

bankjatim

AUDIT
INTERN
INTERNAL AUDIT





Pendekatan audit yang diterapkan Divisi Audit Intern pada tahun 2019 menggunakan pendekatan *Risk Based Audit*, yaitu metode pendekatan audit dalam penentuan objek-objek audit, memprioritaskan Kantor Cabang dan Unit Kerja di Kantor Pusat yang memiliki risiko tinggi dan *Risk Control System* yang rendah. Divisi Audit Intern juga memprioritaskan pada aktivitas fungsional Kantor Cabang dan transaksi keuangan yang berpotensi mempunyai risiko tinggi menimbulkan kerugian Bank. Pelaksanaan audit tahun 2019 meliputi Unit Kerja Kantor Pusat dan Kantor Cabang, termasuk Cabang Syariah sesuai dengan *Audit Plan* tahun 2019.

STRUKTUR DAN KEDUDUKAN DIVISI AUDIT INTERN

Struktur dan kedudukan Divisi Audit Intern telah diatur dan ditetapkan sesuai dengan:

1. POJK Nomor 01/POJK.03/2019 tanggal 28 Januari 2019 tentang Kewajiban Bank Umum untuk Menerapkan Standar Pelaksanaan Fungsi Audit Intern Bank (SPFAIB).
2. *Internal Audit Charter* yang ditetapkan pada tanggal 1 Agustus 2019.
3. Surat Keputusan Direksi No. 057/233/DIR/PRS/KEP tanggal 18 Juli 2018 tentang Pedoman Pelaksanaan Struktur Organisasi dan Tata Kerja PT Bank Pembangunan Daerah Jawa Timur Tbk.
4. Surat Keputusan Direksi Bank Jatim No. 047/210/KEP/DIR/PWS tanggal 22 Desember 2009 tentang Pedoman Pelaksanaan Audit Intern dan perubahannya Surat Edaran Direksi No. 052/039/DIR/AI Tanggal 24 November 2014.
5. Surat Keputusan Direksi Bank Jatim No. 047/211/KEP/DIR/PWS tanggal 31 Desember 2009 tentang Pedoman Pelaksanaan Prosedur Audit Intern dan perubahannya Surat Edaran Direksi No. 052/040/DIR/AI Tanggal 24 November 2014.
6. Surat Keputusan Direksi Bank Jatim No. 050/119/KEP/DIR/AI tanggal 29 Juni 2012 tentang Buku Pedoman Penerapan Strategi *Anti Fraud* PT Bank Pembangunan Daerah Jawa Timur.
7. Surat Keputusan Direksi Bank Jatim No. 054/45/KEP/DIR/AI tanggal 07 April 2016 tentang Buku Pedoman Pelaksanaan Audit Internal Teknologi Informasi dan perubahannya Surat Edaran Direksi No. 054/172/XI/2016 tanggal 21 November 2016 perihal Penambahan Buku Pedoman Pelaksanaan Prosedur Audit Internal Teknologi Informasi.

The audit approach applied by the Internal Audit Division in 2019 uses the Risk Based Audit approach, which is the audit approach method in determining audit objects, prioritizing Branch Offices and Work Units at Headquarters that have high risks and low Risk Control Systems. The Internal Audit Division also prioritizes the functional activities of Branch Offices and financial transactions that have the potential to have a high risk of causing Bank losses. The 2019 audit will include the Head Office and Branch Offices, including Sharia Branches in accordance with the 2019 Audit Plan.

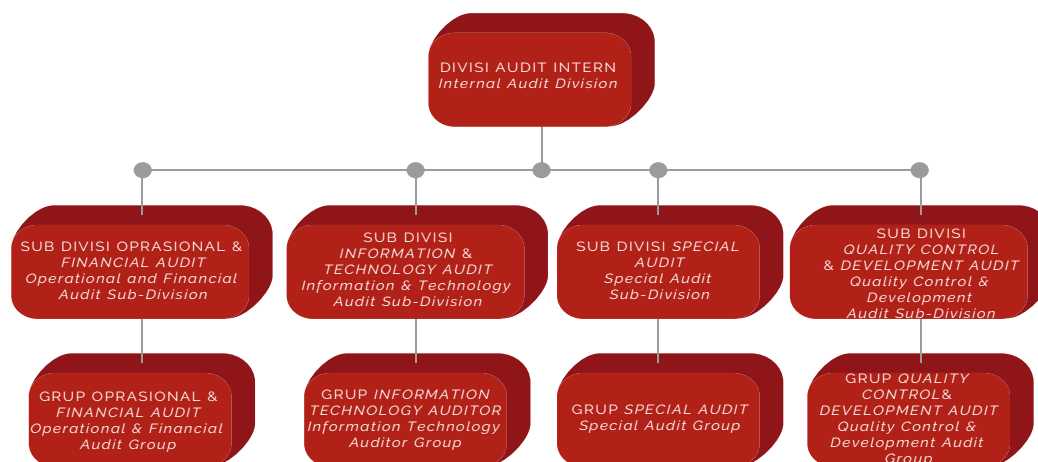
STRUCTURE AND POSITION OF THE INTERNAL AUDIT DIVISION

The structure and position of the Internal Audit Division is regulated and determined according to:

1. POJK Number 01/POJK.03/2019 dated January 28, 2019 concerning the Obligations of Commercial Banks to Implement Standards for the Implementation of the Bank Internal Audit Function (SPFAIB).
2. Internal Audit Charter established on August 1, 2019.
3. Directors Decree No. 057/233/DIR/PRS/KEP dated 18 July 2018 concerning Guidelines for Implementing the Organizational Structure and Work Procedures of PT Bank Pembangunan Jawa Timur Tbk.
4. Decree of the Directors of Bank Jatim No. 047/210/KEP/DIR/PWS dated December 22, 2009 concerning Guidelines for the Implementation of Internal Audit and amendments to the Directors Circular No. 052/039/DIR/AI on 24 November 2014.
5. Decree of the Directors of Bank Jatim No. 047/211/KEP/DIR/PWS dated 31 December 2009 concerning Guidelines for the Implementation of Internal Audit Procedures and amendments to the Directors Circular No. 052/040/DIR/AI on November 24, 2014.
6. Decree of the Directors of Bank Jatim No. 050/119/KEP/DIR/AI dated June 29, 2012 concerning the Guidelines for Implementing Anti-Fraud Strategies of PT Bank Pembangunan Daerah Jawa Timur Tbk.
7. Decree of the Directors of Bank Jatim No. 054/45/KEP/DIR/AI dated April 7, 2016 concerning the Guidelines for the Implementation of the Internal Audit of Information Technology and its changes. 054/172/XI/2016 dated November 21, 2016 concerning the Addition of an Information Technology Internal Audit Implementation Manual.

