

RISK MANAGEMENT & CREDIT POLICY COMMITTEE



The Risk Management & Credit Policy Committee (RMPC) was established to assist the Board of Directors in identifying, measuring, and monitoring risk, establishing risk management policies and strategies, formulating credit policies, overseeing the implementation of credit policies, monitoring the development and condition of the credit portfolio, and provide suggestions for improvement.

Structure and Membership of Risk Management & Credit Policy Committee

Based on the Board of Directors Decree No. KEP.DIR/009/2021 dated 13 January 2021 concerning Risk Management & Credit Policy Committee, the structure and membership of RMPC are as follows:

RMPC – Risk Management Category A

Chairman	Vice President Director
Secretary	Credit Portfolio Risk Group Head
Alternate Secretary I	Market Risk Group Head
Alternate Secretary II	Operational Risk Group Head
Voting Members	
Permanent Voting Member	<ol style="list-style-type: none"> 1. Vice President Director 2. Director of Risk Management 3. Director of Network & Retail Banking 4. Director of Operations 5. Director of Finance & Strategies 6. SEVP Wholesale Risk
Non-Permanent Voting Member	<ol style="list-style-type: none"> 1. Other Board of Directors Member related to the material present as invitee 2. Other SEVPs related to the material present as invitee
Permanent Non-Voting Member	Director of Compliance & HR or Compliance & AML-CFT Group Head or appointed Compliance & AML-CFT Group Head executive to be present at Committee Meetings.
Contributing Non-Voting Member	<ol style="list-style-type: none"> 1. Group Head/other Group Head level invited in relation to material for Committee agenda 2. Committee Secretary
Invitee	<ol style="list-style-type: none"> 1. Internal Audit (SEVP*) or Internal Audit Directorate Group Head or Internal Audit Directorate official present as invitee. 2. Official in operational risk, the Operational Risk Senior Head related to material for committee agenda present as invitee. <p>*) In the event that the material discussed in the Committee is material proposed by SEVP Internal Audit, then SEVP Internal Audit acts as a Voting Member.</p>

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Category B RMPC – Credit Policy

Chairman	President Director
Secretary	Credit Portfolio Risk Group Head
Alternate Secretary I	Policy & Procedure Group Head
Alternate Secretary II	Wholesale Banking SORH
Permanent Member	1. President Director 2. Director of Risk Management 3. Director of Operations or Wholesale Credit Operations Group Head/Retail Credit Operations Group Head (as per segment) 4. Related SEVP Internal Audit or Chief Internal Audit
Non-Permanent Member	1. Director of Credits according to the discussion segment of the Committee Agenda 2. Risk SEVP according to the discussion segment of the Committee Agenda 3. Board of Directors Member and SEVP related to the material present as invitee.
Contributing Member	1. Group Head/other Group Head level invited in relation to the material of Committee agenda. 2. Committee Secretary
Invitee	1. Director of Compliance & HR or Compliance & AML-CFT Group Head or appointed Compliance & AML-CFT officials. 2. Official in operational risk, the Senior Operational Risk Head according to discussion segment.

Risk Management & Credit Policy Committee Members' Profile

The Risk Management and Credit Policy Committee members profile as of 31 December 2023 is as follows:

RMPC – Risk Management Category A

Name	Position	Description	Educational Background
Alexandra Askandar	Chairman/Permanent Voting Member	Vice President Director	The Educational Background is presented in the Board of Directors' Profile Section of this Annual Report
Ahmad Siddik Badruddin	Permanent Voting Member	Director of Risk Management	
Aquarius Rudianto	Permanent Voting Member	Director of Networks & Retail Banking	
Toni E. B. Subari	Permanent Voting Member	Director of Operations	
Sigit Prastowo	Permanent Voting Member	Director of Finance & Strategies	
Adi Pranantias	Permanent Voting Member	SEVP Wholesale Risk	The Educational Background is presented in the Executive Officials Profile Section of this Annual Report

