

Inspiring Nation's Next Generation



2019
Annual Report



Inspiring Nation's Next Generation

Strengthening performance that has been back on the track in 2018 is followed by an increase in Bank Mandiri's contribution to the focus of the Government in 2018, namely strengthening human resources (HR). Bank Mandiri continues to spread inspirations, especially to the millennial as the nation's next generation. Internally, in order to improve the quality of human capitals, most of whom are millennial generations, a process of revamp culture has been carried out systematically in order to perfect the Work Culture with the fundamental core values of Trust, Integrity, Professionalism, Customer Focus and Excellence. The revamp culture has resulted in 5 (five) new Work Cultures of Bank Mandiri, namely One Heart One Mandiri, Tough Mandirian, Growing Healthy, Meeting Customers' Needs and Building the Nation Together as the guidance in thinking, acting and behaving in daily life. Externally, Bank Mandiri has carried out various innovations aimed at improving the quality through the Mandiri Young Entrepreneur program and Mandiri Hackathon program, which is a recruitment program in the field of information technology that aims to accommodate innovative ideas that correspond with digital banking needs and there have been significant millennial registrants.





Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

Continuity of Themes



2014 PASSION TO PERFORM FOR INDONESIA

In order to carry out its mission to take an active role in supporting Indonesia's long-term growth, Bank Mandiri has always made every effort to continue working for Indonesia. We realized this by always igniting the spirit of making Bank Mandiri the bank with the best financial and operational performance and contributing as much as possible to society and the environment.



2015 MANDIRI FRIEND OF THE NATION

Bank Mandiri as the nation's partner is a service from the largest Bank in Indonesia, with the products and services owned, Bank Mandiri can provide inspiration, work and grow together and support all levels of society. Adhering to the good Corporate governance principles, throughout 2015 Bank Mandiri not only succeeded in realizing the business plan and was able to create progress and business growth, but also made a real contribution in improving community welfare.



2016 MANDIRI TRUE CONTRIBUTION

In order to realize the Company's vision to become **Indonesia's best, ASEAN's prominent**, Bank Mandiri always strives to create real work in all aspects of its business. Various strategic steps, continuous innovation and the improvement of human resource quality also continued to be developed throughout 2016 supported by the implementation of good Corporate governance principles, to strengthen the business foundation of Bank Mandiri in the future.



2017 UNFOLDING HOPES AS THE PRIDE OF THE NATION

In 2017, Bank Mandiri was in the Transformation phase III that takes place in 2015 to 2020. In this phase, Bank Mandiri wanted to establish its vision of becoming "**Indonesia's best, ASEAN's prominent**" as evidenced by efforts to overcome the challenges faced in the previous year. These efforts have produced encouraging results in 2017 demonstrated by the achievement of financial and non-financial performance growth. The success achieved by Bank Mandiri in 2017 is in line with the spirit of prospering the country and being the pride of the nation.



2018 MANDIRI EMBRACES THE FUTURE

2018 coincides with the 20 (twenty) years anniversary of Bank Mandiri. With a relatively short journey, Bank Mandiri has been able to strengthen its performance amidst various challenges faced. Bank Mandiri performance has been back on the track which among others has been realized by the performance of a significant decrease in non performing loan (NPL), from 4.0% in 2016 to less than 2.9% in 2018 as well as the credit growth over 10.0% followed by profit achievement around IDR25 trillion on a consolidated basis. This was the result of the effective business strategy change, among others by returning to Existing Core Competence in Corporate-Large Corporate segment and accelerate the New Core Competence in the Retail Banking segment. In the future, with the strong spirit of “Satu Hati Satu Mandiri” (One Heart One Mandiri) and the right strategy plan, especially through a more fundamental Information Technology transformation accompanied with the strengthening management of human capital that is focusing on facing the digitization era and the millennial group, Bank Mandiri is optimistic that it will be able to seize various opportunities so that it can grow excellently.



2019 Inspiring Nation's Next Generation

Strengthening performance that has been back on the track in 2018 is followed by an increase in Bank Mandiri's contribution to the focus of the Government in 2018, namely strengthening human resources (HR). Bank Mandiri continues to spread inspirations, especially to the millennial as the nation's next generation. Internally, in order to improve the quality of human capitals, most of whom are millennial generations, a process of revamp culture has been carried out systematically in order to perfect the Work Culture with the fundamental core values of Trust, Integrity, Professionalism, Customer Focus and Excellence. The revamp culture has resulted in 5 (five) new Work Cultures of Bank Mandiri, namely One Heart One Mandiri, Tough Mandirian, Growing Healthy, Meeting Customers' Needs and Building the Nation Together as the guidance in thinking, acting and behaving in daily life. Externally, Bank Mandiri has carried out various innovations aimed at improving the quality through the Mandiri Young Entrepreneur program and Mandiri Hackathon program, which is a recruitment program in the field of information technology that aims to accommodate innovative ideas that correspond with digital banking needs and there have been significant millennial registrants.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Table of Contents

THEMES AND MEANINGS OF THEMES	3
CONTINUITY OF THEMES	4
TABLE OF CONTENTS	6
COMPANY OVERVIEW	8
MILESTONES	10
OUR BEST CONTRIBUTION	12

PERFORMANCE HIGHLIGHTS 16

Important Achievements in 2018	18
Key Financial Highlights	20
Financial Highlights and Financial Ratios	20
Operational Highlights	24
Information on Stock Price	26
Corporate Action	28
Temporary Termination of Stock Trading (Suspension) and/or Shares Registration Delisting	28
Information on Bonds, Sukuk or Convertible Bonds	28
Information on Other Sources of Funding	29
Corporate Rating 2019	30
Company Analysis Report	30
Significant Events in 2019	32

REPORTS OF BOARD OF COMMISSIONERS AND DIRECTORS 36

Board of Commissioners Report	39
Board of Directors Report	53
Accountability Of 2018 Annual Report	62

COMPANY PROFILE 65

Company Identity	66
Company Brand	68
The Company at a Glance	69
Line of Business	71
Business Activities According to the Articles of Association	71
Products/Services	72
Map of Operational Area	82
Organizational structure	84
Company Vision, Mission, and Culture	86
Vision	87
Mission	87
Review of Vision and Mission	88
Company Culture	88
Board of Commissioners Profile	90
Directors Profile	104
Executive Officials Profile	118
Employee Competencies Profile and Development	122
Shareholder Composition	130

List of Subsidiaries and/or Associates	134
Company Group Structure	142
Share Issuance Chronology	144
Bonds Issuance and/or Registration Chronology	147
Other Securities Issuance and/or Registration Chronology	153
Names and Addresses of Supporting Professional and/or Institutions	157
Awards and Certifications	158
Names and Addresses of Subsidiaries, Sub-subsidiaries, Associates, Overseas Branch Offices, and Regional Offices	164
Information on Company Website	167
Education and/or Training for Board of Commissioners, Board of Directors, Committees, Corporate Secretaries, and Internal Audit Units	168

MANAGEMENT ANALYSIS AND DISCUSSION ON COMPANY PERFORMANCE 180

Economic Review	182
Global Economic Review	182
National Economic Analysis	183
Banking Industry Analysis	183
Analysis of Bank Mandiri's Position in the Banking Industry	184
Operational Review	186
The Company's Strategies for 2018	186
Marketing Aspects	190
Business Segment Performance	200
BUSINESS OUTLOOK	252
Future Strategy	253
Financial Review	254
Financial Performance	254
Statement of Consolidated Financial Position	254
Consolidated Statement of Income and Other Comprehensive Income	273
Statement of Consolidated Cash Flow	280
Liquidity Capability and Collectability of Receivables	281
Ability to pay debt	281
Collectability of Receivables	283
Capital Structure and Risk Management Practices	284
Capital Structure	284
Risk Management Practices	288
Material Commitments For Capital Expenditure	338
Capital Expenditure	338
Material Information on Investment, Expansion, Divestment, Acquisition, or Debt and Capital Restructuring	340
Commitment and Contingency	342
Target Achievement and Future Targets	343
Target Achievement	343
Future Target	343
Information and Material Facts after Accountant's Reporting Date	344
Policies, Announcements, and Dividend Payments	344
Employee and/or Management Stock Ownership Program (ESOP/MSOP)	346
Realization of the Use of Funds from the Public Offering	347

Information on Material Transactions Containing Conflict of Interest and / or Transactions With Affiliated Parties	348
Changes to Legal Regulations and The Impact to Bank Mandiri	360
Change of Accounting Policies	378
Bank Health Level	380
Information on Business Continuity	380
Fee Based Income Growth Acceleration	381
Taxation Aspect	383
Prohibition, Limitation and/or Significant Obstacles to Transfer Funds Between Banks and Other Entities in a Business Group	384
Derivatives and Hedging Facilities	387

HUMAN CAPITAL 390

Human Capital Management Strategy	392
Human Capital Process and Policy	409
Human Capital System and Infrastructure	410
Culture Internalization	412
Human Capital Management Structure	414
Human Capital Profile	415

INFORMATION TECHNOLOGY 416

Master Plan and Information Technology Strategy	419
Information Technology Innovation	420
Availability and Information Technology Infrastructure	425
Information Technology Governance Policy	426
The 2020 Information Technology Development Plan	429

CORPORATE GOVERNANCE 430

Achievements in the Implementation of Corporate Governance	432
Basis for Implementing Corporate Governance	435
Corporate Governance Structure and Mechanism	436
Structure of Company Organs	436
Governance Soft Structure	437
Mechanism of Corporate Governance	438
Shareholders	438
Rights of the Shareholders	438
Shareholder Responsibility	439
Relationship Policy with Shareholders	440
Share Treatment of All Shareholders	440
General Meeting of Shareholders	440

The Process of GMS and Voting	441
Board of Commissioners	465
Duties and Responsibilities of the Board of Commissioners	465
Obligations of the Board of Commissioners	466
Rights and Authorities of the Board of Commissioners	466
Decisions requiring Approval from Board of Commissioners	467
Tenure of Board of Commissioners	467
Criteria for the Board of Commissioners	468
Nomination and Election Process of Board of Commissioners	468
Guidelines and Procedures for Board of Commissioners Performance (Board Charter)	468
Composition and Basis of Board of Commissioners Appointment	469
Orientation Program for New Commissioners	471
Job Description of Supervisory Board of Commissioners	472
Affiliate Relationship of Board of Commissioners	473
Concurrent Position Policy of Board of Commissioners	474
Management of the BOC's Conflict of Interest	475
Stock Ownership of Board of Commissioners	475
Independent Commissioner	476
Board of Commissioners Meeting	479
Implementation of the Duties and Responsibilities of the Board of Commissioners	494
Risk Management Certification	498
Performance Assessment of Board of Commissioners	500
Performance Assessment of Committees under Board of Commissioners and the Basics of Assessment	501
The Mechanism of Resignation and Dismissal of Board of Commissioners	503
Board of Directors	504
Duties and Responsibilities of the Directors	504
Rights and Authorities of Board of Directors	504
Tenure of Board of Commissioners	505
Criteria of the Board of Directors	505
Guidelines and Procedures for Board of Directors Performance	505
Composition and Basis of Board of Directors Appointment	506
Orientation Program of New Board of Directors	508
Board of Directors Job Divisions	509
Affiliations of Board of Directors	510
Concurrent Position Policy of Board of Commissioners	512
Management of Board of Directors Shareholding	513
Board of Directors Shareholding	513
Board of Directors Meeting	528
Risk Management Certification	530
Decision and Implementation of Directors' Duties	533
Performance Assessment of Board of Directors	536

Performance Assessment of Committees under Board of Directors and the Basis of Assessment	537
Resignation and Dismissal Mechanism for Board of Directors	537
Organs and Committees under Board of Commissioners	539
Secretary to the Board of Commissioners	539
Audit Committee	540
Remuneration and Nomination Committee	552
Risk Monitoring Committee	565
Integrated Governance Committee	576
Procedure for Substitution of Committees Under the Board of Commissioners	588
Organs and Committees under Board of Directors	588
Corporate Secretary	588
Committees under Board of Directors	592
Internal Audit	611
Risk Management Unit	617
Remunerasi Dewan Komisaris dan Direksi	622
Public Accountant	628
Risk Management	631
Internal Control System	653
Compliance Function	657
Anti Money Laundry (APU) and Combating Terrorism Financing (PPT) Programs	663
Giving Social Funds and Political Activities	664
Significant Cases	665
Significant Cases Faced by the Company	665
Significant Cases Faced by Subsidiaries	667
Significant Cases Faced by Board of Commissioners and Board of Directors	671
Disclosure of Administrative Sanctions from Regulator	671
Access to information	671
Code of Conduct	677
Anti Corruption Program	683
Gratuity Policy	684
Whistleblowing System	686
Policy on Diversity of the Board of Commissioners and Directors	690
Internal Fraud	695
Management of LHKPN	697
Implemented Integrated Corporate Governance	697
Buyback of Shares and Buyback of Bonds	705
Provision of Related Party Funds	705
Strategic Bank Plans	705
Transactions Containing Conflicts of Interest	706
Bank Mandiri Internal Disputes	706
Prevention of Insider Trading (Insider Trading)	706
Transparency of the Company's Financial and Non-Financial Conditions	707
Implementation of Open Corporate Governance Guidelines	707

Implementation of Corporate Governance Aspects and Principles in Accordance with the Guidelines of Corporate Governance Principles for Banks Issued by the Basel Committee of Banking Supervision	718
GCG Assessment	719

CORPORATE SOCIAL RESPONSIBILITY 726

Social Responsibility Governance	728
Social Responsibility Related to Human Rights	745
Social Responsibility Related to Fair Operation	748
Corporate Social Responsibility Related to Environment	751
Corporate Social Responsibility Related to Employment, and Occupational Health and Safety	759
Corporate Social Responsibility Related to Responsibility to Customers	767
Corporate Social Responsibility Related to Community Social Development	773
Corporate Social Responsibility Related to Responsibility to Suppliers	780

INDEX OF POJK REFERENCES 786

INDEX OF ACGS REFERENCES 798

FINANCIAL STATEMENTS 806



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Company Overview

Shareholders

Government of the Republic of Indonesia

60%

Nasional Public

9,67%

Foreign Public

30,33%

Business Segment

Corporate Banking

(Large Corporate and Middle Corporate);

Institutional Relations;

Retail Banking

(Consumer, Small and Medium Enterprises,
Micro dan Wealth);
Treasury and International Banking

7 Overseas Office

Cayman Island, Singapura, Hong Kong,
Shanghai China, London-United Kingdom, Dili-
Timor Leste, Kuala Lumpur-Malaysia.

2.304 Support Branch;
1.730 Micro;

18.291 ATM; and
286.375 EDC

Subsidiaries and Associate Entities

Subsidiaries

PT Bank Syariah Mandiri **99,99%**

PT Mandiri Sekuritas **99,99%**

PT Mandiri Tunas Finance **51,00%**

PT AXA Mandiri Financial Services **51,00%**

PT Bank Mandiri Taspen **51,08%**

Mandiri International Remittance Sdn. Bhd. **100,000%**

Bank Mandiri (Europe) Limited **100,000%**

PT Asuransi Jiwa Inhealth Indonesia **80,000%**

PT Mandiri Utama Finance **51,000%**

PT Mandiri Capital Indonesia **99,99%**

Main Products and Services:

Savings Products:

Savings, Deposits, Current Accounts

Loan Products:

Credit, Credit Card

Other Services:

Foreign Currency and Securities Transactions, Agency Services, Remittances, Trade Services, Cash Management, Bank Guarantees, E-Channels, and Bankassurance

Consolidated assets go up 9,6% amounting to **IDR 1.318,2 trillion**

Consolidated Net Income rises

9,9% amounting to **IDR27,5 trillion**

NPL Gross (Bank Only) decreased

40 bps amounting to **2,39%**

Market Capitalization
amounting to **IDR358,17 trillion**

Second-Tier Subsidiaries

PT Mandiri Manajemen Investasi Ownership through PT Mandiri Sekuritas of **99,90%**

Mandiri Secutirities Pte.Ltd Ownership through PT Mandiri Sekuritas of **100,00%**

PT Mitra Transaksi Indonesia Ownership through PT Mandiri Capital Indonesia at **99,99%**

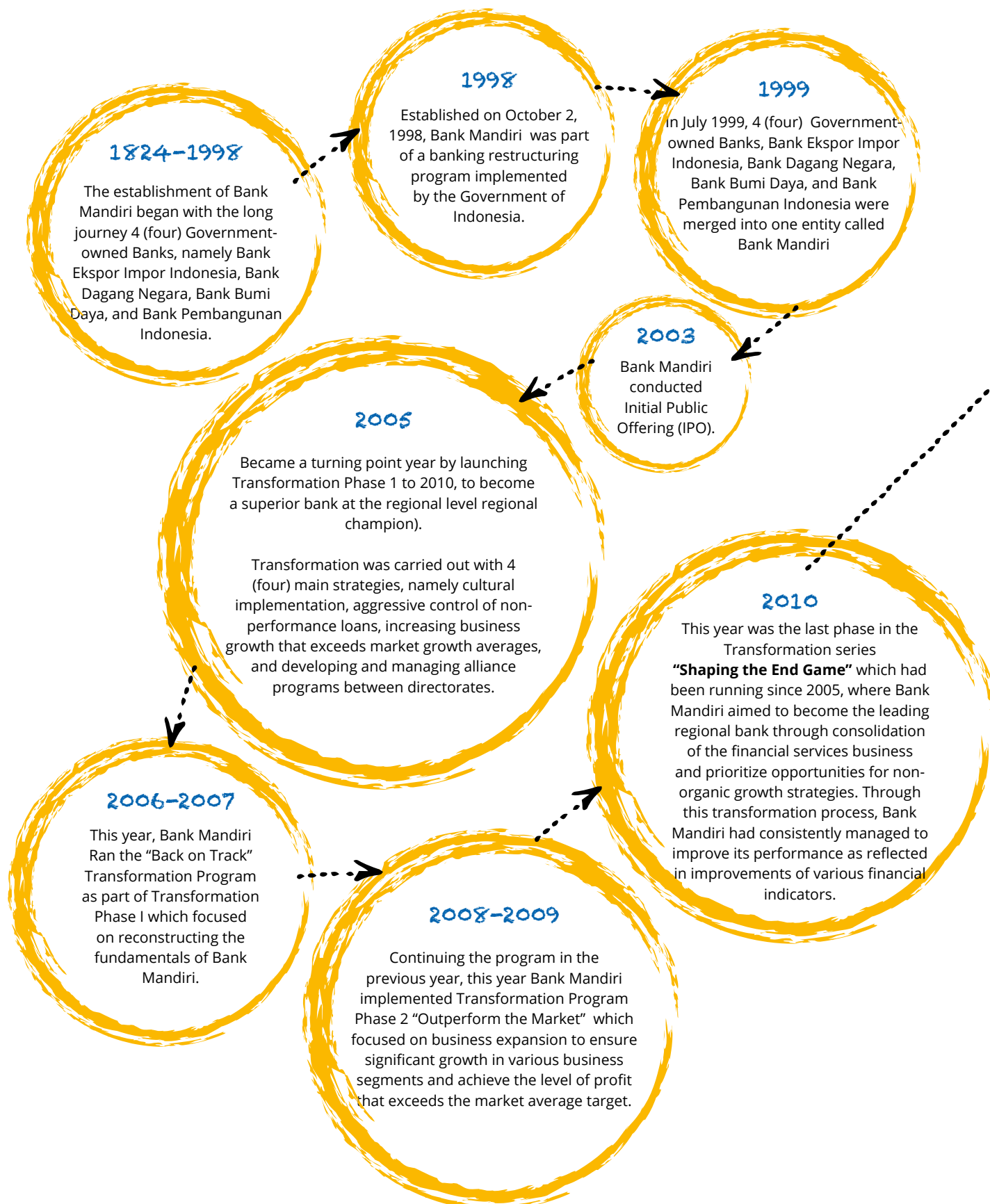
Associate Entities

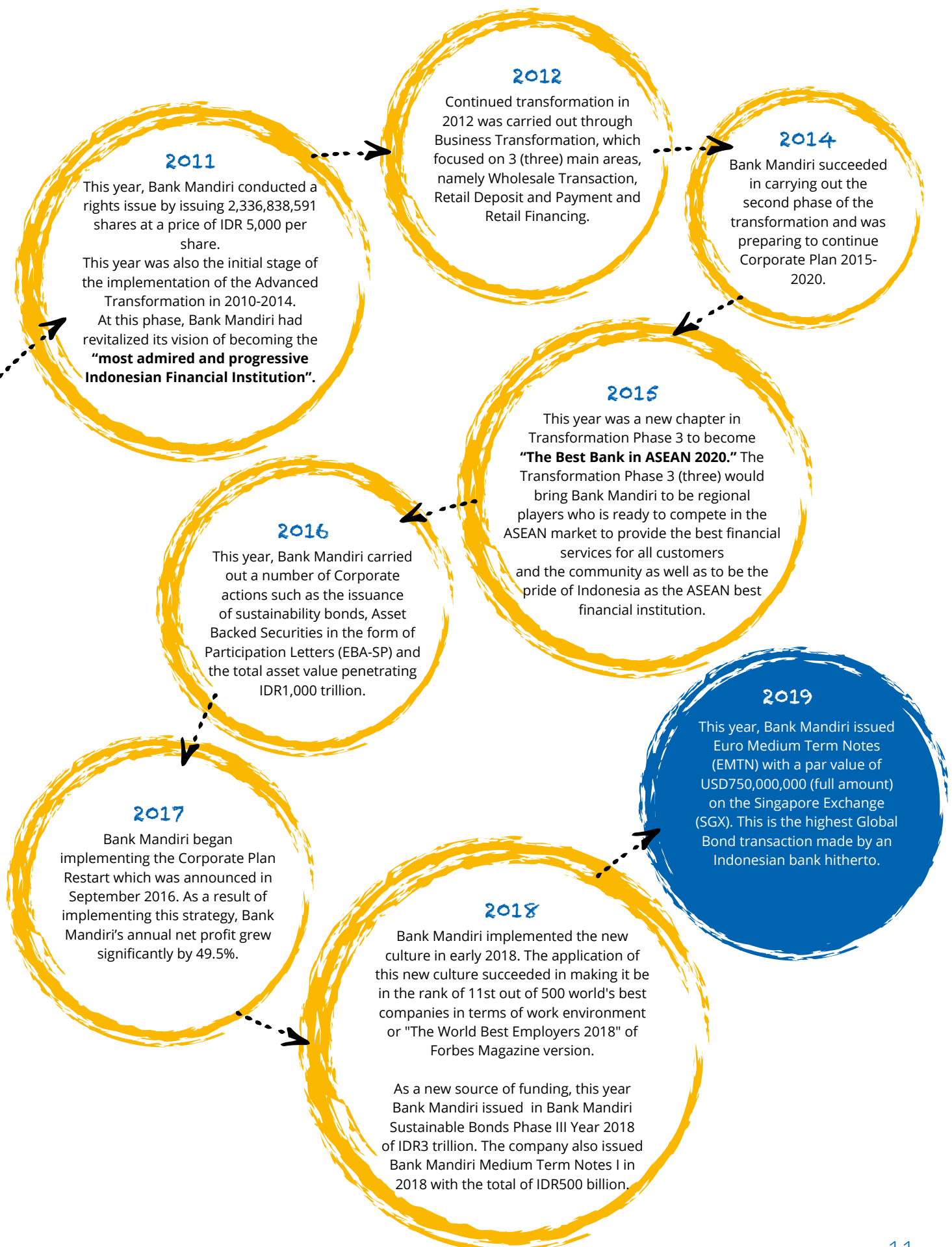
PT Kustodian Sentral Efek Indonesia **10,00%**

PT Mandiri AXA General Insurance **20,00%**



Milestones







Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

Our Best Contribution

One Stop Financial Service Provider

People's wishes and needs are a source of inspiration for Bank Mandiri to continue to innovate and deliver the best services. As the largest financial institution in Indonesia, it has become Bank Mandiri's commitment to always be innovative in presenting the best solutions for each of the financial needs of its customers. Bank Mandiri, which is supported by 11 (eleven) Subsidiaries, has integrated services that will meet all community needs which include Sharia Banking Services, Multifinance, Insurance, Investment Banking, Venture Capital and Remittance.





Human Resource That Makes Proud

Bank Mandiri believes that the success key to win competition in the highly competitive financial industry lies on reliable and competent human capital. Therefore, Human Capital should be managed rightly to produce highly qualified resource. New Culture brings a positive impact on the performance of Bank Mandiri employees in 2019. Internalization of cultures has been carried out effectively to encourage Mandirian to have leadership with the best competencies and the mindset of learners, smart work, agility, adaptiveness and actively seeking and utilizing opportunities to maximize business potentials. In addition to strengthening the Human Capital it has, Bank Mandiri also focuses on meeting Human Capital needs. Strategies for Human Capital fulfillment are directed towards timely fulfillment of business needs with excellent Human Capital. The need for Human Capital is spread throughout Bank Mandiri networks and to fulfill it, Bank Mandiri prioritizes the local youth in collaboration with the best tertiary institutions in Indonesia through regular participations in job fairs and campus hiring activities. Employee engagement has become one of focuses in Bank Mandiri's Human Capital management for years. To maintain synergies that lead to optimal productivity at work, Bank Mandiri always pays special attention to the welfare of its employees. In implementing a career development program, Bank Mandiri always refers to fair opportunity, where each employee is

given equal opportunity to grow and develop while taking into account the Company's needs, job family position, ability, performance level, value rating, talent classification, position availability, and other requirements.

Optimal Human Capital Management has succeeded in bringing Bank Mandiri into a bank with reliable talents that it has become a major player in and outside the banking industry. This is evidenced by the number of former members of the Board of Commissioners, Directors, and officials of Bank Mandiri who occupy strategic positions in the government, institutions, agencies, as well as in other SOEs and private companies. In addition, Bank Mandiri also had received several awards such as:

1. Asia's Top 100 Best Employer Brands at the 14th Employer Branding Awards by the World HRD Congress.
2. Millennial CEO of the Year in the Anugerah Indonesia Maju 2018-2019 event which was held by Anugerah Indonesia Maju 2018-2019.
3. Best CEO of the Banking Industry in Bisnis Indonesia Financial Award 2019 by Bisnis Indonesia.
4. Best CFO in Indonesia and Best Senior Management Investor Relations Support in Indonesia in the 9th Annual Institutional Investor Awards For Corporation 2019 event by Alpha Southeast Asia.
5. Best CEO for the State Owned Enterprise Bank in The Best SOE Awards 2019 by Infobank Magazine.



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

Continuous Digitalization

To welcome the rapidly evolving revolution of industry 4.0 and anticipate the increasingly fierce digitalization competition, Bank Mandiri is innovating on the Digital Banking service channel that facilitates integration and collaboration between Bank Mandiri's and third-party's applications to utilize the Bank's services securely and in real time. In addition to innovations made on the channel, Bank Mandiri also innovates in the provision of IT infrastructure called Mandiri Cloud. Mandiri Cloud accelerates the provision of IT infrastructure, which only takes 15 minutes, different from the conventional model that takes 12 weeks.

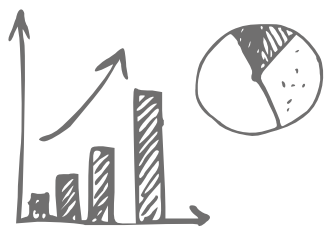
Bank Mandiri also innovated an employee recruitment process by holding a Hackathon competition on June 27-30, 2019, a national-scale competition called "What the Hack!" WTH aims to facilitate Indonesian students and professionals who are experienced in the digital world to express their innovative ideas that can advance the modernization of Indonesian banking.

In order to support business needs, improve services to customers and expedite operational activities, Bank Mandiri implements an end-to-end good IT management to maintain confidentiality, integrity, availability, reliability, continuity and compliance.



The Legend In Good Corporate Governance

This year is the 12nd year (twelfth) Bank Mandiri has received the title of The Most Trusted Companies from the Indonesian Institute for Corporate Governance (IICG). In addition, Bank Mandiri is also included in the 50 ASEAN Big PLCs and 3 Indonesian Big PLCs at the 2nd Corporate Governance Scorecard (CG) Awards held by the ASEAN Capital Markets Forum (ACMF). Appreciation from national institutions shows the consistency of Bank Mandiri in implementing GCG.



Bank with Strong Capitalization

Bank Mandiri recorded a total capital of IDR179.2 trillion for the implementation of Basel III with a capital ratio (CAR) of 21,28% (bank only) in 2019.

Commitment in Openness

In upholding its integrity, code of ethics, and carrying out openness as a State-Owned Enterprise, Bank Mandiri has proven its commitment by increasing compliance with reporting the assets of the Company's officials, where 320 out of a total of 326 people or 98% had fulfilled their reporting obligations by 2019. Bank Mandiri is committed to continually increasing compliance with reporting assets in subsequent periods.



Performance Consistency That Makes Proud

This year, Bank Mandiri again proved its consistency by obtaining the Platinum Trophy for the title of "Very Good" Performance at the 2019 Infobank BUMN Award event and the 10th year the title was obtained. This proves that Bank Mandiri employees consistently maintain their productivity and always strive to innovate to answer new business opportunities, including the development of Digital Banking.

Pioneer in The Development of Young Entrepreneurs

In 2019, Bank Mandiri held the 12th (twelfth) Mandiri Young Entrepreneurs (WMM). The enthusiasm of Bank Mandiri to continue generating creative and innovative young entrepreneurs with firm business mentality with the theme #beranimudaberaniberkarya, to compete locally and internationally becomes an evidence of the consistency of the Company to help create a supporting business atmosphere in Indonesia. WMM is one of Bank Mandiri's efforts to support the government movement to develop the entrepreneurial ecosystem in order to produce good products and open new employments.

At WMM 2019, a total of 3,075 Young Entrepreneurs competed for the title of best of the best and coaching money with a total prize of up to IDR2 billion. In addition, the participants of WMM 2019 who qualified for the finals also had the opportunity to get a coaching from the best Consultant and Networking to open a wide market from Bank Mandiri.



Strong Synergy with Subsidiaries

Strong synergy with the Subsidiary is one of the secrets to the success of the achievement of Bank Mandiri's performance. In conglomeration, the net profit contribution of 11 (eleven) Subsidiaries in 2018 reached IDR3.1 trillion or 12.0% of Bank Mandiri's net income, 4 (four) of 11 (eleven) Subsidiaries that made the largest contribution were following:

Islamic Banking:

Net profit of PT Bank Syariah Mandiri reached IDR1,275 billion growing (YoY) amounting to 110.7%

Multifinance:

Net profit of PT Mandiri Tunas Finance reached IDR447 billion, growing (YoY) amounting to 10.8%.

Insurance:

Net profit of PT AXA Mandiri Financial Service reached IDR1,004 billion amounting to 6.0%.

Niche Banking:

Net profit of PT Mandiri Taspen's revenue reached IDR445 billion, amounting to 33.3%



1

Performance Highlights



Important Achievements 2019

Consolidated Assets



increased 9,6% has Reached
IDR1.318,2 trillion
Supported by credit growth which
grew 11,47% annually.



Consolidated Equity



increased by 13,0%
Continue to Grow with Stronger
Equities Reaching
IDR209,03 trillion.



**The volume of Digital
Banking transaction** from
the Retail Segment has reached
more than IDR 6000 trillion.

**The number of Mandiri
Internet Business**

Increase 16,23%.



Number of Cards



- **Debit Cards** increased to
14,409,286 million
- **Credit cards** increased to
1,946,723 million
- **Prepaid Card** increased to
6,606,200 million.



Digital Banking transaction

volume from the Retail Segment has
reached more than IDR 7000 trillion.

The number of **Mandiri Cash
Management (MCM)**

transactions increased by 32.06%.



Customer Satisfaction Score

(CSAT) increased to 84.18 compared
to CSAT Industry 81.62

While the **Net Promoter Score
(NPS)** increased to 38 compared to
Industry NPS 25



Consolidated Net Income

increased 9,9% Reaching IDR 27,5 triliun.

Consolidated Third Party

Funds increased 10.97% Reaching IDR 933 trillion.



ASEAN Corporate Governance Scorecard (ACGS) Ranking Top 3 Indonesian Public Listed Companies (PLCs) and Top 50 ASEAN Public Listed Companies (PLCs)

Maintaining the Bank's Soundness in Composite Rating 1 (one).



The **NPL ratio** fell to 2.39% (40 bps).

Score Corporate Governance

Perception Index (CGPI) amounted to 94.86 increased compared to 2018 which amounted to 93.86.

Get the **ACGS Top Three Score** at the national level and **ASEAN Top Fifty**



Zero Accident

for Work Accidents.





Key Financial Highlights

FINANCIAL HIGHLIGHTS AND FINANCIAL RATIOS

Table of Financial Highlights

(in million IDR)

Description	2019	2018	2017 ⁽¹⁾	2016	2015
STATEMENT OF CONSOLIDATED FINANCIAL POSITION					
ASSETS					
Cash	28,094,267	27,348,914	24,268,563	22,906,775	25,109,124
Current Accounts with Bank Indonesia	46,490,930	59,852,761	50,188,118	52,484,974	56,314,316
Current Accounts with Other Banks - Net	12,558,297	14,830,772	12,329,947	10,360,165	10,152,214
Placements with Bank Indonesia and Other Banks - Net	37,568,760	22,515,696	74,600,803	73,616,927	37,320,863
Securities - Net	71,263,368	63,835,900	59,638,323	56,572,903	43,641,564
Government Bonds	129,000,300	114,284,518	103,411,188	98,933,278	103,869,361
Other receivables - trade transactions	29,104,111	24,809,459	24,090,128	14,167,271	13,184,766
Securities purchased under agreements to resell	1,955,363	2,097,629	2,629,315	5,054,488	676,900
Derivative receivables	1,617,476	1,798,557	817,292	470,243	700,884
Loans and sharia loan/financing	855,846,844	767,761,095	678,292,520	616,706,193	564,393,595
Consumer Financing Receivables - Net	18,211,088	16,826,865	14,782,332	11,531,838	7,907,449
Net Investment in Leasing Financing - Net	3,047,089	3,319,103	2,356,890	829,945	598,359
Acceptance receivables	10,058,035	13,592,409	12,290,260	14,548,203	11,224,243
Equity Participation / Investment in associated entities Net	606,010	421,504	333,312	245,136	48,394
Prepaid Expenses	3,012,550	2,858,186	2,784,234	2,751,081	2,299,852
Prepaid Tax	1,176,600	1,236,027	2,688,049	2,612,707	4,817,396
Fixed Assets - Net	44,612,199	38,442,696	36,618,753	35,663,290	9,761,688
Intangible Assets - Net	3,321,284	2,764,726	2,401,467	1,955,496	1,915,192
Other Assets - Net	16,750,054	18,657,655	14,615,034	11,304,995	11,292,727
Deferred Tax Assets	3,951,710	4,997,622	5,564,319	5,990,101	4,834,522
TOTAL ASSETS	1,318,246,335	1,202,252,094	1,124,700,847	1,038,706,009	910,063,409
LIABILITIES					
Obligations due immediately	3,169,451	3,843,194	2,838,567	1,569,911	1,156,327
Deposits from Customers	850,108,345	766,008,893	749,583,982	702,060,230	622,332,331
Deposits from Other Banks	13,397,866	16,493,815	8,349,507	9,339,196	12,636,237
Liabilities to Unit-Link Policy Holders	24,037,658	22,357,802	23,254,035	19,602,950	17,019,049
Securities Sold under Agreements	3,782,055	16,611,528	3,592,883	3,353,042	4,863,171
Derivative Payables	1,195,022	1,117,677	644,965	749,429	299,079
Acceptance Payables	10,279,839	13,888,862	12,544,494	14,789,244	11,331,273
Debt securities issued - Net	32,245,270	19,088,923	16,843,595	9,025,994	2,398,178
Debt securities issued - Net	386,039	125,729	381,771	207,401	395,610
Charges to Pay	6,215,561	4,835,467	3,938,471	3,496,536	3,490,801
Tax Payables	1,286,973	1,087,949	1,009,832	1,258,792	2,131,616
Employee Benefits Liability	7,586,150	7,987,887	8,277,388	6,763,068	5,777,077
Provision	405,312	370,525	375,770	435,880	676,170



Description	2019	2018	2017 ¹⁾	2016	2015
Other Liabilities	16,861,260	15,795,137	20,496,377	15,810,036	14,189,412
Fund borrowings	54,128,562	51,653,982	35,703,679	35,882,757	33,764,671
Subordinated Loans and Marketable Securities - Net	664,217	685,730	191,501	215,432	3,737,703
TOTAL LIABILITIES	1,025,749,580	941,953,100	888,026,817	824,559,898	736,198,705
TEMPORARY SYIRKAH FUNDS					
Deposits from Customers	83,016,203	74,905,079	66,222,609	60,440,474	54,054,930
Deposits from Other Banks	446,027	433,610	445,289	335,914	317,933
TOTAL TEMPORARY SYIRKAH FUNDS	83,462,230	75,338,689	66,667,898	60,776,388	54,372,863
EQUITY					
Share Capital	11,666,667	11,666,667	11,666,667	11,666,667	11,666,667
Additional Paid-in Capital/Share Agio	17,316,192	17,316,192	17,316,192	17,316,192	17,316,192
Exchange Difference Due to Translation of Financial Statements in Foreign Currencies	13,388	112,171	168,412	202,363	242,807
Net Unrealised Gain/(Losses) from Increase/ (Decrease) in Fair Value of Available for Sale Marketable Securities and Government Bonds - Net of Deferred Tax	1,385,796	(1,638,088)	1,117,864	(759,364)	(1,565,019)
The effective portion of cash flow hedges	(30,045)	(17,030)	(6,436)	-	-
Net differences in fixed assets revaluation	30,306,255	26,435,307	25,666,631	25,140,523	-
Net actuarial gain from defined benefit program - net of deferred tax	653,489	348,613	(462,008)	49,515	277,676
Other comprehensive income	85,052	-	-	-	-
Difference in Transactions with Non-Controlling Parties	(106,001)	(106,001)	(106,001)	(92,751)	(92,751)
Retained Earnings	143,310,060	127,084,686	111,357,522	96,930,793	89,224,718
Non-controlling Interest in Net Assets of Consolidated Subsidiaries	4,433,672	3,757,788	3,287,289	2,915,785	2,421,551
TOTAL EQUITY	209,034,525	184,960,305	170,006,132	153,369,723	119,491,841
TOTAL LIABILITIES, TEMPORARY SYIRKAH FUNDS AND EQUITY	1,318,246,335	1,202,252,094	1,124,700,847	1,038,706,009	910,063,409
STATEMENT OF PROFIT AND LOSS AND OTHER CONSOLIDATED COMPREHENSIVE INCOME					
OPERATING INCOME AND EXPENSES					
Interest and Sharia Income - Net	59,440,188	54,622,632	51,988,361	51,825,369	45,363,103
Premium Income - Net	1,807,503	2,707,133	2,465,075	2,652,431	3,137,070
Interest, Sharia, and Premium Income - Net	61,247,691	57,329,765	54,453,436	54,477,800	48,500,173
Other Operating Income	26,490,398	27,672,065	22,830,407	19,286,425	18,378,678
Allowance for Impairment Losses	(11,742,986)	(14,394,973)	(15,646,385)	(24,943,938)	(11,664,837)
(Provision)/reversal for Impairment Losses on Commitments and Contingencies	(262,215)	270,973	(173,402)	181,459	(198,450)
Provision for Other Allowances	(67,262)	(61,498)	(132,050)	117,637	(179,242)



Description	2019	2018	2017 ^(*)	2016	2015
Unrealized Gains/(Losses) from Increase/(Decrease) Fair Value of Securities, Government Bonds and Policyholders Investment in Unit-Link Contracts	8,205	(18,483)	46,849	15,638	(18,306)
Gains on Sale of Marketable Securities and Government Bonds	853,850	674,087	779,993	745,904	275,499
Other Operating Expenses	(40,076,167)	(37,566,139)	(34,989,097)	(31,268,198)	(28,754,543)
INCOME FROM OPERATION	36,451,514	33,905,797	27,169,751	18,612,727	26,338,972
(Expenses)/Non-Operating Income - Net	(10,074)	37,572	(12,888)	(39,762)	30,458
INCOME BEFORE TAX EXPENSE AND NONCONTROLLING INTEREST	36,441,440	33,943,369	27,156,863	18,572,965	26,369,430
Tax Expenses - Net	(7,985,848)	(8,091,432)	(5,713,821)	(3,922,802)	(5,217,032)
NET INCOME FOR THE YEAR	28,455,592	25,851,937	21,443,042	14,650,163	21,152,398
OTHER COMPREHENSIVE INCOME					
Posts that Will Not Be Reclassified to Profit or Loss	4,252,631	1,585,482	9,678	24,909,438	273,737
Posts that Will Be Reclassified to Profit or Loss	2,958,445	(2,902,231)	1,868,315	785,447	(979,306)
Other comprehensive income for the year - net of income tax	7,211,076	(1,316,749)	1,877,993	25,694,885	(705,569)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	35,666,668	24,535,188	23,321,035	40,345,048	20,446,829
Attributed current year profit:					
Parent Entity	27,482,133	25,015,021	20,639,683	13,806,565	20,334,968
Non-Controlling Interest	973,459	836,916	803,359	843,598	817,430
Total attributed current year comprehensive income:					
Parent Entity	34,655,095	23,771,531	22,491,109	39,484,138	19,658,155
Non-Controlling Interest	1,011,573	763,657	829,926	860,910	788,674
EARNINGS PER SHARE	588,90	536,04	442,28	295,85^(**)	871,50
STATEMENT OF CONSOLIDATED CASH FLO					
Net Cash Obtained from (Used for) Operating Activities	23,967,890	(31,962,470)	4,981,054	41,521,119	10,201,454
Net Cash Obtained from (Used for) Investment Activities	(16,251,888)	(21,041,189)	(5,276,211)	(6,162,781)	(28,949,323)
Net Cash Obtained from (Used for) Funding Activities	(6,872,016)	17,151,038	702,143	(1,974,522)	778,320
Increase(Decrease) in Net Cash and Cash Equivalents	843,986	(35,852,621)	406,986	33,383,816	(17,969,549)
Impact of Exchange Difference	(1,728,922)	1,754,511	808,703	(1,491,116)	4,832,573
Cash and Cash Equivalent Balance at Beginning of Year	124,677,686	158,775,796	157,560,107	125,667,407	138,804,383
Cash and Cash Equivalent Balance at End of Year	123,792,750	124,677,686	158,775,796	157,560,107	125,667,407
FINANCIAL RATIO (Bank Only)					
CAPITALIZATION					
Minimum Capital Adequacy Requirement (KPMM) Ratio	21.39%	20.96%	21.64%	21.36%	18.60%
KPMM by Calculating Credit Risk, Operational	22.09%	21.14%	22.06%	21.42%	18.63%
KPMM by Considering Credit Risk, Operational Risk, and Market Risk	21.39%	20.96%	21.64%	21.36%	18.60%
Fixed Assets to Capital	22.62%	22.09%	23.11%	25.07%	8.30%
EARNING ASSETS (%)					
Problematic Earning and Non-Earning Assets Against Total Earning and Non-Earning Assets	1.68%	1.92%	2.16%	2.47%	1.56%
Problematic Earning Assets to Total Earning Assets	2.15%	2.42%	2.73%	3.07%	1.96%
Financial Asset CKPN Against Earning Assets	2.88%	3.40%	3.76%	3.97%	3.10%
Fulfillment of CKPN Earning Assets	29,562,191	31,566,448	33,495,714	32,912,493	22,532,227
Fulfillment of CKPN Non-Earning Assets	369,300	113,236	349,404	193,144	370,727
NPL Gross	2.39%	2.79%	3.45%	3.96%	2.29%
NPL Nett	0.84%	0.67%	1.06%	1.38%	0.60%
Fixed assets to Capital	22.62%	22.09%	23.11%	25.07%	8.30%
Credit Ratio to Total Earning Assets	22.62%	77.51%	72.38%	71.54%	73.84%

Description	2019	2018	2017 ^{*)}	2016	2015
Core debtor Ratio to total loans	31.89%	34.49%	22.49%	21.26%	21.94%
PROFITABILITY					
ROA	3.03%	3.17%	2.72%	1.95%	3.15%
ROE	15.08%	16.23%	14.53%	11.12%	23.03%
NIM	5.46%	5.52%	5.63%	6.29%	5.90%
Operating Expense to Operating Income	67.44%	66.48%	71.78%	80.94%	69.67%
Profit (Loss) Ratio to Total Assets	2.25%	2.32%	2.05%	1.42%	2.49%
Profit (Loss) Ratio to Total Equity	13.09%	13.91%	12.54%	9.07%	17.99%
Liability Ratio to Total Assets	82.77%	83.31%	83.69%	84.31%	86.16%
Liability Ratio to Equity	480.42%	499.08%	512.94%	537.32%	622.67%
Fee Based Income Ratio to Total Operating Income	25.95%	30.69% ^{*)}	23.29%	21.29%	22.26%
LIQUIDITY					
Loan to Funding Ratio (LFR)	93.93%	95.46%	87.16%	85.86%	87.05%
Liquid Asset Ratio to Total Assets	11.38%	6.84%	13.26%	14.64%	12.97%
Total Liquid Asset Ratio to Short-Term Funding	15.76%	9.59%	17.78%	19.54%	17.09%
Total Credit Ratio to MSMEs to Total Credit	11.64%	11.68%	12.47%	13.55%	14.14%
CASA ratio (in million Rupiah)	552.250.444	492.199.870	498.916.800	454.332.044	412.729.657
COMPLIANCE					
Percentage of LLL Violation					
Related Party	0.00%	0.00%	0.00%	0.00%	0.00%
Non-Related Parties	0.00%	0.00%	0.00%	0.00%	0.00%
Percentage of Violation to LLL					
Related Party	0.00%	0.00%	0.00%	0.00%	0.00%
Non-Related Parties	0.00%	0.00%	0.00%	0.00%	0.00%
Primary GWM - Rupiah	6.21%	6.92%	6.78%	6.50%	7.50%
Secondary GWM - Rupiah	13.02%	10.14%	8.91%	9.84%	14.35%
Forex GWM	8.10%	8.10%	8.10%	8.12%	8.50%
GWM LFR	0.00%	0.00%	0.00%	0.00%	0.00%
Net Open Position	1.09%	0.67%	1.59%	2.98%	2.91%
OTHER RATIOS					
Gross LLR/NPL (Coverage Ratio) (%)	147.69	146.93%	142.95%	131.29%	167.02%
CIR (Cost-to-Income Ratio) (%)	45.68%	44.35%	45.43%	39.15%	39.20%
Operating Income/Employee (in million Rupiah)	830.17	785.67	655.12	418.63	670.81

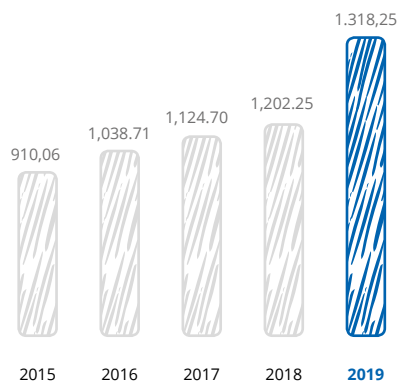
^{*)} Reclassified

^{**)} Restated



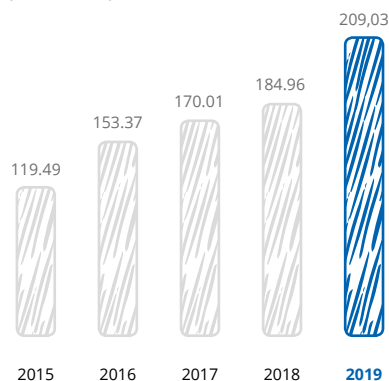
2015-2019 Asset Growth Chart

(in trillion IDR)



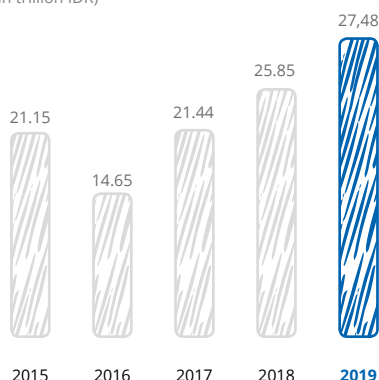
2015-2019 Equity Growth Chart

(in trillion IDR)



2015-2019 Current Year Profit Growth Chart

(in trillion IDR)



OPERATIONAL HIGHLIGHTS

Table of Operational Performance of Corporate Banking Segment

(in million IDR)

Product	2019	2018**)	2017**)	2016*)	2015*)
THIRD-PARTY FUND	146,854,572	127,649,737	127,011,830	178,317,626	154,150,135
• Current account	100,667,400	79,923,964	83,354,774	92,357,811	86,552,341
• Savings	7,451,380	6,533,237	7,003,356	6,051,088	4,800,091
• Deposit	38,735,792	41,192,536	36,653,700	79,908,727	62,797,703
Total Credit	329,763,941	302,625,449	248,745,671	228,664,566	196,591,585
Total Fee Based Income	2,258,288	2,517,336	2,277,649	2,166,235	1,630,213

Note: Business segmentation is adjusted to the organizational structure in the reporting year

*) The Corporate Segment is still incorporated into Institutional Banking / Institutional Relations

**) The Corporate Segment is not included in Institutional Banking/Institutional Relations

Table of Operational Performance of Commercial Banking Segment

(in million IDR)

Product	2019	2018	2017 ^{*)}	2016 ^{*)}	2015 ^{*)}
Third-Party Fund	75,664,398	59,775,005	68,145,567	66,353,326	63,629,940
• Current account	41,898,718	33,262,301	37,174,479	40,435,471	38,120,057
• Savings	10,698,060	9,324,378	11,731,448	8,143,489	8,560,670
• Deposit	23,067,620	17,188,326	19,239,640	17,774,366	16,949,213
Total Credit	151,424,144	142,581,578	155,820,017	165,157,169	160,621,315
Total Fee Based Income	804,199	1,020,997	1,129,285	1,774,650	1,164,406

Note: Business segmentation is adjusted to the organizational structure in the reporting year

^{*)} Commercial Segments

Table of Operational Performance of Institutional Relationship Segment

(in million IDR)

Product	2019	2018	2017 ^{**)}	2016 ^{*)}	2015 ^{*)}
Third-Party Fund	71,774,618	64,155,368	50,676,336	-	-
• Current account	25,459,231	20,358,667	20,964,557	-	-
• Savings	1,072,276	965,360	1,174,738	-	-
• Deposit	45,243,111	42,831,341	28,537,041	-	-
Total Credit	27,027,984	21,864,053	13,862,546	-	-
Total Fee Based Income	390,289	261,918	269,181	-	-

Note: Business segmentation is adjusted to the organizational structure in the reporting year

^{*)} The Corporate Segment is still incorporated into Institutional Banking / Institutional Relations

^{**)} In 2017 the Institutional Relation Segment was called Government & Institutional Segment

Table of Operational Performance of Retail Banking Segment

(in million IDR)

Product	2019	2018	2017 ^{**)}	2016 ^{**)}	2015 ^{*)}
Third-Party Fund	507,383,373	480,511,134	476,371,887	435,276,455	390,013,050
• Current account	60,358,283	55,389,473	51,006,025	45,497,602	39,541,346
• Savings	296,554,444	283,926,092	283,736,956	259,483,049	232,910,746
• Deposit	150,470,646	141,195,569	141,628,906	130,295,804	117,560,958
Total Credit	275,953,020	246,570,936	223,098,142	196,193,756	175,210,948
Total Fee Based Income	10,181,349	9,160,485	8,311,567	8,572,218	8,358,521

Note: Business segmentation is adjusted to the organizational structure in the reporting year

^{*)} Micro, Business, Customer and Individual Segment

^{**)} Retail Segment (still included in Micro, Business, Customer and Individual Segment)

Table of Operational Performance of Treasury Segment and International Banking

(in million IDR)

Product	2019	2018	2017 ^{*)}	2016 ^{*)}	2015 ^{*)}
Third-Party Fund	13,428,580	7,395,290	7,571,909	8,002,438	5,367,804
• Current account	8,013,579	2,477,319	2,748,140	2,268,645	2,191,203
• Savings	77,073	39,079	22,325	94,889	53,203
• Deposit	5,337,928	4,878,892	4,801,444	5,638,904	3,123,398
Total Credit	6,820,070	3,998,638	1,173,623	1,064,421	1,425,147
Total Fee Based Income	4,344,102	4,275,471	3,728,182	3,873,837	3,678,886

Note: Business segmentation is adjusted to the organizational structure in the reporting year

^{*)} Still becomes part of the Treasury and Markets Segment



INFORMATION ON STOCK PRICE

Table of Share Price, Volume and Capitalization of Bank Mandiri 2014-2019

Year	Price Per Share (IDR)				Total Outstanding Shares (share)	Transaction Volume (share)	Market Capitalization (IDR Trillion)
	Opening	Highest	Lowest	Closing			
2019							
Quarter I	7,400	8,050	6,650	7,450	46,666,666,666	3,037,818,600	347.67
Quarter II	7,500	8,125	6,975	8,025	46,666,666,666	2,667,258,100	374.50
Quarter III	8,050	8,175	6,825	6,975	46,666,666,666	2,600,509,300	325.50
Quarter IV	6,900	7,825	6,275	7,675	46,666,666,666	2,656,448,300	358.17
2018							
Quarter I	7,975	9,050	7,675	7,675	46,666,666,666	2,391,994,300	358.17
Quarter II	7,575	8,075	6,500	6,850	46,666,666,666	2,471,927,000	319.67
Quarter III	6,975	7,350	6,300	6,725	46,666,666,666	2,181,434,200	313.83
Quarter IV	6,600	7,700	6,200	7,375	46,666,666,666	2,387,837,400	344.17
2017							
Quarter I	11,300	11,900	10,900	11,700	23,333,333,333	2,210,511,800	273.00
Quarter II	11,750	12,900	11,400	12,750	23,333,333,333	2,044,842,000	297.50
Quarter III	6,750	6,825 ^{*)}	6,475 ^{*)}	6,725 ^{*)}	46,666,666,666 ^{*)}	2,135,509,000	313.83
Quarter IV	6,725	8,000	6,600 ^{*)}	8,000 ^{*)}	46,666,666,666 ^{*)}	2,611,076,700	373.33
2016							
Quarter I	9,200	10,350	9,100	10,300	23,333,333,333	1,575,788,096	240.33
Quarter II	10,225	10,357	8,700	9,525	23,333,333,333	1,369,132,900	222.25
Quarter III	9,500	11,800	9,400	11,200	23,333,333,333	1,683,095,896	261.33
Quarter IV	11,325	11,575	10,100	11,575	23,333,333,333	1,268,503,900	270.08
2015							
Quarter I	10,775	12,475	10,700	12,475	23,333,333,333	1,281,646,000	291.08
Quarter II	12,475	12,275	9,425	10,050	23,333,333,333	1,644,480,096	234.50
Quarter III	10,125	10,400	7,525	7,925	23,333,333,333	1,584,873,000	184.92
Quarter IV	8,000	9,650	7,675	9,250	23,333,333,333	1,296,309,704	215.83
2014							
Quarter I	7,850	10,250	7,600	9,450	23,333,333,333	1,964,619,800	220.50
Quarter II	9,575	10,825	9,525	9,725	23,333,333,333	1,661,089,700	226.91
Quarter III	9,825	11,000	9,625	10,075	23,333,333,333	1,714,043,200	235.08
Quarter IV	10,100	10,875	9,300	10,100	23,333,333,333	1,279,584,700	251.41

^{*)} Bank Mandiri conducted Corporate actions by conducting a stock split which was effective starting September 13, 2017

Chart of Bank Mandiri Stock Price Movements for 2018 – 2019

Stock Opening, Highest Closing, Lowest Closing, and Closing Prices in Every Quarter (IDR)

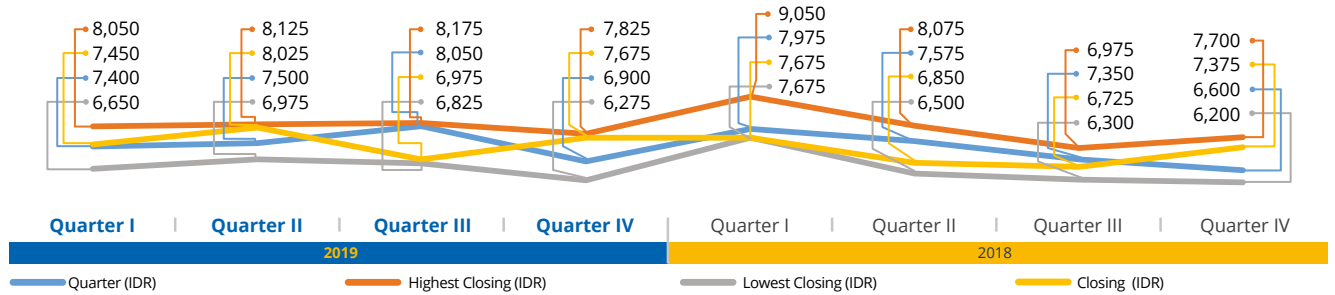


Chart of Bank Mandiri Stock Transactions for 2018 – 2019

Transaction Volume
(Billion Shares)

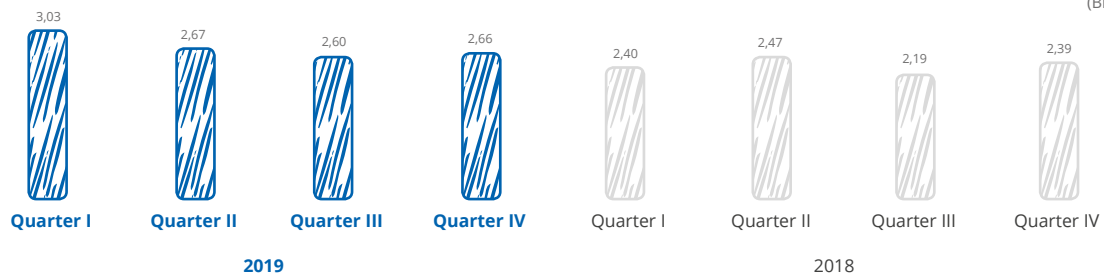


Chart of Stock Price and Volume Movements in 2019

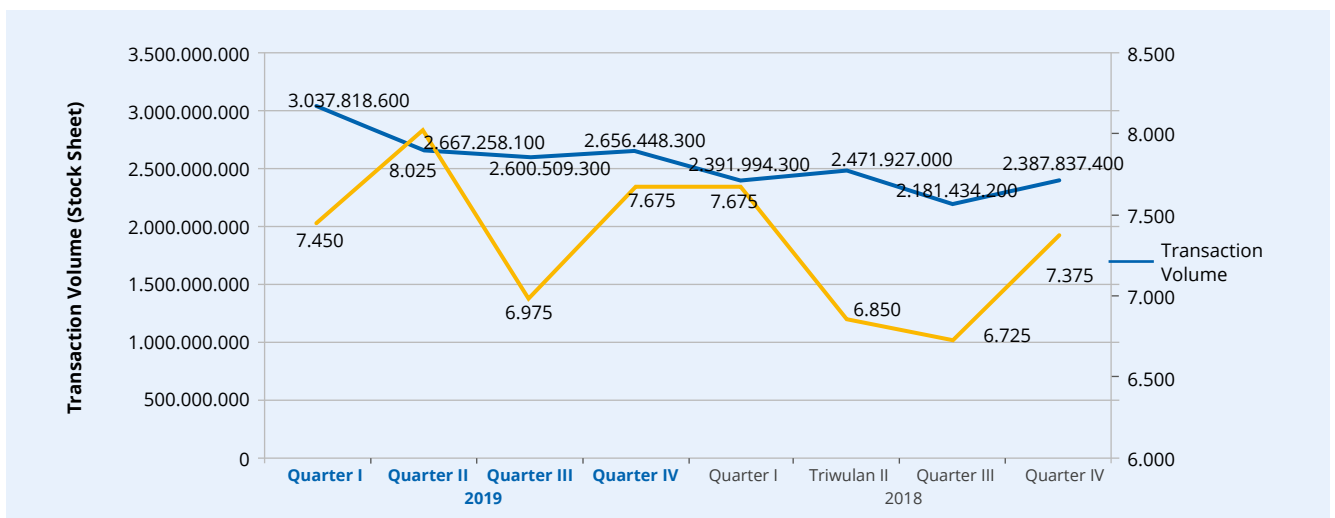


Chart of Bank Mandiri Stock Market Capitalization for 2018 - 2019





CORPORATE ACTION

In 2019 Bank Mandiri did not implement Corporate Action.

TEMPORARY TERMINATION OF STOCK TRADING (SUSPENSION) AND/OR SHARES REGISTRATION DELISTING

In 2019, Bank Mandiri had never been subject to sanctions for the temporary suspension of stock trading and/or the elimination of delisting.

INFORMATION ON BONDS, SUKUK, AND/OR CONVERTIBLE BONDS

Information on Bonds

No.	Description	Date of Electronic Bond Distribution	Tenor	Currency	Amount of Bond (billion)	Offer Price	Maturity Date	Interest Rate	Payment Status	Ranking			Trustee
										2019	2018	2017	
1.	Bank Mandiri's Sustainable Bond I Phase I Year 2016	30 September 2016	A Series: 5 years B Series: 7 years C Series: 10 years	IDR	5,000	one) 100% hundred percent) of bonds Principal amount	A Series: 30 September 2021 B Series: 30 September 2023, C Series: 30 September 2026.	A Series: 7.95% B Series: 8.50% C Series: 8.65%	Unsettled	idAAA by Pefindo	idAAA by Pefindo	idAAA by Pefindo	Bank Tabungan Negara
2.	Bank Mandiri's Sustainable Bond I Phase (*II Year 2017	15 June 2017	A Series: 5 years B Series: 7 years C Series: 10 years D Series: 13 years	IDR	6,000	A B and C Series one) 100% hundred percent) of bonds Principal amount D Series 79.3146% seventy) nine point three one four six percent) of bonds Principal amount	A Series: 15 June 2022 B Series: 15 June ,2024 C Series: 15 June ,2027 D Series: 15 June 2020	A Series: 8.00% B Series: 8.50% C Series: 8.65% D Series: *7.80%	Unsettled	idAAA by Pefindo	idAAA by Pefindo	idAAA by Pefindo	Bank Tabungan Negara
3.	Bank Mandiri's Sustainable Bonds I Phase II Year 2018	21 September 2018	years 5	IDR	3,000	one) 100% hundred percent) of bonds Principal amount	21 September 2023	8.50%	Unsettled	idAAA by Pefindo	idAAA by Pefindo		Bank Permata

^{*)} Bank Mandiri Sustainable Bonds Phase II Year 2017 D Series are zero coupon bonds with a value issued of IDR1 trillion.

Information on Sukuk

As of 2019 Bank Mandiri did not issue sukuk or state securities issued based on sharia principles, thus the Bank does not have information about sukuk.

Information on Convertible Bonds

As of 2019 Bank Mandiri did not issue convertible bonds, thus the Bank has no information regarding convertible bonds.

INFORMATION ON OTHER SOURCES OF FUNDING

Negotiable Certificates of Deposit (NCD)

In 2 (two) consecutive years, Bank Mandiri had issued Negotiable Certificates of Deposit (NCD), namely PT Bank Mandiri (Persero) Tbk Phase I of 2015 Series A, B, C, D, and E on 25 May 2015 with a total of IDR 2.60 trillion and NCD II of PT Bank Mandiri (Persero) Tbk Phase II of 2016 Series A, B, C and D on 16 December 2016 with a total of IDR 2.66 trillion. All NCD Phase I had been fully paid in 2016, while repayments for NCD Phase II had been partly implemented in 2017 and 2018 (for Series A, B and C). NCD Phase II D Series with an interest rate of 8.40% will mature on 13 December 2019. Information on the chart of the chronology of NCD issuance can be seen in the chapter on Company Profile in this Annual Report.

Asset-Backed Security In The Form of Participation Letter ("EBA-SP") BMRI 01 A Class

Bank Mandiri has also issued an Asset Backed Securities in the Form of Participation Letter ("EBA-SP") of BMRI 01 A Class on 26 August 2016 and has been listed on the Indonesia Stock Exchange with a principal amount of IDR 456,500,000,000.- (four hundred fifty six billion five hundred million rupiah) which will mature on 27 October 2029. EBA SP A1 series is issued with an interest rate of 8.6% per year while EBA SP A2 series with an interest rate of 9.1% per year. For 2 (two) consecutive years, EBA-SP BMRI A Class A1 and A2 series each has AAA ranking from Pefindo. Information regarding the chronology table for the issuance of Asset Backed Securities in the Form of Participation Letter ("EBA-SP") BMRI 01 A Class can be seen in the Company Profile chapter in this Annual Report.

Subordinate Medium Term Notes I Bank Mandiri 2018

In compliance with the provisions of the Financial Services Authority Regulation No. 14/POJK.03/2017 concerning Recovery Plans For Systemic Banks, Bank Mandiri has issued Bank Mandiri Medium Term Notes (MTN) Subordinate I in 2018 ("MTN Subordinasi Mandiri") which had also been approved at the General Meeting of Shareholders Annual on 21 March 2018. MTN Subordinasi Mandiri was listed on 27 July 2018 with a value of IDR 500,000,000,000 (five hundred billion Rupiah). The MTN has an interest rate of 8.50% per annum and will mature on 31 July 2023. In 2018, Mandiri Subordinated MTN had an AA (Double A) rating from Pefindo. Information regarding the chronology table for the publication of MTN Subordinasi Mandiri can be seen in the Company Profile chapter in this Annual Report.

EURO MEDIUM TERM NOTE (EMTN)

On April 11, 2019, Bank Mandiri issued a Euro Medium Term Notes (EMTN) with a nominal value of USD750,000,000 (full amount) on the Singapore Exchange (SGX). It bears an interest at 3.75% per annum and matures on April 11, 2024. The bonds were issued at 98.998% of the total principal. Bond interest is paid semi-annually, with the first interest payment being made on October 11, 2019, while the final interest payment and maturity of the bond is on April 11, 2024, which is also the principal repayment date of the bond. The trustee for the EMTN issuance is the Bank of New York Mellon. As of September 30, 2019, the EMTN ratings were Baa2 (Moody's) and BBB- (Fitch).



Corporate Rating 2019

Rating Agency	Rank	Validity Period
Standard & Poor's (S&P)		
Issuer Credit Rating	BB+/STABLE/B	December 2018–December 2019
Sovereign Rating	BBB-	
Fitch Ratings		
Long Term Foreign Currency	BBB-	October 2018–October 2019
Long Term Local Currency	BBB-	
Short Term Foreign Currency	F3	
Support Rating Floor	BBB-	
Support Rating	2	
Viability Rating	bb+	
National Long Term Rating	AAA(idn)	
National Short Term Rating	F1+(idn)	
Sovereign Risk Rating	BBB	
Moody's		
Outlook	STABLE	December 2018–December 2019
Senior Unsecured Debt	Baa2/P-2	
Bank Deposit	Baa2/P-2	
Baseline Credit Assessment	Baa3	
Counterparty Risk Assessment	Baa2(cr)/P-2(cr)	
PT Pemeringkat Efek Indonesia (Pefindo)		
Corporate Rating	^{id} AAA	May 2018–May 2019
Long Term General Obligation	^{id} AAA	

Company Analysis Report

No	Security	Recomendation	Target Price	Resume	Date
1	Deutsche Bank	Buy	10,100	<ul style="list-style-type: none"> A higher reserve ratio implies a lower capital risk/better income visibility, and we believe this benefit is greater than the book value reported in the near future. BMRI believes that post-IFRS 9 LAR coverage can increase to 90%, from around 53.0% in 9M19. The yield of rupiah blended loans increased by +20bps QoQ to 10.3%, mainly due to higher contributions from higher yield loans such as micro loans. NIM has consistently improved every month since April 2019. Management believes that salary-based loans can reach up to 70% of total micro loans in 2020. 	October 30, 2019

No	Security	Recommendation	Target Price	Resume	Date
2	Credit Suisse	Hold	8,500	<ul style="list-style-type: none"> In the guidance, the loan growth in 2019 is reduced in the range of 8-10% from the previous 10-12%, according to our estimation. NPLs at 2.53% are considered healthy despite selective problems, LDR improves at 94% but is still quite high, and NPL Coverage Ratio (152%) is still adequate. It still needs to be reserved for steel companies by 26% in 9M19, it will be added by 4% by the end of 2019, and another 25% in 2020 and for textile companies by 15% in 9M19, and 25% which will be added at the end of the year. Considering that there is a large amount of reserves and as the effect of dependence on non-interest income, we believe that the growth by 2020 will be a challenge for BMRI. 	October 28, 2019
3	Goldman Sachs	Buy	8,717	<ul style="list-style-type: none"> Performance above expectations, lower reserves and strong non-interest income. A positive surprise from non-interest income is due to strong fee income growth and the benefits of bonds in favorable market conditions. Credit costs are improving compared to last December. 	October 28, 2019
4	JP. Morgan	Buy	7,200	<ul style="list-style-type: none"> A concern that state-owned banks will be needed to support financial institutions that are in trouble do not seem to be rooted in facts. Indonesia has a settlement framework under the LPS (Indonesian Deposit Insurance Corporation). Therefore, the possibility of direct intervention by SOE banks is relatively low. BMRI's focus is on loan guarantees, asset quality cleaning and loan book readjustments that have weighed on credit growth. We expect banks to provide 11% credit growth in FY19-21 along with leading to higher yield segments, non-SOE Corporate, micro and consumer credit. BMRI benefits from investment initiatives carried out by the government, we hope that the benefits of the revival of infrastructure investment will emerge over the next few years. 	October 4, 2019
5	Macquarie	Buy	8,900	<ul style="list-style-type: none"> Mandiri continues to expect improvement in the next few years with a more profitable combination of loans. Adjustment to IFRS 9 implementation will have a 300bps decrease in CAR (vs 150-200bps on previous guidance). Mandiri continues to show progress towards realizing 16% -18% FY2021 ROE target. 	October 28, 2019
6	Indo Premier	Buy	8,000	<ul style="list-style-type: none"> Net profit in 9M19 grew 12% YoY at IDR20.3, according to our estimation. PPOP BMRI is the strongest among other state-owned banks amid stable NIMs despite lower LDRs. The asset quality is good, while reserves are expected to increase sharply after the implementation of IFRS 9, LAR will increase above 60% and after IFRS implementation, reserves will increase to 64% from 35% The main risks are mergers and dilutive acquisitions. 	October 28, 2019
7	Mirae Asset	Buy	8,200	<ul style="list-style-type: none"> CoC increased by 2.2% from 1.8% due to additional reserves for Krakatau Steel. The COC in 9M19 was still lower than 9M18, indicating the quality of well-managed assets and associated costs. We expect higher reserves to accommodate IRS 19 and reserves for Krakatau Steel. BMRI will continue to focus on 1) Corporate Loans (Infrastructure, FMCG, Healthcare and 2) Micro Loans (Payroll loans). 	October 29, 2019
8	Morgan Stanley	Buy	7,659	<ul style="list-style-type: none"> BMRI is one of the best for achieving results in 3Q19. Risks to be faced by BMRI are a decrease in NIM accompanied by pressure from CoF and a decrease in asset quality can cause pressure for net profit. The NIM has begun to stabilize (NIM growth in 10M19 increased compared to FY2018). 	October 28, 2019



Significant Events in 2019



28
January
2019

Bank Mandiri and PT Bukalapak.com collaborate on the distribution of working capital loans to thousands of MSMEs that become online platform partners in financing business expansion worth IDR200 billion.



31
January
2019

With the spirit and culture of Mandirians who are committed to boost economic growth and well-being of the nation, the 2019 Mandiri Investment Forum (MIF) under the title of Indonesia: Invest Now! was held once again. A total of 700 investors, including 90 foreign investors and 200 Corporate customers of Bank Mandiri, attended this event.



22
February
2019

The work culture of Mandirians who continue to innovate in the face of the digital industry 4.0 again received a good appreciation from the public namely, the Innovative Company award in Providing Intelligent Assistant and Cash on Mobile in the Indonesia Digital Innovation Award held by Warta Ekonomi.



14
March
2019

Bank Mandiri won the award as a bank that has high customer loyalty and won the Best Satisfaction Loyalty Engagement award at the seminar and 2nd Satisfaction Loyalty Engagement (SLE) Awards 2019 held by Infobank Magazine in Jakarta.



23
April
2019

Bank Mandiri fully supports the regeneration of Entrepreneurs by providing educational facilities to Universitas Bina Nusantara. This assistance was received symbolically by the Vice Chancellor of Universitas Bina Nusantara.



16
May
2019

Bank Mandiri held an Annual General Meeting of Shareholders (AGMS). In this AGMS, Bank Mandiri agreed to distribute dividends to shareholders with a total of IDR11.2 trillion, or around IDR241 per share. This figure is equivalent to 25% of the 2018 net profit achieved by Bank Mandiri of IDR25 trillion.



13
June
2019

Bank Mandiri Samarinda Area provided CSR assistance of IDR75,000,000 to flood victims in Samarinda and was handed over directly by Regional CEO IX Kalimantan of Bank Mandiri, Trilaksito Singgih Hudanendra to City Secretary, Mr. Sugeng Chairuddin and Dandim 09/01 Samarinda, Lieutenant Colonel Infantry M. Bahrodin.



27
June
2019

Bank Mandiri won the best service award at the 2016th Banking Service Excellence Awards 2019 held by Infobank Magazine and Marketing Research Indonesia (MRI).



18
July
2019

Bank Mandiri together with the Korea Tourism Organization (KTO) and Traveloka collaborated to improve the tourism sector by supporting the launch of the Multi-City feature released by Traveloka in Jakarta. Also attended Traveloka Multi-City Flight Feature press conference, Bank Mandiri Credit Cards Senior Vice President, Vira Widiyarsari, Traveloka Transport CEO, Caesar Indra, and Director of the Korea Tourism Organization (KTO) Jakarta, Andrew Jonghoon Kim.



24
July
2019

Bank Mandiri collaborated with PT Pelayaran Nasional Indonesia (PELNI) (Persero) in using Corporate spending cards or cash cards that are placed at 119 PELNI terminal points to improve financial governance. The signing of the collaboration was carried out by the President Director of PT PELNI Insan Purwarisya L. Tobing and Bank Mandiri Institutional Relations Director Alexandra Askandar at Plaza Mandiri, Jakarta.



01
August
2019

The Directorate General of General Law Administration (AHU) of the Ministry of Law and Human Rights signed a Payment Services cooperation agreement with Bank Mandiri at the Directorate General of AHU Building of the Ministry of Law and Human Rights, Jakarta. The signing of this collaboration was attended by Bank Mandiri President Director Kartika Wirjoatmodjo, Minister of Law and Human Rights Yasonna H. Laoly, Indonesian Ombudsman Inspector Marsetiono, Inspector General of Ministry of Law and Human Rights Jhoni Ginting and Director General of AHU Ministry of Law and Human Rights Cahyo Rahadian Muzhar.



7-8
September
2019

Bank Mandiri held Mandiri Bintang Marathon in the Lagoi Bay Area, Lagoi Tourism Area. The running competition which was participated by around 3,000 participants from 35 countries was part of Bank Mandiri's commitment in the development of Indonesian sport tourism.



12-14
September
2019

Bank Mandiri continued to encourage the development of the country's tourism sector by organizing Media Training activities in Bali. One of them is by channeling financing with the scheme of People's Business Credit (KUR) to micro, small and medium enterprises (MSMEs). KUR distributed 2.48 trillion to 32,416 MSMEs in the tourism sector.



18
October
2019

Bank Mandiri launched Media Center to pamper the media crew to carry out journalistic activities. The concept of this Media Center is a cozy mini bar and supported by a strong wifi network and some entertainment available such as mini billiards and yoga with a large LED that can be used for karaoke.



28
November
2019

Bank Mandiri won 3 (three) awards from Bank Indonesia (BI) Award in the categories of the Best Conventional Bank Supporting the Best Rupiah and Foreign Currency Monetary Control, the Best Supporting Bank for the Best Money Market Deepening, and the Best Bank Office of Cash Deposit Management won by Bank Mandiri Sorong Branch.



December
11, 2019

The Tourism and Creative Economy Agency (Baparekraf) in collaboration with Bank Mandiri organized the Indonesia Innovation Forum. In addition to encouraging Digital transformation, this event aims to support the development of the startup economy in Indonesia.



Reports of
The Board of
Commissioners
and The Board of
Directors

Bank Mandiri's operating performance showed continuous increase compared to the previous year. Its credit, which made the most significant contribution, rose on a continuous basis with well-maintained credit asset quality.





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



KARTIKA WIRJOATMODJO
PRESIDENT COMMISSIONER

Board of Commissioners Report

Evaluation of the Board of Commissioners regarding the implementation of the Bank Mandiri Business Plan in the form of evaluating both quantitative and qualitative aspects of the realization of the Business Plan. From a quantitative aspect, Bank Mandiri's net profit until 2019 amounted to Rp.25.45 trillion (Bank Only) succeeded in exceeding the target set at the beginning of Rp.25.36 trillion. In terms of qualitative aspects, in general, strategic initiatives to support the achievement of 2019 RBB targets have been implemented well and in line with the Company's strategy.

The honorable shareholders and other stakeholders,

Throughout 2019, the Board of Commissioners have carried out its supervisory and advisory functions with regard to the management of Bank Mandiri as set out in the laws and regulations, and Articles of Association of Bank Mandiri.

The Board of Commissioners conducted supervision, especially relating to policies and management implemented by the Board of Directors during 2019, including supervision of the implementation of the 2019-2021 Bank Business Plan and the 2019-2023 Sustainable Finance Action Plan (RKAB).

The advisory function focuses on conducting periodic monitoring and providing advice to the Board of Directors, including monitoring and advice relating to the 2019 Work Plan. The Board of Commissioners also focused on supervision of the implementation of the Company's strategic policy, especially on aspects that matter to the Board of Commissioners during 2019, i.e. Credit, information technology, and human capital.

The following is our report on fulfillment of the Board of Commissioners' duties in 2019.

SUPERVISION OF THE IMPLEMENTATION OF THE COMPANY'S STRATEGIES

Supervision of the implementation of the Company's strategies focused mainly on supervision of the Bank Business Plan and the Quarterly Performance Achievement of the Company. Based on the Regulation of the Financial Services Authority No. 5/POJK.03/2016 on Bank Business Plan, the Board of Commissioners is required to supervise the implementation of the Bank Business Plan, which among other things covers management policies and strategies. The findings are outlined on the Report of Bank Business Plan Implementation Supervision submitted to the Financial Services Authority on a semi-annually basis. Moreover, pursuant to the Letter of the Ministry of SOEs No. S-76/D3.MBU/2014 dated 3 June 2014 on the Request for Responses to the Quarterly Report, the Board of Commissioners is required to submit Responses to the Company's Performance Achievement to the Ministry of SOEs as Holder of Series A Dwiwarna Shares on a quarterly basis.



In 2019, the Board of Commissioners has prepared and submitted the Report of Bank Business Plan Implementation Supervision as follows:

FSA (Financial Services Authority)	Ministry of SOEs
Letter No. KOM/024/2019 dated 27 February 2019 concerning Report on Supervision of the 2018-2019 Bank Business Plan Implementation of PT Bank Mandiri (Persero) Tbk. Semester II of 2018.	Letter No. KOM/111/2019 dated 31 July 2019 concerning Responses to the Performance Report of PT Bank Mandiri (Persero) Tbk. until Quarter II of 2019.
Letter No. KOM/125/2019 dated 28 August 2019 concerning Report on Supervision of the 2019-2021 Bank Business Plan of PT Bank Mandiri (Persero) Tbk. Semester I of 2019.	Letter No. KOM/167/2019 dated 31 October 2019 concerning Responses to the Performance Report of PT Bank Mandiri (Persero) Tbk. until Quarter III of 2019

The report on Bank Business Plan implementation supervision submitted to OJK and Responses to the Company's Performance Achievement submitted to the Ministry of SOEs includes the following:

1. The Board of Commissioners' assessment of the implementation of Bank Mandiri's Bank Business Plan which comprises assessment of the Business Plan realization viewed from qualitative and quantitative aspects.
2. The Board of Commissioners' assessment of factors affecting Bank Mandiri's performance in general, especially related to capital, rentability (earnings), and risk profile, particularly credit risk, market risk, and liquidity risk.
3. The Board of Commissioners' assessment of performance improvement attempts undertaken by Bank Mandiri, in the event that the Board views a decrease in the Bank's performance as outlined in point 2 (two) above.

FREQUENCY AND METHODS OF ADVICE PROVISION TO THE BOARD OF DIRECTORS

The Board of Commissioners may give advice to the Board of Directors formally at a Meeting, informally, or during an on-site visit with Committees under the Board of Commissioners. There are 3 (three) types of meeting, they are:

1. Meeting of the Committees under supervision of the Board of Commissioners, i.e. Meeting of the Audit Committee, Meeting of the Risk Monitoring Committee, Meeting of the Integrated Governance Committee, and Meeting of the Remuneration and Nomination Committee.
2. Meeting of the Board of Commissioners, i.e. an internal meeting of the Board of Commissioners and/by inviting the Director(s) concerned.
3. Meeting of the Board of Commissioners and the Board of Directors, i.e. a meeting between the Board of Commissioners and the Board of Directors.

Throughout 2019, the Board of Commissioners held 36 (thirty-six) internal meetings of the Board of Commissioners and/by inviting the Director(s) concerned, 8 (eight) Meetings of the Board of Commissioners and the Board of Directors.

APPRAISAL OF THE BOARD OF DIRECTORS' PERFORMANCE

The Board of Commissioners assesses the Board of Directors' performance based on various considerations. Results of the Board of Directors performance appraisal undertaken by the Board of Commissioners and bases for such appraisal are described in the following section.

ECONOMIC AND INDUSTRIAL REVIEW

The Board of Commissioners realizes that the Company's operations is affected by economic conditions. Therefore, the Board of Commissioners took into account economic conditions to assess the Board of Directors' performance. Quite significant threats still faced the global economic conditions in 2019. A slowdown in the global economic conditions forced central banks around the world, especially in the U.S. (The Fed) to lower the policy interest rate. Throughout 2019, The Fed had lowered the policy interest rate *federal funds rate* (FFR) by 75 bps, i.e. from 2.50% to 1.75%, in anticipation of the effects of the global economic slowdown on the U.S. economy.

Similar to the global economy, the national economy also has not shown any significant growth. The Indonesian economy recorded a growth of 5.02% (YoY) during Quarter III of 2019, relatively lower than the corresponding year in the previous year, i.e. at 5.17% (YoY). However, the economic growth remains stable due to fairly high household consumption coupled with steady inflation below 3.5%, the upper target established by Bank Indonesia.

Considering less strong global and national economic conditions, bank performance is deemed quite significant. Financial stability was maintained, coupled with improved intermediary function and credit risk that was under control. The Bank's Capital Adequacy Ratio (CAR) as of September 2019 remained fairly high, i.e. at 23.28%, so did liquidity, as evident from the ratio of Liquid Assets (AL) to Third-Party Funds (DPK) amounting to 19.43%. The ratio of gross credit quality (Non Performing Loan/NPL) was maintained at a low level, i.e. at 2.66% (*gross*) and 1.18% (*nett*), and bank credit (including credit at other banks) reached 7.84%. Third-Party Funds grew by 7.47% as a result of the growth of Current Accounts, Savings, and Deposits of 8.45%, 6.53%, and 7.60%, respectively. Moreover, the bank LDR ratio was quite strict, reaching 94.34% in September 2019.

