

REMUNERATION AND NOMINATION COMMITTEE

The establishment of the Remuneration and Nomination Committee aimed at assisting the Board of Commissioners in its oversight functions and ensure the objective, efficient, and effective execution of the nomination and remuneration determination processes for strategic management positions. As an implementation of GCG, OJK regulations mandate that banks form a Remuneration and Nomination Committee to ensure compliance of management with the principles of transparency, accountability, responsibility, independence, and fairness

Legal Reference

The establishment of the Remuneration and Nomination Committee refers to:

1. SOE Minister Regulation No. PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities of State-Owned Enterprises.
2. SOE Minister Regulation No. PER-3/MBU/03/2023 concerning Organs and Human Resources of State-Owned Enterprises.
3. POJK No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies
4. POJK No. 45/POJK.03/2015 concerning Governance in Providing Remuneration for Commercial Banks.
5. POJK No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks.
6. Bank Mandiri's Articles of Association and amendments.
7. Decree of the Board of Commissioners No. KEP. KOM/002/2023 dated 25 August 2023 on the Composition of Memberships of the Audit Committee, Risk Oversight Committee, Integrated Governance Committee and Remuneration and Nomination Committee of PT Bank Mandiri (Persero) Tbk.
8. Decree of the Board of Directors No. KEP. DIR/017/2023 dated 11 April 2023 on Determination of Remuneration and Nomination Committee Membership.

Structure, Membership and Profile of the Remuneration and Nomination Committee

Remuneration and Nomination Committee are as follows:

1. The Remuneration and Nomination Committee consists of at least 3 (three) people with a composition of 1 (one) Independent Commissioner as Chair and member, 1 (one) Commissioner, and 1 (one) Executive Officer who oversees the Resources function. Human or 1 (one) Representative officer (ex officio) as a non-voting member.
2. The Executive Officer in charge of Human Resources or employee representatives who are members of the Committee must have knowledge of the Company's remuneration and/or nomination system and succession plan.
3. When there are more than 3 (three) members of the Remuneration and Nomination Committee, the members of the Independent Commissioners shall be no less than 2 (two) people.
4. The Chairman of the Remuneration and Nomination Committee may only hold concurrent positions as Chair of the Committee at most in 1 (one) another Committee.

REMUNERATION AND NOMINATION COMMITTEE

As of 31 December 2023, the composition of the Remuneration and Nomination Committee's membership appointed based on the Decree of the Board of Directors No. KEP.DIR/017/2023 dated 11 April 2023 regarding the Determination of Remuneration & Nomination Committee Membership, is as follows:

Remuneration and Nomination Committee Composition as of 31 December 2023

Name	Position in the Committee	Position in the Company	Period
M. Chatib Basri	Chairman and Member	President Commissioner/Independent	2019 - 2024
Andrinof A. Chaniago	Member	Vice President Commissioner/Independent	2020-2025
Muliadi Rahardja	Member	Independent Commissioner	2022 - 2027
Rionald Silaban	Member	Commissioner	2023 - 2028
Arif Budimanta	Member	Commissioner	2020 - 2025
Steven A. Yudiyanto	Non-Voting Member and Secretary	SEVP/Group Head Human Capital	01 January - 30 November 2023
Votivia Mardinna	Non-Voting Member and Secretary	SEVP/Group Head Human Capital	01-31 December 2023

Remuneration and Nomination Committee Profile

The profile of the Remuneration and Nomination Committee members as members of the Board of Commissioners can be viewed in Chapter 3 Profile of the Board of Commissioners in this Annual Report.

The following is the profile of member of the Remuneration and Nomination Committee as Non-Voting Member and Secretary:



Votivia Mardinna
Non-Voting Member and Secretary
Age: 37 Years old
Domicile: Jakarta
Citizenship: Indonesia

Basis of Appointment

Board of Directors Decree No. KEP.DIR/017/2023

Educational Background

Bachelor of Economics from University of Gadjah Mada (2008)

Professional Background

- Group Head Performance & Remuneration (2023 - present)
- Department Head Performance & Career Development (2019-2023)
- Department Head Organization Development (2018-2019)
- Pj. Department Head Organization Development (May 2017)

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Remuneration and Nomination Committee Charters

The Remuneration and Nomination Committee has in place a charter that clearly states the roles and responsibilities of the committee and its scope of work. The Remuneration and Nomination Committee work guidelines is regulated in the Remuneration and Nomination Committee Charter of PT Bank Mandiri (Persero) Tbk which was last updated on 12 October 2023 based on the Decree of the Board of Commissioners No. KEP.KOM/007/2023.

