

Charter of The Board of Directors PT Bank Mandiri (Persero) Tbk.

CHAPTER I GENERAL TERMS

Article 1

In these provisions, the following terms shall have the meaning as follows :

1. The articles of association are the articles of association of the Bank along with the amendments.
2. The Board of Commissioners is a company organ that having duties of supervising and providing advice to the board of directors with the scope of duties and authority as regulated in the Articles of Association and the provision of laws.
3. Board of Directors is an organ of the Company which has the authority and full responsibility for managing the company for the interests of the company, in accordance with the aims and objectives of the company and representing the company both inside and outside the court in accordance with the provisions of the articles of association and the provisions of the laws and regulations.
4. Company is PT Bank Mandiri (Persero) Tbk.

CHAPTER II ORGANIZATION, MANAGEMENT, AUTHORITY TO ACT, DUTIES AND RESPONSIBILITIES

Article 2

Organization and Management

1. Company is managed and led by the Board of Directors that appointed by General Meeting of Shareholders (GMS).
2. Management of the Board of Directors as long as it is not determined in the GMS, is determined by the board of directors in the decision of the board of directors' meeting.
3. The company's organization and work areas are grouped and described based on their functions and fields as stated in the board of directors' decision regarding the company's organizational structure.

Article 3

Authority to Manage and Represent the Company

1. President Director has the right and authority to and on behalf of Board of Directors to represent Company either before or outside the court.



2. In order to carry out their duties, authorities, and responsibilities according to their respective areas of management, each member of Board of Directors has the right and authority to act for and on behalf of the directors and represent the company both inside and outside the court by taking into account the applicable laws, Articles of Association of the Company as well as other provisions of the Company.
3. In the event that a member of the Board of Directors is unable to attend for whatever reason, and for which no proof is required from any third party, the member of the Board of Directors who is unable to attend can be replaced by another member of the Board of Directors as an alternate Director, with the arrangements as stipulated in the Directors' Decree on the Scope of Duties and Authority of Board of Directors Members and Determination of Replacement Directors and SEVP.
4. Referring to the to the Board of Directors' Decree regarding the Scope of Duties and Authorities of Directors and the Determination of Replacement Directors and SEVP, members of the Board of Directors who are unable to attend for whatever reason appoint and give special power to the Substitute Director to carry out the same duties, authority and responsibilities as the members of the Board of Directors they are replacing..
5. The Board of Directors, for certain actions on their own responsibility, also has the right to appoint one or more people as their representatives or proxies, by giving them or them the authority for certain actions as regulated in the power of attorney.

Article 4

Authority to Decide

1. Authority of Board of Directors to make decision is specifically delegated to the Board of Directors in accordance with the scope of authorities of each member of Board of Directors and may be delegated to the Committee under the Board of Directors with due observance of the provisions of Article 18 of these Board of Directors' Rules and/or delegated or empowered to officials below them as regulated in the Company's provisions or grant special power of attorney in writing.
2. Authority to make decision as referred to in paragraph 1, shall be carried out with due observance of the provision of Articles of Association and other provision of Company.

Article 5

Duties and Responsibilities

1. The Company's management policy is determined at the Board of Directors Meeting.
2. Every policy taken by the Board of Directors must be in line with and not conflicted with applicable statutory provisions, the Articles of Association, and the Resolutions of the General Meeting of Shareholders.
3. In running the management of the Company, the Board of Directors will prepare a comprehensive and systematic plan covering :
 - a. Long-Term Plan (RJP/Corporate Plan) 5 (five) years prepared by considering environmental, social sustainability and good corporate governance factors, which at least contain:
 - i. Evaluation of implementation of the previous RJP;
 - ii. Position of Company currently;
 - iii. Assumption used in preparing RJP;
 - iv. Stipulation of target, strategy, policy and working program of RJP as well as inter-relation between such elements.



