

Practice of Bad Corporate Governance

Bank Mandiri realizes that bad corporate governance disturbs the Good Corporate Governance system (GCG) that is established by Bank Mandiri. In order to support this, in 2017 Bank Mandiri did not perform

all those actions and policy that was related to the practices shown by following table:

No.	Description	Practice
1.	Report as company that pollutes the environment.	Nil
2.	Important cases against company, subsidiary entity, serving Board of Directors member and/or Board of Commissioners member are not disclosed in the Annual Report.	Nil
3.	Non Compliance in tax obligation fulfillment.	Nil
4.	Discrepancy between annual report and financial report presentation with the prevailing regulation and SAK.	Nil
5.	Cases related to labors and employees.	Nil
6.	No disclosure operational segment on listed company	Nil
7.	Discrepancy between AR hardcopy with AR softcopy.	Nil

Statement of Good Corporate Governance Implementation

All Board of Commissioners members, Board of Directors members, and Bank Mandiri committed and have implemented good corporate governance principles and there were no violations on prevailing

legislations. Moreover, Bank Mandiri has implemented governance in correspond to ASEAN Corporate Governance Scorecard (ACGS)

Conformity of Implementation Of corporate Governance in Correspond to ASEAN Corporate Governance Scorecard

No.	Principles and Recommendations	Description
A	Right of Shareholder	
A.1	Basic Shareholder Rights	
A.1.1	<i>Does the company pay (interim and final/ annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends? In case the company has offered Scrip dividend, did the company paid the dividend within 60 days?</i>	Website Bank Mandiri
A.2	Right to Participate in decisions concerning fundamental corporate changes	
A.2.1	<i>Amendments to the company's constitution?</i>	Website Bank Mandiri

No.	Principles and Recommendations	Description
A.2.2	<i>The authorisation of additional shares?</i>	Website Bank Mandiri
A.2.3	<i>The transfer of all or substantially all assets, which in effect results in the sale of the company?</i>	Website Bank Mandiri
A.3	Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	
A.3.1	<i>Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?</i>	Website Bank Mandiri

No.	Principles and Recommendations	Description
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?	Website Bank Mandiri
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?	Website Bank Mandiri
A.3.4	Does the company disclose the voting procedures used before the start of meeting?	Website Bank Mandiri
A.3.5	Do the minutes of the most recent AGM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?	Website Bank Mandiri
A.3.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?	Website Bank Mandiri
A.3.7	Does the company disclose the list of board members who attended the most recent AGM?	Website Bank Mandiri
A.3.8	Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM?	Website Bank Mandiri
A.3.9	Does the company allow for voting in absentia?	Website Bank Mandiri
A.3.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	Website Bank Mandiri
A.3.11	Does the company disclose that it has appointed an independent party (scrutineers/ inspectors) to count and/or validate the votes at the AGM?	Website Bank Mandiri
A.3.12	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions?	Website Bank Mandiri
A.3.13	Do companies provide at least 21 days notice for all AGMs and EGMs?	Website Bank Mandiri
A.3.14	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?	Website Bank Mandiri
A.3.15	Does the company give the opportunity for shareholder to place item/s on the agenda of AGM?	Website Bank Mandiri
A.4	Markets for corporate control should be allowed to function in an efficient and transparent manner.	
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?	Hal. 300-303
A.5	The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	
A.5.1	Does the company disclose its practices to encourage shareholders to engage the company beyond AGM?	Hal. 665
B	Equitable Treatment of Shareholders	
B.1	Shares and voting rights	
B.1.1	Do the company's ordinary or common shares have one vote for one share?	Website Bank Mandiri

No.	Principles and Recommendations	Description
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?	Website Bank Mandiri
B.2	Notice of AGM	
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	Website Bank Mandiri
B.2.2	Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?	Website Bank Mandiri
	Does the notice of AGM/ circulars have the following details:	
B.2.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?	Website Bank Mandiri
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?	Website Bank Mandiri
B.2.5	Were the proxy documents made easily available?	Website Bank Mandiri
B.3	Insider trading and abusive self-dealing should be prohibited.	
B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?	Hal. 670-671 Hal. 455 Hal. 503
B.3.2	Are the directors / commissioners required to report their dealings in company shares within 3 business days?	Hal. 118
B.4	Related party transactions by directors and key executives.	
B.4.1	Does the company have a policy requiring directors /commissioners to disclose their interest in transactions and any other conflicts of interest?	Hal. 455, 503
B.4.2	Does the company have a policy requiring a committee of independent directors/ commissioners to review material/ significant RPTs to determine whether they are in the best interests of the company and shareholders?	Hal. 326
B.4.3	Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?	Website Bank Mandiri
B.4.4	Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	Hal. 309-310
B.5	Protecting minority shareholders from abusive actions	
B.5.1	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	Hal. 309
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	Hal. 309-310
C	Role of Stakeholders	

