

Date	Report Subject	Purpose
23 August 2017	Information Disclosure PT Bank Mandiri (Persero) Tbk. related to Extraordinary GMS Calling 2017	OJK & BEI
28 August 2017	Information Disclosure PT Bank Mandiri (Persero) Tbk. related to Extraordinary General Meeting of Shareholders of 2017	Lembaga Penjamin Simpanan
14 September 2017	Changes of Directors of PT Bank Mandiri (Persero) Tbk.	OJK & BEI
20 September 2017	Notification of Amendment of Number of Shares of Board of Directors of PT Bank Mandiri (Persero) Tbk.	OJK
6 October 2017	Submission of Minutes of GMS-LB PT Bank Mandiri (Persero) Tbk.	Lembaga Penjamin Simpanan
10 October 2017	Submission of Statement Letter of Independent Commissioner of PT Bank Mandiri (Persero) Tbk.	OJK
12 October 2017	Submission of Organization Structure PT Bank Mandiri (Persero) Tbk.	OJK & BEI
22 November 2017	Submission of Information of change of structure to Audit Committee of PT Bank Mandiri (Persero) Tbk.	Lembaga Penjamin Simpanan

## Code of Conduct

The code of conduct sets the guidelines for the behavior of the Bank Personnel in conducting their daily tasks and duties as well as in conducting business relations with the customers, partners and colleagues. The basic regulation in the Code of Conduct is one of Bank Mandiri's Commitment on the management principles that have supported Bank Mandiri to achieve the stated Vision and Mission.

The work ethic is an elaboration of the basic principles of personal and professional behaviors that are expected to be obeyed by Bank Mandiri Personnel. The business ethics are moral principles related to the behaviors of the individuals, protection of bank properties, and bank business activities including in its interaction with stakeholders as the basis for the behavior of the Bank in conducting its business operations. These are the standard behaviors that have to be implemented in all organizational levels.

Based on the Joint Decree between Board of Directors and Board of Commissioners No.002/KEP.DIR.KOM/2000 which was revised in 2013, Bank Mandiri has a set of code of conduct that accommodates the basic principles of individual and professional behaviors that are done by all Bank Mandiri employees. Therefore, the code of conduct becomes the behavioral guidelines and responsibilities for Board of Commissioners, and all Bank Mandiri employees in all organizational levels.

### The Content of The Code of Conduct

The code of conduct of Bank Mandiri accommodates the regulation of work ethic and business ethic. The work ethic that regulates Bank Mandiri personnel's behaviors covers the following aspects:

