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Concurrent Positions of the Board of Directors

According to POJK No. 55/POJK.03/2016 on Implementation of GCG for Commercial Banks, each member of the Board of Directors is prohibited to serve in concurrent positions as the member of the Board of Commissioners, Board of Directors or Executives of the Bank, other companies/institutions except it is allowed by such regulations.

The members of Bank Mandiri's Board of Directors do not serve in a concurrent position beyond which are admitted by the regulations and may cause a conflict of interest prohibited by legislation.

If a member of the Board of Directors who is responsible for supervision on the subsidiaries, carries out functional tasks as a member of the Board of Commissioners at non-bank Subsidiaries controlled by Bank, all concerned not neglect the duties and responsibilities as a member of the Board of, therefore it is not considered as double post.

Conflict of Interest Management Policy

As stipulated in the GCG Charter, Bank Mandiri has conflict of interest management policy as follow:

- Board of Commissioners, Board of Directors and executive Officers having commitment to avoid all types of conflict of interest.
- In the event Board of Directors personally having interest in one transaction, contract or proposed contract where Bank is one of the party therein, then must be declared nature of its interest in Meeting of Board of Directors and the relevant member of Board of Directors reserve no rights for voting.
- In the event Board of Commissioners personally having interest in one transaction, contract or proposed contract where Bank is one of the party therein, then must be declared nature of its interest in Meeting of Board of Commissioners and the relevant member of Board of Commissioners reserve no rights for voting.

Implementation of Duties and Responsibilities of the Board of Directors in 2016

In general, aside from conducting internal meetings and GMS, the implementation of duties and responsibilities of the Board of Directors is related to the performance of Bank Mandiri during 2016, among others:

1. Issuance of Sustainable Bonds I of Bank Mandiri Year 2016 as much as Rp5,000,000,000,000 with effective date September 22, 2016.
2. Development plan of Mandiri University which is addressed to employees of Mandiri Group and other institutions.
3. Conducting various events such as Mandiri Investment Forum (MIF) 2016, Mandiri Art Charity exhibition.

4. To hire disabled workers as Call Center Operator.
5. Development of e-Commerce business through various electronic banking channel.
6. Launching the technology innovation in the form of online CPO Supporting Fund.
7. Conducting anticipative moves to grow healthy and sustainable, among others by establishing strong allowances in order to strengthen productive assets structure to be more solid and anticipate the Non Performing Loan increasing trend in banking industry in the future.
8. Supporting Digital Financial Services Program in order to create banking financial system which is easy, fast, and can reduce deviation risk as well as to extend the financial inclusion program to public.
9. Conducting tax amnesty socialization in order to support government policy to improve tax basis and government revenue.
10. Collaborating with Indonesian Institute for Corporate Governance (IICG), Bank Mandiri constantly monitors corporate governance perception index.
11. Supporting national strategic infrastructure projects through Special Transaction Loan of Rp1.2 trillion to PT Kereta Api Indonesia (KAI).

Meeting of the Board of Directors

Meeting of Bank Mandiri's Board of Directors is held at least once a month, attended by all directors and executive officers reporting to the Board of Directors to supervise operational performance. Meeting decision is taken by deliberation and consensus. In the event that consensus can not be reached a decision, the decision taken by majority voting agreed and the decision shall be accepted as a joint decision (mutual).

In addition, the Board of Directors may also adopt valid and binding decisions without convening a meeting, with the requirement of all members of the Board of Directors have known the intended decision proposal, given their written approval and signed the agreement. The decision making shall have an equal power to the decision making through formal meetings.

The meeting schedules also correspond with Circular Letter of the Minister of SOE No. SE-03/MBU/2011 dated October 27, 2011 which requires the Board of Directors to conduct meetings every Tuesday and if necessary the Board of Directors may invite the Board of Commissioners for participated in the meeting. Board of Directors meeting scheduled before the start of financial year.

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Meeting Frequency, Level of Attendance and Meeting Agenda of the Board of Directors

During 2016, the Board of Directors has convened 53 internal meetings with the following details of agenda and frequency of attendance of each member of the Board of Directors:

Date of Meetings	Meeting Agenda	Budi Gunadi Sadikin*	Kartika Wirjoatmodjo	Sulaiman A. Arianto	Sentot A. Sentausa**	Ogi Prastomyono	Pahala N. Mansury	Royke Tumilaar	Hery Gunardi	Tardi	Ahmad Siddik Badruddin	Kartini Sally	Rico Usthavia Frans***
5 Jan	- Proposed Agenda 2016 Board of Directors Meeting and Agenda Review Meeting of the Board of Directors 2015 - Discussion on Human Capital - Strategic Agenda Retail Update	√	√	√	√	√	√	√	√	√	√	√	
12 Jan	- Discussion on Human Capital - Financial Performance December 2015 - KLN Initiatives Update - Strategic Agenda Retail Update	√	√	√		√	√	√	√	√	√	√	
19 Jan	- Update Risk Management - Industrial Sector Forecast 2016 - Strategic Agenda Wholesale Update - Strategic Agenda Retail Update		√	√	√	√	√	√	√		√	√	
26 Jan	- Update Audit of Financial Statements per December 31, 2015 - Discussion of Performance Review 2015 - Risk Based Bank Rating Q IV/2015 - Discussion on the Implementation of the Annual General Meeting - Strategic Agenda Wholesale & Retail Update - Customer Satisfaction Survey	√	√	√	√	√	√	√			√	√	
2 Feb	Discussion of Bank Mandiri Pension Fund	√	√		√	√	√	√		√	√	√	
5 Feb	Discussion on Human Capital	√	√		√	√	√	√	√	√	√	√	
9 Feb	- Proposed FTP - Discussion on Human Capital - Risk-based Bank Rating Integrated - Policy revision Bank Mandiri - Strategic Agenda Retail Update - Update Report Internal Audit Q1 2016			√		√	√	√	√	√	√	√	
16 Feb	- Financial performance in January 2016 - Media Plan Q1 2016 - Update Strategic Agenda Retail & IT - Discussion on the Implementation of the Annual General Meeting - Update Legal - Discussion on Human Capital	√		√	√	√	√	√	√	√	√	√	
23 Feb	- Culture Excellence Award and Independent Innovation Award 2015 - Update Distribution Network Transformation - Wholesale Funding Strategy - Preparation of a Public Expose Q4 2015 & Analyst Meeting - Update Cooperation Customer	√	√	√	√	√	√	√	√	√	√	√	
1 Mar	- Discussion on Human Capital - Update Strategic Agenda Wholesale - Update Strategic Agenda Retail - Update Strategic Agenda IT	√	√	√	√	√	√	√	√	√	√	√	
5 Mar	- Discussion on Human Capital - Update Audit	√	√	√	√	√	√	√	√	√	√	√	
15 Mar	- Financial performance in February 2016 - Discussion on the Implementation of the Annual General Meeting - Update Business Strategy Subsidiary Companies - Discussion on Human Capital - Update Strategic Agenda Retail	√	√	√		√	√	√	√	√	√	√	
22 Mar	Follow-up Decision of the Annual General Meeting		√	√		√	√	√	√	√	√	√	

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29 Mar	- Job descriptions of Directors - Discussion on Human Capital - Update Implementation Revaluation of Assets - Proposed Use "Plafon Hapus Buku" Q1 2016 - Update Strategic Agenda Retail		√	√		√	√	√			√	√	
5 Apr	- Job descriptions and Alternate Directors - Discussion on Human Capital		√			√	√	√	√	√		√	
12 Apr	- Discussion of Human Capital - Financial performance in March 2016		√	√		√		√	√	√	√	√	
19 Apr	- Discussion of Human Capital - Discussion on Corporate Initiatives and Program Plan - Update Strategic Agenda Wholesale & Retail - Update Committee under the Board of Directors		√	√		√	√	√	√	√	√	√	
26 Apr	- EY KAP Management Letter - Update Asset Revaluation Implementation - Business Update Special Asset Management - Discussion on Human Capital		√	√		√	√	√	√	√	√	√	
28 Apr	Discussion Human Capital		√	√		√	√	√	√	√	√	√	
3 May	- Update and Credit Analysis Corporate & SAM - Update Strategic Agenda Retail - Update Strategic Agenda IT		√	√		√	√	√	√	√		√	
10 May	- Financial Statements Audited In March 2016 - Update Plan Issuance of Senior Debt - Update Strategic Agenda Retail		√	√		√	√	√	√	√		√	
17 May	- Update Credit Corporate & Commercial - Discussion on Human Capital - Review Fee Based Income - Update Distribution Network Transformation - Financial performance in April 2016		√	√		√	√	√	√	√	√	√	
18 May	- Financial performance in April 2016 - Update Program Communications Bank Mandiri		√	√		√	√		√	√	√	√	
24 May	- Update Strategic Agenda Wholesale & Retail - Discussion of Findings Audit & Fraud					√	√	√		√	√	√	
31 May	- Update Credit, Distribution and SAM - Update Strategic Agenda IT - Update Business Development in ASEAN - Update Legal I		√	√		√	√	√	√	√	√	√	
7 Jun	- Proposed credit authority - Update Strategic Agenda IT - Update Business Strategic Subsidiary		√	√		√	√	√	√	√	√	√	
10 Jun	Revised CBP 2016		√	√		√	√	√	√	√	√	√	
14 Jun	- Discussion of Human Capital - Update Corporate Real Estate Group - Update Business Subsidiary - Update IT developments - Update Strategic Agenda Wholesale - Financial performance in May 2016		√	√		√	√	√	√	√	√	√	
21 Jun	- Proposed Benefit pension and Other Benefits pension Fund Bank Mandiri - Proposed Corporate Real Estate Group - Update Distribution Network Transformation - Review Request portfolio Treasury - Update Legal Strategy		√	√		√	√		√	√	√	√	
28 Jun	- Proposed Use "Plafond Hapus Buku" Q2 2016 - Update Strategic Agenda Retail - Update Project Acquiring Aggregator		√	√		√	√	√	√	√	√	√	