No.	Principles and Recommendations	Description
C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected. (Does the company disclose a policy And Practices That Address :)	
C.1.1	<i>The existence and scope of the company's efforts to address customers' welfare?</i>	Hal. 724-727
C.1.2	<i>Supplier/contractor selection procedures?</i>	Hal. 728-729
C.1.3	<i>The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?</i>	Hal. 706-711
C.1.4	<i>The company's efforts to interact with the communities in which they operate?</i>	Hal. 718-723
C.1.5	<i>The company's anti-corruption programmes and procedures?</i>	Hal. 51 Hal. 406 Hal. 676-678 Hal. 691-692
C.1.6	<i>How creditors' rights are safeguarded?</i>	Hal. 407 Website Bank Mandiri
C.1.7	<i>Does the company have a separate report/section that discusses its efforts on environment/economy and social issues ?</i>	Sustainability Report
C.2	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.	
C.2.1	<i>Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?</i>	Hal. 664, 724
C.3	Mechanisms for employee participation should be permitted to develop.	
C.3.1	<i>Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?</i>	Hal. 715-717
C.3.2	<i>Does the company explicitly disclose the policies and practices on training and development programmes for its employees?</i>	Hal. 110-114
C.3.3	<i>Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?</i>	Hal. 355
C.4	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.	
C.4.1	<i>Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behaviour and provide contact details via the company's website or annual report.</i>	Hal. 676-678
C.4.2	<i>Does the company have a policy or procedures to protect an employee/person who reveals illegal/unethical behaviour from retaliation?</i>	677
D	Disclosure and Transparency	
D.1	Transparent ownership structure	

No.	Principles and Recommendations	Description
D.1.1	<i>Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?</i>	115-116
D.1.2	<i>Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?</i>	Hal. 115-116, 688
D.1.3	<i>Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?</i>	Hal. 117-118, 455-456, 503-504
D.1.4	<i>Does the company disclose the direct and indirect (deemed) shareholdings of senior management?</i>	307-308
D.1.5	<i>Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?</i>	126-127, 147-149
D.2	Quality of Annual Report	
D.2.1	<i>Corporate objectives</i>	Hal. 86-88
D.2.2	<i>Financial performance indicators</i>	Hal. 16-21, 47-48, 170-172
D.2.3	<i>Non-financial performance indicators</i>	Hal. 47-48, 415, 417, 695
D.2.4	<i>Dividend policy</i>	Hal. 305-306
D.2.5	<i>Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners</i>	Hal. 90-101, 446-451, 494-499
D.2.6	<i>Attendance details of each director/ commissioner in all directors/commissioners meetings held during the year</i>	Hal. 463-473, 504-518
D.2.7	<i>Total remuneration of each member of the board of directors/commissioners</i>	Hal. 477-479, 522-524
	Corporate Governance Confirmation Statement	
D.2.8	<i>Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?</i>	Hal. 693, 398-411
D.3	Disclosure of related party transactions (RPT)	
D.3.1	<i>Does the company disclose its policy covering the review and approval of material/ significant RPTs?</i>	Hal. 309
D.3.2	<i>Does the company disclose the name, relationship, nature and value for each significant/material RPTs?</i>	Hal. 310-316
D.4	Directors and commissioners dealings in shares of the company	
D.4.1	<i>Does the company disclose trading in the company's shares by insiders?</i>	Hal. 117-118, 455-456, 503-504
D.5	External auditor and Auditor Report	
D.5.1	<i>Are the audit and non-audit fees disclosed?</i>	Hal. 621
D.5.2	<i>Does the non-audit fee exceed the audit fees?</i>	Hal. 621
D.6	Medium of communications	
D.6.1	<i>Quarterly reporting</i>	Hal. 664, 668 Website Bank Mandiri
D.6.2	<i>Company website</i>	Hal. 150, 664