1. Conflict of interest (conflict of interest)	<p>Conflict of interest is a condition in which the Bank's ranks in carrying out its duties and obligations have interests outside the interests of the office, whether those concerning personal interests, the family or the interests of other parties so that the Bank's ranks may lose objectivity in making decisions and policies according to the authority given Bank to him. Therefore the whole range of Banks:</p> <ol style="list-style-type: none"> <li>Obligation to avoid activities that may cause a conflict of interest and report to the direct supervisor if unable to avoid.</li> <li>It is prohibited to give consent and or request approval of any credit facilities, as well as special interest rates or other specificity for: <ol style="list-style-type: none"> <li>Herself.</li> <li>His family.</li> <li>Companies where he and / or his family have an interest.</li> </ol> </li> <li>It is prohibited to work for another company, unless it has received a written assignment or permission from the Bank. Board of Commissioners and Board of Directors that follow regulatory requirements.</li> <li>It is prohibited to become a direct or indirect partner, either a partner for goods or services for the Bank.</li> <li>It is prohibited to collect goods belonging to the Bank for personal, family or other outside interests.</li> <li>Only allowed to conduct securities transactions, foreign exchange trading, precious metals, derivative transactions and other goods for their own benefit in the absence of conflict of interest, violation of insider trading rules of the Capital Market Authority, and other regulations.</li> </ol>
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2. Confidentiality	<ul style="list-style-type: none"> <li>a. Compulsory understand and maintain the confidentiality of any information, in accordance with applicable provisions.</li> <li>b. Use information received only for Bank activities.</li> <li>c. In providing information, must act in accordance with applicable provisions.</li> <li>d. To avoid misuse, the dissemination of customer information in the Bank's internal environment is done carefully and only to interested parties.</li> <li>e. Do not disseminate information to outsiders about: <ul style="list-style-type: none"> <li>i. Activities of the Bank with the Government of the Republic of Indonesia.</li> <li>ii. Internal policies and working procedures of the Bank.</li> <li>iii. Management of Information Systems, Data and Reports.</li> <li>iv. Employee data, whether active or not.</li> <li>v. Business activities of the Bank, including activities with customers and partners. Except with the approval of an authorized Bank official or by order under applicable laws and regulations.</li> </ul> </li> <li>f. The obligation to keep special things to be kept secret remains true for former Bank employees.</li> </ul>
3. Abuse of Job and Gratification	<ul style="list-style-type: none"> <li>a. It is prohibited to abuse the authority and take advantage either directly or indirectly, from knowledge gained from the Bank's business activities to: <ul style="list-style-type: none"> <li>i. Personal gain.</li> <li>ii. Benefits for members of his family.</li> <li>iii. Benefits to other parties.</li> </ul> </li> <li>b. Prohibited from requesting or accepting, allowing or accepting to accept gratuities relating to his or her position and against his / her obligations under applicable laws and regulations. The types of gratuities and reporting mechanisms will be set out in a separate provision.</li> <li>c. Prohibited from requesting or accepting, allowing or accepting to accept a gift or reward from a third party who obtains or seeks to obtain work relating to procurement of goods or services from the Bank.</li> <li>d. In the case of customers, partners, and other parties providing gifts in the form of goods or in other forms at certain times such as on Feasts, special celebrations, disasters and elsewhere, if: <ul style="list-style-type: none"> <li>i. As a result of receipt of the parcel is believed to have a negative impact and affect the bank's decision, and</li> <li>ii. The price of the parcel is beyond reasonable limits, then the Bank of Bank receiving the parcel shall promptly return the parcel with a polite explanation that the Bank's ranks are not allowed to receive the parcel.</li> </ul> </li> <li>e. In the case of gift giving mentioned in point (d) above for one reason or another, it is difficult to return the members of the Bank who receive the parcel must immediately report to their supervisor for follow-up.</li> <li>f. In the case of customers, partners, and other parties providing promotional items, so long as the result of receipt of the promotional item does not result in negative impact, it is acceptable..</li> <li>g. In the framework of procurement of goods and services from third parties for the purposes of the Bank's service, shall endeavor to obtain the best price at the maximum discounted price discount for the Bank's profit.</li> <li>h. Prohibited from using his position to borrow from customers or owe to customers.</li> <li>i. It is prohibited to utilize the opportunity to use the Bank facilities for its own benefit beyond what has been provided by the Bank.</li> </ul>
4. Insiders Behavior	<ul style="list-style-type: none"> <li>a. Banks that have confidential information are not allowed to use such information to take advantage of themselves, their families or other third parties.</li> <li>b. It is prohibited to use internal information to make purchases, or to trade securities, unless such information is publicly known.</li> <li>c. It is forbidden to misuse its position and take advantage either directly or indirectly for himself or others that may influence the decision.</li> <li>d. Decision-making to sell or purchase Bank assets and other services shall be made by prioritizing the interests of the Bank.</li> </ul>
5. Integrity and Accuracy of Bank Data	<ul style="list-style-type: none"> <li>a. Must present accurate and accountable data.</li> <li>b. It is not allowed to record and / or change and / or delete the books, in order to obscure transactions.</li> <li>c. Only allowed to make changes or deletion of data based on the authorization of authorized officials in accordance with procedures established by the Bank.</li> <li>d. Not allowed to manipulate documents.</li> </ul>
6. Integrity of Banking System	<ul style="list-style-type: none"> <li>a. Must always be aware and avoid the involvement of the Bank in criminal activities in the field of finance and banking.</li> <li>b. Mandatory suspect unusual transactions and must take preventive action in detecting accounts suspected to have been used for activities such as money laundering, terrorism financing, corruption and other crimes.</li> </ul>

The business ethics as the basis of Bank Mandiri's conduct in conducting business activities included the following aspects:

1. Individual Behavior	<p>a. Personal Integrity</p> <ul style="list-style-type: none"> <li>– Uphold the moral, have a strong self-esteem and discipline.</li> <li>– Maintain personal integrity in accordance with applicable rules, rules, policies and systems.</li> <li>– Committed to maintain the image and reputation of the bank.</li> <li>– Relies all actions and behavior to a pure conscience.</li> <li>– Respectable and responsible acts and free from any influence that may result in the loss of objectivity in the performance of duties or cause the bank to lose its business or reputation.</li> <li>– Avoidance of activities related to an organization and or individuals that allow for a conflict of interest.</li> <li>– Both individually and collectively endeavor to avoid involvement in matters that may undermine or degrade the integrity of the banking system in Indonesia.</li> </ul> <p>b. Treatment / Discrimination Act</p> <ul style="list-style-type: none"> <li>– Upholding human rights.</li> <li>– Prevent the practice of discrimination in all its forms.</li> </ul> <p>c. Abuse acts</p> <p>Obligation to avoid all forms of acts that violate public order and decency</p>
2. Protection of Bank Ownership	<p>a. Bank Owned Property</p> <ul style="list-style-type: none"> <li>– Always maintain and protect all Bank property either tangible or intangible.</li> <li>– Use the Bank's property only for activities related to the interests of the Bank.</li> <li>– Utilize the Bank's property with full responsibility including suitability for designation.</li> </ul> <p>b. Protection of Confidential Information</p> <ul style="list-style-type: none"> <li>– Protect and prevent valuable and confidential information from loss, misuse, leakage and theft.</li> <li>– Does not disseminate reports / information about banks that are not intended to be public.</li> </ul> <p>c. Intellectual Property Bank</p> <ul style="list-style-type: none"> <li>– Maintain the intellectual property of the Bank.</li> <li>– Dedicate the competencies held for the interest of the Bank as the intellectual property of the Bank.</li> </ul> <p>d. Pencatatan dan Pelaporan</p> <p>Bertanggungjawab atas keakuratan dan kelengkapan catatan dan laporan yang disajikan.</p>
3. Bank Business Implementation	<p>a. Mis-representation</p> <ul style="list-style-type: none"> <li>– Banks representing the Bank in dealing with third parties act in their capacity and authority.</li> <li>– Bank ranks representing the Bank provide correct information, documents and reports in the right way.</li> <li>– Banking ranks to avoid acts that may lead to misunderstandings from others.</li> </ul> <p>b. Relationships with Partners</p> <ul style="list-style-type: none"> <li>– always prioritize the interests of the Bank in dealing with partners.</li> <li>– preventing corruption, collusion, and nepotism and negative images in dealing with partners.</li> <li>– in cooperation with partners working on the principle of professionalism and justice based on good faith.</li> </ul> <p>c. Behavior in Competition</p> <ul style="list-style-type: none"> <li>– Responsible to create and maintain a healthy competition in doing business.</li> <li>– Avoiding, avoiding and preventing unhealthy competitive ways in developing his career.</li> </ul> <p>d. Relationships with Other Organizations</p> <ul style="list-style-type: none"> <li>– Can make business contacts with other organizations including competitors while providing benefits to the Bank.</li> <li>– refrain from any form of inappropriate collaboration / fellowship with others.</li> </ul> <p>e. Obtain and Use Third Party Information</p> <ul style="list-style-type: none"> <li>– Avoid acquiring confidential information from third parties / competitors in an intolerable manner.</li> <li>– Not hiring competitor employees with the aim of obtaining confidential information from competitor companies.</li> </ul> <p>f. Relationship with the Regulator</p> <p>Closely adhere to the ethical principles and provisions applicable in fostering relations with the Regulator.</p>

## Compliance To Code Of Conduct

The code of conduct of Bank Mandiri becomes the reasonable, appropriate and trustworthy for all Bank Mandiri personnel in doing the business activities including the interaction with stakeholders. Therefore, the code of conduct of Bank Mandiri applies for all Bank Mandiri personnel in all organizational level of Bank Mandiri Employee, either contract or permanent employees, and also applies to all Board of Directors and Board of Commissioners. The implementation of code of conduct is expected to promote the establishment of professional, responsible, reasonable, appropriate, and trustworthy behaviors in doing business with colleagues and partners.

## Code of Conduct Dissemination

The code of conduct has been informed and socialized to Board of Commissioners and its supporting units, Board of Directors and senior officers under Board of Directors and all employees via:

1. Company website.
2. Email administrator sent to all employees of the Bank.
3. At the signing of collective agreement made between the company union and company management.
4. Standing banner, flyer, and other advertising media around the company offices.

Moreover, the code of conduct can be accessed at anytime by all Bank Mandiri employees via the portal of Bank Mandiri that is called Knowledge Management System (KMS).

## Efforts in Implementation and Enforcement of The Code of Conduct

The employees can report the alleged violations of the implementation of code of conduct to the superiors by using the Letter to CEO (LTC) mechanism. All those reports have to be accompanied with accurate data and/or evidences for further processing. Any violations of code of conduct will be sanctioned based on the prevailing regulations. Since 2015 the reports on the violations of the code of conduct have been documented in integrated manner in the mechanism of LTC.