Berikut Struktur Organisasi Divisi Audit Intern:

The following organizational structure of the Internal Audit Division:



Pemimpin Divisi Audit Intern diangkat dan diberhentikan oleh Direktur Utama dengan persetujuan Dewan Komisaris dan dilaporkan kepada Badan Pengawas Pasar Modal (Bapepam) dan Otoritas Jasa Keuangan (OJK). Pemimpin Divisi Audit Intern bertanggung jawab langsung kepada Direktur Utama. Untuk mendukung independensi dan menjamin kelancaran audit serta wewenang dalam memantau tindak lanjut, maka Divisi Audit Intern dapat berkomunikasi langsung dengan Dewan Komisaris untuk menginformasikan berbagai hal yang berhubungan dengan audit.

The Head of the Internal Audit Division is appointed and dismissed by the President Director with the approval of the Board of Commissioners and reported to the Capital Market Supervisory Agency (Bapepam) and the Financial Services Authority (OJK). The Head of the Internal Audit Division reports directly to the President Director. To support independence and ensure the smooth operation of the audit and the authority to monitor follow-up, the Internal Audit Division can communicate directly with the Board of Commissioners to inform various matters relating to the audit.

Kedudukan, mekanisme, tugas dan wewenang Divisi Audit Intern termasuk transparansi serta kejelasan merupakan hal yang signifikan dalam pengelolaan Bank Jatim, sehingga kebijakan audit intern yang berkaitan dengan tanggung jawab, wewenang serta tingkat independensi telah dinyatakan dalam *Internal Audit Charter* yang ditandatangani oleh Direktur Utama dan disetujui oleh Dewan Komisaris pada tanggal 1 Agustus 2019 yang disusun berdasarkan POJK Nomor 01/POJK.03/2019 tanggal 28 Januari 2019 tentang Kewajiban Bank Umum untuk Menerapkan Standar Pelaksanaan Fungsi Audit Intern Bank (SPFAIB), serta Peraturan Otoritas Jasa Keuangan No.56/POJK.04/2015 tentang Pembentukan dan Pedoman Penyusunan Piagam Audit Internal.

The position, mechanism, duties and authority of the Internal Audit Division including transparency and clarity are significant matters in the management of Bank Jatim, so that the internal audit policy relating to responsibilities, authorities and levels of independence has been stated in the Internal Audit Charter signed by the President Director and approved by the Board of Commissioners on August 1, 2019 compiled based on POJK Number 01/POJK.03/2019 dated January 28, 2019 concerning the Obligations of Commercial Banks to Implement Standards for the Implementation of the Bank Internal Audit Function (SPFAIB), and Regulation of the Financial Services Authority No.56/POJK .04/2015 concerning the Formation and Guidelines for the Preparation of Internal Audit Charter.

KEWENANGAN DAN TANGGUNG JAWAB DIVISI AUDIT INTERN

AUTHORITY AND RESPONSIBILITY OF THE INTERNAL AUDIT DIVISION

KEWENANGAN DIVISI AUDIT INTERN:

AUTHORITY OF THE INTERNAL AUDIT DIVISION:

1. Melakukan aktivitas Internal Audit terhadap kegiatan semua unit kerja dalam organisasi Bank serta pemeriksaan secara *offsite* perusahaan terelasi.
2. Melakukan komunikasi secara langsung dengan Direktur Utama, Dewan Komisaris, dan/atau Komite Audit.
3. Melakukan komunikasi dengan pihak eksternal termasuk regulator.

1. Conducting Internal Audit activities on the activities of all work units in the Bank organization as well as offsite related company audits.
2. Communicating directly with the President Director, the Board of Commissioners, and/or the Audit Committee.
3. Communicating with external parties including regulators.

4. Melakukan akses terhadap seluruh informasi, karyawan dan termasuk di dalamnya namun tidak terbatas pada rekening/catatan karyawan sumber daya dan dana serta aset Bank lainnya yang berkaitan dengan pelaksanaan audit.
5. Melakukan aktivitas investigasi terhadap kasus/masalah pada setiap aspek dan unsur kegiatan yang terindikasi *fraud* dan pelanggaran *code of conduct*.

TANGGUNG JAWAB DIVISI AUDIT INTERN:

1. Merencanakan dan melaksanakan aktivitas Internal Audit dengan penekanan pada bidang/aktivitas yang mempunyai risiko tinggi serta mengevaluasi prosedur/*control system* yang ada untuk memperoleh keyakinan bahwa tujuan dan sasaran Bank dapat dicapai secara optimal.
2. Melaksanakan langkah-langkah dalam rangka menggali informasi (investigasi), melaporkan, dan menyampaikan rekomendasi/kesimpulan atas *fraud* kepada Manajemen.
3. Memberikan rekomendasi atas hasil audit dan memonitor tindak lanjut hasil aktivitas Internal Audit dan aktivitas investigasi.

Dalam rangka pelaksanaan fungsi sebagai SKAI Terintegrasi, tugas dan tanggung jawab Divisi Audit Intern mengacu pada Pedoman Tata Kelola Terintegrasi, yaitu:

1. Memantau pelaksanaan Internal Audit pada perusahaan terelasi dalam konglomerasi keuangan.
2. Menyampaikan laporan Internal Audit terintegrasi kepada Direktur Utama sebagai salah satu bentuk fungsi pengawasan terhadap perusahaan terelasi dalam konglomerasi keuangan.

PEMIMPIN DIVISI AUDIT INTERN

Pemimpin Divisi Audit Intern saat ini dijabat oleh Eko Tri Prasetyo sejak tanggal 27 Desember 2018 sebagaimana Surat Keputusan Direksi Nomor 057/384/DIR/HCT/KEP tentang Pengangkatan dalam jabatan dan pemindahan tugas pegawai yang ditandatangani Direktur Utama. Sebelum menjabat sebagai Pemimpin Divisi Audit Intern.

Yang bersangkutan pernah menjabat sebagai Pjs. Pemimpin Divisi Audit Intern sejak tanggal 7 Agustus 2017 dan Pemimpin Sub Divisi IT Audit Divisi Audit Intern sejak 3 Maret 2012. Selain itu, juga memiliki pengalaman bekerja di bidang *Compliance*, *Business Process* dan Teknologi Informasi pada perusahaan multinasional di Indonesia.

INTERNAL AUDIT CHARTER BANK JATIM

Divisi Audit Intern memiliki *Internal Audit Charter* yang ditetapkan pada tanggal 1 Agustus 2019. *Internal Audit Charter* dibuat untuk memberikan gambaran/pedoman terkait Visi, Misi, dan fungsi Kedudukan dalam Organisasi, Ruang Lingkup, Kewenangan dan Tanggung Jawab, Pernyataan Kemandirian, Aktivitas Audit Internal & Investigasi, dan Pelaporan.

4. Accessing all information, employees and including but not limited to accounts/records of employee resources and funds and other Bank assets related to the audit.
5. Conducting investigative activities on cases/problems in every aspect and element of activities indicated by fraud and violation of the code of conduct.

INTERNAL AUDIT DIVISION RESPONSIBILITIES:

1. Plan and carry out Internal Audit activities with an emphasis on areas/activities that have high risk and evaluate existing procedures/control systems to gain confidence that the goals and objectives of the Bank can be achieved optimally.
2. Carry out steps in order to dig up information (investigation), report, and submit recommendations/conclusions on fraud to Management.
3. Provide recommendations on audit results and monitor follow-up on the results of Internal Audit activities and investigative activities.

