

Transactions with Related Parties

Bank Mandiri and Subsidiaries have transactions with related parties as defined in SFAS 7, "Related Party Disclosures" and Regulation of the Financial Services Authority (formerly Bapepam-LK) or POJK No. KEP-347/BL/2012 dated June 25, 2012 on the "Presentation of Financial Statements of Public Company" is defined as:

1. the companies under the control of the Bank and Subsidiaries;
2. associated companies;
3. the investors have voting rights, which give the investor a significant influence;

4. the companies controlled by investors;
5. key employees and their family members; and
6. entities controlled, jointly controlled or significantly influenced by the Government, the Minister of finance or the local governments who are shareholders of the entity.

The main purpose the transaction with related parties is to offer Bank Mandiri operational support. All transaction in 2015 were conducted fairly and at arm's length as indicated by the independent auditor's opinion Consolidated Financial Statements of The Year 2015 was unqualified.

Name of the Related Parties and the Nature of Relationships

Bank Mandiri entered into transactions with related parties as classified into four parties, namely the Main Shareholders, Party for Owners or Stewardship, Government Entities and management or key personnel.

1. **Relationships with Related Parties as Major Shareholder**
The Government of the Republic of Indonesia through the Ministry of Finance.

2. **Relationships with Related Parties through Ownership and/or Management**

The nature of transactions with related parties include current accounts with other banks, the investment, the effects of securities issued, loans, subordinated loans, customer deposits and bank guarantees.