IMPLEMENTATION OF BANK MANDIRI BUSINESS PLAN

The Board of Commissioners' assessment of the implementation of Bank Mandiri's Bank Business Plan comprises assessment of the Business Plan realization viewed from qualitative and quantitative aspects. From quantitative aspects, Bank Mandiri generated net Profit as much as IDR25.45 trillion (*Bank Only*) until 2019, exceeding its initial target of IDR25.36 trillion. Factors that contributed to realization of the target net profit includes Net Interest Income earned, which amounted to IDR50.32 trillion, and the efficiency program, which managed to keep Bank Mandiri's operating expenses within the budget. In terms of NPL, Bank Mandiri managed to decrease its Gross NPL (bank only) to 2.39%, 40 bps lower compared with the corresponding period in the last year, and control the Allowance for Impairment Losses, reducing it by 11.7% to IDR10.2 trillion.

Growth was encouraged in a sustainable manner by increasing the average balance of credit and Third-Party Funds by 9.97% and 6.24%, respectively. Credit growth was seen in all segments, i.e. Wholesale and Retail, each at 9.30% and 11.94%. Such a sound growth enables Bank Mandiri to yield solid NIM of 5.56%, Return on Equity of 14.75%, and PPOP of IDR48.5 trillion.

In terms of the qualitative aspect, in general, strategic initiatives to support realization of the target RBB in 2019 have been implemented well and based on the Company's strategies. To realize the target amount of Third-Party Funds throughout 2019, the Company adopted the following strategies: (i) focus on savings accounts as transactional accounts, (ii) acquisition of new customers, including an increasing amount of payroll account, with program priority on 3 (three) segments, i.e. micro-customer segment, business segment, and payroll segment in support of realization of bank-wide savings, (iii) programs intended for acquisition and activation of customers in the micro-savings segment, especially through Branchless Banking services; (iv) collaboration between work units, especially SME Business, Merchant Business, Value Chain & Cluster Business for optimization of customers from business communities, (v) Repositioning of Mandiri Tabungan Rencana (MTR) as a solution to a long-term savings plan with insurance protection, (vi) increased synergy with Subsidiaries in an effort to build financial planning capability & website, and (vii) implementation of integrated programs based on customer journey and needs.

In terms of credit disbursement, the Company has implemented the principle of prudence that focused on credit quality so as to maintain the Company's business sustainability. Throughout 2019, credit expansion in the Wholesale segment focused on infrastructure financing and major industrial sectors. On the other hand, the Retail segment (micro and individual segments) focused on housing loan program, motor vehicle financing, financing companies, property, and plantations and their processing, among other things.

Relating to other work programs, the Company carries out review, adjustments, and improvements to the organizational structure on a continuous basis to maintain effectiveness, efficiency, and competitiveness. These efforts are undertaken based



on the organization's current needs and in anticipation of business development in the future. In the future, development of the Company's organization will focus on major issues such as strengthening the organization's function and human capital to promote development of Technology & Digital Banking, Risk Management, Wholesale & Retail Business, support, and Direct Business Pairing (Operations & Business Risk). The Company also strives to boost productivity and review effectiveness of the organization, especially at the Directorate of Information Technology & Operations, and Directorate of Risk Management.

FACTORS AFFECTING BANK PERFORMANCE

Based on assessment undertaken by the Board of Commissioners on factors affecting Bank Mandiri's overall performance, several conclusions can be drawn, i.e. that consistent with the management and financial quality assessment, the Company is generally in a sound condition but it still needs improvements to facilitate attainment of financial and non-financial targets. To maintain the Company's performance, the Board of Commissioners pays attention to several aspects, including Information Technology and Human Capital. The Board of Commissioners' supervision in 2019 focused on several aspects, among other things Information Technology (IT), given its vital role for the Company's smooth operations. The Company has carried out the management and development of the IT system based on the 2017 – 2020 Re-Aligned IT Strategy & Execution Plan (ISP) and conducted necessary activities effectively such as testing of the system to develop e-Money channel service, preparation of project charter for Mandiri Online application development, testing of the system to develop Cash Management for the notional pooling platform, and piloting upgrade for Mandiri Cash Management (MCM) service through the addition of several features to new platforms and Big Data development to improve supporting facilities for effective and efficient data analysis.

We also focused our supervision on Human Capital in 2019, in support of the spirit of the Indonesian nation to build Superior Human Capital. The Company has held employee competence development and well-being improvement programs to enhance employee engagement and productivity consistently, which included adjustments to the organizational structure in support of the Company's dynamic strategies and improvements in Performance Management, especially

Individual Key Performance Indicators (KPIs) which focus not only on Achievement but also soft aspects, especially Leadership Behavior (Attitude) that reflects the value of the Company's cultural behavior.

OUTLOOK ON BUSINESS PROSPECTS DEVELOPED BY THE BOARD OF DIRECTORS

The Board of Commissioners views that the business prospects developed by the Board of Directors suit the Bank's external and internal environments. Although the national and global economic growth has not fully recovered, the Board of Commissioners and the Board of Directors remain optimistic that the economy will remain stable.

Continuous economic growth in 2019 will contribute to economic growth in 2020. Similarly, positive sentiments towards the banking industry in 2019 are also expected to continue in 2020. Bank Mandiri estimates that bank credit and Third-Party Funds in 2020 will rise by 10.2% and 8.5% higher than the estimated growth in 2019, i.e. at 9.9% and 8.2%.

The Board of Commissioners believes that the Board of Directors will be able to make the most of any opportunities in the banking industry. Such an estimate is based on Bank Mandiri's increased market share compared with 2018. Bank Mandiri's asset market share for the period of September 2019 amounted to 15.34% (YoY), or increased by 0.23% compared to the corresponding period in the previous year, i.e. at 15.11% (YoY). On the other hand, Bank Mandiri's net profit growth as of September 2019 is higher than the net profit growth of the banking industry. In consolidated manners, Bank Mandiri's net profit in Quarter III of 2019 reached IDR20.25 trillion or increased by 11.93% (YoY), higher than the growth of net profit of national banking, which rose by 6.65% only (YoY).

The Board of Commissioners' assessment of the business prospects developed by the Board of Directors was also based on the strengths that Bank Mandiri possesses currently, which include strong capital in accordance with the implementation of Basel III, one-stop financial service through Mandiri Group, 11 (eleven) Subsidiaries, all of which constitute a leading company and a pioneer in their respective industries, networks evenly distributed

all over Indonesia, and diverse customers in each segment that facilitate business growth

Considering Bank Mandiri's strong financial and non-financial conditions, the Board of Commissioners views that business prospects developed by the Board of Directors are relevant.

OVERVIEW ON GOOD CORPORATE GOVERNANCE IMPLEMENTATION

The Board of Commissioners always ensures implementation of Good Corporate Governance (GCG) in every business activity. The Board of Commissioners views that GCG has been implemented well. GCG implementation is described as follows.

IMPLEMENTATION OF OPEN GOOD CORPORATE GOVERNANCE

The Circular Letter of the Financial Services Authority No. 32/SEOJK.04/2015 concerning Governance Guidelines stipulates the implementation of good Corporate governance aspects and principles. The Board of Commissioners views that as a Limited Liability Company, Bank Mandiri has implemented principles and recommendations set out in the Circular Letter well. The implementation is described in the following section.

RELATION WITH SHAREHOLDERS

To safeguard the rights of Shareholders, Bank Mandiri always strives to improve GMS implementation. Bank Mandiri has developed methods and technical procedures for voting, either open or closed one, that emphasize independency and interests of shareholders. Each voting share issued is entitled to one vote (*one share one vote*). Shareholders may use their voting right during decision making, especially decision making by means of voting. However, the mechanism for voting, either open or closed one, has not been set out in detail.

The implementation of voting to adopt resolutions on a GMS agenda helps protect independency of shareholders. For example, open voting can be held by raising hand or following the instruction from the

GMS Chairperson. Contrary to open voting, closed voting is carried out to adopt resolutions that require confidentiality or at the request of shareholders, by using a ballot or electronic voting

At the Annual GMS of the 2018 Fiscal Year held in 2019, closed voting was held with a voting officer approaching shareholders while carrying a box into which the shareholders put a ballot. The Company has established GMS Regulations that can be uploaded to the Company's website and shared to Shareholders at the time of GMS.

All members of the Board of Directors and the Board of Commissioners of a Limited Liability Company attend the Annual GMS. Thus, all members of the Board of Directors and the Board of Commissioners of a Limited Liability Company can identify, explain, and respond directly to any problem or questions raised by shareholders related to the GMS agenda.

The Summary of Annual GMS and Extraordinary GMS Minutes throughout 2019, in Indonesian and English, was announced no later than 2 (two) working days after GMS implementation had been uploaded on Bank Mandiri's website, BEI's Electronic Reporting System, and OJK. Information about GMS implementation has been uploaded on Bank Mandiri's website, including Summary of GMS Minutes for **the last 5 (five) years**. Moreover, Bank Mandiri has prepared GMS Highlights in Indonesian and English, which were uploaded on Bank Mandiri's website 1 (one) working day after GMS implementation.

Moreover, in an attempt to improve communication between Bank Mandiri and Shareholders or Investors, Bank Mandiri has established communication policy with shareholders or investors as outlined in the Corporate Secretary Standard Guidelines (SPCS) Chapter III.A.I. Information Transparency. Transparency of Information with stakeholders has been set out based on provisions on Capital Market and any relevant rules and regulations, which can be categorized as follows:

- a. Reporting, both periodic and incidental one, to relevant institutions (Financial Services Authority, Bank Indonesia, Indonesia Deposit Insurance Corporation, Ministry of Law and Human Rights, Indonesia Stock Exchange) and reporting through Electronic Reporting System.



- b. A General Meeting of Shareholders (GMS) is held in accordance with the regulations and Articles of Association of Bank Mandiri. GMS consists of Annual GMS and other GMS (Extraordinary GMS).
- c. Conducting other activities related to Corporate actions and/or transparency of information, including: Public Expose (on a quarterly basis) and Analyst Meeting (on a quarterly basis)

Public Expose and Analyst Meeting held on a quarterly basis are intended to provide information to the public and investors with regard to the condition, business prospect, performance, and implementation of Corporate governance. Moreover, Bank Mandiri also has established a special work unit in charge of maintaining and managing good relations with investors and serving as an information center for Bank Mandiri's performance to investors.

Bank Mandiri always discloses Limited Liability Company communication policy to shareholders or investors on its website. Bank Mandiri always manages information on its website, thus shareholders or investors of the Company can get the latest information about Bank Mandiri, including its Products/Services, Performance, Management, and Activities.

FUNCTION AND DUTIES OF THE BOARD OF COMMISSIONERS

The Board of Commissioners always strives to strengthen membership and composition of the Board of Commissioners. The number of members of the Board of Commissioners has taken into account the Company's condition for effective fulfillment of the Board of Commissioners' duties. The number of members of the Board of Commissioners of the Company complies with the applicable laws and regulations and considers the Company's business needs. Bank Mandiri' Board of Commissioners consists of 8 (eight) members, specifically 4 (four) Independent Commissioners and 4 (four) non-Independent Commissioners. Composition of the Board of Commissioners is determined by considering diversity in terms of expertise, knowledge, and experience required.

To improve fulfillment of duties and responsibilities of the Board of Commissioners, the Board of Commissioners has adopted the self-assessment policy set out in the Board of Commissioners' Regulations. The Performance Assessment of Board of Commissioners is undertaken by each member of the Board of

Commissioners through self-assessment based on assessment criteria relevant to fulfillment of duties and responsibilities of the Board of Commissioners, which include aspects such as structure, direction, and supervision. The self-assessment policy to assess the Board of Commissioners' performance has been disclosed in the Annual Report.

FUNCTIONS AND ROLES OF THE BOARD OF DIRECTORS

In the efforts to strengthen the membership and composition of the Board of Directors, determining the member number of Board of Directors considers the Company's condition and effectiveness in decision making. Bank Mandiri has fulfilled the provision of Article 20 POJK 33/POJK.04/2014 on Board of Directors and Board of Commissioners of Issuers or Public Listed Companies, which is stated that the Board of Directors of an Issuer or Public Listed Company should consist of minimum 2 (two) members. By December 31, 2019, the number of Bank Mandiri's Board of Directors members is 12 (twelve) people and the determination has been based on the complexity and the need of Bank Mandiri. In the Board of Director's Regulation, the mechanism of Board of Director's decision making has been regulated.

Determination of the composition of Board of Directors takes into account the diversity of the required set of skills, knowledge, and experience. Determination of the Board of Commissioners' composition has been performed by taking into account Bank Mandiri's business needs and complexity, i.e. by taking into account the diversity of skills, educational background, and experience, as well as without gender prejudice. It is expected that diverse composition of the Board of Directors will provide alternatives for resolution of increasingly complex issues the bank is facing, as compared to homogeneous composition, allowing the decisions made to be the best ones.

Board of Directors members responsible for accounting or finance has adequate skills and/or knowledge in accounting. Director responsible for accounting or finance in Bank Mandiri is the Finance Director, Mr. Panji Irawan with his experience and competence in Treasury (Finance) who in carrying out these tasks requires knowledge in accounting. In addition, to support the implementation of his duties, he often participates in Finance-related forums and seminars both home and abroad.

Board of Directors has owned self assessment. Board of Director's performance assessment is carried out by each member through Self Assessment mechanism to assess Board of Director's performance implementation collegially, and not to rate individual performance of the members. Self Assessment policy for evaluation of the Board of Commissioners' performance is to be disclosed in the Annual Report.

Stakeholder Engagement

In efforts to improve aspects of Company's Governance through stakeholder participation, Bank Mandiri has a policy to prevent insider trading. The policy to prevent insider trading are regulated in following policies.

Basic Human Resources Guideline Procedure Standard

- Chapter III.C.2.c regarding Code of Conduct and Business Ethics, which constitutes the ethical standards to be used as a guideline by all of the bank's personnel in carrying out their respective day-to-day duties and tasks and when conducting business dealings with customers, associates, or colleagues.
- Chapter III.C.2.e regarding Employee Discipline, which governs the obligations, prohibitions, and sanctions of employees.

Corporate Secretary Guideline Procedure Standard

Chapter III.A.5 regarding the Principle of Information Transparency, which governs the following matters:

- Insider who has insider information is prohibited to influence any party including his own family to conduct buying or selling stock.
- Any Insider other than the Board of Directors and Board of Commissioners who is found to violate the abovementioned provision and is proven to have conducted any transaction and/or provided insider transformation shall be charged with disciplinary action as specified in the Human Resources Guideline Standard (SPSDM).
- Any member of the Board of Directors and Board of Commissioners and other parties who, due to their position or relationship with the Bank, is found to conduct insider trading shall be held accountable in accordance with the applicable provisions.

In addition, in efforts to improve aspects of Company's Governance through stakeholder participation, Bank Mandiri has anti-corruption and anti-fraud policy. Bank Mandiri has had an Anti-fraud Strategy policy in

place, effective as of May 2, 2012, as a follow-up of Bi's Circulating Letter No. 13/28/DPNP dated December 9, 2011 on Implementation of Anti-fraud Strategy (SAF). The SAF governs, among others, organizations and 4 SAF Pillars within Bank Mandiri, i.e.:

Pillar 1: Prevention

Pillar 2: Detection

Pillar 3: Investigation, Reporting, and Sanction

Pillar 4: Monitoring, Evaluation, and Follow Up

Bank Mandiri has delivered SAF Implementation Report to OJK regularly every semester, as well as incidental reports concerning any cases that may interfere with the Bank's operation, in accordance with the applicable provisions.

Bank Mandiri also has had Technical Operational Procedure for Gratification Control. Bank Mandiri has had a Gratification Control Unit (GCU) in place to perform gratification control function in accordance with the Decree (SK) of the Board of Directors effective as of March 1, 2018.

Several other policies also have been held by Bank Mandiri in efforts to improve aspects of Company's Governance through stakeholder participation, including having policies on selection and enhancing the ability of suppliers or vendor, policies on fulfilling creditor's right, and whistleblowing system policy called Letter to CEO (LTC), as well as the policy of providing long-term incentives to Commissioners and Directors in accordance with POJK No. 45/POJK.03/2015 on the Implementation of Governance concerning Remuneration for Commercial Banks.

INFORMATION TRANSPARENCY

Bank Mandiri always strives to improve the implementation of information transparency. Bank Mandiri has managed the Company's Website as optimal as possible to always provide newest and accurate information for the public. In addition to the Website, Bank Mandiri also utilizes the technology and other social media applications such as SMS Banking, Mobile Banking, Instagram, Facebook and Twitter for information transparency media.

EFFECTIVITY OF INTERNAL CONTROL SYSTEM

In the context of implementing an effective internal control system, the Board of Commissioners always provides direction to promote an effective risk awareness culture and is obliged to ensure that it is



embedded at every level of the organization. The Board of Commissioners believes that the implemented internal control system has been running well, however, it still needs to be improved in line with the growing and business complexity.

Internal Control System (SPI) has functioned as a monitoring function established by Company's management on an ongoing basis. An effective Internal Control System is a key component in Company management and used as a reference for healthy and secure operational activities. Effective SPI is able to help securing Board of Commissioners and Board of Directors in securing Company's assets, assuring the availability of trustworthy financial and managerial reports, improving compliance with applicable laws and regulations, and reducing the risks of loss, deviation, and violation to prudential aspect. As for the implementation of SPI in the Company refers to the Internal Control Policy (KICN).

As a process that has been carried out in every level of the Company, SPI has been applied in the determination of strategies in all work units and is designed to be able to identify the possibility of an event that can affect the company, and to manage risk so that it remains within the limits of tolerance (risk appetite), to provide adequate confidence in the achievement of company goals.

Bank Mandiri has had international standard internal control system, the Internal Control System developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) that includes the control objectives, control environment, risk evaluation, control activity, control information and communication, as well as activity.

RISK MANAGEMENT PRACTICES

As a banking company, the implementation of effective risk management is one of the critical issues that must be considered. Board of Commissioners believes that the risk management system has been implemented well. Bank Mandiri's risk management principles are carried out proactively maintaining an optimal level of risk-adjusted return in accordance with the desired risk appetite. The Company's Risk Management Framework is contained in Bank Mandiri Risk Governance Structure

which includes three main parts, namely Risk Oversight, Risk Policy and Management, and Risk Identification, Measurement, Mitigation and Control. Those three main parts are supported by Audit Work Unit and Independent Assurer in ensuring the effectiveness of its implementation.

Bank Mandiri's Risk Governance Structure is developed based on Four Pillars of Risk Management as follows.

ACTIVE MONITORING FROM THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Risk management framework and governance in Bank Mandiri consists of Board of Commissioners who carries out the risk oversight function through Audit Committee, Risk Monitoring Committee and Integrated Governance Committee, as well as Board of Directors who carried out the risk policy function through risk-management related Executive Committee i.e. Risk Management & Credit Policy Committee, Asset and Liabilities Committee, Capital and Subsidiaries Committee, and Integrated Risk Committee. In operational level, Risk Management Work Unit together with Business Unit and Compliance Work Unit performs the risk identification, risk measurement, risk mitigation and risk control function.

Bank Mandiri also establishes risk management committees which discuss and recommend to the Directors, among others regarding to:

1. The policy and procedure as well as monitoring the risks faced by the Company.
2. The Company's assets and liabilities management includes interest rate and liquidity.
3. Subsidiaries Management (equity participation, divestment, remuneration, determination of Subsidiaries' management).
4. Implementation of Integrated Risk Management.
5. Business development.

In addition, Bank Mandiri also has related Work Unit in risk management consisting at least:

1. Director in charge of the Risk Management function;
2. Risk Management Unit (SKMR);
3. Operational Unit (risk-taking unit);
4. Integrated Audit Unit (SKAI);
5. Compliance Unit.

Risk Management Unit (SKMR), Intern Audit Unit (SKAI), and Compliance Unit concurrently as Integrated Unit.

SUFFICIENCY OF POLICIES, PROCEDURES AND DETERMINATION OF LIMIT

Bank Mandiri has a Risk Management Policy which is used as a main guideline in carrying out risk management. For a more specific business areas, Bank Mandiri has a more specific policy and procedure, for example in areas of credit, treasury, and operational. In those policy and procedures, among others, regulated limits of each activity, both for portfolio and transactional levels.

All policy and procedures in Bank Mandiri is a form of risk management inherent in each Company's operational activities that are evaluated and updated at least once a year.

ADEQUANCY OF RISK IDENTIFICATION, MEASUREMENT, MONITORING, AND CONTROL PROCESS AND RISK MANAGEMENT INFORMATION SYSTEM (ERM)

Bank Mandiri has implemented Identification, Measurement, Monitoring, Risk Control Process, and Risk Management Information System through an Enterprise Risk Management (ERM) platform. Implementation of ERM in Bank Mandiri use the two-prong approach, to ensure that the risk not only mitigated well through day-to-day business process, but also in unexpected (downturn) conditions through capital reserves.

IMPLEMENTATION OF INTEGRATED RISK MANAGEMENT

Bank Mandiri's risk management consolidation/integration has begun in stages since 2008, in line with the issuance of Bank Indonesia Regulation No.8/6/PBI/2006 on Implementation of Consolidated Risk Management for Banks Conducting Control on Subsidiary Companies, which in the development these regulations was replaced by Financial Services

Authority Regulation Number 38/POJK.03/2017 on the Implementation of Consolidated Risk Management for Banks Conducting Control on Subsidiary Companies. In addition, Bank Mandiri also carries out integrated risk management in line with Financial Services Authority Regulation No.17/POJK.03/2014 on the Implementation of Integrated Risk Management for Financial Conglomerate.

Integrated risk management is important to implement because Bank Mandiri as Main Entity realizes that business continuity is also affected by risk exposures arising, both directly and indirectly, from the Subsidiary's business activities. Regarding this, Bank Mandiri has implemented risk management consolidation/integration system with Subsidiaries, including Subsidiaries operated in overseas, while still fulfilling the risk management principles, considering each Subsidiaries' business characteristics and adjusting to the jurisdiction of local authority/supervisor. Bank Mandiri's Subsidiaries are Bank Syariah Mandiri, Bank Mandiri Europe Ltd, Bank Mandiri Taspen, Mandiri Sekuritas, Mandiri Manajemen Investasi, AXA Mandiri Financial Services, Mandiri AXA General Insurance, Mandiri InHealth, Mandiri Tunas Finance, Mandiri Utama Finance, Mandiri International Remittance, and Mandiri Capital Indonesia.

Risk Management consolidation/integration concept carried out by Bank Mandiri was prepared by taking into account the fulfillment of Financial Services Authority Regulation No.38/POJK.03/2017 on Consolidated Risk Management for Banks Conducting control to Subsidiary Company, Financial Services Authority Regulation Number 17/POJK.03/2014 on Integrated Risk Management Implementation on Financial Conglomerates, and Financial Services Authority Regulation Number 04/POJK.03/2016 on Assessment of Soundness of Commercial Banks which are subsequently implemented through a framework of integration of tools, awareness, Corporate governance, and risk management information systems. In carrying out consolidated and integrated risk management, Bank Mandiri has had internal guidelines, the Mandiri Group Principles Guideline (MGPG), Mandiri Subsidiary management Principles Guideline (MSPG) and Integrated Governance Guideline which contain the guideline on the implementation of the Mandiri Group risk management. This is one form of Bank Mandiri's compliance with regulations in force in Indonesia.



In implementing a comprehensive integrated risk management, Bank Mandiri form Integrated Risk Management Committee that consisting of Director/ Executives Officers who oversee the Risk Management function of Bank Mandiri as Main Entity in Financial Conglomerate and Subsidiary Companies, which plays a role in providing recommendations for the preparation, improvement and refinement of the Integrated Risk Management policy. In addition, Bank Mandiri also forms Integrated Risk Management Unit (SKMRT) that is directly reports to the Director of Risk Management.

IMPLEMENTATION OF WHISTLEBLOWING SYSTEM

To maintain and improve Bank Mandiri's reputation and in line with one pillar of Anti-Fraud Strategy (SAF), which is the pillar of detection, risk control facilities and systems are needed through the Whistleblowing System (WBS) mechanism. Bank Mandiri has provided reporting media for violation complaint under the name Letter to CEO (LTC). LTC was meant to detect fraud conducts or indications, spread awareness and care of all employees and improve the company's reputation in the eyes of the stakeholders.

LTC report acceptance and administration management is carried out by independent third party to give safe-environment that will encourage employees and stakeholder to have the courage to report fraud conducts or indication. The fraud reported include corruption, scam, theft, embezzlement, and forgery. Other than to report fraud conduct or indications, LTC can also be used to report non-fraud violation such as violation of code of conduct.

The Board of Commissioners believes that LTC management by a third party is the right policy because the third party is independent and professional so that it can provide a sense of security for the reporter/ whistleblower that there is no elements of conflict, and in the long term will increase the confidence of stakeholders in the WBS management in Bank Mandiri.

Board of Commissioners always ensures that every report has been followed up properly. Any complaint that has been proven to be a violation after being investigated will be subject to sanctions in accordance with applicable regulations. Board of Commissioners gives directions to ensure the effectiveness of Whistleblowing System (WBS)/Letter to CEO (LTC) implementation, especially concerning safe environment for Reporter (Whistleblower).

COMMITTEE ASSESSMENT UNDER THE BOARD OF COMMISSIONERS

In order to strengthen the Board of Commissioner's role in carrying out the monitoring function, Board of Commissioners has formed 4 (four) committees:

1. Audit Committee
2. Remuneration and Nomination Committee
3. Risk Monitoring Committee
4. Integrated Governance Committee

Audit Committee has the duty and responsibility to assisting and facilitate Board of Commissioners in executing supervisory duties and function over matters related to finance information quality, internal control system, effectiveness of external and internal auditor assessment, effectiveness of risk management implementation and compliance with applicable legislative regulations. During 2019, Audit Committee has carried out their duty and responsibility properly. Audit Committee has conducted 18 (eighteen) meetings and carried out their other duties among other:

1. The review of reports and matters that need to be approved by the Board of Commissioners include reports on the realization of the business plan, reports on the implementation of the audit function, consolidated financial statements and integrated internal audit reports.
2. Preparation of recommendations and reports including PKBL approval, KAP designation, evaluation of the report on the implementation of the Compliance Director's duties, adjustment of the Annual Audit Plan, Report on the Evaluation Results of the Implementation of Audit Services on the Annual Historical Financial Information of PT Bank Mandiri (Persero) Tbk. 2018 Fiscal Year and Report on the Evaluation Results of the Implementation of Audit Services on the Annual Historical Financial Information of PT Bank Mandiri (Persero) Tbk. Fiscal Year 2018.
3. Establish communication and coordination with work units at Bank Mandiri. The communication among others is carried out by inviting related work unit in a discussion regarding things becomes the current issue in Bank Mandiri.

Remuneration and Nomination Committee has the duty and responsibility to assist the in conducting its duties and functions in areas related to remuneration and nomination of the Board of Directors and Board Of Commissioners' members. During 2019, Remuneration and Nomination Committee has carried out their duty and responsibility properly. Remuneration and

Nomination Committee has conducted 9 (nine) meetings and carried out their other duties among other:

1. Provide recommendations/proposals for candidates who qualify as Members of the Board of Commissioners and Directors of Bank Mandiri to the Board of Commissioners to be submitted to the RUPS.
2. to obtain and analyze the data of the Board of Directors candidate from the talent pool of direct report of the Board of Directors and identify the eligible candidate for Board of Commissioners.
3. Propose an appropriate remuneration system for the Directors and Board of Commissioners of Bank Mandiri in the form of a remuneration/honorarium system, facilities/benefits, bonuses, and so on for 2019.

Risk Monitoring Committee has the duties and responsibilities in supervising and counseling the Directors to obtain sufficient confidence that the implementation of risk management of the Company will meet the adequacy element of the procedure and risk management methodology, so that the Bank's business activities will always be under control to the limit of acceptable and profitable to the Company. During 2019, Risk Monitoring Committee has carried out their duty and responsibility properly. Risk Monitoring Committee has conducted 29 (twenty nine) meetings and carried out their other duties among other:

1. Proposal for approval for credit facility applications and provision of funds to Related parties, whether in the nature of extension, increase, amendments or new provision.
2. Proposal for organization structure of Bank Mandiri.
3. Proposal for capital increase, release of shares, liquidation at subsidiary company.
4. Review of the proposed composition of management in subsidiary company.
5. Proposal for Update Recovery Plan and Subsidiary Company Management Policy.
6. Review of Risk Dashboard, stresstest of management and implementation of risk Management in Bank Mandiri.
7. Other requests for review that require the approval of the Board of Commissioners include the proposal to conduct Build, Operate, Transfer (BOT) cooperation to optimize Bank Mandiri's assets.

Integrated Governance Committee has the duty and obligations to assist and facilitate Board of Commissioners in carrying out the supervision over the implementation of Governance in each Financial Services Institution (LJK) in Bank Mandiri's Financial Conglomerate to comply with the Integrated

Governance Guidelines and Implementation of duties and responsibilities of the Board of Directors of Bank Mandiri. During 2019, Integrated Governance Committee has carried out their duty and responsibility properly. Integrated Governance Committee has conducted 3 (three) meetings and carried out their other duties among other:

1. Realization of Subsidiary's KPI.
2. Update of Integrated Internal Audit Result.
3. Self-Assessment results of Integrated Governance Implementation.
4. The achievement of PSAK 71 in Mandiri Group.
5. Realization of 2019 Integrated Unit Work Plan.

Board of Commissioners annually carries out assessment for performance effectiveness of committees under Board of Commissioners. Board of Commissioners considers that during 2019 the committees have carried out their duties and responsibilities quite effectively in terms of the achievement of the Key Performance Indicator (KPI) of each committee. The information of the achievement of the Key Performance Indicator (KPI) Committee under the Board of Commissioners shall be provided in each section of the Board of Commissioners Committee.

CHANGE IN BOARD OF COMMISSIONERS COMPOSITION
In the course of 2019, the composition of the Company's Board of Commissioners has undergone several changes as outlined below. This change is carried out to cater the Company's current needs and to anticipate future business development.

COMPOSITION AND BASIS OF APPOINTMENT OF THE COMPANY'S BOARD OF COMMISSIONERS BEFORE EXTRAORDINARY GMS DATED AUGUST 28, 2019

Board of Commissioners composition before Extraordinary GMS dated August 28, 2019 comprises of 8 (eight) members namely 1 (one) President Commissioners/Independent Commissioner, 1 (one) Vice President Commissioner, 3 (three) Independent Commissioner and 3 (three) Commissioner. All members of the Board of Commissioner domiciled in the working scope of Bank Mandiri's Head Office. Composition and basis of Board of Commissioners appointment is stated in the following table:

**Composition and Basis of Board of Commissioners Appointment**

Name	Position	Appointment Basis	Operational Effective Date
Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	Extraordinary GMS dated August 21, 2017	November 15, 2017
Imam Apriyanto Putro	Vice President Commissioner	Annual GMS dated March 16, 2015	June 11, 2015
Goei Siauw Hong	Independent Commissioner	Annual GMS dated March 16, 2015	June 25, 2015
Bangun Sarwito Kusmulyono	Independent Commissioner	Annual GMS dated March 16, 2015	June 25, 2015
Makmur Keliat	Independent Commissioner	Annual GMS dated March 14, 2017	September 25, 2017
Askolani	Commissioner	Extraordinary GMS dated May 21, 2014 and reappointed at Annual GMS dated May 16, 2019	September 3, 2014
Ardan Adiperdana	Commissioner	Annual GMS dated March 21, 2016	October 3, 2016
R. Widyo Pramono	Commissioner	Extraordinary GMS dated August 21, 2017	January 15, 2018

*The Company's Vice President Commissioners, Bpk. Imam Apriyanto Putro period of service ends due to his appointment as Vice President Director of PT Pupuk Indonesia dated November 18, 2019.

COMPOSITION AND BASIS OF APPOINTMENT OF THE COMPANY'S BOARD OF COMMISSIONERS AFTER EXTRAORDINARY GMS DATED AUGUST 28, 2019

Board of Commissioners composition after Extraordinary GMS dated August 28, 2019 comprises of 8 (eight) members namely 1 (one) President Commissioners/Independent Commissioner, 1 (one) Vice President Commissioner, 3 (three) Independent Commissioner and 3 (three) Commissioner. All members of the Board of Commissioner domiciled in the working scope of Bank Mandiri's Head Office. Composition and basis of Board of Commissioners appointment is stated in the following table:

Composition and Basis of Board of Commissioners Appointment

Name	Position	Appointment Basis	Operational Effective Date
Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	Extraordinary GMS dated August 21, 2017	November 15, 2017
Imam Apriyanto Putro	Vice President Commissioner	Annual GMS dated March 16, 2015	June 11, 2015
Goei Siauw Hong	Independent Commissioner	Annual GMS dated March 16, 2015	June 25, 2015
Bangun Sarwito Kusmulyono	Independent Commissioner	Annual GMS dated March 16, 2015	June 25, 2015
Makmur Keliat	Independent Commissioner	Annual GMS dated March 14, 2017	September 25, 2017
Askolani	Commissioner	Extraordinary GMS dated May 21, 2014 and reappointed at Annual GMS dated May 16, 2019	September 3, 2014
Ardan Adiperdana	Commissioner	Annual GMS dated March 21, 2016	October 3, 2016
R. Widyo Pramono	Commissioner	Extraordinary GMS dated August 21, 2017	January 15, 2018

*The Company's Vice President Commissioners, Bpk. Imam Apriyanto Putro period of service ends due to his appointment as Vice President Director of PT Pupuk Indonesia dated November 18, 2019.

COMPOSITION AND BASIS OF APPOINTMENT OF THE COMPANY'S BOARD OF COMMISSIONERS AFTER EXTRAORDINARY GMS DATED DECEMBER 9, 2019

Board of Commissioners composition after Extraordinary GMS dated December 9, 2019 comprises of 8 (eight) members namely 1 (one) President Commissioners, 1 (one) Vice President Commissioner/Independent Commissioner, 3 (three) Independent Commissioner and 3 (three) Commissioner. All members of the Board of Commissioner domiciled in the working scope of Bank Mandiri's Head Office.

As of December 2019, there are 5 (five) Commissioners who are still in the process of Fit & Proper Test, while 3 (three) Commissioners have passed Fit & Proper Test smoothly and have been approved by FSA indicating that the Company's Commissioners acquired integrity, competency and adequate financial reputation in line with FSA Regulation No. 27/POJK.03/2016 on Fit And Proper Test For Key Parties Of Financial Services Institutions stating that it is mandatory for the candidate of Board of Commissioners member to have FSA approval prior to carry out any actions, duties and functions as Board of Commissioners.

Composition and basis of Board of Commissioners appointment is stated in the following table:

Composition and Basis of Board of Commissioners Appointment

Name	Position	Appointment Basis	Operational Effective Date
Kartika Wirjoatmodjo	President Commissioner	Extraordinary GMS December 9, 2019	Still in the process of fit and proper test
Muhamad Chatib Basri	President Commissioner/ Independent Commissioner	Extraordinary GMS December 9, 2019	Still in the process of fit and proper test
Makmur Keliat	Independent Commissioner	Annual GMS dated March 14, 2017	September 25, 2017
Mohamad Nasir	Independent Commissioner	Extraordinary GMS dated December 9, 2019	Still in the process of fit and proper test
Robertus Bilitea	Independent Commissioner	Extraordinary GMS dated December 9, 2019	Still in the process of fit and proper test
Rionald Silaban	Commissioner	Extraordinary GMS dated August 28, 2019	Still in the process of fit and proper test
Ardan Adiperdana	Commissioner	Annual GMS dated March 21, 2016	October 3, 2016
R. Widyo Pramono	Commissioner	Extraordinary GMS dated 21 August, 2017	January 15, 2018

CLOSING

The Board of Commissioners appreciate highly Board of Directors efforts in carrying out their duties well. Board of Directors managed to deal with all challenges arise in the economic and banking industry. Board of Commissioners would like to thank all Shareholders for the trust given. In the future, the Board of Commissioners will continue to give the best in carrying out their duties and providing advices to the Board of Directors in improving the Company's long term performance.

Jakarta, January 27, 2020
On behalf of the Board of Commissioners


Kartika Wirjoatmodjo
President Commissioner



Performance
Highlights



**Report of the Board
of Commissioners and Directors**



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



ROYKE TUMILAAH
PRESIDENT DIRECTOR

Report of Board of Directors

Respected Stakeholders and Shareholders,

Bank Mandiri's total assets on an annual basis grew 9.65% to reach IDR1,318.2 trillion, mainly driven by credit growth of 7.78% YoY to IDR841.9 trillion in the Third Quarter of 2019. In terms of capital, Bank Mandiri's total equity reached IDR209.03 trillion, or an annual growth of 13.0%.

First of all, let us raise our praise and gratitude to the presence of Almighty God for His abundance gifts so that Bank Mandiri is able to grow sustainably. In 2019, Bank Mandiri remained with good commitment and enthusiasm to achieve the vision and mission of Bank Mandiri, Bank Mandiri continues to grow and develop as one of the leading banks in Indonesia.

It is an honor for us as the Directors of Bank Mandiri to be able to submit a report on Bank Mandiri management for the financial year 2019 which is fundamental from the financial and non-financial aspects that support positive performance. This Board of Directors' report will present an analysis of the company's performance, analysis of business prospects, development of the implementation of Corporate governance, and changes in the composition of the Board of Directors.

ANALYSIS OF COMPANY PERFORMANCE

Bank Mandiri has managed to remain the record of a positive performance growth in 2019 and this growth rate was generally better than the previous year. Achieving this good performance is inseparable from the support of the Board of Commissioners to the Board of Directors in running the business as well as all levels of management and employees of Bank Mandiri who were always responsive in dealing with all the changes and challenges that occur during 2019. In the analysis part of the company's performance, the economic conditions that will directly affect the Company's performance, the strategic policies implemented by the Company, the comparison between the results achieved and those targeted, and the obstacles faced by Bank Mandiri and the steps taken to resolve.

ECONOMIC CONDITIONS THAT DIRECTLY IMPACT ON THE PERFORMANCE OF THE COMPANY

The uncertainty of the global economy continued with the growth rate in the range of 3.0% which was the lowest growth since the 2008 crisis. The slowing global economic growth throughout 2019 has also impacted the demand for global commodities that are a mainstay for Indonesia, namely coal and palm oil weakening. However, on



the other hand, the slowing global economic conditions caused central banks in various parts of the world, especially the United States (The Fed), reduced their policy interest rates. The Fed throughout 2019, lowered the federal funds rate (FFR) policy interest rate by 75 bps from 2.50% to 1.75% to anticipate the impact of the global economic slowdown on the US economy.

Amid the unfavorable condition of the world economy, the Indonesian economy in 2019 was relatively good with a growth rate of 5.02% (YoY) in the Third Quarter of 2019. While inflation throughout 2019 was maintained below 3.5%. The Indonesian economy, which tends to be quite stable, was inseparable from monetary policy and the efforts of the Government of the Republic of Indonesia to encourage domestic demand.

Financial system stability was also supported by the banking industry which has a strong capital structure, sufficient liquidity and controlled credit risk. The bank's Capital Adequacy Ratio (CAR) in September 2019 is still quite high reaching 23.28%. The maintained liquidity ratio was quite as big as 19.43%, and the ratio of non-performing loans (NPL) remained low, which was 2.66% (gross) or 1.18% (net) and the growth of bank credit (Credit including those given to other banks) reached 7.84% and the growth of Third Party Funds reached 7.47% driven by Giro growth which reached 8.45%.

STRATEGIC POLICY IMPLEMENTED BY THE COMPANY

The strategic policy compiled for the 2016-2020 Corporate Plan Restart is the foundation of the strategic policy that was established and implemented by the Board of Directors in 2019. The Board of Directors also made improvements to make the implementation of the strategy in 2019 ran better than the previous year. In formulating the 2019 strategy, the Board of Directors has anticipated the existence of external factors that were likely to influence the implementation of the strategy. These anticipatory actions proved that Bank Mandiri could achieve the target set.

Loans, which were the main players of Bank Mandiri, continued to grow with well-maintained credit asset quality. In terms of third party funds sourced from low-cost funds (CASA), they faced little challenges both from interest rates and other external factors.

Development also being carried out on the Bank Mandiri platform system which was not only limited to product development initiatives, but also on supporting systems for banking services so as to accelerate the process of banking services. Several initiatives have been carried out in developing Digital Banking products and services in order to face the development of Fintech as well as efforts to increase Fee Based Income. Cost Efficiency continues to be carried out by Bank Mandiri in every activity without reducing the quality of Bank Mandiri's products and services.

The Board of Directors also realizes that the execution of the strategy can be achieved, if it is supported by the quality of human capital. In addition, a management of human capital that is focused on facing the digital era and millennial generation is needed. For this reason, Bank Mandiri has consistently carried out employee development programs from year to year. Bank Mandiri further refines its core values, namely Trust, Integrity, Professionalism, Customer Focus, Excellence, through the improvement of the Corporate Culture (New Culture). Good quality Human Capital in the long run can support the business sustainability of Bank Mandiri.

ANALYSIS OF COMPANY PERFORMANCE

OPERATIONAL AND FINANCIAL PERFORMANCES

In general, Bank Mandiri's operational performance continues to improve compared to the previous year. In the Corporate Banking segment, total loans reached IDR329.76 trillion in 2019, an increase of IDR23.54 trillion compared to 2018 or grew annually by 7.69%. Commercial Banking third party funds in 2019 reached IDR75.66 trillion, an increase of 25.50% or IDR15.37 trillion compared to 2018 which reached IDR60.29 trillion. The distribution of loans in the Retail Banking segment in 2019 reached IDR275.95 trillion, an increase of IDR29.44 trillion or managed to grow 11.94% annually. The growth in the Retail Banking segment was driven by the growth in Mandiri Multipurpose Loans (KSM), People's Business Credit (KUR) and Credit Cards. The combination of deposits and credit growth above also had impacts on fee-based income and net interest income in the Retail Banking segment.

Corporate lending as part of the management of the Institutional Relations segment also grew to IDR27.03 trillion or grew 23.62% annually. Total lending to Bank

Mandiri Corporations is the largest in Indonesia, so that Bank Mandiri is included in the category of Domestic-Systemically Important Bank (D-SIB).

In terms of funding, the total third-party fund (DPK) in the Corporate Banking segment reached IDR146.85 trillion, while the total DPK in the Institutional Relations segment reached IDR71.77 trillion, or grew 11.12% annually. Retail Banking segment funds during 2019 also managed to record growth. Total deposits grew 6.67%, while total cheap funds (CASA) grew 6.3%. The growth in the Retail Banking segment was driven by the growth in Mandiri Multipurpose Loans (KSM), People's Business Credit (KUR) and Credit Cards.

Bank Mandiri's net profit until 2019 amounted to IDR25.45 trillion (Bank Only) succeeded in exceeding the target set at the beginning of IDR25.36 trillion. Factors driving the achievement of the net profit target were the acquisition of a Net Interest Income of IDR50.32 trillion and an efficiency program that was able to control Bank Mandiri's operational costs so as not to exceed the stipulated budget. With regard to NPL, Bank Mandiri has been able to reduce Gross NPL (bank only) to 2.39%, down 40 bps compared to last year.

The Retail segment product that experienced the most significant growth in transaction volume was Mandiri E-Money by 20.97%. In addition to this, Bank Mandiri actively extended E-Money transaction channels and top ups with strategic partners to support the convenience of the Customer in making E-Money transactions. Until the end of 2019, Mandiri E-Money still controlled 70% of the chip-based electronic money transaction market in Indonesia. Bank Mandiri also supports the implementation of the National Payment Gateway (GPN) launched by Bank Indonesia by offering debit cards on a GPN basis.

Bank Mandiri's total assets on an annual basis grew 9.65% to reach IDR1,318.2 trillion, mainly driven by credit growth of 7.78% YoY to IDR841.9 trillion in the Third Quarter of 2019. In terms of capital, Bank Mandiri's total equity reached IDR209.03 trillion, or an annual growth of 13.0%. In addition, other major financial ratios also generally showed improvement compared to 2017. The capital adequacy ratio or bank only CAR was still solid at 21.38%. Annual Net Interest Margin (NIM) fell 6 bps to 5.46%, as a result of changes in the composition of the loan portfolio to lower risk segments. However, the NIM was still relatively well maintained along with the adoption of a more sustainable fund-raising strategy.

Achievement of performance indicated by the increasing financial indicators that increasingly solidify the steps of Bank Mandiri to become a "One-stop Provider of Financial Solutions" for all its customers and to become a leader in the financial services industry.

COMPARISON BETWEEN THE RESULTS ACHIEVED WITH THE TARGETED

Bank Mandiri's consolidated performance in 2019 showed satisfactory performance results, where on the bottom line, the net profit for the year grew significantly by 10.07% YoY to reach IDR28.46 trillion, far exceeding the target set at IDR23.01 trillion. Profit growth was driven by an increase in Fee Based Income, which managed to grow by an annual increase of 20.10% to IDR28.44 trillion, controlling operating costs, and reducing Allowance for Impairment Losses (CKPN) costs by 11.08% YoY by improving the quality of loans owned by the Company. Efforts to improve credit quality showed positive results with a decline in NPL of 40 bps to 2.39% at the end of 2019, or better than the target set at 2.58%.

The efficiency program carried out was also able to control the growth of the company's operational costs so that it failed to exceed the stipulated budget. In terms of credit growth on a consolidated basis, it was targeted to reach IDR818.4 trillion with the realization reaching IDR841.86 trillion or growing by 15.09% in the third quarter of 2019. In terms of fundraising, Bank Mandiri's TPF as of September 2019 managed to grow 7.22% to IDR840.91 trillion.

DIGITAL BANKING MANAGEMENT

In order to adapt with the needs of the community in the digital era, management of Digital Banking at Bank Mandiri was divided into two Wholesale segments and the Retail segment. The management division aimed to make each segment more optimal in developing products and services according to the needs of each segment, including in developing marketing strategies.

The wholesale product segment that experienced the most significant growth in transaction volume was the Mandiri Bill Collection, which reached 100.70% compared to the previous year. Furthermore, the transaction performance of Mandiri Host to Host Payment and Mandiri Cash Management products was seen from the stable nominal recorded as in the previous year by recording an increase in transaction volume of 32.85% and 21.98% respectively.



In the Retail Segment, Bank Mandiri developed the Mandiri Online Service, which was a result of the integration of Mandiri Internet and Mandiri Mobile with a more user friendly appearance. This Mandiri Online service makes it easy for customers to conduct financial transactions at any time through their cellular communication devices. In Mandiri Online there are additional features that were not owned by mobile banking or internet banking before. In addition, there is an added level of security.

OBSTACLES FACED BY THE COMPANY AND THE SOLUTION STEPS

In carrying out operational activities, Bank Mandiri also faced by various obstacles, both external and internal. Related to internal obstacles, Bank Mandiri was still faced by problems of credit growth rates that have not been sustainable compared to its main competitors and have not managed to maintain consistent performance in the long run. Another obstacle was that the reorganization has not been balanced through distribution network transformation with the readiness of supporting infrastructure.

In addition, from the external side, the development of non-bank digital financial kites especially those originating from fintech startups has changed the map of the financial industry competition, in which fintech's ability to provide financial services/transactions has so far improved the banking domain. To respond to these challenges, Bank Mandiri continued to optimize the role of its subsidiary company, Mandiri Capital Indonesia (MCI) as a bridge between investors and entrepreneurs in the rapidly growing fintech industry so as to maintain the sustainability of the banking business.

Increased market competition made credit demand begin to decline. Although the infrastructure sector was still expected to be a helper, now the Corporation in this development sector has experienced over leverage. For this reason, it was necessary to look for breakthroughs in what sectors still provide the possibility of providing credit. In addition, Bank Mandiri continued to press for non-performing loans (NPLs), which have been one of the problems in the banking sector, to be able to resolve problem loans. This can also be a tough task for Bank Mandiri, which serves Corporate loans, and must

anticipate many companies that have fallen and cannot pay their loans. Bank Mandiri commits to increasing the people's business credit (KUR). To that end, Bank Mandiri continues to strive to sort out productive sectors oriented to exports and import substitution.

ANALYSIS OF BUSINESS PROSPECTS

The global economy as well as from within the country in 2019 is estimated to have not experienced significant changes. Economic growth in the United States throughout 2019 slowed from 2.7 (YoY) in the First Quarter to only 2.1% (YoY) in Quarter III. In the same period of economic growth in the Eurozone, growth slowed from 1.4% (YoY) to 1.2% (YoY). In developing countries, the Chinese economy also showed a significant slowdown from 6.6% (YoY) in 2018 to only 6.1% (YoY) in 2019, which is the lowest economic growth in the last 29 (twenty nine) years.

Bank Mandiri believes that national economic conditions in 2020 will be better compared to 2019. The Indonesian economy is expected to grow 5.14% in 2020, slightly higher than in 2019 which we estimated to reach 5.06%. This is supported by better growth in household spending and private sector investment, as well as more effective government spending. However, we see that the ratio of Current Account Deficit (CAD) to GDP in 2020 will be high compared to 2019 due to increased imports of capital goods and raw materials in line with increased economic growth. Bank Mandiri estimates that the 2020 CAD will rise to 2.88% of GDP, lower than the 2019 Bank Mandiri estimated of 2.60% of GDP.

In line with the improving domestic economic conditions, national banking credit growth will also grow higher. Bank Mandiri estimates that bank loans and deposits in 2020 will grow 10.2% and 8.5% respectively, higher than the estimated 2019 growth of 9.9% and 8.2%, respectively.

The improvement in the national economy and banking shows that the business prospects of Bank Mandiri in the future are very good. However, the still high challenges in the global economic environment encourage Bank Mandiri to remain selective in choosing strategies so that existing business opportunities can be well captured.

Bank Mandiri is optimistic that the business prospects of Bank Mandiri will be very good. This is supported by the strengths owned by Bank Mandiri, including:

- Strong capital in accordance with Basel III implementation
- The number of networks distributed equally in all regions of Indonesia
- Having diverse customers in each segment that can sustain the business growth.
- Having e-channel products that are more competitive than the competitor banks.
- Having one stop financial service through Mandiri group, with 11 (eleven) Subsidiaries that are the leading companies and pioneers in each industry, so that the products and non-bank financial services penetration can be conducted to all Bank Mandiri networks.
- Has the option to obtain non-DPK funding through the capital market, issuance of shares (IPO and rights issue), Corporate bonds, Medium Term Notes (MTN), and Negotiable Certificate of Deposit (NCD).

DEVELOPMENT OF CORPORATE GOVERNANCE IMPLEMENTATION

Bank Mandiri remains consistent in implementing good Corporate governance Good Corporate Governance (GCG) and ensuring an increase in quality in implementing GCG. This can be seen from the governance outcome that is increasing from year to year. Both operational and financial performance showed continuous growth as a result of GCG implementation.

In maintaining consistency, Bank Mandiri always measures the quality of GCG implementation, carried out independently (self assessment) for each semester or by asking a third party, to obtain more independent assessment results. The criteria used in conducting a self-assessment are the Financial Services Authority Circular Letter No. 13/SEOJK.03/2017 concerning the Implementation of Governance for Commercial Banks. This self-assessment is intended to map the strengths and weaknesses of the implementation of Corporate governance at Bank Mandiri, which are grouped into governance structures, processes and outcomes.

The results of the self-assessment for the first semester of 2019 have received feedback from the Financial Services Authority and the value of 2 (two) indicates that

the Company's management has implemented good governance in general. This is reflected in adequate fulfillment of governance principles. In the event that there are weaknesses in the application of governance principles, in general these weaknesses are less significant and can be resolved by normal actions by bank management. While self-assessment in semester II 2019 obtained a score of 1 (one) or good.

The results of the self assessment showed that there were still some weaknesses that need to be followed up. Regarding governance structure, Bank Mandiri is currently improving the quality of information technology infrastructure to support the Company's operations. In terms of governance processes, Bank Mandiri continues to increase employee awareness of compliance culture so as to minimize the occurrence of compliance risks in the future.

In relation to the evaluation of GCG implementation conducted by an independent party, Bank Mandiri participated in a CGPI research and rating program organized by The Indonesian Institute of Corporate Governance (IICG). CGPI is participated by public companies (issuers), BUMN, banks and other private companies. Bank Mandiri has consistently followed the CGPI assessment for 16 (sixteen) consecutive years since 2003. The results of the CGPI assessment were used by Bank Mandiri to evaluate and improve the implementation of GCG. Bank Mandiri received the title of "Highly Trusted Company" in the 2019 CGPI assessment with a value of 94.86.

An external party assessment was also carried out by the ASEAN Capital Market Forum (ACMF) using the ASEAN Corporate Governance Scorecard. In 2019, until the preparation of this Annual Report, it has not been published yet. In 2018, Bank Mandiri succeeded in getting the TOP 50 ASEAN Public Listed Companies (PLCs) based on the application of GCG according to the ASEAN CG Scorecard. In addition, Bank Mandiri succeeded in becoming the TOP 3 PLCs in Indonesia.

Bank Mandiri has also gained external recognition of the application of the gratification control system. Bank Mandiri has been selected 4 (four) times as a BUMN with the Best Gratification Control System by the Corruption Eradication Commission (KPK) from 2015 to 2018. For 2019 there will be no agency election with the Best Gratification Control System by the KPK.



PERFORMANCE ASSESSMENT OF THE COMMITTEES UNDER THE BOARD OF DIRECTORS AND THE BASIS OF THE ASSESSMENT

To carry out their managerial tasks, the Board of Directors are also assisted by 9 (nine) Committees under the Board of Directors, which are known as Executive Committees, as follows:

1. Assets and Liabilities Committee (ALCO)
2. Business Committee (BC)
3. Capital And Subsidiaries Committee (CSC)
4. Human Capital Policy Committee (HCPC)
5. Information Technology Committee (ITC)
6. Integrated Risk Committee (IRC)
7. Policy And Procedure Committee (PPC)
8. Risk Management and Credit Policy Committee (RMPC)
9. Credit Committee

The Board of Directors considered that during 2019 the committees it supervised had carried out their duties and responsibilities properly.

Assets and Liabilities Committee (ALCO) is a committee established to assist the Board of Directors in carrying out its functions in determining the management of assets and liabilities, setting the interest rates and liquidity, and other functions related to the management of the Company's assets and liabilities, as well as monitoring and implementing the Recovery Plans whenever the Company is under pressure/ facing financial crisis. During 2019, the basis for the assessment was that ALCO had conducted 9 (nine) meetings and had carried out its duties properly.

Business Committee was a committee established to assist the Board of Directors in determining the Company's integrated business management strategy, product arrangement and/or activity of the Company as well as determining the marketing communication strategy and effectiveness in the field of wholesale banking and retail banking. During 2019, the basis for the assessment is that BC has conducted 7 (seven) meetings and has carried out its duties properly.

Capital and Subsidiaries Committee (CSC) is a committee established to assist the Board of Directors in managing Subsidiaries, among others, determining strategies for managing Subsidiaries, capital participation, capital release, determining members of the Board of Directors and/or members of the Board of Commissioners, and remuneration for the Members the Board of Directors

and/or Members of the Board of Commissioners of a Subsidiaries. During 2019, the basis for the assessment was that the CSC had conducted 27 (twenty-seven) meetings and carried out their duties properly.

The Human Capital Policy Committee (HCPC) is a committee formed to assist the Board of Directors in determining the Company's Human Capital management strategy, establishing and developing the organization, and setting the strategic direction for developing the Human Capital Information System. During 2019, the basis for this assessment is that HCPC has held 4 (four) meetings and carried out their duties properly.

The Information Technology Committee (ITC) is a committee formed to assist the Board of Directors in establishing IT strategic plans and IT budgeting, strategic IT projects, and IT security. During 2019, the basis of the assessment is that the ITC has conducted 4 (four) meetings and has carried out its duties properly.

The Integrated Risk Committee (IRC) is a committee that is tasked with assisting the Board of Directors in the formulation of, among others, Integrated Risk Management policy and improvement or perfecting of the Integrated Risk Management policy based on the results of the implementation evaluation. During 2019, the basis for the assessment was that the IRC had conducted 4 (four) meetings and had carried out its duties properly.

The Policy and Procedure Committee (PPC) is a committee formed to discuss and recommend to the Directors in the preparation and/or adjustment/ refinement of Company policies and establish Company procedures including Human Capital policies and procedures and to discuss and decide upon the granting of authority to company officials (ex-officio). During 2019, the basis for the assessment was that the PPC had held 21 (twenty-one) meetings and had carried out their duties properly.

The Risk Management & Credit Policy Committee (RMPC) is a committee divided into two categories A and Category B with the task of Category A, which is to identify, measure and monitor risk, determine risk management policies and strategies and Category B has the duty to formulate credit policies, oversee implementation of credit policy, monitor the development and condition of the loan portfolio and provide recommendations for corrective measures. During 2019, the basis for the assessment was that the RMPC had conducted 14 (fourteen) meetings and had carried out its duties properly.

Credit Committee/Credit Committee Meeting (RKK) is a committee that is tasked with assisting the Board of Directors in deciding credit disbursements (new, additional, decreasing, and/or extending) managed by the Business Unit in accordance with the authority limit, including the determination/change of the credit structure.

Throughout 2019, the basis for the assessment is that the Credit Committee has conducted 91 (ninety-one) meetings for the Corporate segment and 126 (one hundred twenty-six) times for the Commercial segment.

CHANGE IN BOARD OF DIRECTORS COMPOSITION

In 2019, the number and composition of the Board of Directors have changed several times with the following composition. Changes in composition are based on Bank Mandiri's business needs. Changes in the composition of the Board of Directors are presented as follows.

THE COMPANY BOARD OF DIRECTORS COMPOSITION AND BASIS OF APPOINTMENT BEFORE EXTRAORDINARY GMS DATED JANUARY 7, 2019

The composition of the Board of Directors before the extraordinary GMS dated January 7, 2019 is 11 (eleven) members consisting of 1 (one) President Director, 1 (one) Vice Director and 9 (nine) Directors.

Table of The Board of Directors Composition and Basis of Appointment

Name	Position	Appointment Basis	Operational Effective Date
Kartika Wirjoatmodjo	President Director	Annual GMS dated March 21, 2016	May 17, 2016
Sulaiman Arif Arianto	Vice President Director	Annual GMS dated March 16, 2015	June 25, 2015
Royke Tumilaar	Director of Corporate Banking	Annual GMS dated May 23, 2011	July 25, 2017
Hery Gunardi	Director of Business and Network	Annual GMS dated April 2, 2013	July 4, 2013
Ahmad Siddik Badruddin	Director of Risk Management	Annual GMS dated March 16, 2015	June 25, 2015
Rico Usthavia Frans	Director of Information Technology and Operation	Annual GMS dated March 21, 2016	July 20, 2016
Darmawan Junaidi	Director of Treasury and International Banking	Extraordinary GMS dated August 21, 2017	January 12, 2018
Alexandra Askandar	Director of Institutional Relation	Annual GMS dated March 21, 2018	September 12, 2018
Agus Dwi Handaya	Director of Compliance	Annual GMS dated March 21, 2018	September 12, 2018
Panji Irawan	Finance Director	Annual GMS dated March 21, 2018	September 4, 2018
Donsuwan Simatupang	Director of Retail Banking	Annual GMS dated March 21, 2018	September 4, 2018

THE COMPANY BOARD OF DIRECTORS COMPOSITION AND BASIS OF APPOINTMENT AFTER EXTRAORDINARY GMS DATED JANUARY 7, 2019

The composition of the Board of Directors after the extraordinary GMS dated January 7, 2019 is 12 (twelve) members consisting of 1 (one) President Director, 1 (one) Vice Director and 10 (ten) Directors.

Table of The Board of Directors Composition and Basis of Appointment

Name	Position	Appointment Basis	Operational Effective Date
Kartika Wirjoatmodjo	President Director	Annual GMS dated March 21, 2016	May 17, 2016
Sulaiman Arif Arianto	Vice President Director	Annual GMS dated March 16, 2015	June 25, 2015
Royke Tumilaar	Director of Corporate Banking	Annual GMS dated May 23, 2011	July 25, 2017
Hery Gunardi	Director of Business and Network	Annual GMS dated April 2, 2013	July 4, 2013
Ahmad Siddik Badruddin	Director of Risk Management	Annual GMS dated March 16, 2015	June 25, 2015



Name	Position	Appointment Basis	Operational Effective Date
Rico Usthavia Frans	Director of Information Technology and Operation	Annual GMS dated March 21, 2016	July 20, 2016
Darmawan Junaidi	Director of Treasury and International Banking	Extraordinary GMS dated August 21, 2017	January 12, 2018
Alexandra Askandar	Director of Institutional Relation	Annual GMS dated March 21, 2018	September 12, 2018
Agus Dwi Handaya	Director of Compliance	Annual GMS dated March 21, 2018	September 12, 2018
Panji Irawan	Finance Director	Annual GMS dated March 21, 2018	September 4, 2018
Donsuwan Simatupang	Director of Retail Banking	Annual GMS dated March 21, 2018	September 4, 2018
Riduan	Commercial Banking Director	Extraordinary GMS dated January 7, 2019	May 15, 2019

THE COMPANY BOARD OF DIRECTORS COMPOSITION AND BASIS OF APPOINTMENT AFTER ANNUAL GMS DATED MAY 16, 2019

At the 2019 Annual GMS, it was decided that the nomenclature regarding the positions of members of the Board of Directors would be changed so that the composition of the Company Board of Directors after the Annual GMS dated May 16, 2019 is 12 (twelve) members consisting of 1 (one) President Director, 1 (one) Vice Director and 10 (ten) Directors.

Table of The Board of Directors Composition and Basis of Appointment

Name	Position	Appointment Basis	Operational Effective Date
Kartika Wirjoatmodjo*	President Director	Annual GMS dated March 21, 2016	May 17, 2016
Sulaiman Arif Arianto	Vice President Director	Annual GMS dated March 16, 2015	June 25, 2015
Royke Tumilaar	Director of Corporate Banking	Annual GMS dated May 23, 2011	July 25, 2017
Hery Gunardi	Director of Small and Network Businesses	Annual GMS dated April 2, 2013	July 4, 2013
Ahmad Siddik Badruddin	Director of Risk Management	Annual GMS dated March 16, 2015	June 25, 2015
Rico Usthavia Frans	Director of Information Technology and Operation	Annual GMS dated March 21, 2016	July 20, 2016
Darmawan Junaidi	Director of Treasury and International Banking	Extraordinary GMS dated August 21, 2017	January 12, 2018
Alexandra Askandar	Director of Institutional Relation	Annual GMS dated March 21, 2018	September 12, 2018
Agus Dwi Handaya	Director of Compliance and HR	Annual GMS dated March 21, 2018	September 12, 2018
Panji Irawan	Director of Finance and Strategy	Annual GMS dated March 21, 2018	September 4, 2018
Donsuwan Simatupang	Director of Retail Banking	Annual GMS dated March 21, 2018	September 4, 2018
Riduan	Commercial Banking Director	Extraordinary GMS dated January 7, 2019	May 15, 2019

* The term of office of the President Director of the Company, Mr. Kartika Wirjoatmodjo ends in connection with the appointment of the relevant Minister of SOE Republic of Indonesia on October 25, 2019.

THE COMPANY BOARD OF DIRECTORS COMPOSITION AND BASIS OF APPOINTMENT AFTER EXTRAORDINARY GMS DATED DECEMBER 9, 2019

The composition of the Board of Directors after the extraordinary GMS dated December 9, 2019 is 12 (twelve) members consisting of 1 (one) President Director, 1 (one) Vice Director and 10 (ten) Directors.

Table of The Board of Directors Composition and Basis of Appointment

Name	Position	Appointment Basis	Operational Effective Date
Royke Tumilaar	President Director	Extraordinary GMS dated December 9, 2019	Still in the process of fit and proper test.
Sulaiman Arif Arianto	Vice President Director	Annual GMS dated March 16, 2015	June 25, 2015
Alexandra Askandar	Director of Corporate Banking	Annual GMS dated March 21, 2018	September 12, 2018
Hery Gunardi	Director of Consumer and Retail Transaction	Annual GMS dated April 2, 2013	July 4, 2013
Ahmad Siddik Badruddin	Director of Risk Management	Annual GMS dated March 16, 2015	June 25, 2015
Rico Usthavia Frans	Director of Information Technology	Annual GMS dated March 21, 2016	July 20, 2016
Darmawan Junaidi	Director of Treasury, International Banking, and Special Asset Management	Extraordinary GMS dated August 21, 2017	January 12, 2018
Agus Dwi Handaya	Director of Compliance and HR	Annual GMS dated March 21, 2018	September 12, 2018
Panji Irawan	Director of Operations	Annual GMS dated March 21, 2018	September 4, 2018
Donsuwan Simatupang	Director of Institutional Relation	Annual GMS dated March 21, 2018	September 4, 2018
Riduan	Commercial Banking Director	Extraordinary GMS dated January 7, 2019	May 15, 2019
Silvano Winston Rumantir	Director of Finance and Strategy	Extraordinary GMS dated December 9, 2019	Still in the process of fit and proper test.

CLOSING

For the achievement of Bank Mandiri's performance this year, the Board of Directors would like to thank all those who have made the best contributions. To the shareholders and stakeholders, the Board of Directors would like to thank for the support given. The Board of Directors would like to thank the Board of Commissioners for the supervision and advice given to the Directors, so that the management of Bank Mandiri can run effectively and on target. The Board of Directors would also like to thank the entire management and employees for their high dedication to progress together so that the performance in 2019 has improved. Hopefully this year's performance can be maintained and increasingly grow in the following years. Going forward, Bank Mandiri will continue to be committed to spreading inspiration for the country's young generations.

Finally, to all customers and business partners it is an honor for Bank Mandiri to be able to serve with all our hearts, and we thank you for the trust given.

Jakarta, January 27, 2020
On behalf of the Board of Directors



Royke Tumilaar
President Director



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Responsibility for the 2019 Annual Report

We, the undersigned, hereby certify that all the information presented in this Annual Report of PT Bank Mandiri (Persero) Tbk. Year 2018 has been written comprehensively and that we shall assume full responsibility for the accuracy of this Company's Annual Report.

This statement is made correctly.

Jakarta, January 27, 2020

Board of Directors

Royke Tumilaar

(President Director*)

Sulaiman Arif Arianto

(Vice President Director)

Hery Gunardi

(Direktor of Consumer and Retail Transaction)

Ahmad Siddik Badruddin

(Direktor of Risk management)

Rico Usthavia Frans

(Direktor of Information Technology)

Darmawan Junaidi

(Direktor of Treasury, International Banking and
Special Asset Management)

Alexandra Askandar

(Direktor of Corporate Banking)

Agus Dwi Handaya

(Director of Compliance and Human Capital)

Panji Irawan

(Direktur Operation)

Donsuwan Simatupang

(Direktur Hubungan Kelembagaan)

Riduan

(Direktur Commercial Banking)

Silvano Winston Rumantir

(Direktur Keuangan dan Strategi*)

Board of Commissioners



Kartika Wirjoatmodjo*

(President Commissioner)



Moh. Chatib Basri*

(Vice President Commissioner)



Makmur Keliat

(Independent Commissioner)



Mohamad Nasir*

(Independent Commissioner)



Robertus Bilitea*

(Independent Commissioner)



Ardan Adiperdana

(Commissioner)



R. Widyo Pramono

(Commissioner)



Rionald Silaban*

(Commissioner)

*) Appointed at the Extraordinary General Meeting of Shareholders on December 9, 2019 and effective after obtaining approval from the OJK on the implementation of the Fit & Proper Test.

**) Appointed at the Extraordinary General Meeting of Shareholders on 28 August 2019 and effective after obtaining approval from OJK on the implementation of the Fit & Proper Test.



3

Company Profile



As of December 31, 2019, Bank Mandiri had 1 Head Office, 18,291 ATM networks and 2,817 office networks consisting of branch offices, sub-branch offices, foreign offices, cash offices and other office networks such as payment points, mobile cash and micro mobile cash.





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



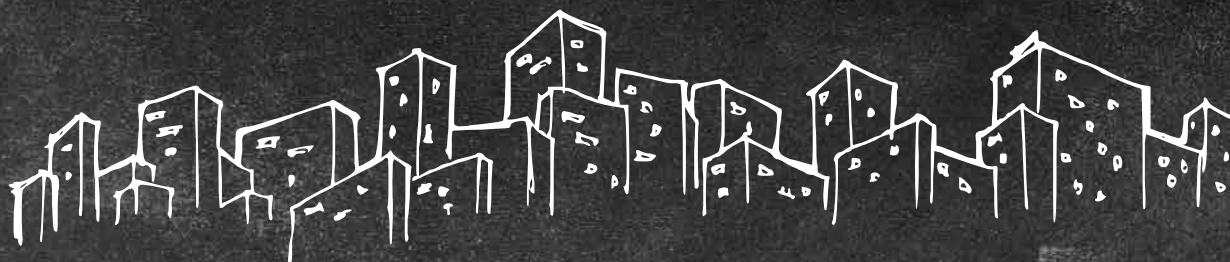
Management Discussion
and Analysis on Company Performance



Human
Capital

Company Identity

Company Name	PT Bank Mandiri (Persero) Tbk.
Short Name	Bank Mandiri
Line of Business	Banking
Date of Establishment	October 2, 1998
Legal Basis of Establishment	Deed No. 10 dated October 2, 1998, made before Sutjipto, S.H., a Notary, and has been approved by the Minister of Justice of the Republic of Indonesia Number. C26561. HT.01.01 TH 98 dated October 2, 1998, as well as has been announced in the State Gazette of the Republic of Indonesia Number. 97 dated December 4, 1998, and its Supplement Number. 6859.
Shareownership	The Government of the Republic of Indonesia 60% Public 40%
Authorized Capital	IDR16.000.000.000.000 (sixteen trillion Rupiah) consisted of 1 (one) Series A Dwiwarna share and 63,999,999,999 (sixty three billion nine hundred ninety-nine million nine hundred ninety-nine thousand nine hundred and ninety-nine) Series B shares, each having a nominal value of IDR250 (two hundred and fifty Rupiah).
Issued and Fully Paid-up Capital	IDR11,666,666,666,500 (eleven trillion six hundred sixty six billion six hundred sixty-six million six hundred sixty-six thousand and five hundred Rupiah) consisted of 1 (one) Series A Dwiwarna with a nominal value of IDR250 (two hundred and fifty Rupiah) and 46,666,666,665 (forty six billion six hundred sixty-six million six hundred sixty-six thousand six hundred sixty-five) Series B share with a nominal value of IDR250 (two hundred and fifty Rupiah).
Listing on Indonesia Stock Exchange	July 14, 2003
Stock Code	BMRI
SWIFT Code	BMRIIDJA
Office Network Data	<ul style="list-style-type: none"> 1 Head Office 139 Branch Offices 11 Subsidiaries 2,304 Sub-Branch Offices 140 Cash Offices 18,291 ATM 7 Overseas Branch Office 3 Sub-subsidiaries



Number of Employees	December 2019 39.065 person
Corporate Secretary	Rohan Hafas Telp. : 62-21 524 5299 Fax : 62-21 526 3460 Website : http://www.bankmandiri.co.id Email : Corporate.secretary@bankmandiri.co.id
Head Office Address	Plaza Mandiri Jl. Jenderal Gatot Subroto Kav. 36-38 Jakarta 12190 INDONESIA Telp. : 62-21 5265045 Fax : 62-21 5274477, 527557
Website	www.bankmandiri.co.id
Call Center	14000 ; (021) 52997777
Contact Address	<p>Corporate Secretary Corporate.secretary@bankmandiri.co.id</p> <p>Investor Relation Email : ir@bankmandiri.co.id http://ir.bankmandiri.co.id</p> <p>Customer Care Email : mandiricare@bankmandiri.co.id</p> <p>Social Media Facebook : https://id.facebook.com/officialbankmandiri/ Twitter : @bankmandiri Instagram : bankmandiri</p>
Subsidiaries	PT Bank Syariah Mandiri ("BSM") PT Mandiri Sekuritas PT Mandiri Tunas Finance ("MTF") PT AXA Mandiri Financial Services ("AXA Mandiri") PT Bank Mandiri Taspen Mandiri International Remittance Sdn. Bhd. ("MIR") Bank Mandiri (Europe) Limited ("BMEL") PT Asuransi Jiwa Inhealth Indonesia ("Mandiri Inhealth") PT Mandiri Utama Finance ("MUF") PT Mandiri Capital Indonesia ("MCI")
Sub-subsidiaries	PT Mandiri Manajemen Investasi ("MMI") Mandiri Securities Pte Ltd PT Mitra Transaksi Indonesia ("MTI")



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



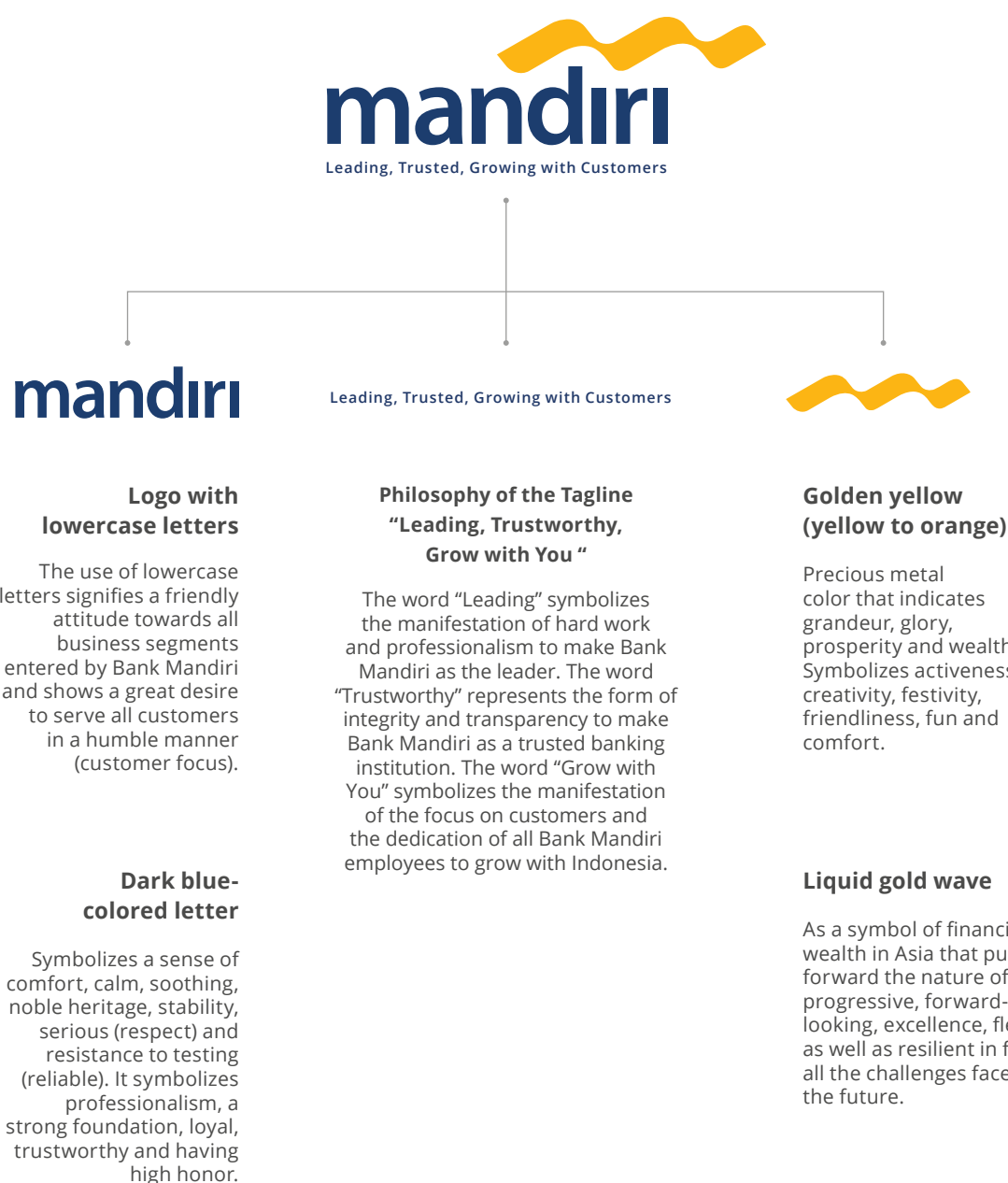
Management Discussion and Analysis on Company Performance



Human Capital

Company Brand

Brand identity of Bank Mandiri consists of a symbol, letter logo, color and tagline. In short, each item can be explained as follow:



Brief History of The Company

PT Bank Mandiri (Persero) Tbk. hereinafter referred to as “Bank Mandiri” was established on October 2, 1998 in the Republic of Indonesia under notary deed of Sutjipto, S.H., Number. 10 in conjunction to Government regulation No. 75 Year 1998 dated October 1, 1998.. The Deed of Establishment was ratified by the Minister of Justice of the Republic of Indonesia in Decree No. C2-16561.HT.01.01.TH.98 dated October 2, 1998, and was announced on Supplement No. 6859 in State Gazette of the Republic of Indonesia No. 97 dated December 4, 1998.

Bank Mandiri was established through the merger of PT Bank Bumi Daya (Persero) (“BBD”), PT Bank Dagang Negara (Persero) (“BDN”), PT Bank Ekspor Impor Indonesia (Persero) (“Exim Bank”) and PT Bank Pembangunan Indonesia (Persero) (“Bapindo”) (hereinafter collectively referred to as “Merged Bank”). Based on Article 3 of the Articles of Association of Bank Mandiri, the scope of activities of Bank Mandiri is to conduct business in the banking sector in accordance with the applicable laws and regulations. Bank Mandiri started its operations on August 1, 1999.

Articles of Association of Bank Mandiri have been amended several times, as lastly amended based on the Deed of Resolutions of the Annual General Meeting of Shareholders No. 21, dated April 11, 2018, made before Ashoya Ratam SH, Mkn, Notary in South Jakarta, in connection with the Ministry of State-Owned Enterprises Program (“SOE”) to standardize the Articles of Association of public SOEs. The Amendment was informed to the Minister of Justice and Human Rights of the Republic of Indonesia as specified in Letter No. AHU-AH.01.03-0172245 on the Receipt of Announcement on the Amendment to the Company’s Articles of Association of PT Bank Mandiri (Persero) Tbk., dated April 30, 2018, and was also listed in Company Register No. AHU-0061310.AH.01.11. Year 2018 dated April 30, 2018.





INFORMATION ON BUSINESS MERGER

At the end of February 1998, the Government of the Republic of Indonesia (hereinafter referred to as “the Government”) announced a plan to restructure the Merged Bank. In connection with the restructuring plan, the Government established Bank Mandiri in October 1998 by depositing cash and transferring Government shares to the Merged Bank. The difference between the transfer price and book value of shares at restructuring period was not calculated due to impracticality. All losses incurred during the restructuring period were recognized in the Recapitalization Program.

The restructuring plan was designed to incorporate the Merged Banks’ business into Bank Mandiri in July 1999 and Bank Mandiri’s recapitalization. The restructuring of the Merged Bank into Bank Mandiri includes :

- Restructuring of Loan;
- Restructuring of Non-credit assets;
- Rationalization of domestic and overseas branch offices;
- Rationalization of human resource.

Under the notarial deed made by Sutjipto, S.H., No. 100 dated July 24 , 1999, the Merged Banks were legally incorporated into Bank Mandiri. The Deed of

Merger was ratified by the Minister of Justice of the Republic of Indonesia under the Decree No. C-13.781. HT.01.04.TH.99 dated July 29, 1999 and approved by Bank Indonesia Governor under the Decree No. 1/9/ KEP.GBI/1999, dated July 29, 1999. Such merger was deemed valid by the Head of Department of Industry and Trade of South Jakarta through Decree No. 09031827089 dated July 31, 1999 that was an effective date of the merger.

On the effective date of the merger:

- All assets and liabilities of the Merged Banks were transferred to Bank Mandiri as the Surviving Bank;
- All operations and business activities of the Merged Banks were transferred and operated by Bank Mandiri;
- Bank Mandiri received an additional paid-in capital amounting of IDR1,000,000 (one million Rupiah) (full value) or equivalent to 1 (one) share of the remaining shares owned by the Government in each Merged Banks.

On such effective date, the Merged Banks were legally dissolved without any liquidation process and Bank Mandiri as the Surviving Bank received all rights and liabilities of the Merged Banks.

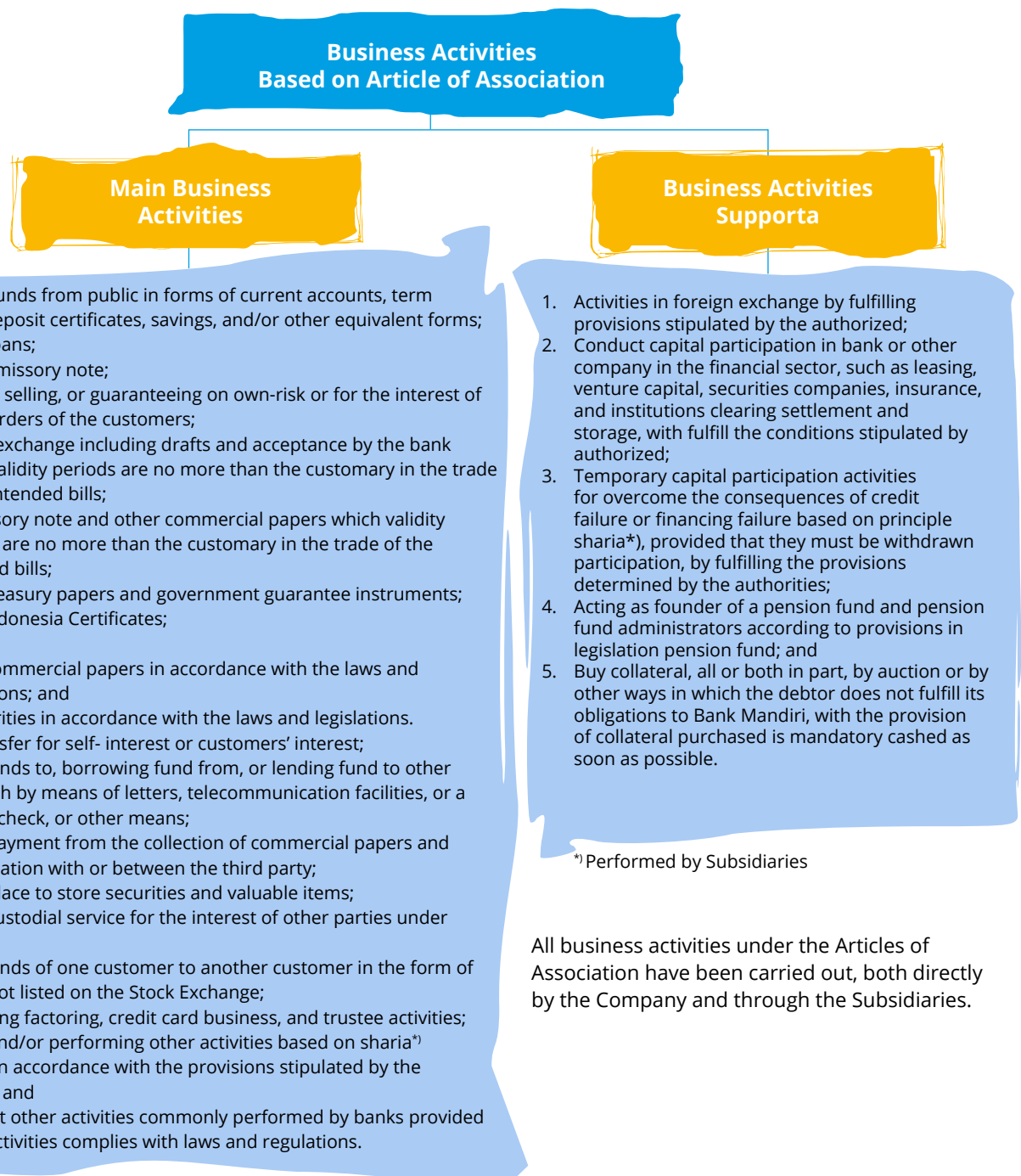
INFORMATION OF NAME CHANGE

In accordance with the brief history description, Bank Mandiri never changes its name since it was first established to date. However, the bank has made changes to its original status of a company from private company to a public company so that the company name become PT Bank Mandiri (Persero) Tbk. This amendment was effective on April 19, 2004 in accordance with the Decree of Senior Deputy Governor of Bank Indonesia No. 6/11/KEP.DGS/2004 dated April 19, 2004.