In the context of carrying out its functions as an Integrated Internal Audit Unit, the duties and responsibilities of the Internal Audit Division refer to the Integrated Governance Guidelines, namely:

1. Monitor the implementation of Internal Audit in related companies in financial conglomerates.
2. Delivering an integrated Internal Audit report to the President Director as one form of oversight function of the company involved in the financial conglomerate.

HEAD OF INTERNAL AUDIT DIVISION

The Head of the Internal Audit Division is currently held by Bpk. Eko Tri Prasetyo since 27 December 2018 as in the Decree of the Board of Directors Number 057/384/DIR/HCT/KEP concerning Appointment in Office and assignment of employees signed by the President Director. Before serving as Head of the Internal Audit Division.

He once served as Acting Head of Internal Audit Division since 7 August 2017 and Head of IT Audit Sub Division of Internal Audit Division since 3 March 2012. In addition, he also has experience working in Compliance, Business Process and Information Technology in multinational companies in Indonesia.

BANK JATIM INTERNAL AUDIT CHARTER

The Internal Audit Division has an Internal Audit Charter which was established on August 1, 2019. The Internal Audit Charter was created to provide an overview/guideline related to the Vision, Mission, and functions of the Position in the Organization, Scope, Authority and Responsibility, Statement of Independence, Internal Audit Activities & Investigation and Reporting.

Disusun berdasarkan :

- Peraturan Otoritas Jasa Keuangan No. 56/POJK.04/2015 tentang Pembentukan dan Pedoman Penyusunan Piagam Audit Internal,
- Peraturan Otoritas Jasa Keuangan Nomor 1/POJK.03/2019 Tentang Penerapan Fungsi Audit Intern Pada Bank Umum.

Arranged by:

- Financial Services Authority Regulation No. 56/POJK.04/2015 concerning the Formation and Guidelines for the Preparation of Internal Audit Charter,
- Financial Services Authority Regulation Number 1/POJK.03/2019 Concerning the Implementation of the Internal Audit Function at Commercial Banks.

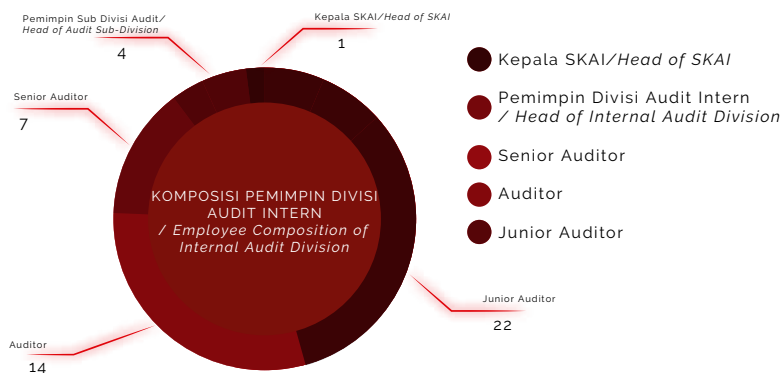
SUMBER DAYA MANUSIA DAN KUALIFIKASI DIVISI AUDIT INTERN

Divisi Audit Intern terus berupaya untuk memenuhi dan menyediakan auditor yang memiliki kompetensi dan integritas sesuai dengan kebutuhan dan tingkat risiko. Divisi Audit Intern didukung dengan total sebanyak 48 personil (posisi per 19 Agustus 2018) termasuk Pemimpin Divisi Audit Intern yang terdiri dari :

HUMAN RESOURCES AND QUALIFICATIONS OF THE INTERNAL AUDIT DIVISION

The Internal Audit Division continues to strive to meet and provide auditors who have competence and integrity in accordance with the needs and risk levels. The Internal Audit Division is supported by a total of 48 personnel (positions as of August 19, 2018) including the head of the Internal Audit Unit consisting of:

KOMPOSISI PEGAWAI DIVISI AUDIT INTERN



/ EMPLOYEE COMPOSITION OF INTERNAL AUDIT DIVISION

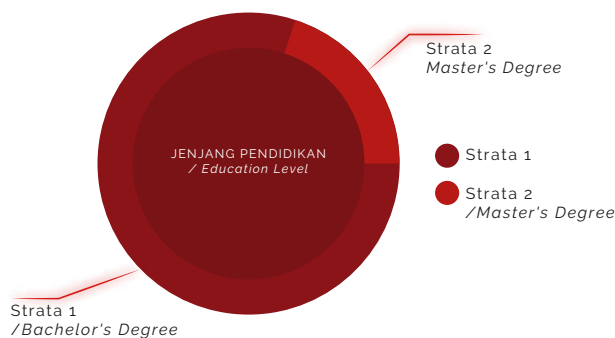
KOMPOSISI

KETERANGAN	JUMLAH
Junior Auditor	22
Auditor	14
Senior Auditor	7
Pemimpin Sub Divisi Audit	4
Kepala SKAI	1

COMPOSITION

DESCRIPTION	TOTAL
Junior Auditor	22
Auditor	14
Senior Auditor	7
Head of Audit Sub-Division	4
Head of SKAI	1