- b. Middle-Term Plan made each 3 (three) years, shall at least contain :
 - i. Development plan of business and organization of Company;
 - ii. Evaluation of Performance of Company until that time;
 - iii. Financial projection of Company and the assumption used.
- c. Work and Budget Plan of Company (RKAP) made each year, shall at least contain :
 - i. Work plan which is detailed for the mission of Company, business target, business strategy, company's policy and work program/activities;
 - ii. Company's budget which is detailed for each budget of activity program;
 - iii. Financial projection of Company and the subsidiary; and
 - iv. Other matters require resolution of GMS.
4. The Board of Directors is obliged to carry out a final evaluation of the assessment results to determine 1 (one) Candidate Member of the Board of Directors each and Candidate Member of the Board of Commissioners of the Subsidiary Company to be appointed at the GMS of the Subsidiary Company.
5. The Board of Directors is obliged to follow up findings and recommendations from :
 - a. Risk Management, Compliance and Internal Audit Functions
 - b. External Auditor Findings
 - c. Advice and supervision results from the Board of Commissioners
 - d. Audit Board of Indonesia Report
 - e. Finance and Development Supervisory Agency Report; and or
 - f. Other findings and recommendations that must be followed up by the Board of Directors based on statutory provisions
6. The Board of Directors is obliged to establish an internal control system
7. The Board of Directors is obliged to carry out internal supervision
8. The Board of Directors is obliged to implement IT Governance
9. In implementing the risk management function, the Board of Directors has the authority, duties and responsibilities :
 - a. Develop and propose comprehensive Risk Management policies and strategies
 - b. Implement Risk Management Policies
 - c. Developing a Risk Management culture at all levels of the organization
 - d. Carrying out improvements in human resource competency related to Risk Management
 - e. Ensure that the Risk Management function operates independently
 - f. Carry out regular reviews to ensure :
 - i. Accuracy of Risk assessment methodology;
 - ii. Adequacy of implementation of the Risk Management information system
 - iii. Accuracy of Risk Management Policies and procedures as well as determination of risk limits and thresholds; And
 - g. Carry out other Risk Management functions in accordance with the provisions of laws and regulations, articles of association, and/or GMS decisions
10. In implementing the Integrated Governance function, the Board of Directors has authority, duties and responsibilities :
 - a. Develop Integrated Governance policies
 - b. Direct, monitor and evaluate the implementation of the Integrated Governance Policy
 - c. Following up on directions or advice from the Board of Commissioners in order to improve the Integrated Governance Policy
 - d. Carry out other Integrated Governance functions in accordance with the provisions of statutory regulations, articles of association and/or GMS decisions.
11. Other duties and responsibilities as regulated in statutory regulations.



**CHAPTER III
BOARD OF DIRECTORS MEETINGS**

**Article 6
Terms of the Meeting**

1. Meeting of Board of Directors is a meeting attended by Board of Directors which must be held at least once a month or at any time considered necessary upon request by one or more members of Board of Directors, or upon the written request from one or more members of Board of Commissioners.
2. The Board of Directors must hold a meeting with the Board of Commissioners regularly at least 1 (one) time in 4 (four) months.
3. The Board of Directors must prepare a schedule of the meetings for the subsequent year prior to the end of any fiscal year.

**Article 7
Participants of Meeting**

1. A Meeting of the Board of Directors will be attended by the Board of Directors and invitees.
2. Invitees will be meeting participants other than the Board of Directors who are invited by the Board of Directors, comprising :
 - a. The Board of Commissioners;
 - b. Related SEVP and Group Heads in accordance with the subject matter of each agenda;
 - c. Internal Audit Head whose presence is needed by the Meeting of the Board of Directors with due observance of the applicable provisions related to the independent functions of the Internal Audit.
 - d. Other Guest Participants who are invited at any time in accordance with the need of the Meeting of the Board of Directors.

**Article 8
Summons of the Meeting**

1. Summons Meeting of Board of Directors shall be made by :
 - a. President Director or Vice President Director if President Director is unavailable; or
 - b. Substitute Director in the event that the President Director and Deputy President Director are unable to attend.
2. Summons of the Meeting of the Board of Directors are held in the following manner :
 - a. Summons of the Meeting of Board of Directors shall be made in writing and submitted or delivered by hand to each member of Board of Directors with a proper receipt, or by the prepaid registered mail or courier service or by telex, facsimile, e-mail or other fastest means within the latest of 5 (Five) days prior to the meeting, excluding the date of summons and the date of meeting or in shorter time in case of an urgent condition.



- b. Summons as of referred to in letter a shall not be necessary for the scheduled meetings based on the prior Resolution of Board of Directors or when all members of Board of Directors attend the meeting.
 - c. If all members of the Board of Directors are present or represented, a summons for a Board of Directors Meeting is not required and the Board of Directors Meeting can be held at the Company's domicile or at another place within the territory of the Republic of Indonesia or at the Company's place of business activities and has the right to make legal and binding decisions.
3. Summons for Meeting of Board of Directors should specify the agenda, date, time and venue of the meeting.
 4. Board of Directors Meetings can also be held through teleconferences, video teleconferences or other electronic media that enable all Directors Meeting participants to see and/or hear each other directly and participate in the Board of Directors Meetings.
 5. The Board of Directors who attend meeting of the Board of Directors through the media tools as referred in paragraph (4), their attendance and decisions are counted in the Board of Directors Meeting which is documented in the Minutes of Meeting. The Board of Directors who attend meeting also required to sign the minutes of meeting refers to in accordance with the provisions of Article 15 paragraph (1).