Line of Business

BUSINESS ACTIVITIES ACCORDING TO THE ARTICLE ASSOCIATION AND BUSINESS ACTIVITIES CONDUCTED

Based on Article 3 of the Articles of Association of Bank Mandiri, the scope of activities of Bank Mandiri is to conduct business in banking sector according to the applicable laws and regulations. Information on business activities based on Articles of Association on the scope of the Company's activities are :





PRODUCTS AND SERVICES

Bank Mandiri's business activities include a variety of deposit products, loan products, and various services described below.

INDIVIDUAL

SAVINGS

SAVINGS IN RUPIAH CURRENCY

Savings account in Rupiah currency for individual customers that can be opened, paid, or withdrawn in all Bank Mandiri Branches.

Savings in Foreign Exchange

Savings in foreign currencies for individuals who provide benefits, ease and convenience in transactions while investing to meet customer needs. It is equipped with Internet Banking, Mobile Banking, and Phone Banking services with balance inquiry function and transfer transaction in same currency. Mandiri Deposit in Foreign Exchange is available in 8 (eight) types of currency namely USD, SGD, JPY, EUR, CHF, GBP, AUD and HKD.

MANDIRI PLAN SAVING

This product is a savings account with Mandatory Monthly Deposit for a specified period of time. This product also comes with insurance coverage.

TABUNGANKU

This is a savings for Individuals. This savings comes with simple and convenient requirements and jointly organized by banks in Indonesia. It aims to foster saving culture and improve the community welfare.

DEPOSIT IN RUPIAH CURRENCY

Time deposit products in the form of rupiah, which can only be withdrawn at a certain time period according to the agreement between the customer and the Bank. The opening and closing of Mandiri Deposito Rupiah can be opened via all Bank Mandiri Branches and e-banking (Mandiri Online).

DEPOSITO VALAS

Time deposit products in the form of foreign currencies whose withdrawals can only be made within a certain period of time according to the agreement between the customer and the Bank. The opening and closing of Mandiri Deposito Rupiah can be opened via all Bank Mandiri Branches and e-banking (Mandiri Online).

**Freedom from
administration fees
with Mandiri
tabunganMU**



SAVING SERVICE

There is Autodebit Service for the payment of regular monthly bills, Automatic Fund Service for automatic regular fund transfers, and the transaction can be done through Mandiri SMS, Mandiri Online, Mandiri Call.

LOAN

MICRO MULTIPURPOSE CREDIT

Financing facilities provided to individual customers who have a fixed income or permanent profession, retirees or to certain target markets to finance various kinds of needs. This financing facility can be used for various needs such as: education, marriage, health, home renovation and other family needs.

MOTORCYCLE LOAN

A motor vehicle financing facility for individual customers which is processed through Mandiri's subsidiary, i.e. Mandiri Tunas Finance and Mandiri Utama Finance.

- **Mandiri Regular Motor Vehicle Loan**
New Motorcycle financing facilities for the purchase of passenger car and motorcycle categories.
- **Mandiri Multipurpose Motor Vehicle Loan**
Financing facilities for the purchase of goods and services with vehicle collateral, in the form of a passenger car or motorcycle category owned by the customer.

HOUSING LOAN

Consumptive loan provided by the bank to individuals for financing the purchase of new or old house, covering residence/shophouse/office house, apartment.

- **Mandiri KPR Milenial**
Financing the purchase of a house / apartment intended for millennial age communities with a larger credit limit benefit compared to regular KPR because they consider increasing income per year.
- **Mandiri KPR Take Over**
A feature of Mandiri KPR, i.e. the takeover of similar housing loan from another bank, with maximum credit limit of the current outstanding value at the originating bank or to the amount of the new credit limit according to the bank's calculation.
- **Mandiri KPR Top Up**
Feature of Mandiri KPR, i.e. the addition of credit limit to existing Mandiri KPR with fixed loan tenure or additional loan tenure so that the additional limit can be used to meet other necessities.
- **Mandiri KPR Multiguna**
Consumptive loan provided by the bank to individuals by using residence/shop house/ office house/apartment used for consumptive needs.
- **Mandiri KPR Multiguna Take Over**
The feature of Mandiri KPR Multiguna is in the form of the takeover of similar loans with Mandiri KPR Multiguna from other banks or companies that have been running for a certain period of time, with a maximum credit limit according to the Bank's calculation.
- **Mandiri KPR Multiguna Top Up**
The credit limits top-up for the Mandiri KPR Multiguna credit facility that has been running for a certain period of time that was used for the consumptive needs.
- **Mandiri KPR Duo**
A feature of Mandiri KPR used for the purchase of new residence/ apartment/shophouse at developer's project as well as the purchase of car/motorcycle/ furniture/home appliances.
- **Mandiri KPR Flexible**
A feature of Mandiri KPR which is used for the

purchase of residence/ shophouse/office house/ apartment with flexible installment (revolving) for a certain period of time or partially certain period of time from the credit limit earned.

- **Mandiri KPR Angsuran Berjenjang (Mandiri Tiered Installment Housing Loan)**
A feature of Mandiri KPR that is intended only for employees / professionals for the Purpose of purchasing a house that provides relief in the form of delaying payment of a portion of the principal installments until a certain year, then installments return to normal (installments of principal and interest).

CREDIT CARDS

TRAVEL

- **Visa Signature**
Credit card for the convenience of customers during traveling for holidays and business, outside and inside their country.
- **SKYZ Card**
Credit card which offers a number of benefit and programs to meet customers' traveling needs.
- **JCB Precious**
A credit card product that supports the lifestyle of the present-time cardholders, with the main benefits for traveling and online transaction.

AUTOMOTIVE

- **Mandiri Pertamina Card**
Credit card products for customers who are very concerned about the convenience of driving and for other needs related to vehicles and daily expenses.

GOLF

- **Mandiri Golf Signature/ Platinum/Gold**
Credit card specially presented for golf enthusiasts.

LIFESTYLE

- **Mandiri Visa Gold Card**
Credit card products to meet Gunakan Terus mandiri kartu kredit Anda customers' daily transactions.
- **Mandiri Visa Platinum Card**
Credit card products that are appropriate for customers' modern lifestyle, such as dining, shopping, and other lifestyle needs.



- **Everyday Card**

Credit card products to meet customers' daily transactions. This product is not marketed, only maintains renewal.

HYPERMART

Credit card with additional benefit for each purchase of groceries and household goods in Hypermart.

WORLD ELITE

Credit card product provided specially for Bank Mandiri's private banking customers, giving only the best service facilities and rewards.

INVESTMENT AND ASSURANCE

MUTUAL FUNDS

- **Money Market Mutual Funds**
Investment products with 100% placement of funds in money market instruments (deposits, tenor bonds <1 year, etc.).
- **Fixed Income Mutual Funds**
Investment products with placement of funds of at least 80% in bond instruments.
- **Balanced Mutual Funds**
Investment products with a maximum placement of funds of 79% in shares and / or bonds.
- **Share Mutual Fund**
Investment products with placement of funds of at least 80% in share instruments.

- **Protected Mutual Funds**

Investment products that provide protection for the initial investment (principal) through managing the portfolio mechanism.

- **Index Mutual Fund**

Investment products that are managed to obtain investment returns are similar to an index that is used as a reference.

INDONESIAN RETAIL BONDS AND RETAIL SUKUK

- **Retail State Bonds**

State Bond sold to an individual/ an Indonesian Citizen through a seller agent with a specified minimum volume.

- **Retail Sukuk**

State Bond issued under sharia principles as proof of participation in State Sharia Securities Assets, sold to individual/an Indonesian Citizen through a seller's agent with a specified minimum volume.

INSURANCE – AXA MANDIRI

- **General Insurance:**

- **Fire Insurance**

This insurance covers damages for the properties of the beneficiaries from disasters such as fire, lightning strikes, explosions, airplane crashes, smokes, and others with extended coverage against natural

disaster to guarantee customers' properties.

- **Automotive Insurance**

This kind of insurance gives protection for customers' personal vehicle with low premium.

- **Mandiri Travel Insurance**

This insurance covers the beneficiaries from personal accidents, treatment expenses, and any inconvenience suffered when traveling, with protection coverage nearly all over the world.

HEALTH INSURANCE – MANDIRI INHEALTH

- **Health and Protection:**

- **Mandiri Jiwa Sejahtera**

This product provides protection against life indeterminacy, such as death, with the minimum premium of IDR1.5 million/USD 300 per year.

- **Mandiri Jiwa Prioritas**

This product offers the benefits of life protection for death risk, with the flexibility in determining premium, and the Coverage starting from IDR2 billion according to the

mandiri

muda beli rumah dengan mandiri kpr milenial

Penawaran spesial untuk pegawai Bank Mandiri dalam memiliki rumah impian melalui program kpr milenial dengan promo suku bunga kompetitif dan berbagai benefit lainnya.

cicilan ringan | tanpa DP* | tenor panjang | limit lebih besar

#MUDA BELI RUMAH

20

QR code

#mudabelirumah
rumahimpianjadiberkah

saatnya miliki kendaraan impian dengan mandiri kkb

- Suku Bunga Rendah
- Persyaratan Mudah
- Proses Cepat

14000

Gunakan Terus mandiri kartu kredit Anda



customer's needs. As a part of customer convenience, this product provides a free medical check up service for the beneficiary with Coverage up to IDR3 billion.

- **Mandiri Mikro Sejahtera**
This is a micro insurance product for micro customers of Bank Mandiri, that provides death benefit for the risk of accidents or nonaccidents.
- **Mandiri Secure Plan**
This is a life protection product with the accidental death benefits amounting to 200% of the coverage, and return of premium in the end of the 5th year and end of the 10th year amounting in total to 110% of the total premium paid in 5 years, assuming that the policy is active and no claim is filed during such period.
- **Mandiri Heart Protection**
This is a product with the benefits of protection against heart attack, stroke, and death due to any cause, with

the return of premium paid in the 10th (tenth) anniversary of the Policy Date as the benefit, with the total return of 105% of the total premium paid in 10 years, assuming that the policy is active and no claim is filed during such period.

- **Mandiri Excellent Health**
This is a product that offers health protection benefit by providing access to health service in hospitals and reputable doctors all over the worlds and reimbursement for inpatient expenses as well as international emergency medical assistance at any moment (24 hours x 7 days).
- **Mandiri Health Insurance**
This is a product that offers health protection benefit that covers reimbursement for inpatient hospital room daily expense, ICU expense, surgery expense, up to the hospital travel expense, and 100% Return of premium paid assuming that no claim is filed in the period of 5 consecutive years.

- **Mandiri Hospital Life**
This is a product that offers health protection benefit for all family members by providing Coverage on death risk of 100% total return of premium paid in the first to fourth year, benefit for hospital inpatient care, benefit for inpatient care due to tropical diseases.
- **Mandiri Cancer Protection**
This is a product that provides cash benefit of up to IDR250 million in the event that the beneficiary is diagnosed with or deceased due to cancer. This insurance also gives premium discount of 10% in the first year, return of 25%, 50%, and 100% henceforward of the premium paid, assuming that no claim is filed until the end of the 3rd (third) year, 6th (sixth) year, 9th (ninth) year, and every 3 (three) years forward.

GENERAL INSURANCE JIWA SEJAHTERA – MANDIRI AXA GENERAL INSURANCE

- **Regular Premium Unit Link:**
 - **Mandiri Elite Plan**
It is a product that provides comprehensive protection complemented with features that will optimize life protection and profits of investment, with loyalty bonus as the benefit offered, given starting from the end of the 5th year since the Policy Date, to the end of the 8th (eighth) year.
 - **Mandiri Sejahtera Mapan**
This is a product that provides comprehensive protection for the beneficiary until his/ her age gets to 100 years, complemented with choices of supplementary insurance and investment fund that suit the customer's need.



- **Mandiri Sejahtera Mapan Syariah**
This is a product that provides benefits of comprehensive life protection in the form of investment for financial planning which is designed in accordance with the principles of sharia for the customers of Bank Mandiri in order to avoid uncertainty (gharar), gambling, usury, bribery, non-sharia compliant goods, and non-sharia compliant conducts in the event of misfortune.
- **Mandiri Sejahtera Cerdas**
It is a product to assist the customers of Bank Mandiri in financial planning to ensure that the education financial for their children is wellprepared, supplemented with protection that covers the risk of death and total permanent disability, and flexibility in determining Premium and Coverage.
- **Single Premium Unit Link:**
 - **Mandiri Investasi Sejahtera Plus**
This product offers the benefits of life insurance amounting to 125% of single premium for death risk, with investment. The single premium payment system of this product offers loyalty bonus given starting from the end of the 10th(tenth) year and every 5 years forward.

- **Mandiri Investasi Sejahtera Plus Syariah**
This product provides life insurance against death risk, in the form of investment managed according to sharia principles to assist in financial planning, free from any uncertainty (gharar), gambling, usury, bribery, non-sharia compliant goods, and non-sharia compliant conducts.

E-BANKING

MANDIRI SMS

This product is an e-banking service to access account using mobile/HP. This transaction may be made via Mandiri SMS i.e. Financial and nonfinancial transactions.

MANDIRI ONLINE

This product is an integrated service between Mandiri Internet and Mandiri Mobile. It comes with a new update to provide more comfort and convenience in providing information and conducting financial transaction activities.

MANDIRI E-MONEY

This is a chip based Electronic Money issued by Bank Mandiri instead of paying in cash for payment transaction.

MANDIRI ATM

The banking service through the Mandiri ATM machines, by using the Mandiri Debit Card to access the Mandiri Saving account or Mandiri Current Account.

BUSINESS

SAVINGS

SAVINGS BUSINESS

This product is a savings product intended for individual or non-individual business persons. It comes with features and benefits i.e. ease of transactions with Mandiri Debit Bisnis and Mandiri Internet Business, transaction details on savings book, sweep and auto debit services.

DEPOSIT IN RUPIAH CURRENCY

This product is a time deposit in rupiah currency. The withdrawal may only be made at a certain period according to the agreement between the customer and the Bank. The opening and closing of Mandiri Deposito Rupiah can be made via Bank Mandiri branches and e-banking (Mandiri SMS, Mandiri Internet, or Mandiri Call). Mandiri Deposito Rupiah provides comfort and security in investment. It comes with competitive interest rates and various other benefits.

DEPOSIT IN FOREIGN EXCHANGE

This product is temporary saving product in which the withdrawal may only be made at a certain period according to the agreement between the customer and the Bank. The opening and closing of Mandiri Deposito Valas can be made via Bank Mandiri branches and e-banking (Mandiri SMS, Mandiri Internet, or Mandiri Call for USD). Mandiri Deposito Valas provides comfort, security, and benefits in investment. It comes with competitive interest rates and various other benefits.

Giro Rupiah (Rupiah Current Account)

A deposit account in Rupiah that can be withdrawn at any time by using Checks, Bilyet Giro, other payment order facilities or by transfer.

GIRO VALAS (FOREIGN CURRENCY CURRENT ACCOUNT)

A deposit account in foreign currency that can be withdrawn every time by using Letter of Authorization (LOA).

LOAN

UMKM (MSME)

- **Work Capital Loan**
Credit facilities provided to meet working capital needs that are exhausted in one business cycle and / or specific working capital requirements such as to finance inventory / accounts / projects or other special needs.
- **Investment Loan**
Credit facility provided to finance the needs for capital goods in order to rehab, modernize, expand, establish new projects and or other purposes pertaining to investments.
- **Kredit Usaha Rakyat (KUR) (People's Business Loan)**
Loan for the financing of feasible yet non-bankable micro, small, and medium enterprises and cooperatives to obtain working capital and/or investment loan through direct or linkage credit, insured by Credit Insurance Agency.
- **Micro Business Loan (KUM)**
Investment Loan facilities and/ or Working Capital Loan facilities for developing micro productive or consumptive business on micro-scale financing facilities

can be given to all micro-business owners and household businesses in the form of companies, business groups and individuals (such as traders, farmers, farmers and fishermen).

CORPORATE

- **Work Capital Loan**
Credit facilities provided to meet working capital needs that are exhausted in one business cycle and / or specific working capital requirements such as to finance inventory / accounts / projects or other special needs.
- **Investment Loan**
Credit facility provided to finance the needs for capital goods in order to rehab, modernize, expand, establish new projects and or other purposes pertaining to investments.

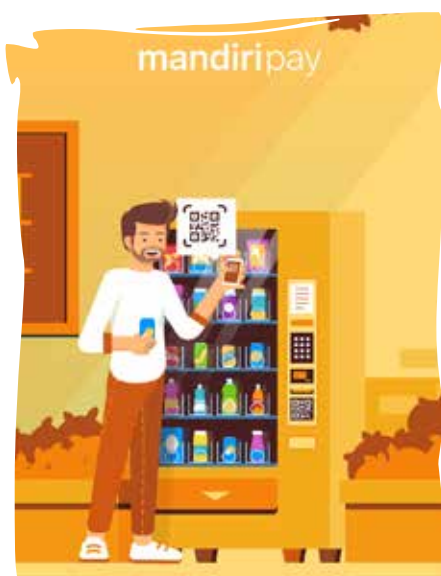
CORPORATE CARD

Credit card presented to facilitate business travel transactions of Corporate employees. This facility provides convenience for companies in controlling their employees' expenditure.

CASH MANAGEMENT

MANDIRI CASH MANAGEMENT

This is an Internet-based e-banking service provided by the Bank for Customers for various financial activities i.e. information access, various transaction types based on current Mandiri Cash Management feature and soon-to-be developed in the future.





MANDIRI BILL COLLECTION

This product is a service for company requiring identification of receipt in bulk from Customers while providing payment alternative channel for the Customers.

MANDIRI HOST TO HOST PAYMENT

This product is a payment service using account debiting through integration between Bank and Customer system. This service can accommodate format-based Transaction of Online Messaging and Message of File.

MANDIRI AUTO DEBIT

This product is a debiting service of fund from Payment Account under the name of Payer addressed to the Biller account under the predefined agreement from the account holder.

SECTOR SOLUTIONS

MANDIRI HOSPITAL APPLICATION SOLUTION (MHAS)

Digital service provides ease for hospital in running its business process, such as in receiving payment from the patient.

TRADE FINANCE

FINANCIAL SUPPLY CHAIN MANAGEMENT

Financial Supply Chain Management is an on line service that provides transaction ease till business reconciliation of Your Supply Chain.

- **Account Receivable Financing**
An acceleration of billing payment facility provided by Bank Mandiri for supplier Bank Mandiri customers. Those facilities such as: Supplier Financing, Invoice Financing, PO Financing, and others. This facility can be enjoyed by SOEs Company or Public Company customers with a good reputation, Customers who have a minimum of 50 (fifty) suppliers and Customers with an Outstanding Days Payable maximum of 180 (one hundred and eighty) days.
- **Account Payable Financing**
Deferred Payment facility provided by Bank Mandiri to protect customers' Cash Flow Gap. Those facilities such as: Distributor Financing, and eBiz Financing. These facilities can be enjoyed by customers, such as: A reputable company that has a wide

share market, customers who have a minimum of 25 (twenty five) distributors spread throughout Indonesia and customers who have a maximum transaction cycle of 90 (ninety) days.

EXPORT

- **Receivables Financing**
Trade financing for customers who act as sellers during pre delivery financing or PO financing and/or acceleration of billing payment from buyer for the selling of goods or services in local trade transactions.
- **Pre Export Financing**
Trade financing facility provided by the Bank for Sellers for pre-shipment financing to meet an order in a trade transaction, both with LC or Non-LC.
- **Post Export Financing**
This product is a LC or Non-LC based document and/or draft acquisition allowing Customers to receive payment immediately after presenting document to the Bank to facilitate Customers' cash inflow. This draft acquisition can be made by a means of negotiation/discount with recourse or without recourse/Forfeiting rights.

IMPORT

- **Impor Documentary Collection**
Payment is made after there is a confirmation that the good delivered is in good condition, and it is evidenced by the document. It can also provide security to suppliers abroad because payment will be received, when the Customers provide confirmation.
- **Impor Letter of Credit**
Payments issued by Bank Mandiri to suppliers abroad if they can present documents in accordance with the issued Letter of Credit. This will increase the credibility of the Customer for the Supplier.
- **Deferred Payment**
This is a payment solution from Bank Mandiri for its Customers' Account Payable under LC and Non-LC transaction standards. This facility enables the Customers to delay payment over goods purchased by the Customers without reducing the credibility of the Customer for Supplier.
- **Shipping Guarantee**
This product is a guarantee issued by the Bank to the shipping company for the benefit of the customer or importer over the guarantee letter issued by the customer or importer related to the export or purchase of local goods, based on the copy of the Bill of Lading (B/L) document due to the original B/L has not been received.

VALUE CHAIN

This facility overcomes customers' cash flow gap and increase business volume through payment facilities to the customers by using an easy transaction that can be done at anytime and anywhere (through on line Portal).

BANK GUARANTEE AND STANDBY LC

- **Bank Guarantee**

This product is the Bank's guarantee to the Beneficiary in which the Bank binds itself to pay a certain amount of money in case of default from the guaranteed party related to the underlying agreement/contract.

- **Issuance of LC Standby**

This product is an irrevocable Bank's written pledge that is issued at the request of the customer to pay the beneficiary if the documents submitted comply with the requirements of the documents listed in the LC Standby.

LOCAL TRADE

- **Issuance of LC/SKKBDN**

This product is Bank Mandiri's irrevocable payment pledge as the Issuing Bank to the beneficiary if the recipient submits documents to the Issuing Bank and such documents must comply with the LC terms and conditions. For domestic transaction, Business persons uses domestic LC known as Surat Kredit Berdokumen Dalam Negeri (SKBDN)(Domestic Letter of Credit).

- **Receivables Financing**

Trade financing for customers who act as sellers during pre delivery financing or PO financing and/ or acceleration of billing payment from buyer for the selling of goods or services in local trade transactions.

TREASURY

CASH TRANSACTION

- **FX Today**

This is a transaction to exchange a currency against another currency on a same-day delivery basis.

- **FX Tom**

This is a transaction to exchange a currency against another currency on the day of the transaction. The money will be delivered in one business day following the date of the transaction.

- **FX Spot**

This is a transaction to exchange a currency against another currency on the day of the transaction. The money will be delivered in two business days following the date of the transaction.

- **Banknote in Foreign Currency**

This is the banknote in foreign currency legally issued by a country outside Indonesia and is recognized as a valid payment instrument of the country concerned.

HEDGING PRODUCTS

- **FX Forward**

This is a hedging product. It is a transaction/ contract of sale or purchase of a currency against other currency in certain amount and price with the submission and receipt of such funds are going to be exercised more than 2 (two) working days following the date of the transaction.





- **Par Forward**

This is a series of F X forward transactions that have different due dates using a single rate as agreed at the beginning of the transaction. date, and both transactions are made at once with the same counter party.

- **FX Option**

This is a hedging product which is a transaction/ contract entitling rights (instead of liabilities) to the option buyer to purchase or sell a currency against another currency at a predetermined price (strike price) for a certain period by paying significant amount of premium to the seller option.

- **Interest Rate Swap (IRS)**

This is a hedging product that is a contract/ transaction between two parties to change in interest rate payment from floating rate into fixed rate or vice versa without principal payment.

- **Cross Currency Swap (CCS)**

This is a hedging product that is a contract/ transaction between two parties to exchange principal and interest payment in two different currencies over an agreed period of time.

- **Mandiri Call Spread**

This is a hedging product that is a combination of Buy Call Option and Sell Call Option transactions with two different conversion rates.



INVESTMENT PRODUCT

- **Government Securities Notes (SBN)**

This is a securities issued by the government in the form of acknowledgment of indebtedness letter the payment of interest and principal of which is guaranteed by the Republic of Indonesia based on its validity period.

- **Retail Securities Notes**

This is a securities issued by the government particularly intended for retail investor/individual by determining minimum nominal terms of purchase in small quantities The term of retail secures is at most 3 years. The payment of principal and coupon is guaranteed by the government.

- **Mandiri Deposit Swap (MDS)**

This is an investment product in foreign currency which is a combination of deposit product and foreign exchange transaction. MDS provides higher yields than conventional savings products and has the characteristic of principal protected (protected deposit placement).

- **Mandiri Dual Currency Investment (MDCI)**

This is an investment product in foreign currency which is a combination of deposit product and FX option exchange sales transaction by the customers. MDCI provides higher yields than conventional savings products. It has the characteristic of non-principal protected (non-protected deposit placement) as well.





FINANCIAL INSTITUTION

CUSTODIAL SERVICES

- **General Custody**
This product is a custodial service for securities listed in BEI, shares investment, securities, etc.
- **Sub Registry of Sovereign Letter (SUN) and Bank Indonesia Certificate (SBI)**
This product is a custodial service for depository and settlement of SUN and SBI transactions.
- **Custody for ADR/GDR Program**
This a service where the Bank acts as local Custodial for a transaction of dual/multi listing shares.
- **Mutual Fund Administration**
This is a service where the Bank acts as a local Custodial for a transaction of dual/multi listing shares.
- **Discretionary Fund Administration**
This is a service provided by Bank for investment administration from mutual fund.
- **Custody Euroclear**
This is a service where the Bank acts as a direct member and provides custodial service for securities listed in Euroclear Brussels.
- **KIK-EBA Administration**
This is a services provided by Bank for investment administration from KIK EBA.

TRUST SERVICES

- **Trustee**
Services provided by Bank Mandiri to Legal and Institutional Institutions
The government will issue Bonds / Sukuk or other Debt Notes.
- **Paying Agent**
Services provided by the Bank to:
 - Legal Institution and Government Institution that will issue Bonds/ MTNs with a draft in which coupon payment and Bonds/MTNs with a draft in which coupon payment and Bonds/MTN Notes are made without going through KSEI.
 - Company that makes payment for dividends to their shareholders that do not have Securities Account in a Custodian or Securities Company.
- **Security Agent**
Services provided by Bank Mandiri to customers who will conduct bilateral transactions/multilateral where in the transaction there are collateral items that must be stored and managed by the Security Agent as an independent party under the Trustee / Security Agreement Agent that has been signed by the parties.
- **Escrow Agent**
Services provided by Bank Mandiri to parties who conduct bilateral / multilateral transactions where parties need an independent party to save and administer funds the transaction is in accordance with the provisions agreed by the parties.
- **Receiving Bank**
Services provided by Bank Mandiri to Legal Entity Institutions that will do it Initial Public Offering (IPO) of shares.

E-BANKING

MANDIRI EDC

It is an Electronic Data Capture (EDC) machine available at / merchants as a tool functioned to receive Mandiri Electronic Card transactions through Visa International Network and Bank Mandiri.

MANDIRI INTERNET BISNIS

This product is an e-banking service to conduct financial and non-financial transactions using Internet banking application. Such application is provided for business Customers from individual and Corporate segments especially small and medium Enterprise category. Feature contained in Mandiri Internet business service i.e. general information on the account, transfer, payment, purchase, administration, business information, and business activities.



Map of Operational Areas

As per December 31, 2019, Bank Mandiri had 1 Head Office, 18,291 ATM networks, and 2,817 office networks consisting of branch offices, sub-branch offices, overseas offices, cash offices, and other office networks such as payment points, mobile cash, and micro mobile cash.

Table of Office Network for the past 5 (five) years

Type of Office	2019	2018	2017	2016	2015
Head Office	1	1	1	1	1
Branch Office	139	139	139	139	137
Overseas Branch Office	7	7	7	7	8
Sub-Branch Office	2.304	2.321	2.315	2.261	2.076
Cash Office	140	172	177	199	244
Other Type of Office	231	216	215	182	171
• Payment Point	145	130	129	117	106
• Mobile Cash	59	59	59	59	59
• Micro Mobile Cash Office	27	27	27	6	6
ATM	18.291	17.376	17.766	17.461	17.388

Table of Office Network Per Region of 2019

Region	Type of Office						
	Branch Office	Sub-Branch Office	Office Cash	Other Office Network			
				Payment Point	Cash Mobile	Micro Mobile Cash Office	ATM
Region I/Sumatera 1	18	244	15	26	4	2	1.548
Region II/Sumatera 2	14	213	2	7	8	4	1.126
Region III/Jakarta 1	12	237	37	10	1	2	2.761
Region IV/Jakarta 2	10	208	22	15	1	1	2.402
Region V/Jakarta 3	8	167	18	4	1	1	2.132
Region VI/Jawa 1	9	216	4	10	-	2	1.462
Region VII/Jawa 2	10	256	4	40	7	3	1.593
Region VIII/Jawa 3	12	297	13	13	10	2	2.333
Region IX/Kalimantan	12	144	11	6	16	3	955
Region X/Sulawesi dan Maluku	19	159	8	6	5	3	895
Region XI/Bali and Nusa Tenggara	5	111	6	3	4	2	734
Region XII/Papua	10	52	3	3	2	2	336
Overseas Branch Office	1		1				14
TOTAL	140	2.304	144	143	59	27	18.291

Region I/Sumatera 1
Uniland Building 6th Floor,
MT Haryono Street A-1
Medan, 20231

Region II/Sumatera 2
Kapten A. Rivai Street No.
100 B
Palembang, 30135

OVERSEAS BRANCH OFFICE

- Bank Mandiri (Europe) Limited, London**
Cardinal Court (2nd Floor) 23 Thomas More Street, London E1W1YY United Kingdom
- Bank Mandiri Shanghai Branch**
Bank of Shanghai Tower 12th Floor, No. 168 Ying Cheng (M) Road, Pudong Area Shanghai 200120
- Bank Mandiri Hongkong Branch**
7th Floor, Far East Finance Centre 16 Harcourt Road, Hong Kong
- Remittance Office Hongkong**
Shop 3.G/F. Keswick Court 3 Keswick Street Causeway Bay, Hongkong Cardinal Plaza 3rd Floor, #30 Cardinal
- Mandiri International Remittance Sdn. Bhd.**
Wisma MEPRO Ground & Mezzanine Floor 29 & 31 Jalan Ipoh Chow Kit, Kuala Lumpur Malaysia 51200
- Bank Mandiri Singapura Branch**
3 Anson Road #12-01/02 Springleaf Tower Singapore, 079909
- Bank Mandiri Dili - Timor Leste Branch**
25 Rua de Abril No.10 Colmera Dili-Timor Leste
- Bank Mandiri Dili - Timor Plaza - Timor Leste Branch**
Timor Plaza – Unit #/Unidade No. #203; 233; 204; 230; 231; 232
Jl. Nicolau Lobato, Comoro Dili - Timor Leste

REGIONAL OFFICES

- Region III/Jakarta 1**
Lapangan Stasiun Street No. 2 Jakarta Barat, 11110
- Region IV/Jakarta 2**
Kebon Sirih Street No. 83 Jakarta Pusat, 10340
- Region V/Jakarta 3**
Jend. Sudirman Street Kav. 54-55 Jakarta Selatan, 12190
- Region VI/Jawa 1**
Soekarno Hatta Street No. 486 Bandung, 40266
- Region VII/Jawa 2**
Pemuda Street No. 73 Semarang, 50139
- Region IX/Kalimantan**
Lambung Mangkurat Street No. 3 Banjarmasin, 70111
- Region VIII/Jawa 3**
Basuki Rahmat Street No. 2-4 Surabaya, 60271
- Region X/Sulawesi dan Maluku**
R.A. Kartini Street No. 12-14 Makassar, 90111
- Region XI/Bali dan Nusa Tenggara**
Veteran Street No. 1 Denpasar, 80111
- Region XII/Papua**
Dr. Sutomo Street No. 1 Jayapura, 99111



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



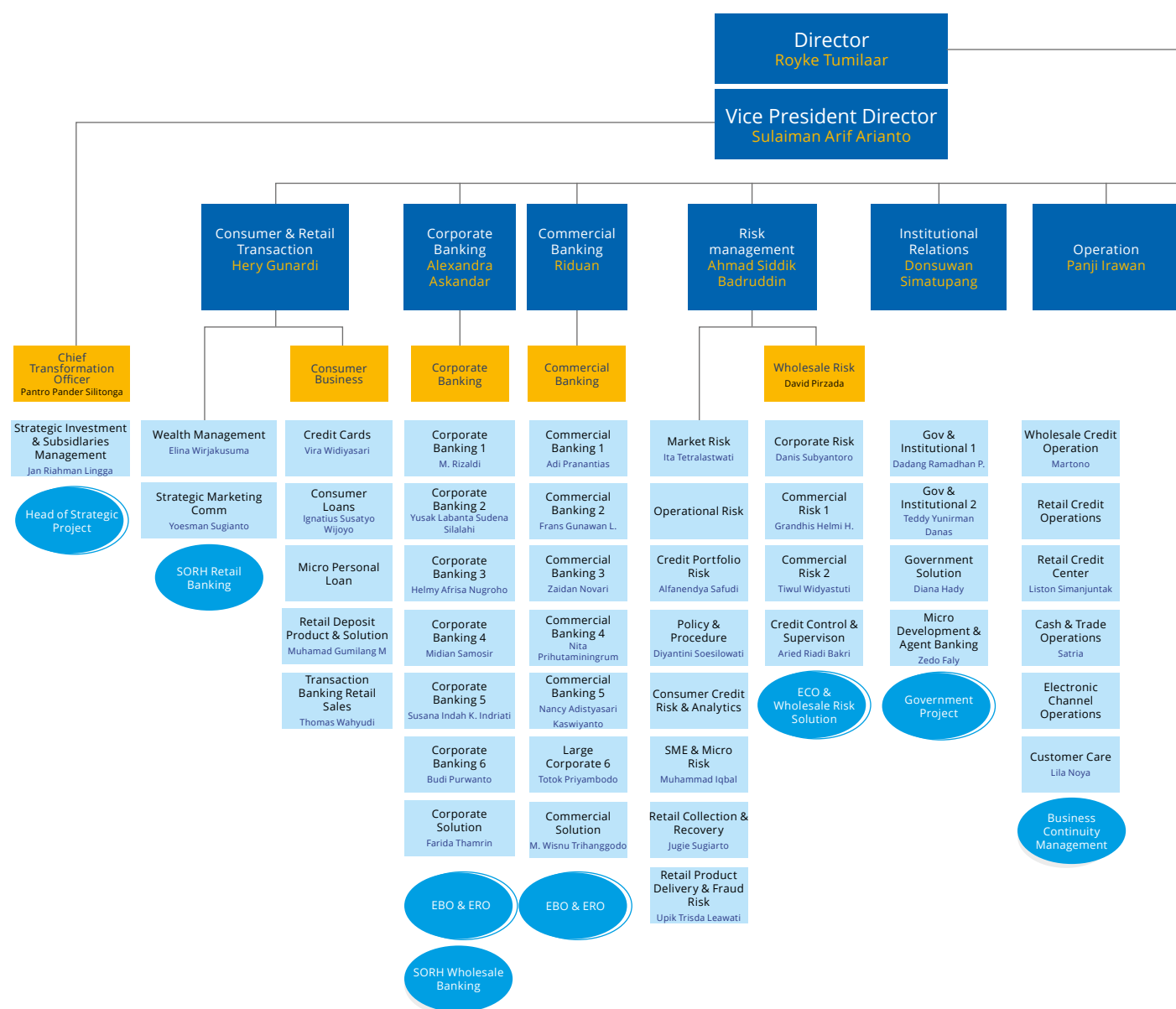
Management Discussion and Analysis on Company Performance



Human Capital

Organizational Structure

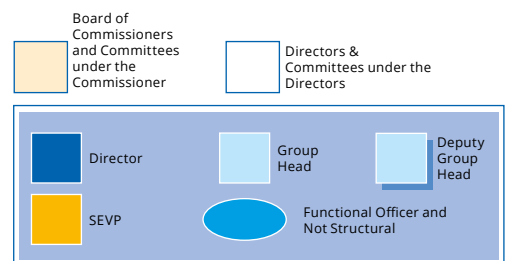
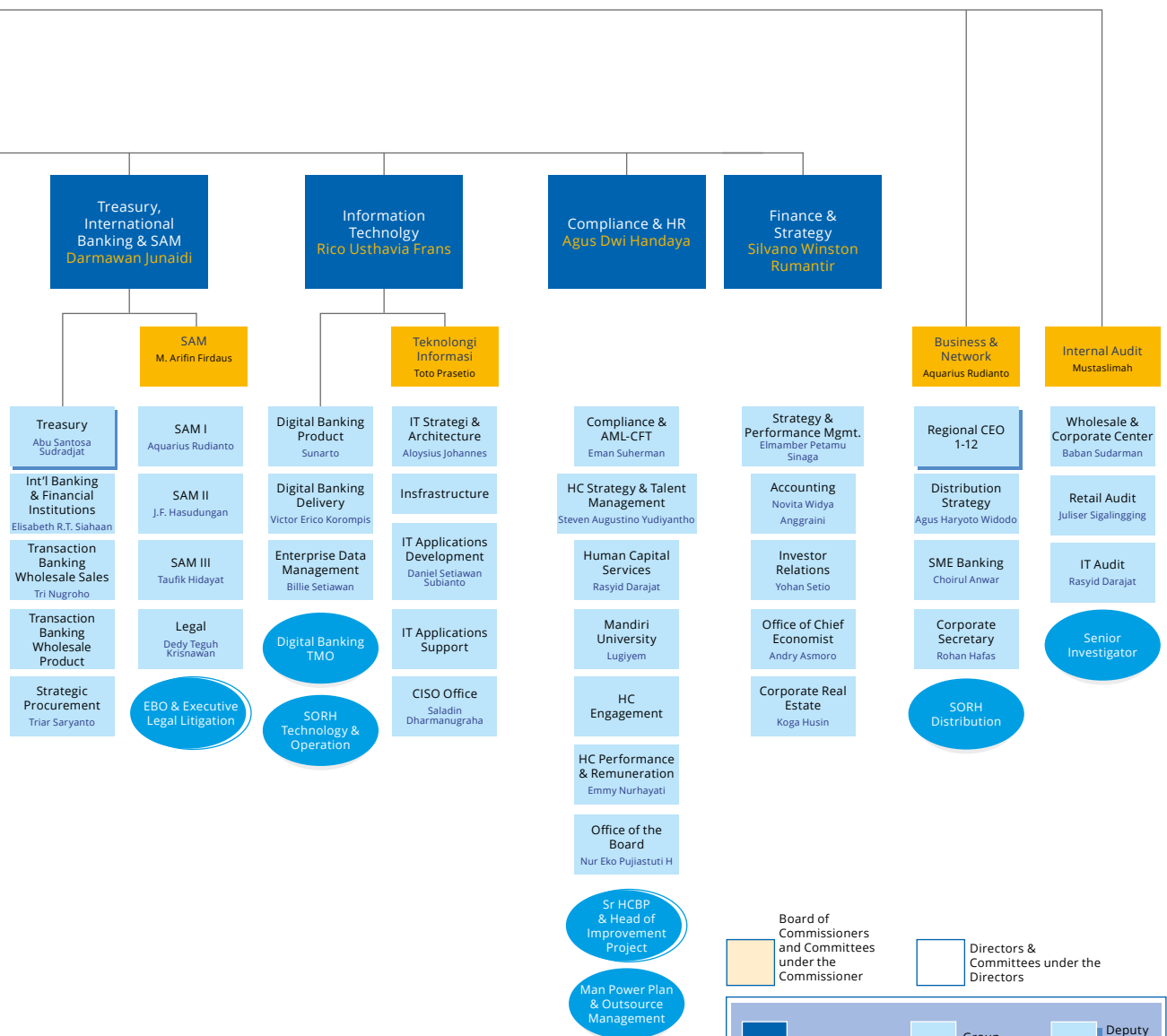
As the Company's business grows, Bank Mandiri's Organizational Structure has undergone several changes. The last change was made in December 2019 as stated in the Decree of the Board of Directors No. KEP.DIR/070/2019 on Organizational Structure dated December 12, 2019.



Attachment to Board of Directors Decree No. KEP.
DIR / 070/2019 dated December 12, 2019

BOARD OF COMMISSIONERS	
Audit Committee	Risk Monitoring Committee
Remuneration & Nomination Committee	Integrated Corporate Governance Committee

DIRECTOR				
Business Committee		Assets & Liabilities Committee	Capital & Subsidiaries Committee	Information & Technology Committee
Risk Management & Credit Policy Committee	Policy & Procedure Committee	Credit Committee	Integrated Risk Committee	Human Capital Policy Committee





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Vision, Mission and Corporate Culture

2016 – 2020

Corporate Plan Restart
(Indonesia's Best, ASEAN's Prominent)



2015 – 2020

Corporate Plan
(The Best Bank in ASEAN by 2020)



2010 – 2014

Indonesia's Most Admired
and Progressive Financial Institution



2005 – 2009

Dominant Multi Specialist
(Regional Champion Bank)



2003 – 2005

Domestic Power House
(Regional Champion Bank)

Vision

Bank Mandiri's long-term vision in 2020 is to become Indonesia's best, ASEAN's prominent with key milestones including:

- a. Achieving the value of Market Capitalization of IDR500 trillion in 2020,
- b. Year on year credit growth is 3% above the market, and
- c. Become an employer of choice in Indonesia.

The description of the said vision is as follows:

- a. Commits to build a long term relationship with business and individual customers based on trust. Bank Mandiri serves every customer with compliance to the international service standards through innovative financial solutions. It also strives for recognition for the best performance, human capital, and teamwork.
- b. Actively participates in driving long term growth of Indonesia and consistently provides high return for the shareholders.

Mission

To support the Vision, the Missions of Bank Mandiri have been stated as follows:

- a. Oriented towards market needs fulfillment
 - 1) Prioritizing the interest of customers.
 - 2) Providing the best service in a professional and friendly manner.
 - 3) Suggesting competitive and secured products.
- b. Developing professional human capital
 - 1) Providing equal job opportunity for everyone.
 - 2) Recruiting, training, and developing human capital based on skills and capabilities.
 - 3) Providing reward and promotion to compensate achievement and dedication
- c. Gaining maximum benefit for the stakeholders.
 - 1) Provides maximum profit to all interested parties.
 - 2) Ensuring profit growth and increase sustainable.
- d. Implement open management
 - 1) Providing maximum benefits to all concerned parties.
 - 2) Ensuring sustainable growth and profit increase.

- e. Caring for social and environmental issues
Taking into account social interests and environment in making decisions.

To support Bank Mandiri in transforming into a banking institution that pays attention to the Environment, Social, and Governance (LST) aspects in its operations, on November 28, 2018, Bank Mandiri has carried out adjustment in the Mission scope by incorporating the LST elements in a sustainable context as follows:

- a. Carry out operations and good Corporate governance in banking operations and activities, and
- b. Contribute to sustainable growth by considering economic, environmental and social needs.



REVIEW ON VISION AND MISSION BY THE BOARD COMMISSIONERS AND DIRECTORS

In order to ensure the compatibility of the Vision and Mission of Bank Mandiri that has been running, Bank Mandiri always reviews the Vision and Mission every 5 (five) years. Whereas the achievement of milestones is always reviewed every 6 (six) months, both for short and medium term targets, namely by implementing a Mid-Year Retreat and End of Year Retreat which is attended by all Directors and Senior Executive Vice Presidents (SEVP). During 2018, Board Retreats were held twice, that were on March 15-16 2019 and October 13-15 2019.

Besides being attended by top management (Board of Directors and SEVP), Bank Mandiri also invited independent parties in the Board Retreat to review the Vision and Mission and the achievement of several main indicators so that Bank Mandiri's Vision in 2020 can be achieved in accordance with agreed targets.

The Company's visions and missions have been discussed and approved by the Board of Directors and the Board of Commissioners. Adjustments are made to the scope of the Mission in response to the implementation of sustainable finance, as stated in the Sustainable Financial Action Plan (RAKB) which was approved by the Board of Directors and the Board of Commissioners and submitted to FSA (Financial Services Authority) on November 28, 2018.

CORPORATE CULTURE

To improve Human Capital quality in connection with the era of digitalization with the majority of employees consisting of millennials, a cultural revamp has been carried out systematically for the betterment of Work Cultures based on core values, i.e. Trust, Integrity, Professionalism, Customer Focus, and Excellence, Code of Conduct, and Business Ethics as a foundation to build Mandirians of resilient characters. The cultural revamp efforts generate 5 new Bank Mandiri Work Cultures, including Satu Hati Satu Mandiri (One Heart One Mandiri), Mandirian Tangguh (Strong Mandirian), Tumbuh Sehat (Growing Healthy), Memenuhi Kebutuhan Pelanggan (Fulfilling Customer Needs), and Bersama Membangun Negeri (Together Build The Nation) that serve as guidelines for ways of thinking, acting, and behaving daily.

Explanation of 5 (five) new work cultures is as follows

One Heart one Mandiri

All Mandirian must prioritize the interests of Mandiri above other interests, collaborate, and have empathy and mutual respect.

Strong Mandirian

The entire Mandirian must have a pattern learners think, work smart, agile, adaptive and solutive, and have a high intrapreneurship and resilience.

Growing Healthy

All Mandirian must be able to think and act in a balanced manner, not just pursuing Key Performance Indicator (KPI) only, but also able to control risk, make process improvements, and improve capabilities to build a business a long-term (sustainable) sustain.

Fulfilling Customers' Needs

Explore needs and maintain professional relationships with customers, and can provide solutions to meet customer needs appropriately.

Together Build The Nation

Behavior of Mandirian who can interpret work, as well as contribute and a balanced role as an agent of development.



With the new cultural changes, the 11 (eleven) main behaviors of Bank Mandiri were adjusted back to 13 (thirteen) main behaviors as the behavior guidelines of Mandiri people. Those 13 (thirteen) main behaviors are as follows.



One Heart One Mandiri

1. **Prioritizing Mandiri interests:** I act and make decisions by prioritizing the interests of Mandiri above personal and other parties' interests.
2. **Collaboration:** I collaborate and support each other selflessly to achieve the best results.
3. **Empathy and respect:** I treat others as individuals who should be appreciated.

Strong Mandirian

4. **Code of Conduct and Business ethics:** I work with always adhere to the code of conduct and business ethics.
5. **Learner mindset:** I continually add knowledge, capabilities and insights from various sources, experiences, and feedback.
6. **Smart work, Agile, Adaptive and Solution Oriented:** I understand the context and essence of work to complete work in an effective and productive way and always focus on providing solutions.
7. **Intrapreneurship:** I am actively seeking and exploiting opportunities to maximize business potential.

Growing Healthy

8. **Think and act balanced:** I act by balancing various factors (processes, capabilities, risks, etc.) to achieve sustainable results.
9. **Continuous:** I balance performance achievement for long-term sustainability.



Fulfilling Customers' Needs

10. **Explore and meet customer needs:** I actively explore customer needs including market conditions and competition to provide the appropriate products, services and solutions.
11. **Maintaining customer relationships:** Always maintain a mutually beneficial relationship between the Company and customers.



Together Build The Nation

12. **Contribution to the Country:** I contribute to giving the best for personal, family, environment and always give the best performance.
13. **Balanced Role:** I balance the role of being an employee who manages a company professionally, constantly enhancing company value, and acting as an agent of development.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Board of Commissioners Profile



KARTIKA WIRJOATMODJO*

PRESIDENT COMMISSIONER

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Surabaya in 1973, 45 years old as of December 2019.

EDUCATION BACKGROUND

- Bachelor of Economics majoring in accounting from the University of Indonesia (1996).
- Master of Business Administration (MBA) in Business from Erasmus University in Rotterdam (2001).

CERTIFICATION

- Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2015).
- Risk Management Certification Refreshment Program held by the Banking Professional Certification Institute (LSPP) (2017).
- Risk Management Certification Refreshment Program held by the Banking Professional Certification Institute (LSPP) (2019).

WORK EXPERIENCE

- Tax and Accounting Consultant at RSM AAJ (1995-1996), Credit Analyst at the Industrial Bank of Japan (1996-1998).
- Senior Consultant at PwC Financial Advisory Services (1998-1999).
- Senior Consultant at The Boston Consulting Group (2000-2003).
- Dept. Head of Strategy and Performance Management Group at Bank Mandiri (2003-2005).
- Group Head of Strategy and Performance Management Group at Bank Mandiri (2005-2008).
- Managing Director at Mandiri Sekuritas (2008-2011).
- President Director and CEO at Indonesia Infrastructure Finance (2011-2013).
- Chief Executive and Member of the Board of Commissioners at Indonesia Deposit Insurance Corporation (LPS) (2014-2015).
- Bank Mandiri Finance and Strategy Director (2015-2016).
- Bank Mandiri President Director (2016 - present).
- Vice Minister of State-Owned Enterprises in the Indonesia Maju Cabinet (October 2019-present).
- President Commissioner of Bank Mandiri (2019-Present).

APPOINTMENT HISTORY

Appointed as President Commissioner of Bank Mandiri for the first time on December 9, 2019 based on the Deed of Extraordinary GMS Minutes No. 5 Dated 9 December 2019.

EMPLOYMENT PERIOD

December 9, 2019 until the end of the 2024 Annual GMS (First Period)

CONCURRENT POSITION

Vice Minister of State-Owned Enterprises in the Indonesia Maju Cabinet (2019-2024).

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

789,000 shares (0.0016907%).

* Effective after successfully obtaining approval and passing the Fit and Proper Test administered by OJK.

HARTADI A. SARWONO

PRESIDENT COMMISSIONER/INDEPENDENT COMMISSIONER (NO LONGER SERVED ON THE BOARD AS OF DECEMBER 9, 2019)

PLACE AND DATE OF BIRTH/AGE

Born in Jakarta in 1952, 67 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Indonesian.



APPOINTMENT HISTORY

Appointed as President Commissioner/Independent Commissioner for the first time by the Extraordinary General Meeting of Shareholders (GMS) dated August 21, 2017 pursuant to the Deed of Resolutions of Extraordinary General Meeting of Shareholders No. 28 dated November 17, 2017.

EMPLOYMENT PERIOD

21 August 2017 until the closing of the Extraordinary GMS on 9 December 2019.

CONCURRENT POSITION

President Director of Indonesian Banking Development Agency since August 26, 2013 to date.

AFFILIATIONS

No affiliations with any members of Board of Directors, Board of Commissioners, or controlling or main shareholders

SHAREHOLDING OF BMRI SHARES

-

WORK EXPERIENCE

- Logistic staff of Bank Indonesia (1980-1983).
- Junior Economics Researcher in the Research and Development Desk (1989-1990).
- Staff of Bank Indonesia Governor (1990-1993).
- Head of General Economy Division (1993-1994).
- Head of Monetary Division (1994-1996).
- Head of Policy Analysis and Planning Division (1996-1997).
- Deputy Director of Economy and Monetary Policy Research (1997-2000).
- Director of Economy and Monetary Policy Research (2000-2003).
- Director/Head of Bank Indonesia's Representative Office-Tokyo (2003-June 2003)
- Deputy Governors of Bank Indonesia (June 2003-June 2008 and June 2008-June 2013).
- President Director of Indonesian Banking Development Agency (August, 26 2013 - Present),
- President Commissioner of PT Bank Negara Indonesia (Persero) Tbk (May 04, 2016 –August 21, 2017).
- President Commissioner/Independent Commissioner of Bank Mandiri (2017-9 December 2019).

EDUCATION BACKGROUND

- Earned Bachelor's Degree in Industry Engineering from Institut Teknologi Bandung (1979).
- Master of Arts in Macroeconomics from University of Oregon, United States, (1985).
- Ph.D in Monetary Theory and Policy from University of Oregon, United States, (1989).

CERTIFICATION

- Certification of Level 2 Risk Management for Commissioners obtained from Risk Management Certification Agency (2016).
- Refreshment Program of Risk Management Certification held by the Ikatan Bankir Indonesia (IBI) (Indonesian Bankers Association) and Master of Management FEB UGM (MMUGM) (2017).
- Refreshment Program of Risk Management Certification held by Indonesian Banking Development Agency (2018).
- Refreshment Program of Risk Management Certification held by Indonesian Banking Development Agency (2019).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



MOH. CHATIB BASRI*

VICE PRESIDENT COMMISSIONER/INDEPENDENT COMMISSIONER

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Jakarta in 1965, 54 years old as of December 2019

EDUCATION BACKGROUND

- Bachelor of Economics from Universitas Indonesia (1992)
- Master of Business Administration in Economic Development from The Australian National University in Canberra, Australia (1996)
- PhD in Economics from The Australian National University in Canberra, Australia (2001)

CERTIFICATION

-

WORK EXPERIENCE

- Special Advisor of the Minister of Finance at the Ministry of Finance of the Republic of Indonesia (2006-2010)
- Vice-Chairperson of the Economic Committee at the National Economic Committee (2010-2012)
- Head of the Investment Coordinating Board (2012-2013)
- Non Executive Director of Axiata Group Sdn Bhd (2015-2019)
- Senior Partner and Founder of PT Creco Consulting (2015-2019)
- Lecturer at Universitas Indonesia (2015-2019)
- Independent Commissioner at PT Indika Energy Tbk. (2015-2019)
- Independent Commissioner at PT Astra International Tbk. (2015-2019)
- President Commissioner/Independent Commissioner at PT Indonesia Infrastructure Finance (2016-2019)
- President Commissioner/Independent Commissioner at PT XL Axiata Tbk. 2016-present
- President Commissioner/Independent Commissioner at Bank Mandiri (2017-Present)

APPOINTMENT HISTORY

Appointed as Vice President Commissioner/ Independent Commissioner of Bank Mandiri for the first time on December 9, 2019 based on the Deed of Extraordinary GMS Minutes No. 5 Dated 9 December 2019.

EMPLOYMENT PERIOD

December 9, 2019 until the end of the 2024 Annual GMS (First Period)

CONCURRENT POSITION

President Commissioner/Independent Commissioner of PT XL Axiata Tbk. since 2016 to present.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

-

* Effective after successfully obtaining approval and passing the Fit and Proper Test administered by OJK.

IMAM APRIYANTO PUTRO

VICE PRESIDENT COMMISSIONER (NO LONGER SERVED ON THE BOARD AS OF NOVEMBER 19, 2019)

PLACE AND DATE OF BIRTH/AGE

Born in Cilacap in 1963, 56 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Warga Negara Indonesia.



APPOINTMENT HISTORY

Appointed as Vice President Commissioner for the first time by Annual General Meeting of Shareholders (GMS) of March 16, 2015 pursuant to the Deed of Resolutions of Annual GMS No. 35 dated June 15, 2015.

EMPLOYMENT PERIOD

16 March 2015 until 19 November 2019 in connection with his appointment as Vice President Director of PT Pupuk Indonesia (Persero). Then, inauguration of dismissal he is Deputy Commissioner of the Bank Mandiri is carried out at the Extraordinary GMS on December 9, 2019

CONCURRENT POSITION

Secretary to the Ministry of State-owned Enterprises since 2013 to 18 November 2019.

AFFILIATIONS

No affiliations with any members of Board of Directors, Board of Commissioners, or controlling or majority shareholders.

WORK EXPERIENCE

- Pjs. Section Head of Funding and Resources Analyst in the Ministry of State-Owned Enterprises (1993-2010).
- Commissioner of PT Permodalan Nasional Madani (Persero) (2007-2011).
- Assistant of Research and Information Department in the Ministry of State-Owned Enterprises (2010-2012).
- Commissioner of PT Petrokimia Gresik (Persero) (2011-2012).
- Commissioner of PT Bukit Asam (Persero) Tbk (2011-2013).
- Head of Planning and Human Resource Bureau in the Ministry of State-Owned Enterprises (2012-2013).
- Plh. Deputy of Infrastructure and Logistics Business Sector of the Ministry of State-Owned Enterprises (2013).
- Commissioner of PT Semen Indonesia (Persero) Tbk (2013-2014).
- Secretary of the Ministry of State-Owned Enterprises (2013-present).
- Commissioner of PT Telekomunikasi Indonesia (Persero) Tbk (2014-2015).
- Vice President Commissioner of Bank Mandiri (2015-November 2019).

SHAREHOLDING OF BMRI SHARES

114.300 shares (0,0002449%).

EDUCATION BACKGROUND

- Bachelor of Economics in Management from Universitas Diponegoro, Semarang (1988).
- Master of Management from Sekolah Tinggi Ilmu Ekonomi IBII, Jakarta (2000).

CERTIFICATION

- Certification of Level 1 Risk Management for Commissioners held by Risk Management Certification Agency (BSMR) (2015).
- Refreshment of Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2019).
- Refreshment of Risk Management Certification held by BARa Risk Forum (2019).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



MOHAMAD NASIR*

INDEPENDENT COMMISSIONER

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Bandung in 1960, 59 years old as of December 2019

EDUCATION BACKGROUND

- Bachelor of Accounting from Universitas Diponegoro, Semarang (1988)
- Master of Accounting from Universitas Gajah Mada, Yogyakarta (1994)
- Doctorate in Accounting from University of Science, Malaysia (2004)

CERTIFICATION

-

WORK EXPERIENCE

- Finance Manager at PT Ika Chirza Putra (1989)
- Auditor at the Accountant Office of Drs. Tahrir Hidayat (1986-1990)
- Auditor at the Accountant Office of Drs. Bayudi Watu (1990-1992)
- Extension Coordinator at Universitas Diponegoro (1994-1996)
- Secretary of the Department of Accounting at Universitas Diponegoro (1996-1999)
- Head of the Master of Accounting Study Program at Universitas Diponegoro (1999-2006)
- Audit Committee at PTPN IX (2013-2014)
- Independent Commissioner at PTPN IX (2013-2014)
- Rector II's Assistant for Finance and Resources at Universitas Diponegoro (2006-2010)
- Dean of the Faculty of Economics and Business at Universitas Diponegoro (2010-2014)
- Rector at Universitas Diponegoro (2014)
- Minister of Research, Technology, and Higher Education in the Working Cabinet (2014-2019)
- Special Staff of the Vice President of the Republic of Indonesia (14 November 2019-present)
- Independent Commissioner of Bank Mandiri (9 December 2019-present)

APPOINTMENT HISTORY

Appointed as President Commissioner of Bank Mandiri for the first time on December 9, 2019 based on the Deed of Extraordinary GMS Minutes No. 5 Dated 9 December 2019.

EMPLOYMENT PERIOD

December 9, 2019 until the end of the 2024 Annual GMS (First Period)

CONCURRENT POSITION

Special Staff of the Vice President of the Republic of Indonesia since November 14, 2019 to present

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

-

* Effective after successfully obtaining approval and passing the Fit and Proper Test administered by OJK.

GOEI SIAUW HONG

INDEPENDENT COMMISSIONER (STOP TAKING OFFICE SINCE 9 DECEMBER 2019)

PLACE AND DATE OF BIRTH/AGE

Born in Jember in 1964, 55 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Indonesian.



APPOINTMENT HISTORY

Appointed as Independent Commissioner for the first time at Annual GMS dated March 16, 2015 pursuant to the Deed of Resolutions of GMS No. 117 dated June 30, 2015.

EMPLOYMENT PERIOD

March 16, 2015 until the closing of the Extraordinary GMS on December 9, 2019.

CONCURRENT POSITION

President Director of Gagas Prima Solusi since 2001 to date.

AFFILIATIONS

No affiliations with any members of Board of Directors, Board of Commissioners, or controlling or main shareholders.

SHAREHOLDING OF BMRI SHARES

-

WORK EXPERIENCE

- System Analyst in Astra Graphia (1988-1991).
- Equity Analyst and Senior Equity Analyst in WI Carr Indonesia (1993-1995).
- Deputy Head of Research and Head of Research in CLSA Indonesia (1995-1996).
- Head of Research in SocGen Crosby (1996-1998).
- Vice President of Research in Nomura Singapore (1998-1999).
- Head of Research in Nomura Indonesia (1999-2001).
- President Director of Gagas Prima Solusi (2001 - Present).
- Member of Risk Monitoring Committee of Bank Permata (2006-2010).
- Independent Commissioner of Bank Mandiri (2015 - 9 December 2019).

EDUCATION BACKGROUND

- Bachelor's Degree in Agronomy from Institut Pertanian Bogor (1988).
- Master of Business Administration (MBA) in Business, Finance, and Marketing from Indiana University, Bloomington, USA (1993).

CERTIFICATION

- Certification of Level 2 Risk Management for Commissioners held by Professional Banking Certification Agency (2015).
- Risk Management Certification Refreshment Program organized by the Banking Professional Certification Institute (LSPP) (2019).
- Risk Management Certification Refreshment Program organized by the Indonesian Banking Development Institute (LPPI) (2019).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



ROBERTUS BILITEA*

INDEPENDENT COMMISSIONER

NATIONALITY

Indonesian.

DOMICILE

Jakarta.

PLACE AND DATE OF BIRTH/AGE

Born in Bandung in 1966, 53 years old as of December 2019.

EDUCATION BACKGROUND

- Bachelor of Civil Law from Krisnadwipayana University, Bekasi (1990)
- Master in Business Legal from Padjadjaran University, Bandung (2009)

CERTIFICATION

Professional Advocate Certification from the Indonesian Advocates Association (Peradi) (1992)

WORK EXPERIENCE

- Volunteer Lawyer at the Legal Aid Services of Jakarta (1990-1991)
- Litigation Lawyer at the Law Firm of Soemarjono Herman & Partners (1991 – 1994)
- Senior Legal Officer at PT BBL Dharmala Finance Tbk. Subsidiary of Bangkok Bank Limited (1994 – 1996)
- Legal Head at PT Profilindo Finance/ Nexus Group (1996 – 1998)
- Corporate Secretary at Nexus Group (1996 – 1999)
- Litigation Lawyer at Makarim & Taira S. Law Firm (1999)
- Legal Head/Legal Director at the National Bank Restructuring Agency (1999 – 2004)
- Commissioner at PT Bank Lippo Tbk. (2002-2004)
- Founder/Senior Partner at the Law Firm of Radjiman Bilitea & Partners (2004-2019)
- Executive Director for Legal Affairs at the Indonesia Deposit Insurance Corporation (2012-2019)
- Acting President Director at the Indonesia Deposit Insurance Corporation (2014)
- Independent Commissioner at Bank Mandiri (9 December 2019-present)

APPOINTMENT HISTORY

Appointed as President Commissioner of Bank Mandiri for the first time on December 9, 2019 based on the Deed of Extraordinary GMS Minutes No. 5 Dated 9 December 2019.

EMPLOYMENT PERIOD

December 9, 2019 until the end of the 2024 Annual GMS (First Period)

CONCURRENT POSITION

No concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

-

* Effective after successfully obtaining approval and passing the Fit and Proper Test administered by OJK.

BANGUN SARWITO KUSMULYONO

INDEPENDENT COMMISSIONER (STOP TAKING OFFICE SINCE 9 DECEMBER 2019)

PLACE AND DATE OF BIRTH/AGE

Born in Bogor in 1943, 76 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Indonesian.



APPOINTMENT HISTORY

Appointed as Independent Commissioner for the first time at GMS dated March 16, 2015 pursuant to the Deed of Resolutions of Annual GMS No. 117 dated June 30, 2015.

EMPLOYMENT PERIOD

March 16, 2015 until the closing of the Extraordinary GMS on December 9, 2019.

CONCURRENT POSITION

No concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of Board of Directors, Board of Commissioners, or controlling or main shareholders.

SHAREHOLDING OF BMRI SHARES

-

WORK EXPERIENCE

- Executive staff of Indonesia's Investment Coordinating Board (1970-1972).
- Chase Manhattan Bank (New York and Hong Kong), Fincorinvest, and Asian Development Bank (1962 – 1985).
- President Director of Bank Nusa International (1988-1998).
- 5th Batch of National Resilience Institute Short Course (1995).
- A Member of Board of Commissioners of Maybank Nusa (1990-1997)
- A Member of Board of Commissioners of Bank Niaga (1998-1999)
- President Director of Permodalan Nasional Madani (1999-2005).
- A Member of Board of Commissioners of Syarikat Takaful Indonesia (1999-2005).
- Independent Commissioner of Bank Rakyat Indonesia (2005-2010).
- Chairman of National Committee of Micro Finance Empowerment of Indonesia (PKMI) (2005 - Present).
- Independent Commissioner of Bank Rakyat Indonesia (2010-2015).
- Independent Commissioner of Bank Mandiri (2015 - 9 December 2019).

EDUCATION BACKGROUND

- Bachelor's Degree in Chemical Engineering from Institut Teknologi Bandung (1970).
- Master of Business Administration from University of Southern California, Los Angeles, USA (1974).
- Doctor's Degree in Environment Management from Institut Pertanian Bogor (2007).

CERTIFICATION

- Certification of Level 2 Risk Management for Commissioners held by Risk Management Certification Agency (2016).
- Refreshment Program of Risk Management Certification held by Banking Professional Certification Agency (2016).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



MAKMUR KELIAT

INDEPENDENT COMMISSIONER

NATIONALITY
Indonesian.

DOMICILE
Bogor.

PLACE AND DATE OF BIRTH/AGE
Born in Medan in 1961, 58 years old as of December 2019.

EDUCATION BACKGROUND

- Bachelor's Degree in Corporate Economics from Universitas Pembangunan Nasional "Veteran" (1984).
- Bachelor of Art in Social and Political Sciences / International Relations Department from Universitas Gadjah Mada (1984).
- Drs. in Social and Political Sciences/ International Relations Department from Universitas Gadjah Mada (1986).
- Ph.D in School of International Studies from Jawaharlal Nehru University (1995).

CERTIFICATION

- Certification of Level 2 Risk Management for Commissioners held by Professional Banking Certification Agency (2017).
- Risk Management Certification Refreshment Program organized by the Indonesian Banking Development Institute (LPPI) (2019).

WORK EXPERIENCE

- Lecturer in the International Relations Department of Social and Political Science Faculty of Universitas Indonesia (1999 - Present).
- Head of Graduate Program in the International Relations Department of Social and Political Science Faculty of Universitas Indonesia (2002-2004).
- Executive Director of Global Society Studies Center (PACIVIS UI) (2002-2004).
- Executive Director of CEACoS (Center for East Asia Cooperation Studies) of FISIP UI (2005-2007).
- Research and Publication Manager of Social and Political Science Faculty of Universitas Indonesia (2007-2008).
- Head of Graduate Program in the International Relations Department of Social and Political Science Faculty of Universitas Indonesia (2009-2012).
- Special Staff of Cabinets Secretariat of the Republic of Indonesia (May to August 2015).
- Independent Commissioner of Bank Mandiri (2017-Present).

APPOINTMENT HISTORY

Appointed as Independent Commissioner for the first time at GMS dated March 14, 2017 pursuant to the Deed of Resolutions of Annual GMS No. 28 dated November 17 2017.

EMPLOYMENT PERIOD

Until the closing of the 2022 Annual GMS (First Period).

CONCURRENT POSITION

Lecturer in the International Relations Department of Social and Political Science Faculty of Universitas Indonesia since March 1, 1999.

AFFILIATIONS

No affiliations with any members of Board of Directors, Board of Commissioners, or controlling or main shareholders.

SHAREHOLDING OF BMRI SHARES

-

ASKOLANI

COMMISSIONER (RESIGNED SINCE 28 AUGUST 2019)

PLACE AND DATE OF BIRTH/AGE

Born in Palembang in 1966, 53 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Indonesian.



APPOINTMENT HISTORY

Appointed as a Commissioner of Bank Mandiri for the first time at the Extraordinary General Meeting of Shareholders on May 21, 2014 based on Deed of Extraordinary General Meeting of Shareholders Decree No. 20 September 15, 2014.

EMPLOYMENT PERIOD

May 21, 2014 until the closing of the Extraordinary General Meeting of Shareholders on August 28, 2019.

CONCURRENT POSITION

Director General of Budget at the Ministry of Finance since 2013 until now.

AFFILIATIONS

No affiliations with any members of Board of Directors, Board of Commissioners, or controlling or main shareholders.

SHAREHOLDING OF BMRI SHARES

109.000 saham (0,0002336%).

WORK EXPERIENCE

- Director of Non-Tax State Revenue (PNBP) in the Ministry of Finance (2011-2013).
- Commissioner of PT Indonesia Ferry (ASDP) (2007-2010).
- Commissioner of PT Pertamina Gas (2012-2013).
- Commissioner of PT Angkasa Pura I (2013-2014).
- Director General of Budget of the Ministry of Finance (2013 - Present).
- Governor of Indonesia in Opex Fund for International Development (OFID) (2015).
- Commissioner of Bank Mandiri (2014-2019).

EDUCATION BACKGROUND

- Bachelor of Economics and Development Study from Universitas Sriwijaya (1990).
- Master of Business Administration in Economics and Banking from the University of Colorado, Denver-USA (1999).

CERTIFICATION

- Level 1 Risk Management Certification of Commissioner held by the Banking Professional Certification Institute (LSPP) (2014).
- Risk Management Certification Refreshment held by BARa Risk Forum (2018).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



ARDAN ADIPERDANA

COMMISSIONER

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Singkawang in 1960, 59 years old as of
December 2019.

EDUCATION BACKGROUND

- Bachelor of Economics from STAN (1987).
- Master in Business Administration from Saint Mary's University (SMU), Nova Scotia, Canada (1992).
- Doctor's Degree in Strategic Management from Universitas Indonesia (2013).

CERTIFICATION

- Level 1 Risk Management Certification of Commissioner held by the Banking Professional Certification Institute (LSPP) (2016).
- The Risk Management Certification Refreshment Program held by the Indonesian Banking Development Institute (LPPI) (2018).
- Refreshment Risk Management Certification Refreshment Program held by the Banking Professional Certification Institute (LSPP) (2016).
- The Risk Management Certification Refreshment Program organized by the Indonesian Banking Development Institute (LPPI) (2019).

WORK EXPERIENCE

- Inspector at the Directorate for Petroleum Oversight - Ministry of Finance at DJPKN (1979 - 1983).
- Inspector of the Deputy for Petroleum and Natural Gas Oversight at the Financial and Development Supervisory Agency (BPKP) (1983 - 1987).
- Inspector at Bengkulu Province BPKP Representative Office (1987 - 1993).
- Inspector of the Deputy for Supervision of SOEs / D, BPKP (1993).
- Head of the Regional Development Bank Supervision Section 1 at the Deputy for Supervision of SOEs / D, BPKP (1993 - 1996).
- Head of Expenditures Supervision Division at the BPKP Representative of Lampung Province (1996 - 1999).
- Head of Sub-Directorate for Supervision of Services, Trade, Warehousing and Printing at the Deputy of BUMN / D Supervision, BPKP (1999 - 2000).
- Plh. Head of the Ministry of Forestry Finance Bureau BPKP (2000 - 2001).
- Head of Sub-directorate at the Deputy of Regional Financial Supervision, BPKP (2001 - 2002).
- Head of the Supervision Planning Bureau at BPKP (2002 - 2003).
- Head of Supervision Information Center at BPKP (2003 - 2004).
- Head of the Center for Supervision of Education and Training at BPKP (2004).
- Head of BPKP DKI Jakarta Province II (2004 - 2006).
- Deputy Head of BPKP for State Accounting (2006 - 2013).
- Deputy Head of BPKP Supervision of Government Agencies in the Economy (2013 - 2015).
- Head of BPKP (2015 - 2019).
- Commissioner at PT Hotel Indonesia Natour (Persero) (2011-2013).
- President Commissioner at PT Jasa Raharja (Persero) (2013-2015).
- Commissioner at Bank Mandiri (2016 - present).

APPOINTMENT HISTORY

Appointed as Commissioner for the first time at the Annual GMS dated March 21, 2016, based on the Deed of Resolution of the Annual GMS No. 13 dated October 11, 2016.

EMPLOYMENT PERIOD

March 21 until the closing of the 2021 Annual General Meeting of Shareholders (First Period).

CONCURRENT POSITION

Head of the Financial and Development Supervisory Agency (BPKP) from 2015 to 1 July 2019.

AFFILIATIONS

No affiliations with any members of Board of Directors, Board of Commissioners, or controlling or main shareholders.

SHAREHOLDING OF BMRI SHARES

319.500 saham (0,0006846%).

R. WIDYO PRAMONO

COMMISSIONER



PLACE AND DATE OF BIRTH/AGE

Born in Nganjuk in 1957, 62 years old as of December 2019.

DOMICILE
Jakarta.

NATIONALITY
Indonesian.

APPOINTMENT HISTORY

Appointed as Commissioner for the first time at the Extraordinary GMS dated August 21, 2017, based on the Deed of Decision of the Extraordinary General Meeting of Shareholders No. 25 dated January 23, 2018.

EMPLOYMENT PERIOD

21 Agustus 2017 sampai dengan penutupan RUPS Tahunan 2022 (Periode Pertama).

CONCURRENT POSITION

No concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of Board of Directors, Board of Commissioners, or controlling or main shareholders.

SHAREHOLDING OF BMRI SHARES

249.900 shares (0.0005355%).

WORK EXPERIENCE

- Administrative Staff of District Prosecutor's Office of Jakarta Selatan (1986-1990).
- Prosecutor/Sub-Section Head of Pre-Prosecution of Head of Crime Section
- Prosecutor/Sub-Section Head of Economic Crime of Head of Special Crime Section
- Prosecutor/Sub-Section Head of Prosecution of High Prosecutor's Office of DKI Jakarta (1995)
- Head of Academic and Grading Subdivision of Education and Training Center of Attorney General's Office of the Republic of Indonesia (1995-1996).
- Prosecutor/Directorate of Other General Crimes (TPUL) of Head of Examination I Section of Examination Subdirectory Office (1996-1998).
- Head of General Crimes Administration of the Secretary to Junior Attorney General of Indonesia (1998-1999).
- Attaché of Attorney General's Office of Indonesian Embassy in Bangkok, Thailand (1999-2003).
- Head of Sukabumi District Prosecutor General's Office in the Provincial Prosecutor's Office of West Java (2003-2005).
- Division Head of International Legal Cooperation in Junior Attorney General for Development of Attorney General's Office of the Republic of Indonesia (2005-2006).
- Special Assistant of Attorney General of the Republic of Indonesia (2006-2007).
- Head of Public Bureau (2007-2008).
- Head of Provincial Prosecutor's Office of Papua in the Attorney General's Office of the Republic of Indonesia (2008-2009).
- Inspector of General Crimes in Junior Attorney General for Supervision (2009-2010).
- Head of Provincial Prosecutor's Office of Central Java (2010-2011).
- Secretary to the Junior Attorney General for Public Crimes (2011-2012).
- Expert Staff of Attorney General of the Republic of Indonesia for Public Crimes (2012-2013).
- Junior Attorney General for Special Crimes (2013-2015).
- Junior Attorney General for Supervision (2015-August 2017).
- Commissioner of Bank Mandiri (2017-present).

EDUCATION BACKGROUND

- Bachelor of Law from Universitas Negeri Solo, Surakarta (1984).
- Master of Management from STIE IPWI, Jakarta (2001).
- Master of Law from Universitas Gadjah Mada, Yogyakarta (2007);
- Doctorate in criminal law from Universitas Padjadjaran, Bandung (2012).
- Inaugurated as Professor of Criminal Law at Universitas Diponegoro (2015).

CERTIFICATION

- Level 1 Risk Management Certification of Commissioner held by the Banking Professional Certification Institute (LSPP) (2017).
- The Risk Management Certification Refreshment Program held by the Indonesian Banking Development Institute (LPPI) (2018).
- Risk Management Certification Refreshment Program organized by the Indonesian Banking Development Institute (LPPI) (2019).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



RIONALD SILABAN*

COMMISSIONER

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Bandung in 1966, 53 years old as of December 2019

EDUCATION BACKGROUND

- Bachelor of Law from Universitas Indonesia (1989)
- Master of Law Center from Georgetown University, Washington DC, USA (1993)

CERTIFICATION

Level 1 Risk Management Certification for Commissioner held by the Banking Professional Certification Institute (LSPP) (2019).

WORK EXPERIENCE

- Head of the Sub Directorate of Privatization, Directorate of Privatization at DGT SOE, Department of Finance (1997-1998)
- Head of the Legal Department, Legal and Public Relations Bureau at the General Secretariat, Department of Finance (1998-2000)
- Head of Division/SVP Asset Monitoring at AMI, IBRA (2000-2002)
- Head of the TU Pim Department, General Bureau at the Secretariat General of the Department of Finance (2002-2004)
- Senior Advisor, SEA VG ED Office at World Bank, Washington DC, USA (2004-2006)
- Head of the Fiscal Risk Guarantee Center at the Fiscal Policy Agency, Department of Finance (2006-2008)
- Head of the Center for Policy Analysis and Harmonization at the Secretariat General of the Ministry of Finance (2008-2012)
- Expert Staff of the Minister of Finance for Organization, Bureaucracy, and Information Technology, Ministry of Finance (2012-2014)
- Commissioner at PT Indosat Tbk. (2014)
- Executive Director, SEAVG at World Bank, Washington DC, USA (2014-2016)
- Expert Staff of the Minister of Finance for Macroeconomics and International Finance, Ministry of Finance (2016-2018)
- Commissioner of PT PLN (Persero) (2017-2019)
- Head of the Financial Education and Training Agency, Ministry of Finance (2018-present)
- Acting Expert Staff of the Minister of Finance for Macroeconomics and International Finance, Ministry of Finance (2016-2018).
- Acting President Director of the Indonesian Endowment Fund for Education at the Secretariat General of the Ministry of Finance (2018-present).
- Commissioner of Bank Mandiri (2019-Present)

APPOINTMENT HISTORY

Appointed as Commissioner of Bank Mandiri for the first time on August 28, 2019 based on the Deed of Extraordinary GMS Minutes No. 59 Dated 28 August 2019.

EMPLOYMENT PERIOD

August 28, 2019 until the end of the 2024 Annual GMS (First Period)

CONCURRENT POSITION

- Acting President Director of the Indonesian Endowment Fund for Education at the Secretariat General of the Ministry of Finance (2018-present)
- Head of the Financial Education and Training Agency, Ministry of Finance (2018-present)

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

-

* Effective after successfully obtaining approval and passing the Fit and Proper Test administered by OJK.





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Board of Directors Profile



ROYKE TUMILAAAR

PRESIDENT DIRECTOR*

Previously served as Director of Corporate Banking

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Manado in 1964, 55 years old as of
December 2019.

EDUCATION BACKGROUND

- Bachelor of Economics in Management from Universitas Trisakti (1987).
- Master of Business Administration in Finance from University of Technology, Sydney (1999).

CERTIFICATION

- Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2012).
- Risk Management Certification Refreshment Program held by BARa Risk Forum (2016).
- Risk Management Certification Refreshment Program held by BARa Risk Forum (2018).

WORK EXPERIENCE

- Credit Analyst in matters of Credit Monitoring and Research at BDN.
- Dept. Head of Corporate Banking at Bank Mandiri (2005).
- Authority Holder to Decide Credit (Group Head) Commercial Banking (2006).
- Bank Mandiri Regional Commercial Sales Group Head (January 2007).
- Bank Mandiri Regional Commercial Sales I Group Head (November 2007).
- President Commissioner at PT Staco Jasapratama (General Insurance) (2008).
- Commissioner at Mandiri Sekuritas (2009).
- Director of Treasury, Finance Institutions and Bank Mandiri's Special Asset Management (2011- 2015).
- Bank Mandiri Corporate Banking Director (2015-March 2017).
- Bank Mandiri Director of Wholesale Banking (March 2017-March 2018).
- Bank Mandiri Corporate Banking Director (March 2018-present).
- Bank Mandiri Corporate Banking Director (March 2018-December 2019).
- Bank Mandiri President Director (2019-present).

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

APPOINTMENT HISTORY

Appointed first as Director of Bank Mandiri at the Annual General Meeting of Shareholders on May 23, 2011 based on the Deed of Decision of the Annual GMS No. 32 dated June 21, 2011. Then reappointed based on the Deed of Decision of the Annual General Meeting of Shareholders Number 46 dated April 20, 2016. Appointed as President Director of Bank Mandiri on December 9, 2019 based on the Deed of Extraordinary GMS Minutes No. 5 Dated 9 December 2019.

EMPLOYMENT PERIOD

December 9, 2019 until the end of the 2024 Annual GMS (First Period).

CONCURRENT POSITION

Do not have concurrent positions in other companies or institutions.

SHAREHOLDING OF BMRI SHARES

786,100 shares (0.0016845%).

* Effective after successfully obtaining approval and passing the Fit and Proper Test administered by OJK.

KARTIKA WIRJOATMODJO

PRESIDENT DIRECTOR (NO LONGER SERVED ON THE AS OF OCTOBER 2019)

PLACE AND DATE OF BIRTH/AGE

Born in Surabaya in 1973, 46 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Warga Negara Indonesia.



APPOINTMENT HISTORY

Appointed as Director of Bank Mandiri for the first time at the Annual GMS on March 16, 2015, based on the Deed of Resolution of the Annual General Meeting of Shareholders Number 26 dated August 26, 2015. Furthermore, in the 2016 Annual GMS for March 21, 2016, it was decided, among others, the transfer of duties, he became the President Director as stated in the Deed of Resolution of the Annual General Meeting of

EMPLOYMENT PERIOD

March 16, 2015 to October 2019

CONCURRENT POSITION

Vice Minister of SOEs Ministry in Indonesia Maju Cabinet (2019-2024).

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

WORK EXPERIENCE

- Tax and Accounting Consultant at RSM AAJ (1995-1996), Credit Analyst at the Industrial Bank of Japan (1996-1998).
- Senior Consultant at PwC Financial Advisory Services (1998-1999).
- Senior Consultant at The Boston Consulting Group (2000-2003).
- Dept. Head of Strategy and Performance Management Group at Bank Mandiri (2003-2005).
- Group Head of Strategy and Performance Management Group at Bank Mandiri (2005-2008).
- Managing Director at Mandiri Sekuritas (2008-2011).
- President Director and CEO at Indonesia Infrastructure Finance (2011-2013).
- Chief Executive and Member of the Board of Commissioners at Indonesia Deposit Insurance Corporation (LPS) (2014-2015).
- Bank Mandiri Finance and Strategy Director (2015-2016).
- Bank Mandiri President Director (2016 - October 2019).
- Independent Commissioner of Bank Mandiri (2019-Present).

SHAREHOLDING OF BMRI SHARES

789.000 shares (0,0016907%).

EDUCATION BACKGROUND

- Bachelor of Economics majoring in accounting from the University of Indonesia (1996).
- Master of Business Administration (MBA) in Business from Erasmus University in Rotterdam (2001).

CERTIFICATION

- Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2015).
- Risk Management Certification Refreshment Program held by the Banking Professional Certification Institute (LSPP) (2017).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



SULAIMAN ARIF ARIANTO

VICE PRESIDENT DIRECTOR

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Boyolali in 1959, 60 years old as of
December 2019.

EDUCATION BACKGROUND

- Bachelor in Animal Husbandry from Institut Pertanian Bogor (1981).
- Master of Business Administration (MBA) in Finance from the University of New Orleans, USA (1991).

CERTIFICATION

- Risk Management Certification Level 5 (2015).
- Refreshment Program held by the Banking Professional Certification Institute (LSPP) (2017).