JENJANG PENDIDIKAN



PENDIDIKAN

PENDIDIKAN	TOTAL
STRATA 1	40
STRATA 2	8

EDUCATION

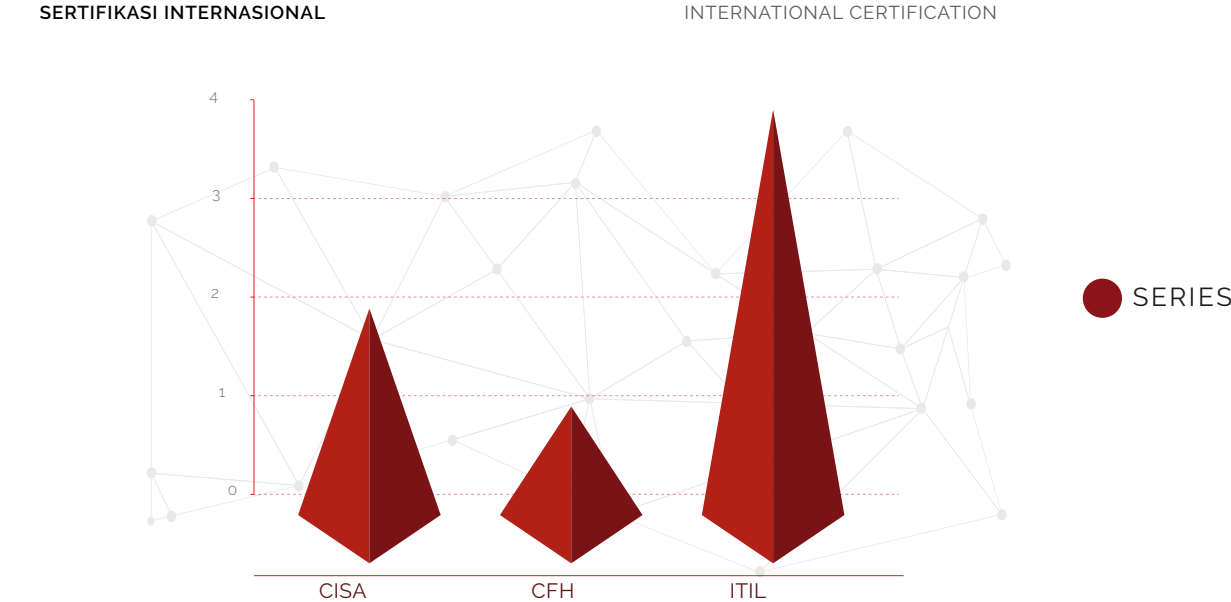
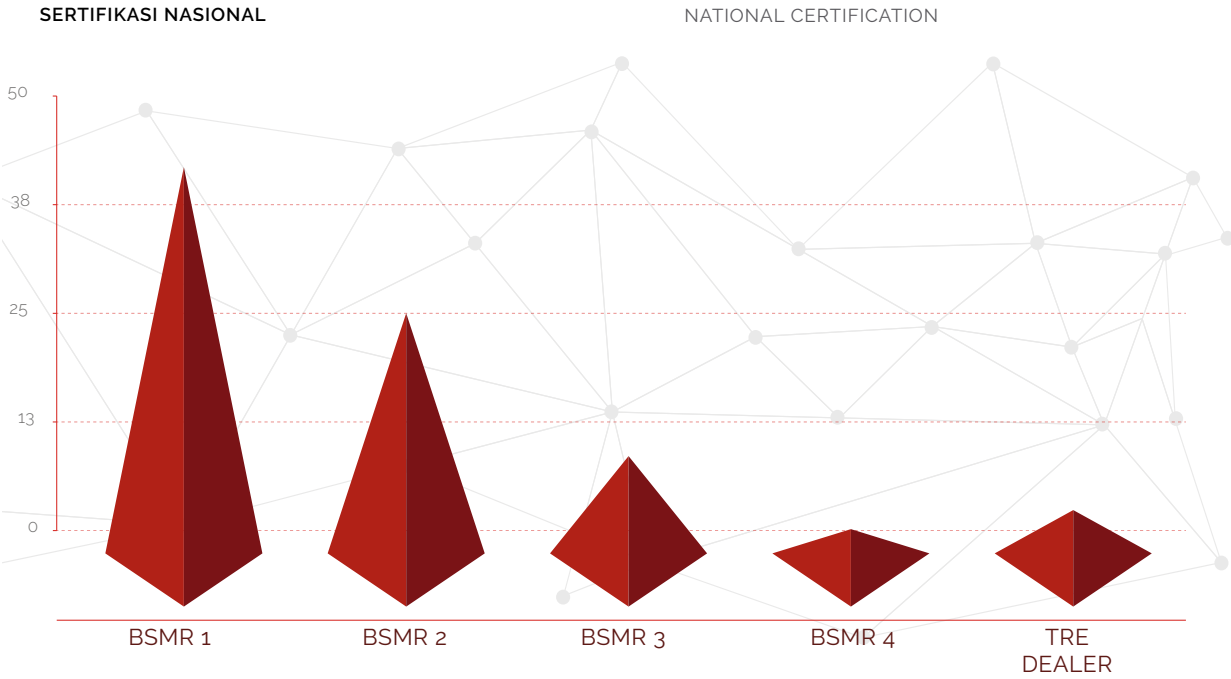
EDUCATION	TOTAL
BACHELOR'S DEGREE	40
MASTER'S DEGREE	8

Pemenuhan sumber daya manusia yang berkompeten dilakukan dengan menetapkan kualifikasi/kompetensi yang diperlukan dalam proses rekrutmen pegawai Divisi Audit Intern secara berkala. Untuk meningkatkan kualitas SDM dilakukan melalui pendidikan, pelatihan & program sertifikasi, mengikutsertakan dalam seminar terkait audit dan *fraud* sehingga dapat meningkatkan kompetensi para auditor yang mencakup *knowledge* (pengetahuan), *skills* (keterampilan), dan *attitude* (sikap kerja), dalam sepanjang tahun 2019, telah mengikuti 25 program pelatihan.

The fulfillment of competent human resources is carried out by determining the qualifications/competencies needed in the Internal Audit Division employee recruitment process periodically. To improve the quality of HR, it is carried out through education, training & certification programs, taking part in seminars related to auditing and fraud so as to increase the competencies of auditors including knowledge, skills and attitudes, in 2019, has attended 25 training programs.

Divisi Audit Intern telah memiliki sertifikasi nasional dan internasional sebagai profesi audit internal yaitu sebagai berikut :

The Internal Audit Division already has national and international certifications as an internal audit profession, as follows:



Certified Information System Auditor (CISA)

Certified Ethical Hacker (CEH)

Information Technology Infrastructure Library (ITIL)

RINCIAN SERTIFIKASI

SERTIFIKASI	JUMLAH
BADAN SERTIFIKASI MANAJEMEN RISIKO 1	42
BADAN SERTIFIKASI MANAJEMEN RISIKO 2	26
BADAN SERTIFIKASI MANAJEMEN RISIKO 3	11
BADAN SERTIFIKASI MANAJEMEN RISIKO 4	1
CERTIFIED INFORMATION SYSTEM AUDITOR (CISA)	2
CERTIFIED ETHICAL HACKER	1
INFORMATION TECHNOLOGY INFRASTRUCTURE LIBRARY	4
CERTIFIED TREASURY DEALER	2

CERTIFICATION DETAILS

CERTIFICATION	TOTAL
RISK MANAGEMENT CERTIFICATION AGENCY 1	42
RISK MANAGEMENT CERTIFICATION AGENCY 2	26
RISK MANAGEMENT CERTIFICATION AGENCY 3	11
RISK MANAGEMENT CERTIFICATION AGENCY 4	1
CERTIFIED INFORMATION SYSTEM AUDITOR (CISA)	2
CERTIFIED ETHICAL HACKER	1
INFORMATION TECHNOLOGY INFRASTRUCTURE LIBRARY	4
CERTIFIED TREASURY DEALER	2

STANDAR PELAKSANAAN

Pelaksanaan kegiatan Divisi Audit Intern berpedoman pada *Internal Audit Charter* yang telah ditandatangani oleh Direktur Utama dan disetujui oleh Dewan Komisaris tanggal 1 Agustus 2019, *Audit Plan* tahunan, Struktur Organisasi Bank Jatim dan Buku Prosedur Pelaksanaan yang dikinikani secara berkala sesuai dengan perkembangan bisnis, organisasi dan ketentuan yang berlaku. Sebagai acuan ke arah *global practice*, Divisi Audit Intern juga menggunakan standar dan kode etik IIA dan ISACA.

IMPLEMENTATION STANDARDS

The Internal Audit Division's activities are guided by the Internal Audit Charter, which was signed by the President Director and approved by the Board of Commissioners on 1 August 2019, the annual Audit Plan, Bank Jatim Organizational Structure and the Implementation Procedure Book which is updated regularly in accordance with business development, the organization and applicable provisions. As a reference towards global practice, the Internal Audit Division also uses IIA and ISACA's standards and code of ethics.