No.	Principles and Recommendations	Description
D.6.3	Analyst's briefing	Hal. 664-665 Website Bank Mandiri
D.6.4	Media briefings /press conferences	Hal. 665-667 Website Bank Mandiri
D.7	Timely filing/release of annual/financial reports	
D.7.1	Are the audited annual financial report / statement released within 120 days from the financial year end?	The Jakarta Post (Bank Mandiri has published Financial Statement Year 2016 through the Print Media The Jakarta Post on February 15, 2017)
D.7.2	Is the annual report released within 120 days from the financial year end?	Website Bank Mandiri
D.7.3	Is the true and fairness/fair representation of the annual financial statement/ reports affirmed by the board of directors/ commissioners and/or the relevant officers of the company?	Hal. 745
D.8	Company website (Does the company have a website disclosing up-to-date information on the following:)	
D.8.1	Financial statements/reports (latest quarterly)	Hal. 150 Website Bank Mandiri
D.8.2	Materials provided in briefings to analysts and media	Hal. 150 Website Bank Mandiri
D.8.3	Downloadable annual report	Hal. 150 Website Bank Mandiri
D.8.4	Notice of AGM and/or EGM	Hal. 150, 425, 430, 434 Website Bank Mandiri
D.8.5	Minutes of AGM and/or EGM	Hal. 150, 425, 430, 434 Website Bank Mandiri
D.8.6	Company's constitution (company's by-laws, memorandum and articles of association)	Hal. 150 Website Bank Mandiri
D.9	Investor relations	
D.9.1	Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer/office responsible for investor relations?	Hal. 664
E	Responsibilities of the Board	
E.1	Board Duties and Responsibilities	
	(Clearly defined board responsibilities and corporate governance policy)	
E.1.1	Does the company disclose its corporate governance policy / board charter?	- Hal. 439, 486 - Website Bank Mandiri
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	Website Bank Mandiri
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated ?	Hal. 440-441, 486

No.	Principles and Recommendations	Description
	Corporate Vision/Mission	
E.1.4	Does the company have an updated vision and mission statement?	Hal. 86
E.1.5	Does the board directors play a leading role in the process of developing and reviewing the company's strategy at least annually?	Hal. 46-47
E.1.6	Does the board of directors have a process to review, monitor and oversee the implementation of the corporate strategy?	Hal. 86
E.2	Board Structure	
	Code of Ethics or Conduct	
E.2.1	Are the details of the code of ethics or conduct disclosed?	Hal. 669-673
E.2.2	Are all the directors/commissioners, senior management and employees required to comply with the code/s?	Hal. 672
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	Hal. 672-673
	Board Structure & Composition	
E.2.4	Do Independent directors/commissioners make up at least 50% of the board of directors/commissioners?	Hal. 452
E.2.5	Does the company have a term limit of nine years or less or 2 terms of five years ¹ each for its independent directors/ commissioners? ¹ The five years term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011	Hal. 441, 487
E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	Hal 454-455, 502-503
E.2.7	Does the company have any executive directors who serve more than two boards of listed companies outside of the group?	Hal. 454, 502
	Nomination Committee (NC)	
E.2.8	Does the company have a Nominating Committee?	Hal. 544
E.2.9	Is the Nominating Committee comprised of a majority of Independent directors/ commissioners?	Hal. 545-547
E.2.10	Is the chairman of the Nominating Committee an independent director/commissioner?	Hal. 545-547
E.2.11	Does the company disclose the terms of reference/governance structure/charter of the Nominating Committee?	- Hal. 544 - Website Bank Mandiri
E.2.12	Is in the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?	Hal. 552-554
	Remuneration Committee (RC) / Compensation Committee	
E.2.13	Does the company have a Remuneration Committee?	Hal. 544-557
E.2.14	Is the Remuneration Committee comprised of a majority of Independent Directors/ Commissioners?	Hal. 545-547
E.2.15	Is the chairman of the Remuneration Committee an independent director/ commissioner?	Hal. 545-547

No.	Principles and Recommendations	Description
E.2.16	Does the company disclose the terms of reference/governance structure/charter of the Remunerations Committee?	Hal. 544
E.2.17	Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?	Hal. 552-554
	Audit Committee	
E.2.18	Does the company have an Audit Committee?	Hal. 532-544
E.2.19	Is the Audit Committee comprised entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	Hal. 535-536
E.2.20	Is the chairman of the Audit Committee an Independent Director/ Commissioner?	Hal. 535-536
E.2.21	Does the company disclose the terms of reference/ governance structure/charter of the Audit Committee?	Hal. 533
E.2.22	Does at least one of the independent directors/ commissioners of the committee have accounting expertise (accounting qualification or experience)?	Hal. 536
E.2.23	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four during the year?	Hal. 540-543
E.2.24	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	Hal. 534
E.3	Board Processes	
	Board meetings and attendance	
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	Website Bank Mandiri
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	Hal. 463-473, 504-518
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	Hal. 472-473, 518
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	Hal. 463, 504
E.3.5	Did the non-executive directors/ commissioners of the company meet separately at least once during the year without any Executives present?	Hal. 463-472
	Access to information	
E.3.6	Are board papers for board of directors/ commissioners meetings provided to the board at least five business days in advance of the board meeting?	Hal. 463, 504
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	Hal. 583-587
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	Hal. 586
	Board Appointments and Re-Election	
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	Hal. 441-442, 487, 555-556
E.3.10	Did the company describe the process followed in appointing new directors/ commissioners?	Hal. 555-557

