



Integrated Governance Committee Charter

PT Bank Mandiri (Persero) Tbk.

1. General Objective

Integrated Governance Committee was established by the Board of Commissioners of PT Bank Mandiri (Persero) Tbk with the objective to assist and facilitate the Board of Commissioners in performing its tasks and functions to supervise the implementation of Governance in each Financial Service Institution (FSI) under Financial Conglomeration of Bank Mandiri in order to comply with the Manual on Integrated Governance; supervising performance of tasks and responsibilities of the Board of Directors of Bank Mandiri, as well as providing direction or advices to the Board of Directors of Bank Mandiri for implementation of Manual for Integrated Governance; and evaluating Manual for Integrated Governance as well as directing for improvement.

2. Basis of Establishment

Establishment of the Integrated Governance Committee was guided and based on the applicable legislations and best practices at the banking institutions in Indonesia, i.e.:

- a. Regulation of Financial Service Authority Number 18/POJK.03/2014 dated 18 November 2014 regarding Implementation of Integrated Governance for Financial Conglomeration
- b. Law Number 21 of Year 2011 regarding Financial Service Authority
- c. Regulation of Bank of Indonesia No. 8/4/PBI/2006 dated 30 January 2006 regarding Implementation of Corporate Good Governance For Public Bank; and Regulation of Bank of Indonesia No. 8/14/PBI/2006 dated 5 October 2006 regarding Amendment to Regulation of Bank of Indonesia No. 8/4/PBI/2006 regarding Implementation of Corporate Good Governance For Public Bank
- d. Regulation of Minister of the State Owned Enterprise Number PER-09/MBU/2012 dated 6 July 2012 regarding amendment to Regulation of Minister of the State Owned Enterprise Number PER-01/MBU/2011 dated, regarding Implementation of Good Corporate Governance at the State Owned Enterprise
- e. Regulation of Minister of the State Owned Enterprise Number PER-12/MBU/2012 regarding Supporting Organ of the Board of Commissioners / Board of Supervisory of the State Owned Enterprise
- f. Articles of Association of PT. Bank Mandiri (Persero) Tbk and amendments thereof

3. Authorities

The Integrated Governance Committee has authorities to implement the followings :

- a. Rendering opinions to the Board of Commissioners of Bank Mandiri regarding implementation of Integrated Governance by assessment on properness of internal control and implementation of integrated compliance functions





- b. Establish communication with the Integrated Compliance Unit and the Integrated Internal Audit Unit for the purposes of obtaining information, clarification as well as requesting documents and necessary required reports

4. Membership

Membership of the Integrated Governance Committee with reference to the above regulation, should at least consist of :

- a. One Independent Commissioner who is the Chairman of one of the committees in Bank Mandiri, as the chairman and member
- b. Independent Commissioner who represents and is nominated from the Subsidiary Company within the Financial Conglomeration, as member
- c. One Independent Commissioner, as a member
- d. One Syariah Supervisory Board from Bank Syariah Mandiri, as a member

Number and composition of the Independent Commissioner becoming members of the Integrated Governance Committee will be adjusted to the needs of Financial Conglomeration and efficiency as well as effectiveness of implementation of tasks of the Integrated Governance Committee by considering at least representativeness of each financial service sector.

5. Membership Requirements

- a. Members of the Integrated Governance Committee must have an high integrity, good character and moral, proper capability, knowledge and experience in accordance with of their education backgrounds as well as having good communication capability
- b. Having proper knowledge regarding good corporate governance
- c. Having sufficient knowledge concerning Capital Market regulations, and regulations related to banking, insurance, securities and financing business
- d. Having no shares within Bank Mandiri, both directly and indirectly
- e. Unaffiliated to Bank Mandiri, Subsidiary Companies, Members of the Board of Commissioner and the Board of Directors of Bank Mandiri and/or Subsidiary Companies and majority shareholders of Bank Mandiri and/or Subsidiary Companies
- f. Have no direct or indirect business relation with Bank Mandiri and/or Subsidiary Companies

6. Tasks and Responsibilities

- a. Integrated Governance Committee has tasks and responsibilities to :
 - 1) Evaluate the implementation of Integrated Governance by assessment of :
 - a) Properness of Integrated Internal Control
 - (1) Performing evaluation that Bank Mandiri and Subsidiary Companies have had standard integrated internal control system in compliance with the applicable practice by reviewing the Manual for Integrated Governance applicable at Bank Mandiri





- (2) Performing monitoring and evaluation on effectiveness of implementation of integrated internal control by reviewing Regular Report and Investigation Report issued by the Integrated Internal Audit Unit
- (3) Performing regular meetings with the Integrated Internal Audit Unit to discuss matters related to integrated internal control and implementation thereof
- (4) Performing monitoring and evaluation on implementation of follow-up by the Board of Directors of Bank Mandiri and Subsidiary Companies on the results of findings by the Integrated Internal Audit Unit, Public Accountant Office, and results of supervision by Financial Service Authority on weakness to system and implementation of integrated internal control
- (5) Make regular reports to results of monitoring and provide advice on matters related to integrated internal control need to become attention by the Board of Commissioners of Bank Mandiri and Subsidiary Companies

b) Implementation of Integrated Compliance Function

- (1) Performing monitoring and evaluation on the compliance of Bank Mandiri and Subsidiary Companies against the applicable legislations in Capital Market as well as regulation of Financial Service Authority, Bank Indonesia and other regulation related to banking, insurance, securities and financing business through coordination with Integrated Compliance Unit
- (2) Studying on the regular report and investigation report related to compliance to internal and external regulations issued by the Integrated Compliance Unit and external auditor
- (3) Performing regular meetings with Integrated Compliance Unit to discuss matters related to compliance by Bank Mandiri and Subsidiary Companies to internal and external regulations
- (4) Performing monitoring and evaluation on the implementation of follow-up by the Board of Directors of Bank Mandiri and Subsidiary Companies for result of findings by Integrated Compliance Unit, Public Accountant Office, and result of supervision by Financial Service authority regarding weakness on system and implementation of integrated compliance function
- (5) Reporting in regular basis on the monitoring results and provide advices to matters related to compliance of Bank Mandiri and Subsidiary Companies to internal and external regulations need to become attention of the Board of Commissioners of Bank Mandiri and Subsidiary Companies

