



No.	Subject Matter
31.	Information Technology Committee
32.	Integrated Risk Committee
33.	Policy & Procedure Committee
34.	Risk Management Committee
35.	Adjustment on Designation of Employees as Portal Administrators of the Ministry of State-Owned Enterprises of the Republic of Indonesia
36.	Pension Fund Regulations
37.	Bank Mandiri Pension Fund Investment Direction
38.	Risk Management and Credit Policy Committee
39.	Appointment of the 2018 Independent Excellence Award and Best Employee Appreciation Night Procurement Team and Committee

Review of Company Annual Strategy

The Board of Directors sought to encourage the Company's performance for the following year by reviewing the Company's annual strategy conducted at the end of the current year. In 2018, the review of the Company's annual strategy was conducted through the Board of Directors' meeting.

Evaluation of Company Strategy

Evaluation of the Company's strategy in line with the Company's Vision and Mission as well as current business environment was constantly conducted periodically and involved all Directors and executive officials at Bank Mandiri in the annual Corporate Work Plan and Budget (RKAP) discussion forum and the Company's Long-Term Plan (RJPP) to find out the achievement level and business direction.

Remuneration Policy For The Board of Directors

In providing remuneration for the Board of Directors, Bank Mandiri puts forward the principle of prudence and refers to the applicable laws and regulations to encourage the implementation of prudent risk taking in order to maintain the continuity of the Company's business. Currently, the Company has implemented good governance in providing remuneration to the Board of Directors. In providing remuneration to the Board of Directors, the Company adheres to the principle of prudence which aims to encourage prudent risk taking to maintain the continuity of the Company's business.

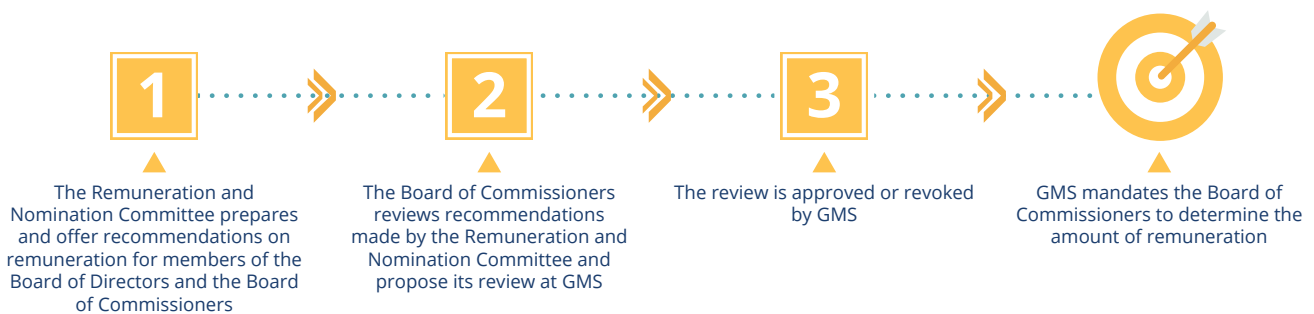
Bank Mandiri is committed to implementing governance in providing remuneration by compiling a remuneration policy that has been ratified through a Joint Decree of the Board of Commissioners and Directors regarding the Remuneration Policy of PT Bank Mandiri (Persero) Tbk. On March 20, 2018. In determining the remuneration of the Board of Directors, Bank Mandiri refers to:

1. SOE Minister Regulation No. PER-06/MBU/06/2018 dated June 4, 2018 concerning the Third Amendment above SOE Minister Regulation No. PER-04/MBU/2014 concerning Guidelines for Determining the Income of Directors, Councils Commissioner.
2. SOE State Minister Regulation No. PER-01/MBU/2011 concerning the Implementation of Good Corporate Governance in SOEs has been amended most recently by the Regulation of the Minister of State-Owned Enterprises No. PER-09/MBU/2012 concerning Amendments to the Regulation of the Minister of State Enterprises No. PER-01/MBU/2011 concerning Implementation of Good Corporate Governance in BUMN.
3. Financial Services Authority Regulation No. 55/POJK.03/2016 dated December 9, 2016 concerning Implementation of Governance for Commercial Banks.
4. Financial Services Authority Regulation No. 45/POJK.03/2015 dated December 23, 2015 on the Implementation of Governance concerning Remuneration for Commercial Banks.
5. The Company's Articles of Association.

Pursuant to the Financial Services Authority Regulation No. 45/POJK.03/2015 concerning the Implementation of Governance in the Provision of Remuneration for Commercial Banks, Bank Mandiri has implemented Governance in the Provision of Remuneration by taking various aspects into account, including bank financial stability, establishment of risk management, short-term and long-term liquidity needs, and potential income in the future. The Company can postpone remuneration classified as deferred variable (Malus) or withdraw the paid variable remuneration (Claw back) from officials classified as Material Risk Taker (MRT), with the following conditions:

1. The Company applies Malus and/or Claw back to certain special conditions in the application of variable remuneration, by taking into account several factors including:
 - The amount of financial and non-financial losses of the Company.
 - The involvement of the employees concerned directly or indirectly in the losses incurred.
2. Variable remuneration must be deferred at a certain percentage determined by the Company.
3. This policy applies to officials classified as MRT i.e. those with the following criteria:
 - Causing financial and non-financial bank losses.
 - Committing fraud, violating the law, showing unethical behavior, and/or falsifying records.
 - Intentionally violating the bank's policies, regulations, and procedures.
 - Causing a significant negative impact on bank capital which is not caused by changes in the economic or industrial climate.
4. In implementing the MRT remuneration, Bank Mandiri is guided by Financial Services Authority provisions, SOE Minister Regulation, and the Company's remuneration policy.

Procedure for Determining Directors' Remuneration



Determination of the remuneration of the Board of Directors is carried out in the following procedures:

1. The Remuneration and Nomination Committee reviews remuneration for members of the Board of Directors.
2. The Remuneration and Nomination Committee coordinates with the Director and Officer in charge of Human Capital and related working units to prepare a Remuneration proposal.
3. In determining a remuneration policy classified as variable, the Remuneration and Nomination Committee coordinates with the Risk Management Working Unit.
4. The Remuneration and Nomination Committee based on the study prepares remuneration recommendations and then submit it to the Board of Commissioners.
5. The Board of Commissioners based on the review of the Remuneration and Nomination Committee submits proposals and recommendations to the General Meeting of Shareholders (GMS) for approval.
6. The proposal and recommendation of the Board of Commissioners to the GMS can be in the form of:
 - a. Approval of the form and amount of Remuneration; or
 - b. Approval of authority to be given to the Board of Commissioners in determining the form and amount of remuneration.