No.	Principles and Recommendations	Description
E.3.11	Are all directors/commissioners subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years ² each? ² The five years term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011	Hal. 441, 487
	Remuneration Matters	
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	Hal. 477-479, 522-524
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	Hal. 479, 524
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	Hal. 478, 522-523
E.3.15	Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interests of the company, such as claw back provision and deferred bonuses?	Hal. 523
	Internal Audit	
E.3.16	Does the company have a separate internal audit function?	Hal. 587-597
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Hal. 588
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	Hal. 588
	Risk Oversight	
E.3.19	Does the company establish a sound internal control procedures/risk management framework and periodically review the effectiveness of that framework? (As Rephrased by Indonesia)	Hal. 622-649
E.3.20	Does the Annual Report/Annual CG Report disclose that the board of directors/ commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	Hal. 642, 649
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, nvironmental, social, economic)?	Hal. 634-640
E.3.22	Does the Annual Report/Annual CG Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	Hal. 544
E.4	People on the Board	
	Board Chairman	
E.4.1	Do different persons assume the roles of chairman and CEO?	Hal. 442, 488
E.4.2	Is the chairman an independent director/ commissioner?	Hal. 442
E.4.3	Is any of the directors a former CEO of the company in the past 2 years?	Hal. 96-101, 488

No.	Principles and Recommendations	Description
E.4.4	Are the role and responsibilities of the chairman disclosed?	Hal. 440, 489
	Lead Independent Director	
E.4.5	If the Chairman is not independent, has the Board appointed a Lead/Senior Independent Director and has his/her role been defined?	N/A (The Chairman is an Independent Commissioner)
	Skills and Competencies	
E.4.6	Does at least one non-executive director/ commissioner have prior working experience in the major sector that the company is operating in?	Hal. 445-451, 494-499
E.5	Board Performance	
	Directors Development	
E.5.1	Does the company have orientation programmes for new directors/ commissioners?	Hal. 442-443, 488-489
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	Hal 473-477, 518-521 Website Bank Mandiri
	CEO/Executive Management Appointments and Performance	
E.5.3	Does the company disclose the process on how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	Hal. 555-557
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Hal. 526-528
	Board Appraisal	
E.5.5	Did the company conduct an annual performance assessment of the board of directors/commissioners and disclose the criteria and process followed for the assessment?	Hal. 483-484, 526-528
	Director Appraisal	
E.5.6	Did the company conduct an annual performance assessment of the individual directors/commissioners and disclose the criteria and process followed for the assessment?	Hal. 483-484, Hal. 483-484, 526-528
	Committee Appraisal	
E.5.7	Did the company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?	Hal. 484
	Bonus	
(B)A.	Right of Shareholder	
(B)A.1	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.	
(B)A.1.1	Does the company allow the use of secure electronic voting in absentia at the general meetings of shareholders?	Hal. 425 Website Bank Mandiri
(B)B.	Equitable treatment of shareholders	
(B)B.1	Notice of AGM	

No.	Principles and Recommendations	Description
(B)B.1.1	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	Hal 425 Website Bank Mandiri
(B)C.	Roles of Stakeholders	
(B)C.1.1	Does the company adopt an internationally recognized reporting framework for sustainability (i.e. GRI, Integrated Reporting, SASB)?	Sustainability Report
(B)D.	Disclosure and transparency	
(B)D.1.1	Are the audited annual financial report / statement released within 60 days from the financial year end?	The Jakarta Post (Bank Mandiri has published Financial Statement Year 2016 through the Print Media The Jakarta Post on February 15, 2017 (46 Days).
(B)D.1.2	Does the company disclose details of remuneration of the CEO?	Hal. 524
(B)E.	Responsibilities of the Board	
(B)E.1	Board Competencies and Diversity	
(B)E.1.1	Does the company have at least one female independent director/commissioner?	Hal. 445
(B)E.1.2	Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	Hal. 445-451, 494-499, 740
(B)E.2	Board Structure	
(B)E.2.1	Does the Nominating Committee comprise entirely of independent directors/ commissioners?	Hal. 545-547
(B)E.2.2	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	Hal. 545
(B)E.3	Board Appointments and Re-Election	
(B)E.3.1	Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors/ commissioners?	Hal. 556
(B)E.4	Board Structure & Composition	
(B)E.4.1	Do independent non-executive directors/ commissioners make up more than 50% of the board of directors/commissioners for a company with independent chairman?	Hal. 445
(B)E.5	Risk Oversight	
(B)E.5.1	Does the board describe its governance process around IT issues including disruption, cyber security, disaster recovery, to ensure that all key risks are identified, managed and reported to the board?	Hal. 375-376, 646, 712, 505-517
(B)E.6	Board Performance	
(B)E.6.1	Does the company have a separate board level Risk Committee?	Hal. 557-568
	Penalty	
(P)A.	Rights of Shareholders	

