

## Supervision of The Board of Commissioners on The Implementation of Company Strategies

In carrying out its duties, the Board of Commissioners supervises the preparation and implementation of the Company's strategy as stated in the RKAP. The supervision report on the implementation of the Bank's Business Plan includes reports on:

1. Board of Commissioners' assessment of the implementation of the Business Plan. The Board of Commissioners' assessment of the implementation of the Business Plan in the form of evaluating quantitative and qualitative aspects of the realization of the Business Plan, among others:
  - a. Quantitative Aspect (Financial)
  - b. Qualitative Aspect (Company Work Program)
2. The Board of Commissioners' assessment of the factors that affect the Company's performance include:
  - a. Implementation of Good Corporate Governance.
  - b. Gratuity control.
  - c. Application of Anti Money Laundering and Prevention of Terrorism Funding (APU-PPT).
  - d. Implementation of Fit and Proper Test.
  - e. Credit quality improvement.
  - f. Reporting to Regulators.
3. The Board of Commissioners' assessment of efforts to improve bank performance is carried out, among others by:
  - a. Evaluate Bank Mandiri's Consolidated Financial Performance every month and the Bank Mandiri Subsidiaries' Financial Performance every quarter.
  - b. Reviewing quarterly financial information that will be published by the Bank Mandiri.
  - c. Evaluate the realization of the RBB reported to the OJK every semester and submit the RBB supervision report to the OJK.
  - d. Carry out the oversight function of Risk Management, including ensuring the effectiveness of the Risk Management system and process by monitoring the Bank's main risk management, periodically reviewing the Risk Profile and evaluating on the position and development of the Bank's risk every quarter.
  - e. Monitor the Directors' plans and strategies in preparing Bank Mandiri for entering the Financial Technology (Fintech) era and ensuring that the Bank has both human and qualified and competent systems.
  - f. Monitor and evaluate the policies of the Board of Directors related to the creation of synergies and strengthening the business of the Subsidiary and reviewing its Performance of Subsidiaries every quarter.

The results of supervision of the implementation of Bank Mandiri's strategies are contained in the Bank Business Plan

Implementation Supervision Report submitted to OJK every semester. In 2018, the Board of Commissioners has made and submitted the Bank Business Plan Implementation Supervision Report as follows:

1. Letter No. KOM/015/2018 dated 21 February 2018, concerning Bank 2017 2019 Business Plan Supervision Report PT Bank Mandiri (Persero) Tbk, Semester II 2017.
2. Letter No. KOM/097/2018 dated 29 August 2018, concerning Bank Business Regulations 2018 - 2020 Supervision Report of PT Bank Mandiri (Persero) Tbk, Semester I of 2018.
3. Letter No. KOM/024/2019 dated 27 February 2019, concerning Bank Business Regulations 2018 - 2020 Supervision Report of PT Bank Mandiri (Persero) Tbk, Semester II of 2018.

## Execution of Duties of The Board of Commissioners

Pursuant to the Financial Service Authority regulation No. 55/POJK.03/2016 concerning the Implementation of Corporate Governance for Commercial Bank, the duties and responsibilities of the Board of Commissioners are as follows:

1. To ensure good Corporate Governance is implemented in all business activities and all organizational levels of the Bank.
2. To conduct supervision over Board of Directors' performance of duties and responsibilities as well as to provide advice to the Board of Directors.
3. The Board of Commissioners must guide, monitor, and evaluate the implementation of Bank strategic policies.

Throughout 2018, the Board of Commissioners has performed their duties and responsibilities in monitoring management policies and Company's management in general in accordance with the prevailing regulations of law, the Company's Articles of Association, and the Work Plan set out in the beginning of the year.

The duties, obligations, and responsibilities of the Board of Commissioners are conducted through, among others, the meeting of the Board of Commissioners, the joint meeting of the Board of Commissioners and the Board of Directors, or the meeting and evaluation with the committees under the Board of Commissioners.

1. Reviewing the audit of Bank Mandiri's Financial Statement of the Fiscal Year of 2017 and The Financial Institutions Pension Fund (DPLK) conducted by the Public Accountant Firm (KAP) or other external parties.