

CRITERIA FOR THE BOARD OF COMMISSIONERS MEMBERS

The Board of Commissioners shall meet the criteria as stipulated by OJK Regulation No. 33/POJK.04/2014 as follows:

1. Having good character, morals, and integrity;
2. Being competent in performing legal acts;
3. Within 5 (five) years prior to appointment or during the office, he/she:
 - a. is never declared bankrupt;
 - b. never becomes a member of the Board of Directors and/or member of the Board of Commissioners who is declared as guilty and causes a company to be declared as bankrupt;
 - c. is never penalized for committing a criminal act which causes adverse impact to the country's finance and/or to anything related to financial sector; and
 - d. never becomes a member of the Board of Directors and/or member of the Board of Commissioners who, during his/ her tenure:
 - i) failing to holding Annual GMS;
 - ii) having his/her accountability as a member of the Board of Directors and/or members of the Board of Commissioners not accepted by the GMS or not giving accountability as a member of the Board of Directors; and/or members of the Board of Commissioners to the GMS; and
 - iii) having caused the companies which obtains permission, approval, and registration from Financial Services Authority to fail in fulfilling their obligation to submit annual report and/or Financial Services Authority.
 - e. has commitment to comply to the laws and regulations;
 - f. has knowledge and/or expertise in the fields required by the Company; and
 - g. fulfilling other specified requirements.

BOARD OF COMMISSIONERS NOMINATION AND SELECTION PROCESS

In accordance with the Articles of Association, members of the Board of Commissioners are appointed and dismissed by the GMS, for a period of 5 (five) years effective from the date of GMS appointment. Members of the Board of Commissioners whose office terms are expired may be reappointed by the GMS.

The procedure for the appointment of Bank Mandiri Board of Commissioners refers to OJK Regulation No. 33/POJK.04/2014 on the Board of Directors and Board of Commissioners of Issuers or Public Companies and SOE Minister Regulation No. PER-11/MBU/07/2021 on Requirements and Procedures for Appointment and Dismissal of Members of the Board of Commissioners and Supervisory Board of State-Owned Enterprises as amended by SOE Minister Regulation No. PER-7/MBU/09/2022 on Requirements and Procedures for Appointment and Dismissal of Board Members Commissioner and Supervisory Board of State-Owned Enterprises, and last amended with SOE Minister Regulation No. PER-3/MBU/03/2023 concerning Organs and Human Resources of State-Owned Enterprises. The procedures for appointing the Board of Commissioners include:

1. Sources of candidates for the Board of Commissioners/Board of Commissioners of SOEs come from:
 - a. Former Director of SOEs.
 - b. Board of Commissioners/Supervisory Board of SOEs.
 - c. Structural Officials and Government Functional Officials.
 - d. Other sources.
2. The GMS/Minister may determine candidates who have been declared to meet the formal requirements and other requirements and have been assessed with the criteria of 'Recommended' to become members of the Board of Commissioners/Supervisory Board of SOEs.
3. For certain SOEs, the determination of a person to be a member of the SOEs Board of Commissioners/Supervisory Board can be done after being declared to have passed the assessment in accordance with sectoral regulations.