WORK EXPERIENCE

- Corporate Finance Manager Assistant at BRI (1991-1992),
- Deputy Chairman IV of Corporation at BRI (1992-1994).
- Section Head of Corporate Finance at BRI (1994-1999).
- Deputy Head of Corporate Financing Division at BRI (1999).
- Head of the Middle Credit Division at BRI (1999-2002).
- Head of the Head Office Agribusiness Division at BRI (2001-2002).
- Denpasar Regional Area Leaders at BRI (2002-2003).
- Jakarta Regional Region Leaders at BRI (2003-2006).
- Director of Micro and Small Business at BRI (2006-2009).
- Director of Commercial Banking at BRI (2009-2015).
- Bank Mandiri Deputy President Director (2015 - present).

APPOINTMENT HISTORY

Appointed as Deputy President Director of Bank Mandiri for the first time at the Annual GMS dated March 16, 2015 based on the Deed of Decision of the Annual GMS No. 117 dated June 30, 2015.

EMPLOYMENT PERIOD

March 16, 2015 until the closing of the 2020 Annual GMS (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

1,103,558 shares (0.0023648%).

Previously served as Director of Small Business and Network. Based on the Annual GMS Resolution dated May 16, 2019, there was a change in the nomenclature to Director of Business and Networks, and based on the Extraordinary GMS Resolution dated December 9, 2019, there was a change in the nomenclature to Director of Consumer and Retail Transaction.

HERY GUNARDI

DIREKTUR CONSUMER AND RETAIL TRANSACTION



PLACE AND DATE OF BIRTH/AGE

Born in Bengkulu in 1962, 57 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Warga Negara Indonesia.

APPOINTMENT HISTORY

Appointed as a Director of Bank Mandiri for the first time at the Annual General Meeting of Shareholders on April 2, 2013 based on Deed of Resolution of the Annual General Meeting of Shareholders Number 19 dated August 28, 2013

EMPLOYMENT PERIOD

2 April 2013 until the closing of the 2023 Annual GMS (Second Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

1.102.100 shares (0,0023616%).

WORK EXPERIENCE

- Troubled Credit Analyst in Special Debtor matters in Bapindo (1993 - 1996).
- Head of Subdivision of Debt Syndication in Treasury matters in Bapindo (1996-1998).
- Member of the Merger Team at Bank Mandiri (1998-1999).
- Regional Marketing Manager of Bank Mandiri, Jakarta City Region (1999-2002).
- Bank Mandiri Area Manager Daan Mogot (2002).
- Dept. Head of Bank Assurance and Project Director for the Establishment of a Joint Insurance Company with AXA (2002-2003).
- Director of PT AXA Mandiri Financial Services (2003-2006).
- Independent Group Head Wealth Management (2006-2009).
- President Commissioner of PT AXA Mandiri Financial Services (2006-2009).
- Jakarta Head Group Network at Bank Mandiri (2009-2011).
- President Commissioner of PT Mandiri Manajemen Investasi (2009-2013).
- Distribution Network 1 Group Head at Bank Mandiri (2011-2013).
- Consumer Finance EVP Coordinator (2013).
- Bank Mandiri Director of Micro and Retail Banking (2013-2015).
- Bank Mandiri Micro and Business Banking Director (2015).
- Bank Mandiri Consumer Banking Director (2015-2016).
- Bank Mandiri Distributions Director (2016 - March 2018).
- Bank Mandiri Small Business and Network Director (March 2018 - present).
- Director of Small Business and Network at Bank Mandiri (March 2018-2019).
- Director of Consumer and Retail Transaction at Bank Mandiri (2019-present).

EDUCATION BACKGROUND

- Bachelor of Commerce Administration from Universitas 17 Agustus 1945 (1987).
- Master of Business Administration (MBA) in Finance and Accounting from the University of Oregon, USA (1991).

CERTIFICATION

- Foreign Exchange and Money Market Dealers in Indonesia (1997).
- Chartered Financial Consultants held by the Singapore Collage of Insurance (2004).
- Chartered Life Underwriter organized by the Singapore Collage of Insurance (2004).
- Certified Wealth Manager held by the University of Greenwich (2005).
- Chartered Financial Planning Standards Board in Indonesia (2007).
- Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2015).
- Certified Risk Management Refreshment Program organized by the BARA Risk Forum (2017).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



AHMAD SIDDIK BADRUDDIN

DIRECTOR OF RISK MANAGEMENT

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Bandung in 1965, 54 years old as of
December 2019.

EDUCATION BACKGROUND

- Bachelor of Chemical Engineering from the University of Texas, Austin, USA (1988).
- Master of Business Administration (MBA) in Management Information Systems from the University of Texas, Austin, USA (1990).

CERTIFICATION

- Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2015).
- The Risk Management Certification Refreshment Program held by BARa Risk Forum (2017).

WORK EXPERIENCE

- Management Associate di Citibank (1990-1995).
- Regional Risk Officer of Global Consumer Bank (AVP) di Citibank, Singapura (1995-1997).
- Retail Bank Risk Director of Global Consumer Bank (VP) di Citibank, Jakarta (1997-1998).
- Head of Risk Management di ABN AMRO Bank, Hong Kong (1999-2001).
- Country Risk Director di Citibank (2001-2004).
- Country Risk Director and Deputy Country Risk Director di Citibank, Jerman (2004-2008).
- Regional Senior Credit Officer for Central & Eastern Europe and Middle East Africa Region di Citibank, London (2008-2011).
- Global Unsecured Product Risk Management di Citibank, New York (2011-2014).
- SEVP Retail Chief SRisk Officer BankMandiri (2014-2015).
- Direktur Risk Management and Compliance Bank Mandiri (2015-March 2018).
- Direktur Manajemen Risiko Bank Mandiri (March 2018- saat ini).

APPOINTMENT HISTORY

Appointed as Director of Bank Mandiri for the first time at the Annual GMS dated March 16, 2015, based on the Deed of Decision of the Annual GMS No. 117 dated June 30, 2015.

EMPLOYMENT PERIOD

March 16, 2015 Until the closing of the Annual GMS 2020 (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

1.680.700 shares (0,0036015%).

Previously served as Director of Information Technology & Operations Based on the Resolution of the Extraordinary General Meeting of Shareholders dated December 9, 2019, there was a change in the nomenclature to Director of Information Technology.

RICO USTHAVIA FRANS

DIRECTOR OF INFORMATION TECHNOLOGY.



PLACE AND DATE OF BIRTH/AGE

Born in Kebumen in 1970, 49 years old as of December 2019.

DOMICILE
Jakarta.

NATIONALITY
Indonesian.

APPOINTMENT HISTORY

Appointed as a Director of Bank Mandiri for the first time at the Annual General Meeting of Shareholders on March 21, 2016 based on Deed of Resolution of the Annual General Meeting of Shareholders Number 45 dated July 29, 2016.

EMPLOYMENT PERIOD

March 21, 2016 until the closing of the 2021 Annual General Meeting of Shareholders (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

684.100 shares (0,0014659%).

WORK EXPERIENCE

- Field Manager at Schlumberger (1993-1995).
- Management Associate at Citibank NA (1995-1997).
- e-Trade Head Asset Based Finance Head at Citibank NA (1997-2001).
- e-Business Head at Citibank NA (2001-2006).
- Group Head Electronic Banking at Citibank NA (2006-2010).
- Electronic Banking Group Head of Bank Mandiri (2010-2013).
- SEVP Transaction Banking of Bank Mandiri (2013-2015).
- Bank Mandiri Digital Banking and Technology Director (2016-March 2018).
- Bank Mandiri Information Technology and Operation Director (March 2018 - 2019).
- Direktur Information Technology Bank Mandiri (2019-present).

EDUCATION BACKGROUND

Bachelor of Electrical Engineering from Institut Teknologi Bandung (1992).

CERTIFICATION

- Level 5 Risk Management Certification held by the Risk Management Certification Agency (BSMR) (2016).
- The Risk Management Certification Refreshment Program held by BARa Risk Forum (2018).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



DARMAWAN JUNAIDI

DIREKTUR TREASURY, INTERNATIONAL BANKING AND SPECIAL ASSET MANAGEMENT

Previously served as Director of Treasury and International Banking. Based on the Resolution of the Extraordinary General Meeting of Shareholders dated December 9, 2019, there was a change in the nomenclature to Director of Treasury, International Banking, and Special Asset Management.

NATIONALITY

Indonesian

DOMICILE

Jakarta.

PLACE AND DATE OF BIRTH/AGE

Born in Palembang in 1966, 53 years old as of December 2019.

EDUCATION BACKGROUND

Bachelor of Law from Sriwijaya University, Palembang (1990).

CERTIFICATION

- Advance Treasury Dealer Certification held by the Banking Professional Certification Institute (LSPP) (2018).
- Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2017).
- Treasury Dealer Level Advance Certification held by the Banking Professional Certification Institute (LSPP) (2018).

WORK EXPERIENCE

- Administration of the Head Office at PT Bank Bumi Daya (Persero) (1992-1994).
- Credit Recovery Officer at PT Bank Bumi Daya (Persero) (1994-1996).
- Professional Staff of Internal Control Affairs at PT Bank Bumi Daya (Persero) (1996-1997).
- Professional Staff in Treasury Affairs at PT Bank Bumi Daya (Persero) (1997-1999).
- Treasury Manager of Cayman Islands Branch at Bank Mandiri (1999-2005).
- Senior Manager - Professional Staff of Treasury Marketing I, Treasury Group at Bank Mandiri (2005-2007).
- Assistant Vice President - Chief Dealer of Marketing II, Treasury Group at Bank Mandiri (2007- 2009).
- Vice President - Department Head of Marketing West, Treasury Group at Bank Mandiri (2009- 2011).
- Vice President - Department of Banking Book Management, Treasury Group at Bank Mandiri (2011-2012).
- Senior Vice President - Deputy Group Head of Treasury at Bank Mandiri (2012-2015).
- Regional Senior Vice President CEO of Bali and Nusa Tenggara (Executive Officer in Funding and Lending) at Bank Mandiri (2015-2016).
- Senior Vice President - Group Head of Treasury at Bank Mandiri (January-May 2016).
- Director of Finance and as President Commissioner at PT Semen Kupang Indonesia, at the same time (2016- August 2017).
- Acting President Director of PT Semen Indonesia (Persero) Tbk (May 2017 - August 2017).
- Bank Mandiri Treasury Director (August 2017-March 2018).
- Bank Mandiri Director of Treasury and International Banking (March 2018 - now).
- Chairman Indonesia Foreign Exchange Market Committee (IFEMC) dari tahun 2017 – sekarang.

APPOINTMENT HISTORY

Appointed as Director of Bank Mandiri for the first time on the Extraordinary GMS dated August 21, 2017, based on the Deed of Resolution of the Extraordinary General Meeting of Shareholders No. 25 dated January 23, 2018.

EMPLOYMENT PERIOD

August 21, 2017 until the closing of the 2022 Annual GMS (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

529.500 shares (0,0011346%).

ALEXANDRA ASKANDAR

DIRECTOR OF CORPORATE BANKING

Previously served as Director of Institutional Relations.

PLACE AND DATE OF BIRTH/AGE

Born in Medan in 1972, 47 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Indonesian.



APPOINTMENT HISTORY

Appointed as Director for the first time at the Annual GMS dated March 21, 2018, based on the Deed of Resolution of the Annual GMS No. 60 dated September 18, 2018.

EMPLOYMENT PERIOD

March 21, 2018 until the closing of the 2023 Annual General Meeting of Shareholders (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

753.600 shares (0,0016149%).

WORK EXPERIENCE

- Manager of Finance Division at PT Surveyor Indonesia (1995-1996).
- ISO 9000 & 14000 Consultant at PT Surveyor Indonesia (1996-1997).
- Account Manager at the Loan Work Out Division of the Indonesian Bank Restructuring Agency (1999-2000).
- Senior Relationship Manager for Corporate Banking Group at Bank Mandiri (2000-2006).
- Corporate Banking III Group Department Head at Bank Mandiri (2007-2009).
- Group Head Syndication, Oil & Gas at Bank Mandiri (2009-2015).
- Corporate Banking Group Head V, Group at Bank Mandiri (2015-2016).
- Commissioner of PT Mandiri Sekuritas (2011- March 2018).
- Senior Executive Vice President of Corporate Banking at Bank Mandiri (2016-March 2018).
- Bank Mandiri Institutional Relationship Director (March 21, 2018-2019).

EDUCATION BACKGROUND

- Bachelor in Economics from the University of Indonesia (1995).
- Master of Business Administration (MBA) in Finance from Boston University, USA (1999).

CERTIFICATION

Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2018).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



AGUS DWI HANDAYA

DIRECTOR OF COMPLIANCE AND HR

Previously served as Compliance Director. Based on the Resolution of the Annual GMS dated May 16, 2019 there was a change in nomenclature to Director of Compliance and HR.

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Medan in 1970, 49 years old as of December 2019.

EDUCATION BACKGROUND

- Bachelor in Economics/Accounting from the University of North Sumatra (1995).
- Master of Business Administration in Strategy & Finance from the Nanyang Fellows National Technological University Singapore (2013).

CERTIFICATION

Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2018).

WORK EXPERIENCE

- Branch Officers of Medan Medan City Hall for Small & Corporate Loans and Medium-Term Loans at Import Export Banks (1996-1999).
- Section Head Regional Banking Controllers at Bank Mandiri (1999-2001).
- Section Head of Commercial Banking Controller at Bank Mandiri (2001-2003).
- Senior Strategic Plan at Bank Mandiri (2003-2005).
- Commercial Controller Head at Bank Mandiri (2005-2007).
- Department Head Strategy & Financial Analysis at Bank Mandiri (2007-2009).
- Group Head Strategy & Performance Group at Bank Mandiri (2009-2012).
- Study Tasks at the Nanyang Fellows National Technological University Singapore (2012-2013).
- Group Head Strategy & Performance Group at Bank Mandiri (2013-2014).
- Director of Finance & Distribution Network at PT Bank Syariah Mandiri (2014-2015).
- Director of Finance & Strategy at PT Bank Syariah Mandiri (2015-2016).
- Group Head Office of the CEO at Bank Mandiri (2016-2017).
- Senior Executive Vice President of Corporate Transformation & Finance at Bank Mandiri (2017-March 21, 2018).
- Compliance Director at Bank Mandiri (March 21, 2018-current).

APPOINTMENT HISTORY

Appointed as Director for the first time at the Annual GMS dated March 21, 2018, based on the Deed of Resolution of the Annual GMS No. 60 dated September 18, 2018.

EMPLOYMENT PERIOD

March 21, 2018 Until the closing of the 2023 Annual GMS (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

415.100 shares (0,0008895%).

Previously served as Director of Finance and Strategy. Based on the Resolution of the Extraordinary General Meeting of Shareholders dated December 9, 2019, there was a change in the nomenclature to Director of Operations.

PANJI IRAWAN

DIRECTOR OF OPERATION



PLACE AND DATE OF BIRTH/AGE

Born in Jakarta in 1965, 54 years old as of December 2019.

DOMICILE
Jakarta.

NATIONALITY
Indonesian.

APPOINTMENT HISTORY

Appointed as Director for the first time at the Annual GMS dated March 21, 2018, based on the Deed of Resolution of the Annual GMS No. 17 dated September 6, 2018.

EMPLOYMENT PERIOD

March 21, 2018 Until the closing of the 2023 Annual GMS (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

345.100 shares (0,0007395%).

WORK EXPERIENCE

- Chief Inspector at NIKE Inc. Representative Office (1989-1991).
- Dealer Trainee at PT Bank Indonesia Import Export (1991-1992).
- Leadership Staff in PT Bank Indonesia's Import Export Fund Management Unit (1993-1997).
- Leadership Officer in the Grand Cayman Work Unit of PT Bank Indonesia Import Export (1997-1999).
- Group Head of Foreign Exchange in the Global Market & Sales Division at Bank Mandiri (1999- 2000).
- Group Head of Foreign Exchange in the Bank Mandiri Global Market Division (2000-2001).
- Chief Dealer at Treasury Management Group Bank Mandiri (2001-2003).
- Bank Mandiri Treasury Trading Department Head (2003-2008).
- Bank Mandiri Debt & Capital Market Department Head (2008-2010).
- Official Treasury Group Head at Bank Mandiri (2010-2011).
- Commissioner at PT Mandiri Sekuritas (2010-2016).
- Bank Mandiri Treasury Group Head (2011-2016).
- Treasury & International Director at PT Bank Negara Indonesia (Persero) Tbk. (2016-March 21, 2018).
- Bank Mandiri Finance Director (March 21, 2018-2019).
- Bank Mandiri Director of Operations (2019-present).

EDUCATION BACKGROUND

Bachelor/Engineer in Agricultural & Resource Economics from Institut Pertanian Bogor (1989).

CERTIFICATION

- Underwriter Representative License held by the Capital Market Professional Standards Committee - Association of Underwriter Representatives (1995).
- Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2016).
- Advanced Treasury Level Certification (2017).
- Competency Assessor Certification in Banking held by the Banking Professional Certification Institute (LSPP) (2017).
- The Risk Management Certification Refreshment Program held by the Deposit Insurance Corporation (LPS) (2018).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



DONSUWAN SIMATUPANG

DIRECTOR OF INSTITUTIONAL RELATIONS

Previously served as Director of Retail
Banking

NATIONALITY
Indonesian.

DOMICILE
Jakarta.

PLACE AND DATE OF BIRTH/AGE
Born in Medan in 1961, 58 years old as of
December 2019.

EDUCATION BACKGROUND

- Bachelor in Corporate Economics from Universitas Parahyangan (1985).
- The Master of Business Administration (MBA) in the field of Investment Banking from Virginia Polytechnic Institute and State University, Blacksburg, Virginia, US (Virginia Tech) (1993).

CERTIFICATION

- Level 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2015).
- The Risk Management Certification Refreshment Program held by the Center for Risk Management Studies / CRMS (2017).

WORK EXPERIENCE

- Students of Ur. Education at PT Bank Rakyat Indonesia (Persero) Tbk. (1986-1989).
- Staff II Ur. Credit Administration at PT Bank Rakyat Indonesia (Persero) Tbk. (1989-1991).
- Staff II Ur. Training at PT Bank Rakyat Indonesia (Persero) Tbk. (1991-1992).
- Asmen Ur. Training at PT Bank Rakyat Indonesia (Persero) Tbk. (1993).
- Assistant Manager of Industrial Section at PT Bank Rakyat Indonesia (Persero) Tbk. (1993-1995).
- Associate Staff 1 Industrial Section at PT Bank Rakyat Indonesia (Persero) Tbk. (1995-1996).
- Branch Manager of the Argamakmur Branch Office, Palembang Regional Office at PT Bank Rakyat Indonesia (Persero) Tbk. (1996-1998).
- Head of Manado Branch Office, Manado Regional Office at PT Bank Rakyat Indonesia (Persero) Tbk. (1999-2001).
- Head of Jakarta Kramat Branch Office Branch, Jakarta Regional Office at PT Bank Rakyat Indonesia (Persero) Tbk. (2001-2003).
- Branch Manager Jakarta Jatinegara Branch Office, Jakarta Regional Office at PT Bank Rakyat Indonesia (Persero) Tbk. (2004-2005).
- Deputy Leader of the Makassar Region at PT Bank Rakyat Indonesia (Persero) Tbk. (2005-2007).
- Pj. Head of the Retail Credit Division at PT Bank Rakyat Indonesia (Persero) Tbk. (2007-2008).
- Head of the Retail Credit Division at PT Bank Rakyat Indonesia (Persero) Tbk. (2008-2010).
- Medan Region Leader at PT Bank Rakyat Indonesia (Persero) Tbk. (2010-2012).
- Surabaya Regional Leader at PT Bank Rakyat Indonesia (Persero) Tbk. (2012-2013).
- Head of General Business Division at PT Bank Rakyat Indonesia (Persero) Tbk. (2013-2015).
- Commercial Director at PT Bank Rakyat Indonesia (Persero) Tbk. (2015-2017).
- Director of Micro, Small & Medium Enterprises at PT Bank Rakyat Indonesia (Persero) Tbk. (2017).
- Director of Risk Management at PT Bank Rakyat Indonesia (Persero) Tbk. (2017-March 21, 2018).
- Bank Mandiri Retail Banking Director (March 21, 2018-2019).
- Director of Institutional Relations at Bank Mandiri (2019-present).

APPOINTMENT HISTORY

Appointed as Director for the first time at the Annual GMS dated March 21, 2018, based on the Deed of Resolution of the Annual GMS No. 17 dated September 6, 2018.

EMPLOYMENT PERIOD

March 21, 2018 Until the closing of the 2023 Annual GMS (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

345.100 shares (0,0007395%).

RIDUAN

DIRECTOR OF COMMERCIAL BANKING



PLACE AND DATE OF BIRTH/AGE

Born in Palembang in 1970, 49 years old as of December 2019.

DOMICILE

Jakarta.

NATIONALITY

Indonesia.

APPOINTMENT HISTORY

Appointed as Director for the first time at the Extraordinary GMS dated January 7, 2019 based on the Deed of Resolution of the Extraordinary GMS No. 03 January 07 2019.

EMPLOYMENT PERIOD

January 7, 2019 until the closing of the 2024 Annual GMS (First Period).

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

158.400 shares (0,0003394%).

WORK EXPERIENCE

- Internal Auditor (SPI) PT Bank Dagang Negara (Persero) (1996 - 1999).
- Internal Auditor at Bank Mandiri (1999 - 2001).
- Internal Control & Compliance Head in Region II / Palembang Bank Mandiri (2001 - 2005).
- Bank Mandiri Branch Manager Palembang (2003).
- Assistant Vice President of Bank Mandiri Micro Banking District Center II / Palembang (2005 - 2007).
- Vice President of the Regional II / Palembang Commercial Banking Center Bank Mandiri (2007 - 2011).
- Group Head of Bank Mandiri Business Banking/SME (Senior Vice President) (2011 - 2013).
- Commissioner of PT Mandiri AXA General Insurance (2012 - 2014).
- Director of Finance and Investment at PT Askes (Persero) and BPJS Kesehatan (2013-2016).
- Regional CEO II / Sumatra 2 Bank Mandiri (2016 - 2017).
- Commissioner of PT Mandiri Sekuritas (June 2018 - currently).
- Bank Mandiri Middle Corporate Senior Executive Vice President (2017-2018).
- Bank Mandiri Commercial Banking Director (January 7, 2019-present).

EDUCATION BACKGROUND

- Bachelor in Accounting Economics from Sriwijaya University (1995).
- Master in Management from Sriwijaya University (2007).

CERTIFICATION

- Risk Management Certification Refreshment Program organized by BARa (2018).
- 5 Risk Management Certification held by the Banking Professional Certification Institute (LSPP) (2019).



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



SILVANO WINSTON RUMANTIR

DIRECTOR OF FINANCE AND STRATEGY*

NATIONALITY

Warga Negara Indonesia.

DOMICILE

Jakarta.

PLACE AND DATE OF BIRTH/AGE

Born in Bandung in 1978, 41 years old as of December 2019

EDUCATION BACKGROUND

- Bachelor of Arts from University of Oregon, USA (1999)
- Master of Finance from RMIT University, Melbourne, Australia (2001)

CERTIFICATION

Risk Management Level 4 (2019)
Vice Underwriter Representative (2019)

WORK EXPERIENCE

- Director of Corporate Finance at Deutsche Bank Singapore (2015-2016)
- President Director at PT Mandiri Sekuritas (2016-2019)
- SEVP for Corporate Banking at Bank Mandiri (2019)
- Director of Finance and Strategy at Bank Mandiri (2019-present)

APPOINTMENT HISTORY

Appointed as Director of Finance and Strategy of Bank Mandiri for the first time on December 9, 2019 based on the Deed of Extraordinary GMS Minutes No. 5 dated 9 December 2019.

EMPLOYMENT PERIOD

December 9, 2019 until the end of the 2024 Annual GMS (First Period.)

CONCURRENT POSITION

Does not have concurrent positions in other companies or institutions.

AFFILIATIONS

No affiliations with any members of the Board of Directors, Board of Commissioners, nor controlling or principal shareholders.

SHAREHOLDING OF BMRI SHARES

-

* Effective after successfully obtaining approval and passing the Fit and Proper Test administered by OJK.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Profile Executive Officer

SENIOR EXECUTIVE VICE PRESIDENT



Mustaslimah

Senior Executive Vice President/
SEVP Internal Audit

Nationality	Indonesian.
Domicile	Depok
Place and Date of Birth/Age	Born in Temanggung District, Central Java in 1965, 54 years old per December 2019.
Education Background	Bachelor degree in Agroindustrial Technology from Bogor Agricultural University in 1988.
Work Experience	She joined Bank Mandiri in 1999 as Senior Officer Support Function and prior to her current position, she served as Group Head of Human Capital and Service since 2014.
Legal Basis of Appointment	Since 2015 she has held the position as Senior Executive Vice President/SEVP Internal Audit pursuant to Decree of the Board of Directors No. KEP.DIR/095/2015 dated March 26, 2015.
Shareholding of BMRI Shares	-



David Pirzada

Senior Executive Vice President/
SEVP Wholesale Risk

Nationality	Indonesian.
Domicile	Jakarta.
Place and Date of Birth/Age	Born in Palembang in 1968, 50 years old per December 2018.
Education Background	Obtained a Bachelor's degree in Electrical Engineering from Northeastern University, Boston, Massachusetts, USA, in 1991 and an MBA Program in International Business, Southern New Hampshire University in 1992.
Work Experience	He joined Bank Mandiri in 2018 as SEVP Wholesale Risk and prior to his current position he served as Chief Risk Officer at Bank of Tokyo Mitsubishi since 2015.
Legal Basis of Appointment	Since 2018, he has served as SEVP Wholesale Risk based on Decree of the Board of Directors No. KEP.DIR/50/2018 dated 02 July 2018.
Shareholding of BMRI Shares	-



Aquarius Rudianto

Senior Executive Vice President/
SEVP Operation

Nationality	Indonesian.
Domicile	Jakarta.
Place and Date of Birth/Age	Born in Jakarta in 1967, 52 years old per December 2018.
Education Background	Obtained a Bachelor's degree in Social Politics - Governmental Science at Padjajaran University, in 1990
Work Experience	He joined Bank Mandiri in 1991 as Samarinda Branch Manager. Prior to his current position he served as Bank Mandiri Regional CEO III since 2015.
Legal Basis of Appointment	Since 2018 he has served as SEVP Operation pursuant to Decree of the Board of Directors No. KEP.DIR/71/2018 dated November 8, 2018
Shareholding of BMRI Shares	-



Toto Prasetyo
Senior Executive Vice President/
SEVP of Technology & Information

Nationality	Indonesian.
Domicile	Depok
Place and Date of Birth/Age	Born in Jakarta in 1966, 53 years old as of December 2019
Education Background	Bachelor's and Master's degree in Mechanical Engineering from University of Stuttgart, Germany in 1992.
Work Experience	Joined Bank Mandiri in 2017 as Group Head of IT Application Support.
Legal Basis of Appointment	Appointed as SEVP of Information & Technology based on the Board of Directors Decree No. KEP. DIR/054/2019 dated 4 September 2019
Shareholding of BMRI Shares	-



M. Arifin Firdaus
Senior Executive Vice President/
SEVP of Special Asset Management

Nationality	Indonesian.
Domicile	Jakarta
Place and Date of Birth/Age	Born in Bandung in 1968, 51 years old as of December 2019
Education Background	Bachelor's Degree in International Law from Universitas Katolik Parahyangan in 1992.
Work Experience	Joined Bank Mandiri in 1994 as a legal officer and prior to his current position, he served as the Legal Group Head since early January 2019
Legal Basis of Appointment	Served as SEVP of Special Asset Management based on the Board of Directors Decree No. KEP. DIR/054/2019 dated 4 September 2019
Shareholding of BMRI Shares	61,800 shares



Pantro Pander Silitonga
Chief Transformation Officer

Nationality	Indonesian.
Domicile	Jakarta.
Place and Date of Birth/Age	Born in Bandung in 1976, 43 years old as of December 2019
Education Background	Bachelor of Science in Process Re-engineering, Operations & Accounting from Indiana University Bloomington, USA in 1998, and an MBA in Finance, Strategy, and Venture Capital from The University of Chicago, USA, in 2007.
Work Experience	Joined Bank Mandiri in 2016 as Head of Project Mergers & Acquisitions. Previously served as Senior Vice President of Strategic Investment & Subsidiaries Management in 2017
Legal Basis of Appointment	Appointed as Chief Transformation Officer since 29 based on the Board of Directors Decree No. KEP.DIR/037/2019 dated 24 May 2019
Shareholding of BMRI Shares	-



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

GROUP HEAD

Work unit	Head of Work Unit
Business & Network	
Region I/Sumatera 1	Wono Budi Tjahyono
Region II/Sumatera 2	Aribowo
Region III/Jakarta 1	Teuku Ali Usman
Region IV/Jakarta 2	Maqin Uddin Norhadi
Region V/Jakarta 3	Anton Zulkarnain
Region VI/Jawa 1	Harry Gale
Region VII/Jawa 2	Maswar Purnama
Region VIII/Jawa 3	R. Erwan Djoko
Region IX/Kalimantan	Trilaksito Singgih Hudanendra
Region X/Sulawesi & Maluku	Angga Erlangga Hanafie
Region XI/Bali & Nusa Tenggara	Rully Setiawan
Region XII/Papua	I Gede Raka Arimbawa
Distribution Strategy Group	Agus Haryoto Widodo
SME Banking Group	Choirul Anwar
Corporate Secretary Group	Rohan Hafas
Senior Operational Risk Distribution & Consumer	Tina Setiawati Sentoso
Chief Transformation Office	
Strategic Investment & Subsidiaries Management Group	Jan Riahman Lingga
Business Transformation	Rustam Sofyan Sirait
Corporate Development	Muhamad Sudrajat
Decision Engine COE	Williem Rudy
Business Process Management Center Of Excellence	Minette Rivelina
Project Chief Transformation Office	Mira Rozanna
Project Chief Transformation Office	Paulus Adinata Widia
Commercial Banking	
Commercial Banking 1 Group	Adi Pranantias
Commercial Banking 2 Group	Frans Gunawan L.
Commercial Banking 3 Group	Zaidan Novari
Commercial Banking 4 Group	Nita Prihutaminigrum
Commercial Banking 5 Group	Nancy Adistiyasari Kaswiyanto
Commercial Banking 6 Group	Totok Priyambodo
Commercial Solution Group	M. Wisnu Trihanggodo
Executive Business Officer-B	Nur Susilo Wibowo
Executive Business Officer-B	Zainal Alam Dalimunthe
Executive Relationship Officer	Sutekat

Work unit	Head of Work Unit
Consumer & Retail Transaction	
Wealth Management Group	Elina Wirjakusuma
Strategic Marketing Communication Group	Yoesman Sugianto
Credit Cards Group	Vira Widiyasari
Consumer Loans Group	Ignatius Susatyo Wijoyo
Retail Deposit Product & Solution Group	Muhamad Gumilang M
Transaction Banking Retail Sales Group	Thomas Wahyudi
Senior Operational Risk Retail	Mardiana
Corporate Banking	
Corporate Banking 1 Group	M. Rizaldi
Corporate Banking 2 Group	Yusak Labanta Sudena Silalahi
Corporate Banking 3 Group	Helmy Afrisa Nugroho
Corporate Banking 4 Group	Midian Samosir
Corporate Banking 5 Group	Susana Indah K. Indriati
Corporate Banking 6 Group	Budi Purwanto
Corporate Solution	Farida Thamrin
Executive Business Officer-B	Sulaeman
Executive Business Officer-B	Ferry Muhammad Robbani
Executive Relationship Officer	Jacob Johanis Maitimu
Senior Operational Risk Wholesale Banking	Mindha Erdismina
Hubungan Kelembagaan	
Government Institutional 1 Group	Dadang Ramadhan P.
Government Institutional 2 Group	Teddy Yunirman Danas
Government Solution Group	Diana Hady
Micro Development & Agent Banking Group	Zedo Faly
Government Project 1	Nila Mayta Dwi Rihandjani
Government Project 2	Rahmat Broto Triaji
Government Project 3	Tonggo Marbun
Dana Pensiun Lembaga Keuangan	Syah Amondaris
Internal Audit	
Wholesale & Corporate Center Audit Group	Baban Sudarman
Retail Audit Group	Juliser Sigalingging
IT Audit Group	Rasyid Darajat
Senior Investigator	Herry Rukmana

Work unit	Head of Work Unit
Compliance & HR	
Compliance & Anti Money Laundering - CFT Group	Eman Suherman
HC Strategy & Talent Management Group	Steven Augustino Yudiyanto
Human Capital Services Group	Putu Dewi Prasthiani
Mandiri University Group	Lugiyem
HC Performance & Remuneration Group	Emmy Nurhayati
Office Of The Board Group	Nur Eko Pujiastuti H
Senior HCBP Wholesale Banking	Rasbianto Hidajat
Senior HCBP Distribution & Retail Banking	Hendro Subekti
Improvement Project	H. R. Parlindungan Hutahaeen
Man Power Plan & Outsourcing Management	Harjito Hasto Prasjo
Finance & Strategy	
Strategy & Performance Management Group	Elmamber Petamu Sinaga
Accounting Group	Novita Widya Anggraini
Investor Relations Group	Yohan Setio
Office Of Chief Economist	Andry Asmoro
Corporate Real Estate Group	Koga Husin
Risk management	
Market Risk Group	Ita Tetralastwati
Credit Portfolio Risk Group	Alfanendya Safudi
Policy & Procedure Group	Diyantini Soesilowati
SME & Micro Risk Group	Muhammad Iqbal
Retail Collection & Recovery Group	Jugie Sugiarto
Retail Product Delivery&Fraud Risk Group	Upik Trisda Leawati
Corporate Risk Group	Danis Subyantoro
Commercial Risk 1 Group	Grandhis Helmi H.
Commercial Risk 2 Group	Tiwul Widyastuti
Credit Control & Supervision Group	Aried Riadi Bakri
Executive Credit Officer - A	M. Sigit Pambudi
Executive Credit Officer - A	Tatang Tabroni
Executive Credit Officer - A	Budi Kurniawan
Executive Credit Officer - A	Farid Ma'ruf

Work unit	Head of Work Unit
Executive Credit Officer - B	Eko Virgianto
Executive Credit Officer - B	Maria Nuringati
Executive Credit Officer - B	Sam Malee
Executive Credit Officer - B	Nur Hidayat Udin
Executive Credit Officer - B	Tjahjadi Harlianto
Executive Credit Officer - B	Deru Widarto
Executive Credit Officer - B	Goetomo
Executive Credit Officer - B	Wildan Sanjoyo
Wholesale Risk Solution	Dyota Mahoedara
Operation	
Wholesale Credit Operations Group	Martono
Retail Credit Center Group	Liston Simanjuntak
Cash & Trade Operations Group	Satria
Customer Care Group	Lila Noya
Business Continuity Management	Wawandrijo Priwardono
Information Technology	
Digital Banking Product Group	Sunarto
Digital Banking Delivery Group	Victor Erico Korompis
Enterprise Data Management Group	Billie Setiawan
Senior Operational Risk Teknology & Operation	Deni Hendra Permana
IT Strategy & Architecture Group	Aloysius Johannes
IT Application Development Group	Daniel Setiawan Subianto
CISO Office Group	Saladin Dharmanugraha
Treasury, International Banking & SAM	
Treasury Group	Abu Santosa Sudradjat
International Banking & Financial Inst Group	Elisabeth R.T. Siahaan
Transaction Banking Wholesale Sales Group	Tri Nugroho
Strategic Procurement Group	Triar Saryanto
Special Asset Management I Group	M. Iswahyudi
Special Asset Management II Group	J.F. Hasudungan
Special Asset Management III Group	Taufik Hidayat
Legal Group	Dedy Teguh Krisnawan
Executive Business Officer	Ruslina S.S.H. Butarbutar
Executive Business Officer	Asril Aziz



Profile of Employee Competencies and Development

NUMBER OF EMPLOYEES BASED ON ORGANIZATIONAL LEVEL

Table of Number of Employees by Organization Level Organizational Level

(in person)

Organizational Level	2019			2018		
	Male	Female	Total	Male	Female	Total
Senior Executive Vice President (SEVP); Executive Vice President (EVP); Senior Vice President (SVP)	99	29	128	100	24	124
Vice President (VP); Assistant Vice President (AVP)	2.270	993	3.263	2.156	918	3.074
Senior Manager (SRM), Assistant Manager (AM)	6.353	6.232	12.585	6.383	6.202	12.585
Staff	9.719	13.060	22.779	10.111	13.412	23.523
Miscellaneous	309	1	310	247	256	503
Total	18.750	20.315	39.065	18.997	20.812	39.809

NUMBER OF EMPLOYEES BASED ON EDUCATION LEVEL

Table of Number of Employees by Educational Level

(in person)

Educational Level	2019			2018		
	Male	Female	Total	Male	Female	Total
Doctoral Degree	7	1	8	8	3	11
Master's Degree	1.154	564	1.718	1.111	501	1.612
Bachelor and equivalent	15.405	17.670	33.075	15.421	17.989	33.410
Diploma	917	1.766	2.683	996	1.928	2.924
Senior High School	1.240	314	1.554	1.420	391	1.811
Junior High School	0	24	24	36	-	36
Elementary School	0	3	3	5	-	5
Total	18.723	20.342	39.065	18.997	20.812	39.809

NUMBER OF EMPLOYEES BASED ON EMPLOYMENT STATUS

Table of Number of Employees Based on Employees Status

(in person)

Employees Status	2019			2018		
	Male	Female	Total	Male	Female	Total
Permanent employee	16.153	17.155	33.308	15.834	16.399	32.233
Non-Permanent (contract) employee	2.430	3.073	5.503	2.916	4.157	7.073
Trainee	167	87	254	247	256	503
Total	18.750	20.315	39.065	18.997	20.812	39.809

NUMBER OF EMPLOYEES BASED ON AGE RANGE

Table of Number of Employees Based on Age Range

(in person)

Age Range	2019			2018		
	Male	Female	Total	Male	Female	Total
20-24	992	1.470	2.462	1.159	2.217	3.376
25-29	5.647	8.099	13.746	6.516	8.869	15.385
30-34	4.745	5.387	10.132	3.845	4.440	8.285
35-39	2.103	2.108	4.211	2.024	2.153	4.177
40-44	1.295	1.277	2.572	1.204	1.134	2.338
45-49	1.803	1.114	2.917	1.978	1.160	3.138
50-54	1.783	744	2.527	1.899	714	2.613
>54	382	116	498	372	125	497
Total	18.750	20.315	39.065	18.997	20.812	39.809

TOTAL EMPLOYEES BASED ON GENERATION

Table of Number of Employees Based on Generation

(in person)

Generation	2019			2018		
	Male	Female	Total	Male	Female	Total
Baby Boomer	0	0	0	3		3
Gen X	6.101	4.188	10.289	6.677	4.526	11.203
Gen Y	11.675	14.677	26.352	12.317	16.286	28.603
Gen Z	974	1.450	2.424	-	-	-
Total	18.750	20.315	39.065	18.997	20.812	39.809

NUMBER OF EMPLOYEES BASED ON YEARS OF SERVICE

Table of Number of Employees Based on Years of Service

(in person)

Years of Service	2019			2018		
	Male	Female	Total	Male	Female	Total
<3	3.409	3.875	7.284	3.918	5.287	9.205
3-5	3.918	4.671	8.589	4.474	4.981	9.455
6-10	5.595	6.935	12.530	4.620	5.767	10.387
11-15	1.588	1.828	3.416	1.357	1.811	3.168
16-20	465	1.074	1.539	499	904	1.403
21-25	1.765	1.025	2.790	1.872	1.086	2.958
26-30	1.665	761	2.426	1.805	795	2.600
>30	345	146	491	452	181	633
Total	18.750	20.315	39.065	18.997	20.812	39.809

TOTAL KRIYA MANDIRI PARTICIPANTS WITH DISABILITY

Table of Number of kriya Mandiri Participants with Disability (per person)

Sex	Year	
	2019	2018
Male	10	17
Female	7	5
Total	17	22



COMPETENCE DEVELOPMENT FOR EMPLOYEES

Policy

The competence development of Bank Mandiri employees is prepared based on and in support of the implementation of Bank Mandiri's 2016-2020 Corporate Plan "Restart" and promotes equal opportunities for all Bank Mandiri employees regardless of gender. Training and Development include an introduction to the organization, vision and mission, Corporate work culture, technical competencies needed, and leadership skills that are aligned with the Human Capital strategy by promoting equal opportunities for all Bank Mandiri employees.

Such employee competence development is carried out using the Blended Learning Solution method, which combines classroom instruction (20%) and experiential learning (80%), and makes use of technology to facilitate learning. Bank Mandiri redesigned a work unit-based training curriculum to complement and enhance the support of all units in order that Bank Mandiri can grow in a healthy and sustainable manner.

Competence Development Program

In 2019, Bank Mandiri organized the following nine programs to develop its employees' competencies:

1. **Executive Development Program**
A program to sharpen leadership and strategic skills of Bank Mandiri's Senior Management (Directors and SEVP/ EVP/SVP-level employee), and to keep up with various major business issues and development presently and in the future, at regional and global levels.
2. **Middle and Junior Management Development Program**
A program intended to develop leadership potential through a Leadership Development Plan consisting of the following stages:
 - **Officer Development Program (ODP) and Staff Development Program (SDP)** for managerial staff candidates of Bank Mandiri consisting of fresh graduates from selected universities and high-performing executives who have passed the selection stage.
 - **First Development Program (FDP)**
A program to prepare executives serving as unit head equivalent to Team Leader or Section Head for the first time, thus they are required to develop leadership competencies to be a leader that can manage their team and carry out their work well.
 - **Middle Manager Development Program (MDP)**
A program to prepare employees newly promoted to associate manager. This is an integrated program and delivers materials that cover leadership, technical, managerial, and global insights.
 - **General Development Program (GDP)**
An integrated program intended for Senior Manager candidates and delivers materials that cover leadership, technical, managerial, and global insights.
3. **Retaining Competency Development Program**,
An example of retention for employees eligible for an overseas Master's degree program. This program aims to arm the participants with knowledge of leadership, managerial, and global insights.
4. **Change and Culture Development Program**
A program to strengthen internalization of company culture in pursuit of Bank Mandiri's visions and missions.
5. **Essential Leadership Capability Development Program**
An employee soft skill program to improve synergy and collaboration among employees to boost spirit, work productivity, and innovation.
6. **Organizational Capability Development Program**
A program to prepare Bank Mandiri successors through the Mandiri Young Leaders (MYLead) program.

7. Pre-Retirement Program

A program to prepare employees that will soon retire with education about physical, mental, and spiritual health, and financial literacy for happy and financially-secure retirement days.

8. Employee Engagement Activities

To improve employee engagement, Bank Mandiri provides activities that support the work-life balance.

9. Mandatory Skill Development Program

A technical skill development program to improve employees' insights and competencies in the fields of credit, finance and accounting, marketing, risk management, information technology, as well as company operations and management.

POSITION-BASED COMPETENCE DEVELOPMENT

Bank Mandiri's commitment to provide equal opportunities for its employees in terms of competence development is shown in this program. In 2019, 38,224 employees or 98.0% of total employees participated in the competence development training, 4.7% higher compared to 2018 (93.3%), consisting of 18,244 male employees (47.7%) and 19,980 female employees (52.3%). Based on the 2019 Bank Business Plan, Bank Mandiri expects that 75% or 29,262 employees would participate in the training. It means that realization of Bank Mandiri's target coverage in 2019 reached 130.6%.

Table of Position-Based Competence Development in 2019

Employee Level	Training Program	Training Objective	Type of Training			Number of Employees	Percentage of Employees Attending Training for Each Level of Position
			InHouse	Public	Total		
01. COMMISSIONER			0	7	6	11	64%
	Leadership	To improve knowledge and competencies in leadership and career path escalation	0	1	1		
	Operations	To improve employees' knowledge and competencies in Company operations.	0	6	6		
02. DIRECTOR			2	9	11	11	100%
	Finance & Accounting	To improve employees' knowledge and competencies in finance and accounting.	0	3	3		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	0	0	0		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	0	1	1		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	0	4	4		
	Operations	To improve employees' knowledge and competencies in Company operations.	2	1	3		
03. SENIOR EXECUTIVE VICE PRESIDENT			2	3	5	6	83%
	Credit	To improve employees' knowledge and competence in credit.	0	1	1		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	1	1	2		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	1	0	1		



Employee Level	Training Program	Training Objective	Type of Training			Number of Employees	Percentage of Employees Attending Training for Each Level of Position
			InHouse	Public	Total		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	0	1	1		
	Operations	To improve employees' knowledge and competencies in Company operations.	0	0	0		
04. EXECUTIVE VICE PRESIDENT			3	1	4	5	80%
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	0	0	0		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	1	0	1		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	1	1	2		
	Operations	To improve employees' knowledge and competencies in Company operations.	1	0	1		
05. ASSISTANT VICE PRESIDENT - SENIOR VICE PRESIDENT			2.876	251	3.127	3.371	93%
	Credit	To improve employees' knowledge and competencies in credit.	555	13	568		
	Finance & Accounting	To improve employees' knowledge and competencies in Finance and accounting.	169	15	184		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	820	59	879		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	111	88	199		
	Leadership	To improve knowledge and competencies in leadership and career path escalation.	150	6	156		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	536	51	587		
	Operations	To improve employees' knowledge and competencies in Company operations.	535	19	554		
06. ASSISTANT MANAGER - SENIOR MANAGER			9.810	699	10.509	12.805	82%
	Credit	To improve employees' knowledge and competencies in credit.	2.457	81	2.538		
	Finance & Accounting	To improve employees' knowledge and competencies in Finance and accounting.	449	29	478		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	2.841	138	2.979		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	376	292	668		

Employee Level	Training Program	Training Objective	Type of Training			Number of Employees	Percentage of Employees Attending Training for Each Level of Position
			InHouse	Public	Total		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	764	2	766		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	1.298	119	1.417		
	Operations	To improve employees' knowledge and competencies in Company operations.	1.625	38	38		
07. EXECUTIVE			12.939	496	13.435	22.807	59%
	Credit	To improve employees' knowledge and competencies in credit.	2.082	23	2.105		
	Finance & Accounting	To improve employees' knowledge and competencies in Finance and accounting.	458	3	461		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	4.736	160	4.896		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	273	168	441		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	36	0	36		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	1.060	52	1.112		
	Operations	To improve employees' knowledge and competencies in Company operations.	4.294	90	4.384		
08. OTHERS			606	47	653		100%
	Credit	To improve employees' knowledge and competencies in credit.	121	0	121		
	Finance & Accounting	To improve employees' knowledge and competencies in Finance and accounting.	18	0	18		
	General	To improve employees' knowledge and competencies in sales, marketing, general knowledge, and so on.	176	24	200		
	Information & Technology	To improve employees' knowledge and competencies in Information Technology.	11	15	26		
	Leadership	To improve knowledge and competencies in leadership and career path escalation	28	0	28		
	Management	To improve employees' knowledge and competencies in risk management and Company management.	74	7	81		
	Operations	To improve employees' knowledge and competencies in Company operations.	178	1	179		
		Total	26.238	1.513	27.751	39.016	71%
Percentage of employees attending training for each training			95%	5%	...		



Information about the number of training participants, the number of training days to the number of training and the number of training days to the number of employees can be seen in the following table.

Table of Total Days of Training

Year	Number of Employees	Number of Training Participants	Number of Employees Attending Training	Total Days of Training	Days of Training/ Employees
2019	39.016	242.847	38.220	322.641	8.26
2018	39.809	283.636	37.141	263.365	7.09

Leadership Development Program Table

Leadership Development Program	2019		2018	
	Total Batch	Total Participants	Total Batch	Total Participants
Program Officer Development Program (ODP) Nasional	20	500	23	609
Program Staff Development Program (SDP)	7	212	19	554
Program MyLead	1	16	1	10
Program S2 Bank	1	18	1	26
Program SESPIBANK	2	5	2	6
Onboarding First Time Leader (OFL)	4	120	-	-
Middle Management Development Program (MDP)	1	25	2	60
General Development Program (GDP)	1	34	1	34
Executive Development Program (EDP)	1	8	-	-
Executive Training (Commissioners and Directors)	3	31	1	21

In 2019, Bank Mandiri started to organize an employee development program (Onboarding First Time Leader/OFL) to improve competencies of leading employees at the assistant manager level to senior manager level to prepare them for structural positions as Section Head or Team Leader. During 2019, OFL was held in 4 batches and attended by 120 employees. In several leadership programs, the number of training participants decreased as a result of adjustments to the Company's needs in 2019

Implementation of Competence Development Evaluation

In an effort to continuously improve the quality of training implementation both in terms of material renewal, training delivery methods, instructor quality and training facilities, Bank Mandiri conducts an evaluation of the implementation of training and employee development divided into 4 evaluation levels, namely:

- Level 1 (L1) is an evaluation to assess the participants' reactions to the implementation of training. This includes the suitability of the material, the ability of the teacher to deliver material and the availability of training facilities.
- Level 2 (L2) is an evaluation to assess the participants' understanding throughout the training. This evaluation can be in the form of a theory or practice exam related to training material.
- Level 3 (L3) is an evaluation to assess the implementation of training materials and changes in training participants' behavior before and after the training takes place. This evaluation is carried out at least 3 (three) months after the training is conducted. The assessment process is carried out by multi-evaluator method that is asking for an assessment/opinion from employees, superiors, colleagues, subordinates of the employee.
- Level 4 (L4) is an evaluation to assess the impact of training that employees have followed on improving their performance. This evaluation is carried out after 3 (three) months since the training took place.

In 2019, Bank Mandiri conducted 2,639 training classes with 702 modules of training and development modules being taught. The results of the evaluation of training and employee development at Bank Mandiri in 2019 are as follows:

Evaluation L1	Evaluation L2	Evaluation L3
Shows a score of 5,57 from a minimum standard of 4.8 (scale 1-6). This shows that the participants considered the implementation of the training to have been well implemented.	Shows a score of 80,98 from a minimum standard of 75 (scale 1-100). This shows that the participants have sufficient understanding of the training material that is followed.	Shows a score of 4,97 from a minimum standard of 4.8 (scale 1-6). This shows that the behavior of the participants experienced satisfying positive changes after attending the training.

Competence Development Expense

In 2019 the Company has allocated competency development costs for employees who recorded growth of 6.8% compared to 2018, this is in line with the Company's commitment to continue to increase added value for employees, one of which is through competencies. The total cost of developing employee competencies can be seen in the following table.

Table of Competence Development Expense in 2018-2019

(in billion IDR)

Competency Development Costs		Growth	
2019	2018	in currency	in percent
633.039	592,665	40.374	6,8

Table of Competence Development Expense by Program Type

(in billion IDR)

Program	2019	2018	2017	2016	2015
Executive Development Program	6.664	9.025	5.014	5.540	29.714
Middle and Junior Management Development Program	162.263	103.689	120.216	186.541	83.625
Retaining Competency Development Program	24.435	42.415	27.430	44.582	37.097
Change and Culture Development Program	16.840	19.036	14.840	13.379	17.000
Essential Leadership Capability Development Program	9.300	10.218	78.150	30.433	39.000
Organizational Capability Development Program	39.591	63.266	21.810	2.166	18.750
Pre Retirement Program	11.186	9.565	1.479	12.571	23.000
Employee Engagement Activities	15.313	25.918	38.007	16.133	16.350
Mandatory Skill Development Program	347.447	309.532	247.286	219.486	227.647
Total	633.039	592.665	554.232	530.831	492.100

2020 Competence Development Plan

The employee competence development strategy in 2019 was set based on and in support of the implementation of Bank Mandiri's Corporate Plan for 2020-2024 by building quality human resources that contribute to the achievement of Bank Mandiri's visions. For this reason, the training strategy is aligned with and supports the implementation of the Company's strategy, among others, through the development of leadership and technical competencies, particularly in the Corporate banking, retail banking, business and network segments, and supporting units with initiatives to:

1. Develop and implement leadership and managerial capability training programs.



2. Develop an employee capability improvement program through the preparation and implementation of training programs in:
 - Corporate banking
 - Retail banking
 - Business and network
3. Develop capability programs in the supporting fields, namely information technology, operations, and risk management.

Bank Mandiri will establish a Job Training Institute (LPK) to support the implementation of Competency-Based Training (PBK) in the Payment System and Rupiah Money Management (SPPUR). The employee capability improvement program is carried out using the life-long learning method, which is conducted not only through classroom training, but also through experiential learning, including on-the-job training, mentoring, and other programs. In addition, employees are required to conduct self-learning (through e-learning and/or other activities such as reading, attending sharing sessions, and many more).

Shareholders' Composition

Table of Bank Mandiri's Shareholders' Competition Per December 2019

Shareholding	Number of Shareholders	Number of Shares (Sheets)	Shareholding Percentage
NATIONAL			
The Government of the Republic of Indonesia	1	28.000.000.000	60,00000%
Individual	28.401	425.255.388	0,91126 %
Employees	1.439	13.095.464	0,02806%
Cooperatives	7	1.585.300	0,00340%
Foundations	19	34.608.390	0,07416%
Pension Fund	138	387.923.102	0,83126%
Insurance	112	1.203.481.520	2,57889%
Limited Liability Company	112	933.572.424	2,00051%
Mutual Fund	354	1.514.738.456	3,24587%
Sub Total	30.583	32.514.260.044	69,67341%
Foreign			
Foreign Individual	189	4.325.894	0,00927%
Foreign Business Entity	1.491	14.148.080.728	30,31732%
Sub Total	1.680	14.152.406.622	30,32659%
TOTAL	32.263	46.666.666.666	100,00000%

THE 20 LARGEST SHAREHOLDERS' COMPOSITION

Table of Bank Mandiri's The 20 Largest Shareholders' Composition

No.	Investor Name	Status	Amount of Shares	Shareholding Percentage
1.	THE GOVERNMENT OF THE REPUBLIC OF INDONESIA	The Government of the Republic of Indonesia	28.000.000.000	60,00000%
2.	DJS KETENAGAKERJAAN PROGRAM JHT	Limited Company	757.045.112	1,62224%
3.	GIC S/A GOVERNMENT OF SINGAPORE	Local Business Entity	544.958.046	1,16777%
4.	-SSB 2IB5 S/A OAKMARK INTERNATIONAL FUND	Foreign Business Entity	466.939.500	1,00058%
5.	BNYM RE BNYMLB RE EMPLOYEES PROVIDENTFD	Foreign Business Entity	393.564.815	0,84335%
6.	JPMBSAA AIF CLT RE-STICHTING DEPOSITARY	Foreign Business Entity	389.842.257	0,83538%
7.	JPMCB NA RE-VANGUARD TOTAL INTERNATIONAL	Foreign Business Entity	298.178.143	0,63895%
8.	PT. PRUDENTIAL LIFE ASSURANCE - REF	Insurance	293.050.318	0,62797%
9.	JPMCB NA RE - VANGUARD EMERGING MARKETS	Local Business Entity	273.157.415	0,58534%
10.	SSB 4545 S/A LAZARD EMERGING MARKETS EQU	Foreign Business Entity	265.129.842	0,56814%
11.	THE NT TST CO S/A FIDELITY INVESTMENT TR	Foreign Business Entity	257.496.800	0,55178%
12.	CITIBANK N.A.-BANK MANDIRI	Foreign Business Entity	220.482.380	0,47246%
13.	HSBC BANK PLC S/A SAUDI ARABIAN MONETARY	Local Business Entity	219.037.720	0,46937%
14.	PT AXA MANDIRI FINANCIAL SERVICES S/A MA	Insurance	187.208.400	0,40116%
15.	HSBC-FUND SERVICES, THE OVERLOOK PARTNER	Foreign Business Entity	176.217.000	0,37761%
16.	THE BANK OF NEW YORK MELLON DR	Foreign Business Entity	175.945.980	0,37703%
17.	BNYMSANV RE BNYMSANVLUX RE BLK GLBFDS-20	Local Business Entity	175.393.600	0,37584%
18.	JPMBL SA UCITS CLT RE-SCHRODER INTERNATI	Foreign Business Entity	165.101.400	0,35379%
19.	SSB 2Q27 S/A ISHARES CORE MSCI EMERGING	Foreign Business Entity	164.350.700	0,35218%
20.	CITIBANK NEW YORK S/A DIMENSIONAL EMERGI	Foreign Business Entity	161.352.262	0,34575%

COMPOSITION OF SHAREHOLDERS' HOLDING 5% OR MORE OF SHARE

Table of the Composition of Shareholders with 5% or More Shareholding

Investor Name	Amount of Share	Shareholding Percentage
Republic of Indonesia	28.000.000.000	60,0000000%

COMMUNITY SHAREHOLDERS' GROUP COMPOSITION HOLDING LESS THAN 5% OF SHARES

Table of Community Shareholders' Group Composition Holding Less than 5% of Shares

No.	Public Shareholding	Number Shareholders	Amount of Share	Shareholding Percentage
Domestic				
1.	Individual	28.401	425.255.388	0,91126%
2.	Employees	1.439	13.095.464	0,02806%
3.	Foundation	7	1.585.300	0,00340%
4.	Yayasan	19	34.608.390	0,07416%
5.	Pension Fund	138	387.923.102	0,83126%



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

No.	Public Shareholding	Number Shareholders	Amount of Share	Shareholding Percentage
6.	Insurance	112	1.203.481.520	2,57889%
7.	Limited Liability Company	112	933.572.424	2,00051%
8.	Mutual Funds	354	1.514.738.456	3,24587%
Sub Total		30.583	32.514.260.044	69,67341%
INTERNATIONAL				
1.	Foreign Individual	189	4.325.894	0,00927%
2.	Foreign Business Entity	1.491	14.148.080.728	30,31732%
Sub Total		1.680	14.152.406.622	30,32659%
TOTAL		32.263	18.666.666.666	40,00000%

BOARD OF COMMISSIONERS' AND DIRECTORS' SHAREHOLDING

Table of Bank Mandiri's Board of Commissioners' and Board of Directors' Shareholding

No.	Name	Position	Number of Shares	Shareholding Percentage
BOARD OF COMMISSIONERS				
1.	*Kartika Wirjoatmodjo	President Commissioner	789.000	0,0016907%
2.	Hartadi Agus Sarwono	President Commissioner/Independent Commissioner	0	0,0000000%
3.	*M. Chatib Basri	Vice President Commissioner	0	0,0000000%
4.	Imam Apriyanto Putro	Vice President Commissioner	114.300	0,0002449%
5.	*Muhamad Nasir	Independent Commissioner	0	0,0000000%
6.	*Robertus Bilita	Independent Commissioner	0	0,0000000%
7.	Makmur Keliat	Independent Commissioner	0	0,0000000%
8.	Goei Siauw Hong	Independent Commissioner	0	0,0000000%
9.	Bangun S. Kusmulyono	Independent Commissioner	0	0,0000000%
10.	Askolani	Commissioner	109.000	0,0002336%
11.	Ardan Adiperdana	Commissioner	319.500	0,0006846%
12.	R.Widyo Pramono	Commissioner	249.900	0,0005355%
13.	*Rionald Silaban	Commissioner	0	0,0000000%
BOARD OF DIRECTORS				
1.	Royke Tumilaar	President Director	786.100	0,0016845%
2.	Sulaiman Arif Arianto	Vice Director	1.103.558	0,0023648%
3.	Donsuwan Simatupang	Direktor of Retail Banking	345.100	0,0007395%
4.	Hery Gunardi	Direktor of Consumer & Retail Transaction	1.102.100	0,0023616%
5.	Darmawan Junaidi	Direktor of Treasury, International Banking & SAM	529.500	0,0011346%
6.	Panji Irawan	Direktor of Operations	345.100	0,0007395%
7.	Rico Usthavia Frans	Direktor of Information Technology	684.100	0,0014659%
8.	Alexandra Askandar	Direktor of Corporate Banking	753.600	0,0016149%
9.	Ahmad Siddik Badruddin	Direktor of Risk Management	1.680.700	0,0036015%
10.	Agus Dwi Handaya	Director of Compliance & HR	415.100	0,0008895%
11.	Riduan	Direktor of Commercial Banking	158.400	0,0003394%
12.	*Silvano W. Rumanthir	Director of Finance and Strategy	0	0,0000000%
TOTAL			9.261.758	0,0198465%

* Effective after obtaining OJK approval

BOARD OF COMMISSIONERS' AND DIRECTORS' SHARE TRADING

Pursuant to the Regulation of the Financial Services Authority No. 11/POJK.04/2017 on the Policy concerning Board of Commissioners' and Board of Directors' Share Trading, and the Standard Procedure of Company Corporate Secretary, each and every member of Board of Commissioners and Board of Directors must inform the Company about their shareholding and any change pertaining to their Company shareholding no later than 3 (three) days following the trading. Subsequently, the Company must report such a transfer to Financial Services Authority 10 (ten) days at the most after the trading. In relation to this matter, throughout 2019, there had been 11 trading transactions of Bank Mandiri's share conducted by Bank Mandiri's members of Board of Directors and Board of Commissioners with the detail as follows:

No.	Name	Position	Transaction	Amount of Shares Before the Transaction	Amount of Trading	Share Price	Amount of Share After the Transaction	Transaction Date	Purpose of Transaction	Reporting
1.	Kartika *Wirjoatmodjo	President Commissioner	Purchase	269.100 sheets	519.900 sheets	IDR7.914,57	789.000 sheets	June 26, 2019	In order to implementation / POJK No. 45 POJK.03 / 2015 about Application of Tata Manage in Gift Remuneration for the Bank General	Had been reported to OJK by letter June 28, 2019
2.	Imam Apriyanto Putro	Vice President Commissioner	Purchase	314.300 sheets	220.900 sheets	IDR7.914,57	535.200 sheets			
3.	Askolani	Commissioner	Purchase	109.000 sheets	210.500 sheets	IDR7.914,57	319.500 sheets			
4.	Ardan Adiperdana	Commissioner	Purchase	109.000 sheets	210.500 sheets	IDR7.914,57				
5.	R.Widyo Pramono	Commissioner	Purchase	39.400 sheets	201.500 sheets	IDR7.914,57	249.900 sheets			
6.	Royke Tumilaar	President Director	Purchase	344.200 sheets	441.900 sheets	IDR7.914,57	786.100 sheets			
7.	Sulaiman Arif Arianto	Vice President Director	Purchase	653.658 sheets	467.900 sheets	IDR7.914,57	1.103.558 sheets			
8.	Donsuwan Simatupang	Direktor of Retail Banking	Purchase	0 sheets	345.100 sheets	IDR7.914,57	345.100 sheets			
9.	Hery Gunardi	Direktor of Consumer & Retail Transaction	Purchase	660.200 sheets	441.900 sheets	IDR7.914,57	1.102.100 sheets			
10.	Darmawan Junaidi	Direktor of Treasury, International Banking & SAM	Purchase	87.600 sheets	441.900 sheets	IDR7.914,57	529.500 sheets			
11.	Panji Irawan	Direktor of Operations	Purchase	0 sheets	345.100 sheets	IDR7.914,57	345.100 sheets			
12.	Rico Usthavia Frans	Direktor of Information Technology	Purchase	242.200 sheets	441.900 sheets	IDR7.914,57	684.100 sheets			
13.	Alexandra Askandar	Direktor of Corporate Banking	Purchase	408.500 sheets	345.100 sheets	IDR7.914,57	743.600 sheets			
14.	Ahmad Siddik Badruddin	Direktor of Manajemen Risiko	Purchase	1.238.800 sheets	441.900 sheets	IDR7.914,57	1.680.700 sheets			
15.	Agus Dwi Handaya	Direktor of Kepatuhan & SDM	Purchase	70.000 sheets	345.100 sheets	IDR7.914,57	415.100 sheets			



List of Subsidiaries, Sub-Subsidiaries and/or Associates

SUBSIDIARIES

Name	Line of Business	Shareholding	Date and Year of Establishment	Operation Status	Total Assets (in billion)	Domicile
PT Bank Syariah Mandiri	Sharia Banking Services	99,99%	1999	In Operation	112.298	Jakarta
Bank Mandiri (Europe) Limited *	Banking Services	100,00%	1999	In Operation	2.585	London
PT Mandiri Sekuritas	Banking Investment Service	99,99%	2000	In Operation	2.074	Jakarta
PT Bank Mandiri Taspen	Banking Services	51,08%	1970	In Operation	26.948	Denpasar
PT Mandiri Tunas Finance	Motor Vehicle and Multipurpose Financing Services	51,000%	1989	In Operation	18.337	Jakarta
Mandiri International Remittance Sdn. Bhd. **	Money Remittance Services	100,000%	2009	In Operation	18	Kuala Lumpur
PT AXA Mandiri Financial Services	Financial Planning Services Via Insurance Products	51,000%	2003	In Operation	32.753	Jakarta
PT Asuransi Jiwa Inhealth Indonesia	Health Insurance and Life Insurance Services	80,000%	2008	In Operation	2.217	Jakarta
PT Mandiri Utama Finance	Customer Financing Services Especially for Motor Vehicle	51,000%	2015	In Operation	5.132	Jakarta
PT Mandiri Capital Indonesia	Venture Capital Services	99,990%	2015	In Operation	1.462	Jakarta

* Kurs BMEL IDR 14,001

**Kurs MIR IDR 3,416.05

A brief description about each Subsidiaries is elaborated as follows:



PT BANK SYARIAH MANDIRI ("BSM")

PT Bank Syariah Mandiri ("BSM") is a subsidiary of Bank Mandiri which conducts banking activities under the sharia principles, established in the Republic of Indonesia on 15 June 1955, originally bearing the name of PT Bank Industri Nasional ("PT Bina"). Subsequently PT Bina was changed into PT Bank Maritim Indonesia on 4 October 1967 and subsequently into PT Bank Susila Bhakti on 10 August 1973, which is a Subsidiary of BDN. The last company name change was based on Notarial Deed by Sutjipto, S.H., No. 23 dated September 8, 1999, i.e. Into PT Bank Syariah Mandiri

BSM conducts its business based on an authorization from Bank Indonesia under the the Decree of Bank Indonesia's Governor No. 1/24/KEP.GBI/1999 dated October 25, 1999 as a commercial bank based on sharia principles and

commenced operations as of November 1, 1999. The Company's shareholding composition consisted of PT Bank Mandiri (Persero) Tbk. at 99.99% (397,804,386 shares) and Mandiri Sekuritas at 0.01% (1 share).

To this date, BSM offers a range of innovative sharia-based products for their customers which are classified into 4 (four) groups e.g. funding, financing, merit and service products.

The following is the composition of the Board of Commissioners and Board of Directors of Mandiri Syariah based on the Deed of GMS Resolutions No. 55 dated 22 October 2019:

BOARD OF COMMISSIONERS

President Commissioner/
Independent Commissioner : Mulya E. Siregar
Independent Commissioner : Bambang Widianto
Independent Commissioner : Muhammad Kapitra
Ampera (Appointed based on the Deed No. 55 dated 22 October 2019 and the Decree of the Ministry of Law and Human Rights No. AHU: AHU-AH.01.03-0353988).

BOARD OF DIRECTORS

President Director : Toni E.B. Subari
Director : Putu Rahwidhiyasa
Director : Ade Cahyo Nugroho
Director : Achmad Syafii
Director : Kusman Yandi
Director : Rosma Handayani (Appointed based on the Deed No. 55 dated 22 October 2019 and the Decree of the Ministry of Law and Human Rights No. AHU: AHU-AH.01.03-0353988).

SEVP : Nury Sriandajani (Decree No. 201703-KEP/DIR dated 26 October 2018).

SEVP : Karya Prasetya Budi (Decree No. 20/590-KEP/DIR dated 29 October 2018).

SEVP : (Deed No. 21/052-KEP/DIR dated 22 January 2019).

SEVP : Wawan Setiawan (Deed No. 21/635-KEP/DIR dated 5 November 2019).

SHARIA SUPERVISORY BOARD

Head of the Sharia Supervisory Board : Mohamad Hidayat
Sharia Supervisory Board : Oni Sahroni
Sharia Supervisory Board : Siti Ma'rifah*



BANK MANDIRI (EUROPE) LIMITED ("BMEL")

Bank Mandiri (Europe) Limited ("BMEL") is a British-Corporate subsidiary with its shares entirely held by Bank Mandiri. BMEL was established on August 2, 1999 under registration number 3793679. BMEL is a commercial bank operating under the supervision of The Prudential Regulation Authority ("PRA") and The Financial Conduct Authority ("FCA") of England. BMEL was also set up to carry on the business activities of the overseas branch office of Bank Exim previously operating since 1992 and turned into Bank Mandiri (Europe) Limited in 1999.

As a commercial bank operating in England, BMEL provides banking products such as trade financing, encompassing export and import products, and receivable/invoice financing, as well as remittance service as a Corporate payment solution, in addition to Corporate financing products, both working capital loan and investment loan. Furthermore, BMEL takes part in becoming the marketing channel of capital market for Bank Mandiri Group. Then, BMEL collaborated with the stakeholders into business gateway in England and Europe to attract investors as foreign direct investment to Indonesia or Indonesian Entrepreneur/Indonesian Corporation intending to penetrate England and Europe markets.

The composition of management structure of Bank Mandiri (Europe) Limited is as follows:

NON EXECUTIVE DIRECTOR (NED)

Independent NED and Chairman : Mahendra Siregar
Independent Non
Executive Director : Geoffrey McDonald
Non Executive Director : Ita Tetralastwati

DIRECTOR

Chief Executive : I Nyoman G. Suarja



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



PT MANDIRI SEKURITAS

PT Mandiri Sekuritas ("Mandiri Sekuritas"), formerly known as PT Merincorp Securities Indonesia ("MSI") was established under the Deed No. 1 dated December 2, 1991 made before a Notary, Sutjipto, S.H., MSI obtained the business license as security portfolio trading intermediary and security portfolio underwriter for the Chairman of the Capital Market Supervisory Agency ("Bapepam") under the Decree No. KEP-12/PM/1992 and No. KEP-13/PM/ 1992 and commenced its operations on January 23, 1992.

Mandiri Sekuritas is one of Bank Mandiri's subsidiaries, a surviving security company from the merger of several security companies in Bank Mandiri's vicinity, i.e. Bumi Daya Sekuritas, Exim Securities, and Merincorp Securities Indonesia. The merger is based on the Notarial Deed No. 116 dated July 31, 2000 made before a Notary, Mrs. Vita Buena, S.H., approved by the Minister of Law and Legislation of the Republic of Indonesia on 25 August 2000 based on the Decree No. C-18762. HT.01.01-TH.2000 and business permit previously obtained by MSI which remains applicable by PT Mandiri Sekuritas. The shareholding composition of the Company comprise 99.99% by PT Bank Mandiri (Persero) Tbk and 0.01% by Koperasi Mandiri.

Currently, Mandiri Sekuritas is one of the security companies with the largest security capitalization value in Indonesia's capital market. In addition, Mandiri Sekuritas is also an investment banking service provider and the most active local security intermediary in Indonesia.

The following is the composition of Mandiri Sekuritas' Board of Commissioners and Board of Directors based on GMS resolutions Number 69 dated 18 November 2019 and Number 09 dated 13 August 2019 :

BOARD OF COMMISSIONERS

President Commissioner and
Independent Commissioner : Darwin Cyril Noerhadi
Commissioner : Farida Thamrin
Commissioner : Endra Gunawan

DIRECTORS

President Director : Dannif Danusaputro
Director : Heru Hendayanto
Director : Andy Saleh Bratamihardjo
Director : Silva Halim
SEVP : Theodora Vinca Natalie Manik



PT BANK MANDIRI TASPEN

PT Bank Mandiri Taspen (hereinafter referred to as Bank Mantap or the Bank) was established in Denpasar on November 3, 1992, under the Deed of Establishment No. 4, made before Ida Bagus Alit Sudiarmika, S.H., a Notary in Denpasar, bearing the name of PT Bank Sinar Harapan Bali. The establishment was an upgrade of legal entity status, from previously an Indonesian Joint-Stock Company (Maskapai Andil Indonesia or MAI) into a Limited Liability Company (Perseroan Terbatas or PT). The deed of establishment was ratified by the Minister of Justice of the Republic of Indonesia under Decree No. C2-4581 HT.01.01 Th.93 dated June 12, 1993.

Over time, on May 3, 2008, Bank Sinar was officially acquired by PT Bank Mandiri (Persero) Tbk in order to comply with the provisions of capital regulation as a commercial bank. The acquisition marked the beginning of Bank Mandiri's ownership of Bank Sinar and then the management of Bank Sinar is done separately as a stand-alone bank with the status of Subsidiary focusing mainly on micro business and small business development.

On July 24, 2015, the FSA approved the name was change of PT Bank Sinar Harapan Bali into PT Bank Mandiri Taspen Pos and granted permission to conduct business activities under the name of Bank Mantap. The name change was accompanied by a license for logo change from FSA on July 31, 2015. The name and logo changes was announced to the public on August 7, 2015.

On October 9, 2017, Bank Mandiri Taspen Pos held Extraordinary General Meeting of Shareholders (EGMS) that approved the change of shareholders composition into Bank Mandiri (59.44%), PT Taspen (40%), and individuals (0.56%). The EGMS also approved the change of company name from PT Bank Mandiri Taspen Pos to PT Bank Mandiri Taspen.

The following is the composition of the Board of Commissioners and Board of Directors of PT Mandiri Taspen based on GMS resolutions Number 94 dated 25 May 2018:

BOARD OF COMMISSIONERS

President Commissioner : Abdul Rachman
Commissioner : Agus Haryanto
Independent Commissioner : Sukoriyanto Saputro

Independent Commissioner : Edhi Chrystanto
Independent Commissioner : Zudan Arief Fakrulloh

DIRECTORS

President Director : Josephus Koernianto Triprakoso
Director : Nurkholis Wahyudi
Director : Paulus Endra Suyatna
Director : Iwan Soeroto



PT MANDIRI TUNAS FINANCE ("MTF")

PT Mandiri Tunas Finance ("MTF") is one of Bank Mandiri's subsidiaries established in 1989. MTF was established under the name of PT Tunas Financindo Corporation (later renamed into PT Tunas Financindo Sarana ("TFS")) based on the notarial deed made by Misahardi Wilamarta, S.H., No. 262 dated May 17, 1989 and ratified by the Minister of Justice within the Decision Letter No. C2-4868.HT.01.01.TH.89 dated June 1, 1989 and was published in the State Gazette No. 57, Supplement No. 1369 dated July 18, 1989.

Later, in February 2009, Bank Mandiri acquired the company into PT Mandiri Tunas Finance ("MTF") with 51% of shareholding by Bank Mandiri and 49% by PT Tunas Ridean Tbk. The transfer of 51.00% of shareholding towards Bank Mandiri has been ratified in the EGMS MTF as set forth in Minutes of EGMS No. 8 dated February 6, 2009 and was registered in the Department of Law and Human Rights' Legal Entity Administration System as affirmed via Ministry of Law and Human Rights' Letter No. AHU-AH.01.10-01575 dated March 11, 2009.

The name change of TFS into MTF was conducted on June 26, 2009, in accordance to PT Tunas Financindo Sarana's Deed of Meeting Resolution No. 181 dated June 26, 2009 signed by Notary Dr. Irawan Soerodjo, S.H., Msi. The articles of association was approved by the Minister of Law and Human Rights of the Republic of Indonesia within the Decision Letter No. AHU-4056.AH.01.02.TH.09 on August 26, 2009.

MTF is a financing institution whose business activities focused on Investment Financing, Motor Vehicle Financing, Multipurpose Financing, and other financing based on approval from the Financial Services Authority (OJK). Bank Mandiri's shareholding until 2017 amounts to 51.00% and 49.00% for Tunas Ridean.

The following is the composition of the Board of Commissioners and Board of Directors of Mandiri Tunas Finance based on GMS resolutions Number 42 dated 26 March 2018:

BOARD OF COMMISSIONERS

President Commissioner : Rico Adisurja Setiawan
Commissioner : Harry Gale
Independent Commissioner : Prof. Dr. Ravik Karsidi, M.S.

DIRECTORS

President Director : Arya Suprihadi
Marketing Director : Harjanto Tjitohardjoyo
Financial Director : Armendra



MANDIRI INTERNATIONAL REMITTANCE SDN. BHD. ("MIR")

Mandiri International Remittance Sdn. Bhd. ("MIR") is a subsidiary whose shares are held entirely by Bank Mandiri and became a Malaysian legal entity since March 17, 2009 under the registration number 850077-P. MIR is a remittance service provider under the provision of Bank Negara Malaysia ("BNM"). The establishment of MIR received an approval from Bank Indonesia ("BI") via letter No. 10/548/DPB1 dated November 14, 2008 and an approval from BNM to conduct operational activities via letter No. KL.EC.150/1/8562 dated November 18, 2009. The new licensing has been approved under the Money Services Business Deed 2011 on August 7, 2012 letter No. JPPPW/LIC/2200/B/0106.

The grand opening of the first MIR office that was located in Kuala Lumpur, Malaysia was conducted on November 29, 2009 and to this day, the main products provided by MIR are remittances to Bank accounts within Banks all across Indonesia or through cash withdrawals at all Bank Mandiri Branches and Pawnshop Outlets in Indonesia for the currency of Indonesian Rupiah. In addition, MIR also provides forwarding services for opening a Mandiri Tabungan TKI account and acts as a contact center for Bank Mandiri's customers in Malaysia.

Based on the AGM Resolution dated 30 September 2017 the composition of Mandiri International Remittance Sdn. Bhd.'s Board of Commissioners and the Board of Directors are as follows:

DIRECTORS

President Director : Lugiye
Director : Mohd. Fodli



PT AXA MANDIRI FINANCIAL SERVICES ("AXA MANDIRI")

PT AXA Mandiri Financial Services ("AXA Mandiri") is a Subsidiary of Bank Mandiri established under the name of PT Asuransi Jiwa Staco Raharja on 30 September 1991 under the Notarial Deed made by Muhani Salim, S.H., No. 179. The company obtained the decision letter from the Directorate General of Financial Institutions No. KEP.605/KM.13/1991 regarding the granting of a National Life Insurance Business License and commenced their operations on December 4, 1991. The name of the company then was changed into PT Asuransi Jiwa Mandiri and subsequently changed into PT AXA Mandiri Financial Services. This amendment was approved by the Minister of Law and Human Rights in the letter No. C-28747.HT.01.04.TH.2003 dated December 10, 2003 and was published in the State Gazette No. 64, Supplement No. 7728 dated August 10, 2004 with the composition of NMI shareholders respectively at 51.00% and 49.00% for Bank Mandiri.

On August 20, 2010, Bank Mandiri signed a trading agreement over the purchase of 2,027,844 shares or 2.00% of the issued and paid-up shares of NMI made before the notary Dr. A. Partomuan Pohan, S.H., LL.M. The ownership addition in AXA Mandiri has been approved by Bank Indonesia via its letter No. 12/71/DPB1/TPB1-1 dated July 22, 2010. Following this purchase, Bank Mandiri's shareholding percentage in AXA Mandiri was increased to 51.00%.

AXA Mandiri offers financial planning services through various insurance products that provide added value to the customers and subsidiaries of Bank Mandiri. Especially for individual businesses (retail), AXA Mandiri offers combined products of insurance and investment (unit link) with flexible feature selections with optimal coverage to meet various needs such as life protection, health insurance, critical illness insurance, old-age savings, education funds, or other financial planning purposes for the future. In addition to those unit link, AXA Mandiri also introduces conventional insurance products, namely Mandiri Solusi Kesehatan (Mandiri Health Solution), Asuransi Mandiri Perlindungan Penyakit Tropis (Mandiri Tropical Diseases Coverage Insurance), Asuransi Mandiri Hospitalife (Mandiri Hospitalife Insurance), Asuransi Mandiri Proteksi Kanker (Cancer Protection Mandiri Insurance), Asuransi Mandiri Heart Protection (Mandiri Heart Protection Insurance),

and Mandiri Kesehatan Prima (Prime Health Mandiri) that provide for life and health insurance coverages, along with several additional coverage insurance (riders).

Furthermore, AXA Mandiri also provides insurance coverage for credit card-holding customers, saving account customers, consumer loan customers, and credit customers of Bank Mandiri and Bank Mandiri's subsidiaries. AXA Mandiri offers as well coverage for companies in managing their employee warfare through the distribution channel of Corporate Solution, a health and life coverage with comprehensive benefits, for the company employees.

The following is the composition of AXA Mandiri Financial Services' Board of Commissioners and Board of Directors based on GMS resolutions Number 32 dated 09 October 2019:

BOARD OF COMMISSIONERS

President Commissioner	: Agus Haryoto Widodo
Commissioner	: Julien Steimer
Independent Commissioner	: Wihana Kirana Jaya
Independent Commissioner	: Akhmad Syakhroza

DIRECTORS

President Director	: Handojo Gunawan Kusuma
Director	: Henky Oktavianus
Director	: Cecil Mundisugih
Director	: Rudy Kamdani



PT ASURANSI JIWA INHEALTH INDONESIA ("MANDIRI INHEALTH")

PT Asuransi Jiwa Inhealth Indonesia, hereinafter referred to Mandiri Inhealth, was founded on October 6, 2008 under the Deed of Establishment of PT Asuransi Jiwa Inhealth Indonesia No. 2 Dated October 6, 2008; No. AHU-90399.AH.01.01; Dated November 26, 2008. Mandiri Inhealth is owned by three state-owned enterprises with the following composition: PT Bank Mandiri (Persero) Tbk at 80%, PT Kimia Farma (Persero) Tbk at 10%, PT Asuransi Jasa Indonesia (Persero) at 10%.

Mandiri Inhealth officially began operating on April 1, 2009 and has experienced significant business growth over the last five years compared to the industry average. Mandiri Inhealth is supported by strong

infrastructure throughout Indonesia, including:

1. 12 Marketing Offices, 10 Operational Offices, and 50 Customer Service Offices all over Indonesia.
2. Direct cooperation with approximately 7,000 providers (hospitals, clinics, pharmacies, opticians, laboratories, PMI, and physicians) throughout Indonesia.

The following is the composition of Bank Mandiri Inhealth's Board of Commissioners and Board of Directors based on GMS resolutions No. 96 dated 20 September 2019:

BOARD OF COMMISSIONERS

President Commissioner : Yusak Labanta Sudena Silalahi
Independent Commissioner: Ali Gufron Mukti
Independent Commissioner: Bambang Wibowo

DIRECTORS

President Director : Iwan Pasila
Director : Rahmay Syukri
Director : Bugi Riagandy



PT MANDIRI UTAMA FINANCE ("MUF")

PT Mandiri Utama Finance ("MUF") is a subsidiary of Bank Mandiri, operating since August 24, 2015, based on the notarial deed made by Ashoya Ratam, S.H., M.Kn. No. 19 dated January 21, 2015, approved by the Ministry of Law and Human Rights of the Republic of Indonesia within the Decision Letter No. AHU-0003452.AH.01.01. tahun 2015 dated May 26, 2015. Bank Mandiri alongside PT Tunas Ridean Tbk and PT Asco Investindo established MUF with Bank Mandiri's ownership amounts to 51.00%, PT Tunas Ridean Tbk at 12.00% and PT Asco Investindo at 37.00%.

On 24 August 2015, MUF conducted their initial operational activities through collaborations with major dealers and loan disbursements towards limited customers to meet FSA IKNB requirements. To this date MUF is a financing institution focused on customer financing, especially the financing for both new and used motor vehicle. In the course of their business, MUF provides financing services covering investment financing, working capital financing, and Multipurpose financing which the main focus is currently the financing of motor vehicles for retail customer and companies in the form of financing consumers as well as leasing.