PENJELASAN HASIL REVIEW AUDIT 3 TAHUNAN OLEH PIHAK EKSTERNAL

Kaji ulang secara berkala atas efektivitas pelaksanaan fungsi Divisi Audit Intern dan kepatuhannya terhadap SPFAIB oleh pihak eksternal telah dilakukan setiap 3 (tiga) tahun. Hasil *review* terakhir oleh Kantor Akuntan Publik Kanaka Puradiredja, Suhartono pada tanggal 30 Juni 2019 bahwa praktik kerja yang dilakukan oleh Divisi Audit Intern PT. Bank Jatim secara keseluruhan dalam kategori patuh sesuai dengan Peraturan Otoritas Jasa Keuangan (POJK) nomor 1/POJK.03/2019, Peraturan Bank Indonesia (PBI) Nomor 1/6/PBI/1999 dan Peraturan Otoritas Jasa Keuangan (POJK) Nomor 38/POJK.03/2016.

EXPLANATION OF THE RESULTS OF THE 3-YEAR AUDIT REVIEW BY EXTERNAL PARTIES

Periodic reviews of the effectiveness of the implementation of the functions of the Internal Audit Division and compliance with SPFAIB by external parties have been carried out every 3 (three) years. The results of the latest review by Kanaka Puradiredja Public Accountant Office, Suhartono on 30 June 2019 that the work practices carried out by the Internal Audit Division of PT. Bank Jatim as a whole in the category of compliance with Financial Services Authority Regulation (POJK) number 1/POJK.03/2019, Bank Indonesia Regulation (PBI) Number 1/6/PBI/1999 and Financial Services Authority Regulation (POJK) Number 38/POJK.03/2016.

Divisi Audit Intern telah melakukan penyempurnaan atas Pedoman Pelaksanaan Audit Intern Teknologi Informasi terkait BI-ETP dan penyedia Jasa Teknologi Informasi oleh Bank sesuai dengan Surat Keputusan Direksi Nomor 058/234/DIR/AUI/KEP tanggal 26 Agustus 2019 perihal Perubahan Pedoman Pelaksanaan Audit Internal Teknologi Informasi.

The Internal Audit Division has made improvements to the Guidelines for the Implementation of Information Technology Internal Audit related to BI-ETP and Information Technology Services providers by the Bank in accordance with the Decree of the Directors No. 058/234/DIR/AUI/KEP dated August 26, 2019 concerning Changes to the Guidelines for the Implementation of the Internal Audit of Technology Information.

RUANG LINGKUP AUDIT

Ruang lingkup audit meliputi seluruh aktivitas operasional perbankan, baik di pada unit kerja kantor pusat dan kantor cabang, yang secara langsung maupun tidak langsung berpotensi menimbulkan risiko yang diperkirakan dapat mempengaruhi operasional Bank Jatim yang berdampak terhadap masyarakat, risiko dimaksud meliputi risiko kredit, operasional, strategi, reputasi, hukum, pasar, kepatuhan dan likuiditas.

Pemeriksaan atas Unit Kerja di Kantor Pusat menitikberatkan pada sumber daya yang digunakan untuk mencapai sasaran yang ditetapkan, termasuk efisiensi sumber daya, efektivitas pencapaian target dan peningkatan kepatuhan terhadap ketentuan yang berlaku baik internal maupun eksternal.

Sedangkan audit kegiatan operasional Bank secara keseluruhan dilakukan di seluruh kantor cabang, kantor cabang pembantu, kantor kas, dan kantor *payment point*.

Divisi Audit Intern merupakan strategic partner bagi Bank dalam membantu organisasi mencapai tujuannya melalui aktivitas audit internal (*assurance & consulting*) dan aktivitas investigasi.

ASSURANCE

Melakukan pengujian secara objektif terhadap bukti-bukti dalam rangka menyediakan penilaian yang independen atas *internal control*, penerapan *risk management*, dan proses *governance* dalam organisasi.

CONSULTING

Dalam rangka menjalankan fungsi SKAI yang juga sebagai konsultan internal, pemberian layanan konsultasi oleh Divisi Audit Intern kepada pihak internal wajib memperhatikan aspek independensi antara lain:

1. Terdapat pemisahan antara personil Divisi Audit Intern yang memberikan jasa konsultasi atas suatu kebijakan dengan personil Divisi Audit Intern yang melakukan audit terhadap kebijakan dimaksud.
2. Terdapat pengungkapan (*disclosure*) bahwa hasil konsultasi tidak memengaruhi objektivitas Divisi Audit Intern.

INVESTIGASI

Aktivitas pengumpulan bukti-bukti dengan menggunakan teknik investigasi atas hasil analisa awal terhadap indikasi dan/atau *fraud* yang terjadi. Investigasi bertujuan untuk mengungkapkan modus operandi, penyebab, potensi kerugian, pelaku dan pihak lain yang terlibat. Investigasi mencakup perolehan bukti dan pernyataan, penulisan laporan, pemberian kesaksian atas temuan serta monitoring tindak lanjut yang diperlukan.

KODE ETIK

Divisi Audit Intern harus berusaha agar dapat berperan sebagai konsultan bagi pihak-pihak intern yang membutuhkan, terutama yang menyangkut ruang lingkup tugasnya. Divisi Audit Intern dapat memberikan tanggapan atas proposal kebijakan atau sistem dan prosedur yang baru untuk menilai aspek-aspek

AUDIT SCOPE

The scope of the audit covers all banking operational activities, both at the head office and at the branch office, which directly or indirectly have the potential to cause risks that are expected to affect the operations of the Bank that have an impact on the community, law, market, compliance and liquidity.

Examination at the head office is carried out at the division and Corporate Secretary. This audit focuses on the resources used to achieve the targets set, including resource efficiency, effectiveness of achieving targets and increasing compliance with applicable regulations both internal and external.

While the audit of the Bank's overall operational activities is carried out in all branch offices, sub-branch offices, cash offices, and payment point offices.

The Internal Audit Division is a strategic partner for the Bank in helping organizations achieve their goals through internal audit (*assurance & consulting*) and investigative activities.

ASSURANCE

Conduct objective testing of the evidence in order to provide an independent assessment of internal control, the application of risk management, and governance processes in the organization.

CONSULTING

In order to carry out the function of the Internal Audit Unit which is also an internal consultant, the provision of consulting services by the Internal Audit Division to internal parties must pay attention to the aspects of independence including:

1. There is a separation between Internal Audit Division personnel who provide consultancy services on a policy and Internal Audit Division personnel who conduct audits of the intended policy.
2. There is a disclosure (disclosure) that the results of the consultation do not affect the objectivity of the Internal Audit Division.

INVESTIGATION

The activity of collecting evidence using investigation techniques on the results of the initial analysis of the indications and/or fraud that occurred. Investigation aims to reveal the modus operandi, causes, potential losses, perpetrators and other parties involved. Investigations include obtaining evidence and statements, writing reports, giving testimonies on findings and monitoring the necessary follow-up.

