

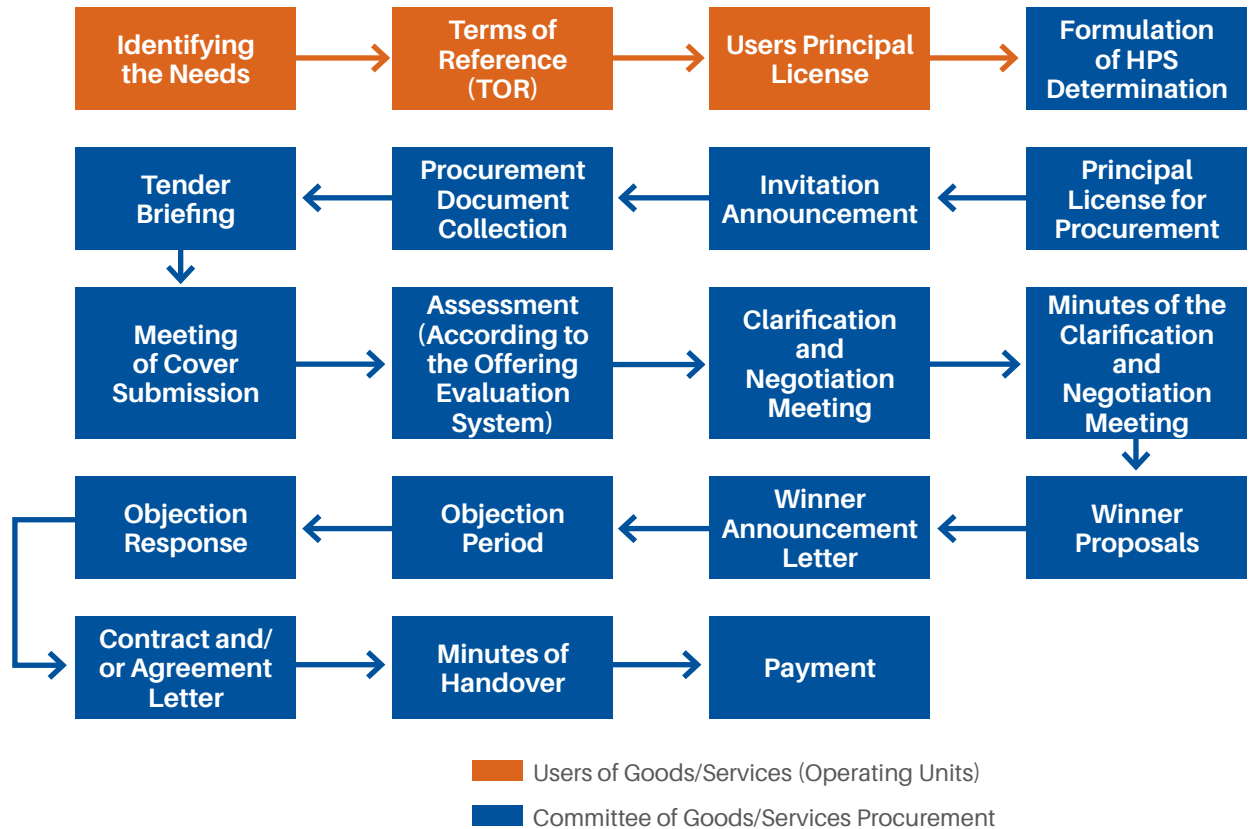
PROCUREMENT OF GOODS AND SERVICES SYSTEM AND MECHANISM

The Implementation of Vendor/Contractor Selection and Criteria Policy

BRI has a list of partners of goods/services that are employed for the procurement of goods/services in BRI. The partners' list is created by vendors' selection that fulfills the qualifications and requirements. The implementation of becoming BRI's partners up to the selection as vendors of goods/services has been conducted transparently based on the stipulated requirements, in order to apply Good Corporate Governance principles.

The vendors of goods and/or services that become the partners shall have a Certificate of Supplier, which stated the holder registration as a Partner, as the requirements to take part in the procurement of goods and services. The regulation regarding this certificate is stated in the Board of Directors Circular Letter.

Goods and Services Procurement Process



To support BRI's operational activities and to achieve the Bank's target, sufficient facilities, supporting facilities and infrastructure is necessary. To fulfill the required facilities and infrastructures, a procurement process is necessary.

The procurement process is implemented through several methods, among others, self-managed, direct purchasing, direct appointment, direct selection, and open auction. In the procurement process, the proposals evaluation submitted by the Prospective Suppliers of Goods/Services is conducted, to obtain the best quality and price.

To get the best possible match between BRI's needs and the offers from prospective vendors of goods/services, a clarification and negotiation is conducted until a winner has been decided. Upon the winner appointment, BRI allocates an objection period for any parties that aim to submit an objection regarding the procurement, or towards the winner of the procurement. This is implemented to maintain a procurement of goods and services that comply with the principles of Good Corporate Governance.