The following is the composition of Bank Mandiri Utama Finance's Board of Commissioners and Board of Directors based on GMS resolutions No. 46 dated 20 August 2019:

BOARD OF COMMISSIONERS

President Commissioner : Ignatius Susatyo Wijoyo
Commissioner : Erida
Independent Commissioner : Mansyur Syamsuri Nasution

DIRECTORS

President Director : Stanley Setia Atmadja
Director : Rita Mustika
Director : Wiweko Probojakti



PT MANDIRI CAPITAL INDONESIA ("MCI")

PT Mandiri Capital Indonesia ("MCI") is a subsidiary of Bank Mandiri which was established on June 23, 2015, and is engaged in venture capital. On June 26, 2015, the establishment of MCI has been approved by the Minister of Law and Human Rights No. AHU-2445684.AH.01.01 year 2015. MCI has obtained a license to conduct business activities in venture capital on November 10, 2015 via Financial Services Authority's letter No. SR-6035/NB.111/2015 so that MCI can perform full operational activities.

To this date, the majority of MCI's shareholder is PT Bank Mandiri (Persero) Tbk at 99.98% and PT Mandiri Sekuritas at 0.02%. To conduct their business, MCI used various investment plans towards potential FinTech startup companies through equity participation, participation via convertible notes, and other forms according to POJK of the venture capital.

Based on resolutions of GMS Number 1 dated Tuesday, 11 April 2017 the composition of Bank Mandiri Inhealth's Board of Commissioners and Board of Directors is as follows:

BOARD OF COMMISSIONERS

President Commissioner : Pantro Pander Silitonga
Commissioner : Daniel Setiawan Subianto
Independent Commissioner: Alamanda Shantika Santoso

DIRECTORS

President Director : Mardianto E. Danusaputro
Director : Hira Laksamana



SECOND-TIER SUBSIDIARY ENTITIES

Bank Mandiri has 2 (two) Second-tier Subsidiaries Entities through the ownership by the Subsidiary Entity

Name	Line of Business	Shareholding	Date and Year of Establishment	Operation Status	Jumlah Aset (dalam juta)	Domicile
Mandiri Manajemen Investasi	Investment Manager Services	Ownership through Mandiri Investasi with 99.90% shareholding	2004	In Operation	413.299,5	Jakarta
Mandiri Securities Pte. Ltd	Investment Service Banking	Ownership through Mandiri Investasi with 100.00% shareholding	2015	In Operation	269,4	London
PT Mitra Transaksi Indonesia	Business Support Services Related to Financial Services	Ownership through Mandiri Investasi with 99.99% shareholding	2016	In Operation	389.957,6	Jakarta

ASSOCIATES ENTITY

Name	Line of Business	Shareholding	Date and Year of Establishment	Operation Status	Domicile
PT Kustodian Sentral Efek Indonesia ("KSEI")	Depository and Settlement Institution (LPP) in Indonesia Capital Market	10,00%	1997	In Operation	Jakarta
PT Mandiri AXA General Insurance ("MAGI")	Financing Service that participated in Financing Commercial Ships Procurement in Indonesia	20,000%	2011	In Operation	Jakarta
PT Djakarta Lloyd (Persero)	Jasa Pelayaran Niaga	17,67%	1950	In Operation	Jakarta

A brief description about each Associates is elaborated as follows:

PT KUSTODIAN SENTRAL EFEK ("KSEI")

PT Kustodian Sentral Efek Indonesia ("KSEI") is a Depository and Settlement Institution (LPP) in Indonesia capital market, established on December 23, 1997 in Jakarta, and obtained an operating license on November 11, 1998. Based on the provisions of 1995 Law Number 8 regarding Capital Market, KSEI performs its function as LPP in Indonesia capital market by providing centralized custodian services and well-regulated, proper and efficient Security settlement services. Currently, KSEI's shareholders consist of 26 Security Companies, 9 Custodian Banks, 3 Securities Administration Agencies and 2 SROs (Self Regulatory Organizations) whereby Bank Mandiri became one of the custodian banks as well as KSEI's shareholder at 10%.

PT Mandiri AXA General Insurance ("MAGI")

PT Mandiri AXA General Insurance (MAGI) is a joint venture company between Bank Mandiri and AXA Société Anonyme which operates in the field of loss insurance. Established based on Notary Deed of Sie Khwan Djioe No. 109 dated July 28, 1961 in Jakarta. In running its business, MAGI has obtained a business license from the Bapepam Insurance Bureau and LK Ministry of Finance of the Republic of Indonesia through letter No. S-12583 / BL / 2011 dated 22 November 2011. The business area that has been the focus of MAGI to this day is motor vehicle insurance, but along with the development of the company's business, the products being marketed are now more varied, such as accident insurance, property, transportation, travel insurance and various other products. Currently, the shares owned by Bank Mandiri are 20%.

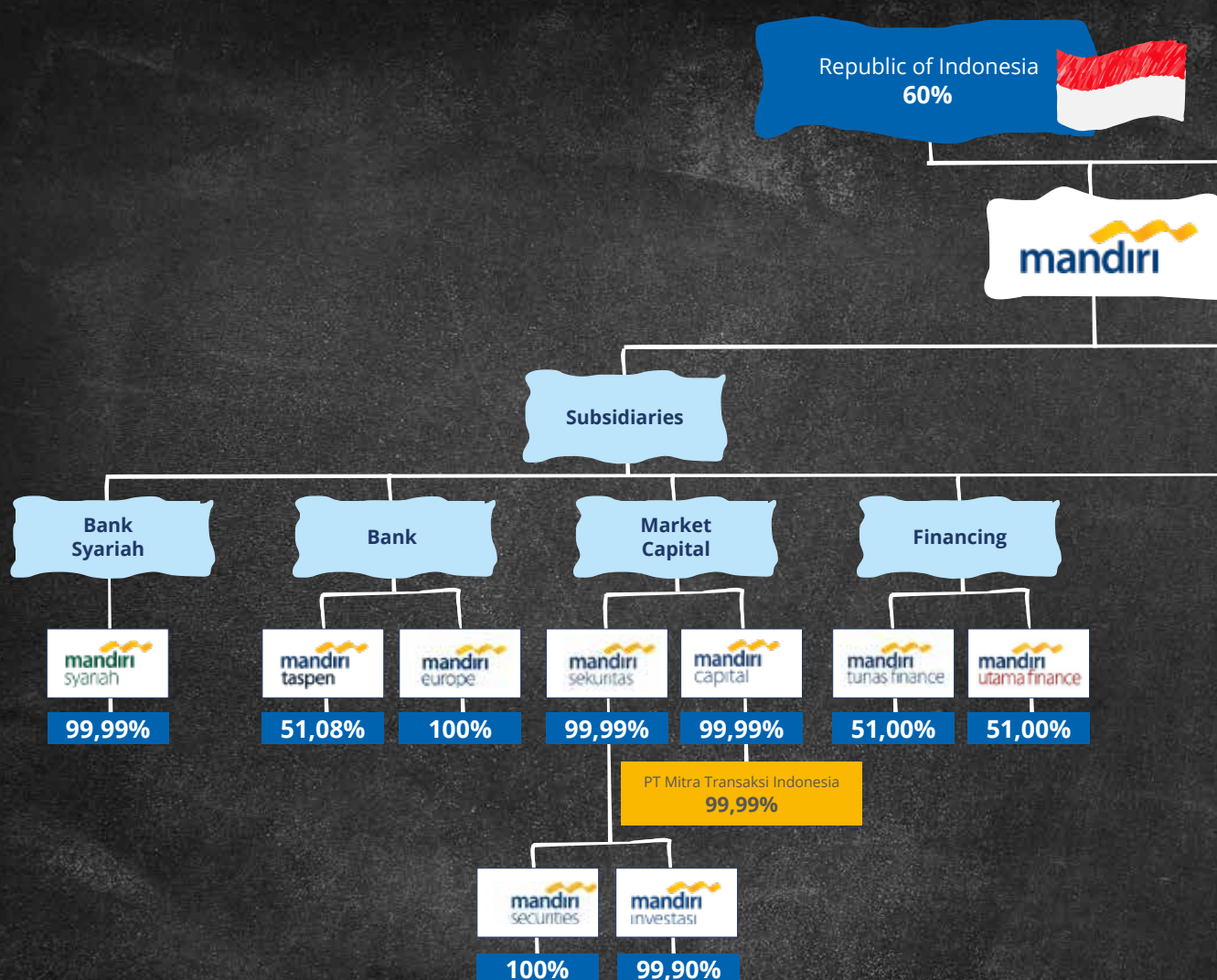
PT Djakarta Lloyd (Persero)

PT Djakarta Lloyd (Persero) is a State-Owned Enterprise (BUMN) that runs national and international commercial shipping operations. Established on August 18, 1950, PT Djakarta Lloyd (Persero) is expected to be able to develop and make a positive contribution to the Republic of Indonesia.



Company Group Structure

Up to 2019, Bank Mandiri does not have a Parent Entity, Joint Venture, and Special Purpose Vehicle (SPV).



Public
40%



Associates entity

Remittance
Service



100%

Life insurance



51,00%

Health Insurance



80%

PT Kustodian Sentral
Efek Indonesia
10,00%

PT PANN (Persero)
7,00%

PT Djakarta Lloyd
(Persero) 17,67%



Share Issuance Chronology

Bank Mandiri only issues one Series A Dwiwarna Share owned by the Republic of Indonesia and is not transferable. The shares issued by Bank Mandiri consist of Series A Dwiwarna Shares and Common Shares on Series B. Name of Common Stock on behalf of Series B offered entirely consisting of divested shares of the Republic of Indonesia which give the holders equal and equal rights in all matters with Common Stock On behalf of other B Series, Bank Mandiri has been placed and fully paid.

Initial Public Offering

On July 14, 2003, Bank Mandiri conducted an Initial Public Offering (IPO) of 4,000,000,000 Ordinary Shares B Series with a par value of IDR 500 (full amount) per share sold at IDR 675 (full amount) per share. The public offering to the public was a divestment of 20.00% of Bank Mandiri's shares owned by the Government.

On July 14, 2003, 19,800,000,000 of Bank Mandiri's Ordinary Shares B Series have been listed on Jakarta and Surabaya Stock Exchanges based on the letter of approval from Jakarta Stock Exchange No. S-1187/ BEJ. PSJ/ 07-2003 dated July 8, 2003 and Surabaya Stock Exchange No. JKT-028/LIST/BES/VII/2003 dated July 10, 2003.

Divestment of shareholding by the Government

On March 11, 2004, the Government divested an additional 10.00% ownership in Bank Mandiri or amounted to 2,000,000,000 Ordinary Shares B Series via private placements.

Limited Public Offering

In order to strengthen the capital structure, Bank Mandiri increased their issued and paid capital via Limited Public Offering ("LPO") with Rights Issue and regarding that particular LPO, Bank Mandiri has submitted the first and second registration statements towards Bapepam-LK on December 26, 2010 and January 18, 2011. Bapepam-LK under the Chief Executive Officer of Bapepam and LK's Letter No S-807/BL/2011 dated January 27, 2011 stated that the LPO registration with Bank Mandiri's Rights Issue has been effective and also obtained approval from the shareholders in accordance with the decision result of the Extraordinary GMS on January 28, 2011.

The number of HMETD issued by Bank Mandiri is 2,336,838,591 shares with a nominal price of IDR500 (full amount) per share determined on January 25, 2011 and the exercise of the Rights trading period starting

Table of Bank Mandiri's Share Issuance Chronology

No.	Period	Description	Share	Par Value (IDR)		
1.	Before IPO	-	-	-	-	
2.	14 Juli 2003	Initial Public Offering	Common Stock Series B	500	675	
3.	11 March 2004	Divestment of Government Shares	Common Stock Series B	500	1.450	
4.	2004	MSOP I conversion*)	Common Stock Series B	500	742.50	
5.	2005	MSOP I conversion*)	Common Stock Series B	500	742.50	

February 14, 2011 up to February 21, 2011 with an offering price of IDR 5,000 (full amount) per share.

The Government of the Republic of Indonesia as Bank Mandiri's majority shareholder did not exercise their right to acquire the Rights Issue, but instead they transferred it to other public shareholders, so that the Government's shareholding percentage composition was reduced or diluted from 66.68% before the Rights Issue exercise period to become 60.00% after the implementation of the Rights Issue.

Based on the resolutions of the Extraordinary GMS dated August 21, 2017 as set forth within the Deed No. 36 dated August 24, 2017, made before Ashoya Ratam SH, Mkn, the shareholders of Bank Mandiri, among others, approved the stock split of the Company from IDR 500 (full amount) per share into IDR250 (full amount) per share so that the issued capital became 46,666,666,666 shares consisting of 1 Bicolor Share A Series and 46,666,666,665 shares B Series. The implementation of the stock split was effective on September 13, 2017.

Implementation of the Stock Split

Bank Mandiri Stock Split Table

Description	Shareholders (Number of Outstanding Shares)					Number of Outstanding Shares
	Government		Public		Nominal	
	Number	%	Total	%	IDR	
Before the Stock Split	14.000.000.000	60	9.333.333.333	40	500	23.333.333.333
After the Stock Split	28.000.000.000	60	18.666.666.666	40	250	46.666.666.666

Name of Stock Exchange Where the Shares are Listed

All of Bank Mandiri's shares has been listed at Indonesia Stock Exchange.

	Offer Price (IDR)	Number of Issued Shares	Issued and Paid-up Capital		
			Amount of Share	Total Nominal Value (IDR)	Total Offer Price (IDR)
	-	20.000.000.000	10.000.000.000.000	-	-
	4.000.000.000	20.000.000.000	10.000.000.000.000	13.500.000.000.000	13.500.000.000.000
	2.000.000.000	20.000.000.000	10.000.000.000.000	29.000.000.000.000	29.000.000.000.000
	132.854.872	20.132.854.872	10.066.427.436.000	-	-
	122.862.492	20.255.717.364	10.127.858.682.000	-	-



No.	Period	Description	Share	Par Value (IDR)		
6.	2006	MSOP I Conversion *)	Common Stock Series B	500	742.50	
7.	2006	MSOP II Conversion *)	Common Stock Series B	500	1.190.50	
8.	2007	MSOP I Conversion *)	Common Stock Series B	500	742.50	
9.	2007	MSOP II Conversion *)	Common Stock Series B	500	1.190.50	
10.	2007	MSOP III Conversion *)	Common Stock Series B	500	1.495.08	
11.	2008	MSOP I Conversion *)	Common Stock Series B	500	742.50	
12.	2008	MSOP II Conversion *)	Common Stock Series B	500	1.190.50	
13.	2008	MSOP III Conversion *)	Common Stock Series B	500	1.495.08	
14.	2009	MSOP II Conversion *)	Common Stock Series B	500	1.190.50	
15.	2009	MSOP III Conversion *)	Common Stock Series B	500	1.495.08	
16.	2010	MSOP II Conversion *)	Common Stock Series B	500	1.190.50	
17.	2010	MSOP III Conversion *)	Common Stock Series B	500	1.495.08	
18.	14 February – 21 February 2011	Limited Public Offering through Preemptive Rights	Common Stock Series B	500	5.000	
19.	13 September 2017	Stock Split (Rasio 1:2)	-	250	-	

*) Information regarding the date of implementation of the MSOP conversion can be seen in the description of the Employee and/or Management Share Ownership Program in this Annual Report.

Initial public offering towards the community amounted to 4,000,000,000 shares was a divestment of Bank Mandiri's 20.00% shares owned by the Government, thus not increasing the number of outstanding shares. The Government also further divested 10.00% of its shareholding in Bank Mandiri or amounted to 2,000,000,000 Common Shares B Series via private placements, this action did not increase the number of outstanding shares within the community. After the stock split, the share price of Bank Mandiri share was recorded at IDR6,700 from the previous IDR13,400, with a stock split ratio of 1: 2.

	Offer Price (IDR)	Number of Issued Shares	Issued and Paid-up Capital		
			Amount of Share	Total Nominal Value (IDR)	Total Offer Price (IDR)
	71.300.339	20.327.017.703	10.163.508.851.500	-	-
	304.199.764	20.631.217.467	10.315.608.733.500	-	-
	40.240.621	20.671.458.088	10.335.729.044.000	-	-
	343.135	20.671.801.223	10.335.900.611.500	-	-
	77.750.519	20.749.551.742	10.374.775.871.000	-	-
	8.107.633	20.757.659.375	10.378.829.687.500	-	-
	399.153	20.758.058.528	10.379.029.264.000	-	-
	147.589.260	20.905.647.788	10.452.823.894.000	-	-
	86.800	20.905.734.588	10.452.867.294.000	-	-
	64.382.217	20.970.116.805	10.485.058.402.500	-	-
	6.684.845	20.976.801.650	10.488.400.825.000	-	-
	19.693.092	20.996.494.742	10.498.247.371.000	-	-
	2.336.838.591	23.333.333.333	11.666.666.666.500	116.666.666.666.666	116.666.666.666.666
	-	46.666.666.666	-	-	-

Bonds Issuance and/or Registration Chronology

Bank Mandiri has issued several bonds in Rupiah to support business growth with adequate funding sources and good tenor distribution. The Rupiah Bonds were the Bank Mandiri I Subordinated Bonds in 2009, followed by the issuance of Bank Mandiri Sustainable Bonds I with funds raised in the amount of IDR 14 trillion with tenors of 3 (three) to 10 (ten) years issued in stages from 2016 to by 2018.



Bank Mandiri's Rupiah Subordinated Bonds I Year 2009

To strengthen the capital structure and support credit expansion in terms of business development, on December 14, 2009, Bank Mandiri issued Bank Mandiri I Rupiah subordinated bonds in 2009 (subordinated bonds) in the amount of IDR3,500,000,000,000. as complementary capital (lower tier 2) in accordance with Bank Indonesia regulations.

This subordinated bond received an approval from Bank Indonesia via letter No. 11/III/DPB1/TPB1-1 dated December 14, 2009 and the effective statement of the Financial Services Authority (formerly the Capital Market & Financial Institution Supervisory Agency (Bapepam and LK)) based on a letter from the Chairman of Bapepam and LK No. S-10414/BL/2009 dated December 3, 2009.

Bank Mandiri has listed Subordinated Bonds in Indonesia Stock Exchange (IDX) on December 14, 2009 in accordance with the announcement of Bank Mandiri's subordinated bonds registration by IDX dated December 11, 2009. The Subordinated Bonds possess a maturity of 7 (seven) years and have matured on December 11, 2016, issued without any draft with a fixed interest rate of 11.85% per annum. The trustee of these subordinated bonds is PT Bank Permata Tbk.

Bank Mandiri's Sustainable Bond I Phase I Year 2016

On September 30, 2016, Bank Mandiri issued their first Bank Mandiri's Sustainable Bond I Phase I Year 2016 ("Sustainable Bonds I Phase I") with the par value of IDR5,000,000,000,000 consisting of 3 (three) series.

The interest of Sustainable Bonds I Phase I was paid quarterly, with the first interest payment made on December 30, 2016 while the payment of the last bond interest as well as the maturity of the bonds will be made on September 30, 2021 for A Series, 30 September 2023 for B Series, and September 30, 2026 for C Series which is also the principal repayment date for each bond series. The trustee for the issuance of the Sustainable Bonds I Phase I is PT Bank Tabungan Negara (Persero) Tbk.



Bank Mandiri's Sustainable Bond I Phase II Year 2018

On September 30, 2018, Bank Mandiri issued their first Bank Mandiri's Sustainable Bond I Phase I Year 2016 ("Sustainable Bonds I Phase I") with the par value of IDR5,000,000,000,000 consisting of 1 (three) series.

The interest of the Bonds was paid quarterly, with the first interest payment made on September 15, 2017, while the payment of the last bond interest, as well as the maturity of the bonds, will be made on June 15, 2022 for A Series, June 15, 2024, for B Series, and June 15, 2027 for C Series which is also the principal repayment date for each bond series. The trustee for the issuance of the Sustainable Bonds I Phase II is PT Bank Tabungan Negara (Persero) Tbk.

Bank Mandiri's Sustainable Bond I Phase II Year 2017

On September 30, 2017, Bank Mandiri issued their first Bank Mandiri's Sustainable Bond I Phase I Year 2016 ("Sustainable Bonds I Phase I") with the par value of IDR5,000,000,000,000 consisting of 4 (three) series.

Series A, Series B, and C Series I Sustainable Bonds I are offered with a value of 100% (one hundred percent) of the principal amount. The interest of the Bonds was paid quarterly, with the first interest payment made on September 15, 2017, while the payment of the last bond interest as well as the maturity of the bonds will be made on June 15, 2022 for A Series, June 15, 2024 for B Series, and June 15, 2027 for C Series which is also the principal repayment date for each bond series.

D Series bonds were offered without any interest at a bid price of 79.3146% (seventy nine point three one four six percent) of the principal amount of the bonds, with the maturity date of June 15, 2020. The payment of the principal bonds is fully made on the maturity date. The trustee for the issuance of the Sustainable Bonds I Phase II is PT Bank Tabungan Negara (Persero) Tbk.

Name of Stock Exchange Where the Shares are Listed

All of Bank Mandiri's shares has been listed at Indonesia Stock Exchange

Table of Bank Mandiri's Bond Issuance Chronology

No.	Description	Date of Electronic Bond distribution	Tenor	Currency	Amount of Bond (billion)	Offer Price (IDR)	Maturity Date	Interest Rate	Payment Status	Ranking			Trustee
										2019	2018	2017	
1.	Bank Mandiri's Rupiah Subordinated Bonds I Year 2009	December 14, 2009	7 years	IDR	3.500	100% (one hundred percent) of principal amount bond	11 December 2016	% 11,85	Settled		-	-	Bank Permata
2.	Bank Mandiri's Sustainable Bond I Phase I Year 2016	September 30, 2016	A Series: 5 years B Series: 7 years C Series: 10 years	IDR	5.000	100% (one hundred percent) of principal amount bond	A Series: September 30, 2021 B Series: September 30, 2023 C Series: Wednesday, September 30, 2026	A Series: 7,95% B Series: 8,50% C Series: 8,65%	Unsettled	idAAA by Pefindo	idAAA by Pefindo	idAAA by Pefindo	Bank Tabungan Negara
3.	Bank Mandiri's Sustainable Bond I Phase II Year 2017	June 15 2017	A Series: 5 years B Series: 7 years C Series: 10 years D Series: 13 years	IDR	6.000	Series A, B, and C 100% (one hundred percent) of principal amount bond D Series: 79.3146% (seven twenty-nine point three one four six percent) of principal amount bond	A Series: June 15, 2022 B Series: Saturday, June 15, 2024 C Series: Tuesday, June 15, 2027 D Series: June 15, 2020	A Series: 8,00% B Series: 8,50% C Series: 8,65% D Series: *7,80%	Unsettled	idAAA by Pefindo	idAAA by Pefindo	idAAA by Pefindo	Bank Tabungan Negara
4.	Bank Mandiri's Sustainable Bond I Phase II Year 2018	September 21, 2018	5 years	IDR	3.000	100% (one hundred percent) of principal amount bond	Thursday, September 21, 2023	8,50%	Unsettled	idAAA by Pefindo	idAAA by Pefindo	-	Bank Permata

* Bank Mandiri Phase II the Year 2017 Series D I Bonds are bonded with no coupons (zero coupon bonds) with a value issued of IDR1 trillion.

Table of Bank Mandiri's Sustainable Bonds I Interest Payment Chronology

Interest Number	Bank Mandiri I Phase I Year 2016 Sustainable Bonds		Interest Number	Bank Mandiri I Phase II Year 2017 Sustainable Bonds	
	Interest Payment Date	Status Interest Payment		Interest Payment Date	Status Interest Payment
A series			A series		
1.	December 30, 2016	Settled	1.	September 15, 2017	Settled
2.	March 30, 2017	Settled	2.	December 15, 2017	Settled
3.	June 30, 2017	Settled	3.	March 15, 2018	Settled
4.	September 30, 2017	Settled	4.	June 15, 2018	Settled
5.	December 30, 2017	Settled	5.	September 15, 2018	Settled
6.	March 30, 2018	Settled	6.	December 15, 2018	Settled
7.	June 30, 2018	Settled	7.	March 15, 2019	Settled
8.	September 30, 2018	Settled	8.	June 15, 2019	Settled
9.	December, 2018	Settled	9.	September 15, 2019	Settled
10.	March 30, 2019	Settled	10.	December 15, 2019	Settled
11.	June 30, 2019	Settled	11.	March 15, 2020	Not yet due
12.	September 30, 2019	Settled	12.	June 15, 2020	Not yet due



Interest Number-	Bank Mandiri I Phase I Year 2016 Sustainable Bonds	
	Interest Payment Date	Status Interest Payment
13.	December 30, 2019	Settled
14.	March 30, 2020	Not yet due
15.	June 30, 2020	Not yet due
16.	September 30, 2020	Not yet due
17.	December 30, 2020	Not yet due
18.	March 30, 2021	Not yet due
19.	June 30, 2021	Not yet due
20.	September 30, 2021	Not yet due
B series		
1.	December 30, 2016	Settled
2.	March 30, 2017	Settled
3.	June 30, 2017	Settled
4.	September 30, 2017	Settled
5.	December 30, 2017	Settled
6.	30 March 2018	Settled
7.	June 30, 2018	Settled
8.	September 30, 2018	Settled
9.	December 30, 2018	Settled
10.	March 30, 2019	Settled
11.	June 30, 2019	Settled
12.	September 30, 2019	Settled
13.	December 30, 2019	Settled
14.	March 30, 2020	Not yet due
15.	June 30, 2020	Not yet due
16.	September 30, 2020	Not yet due
17.	December 30, 2020	Not yet due
18.	March 30, 2021	Not yet due
19.	June 30, 2021	Not yet due
20.	September 30, 2021	Not yet due
21.	December 30, 2021	Not yet due
22.	March 30, 2022	Not yet due
23.	June 30, 2022	Not yet due
24.	September 30, 2022	Not yet due
25.	December 2022	Not yet due
26.	March 30, 2023	Not yet due
27.	June 30, 2023	Not yet due
28.	September 30, 2023	Not yet due
C series		
1.	December 30, 2016	Settled
2.	March 30, 2017	Settled
3.	June 30, 2017	Settled
4.	September 30, 2017	Settled
5.	December 30, 2017	Settled

Interest Number-	Bank Mandiri I Phase II Year 2017 Sustainable Bonds	
	Interest Payment Date	Status Interest Payment
13.	September 15, 2020	Not yet due
14.	December 15, 2020	Not yet due
15.	March 15, 2021	Not yet due
16.	June 15, 2021	Not yet due
17.	September 15, 2021	Not yet due
18.	December 15, 2021	Not yet due
19.	March 15, 2022	Not yet due
20.	June 15, 2022	Not yet due
B series		
1.	September 15, 2017	Settled
2.	December 15, 2017	Settled
3.	March 15, 2018	Settled
4.	June 15, 2018	Settled
5.	September 15, 2018	Settled
6.	December 15, 2018	Settled
7.	March 15, 2019	Settled
8.	June 15, 2019	Settled
9.	September 15, 2019	Settled
10.	December 15, 2019	Settled
11.	March 15, 2020	Not yet due
12.	June 15, 2020	Not yet due
13.	September 15, 2020	Not yet due
14.	December 15, 2020	Not yet due
15.	March 15, 2021	Not yet due
16.	June 15, 2021	Not yet due
17.	September 15, 2021	Not yet due
18.	December 15, 2021	Not yet due
19.	March 15, 2022	Not yet due
20.	June 15, 2022	Not yet due
21.	September 15, 2022	Not yet due
22.	December 15, 2022	Not yet due
23.	March 15, 2023	Not yet due
24.	June 15, 2023	Not yet due
25.	September 15, 2023	Not yet due
26.	December 15, 2023	Not yet due
27.	March 15, 2024	Not yet due
28.	June 15, 2024	Not yet due
C series		
1.	September 15, 2017	Settled
2.	December 15, 2017	Settled
3.	March 15, 2018	Settled
4.	June 15, 2018	Settled
5.	September 15, 2018	Settled

Inter- est Num- ber-	Bank Mandiri I Phase I Year 2016 Sustainable Bonds	
	Interest Payment Date	Status Interest Payment
6.	March 30, 2018	Settled
7.	June 30, 2018	Settled
8.	September 30, 2018	Settled
9.	December 30, 2018	Settled
10.	March 30, 2019	Settled
11.	June 30, 2019	Settled
12.	September 30, 2019	Settled
13.	December 30, 2019	Settled
14.	March 30, 2020	Settled
15.	June 30, 2020	Not yet due
16.	September 30, 2020	Not yet due
17.	December 30, 2020	Not yet due
18.	March 30, 2021	Not yet due
19.	June 30, 2021	Not yet due
20.	September 30, 2021	Not yet due
21.	December 30, 2021	Not yet due
22.	March 30, 2022	Not yet due
23.	June 30, 2022	Not yet due
24.	September 30, 2022	Not yet due
25.	December 30, 2022	Not yet due
26.	March 30, 2023	Not yet due
27.	June 30, 2023	Not yet due
28.	September 30, 2023	Not yet due
29.	December 30, 2023	Not yet due
30.	March 30, 2024	Not yet due
31.	June 30, 2024	Not yet due
32.	September 30, 2024	Not yet due
33.	December 30, 2024	Not yet due
34.	March 30, 2025	Not yet due
35.	June 30, 2025	Not yet due
36.	September 30, 2025	Not yet due
37.	December 30, 2025	Not yet due
38.	March 30, 2026	Not yet due
39.	June 30, 2026	Not yet due
40.	September 30, 2026	Not yet due

Interest Num- ber-	Bank Mandiri I Phase II Year 2017 Sustainable Bonds	
	Interest Payment Date	Status Interest Payment
6.	December 15, 2018	Lunas
7.	March 15, 2019	Settled
8.	June 15, 2019	Settled
9.	September 15, 2019	Settled
10.	December 15, 2019	Lunas
11.	March 15, 2020	Not yet due
12.	June 15, 2020	Not yet due
13.	September 15, 2020	Not yet due
14.	December 15, 2020	Not yet due
15.	March 15, 2021	Not yet due
16.	June 15, 2021	Not yet due
17.	September 15, 2021	Not yet due
18.	December 15, 2021	Not yet due
19.	March 15, 2022	Not yet due
20.	June 15, 2022	Not yet due
21.	September 15, 2022	Not yet due
22.	December 15, 2022	Not yet due
23.	March 15, 2023	Not yet due
24.	June 15, 2023	Not yet due
25.	September 15, 2023	Not yet due
26.	December 15, 2023	Not yet due
27.	March 15, 2024	Not yet due
28.	June 15, 2024	Not yet due
29.	September 15, 2024	Not yet due
30.	December 15, 2024	Not yet due
31.	March 15, 2025	Not yet due
32.	June 15, 2025	Not yet due
33.	September 15, 2025	Not yet due
34.	December 15, 2025	Not yet due
35.	March 15, 2026	Not yet due
36.	June 15, 2026	Not yet due
37.	September 15, 2026	Not yet due
38.	December 15, 2026	Not yet due
39.	March 15, 2027	Not yet due
40.	June 15, 2027	Not yet due



Bunga Ke-	Bank Mandiri I Phase III Year 2017 Sustainable Bonds	
	Interest Payment Date	Status Interest Payment
1.	December 21, 2018	Settled
2.	March 21, 2019	Settled
3.	June 21, 2019	Settled
4.	September 21, 2019	Settled
5.	December 21, 2019	Settled
6.	March 21, 2020	Not yet due
7.	June 21, 2020	Not yet due
8.	September 21, 2020	Not yet due
9.	December 21, 2020	Not yet due
10.	March 21, 2021	Not yet due
11.	June 21, 2021	Not yet due
12.	September 21, 2021	Not yet due
13.	December 21, 2021	Not yet due
14.	March 21, 2022	Not yet due
15.	June 21, 2022	Not yet due
16.	September 21, 2022	Not yet due
17.	December 21, 2022	Not yet due
18.	March 21, 2023	Not yet due
19.	June 21, 2023	Not yet due
20.	September 21, 2023	Not yet due

Other Securities Issuance and/or Registration Chronology

NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)

On May 25, 2015, Bank Mandiri issued PT Bank Mandiri (Persero) Tbk Phase I of 2015 Series A, B, C, D and E Negotiable Certificates of Deposit (NCD) with a total of IDR2.6 trillion.

On December 16, 2016, Bank Mandiri issued the Negotiable Certificate of Deposit (NCD) II of PT Bank Mandiri (Persero) Tbk Phase II of 2016 Series A, B, C and D with a total of IDR2.662 trillion.

Name of Stock Exchange Where the Shares are Listed

All of Bank Mandiri's shares has been listed at Indonesia Stock Exchange.

Table of Bank Mandiri's Negotiable Certificates of Deposit Issuance Chronology

Description	Date of Issue	Tenor	Currency	Offer Price (billion)	Maturity Date	Interest Rate	Payment Status
NCD Phase I							
NCD I PT Bank Mandiri (Persero) Tbk Year 2015 A Series	May 25, 2015	184 Calendar Date	IDR	848	November 25, 2015	8.00%	Settled
NCD I PT Bank Mandiri (Persero) Tbk Year 2015 B Series	May 25, 2015	276 Calendar Date	IDR	440	February 25, 2016	8.10%	Settled
NCD I PT Bank Mandiri (Persero) Tbk Year 2015 C Series	May 25, 2015	367 Calendar Date	IDR	987	May 26, 2016	8.50%	Settled
NCD I PT Bank Mandiri (Persero) Tbk Year 2015 D Series	May 25, 2015	458 Calendar Date	IDR	175	August 25, 2016	8.65%	Settled
NCD I PT Bank Mandiri (Persero) Tbk Year 2015 E Series	May 25, 2015	550 Calendar Date	IDR	150	November 25, 2016	8.75%	Settled
NCD Phase II							
NCD II PT Bank Mandiri (Persero) Tbk Year 2016 A Series	December 16, 2016	370 Calendar Date	IDR	927	December 21, 2017	7.55 %	Settled
NCD II PT Bank Mandiri (Persero) Tbk Year 2016 B Series	December 16, 2016	18 months	IDR	500	June 15, 2018	8.00 %	Settled
NCD II PT Bank Mandiri (Persero) Tbk Year 2016 C Series	December 16, 2016	24 months	IDR	350	December 14, 2018	8.20 %	Settled
NCD II PT Bank Mandiri (Persero) Tbk Year 2016 D Series	December 16, 2016	36 months	IDR	885	December 13, 2019	8.40 %	Unsettled



ASSET-BACKED SECURITY IN THE FORM OF PARTICIPATION LETTER BMRI 01 A CLASS

On 26 August 2016, Asset-backed Security in the Form of Participation Letter BMRI 01 Class A has been registered on the Indonesia Stock Exchange with the total principal amount of IDR456,500,000,000,- (four hundred fifty six billion five hundred million rupiah) with PT Sarana Multigriya Finansial (Persero) as the issuer, and the details are as follows:

Name of Stock Exchange Where the Shares are Listed

All of Bank Mandiri's shares has been listed at Indonesia Stock Exchange.

Table of Bank Mandiri's Other Securities Issuance Chronology

No.	Description	Date of Issue	Effective Date	Weighted Average Live	Currency	Emission Value (billion)	Maturity Date	Interest Rate	Payment Status	Ranking		Truee
										2019	2018	
1.	EBA SP SMF-BMRI 01 A Class A1 Series. EBA Code : SPSSMFMRI01A1 ISIN Code : IDU0000011A5	26 August 2016	19 August 2016	3 years	IDR	103.5	October 27, 2029	Fixed, 8.6% per year	Current	AAA _{id}	AAA _{id}	BRI
2.	EBA SP SMF-BMRI 01 A Class A2 Series. EBA Code : SPSSMFMRI01A2	26 August 2016	19 August 2016	5 years	IDR	353	October 27, 2029	Fixed, 9.1% per year	Current	AAA _{id}	AAA _{id}	BRI

The first interest payment has been made on November 27, 2016. Interest is paid together with principal payments every three months on the 27th of November, February, May and August each year through KSEI. The first interest payment has been made on 27 November 2016. EBA SP SMF-BMRI 01 Class A Series A1 is expected to be paid off early (before October 27, 2029) because the collection of bills has a weighted average live for 3 years. Likewise, the SMF-BMRI EBA SP 01 Class A A2 Series is expected to be paid off early because the collection of bills has a weighted average live for 5 years.

MEDIUM TERM NOT SUBORDINATION OF MANDIRI BANKS IN 2018

On July 27, 2018, the issuance of Bank Mandiri Subordinated Medium Term Notes (MTN) was issued in 2018 ("Mandiri Subordinated MTN") valued at IDR500,000,000,000 (five hundred billion Rupiah) based on the Issuance and Appointment Agreement of MTN Monitoring Agents Independent Subordination, No. 65 dated July 27, 2018, made before Nanette Cahyanie Handari Adi Warsito, SH, Notary in Jakarta, by the Company (as the Publisher), PT Bahana Securities, PT BCA Securities, PT BNI Securities, PT Danareksa Securities, PT Mandiri Sekuritas, and PT Trimegah Securities Indonesia Tbk, (jointly acting as Arranger and Placement Agent), and PT Bank Permata Tbk (as Monitoring Agent). Mandiri Subordinated MTN is carried out in a private placement.

Issuance of Mandiri Subordinated MTN is carried out in order to fulfill the provisions of the Financial Services Authority (POJK) Regulation No. 14/POJK.03/2017 concerning Systemic Bank Recovery Plans. The issuance of MTN has been approved by the Annual General Meeting of Shareholders dated March 21, 2018.

Name of Stock Exchange Where the Shares are Listed

Bank Mandiri Subordinated I (MTN) Medium Term Notes (MTN) in 2018 ("Independent Subordinated MTN") have been listed on the Indonesia Stock Exchange.

Chronological Table for the Issuance of Bank Mandiri Subordinate Medium Term Notes (MTN) Year 2018

Description	Electronic Date of Bond Distribution	Tenor	Mata Uang	Total (billion)	Maturity Date	Interest Rate	Payment Status	Ranking		Monitoring Agent
								2019	2018	
Bank Mandiri Subordinated I (MTN) Medium Term Notes (MTN) in 2018 have been listed on the Indonesia Stock Exchange.	July 31, 2018	5 Years	IDR	500	July 31, 2023	8,50% per tahun (tetap)	Unsettled	^{id} AA (Double A)	^{id} AA (Double A)	Bank Permata

Chronological Table for the Issuance of Bank Mandiri Subordinate I MTN Year 2018

Interest Number-	Date of Interest Payment	Date of Interest Payment
1.	October 31, 2018	Settled
2.	January 31, 2019	Settled
3.	April 31, 2019	Settled
4.	July 31, 2019	Settled
5.	October 31, 2019	Settled
6.	January 31, 2020	Not yet due
7.	April 31, 2020	Not yet due
8.	July 31, 2020	Not yet due
9.	October 31, 2020	Not yet due
10.	January 31, 2021	Not yet due
11.	April 31, 2021	Not yet due
12.	July 31, 2021	Not yet due
13.	October 31, 2021	Not yet due
14.	January 31, 2022	Not yet due
15.	April 31, 2022	Not yet due
16.	July 31, 2022	Not yet due
17.	October 31, 2022	Not yet due
18.	January 31, 2023	Not yet due
19.	April 31, 2023	Not yet due
20.	July 31, 2023	Not yet due



EURO MEDIUM TERM NOTE (EMTN)

On April 11, 2019, Bank Mandiri issued Euro Medium Term Notes (EMTN) with a par value of USD750,000,000 (full amount) on the Singapore Exchange (SGX). It bears an interest rate at 3.75% per annum and matures on April 11, 2024. These bonds were issued at a value of 98.998% of the total principal of the bond. Bond interest is paid semi-annually, with the first interest payment being made on 11 October 2019, while the final interest payment is to be paid on April 11, 2024, coinciding with the bond maturity date and the repayment date of the bond principal. Bank of New York Mellon serves as the trustee for EMTN issuance. As of 30 September 2019, EMTN earned the following ratings: Baa2 (Moody's) and BBB- (Fitch).

Name of Stock Exchange where the Company's EMTN is Listed

Bank Mandiri's EMTN has been listed on the Singapore Exchange (SGX).

Table of the Issuance Chronology of Bank Mandiri's Euro Medium Term Notes (EMTN)

Description	Date of Bond Electronic Distribution	Tenor	Currency	Total (Million)	Maturity Date	Interest Rate	Payment Status	Ranking		Monitoring Agent
								2019	2018	
Bank Mandiri's Euro Medium Term Notes (EMTN)	April 11, 2019	5 Years	USD	750	April 11, 2024	per 3.75% annum ((fixed	Unsettled	Baa2 (Moody's) dan BBB- (Fitch)	-	Bank of New York Mellon

Table of Interest Payment Chronology of Bank Mandiri's Euro Medium Term Notes (EMTN)

Interest Number-	Interest Payment Date	Interest Payment Status
1.	October 11, 2019	Settled
2.	April 11, 2020	Not yet due
3.	October 11, 2020	Not yet due
4.	April 11, 2021	Not yet due
5.	October 11, 2021	Not yet due
6.	April 11, 2022	Not yet due
7.	October 11, 2022	Not yet due
8.	April 11, 2023	Not yet due
9.	October 11, 2023	Not yet due
10.	April 11, 2024	Not yet due

Names and Addresses of Supporting Institutions and/or Professional

Indonesia Stock Exchange

**Indonesia Stock Exchange Building Tower 1
Jend. Sudirman Street Kav. 52-53**
Jakarta 12190, Indonesia
Tel: (62-21) 5150515
Fax: (62-21) 5154153
Website: www.idx.co.id
Email: listing@idx.co.id

Service provided : Annual Stock Listing
Service

Assignment Period :
July 2003 – December 2019

Fee Amount : IDR275,000,000.00

Public Accounting Firm

Purwantono, Sungkoro & Surja
Indonesia Stock Exchange
Building Tower 2, 7th Floor
Jend. Sudirman Street Kav. 52-53
Jakarta Pusat, DKI Jakarta, 12190
Tel : (62-21) 5289 5000
Fax : (62-21) 5289 4100
Website : www.ey.com/id
Email : https://webforms.ey.com/id/en/email_alerts

Service provided : Financial Statement and
Partnership and
Environmental
Development Program
Report Audit

Assignment Period :
January 2015 – December 2019

Fee Amount : IDR11,571,818,182
(incl. OPE and VAT)

Securities Administration Bureau

PT Datindo Entrycom
Hayam Wuruk Street No. 28, Jakarta 10120
Tel : (62-21) 3508077
Fax : (62-21) 350 8078
Website : www.datindo.com
Email : Corporatesecretary@datindo.com

Service provided : Secondary Market Stock
Administration Service

Assignment Period :
June 2003 – December 2019

Fee Amount : IDR46,420,000,00

Credit Rating Agency

PT Pemeringkat Efek Indonesia (Pefindo)

Panin Tower - Senayan City,
17th Floor
Asia Afrika Street Lot.19
Jakarta 10270, Indonesia
Tel : (62-21) 7278 2380
Fax : (62-21) 7278 2370
Website : www.pefindo.com
Email : -

Service provided :
Corporates Ratings, Bank Mandiri's
Continuous Bonds I Ratings.

Assignment Period :
March 2006 – December 2019

Standard & Poor's Ratings Services

Suite 3003, 30/F, Edinburgh Tower,
The Landmark, 15 Queen's Road
Central Hong Kong
Tel : 852 2533 3590
Fax : 852 2533 3599
Website : www.standardandpoors.com
Email: ratings.request@spglobal.com

Service provided:
Corporates Ratings
Assignment Period:
2002 – December 2019

Fitch Ratings Indonesia

Prudential Tower 20th Floor
Jend. Sudirman Street Kav 79
Jakarta 12910, Indonesia
Tel : (62-21) 5795 7755
Fax : (62-21) 5795 7750
Website : www.fitchratings.co.id
Email : eva.muis@fitchratings.com

Service provided:
Corporates Ratings
Assignment Period:
2002 – December 2019

Moody's Investors Service

50 Raffles Place #23-06
Singapore Land Tower
Singapore 048623
Tel : 65 6398 8339
Fax : 65 6398 8301
Website : www.moodys.com/indonesia
Email : clientservices@moodys.com

Service provided:
Corporates Ratings
Assignment Period:
July 2003 – December 2019

Custodian

PT Kustodian Sentral Efek Indonesia

Indonesia Stock Exchange Building 5th Floor,
Tower 1
Jend. Sudirman Street Kav. 52-53
Jakarta 12190, Indonesia
Tel : (62-21) 5152855
Fax : (62-21) 52991199
Website : www.ksei.co.id
Email : helpdesk@ksei.co.id

Service provided : Securities administration
management (stocks and bonds)

Assignment Period : January – December 2019

Fee Amount : IDR88,000,000,00

Notary

Kantor Notaris & P.P.A.T. Ashoya Ratam, SH., Mkn.

Suryo Street No. 54 Kebayoran Baru
Jakarta Selatan, 12180
Tel : (62-21) 29236060
Fax : (62-21) 29236070
Email : notaris@ashoyaratam.com

Service provided :
Preparation of the Deeds of GMS for the
Fiscal Year of 2018
Assignment Period :
April 2012 – May 2019



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Awards and Certifications



AWARDS

Business

<p>Award Name: Best Private Bank 2018 – Indonesia Domestic</p> <p>Event: 8th Awards for Distinction</p> <p>Organizer: Asian Private Banker</p> <p>Date: February 21, 2019</p>	<p>Award Name: Best Trade Receivables Solution in Southeast Asia 2018</p> <p>Event: 12th Annual Best Deal & Solution Awards 2018</p> <p>Organizer: Alpha Southeast Asia</p> <p>Date: February 21, 2019</p>	<p>Award Name: The Best Business Partner 2018 in Prambanan Unit</p> <p>Event: TWC Customer Award 2019</p> <p>Organizer: PT TWC Borobudur, Prambanan & Ratu Boko (Persero)</p> <p>Date: February 22, 2019</p>
<p>Award Name: Large Taxpayers</p> <p>Event: 2019 Taxpayers' Appreciation & Award for their contributions to 2018 tax revenue</p> <p>Organizer: Ministry of Finance</p> <p>Date: March 13, 2019</p>	<p>Award Name: Conventional Commercial Bank for BUKU IV</p> <p>Event: Satisfaction Loyalty Engagement Awards 2019</p> <p>Organizer: Infobank Magazine</p> <p>Date: March 14, 2019</p>	<p>Award Name: BUMN Tbk. Most popular in Media 2018</p> <p>Event: PR Indonesia Awards</p> <p>Organizer: PR Indonesia Magazine</p> <p>Date: March 28, 2019</p>
<p>Award Name: Best Bank for the category of Bank BUKU IV</p> <p>Event: Investor Awards 2019</p> <p>Organizer: Investor Magazine</p> <p>Date: June 28, 2019</p>	<p>Award Name: Third place in Indonesia Best Public Companies Based on WAI™ (Overall) 2019</p> <p>Event: SWA 100, Indonesia Wealth Creators Award 2019</p> <p>Organizer: SWA Magazine</p> <p>Date: July 25, 2019</p>	<p>Award Name: Seventh place in ASEAN Best Public Companies Based on WAI™ (Overall) 2019</p> <p>Event: SWA 100, Indonesia Wealth Creators Award 2019</p> <p>Organizer: SWA Magazine</p> <p>Date: July 25, 2019</p>
<p>Award Name: Third place in Indonesia Best Public Companies Based on WAI™ 2019, Banking Category</p> <p>Event: SWA 100, Indonesia Wealth Creators Award 2019</p> <p>Organizer: SWA Magazine</p> <p>Date: July 25, 2019</p>	<p>Award Name: Fourth place in ASEAN Best Public Companies Based on WAI™ 2019, Banking Category</p> <p>Event: SWA 100, Indonesia Wealth Creators Award 2019</p> <p>Organizer: SWA Magazine</p> <p>Date: July 25, 2019</p>	<p>Award Name: Top 100 Asia's Best Employer Brand</p> <p>Event: 14th Employer Branding Awards</p> <p>Organizer: World HRD Congress</p> <p>Date: August 15, 2019</p>



AWARDS

Award Name:
Bank with Excellent Performance for 10 years in a row (2009-2018)

Event:
24th Infobank Awards 2019

Organizer:
Infobank

Date:
August 29, 2019

Award Name:
Best Banking Industry CEO

Event:
Bisnis Indonesia Financial Award 2019

Organizer:
Bisnis Indonesia

Date:
September 20, 2019

Award Name:
Most Efficient Bank for Bank BUKU IV

Event:
Bisnis Indonesia Financial Award 2019

Organizer:
Bisnis Indonesia

Date:
September 20, 2019:

Award Name:
Best Wealth Management Bank in Indonesia

Event:
9th Annual Institutional Investor Awards For Corporates 2019

Organizer:
Alpha Southeast Asia

Date:
September 17 2019

Award Name:
Best Senior Management Investor Relations Support in Indonesia

Event:
9th Annual Institutional Investor Awards For Corporates 2019

Organizer:
Alpha Southeast Asia

Date:
September 17, 2019

Award Name:
Most Consistent Dividend Policy in Indonesia

Event:
9th Annual Institutional Investor Awards For Corporates 2019

Organizer:
Alpha Southeast Asia

Date:
September 17, 2019

Award Name:
Best Strategic Corporate Social Responsibility in Indonesia

Event:
9th Annual Institutional Investor Awards For Corporates 2019

Organizer:
Alpha Southeast Asia

Date:
September 17, 2019

Award Name:
Best CFO in Indonesia

Event:
9th Annual Institutional Investor Awards For Corporates 2019

Organizer:
Alpha Southeast Asia

Date:
September 17, 2019

Award Name:
Best Annual Report in Indonesia

Event:
9th Annual Institutional Investor Awards For Corporates 2019

Organizer:
Alpha Southeast Asia

Date:
September 17, 2019

Award Name:
Coordinator of the Earthquake Disaster Response on the islands of Lombok and Sumbawa

Event:
Award of BUMN Hadir Untuk Negeri (SOE Present for the Country) Program 2018

Organizer:
Ministry of State-Owned Enterprises

Date:
October 6, 2019

Award Name:
The Best Class-A RKB Program

Event:
Award of BUMN Hadir Untuk Negeri (SOE Present for the Country) Program 2018

Organizer:
Ministry of State-Owned Enterprises

Date:
October 6, 2019

Award Name:
Best of The Best Appreciation of SRI Kehati 2019

Event:
Indonesia Green Company Award & SRI Kehati Appreciation 2019

Organizer:
SWA Magazine and SRI KEHATI Foundation

Date:
October 22, 2019

Award Name:
Best CEO for SOE Bank

Event:
The Best SOE Awards 2019

Organizer:
Infobank Magazine

Date:
October 25, 2019

Award Name:
Platinum Award for the Best SOE for 10 years in a row

Event:
The Best SOE Awards 2019

Organizer:
Infobank Magazine

Date:
October 25, 2019

Award Name:
First place in Top Investment House : Asian Local Currency Bond, Bank – Indonesia

Event:
The Asset Benchmark Research Awards 2019

Organizer:
The Asset

Date:
November 13, 2019,

AWARDS

Award Name:
First Place I for SOEs with Open Finance

Event:
Annual Report Awards

Organizer:
Ministry of Finance, Ministry of SOE, Indonesian Stock Exchange (BEI), Financial Services Authority (OJK), Bank Indonesia (BI), Indonesian Accountants Association (IAI), National Committee on Governance Policy (KNKG)

Date:
November 14, 2019,

Award Name:
Best of Best CFO
Category of Top 20 Financial Institutions for BOOK IV

Event:
Infobank Top 20 Financial Institutions

Organizer:
The Finance (Infobank Group)

Date:
December 11, 2019

Treasury

Award Name:
Best Rupiah and Foreign Currency Monetary Control Support Conventional Bank

Event:
BI Awards at the Bank Indonesia Annual Meeting

Organizer:
Bank Indonesia

Date:
November 28, 2019,

Award Name:
Best Money Market Deepening Support Bank

Event:
BI Awards at the Bank Indonesia Annual Meeting

Organizer:
Bank Indonesia

Date:
November 28, 2019,

Award Name:
Best Cash Deposit Management Offices in Disadvantaged, Frontier, and Outermost areas (for Sorong Branch Office)

Event:
BI Awards at the Bank Indonesia Annual Meeting

Organizer:
Bank Indonesia

Date:
November 28, 2019,

Award Name:
Primary Dealers of Government Securities (SUN) with the best performance

Event:
Annual Award of the Directorate General of Finance and Risk Management of the Ministry of Finance

Organizer:
Ministry of Finance

Date:
December 16, 2019

Award Name:
Best Retail SUN Distribution Partner

Event:
Annual Award of the Directorate General of Finance and Risk Management of the Ministry of Finance

Organizer:
Ministry of Finance

Date:
December 16, 2019

Award Name:
The Best Distribution Partner for Government Sharia Securities (SBSN) in the Conventional Bank Category

Event:
Annual Award of the Directorate General of Finance and Risk Management of the Ministry of Finance

Organizer:
Ministry of Finance

Date:
December 16, 2019

Governance

Award Name:
Indonesia Most Trusted Companies Awards

Event:
Corporate Governance Perception Index (CGPI) The 18th Award

Organizers:
Indonesia Institute for Corporate Governance and SWA Network

Date:
December 12, 2019

Service

Award Name:
X Rank of The Best Overall Performance

Event:
The 16th Banking Service Excellence Awards 2019

Organizers:
Infobank Magazine and Marketing Research Indonesia (MRI)

Date:
June 27, 2019



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

AWARDS

Information Technology, e-Banking, and Social Media

<p>Award Name: Innovative Company in Providing Intelligent Assistant and Cash on Mobile, Category: State-Owned Banks</p> <p>Event: The 2019 Indonesia Digital Innovation Award</p> <p>Organizers: Warta Ekonomi Magazine</p> <p>Date: February 22, 2019</p>	<p>Award Name: Ranked 8th As The Best Performing Digital Banking</p> <p>Event: The 16th Banking Service Excellence Awards 2019</p> <p>Organizers: Infobank Magazine and Marketing Research Indonesia (MRI)</p> <p>Date: June 27, 2019</p>	<p>Award Name: Ranked 3rd As The Best Performing CDM/ CRM</p> <p>Event: The 16th Banking Service Excellence Awards 2019</p> <p>Organizers: Infobank Magazine and Marketing Research Indonesia (MRI)</p> <p>Date: June 27, 2019</p>
<p>Award Name: Ranked 1st in Chatbot Performance</p> <p>Event: The 16th Banking Service Excellence Awards 2019</p> <p>Organizers: Infobank Magazine and Marketing Research Indonesia (MRI)</p> <p>Date: June 27, 2019</p>	<p>Award Name: Ranked 3rd As The Best Performing Opening Account Website Application</p> <p>Event: The 16th Banking Service Excellence Awards 2019</p> <p>Organizers: Infobank Magazine and Marketing Research Indonesia (MRI)</p> <p>Date: June 27, 2019</p>	<p>Award Name: A Public Company that conducts Public Expose Live with the Most Number of Participants, both offline and online.</p> <p>Event: Appreciation for The 2019 Public Expose Live Public Companies</p> <p>Organizers: Indonesia Stock Exchange</p> <p>Date: August 28, 2019</p>
<p>Award Name: The Best 4.0 Company</p> <p>Event: The 2019 CNBC Indonesia Award</p> <p>Organizers: CNBC Indonesia</p> <p>Date: December 4, 2019</p>		

Human Capital

Other Sectors

<p>Award Name: The Millennial CEO of The Year – Bank Mandiri President Director</p> <p>Event: Anugerah Indonesia Maju 2018-2019</p> <p>Organizers: Rakyat Merdeka and Warta Ekonomi</p> <p>Date: April 8, 2019</p>	<p>Award Name: Ranked 2nd As The Best Performing Security Officers</p> <p>Event: The 16th Banking Service Excellence Awards 2019</p> <p>Organizers: Infobank Magazine and Marketing Research Indonesia (MRI)</p> <p>Date: June 27, 2019</p>	<p>Award Name: Darmabakti Olahraga</p> <p>Event: Golden Awards of The 2019 SIWO PWI Sports Award Night</p> <p>Organizers: SIWO PWI</p> <p>Date: February 8, 2019</p>
--	---	--

CERTIFICATION

Type of Certification:
ISO 9001:2015 Internal Audit Services

Validation:
October 9, 2018 – June 13, 2021

Certification Recipient:
Directorate of Internal Audit

Issued by:
SGS Indonesia

Type of Certification:
ISO 9001:2015 Quality Management
System
Certification

Validation:
February 2020

Certification Recipient:
Mandiri Contact Center of Jogjakarta

Issued by:
SGS Indonesia

Type of Certification:
ISO 9001:2015 Operation Improvement
Services. Treasury & Cash Operations
Services. Trade Operation Export Services.
Trade Operation Import Services. Trade
Operations Surabaya Services. Interna-
tional Payment Services; Bank Guarantee
Operations Services. Payment Reconcili-
ation Services; Bulk Payment & Account
Opening Services. Domestic Payment
Services; Performance. Parameter & BRC
Management Services.

Validation:
August 6, 2017 – July 30, 2019

Certification Recipient:
Cash & Trade Operations Group

Issued by:
SGS Indonesia

Type of Certification:
ISO 9001:2015 Quality Management
System
Certification

Validation:
February 2020

Certification Recipient:
Mandiri Contact Center of Jogjakarta
Issued by:
SGS Indonesia

Type of Certification:
BH OHSAS 18001 – 2007
General Construction and Maintenance
Services of Civil Engineering Works, Build-
ings, Roads, Bridges, and Irrigation

Validation:
August 7, 2018 – July 23, 2019

Certification Recipient:
PT Gedung Bank Exim

Issued by:
NQA



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Names and Addresses of Subsidiaries, Associates, Overseas Branch Offices, and Regional Offices

SUBSIDIARIES

Subsidiary Office	Address	Phone/Fax/Website
PT Bank Syariah Mandiri	Wisma Mandiri Building 1 MH. Thamrin Street No. 5 Jakarta, 10340	Telp : (62-21) 2300 509, 3983 9000 (Hunting) Fax : (62-21) 3983 2989 Call Center : 14040 Website : www.syariahamandiri.co.id
PT Mandiri Sekuritas	Plaza Mandiri, 28-29th Floors Jend. Gatot Subroto Street, Kav. 36-38 Jakarta, 12190	Telp : (62-21) 526 3445 Fax : (62-21) 526 3521 Website : www.mandirisekuritas.co.id
PT Mandiri Tunas Finance	Graha Mandiri, 3Ath Floor Imam Bonjol Street No. 61 Jakarta, 10310	Telp : (62-21) 230 5608 Fax : (62-21) 230 5618 Care Center : 1500059 Email : Corporate.secretary@mtf.co.id Website : www.mtf.co.id
PT Mandiri AXA General Insurance	AXA Tower, 16th Floor Prof. Dr. Satrio Street, Kav. 18 Kuningan City Jakarta, 12940	Telp : (62-21) 3005 7777 Fax : (62-21) 3005 7600 Call Center : 1500733 Website : www.axa-insurance.co.id
PT AXA Mandiri Financial Services	AXA Tower, 8th Floor Prof. Dr. Satrio Street, Kav. 18 Kuningan City Jakarta, 12940	Telp : (62-21) 3005 8888 Fax : (62-21) 3005 8500 Customer Care Center : (62-21) 3005 8788 Website : www.axa-mandiri.co.id
PT Bank Mandiri Taspen	Melati Street No. 65 Dangin Puri Kuning Denpasar, 80233	Telp : (62-361) 227076 Call Center : (62-361) 227 887 (62-361) 247 555 Website : www.bankmantap.co.id
Mandiri International Remittance Sdn. Bhd.	Wisma Mepro Ground & Mezzanine Floor 29 and 31, Ipoh Street 52100 Kuala Lumpur, Malaysia	Telp : +603-4045 4988 +603-4045 5988 Website : www.mandiriiremittance.com
Bank Mandiri (Europe) Limited	2nd Floor 4 Thomas More Square Thomas More Street London E1W 1YW	Telp : +44-207-553-8688 Fax : +44-207-553-8699 Website : www.bkmandiri.co.uk
PT Asuransi Jiwa Inhealth Indonesia	Palma Tower 20th Floor, HR. Rasuna Said Street Block X2 Kav. 6, Kuningan Jakarta 12950	Telp : (62-21) 5250900 Fax : (62-21) 5250708 Website : www.mandiriinhealth.co.id
PT Mandiri Utama Finance	Plaza Bapindo Menara Mandiri, 26-27th Floors Jend. Sudirman Street Kav. 54 - 55 Jakarta, 12950	Telp : (62-21) 5278034 Website : www.mandiriutamafinance.co.id
PT Mandiri Capital Indonesia	Plaza Bapindo Menara Mandiri, 20th Floor Jend. Sudirman Street Kav. 54 - 55 Jakarta, 12950	Telp : (62-21) 5266661 Website : www.mandiri-capital.co.id

SUB-SUBSIDIARIES

Sub-Subsidiary Office	Address	Phone/Fax/Website
PT Mandiri Manajemen Investasi	Plaza Mandiri Floor 29th Jend. Gatot Subroto Street Kav. 36 38	Telp : (021) 526 3505 Website : https://mandiri-investasi.co.id/en/
Mandiri Securities Pte Ltd	Mandiri Securities Pte Ltd 12, Marina View #19-06, Singapore 018961	Tel +65 6589 3881 (DD) Fax +65 68449236

ASSOCIATES

Associate Office	Address	Ph./Fax/Website
PT Kustodian Sentral Efek Indonesia	Indonesia Stock Exchange Building Tower 1, 5th floor Jend. Sudirman Street Kav. 52-53, Jakarta, 12190	Telp : (62-21) 515 2855 Fax : (62-21) 5299 1199 Call Center: (62-21) 0800 186 5734 Website : www.ksei.co.id
PT PANN (Persero)	Cikini IV Street No. 11 Jakarta, 10330	Telp : (62-21) 31922003 Fax : (62-21) 31922980 Website : pannmf.co.id/

OVERSEAS BRANCH OFFICE

Overseas Branch Office	Address	Ph./Fax/Website
Bank Mandiri Singapore Branch	12 Marina View, #19-01 Asia Square Tower 2, Singapore 018961	Telp: 65-6213-5688/65-6213-5680 Fax: 65-6844-9833/65-6844-9808 Website: www.ptbankmandiri.com.sg SWIFT Code : BMRISGSG
Bank Mandiri Hong Kong Branch	7th Floor, Far East Finance Centre 16 Harcourt Road, Hong Kong	Telp: +852-2881-3632 Fax: 852-2529-8131/852-2811-0735 Website: www.bankmandirihk.com SWIFT Code : BMRIHKHH
Remittance Office Hongkong	Shop 3. G/F. Keswick Court 3 Keswick Street Causeway Bay, Hongkong	Telp: +852-2881-6650 Fax: +852-2881-5386
Bank Mandiri Cayman Islands Branch	Cardinal Plaza 3 rd Floor, #30 Cardinal avenue, PO BOX 10198, Grand Cayman KY 1 – 1002, Cayman Islands	Telp: +1-345-945-8891 Fax: +1-345-945-8892 SWIFT Code : BMRKYKY
Bank Mandiri Dili-Timor Leste Branch	25 Rua de Abril No.10 Colmera Dili-Timor Leste	Telp: +670-331-7777/+6221-526-3769/ +6221-527-1222 Fax: +670-331-7190/+670-331-7444/ +6221-252-1652/+6221-526-3572
Bank Mandiri Dili-Timor Plaza-Timor Leste Branch	Timor Plaza Unit #/Unidade No. #203; 233; 204; 230; 231; 232 Nicolau Street Lobato, Comoro Dili - Timor Leste	Telp: +670-7307-7777



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Overseas Branch Office	Address	Ph./Fax/Website
Bank Mandiri Shanghai Branch	Room 4101, Shanghai Tower No. 501, Yin Cheng Zhong Road, Pudong New District, Shanghai 200120, People's Republic of China	Telp: +86-21-2033-2625/+86-21-2028-2806 /+86-21-5037-2509 Fax: +86-21-5037-2707/ +86-21-5037-2547 SWIFT Code : BMRICNSH
Bank Mandiri (Europe) Limited, London	2 nd Floor, 4 Thomas More Square, Thomas More Street London, E1W 1 YW United Kingdom	Telp: +44-207-553-8688 Fax: +44-207-553-8599 Website : www.bkmandiri.co.uk SWIFT Code : BMRIGB2L
Mandiri International Remittance Sdn. Bhd.	Wisma MEPRO Ground & Mezzanine Floor 29 & 31 Ipoh Street 52100 Kuala Lumpur	Telp: +603-4045 4988/+603-4043 5988 Website: www.mandiriremittance.com

REGIONAL OFFICES

Regional Office	Address	Ph./Fax/ Website
REGION I/ SUMATERA 1	Uniland Building 6th Floor, MT Haryono Street A-1 Medan, 20231	Telp: (061) 4153396, 4555434 Fax: (061) 4153273
REGION II/ SUMATERA 2	Kapten A. Rivai Street No. 100 B Palembang, 30135	Telp: (0711) 364008 - 012, 364013 Fax: (0711) 310992, 3120417, 374279
REGION III/ JAKARTA 1	Lapangan Stasiun Street No. 2 Jakarta Barat, 11110	Telp: (021) 6922004, 6922005 Fax: (021) 6922006
REGION IV/ JAKARTA 2	Kebon Sirih Street No. 83 Jakarta Pusat, 10340	Telp: (021) 23565700, 39832922, 39832921, Fax: (021) 39832917, 39832918, 39832923
REGION V/ JAKARTA 3	Jend. Sudirman Street Kav. 54-55 Jakarta Selatan, 12190	Telp: (021) 5267368, 5267337 Fax: (021) 5267371, 5267365
REGION VI/ JAWA 1	Soekarno Hatta Street No. 486 Bandung, 40266	Telp: (022) 7506242, 7511878 Fax: (022) 7505810, 7506632
REGION VII/ JAWA 2	Pemuda Street No. 73 Semarang, 50139	Telp: (024) 3517349, 3520484, 3520487 Fax: (024) 3520485
REGION VIII/ JAWA 3	Basuki Rahmat Street No. 2-4 Surabaya, 60271	Telp: (031) 5316764 - 66 Fax: (031) 5316776, 5320641, 5316597
REGION IX/ KALIMANTAN	Lambung Mangkurat Street No. 3 Banjarmasin, 70111	Telp: (0511) 3365767 Fax: (0511) 3352249, 4366719
REGION X/ SULAWESI DAN MALUKU	R.A. Kartini Street No. 12-14 Makassar, 90111	Telp: (0411) 3629096, 3629097, 3634811 Fax: (0411) 3629095, 3650367
REGION XI/ BALI DAN NUSA TENGGARA	Veteran Street No. 1 Denpasar, 80111	Telp: (0361) 226761 - 3 Fax: (0361) 224077, 261453, 235924
REGION XII/ PAPUA	Dr. Sutomo Street No. 1 Jayapura, 99111	Telp: (0967) 537081, 537183-4, 537189 Fax: (0967) 537181

Information on the Bank Mandiri Website

After the implementation of POJK No.8/POJK.04/2015 on issuer's or public company's website, Bank Mandiri's official website <http://www.bankmandiri.co.id> has been updated with various latest information related to the company. In addition to disclosing general information, company's website also discloses more specific information as follows:

1. Group Structure of Bank Mandiri
2. Bank Mandiri stock ownership information
3. Board of Directors and Board of Commissioners Profile
4. Financial performance analysis
5. Annual and quarterly financial statement within past 5 years or more.
6. Annual report within past 5 years or more (downloadable).
7. Annual GMS and/or EGMS Invitations.
8. Annual GMS and/or EGMS Resolutions.
9. Charter of the Board of Commissioners, Directors, Committee committees and Internal Audit Unit.
10. Code of Conduct

In 2018, Bank Mandiri's website was updated with a new look to help people navigate with ease. Website menu is grouped as follows:

Home

Bank Mandiri's website homepage displays several menus including Mandiri Highlight, Economic Review, News and Release, Foreign Currency Information, calculator, and Mandiri Chat.

Individual

This menu provides information related to Bank Mandiri's banking service for individual customers including: Deposits, Loan, Credit Card, e-Banking, and Investment & Insurance.

Business

This menu provides information related to Bank Mandiri's banking service for businesspeople including: Deposits, Loan, Corporate Card, Cash Management, Trade Finance, and Treasury.

Priority

This menu provides information on Bank Mandiri's banking service for Priority customers.

About Mandiri

This menu provides information about: Corporate, Mandiri Group, Investor Relation, Good Corporate Governance, Mandiri CSR and Career. Good Corporate Governance sub-menu discloses information about Governance Structure, Governance Process, and Governance Outcome as well as other Corporate Governance information such as ASEAN Corporate Governance Scorecard, GMS, and GCG Implementation. The Investor Relation sub-menu effectively, efficiently, and transparently provides investors with information that includes Annual Report, Sustainability Report, and Bank Mandiri's current financial condition and stock.

Help

This menu provides Frequently Asked Question (FAQ) related to all products and services provided by the company, as well as online applications that help customers report card lost.

Mandiri Chat-MITA

In early 2018, to improve its customer service quality, Bank Mandiri added Mandiri Intelligence Assistant (MITA) feature, a chatting application-based information service, the Corporate website to provide customers with live, easy, and quick access of information.





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Education and/or Training For The Board of Commissioners, Board of Directors, Committees, Corporate Secretary, and Internal Audit Unit

COMPETENCE DEVELOPMENT FOR THE BOARD OF COMMISSIONERS

Throughout 2019, Bank Mandiri's Board of Commissioners had attended various competence development programs such as training, workshops, conferences, or seminars, as listed in the following table.

Table of Competence Development for the Board of Commissioners

Name	Position	Type of Training and Competence Development/ Training Materials	Time and Venue	Organizer
Kartika Wirjoatmodjo*	President Commissioner	Refreshment on Banking Risk Management "How Do Banks Manage Liquidity Risk"	July 23, 2019 Jakarta	National Professional Certification Agency/LSPP
Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	The Effects of the USA - China Trade War on Indonesia	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
		The 2019 Leadership Forum	July 19-22, 2019 Banyuwangi	Bank Mandiri
		Training The 3rd Batch of Executive Risk Management Refresher Program	November 29 – 7, 2019 Oslo, Bergen, Stockholm	Indonesian Banking Development Institute
Moh. Chatib Basri*	Vice President Commissioner/ Independent Commissioner	Enterprise Risk Management Workshop	... 2019 Jakarta	Indika Energy
Imam Apriyanto Putro	Vice President Commissioner	Refreshment of PSAK 71 Impairment Deep Dive in Risk Management Perspective	March 28 – 29, 2019 Jakarta	BARA Risk Forum
		Refreshment of Risk Management	May 6, 2019, Jakarta	National Professional Certification Agency/LSPP
		The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
		The 2019 Leadership Forum	July 19 – 22, 2019 Banyuwangi	Bank Mandiri
Mohamad Nasir*	Independent Commissioner			
Goei Siauw Hong	Independent Commissioner	Refreshment of Banking Risk Management	April 1, 2019 Jakarta	National Professional Certification Agency/LSPP

Name	Position	Type of Training and Competence Development/ Training Materials	Time and Venue	Organizer
		The Effects of The USA - China Trade War to Indonesia	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
		The 2019 Leadership Forum	July 19 – 22, 2019 Banyuwangi	Bank Mandiri
		Bara Risk Forum: PSAK 71 Impairment Deep Dive in Risk Management Perspective.	June 27 – 28, 2019 Jimbaran - Bali	Bara
		Executive Risk Management Refreshment Program: Enterprise Risk Management and Its Challenges in Industrial Revolution 4.0.	July 13 – 21, 2019 Barcelona, Madrid, Milan, Nice	LPPI
Robertus Bilita*	Independent Commissioner	The Role of Legal Consultants in Handling Troubled Banks	... April 2019 Jakarta	Association of Capital Market Legal Consultants (HKHPM)
		19 th Tax Practice Trends and Wealth Management Workshop	... April 2019 Paris	American Bar Association
		Fundamental of Investor – State Arbitration	... December 2019 Washington, The USA	International Law Institute
Bangun Sarwito Kusmulyono	Independent Commissioner	Leadership, Entrepreneurship, and Innovation in the Global Economy	March 25 – 28, 2019 ...	London School of Economics and Political Science
		The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
		The 2019 Leadership Forum	July 19 – 22, 2019 Banyuwangi	Bank Mandiri
Makmur Keliat	Komisaris Independen	The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
		The 2019 Leadership Forum	July 19 – 22, 2019 Banyuwangi	Bank Mandiri
		The 2019 Mandiri Group IT Summits	July 4 – 5, 2019 Lombok	Bank Mandiri
		Training The 3rd Batch of Executive Risk Management Refresher Program	November 29 – 7, 2019 Oslo, Bergen, Stockholm	LPPI



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

Name	Position	Type of Training and Competence Development/ Training Materials	Time and Venue	Organizer
Askolani	Komisaris	The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
Ardan Adiperdana	Komisaris	The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
		Executive Risk Management Refreshment Program: Enterprise Risk Management and Its Challenges in Industrial Revolution 4.0.	July 12-21, 2019 Barcelona, Madrid, Milan, Nice	LPPI
		Refreshment of Banking Risk Management	August 19, 2019 Jakarta	National Professional Certification Agency/LSPP
		PSAK 71 Impairment Deep Dive in Risk Management Perspective	October 24-25, 2019 ...	BARA Risk Forum
R. Widyo Pramono	Commissioner	The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
		The 2019 Leadership Forum	July 19-22, 2019 Banyuwangi	Bank Mandiri
		The 2019 Mandiri Group IT Summits	July 4-5, 2019 Lombok	Bank Mandiri
		Training The 3rd Batch of Executive Risk Management Refresher Program	November 29-7, 2019 Oslo, Bergen, Stockholm	LPPI
Rionald Silaban	Komisaris	Refreshment Manajemen Risiko	November 14, 2019 Jakarta	Badan Nasional Sertifikasi Profesi/ LSPP

*) will be effective after gaining approval from OJK

COMPETENCE DEVELOPMENT FOR THE BOARD OF DIRECTORS

Throughout 2019, Bank Mandiri's Board of Directors had attended various competence development programs, such as trainings, workshops, conferences, or seminars, as stated in the following table:

Table of Competence Development for the Board of Directors

Name	Position	Types of Training and Material for Competence/Training	Time and Venue of The Implementation	Organizers
Royke Tumilaar*	President Director	Refreshment of Banking Risk Management - "Digital Banking and Fintech Operational Risk Management Approach"	April 23, 2019 Jakarta	National Professional Certification Agency/LSPP
		Training Executive Risk, Management & Its Challenge in Industrial Revolution 4.0	July 13-21, 2019 Barcelona, Madrid, Milan	Indonesian Banking Development Institute
		Refreshment of Banking Risk Management	September 24, 2019 Jakarta	National Professional Certification Agency/LSPP

Name	Position	Types of Training and Material for Competence/Training	Time and Venue of The Implementation	Organizers
Kartika Wirjoatmodjo	President Director	Information is available on the Table of Competence Development for The Board of Commissioners		
Sulaiman A. Arianito	Vice President Director	Refreshment of Banking Risk Management - "Digital Banking and Fintech Operational Risk Management Approach"	April 23, 2019 Jakarta	National Professional Certification Agency/LSPP
		Refreshment of Banking Risk Management	September 19, 2019 Jakarta	National Professional Certification Agency/LSPP
Hery Gunardi	Director of Consumer and Retail Transaction	Executive Training IMD Laussane	March 17-24, 2019 Switzerland	...
		Refreshment of PSAK 71 Impairment Deep Dive in Risk Management Perspective	March 28 - 29, 2019 Jakarta	BARA Risk Forum
Ahmad Siddik Badruddin	Director of Risk Management	Executive Training: Constructive Collaboration in Illinois	October 21-24, 2019 The USA	Columbia University
Rico Usthavia Frans	Director of Information Technology	Executive Training: Driving Strategic Innovation - Achieving High Performance Throughout the Value Chain	September 22-27, 2019 Massachusetts, The USA	MIT Sloan Management
Darmawan Junaidi	Director of Treasury, International Banking, and Special Asset Management	Executive Training: Leading into The Future	November 4 - 8, 2019 Chicago - The USA	PT. Bank Mandiri (Persero) Tbk
Alexandra Askandar	Director of Corporate Banking	Executive Training: Project and Infrastructure Finance	December 2 - 6, 2019 London	London Business School Executive Education
Agus Dwi Handaya	Director of Compliance and Human Resources	Training HR Conference: Courageous Leaders & Bold	April 7 - 12, 2019 Silicon Valley, California	Mckinsey Academy
Panji Irawan	Director of Operation	Refreshment of Risk Management Certification	February 14, 2019 Jakarta	National Professional Certification Agency/LSPP
		Executive Training: Mergers & Acquisitions	September 16 - 20, 2019 London	IESE Business School University of Navarra
Donsuwan Simatupang	Director of Institutional Relationship	Refreshment of Philosophy Of Credit Risk And Non Performing Loan	February 20, 2019 Jakarta	National Professional Certification Agency/LSPP
Riduan	Director of Commercial Banking	Refreshment of Banking Risk Management	February 18, 2019 Jakarta	National Professional Certification Agency/LSPP
Silvano Winston Rumanitir*	Director of Finance and Strategies			

*) will be effective after gaining approval from OJK



COMPETENCE DEVELOPMENT FOR AUDIT COMMITTEE

Throughout 2019, Bank Mandiri's Audit Committee had attended various competence development programs, such as trainings, workshops, conferences or seminars, as stated in the following table:

Table of Competence Development for Audit Committee

Name	Position	Tenure	Types of Training and Material for Competence/Training	Time and Venue of The Implementation	Organizers
Bangun Sarwito Kasmulyono	Committee Chairperson and Concurrent Member	January 1 – December 12, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Ardan Adiperdana	Committee Chairperson and Concurrent Member	December 12 – December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Hartadi Agus Sarwono	Member Committee	January 1 – December 12, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Goei Siau Hong	Member Committee	January 1 – December 12, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Makmur Keliat	Member Committee	January 1 – December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
R. Widyo Pramono	Member Committee	December 12 – December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Robertus Bilita		December 12 – December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Budi Sulistio	Committee Member Non-Board of Commissioners	January 1 – June 28, 2019	The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
Bambang Ratmanto	Committee Member Non-Board of Commissioners		Bara Risk Forum: PSAK 71 Impairment Deep Dive in Risk Management Perspective.	March 28 - 29, 2019 Jakarta	Bara
			The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
Ridwan D. Ayub	Committee Member Non-Board of Commissioners	April 30 – December 31, 2019	The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
			Bara Risk Forum: PSAK 71 Impairment Deep Dive in Risk Management Perspective.	June 27 - 28, 2019 Jimbara - Bali	Bara

COMPETENCY DEVELOPMENT FOR REMUNERATION AND NOMINATION COMMITTEE

Throughout 2019, Bank Mandiri's Nomination and Remuneration Committee had attended various competence development programs, such as trainings, workshops, conferences or seminars, as stated in the following table:

Table of Competence Development for Remuneration and Nomination Committee

Name	Position	Tenure	Types of Training and Material for Competence/Training	Time and Venue of The Implementation	Organizers
Hartadi Agus Sarwono	Chairperson and Concurrent Member	January 1 – December 12, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
R. Widyo Pramono	Member	January 1 – December 12, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
	Chairperson and Concurrent Member	December 12 – December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Kartika Wirjoatmodjo	Member	December 12– December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Imam Apriyanto Putro	Member	January 1 – June 28, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Askolani	Member	January 1 – June 28, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Bangun Sarwito Kusmulyono	Member	January 1 – December 28, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Goei Siau Hong	Member	January 1 – June 28, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Ardan Adiperdana	Member	28 January – 1 June, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Makmur Keliat	Member	December 12 – December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Robertus Bilitea	Member	12 December – 31 December, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Indri K. Hidayat	Member	September 11 – December 31, 2019			
Putu Dewi Prasthiani	Secretary and Concurrent Ex-Officio Member	January 1 – June 28, 2019			
Steven A. Yudiyantho	Secretary and Concurrent Ex-Officio Member	June 28 – December 31 2019			



COMPETENCE DEVELOPMENT FOR RISK MONITORING COMMITTEE

Throughout 2019, Bank Mandiri's Risk Monitoring Committee had attended various competence development programs, such as trainings, workshops, conferences or seminars, as stated in the following table:

Table of Competence Development for Risk Monitoring Committee

Name	Position	Tenure	Types of Training and Material for Competence/Training	Time and Venue of The Implementation	Organizers
Goei Siau Hong	Committee Chairperson and Concurrent Member	January 1 – December 12, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Makmur Keliat	Chairperson and Concurrent Member	December 12 - 31	Information is available on the Table of Competence Development for The Board of Commissioners		
Muhamad Chatib Basri	Member	December 12 - 31	Information is available on the Table of Competence Development for The Board of Commissioners		
Bangun Sarwito Kusmulyono	Member Committee	January 1 – December 12, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Ardan Adiperdana	Member Committee	January 1 – December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
R. Widyo Pramono	Member Committee	January 1 – December 12, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Rionald Silaban	Member Committee	September 11 – December 31, 2019	Information is available on the Table of Competence Development for The Board of Commissioners		
Ridwan D. Ayub	Committee Member Non-Board of Commissioners	January 1 – April 30, 2019	Key Risk Management Challenges in 2019 Credit Quality. Active Credit Portfolio Management & Stress Testing and also Credit Scoring	December 6 - 7, 2018. Batam.	BARA Risk Forum
Chrisna Pranoto	Member of Risk Monitoring Committee	April 30 – December 31, 2019	The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
			Bara Risk Forum: PSAK 71 Impairment Deep Dive in Risk Management Perspective.	June 27 - 28, 2019 Jimbara - Bali	Bara
Lista Irna	Member of Risk Monitoring Committee	January 1 – December 31, 2019	The Effects of The USA - China Trade War to Indonesia.	May 22, 2019 Belitung Room of Mandiri Plaza - Jakarta	Bank Mandiri
			Bara Risk Forum: PSAK 71 Impairment Deep Dive in Risk Management Perspective.	June 27 - 28, 2019 Jimbara - Bali	Bara
			The 2019 Mandiri Group IT Summits	July 4 - 5, 2019 Lombok	Bank Mandiri

COMPETENCE DEVELOPMENT FOR INTEGRATED GOVERNANCE COMMITTEE

Throughout 2019, Bank Mandiri's Integrated Governance Committee had attended various competence development programs, such as trainings, workshops, conferences or seminars, as stated in the following table:

Table of Competence Development for Integrated Governance Committee

Name	Position	Development Material Competence / Training	Time and place Implementation	Organizer
Goei Siauw Hong	Chairman and concurrent member (Independent Commissioner)	Information is available on the Table of Competence Development for Board of Commissioners		
Imam Apriyanto Putro	Member Committee (Deputy President Commissioner)	Information is available on the Table of Competence Development for Board of Commissioners		
Askolani	Member Committee (Commissioner)	Information is available on the Table of Competence Development for Board of Commissioners		
Bangun Sarwito Kusmulyono	Member Committee (Independent Commissioner)	Information is available on the Table of Competence Development for Board of Commissioners		
Makmur Keliat	Member Committee (Independent Commissioner)	Information is available on the Table of Competence Development for Board of Commissioners		
Ridwan D. Ayub	Member Committee (Independent Party)	Information is available on the Table of Competence Development for Risk Monitoring Committee		
Budi Sulistio	Member Committee (Independent Party)	Information is available on the Table of Competence Development for Audit Committee		
Edhi Chrystanto	Member Committee (Independent Commissioner Representative of PT Bank Mandiri Taspen)			
Frans A. Wiyono	Member Committee (Independent Commissioner Representative of PT Mandiri AXA General Insurance)			
D. Cyril Noerhadi	Member Committee (Independent Commissioner Representative of PT Mandiri Sekuritas)			
Wihana Kirana Jaya	Member Committee (Independent Commissioner Representative of PT AXA Mandiri Financial Services)			
Ravik Karsidi	Member Committee (Independent Commissioner Representative of PT Mandiri Tunas Finance)			
Ali Ghufroon Mukti	Member Committee (Independent Commissioner Representative of PT Asuransi Jiwa Inhealth Indonesia)			
M. Syafii Antonio	Member Committee (Sharia Supervisory Board of PT Bank Syariah Mandiri)			
Mulya E. Siregar	Member Committee (Independent Commissioner Representative of PT Bank Syariah Mandiri)	Risk Management Certificates Renewal	June 10, 2019, Jakarta	Risk Management, LSPP
		The 2019 Leadership Forum	October 10 - 12, 2019, Magelang	Leadership, BSM MSU
		The 3rd Batch of Executive Risk Management Refresher Program	October 29 - November 7, 2019, Oslo and Stockholm	Leadership, LPPI



Name	Position	Development Material Competence / Training	Time and place Implementation	Organizer
Ravik Karsidi	Member Committee (Representative of the Independent Commissioner of PT Mandiri Tunas Finance)	-		
Ali Ghufon Mukti	Member Committee (Representative of Independent Commissioners of PT Asuransi Jiwa Inhealth Indonesia)	-		
M. Syafii Antonio	Member Committee (Sharia Supervisory Board of PT Bank Syariah Mandiri)	-		
Mulya E. Siregar	Member Committee (Representative of the Independent Commissioner of PT Bank Syariah Mandiri)	Renewal of Risk Management Certificates	June 10. 2019, Jakarta	Risk Management, LSPP
		Leadership Forum 2019	October 10 - 12, 2019, Magelang	Leadership, BSM MSU
		Executive risk management refresher Batch 3 program	October 29 - November 7, 2019 Oslo and Stockholm	Leaderrship, LPPI
Mohamad Hidayat*	Committee Member (Representative of the Sharia Supervisory Board of PT Bank Syariah Mandiri)	Sanawi Pre-Ijtima Workshop (Annual Meeting) DPS 2019 in the field of Insurance and Pension Funds	September 16 2019, Jakarta	DSN MUI
		Sanawi Pre-Ijtima Workshop (Annual Meeting) DPS 2019 in Sharia Banking	September 17, 2019, Jakarta	DSN MUI
		Ijtima 'Sanawi (Annual Meeting) and DPS Seminar and Workshop	October 2 - 4, 2019, Bogor	DSN MUI

COMPETENCE DEVELOPMENT FOR THE CORPORATE SECRETARY

Throughout 2019, the Corporate Secretary of Bank Mandiri had been attending various programs of competence development such as trainings, workshops, conferences or seminars, as stated in the following table:

Table of Competence Development for the Company Secretary

Name	Position	Development Material Competence / Training	Time and place Implementation	Organizer
Rohan Hafas	Corporate Secretary	Leadership Forum	May 04-06, 2018, Labuan Bajo	Bank Mandiri
		Indonesia Investment Forum 2018	October 9, 2018, Bali	SOEs Ministry, BI, and Financial Services Authority
		Media Training	November 29-30, 2018, Semarang	Bank Mandiri

COMPETENCE DEVELOPMENT FOR INTERNAL AUDIT UNIT AND RISK MANAGEMENT

Throughout 2019, the Internal Audit Unit of Bank Mandiri had been attending various programs of competence development such as trainings, workshops, conferences or seminars, as stated in the following table:

Table of Competence Development for Internal Audit Unit

Name	Group	Name of Education and / or Development	Organizer Name	Date of Implementation
Gilang Ramadhan	Internal Audit	Powerfull Point Direktorat Special Asset Management	Mandiri University Group	May 6 – 7, 2019
Gita Swarga Puspitha	Internal Audit	IIA - Indonesia Conference	IIA Indonesia	July 24 – 25, 2019
Hamidah Aprilia	Internal Audit	Powerfull Point Direktorat Special Asset Management	Mandiri University Group	May 6 – 7, 2019
Muhammad Fahmi Hidayat	Internal Audit	Briefing Management of Mandiri Club Millenial	Mandiri University Group	September 4 – 6, 2019
Mustaslimah	Internal Audit	FKSPI National Seminars and Deliberations	FKSPI	August 22 – 23, 2019
Cahyo R.E. Wibowo	Internal Audit	Legal Issues Perkreditan & Operating Software Idea	Mandiri University Group	December 5 – 6, 2019
Maria Ulfah	Internal Audit	Financial Shenanigans	ACFE	December 14 -15, 2019
Teddy Supriyatna	Internal Audit	Legal Issues of Credit & Operating Software Idea	Mandiri University Group	December 5 – 6, 2019
Albertus Eko Widjanto	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August 29 – 30, 2019
Andhini Mauliasari	Wholesale & Corporate Center Audit Group	Basic QIA	Yayasan Pendidikan Internal Audit	Februari 18 – March 2, 2019
Baban Sudarman	Wholesale & Corporate Center Audit Group	Workshop Alignment Internal Audit with Senior Operational Risk	Mandiri University Group	December 16, 2019
Cahyo Luthfi Adiono	Wholesale & Corporate Center Audit Group	Certificatiion of Risk Management	Mandiri University Group	September 6, 2019



Name	Group	Name of Education and / or Development	Organizer Name	Date of Implementation
Citra Yustika Pratiwi	Wholesale & Corporate Center Audit Group	Competency Certification of Risk Management Level I	LSPP	February 16, 2019
Deddy Zulfachrie	Wholesale & Corporate Center Audit Group	Workshop Alignment Internal Audit Dengan Senior Operational Risk	Mandiri University Group	December 16, 2019
Desiwanti	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August 29 – 30, 2019
Dila Pramita Putri	Wholesale & Corporate Center Audit Group	PSAK 71 - Financial Instrument	Mandiri University Group	March 4 – 5, 2019
Gisandro Diponegoro Purwaamijaya	Wholesale & Corporate Center Audit Group	Competency Certification of Risk Management	LSPP	February 16, 2019
Ismi Utari	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August 29 – 30, 2019
Joice Irene Sirenden	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	Agustus 29 – 30, 2019
Lisbeth Juneiar	Wholesale & Corporate Center Audit Group	PSAK 71 - Financial Instrument	Mandiri University Group	March 4 – 5, 2019
M. Jacobie Henry W	Wholesale & Corporate Center Audit Group	Preparation & Certified Fraud Examiners (CFE)	Association Of Certified Fraud Examiners (ACFE)	August 5 – 9, 2019
Mochammad Chaikal Nur Adiansyah	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August 29 – 30, 2019
Muhibbuddin Noor	Wholesale & Corporate Center Audit Group	Workshop Alignment Internal Audit with Senior Operational Risk	Mandiri University Group	December 16, 2019
Raditya Surya Pratama	Wholesale & Corporate Center Audit Group	Preparation & Certified Fraud Examiners (CFE)	Association Of Certified Fraud Examiners (ACFE)	August 5 – 9, 2019
Rahmat Azis	Wholesale & Corporate Center Audit Group	Workshop Alignment Internal Audit with Senior Operational Risk	Mandiri University Group	December 16, 2019
Riani Rachmiati	Wholesale & Corporate Center Audit Group	Competency Certification of Risk Management Level I	LSPP	February 16, 2019
Riani Rachmiati	Wholesale & Corporate Center Audit Group	Briefing Certification of Risk Management Level I	Mandiri University Group	April 11 – 12, 2019
Ricky Gunawan Manurung	Wholesale & Corporate Center Audit Group	Competency Certification of Risk Management Level I	LSPP	February 16, 2019
Risqi Adihandoyo	Wholesale & Corporate Center Audit Group	Briefing Certification of Risk Management Level I	LSPP	February 16, 2019
Risqi Adihandoyo	Wholesale & Corporate Center Audit Group	Briefing Certification of Risk Management Level I	Mandiri University / Group	April 11 – 12, 2019
Rizki Antono	Wholesale & Corporate Center Audit Group	Certified Internal Auditor	The Institute Of Internal Auditora Global	May 6 – 15, 2019

Name	Group	Name of Education and / or Development	Organizer Name	Date of Implementation
Rizqi Aditya	Wholesale & Corporate Center Audit Group	CIA Exam	The Institute Of Internal Auditors (IIA) Global	February 25, 2019
Satria Bagus Handoko	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August 29 – 30, 2019
Toga Philips Sumartua Sinaga	Wholesale & Corporate Center Audit Group	Workshop Alignment Internal Audit Dengan Senior Operational Risk	Mandiri University Group	December 16, 2019
Yonaz Adiyono	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August, 29 -30 2019
Yonaz Adiyono	Wholesale & Corporate Center Audit Group	Workshop Alignment Internal Audit Dengan Senior Operational Risk	Mandiri University Group	December 16. 2019
Deddy Zulfachrie	Wholesale & Corporate Center Audit Group	PSAK 71 - Financial Instrument	Mandiri University Group	March 4 – 5, 2019
Novi Anathasia Purba	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August 29 – 30, 2019
Rahmat Azis	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August 29 – 30, 2019
Rizki Antono	Wholesale & Corporate Center Audit Group	Trade Finance For Auditor & Investigator	Mandiri University Group	August 29 – 30, 2019
Toga Philips Sumartua Sinaga	Wholesale & Corporate Center Audit Group	PSAK 71 - Financial Instrument	Mandiri University Group	March 4 – 5, 2019



Management Discussion and Analysis on Company Performance

Bank Mandiri showed impressive performance, which is consistent with its commitment to Grow Healthily to Build the Nation. Bank Mandiri managed to earn Net Profit of IDR27.48 trillion or 9.86% higher (YoY) and improved credit quality with Gross NPL (Bank Only) of 2.39%.