CODE OF ETHICS

The Internal Audit Division must strive to be able to play a role as a consultant for internal parties that need it, especially regarding the scope of their duties. The Internal Audit Division can provide responses to policy proposals or new systems and procedures to assess

pengendalian intern sehingga didalam pelaksanaannya akan dapat tercapai tujuannya secara efektif dan efisien.

Dengan adanya keterlibatan Divisi Audit Intern di dalam *review* sistem ini, tidak berarti bahwa hal-hal tersebut akan dikecualikan sebagai objek audit. Divisi Audit Intern tidak mempunyai wewenang atau tanggung jawab untuk melaksanakan kegiatan-kegiatan operasional dari *auditee*.

INDEPENDENSI

Divisi Audit Intern memiliki independensi dalam melakukan aktivitas Internal Audit, aktivitas investigasi, dan mengemukakan pandangan serta pemikiran sesuai dengan standar profesi yang berlaku.

1. Manajemen harus memberikan dukungan penuh terhadap fungsi Divisi Audit Intern agar dapat melaksanakan tugasnya dengan bebas tanpa campur tangan pihak manapun serta manajemen harus menindaklanjuti temuan Divisi Audit Intern.
2. Auditor mampu mengungkapkan pandangan dan pemikirannya tanpa pengaruh ataupun tekanan dari pihak lain manapun.
3. Divisi Audit Intern memiliki kebebasan dalam menetapkan metode, ruang lingkup, cara, teknik dan pendekatan audit yang akan dilakukan.
4. Dalam pengelolaan personel Divisi Audit Intern harus dengan persetujuan Direktur Utama dan Pemimpin Divisi Audit Intern.

OBJEKTIVITAS

1. Auditor dan Investigator harus memiliki sikap mental independen dalam melaksanakan aktivitas internal audit dan aktivitas investigasi. Sikap mental tersebut tercermin dari laporan yang lengkap, objektif serta berdasarkan analisis yang cermat dan tidak memihak.
2. Auditor dan Investigator bebas dari pertentangan kepentingan (*conflict of interest*) atas objek atau kegiatan yang diperiksa. Apabila Auditor dan *Investigator* mempunyai pertentangan kepentingan atas objek atau kegiatan yang diperiksa, maka yang bersangkutan harus menyatakan keterkaitannya dan tidak ditugaskan untuk melaksanakan audit terhadap objek atau kegiatan yang dimaksud.

PROFESIONALISME

Profesionalisme menjadi acuan bagi Auditor dalam melaksanakan tugasnya. Untuk itu auditor harus memiliki sikap:

1. Integritas, sikap mental yang independen, jujur, objektif, tekun, dapat diandalkan, tegas, terpercaya, menghindari benturan kepentingan dan menjunjung tinggi kode etik serta profesi Internal Auditor termasuk didalamnya bersikap bijaksana dan hati-hati dalam menggunakan informasi yang diperoleh dalam pelaksanaan tugas serta tidak menggunakan informasi rahasia untuk kepentingan pribadi atau hal-hal lain yang dapat menimbulkan kerugian bagi Bank (*confidentiality code*).
2. Kompetensi sesuai dengan *competency profile* yang dibutuhkan.

aspects of internal control so that in its implementation the objectives will be effectively and efficiently achieved.

With the involvement of the Internal Audit Division in this system review, it does not mean that those things will be excluded as audit objects. The Internal Audit Division does not have the authority or responsibility to carry out operational activities of the Auditee.

INDEPENDENCE

The Internal Audit Division has independence in carrying out Internal Audit and investigative activities, expressing views and thoughts in accordance with its profession and applicable standards.

1. Management must provide full support for the functions of the Internal Audit Division in order to be able to carry out their duties freely without interference from any party and management must follow up on the findings of the Internal Audit Division.
2. Internal Auditors are able to express their views and thoughts without influence or pressure from any other party.
3. The Internal Audit Division has the freedom to determine the audit methods, scope, methods, techniques and approaches to be carried out.
4. In managing Internal Audit Division personnel, with the approval of the President Director and Head of the Internal Audit Division.

OBJECTIVITY

1. Internal Auditors and Investigators must have an independent mental attitude in carrying out internal audit and investigative activities. This mental attitude is reflected in a complete, objective report and based on careful and impartial analysis.
2. Internal Auditors and Investigators are free from conflicts of interest over the object or activity being examined. If the Internal Auditor and Investigator have a conflict of interest in the object or activity being examined, the person concerned must state the connection and not be assigned to carry out an audit of the object or activity in question.

PROFESSIONALISM

Professionalism becomes a reference for the Auditor in carrying out his duties. For this reason the auditor must have the attitude:

1. Integrity, mental attitude that is independent, honest, objective, diligent, reliable, decisive, trustworthy, avoids conflicts of interest and upholds the ethics and profession of the Internal Auditor, including being wise and cautious in using information obtained in carrying out tasks and not use confidential information for personal interests or other things that could cause harm to the Bank (*confidentiality code*).
2. Competencies in accordance with the required competency profile.

3. Kecakapan dalam berinteraksi dan berkomunikasi secara efektif baik lisan maupun tertulis.
4. Kewajiban mematuhi Kode Etik Internal Auditor dan Standar Profesi Internal Auditor bagi Auditor Internal serta Kode Etik Investigator dan Standar Profesi Investigator bagi Investigator.
5. Kewajiban menjaga kerahasiaan informasi dan/atau data perusahaan terkait dengan pelaksanaan tugas dan tanggung jawab Internal Auditor kecuali diwajibkan berdasarkan peraturan perundang-undangan atau penetapan/putusan Pengadilan.

3. The ability to interact and communicate effectively both verbally and in writing.
4. Obligation to comply with the Internal Auditor's Code of Ethics and the Internal Auditor's Professional Standards for the Internal Auditor and the Investigator's Code of Ethics and Investigator's Professional Standards for Investigators.
5. Obligation to maintain the confidentiality of company information and/or data related to carrying out the duties and responsibilities of the Internal Auditor unless required by statutory regulations or court decisions/decisions.

PELAKSANAAN AUDIT

Pelaksanaan Audit dibedakan menjadi *General Audit*, *Special Audit* (Audit Pendalaman), *Audit Teknologi Informasi*, dan *Surprise Audit*.

General Audit adalah pemeriksaan secara umum atas semua aktivitas operasional Bank yang dilakukan oleh tim auditor.

Special Audit (Audit Pendalaman) adalah audit yang pelaksanaannya didasarkan pada hasil *General Audit*, yang berindikasi adanya potensi risiko yang berdampak pada kerugian Bank dan/atau laporan dari pihak ketiga (*Whistleblower*) yang mengindikasikan adanya penyimpangan dan kecurangan (*fraud*) yang dapat merugikan dan mengganggu kelangsungan usaha Bank.