No.	Principles and Recommendations	Description
(P)A.1	Basic Shareholder Rights	
(P)A.1.1	<i>Did the company fail or neglect to offer equal treatment for share repurchase to all shareholders?</i>	-
(P)A.2	Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.	
(P)A.2.1	<i>Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?</i>	-
(P)A.3	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.	
(P)A.3.1	<i>Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?</i>	-
(P)A.3.2	<i>Did the Chairman of the Board, Audit Committee Chairman and CEO attend the most recent AGM?</i>	-
(P)A.4	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.	
(P)A.4.1	<i>Shareholders Agreement?</i>	-
(P)A.4.2	<i>Voting Cap?</i>	-
(P)A.4.3	<i>Mutiple Voting Rights?</i>	-
(P)A.5	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.	
(P)A.5.1	<i>Is a pyramid ownership structure and/or cross holding structure apparent?</i>	-
(P)B	Equitable Treatment of Shareholders	
(P)B.1	Insider trading and abusive self-dealing should be prohibited.	
(P)B.1.1	<i>Has there been any conviction of insider trading involving directors/commissioners, management and employees in the past three years?</i>	-
(P)B.2	Protecting minority shareholders from abusive action	
(P)B.2.1	<i>Has there been any cases of non compliance with the laws, rules and regulations pertaining to material related party transactions in the past three years?</i>	-
(P)B.2.2	<i>Were there any RPTs that can be classified as financial assistance (i.e not conducted at arms length) to entities other than wholly-owned subsidiary companies?</i>	-
(P)C	Role of Stakeholders	
(P)C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.	
(P)C.1.1	<i>Have there been any violations of any laws pertaining to labour/employment/consumer/insolvency/commercial/competition or environmental issues?</i>	-

No.	Principles and Recommendations	Description
(P)C.2	Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.	
(P)C.2.1	<i>Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?</i>	-
(P)D	Disclosure and Transparency	
(P)D.1	Sanctions from regulator on financial reports	
(P)D.1.1	<i>Did the company receive a "qualified opinion" in its external audit report?</i>	-
(P)D.1.2	<i>Did the company receive an "adverse opinion" in its external audit report?</i>	-
(P)D.1.3	<i>Did the company receive a "disclaimer opinion" in its external audit report?</i>	-
(P)D.1.4	<i>Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?</i>	-
(P)E	Responsibilities of the Board	
(P)E.1	Compliance with listing rules, regulations and applicable laws	
(P)E.1.1	<i>Is there any evidence that the company has not complied with any listing rules and regulations over the past year apart from disclosure rules?</i>	-
(P)E.1.2	<i>Have there been any instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns?</i>	-
(P)E.2	Board Structure	
(P)E.2.1	<i>Does the Company have any independent directors/commissioners who have served for more than nine years or two terms of five years each (whichever is higher) in the same capacity?</i> <i>1 The five years term must be required by legislation which pre-existed before the introduction of the ASEAN Corporate Governance Scorecard in 2011</i>	-
(P)E.2.2	<i>Did the company fail to identify who are the independent director(s)/commissioner(s)?</i>	-
(P)E.2.3	<i>Does the company have any independent directors/non-executive/commissioners who serve on a total of more than five boards of publicly-listed companies?</i>	-
(P)E.3	External Audit	
(P)E.3.1	<i>Is any of the directors or senior management a former employee or partner of the current external auditor (in the past 2 years)?</i>	-
(P)E.4	Board Structure and Composition	
(P)E.4.1	<i>Has the chairman been the company CEO in the last three years?</i>	-
(P)E.4.2	<i>Do independent non-executive directors/commissioners receive options, performance shares or bonuses?</i>	-

"A more detailed description of the implementation of Corporate Governance based on the ASEAN CG Scorecard parameter is listed on the Bank Mandiri Website."