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Economic Review



GLOBAL ECONOMIC ANALYSIS

Global economic challenges throughout 2019 are quite immense. The International Monetary Fund (IMF) estimates that the global economy will only grow 3.0%, which is the lowest growth since the 2008 crisis. The deteriorating trade relations between the United States (US) -China have a major impact on world economic activity. The realization of economic growth, both developed and developing countries throughout Quarter I - Quarter III continued to slowdown.

Economic growth in the United States throughout 2019 slowed from 2.7 (YoY) in the First Quarter to only 2.1% (YoY) in Quarter III. In the same period of economic growth in the Eurozone, the growth slowed from 1.4% (YoY) to 1.2% (YoY). In developing countries, the Chinese economy also showed a significant slowdown from 6.6% (YoY) in 2018 to only 6.1% (YoY) in 2019, which becomes the lowest economic growth in the last 29 (twenty nine) years .

Slowing down of global economic growth throughout 2019 also has an impact on commodity demand which tends to stagnate as demand levels weaken. The average daily price of oil for Brent types in 2019 dropped to USD64.2 per barrel, from USD71.1 per barrel. This is also experienced by global commodity prices that become a mainstay for Indonesia, namely coal and palm oil. The average daily price of coal and palm oil also declined, respectively to USD 524.7 and USD 77.0 per metric ton,

from USD 559.5 and USD 107.2 per metric ton in 2018. This also had an impact on the economies of commodity-producing countries such as Indonesia.

on the other hand, slowing down of global economic conditions caused central banks in various parts of the world, especially the United States (The Fed) to reduce policy rates. The Fed throughout 2019, lowered the federal funds rate (FFR) policy rate by 75 bps from 2.50% to 1.75% to anticipate the impact of the global economic slowdown on the US economy. In addition, other than reducing interest rates, the Fed also implemented an accommodative policy, namely through the purchase of securities to overcome the tightening of liquidity in the United States financial system. The policy adopted by the Fed has an impact on the flow of foreign capital into emerging markets, including China, India, Brazil, Thailand, the Philippines and also including Indonesia. Based on data from the Institute for International Finance (IIF), total foreign capital inflows into emerging markets throughout 2019, both in the stock market and the state bond market, reached USD78 billion, after in the previous year, foreign capital inflows were recorded at only USD 9.9 billion. This also gives space to several central banks in developing countries to reduce interest rates. This step in reducing interest rates is expected to have a positive impact on global economic growth in 2020.

Source: World Economic Outlook October 2019, International Monetary Fund (IMF)

DOMESTIC ECONOMIC ANALYSIS

In the midst of the enormous challenges of the global economy, Indonesia can still maintain quite good growth. The Indonesian economy grew by 5.02% (YoY) in Q3 / 2019, tending to weaken compared to growth in Q3 / 2018 of 5.17% (YoY), due to weakening global economic growth and prices stagnant commodity. For the record, Indonesia's economic achievements are relatively better compared to other emerging market countries, i.e. China is slowing from 6.50% (YoY) to 6.00% (YoY), while India has fallen sharply from 7.00% (YoY) to 4.55% (YoY). The maintained economic growth is supported by household consumption which is still quite strong in line with the maintained inflation condition below 3.5%, the upper target set by Bank Indonesia.

The stable inflation rate was driven by the controlled component of food prices in line with maintained productivity and distribution of domestic food stock. Inflation control is also supported by the government's strong commitment to maintain inflation in the prices of goods regulated by the government, such as fuel and energy prices. The active role of the Government and Bank Indonesia (BI) in coordinating with the Regional Government in maintaining inflation has also improved.

Stable macroeconomic conditions were also reflected in movements in the IDR exchange rate which appreciated against the USD with lower volatility compared to 2018. Historically, IDR movements throughout 2019 were in the range of 13,919 to 14,525 per USD (daily volatility around 2%: - 1.33% up to 0.68%). Meanwhile the movement IDR in 2018 was in the range of 13,289 up to 15,238 per USD (daily volatility around 3%: -1.45% to 1.5%).

Indicators of the trade balance and the current account balance are relatively better because of the decline in imports. The trade balance in the October 2019 period recorded a deficit of USD1.8 billion, down compared to October 2018 of USD5.6 billion. Meanwhile the current account deficit narrowed from 3.3% of GDP in Quarter III 2018 to 2.7% of GDP in Quarter III 2019.

The maintained inflation rate, the increasingly stable exchange rate movements, and the decline in the current account deficit and trade balance indicators provide room for BI to apply the policy mix, through interest rate instruments and macroprudential ratios,

which are accommodative to encourage economic growth and anticipate the negative impacts of the economic slowdown global. Throughout 2019, particularly in the second semester, BI has reduced the benchmark interest rate (BI 7 Days Reverse Repo Rate or BI 7 DRRR) by 100 bps from 6.0% to 5.0%.

In addition to lower interest rates, macroprudential policy was taken to encourage bank credit growth by loosening the terms of the LTV / FTV (loan to value / financing to value) ratio of an average of 5-10% for home and vehicle ownership, loosening the Macroprudential Intermediation Ratio (RIM) to 84-94%, from 80-92% previously, as well as expanding bank funding, including prudent foreign loans above 1 (one) year.

Source: Quarter III Monetary Policy Report 2019, Bank Indonesia, Indonesian Banking Statistics, September 2019

ANALYSIS OF BANKING INDUSTRY

In the midst of the challenges of global dynamics that continue to have an impact on the economy both nationally and domestically, the banking performance still showed quite good growth with financial stability maintained along with an improved intermediation function and controlled credit risk. The Capital Adequacy Ratio (CAR) of banks in September 2019 is still quite high reaching 23.28% and banking liquidity is also quite good, reflected in the ratio of Liquid Equipment to Deposits (AL / DPK) which reaches 19.43%. In addition, the gross low quality credit ratio (Non Performing Loan / NPL) reached 2.66% (gross) and 1.18% (net) as well as bank credit growth (Including loans distributed to other banks) reaching 7.84%. The growth of Third Party Funds reached 7.47% driven by Giro growth which reached 8.45%, Savings reached 6.53%, and Deposits reached 7.60%, in addition the banking LDR ratio was quite tight reaching 94.34% in September 2019 .

At the end of Quarter III 2019, total economic financing grew by 7.4% (YoY), slowing compared to the previous quarter's growth of 10.6% (YoY). The slowdown was influenced mainly by commercial bank lending, with the highest market share of 57%, which grew slowly in Quarter III 2019. Meanwhile, financing sourced from the capital market grew by 7.54%. The continued weakening growth of non-financial corporate economic financing is influenced by limited demand in line with the lack of strong business confidence.



The Indonesian banking industry recorded a good performance with the quality of banking assets that will be maintained amid fluctuations in the exchange rate. Besides, Indonesia's economic growth in September 2019 reached 5.02% due to slowing credit growth due to global economic uncertainty that affected commodity prices and lending.

Several strategies must be taken by banks to respond to the challenges ahead, including: (1) Selectively encouraging credit growth in sectors that have good

prospects in the next few years, (2) Encouraging sales through increased digital transaction services, This aims to diversify income, (3) channeling more syndicated loans, which aims to increase credit capacity and risk sharing, (4) Managing assets more effectively to minimize interest rate risk, among others by shortening the term of the assets, extend the period of liability, and (5) Increasing interest rate hedging activities and also encourage customers to participate in hedging.

ANALYSIS OF BANK MANDIRI'S POSITION IN THE BANKING INDUSTRY

The comparison of Bank Mandiri's performance over the national banking industry is summed up in the below details.

Bank Mandiri's Performance Over The National Banking Industry As Per September 2019

(Consolidation, in %)

Performance	September 2019	
	Bank Mandiri	Banking Industry
Assets	8,69%	7,07%
Loan	7,78%	7,84%
Third Party Fund	7,22%	7,47%
Cheap Fund	5,93%	7,36%
Interest Income	14,04%	13,34%
Interest Expense	24,88%	23,70%
Net Interest Income	6,45%	3,41%
Fee-Based Income	4,25%	34,81%
Total of Operational Income	5,77%	11,77%
Operational Expense Besides Interest	4,98%	19,71%
Operational Profit	12,27%	12,00%
Net Profit	11,93%	6,65%

Source: Financial Report and Indonesia Banking Statistic (SPI) as per September 2019

Table of Comparison of Bank Mandiri Ratios compared to Industry Position September 2018

(Bank Only, in %)

Rasio	September 2019	
	Bank Mandiri	Banking Industry
NIM	5,49%	4,90%
NPL	2,61%	2,66%
ROA	3,01%	2,48%
ROE	15,27%	12,91%
CAR	22,50%	23,28%
LFR/RIM ^{*)}	91,72%	94,34%
BOPO	67,46%	80,50%

Source: September 2019 Financial Report and Indonesian Banking Statistics (SPI) September 2019

Based on PBI No.20 / 4 / PBI / 2018 dated March 29, 2018, the mention of Loan to Funding Ratio (LFR) changed to Macroprudential Intermediation Ratio (RIM)

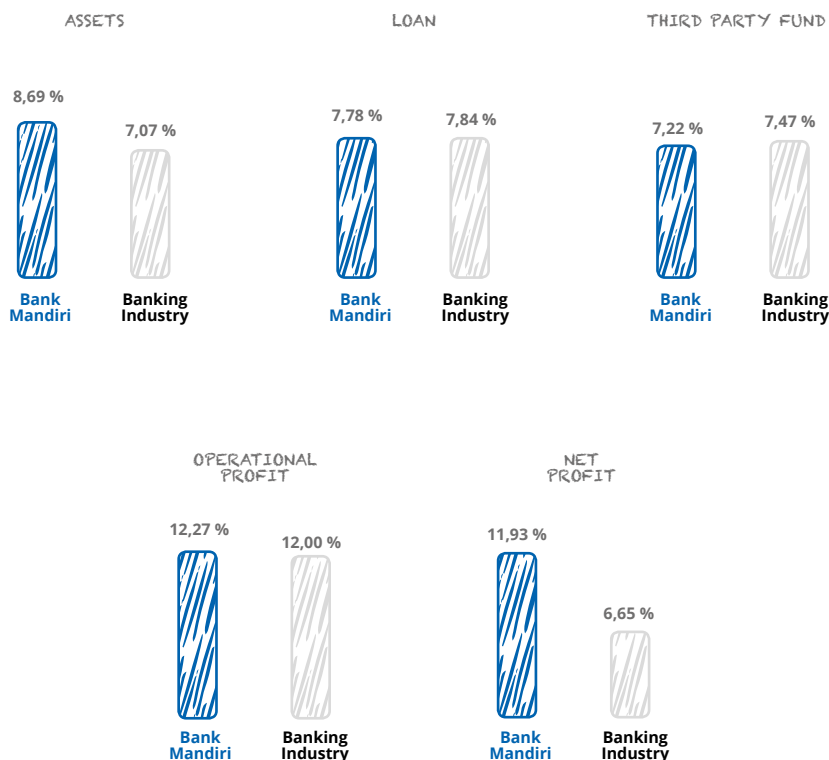
*) Bank Mandiri used RIM, and the Banking Industry used LFR data

Bank Mandiri's net profit growth in September 2019 was better than the growth of the banking industry's net profit. On a consolidated basis, Bank Mandiri's net profit in the third quarter of 2019 reached IDR 20.25 trillion or grew by 11.93% (YoY), higher than the national banking net profit growth which only grew by 6.65% (YoY). This was supported by the growth of net interest income which was also higher than the net interest income of the banking industry, which were recorded at 6.45% (YoY) and 3.41% (YoY).

Bank Mandiri loans in the third quarter of 2019 on a consolidated basis grew by 7.78% (YoY), while national banking credit growth in the same period grew by 7.84% (YoY). Total loans disbursed by Bank Mandiri on a consolidated basis until the third quarter of 2019 reached IDR 841.86 trillion, or 15.09% of the total bank lending in Indonesia. In addition, the growth of the company's Third Party Funds (DPK) on a consolidated basis as of September 2019 grew by 7.22% (YoY), meanwhile, the growth of the national banking deposits in the same period was 7.47% (YoY).

Bank Mandiri's liquidity conditions in the period September 2019 are still maintained with a Macprudential Intermediation Ratio (bank only) of 91.72%, down 105 bps from the same period a year earlier. Meanwhile, the liquidity of the national banking industry experienced tightening with LDR in the third quarter of 2019 reaching 94.34%, up 25 bps from the same period a year earlier.

In terms of credit quality, Bank Mandiri's NPL was still better than the national banking NPL. Bank Mandiri's NPL showed a decline since 2018. Until September 2019, Bank Mandiri's NPL was recorded down by 43 bps in the same period the previous year to 2.61%, while the national banking NPL was recorded at 2.66% in September 2019. Improving ratio Bank Mandiri's NPL is caused by the improvement of credit quality in almost all business segments and strengthening credit risk management.





Operational Review

In general, Bank Mandiri's business activities focused on the public fund collection and redistribution in the form of credit and financing in addition to other banking service procurement. Bank Mandiri had determined the appropriate strategies marked by the significant increase of its performance.

COMPANY STRATEGY

During 2019, Bank Mandiri was in the final phase of the Phase III transformation to achieve aspirations in 2020 to Indonesia's Best, ASEAN Prominent. In challenging economic conditions and an increasingly fierce competition map, Bank Mandiri conducts a number of business strategies with a focus on:

a. Strengthening business lines which are the initial core competencies, namely by:

1. Growing wholesale credit above market growth with a focus on penetration in anchor customers and selected industry sectors.
2. Increasing fee based income and wholesale CASA through improvements to transaction banking services, cash management, foreign exchange, and capital markets.

b. Building and strengthening new core competencies, namely by:

1. Encouraging the growth of retail CASA through e-channels and Bank At Work initiatives by

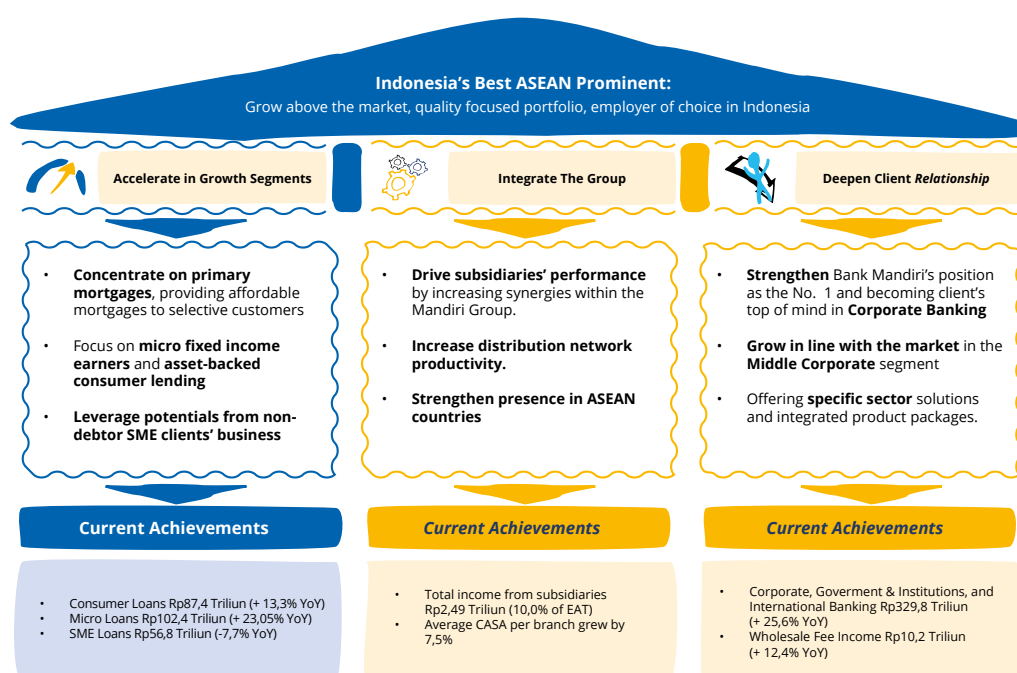
utilizing the power of relationships, value chains, and derivatives from wholesale customers.

2. Accelerating growth in the consumer lending business, particularly in mortgages and auto loans through streamlining business processes and cross-selling.
3. Increasing the penetration of Micro Credit especially KSM based on payroll loans and productive microcredit such as KUM and KUR.
4. Maintaining market share in the Small and Medium Enterprises (SME) segment.
5. Credit Card expansion through increasing the number of new cards, streamlining business processes and product bundling.

c. Strengthening Fundamental, namely by:

1. Reducing the cost efficiency ratio through digitization.
2. Increasing network productivity through improving business processes and utilizing analytics.
3. Reducing the level of NPL through strengthening the early warning system, managing problem loans, and credit business processes.

The various strategies above are manifestations of 3 (three) main strategies, namely to sharpen the wholesale business by intensifying wholesale segment wallet customers (deepen client relationship), to accelerate expansion in the retail segment (accelerate in growth segment), and to strengthen the integration of Mandiri Group (integrating the group), with the following explanation:



1. Deepen Client Relationship Strategy

- Encouraging the corporate business as the main aggressively-growing competencies and appearing as the most potential market figure in terms of quality improvement as well as transactional product and treasury reliability.
- Improving the fee-based income contribution portion in the corporate and commercial segments.
- Increasing share of wallet on top anchor clients.
- Developing innovative structured lending products that can be replicated to a variety of wholesale customers such as cross border loans, M&A financing, and sell-down portfolio.
- Developing holistic sector solutions, through product offerings and specific financial solutions.
- Encouraging consolidation and strengthening of the commercial segment so that it continues to grow in line with the market.

2. Accelerate The Growth Segment Strategy

- The focus is to drive the growth of payroll-based New Multipurpose Micro Loan (KSM) by dominating the fixed income segment with 5 (five) million payroll accounts by targeting employees from Corporate and Commercial customers.
- Focusing on growing Primary Home Ownership Loan (KPR) products through offering affordable mortgage products with selective target customers.
- Encouraging bank at work in a value chain through customers who are part of Wholesale customer business processes to expand retail distribution.
- The focus is on improving the lives of micro entrepreneurs by continuing to grow selectively at Micro KUM to safeguard NPLs and the success of government programs in the distribution of People's Business Loan (KUR).

In order to implement the accelerate in growth segment strategy, there are several strategic initiatives that will be implemented, including:

- Making improvements to the distribution network through the implementation of the retail ready branch concept, developing a distribution network strategy for the long term, and developing Bank at Work solutions through developing retail product packages to wholesale and retail customers.
- Conducting improvements to business models in mortgages, motor vehicle loans and personal loans.
- Improving micro and SMEs business models.

3. Integrate The Group

Integrating the group strategy aims to improve synergy between work units at Bank Mandiri including its subsidiaries so that they can support one another and increase productivity.

- Encouraging the performance of the subsidiary entity through the synergy of Mandiri Group.
- Improving the productivity of Bank Mandiri's networks through the business process reengineering and data analytics.
- Strengthening Bank Mandiri's presence in ASEAN communities.

Strengthening Enablers

In addition to the above strategies, Bank Mandiri also prepares enablers or other bankwide strategic support to achieve business targets.

- Transformation of service model through digitization to improve efficiency, as indicated by the decreasing efficiency ratio.
- Organizational rearrangement to better reflect the business focus and to be responsive to market conditions safely, quickly, and productively.
- Alignment of risk management to balance growth and quality.
- Development of human resources to cultivate the leader and entrepreneurship characteristics.
- Encouraging work culture synergy (values, work ethics, mindset) in Mandiri Group.

IMPLEMENTATION OF CORPORATE PLAN RESTART 2016 - 2020

In order to support the achievement of the Corporate Plan Restart target 2016-2020, Bank Mandiri has had 21 Board of Director (BOD) program levels as the main strategic initiative. The programs that have been developed must meet the objectives of the Corporate Plan, which are focusing on the development of the existing and new cores. In addition, the scope of the program should also include the implementation phase and, finally, should be able to have significant business impact and measurable metrics. In order to ensure that all strategies and initiatives are implemented and working as expected, each initiative has a Sponsor Director who becomes a sponsor to encourage the implementation of the initiative assisted by a Project Management Officer (PMO) who has dedication to carry out the initiative.



One of strategy implementations of the Corporate Plan is (i) the alignment of distribution network organization that is an advanced process of Distributions Network Transformation (DNT). This organization alignment initiative aimed at 2 (two) main things, namely organizations that encourage strengthening risk management and control as well as organizations that focus on 2016-2020 Corporate Plan Restart strategy. (ii) The establishment of growth targets in several segments that become a backbone of Bank Mandiri's business growth. (iii) Striving to overcome NPL problems, including:

1. Accelerating the restructuring for debtors who still have good business prospects and intention. This includes the efforts to find investors who can continue the debtors' businesses.
2. A more intensive billing to litigation actions against uncooperative debtors, and or misuse of loans.
3. Establishing and monitoring credit growth based on the predetermined portfolio mix target (sectoral, industry, product, debtor segment).
4. Establishing credit monitoring functions throughout the region to ensure the crediting processes are in accordance with the established regulations and policies.
5. Controlling the potential of credit quality reduction, both current debtors (watchlist) and ex-restructuring (post-restructuring supervision) to conduct restructuring actions in a timely manner.

PERIOD OF 2016 - 2018

The stagnant economic growth affected the business and credit quality growth, thus encouraged Bank Mandiri to expand its credit prudently. Within the challenging working climate, Bank Mandiri is fully committed in reaching its long-term visions. By considering the volume gap of its business and credit quality in the respective segments to the targets, Bank Mandiri rationalized its portfolios by reallocating its business volume target at the relatively-well-growing segments through the quality maintenance. The credit volume growth was directed at the corporate segment of the existing core competence in addition to the retail segment as the new core of credit growth booster. Meanwhile, the credit quality improvement at the Middle Corporate segment and SME was gradually pursued by boosting selective and sustainable growth.

- a. As the efforts to strengthen the business that becomes the existing core competence, the corporate segment's credit strategy are as

follows:

- Business intensification in selected anchor clients including its business ecosystem through alternative financing, transaction banking optimization and value chain solutions
 - Diversification through financing expansion in the industry sector that is still prospective and approach to new debtors in accordance with Bank Mandiri Risk Appetite.
 - Encouraging collaboration with Mandiri Group to provide innovative financing, value chain solutions and retail products.
 - Active participation in syndicated financing and structured finance including agency services.
 - Strengthening and discipline of pipeline management execution and credit monitoring discipline.
- b. To strengthen the new core, the retail segment will continue to grow aggressively until 2020, especially for micro loans and consumer loans.
 - Micro loan growth can be achieved through strategies including digital platform development by creating platform engines or collaborating with fintech, developing KSM onboarding online, implementing Business Process Reengineering for KSM Micro products, KSM Acquisition through leading programs and collaboration with Institutional Relations, Corporate Banking segments, and Commercial Banking and optimization of KUR distribution through the Corporate Banking and Commercial Banking value chains.
 - Consumer loan growth was achieved through strategies such as improving business credit reengineering, expanding the target market, optimizing new credit card acquisition strategies by sharpening the acquisition channel, improving sales incentives schemes and focusing on sales in the "Product Champion Bank". In addition, consumer loans also focus on developing marketing programs, especially for the debtor segment that has good quality, such as payroll customers and wholesale managed companies, as well as simplification and improvement of risk acceptance criteria (RAC) / product features according to the profile (prospective) debtors and competitive interest rates for face competition with competitors.
 - SMEs loan growth was achieved through strategies including: focus on lending to the target market of PRIMA customers, value chains, and cooperatives which are existing customers who actively transact at Bank Mandiri, focus on growth in non-revolving /

aflopend and transactional credit products in order to increase credit average balance, and to implement NICE tools to accelerate and improve the quality of the credit underwriting process.

2. Improving Credit Quality to Suppress NPL and Cost of Credit

Credit quality since 2016 until now continues to show improvement marked by a decrease in the level of Non-Performing Loans (NPLs) and cost of credit implemented through the following strategies:

- a. Whole account assessment of performing loans (collectibility 1 and 2) included in the watchlist category is followed by mapping / zoning to project debtors who still perform and potentially downgrade.
- b. Make efforts to accelerate the restructuring of debtors who still have business prospects.
- c. Conduct reviews of debtor accounts after restru, including assessing debtor business while taking into account market conditions and the economic sector of the debtor's business.
- d. Marketing collateral for problem loans debtors, to be able to accelerate the sale of collateral to maximize collection and recovery of problem loans.
- e. Perform debtor collateral execution.
- f. Carry out legal action on debtors who are not prospects and are not cooperative.
- g. Improve coordination and cooperation with third parties to handle problem loans including the Attorney General's Office or legal consultants.
- h. Strengthen the assets tracing function, and
- i. Building cooperation with strategic investors.

PERIODE OF 2018-2019

In addition to continuing to carry out 2 (two) main strategies in the previous period, in this period Bank Mandiri focused on increasing low-cost funds that were more sustainable and empowering Micro, Small and Medium Enterprises (MSMEs).

1. Maintaining CASA sustainability rate

In 2019, cheap funds fund-raising strategies (CASA - current accounts and savings accounts) were carried out with the aim to gain cheap funds growth, more stable and sustainable deposition of funds. Several strategies used in collecting current accounts and savings are as follow:

- a. Improving and maximizing the utilization of

- Mandiri Cash Management (MCM) by customers.
- b. MCM user customers Acquisition, especially for those who are from potential industrial sectors.
- c. Adding product holding and e-channel transaction volume.
- d. Program collaboration between segments as an effort of integrated business penetration, and
- e. Loyalty (fiestapoin) program development.

2. Empowerment of Micro, Small and Medium Enterprises (UMKM)

Bank Mandiri has a role in increasing Indonesia's economic growth through the strategy of empowering MSMEs entrepreneurs including by:

- a. Focus on increasing the capabilities (expertise, knowledge, and technology) of marketers in terms of cross selling products.
- b. Increase labor productivity (marketing) through improving employee compensation schemes and career paths.
- c. Optimization of integrated marketing to improve the performance of the MSME sector and market penetration to identify new business potentials.
- d. Marketing and onboarding financing via fintech peer to peer lending and e-commerce platforms.

PERIODE OF 2019-2020

In this period, Bank Mandiri continued the strategy that was carried out in the 2016-2018 and 2018-2019 periods and made efforts to improve cost efficiency, increase productivity, and increase income through improved fee-based income composition.

1. Control of Operating Costs

With an orientation towards long-term business growth, controlling operational costs is one of the top priorities of the Corporate Plan. The use of costs will be more focused on developing service networks that support transaction growth and developing more efficient digital-based infrastructure by:

- b. Prioritization
Prioritize the use of funds for strategic initiatives that are in line with the long-term strategy and able to produce added value for Bank Mandiri.
- c. Efficiency
In an economic condition that is full of uncertainties, technological disruptions, and financial services, the implementation of an efficiency program needs to be carried out so that operational costs are kept under control and bank profits can be achieved along with the expectations.



2. Improvement of Fee Based Income (FBI) Composition

Along with the reduction in Bank Indonesia's benchmark interest rate (7 days repo rate) which is predicted to continue until 2020, it is estimated that it will reduce the growth of Net Interest Margin (NIM), so that Bank Mandiri will try to encourage growth of non-interest income (FBI) to maintain total revenue and profits to keep growing through:

a. Encouraging the growth of recurring FBI:

- Increasing Cash Management revenue through integration and optimization of H2H services for e-commerce customers and selected ecosystems.
- Optimizing e-channels with a focus on channel intensification and extensification through increased sales volume and transactions
- Enhancing partnerships with the fintech industry and strategic solutions

b. Increase intensification of existing customers and focus on top players in each industry, including:

- Creating customer-based products to produce customized solutions for customers for hedging, structured funding, and other customer needs related to treasury transactions through Client Advisory Sales.
 - Encouraging derivative transactions both in the context of hedging and investment with the Call Spread, IRS, CCS and Deposit Swap instruments.
 - Increasing the intensification of trade products in Corporate and Commercial anchor customers and develop structured solutions to meet their trade needs.
- c. Increasing the intensification of e-channel productivity both ATM, EDC, as well as Mobile and Internet Banking (Mandiri Online) through enhancements to ATM features that include developing company needs to encourage increased fee-based income and customer satisfaction and operational excellence.



MARKETING ASPECT

Marketing aspect is an important factor that can be Bank Mandiri's key of success in mapping market share. In addition, by recognizing the aspect bank Mandiri can also analyze market needs so that the marketing strategy runs successfully. The marketing strategy and market share carried out by Bank Mandiri are described as follows.

MARKETING STRATEGY

To maintain and increase the level of preference and awareness of Bank Mandiri products and to continue the campaign that has been running since 2018, the marketing strategies adopted include:

1. **Integrated campaigns** for the Bank's main products by communicating the benefits derived from various transactions carried out with these products, both through campaigns in the media and through events.
2. **Communication proposition** "It's Mandiri Time" is always displayed in each ad to continue inviting customers to remember and use Mandiri.
3. **The focus of the campaign** is on the millennial and business segments through campaigns that convey the daily needs of A-Z that can be met by Mandiri products with millennial influencers.
4. **Strategic cooperation** in terms of branding, with PT MRT Jakarta, as well as loyalty programs in the form of fiestapoin or discount programs or the presence of special offers are also carried out either through direct offers of product use (for example discounts, cashback or gifts) or through cooperation with other parties such as for example concert events and events related to hobbies and millennial lifestyle.
5. **Activation and innovation** on social media also continue to be carried out simultaneously with campaigns that are run on conventional media above the line and below the line.

Through influencers and Millennial figures with achievements such as Jonatan Christie (Jojo), Laura Basuki, Dodit and duo Kevin-Markus, Nicholas Saputra, product communication materials are packaged in an integrated campaign that communicates the benefits and convenience of Mandiri products. The example is the Payroll Savings campaign that is packed with Mandiri Online education and overseas shopping with Mandiri debit and Mandiri credit cards. Bank Mandiri also communicates transaction convenience and free transaction programs through the Business Savings campaign. As well as the ease of the home ownership process with the Millennial KPR campaign.

To increase acquisition, the invitation to "It's Time to Be Independent" closes every campaign material that airs on various media.





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

LOYALTY PROGRAM AND COOPERATION WITH THE 3RD PARTY



Jakarta Coffee Week

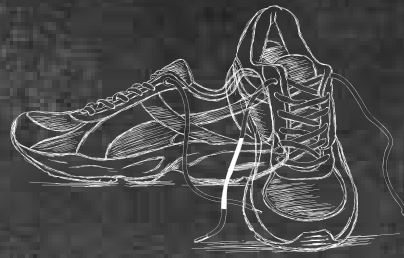
It still continued its success from 2018, and this time the coffee party returned again through the Jakarta Coffee Week which was held August 31-September 1 2019 at Swissotel PIK Avenue Grand Ballroom 7th Floor, Jakarta. In collaboration with selected coffee shops, various attractive offers can be enjoyed by Mandiri debit and Mandiri credit card holders.



Ed Sheeran's Concert



Continuing the annual great concert program at Bank Mandiri, this time the event returned by presenting Ed Sheeran, which took place at Gelora Bung Karno on May 3, 2019. In collaboration with the organizers, various attractive offers such as ticket prizes and fiestapoin bonuses can be enjoyed by debit card as well as credit card customers, and various independent savings products were successfully attended by more than 53,000 spectators.



Urban Sneakers Society

Consistent with events and programs that are closely linked to the millennial segment, this time Mandiri was working with the United Sneaker Society as the Official Bank Partner organizing the Urban Sneaker Society 2019, which is a sneakers and streetwear event that both offering special prices for each item and bringing together brands, retailers and resellers with various other attractive offers such as direct discounts, cashback, welcome bonuses to raffle with fiestapoin or for Mandiri Debit or Mandiri Credit Card users.



Travel Fair (Japan, Korea, Mandiri Holiday Experience)



To complement one of the millennial lifestyle, Mandiri again held Travel Fair events. In collaboration with the Japan National Tourism Organization, Mandiri became an Official Bank Partner in the context of organizing the Japan Travel Fair on 3 August - 1 September 2019. Then with the Korea Tourism Organization, Mandiri became an Official Bank Partner at the Korean Travel Fair from 6 to 8 of September 2019. In addition with Traveloka to organize the Traveloka Travel Fair and in collaboration with Mall Senayan City for the Mandiri Holiday Experience event 13-15 of September 2019, Mandiri offered various attractive and profitable programs for customers such as cashbacks, discounts, fiestapoin redemptions, card installments to special ticket prices for cardholders Mandiri debit or Mandiri credit card to various favorite destinations.



COLLABORATION OF BRANDING

To reach other segments in general, Mandiri also collaborated with strategic branding with PT MRT Jakarta, through the naming rights of the station and the placement of branding materials for products on the MRT train station. The naming right of the station was carried out at the Istora Mandiri station and the mention of each MRT communication material. As for other Branding, the placement of advertising materials for Mandiri's main products was carried out starting from the MRT Carriage, as well as in 3 (three) stations, namely Istora Mandiri, Haji Nawi and Setiabudi.



E-MONEY

As a leader in the prepaid card segment, Bank Mandiri consistently conducts strategic partnerships related to prepaid card branding through collaboration with Disney Indonesia for the e-money edition of Dumbo, Toy Story, Avengers Endgame, and Lion King, as well as creating and launching the classic Disney Princess edition.

PRIORITY SEGMENTS

The strategy to support the wealth segment (priority and private) was by communicating related services, benefits, and merchant promos that were exclusively obtained by customers, both above the line and below the line media, as well as various activation events to maintain and increase loyalty customers, such as Beyond Wealth, golf events, legacy-related socialization, and monthly sales events. For the emerging wealth segment whose growth is increasing, Bank Mandiri has an influencer, Nicholas Saputra, to communicate a variety of services and benefits for the wealth segment, including Mandiri priority credit cards and the world elite.



For the Corporate and Commercial segments, Bank Mandiri focuses on offering comprehensive financial solutions from upstream to downstream between customers and customers. In addition, customer gathering events, such as the 2019 Lunar New Year festive celebration, are an appreciation program for customers, including the Corporate and Commercial segments.

DIGITAL MARKETING

To support campaigns that are closely linked to the millennial segment, digital platforms remain the mainstay of communication. Various activation programs are regularly conducted to increase share of voice on social media, and in 2019 Bank Mandiri has managed to occupy the highest share of voice among competitors.

One of the digital marketing innovations undertaken by Bank Mandiri is to collaborate with WAZE for voice navigation using the voice of national badminton player Jonatan Christie (Jojo), who accompanied every step of the millennial segment of WAZE users everywhere.

ACHIEVEMENT

Other achievements of Mandiri communication marketing activities throughout 2019 were various awards such as:

- 1. 2019 OJK Touring Competition:**
 - a. Winner of the Best Print Media Ad: Roppan Anniversary
 - b. Best Outdoor Media Ad Nomination: CBO Advertising
 - c. Nominated for the best TV ad: Mandiri Online
- 2. Indonesia Branding Campaign from Mark Plus:**
 - a. Silver Champion: Campaign Above The Line of Mandiri Online Mudah Beneran (Mandiri Online is Really Easy)
 - b. Silver Champion: Campaign Below The Line of Mandiri Big Bad Wolf
 - c. Bronze Champion: Campaign Above The Line of Millennial KPR
- 3. BUMN Marketeers Awards 2019:**
 - a. Silver Winner: The Most Promising Company in Strategic Marketing - Company Category
 - b. Silver Winner: The Most Promising Company in Tactical Marketing - Company Category
- 4. Award the Twitter account @bankmandiri** as the Top 3 Brands on Twitter in Indonesia for the period of January 1 - June 30, 2019. Ranking was released by Twitter. Bank Mandiri occupies the highest position for financial service brands.
- 5. Bronze award in the Mobile Audio category from the Indonesian** Mobile Marketing Association for the innovation of Bank Mandiri's voice navigation campaign - Jonatan Christie (Jojo) with WAZE Indonesia.

MARKETING STRATEGY FOR 2020

For 2020, continuing the strategy implemented in 2019, the main product campaign will focus more on savings, ATM and e-channel. New features will be communicated intensively to continuously educate customers on the ease of transactions. The focus is on the target audience and the placement of media in accordance with the target market and more intensive for millennials and entrepreneurs.



MARKET SHARE

Compared to other conventional banks, Bank Mandiri position can be seen based on the number of assets, the amount of third party funds (currents, savings, deposits), and the amount of loans distributed (home ownership loans, micro multi-purpose loans and credit cards) as follows.

MARKET SHARE BASED ON ASSET

Bank Mandiri faced fairly competitive competition, especially with the development of non-banking digital-based financial transactions (fintech) and competition with competing Banks for the Retail Banking segment, so that the scale of Bank Mandiri's business viewed from the asset side faced challenges compared to the previous year.

Diagram of Market Share Based on Asset

(in %)

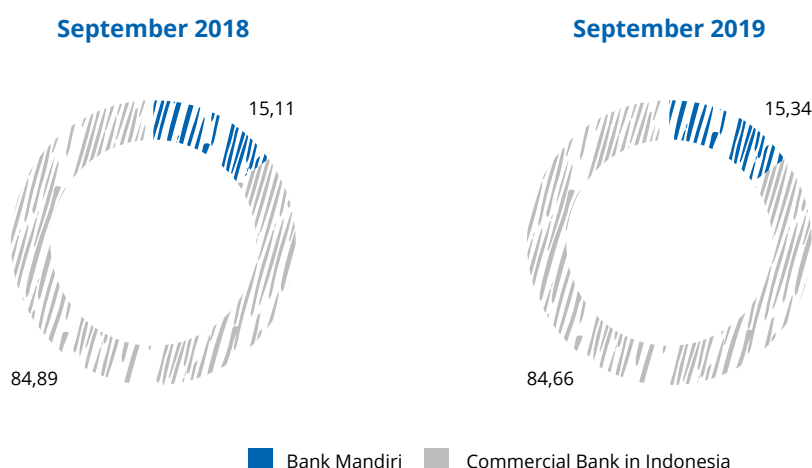


Table of Bank Mandiri Market Share compared to Commercial Bank Industry

(Consolidation in IDR billion)

Description		September 2019	December 2018	September 2018	Growth of September 2019
Total Assets	Commercial Banks in Indonesia (IDR billion)	8.318.280	8.068.346	7.768.873	7,07%
	Bank Mandiri (IDR billion)	1.275.670	1.202.252	1.173.645	8,69%
	Market share (%)	15,34%	14,90%	15,11%	0,23%

Source: Indonesian Banking Statistics (SPI) of Financial Services Authority (OJK) in September 2019, Bank Indonesia Economic and Financial Statistics (SEKI) and Consolidated Financial Statements

Based on total assets owned, Bank Mandiri's asset growth reached 8.69% (YoY) or reached IDR1,276 trillion in September 2019, above the national banking industry which only grew by 7.07% (YoY). Bank Mandiri controlled the market share of assets in the period September 2019 reaching 15.34% (YoY), an increase of 0.23% compared to the same period the previous year which reached 15.11% (YoY).

MARKETS ARE BASED ON THIRD PARTY FUNDS

Diagram of Market Share Based on Third Party Funds

(in %)

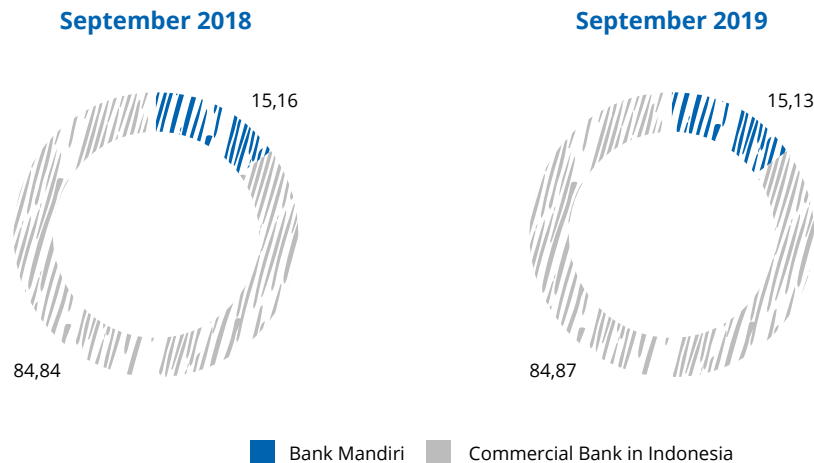


Table of Market Share Based on Third Party Funds

(Consolidation in IDR billion)

Description		September 2019	December 2018	September 2018	Growth of September 2019
Total Third party fund	Commercial Banks in Indonesia (IDR billion)	5.891.918	5.630.448	5.482.493	7,47%
	Bank Mandiri (IDR billion)	891.240	840.914	831.203	7,22%
	Market share (%)	15,13%	14,94%	15,16%	(0,03%)

Source: Indonesian Banking Statistics (SPI) Financial Services Authority (OJK) September 2019, Bank Indonesia Economic and Financial Statistics (SEKI) and Consolidated Financial Statements

In terms of total third party funds, in September 2019 Bank Mandiri's market share reached 15.13% (YoY), a 3bps decrease from September 2018 which reached the DPK market share of 15.16% (YoY). Meanwhile, Bank Mandiri's DPK on a consolidated basis grew 7.22% (YoY) to IDR831.2 trillion in the third quarter of 2019, below the national banking industry's DPK growth of 7.47% (YoY). The decline in third party funds occurred due to Bank Mandiri changing its fundraising strategy that prioritizes DPK stability and did not participate in competitions to provide special interest rates to maintain interest costs.



Table of Market Share Based on Credit Distributed

(Consolidation, in billions of IDR)

Description		September 2019	December 2018	September 2018	Growth of September 2019
Current account Amount	Commercial Banks in Indonesia (IDR billion)	1.425.445	1.315.034	1.314.411	8,45%
	Bank Mandiri (IDR billion)	222.686	200.506	204.197	9,05%
	Market share (%)	15,62%	15,25%	15,54%	0,09%
Total Savings	Commercial Banks in Indonesia (IDR billion)	1.836.786	1.825.259	1.724.208	6,53%
	Bank Mandiri (IDR billion)	343.819	338.601	331.563	3,70%
	Market share (%)	18,72%	18,55%	19,23%	(0,51%)
Deposit Amount	Commercial Banks in Indonesia (IDR billion)	2.629.687	2.490.155	2.443.874	7,60%
	Bank Mandiri (IDR billion)	323.735	301.807	295.443	9,58%
	Market share (%)	12,31%	12,12%	12,09%	0,22%

Source: Indonesian Banking Statistics (SPI) Financial Services Authority (OJK) September 2019, Bank Indonesia Economic and Financial Statistics (SEKI) and Consolidated Financial Statements

In terms of DPK per product, as of September 2019 Bank Mandiri controlled the current account market share of 15.62% (YoY), an increase of 9 bps from the same period the previous year which reached 15.54% (YoY). Bank Mandiri's current account growth in the third quarter of 2019 was recorded at 9.05% (YoY), above the growth of the national banking account which only grew 8.45% (YoY). Meanwhile, the Bank Mandiri savings market share in September 2019 reached 18.72%, down 51 bps from September 2018 reaching 19.23% (YoY). In addition, Bank Mandiri controlled the deposit market share of 12.31% (YoY) in September 2019 or grew 22 bps from the same period the previous year which only reached 12.09% (YoY). Bank Mandiri deposit growth in the third quarter of 2019 was 9.58% (YoY) or reached IDR 323.7 trillion, above the national banking industry deposits which grew 7.60% (YoY).

MARKETING BASED ON CREDIT

Diagram of Market Share Based on Amount of Credit Disbursed

(in %)

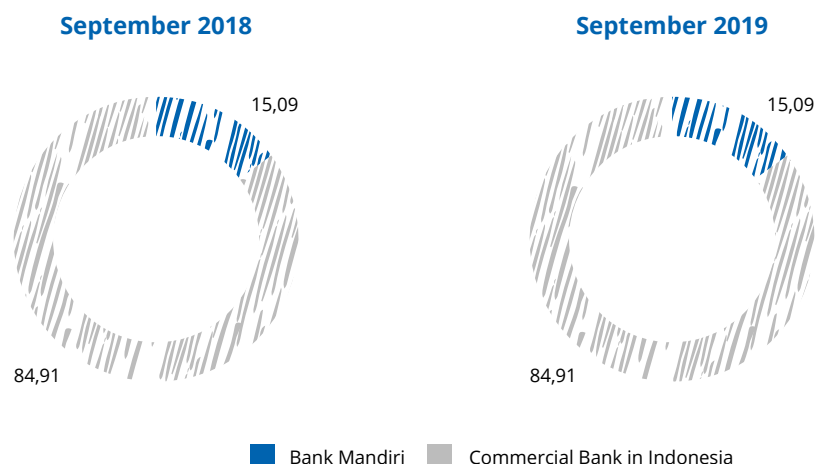


Table of Market Share Based on Amount of Credit Disbursed

(Consolidation, in IDR billion)

Description		September 2019	December 2018	September 2018	Growth of September 2019
AMOUNT OF Credits DISTRIBUTED	Commercial Banks in Indonesia (IDR billion)	5.580.714	5.294.882	5.175.052	7,84%
	Bank Mandiri (IDR billion)	841.857	820.084	781.077	7,78%
	Market share (%)	15,09%	15,31%	15,09%	0,00%

Sumber: Statistik Perbankan Indonesia (SPI) Otoritas Jasa Keuangan (OJK) September 2019, Statistik Ekonomi dan Keuangan Indonesia (SEKI) Bank Indonesia dan Laporan Keuangan Konsolidasi

Table of Market Share Information on the Amount of Distributed Loan

(Consolidation, in IDR billion)

Description		September 2019	December 2018	September 2018	Growth of September 2019
Number of Home Ownership Loans (KPR) distributed	Commercial Banks in Indonesia (IDR billion)	521.781	490.639	474.395	9,99%
	Bank Mandiri (IDR billion)	43.160	43.053	42.093	2,53%
	Market share (%)	8,27%	8,77%	8,87%	(6,76%)
Amount of New Micro Multipurpose Loans (KSM) distributed	Commercial Banks in Indonesia (IDR billion)	834.196	812.566	786.102	6,12%
	Bank Mandiri (IDR billion)	74.158	66.068	62.534	18,59%
	Market share (%)	8,89%	8,13%	7,95%	11,82%
Amount of Credit Issued - Credit Card	Commercial Banks in Indonesia (IDR billion)	84.072	80.628	78.467	7,14%
	Bank Mandiri (IDR billion)	12.968	11.534	10.773	20,38%
	Market share (%)	15,43%	14,31%	13,73%	12,38%

Source: Indonesian Banking Statistics (SPI) Financial Services Authority (OJK) September 2019, Bank Indonesia Economic and Financial Statistics (SEKI) and Consolidated Financial Statements

Based on the above table, it shows that customers and the public still have confidence in Bank Mandiri, indicated by the acquisition of a fairly good market share compared to other competing banks in terms of credit extended. Until September 2019, the market share of Home Ownership Loans reached 8.27% (YoY), the market share of New Micro Multipurpose Loans (KSM) reached 8.89% (YoY), and the Credit Card market share reached 15.43% (YoY).



OPERATIONAL REVIEW PER BUSINESS SEGMENT

Operating Segment

In conducting its activities, Bank Mandiri divides the work unit into 2 (two) main quantity units, namely:

1. Business Unit/Operation Units that is divided into several segments (business segments), namely the Corporate Banking segment consisting of Large Corporate and Middle Corporate, Institutional Relations, Retail Banking consisting of Credit Cards, Small and Medium Enterprise, Micro, Consumer Loans and Branchless Banking, Treasury and International Banking. All of them are business units that are the main motors of business development for banks or units that become operational segments (Operating Segments).

The establishment of operational units based on PSAK No. 5 regarding on Operating Segments, An operating segment is a component of an entity:

- a. Those involved in business activities that earn income and incur expenses (including income and expenses related to transactions with other components of the same entity);

- b. Which operating results are regularly reviewed by the chief operating decision maker to make decisions about resources allocated to the segment and assess their performance; and
- c. Those whose financial information is available and can be separated.

2. Support Functions, functions as a supporting unit that supports the Bank's operations as a whole consisting of Special Asset Management, Wholesale Risk, Retail Risk, Information Technology and Operations, Compliance, Finance, Internal Audit and Corporate Transformation.

Geographical Segment

In addition to the operating segment, in carrying out its activities Bank Mandiri could be viewed from a geographical segment that can be divided as follows:

1. Indonesia.
2. Asia (Singapura, Malaysia, Hong Kong, Timor Leste and Shanghai).
3. Western Europe (England).
4. Cayman Islands.

OPERATION SEGMENT

OPERATIONS REVIEW PER BUSINESS SEGMENT - CORPORATE BANKING

Highlights of the Performance of the Corporate Banking Segment in 2019



EXPLANATION OF CORPORATE BANKING

The Corporate Banking segment serves the needs of large corporate customers, both for placement of funds and to meet the funding needs of large-scale and long-term projects of Bank Mandiri Corporate Banking supported by Mandiri Sekuritas.

Table of Corporate Banking Descriptions

Parameter	Corporate Banking
Corporate Size	Company with Gross Annual Sales (GAS)>IDR2 trillion and its business groups.
Customers	<p>Domestic:</p> <p>Private company, listed SOEs and its business groups, business Groups/sponsor of business groups including the best companies in Indonesia or Asia.</p> <p>Overseas:</p> <ul style="list-style-type: none"> - Fund customers registered at Hong Kong, Shanghai, Singapore and Cayman Island branches - Overseas companies affiliated with customers of Bank Mandiri in Indonesia or overseas companies that meet the criteria to obtain financing in accordance with the provisions in Indonesia and abroad.

Corporate Banking is part of the existing core competence which is one of the motors of Bank Mandiri's growth in 2019. The Corporate Banking segment can still show good performance amid various challenges that occur throughout 2019 by expanding business in priority sectors such as Toll Road, Construction, Electricity, Plantation and Infrastructure sectors.

2019 CORPORATE BANKING STRATEGY

The strategies that have been carried out by the Corporate Banking segment in 2019 are as follows:

1. Increasing loans growth with a deepening client relationship strategy, optimizing customer transactions, and providing comprehensive financial solutions.
2. Channeling existing / new loans with a focus on potential sectors and being able to produce

a value chain business while still observing the industrial sector in accordance with guidelines set by Bank Mandiri, such as the construction, food and beverages, and toll roads sectors.

3. Increasing the growth of third party funds and fee based income through the development of syndicated loans and structured finance solutions and establishing partnerships with Subsidiaries such as Mandiri Sekuritas and Mandiri Investment Management in providing funding solutions through capital market transactions.
4. Increasing the competence and capabilities of Human Capital
5. Improving risk management to maintain the quality of credit assets.
6. Improving administration, comprehensive loan monitoring and sharpening the end-to-end loan process information system.

PRODUCTIVITY AND INCOME OF CORPORATE BANKING

The Productivity and the income of Corporate Banking are presented in the following table.

Table of Corporate Banking Performance

(in IDR Million)

Description	2019 (IDR)	2018 (IDR)	Growth	
			(IDR)	(%)
Total Credit	329.763.940	306.222.389	23.541.551	7,69%
NPL Ratio (%)	0,04%	0,38%	-	(0,34%)
Total Third Party Funds	146.854.571	131.830.029	15.024.541	11,44%
Total Fee Based Income	2.258.287	2.324.308	(66.021)	(2,8%)
Total Net Interest Income	8.533.907	8.274.912	259.996	3,13%



Corporate Banking loans reached IDR329.76 trillion in 2019 an increase of IDR23.54 trillion compared to 2018 or grew annually by 7.69%. Bank Mandiri's commitment in becoming an agent of development is reflected in the increased loans in the Corporate Banking infrastructure sector, which managed to grow by 9.7% on an annual basis. The infrastructure development projects that received Corporate Banking financing facilities in 2019 include financing toll road projects including the Probolinggo - Banyuwangi Toll Road, the Cibitung - Tanjung Priok Toll Road, and the Kunciran - Cengkareng

Toll Road. For electricity financing which is part of the 35,000 megawatt power project, Corporate Banking also financed PLN Capex financing and the construction of an Independent Power Plant (IPP) in South Sumatra.

Based on the types of loans granted, almost 56% of the loans channeled by Corporate Banking are investment loans, while 44% are distributed in the form of Working Capital Loans (KMK), with detailed distribution presented in the table below.

Tabel of Corporate Banking Segment Credit by

Product

(in IDR billion)

Product	31 December 2019			31 December 2018			Growth		
	Bade IDR	Bade Va	Total Bade	Bade IDR	Bade Va	Total Bade	Bade IDR	Bade Va	Total Bade
Credit Investasi (KI)	122.879	62.513	185.393	93.924	46.281	140.205	60.366	16.232	45.188
Credit Modal Kerja (KMK)	106.436	37.935	144.371	109.620	56.398	162.421	(3.184)	(18.463)	(18.050)
Grand Total	229.315	100.449	329.763	203.544	102.678	306.222	25.771	(2.229)	23.541

The total Remaining Debt of Investment Loans in 2019 reached IDR. 185.39 trillion, an increase of IDR. 45.19 trillion compared to 2018 which reached IDR 162.42 trillion.

Based on the various industrial sectors financed, 10 (ten) industrial sectors were identified with the largest financing productivity dominated by electricity industry sector financing both for individuals and for Groups. The following is a table of 10 largest industrial sector loans for the ten individual and group loans customers at the end of 2019.

Table of Coordination of Individual Debtor Business Sectors

(in trillion IDR)

No	Corporate Individual Debtor Business Sector	Outstanding
1	Electricity	21.738
2	Plantation	11.937
3	Financial Services	9.480
4	Mining	8.329
5	Food and Drink	8.027
6	Manufacture	7.437
7	Food and Drink	5.599
8	Construction	5.252
9	Automotive	5.251
10	Transportation	5.226
	Total	88.224

Table of the Corporation Group Debtor Business Sector

(in trillion IDR)

No	Corporate Group Debtor Business Sector	Outstanding
1	Retailer, Plantation & Food and Beverage	27.766
2	Electricity	21.738
3	Plantation, Electricity, Property & Mining	20.569
4	Highway	16.419
5	Automotive, Toll Road & Financial Services	13.636
6	Mining & Oil and Gas	13.150
7	Plantation	12.845
8	Plantation	12.539
9	Food and Beverage, Telecommunications & Plantation	11.141
10	Fertilizer	10.788
	Total	160.591

BUSINESS PROSPECTS OF SEGMENT CORPORATE BANKING

Supported by around 400 loan debtors and 4,000 fund customers, the performance of Corporate Banking loans in 2019 resulted in positive performance with the growth of single-digit corporate loans in 2019, the prospect of corporate loans going forward with positive growth in 2020. Syndicated and structured loans financed by Bank Mandiri, which gave a good performance in 2019, provides good prospects to continue to be developed, especially in the infrastructure, energy & water sector by channeling not only to existing customers but also to develop more potential in new customers.

WORK PLAN OF CORPORATE BANKING SEGMENT FOR 2020

To support the growth of Bank Mandiri, Corporate Banking will continue to innovate and provide comprehensive solutions to debtors (both new and existing) with the following strategies:

a. Corporate Banking Credit Achievement Strategies

- Intensifying the existing debtor business, including approaches to the debtor's parent or subsidiary, or through other business segments within Bank Mandiri (Commercial or SME)

- Diversification of promising sectors and acquisition of new debtors, while still taking into account Bank Mandiri's Risk Appetite
- Encouraging active financing through syndication and structured finance, including establishing quite active cooperation with other financial institutions.
- Encouraging collaboration with Mandiri Group to provide innovative financing, value chain solutions and retail products.
- Reviewing the process of giving credit to prioritize customer needs.

b. Strategies for Achieving Funds and Fee Based Income Corporate Banking

- Encouraging corporate customer transactions through e-channels, including for payment services or payroll payments.
- Focus on increasing funding from non-corporate banking customers and the acquisition of new fund customers.
- Supporting customers' businesses, including through Trade Finance or Treasury facilities.
- Actively participating in syndicated products, both as arranger or agency.



OPERATIONS REVIEW PER BUSINESS SEGMENT - COMMERCIAL BANKING

Highlights of the Commercial Banking Segment Performance in 2019



EXPLANATION OF COMMERCIAL BANKING

The Commercial Banking segment focuses on the medium scale industry with gross annual sales (GAS) above IDR50 billion to IDR2 trillion. For customers of the Commercial Banking segment, Bank Mandiri also provides products and services for customers who enter the Corporate Banking segment, including providing comprehensive transaction solutions that can facilitate customer business activities.

Table of Commercial Banking Explanation

Parameter	Commercial Banking
Company Size	Companies with Gross Annual Sales (GAS) above IDR 50 billion to IDR 2 trillion or limit credit > IDR 10 billion along with their business groups.
Customer	Private companies, BUMDs including hospitals and PDAMs, multifinance business entities, local governments, private universities, rural credit banks, non-individual funds customers that are included in the normative transaction banking list.

2019 STRATEGY OF COMMERCIAL BANKING SEGMENT

In 2019, Commercial Banking implemented a number of strategies including the following:

1. Increasing credit growth in attractive and neutral sectors (portfolio guidelines) with top player acquisition strategies in each region and deepening client relationship of existing customers through optimizing customer transactions and providing comprehensive financial solutions.
2. Distributing existing / new loans with a focus on potential sectors and be able to produce a value chain business while still observing the industrial sector in accordance with guidelines set by Bank Mandiri, such as the construction, transportation, food and beverages, and Health Services sectors.
3. Increasing the growth of third party funds and fee-based income including through the development of syndicated loans and structured finance solutions and establishing partnerships with Subsidiaries such as joint financing with Mandiri Tunas Finance, Mandiri Sekuritas and Mandiri Investment Management in providing funding solutions through capital market transactions.
4. Enhancing Human Capital competencies and capabilities to increase employee productivity
5. Improving risk management through a watchlist account discipline as an early warning signal to maintain the quality of credit assets.
6. Improving the support functions in the comprehensive credit termination and monitoring process and sharpening end-to-end credit process information system through strengthening the functions of legal officers and Head of Performance Management (HPM) in each work unit.

PRODUCTIVITY AND INCOME OF THE COMMERCIAL BANKING SEGMENT

Table of Commercial Banking Performance

(in IDR Million)

Description	2019 (IDR)	2018 (IDR)	Growth	
			(IDR)	(%)
Total Third-party funds	75.664.399	60.291.195	15.373.204	25,50%
Total Credit	151.424.144	139.041.388	12.382.756	8,91%
NPL (%)	9,68%	10,80%	-	(1,12%)
Total Fee Based Income	804.199	1.020.997	(216.798)	(21,23%)
Total Net Interest Income	4.582.406	5.784.780	(1.202.374)	(20,79%)

Commercial Banking of third party funds in 2019 reached IDR 75.66 trillion, an increase of 25.50% or IDR 15.37 trillion compared to 2018 which reached IDR 60.29 trillion. Commercial Banking loans grew by 8.91% or IDR15.37 trillion from IDR139.04 trillion in 2018 to IDR151.43 trillion. The quality of NPLs also improved, down by 1.24% from 10.80% in 2018 to 9.56% in 2019. DPK performance, loans and NPL quality in 2019 recorded an improvement. Improvements were made by providing comprehensive transaction and service solutions by facilitating customers' business activities, while still paying attention to prudential banking and growing selectively and healthily. On the other hands, related to revenue (Net Interest Income and Fee Based Income) it still has not shown improvement compared to the previous year. Feebased income in 2019 reached IDR 804.19 billion, down by 21.23% compared to 2018 which reached IDR 1.02 trillion, as well as net interest income which fell by 20.79% from IDR5.78 trillion in 2018 to IDR4. 58 trillion in 2019. This is due to external and internal factors, including a decrease in the benchmark interest rate and the composition of funds.

Table of Commercial Banking Segment Credit by Product

(in IDR billion)

Product		31 December 2019			31 December 2018			Growth		
		Bade IDR	Bade Va	Total Bade	Bade IDR	Bade Va	Total Bade	Bade IDR	Bade Va	Total Bade
Credit Investasi (KI)	Non Revolving	57.383.264	13.051.993	70.435.257	47.279.228	8.212.533	55.491.761	21,37%	58,93%	26,93%
	Revolving	-	-	-	-	-	-	-	-	-
KI Total		57.383.264	13.051.993	70.435.257	47.279.228	8.212.533	55.491.761	21,37%	58,93%	26,93%
Working Capital Credit (KMK)	Non Revolving	42.105.311	3.065.923	45.171.234	34.446.936	4.181.628	38.628.564	22,23%	(26,68%)	16,94%
	Revolving	32.916.364	2.901.289	35.817.653	41.715.154	3.205.908	44.921.062	(21,09%)	(9,50%)	(20,27%)
KMK Total		75.021.675	5.967.212	80.988.887	76.162.090	7.387.536	83.549.626	(1,50%)	(19,23%)	(3,06%)
Grand Total		132.404.939	19.019.205	151.424.144	123.441.318	15.600.069	139.041.387	7,26%	21,92%	8,91%

The growth of the Commercial Banking segment in 2019 experienced a significant growth of 8.91% from IDR139.04 trillion in 2018 to IDR151.42 trillion in 2019. The growth was channeled to potential sectors and able to produce value chain businesses. From the product side, there can be seen shifting products from the Working Capital Loans (KMK) product to the Investment Loan product.

Of the various industrial sectors financed, identified some of the industry sectors with the highest productivity with the largest financing productivity in the telecommunications industry sector financing. The following is a table of the largest industrial sector lending to individual credit customers and group credit customers at the end of 2019.

**Table of Business Sector 10 Largest Individual Corporate Debtor**

(in IDR Million)

No	Coordination of Individual Debtor Business Sector	Outstanding
1	Telecommunication	2.330.693
2	Mining and Energy	1.711.069
3	Plantation / Agro Business	1.564.175
4	Financial and Automotive Services	1.478.038
5	<i>Fast Moving Consumer Goods (FMCG), Food and Tobacco</i>	1.458.569
6	Plantation / Agro Business	1.386.580
7	Transportation and Ports	1.366.756
8	Mining and Energy	1.315.604
9	Textiles	1.241.473
10	Oil and gas	1.192.034
	Total	15.044.990

In 2019, loans distribution in the Commercial Banking segment is based on Individual Corporations, the largest sector is dominated by the telecommunications sector, amounting to IDR 2.33 trillion or 1.54% of the total loans managed by Commercial Banking which amounted to IDR 151.42 trillion. The Telecommunications sector is a neutral sector, where this sector still has the potential to grow.

Table of Business Sector 10 Largest Group Corporate Debtor

(in IDR Million)

No	Coordination of Group Debtor Business Sector	Outstanding
1	Telecommunication	4.926.334
2	Plantation / Agro Business	3.616.573
3	Financial and Automotive Services	2.541.348
4	Mining and Energy	2.364.821
5	Plantation / Agro Business	1.963.772
6	Textiles	1.979.211
7	Oil and gas	1.351.534
8	Financial and Automotive Services	1.028.420
9	Plantation / Agro Business	1.755.095
10	Plantation / Agro Business	1.716.527
	Total	23.243.632

In 2019 loan distribudtion, the Commercial Banking segment was based on the Corporate Group, and the largest sector was dominated by the telecommunications sector was IDR 4.93 trillion or 3.25% of the total loans managed by Commercial Banking which amounted to IDR151.42 trillion. The Telecommunications sector is a neutral sector, where this sector still has the potential to grow.

BUSINESS PROSPECTS OF COMMERCIAL BANKING SEGMENTS

Commercial Banking segment loan growth in 2020 is expected to improve along with the improvement in liquidity and the more controlled handling of problem debtors. Loans are targeted to grow by an average of 6.50% with a projected NPL ratio of single digits to 9.53% (originally at 10.09%). Commercial Banking loans growth in 2020 was dominated by growth in the construction and hospitality sectors, transportation, oil palm plantations, health services, and the automotive / dealer / component trading industry. On the other hand, Third Party Funds (DPK) are projected to grow in 2020 by 12.2%.

WORK PLAN FOR 2020 OF COMMERCIAL BANKING SEGMENTS

The Commercial Banking work plan in 2020 continues the 2016-2020 Corporate Plan Restart based on the focus of each segment. The healthy growth strategy is still the main focus of the Commercial Banking segment in the 2020 work plan which is formulated in the following strategies:

1. Loans growth should supported by strengthening the loan follow the transactions strategy which focuses on lending to customers who have transacted at Bank Mandiri for Commercial Banking work units that manage portfolios with limits below IDR250 billion in the region, while for Commercial Banking work units that manage portfolios above IDR250 billion at the head office will focus on the industrial expertise strategy that examines the top players in each industry sector to be subsequently acquired as new debtors at Bank Mandiri.
2. Strengthening and improving business processes and services through the revamp business process to be able to provide credit decisions more quickly while still taking into account the principle of prudence in minimizing credit risk through the integrated credit culture discipline in each Commercial Banking business unit.
3. Continuously fulfilling HR capacity and capability through determining specific criteria for meeting new employees in the Commercial Banking segment and developing training to meet competency gaps in terms of technical, leadership, and behavior as well as fulfilling the experience gap through job attachment, coaching and employee mentoring.
4. A more transparent and objective implementation of the Individual Development Plan (IDP) for employees will be carried out through KPI implementation up to the RM level to support the formation of leadership successors in Commercial Banking in order to support more sustainable business processes.
5. The culture of collaboration will continue to be applied both between internal work units of Bank Mandiri and with its subsidiary companies (Mandiri Group) in order to encourage increased employee professionalism and customer business potential cultivation.

OPERATION REVIEW PER BUSINESS SEGMENT - INSTITUTIONAL RELATIONS

Work Performance Highlight of Institutional Relations Segment in 2019



EXPLANATION OF INSTITUTIONAL RELATIONSHIP SEGMENTS

In order to support the vision of 2020 Bank Mandiri, has an Institutional Relations work unit established in 2017 to achieve its aspirations as a "Main Bank for Institutional Customer" through the provision of financial solutions supported by the strength of the Mandiri Group collaboration. The focus of customers in the Institutional Relations segment is the Ministries / Institutions Customers, Public Service Agencies (BLU), and State-Owned Enterprises (especially non-listed) which currently totals more than 800 institutions.

In order to build a holistic relationship for institutional customers, Institutional Relations offers placement of funds (in the form of current accounts and deposits), financing facilities (Investment & Working Capital), system solutions for state revenue (tax, customs, PNPB) and other transaction solutions such as MVA and MHAS (Dashboard System Solution) for vertical hospital institutions and educational institutions.



As a Collaboration Leader for the Retail segment and other segments, the Institutional Directorate also reaches retail customers related to government institutions through the payroll package, Bulk Pre-Approved KSM, Bulk approval Corporate Card - Credit Card - ID Card.

The Institutional Relations segment also manages special units that actively participate in encouraging government programs as a form of spirit to prosper the country. The Institutional Directorate's active contribution in government programs includes the Non-Cash Food Assistance (BPNT) program, the Family Hope Program (PKH), Farmers' Cards, Village-Owned Enterprises (BUMDes), Asset Redistribution Program - Social Forest Utilization Permit (IPHPS), and the Muara Gembong Family Social Forestry Program.

STRATEGY IN 2019 INSTITUTIONAL RELATIONSHIP SEGMENT

Throughout 2019 the Institutional Relations Segment focused on growing business volume and other operating income through both Business As Usual (BAU) and breakthrough initiatives. BAU Institutional Segment activities included supporting government transaction activities related to the distribution and receipt of APBN and Non-APBN such as the Treasury and State Budget System (SPAN), the State Revenue Module (MPNG-2), and the Selection of New University Student Admissions (SBMPTN).

In 2019, the Institutional Relations Segment implemented a number of innovation initiatives in increasing business volume including:

- Becoming the largest Samsat Online National payment recipient partner both in volume and nominal terms.
- Being the only bank that integrates the Customs and Excise payment system of the Directorate General of Customs and Excise.
- Becoming a Bank that distributes APBN through the Treasury and State Budget.
- Becoming the First Bank in SPAN services and responsiveness.
- Becoming a market leader for collection of premiums, collecting funds on the difference between the increase in contributions, Receivable Financing at BPJS Health (National Health Insurance) for all hospital segments.
- Supporting financial management in OJK through an online budget setting.
- Providing supports for civil government retirement payment services through the new e-dapem H2H system and the civil government pensioner authentication system.
- Providing support services for BPJS Health customers in simplifying autodebet registration and expanding the BPJS Health autodebet registration channel (Mobile JKN, BPJS Health Website, BPJS Health Branch and SMS Banking).
- Being the only Bank of the Republic of Indonesia Grants to the Solomon Islands (Solomon Islands State).
- Increasing non-defense equipment sector financing facilities to the Ministry / Institution segment, namely mining sector.
- Becoming a collaboration leader for other segments through the KSM Bulk Pre-Approve Program and Corporate Card for Ministry / Institution customers and the acquisition program of the APBN Satker Partner Contractors.

PRODUCTIVITY AND INCOME OF INSTITUTIONAL RELATIONSHIP SEGMENTS

Table of Institutional Relations Performance

Information	2019 (IDR)	2018 (IDR)	Growth	
			(IDR)	(%)
Total Loans	27.027.984	21.864.052	5.163.932	23,62%
Total Third Party Funds	71.774.618	64.590.571	7.184.047	11,12%
NPL Ratio (%)	0,00%	0,00%	0	0,00%
Total Fee Based Income	384.859	261.918	122.941	46,94%
Total Net Interest Income	1.445.181	1.679.251	234.070	(13,94%)

The total loans in the Institutional Relations segment in 2019 reached IDR27.03 trillion, growing 23.62% compared to 2018 which reached IDR 21.86 trillion. The increase was contributed by foreign exchange financing. The composition of foreign currency financing has increased, from the initial 44.7% of the portfolio in 2018 to 46.8% of the portfolio at the end of 2019 or valued at IDR12.67 trillion.

Third Party Funds (DPK) in the Institutional Relations segment in 2019 reached IDR71.77 trillion, an increase of 11.12% or IDR7.18 trillion compared to 2018 reaching IDR64.59 trillion. The increase was contributed by the growth of CASA products (Demand Deposits and Savings). Institutional CASA in this period reached IDR.53 trillion or grew 22.64% on an annual basis thus contributing 37% of the total Institutional DPK portfolio. Furthermore, when viewed based on the type / type of customers who place

their funds, institutional relationship fund customers are dominated by many Public Service Agency, Government Business Entity and Ministry customers who contribute more than 60% of total Third Party Funds.

Throughout 2019, the Institutional Relations segment can also maintain credit quality with a composition of current collectibility of 100.00% of the portfolio of IDR27.03 trillion.

Table of Credit Quality Institutional Relations

(in IDR Million)

Descriptions	2019 (IDR)	Composition (%)	2018 (IDR)	Composition (%)	Growth (%)
1. Smooth	27.027.984	100,00%	21.864.171	100,00%	23,62%
2. Special Mention			-	-	
3. Substandard			-	-	
4. Doubtful			-	-	
5. Bad Credit			-	-	
Total Credit	27.027.984	100,00%	21.864.171	100,00%	23,62%
NPL	-	0,00%	-	0,00%	0,00%

Maintaining loans quality in the Institutional Relations segment was driven by the provision of highly selective financing by focusing on government projects / programs related to the APBN. In addition to maintaining credit quality, Bank Mandiri also carried out:

- Reviewing collectivity and watchlist analysis periodically and in an orderly manner
- Monitoring the fulfillment of credit obligations before maturity so that no customers enter into collectibility 2 (two).
- Meeting and maintaining the terms and conditions set forth in the credit agreement.
- Improving business processes by increasing the effectiveness of the credit extension process simultaneously with customers in one debtor group and credit extension 3 (three) months before maturity.

BUSINESS PROSPECTS OF INSTITUTIONAL RELATIONSHIPS

The potential for business development of the Institutional Relations segment in 2020 is still very large in line with the increase in government spending in Ministry Institutions / Institutions in line with the 2020 State Budget (APBN). According to the 2020 State Budget, government spending has increased 3.01% (YoY) to IDR1 .683 trillion. Other derivative business potentials are reflected in the large number of employees in institutional segment customers and in Work Units and Satker Partners spread throughout Indonesia.

WORK PLAN IN 2020 INSTITUTIONAL RELATIONSHIP SEGMENT

In order to support the achievement of the Institutional Relations segment, the focus of business development in 2020 is aligned with Bank Mandiri's 2016-2020 Corporate Plan Plan, namely:

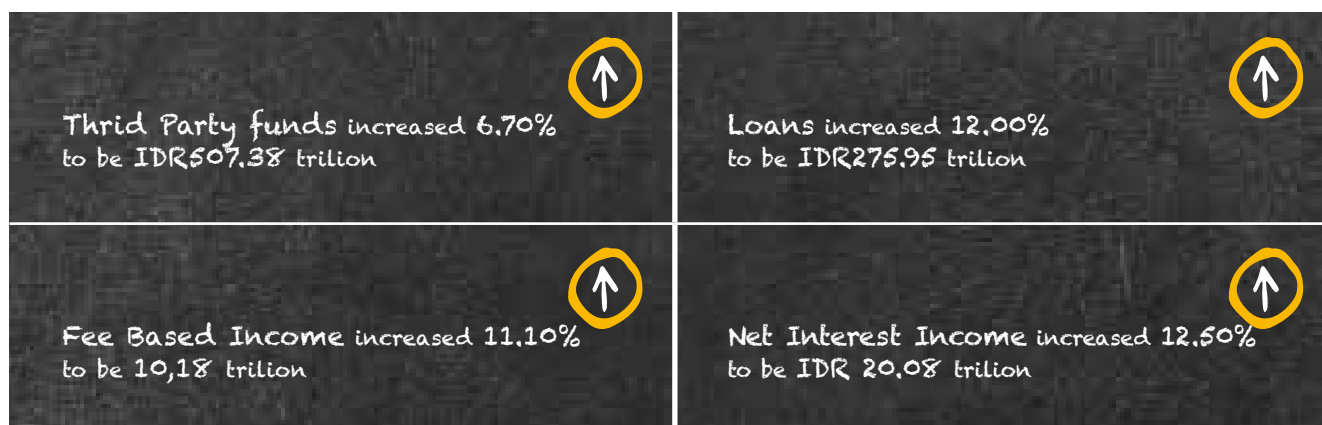
1. Encouraging increased funding for Ministry / Institution and SOE customers and their derivative businesses in the Wholesale and Retail segments through deepening client relationships, optimizing customer transactions, comprehensive financial solutions, and payroll packages for basic salaries and performance allowances.
2. Increasing loan growth of Ministry / Institution and SOEs customers with a focus on sectors that are potential, healthy, and able to produce value chain businesses such as the Finance, Healthcare, and Alutsista sectors. This healthy credit growth is also supported by comprehensive credit monitoring, procedures and policies as well as sharpening end-to-end credit process information systems.