RMPC – Credit Policy Category B

Name	Position	Description	Educational Background
Darmawan Junaidi	Permanent Member	President Director	The Educational Background is presented in the Board of Directors' Profile Section of this Annual Report
Ahmad Siddik Badruddin	Permanent Member	Director of Risk Management	
Toni E. B. Subari	Permanent Member	Director of Operations	
Sugiharto	Permanent Member	Wholesale Credit Operations Group Head*	-
Harsono Rudi Firnadi	Permanent Member	Retail Credit Operations Group Head*	-
Danis Subyantoro	Permanent Member	SEVP Internal Audit**	The Educational Background is presented in the Executive Officials Profile Section of this Annual Report
Mindha Erdimina	Permanent Member	Chief Auditor Wholesale & Corporate Center Audit**	-
Ade Hasballah Abdullah	Permanent Member	Chief Auditor Retail Audit**	-
Deni Hendra Permana	Permanent Member	Chief Auditor IT Audit**	-
Asep Syaeful Rochman	Permanent Member	Chief Auditor Senior Investigator**	-

*According to Segment

**Replacing each other

RISK MANAGEMENT & CREDIT POLICY COMMITTEE

Risk Management & Credit Policy Committee Charter

In accordance with POJK No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks article 75 states that the Bank must have guidelines and committee work rules, where the Risk Management & Credit Policy committee has been regulated in Board of Directors Decree No. KEP.DIR/009/2021, which contains:

- a. Purpose of the committee establishment
- b. Duties, responsibilities, and authority of the committee
- c. Structure and membership of the committee
- d. Committee meetings, quorum and decision making
- e. Committee reporting

Risk Management & Credit Policy Committee Duties and Responsibilities Description

1. Category A RMPC – Risk Management

The Category A RMPC's duties, authorities, and responsibilities are:

- a. Monitoring risk profile and management of all risks to establish risk appetite, risk limit, and integrated risk management strategy as well as capital adequacy.
- b. Establishing a risk management framework and methodology to identify, measure and mitigate risks, including for stress conditions and contingency plans.
- c. Performing improvements to the implementation of risk management on a regular basis and incidentally as a follow-up to changes in internal and external conditions that affected the capital adequacy and Company risk profile.
- d. Discussing and establishing strategic matters in the scope of risk management including in Subsidiaries.
- e. Determining items related to business decisions that had specific conditions (such as allocation and limit allocations in credit portfolio management).
- f. Offering recommendations to the President Director regarding:
 - Preparation and/or adjustment/improvement of Policies, Strategies and Guidelines for The Risk Management Implementation.
 - Enhancement or improvement of the Risk Management implementation based on the evaluation of the Risk Management implementation.
 - Determination of items related to business decisions, including those that deviated from normal procedures.
- g. Delegating authority to appointed officials to decide and implement operational activities.

2. Category B – Credit Policy

The Category B RMPC's duties, authorities, and responsibilities are as follows:

- a. Offering input to the board of directors in drafting and/or adjusting/improving the crediting policy or financing of the Bank, especially in relation to the formulation of prudence principles in credits.
- b. Monitoring and evaluating the development and quality of the credit portfolio or the overall financing.
- c. Supervising the application of the crediting policy and formulating a resolution in the event of any obstacles or constraints in its application, as well as conduct periodic review of the Credit Policy and advise the board of directors in the event necessary changes or improvement.
- d. Monitoring and evaluating the correctness of the implementation of credit decision, the process of giving, development and quality of credit provided to the parties related to the Bank and certain large debtors.
- e. Monitoring and evaluating the correctness of the provisions of the Minimum credit allowance (BMPK), adherence to the provisions of other laws and regulations in the implementation of credit grants, and the settlement of non-performing loans in accordance to those stipulated in the credit policy.
- f. Ensuring and evaluating the Bank's efforts in fulfilling the adequacy of amount of allowance for credit write-off
- g. Submitting a written report periodically and providing suggestions for corrective measures to the Board of Directors with a copy to the Board of Commissioners regarding the results of supervision over the implementation of credit policy and the results of monitoring and evaluation on the matters referred to in the above.