Article 9

Meeting Chairperson

1. A Meeting of the Board of Directors will be chaired by the President Director
2. In the event due to any reason President Director is not available without the need for verification to a third party , pursuant to the provisions under Articles of Association, the arrangement on the chairman of the meeting shall be as follows :
 - a. The meeting shall be chaired by the Alternate of President Director, i.e. the Vice President Director.
 - b. In the event Vice President Director appointed based on the Resolution of Board of Directors due to any reason is unavailable without the need for verification to a third party, the Meeting of Board of Directors shall be chaired by the Second Alternate of President Director that appointed based on the Board of Directors' Decree regarding Alternate Directors
 - c. In the event President Director and the Alternate of President Director due to any reason are unable to attend without the need for verification to a third party, then one of the Directors who has served the longest as a member of the Board of Directors chairs the Board of Directors Meeting
 - d. In the event that the Director who has served the longest as a member of the Company's Board of Directors is more than 1 (one) person, then the Director who is the oldest in age will act as chairman of the Board of Directors Meeting.



Article 10

Quorum

1. Meeting of Board of Directors is valid and entitled to adopt binding resolutions if more than 2/3 (two thirds) from the total members of Board of Directors attend or represented in the meeting.
2. A member of the Board of Directors may be represented in a Meeting of the Board of Directors only by another member of the Board of Directors by virtue of a power of attorney. A member of the Board of Directors may only represent another member of the Board of Directors.
3. Members of Board of Directors who are unable to attend and have has authorized his presence to attend a Board of Directors Meeting, he can submit his opinion in writing and sign it, then submit it to the President Director or Deputy President Director or to other members of the Board of Directors who will chair the Board of Directors Meeting, regarding whether the member of the Board of Directors agrees or disagrees with the matters to be discussed and this opinion will be considered as a valid vote cast at the Board of Directors Meeting.
4. In case of urgent matters among others related to liquidity and determination of the interest rate, the Meeting of Board of Directors may be held / conducted in accordance with the number of Directors attending or represented in the meeting with due regard to provisions of Article 11 section 8.

Article 11

Resolution of the Meeting

1. Resolutions of a Meeting of the Board of Directors must be made by deliberations to reach consensus among the members of the Board of Directors or member of the Board of Directors representing them.
2. In the event that deliberation and a mutual consensus fail to be reached, the resolution shall be made by voting based on the affirmative vote of more than 2/3 (two thirds) from the number of valid votes cast in the meeting.
3. In the event that there are more than one proposals, then, re-voting shall be necessarily conducted so that one of the proposals shall obtain the vote of more than 2/3 (two thirds) part of the total vote cast.
4. Each member of Board of Directors shall reserve the right to cast 1 (one) vote and additional 1 (one) vote for each other member of Board of Directors legally represented in a meeting.
5. Blank vote (abstain) shall be deemed to approve the proposal applied in a meeting.
6. Illegal vote shall be deemed none and is not counted in determining the total vote cast in a meeting.
7. Voting regarding person shall be conducted using the unsigned-closed ballot, while voting on the other matters shall be taken verbally, except Chairman of the Meeting specified otherwise without any objection based on the attending majority votes.
8. In case of urgent needs with a high level of urgency requiring approval from all members of Board of Directors as stipulated in Article 10 section 4 (other than members of Board of Directors on leave), the resolutions of Board of Directors may be conducted using tele-conference under condition that members of Board of Directors giving approval by Tele-conference, shall be in obligation to affix their approval in Minutes of Meeting of Board of Directors.
9. If the number of votes agreeing and disagreeing is the same, then the final decision is submitted to the Chairman of the Board of Directors Meeting.
10. The Board of Directors can also make valid decisions without holding a Board of Directors Meeting provided that all members of the Board of Directors have been notified in writing and all members of the Board of Directors have given their approval to all proposals submitted in



writing and signed the approval. Decisions taken in this way have the same force as decisions legally taken at a Board of Directors Meeting.

11. In the event of a dissenting opinion, the different opinion must be stated clearly in the minutes of the Board of Directors Meeting along with the reasons for the difference of opinion.

Article 12

Meeting Materials

1. Materials for the scheduled meetings as of referred to under Article 6 section 3 shall be submitted in written to members of the meeting within the latest of 5 (five) business days prior to convening the meeting to each member of Board of Directors with an document receipt or by the prepaid registered mail or service Courier, facsimile, electronic mail or other media.
2. Meeting Materials for meetings held outside the schedule will be provided by no later than at the time of holding the meeting.