The efforts in implementation and enforcement of the code of conduct of Bank Mandiri are done continuously in full awareness in the form of behaviors, actions, commitment and regulations as follow:

1. Statement of Compliance with the Code of Conduct of Bank Mandiri  
Bank Mandiri Personnel have to read and understand and are required to sign "Compliance Statement of Bank Personnel to Code of Conduct".
2. Commitment of Management and Entire Employee of Bank Mandiri  
The Commitment of Management and all employees of Bank Mandiri to not receive money and/or Gratuity goods and/or gifts related to responsibilities and duties that are published via mass media and company website.
3. Annual Disclosure of Conflict of Interests  
Each Bank Mandiri Personnel is required to make annual disclosure related to conflict of interest and each work unit is required to submit the transaction/decision reports that contain conflict of interests quarterly.
4. Integrity Pact  
The integrity pact is signed by authorized officers and all partners of Bank Mandiri involved in the process of loan, the procurement of goods and service, and partners accreditation. Furthermore, the signing of Annual Integrity Pact is done by Board of Commissioners, Board of Directors, Executive Officers of Bank Mandiri and the entire employees of Bank Mandiri in the implementation of Gratuity control.
5. Awareness Program  
The new Bank Mandiri employees will receive not only induction program of the code of conduct of Bank Mandiri which is called jump start program, but also policy socialization continuously and consistently.

## Internalization of Corporate Culture

In order to promote the achievement of the vision of Bank Mandiri to become the best bank in ASEAN in 2020, Bank Mandiri has the corporate culture which is known as the "Culture of Excellence". The Culture of Excellence is the manifestation of Bank Mandiri's spirit to grow and expand together in the context of Mandiri Group. "CULTURE OF EXCELLENCE" is based on 5 Cultural Value TIPCE and 11 Key Behavior of Bank Mandiri Personnel.

The process of internalization and socialization of "Culture of Excellence" in Bank Mandiri is implemented to all level of organization in Bank Mandiri including Board of Commissioners, Board of Directors, and all employees via various media such as inclass training, discussion, and management briefing while having visit in the region, sms/email blast, articles in the Mandiri magazine, teleconference/video taped materials and others. In addition to the conventional ways mentioned above, to enhance the Bank Mandiri personnel's enthusiasm, Bank Mandiri makes a system that is called culture excellence scoreboard as explained in the company profile section.

With the internalization process of culture of excellence, it is hoped that Bank Mandiri will possess excellence not only in financial aspect, but also possess excellence Mandiri personnel to achieve the vision of Bank Mandiri as the best bank in ASEAN in 2020.

## Types of Sanctions for Code of Conduct Violations

The sanctions are categorized into 3 types namely mild, moderate and severe sanctions. Each code of conduct violation will be sanctioned in accordance to the Employee Disciplinary Regulations enforced in Bank Mandiri, including criminal sanctions as regulated in the prevailing legislation.

Table of Types of Sanctions for Code of Conduct Violations

Type of Violation	Sanctions
Light Sanctions	1. First Written Reprimand 2. Second Written Reprimands
Medium Sanctions	1. First Written Warning 2. Second Written Warning 3. Written and Last Written Warning
Serious Sanctions	Termination / Termination of Employment

## Numbers of Code of Conduct Violations

In 2017, the numbers of Bank Mandiri violations are as follow:

Table of Numbers of Code of Conduct Violations

Type of Sanction	Number	Categories	Amount
Written Reprimand 1	172	Ringan	226
Written Reprimand 2	54		
Written Warning 1	55	Sedang	98
Written Warning 2	13		
Written & Last Written Warning	30		
Layoffs	53	Berat	94
Contract termination	41		
<b>Total</b>	<b>418</b>	<b>Total</b>	<b>418</b>

## Gratuity Policy

Bank Mandiri is aware that gratuity control is important to maintain the business process to run within the business ethics that uphold the value of integrity. Therefore, since 2013 Bank Mandiri has established Operating Technical Guideline (PTO) namely Gift Disclosure Statement that regulates the prohibition of receiving Gratuity for all Bank Mandiri employees. Furthermore, the Gratuity control aims to establish the Good Corporate Governance principles and instill value integrity to all Bank Mandiri employees so the daily business activities with customers, vendor, partners, and all stakeholders are based on ethics, mutual trust and responsibility. Thus, business interests will be served in a good and ethical manner without violating the provisions of the prohibition of gratuity. Up to date, Bank Mandiri keeps on making continuous improvements in implementing the gratuity control.

As an embodiment of Bank Mandiri's Integrated Prevention Commitment with Corruption Eradication Commission (KPK) that was signed in 4 November, 2014 to implement the gratuity control in order to support the eradications of corruption acts in the Bank Mandiri environment, hence Bank Mandiri has assigned Gratuity Control Unit (UPG) based on Decree of Board of Directors enforced since 3 July, 2015 and has also implemented gratuity control through sustainable socialization program, the signing of integrity pact and centralized gratuity report via UPG. Moreover, Bank Mandiri also has implemented the perfection of gratuity control regulations in