

Evaluation of Committee Performance PT Bank Mandiri (Persero) Tbk.

The Board of Commissioners is assisted by four Committees in its oversight of the Company. The four committees are the Audit Committee, Remuneration and Nomination Committee, Risk Monitoring Committee, and Integrated Governance Committee. The following modifications to the Charter of the Committee under the Board of Commissioners were made by Bank Mandiri in 2022:

- The Integrated Governance Committee Charter through the Board of Commissioners Decree No. KEP.KOM.005/2022 dated 18 November 2022
- The Audit Committee Charter and Code of Ethics through the Board of Commissioners Decree No. KEP.KOM.006/2022 dated 18 November 2022
- The Risk Monitoring Committee Charter through the Board of Commissioners Decree No. KEP.KOM.007/2022 dated 18 November 2022.

The Board of Commissioners determined that, in general, the committee work programs outlined in each committee's work plan for 2022 had fulfilled their duties and performed satisfactorily. In addition, all committee recommendations have been adopted by the Board of Commissioners and are included into the decisionmaking process regarding proposals made by the Board of Directors.

Similarly, from the aspect of communication, the Committees in 2022 has engaged in excellent and intensive communication to address issues at the Bank and the progress of the follow-up settlement conducted by the Board of Directors.

The Audit Committee is directly responsible to the Board of Commissioners. Its main function is to assist the Board of Commissioners in carrying out supervisory responsibilities for the financial statement process, internal control system, risk management, audit process, and the Company's process to monitor compliance with laws and regulations and the Code of Conduct.

The activities of the Audit Committee during 2022 are as follows :

1. Held 25 Audit Committee Meetings, including drafting the Minutes of Meetings.
2. Held 98 Internal Discussions, Discussions with relevant Work Units, and Joint Discussions with the Risk Monitoring Committee, including compiling and documenting the Discussion Minutes.
3. Reviewed financial statements and information both in-house/unaudited and audited to be published.
4. Reviewed more than 3 Reports/Proposals/Recommendations of the Board of Directors that require written approval from the Board of Commissioners, and compile recommendations, including the Proposed Appointment of Public Accountants who will carry out the audit services of the Consolidated Financial Statements in 2022, Proposed Corporate Work & Budget Plans, Bank Business Plan and its revisions, as well as Proposed Annual Audit Plan and Internal Audit Budget 2022.
5. Prepared four quarterly reports on the Committee's activities and have been submitted to the Board of Commissioners.

6. Prepared a Report on the Results of the Evaluation of the Implementation of Audit Services on Bank Mandiri's Annual Historical Financial Information for the 2021 Financial Year by KAP Tanudiredja, Wibisana, Rintis & Rekan (PwC).
7. Conducted six site visits including the preparation of a Visit Report on the Results of the Visit, namely to Region II/Padang Area (28 April 2022), IT Command Center (29 June 2022), Treasury (29 June 2022), Region XI/Mataram (18-19 July 2022), Region I/Medan-Batam (25-27 July 2022), and Bank Mandiri Taspen (4 October 2022).
8. Prepared the Audit Committee's Work Plan for 2023.
9. All members of the Committee have participated in at least one competence development activity related to Banking/Audit.

The Remuneration and Nomination Committee was established to assist the Board of Commissioners in carrying out its supervisory duties and ensuring the objective, effective, and efficient implementation of the nomination process for strategic positions in management and the process of determining remuneration. As an application of GCG, OJK laws compel banks to form the Remuneration and Nomination Committee so that the Bank may be operated in accordance with the values of transparency, accountability, independence, and fairness.

Regarding the duties and functions of the Remuneration and Nomination Committee as stated in the Charter of the Remuneration and Nomination Committee of Bank Mandiri, the Remuneration and Nomination Committee, through 15 meetings in 2022, has provided recommendations/proposals for qualified candidates as Members of the Board of Commissioners and Directors of Bank Mandiri to the Board of Commissioners to be submitted to the GMS. The proposal was obtained through a series of processes conducted by the Remuneration and Nomination Committee, including the formulation of policies, criteria, and qualifications necessary for the nomination process for candidates for the Board of Commissioners and Board of Directors in accordance with the Company's strategic plan. In addition, the Remuneration and Nomination Committee assists the Board of Commissioners in obtaining and analysing data on prospective Board of Directors candidates from the talent pool of officers one level below the Board of Directors and in identifying qualified candidates for the Board of Commissioners.

In addition to the nomination system, the Remuneration and Nomination Committee has also assisted the Board of Commissioners in proposing an appropriate remuneration system for the Board of Directors and Board of Commissioners of Bank Mandiri in the form of a payroll/honorarium system, facilities/benefits, *tantiem* for 2022.

The Risk Monitoring Committee was established by the Board of Commissioners of Bank Mandiri to assist the Board of Commissioners in carrying out their duties and responsibilities in supervising and advising the Board of Directors to obtain adequate confidence so that the implementation of the Bank's risk management continues to meet the elements of adequacy of risk management procedures and methodologies, thereby allowing the Bank's business activities to remain compliant.

The activities of the Risk Monitoring Committee during 2022 are as follows :

1. Held 35 Risk Monitoring Committee Meetings, including drafting and documenting the Meeting Minutes.
2. Held 92 Internal Discussions, Discussions with related Work Units, and Joint Discussions with the Audit Committee, including compiling and documenting the Minutes of Discussion.

3. Reviewed more than 25 Reports, including the Risk Profile Report, Bank Rating Report, Debtor Report with a Credit Limit of Rp3 trillion and above individually, Debtor Watchlist Wholesale Report, and Anti-Fraud Strategy Realization Report.
4. Reviewed more than 15 Proposals of the Board of Directors that require written approval from the Board of Commissioners, including Proposals for Funding to Related Parties, Proposed Corporate Actions, Proposed Corporate Work & Budget Plans and Bank Business Plans and its revisions, Proposed Sustainable Finance Action Plan, and Proposed Resolution Plan.
5. Prepared four quarterly reports on the Committee's activities and have been submitted to the Board of Commissioners.
6. Conducted seven site visits including the preparation of a Visit Result Report, namely to Region II/Padang Area (28 April 2022), IT Command Center (29 June 2022), Treasury (29 June 2022), Region VIII/Surabaya (30 June 2022), Region XI/Mataram (18-19 July 2022), Region I/Medan-Batam (25-27 July 2022), and Bank Mandiri Taspen (4 October 2022).
7. Developed a 2023 Risk Monitoring Committee Work Plan.
8. All members of the Committee have participated in at least one competence development activity related to Banking/Risk Management.

The Integrated Governance Committee has the duty and responsibility to assist the Board of Commissioners in carrying out its supervisory duties and functions over the implementation of Governance in each Financial Services Institution (LJK) in the Bank Mandiri Financial Conglomerate in accordance with the Integrated Governance Guidelines and the Implementation of the duties and responsibilities of the Board of Directors. The Committee is also responsible for providing guidance or assistance to the Board of Directors on the implementation of the Integrated Governance Guidelines, evaluating the Integrated Governance Guidelines and guiding its improvement.

In 2022, the Integrated Governance Committee has carried out the following activities :

1. Conducted six meetings of the Integrated Governance Committee, including drafting the Minutes of Meetings.
2. Held eight Internal Discussions and Discussions with related Work Units.
3. Evaluated the adequacy of the implementation of integrated internal controls, integrated compliance, and integrated risk management and provided recommendations for future improvements.