Article 13

Provision of Holding the Meeting

In organizing the Meeting, Board of Directors shall be assisted by the Group Head Corporate Secretary, that among others have the following responsibilities :

1. Ensuring that the attendance has reached the quorum, or the attendance of Board of Directors of more than $\frac{2}{3}$ (two-thirds) from the total members of Board of Directors attending or represented in the meeting. in the event that the meeting does not reach a quorum or, the attendance or proxies of the members of Board of Directors is less than $\frac{2}{3}$ (two thirds) from the total members of Board of Directors, the Meeting of Board of Directors will not be held.
2. Inventorying material/topics to be scheduled in the Meeting and distribute material of the meeting to the meeting participants under conditions refer to chapter 14.
3. Preparing and submitting summons to all participants in writing, but in case of under an urgent state, it is possible to invite the meeting verbally.
4. Preparing the facilities and infrastructure required in the meeting.
5. Administering, recording and binding the minutes of meeting.
6. Providing the minutes of meeting to all members of Board of Directors and other meeting participants.
7. Preparing the records and monitoring the follow-up to the minutes of Meeting of the Board of Directors as well as submitting the follow-up report to the Board of Directors.
8. Reporting the number Meetings of the Board of Directors as well as the number of attending members of the Board of Directors in the company's Annual Report.
9. Ensuring that every Working Unit Head receiving a copy/excerpt of the Minutes of Meeting of the Board of Directors properly will keep safe and store the records





Article 14
Agenda of the Meeting

1. Chairman of Meeting of Board of Directors may make amendment to the agenda of Meeting of Board of Directors by firstly notifying such amendment to the agenda of Meeting of Board of Directors at the beginning of meeting of Board of Directors.
2. If there is an urgent agenda that is not listed or not scheduled, it can be put on the agenda by the Director of the relevant Field by first notifying the additional agenda item to the Chairman of the Board of Directors Meeting at the time the Board of Directors Meeting begins.

Article 15
Minutes of Meeting

1. From everything discussed and decided at the Board of Directors Meeting, including but not limited to opinions developed at the meeting, both supporting and unsupportive opinions or different opinions (dissenting opinions), as well as the reasons for the absence of members of the Board of Directors, if any, must be prepared, signed Minutes of the Board of Directors Meeting. by members of the Board of Directors present, and conveyed to all members of the Board of Directors.
2. From everything discussed and resolved upon in the Meeting of the Board of Directors with the Board of Commissioners, a Minutes of Meeting will be made and signed by the attending members of the Board of Directors and attending members of the Board of Commissioners provided to all members of the Board of Directors and all members of the Board of Commissioners. The Board of Commissioners will sign the Minutes of Meeting of the Board of Directors as co-acknowledgment of the matters discussed as attached to a separate execution column/sheet.
3. In the event that there are members of the Board of Directors and/or members of the Board of Commissioners who are present at the Board of Directors Meeting but do not sign the Minutes of Meeting in article 1 or article 2 above, then the person concerned is obliged to state the reasons in writing in a separate letter which becomes an integral part (attached) to the minutes of Meeting.
4. Group Head Corporate Secretary serves as a note taker for the minutes of the Board of Directors Meeting.
5. In the event that the Group Head Corporate Secretary is absent for any reason, the Board of Directors has the authority to appoint another party as a note taker.
6. Before the meeting begins, the Chairman of the Meeting can give the note taker the opportunity to read the minutes of the previous meeting.
7. The notary records and administers the granting of power of attorney.
8. The meeting secretary will be obligated to keep the meeting policies/resolutions confidential until such policies/resolutions have been announced.
9. Minutes of meeting shall be documented by Company.