The Remuneration and Nomination Committee Charter contains, among others:

1. General Purpose
2. Basic Regulations
3. Duties, Responsibilities, and Authority
4. Composition, Structure, and Membership Requirements
5. Meeting
6. Reports and Recommendations
7. Closing

Remuneration and Nomination Committee Duties and Responsibilities

In implementing its duties, the Remuneration and Nomination Committee responsible to the Board of Commissioners. The following are duties and responsibilities of the Committee:

1. Related to Nomination Function
 - a. Evaluate and provide recommendations to the Board of Commissioners on the Board of Directors' proposal regarding the Company's organizational structure.
 - b. Provide recommendations to the Board of Commissioners regarding the composition of positions of members of the Board of Directors and/or Board of Commissioners and/or Supervisory Board.
 - c. Identify candidates for members of the Board of Directors and/or candidates for members of the Board of Commissioners both from within and outside the Company who are eligible to be proposed/appointed as members of the Board of Directors or members of the Board of Commissioners.
 - d. Develop or evaluate and provide input to the Board of Commissioners regarding policies, criteria and qualifications required in the Nomination process in accordance with the Company's strategic plan.
 - e. Develop a system and procedure for the election and/or replacement of members of the Board of Directors and/or Board of Commissioners to be submitted to the GMS.
 - f. Provide proposals for the appointment, dismissal, and/or replacement of members of the Board of Directors and/or members of the Board of Commissioners to the GMS.
2. Related to Performance Management Functions
 - a. Develop or evaluate and provide input to the Board of Commissioners regarding the Performance Assessment Policy for members of the Board of Directors and/or members of the Board of Commissioners.
 - b. Prepare proposals for individual performance assessment system for members of the Board of Directors and/or members of the Board of Commissioners.
 - c. Evaluate the proposed Key Performance Indicators (KPI) of individual members of the Board of Directors.
 - d. Assisting the Board of Commissioners in performance assessment of members of the Board of Directors and/or members of the Board of Commissioners based on benchmarks that have been prepared as assessment materials.
3. Related to Remuneration Function

Provide recommendations to the Board of Commissioners regarding:

 - a. Assisting the Board of Commissioners in proposing an appropriate remuneration system for members and/or members of the Board of Commissioners in the form of a payroll/honorarium system, provision of facilities, benefits, bonuses/incentives/tantiem, pension system, assessment or evaluation of the system and the options provided.
 - b. Evaluate the remuneration policy based on performance, risk, fairness with peer groups, goals and long-term strategies of the Company, fulfillment of reserves as stipulated in laws and regulations and potential future income of the Company.
 - c. Evaluate the Remuneration Policy for Employees that requires approval/response from the Board of Commissioners.
- g. Assist the Board of Commissioners in obtaining and/or analyzing data on prospective candidates for members of the Board of Directors from the talent pool of executives one level below the Board of Directors.
- h. Having a data base and talent pool of candidates for members of the Board of Directors and candidates for members of the Board of Commissioners.
- i. Develop, implement, and analyze the criteria and procedures for dismissal of the Board of Commissioners and/or the Board of Directors.
- j. Assess independent parties who will become members of the Supporting Committee of the Board of Commissioners and provide recommendations to the Board of Commissioners.

