



## Remuneration and Nomination Committee

Based on POJK No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies, the Remuneration and Nomination Committee was formed with the aim of assisting the Board of Commissioners in carrying out its functions and duties in areas related to the remuneration and nomination of members of the Board of Directors and Board of Commissioners. OJK regulations require banks to form a Remuneration and Nomination Committee to implement GCG so that the Bank can be managed based on the principles of transparency, accountability, responsibility, independence and fairness.

### The Basis for Establishing a Remuneration and Nomination Committee

The basis for establishing the Remuneration and Nomination Committee refers to:

1. Law No. 19 of 2003 concerning BUMN.
2. POJK No. 55/POJK.03/2016 concerning Implementation of Governance for Commercial Banks.
3. POJK No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies
4. Regulation of the Minister of State for SOEs No. PER-12/MBU/2012 concerning Supporting Organs for the Board of Commissioners/Board of Supervisors for State-Owned Enterprises.
5. Bank Mandiri's Articles of Association and its amendments.
6. Decree of the Board of Commissioners No. KEP.KOM/003/2020 dated July 9, 2020 concerning the Membership Composition of the Audit Committee, Risk Monitoring Committee, Integrated Governance Committee and Remuneration and Nomination Committee of PT Bank Mandiri (Persero) Tbk.
7. Directors Decree No. KEP.DIR/055/2020 dated July 20, 2020 concerning Determination of Membership of the Remuneration and Nomination Committee.

### Remuneration and Nomination Committee Charters

To make sure that the Remuneration and Nomination Committee can work effectively, the Remuneration and Nomination Committee must have a guideline that clearly states the roles and responsibilities of the committee and its scope of work. The work guidelines for the Remuneration and Nomination Committee are regulated in the Remuneration and Nomination Committee Charter of PT Bank Mandiri (Persero) Tbk. which was last updated on June 17, 2020 based on the Decision of the Board of Commissioners No. KEP.KOM/002/2020 concerning the Remuneration and Nomination Committee Charter contains, among others:

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

### Duties and Responsibilities of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee has the duty and responsibility in implementing the following matters:

1. Duties and responsibilities of the Remuneration and Nomination Committee related to the Nomination function:
  - a. Providing recommendations to the Board of Commissioners regarding:
    - Composition of positions of members of the Board of Directors and/or members of the Board of Commissioners.
    - Policies, criteria and qualifications needed in the Nomination process in accordance with the Company's strategic plan.
    - Performance evaluation policy for members of the Board of Directors and/or members of the Board of Commissioners.
    - Proposal for appointment, dismissal and/or replacement of members of the Board of Directors and/or members of the Board of Commissioners to the GMS.
    - System and procedure for selecting and/or replacing members of the Board of Directors and/or Board of Commissioners to be submitted to the GMS.
    - Independent parties who will become members of the Audit Committee and Risk Monitoring Committee.
    - Capacity building program for members of the Board of Directors and/or members of the Board of Commissioners.
    - Members of the Remuneration and Nomination Committee who have a conflict of interest with the recommended proposal must disclose the recommended proposal.
  - b. Assisting the Board of Commissioners in evaluating the performance of members of the Board of Directors and/or members of the Board of Commissioners based on benchmarks that have been prepared as evaluation material.
  - c. Identifying prospective members of the Board of Directors both from within and from outside the company and/or prospective members of the Board of Commissioners who meet the requirements to be submitted/appointed as members of the Dir member or member of the Board of Commissioners.
  - d. Helping the Board of Commissioners obtain and/or analyze the data of prospective members of the Board of Directors from the talent pool of officials one level below the Board of Directors.
  - e. Having a data base and talent pool for prospective members of the Board of Directors and prospective members of the Board of Commissioners.
  - f. Preparing, implementing and analyzing criteria and procedures for dismissal of the Board of Commissioners and/or Directors.
2. Duties and responsibilities of the Remuneration and Nomination Committee related to the Remuneration function:
  - a. Providing recommendations to the Board of Commissioners regarding:
    - Policies, structures and amounts of remuneration for the Directors and/or Board of Commissioners, to be submitted to the GMS.