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12 Jul	- Proposed Sponsorship Bank Mandiri - Proposed Benefit pension and Other Benefits pension Fund Bank Mandiri - Update Business Strategic Subsidiaries - Financial performance of the Company as at June 30, 2016		√	√		√	√	√	√	√	√	√	
19 Jul	- Update Design Calendar & Agenda Year 2017 - Proposed Project Strategic - Proposed credit authority - Update e-Channel services and Coping Strategies Customer		√			√	√	√	√	√	√	√	
20 Jul	Financial performance in June 2016		√	√		√	√	√	√	√	√	√	
26 Jul	- Update Preparation Tax Amnesty - Update Collection Strategy - Risk Based Bank Rating Q2 2016 - Proposed Incentives Service - Credit Terminate Proposed authority		√	√		√	√	√	√	√	√	√	√
2 Aug	- Proposed Credit Terminate authority - Update Strategic Agenda Wholesale			√		√	√		√	√	√	√	√
9 Aug	- Risk Based Bank Rating Integrated - Strategic Agenda IT Update - Update Small Business Segment Strategy		√			√	√	√		√		√	√
10 Aug	- Update Consumer Business Strategy - Discussion on Human Capital		√	√		√		√	√		√	√	√
15 Aug	- Financial Performance in July 2016 - Consumer Business Strategy Update - Update Micro Business Strategy - Discussion on Human Capital		√	√		√	√		√	√	√	√	√
19 Aug	- Commercial Business Strategy Update - Update Development of IT - Discussion on Human Capital		√	√		√			√		√	√	
30 Aug	- Proposed Use "Plafond Hapus Buku" Month August 2016 - Discussion on Human Capital		√			√	√	√	√	√	√	√	√
6 Sep	- Update Corporate Secretary - Update Strategic Agenda Retail		√	√		√	√	√		√	√	√	√
13 Sep	- Financial Performance in August 2016 - Proposed Independent Entrepreneur Program 2016 - Commercial Business Strategy Update - Update Strategies Subsidiary		√	√		√	√	√	√	√	√	√	√
20 Sep	- Update Events Anniversary Bank Mandiri - Update Network Development Office		√	√		√	√		√	√			
27 Sep	- Discussion on Human Capital - Review of the Performance Fee Based Income - Proposed Use "Plafond Hapus Buku" Q3 2016 - Update Corporate Real Estate Group - Update Strategic Agenda Retail - Discussion on Corporate Plan		√	√		√		√	√	√	√	√	√
4 Oct	- Proposed Corporate Secretary Group - Review of the Performance Fee Based Income - Kick-off RKAP 2017 - Update Strategies Subsidiary		√	√		√	√	√	√	√	√	√	√
11 Oct	- Financial Performance in September 2016 - Update Business Development in ASEAN - Update Corporate Real Estate Group - Proposed Policy Revisions			√		√	√	√	√	√	√	√	√
18 Oct	- Update POJK Changes - Update Strategic Agenda Retail - Discussion on Human Capital		√	√			√	√	√	√	√	√	√

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1 Nov	- Update Compilation CBP 2017 - Corporate Governance Perception Index (CGPI) 2015/2016 - Discussion on Distribution Review and Corporate Plan		√	√			√	√	√	√	√	√	√
8 Nov	- Proposed Provision of CSR - Legal Strategy - Update Strategic Agenda Retail - Projection NPL		√	√		√	√	√	√	√	√	√	√
15 Nov	- Corporate Plan Initiatives - Discussion on Human Capital - Projection NPL - Financial Performance Month October 2016 - Update Strategic Agenda Retail		√			√	√	√	√	√	√	√	√
22 Nov	- Update Strategic Agenda Retail - Strategic Update Subsidiary - Discussion on Human Capital		√	√		√	√	√	√	√	√	√	
29 Nov	- Proposed Use "Plafond Hapus Buku" November 2016 - Discussion on Human Capital		√	√		√	√	√	√				√
13 Dec	Proposed Treasury Group							√	√	√	√	√	√
20 Dec	- Proposed Use "Plafond Hapus Buku" in December 2016 - Subsidiary Strategic Update - Proposed Sponsorship Bank Mandiri - Discussion on Human Capital		√	√		√		√	√	√	√	√	√
21 Dec	Financial Performance in November 2016		√	√		√		√	√	√	√	√	
29 Dec	- Discussion of Human Capital - Proposed Corporate Secretary Group		√	√		√	√			√	√	√	
Number of Meetings		12	56	56	12	56	56	56	56	56	56	56	24
Total Attendance		10	50	48	9	53	50	49	49	50	51	54	18
Percentage of Attendance		83%	89%	86%	75%	95%	89%	88%	88%	89%	91%	96%	75%

*) Serving until March 21, 2016

**) Serving until March 21, 2016

***) According fit and proper test result, Mr. Rico Usthavia Frans effectively held position as of July 18, 2016

Joint Meeting of the Board of Directors and the Board of Commissioners

In addition, the joint meeting is also conducted at least once in 4 (four) months as mentioned in the Articles of Association.

Throughout 2016, the Joint Meeting has been conducted 12 times whereas 3 meetings held upon request of the Board of Directors, while the rest of 9 meetings were upon request of the Board of Commissioners.