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- d. Ensure that the Remuneration Policy is in accordance with applicable regulations including the Regulations of the Minister of State-Owned Enterprises, Regulations of the Financial Services Authority, and other relevant prevailing laws and regulations.
 - e. Submitting evaluation results and recommendations to the Board of Commissioners regarding the Remuneration Policy for the Board of Directors and/or Board of Commissioners to be submitted to the GMS.
 - f. Submitting the overall Remuneration Policy for Employees to be submitted to the Board of Directors.
 - g. Conduct periodic evaluations of the implementation of the Remuneration Policy.
4. Related to Development Function
 - a. Prepare proposals for Development Programs for members of the Board of Directors and/or members of the Board of Commissioners/Supervisory.
 - b. Conducting periodic reviews of the Company's Talent Management System, as well as monitoring and evaluating its implementation.
 - c. Evaluate the system and procedure of Talent Classification conducted by the Board of Directors.
 - d. Validating and calibrating the Talents proposed by the Board of Directors to the Board of Commissioners/Supervisory Board (Selected Talent) to produce a list of Talents to be nominated by the Board of Commissioners/Supervisory Board to the GMS/Minister of SOEs (Nominated Talent).
 - e. Evaluate the Company's Representative Candidates who will be proposed as members of the Board of Directors or members of the Board of Commissioners of Financial Services Institutions (FSIs) in the Financial Conglomerate, before being submitted to the GMS/Minister of SOEs.
 5. Prepare and submit an annual work plan and budget to the Board of Commissioners to be determined prior to the current financial year. Furthermore, a copy of the annual work plan and budget shall be submitted by the Board of Commissioners to the Board of Directors of the SOE for their information.

Remuneration and Nomination Committee Authority

The Remuneration and Nomination Committee has the following authority:

1. Communicating with the Head of Unit and other parties in the Company to obtain information, clarification and requesting the required documents and reports.
2. Requesting the Company to conduct surveys according to the needs of the Remuneration and Nomination Committee.
3. Accessing records or information about employees, funds, assets and other company resources related to the implementation of their duties.
4. Obtaining input and or suggestions from outside parties of the Company relating to their duties.
5. Performing other authorities granted by the Board of Commissioners.

Remuneration and Nomination Committee Tenure

The tenure of members of the Remuneration and Nomination Committee as members of the Board of Commissioners, shall not be longer than the tenure of the Board of Commissioners as stipulated in the Articles of Association and can be re-elected for the next 1 (one) period. Whereas the tenure of the Remuneration and Nomination Committee members from Non-Commissioner Independent Parties is the latest 3 (three) years and can be extended 1 (one) time during 2 (two) years of tenure, by not eliminating the rights of the Board of Commissioners to terminate at any time.

Remuneration and Nomination Committee Reporting

The Remuneration and Nomination Committee must report the implementation of duties, that are carried out for each assignment given and/or for any problems identified that require the attention of the Board of Commissioners or at least 2 (two) times in 1 (one) year.

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Remuneration and Nomination Committee Qualifications and Experience

Members of the Remuneration and Nomination Committee have at least the following qualifications:

1. General Requirements
 - a. Having integrity, character and good morals.
 - b. Does not have personal interests/relationships that can cause conflict of interest against the Company.
2. Competence Requirements
 - a. Having sufficient expertise, ability, knowledge and experience related to their duties and responsibilities, specifically related to the provisions of the Bank's remuneration and/or nomination system and succession plan.
 - b. Able to work together and to communicate well and effectively and are willing to provide sufficient time to carry out their duties.
 - c. Have adequate knowledge of the Company's Articles of Association, laws and regulations in the banking sector, Capital Market, SOEs and other relevant laws and regulations.
 - d. Willing to increase competencies continuously through education and training.

The qualifications and professional background of the Chairman and Members of the Remuneration and Nomination Committee are as follows.

Remuneration and Nomination Committee Qualifications and Professional Background

Name	Position	Period	Education	Professional Background
M. Chatib Basri	Chairman and Member	1 January – 31 December 2023	<ul style="list-style-type: none"> • Bachelor Degree in Economics • Master of Business Administration in Economic Development • Ph. D in Economics 	Professional background in finance and corporate oversight.
Andrinof A. Chaniago	Member	1 January – 31 December 2023	<ul style="list-style-type: none"> • Bachelor Degree in Social and Political Science • Master Degree in Public Planning and Policies 	Professional background in banking and corporate oversight.
Muliadi Rahardja	Member	10 March – 31 December 2023	<ul style="list-style-type: none"> • Bachelor of Accounting • Master of Business Administration in Finance 	Professional background in banking and corporate oversight
Rionald Silaban	Member	1 January – 31 December 2023	<ul style="list-style-type: none"> • Bachelor of Law • Master of Law Center 	Professional background in finance and human capital
Arif Budimanta	Member	1 January – 31 December 2023	<ul style="list-style-type: none"> • Bachelor in Soil Science • Master of Sains in Natural Resources Economics • Doctorate in Social and Political Science 	Professional background in banking.
Votivia Mardinna	Non-Voting Member and Secretary	1 – 31 December 2023	<ul style="list-style-type: none"> • Bachelor in Economy 	Professional background including in human capital.