3. Increasing fee-based income through increased cooperation in the field of financial services / financial transactions such as cooperation between custodian banks, remittances, as well as cooperation in channeling and receiving APBN and Non-APBN through e-channel optimization.
4. Sharpening the relationship model and account strategy through improved business process customers in the Ministry / Institution and SOEs sectors, especially in the management of derivative businesses in the Wholesale and Retail segments.
5. As a collaboration leader for the New Core Business, Wholesale, Affiliated Companies and Subsidiaries of Bank Mandiri branches through product bundling cooperation and payroll package solutions to customers in the Ministry / Institution and SOE sectors.
6. Strengthening organization and risk management through enhancing the competence and capability of human resources, controlling risk management, developing a monitoring system for Ministry / Institution and SOE customers, and assisting Business Expertise in the Institutional Relations segment.

OPERATIONS REVIEW PER BUSINESS SEGMENT - RETAIL BANKING

Work Performance Highlight of Retail Banking Segment in 2019



RETAIL BANKING SEGMENT DESCRIPTION

The Retail Banking segment is Bank Mandiri's new core competence as intended in the 2016-2020 Corporate Plan Restart.

Retail Banking segment management includes:

1. Micro Banking: a work unit that is responsible to manage individual customers, cooperatives, other business entities that meet the criteria to obtain a maximum loan limit of IDR1 billion as well as managing Branchless Banking Agents.
2. Small Medium Enterprises: a work unit that is responsible to manage individual customers, cooperatives, business entities, legal entities that meet the criteria to obtain a maximum loan limit of IDR25 billion
3. Consumer Loan: a work unit that is responsible to manage individual customers, cooperatives, business entities that meet the criteria to obtain consumptive loan limits for purchasing house and vehicles.
4. Credit Cards: a work unit that is responsible to manage individual and legal entities that meet the requirements to obtain a credit card.
5. Retail Deposit: a work unit that is responsible to manage savings and deposits
6. Wealth Management: a work unit that is responsible to manage finances and wealth in the form of various financial products or financial instruments, including mutual funds, securities and retail treasury.

While the products offered for the Retail Banking segment are:

1. Loans include consumer financing loans including Housing Loans (KPR), Multipurpose Loans (KSM), Vehicle Loans (KKB), credit cards.
2. Third Party Funds include Business Partner Savings (TabunganMU) and Business Savings.
3. Transaction services include Mandiri Internet, Mandiri Internet Business and Mandiri Cash Management to fulfill the transactional needs retail banking depositors customers.

COMPETITIVE ADVANTAGES AND INNOVATION OF RETAIL BANKING SEGMENTS

Consumer Banking Retail segment in 2019 focused on working on loan needs for the employee market share through Mandiri Multipurpose Loans (KSM), Home Ownership Loans (KPR), Auto Loans and Credit Cards. The productive loan for the Retail Banking segment was able to grow in harmony with the leading economic sectors in various regions throughout Indonesia. Through Micro Business Credit (KUM), People's Business Credit (KUR) and SMEs segment loans, Bank Mandiri provided productive financing solutions for micro, small and medium scale entrepreneurs.

The sharpening of the target market through collaboration with the wholesale segment and subsidiaries, as well as business process improvements were the main strategies of the Retail Banking segment in 2019. Retail Banking loan distributions also focused on utilizing the value chain of the wholesale customer segment by utilizing the Bank Mandiri network spread throughout Indonesia. As such, Bank Mandiri was now stronger in creating a closed-loop fund and financing ecosystem. In addition, Bank Mandiri also cooperated with fintech, both bilaterally and through collaboration with Mandiri Capital Indonesia (MCI), in reaching a wider target market.

In terms of retail funds, Bank Mandiri continued to focus on cultivating payroll customers, including through the Bank at Work initiative. In addition, Bank Mandiri also expanded services to customers throughout Indonesia through branchless banking, which also contributed to the increase in retail funds at Bank Mandiri.

To encourage the execution of the above strategy, Bank Mandiri also made improvements to business processes for the Retail Banking segment. Through the Business Process Re-engineering (BPR) that was conducted in mid-2018, the credit card business in 2019 was able to grow very well. Going forward, Bank Mandiri also plans to implement BPR for KSM and KPR businesses. In addition, Bank Mandiri also plans to improve the analysis and underwriting process for SME loan segments for stronger Retail Banking credit growth in the future.

STRATEGY IN 2019 RETAIL BANKING SEGMENTS

The work plan for the Retail Banking segment in 2019 had continued the 2016-2020 Corporate Plan Restart based on the focus of each segment, namely:

1. Increasing credit growth (KUR, KPR, KKB) with a strategy through the Bank's office network and its Subsidiaries and Cooperate with e-commerce to penetrate productive and consumptive loans
2. Distributing loans to customers with a focus on potential sectors that support the growth of customer value chain businesses related to Wholesale / Corporate segment customers such as Payroll-based loan Retail Banking to Wholesale / Corporate segment customers.
3. Increasing the growth of third party funds, among others through the development of customer transaction service features both through digital channels and branchless banking agents, as well as marketing programs to encourage business customer transactions.
4. Increasing the competence and capabilities of Human Capital
5. Improving risk management to maintain the quality of credit assets.
6. Improving administration, comprehensive credit monitoring and improving end-to-end credit process information systems and improving credit underwriting processes.
7. Increasing the number and distribution of branchless banking agents and strengthen network and branchless banking support systems.
8. Optimizing micro networks in the region in providing retail products and services.



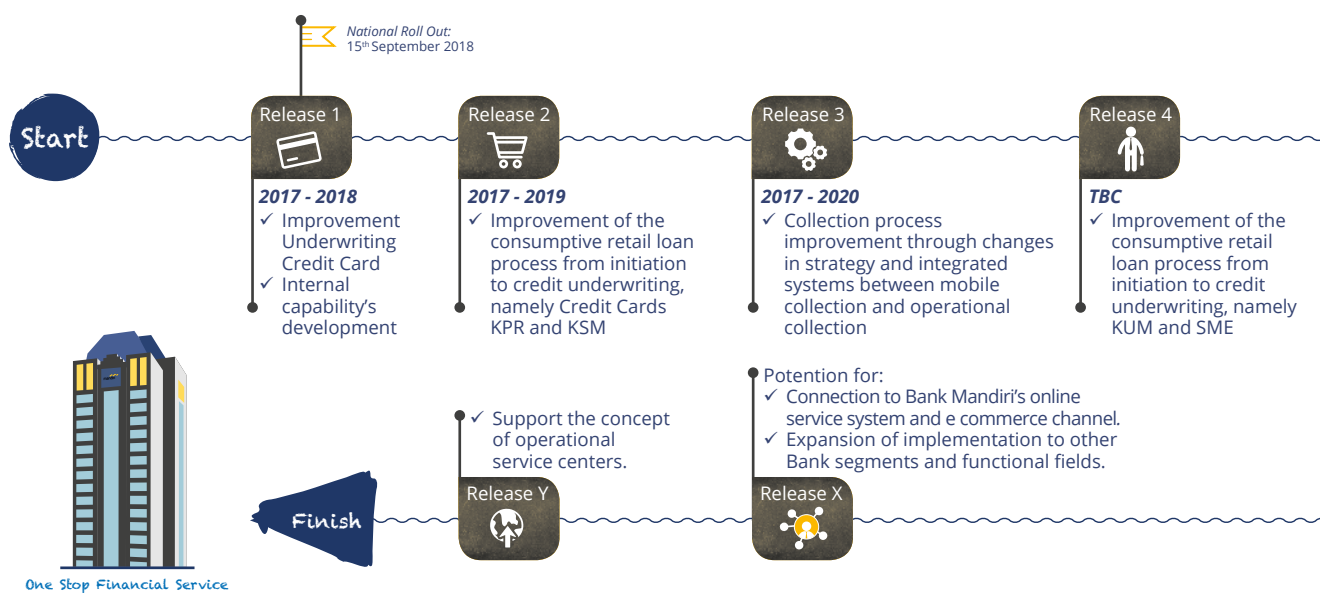
BUSINESS PROCESS RE-ENGINEERING (BPR)

In the early stages of the BPR Project, a more effective and efficient current process design and future process assessment has been carried out. In the implementation phase, Bank Mandiri focuses on building end-to-end applications from the retail loan business consisting of: RM Tools for application initiation, Loan Operating System (LOS) for underwriting process and Collection System.

The BPR project is the foundation of the retail banking business by implementing the Business Process Management Platform and Decision Engine so that the process can be standardized and improvements can be implemented in a short time.

In the future, BPR is expected to be able to strengthen the role of Bank Mandiri to become a “One Stop Financial Service”

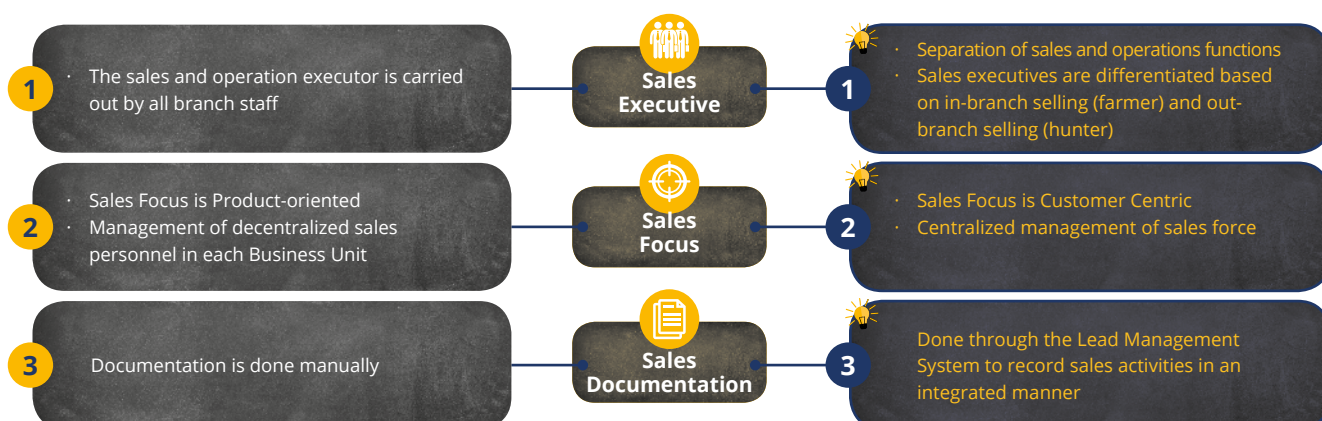
In 2019, the credit card segment successfully implemented a full BPR with SLA improvements from 3.2 days to 2.1 days, and an increase in the approval rate from 34% (before BPR) to 45.12% (after BPR). In addition, BPR pilot projects have also been implemented for KPR and KSM products in the Third Quarter of 2019.



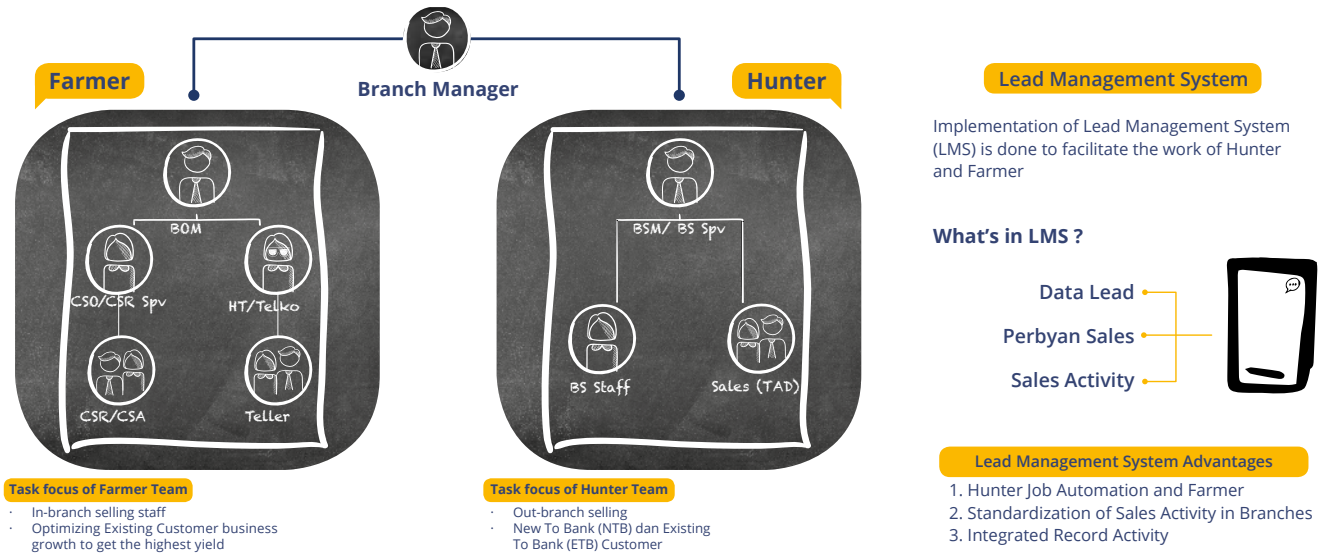
RETAIL READY BRANCH (RRB)

To support the Business Model Transformation, Bank Mandiri implemented the Retail Ready Branch (RRB), which is by optimizing the sales role of the farmer and hunter team for maximum branch business performance improvement.

ACTIVITY SALES TRANSFORMATION IN BRANCH BUSINESS

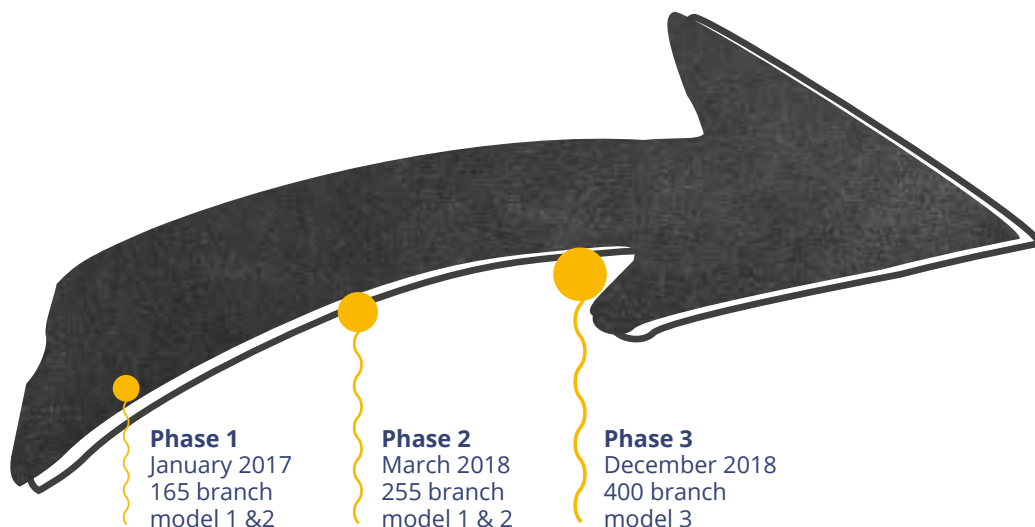


SALES DOUBLE ENGINE in BRANCH



The advantage of implementing this RRB concept when compared to the previous branch is that there are Double Engine Business drives in the branch, namely Hunter and Farmer. With these two teams, the branch will be more aggressive in intensifying existing customers and extending new customers.

Until the end of 2018, the implementation of RRB has entered phase 3 (three) and has been applied to 400 branches of class 3 (three).





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

PRODUCTIVITY AND INCOME OF RETAIL BANKING SEGMENT

Table of Retail Banking Performance

(in IDR Million)

Description	2019 (IDR)	2018*) (IDR)	Growth	
			(IDR)	(%)
Third Party Fund	507.383.372	475.658.027	31.725.345	6,67%
Loan	275.953.020	246.514.186	29.438.834	11,94%
Fee Based Income	10.181.349	9.160.483	1.020.866	11,14%
Net Interest Income	20.081.321	17.843.242	2.238.079	12,54%

*) 2018 Third Party Funds and Net Interest Income are restated due to resegmentation

In the midst of tight liquidity, Bank Mandiri has managed to maintain growth in deposits by 6.70%, from IDR475.65 trillion in 2018 to IDR507.38 trillion in 2019. This growth was driven by CASA and Time Deposits which were quite balanced with a growth rate of 6.3% (CASA) and 7.5% (Deposits). The growth in the Retail Banking segment reached 12.00%, from IDR246.51 trillion in 2018 to IDR275.95 trillion in 2019. The growth in the Retail Banking segment was driven by the growth in Mandiri Multipurpose Loans (KSM), People's Business Loans (KUR) and Credit card. The combination of TPF and Loans growth above also has an impact on fee-based income and net interest income growth in the Retail Banking segment.

MICRO BANKING

Table of Micro Credit Based on Credit Type

(in IDR Million)

Loan	2019		2018		Growth	
	(IDR)	(%)	(IDR)	(%)	(IDR)	(%)
KUM	14.718.915	11,97%	15.501.749	15,14%	(782.834)	(5,05%)
KUR	32.016.611	26,03%	21.996.946	21,48%	10.019.665	45,55%
KSM*)	76.241.209	62,00%	64.885.083	63,37%	11.356.127	17,50%
Total of Loan	122.976.735	100,00%	102.383.778	100,00%	20.592.958	20,11%

*)starting from January 1, 2018 the product portfolio of Unsecured Credit (KTA) combined with Micro Multipurpose Credit (KSM)

Micro Banking loans managed to grow 20.11%, from IDR102.38 trillion in 2018 to IDR122.9 trillion in 2019. In 2019, Bank Mandiri is still consolidating KUM, so KUR distribution is the main focus of productive business credit growth in the Micro segment. The Micro Business Loan (KUM) portfolio reached IDR14.72 trillion in 2019, or decreased by 5.05% from 2018 which amounted to IDR15.50 trillion. While the KUR portfolio reached IDR 32.02 trillion in 2019, or grew by 45.55% from the 2018 position of IDR 21.99 trillion. The distribution of KUR is evidence that Bank Mandiri is supporting government programs, where Bank Mandiri has succeeded in fulfilling the 2019 KUR distribution quota of IDR25 trillion.

The New KSM portfolio reached IDR 76.24 trillion in 2019, or grew by 17.50% from 2018 which was IDR 64.89 trillion. This growth was driven by several programs carried out by New KSM such as the acceleration of the credit process and several interest rate promos and top up programs, while still focusing on payroll customers.

Table of Micro Funds Based on Third Party Funds

(in IDR Million)

Fund	2019		2018		Growth	
	(IDR)	(%)	(IDR)	(%)	(IDR)	(%)
Current Account and Savings	24.999.904	91,55%	23.046.067	92,23%	1.953.837	8,48%
Deposit	2.308.251	8,45%	1.940.215	7,77%	368.036	18,97%
Total of DPK	27.308.156	100,00%	24.986.283	100,00%	2.321.873	9,29%

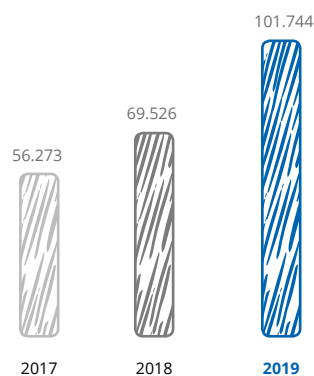
Micro segment funds in 2019 reached IDR27.31 trillion, growing by 9.29% from the 2018 position of IDR24.98 trillion. This is supported by the growth of Tabungan Mitra Usaha (TabunganMU) through the optimization of the Micro Branch Office (KCM) with the Extensification and Intensification Program which consists of several programs such as Semarak Rakyat 2019 - Acquisition of TabunganMU, Semarak Pasar Rakyat, Grebeg Agen, SEMAR which has been implemented during the year of 2019.

BRANCHLESS BANKING

As of the end of 2019, Bank Mandiri had 101,744 branchless banking agents, consisting of 89,851 individual agents and 11,893 Legal Entity agents. The number of branchless banking agents grew 46.3% compared to the number of branchless banking agents in 2018 of 69,526 agents. These agents have contributed positively in the case of acquiring accounts that accounted for 3,684,235 million savings accounts with a volume of funds as of December 2019 reaching IDR 151.26 billion.

GRAPH OF BRANCHLESS BANKING AGENT

In an effort to strengthen the branchless banking network, starting in August 2018 Bank Mandiri implemented a banking transaction system through branchless banking agents in the form of a Mini ATM at EDC which was carried out in stages. As of December 2019, 51,831 agents had obtained mini ATMs at EDC, consisting of 34,193 Mandiri Agents and 17,638 Social Aid Agencies. This has had a positive impact on agents and Bank Mandiri since 2019 succeeded in recording a transaction volume of IDR14.5 trillion with a transaction frequency of 11.7 million transactions. Bank Mandiri also cooperates with the Ministry of SOEs and the Social Service to make branchless banking agents as agents of social assistance, the Farmers Card program, the Family Hope Program (PKH) and Non-Cash Food Assistance (BPNT), and Village-Owned Enterprises (BUMDes).



SMALL MEDIUM ENTERPRISES (SME)

Table of SME Loans by Type of Loan

(in IDR Million)

Loan	2019		2018		Growth	
	(IDR)	(%)	(IDR)	(%)	(IDR)	(%)
Work Capital Loan (KMK)	47.823.770	81,50%	46.315.666	81,61%	1.508.104	3,26%
Investment Loan (KI)	10.857.049	18,50%	10.436.238	18,39%	420.812	4,03%
Total of SME Banking Loan	58.680.820	100,00%	56.751.904	100,00%	1.928.916	3,40%

2019 SME loans growth increased by 3.40% from 2018 which amounted to IDR56.75 trillion to IDR58.68 trillion in 2019. This was mainly due to the SME segment focusing on selective customer acquisition by referring to the predetermined target market. This is also evident from the improvement in NPLs of 118 bps, from 2.7% in 2018 to 1.6% in 2019.

**Table of Credit SME by Economic Sector Type**

(in IDR Million)

Economic Sector	2019		2018		Growth	
	(IDR)	(%)	(IDR)	(%)	(IDR)	(%)
Agriculture, Hunting and Agricultural Facilities	7.129.541	12,15%	7.467.689	13,16%	(338.148)	(4,53%)
Mining	1.263.062	2,15%	972.576	1,71%	290.486	29,87%
Industry	4.300.545	7,33%	4.815.686	8,49%	(515.141)	(10,70%)
Electricity, Gas and Water	186.363	0,32%	182.395	0,32%	3.967	2,18%
Construction	4.038.863	6,88%	3.038.944	5,35%	999.919	32,90%
Trade, Restaurants and Hotels	21.076.333	35,92%	21.853.835	38,51%	(777.502)	(3,56%)
Transportation, Warehousing and Communication	2.366.117	4,03%	2.434.063	4,29%	(67.946)	(2,79%)
Business services	7.455.765	12,71%	5.732.291	10,10%	1.723.474	30,07%
Social/community services	4.108.625	7,00%	2.611.754	4,60%	1.496.871	57,31%
Others-Lain	6.755.607	11,51%	7.642.670	13,47%	(887.064)	(11,61%)
Total of SME Banking Loan	58.680.820	100,00%	56.751.904	100,00%	1.928.916	3,40%

When it is viewed in terms of the economic sector, the increase in SME credit by 3.40% was mainly contributed by a nominal and percentage increase in the business services sector which reached IDR1.72 trillion and the social / community services sector which reached IDR 1.50 trillion.

Table of SME Fund

(in IDR Million)

Fund	2019		2018		Growth	
	(IDR)	(%)	(IDR)	(%)	(IDR)	(%)
Current Account and Savings	147.603.691	83,50%	133.739.097	84,23%	13.864.594	10,37%
Deposito	29.160.651	16,50%	25.042.840	15,77%	4.117.811	16,44%
Total of SME Fund	176.764.342	100,00%	158.781.937	100,00%	17.982.405	11,33%

Total SME Funds in 2019 had a growth of 4.65% from IDR168.91 trillion in 2018 to IDR176.76 trillion in 2019. The growth mainly came from deposit products which grew by IDR4.45 trillion or 18.01% from the year 2018.

CONSUMER LOAN**Table Credit Consumer Loan**

(in IDR Million)


Loan	2019		2018		Growth	
	(IDR)	(%)	(IDR)	(%)	(IDR)	(%)
Mortgage (KPR)	44.251.717	55,01%	43.053.027	56,76%	1.198.690	2,78%
Auto Loan	34.637.567	43,06%	31.609.975	41,68%	3.027.592	9,58%
KKP-TA*)	1.558.481	1,94%	1.182.424	1,56%	376.057	31,80%
Total Consumer Loan	80.447.765	100,00%	75.844.426	100,00%	4.603.339	6,07%

*KKP-TA is a credit product for employees within Bank Mandiri

Total consumer loans in 2019 reached IDR80.45 trillion, growing by 6.07% or IDR4.60 trillion compared to 2018 which reached IDR75.84 trillion. The growth was mainly derived from the increase in auto loans which reached IDR3.03 trillion or 9.58%.

Bank Mandiri mortgages (KPR) reached IDR.44.25 trillion in 2019, growing by 2.78% from 2018 which amounted to IDR.43.05 trillion. Growth in the volume of mortgages was supported by several new initiatives and improvements to business processes such as starting to penetrate the Tier 2 developer market in the fourth quarter of 2019, as well as starting a Business Process Reengineering (BPR) system that has helped accelerate the process of lending to debtors. In terms of products, Bank Mandiri also released millennial Mandiri KPR and the product also boosted Bank Mandiri's business volume in niche market segments.

Bank Mandiri's auto loan in 2019 reached IDR34.64 trillion, growing by 9.58% from 2018 which reached IDR31.61 trillion. The growth of auto loan loans occurred in terms of volume and quality where auto loan bookings grew by 1.54% from 2018 and Mandiri Utama Finance (MUF) became the largest contributor with booking growth reaching 16.22% compared to the previous year. In terms of quality, NPL auto loans also grew significantly negatively by -15bps to 0.79% in 2019.



Mandiri CLIC App (Consumer Loans Information Center)

In order to answer the digital challenges and facilitate information access and employee understanding on Consumer Loans products, on January 12, 2018, Bank Mandiri launched the Mandiri CLIC (Customer Loans Information Center) Application. This application can be accessed via smartphones, laptops, and personal computers (PCs) which serve as guidelines for Consumer Loans product information.

The goal of the Mandiri CLIC Application development is as salesperson's marketing tools so that frontliners can more easily and quickly sell Consumer Loan products, namely Home Ownership Loan (KPR) and Motor Vehicle Loan (KKB). Mandiri CLIC Application Users are salesperson, frontliners and employees who have other Employee Identification Numbers (NIPs) that have been registered with the Mandiri CLIC whitelist list/system. Only Users registered with the Mandiri CLIC whitelist can register to log into the Mandiri CLIC application.

The users can access to Mandiri CLIC Application information, including related products and KPR and KKB marketing programs, the latest interest rate promos, information about Bank Mandiri partner developers, and loan installment simulations using the installment calculator feature found in this application anytime and anywhere.



CREDIT CARD

Mandiri Credit Card as one of the payment transaction products. Bank Mandiri provides a variety various credit cards according to the customer's needs and lifestyle, especially for the convenience of transactions, can be used and accepted throughout the world through VISA, Mastercard and JCB networks.

Table of Credit Card Volume Growth

(in IDR Million)

Credit Card	2019	2018	Growth
Outstanding	13.847.701	11.534.079	20,06%
Sales Volume	42.320.317	36.478.677	16,01%
NPL	1,75%	1,96%	(0,21%)

Mandiri credit card Outstanding in 2019 reached IDR13.85 trillion, an increase of 20.06% compared to 2018 of IDR11.53 trillion, which was driven by quite high sales volume growth in 2019 reaching IDR42.32 trillion. This growth was supported by the launch of a new Priority Credit Card World product, process improvements that resulted in an increase in the approval rate and an increase in new cards reaching 430 thousand, as well as a significant increase in transactions at travel merchants and e-commerce. In addition, the development of merchant cooperation programs and portfolio action programs was also carried out to increase customer engagement in order to increase customer experience. Mandiri Credit Card also experienced an improvement in credit quality with NPL Mandiri Credit Card in December 2019 at 1.75%, down 0.21% compared to the same period in 2018.

RETAIL DEPOSIT

Focus in 2019 remained on increased funds, especially savings and deposits which rose amidst strict liquidity and increased benchmark interest rate, with average balances for saving fund and savings of IDR118.1 trillion or 7.20% higher compared to the previous year and IDR110.1 trillion, respectively.

Table of Retail Deposit Funds by Product Type

(in IDR Million)

Funds	2019		2018 ^{*)}		Growth	
	(IDR)	(%)	(IDR)	(%)	(IDR)	(%)
Savings	127.163.870	77,51%	120.381.315	79,55%	6.784.046	5,63%
Deposito	36.890.359	22,49%	30.946.480	20,45%	5.943.879	19,21%
Total	164.054.229	100,00%	151.327.795	100,00%	12.727.925	8,41%

^{*)} 2018 after resegmentation

Total retail deposit funds in 2019 reached IDR164.05 trillion, growing by 8.41% or IDR12.73 trillion compared to 2018 which reached IDR151.33 trillion. Factors that were driving the growth are as follows:

1. Increase in savings by 5.6%, from IDR120.37 trillion in 2018 to IDR127.16 trillion in 2019. Things that have driven growth include various extensification and intensification initiatives for individual retail segment customers, such as the e-Kado program and Bank at Work initiative.
2. Acquisition of 609 thousand new payroll accounts, as well as an increase in overall payroll account funds amounting to IDR2.8 trillion.
3. Increased deposits by 19.21%, from IDR30.95 trillion in 2018 to IDR36.89 trillion in 2019. The increase resulted from extensification and intensification of depositors for individual retail segment customers.
4. An increase in the number of debit card transactions by 19.4% from 10.29 million transactions in 2018 to 12.82 million transactions in 2019, with a nominal increase of 14.2% from IDR6.4 trillion in 2018 to IDR7.3 trillion in 2019. For example, the growth of ecommerce transactions through Mandiri debit cards in 2019 reached 53.8%, from 2.6 million transactions in 2018 to 4.0 million transactions, with a nominal transaction growth of 50%, from IDR1.6 trillion in 2018 to IDR2.4 trillion in 2019.
5. Implementation of a debit transaction program and activation of the fiestapoin targeting the community, including:
 - a. The Coffiesta program at Jakarta Coffee Week and Bandung Brewers Cup, as well as the curated coffee marketplace platform, namely Lapak Kopi Nusantara (Lakkon).
 - b. Sneakerheads namely Urban Sneaker Society in 3 (three) series of events, namely: USS Yardsale Jakarta, USS 2019 Jakarta and USS Downtown Market in Surabaya.
 - c. Runners community in Jogja Marathon and JCO Run activities.
 - d. Payroll employees with Building to Building activation activities in office buildings in the Jakarta area.
 - e. The specific TGIF Payday program provides digital rewards benefits for Bank Mandiri payroll customers.

WEALTH MANAGEMENT

Mutual Funds (RD) Products of Wealth Management

Table of Asset Under Management (AUM) of Mutual Funds

(in IDR Million)

Asset Under Management (AUM)	Mutual Funds with AUM				Mutual Fund Product Revenues			
	2019 (IDR)	2018 (IDR)	Growth		2019 (IDR)	2018 (IDR)	Growth	
			(IDR)	(%)			(IDR)	(%)
Stock RD	2.536.684	2.561.780	(25.096)	(0,98%)	40.497	44.412	(3.915)	(8,82%)
Mixed RD	258.921	309.894	(50.973)	(16,45%)	3.311	5.750	(2.439)	(42,42%)
Fixed Income RD	1.987.892	861.056	1.126.835	130,87%	20.031	14.740	5.292	35,90%
Money Market RD	12.184.819	9.161.870	3.022.950	32,99%	74.655	84.124	(9.469)	(11,26%)
Index RD	9.636	7.534	2.102	27,90%	92	88	4	4,55%
Sub Total	16.977.951	12.902.134	4.075.817	31,59%	138.586	149.113	(10.527)	(7,06%)
Protected RD	9.722.358	12.257.665	(2.535.307)	(20,68%)	34.439	50.490	(16.051)	(31,79%)
Limited Participation RD	125.618	121.101	4.517	3,73%	754	453	301	66,45%
PDNI (Individual Customer Fund Management)	954.825	96.275	858.549	891,77%	8.135	61	8.074	13236,07%
Total	27.780.752	25.377.176	2.403.576	9,47%	181.914	200.117	(18.203)	(9,10%)

In 2019 there was an increase in Mutual Fund AUM of 9.5% from IDR25.38 trillion in 2018 to IDR27.78. The increase came from the growth of RD Fixed Income of IDR1.13 trillion. There was a slight decrease in revenue from IDR18.20 billion from IDR200.12 billion in 2018 to IDR181.91 billion in 2019, this was due to a decrease in income from the Protected Mutual Funds (RDT) and equity funds. The decline in RDT revenue is due to the low number of RDT issued in 2019 due to the low supply of bonds in the market. This was caused by high interest rates in the year so the company took a wait and see to issue bonds. The movement of the JCI which only grew 1.7% (YoY) in 2019 and the elimination of redemption fees for open end mutual fund transactions also affected a decline in the income of the Investment Fund. As for the increase in the price of Indonesian government bonds and also Corporations that triggered an increase in prices from fixed income funds and money markets. In 2019 there will be additional fee-based income from new products, namely Individual Customer Fund Management (PDNI) for offshore products in collaboration with Lombard Odier.

SECURITIES AND RETAIL TREASURY PRODUCTS

Securities products, foreign exchange and structured products are traded by retail customers through cooperation with priority branches and regular branches. With competitive prices, a minimum nominal transaction value that is affordable and integrated services, encourages retail customers to conduct structured product foreign exchange transactions and Government Securities (SBN).

Table of Productivity and Securities Revenues and Treasury Retail

(in IDR Million)

Product	Transaction Volume			Revenue		
	2019 (IDR)	2018 (IDR)	Growth (%)	2019 (IDR)	2018 (IDR)	Growth (%)
Primary Market Retail Government Securities	6.867.827	8.315.643	(17,41%)	23.742	28.030	(15,30%)
Referral Retail Brokerage	1.111.027	324.102	242,80%	6.386	1.836	247,82%
Secondary Market Government Securities	23.045.950	18.866.560	22,15%	131.738	55.778	136,18%
	(dalam USD juta)			(in IDR Million)		
Foreign Exchange and Structured Product Transactions	13.941	16.563	(15,83%)	449.242	483.778	(7,14%)



PRIMARY MARKET RETAIL GOVERNMENT SECURITIES

The volume of initial retail securities transactions in 2019 reached IDR6.87 trillion, down by 17.41% compared to 2018 which reached IDR8.32 trillion. The decrease in transaction volume was in line with the revenue decline of 15.30% from IDR28.03 billion in 2018 to IDR23.74 billion in 2019. The decline in Primary Market Retail Government Securities was due to a decrease in ORI / Sukuk sales volume caused by a decrease in ORI yield / Sukuk compared to the previous year.

REFERRAL RETAIL BROKERAGE

The retail brokerage referral transaction volume growth reached 242.80% from IDR324.10 billion in 2018 to IDR1.11 trillion in 2019. This is in line with the increase in retail brokerage referral revenue to IDR6.39 billion in 2019 or growing by 247, 82% compared to 2018 which reached IDR1.84 billion. The increase in revenue in retail brokerage referrals was due to an increase in trading driven by an increase in the price of Indonesian government bonds.

SECONDARY MARKET GOVERNMENT SECURITIES AND FOREIGN EXCHANGE AND STRUCTURED PRODUCT TRANSACTIONS

Foreign exchange transactions and structured products in 2019 decreased to USD 13,941 million from USD 16,563 million in 2018. Nevertheless, the volume of secondary market securities in 2019 increased to USD 1,660 million from USD 1,312 million in 2018 due to the downward trend in global and Indonesian market interest rates.

Revenues from foreign exchange transactions and structured products in 2019 decreased to IDR449.24 billion from IDR483.78 billion in 2018. However, there was an increase in fee-based income from securities from IDR56 billion in 2018 to IDR131.68 billion in 2019 this was due to the downward trend in the yield of government securities from 8.005% at the beginning of 2019 to the level of 7.063% at the end of 2019 (for 10-year SBN).

MACRO SEGMENT RETAIL BANKING SEGMENT ANALYSIS

Indonesia's economic growth in 2020 is expected to grow in the range of 5.14% with inflation expectations in 2020 which can be in the range of 3.5%. The Retail

Banking segment will grow in line with the level of public consumption. Thus, Bank Mandiri sees that economic conditions are still conducive in encouraging consumer consumption levels, which will indirectly provide great potential for the Retail Banking segment.

BUSINESS PROSPECTS OF RETAIL BANKING SEGMENTS

Bank Mandiri assesses that the business prospects of the Retail Banking segment are still bright in 2020. The government program which is focused on encouraging the distribution of MSME loans also provides a great opportunity in channeling productive loans to the retail banking segment. In addition, home ownership loans and vehicle ownership loans in 2020 are estimated to continue to grow at a rate relatively similar to 2019. On the other hand, transactions with retail clients are more resilient to global and Indonesian economic turmoil in 2020. Prospects for revenue growth per capita middle class society and starting to grow awareness to invest provide additional captive market potential in SBN transactions, foreign exchange and other yield enhancement products.

WORK PLAN FOR 2020 RETAIL BANKING SEGMENTS

In 2020, Bank Mandiri will continue to focus on working on payroll, especially by utilizing the wholesale customer value chain. In addition, Bank Mandiri also plans to take a greater role in lending the retail banking segment relevant to government programs, such as the distribution of People's Business Credit (KUR) and KPR through the Housing Financing Liquidity Facility (FLPP) program. By continuing to pay attention to the potential of each region throughout Indonesia and to collaborate with fintech, Bank Mandiri is optimistic to continue to increase lending in the retail banking segment. In 2020, Bank Mandiri will also focus on developing systems to increase the penetration of digital investment in retail customers. The Mandiri Retail Bonds (Mr. Bonds) system, e-FX Mobile, Smart FX are a number of systems developed to increase the convenience of retail customers for SBN and foreign currency transactions. Apart from that, various treasury products in the form of hedging products and investment products can be offered on the basis of the needs of retail customers.

OPERATION REVIEW PER BUSINESS SEGMENT - TREASURY AND INTERNATIONAL BANKING

Performance Highlight of Treasury and International Banking Segment



EXPLANATION OF TREASURY AND INTERNATIONAL BANKING

The treasury segment is related to the Bank's treasury activities including foreign exchange transactions, money markets, fixed income, international banking business, capital markets, Overseas Office supervision.

The treasury and international banking business includes the treasury business, business with financial institutions, and capital market related businesses. Which includes the treasury business are foreign exchange transactions, money markets, securities and derivative transactions. Transactions can be interbank in nature, namely those carried out with bank counterparts, as well as transactions to serve the needs of Wholesale and Retail customers. The Treasury business is conducted by the Treasury Group which has 11 (eleven) Regional Treasury Marketing networks spread throughout Indonesia to serve the needs of customers. Business with financial institutions includes transactions related to trade finance, remittances, insurance company funds, and credit to banks. Meanwhile, capital market-related businesses include custodial services, trustees, and short-term loans to securities companies. Business with financial institutions and capital market related entities is carried out by the International Banking and Financial Institutions (IBFI) Group. In addition to conducting business as mentioned above, the IBFI Group also supervises a number of overseas offices.

The segments included in financial institutions (Financial Institutions) are Banks and Non-Bank Financial Institutions (IKNB). Banks include domestic and international banks, but do not include Rural Credit Banks

(BPR), while IKNB includes private insurance companies and financial institutions derived (including insurance and reinsurance brokers), as well as Financial Institution Pension Funds (DPLK). The Directorate of Treasury and International Banking also oversees work units that supervise business synergies between Bank Mandiri as a parent entity and a subsidiary. These forms of synergy include treasury transactions, trade finance and credit.

COMPETITIVE ADVANTAGES AND INNOVATION OF TREASURY AND INTERNATIONAL BANKING SEGMENTS

Treasury Group Bank Mandiri is a major player in treasury transactions in Indonesia with a market share of foreign exchange transactions estimated at more than 30%. For foreign exchange transactions with customers and derivative products, the Directorate of Treasury and International Banking received another award as "The Best Supporting Bank for Foreign Currency Financial Market Deepening and the Supporting Bank for IDR and Foreign Currency Monetary Control" given by Bank Indonesia. Foreign exchange transaction services for customers spread throughout Indonesia are not only done through the Head Office but also by Regional Treasury Marketing (RTM) located in Medan, Palembang, Bandung, Semarang, Surabaya.

In 2019, Bank Mandiri maximized reciprocal-based cooperation networks with 1,103 correspondent banks in 83 (eighty-three) countries, resulting in increased utilization of business cooperation including treasury cooperation, trade finance, remittances, risk sharing and bilateral financing. In the area of funding, Bank Mandiri has managed to obtain more than enough financing



from banks and international financial institutions. This is evidence of international confidence in Bank Mandiri. The interest of foreign banks to provide funding to Bank Mandiri is still relatively large.

As one of the supporting institutions for capital market activities, Bank Mandiri provides a variety of capital market services including custodial services, trustee services, escrow agents, paying agents, security agents, and receiving banks for issuers intending to conduct an IPO. Capital market service activities at Bank Mandiri run on the basis of the best service commitment to customers. Adhering to this principle, based on the results of the Bank Mandiri customer satisfaction survey, we succeeded in getting the title "Very Good" in custodian and trustee services. The tangible results of this commitment are expected to further enhance the loyalty of Bank Mandiri custodian customers.

Bank Mandiri managed to manage liquidity efficiently by continuing to apply the principle of compliance with Bank Indonesia's regulations regarding the Statutory Reserves (GWM) and Net Open Position (NOP) throughout 2019. The realization of the primary primary IDR GWM as at 31 December 2019 was 6.21%, at 6.21%, at on the provisions of Bank Indonesia of 6.00%. Whereas the realization of the Foreign Currency Statutory Reserves as of December 31, 2019 was 8.10%, above the Bank Indonesia regulation of 8.00%.

MACRO SEGMENT ANALYSIS OF TREASURY AND INTERNATIONAL BANKING

During 2019, especially in the second semester, BI has reduced the BI rate of 7 days reverse repo rate by 100 bps from 6.0% to 5.0% in line with the policy rate cut of the US Central Bank (The Fed) by 75 bps from 2.5% to 1.75%. Current policy interest rates are seen to be in line with

stance BI's policy to maintain the momentum of economic growth and overall macroeconomic stability, including indicators of inflation, the exchange rate, the trade balance, and the current account balance.

STRATEGY IN 2019 TREASURY AND INTERNATIONAL BANKING SEGMENTS

Some strategic initiatives in 2019 included improving the quality of service in the Treasury, thereby speeding up processing time and increasing customer satisfaction. In addition, the Treasury also added product / instrument variations namely Mandiri Dual Currency Investment (MDCI) Demand / Savings as an alternative transaction and Investment / Yield enhancement for Banks and Customers. As for the International Banking business, Bank Mandiri launched the Wealth Service Business at the Singapore Branch Office.

PRODUCTIVITY AND REVENUE OF TREASURY AND INTERNATIONAL BANKING SEGMENTS

Bank Mandiri remains consistent as one of the main players in foreign exchange transactions, both interbank and with customers. In transactions with customers. The increase was made through more offensive market penetration and the addition of new dealers. In order to provide alternative funding products to customers, Bank Mandiri started a new phase in developing treasury products through yield enhancement structured products to customers, which turned out to get a positive response, especially from the retail sector, a sector that has prospective business potential. This is proven by the amount of demand received even though the product supply period is relatively short. These products include Mandiri Call Spread, Interest Rate Swap and Cross Currency Swap as well as several other derivative products.

Table of Productivity and Income of Treasury

(in IDR Million)

Description	2019 (IDR)	2018 (IDR)	Growth	
			(IDR)	(%)
Total Fee Based Income	4.906.071	4.951.216	(45.145)	(0,91%)
Forex Transaction	2.744.604	3.295.321	(550.717)	(16,71%)
Securities Transactions	1.352.076	993.423	358.653	36,10%
Others	809.391	662.472	146.919	22,18%
Total Net Interest Income	4.214.032	3.287.600	926.432	28,18%
TOTAL	9.120.103	8.238.816	881.287	10,70%

During 2019, the treasury group posted total revenues of IDR9.12 trillion, growing 10.70% from 2018. This revenue came from fee-based income of IDR4.91 trillion and net interest income of IDR4.21 trillion. Fee-based treasury group income in 2019 decreased, this can be seen from negative growth, namely -0.91%. The decrease in fee based income came from foreign exchange transactions which fell 16.71%. This is due to the decrease in volatility throughout 2019. However, the Bank is the bank with the largest foreign exchange transaction revenues.

Support for fee-based income was also obtained from securities revenue which grew quite high by 36.10% from IDR0.99 trillion in 2018 to IDR1.35 trillion in 2019. A good trading strategy and management of a disciplined securities portfolio was key in the midst of the bullish market of securities due to a decrease in the benchmark interest rate and an increase in Indonesia's rating by the rating agency Fitch Rating at the end of 2019.

Other income derived from mutual fund income and fees and commissions also showed very good performance. Recorded during 2019, treasury posted other income of IDR809.4 billion, growing 22.18% from the previous year which amounted to IDR662.47 billion. In addition, the treasury group is also able to optimize the use of liquidity through interbank placement instruments and securities. Recorded net interest income grew by 28.18% from 2018 which amounted to IDR3.29 trillion to IDR4.21 trillion in 2019.

IBFI is responsible for developing business with international and domestic financial institution (bank and non-bank) customers, including Regional Development Banks (BPD), insurance companies and securities companies and capital market supporting institutions actively and progressively. IBFI is also a Group that supervises and develops business activities of 5 (five) overseas offices, namely: the Singapore branch, the Hongkong branch, the Shanghai branch, the Cayman Islands branch and Bank Mandiri (Europe) Limited as a subsidiary in order to contribute directly (revenue) or indirectly (as a distribution channel and gateway for Bank Mandiri abroad) for the Bank as a whole.

Table of Productivity and income of International Banking

Descriptions	(in IDR Million)		
	2019 (IDR)	2018 (IDR)	Growth (%)
Total Third Party Funds	13.428.464	7.058.288	90,25%
CASA	8.090.535	2.516.234	221,53%
• Current Accounts	8.013.581	2.477.165	223,50%
• Savings	76.954	39.069	75,00%
Deposit	5.337.929	4.542.054	17,25%
Total Credit	6.820.070	3.526.565	93,39%
Total Revenue	2.160.238	2.048.851	5,44%
Fee Based Income	1.467.755	1.541.640	(4,79%)
Net Interest Income	692.483	507.211	36,53%

Total third party funds collected from customers in the Financial Institutions segment in 2019 reached IDR13.43 trillion, experiencing a fairly high increase of 90.25% from the previous year of IDR7.06 trillion. This increase was partly due to an increase in the pooling of funds in the insurance segment. In terms of loans, total loans extended also experienced a significant increase reaching 93.39% from IDR3.53 trillion in 2018 to IDR6.82 trillion due to increased bank loans and forfeiting transactions, resulting in a total net interest income contributed also increased by 36.53% from IDR507.21 billion in 2018 to IDR692.48 billion in 2019. On the other hand, total fee based income decreased slightly by 4.79% from IDR1.54 trillion in 2018 to IDR1.47 trillion due to the decline in Treasury transactions of Financial Institution customers. The capital market business also showed an increase in performance, where the total portfolio administered by custodian services reached IDR555 trillion, an increase of 14.58% compared to 2018. This increase was still largely contributed by general custody services for institutional customers.

**Table of Productivity and Revenue of Overseas Offices**

(in IDR Million)

Description	2019 (IDR)	2018 (IDR)	Growth	
			(IDR)	(%)
Total Third Party Funds	6.818.389	2.844.831	3.973.558	139,68%
Total Credit	34.605.923	25.167.475	9.438.448	37,50%
Total Fee Based Income	753.580	429.833	323.747	75,32%
Total Net Interest Income	1.015.965	978.642	37.323	3,81%

TREASURY AND INTERNATIONAL BANKING BUSINESS PROSPECTS

2020 is a challenging year for the Financial Institutions business, among others, influenced by the global economic slowdown, the trend of banking consolidation, AMC's KYC requirements which are increasingly stringent and the emergence of new players / finteches, especially in the payment business. Nevertheless, IBFI will continue to strive to increase its role in optimizing business growth, both in terms of raising funds, channeling financing and increasing transactions.

In order to support the fulfillment of liquidity needs for Bank Mandiri, efforts to increase the volume of funds will continue to be increased both through the collection of deposits from customers in the financial institutions segment and wholesale funding cooperation with correspondent banks. On the other hand, to support efforts to increase quality bank assets, IBFI will focus on lending to managed customers that meet the criteria both to banks, securities companies, and lending through foreign offices. Other revenue contributions will also be obtained from increased interbank transactions, particularly from treasury and trade transactions (counter guarantees and trade finance). In the future, IBFI will also strengthen its function as an inbound and outbound gateway for Mandiri Group's business relations with counterparts both at home and abroad and optimize cooperation with correspondent banks to serve customer transactions in non-traditional markets.

In terms of capital markets, the Financial Services Authority (OJK) and the Indonesia Stock Exchange (IDX) assess that market volatility will still occur in 2020 but the Indonesian capital market will still grow mainly supported by increasing retail investors. OJK also continues to encourage the creation of a capital market that is resilient, efficient, transparent and credible so that it is attractive to investors. Various efforts made by the capital market authority to deepen the capital market and increase the role of investors in the country also provide positive sentiment for the capital market business managed by the IBFI Group. In terms of business management with insurance, there are also opportunities for improvement, especially seeing awareness of insurance products in Indonesia which

is still very low. Penetration of the insurance industry in Indonesia, which is still below 3% of GDP, opens opportunities for insurance companies and banks to increase collaboration so as to expand market share. The Financial Services Authority (OJK) itself projects the general insurance industry to record premium growth of at least 15-17% and life insurance to grow 10-11% in 2020.

WORK PLAN FOR 2020 TREASURY AND INTERNATIONAL BANKING SEGMENTS

2020 was a year full of challenges for the Financial Institutions business which was influenced by the global economic slowdown, the trend of banking consolidation and tight liquidity. In order to support the fulfillment of liquidity needs for Bank Mandiri, efforts to increase the volume of funds will continue to be increased. On the other hand, to support efforts to increase bank assets through lending, IBFI will focus on channeling loans to managed customers who meet the criteria both to banks, securities companies, and lending through foreign offices. Other revenue contributions will also be obtained from increased interbank transactions, particularly from treasury and trade transactions (counter guarantees and trade finance). In the future, IBFI will also strengthen its function as a gateway inbound and outbound business relations between Mandiri Group and counterparts both at home and abroad.

In managing insurance customers, IBFI will increase the company's operational accounts in insurance through the provision of embedded solutions to meet all the needs of insurance company transactions that have a positive impact on increasing funds, especially low-cost funds (Giro) through collection and payment transactions. In addition, an increase in fee based will increase the number of insurance and insurtech customers who will be given a commercial line limit. The capital market business is also expected to grow in line with various policies of the capital market authority to implement better governance, thereby increasing investor and capital market investor confidence in the Indonesian capital market. In 2020 Bank Mandiri Custodian will increase Asset Under Custody through the acquisition of

institutional and retail customers and the administration of investment products such as mutual funds, Exchange Traded Fund (ETF) and unit links. In addition, Bank Mandiri will also maintain its presence in the capital market through its role as an Operational Bank for capital market transaction payments for securities companies and trustee services in bond issuance. From overseas business, the foreign office will increase its role in international syndications, the development of cross border supply chains, wealth management services and the distribution of domestic trade and remittance bank transactions.

OPERATION REVIEW PER BUSINESS SEGMENT - HEAD OFFICE

DESCRIPTION OF HEAD OFFICE SEGMENT

Basically, the head office segment manages assets and liability including the assets and liability of the segments of Large Corporate, Middle Corporate, Institutional Relations, Retail Banking, Treasury and International Banking. However, the productivity and income for the segments that have been discussed in this Annual Report are recorded separately from the assets and liability managed by the Head Office.

PRODUCTIVITY AND INCOME OF THE HEAD OFFICE SEGMENT

Information on the productivity and income of the Head Office is presented in the Operating Segment Profitability section in this Annual Report.

OPERATION REVIEW PER BUSINESS SEGMENT - SUBSIDIARY - SHARIA

DESCRIPTION ON THE SUBSIDIARY-SHARIA SEGMENT

The subsidiary-sharia segment includes all transactions conducted by the Subsidiary which operates in Sharia banking.

PRODUCTIVITY AND INCOME OF THE SUBSIDIARY-SHARIA SEGMENT

Information on the Productivity and Income of the Subsidiary-Sharia is presented in the Subsidiary Performance in this Annual Report.

OPERATION REVIEW PER BUSINESS SEGMENT - SUBSIDIARY - INSURANCE

DESCRIPTION ON THE SUBSIDIARY-INSURANCE SEGMENT

The subsidiary-insurance segment includes all transactions conducted by the Subsidiary which operates in life insurances, and health insurance.

PRODUCTIVITY AND INCOME OF THE SUBSIDIARY-INSURANCE SEGMENT

Information on the Productivity and Income of the Subsidiary-Insurance is presented in the Subsidiary Performance in this Annual Report.

OPERATION REVIEW PER BUSINESS SEGMENT - SUBSIDIARY - EXCEPT SHARIA AND INSURANCE

DESCRIPTION ON THE SUBSIDIARY-OTHER THAN SHARIA AND INSURANCE

The subsidiary other than Sharia and Insurance segment includes all subsidiary transactions in consumer finance, remittance, securities and banking services.

PRODUCTIVITY AND INCOME OF THE SUBSIDIARY-OTHER THAN SHARIA AND INSURANCE

Information on the Productivity and Income of the Subsidiary-other than Sharia and insurance is presented in the Subsidiary Performance in this Annual Report.



OPERATING SEGMENTS PROFITABILITY

Operating segment profitability for the year ended in December 31, 2019, is as follows:

Tabel Profitabilitas Segmen Operasi Tahun 2019

Description	2019*)					
	Corporate Banking	Commercial Banking	Institutional Relationship	Retail Banking	Treasury and Internasional Banking	
Consolidated Statement of Income and Other Comprehensive Income						
Interest and Sharia Income **)	31.508.487	15.792.654	6.138.427	67.377.512	10.437.527	
Interest and Sharia Expenses **)	(22.974.579)	(11.210.249)	(4.693.246)	(31.674.017)	(5.531.012)	
Interest and Sharia Income - Net	8.533.908	4.582.405	1.445.181	35.703.495	4.906.515	
Premium Income - Net	-	-	-	-	-	
Interest, Sharia, and Premium Income - Net	8.533.908	4.582.405	1.445.181	35.703.495	4.906.515	
Other Operational Income:						
Provision and Commission Revenue	1.967.111	693.043	379.279	6.265.331	339.521	
Others	291.177	111.156	11.010	3.916.018	4.004.581	
Total	2.258.288	804.199	390.289	10.181.349	4.344.102	
Reversal/(Establishment) of Allowance for Impairment Losses on Financial Assets and Others	(1.214.279)	(3.739.769)	(3.998)	(5.622.102)	(1.635)	
Unrealized Gains/(Losses) from Increase/ (Decrease) in Fair Value of Government Bonds and Policyholders' Investment in Unit-Linked Contract	-	-	-	-	-	
Profit from the Sale of Securities and Government Bonds	-	-	-	-	-	
Other Operating Expenses:						
Salary and Allowance Expenses	(168.222)	(278.299)	(186.223)	(2.503.962)	(132.064)	
General and Other Administrative Expenses	(121.537)	(101.670)	(533.124)	(2.762.435)	(126.655)	
Others	(256.227)	(123.402)	(151.221)	(1.332.411)	(301.907)	
Total	(545.986)	(503.371)	(870.568)	(6.598.808)	(560.626)	
Revenue/(Expense) Non-Operational - Net	-	-	-	-	-	
Tax Expenses	-	-	-	-	-	
Net profit	9.031.931	1.143.464	960.904	33.663.934	8.688.356	
Net Earnings Attributable To:						
Non-Controlling Interests	-	-	-	-	-	
Owner of the Parent Company	-	-	-	-	-	
Consolidated Statement of Financial Position						
Loans Awarded - (Gross)	329.763.941	151.424.144	27.027.984	275.953.020	6.820.070	
Total Assets	354.295.785	143.398.957	27.651.440	277.201.816	149.188.110	
Giro and Giro Wadiah	(100.667.400)	(41.898.718)	(25.459.231)	(60.358.283)	(8.013.579)	
Savings and Wadiah Savings	(7.451.380)	(10.698.060)	(1.072.276)	(296.554.444)	(77.073)	
Term Deposit	(38.735.792)	(23.067.620)	(45.243.111)	(150.470.646)	(5.337.928)	
Total Customers' Savings	(146.854.572)	(75.664.398)	(71.774.618)	(507.383.373)	(13.428.580)	
Total Liabilities	(152.499.274)	(78.851.135)	(72.022.009)	(509.673.421)	(20.104.685)	

*) In accordance with Bank Mandiri operating segments

**) Includes internal transfer pricing components between operating segments.

***) Includes elimination of internal transfer pricing or reclassification between operating segments and elimination of Subsidiaries.

The profitability of the operating segments for the year ended December 31, 2018 is as follows.

(in IDR Million)

	2019*)					
	Head Office	Subsidiary Entity - Sharia	Subsidiary Entity - Insurance	Subsidiary Entity - other than Insurance and Sharia	Adjustments and Eliminations***)	Total
	156.478	8.417.748	397.436	6.717.915	(55.419.094)	91.525.090
	(211.111)	(3.014.676)	-	(3.399.793)	50.623.781	(32.084.902)
	(54.633)	5.403.072	397.436	3.318.122	(4.795.313)	59.440.188
	-	-	2.118.647	-	(311.144)	1.807.503
	(54.633)	5.403.072	2.516.083	3.318.122	(5.106.457)	61.247.691
	2.427.708	1.783.982	-	838.445	(477.985)	14.216.435
	1.409.145	201.389	1.103.063	1.682.249	(455.825)	12.273.963
	3.836.853	1.985.371	1.103.063	2.520.694	(933.810)	26.490.398
	716.455	(1.530.499)	-	(674.616)	(2.020)	(12.072.463)
	-	-	5.726	2.479	-	8.205
	793.519	-	23.991	36.340	-	853.850
	(9.634.860)	(2.084.091)	(455.351)	(2.089.118)	311.144	(17.221.046)
	(10.085.379)	(1.687.202)	(805.174)	(1.411.877)	-	(17.635.053)
	(1.892.054)	(321.362)	(1.093.382)	(247.956)	499.854	(5.220.068)
	(21.612.293)	(4.092.655)	(2.353.907)	(3.748.951)	810.998	(40.076.167)
	57.594	(50.285)	-	(17.383)	-	(10.074)
	(6.980.790)	(439.972)	(178.279)	(386.807)	-	(7.985.848)
	(23.243.295)	1.275.032	1.116.677	1.049.878	(5.231.289)	28.455.592
	-	-	-	-	-	973.459
	-	-	-	-	-	27.482.133
	1.361.958	75.173.775	-	20.852.431	(2.542.086)	885.835.237
	176.947.767	112.298.325	34.969.777	56.556.392	(14.262.034)	1.318.246.335
	-	(11.510.301)	-	(376.625)	839.870	(247.444.267)
	-	(5.126.726)	-	(3.508.113)	-	(324.488.072)
	-	-	-	(16.259.914)	939.005	(278.176.006)
	-	(16.637.027)	-	(20.144.652)	1.778.875	(850.108.345)
	(101.072.006)	(19.433.761)	(30.741.502)	(47.595.584)	6.243.797	(1.025.749.580)

**Table of Profitability of Operating Segments in 2018**

Description	2018					
	Wholesale		Government and Institutional	Retail Banking	Treasury and Internasional Banking	
	Large Corporate	Middle Corporate				
Consolidated Statement of Income and Other Comprehensive Income						
Interest and Sharia Income **)	26.862.763	16.533.360	4.566.025	62.185.942	7.500.469	
Interest and Sharia Expenses **)	(18.808.096)	(10.703.047)	(2.929.697)	(27.912.560)	(2.027.738)	
Interest and Sharia Income - Net	8.054.667	5.830.313	1.636.328	34.273.382	5.472.731	
Premium Income - Net	-	-	-			
Interest, Sharia, and Premium Income - Net	8.054.667	5.830.313	1.636.328	34.273.382	5.472.731	
Other Operational Income:						
Provision and Commission Revenue	1.997.226	884.780	250.044	5.714.177	396.190	
Others	520.110	136.217	11.874	3.446.308	3.879.281	
Total	2.517.336	1.020.997	261.918	9.160.485	4.275.471	
Reversal/(Establishment) of Allowance for Impairment Losses on Financial Assets and Others	1.079.449	(6.863.828)	(6.977)	(6.718.458)	(304)	
Unrealized Gains/(Losses) from Increase/(Decrease) in Fair Value of Government Bonds and Policyholders' Investment in Unit-Linked Contract	-	-	-	-	-	
Profit from the Sale of Securities and Government Bonds	-	-	-	-	-	
Other Operating Expenses:						
Salary and Allowance Expenses	(166.345)	(287.663)	(89.051)	(2.298.746)	(137.841)	
General and Other Administrative Expenses	(115.844)	(103.426)	(169.598)	(2.660.865)	(126.972)	
Others	(250.861)	(117.771)	(116.408)	(1.273.128)	(285.557)	
Total	(533.050)	(508.860)	(375.057)	(6.232.739)	(550.370)	
Revenue/(Expense) Non-Operational - Net	-					
Tax Expenses	-					
Net profit	11.118.402	(521.378)	1.516.212	30.482.670	9.197.528	
Net Earnings Attributable To:						
Non-Controlling Interests						
Owner of the Parent Company						
Consolidated Statement of Financial Position						
Loans Awarded - (Gross)	302.625.449	142.581.578	21.864.053	246.570.935	3.998.638	
Total Assets	329.959.329	134.408.647	22.025.637	245.746.843	135.834.856	
Giro and Giro Wadiah	(79.923.964)	(33.262.301)	(20.358.667)	(55.389.473)	(2.477.319)	
Savings and Wadiah Savings	(6.533.237)	(9.324.378)	(965.360)	(283.926.092)	(39.079)	
Term Deposit	(41.192.536)	(17.188.326)	(42.831.341)	(141.195.569)	(4.878.892)	
Total Customers' Savings	(127.649.737)	(59.775.005)	(64.155.368)	(480.511.134)	(7.395.290)	
Total Liabilities	(136.545.244)	(64.018.485)	(64.008.099)	(482.438.146)	(32.166.632)	

*) In accordance with Bank Mandiri operating segments

**) Includes internal transfer pricing components between operating segments.

***) Includes elimination of internal transfer pricing or reclassification between operating segments and elimination of Subsidiaries.

Profit growth in the operating segment is presented as follows.

(in IDR Million)

	2018					
	Head Office	Subsidiary Entity - Sharia	Subsidiary Entity - Insurance	Subsidiary Entity - other than Insurance and Sharia	Adjustments and Eliminations***	Total
	995.335	7.688.793	319.644	5.599.161	(51.258.922)	80.992.570
	(2.796.865)	(2.659.310)	-	(2.620.048)	44.087.423	(26.369.938)
	(1.801.530)	5.029.483	319.644	2.979.113	(7.171.499)	54.622.632
			3.002.535	-	(295.402)	2.707.133
	(1.801.530)	5.029.483	3.322.179	2.979.113	(7.466.901)	57.329.765
	2.532.931	1.068.768	-	824.525	(654.855)	13.013.786
	4.606.577	672.979	666.376	1.308.902	(590.345)	14.658.279
	7.139.508	1.741.747	666.376	2.133.427	(1.245.200)	27.672.065
	1.174.311	(2.300.574)	-	(650.977)	101.860	(14.185.498)
	31.187	-	(87.363)	595	37.098	(18.483)
	962.444	-	(7.004)	16.002	(297.355)	674.087
	(9.411.630)	(1.805.975)	(522.730)	(1.898.190)	295.402	(16.322.769)
	(9.888.450)	(1.541.306)	(875.050)	(1.105.494)	-	(16.587.005)
	(1.550.601)	(304.302)	(1.056.527)	(367.905)	666.695	(4.656.365)
	(20.850.681)	(3.651.583)	(2.454.307)	(3.371.589)	962.097	(37.566.139)
	43.205	(3.341)	(10.779)	8.487	-	37.572
	(7.241.244)	(210.520)	(327.951)	(311.717)	-	(8.091.432)
	(20.542.800)	605.212	1.101.151	803.341	(7.908.401)	25.851.937
						836.916
						25.015.021
	1.326.193	67.144.434		15.903.575	(2.457.667)	799.557.188
	169.102.494	98.341.119	33.178.563	47.799.504	(14.144.898)	1.202.252.094
	-	(8.704.173)	-	(115.135)	407.276	(199.823.756)
	-	(3.751.592)	-	(2.742.615)	-	(307.282.353)
	-	-	-	(12.320.962)	704.842	(258.902.784)
	-	(12.455.765)	-	(15.178.712)	1.112.118	(766.008.893)
	(84.790.075)	(14.852.265)	(29.125.723)	(40.665.368)	6.656.937	(941.953.100)



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Table of Revenue Growth and Profitability of Operating Segments

Description	Growth 2019-2018*)					
	Wholesale		Government and Institutional	Retail Banking	Treasury and Internasional Banking	
	Large Corporate	Middle Corporate				
Consolidated Statement of Income and Other Comprehensive Income						
Interest and Sharia Income **)	17,29%	(4,48%)	34,44%	8,35%	39,16%	
Interest and Sharia Expenses **)	22,15%	4,74%	60,20%	13,48%	172,77%	
Interest and Sharia Income - Net	5,95%	(21,40%)	(11,68%)	4,17%	(10,35%)	
Premium Income - Net	0,00%	0,00%	0,00%	0,00%	0,00%	
Interest, Sharia, and Premium Income - Net	5,95%	(21,40%)	(11,68%)	4,17%	(10,35%)	
Other Operational Income:						
Provision and Commission Revenue	(1,51%)	(21,67%)	51,68%	9,65%	(14,30%)	
Others	(44,02%)	(18,40%)	(7,28%)	13,63%	3,23%	
Total	(10,29%)	(21,23%)	49,01%	11,14%	1,61%	
Reversal/(Establishment) of Allowance for Impairment Losses on Financial Assets and Others	(212,49%)	(45,51%)	(42,70%)	(16,32%)	437,83%	
Unrealized Gains/(Losses) from Increase/ (Decrease) in Fair Value of Government Bonds and Policyholders' Investment in Unit-Linked Contract	0,00%	0,00%	0,00%	0,00%	0,00%	
Profit from the Sale of Securities and Government Bonds	0,00%	0,00%	0,00%	0,00%	0,00%	
Other Operating Expenses:						
Salary and Allowance Expenses	1,13%	(3,26%)	109,12%	8,93%	(4,19%)	
General and Other Administrative Expenses	4,91%	(1,70%)	214,35%	3,82%	(0,25%)	
Others	2,14%	4,78%	29,91%	4,66%	5,73%	
Total	2,43%	(1,08%)	132,12%	5,87%	1,86%	
Revenue/(Expense) Non-Operational - Net	0,00%	0,00%	0,00%	0,00%	0,00%	
Tax Expenses	0,00%	0,00%	0,00%	0,00%	0,00%	
Net profit	(18,77%)	(319,32%)	(36,62%)	10,44%	(5,54%)	
Net Earnings Attributable To:						
Non-Controlling Interests	0,00%	0,00%	0,00%	0,00%	0,00%	
Owner of the Parent Company	0,00%	0,00%	0,00%	0,00%	0,00%	
Consolidated Statement of Financial Position						
Loans Awarded - (Gross)	8,97%	6,20%	23,62%	11,92%	70,56%	
Total Assets	7,38%	6,69%	25,54%	12,80%	9,83%	
Giro and Giro Wadiah	25,95%	25,96%	25,05%	8,97%	223,48%	
Savings and Wadiah Savings	14,05%	14,73%	11,08%	4,45%	97,22%	
Term Deposit	(5,96%)	34,21%	5,63%	6,57%	9,41%	
Total Customers' Savings	15,04%	26,58%	11,88%	5,59%	81,58%	
Total Liabilities	11,68%	23,17%	12,52%	5,65%	(37,50%)	

*) In accordance with Bank Mandiri operating segments

**) Including internal transfer pricing components between operating segments.

***) Including elimination of internal transfer pricing or reclassification between operating segments and elimination of Subsidiaries.

Total net income contributed to the owners of subsidiaries in the operating segment in 2019 reached IDR27.48 trillion, growing 9.86% compared to the previous year which reached IDR25.02 trillion. The operating segment that achieved the most significant growth came from the Commercial Banking segment which grew by 319.32% from a loss of

(in %)

	Growth 2019-2018*)					
	Head Office	Subsidiary Entity - Sharia	Subsidiary Entity - Insurance	Subsidiary Entity - other than Insurance and Sharia	Adjustments and Eliminations****)	Total
	(84,28%)	9,48%	24,34%	19,98%	8,12%	13,00%
	(92,45%)	13,36%	0,00%	29,76%	14,83%	21,67%
	(96,97%)	7,43%	24,34%	11,38%	(33,13%)	8,82%
	0,00%	0,00%	(29,44%)	0,00%	5,33%	(33,23%)
	(96,97%)	7,43%	(24,26%)	11,38%	(31,61%)	6,83%
	(4,15%)	66,92%	0,00%	1,69%	(27,01%)	9,24%
	(69,41%)	(70,07%)	65,53%	28,52%	(22,79%)	(16,27%)
	(46,26%)	13,99%	65,53%	18,15%	(25,01%)	(4,27%)
	(38,99%)	(33,47%)	0,00%	3,63%	(101,98%)	(14,90%)
	(100,00%)	0,00%	(106,55%)	316,64%	(100,00%)	(144,39%)
	(17,55%)	0,00%	(442,53%)	127,10%	(100,00%)	26,67%
	2,37%	15,40%	(12,89%)	10,06%	5,33%	5,50%
	1,99%	9,47%	(7,99%)	27,71%	0,00%	6,32%
	22,02%	5,61%	3,49%	(32,60%)	(25,03%)	12,11%
	3,65%	12,08%	(4,09%)	11,19%	(15,71%)	6,68%
	33,30%	1405,09%	(100,00%)	(304,82%)	0,00%	(126,81%)
	(3,60%)	108,99%	(45,64%)	24,09%	0,00%	(1,30%)
	13,15%	110,68%	1,41%	30,69%	(33,85%)	10,07%
	0,00%	0,00%	0,00%	0,00%	0,00%	16,32%
	0,00%	0,00%	0,00%	0,00%	9,86%	9,86%
	2,70%	11,96%	0,00%	31,12%	3,43%	10,79%
	4,64%	14,19%	5,40%	18,32%	0,83%	9,65%
	0,00%	32,24%	0,00%	227,12%	106,22%	23,83%
	0,00%	36,65%	0,00%	27,91%	0,00%	5,60%
	0,00%	0,00%	0,00%	31,97%	33,22%	7,44%
	0,00%	33,57%	0,00%	32,72%	59,95%	10,98%
	19,20%	30,85%	5,55%	17,04%	(6,21%)	8,90%

IDR0.52 trillion in 2018 to a profit of IDR1.14 trillion in 2019. While the operating segment which provided the largest contribution in 2019 is the Retail Banking segment which reached IDR33.66 trillion.

PERFORMANCE OF SUBSIDIARIES



Up to 2019, Bank Mandiri already has 10 (ten) subsidiaries. A description of the subsidiary entity is presented in the Profile section of this Annual Report. The following are the performance of the productivity, income, and profitability of Bank Mandiri subsidiaries.

Table of Productivity and income of subsidiaries in 2019

(in IDR billion)

No.	Subsidiaries	Business Volume			
		Actual	Plan	Achievment	(YoY) Growth
1	Bank Syariah Mandiri (BSM)				
	Total Funding	99.809,7	92.098	108,37%	14,10%
	Total Lending	75.542,9	75.216	100,43%	11,50%
	Net Income	5.270	5.173	101,87%	6,95%
2	Bank Mandiri Taspen (MANTAP)				
	Total Funding	19.864	19.613	101,3%	30,2%
	Total Lending	20.316	20.464	99,3%	30,9%
	Net Interest Income	1.293	1.344	96,2%	22,1%
	Fee based Income	272,9	254,3	107,3%	22,4%
	Net Income	1.566	1.598	98,0%	22,2%
3	Bank Mandiri (Europe) Limited (BMEL)				
	Earning Asset	2.121,2	2.702,9	78,5%	(6,4%)
	Net Income	9,2	8,7	105,5%	48,2%
4	AXA Mandiri Financial Service (AMFS)				
	APE	3.219,4	3.579,0	90,0%	1,0%
	Net Income	1.003,8	970,7	103,4%	6,0%
5	Mandiri InHealth (MI)				
	GWP	2.374	2.254	105%	18%
	Net Income	106	158	67%	(22%)

(in IDR billion)

No.	Subsidiaries	Business Volume			
		Actual	Plan	Achievment	(YoY) Growth
6	Mandiri Tunas Finance (MTF)				
	Baki Debet	46.842,5	46.081,9	101,7%	7,7%
	Net Income	446,9	440,1	101,2%	10,4%
7	Mandiri Utama Finance (MUF)				
	Baki Debet	12.238,6	11.900,8	102,8%	20,8%
	Net Income	51,8	46,3	111,8%	491,3%
8	Mandiri International Remittance (MIR)				
	Frekuensi Transaksi Remittance ('000)	186.427	169.727	109,80%	21%
	Net Income	417,0	705,9	59,1%	(20%)
9	Mandiri Sekuritas - Only				
	Trading Volume	457.154,4	296.945,1	154,0%	48,7%
	Underwriting Volume	50.646,6	50.497,7	100,3%	1,2%
	Net Income	92,1	100,4	91,7%	(3,6%)
10	Mandiri Capital Indonesia (MCI) - Konsolidasi				
	Start Up	13	13	100%	18%
	Net Income	(41)	(99)	244%	(57%)

Productivity of Bank Mandiri's subsidiaries can be seen from their respective business volume. In 2019, Mandiri Sekuritas (Mansek) gave the highest contribution among all subsidiaries, i.e. from its trading volume reaching up to IDR457.15 trillion with a growth (YOY) reaching 48.70%. In terms of production, the most significant contribution came from Bank Syariah Mandiri with total funding amounting up to IDR99.81 trillion in 2019. Likewise, in terms of income, Bank Mandiri Syariah also contributed the highest net interest income compared with Bank Mandiri's other subsidiaries, i.e. amounting to IDR5.27 trillion in 2019 with a growth of 6.95%.

**PT BANK SYARIAH MANDIRI (BSM)****Statements of Financial Position**

(in IDR billion)

Description	2019 (IDR)	2018 (IDR)	Growth	
			(IDR)	(%)
Assets	112.297	98.341	13.956	14,19%
Liabilities	103.054	90.299	12.755	14,12%
Equity	9.243	8.042	1.201	14,93%

BSM's assets in 2019 reached IDR112.30 trillion, 14.19% or IDR13.96 trillion higher compared with 2018, which amounted to IDR98.34 trillion. Moreover, BSM's liabilities in 2019 also increased, i.e. amounted to IDR103.05 trillion, or 14.12% higher than those in 2018. Such an increase resulted from an increase in third-party funds, i.e. by 12.34 trillion or 14.10%. Current accounts, savings, and deposits rose by 54.27%, 13.49%, and 5.84%, respectively. BSM's equity in 2019 reached IDR9.24 trillion, 14.93% higher than that in 2018, i.e. amounted to IDR8.04 trillion. Such an increase in equity resulted from the profit of the current year, which reached IDR1.276 billion.

Statements of Profit and Loss

(in IDR billion)

Description	2019 (IDR)	2018 (IDR)	Growth	
			(IDR)	(%)
Operating Income ^{*)}	7.159	6.054	1.105	18,25%
Expense	5.349	5.214	135	2,59%
Net Profit/ (Loss)	1.276	605	671	110,91%

^{*)} Total income after profit sharing and other business income

BSM's operating income in 2019 amounted to IDR7.16 trillion, or increased by 18.25% from IDR6.05 trillion in 2018. Operating income rose due to an increase in the bank's net profit sharing by 9.18% and a significant increase in other operating income of 67.75%. Operating expense in 2019 reached IDR5.35 trillion, or increased by 2.60% compared to that in 2018. Operating expense was quite under control as BSM managed to control the financing reserve expenses as well as other productive and non-productive asset reserve expenses. BSM's net profit in 2019 reached IDR1.276 billion, or increased by 110.91% or IDR671 billion compared to that in 2018. The increase in BSM's profit was in line with an increase in its income that contributed to the profit growth.

PT MANDIRI TASPEN (MANTAP)**Statements of Financial Position**

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Assets	26.948	20.944	6.004	28,67%
Liabilities	24.281	18.623	5.658	30,38%
Equity	2.667	2.321	346	14,91%

Bank Mantap's assets rose to IDR26.95 trillion from IDR20.94 trillion in 2018. An increase in the total assets by IDR6.00 trillion resulted especially from an increase in lending. Bank Mantap's liabilities increased by IDR5.67 trillion or 30.38%, i.e. from IDR18,62 trillion in 2018 to IDR24.28 trillion in 2019. Such an increase in the total liabilities came mainly from the growth of customers' savings and the issuance of PUB I amounting to IDR1 trillion. Lastly, Bank Mantap's equity increased by IDR346 billion or 14.91%, i.e. from IDR2.32 trillion in 2018 to IDR2.67 trillion in 2019. The increase in the total equity resulted mainly from profit growth of the current year.

Statements of Profit and Loss

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Income	3.064	2.269	795	35,04%
Expense	2.451	1.817	634	34,89%
Net Profit/ (Loss)	445	334	111	33,23%

Bank Mantap's income consists of interest income and other operating income, which increased by 35.04% in 2019. The increase resulted from increasing business volumes, especially credit disbursement, account enhancements, and services such as transfer or remittance. Bank Mantap's expenses consist of interest expense and operating expense other than interest (BUA and BTK), which amounted to IDR2.45 trillion in 2019, or increased by IDR633 billion or 34.89%. The increase resulted from the interest expense disbursed to customers, especially time deposits, bonds issued, the issuance of PUB I, and the initiatives to open up office networks outside Bali Islands in 2019 resulting in an increasing operating expenses other than interest (BUA and BTK). Bank Mantap's net profit in 2019 reached IDR445 billion, or increased by 33.23% from IDR334 billion in 2018. The increase in the net profit was in line with the increase in the income, i.e. by 35.04%.

BANK MANDIRI (EUROPE) LIMITED (BMEL)



Statements of Financial Position

(in thousand USD)

Description	2019	2018	Growth	
			(USD)	(USD)
Assets	186.434	174.008	12.426	7,14%
Liabilities	134.480	124.809	9.671	7,75%
Equity	51.954	49.199	2.755	5,60%

BMEL's assets in 2019 reached USD186.43 million, or rose by 7.14% compared with the total assets in 2018, which amounted to USD174.01 million. Such an increase resulted from increasing earning assets (loan, securities, and trade finance). As for BMEL's liabilities in 2019, they reached USD134.48 million or increased by 7.75% from USD124.81 million in 2018. The increase resulted from higher interbank funding due to an increasing number of correspondent banks. BMEL's equity in 2019 increased slightly by 5.60% compared with that in 2018, which amounted to USD 49.14 million. Such an increase came from retained earnings of the current year.

Statements of Profit and Loss

(in thousand USD)

Description	2019	2018	Growth	
			(USD)	(USD)
Income	6.505	6.091	414	6,80%
Expense	3.337	2.740	597	21,79%
Net Profit/(Loss)	653	413	240	58,11%

BMEL's income in 2019 reached USD6.51 million, or increased by 6.80% compared with the previous year's income of USD6.09 million. Such an increasing income came mainly from the interest income generated from earning assets. BMEL's expenses also increased by 21.79%, i.e. from USD274 million in 2018 to USD3.34 million in 2019. Such an increase resulted from a higher number of employees as a result of BMEL's business growth. In terms of net profit, BMEL earned net profit of USD653 hundred in 2019, or increased by 58.11% compared with the previous year, which amounted to USD413 hundred. The increase in profit was supported by an increase in the fee-based income and trade finance.

PT AXA MANDIRI FINANCIAL SERVICES (AMFS)



Statements of Financial Position

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Assets	32.433	29.576	2.857	9,66%
Liabilities	29.528	27.298	2.230	8,17%
Equity	2.905	2.278	627	27,52%

AMFS's assets in 2019 reached IDR32.43 trillion, or increased by 9.66% from IDR29.57 trillion in 2018. AMFS's liabilities also increased by 8.17%, i.e. from IDR27.30 trillion in 2018 to IDR29.53 trillion in 2019. Similarly, an increase was also seen in AMFS's equity by 27.52%, i.e. from IDR2.28 trillion in 2018 to IDR2.90 trillion in 2019. The increase in equity was in line with the increase in profit.

Statements of Profit and Loss

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Income	4.567	4.102	465	11,34%
Expense	3.401	2.844	557	19,59%
Net Profit	1.004	947	57	6,02%

In 2019, AMFS earned income of up to IDR4.56 trillion, or increased by 11.34% from IDR4.10 trillion in the previous year. AMFS's expenses also rose by 19.59%, i.e. from IDR2.84 trillion in 2018 to IDR3.40 trillion in 2019. In line with the increase in income, AMFS's net profit also rose by 6.02%, i.e. from IDR0.94 trillion in 2018 to IDR1.00 trillion in 2019.

PT ASURANSI JIWA INHEALTH INDONESIA



Statements of Financial Position

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Total Assets	2.200	2.146	54	2,52%
Total Liabilities	883	801	82	10,24%
Total Equity	1.317	1.346	(29)	-2,15%



In 2019, Mandiri Inhealth's assets amounted to IDR2,200 billion, or grew by IDR54 billion or 2.52% from IDR2,146 billion in 2018. Mandiri Inhealth's liabilities in 2019 reached IDR883 billion, or saw an increase of IDR82 billion or 10.24% compared with its liabilities in 2018. The increase in liabilities resulted from an increase in liabilities to policyholders. In terms of equity, Mandiri Inhealth's equity in 2019 amounted to IDR1,317 billion, or decreased by IDR29 billion or 2.15% from IDR1,346 billion in 2018. Such a decrease was in line a reduction in the amount of profit after tax, as a result of withdrawal of dividends from the retained earnings in 2018 amounting to IDR132 billion by shareholders.