RISK MANAGEMENT & CREDIT POLICY COMMITTEE

Risk Management and Credit Policy Committee Duties Implementation in 2023

In 2023, the RMPC gave approvals through 12 (twelve) meetings, and 9 (nine) approval through circular mechanism, with the following details:

No.	Date	Agenda	Quorum Attendance (%)	Remark
1	13 January 2023	Evaluation of Bank Mandiri's Risk Appetite Statement (RAS)	100 %	Circular
2	17 January 2023	Self-Assessment of Risk Profile and RBBR of Bank Mandiri Individually for the period of Semester II/December 2022 and Approval on Adjustment the Risk Based Bank Rating (RBBR) Methodology of MMI	100 %	Online Meeting
3	2 February 2023	Self-Assessment of Bank Mandiri's Integrated Risk Profile and RBBR on a Consolidated basis for the period of Semester II / December 2022	100 %	Online Meeting
4	8 February 2023	RAKB Q4 2022 Performance Update and Approval of Bank Mandiri's Green Bond Framework	100 %	Online Meeting
5	31 March 2023	Approval of Mechanism & Formula for Determination of Consolidated Counterparty Limit Mandiri Group	100 %	Online Meeting
6	14 April 2023	Self-Assessment of Bank Mandiri's Individual and Consolidated Risk Profile for First Quarter 2023	100 %	Online Meeting
7	17 May 2023	Bottom-Up Stress Testing (BUST) Approval 2023	100 %	Online Meeting
8	29 May 2023	Changes in Bank Mandiri's Individual Risk Based Bank Rating (RBBR) Methodology	100 %	Circular
9	7 June 2023	Revision of Credit Policy	100 %	Circular
10	14 June 2023	Changes in the Risk-Based Bank Rating (RBBR) of Bank Mandiri on a Consolidated basis and Integrated Risk Profile	100 %	Circular
11	15 June 2023	Approval of Sustainability Bond Report and ESG Repo Report 2023	100 %	Online Meeting
12	14 July 2023	Self-assessment of Risk Profile and RBBR of Bank Mandiri Individually for the period of Semester I 2023	100 %	Online Meeting
13	2 August 2023	Self-Assessment of Integrated Risk Profile and RBBR of Bank Mandiri on a Consolidated basis for the period Semester I/June 2023	100 %	Online Meeting
14	4 August 2023	Revision of Anti-Fraud Strategy Document	100 %	Circular
15	13 September 2023	Review of Banking Book and Trading Book Market Risk Limit and Review of Liquidity Risk Limit	100 %	Circular
16	17 October 2023	Self-Assessment of Bank Mandiri's Individual and Consolidated Risk Profiles for the Third Quarter	100 %	Online Meeting
17	9 November 2023	Submission of Consolidated Bank Counterparty Limit Mandiri Group	100 %	Online Meeting
18	20 November 2023	Revision of Risk Management Policy	100 %	Circular
19	27 November 2023	Review of Bank Mandiri's RBBR Methodology Individually	100 %	Circular
20	13 December 2023	Approval of Proposed Mandiri ESG Guiding Principal	100 %	Online Meeting
21	20 December 2023	Review of Bank Mandiri's RBBR Methodology on a Consolidated Basis	100%	Circular

Risk Management & Credit Policy Committee Works Plan in 2024

RMPC has established a works plan that will be discussed through at least 2 (two) meetings in a year. RMPC works plan in 2024 are as follows:

1. Monitor risk profile and management of all risks in order to establish a risk appetite and integrated risk management strategies integrated and capital adequacy.
2. Monitor and evaluate the development and quality of the credit portfolio or the overall financing.