Remuneration and Nomination Committee Independence

All members of the Remuneration and Nomination Committee from independent parties do not have financial, management, shareholding and/or family relations with the Board of Commissioners, Directors and/or Controlling Shareholders or relationship with Bank Mandiri, which can affect its ability to act independently.

Remuneration and Nomination Committee Independence

Independence Aspects	M. Chatib Basri	Andrinof A. Chaniago	Muliadi Rahardja	Rionald Silaban	Arif Budimanta
Does not have financial relations with the Board of Commissioners and Directors	√	√	√	√	√
Does not have management relations in the company, subsidiaries, or affiliates	√	√	√	√	√
Does not have shareholding relations in the company	√	√	√	√	√

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Remuneration and Nomination Committee Independence

Independence Aspects	M. Chatib Basri	Andrinof A. Chaniago	Muliadi Rahardja	Rionald Silaban	Arif Budimanta
Does not have family relations with the Board of Commissioners, Directors and/or with fellow members of Committee	√	√	√	√	√
Does not serve as the management in political parties, officials and in the government	√	√	√	√	√

Meetings of Remuneration and Nomination Committee

The Remuneration and Nomination Committee holds regular meetings at least 1 (one) time in 4 (four) months. The meetings can only be held if attended by at least 51% of the total committee members including 1 (one) Independent Commissioner and 1 (one) Executive in charge of the Human Resources function or 1 (one) employee representative.

Decisions of the Remuneration and Nomination Committee meetings are taken based on deliberation to reach consensus. The meeting shall be chaired by the Chairman of the Remuneration and Nomination Committee or other member that serves as Independent Commissioner if the Chairman of the Remuneration and Nomination Committee is unable to attend.

Each Remuneration and Nomination Committee meeting is outlined in the minutes of the meeting, including dissenting opinions, which are signed by all members of the Committee present and submitted to the Board of Commissioners.

During 2023, 12 (twelve) meetings were held with the following agenda.

Remuneration and Nomination Committee Meeting Agenda

No.	Tanggal	Agenda Rapat	Kuorum
1.	09 February 2023	Proposal for Nomination of Candidates for the Board of Directors in Bank Mandiri's Annual GMS for Fiscal Year 2022.	100%
2.	23 February 2023	Talent Pool Proposal	100%
3.	9 March 2023	Proposed Remuneration of the Board of Directors and Board of Commissioners for 2023 and Tantiem and Long-Term Incentive (LTI) for Fiscal Year 2022.	100%
4.	14 March 2023	Proposal of Bank Mandiri Management at the Annual GMS for Fiscal Year 2022.	100%
5.	17 April 2023	<ul style="list-style-type: none"> Proposal of the Company's Representative as a Member of the Board of Commissioners and Directors of the Company's Subsidiaries. Interview of Prospective Director of Subsidiary Company. 	100%
6.	11 May 2023	Proposed alignment of Bank Mandiri's organizational structure.	100%
7.	25 May 2023	Proposal of the Company's Representative as a Member of the Board of Commissioners and Directors of the Company's Subsidiaries.	100%
8.	27 July 2023	<ul style="list-style-type: none"> Proposal of the Company's Representative as Director of the Company's Subsidiary. Proposed Adjustment of Organizational Structure in the Directorate of Information Technology and Directorate of Treasury & International Banking. 	100%
9.	14 September 2023	LTI Proposal	80%
10.	23 November 2023	<ul style="list-style-type: none"> Proposed dismissal and appointment of Group Head Corporate Secretary. Group Head Corporate Secretary Candidate Interview. 	100%
11.	28 November 2023	Tantiem Budget Consultation in RKAP Year 2024.	100%
12.	13 December 2023	<ul style="list-style-type: none"> Proposed Key Performance Indicators (KPIs) of Collective and Individual Directors in 2023. Proposal of the Company's Representative as a Member of the Board of Commissioners and Directors of the Company's Subsidiaries. 	100%