth auditing processes and authority in monitoring follow-ups on audit results, the Head of the IAU can communicate directly with the Board of Commissioners and/or the Audit Committee to inform them of various audit-related matters. Regarding matters related to Sharia principles, the Head of the IAU can communicate with the Sharia Supervisory Board (SSB). The Head of the IAU must report to the President Director with a copy to the Director of Compliance. Reports on the implementation of IAU duties are submitted to the President Director or the Board of Commissioners, with copies to the Board of Commissioners, Audit Committee, and the Director in charge of Compliance.

Note: \*\*If communication with the President Director is deemed inappropriate, for instance, if the IAU's findings concern the integrity of the President Director.

## Appointment and Dismissal of the Head of IAU

The Head of IAU is appointed and dismissed by the President Director after obtaining approval from the Board of Commissioners, considering recommendations from the Audit Committee.

Each appointment or dismissal of the Head of the IAU must be promptly notified to the Financial Services Authority (OJK).

### Main Duties of the IAU

The primary duties of the IAU are:

1. Assisting the President Director and the Board of Commissioners in supervision by operationalizing planning, implementation, and monitoring of audit results.
2. Assessing the adequacy and effectiveness of the company's governance, risk management, and internal control processes.
3. Conducting financial, accounting, operational, and other analyses and assessments through audits.
4. Identifying opportunities to improve and increase the efficiency of resource and fund utilization.
5. Providing objective improvement suggestions and information on the activities reviewed at all management levels.
6. Acting as a consultant for internal company parties as needed, especially concerning the scope of their duties.
7. Coordinating with other control units, such as compliance or risk management units.
8. Representing BCA Syariah in facilitating, monitoring, analyzing, and reporting follow-ups carried out by relevant units on external auditor and other third-party audit results.

### Responsibilities of the IAU

The responsibilities of the Head and all IAU staff include:

1. Implementing the Internal Audit Code of Ethics.
2. Adhering to guidelines and methodologies stipulated in the Internal Audit Manual.
3. Exercising due diligence in performing their duties.
4. Maintaining integrity and objectivity, or an independent mental attitude.
5. Keeping company-related information and/or data confidential, unless required by law or court decision.

## Scope of IAU Activities

IAU activities encompass the examination and evaluation of the adequacy of internal control systems, effectiveness of governance processes, risk management, and performance quality, as well as the application of Sharia principles to support the achievement of the company's objectives. This includes:

1. Evaluating risk exposure in achieving the company's strategic objectives.
2. Evaluating the reliability, effectiveness, and integrity of management information processes and systems, including the relevance, accuracy, completeness, availability, and confidentiality of data.
3. Evaluating existing systems to ensure compliance with policies, procedures, and legal regulations, including adherence to Sharia principles.
4. Evaluating organizational performance quality.
5. Providing consultation and input on governance, risk management, and internal control matters.
6. Evaluating operational activities at the request of the Board of Directors, Board of Commissioners, or Audit Committee.
7. Reporting significant control issues and risk exposures, including fraud, governance issues, and other problems as needed or as requested by the Board of Directors, Board of Commissioners, or Audit Committee.

The scope of internal audit activities includes functions and activities at Service Offices, Work Units/Divisions, Head Office Units, and/or activities outsourced to external parties and/or in collaboration with third parties.

## Internal Audit Code of Ethics

In performing its duties, the IAU must implement the Internal Audit Code of Ethics, which includes:

1. Being reliable, firm, honest, and trustworthy.
2. Keeping confidential the information obtained during task execution.
3. Acting independently and objectively in performing duties and functions.
4. Avoiding conflicts of interest.

5. Applying the necessary knowledge, skills, and experience in conducting audits.

### **Prohibition of Dual Roles and Positions**

Internal auditors are not allowed to engage in the company's operational activities. Internal auditors who, due to special circumstances, are temporarily assigned by the Board of Directors to assist/support the operations of a branch or specific work unit, are not permitted to perform audit functions on that branch/unit/activity for at least 12 (twelve) months afterward.