Seiring dengan perkembangan teknologi yang semakin maju, Divisi Audit Intern meningkatkan peran pelaksanaan Audit TI. dan menjadi bagian yang tidak terpisahkan dalam *Audit Plan* Tahunan. Divisi Audit Intern melakukan audit terhadap aktivitas Teknologi Informasi yang dilakukan oleh Bank. Ruang lingkup Audit TI meliputi:

- Manajemen dan tata kelola teknologi informasi;
- Pengambilalihan, penggabungan dan implementasi sistem informasi;
- Operasional dan pemeliharaan sistem informasi;
- Proteksi keamanan sistem informasi.

Hal tersebut dilakukan untuk memastikan bahwa aktivitas Teknologi Informasi yang dilakukan Bank telah patuh terhadap semua ketentuan yang telah ditetapkan dalam peraturan perundang-undangan yang berlaku, terutama yang menyangkut masalah *confidentiality, integrity & availability*.

Surprise Audit adalah kegiatan audit yang dilaksanakan secara tiba-tiba tanpa dilakukan pemberitahuan terlebih dahulu kepada *auditee*, dalam rangka meningkatkan efektivitas fungsi pengendalian intern di kantor cabang. Audit ini dilakukan secara periodik/momen tertentu, biasanya terkait dengan kas opname (kluis & ATM), agunan kredit, dan operasional lainnya sesuai dengan kebutuhan.

AUDIT IMPLEMENTATION

Audit implementation is divided into General Audit, Special Audit (IT Audit), IT Audit, and Surprise Audit.

General Audit is a general examination of all operational activities of the Bank carried out by a team of examiners consisting of the Auditor of the Head Office.

Special Audit is an audit whose implementation is based on the results of the General Audit, which indicates the potential risks that affect the Bank's losses and/or reports from third parties (*Whistleblowers*) that indicate irregularities and fraud (*fraud*) that can harm and disrupt business continuity of the Bank.

Along with the development of increasingly advanced technology, the Internal Audit Division increased the role of IT Audit implementation. IT Audit is also an integral part of the Annual Audit Plan. The Internal Audit Division conducts IT Audits on the Information Technology Division and the Information System Technology Service Provider, as well as an annual BI-RTGS, SKN-BI, and PKL audit. The scope of IT Audit includes:

- Information technology management and governance;
- Take over, merge and implement information systems;
- Operational and maintenance of information systems;
- Information system security protection.

This is done to ensure that the information system technology service provider has fulfilled and implemented all the provisions stipulated in the applicable laws and regulations and the internal provisions of the Bank, especially those concerning confidentiality, integrity & availability.

In order to increase the effectiveness of the internal control function at branch offices, the Internal Audit Division also conducts surprise audits, which include all branch offices. This audit is conducted periodically/for certain moments, usually related to hospitalization cash (kluis & ATM), credit collateral, and other operations as needed.

Di samping itu, pemantauan dan analisa transaksi beserta kinerja kantor cabang juga dilaksanakan oleh Auditor di kantor pusat dengan memanfaatkan teknologi informasi yang ada dan laporan tingkat kesehatan serta profil risiko yang dikirim oleh kantor cabang. Apabila terdapat indikasi adanya potensi risiko yang berdampak pada kerugian Bank Jatim, maka segera dilakukan pendalaman dan antisipasi permasalahan.

Divisi Audit Intern juga melakukan jasa konsultasi yang pelaksanaannya sesuai dengan kebutuhan atau permintaan *user* dan ketersediaan sumber daya Divisi Audit Intern, sepanjang tidak mengganggu independensi dan objektivitas Divisi Audit Intern dalam pelaksanaan audit, seperti: *review* terkait produk baru Bank dan *review* kebijakan.

Sesuai dengan Surat Edaran Bank Indonesia (SEBI) No.13/28/DPNP tanggal 9 Desember 2011 tentang Penerapan Strategi *Anti Fraud* bagi Bank Umum dan Surat Keputusan Direksi Bank Jatim No.050/119/KEP/DIR/AI tanggal 29 Juni 2012 tentang Buku Pedoman Penerapan Strategi *Anti Fraud* PT Bank Pembangunan Daerah Jawa Timur, Divisi Audit Intern diberi kewenangan dalam pelaksanaan Strategi *Anti Fraud* Bank Jatim.

PELAPORAN

Divisi Audit Intern menyampaikan laporan kepada:

1. Direktur Utama dan Dewan Komisaris dengan tembusan kepada Direktur Kepatuhan dan Human Capital berupa Laporan Hasil Audit, hasil monitoring tindak lanjut temuan oleh *auditee* dan progres Program Kerja Divisi Audit Intern.
2. Bank Indonesia tentang pelaksanaan fungsi audit internal yang terdiri dari:
 - Laporan Hasil Penilaian Kepatuhan (LHPK) Sistem Pembayaran Bank Indonesia
 - Laporan Hasil Audit atas aktivitas Teknologi Informasi terkait kegiatan Sistem Pembayaran dan Alat Pembayaran Menggunakan Kartu.
3. Otoritas Jasa Keuangan tentang pelaksanaan fungsi audit internal yang terdiri dari:
 - Laporan Pelaksanaan dan Pokok-Pokok Hasil Audit Internal (semesteran)
 - Laporan Strategi *Anti Fraud* (semesteran)
 - Laporan khusus mengenai setiap temuan audit internal yang diperkirakan dapat mengganggu kelangsungan usaha Bank - Laporan Strategi *Anti Fraud* (insidental)
 - Laporan Hasil Audit atas aktivitas Teknologi Informasi
 - Laporan hasil *review* peluncuran produk baru Bank.
 - Laporan tindak lanjut temuan pemeriksaan Otoritas Jasa Keuangan

PENGEMBANGAN AUDIT

Berdasarkan temuan hasil audit oleh pihak internal maupun eksternal, Divisi Audit Intern melakukan berbagai perbaikan serta evaluasi terhadap prosedur operasional dan SDM yang menjadi kunci dalam pemenuhan terhadap semua ketentuan yang telah ditetapkan baik dalam ketentuan internal Bank Jatim

In addition, transaction monitoring and analysis along with branch office performance is also carried out by the Auditor at the head office by utilizing existing information technology and health level reports and risk profiles sent by the branch office. If there are indications of potential risks that have an impact on the loss of the Bank, then it is immediately carried out the deepening and anticipation of problems.

The Internal Audit Division also carries out consultancy services whose implementation is in accordance with the needs or requests of users and the availability of resources of the Internal Audit Division, as long as it does not interfere with the independence and objectivity of the Internal Audit Division in conducting audits, such as: reviews related to the Bank's new products and policy reviews.

In accordance with Bank Indonesia Circular Letter (SEBI) No.13/28/DPNP dated 9 December 2011 concerning the Implementation of Anti-Fraud Strategy for Commercial Banks and Bank Jatim Directors Decree No. 050/119/KEP/DIR/AI dated 29 June 2012 concerning Handbook on the Implementation of Anti-Fraud Strategy of PT Bank Pembangunan Daerah Jawa Timur Tbk, Internal Audit Division was given the authority in implementing the Anti-Fraud Strategy of Bank Jatim.