2) Provide recommendation to the Board of Commissioners of Bank Mandiri to improve Manual for Integrated Governance

b. Head of Committee has tasks and responsibilities to Performing coordination for all activities of the Integrated Governance Committee to be in compliance with objective of committee according to establishment thereof, as follows :

1) Presiding over the Integrated Governance Committee meeting





- 2) If the Head of Committee for any reasons is unavailable in the Integrated Governance Committee meeting, it may be represented by the Member of Committee originated from Independent Commissioner of Bank Mandiri
- c. Head of Committee jointly with members of committee have the following tasks and responsibilities for :
- 1) Determining annual working plan of the Integrated Governance Committee
 - 2) Determining schedule of meeting of the Integrated Governance Committee
 - 3) Attending Integrated Governance Committee meeting
 - 4) Actively participating and contributing to each activity of the Integrated Governance Committee
 - 5) Preparing regular reports on activities of the Integrated Governance Committee as well as matters considered necessary to become attention of the Board of Commissioners of Bank Mandiri and Subsidiary Companies
 - 6) Preparing Self-Assessment on effectiveness of activities of the Integrated Governance Committee
 - 7) In the absence of member of Committee by any reasons in Integrated Governance Committee meeting, then cannot be re-presented
- d. Integrated Governance Secretary
- Tasks and Responsibility of Secretary
- 1) Preparing and submitting summons for meeting to all participants in writing, but in case of emergency will be made possible to have direct invitation
 - 2) Preparing structure and infrastructure required in the meeting
 - 3) Recording and administer the minutes of meeting
 - 4) Submitting minutes of meeting to all members of the Integrated Governance Committee
 - 5) Preparing records and monitor further actions based on minutes of the Meeting as well as prepare reports on such actions to the Board of Commissioners
 - 6) Reporting the number of Meeting as well as the number of each attendance
 - 7) Maintain confidentiality of all information, documents and data of all matters related to implementation of tasks of Committee

7. Working Relation

In performing authorities, tasks and responsibilities, the work relation of the Integrated Governance Committee are as follows :

- a. Cooperating and coordinating with the Integrated Internal Unit in monitoring and evaluation of integrated internal control
- b. Cooperating and coordinating with the Integrated Compliance Unit in monitoring and evaluating the integrated compliance functions





- c. Coordinating with the Audit Committee, Risk Monitoring Committee and other committees under the Board of Commissioners of Bank Mandiri

8. Meeting

- a. Meetings of the Integrated Governance Committee shall be held at least once in 6 (six) months
- b. Meeting of the Integrated Governance Committee will be considered as valid if being attended by at least 51% from total members including one Independent Commissioner of Bank Mandiri and the Independent Party
- c. Meeting will be presided over by the Head of the Integrated Governance Committee
- d. Recommendation of the Meeting will be taken based on an amicable negotiation for reaching a mutual consensus
- e. Dissenting of opinion occurred in a meeting of the committee must be expressly described in the minutes of the meeting including reasons of the dissenting opinion
- f. Meeting of the Integrated Governance Committee must be included in a minute of the meeting signed by all presenting members and to be well documented

9. Reporting

- a. Integrated Governance Committee must provide regular reports to the Board of Commissioners of Bank Mandiri concerning activities of the Integrated Governance Committee, at least of once in 6 (six) months
- b. Integrated Governance Committee must provide regular report to the Board of Commissioners of Bank Mandiri for each assignment vested in it, and or for each identified issues requiring for attention of the Board of Commissioners of Bank Mandiri

10. Terms off Office and Compensation

- a. Term of Office of members of the Integrated Governance Committee originated from members of the Board of Commissioners should not be longer than Term of Office of Commissioners and may be re-appointed only for the next following 1 (one) period
- b. Independent member of the Integrated Governance Committee shall be provided with monthly salary at amount specified by the Board of Commissioners of Bank Mandiri

11. Confidentiality

- a. Members of the Integrated Governance Committee will be under obligation to execute their tasks in good and maintain confidentiality of all documents and all matters related to performance of tasks of the Committee
- b. Confidentiality obligation will also applicable upon expiry of Term of Office as members of the Integrated Governance Committee as well as Term of Office as members of the Board of Commissioners in Bank Mandiri and Subsidiary Companies





12. Closing

- a. This Integrated Governance Committee Charter is subject to the applicable laws and regulations
- b. This Integrated Governance Committee Charter is jointly signed by the members of the Integrated Governance Committee and the Board of Commissioners of Bank Mandiri
- c. This Integrated Governance Committee Charter will commence being effective as of the date of enactment thereof and subject to review or amendment at any time to be adjusted with the applicable provisions of laws or according to condition upon the request from the Board of Commissioners of Bank Mandiri and will be rectified should there will be error herein
- d. In case of available of other laws and regulations and/or provisions issued by the regulator or authority stipulated otherwise against the same with the provisions contain herein, the other legislations and/or provisions issued by such regulator or Authority shall prevail

