

other important information

Funding for Social and Political Activities

Funding for Social Activities in 2015

Bank Mandiri has set aside some of the profits to help develop communities and their environments as a form of social responsibility. This has become one of the evidence to the stakeholders that the Bank is not only concerned with (financial) profit alone, but also considers the interests of society and the communities in which the Bank carries on business across Indonesia.

A description of these activities is set out in “Corporate Social Responsibility” and the Bank’s 2015 Sustainability Report, which forms an integral and inseparable part of the Annual Report.

Funding for Political Activities in 2015

During the course of 2015 Bank Mandiri did not provide any funding for political activities or to political parties.

Provision of Funds to Related Parties and Large Fund Exposures

In order to avoid a bank failure as a result of the concentration of funding provision and to increase the independence of bank management in respect of potential intervention from related parties, the Bank applies prudential principles and risk management in the provision of funds, including through funding

portfolio diversification. Bank Mandiri has policy guidelines and procedures in place related to the provision of funds to related parties and/or large exposures in accordance with the Bank Indonesia regulations on lending limits for commercial banks.

The following are the details of Bank Mandiri's exposure to related parties and large fund exposures as of December 31, 2015:

No.	Provision of Funds	Amount	
		Borrower (Individuals)	Amount (IDR million)
1	To related parties	311*)	7,723
2	To key borrowers:		
	a. Individual	8	28,690
	b. Group	17	102,028
	Total key borrowers	25	130,718

*) 547 executive officials and 9 subsidiaries

Provision of funds to related parties (dhi . Individual or group , including executive officers , Directors and Commissioners bank) has been implemented fairly with favorable conditions and conducted through the approval of the Board of Commissioners with reference to the internal policy of Bank Mandiri regarding the provision of credit

Conflict of Interest Transaction

A conflict of interest is a difference between the financial interest of the Bank and the personal financial interests of the owner, a commissioner, a director, an executive officer and/or another party related to the Bank. To protect the interests of shareholders, Bank Mandiri has set out a policy on conflicts of interest in its corporate governance guidelines.

No conflict of interest transactions, as defined in Bapepam-LK Regulation No. IX.E.1 on "Conflict of Interests", were conducted in 2014.

Highest to Lowest Salary Ratios

In 2015, the ratios of highest to lowest salaries were as follows: (update jika ada perubahan)

1. Ratio of the highest employee's salary to lowest: 52.02 : 1 (SEVP salary : employee salary)
2. Ratio of the highest director's salary to lowest: 1.1 : 1 (President Director salary : Director salary)
3. Ratio of the highest Commissioner's salary to lowest : 1.1 : 1 (Chief Commissioner salary : Commissioner salary)
4. Ratio of highest Director's salary to highest employee's salary: 1.35 : 1 (President Director salary : SEVP salary)

Buyback of Bank Mandiri Securities

Throughout 2015, Bank Mandiri did not buy back any of its shares and/or bonds.

Bank Mandiri Internal Disputes

During 2015, there are no internal strife/disputes in Bank Mandiri with regard to intervention by owners, remuneration policy or other causes.