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4. In the event that the determination of members of the SOEs Board of Commissioners/Supervisory Board is carried out before the Fit and Proper Test in accordance with sectoral provisions, the actions, duties, and functions as members of the SOEs Board of Commissioners/Supervisory Board are counted from the moment they are declared to have passed the Fit and Proper Test in accordance with sectoral provisions.
5. Members of the SOEs Board of Commissioners/Supervisory Board of as referred to in paragraph (3) have a term of office effective since determined by the GMS/Minister.
6. In the event that a member of the Board of Commissioners/Supervisory Board of a particular SOE is declared not to have passed the Fit and Proper Test in accordance with sectoral provisions, the GMS/Minister may dismiss the member of the Board of Commissioners/Supervisory Board of SOEs by taking into account sectoral provisions.
7. The determination of a person to be a member of the SOEs Board of Commissioners/Supervisory Board can be done by:
 - a. Decision of the Minister as GMS/owner of capital when the entire share/capital of SOE is owned by the State; Or
 - b. The decision of the GMS or the decision of all shareholders is circular if not all shares are owned by the State.
8. For Public Companies, the curriculum vitae of prospective members of the SOEs Board of Commissioners who will be proposed for appointment at the GMS must be available and announced at the GMS prior to making a decision regarding the appointment of the person concerned as a member of the Board of Commissioners of SOEs.
9. Prior to being appointed as a member of the Board of Commissioners/Supervisory Board of SOEs, the person concerned must sign a statement letter resigning from other positions that are prohibited from concurrently serving as members of the Board of Commissioners/Supervisory Board of SOEs starting from the moment the person concerned is appointed as a member of the Board of Commissioners/Supervisory Board.
10. In the event that the person concerned does not resign within the period as stipulated in the laws and regulations, his/her position as a member of the Board of Commissioners/Supervisory Board of SOEs ends at that time limit.
11. In the event that the appointment decision is made by Ministerial Decree or the decision of all shareholders circularly, after the decision is determined, the Deputy processes the submission of the decision letter to the elected members of the Board of Commissioners/Supervisory Board of SOEs.
12. In the submission process as referred to in paragraph (10), the Deputy Minister or Deputy is assisted by primary high leadership officials responsible for law, Assistant Deputies, and Assistant Deputy Sectors.
13. After the submission is made, all documents are submitted to the Deputy for administration.
14. In the case of adoption to be prescribed in the GMS, the presentation of the results of the assessment to the Minister accompanied by a letter of designation of the candidate and a power of attorney to attend and take decisions in the GMS.
15. After the GMS is held, all documents are submitted to the Deputy for administration.
16. The administrative process by the Deputy as referred to in paragraph (12) and paragraph (14) includes documentation of the appointment and assessment process.
17. Members of the Board of Commissioners/Supervisory Board of Elected SOEs sign a statement letter containing the ability to carry out their duties properly and are willing to be dismissed at any time based on the consideration of the Minister/GMS, as stated in Annex VII which is an integral part of this Ministerial Regulation.

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18. Members of the Board of Commissioners/ Supervisory Board of SOEs shall take office effectively from the date of submission of the resolution or the date stipulated in the circular resolution of the Minister/GMS/all shareholders.

The process of nominating and selecting the Board of Commissioners is carried out through the proposal of the members of the Board of Directors to the GMS by taking into account the recommendations of the Board of Commissioners and the Remuneration and Nomination Committee. Prior to the discussion on the appointment and dismissal of the Board of Commissioners in the GMS, information was provided on the profiles of new and reappointed candidates for the Board of Commissioners.

BOARD OF COMMISSIONERS DISMISSAL MECHANISMS

The resignation and dismissal mechanism of the Board of Commissioners under the SOE Minister Regulation No. PER-3/MBU/03/2023 concerning Organs and Human Resources of State-Owned Enterprises, are as follows:

1. The Minister/Deputy Minister can evaluate the members of the SOEs Board of Commissioners/ Supervisory Board prior to dismissing members of the SOEs Board of Commissioners/ Supervisory Board.
2. The results of the Minister/Deputy Minister's evaluation of members of the SOEs Board of Commissioners/ Supervisory Board are further processed by the Deputy by submitting the draft Ministerial Decree/GMS regarding the dismissal of members of the SOEs Board of Commissioners/ Supervisory Board to obtain determination.
3. The plan to dismiss a member of the SOEs Board of Commissioners/Supervisory Board prior to the end of his/her term of office must be notified in advance to the member of the Board of Commissioners/ Supervisory Board of SOEs concerned orally or in writing by the Minister.

4. In the event that the Minister does not give notice, the Minister by this Ministerial Regulation authorizes with the right of substitution to the Deputy to make such notification.
5. The Deputy may authorize the Sector Deputy Assistant and the Deputy Assistant to make such notices.
6. The decision to dismiss on grounds other than being found guilty by a court decision that has permanent legal force and resign is taken after the person concerned is given the opportunity to defend himself.
7. Self-defense may be given directly upon notification to the notifying official.
8. In the case of oral notification and self-defense, it is carried out face-to-face and evidenced by minutes signed by members of the Board of Commissioners/Supervisory Board of SOEs concerned and the notifying official.
9. If the member of the Board of Commissioners/ Supervisory Board of SOEs concerned is not willing to sign the minutes then the reason is stated in the minutes of the event.
10. In the event that notification is made at the GMS, self-defense is carried out at the GMS in accordance with the provisions of self-defense as stipulated in the law regarding limited liability companies.
11. In the process of dismissing members of the Board of Commissioners/Supervisory Board of SOEs, the Minister may request the consideration of the Deputy Minister, Deputy and/or Secretary of the Ministry.
12. The determination of the dismissal of members of the SOEs Supervisory Board is carried out by Ministerial Decree.