REPORTING

The Internal Audit Division reports to:

1. President Director and Board of Commissioners with a copy to the Director of Compliance and Human Capital in the form of Audit Report, the results of monitoring the follow-up findings by the auditee and the progress of the Internal Audit Division's Work Program.
2. Bank Indonesia concerning the implementation of the internal audit function which consists of:
 - Laporan Hasil Penilaian Kepatuhan (LHPK) Sistem Pembayaran Bank Indonesia
 - Laporan Hasil Audit atas aktivitas Teknologi Informasi terkait kegiatan Sistem Pembayaran dan Alat Pembayaran Menggunakan Kartu.
3. The Financial Services Authority regarding the implementation of the internal audit function consisting of:
 - Report on Implementation and Principles of Internal Audit Results (semester)
 - Anti Fraud Strategy Report (semester)
 - Special report on any internal audit findings that are expected to disrupt the continuity of the Bank's business - Anti Fraud Strategy Report (incidental)
 - Laporan Hasil Audit atas aktivitas Teknologi Informasi
 - Laporan hasil *review* peluncuran produk baru Bank.
 - Follow-up report on the findings of the Financial Services Authority examination

DEVELOPMENT OF AUDIT

Based on the findings of the audit by internal and external parties, the Internal Audit Division conducted various improvements and evaluations of operational and HR procedures that were key in fulfilling all stipulations that have been set both in the internal

maupun peraturan perundang-undangan yang berlaku. Pengembangan audit yang dilakukan di tahun 2019 berfokus pada:

1. Pemenuhan auditor sesuai kebutuhan terkait dengan adanya perkembangan organisasi dan peningkatan jaringan, sehingga dengan jumlah dan kualitas tenaga auditor yang memadai sesuai dengan risiko cabang dan rentang organisasi diharapkan fungsi kontrol akan dapat berjalan dengan baik, efektif dan efisien;
2. Peningkatan efektivitas monitoring dengan menempatkan *Resident Auditor* pada 7 (tujuh) kelompok Wilayah Audit.
3. Pengembangan dan penerapan atas sistem *Governance, Risk and Compliance* (GRC) secara berkelanjutan.

SATUAN KERJA AUDIT INTERN TERINTEGRASI (SKAIT)

Sesuai dengan diberlakukannya Peraturan Otoritas Jasa Keuangan Nomor 18/POJK.03/2014 tanggal 18 November 2014 tentang Penerapan Tata Kelola Terintegrasi Bagi Konglomerasi Keuangan dan Surat Edaran Otoritas Jasa Keuangan Nomor 14/SEOJK.03/2015 tanggal 25 Mei 2015 tentang Penerapan Manajemen Risiko Terintegrasi Bagi Konglomerasi; dengan ditunjuknya PT Bank Pembangunan Daerah Jawa Timur Tbk sebagai Entitas Utama pada Konglomerasi Keuangan oleh Pemegang Saham Pengendali melalui Surat Gubernur Jawa Timur Nomor 570/4308/021/2015 tanggal 5 Pebruari 2015 perihal Penunjukan Entitas Utama; atas dasar tersebut di atas maka dalam rangka penerapan Manajemen Risiko Terintegrasi yang komprehensif dan efektif, Direksi Entitas Utama telah dibentuk Satuan Kerja Audit Intern Terintegrasi (SKAIT) sesuai dengan SK Direksi No. 053/303/KEP/DIR/AI tanggal 31 Desember 2015.

WEWENANG DAN TANGGUNG JAWAB SATUAN KERJA AUDIT INTERN TERINTEGRASI (SKAIT)

1. Bank Jatim sebagai Entitas Utama wajib memiliki SKAIT yang independen.
2. Dalam hal Bank Jatim sebagai Entitas Utama telah memiliki SKAI, maka pelaksanaan tugas Audit Intern Terintegrasi dapat dilakukan oleh SKAI yang telah ada.
3. Memberikan masukan kepada Direksi Entitas Utama maupun kepada Komite Tata Kelola Terintegrasi (KTKT) dalam rangka penyusunan dan penyempurnaan kebijakan pelaksanaan audit intern secara terintegrasi.
4. Memantau pelaksanaan audit intern pada Perusahaan Terelasi dalam Konglomerasi Keuangan.
5. Memberikan informasi kepada Direksi Entitas Utama maupun kepada KTKT terhadap hal-hal yang perlu ditindaklanjuti terkait dengan pelaksanaan audit intern pada masing-masing Lembaga Jasa Keuangan dalam Konglomerasi Keuangan.
6. Menyampaikan Laporan Audit Intern Terintegrasi kepada Direktur Entitas Utama atas fungsi pengawasan terhadap Perusahaan Terelasi dalam Konglomerasi Keuangan dan Dewan Komisaris Entitas Utama setiap Semester.

provisions of Bank Jatim and applicable laws and regulations. Audit development carried out in 2018 focuses on:

1. The fulfillment of auditors according to the needs is related to organizational development and network improvement, so that with adequate number and quality of auditor personnel in accordance with branch risks and organizational ranges, it is expected that the control function will be able to run well, effectively and efficiently;
2. Increased effectiveness of monitoring by applying the division into 7 (seven) Audit Area Coordinator groups.
3. Continuously developing and implementing a Governance, Risk and Compliance (GRC) system;

INTEGRATED INTERNAL AUDIT WORK UNIT (SKAIT)

In accordance with the enactment of the Financial Services Authority Regulation 18/POJK.03/2014 dated 18 November 2014 concerning the Implementation of Integrated Governance for Financial Conglomerates and the Financial Services Authority Circular Letter Number 14/SEOJK.03/2015 dated 25 May 2015 concerning the Implementation of Integrated Risk Management For Conglomerates; with the appointment of PT Bank Pembangunan Jawa Timur Tbk as the Main Entity in the Financial Conglomerate by the Controlling Shareholders through the Governor of East Java Letter Number 570/4308/021/2015 dated 5 February 2015 concerning the Appointment of the Main Entity; Based on the foregoing, in order to implement comprehensive and effective Integrated Risk Management, the Main Entity Board of Directors has formed the Integrated Internal Audit Work Unit (SKAIT) in accordance with the Decree of the Directors No. 053/303/KEP/DIR/AI dated December 31th, 2015.

AUTHORITY AND RESPONSIBILITY OF THE INTEGRATED INTERNAL AUDIT WORK UNIT (SKAIT)

1. Bank Jatim as the Main Entity is required to have an independent SKAIT.
2. In the event that Bank Jatim as the Main Entity has an Internal Audit Unit, the implementation of the Integrated Internal Audit task can be carried out by the existing Internal Audit Unit.
3. Provide input to the Directors of the Main Entity as well as to the Integrated Governance Committee (KTKT) in the framework of formulating and refining policies for the implementation of an integrated internal audit.
4. Monitor the implementation of internal audits in Related Companies in the Financial Conglomerate.
5. Provide information to the Directors of the Main Entity and to the KTKT on matters that need to be followed up related to the implementation of internal audits at each Financial Services Institution in the Financial Conglomerate.
6. Submit the Integrated Internal Audit Report to the Main Entity Director on the oversight function of the Correlated Company in the Financial Conglomerate and the Board of Commissioners of the Main Entity every Semester.