CHAPTER IV WORKING TIME AND ETHICS

Article 16 Work Ethics and Position

1. Board of Directors shall operate the company by applying principles of good corporate governance with due regard to the prudential banking principles, professional code of ethics and code of conduct, national and international banking conventions, and compliance with Regulations of Bank Indonesia, Financial Services Authority and other laws and regulations.
2. The Board of Directors must take perform the company management in good faith and by prioritizing the Company's interests over personal interests and and not to use/take advantage of the company for personal interests other than legitimate income.
3. In the event of any conflict between the interests of personal members of the Board of Directors and the Company's interests, the members of the Board of Directors having such conflict of interests will not be allowed to participate in a decision-making process and information regarding the conflict of interest is disclosed in the minutes of the meeting or other documents related to the decision making.
4. Each member of the Board of Directors is prohibited from having multiple positions other than those permitted by statutory regulation.
5. Each member of Board of Directors shall not provide or offer or accept directly or indirectly valuable things to and / or from government official and / or other parties affecting or as a reward for his actions and other action in accordance with the applicable laws.
6. Each Member of Board of Directors shall report and ensure that all obligations for submission of the Report on the State Official's Assets to the authority shall be satisfied by the parties under such obligation as set forth within the Company.
7. Board of Directors shall conduct socialization and applying gratification control program in compliance with the applicable laws and regulations.
8. Every member of Board of Directors Member shall be in obligation to sign the Integrity Pact upon determination and to be re-signed once in a year and and when the Board of Directors carries out transactional actions that require approval from the Board of Commissioners/GMS/Minister

Article 17 Working Hours

1. Business Days of the Company are Monday to Friday or 5 (five) business days in a week.
2. Working hours of the Company is the working hours applicable in compliance with the Company rules.
3. Working time beyond as mentioned in Article 1 and article 2 will be counted as overtime, whereas the holidays overtime will remain counted as overtime during regular working days. Decisions which are made at such times other than points 1 and 2 will be valid and binding.
4. Notices on absence of the members of Board of Directors for being ill, permits, leave or business trips domestically or overseas will be submitted to the Board of Directors by informing the Substitute Director in accordance with the provisions stipulated in the Letter of Resolution of the Board of Directors concerning Distribution of Duties and Authority of the Members of the Board of Directors as well as the Stipulation of the List of Substitute Directors and SEVP.



CHAPTER V COMMITTEES

Article 18

1. Committees are organs formed by the Board of Directors to support the effective implementation of the Board of Directors' duties.
2. The committee consists of an Executive Committee which is permanent and other committees which are temporary (ad hoc).
3. The organization, membership, duties, authority, responsibilities and work mechanisms of the Executive Committee are regulated in a separate Board of Directors Decree, while other committees that are temporary (ad hoc) are regulated in a separate Directors' Decree or in the Company's internal regulations.
4. Decisions taken at a Committee Meeting are valid and binding on the Company, as are decisions taken at a Board of Directors Meeting provided that the Board of Directors Meeting has the right to review, change the decision in whole or in part or cancel the decision of the Committee Meeting.
5. The Board of Directors will not be allowed to become a member of the Committee formed by the Board of Commissioners.

CHAPTER VI CORRESPONDENCES

Article 19

Correspondence with any third party (besides in the framework of reporting governed particularly in a separate internal provision) shall refer to the principal of equity namely by considering the equality of the party receiving a letter and/or delivering a letter.

CHAPTER VII BOARD OF DIRECTORS SHAREHOLDING

Article 20

1. Each Member of Board of Directors shall report to the Financial Services Authority through the website of Stock Exchange of Indonesia on the Ownership and any change of ownership of the Company's shares by them either directly or indirectly.
2. Member of Board of Directors who has share ownership of Company shall inform concerning each change of his/her ownership to unit of Corporate Secretary within no later than 3 (three) business days after the occurrence of ownership or each change of ownership on share of Company.
3. Reporting as referred to in paragraph 1 shall be delivered to OJK (Indonesia Financial Service Authority) and through the website of Stock Exchange of Indonesia within no later than 10 (ten) days after the occurrence of ownership or each change of ownership on shares of Company through Corporate Secretary unit.





CHAPTER VIII
PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

Article 21

1. All members of Board of Directors of the Company shall prepare its achievement targets in accordance with duties, authorities and responsibilities of each member of Board of Directors on assignment basis.
2. The achievement accountability report of the Board of Directors regarding its tasks shall be reported to Board of Commissioners and disclosed in the Annual Report.
3. Periodic reports containing implementation of the Business Plan and Corporate Budget shall be submitted by Board of Directors to Board of Commissioners under quarterly and annual basis.

CHAPTER IX
OTHERS

Article 22

Policy of Board of Directors regarding the allowance, facility and others which have not been governed in this Resolution of Board of Directors shall be regulated in a separate Resolution of Board of Directors.

CHAPTER X
AMENDMENT

Article 23

In the event of any changes in the Articles of Association, Resolutions of General Meetings of Shareholders, Resolutions of the Board of Directors, or other provisions of the laws and regulations causing the Resolution of the Board of Directors to become no longer relevant, the Group Head Corporate Secretary will be obligated to update these Charter of the Board of Directors.

CHAPTER XI
CLOSING

Article 24

The Group Head Corporate Secretary will be obligated to ensure continuity implementation of the Charter of the Board of Directors in accordance with this Resolutions of the Board of Directors.