Statements of Profit and Loss

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Income	2.137	1.847	290	15,70%
Expense	2.000	1.686	314	18,62%
Net Profit/ (Loss)	106	136	(30)	(22,06%)

Mandiri Inhealth managed to earn income of IDR2,137 billion in 2019, or increased by IDR290 billion or 15.70% from IDR1,847 billion in 2018. Such an increase resulted from an increase in investment income of 24% or IDR28 billion, and net premium income of 15% or IDR258 billion. Similarly, the expenses obtained by Mandiri Inhealth also increased by 18.62%, i.e. from IDR1,686 billion in 2018 to IDR2,000 billion in 2019. An increase in insurance expenses and operating expenses contributed to such an increase. Then, Mandiri Inhealth made net profit of IDR106 billion in 2019, or decreased by IDR30 billion or 22.06% from IDR136 billion in 2018. Such a decrease in the net profit resulted from an increase in insurance expenses.

PT MANDIRI TUNAS FINANCE (MTF)



Statements of Financial Position

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Assets	18.301	17.482	819	4,68%
Liabilities	15.813	15.361	452	2,94%
Equity	2.488	2.121	367	17,30%

MTF's assets in 2019 reached IDR18.30 trillion, or increased by 4.68% from IDR17.48 trillion in 2018. The increase resulted from an increase in the consumer financing receivables portfolio along with an increase in the consumer financing volume. In terms of liabilities, MTF also saw an increase of 2.94%, i.e. from IDR15.36 trillion in 2018 to IDR15.81 trillion in 2019. MTF's equity also increased in 2019, which rose by 17.30% or IDR367 billion, i.e. from IDR2.12 trillion in 2018 to IDR2.49 trillion in 2019.

Statement of Profit and Loss

(in IDR billion)

Description	2019	2018	Pertumbuhan	
			(IDR)	(IDR)
Income	3.440	3.120	320	10,26%
Expense	2.843	2.580	263	10,19%
Net Profit/ (Loss)	445	404	41	10,15%

In 2019, MTF's income amounted to IDR3.12 trillion, which increased by 10.26% or IDR320 billion from IDR3.12 trillion in 2018. The increase resulted from an increase in realization of new financing of 6.6%. As for expenses, MTF's expenses in 2019 amounted to IDR2.84 trillion or increased by 10.15% or IDR263 million from IDR2.58 trillion in 2018. MTF's profit of the current year in 2019 reached IDR445 billion or saw an increase of 10.15% from IDR404 billion in 2018. There were several factors that contributed to the increase in the profit of the current year, among others an increase of 10.42% in interest income.

PT MANDIRI UTAMA FINANCE (MUF)



Statements of Financial Position

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Assets	5.130	4.584	546	11,91%
Liabilities	4.572	4.079	493	12,09%
Equity	558	505	53	10,50%

MUF's assets in 2019 amounted to IDR5.13 trillion, or rose by 11.91% from IDR4.58 trillion in 2018. MUF's liabilities also saw an increase of 12.09%, i.e. from IDR4.08 trillion in 2018 to IDR4.57 trillion in 2019. This increase resulted from MUF's increased exposure of bank loans to facilitate

an increase in the amount of financing disbursement. MUF's equity amounted to IDR558 billion in 2019 or increased by 10.50% from IDR505 billion in 2018. Such an increase in equity was coupled with an increase in the profit generated.

Statements of Profit and Loss

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Income	2.269	1.022	1.247	122,02%
Expense	2.199	1.009	1.190	117,94%
Net Profit/ (Loss)	52	9	43	477,78%

MUF's income in 2019 reached IDR2.27 trillion or increased by 122.02% from IDR1.02 trillion in 2018. MUF's expenses also experienced an increase of 117.94% from IDR1.01 trillion in 2018 to IDR2.20 trillion in 2019. Likewise, MUF's net profit in 2019 amounted to IDR52 billion or grew by 477.78% from IDR9 billion in the previous year to IDR52 billion. The increase in profits was in line with the increase in income of 122.02%.

MANDIRI INTERNATIONAL REMITTANCE SENDIRIAN BERHAD (MIR)



Statements of Financial Position

(in thousand MYR)

Description	2019	2018	Growth	
			(MYR)	(MYR)
Assets	5.266	4.818	448	9,30%
Liabilities	446	415	31	7,47%
Equity	4.819	4.403	416	9,45%

MIR's assets in 2019 amounted to MYR5.26 million or increased by 9.30% from MYR4.82 million in 2018. The increase resulted from the addition of cash at the bank. MIR's liabilities also increased by 7.47%, i.e. from MYR415 thousand in 2018 to MYR446 thousand in 2019. This increase resulted from an increased payment of loan interest. In the previous year, MIR has added its assets by buying 2 (two) cars to support its operations and this year it carried out revaluation for assets with a book value approaching zero. MIR's equity amounted to MYR4.82 million in 2019 or saw an increase of 9.45% from MYR4.40 million in 2018. The company's retained earnings in 2019 contributed significantly to such an increase.

Statements of Profit and Loss

(in thousand MYR)

Description	2019	2018	Pertumbuhan	
			(MYR)	(MYR)
Income	6.374	6.355	19	0,30%
Expense	5.957	5.830	127	2,18%
Net Profit/ (Loss)	417	525	(108)	(20,57%)

MIR's income in 2019 amounted to MYR6.37 million or increased by 0.30% from MYR6.36 million in the previous year. The increase resulted from a fee-based increase in remittance transactions. The growth was in line with the increase in the amount of transaction compared with the previous year. Similarly, MIR's expenses also rose by 2.18% from MYR5.83 million in 2018 to MYR5.96 million in 2019. The increased expenses resulted from increased operating expenses throughout the year, including increases in the rent of premises, office equipment, and office security service. MIR's profit of the current year in 2019 reached MYR417 thousand or decreased by 20.57% from MYR525 thousand in 2018. Such a decrease resulted among other things from competition between remittance services for the Indonesian corridor, especially in terms of exchange rate which in 2019 contributed a smaller amount of income of 0.8% compared with the previous year.

PT MANDIRI SEKURITAS (MANSEK)



Statements of Financial Position

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Assets	1.922	1.669	253	15,16%
Liabilities	770	654	116	17,74%
Equity	2.488	2.121	367	17,30%

Mansek's assets in 2019 amounted to IDR1.92 trillion or increased by 15.16% from IDR1.67 trillion in 2018. Mansek also saw an increase in liabilities by 17.74%, i.e. from IDR654 billion in 2018 to IDR770 billion. In line with an increase in its assets, Mansek's equity also grew by 13.50% from IDR1.02 trillion in 2018 to IDR1.15 trillion in 2019.



Statements of Profit and Loss

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Income	651	540	111	20,56%
Expense	515	504	11	2,18%
Net Profit/ (Loss)	92	95	(3)	(3,16%)

Mansek's business income in 2019 amounted to IDR651 billion or increased by 20.56% from IDR540 billion in the previous year. This income mainly came from income from security trading brokerage activities from financial advisory services and from an increase in the equity and fixed income securities transaction volume. Mansek's business expenses in 2019 amounted to IDR515 billion or increased by 2.18% from IDR504 billion in 2018. Mansek's net profit in 2019 amounted to IDR92 billion or decreased slightly by 3.16% from IDR95 billion in 2018.

PT MANDIRI CAPITAL INDONESIA (MCI)



Statements of Financial Position

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Assets	1.462	460	1.002	217,83%
Liabilities	152	6	146	2.433,33%
Equity	1.310	454	856	188,55%

MCI's assets in 2019 amounted to IDR1,462 billion or rose by 217.83% from IDR460 billion in 2018. Its assets increased as a result of an injection of funds from Bank Mandiri in 2019. Another factor that contributed significantly to such an increase included consolidation with PT Mitra Transaksi Indonesia (PT MTI). In terms of liabilities, MCI saw an increase of 2,433.33% from IDR6 billion in 2018 to IDR152 billion in 2019. Such a significant increase in liabilities resulted from consolidation with PT MTI, making MCI have to record

MTI's liabilities to MCI's consolidated statements. On the other hand, MCI's equity also rose by 188.55%, i.e. from IDR454 billion in 2018 to IDR1,310 billion in 2019. The increase in the amount of equity did not only result from increased capital in 2019, but also from a reduced loss value of the current year compared with that in the previous year as a result of a reduction in MTI's loss value which MCI has to absorb.

Statements of Profit and Loss

(in IDR billion)

Description	2019	2018	Growth	
			(IDR)	(IDR)
Income	194	13	181	1.384,31%
Expense	235	28	207	739,29%
Net Profit/ (Loss)	(41)	(95)	54	-56,84%

Moreover, MCI managed to earn income of IDR194 billion in 2019, which increased by 1,384.31% from IDR13 billion in the previous year. Such a significant increase in income resulted from consolidation with PT MTI, making it necessary for MCI to include in its consolidated statements PT MTI's income. MCI also managed to sell some shares of an investee and contributed capital gain which in turn increased MCI's total income. MCI's expenses also saw an increase of 739.29%, i.e. from IDR28 billion in 2018 to IDR235 billion in 2019. Such a significant increase also resulted from consolidation with PT MTI, making PT MCI have to record PT MTI's expenses in PT MCI's consolidated statements. Such an increase also resulted from an increasing number of employees, which increased labor costs such as bonuses, salary, Religious Holiday Allowance, and insurance. Furthermore, an increase in MCI's reserve value also resulted in MCI's higher expenses compared to the previous year. In 2019, MCI's losses decreased by 54%, i.e. from (IDR95) billion in 2018 to (IDR41) billion in 2019. Such a reduction resulted from an increase in MCI's income which far exceeded an increase in MCI's expenses and an increase in MTI's Net Profit After Tax (NPAT) compared to the previous year causing MCI to absorb less losses from MTI, increasing MCI's NPAT compared to that in the previous year.

GEOGRAPHIC SEGMENT

Bank Mandiri's geographical segments include Mandiri Indonesia and the Mandiri Foreign Office (KLN). The Group's main operations are managed in Indonesia, Asia (Singapore, Hong Kong, Timor Leste, Shanghai, Malaysia), Western Europe (United Kingdom) and the Cayman Islands.

OPERATION REVIEW PER GEOGRAPHIC SEGMENT

MANDIRI INDONESIA

EXPLANATION OF GEOGRAPHICAL SEGMENTS - MANDIRI INDONESIA

Mandiri Indonesia's Geographic Segment includes the Corporate Banking segment which consists of Large Corporate and Middle Corporate, Institutional Relations, Retail Banking consisting of Credit Cards, Small and Medium Enterprise, Micro, Consumer Loans and Branchless Banking, Treasury and International Banking, Headquarters, Subsidiaries - Sharia, Subsidiaries - Insurance, Subsidiaries - Other than Sharia and Insurance presented in the discussion of Operating Segments in this Annual Report.

PRODUCTIVITY AND REVENUE OF GEOGRAPHIC SEGMENT - MANDIRI INDONESIA

Information on Productivity and Revenue of the Mandiri Indonesia segment is presented in the discussion of the Operating Segments in this Annual Report.

OVERSEAS OFFICE (KLN)

EXPLANATION OF OVERSEAS OFFICE SEGMENTS (KLN)

An explanation of the KLN segment has been presented in the International Banking segment and Subsidiaries - Sharia, Subsidiaries - Insurance, Subsidiaries - Other than Sharia and Insurance outside Indonesia as explained in the Operating Segments section of this Annual Report.

PRODUCTIVITY AND REVENUE OFFICES OFFICES (KLN)

Information on Productivity and Revenues of the KLN segment has been presented in the International Banking segment and Subsidiaries - Sharia, Subsidiaries - Insurance, Subsidiaries - Other than Sharia and Insurance outside Indonesia as explained in the Operating Segments section of this Annual Report.

GEOGRAPHIC SEGMENTS PROFITABILITY

Profitability of the geographical segment for the year ended on December 31, 2019, as follows

Table of Profitability of Geographic Segments in 2019

(in IDR Million)

Description	2019				
	Indonesia	Asia	Western Europe	Cayman Islands	Consolidated
Consolidated Statement of Income and Other Comprehensive Income					
Interest and Sharia Income **)	89.829.280	1.192.514	92.331	410.965	91.525.090
Interest and Sharia Expenses **)	(31.302.122)	(644.100)	(41.572)	(97.108)	(32.084.902)
Interest and Sharia Income - Net	58.527.158	548.414	50.759	313.857	59.440.188



(in IDR Million)

Description	2019				
	Indonesia	Asia	Western Europe	Cayman Islands	Consolidated
Premium Income - Net	1.807.503	-	-	-	1.807.503
Interest, Sharia, and Premium Income - Net	60.334.661	548.414	50.759	313.857	61.247.691
Other Operational Income:					
Provision and Commission Revenue	13.891.091	280.996	-	44.348	14.216.435
Others	11.989.798	168.859	5.671	109.635	12.273.963
Total	25.880.889	449.855	5.671	153.983	26.490.398
Reversal/(Establishment) of Allowance for Impairment Losses on Financial Assets and Others	(12.277.257)	91.045	-	113.749	(12.072.463)
Unrealized Gains/(Losses) from Increase/(Decrease) in Fair Value of Government Bonds and Policyholders' Investment in Unit-Linked Contract	8.205	-	-	-	8.205
Profit from the Sale of Securities and Government Bonds	704.066	149.784	-	-	853.850
Other Operating Expenses:					
Salary and Allowance Expenses	(17.010.452)	(173.854)	(23.597)	(13.143)	(17.221.046)
Others	(22.674.170)	(132.100)	(20.779)	(28.072)	(22.855.121)
Total	(39.684.622)	(305.954)	(44.376)	(41.215)	(40.076.167)
Revenue/(Expense) Non-Operational - Net	(82.988)	99.027	-	(26.113)	(10.074)
Tax Expenses	(7.846.179)	(137.519)	(2.150)	-	(7.985.848)
Net profit	27.036.775	894.652	9.904	514.261	28.455.592
Net Earnings Attributable To:					
Non-Controlling Interests	-	-	-	-	973.459
Owner of the Parent Company	-	-	-	-	27.482.133
Consolidated Statement of Financial Position					
Loans Awarded - (Gross)	850.428.612	28.276.194	536.120	6.594.311	885.835.237
Total Assets	1.260.518.160	41.619.677	2.585.317	13.523.181	1.318.246.335
Current account and Giro Wadiah	(241.672.996)	(5.490.921)	(280.350)	-	(247.444.267)
Savings and Wadiah Savings	(322.075.799)	(2.412.273)	-	-	(324.488.072)
Term Deposit	(274.576.454)	(3.599.552)	-	-	(278.176.006)
Total Customers' Savings	(838.325.249)	(11.502.746)	(280.350)	-	(850.108.345)
Total Liabilities	(968.855.444)	(41.562.216)	(1.861.378)	(13.470.542)	(1.025.749.580)

Profitability of the geographical segment for the year ended on December 31, 2018, as follows.

Table of Profitability of Geographic Segments in 2018

(in IDR Million)

Description	2018				
	Indonesia	Asia	Eropa Barat	Western Europe	Consolidated
Consolidated Statement of Income and Other Comprehensive Income					
Interest and Sharia Income **)	79.214.322	1.241.290	83.478	453.480	80.992.570
Interest and Sharia Expenses **)	(25.785.645)	(468.004)	(38.625)	(77.664)	(26.369.938)
Interest and Sharia Income - Net	53.428.677	773.286	44.853	375.816	54.622.632
Premium Income - Net	2.707.133	-	-	-	2.707.133
Interest, Sharia, and Premium Income - Net	56.135.810	773.286	44.853	375.816	57.329.765
Other Operational Income:					
Provision and Commission Revenue	12.729.924	268.379	-	15.483	13.013.786
Others	14.511.948	91.014	3.212	52.105	14.658.279
Total	27.241.872	359.393	3.212	67.588	27.672.065
Reversal/(Establishment) of Allowance for Impairment Losses on Financial Assets and Others	(14.360.828)	73.068	-	102.262	(14.185.498)
Unrealized Gains/(Losses) from Increase/(Decrease) in Fair Value of Government Bonds and Policyholders' Investment in Unit-Linked Contract	(38.084)	16.634	-	2.967	(18.483)
Profit from the Sale of Securities and Government Bonds	652.465	21.622	-	-	674.087
Other Operating Expenses:					
Salary and Allowance Expenses	(16.123.887)	(162.803)	(23.563)	(12.516)	(16.322.769)
Others	(21.076.461)	(125.510)	(16.532)	(24.867)	(21.243.370)
Total	(37.200.348)	(288.313)	(40.095)	(37.383)	(37.566.139)
Revenue/(Expense) Non-Operational - Net	137.547	(74.294)	-	(25.681)	37.572
Tax Expenses	(7.990.983)	(100.449)	-	-	(8.091.432)
Net profit	24.577.451	780.947	7.970	485.569	25.851.937
Net Earnings Attributable To:					
Non-Controlling Interests	-	-	-	-	836.916
Owner of the Parent Company	-	-	-	-	25.015.021
Consolidated Statement of Financial Position					
Loans Awarded - (Gross)	773.786.108	18.214.990	377.607	7.178.483	799.557.188
Total Assets	1.146.220.500	38.255.104	2.504.393	15.272.097	1.202.252.094
Giro and Giro Wadiah	(195.023.476)	(4.732.582)	(67.698)	-	(199.823.756)
Savings and Wadiah Savings	(305.138.353)	(2.144.000)	-	-	(307.282.353)
Term Deposit	(257.673.582)	(1.229.202)	-	-	(258.902.784)
Total Customers' Savings	(757.835.411)	(8.105.784)	(67.698)	-	(766.008.893)
Total Liabilities	(887.836.702)	(37.474.157)	(1.796.022)	(14.846.219)	(941.953.100)



The growth of the Profitability of Geographical Segments is presented as follows.

Table of Geographical Segment Growth

Description	
Profit Loss Report and Other Consolidated Comprehensive Income	
Interest and Sharia Income	
Interest and Sharia Expenses	
Interest and Sharia Income - Net	
Premium Income - Net	
Interest, Sharia, and Premium Income - Net	
Other Operational Income:	
Provision and Commission Revenue	
Others	
Total	
Reversal/(Establishment) of Allowance for impairment losses on financial assets and Others	
Unrealized Gain/(Loss) From Increase/(Decrease) in Fair Value of Government Bond, Securities, and Policyholder Investments in Unit-Link Contracts	
Profits from Sales of Securities and Government Bonds	
Other Operating Expenses:	
Salary and Allowance Expenses	
General and Other Administrative Expenses	
Total	
Non-Operational Income/Expenses - Net	
Tax Expenses	
Net profit	
Net Earnings Attributable To:	
Non-controlling interests	
Owner of the Parent Company	
Consolidated Statement of Financial Position	
Distributed loan	
Total Assets	
Current account and wadiah current account	
Savings and wadiah savings	
Time Deposit	
Total costumer savings	
Total liabilities	

The consolidated geographical segment's net income grew 20.56% from IDR21,443,042 million in 2017 to IDR25,851,937 million in 2018. The Geographical Segment which gave the highest growth was Asia reaching 21.22% from IDR644,249 million in 2017 to IDR780,947 in 2018. While the geographical segment that contributed the most in 2018 to net income was Indonesia's Geographical Segment reaching IDR24,577,451 million, a growth of 21.09% compared to the previous year reaching IDR20,296,681 million.

(in %)

	Growth 2018-2019				
	Indonesia	Asia	Western Europe	Cayman Islands	Consolidated
	14,95%	(79,41%)	10,61%	(78,16%)	12,97%
	24,12%	(94,87%)	7,63%	(81,38%)	21,67%
	10,52%	(70,05%)	13,17%	(77,50%)	8,78%
	(29,98%)	0,00%	0,00%	0,00%	(29,98%)
	8,57%	(70,05%)	13,17%	(77,50%)	6,95%
	10,73%	(72,42%)	0,00%	198,88%	9,24%
	(16,09%)	(67,46%)	76,56%	(100,63%)	(16,69%)
	(3,55%)	(71,16%)	76,56%	(32,02%)	(4,49%)
	(15,47%)	(64,64%)	0,00%	(62,01%)	(14,89%)
	(121,36%)	(99,58%)	0,00%	(100,00%)	(144,39%)
	31,07%	(106,22%)	0,00%	0,00%	26,67%
	5,74%	(33,14%)	0,14%	(52,34%)	5,30%
	9,02%	(40,52%)	25,69%	(36,76%)	8,69%
	7,60%	(36,35%)	10,68%	(41,98%)	7,22%
	(99,52%)	(104,08%)	0,00%	(46,40%)	(126,81%)
	2,01%	(310,99%)	100,00%	100,00%	(3,79%)
	12,96%	(49,90%)	175,50%	(42,53%)	10,07%
					16,31%
					9,86%
	12,85%	(46,24%)	41,98%	(68,17%)	10,79%
	13,05%	(60,62%)	3,23%	(68,95%)	9,65%
	25,78%	(60,81%)	314,12%	100,00%	23,83%
	5,95%	(44,87%)	0,00%	0,00%	5,60%
	6,82%	138,54%	0,00%	0,00%	7,44%
	11,35%	(26,36%)	314,12%	100,00%	10,98%
	13,10%	(59,89%)	3,64%	(68,21%)	8,90%



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

SUPPORTING UNIT OF OPERATION SEGMENT

In supporting the operational activities of the operation segment, Bank Mandiri has a digital banking unit which manages products and the development of the e-channel products which are not only marketable, but also provide the added value for Bank Mandiri's business in the terms of cost and revenue efficiency.

DIGITAL BANKING

To fulfill the needs of Bank Mandiri's customers, Bank Mandiri's digital banking products and services are currently segmented for the customers' needs of the Wholesale segment and the customers' needs of the Retail segment.

WHOLESALE SEGMENT PRODUCTS AND DIGITAL SERVICES

Mandiri Cash Management



Mandiri Host to Host Payment

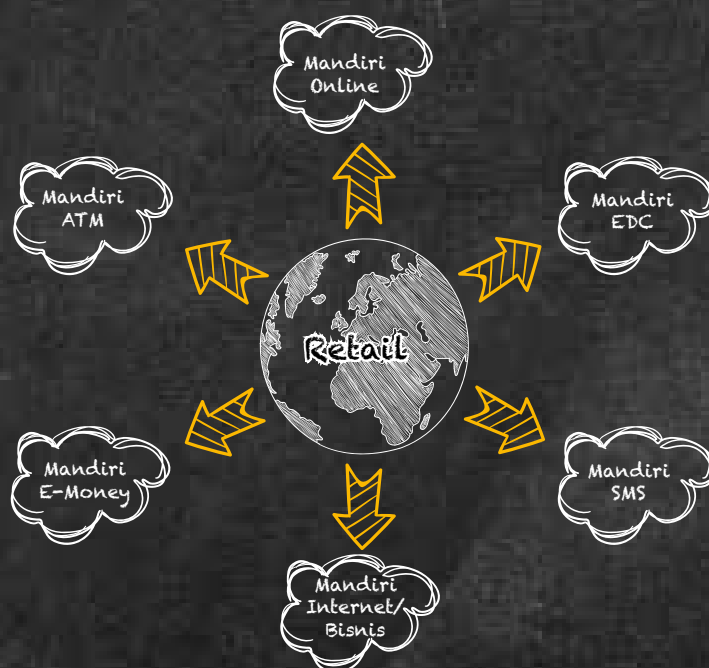


Mandiri Autodebet



Mandiri Bill Collection

RETAIL SEGMENT PRODUCTS AND DIGITAL SERVICES



DIGITAL BANKING PRODUCTS AND SERVICES

WHOLESALE SEGMENT DIGITAL BANKING PRODUCTS AND SERVICES

Digital banking products and services for the customers of the Wholesale segment are the existing e-channel products accompanied by several innovations/developments in accordance with the customers' needs of the Wholesale segment.

MANDIRI CASH MANAGEMENT (MCM)

Internet-based electronic banking services provided by the Bank for the Customers to carry out financial transactions. MCM is added with an online RTGS transaction process feature to facilitate securities transaction settlement activities by exchange member company customers to the account of the Indonesia Central Securities Depository (KSEI) at Bank Indonesia so that the customers have the option to carry out settlement transactions through branches or through MCM. The addition of the feature is due to an increase in settlement activities in line with the implementation of the National Payment Gateway (GPN).

MANDIRI HOST TO HOST PAYMENT

Payment service using account debiting through integration between Bank and Customer system that can accommodate Format-based Transaction of Online Messaging and Message of File. Mandiri Host to Host Payment is added with an online tax payment service feature to support the acceleration of tax payment to the Government.

MANDIRI BILL COLLECTION

Services for the customers to carry out receipt and payment transactions in their business activities with the mass number from the customers, and provide alternative payment channel to the customers. Mandiri Bill Collection is added with real time flagging and closed payment feature for funds receipt transactions from other Bank ATM Networks (online transfer), National Clearing System (SKN) and RTGS from other banks to facilitate the reconciliation process for the customers (billers) that manage bills from their customers.

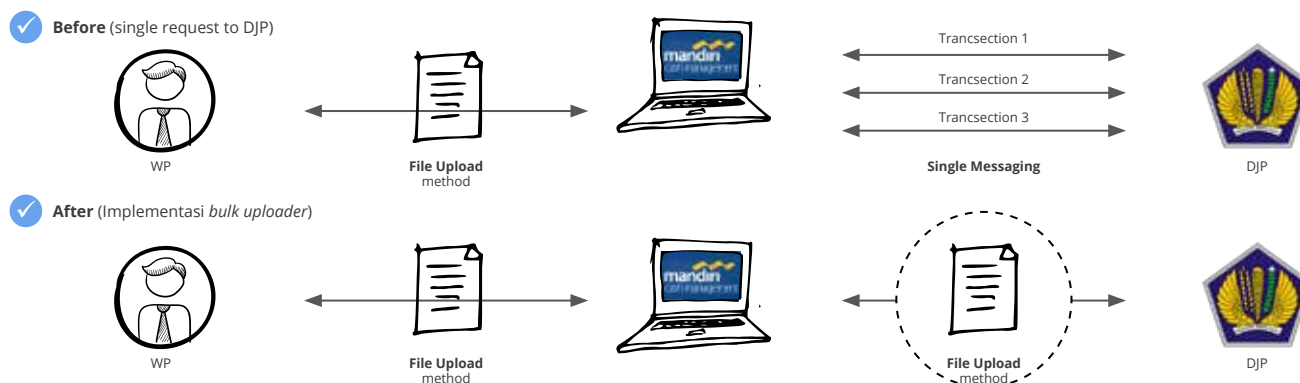
MANDIRI AUTO DEBIT

Automatic debit processing service for obligations/transactions payment in the period/time agreed between the customer of the account holder at Bank Mandiri or agreed between the account holder and Bank Mandiri. Mandiri Auto Debit is added with Mandiri File Transfer (MFT) feature, so that sending Auto Debit registration documents which was previously carried out via email can be carried out through MFT to accelerate payment transactions.

Other innovations carried out by Digital Banking for the Wholesale segment are follows:

1. Tax Bulk ID Billing

This is a service innovation form of ID billing request delivery mechanism from the Company to Directorate General of Taxation. The instruction transmission is done through a file mechanism to increase the clients' capacity and speed of the Tax ID billing withdrawal process significantly from 5,400 record/30 minutes to up to 200,000 record/30 minutes.





2. Real Time Online Notification (RETINA)

Is a form of service innovation in the form of notification for transactions carried out by the customers in the form of electronic message transmissions through communication channels or networks agreed between the customers and Bank Mandiri.

3. Auto Collection by Splitting Fund

Is a service solution aimed to facilitate the banking transactions using number of Virtual Account (VA).

4. Delivery of State Revenue Transaction Number (NTPN) Payment of Ditjen AHU - Ministry of Law and Human Rights

Is a service to facilitate the payment of using services in the Directorate General of Public Law Administration (Ditjen AHU) the Ministry of Law and Human Rights (Kemenkumham).

5. Mandiri Hospital Application Solution

This digital based service is developed for the needs of the payment transactions in the service process at the hospital.



RETAIL SEGMENT DIGITAL BANKING PRODUCTS AND SERVICES

Retail segment digital banking products and services are the existing e-channel products accompanied by several innovations/developments in accordance with the customers' needs of the Retail segment both in the form of Business Entity and Individual.

MANDIRI ONLINE

The banking services for the Individual Retail segment customers which can be accessed through mobile phone and Personal Computer (PC). Mandiri Online is the development and integration of Mandiri Internet Banking and Mandiri Mobile Banking services with additional features in carrying out the online banking transaction activities, such as:

- Feature of top up e-Money
- Feature of information on credit card payment
- Feature of information on customer's account portfolio
- Feature of information on Fiesta Points

MANDIRI SMS

Electronic banking service to access banking accounts by using mobile phones. The transactions that can be made through Mandiri SMS are non financial transaction (balance check) and financial transactions (transfer, payment, purchase, e-money top up, etc.). Mandiri SMS consists of 3 (three) channels, which are SMS Ketik, USSD (*141*6#) and Sim Tool Kit (STK). Mandiri SMS is applicable for providers Telkomsel, Indosat, and XL.

MANDIRI INTERNET/MANDIRI INTERNET BISNIS

E-banking service to make financial and non financial transactions through Internet banking application is dedicated for business Customers of personal and corporate segments especially for small medium Enterprises. Features contained in the Mandiri Internet Business service are among others general account information, transfer, payment, purchase, administration, business information, and business activities.

MANDIRI E-MONEY

Mandiri e-Money is a chip based electronic money issued by Bank Mandiri instead of paying in cash for payment transactions. Mandiri e-Money still dominates the chip based electronic Money transaction market share by 70%. Mandiri e-Money can be used in transaction payments, such as through e-commerce and transportation services.

MANDIRI EDC

Machine of Electronic Data Capture (EDC) is a means provided by Bank Mandiri to receive Mandiri Card transactions electronically through Visa International Network and Bank Mandiri. In 2018, features have been developed, such as:

1. National Standard Indonesian Chip Card Specification (NSICCS) feature so that the chip debit card acceptance becomes usable for all transactions in EDC.
2. Bill Payment feature in regular EDC and branchless banking to ease up the customers to make payments such as telecommunication, ticket, drinking water company (PAM) and electricity company (PLN).

MANDIRI ATM

A banking service via Mandiri ATM machines, using Mandiri Debit Cards to access Mandiri Saving or Mandiri Giro accounts. At this time, to expand its services, Bank Mandiri has ATM machines which serve to make deposits and withdrawals of cash (Cash Recycle Machine).

State-Owned Banks joined in State-Owned Bank Association (Himbara), such as Bank Mandiri, BRI, BNI, and BTN endeavor to improve competitiveness and infrastructure efficiency by synergizing ATM Link (Merah Putih) management. One of the benefits of using ATM Link (Merah Putih) is the cheaper transfer transaction cost between Himbara accounts from the beginning of IDR6,500/transaction to IDR4,000/transaction and the cash withdrawal at no charge.

DIGITAL BANKING'S STRATEGY IN 2019

In 2019, the Wholesale and Retail segment digital banking implemented a number of strategies outlined as follows.

WHOLESALE SEGMENT

1. Improving the capabilities of e-channel products and services (Mandiri Cash Management, Mandiri Host to Host Payment, Mandiri Bill Collection, Mandiri Auto Debit) by adding new features and improving features as well as product infrastructure
2. Launching new product as new revenue generator.
3. Partnership program with the third parties (such as fintech and payment gateway) in order to increase the transaction volume and customer loyalty from the leading industry sector.
4. Reviewing pricing periodically with the market conditions.

RETAIL SEGMENT

1. Improving the capabilities of e-channel products and services (Mandiri Online, Mandiri Internet Bisnis, Mandiri e-Money, Mandiri EDC, Mandiri ATM) by adding new features and improving features as well as product infrastructure.
2. Launching new product as new revenue generator.
3. Partnership program with the third parties (such as Top Fintech Players Retail Sector Solutions) in order to increase the transaction volume and customer loyalty.
4. Reviewing pricing periodically with the market conditions.
5. Building cashless society for the Retail segment.



DIGITAL BANKING PERFORMANCE IN 2019

DIGITAL BANKING PERFORMANCE WHOLESALE SEGMENT

Digital banking performances in the Wholesale segment per product during 2019, measured from transaction volume, number of transaction, and number of customers/users are as follows.

Table of Digital Banking Performance of Wholesale Segment

Product	Transaction Volume			
	2019 (In trillion IDR)	2018 (In trillion IDR)	Growth (in %)	
Mandiri Cash Management	7.514,3	6.160,42	21,98%	
Mandiri Host To Host Payment	183,10	137,82	32,85%	
Mandiri Bill Collection	911,94	454,39	100,70%	
Mandiri Auto Debit	95,88	95,77	0,11%	

Based on the data above, it appears that the wholesale product segment that experienced the most significant growth in transaction volume was the Mandiri Bill Collection, which reached 100.70% from IDR 454.39 trillion in 2018 to IDR 911.94 trillion in 2019. As for the highest transaction value continued to come from Mandiri Cash Management, which became IDR 7,514.3 trillion in 2019.

Furthermore, the transaction performance of Mandiri Bill Collection and Mandiri Mandiri Auto Debit products is seen from the nominal recorded stable as in the previous year by recording an increase in transaction volume of 91.57% and 32.41% respectively. In order to maintain the volume of transactions to continue to grow, Bank Mandiri conducts regular marketing programs throughout the region.

Similar to the increase in terms of transaction volume, Mandiri Cash Management products experienced quite high growth, namely by 22.17% from 25,887 users in 2018 to 31,626 users in 2019 due to the addition of customer transactions. The volume of Mandiri Host to Host Payment was boosted by PT Pertamina with an increase of IDR 13 trillion, followed by the Payment Gateway of PT Nusa Satu Inti Artha (Doku) which recorded an increase of IDR 6.4 trillion, and PT Media Indonusa (Faspay) of IDR 6 trillion. Meanwhile, the frequency of Mandiri Host to Host Payment is still dominated by Fintech Customers, Pareto is contributed by 7 (seven) Fintech Companies, including:

- Grab = 23%
- Shopee = 16%
- Tokopedia = 15%
- Bukalapak = 8%
- Flip = 7%
- Xendit = 5%
- LinkAja = 5%

	Number of Transaction			Number of Users		
	2019 (In trillion IDR)	2018 (In trillion IDR)	Growth (in %)	2019 (In trillion IDR)	2018 (In trillion IDR)	Growth (in %)
	67,35	51,00	32,06%	31.626	25.887	22,17%
	16,41	9,42	74,20%	54	40	35%
	188,79	98,55	91,57%	1794	1.088	64,89%
	9,07	6,85	32,41%	166	138	20,29%





DIGITAL BANKING PERFORMANCE OF RETAIL SEGMENT

The Digital Banking performance in retail segment during 2019, reviewed from the number of transaction volume per product as follows.

Table of Digital Banking Performance of Retail Segment

Product	Transaction Volume			
	2019 (In trillion IDR)	2018 (In trillion IDR)	Growth (in %)	
Mandiri Mobile /Mandiri Online/ Mandiri Internet Banking	925	704,60	31,28%	
Mandiri Internet Bisnis	807,28	765,91	5,40%	
Mandiri E-Money	16,38	13,54	20,97%	
Mandiri EDC	123,47	112,54	9,71%	
Mandiri ATM	1.187,56	1.226,28	(3,16%)	

STRATEGY FOR 2020 DIGITAL BANKING

In facing challenges in the digital age, Bank Mandiri must always innovate to provide banking transaction solutions in line with technological developments. The digital banking strategy in the Retail segment is as follows.

1. Increasing the capabilities of e-channel products and services (Mandiri Online, Mandiri Internet Bisnis, Mandiri e-Money, Mandiri EDC, Mandiri ATM), among others, by adding new features and improving product features and infrastructure.
2. Launching a new product as a new revenue generator.
3. Expansion of communication and marketing channels to customers and prospective customers through the use of digital channels.
4. Adoption of new technologies to improve operational efficiency and / or improve services to customers.
5. Partnership programs with third parties (including Top Fintech Players Retail Sector Solutions) in order to expand the banking ecosystem and increase transaction volume and customer loyalty.
6. Periodically review pricing with market conditions.

	Number of Transaction			Number of Users		
	2019 (In trillion IDR)	2018 (In trillion IDR)	Growth (in %)	2019 (In trillion IDR)	2018 (In trillion IDR)	Growth (in %)
	1.248,57	1.602,38	(22,08%)	8.767.435	13.065.508	4,29%
	21.48	18,48	16,23%	407.800	360.357	13,17%
	1.152,31	1.167,55	(1,31%)	19.839.925	16.631.193	19,29%
	191,4	168,66	13,48%	234.607	221.927	5,71%
	1.407,07	1.477,12	(4,74%)	21.732.252	18.833.162	15,39%





BUSINESS PROSPECT

Bank Mandiri views that the economic prospects of both global and domestic will be better in 2020 compared to 2019. The global economy will be supported by improving economic growth in developing countries. Meanwhile, national economic growth in 2020 will be supported by household consumption that is still maintained, increased investment growth, and accommodative BI and Government policies. However, we still need to watch out for the continued slowdown in economic growth in China and the US, which are Indonesia's main export destination countries. Weak economic growth in China will have a significant impact on the development of commodity prices that are the mainstay of Indonesian exporters such as palm oil and coal.

Bank Mandiri believes that national economic conditions in 2020 will be better compared to 2019. Indonesia's economy is expected to grow 5.14% in 2020, slightly higher than in 2019 which we estimated to reach 5.06%. This is supported by better growth in household spending and private sector investment, as well as more effective government spending. However, we see that the ratio of Current Account Deficit (CAD) to GDP in 2020 will be high compared to 2019 due to increased imports of capital goods and raw materials in line with increased economic growth. Bank Mandiri estimates that the 2020 CAD will rise to 2.88% of GDP, lower than the 2019 Bank Mandiri estimate of 2.60% of GDP.

In line with the improving domestic economic conditions, national banking credit growth will also grow higher. Bank Mandiri estimates that bank loans and deposits in 2020 will grow 10.2% and 8.5% respectively, higher than the estimated 2019 growth of 9.9% and 8.2%, respectively.

Banks must maintain liquidity conditions because with the estimated growth in deposits that is still lower compared to credit growth, Bank Mandiri estimates that

the Loan to Deposit (LDR) ratio will still increase. Banks need to continue to obtain funding that is more stable and more long-term in nature, namely through retail funding. Banks must focus on encouraging the growth of Current Accounts and Savings Accounts (CASA), namely current accounts and savings with lower interest rates, so that the cost of funds can be reduced. One of the main strategies in encouraging CASA is to improve service quality and continue to maintain good relations with customers. In addition to reducing the cost of funds, banks also have alternative funding besides DPK, namely wholesale funding, including issuance of corporate bonds and medium term notes (MTN), as well as through bilateral loans. To maintain liquidity and profitability, it is very important for banks to have an optimal funding strategy.

Seeing the condition of the economy and the banking industry, Bank Mandiri can still take advantage of opportunities to grow with the strength of the current Bank Mandiri, namely:

- Strong capital according to Basel III implementation
- The number of networks that are evenly distributed throughout Indonesia
- Having diverse customers in each segment that can sustain business growth.
- Having e-channel products that are more competitive than competitor banks.
- Has a one stop financial service through Mandiri Group, with 11 (eleven) Subsidiaries which are leading companies and pioneers in each industry, so that they can penetrate non-bank financial products and services throughout the Bank Mandiri network.
- Has the option to obtain non-DPK funding through the capital market, issuance of shares (IPO and rights issue), corporate bonds, Medium Term Notes (MTN), and Negotiable Certificate of Deposit (NCD).

Source: World Economic Outlook, International Monetary Fund (IMF), October 2019

STRATEGY FORWARD

Entering 2020, Bank Mandiri will continue to sharpen its strategy by paying attention to changes in macroeconomics, industry dynamics, and internal capabilities. The business strategy for 2020 will be directed to provide sustainable growth and improve service quality for customers. Some of the main strategies of Bank Mandiri in 2020 are as follows:

1. Strengthening the Synergy of Wholesale and Retail Businesses

In line with healthy and sustainable business growth, Bank Mandiri will continue to focus on core competencies in the Wholesale segment by strengthening synergies with the Retail segment. Thus it is expected that all customer transactions and businesses will be in the Bank Mandiri ecosystem so as to create quality asset and fund growth. This strategy will focus on making wholesale customer value chain penetration, optimizing payroll, and increasing cross selling.

2. Digital Service Improvement and Technology Utilization

In facing competition that does not only come from banks, Bank Mandiri will continue to innovate and develop various financial services, especially those based on digital. In addition, continuous IT strengthening will be carried out through infrastructure improvements, security improvements and increased service speeds. Some initiatives that will be continued in 2020 include:

- CASA Tech Strategy: Online onboarding, Branchless Banking, Mandiri Online 2.0, and Mandiri Cash Management; and
- Credit Tech Strategy: Improving SME credit processes and Online Credit Process.

3. Increased Productivity and Efficiency

In a macroeconomic condition that is full of uncertainties and various technological disruption and financial services, increasing efficiency and productivity is one of the Bank's strategies to continue to improve profitability. Bank Mandiri will undertake various steps and programs to control the growth of operational costs and maintain bank profits to meet expectations. Some initiatives that will be continued in 2020 include:

- Business Process Re-engineering: Reducing credit application processing time and reducing labor requirements
- Wholesale Credit Process Transformation: Strengthening pipelines, improving tools for monitoring and automation of NAK documents.





Financial Review

The financial reviews described below refer to the Financial Statements for the years ended 31 December 2019 and 2018 presented in this Annual Report. The Financial Statements have been audited by Purwanto, Sungkoro and Surja (Member of Ernst and Young Global) Public Accountants and received a fair opinion, in all material respects, the consolidated financial position of PT Bank Mandiri (Persero) Tbk and its subsidiary entities as of December 31 2019, and its financial performance and consolidated cash flows for the year ended on that date, in accordance with Indonesian Financial Accounting Standards.

FINANCIAL PERFORMANCE

The Company's financial performance consists of performance of Consolidated Statement of Financial Position, Statement of Profit Loss and Other Comprehensive Income as well as Statement of Consolidated Cash flow are presented below.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Table of Consolidated Statement of Financial Position

(in IDR Million)				
Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
ASSETS				
Cash	28.094.267	27.348.914	745.353	2,73%
Current Account in Bank Indonesia	46.490.930	59.852.761	(13.361.831)	(22,32%)
Current Accounts in Other Banks – Net	12.558.297	14.830.772	(2.272.475)	(15,32%)
Placements in BI and Other Banks – Net	37.568.760	22.515.696	15.053.064	66,86%
Efek-Efek – Neto	71.263.368	63.835.900	7.427.468	11,64%
Government Bond	129.000.300	114.284.518	14.715.782	12,88%
Other Bills – Trade Transactions – Net	29.104.111	24.809.459	4.294.652	17,31%
Claim on Security Purchased under Resale Agreement	1.955.363	2.097.629	(142.266)	(6,78%)
Derivative Bill	1.617.476	1.798.557	(181.081)	(10,07%)
Loan and Account Receivable/Sharia Financing – Net	855.846.844	767.761.095	88.085.749	11,47%
Consumer Financing Receivable – Net	18.211.088	16.826.865	1.384.223	8,23%
Net Investment in Finance Lease – Net	3.047.089	3.319.103	(272.014)	(8,20%)
Acceptance Receivable – Net	10.058.035	13.592.409	(3.534.374)	(26,00%)
Investment – Net	606.010	421.504	184.506	43,77%
Prepayment	3.012.550	2.858.186	154.364	5,40%
Prepaid Tax	1.176.600	1.236.027	(59.427)	(4,81%)
Fixed Asset – Net	44.612.199	38.442.696	6.169.503	16,05%
Intangible Asset – Net	3.321.284	2.764.726	556.558	20,13%
Other Assets – Net	16.750.054	18.657.655	(1.907.601)	(10,22%)
Deferred Tax Asset – Net	3.951.710	4.997.622	(1.045.912)	(20,93%)
TOTAL ASSETS	1.318.246.335	1.202.252.094	115.994.241	9,65%
LIABILITIES, TEMPORARY SHIRKAH FUNDS AND EQUITY				
LIABILITIES				
Immediate liabilities	3.169.451	3.843.194	(673.743)	(17,53%)
Customer Deposits	850.108.345	766.008.893	84.099.452	10,98%
Deposits from Other Banks	13.397.866	16.493.815	(3.095.949)	(18,77%)

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5) = (4)/(3)
Liability to Policyholder in Unit-Link Contract	24.037.658	22.357.802	1.679.856	7,51%
Liability for Security Purchased under Resale Agreement	3.782.055	16.611.528	(12.829.473)	(77,23%)
Derivative Liability	1.195.022	1.117.677	77.345	6,92%
Acceptance Liability	10.279.839	13.888.862	(3.609.023)	(25,99%)
Published Securities – Net	32.245.270	19.088.923	13.156.347	68,92%
Estimated Loss of Commitment and Contingency	386.039	125.729	260.310	207,04%
Accrued Expense	6.215.561	4.835.467	1.380.094	28,54%
Tax Debt	1.286.973	1.087.949	199.024	18,29%
Employee Benefit Liability	7.586.150	7.987.887	(401.737)	(5,03%)
Provision	405.312	370.525	34.787	9,39%
Other Liabilities	16.861.260	15.795.137	1.066.123	6,75%
Received Loan	54.128.562	51.653.982	2.474.580	4,79%
Loans and Subordinated Securities – Net	664.217	685.730	(21.513)	(3,14%)
TOTAL LIABILITIES	1.025.749.580	941.953.100	83.796.480	8,90%
TEMPORARY SHIRKAH FUNDS				
Customer Deposits	83.016.203	74.905.079	8.111.124	10,83%
Deposits from Other Banks	446.027	433.610	12.417	2,86%
TOTAL TEMPORARY SHIRKAH FUNDS	83.462.230	75.338.689	8.123.541	10,78%
EQUITIES				
Equity that can be distributed to the owner of the parent entity				
Share Capital	11.666.667	11.666.667	-	0,00%
Additional Paid-in Capital / Share Agio	17.316.192	17.316.192	-	0,00%
Difference in Exchange Rates Due to Description of Financial Statement in Foreign Currency	13.388	112.171	(98.783)	(88,06%)
Net Profit/(Loss) Unrealized from Decreased Fair Values of Government Bond Security and Investment Available for Sale after Deducted for Deferred Tax	1.385.796	(1.638.088)	3.023.884	184,60%
Effective Part of Cash Flow Hedge	(30.045)	(17.030)	13.015	76,42%
Net Difference of Fixed Asset Revaluation	30.306.255	26.435.307	3.870.948	14,64%
Net Actuarial (Loss)/Profit of Defined Benefit Program After Deducted for Deferred Tax	653.489	348.613	304.876	87,45%
Difference of Transaction with Non-Controlling Party	85.052	-	85.052	100,00%
Retained Earning	(106.001)	(106.001)	-	0,00%
Already Appropriated	143.310.060	127.084.686	16.225.374	12,77%
Unappropriated	5.380.268	5.380.268	-	0,00%
Non-Controlling Interest on Consolidated Net Asset of Subsidiary	137.929.792	121.704.418	16.225.374	13,33%
Kepentingan Non Pengendali atas Aset Bersih Entitas Anak Yang Dikonsolidasi	4.433.672	3.757.788	675.884	17,99%
TOTAL EQUITY	209.034.525	184.960.305	24.074.220	13,02%
TOTAL LIABILITIES, TEMPORARY SHIRKAH FUNDS AND EQUITY	1.318.246.335	1.202.252.094	115.994.241	9,65%



ASSETS

In 2019, the total assets of Bank Mandiri reached IDR1,318,237,260 million. This achievement increased by IDR115,985,166 million or 9.65% from 2018 which reached IDR1,202,252,094 million. This increase mainly came from loans and sharia receivables / financing amounting to IDR.88,102,770 million.

Table of Asset

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) 4 = 2-3	(%) 5 = 4/3
Cash	28.094.267	27.348.914	745.353	2,73%
Current Accounts in Bank Indonesia	46.490.930	59.852.761	(13.361.831)	(22,32%)
Current Accounts in Other Banks – Net	12.558.297	14.830.772	(2.272.475)	(15,32%)
Placements in BI and Other Banks – Net	37.568.760	22.515.696	15.053.064	66,86%
Marketable Security – Net	71.263.368	63.835.900	7.427.468	11,64%
Government Bond	129.000.300	114.284.518	14.715.782	12,88%
Other Bills – Trade Transactions – Net	29.104.111	24.809.459	4.294.652	17,31%
Claim on Security Purchased under Resale Agreement	1.955.363	2.097.629	(142.266)	(6,78%)
Derivative Bill	1.617.476	1.798.557	(181.081)	(10,07%)
Loan and Account Receivable/Sharia Financing – Net	855.846.844	767.761.095	88.085.749	11,47%
Consumer Financing Receivable – Net	18.211.088	16.826.865	1.384.223	8,23%
Net Investment in Finance Lease – Net	3.047.089	3.319.103	(272.014)	(8,20%)
Acceptance Receivable – Net	10.058.035	13.592.409	(3.534.374)	(26,00%)
Investment – Net	606.010	421.504	184.506	43,77%
Prepayment	3.012.550	2.858.186	154.364	5,40%
Prepaid Tax	1.176.600	1.236.027	(59.427)	(4,81%)
Fixed Asset – Net	44.612.199	38.442.696	6.169.503	16,05%
Intangible Asset – Net	3.321.284	2.764.726	556.558	20,13%
Other Assets – Net	16.750.054	18.657.655	(1.907.601)	(10,22%)
Deferred Tax Asset – Net	3.951.710	4.997.622	(1.045.912)	(20,93%)
TOTAL ASSETS	1.318.246.335	1.202.252.094	115.994.241	9,65%

CASH

Bank Mandiri's cash reached IDR28,094,267 million in 2019. This achievement increased by IDR745,353 million or 2.73% from 2018 which reached IDR27,348,914 million. The increase in cash came mainly from IDR cash amounting to IDR1,260,502 million, which was compensated by a decrease in Singapore's foreign currency foreign exchange cash of IDR521,097 million.

Table of Cash

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
IDR	25.547.963	24.287.461	1.260.502	5,19%
Foreign Currency				
United States Dollar	1.299.141	1.377.201	(78.060)	(5,67%)
European Euro	192.564	165.625	26.939	16,27%
Singaporean Dollar	413.716	934.813	(521.097)	(55,74%)
Japanese Yen	41.111	44.448	(3.337)	(7,51%)
Australian Dollar	256.572	259.982	(3.410)	(1,31%)
Hong Kong Dollar	23.337	6.346	16.991	267,74%
British Pound Sterling	17.695	13.965	3.730	26,71%
Chinese Yuan	17.248	45.015	(27.767)	(61,68%)
Others	284.920	214.058	70.862	33,10%
Total Cash	28.094.267	27.348.914	745.353	2,73%

CURRENT ACCOUNT IN BANK INDONESIA

Current accounts with Bank Indonesia at Bank Mandiri reached IDR46,490,930 million in 2019. This achievement decreased by IDR13,361,831 million or 22.32% from 2018 which reached IDR59,852,761 million. Demand Deposits at Bank Indonesia in particular stemmed from Demand Deposits at Bank Indonesia IDR currency of IDR.8,854,346 million.

Table of Current Accounts in Bank Indonesia

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	4 = 2-3	5 = 4/3
IDR	33.083.619	41.937.965	(8.854.346)	(21,11%)
United States Dollar	13.407.311	17.914.796	(4.507.485)	(25,16%)
Total Current Accounts in Bank Indonesia	46.490.930	59.852.761	(13.361.831)	(22,32%)

CURRENT ACCOUNTS IN OTHER BANKS

Current accounts with other banks at Bank Mandiri reached IDR12,558,297 million in 2019. This achievement decreased by IDR2,272,475 million or 15.32% from 2018 which reached IDR14,830,772 million. Decrease in Demand Deposits at Other Banks originated from Demand Deposits in Other Banks in foreign currencies amounting to IDR2,497,293 million, which was accumulated with an increase in Demand Deposits in Other Banks in IDR currency amounting to IDR224,822 million.

Table of Current Accounts in Other Banks

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5) = (4)/(3)
IDR				
Related Parties	4.247	7.735	(3.488)	(45,09%)
Third Party	486.671	258.361	228.310	88,37%
Total IDR	490.918	266.096	224.822	84,49%
Foreign Currency				
Related Parties	246	741	(495)	(66,80%)
Third Party	12.072.326	14.569.124	(2.496.798)	(17,14%)
Total Foreign Currency	12.072.572	14.569.865	(2.497.293)	(17,14%)
Deducted: Allowance for Impairment Loss	(5.193)	(5.189)	4	0,08%
Total Current Accounts in Other Banks	12.558.297	14.830.772	(2.272.475)	(15,32%)

PLACEMENTS IN INDONESIA AND OTHER BANKS

Placements with Bank Indonesia and Other Banks at Bank Mandiri reached IDR37,568,760 million in 2019. This achievement increased by IDR15,053,064 million or 66.86% from 2018 which reached IDR22,515,696 million. Increased Placements with Bank Indonesia and Other Banks originated from Placements with Bank Indonesia and Other Banks with foreign currencies amounting to IDR10,380,688 million and IDR4,669,713 million.



Table of Placements in Bank Indonesia and Other Banks

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
IDR				
Related Parties	368.500	255.000	113.500	44,51%
Third Party	17.182.126	12.625.913	4.556.213	36,09%
Total IDR	17.550.626	12.880.913	4.669.713	36,25%
Foreign Currency				
Related Parties	1.131.424	907.378	224.046	24,69%
Third Party	18.934.385	8.777.743	10.156.642	115,71%
Total Foreign Currency	20.065.809	9.685.121	10.380.688	107,18%
Deducted: Allowance for Impairment Loss	(47.675)	(50.338)	(2.663)	(5,29%)
Total Placements in Bank Indonesia and Other Banks	37.568.760	22.515.696	15.053.064	66,86%

MARKETABLE SECURITIES

Securities at Bank Mandiri reached IDR71,263,368 million in 2019. This achievement increased by IDR7,427,468 million or 11.64% from 2018 which reached IDR63,835,900 million. The increase in securities in particular came from securities to related parties amounting to IDR5,814,457 million.

Table of Marketable Securities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	27.377.257	21.562.800	5.814.457	26,97%
Third Party	43.789.655	42.569.876	1.219.779	2,87%
Deducted: Unamortized Discount/Premium, Loss/Profit –Net Unrealized from Reduced Fair Value and Allowance for Impairment Loss	96.456	(296.776)	393.232	132,50%
Total Securities	71.263.368	63.835.900	7.427.468	11,64%

GOVERNMENT BONDS

Government bonds at Bank Mandiri reached IDR129,000,300 million in 2019. This achievement increased by IDR14,715,782 million or 12.88% from 2018 which reached IDR114,284,518 million. The increase in Government Bonds in particular came from available-for-sale Government Bonds of IDR.18,399,210 million, which was compensated by a decrease in Government Bonds measured at cost of IDR.5,389,475 million.

Table of Government Bond Ownership

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Government Bond				
Measured on Fair Value through Profit and Loss	5.040.996	3.372.637	1.668.359	49,47%
Available for Sale ^{*)}	96.664.454	78.265.244	18.399.210	23,51%
Held to Maturity	18.003.259	17.977.222	26.037	0,14%
Measured on Acquisition Cost ^{**)}	8.079.331	13.468.806	(5.389.475)	(40,01%)
Investment in Unit-Link ^{***)}				
Measured on Fair Value through Profit and Loss	1.212.260	1.200.609	11.651	0,97%
Total Government Bonds	129.000.300	114.284.518	14.715.782	12,88%

^{*)} Including sukuk, project based sukuk and retail sukuk classified as fair value through other comprehensive income.

^{**)} Government Bonds owned by a Subsidiary.

^{***)} Investment in unit-linked is investment owned by the policyholder in a Subsidiary's unit-linked contract which is presented at fair value.

OTHER CHARGES - TRADE TRANSACTIONS

Other Claims - Trade Transactions at Bank Mandiri reached IDR29,104,111 million in 2019. This achievement increased by IDR4,294,652 million or 17.31% from 2018 which reached IDR24,809,459 million. The increase in other receivables - trade transactions mainly originating from other claims - trade transactions with related parties amounted to IDR3,462,535 million.

Table of Other Bills – Trade Transactions

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	14.186.619	10.724.084	3.462.535	32,29%
Third Party	16.229.083	15.688.973	540.110	3,44%
Deducted: Allowance for Impairment Loss	(1.311.591)	(1.603.598)	(292.007)	(18,21%)
Total of Other Bills – Trade Transactions	29.104.111	24.809.459	4.294.652	17,31%

CHARGES FOR EFFECTS PURCHASED BY A PROMISE TO RESELL

Claims on Securities Purchased With Promise to Resell at Bank Mandiri reached IDR1,955,363 million in 2019. This achievement decreased by IDR142,266 million or 6.78% from 2018 which reached IDR2,097,629 million. The decrease in claims for securities purchased under agreement to resell mainly originated from claims for securities purchased under agreement to resell to third parties amounting to IDR142,266 million.

Table of Claim on Security Purchased Under Resale Agreement

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Third Party	1.955.363	2.097.629	(142.266)	(6,78%)



DERIVATIVE CHARGES

Derivative receivables at Bank Mandiri reached IDR1,617,476 million in 2019. This achievement decreased by IDR181,081 million or 10.07% from 2018 which reached IDR1,798,557 million. The decrease in derivative bills mainly came from derivative receivables from related parties of IDR.131,015 million.

Table of Derivative Bills

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	18.817	149.832	(131.015)	(87,44%)
Third Party	1.598.659	1.648.725	(50.066)	(3,04%)
Total Derivative Bills	1.617.476	1.798.557	(181.081)	(10,07%)

DISTRIBUTED LOAN AND SHARIA DUE / FINANCING

Distributed Loans and Sharia Receivables / Financing at Bank Mandiri reached IDR767,761,095 million in 2018. This achievement increased by IDR89,468,575 million or 13.19% from 2017 which reached IDR678,292,520 million. The increase in loans and sharia receivables / financing mainly came from loans and sharia receivables / financing of IDR currency to related parties and third parties amounting to IDR24,357,742 million and IDR37,901,284 million, respectively.

Table of Loans and Account Receivables/Sharia Financing

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
IDR				
Related Parties	138.616.038	114.429.946	24.186.092	21,14%
Third Party	606.188.301	549.997.225	56.191.076	10,22%
Foreign Currency				
Related Parties	32.768.083	46.299.756	(13.531.673)	(29,23%)
Third Party	108.262.815	88.830.261	19.432.554	21,88%
Deducted: Allowance for Impairment Loss	(29.988.393)	(31.796.093)	(1.807.700)	(5,69%)
Total Loan Provided and Receivables /Sharia Financing	855.846.844	767.761.095	88.085.749	11,47%

CONSUMER FINANCING RECEIVABLES

Consumer financing receivables at Bank Mandiri reached IDR18,211,088 million in 2019. This achievement increased by IDR1,384,223 million or 8.23% from 2018 which reached IDR16,826,865 million. The increase in consumer financing receivables in particular came from consumer financing receivables to third parties amounting to IDR1,384,223 million.

Table of Consumer Financing Receivables

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	6.758	8.278	(1.520)	(18,36%)
Third Party	18.558.948	17.189.878	1.369.070	7,96%
Deducted: Allowance for Impairment Loss	(354.618)	(371.291)	(16.673)	(4,49%)
Total Consumer Financing Receivables	18.211.088	16.826.865	1.384.223	8,23%

NET INVESTMENT IN FINANCE LEASES

Net Investment in Financing Leases at Bank Mandiri reached IDR3,319,103 million in 2018. This achievement increased by IDR962,213 million or 40.83% from 2017 which reached IDR2,356,890 million. The increase in net investment in finance leases mainly came from net investments in finance leases to third parties amounting to IDR963,760 million.

Table of Net Investments in Finance Leases

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Third Party	3.055.071	3.328.389	(273.318)	(8,21%)
Deducted: Allowance for Impairment Loss	(7.982)	(9.286)	(1.304)	(14,04%)
Total Net Investments in Finance Leases	3.047.089	3.319.103	(272.014)	(8,20%)

ACCEPTATION CHARGES

Acceptance bills at Bank Mandiri reached IDR10,058,035 million in 2019. This achievement decreased by IDR3,534,374 million or 26.00% from 2018 which reached IDR13,592,409 million. The decrease in acceptances receipts came mainly from acceptance of IDR receipts to debtors of IDR3,108,468 million.

Table of Acceptance of Claims

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5)=(4)/(3)
IDR				
Claim to Other Bank	780.297	1.100.653	(320.356)	(29,11%)
Claim to Debtor	4.488.886	7.597.354	(3.108.468)	(40,92%)
Foreign Currency				
Claim to Other Bank	114.908	308.500	(193.592)	(62,75%)
Claim to Debtor	4.895.748	4.882.355	13.393	0,27%
Deducted: Allowance for Impairment Loss	(221.804)	(296.453)	(74.649)	(25,18%)
Total Acceptance of Claims	10.058.035	13.592.409	(3.534.374)	(26,00%)



INCLUDING STOCK

The investment in shares of Bank Mandiri reached IDR606,010 million in 2019. This achievement increased by IDR184,506 million or 43.77% from 2018 which reached IDR421,504 million. The increase in investment in shares came mainly from shares investment in third parties amounting to IDR377,155 million.

Table of Investment

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5)=(4)/(3)
Related Parties	112.298	322.617	(210.319)	(65,19%)
Third Party	506.631	129.476	377.155	291,29%
Deducted: Allowance for Impairment Loss	(12.919)	(30.589)	(17.670)	(57,77%)
Equity Investment	606.010	421.504	184.506	43,77%

PREPAID EXPENSES

Prepaid Expenses at Bank Mandiri reached IDR3,012,550 million in 2019. This achievement increased by IDR154,364 million or 5.40% from 2018 which reached IDR2,858,186 million. The increase in prepaid expenses mainly came from leases paid in advance, mainly rent for buildings used as Group branch offices and official houses throughout Indonesia amounting to IDR.46,121 million.

Table of Prepayment

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5)=(4)/(3)
Prepaid Lease	1.708.858	1.662.531	46.327	2,79%
Building Maintenance Costs	416.581	556.571	(139.990)	(25,15%)
Others	887.111	639.084	248.027	38,81%
Total Prepaid Expenses	3.012.550	2.858.186	154.364	5,40%

PREPAID TAXES

Prepaid Taxes at Bank Mandiri reached IDR1,176,600 million in 2019. This achievement decreased by IDR59,427 million or 4.81% from 2018 which reached IDR1,236,027 million. The decrease in prepaid taxes was mainly derived from prepaid taxes owned by Bank Mandiri in the amount of IDR.116,345 million.

Table of Prepaid Tax

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5)=(4)/(3)
Bank Mandiri	974.947	1.091.292	(116.345)	(10,66%)
Subsidiaries	201.653	144.735	56.918	39,33%
Total Prepaid Taxes	1.176.600	1.236.027	(59.427)	(4,81%)

FIXED ASSETS

Fixed Assets at Bank Mandiri reached IDR.44,612,199 million in 2019. This achievement increased by IDR.6,169,503 million or 16.05% from 2018 which reached IDR38,442,696 million. The increase in fixed assets mainly came from fixed assets in the form of direct land in the amount of IDR4,163,240 million and fixed assets in the form of buildings in the amount of IDR990,988 million.

Table of Fixed Assets

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Direct Ownership				
Land	34.504.142	30.340.902	4.163.240	13,72%
Building	4.578.647	3.589.189	989.458	27,57%
Equipment, Office Equipment and Computer	2.527.323	2.159.981	367.342	17,01%
Motor vehicle	54.618	63.705	(9.087)	(14,26%)
Assets in progress	2.940.234	2.281.059	659.175	28,90%
Leased Assets	7.235	7.860	(625)	(7,95%)
Total Fixed Assets	44.612.199	38.442.696	6.169.503	16,05%

INTANGIBLE ASSETS

Intangible Assets at Bank Mandiri reached IDR3,321,284 million in 2019. This achievement increased by IDR 556,558 million or 20.13% from 2018 which reached IDR2,764,726 million. The increase in intangible assets especially came from intangible assets in the form of software amounting to IDR 556,558 million.

Table of Intangible Assets

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Software	2.898.169 ^{*)}	2.341.611 ^{*)}	556.558	23,77%
Goodwill	423.115	423.115	-	0,00%
Total Intangible Assets	3.321.284	2.764.726	556.558	20,13%

^{*)} After deducting the amortization value of IDR3,793,603 and IDR3,198,980 as of December 31, 2019 and 2018, respectively.

OTHER ASSETS

Other Assets at Bank Mandiri reached IDR16,750,054 million in 2019. This achievement decreased by IDR1,907,601 million or 10.22% from 2018 which reached IDR18,657,655 million. The decrease in other assets mainly came from other assets in the IDR amounting to IDR2,110,827 million, which was compensated with an increase in other foreign currency assets of IDR227,921 million.

Table of Other Assets

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
IDR	12.793.117	14.903.944	(2.110.827)	(14,16%)
Foreign Currency	4.580.294	4.352.373	227.921	5,24%
Deducted: Allowance	(623.357)	(598.662)	24.695	4,13%
Total Other Assets	16.750.054	18.657.655	(1.907.601)	(10,22%)



DEFERRED TAX ASSETS

The Deferred Tax Assets at Bank Mandiri reached IDR3,951,710 million in 2019. This achievement decreased by IDR1,045,912 million or 20.93% from 2018 which reached IDR4,997,622 million. The decrease in deferred tax assets mainly came from Bank Mandiri's Net deferred tax assets by IDR1,225,394 million.

Table of Deferred Tax Assets

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Net Deferred Tax Asset - Bank Mandiri Only	3.350.632	4.576.026	(1.225.394)	(26,78%)
Deferred Tax Asset - Subsidiary	601.078	421.596	179.482	42,57%
Total Deferred Tax Assets	3.951.710	4.997.622	(1.045.912)	(20,93%)

LIABILITY

Liabilities at Bank Mandiri reached IDR1,025,749,580 million in 2019. This achievement increased by IDR83,796,480 million or 8.90% from 2018 which reached IDR941,953,100 million. The increase in liabilities mainly came from customer deposits of IDR84,099,452 million.

Table of Liabilities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Immediate liabilities	3.169.451	3.843.194	(673.743)	(17,53%)
Customer Deposits	850.108.345	766.008.893	84.099.452	10,98%
Deposits from Other Banks	13.397.866	16.493.815	(3.095.949)	(18,77%)
Liability to Policyholder in Unit-Link Contract	24.037.658	22.357.802	1.679.856	7,51%
Liability for Security Purchased under Resale Agreement	3.782.055	16.611.528	(12.829.473)	(77,23%)
Derivative Liability	1.195.022	1.117.677	77.345	6,92%
Acceptance Liability	10.279.839	13.888.862	(3.609.023)	(25,99%)
Published Securities – Net	32.245.270	19.088.923	13.156.347	68,92%
Estimated Loss of Commitment and Contingency	386.039	125.729	260.310	207,04%
Accrued Expense	6.215.561	4.835.467	1.380.094	28,54%
Tax Debt	1.286.973	1.087.949	199.024	18,29%
Employee Benefit Liability	7.586.150	7.987.887	(401.737)	(5,03%)
Provision	405.312	370.525	34.787	9,39%
Other Liabilities	16.861.260	15.795.137	1.066.123	6,75%
Received Loan	54.128.562	51.653.982	2.474.580	4,79%
Loans and Subordinated Securities – Net	664.217	685.730	(21.513)	(3,14%)
TOTAL LIABILITIES	1.025.749.580	941.953.100	83.796.480	8,90%

IMMEDIATE LIABILITY

Immediate liabilities at Bank Mandiri reached IDR3,169,451 million in 2019. This achievement decreased by IDR673,743 million or 17.53% from 2018 which reached IDR3,843,194 million. The decrease in liabilities immediately originated mainly from the increase in liabilities related to non-customer demand deposits which had to be settled in the amount of IDR1,091,762 million and liabilities related to clearing to be paid in the amount of IDR137,497 million, which was compensated by a decrease in liabilities related to incoming telegraph transfers of IDR204,998 million and liabilities related to other feed safekeeping of IDR13,330 million

Table of Immediate Liabilities

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5) = (4)/(3)
Immediate liabilities	3.169.451	3.843.194	(673.743)	(17,53%)

CUSTOMER DEPOSITS

Customer Deposits at Bank Mandiri reached IDR850,108,345 million in 2019. This achievement increased by IDR84,099,452 million or 10.98% from 2018 which reached IDR766,008,893 million. The increase in customer deposits mainly came from demand deposits and wadiah demand deposits amounting to IDR.47,620,511 million and time deposits amounting to IDR19,273,222 million.

Table of Customer Deposits

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5) = (4)/(3)
Current Account/Wadiah Current Account	247.444.267	199.823.756	47.620.511	23,83%
Saving/Wadiah Saving	324.488.072	307.282.353	17.205.719	5,60%
Time Deposit	278.176.006	258.902.784	19.273.222	7,44%
Total Customer Deposits	850.108.345	766.008.893	84.099.452	10,98%

DEPOSITS FROM OTHER BANKS

Deposits from Other Banks at Bank Mandiri reached IDR13,397,866 million in 2019. This achievement decreased by IDR3,095,949 million or 18.77% from 2018 which reached IDR16,493,815 million. The decrease in deposits from other banks in particular came from deposits in the form of inter-bank call money of IDR8,252,837 million, which was compensated with an increase in deposits from other banks in the form of demand deposits, Wadiah demand deposits and savings of IDR3,909,884 million.

Table of Deposits from Other Banks

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5) = (4)/(3)
Current Account/Wadiah Current Account and Deposit	7.748.268	3.838.384	3.909.884	101,86%
Inter-Bank Call Money	219.360	8.472.197	(8.252.837)	(97,41%)
Time Deposit	5.430.238	4.183.234	1.247.004	29,81%
Total Deposits from Other Banks	13.397.866	16.493.815	(3.095.949)	(18,77%)

LIABILITY TO POLICY HOLDERS ON UNIT-LINK CONTRACTS

Liabilities To Policyholders In Unit-Link Contracts at Bank Mandiri reached IDR24,037,658 million in 2019. This achievement increased by IDR1,679,856 million or 7.51% from 2018 which reached IDR22,357,802 million. The increase in liabilities to policyholders in unit-linked contracts was mainly derived from liabilities to policyholders in non-sharia unit-linked contracts amounting to IDR1,704,576 million.

**Table of Liabilities to Policyholders in Unit-Link Contracts**

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Non-Sharia	22.955.397	21.250.821	1.704.576	8,02%
Sharia	1.082.261	1.106.981	(24.720)	(2,23%)
Total Liabilities to Policyholders in Unit-Link Contracts	24.037.658	22.357.802	1.679.856	7,51%

LIABILITIES FOR SECURITIES PURCHASED UNDER RESALE AGREEMENT

Liabilities for Securities Sold with Promises to Be Repurchased at Bank Mandiri reached IDR3,782,055 million in 2019. This achievement decreased by IDR12,829,473 million or 77.23% from 2018 which reached IDR16,611,528 million. The decrease in liabilities for securities sold with agreements to repurchase specifically originated from liabilities for securities sold with agreements to repurchase third parties amounting to IDR12,727,239 million.

Table of Liability for Security Purchased under Resale Agreement

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	-	102.234	(102.234)	(100,00%)
Third Party	3.782.055	16.509.294	(12.727.239)	(77,09%)
Total Liability for Security Purchased under Resale Agreement	3.782.055	16.611.528	(12.829.473)	(77,23%)

DERIVATIVE LIABILITIES

Derivative liabilities at Bank Mandiri reached IDR1,195,022 million in 2019. This achievement increased by IDR77,345 million or 6.92% from 2018 which reached IDR1,117,677 million. The increase in derivative liabilities mainly originated from derivative liabilities to third parties amounting to IDR53,966 million.

Table of Derivative Liabilities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	42.505	19.126	23.379	122,24%
Third Party	1.152.517	1.098.551	53.966	4,91%
Total Liability for Security Purchased under Resale Agreement	1.195.022	1.117.677	77.345	6,92%

ACCEPTANCE LIABILITIES

Acceptance liabilities at Bank Mandiri reached IDR10,279,839 million in 2019. This achievement decreased by IDR3,609,023 million or 25.99% from 2018 which reached IDR13,888,862 million. The decrease in acceptances payable mainly originated from acceptances payable to related parties amounting to IDR2,612,445 million.

Table of Acceptance Liabilities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	2.076.355	4.688.800	(2.612.445)	(55,72%)
Third Party	8.203.484	9.200.062	(996.578)	(10,83%)
Total Derivative Liabilities	10.279.839	13.888.862	(3.609.023)	(25,99%)

ISSUED SECURITIES

Securities Issued at Bank Mandiri reached IDR32,245,270 million in 2019. This achievement increased by IDR13,156,347 million or 68.92% from 2018 which reached IDR19,088,923 million. The increase in issued securities in particular came from securities issued to third parties amounting to IDR12,565,205 million.

Table of Issued Securities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	10.696.100	10.071.700	624.400	6,20%
Third Party	21.620.405	9.055.200	12.565.205	138,76%
Deducted: Unamortized Publishing Fee	(71.235)	(37.977)	33.258	87,57%
Total Issued Securities	32.245.270	19.088.923	13.156.347	68,92%

ESTIMATED LOSS OF COMMITMENTS AND CONTINGENCY

Estimated Loss on Commitments and Contingencies at Bank Mandiri reached IDR386,039 million in 2019. This achievement increased by IDR260,310 million or 207.04% from 2018 which reached IDR125,729 million. The increase in estimated losses on commitments and contingencies especially originated from the formation of allowances in 2019 amounting to IDR262,215 million while in 2018 there was a reversal of allowances of IDR270,973 million.

Table of Estimated Loss of Commitment and Contingency

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Balance at Beginning of the Year	125.729	381.771	(256.042)	(67,07%)
(Reversal)/Allowance During the Year	262.215	(270.973)	533.188	196,77%
Others*)	(1.905)	14.931	(16.836)	(112,76%)
Balance at the End of the Year	386.039	125.729	260.310	207,04%

*) Includes foreign exchange differences due to foreign currency translation.

ACCRUED EXPENSES

Accrued Expenses at Bank Mandiri reached IDR6,215,561 million in 2019. This achievement increased by IDR1,380,094 million or 28.54% from 2018 which reached IDR4,835,467 million. The increase in accrued expenses mainly came from the procurement of fixed assets and software amounting to IDR.660,255 million and interest expenses amounting to IDR191,227 million.



Table of Accrued Expenses

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Procurement of Fixed Assets and Software	2.360.967	1.700.712	660.255	38,82%
Interest expense	1.747.159	1.555.932	191.227	12,29%
Third Party Personnel Service	361.851	401.594	(39.743)	(9,90%)
Promotion	236.507	352.394	(115.887)	(32,89%)
Office Clothes Expense, Recreation, etc.	99.725	43.718	56.007	128,11%
Professional service expenses	49.719	37.756	11.963	31,69%
Others	1.359.633	743.361	616.272	82,90%
Total of Accrued Expenses	6.215.561	4.835.467	1.380.094	28,54%

TAX DEBT

Tax debt at Bank Mandiri reached IDR1,286,973 million in 2019. This achievement increased by IDR199,024 million or 18.29% from 2018 which reached IDR1,087,949 million. The increase in tax debt mainly came from other tax debts amounting to IDR268,749 million.

Table of Tax Debts

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Curent Tax Debt	262.770	332.495	(69.725)	(20,97%)
Other Tax Debt	1.024.203	755.454	268.749	35,57%
Total Tax Debts	1.286.973	1.087.949	199.024	18,29%

EMPLOYEE BENEFIT LIABILITIES

Employee benefits liabilities at Bank Mandiri reached IDR7,586,150 million in 2019. This achievement decreased by IDR401,737 million or 5.03% from 2018 which reached IDR7,987,887 million. The decrease in employee benefits liabilities was mainly derived from reserves for bonuses, incentives, leave and THR of IDR. 587,222 million, which was compensated by an increase in the allowance for employee appreciation fees of IDR. 185,485 million.

Table of Employee Benefit Liabilities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Allowance for Employee Reward Expense	3.748.969	3.563.484	185.485	5,21%
Reserve for Bonus, Incentive, Leave and THR	3.837.181	4.424.403	(587.222)	(13,27%)
Total Employee Benefit Liabilities	7.586.150	7.987.887	(401.737)	(5,03%)

PROVISIONS

Provisions at Bank Mandiri reached IDR405,312 million in 2019. This achievement increased by IDR34,787 million or 9.39% from 2018 which reached IDR370,525 million. The increase in provision mainly came from the increase in provision for estimated fraud contingent losses amounting to IDR36,133 million.

Table of Provision

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Provision	405.312	370.525	34.787	9,39%

OTHER LIABILITIES

Other Liabilities at Bank Mandiri reached IDR16,861,260 million in 2019. This achievement increased by IDR1,066,123 million or 6.75% from 2018 which reached IDR15,795,137 million. The increase in other liabilities mainly originated from other liabilities in IDR related to liabilities to policyholders of IDR.884,058 million.

Table of Other Liabilities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Other Liabilities	16.861.260	15.795.137	1.066.123	6,75%

RECEIVED LOANS

Loans Received at Bank Mandiri reached IDR54,128,562 million in 2019. This achievement increased by IDR2,474,580 million or 4.79% from 2018 which reached IDR51,653,982 million. The increase in loans received mainly came from loans received by third parties amounting to IDR1,913,292 million.

Table of Received Loans

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	984.974	423.686	561.288	132,48%
Third Party	53.143.588	51.230.296	1.913.292	3,73%
Total Received Loans	54.128.562	51.653.982	2.474.580	4,79%

LOANS AND SUBORDINATED SECURITIES

Loans and Subordinated Securities at Bank Mandiri reached IDR.664,217 million in 2019. This achievement decreased by IDR21,513 million or 3.14% from 2018 which reached IDR685,730 million. The decrease in loans and subordinated securities in particular originated from third party subordinated loans of IDR12,745 million.

Table of Loans and Subordinated Securities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties	127.750	136.750	(9.000)	(6,58%)
Third Party	537.295	550.040	(12.745)	(2,32%)
Deducted: Unamortized Publishing Fee	(828)	(1.060)	(232)	(21,89%)
Total Loans and Subordinated Securities	664.217	685.730	(21.513)	(3,14%)



TEMPORARY SYIRKAH FUNDS

Temporary Syirkah Funds in Bank Mandiri reached IDR83.462.230 million in 2019. It has increased IDR8.123.541 million or 10,78% from which in 2018 that reached IDR75.338.689 million. The rise particularly generated from temporary syirkah funds in the form of customers' deposit IDR8.111.124 million.

Table of Temporary Shirkah Fund

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Customer Deposits	83.016.203	74.905.079	8.111.124	10,83%
Deposits from Other Banks	446.027	433.610	12.417	2,86%
TOTAL TEMPORARY SHIRKAH FUNDS	83.462.230	75.338.689	8.123.541	10,78%

CUSTOMER DEPOSITS

Customer Deposits in Bank Mandiri reached IDR83.016.203 million in 2019. The amount has increased IDR8.111.124 million or 10,83% from which in 2018 that reached IDR74.905.079 million. The increase generated from third parties' deposits for deposits-restricted and unrestricted investment—mudharabah IDR.292.312 million and mudharabah deposits – unrestricted investment IDR3.074.470 million.

Table of Customer Deposits

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Related Parties				
Saving - Restricted Investment Account and Unrestricted Investment Account – Mudharabah	207.504	144.810	62.694	43,29%
Mudharabah Deposit - Unrestricted Investment Account	1.526.416	2.132.346	(605.930)	(28,42%)
Third Party				
Current Account - Restricted Investment Account and Mudharabah Musyarakah Current Account - Musyarakah	2.969.820	682.242	2.287.578	335,30%
Saving - Restricted Investment Account and Unrestricted Investment Account – Mudharabah	34.465.922	31.173.610	3.292.312	10,56%
Mudharabah Deposit - Unrestricted Investment Account	43.846.541	40.772.071	3.074.470	7,54%
Total Customer Deposits	83.016.203	74.905.079	8.111.124	10,83%

DEPOSITS FROM OTHER BANKS

Deposits from Other Banks in Bank Mandiri reached IDR446.027 million in 2019. The amount has increased IDR12.417 million or 2,86% from which in 2018 that reached IDR433.610 juta. The increase mainly generated from mudharabah deposits – unrestricted investment IDR65.786 million, that was compensated by the decrease of mudharabah deposits – unrestricted investment IDR53.369 million.

Table of Deposits from Other Banks

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Mudharabah Saving – Unrestricted Investment Account	343.098	277.312	65.786	23,72%
Mudharabah Deposit - Unrestricted Investment Account	102.929	156.298	(53.369)	(34,15%)
Total Deposits from Other Banks	446.027	433.610	12.417	2,86%

EQUITIES

Equities in Bank Mandiri reached IDR209.034.525 million in 2019. The amount has increased IDR24.074.220 million or 13,02% from which in 2018 that reached IDR184.960.305 million. The rise mainly generated from retained earnings IDR16.225.374 million.

Table of Equities

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Share Capital	11.666.667	11.666.667	-	0,00%
Additional Paid-in Capital / Shared Agio	17.316.192	17.316.192	-	0,00%
Difference in Exchange Rates Due to Description of Financial Statement in Foreign Currency	13.388	112.171	(98.783)	(88,06%)
Net Profit/(Loss) Unrealized from Decreased Fair Values of Government Bond Security and Investment Available for Sale after Deducted for Deferred Tax	1.385.796	(1.638.088)	3.023.884	184,60%
Effective Part of Cash Flow Hedge	(30.045)	(17.030)	13.015	76,42%
Net Difference of Fixed Asset Revaluation	30.306.255	26.435.307	3.870.948	14,64%
Net Actuarial (Loss)/Profit of Defined Benefit Program After Deducted for Deferred Tax	653.489	348.613	304.876	87,45%
Difference of Transaction with Non-Controlling Party	85.052	-	85.052	100,00%
Retained Earning	(106.001)	(106.001)	-	0,00%
Non-Controlling Interest on Consolidated Net Asset of Subsidiary	143.310.060	127.084.686	16.225.374	12,77%
TOTAL EQUITY	4.433.672	3.757.788	675.884	17,99%
JUMLAH EKUITAS	209.034.525	184.960.305	24.074.220	13,02%

CAPITAL STOCK

Capital Stock in Bank Mandiri reached IDR11.666.667 million in 2019. The amount remained steadily from which in 2018 that also reached IDR11.666.667 million.

ADDITIONAL PAID IN CAPITAL/AGIO CAPITAL

Additional Paid in Capital/Agio Capital in Bank Mandiri reached IDR17.316.192 million in 2019. The amount remained steadily from which in 2018 that also reached IDR17.316.192 million.

DIFFERENCE IN EXCHANGE DUE TO THE DESCRIPTION OF FINANCIAL STATEMENT IN FOREIGN CURRENCY

Difference in exchange due to the description of financial statement in foreign currency in Bank Mandiri reached IDR13.388 million in 2019. The amount has decreased IDR98.783 million or 88,06% from which in 2018 that reached IDR112.171 million.

NET PROFIT/(LOSS) UNREALIZED FROM THE INCREASE/(DECREASE) OF FAIR VALUE OF GOVERNMENT STOCKS AND BONDS AVAILABLE-FOR-SALE AFTER REDUCED BY DEFERRED TAX

Net profit/(loss) unrealized from the increase/(decrease) of fair value of government stocks and bonds available for sale after reduced by deferred tax in Bank Mandiri reached profit IDR1.385.796 million in 2019. The amount has increased IDR3.023.884 million or 184,60% from which in 2018 that lost IDR1.638.088 million.



EFFECTIVE PORTION OF CASH FLOW HEDGE

Effective portion of cash flow hedge in Bank Mandiri reached (IDR30.045) million in 2019. The amount has increased IDR13.015 million or 76,42% from which in 2018 that reached (IDR17.030) million.

NET DIFFERENCE OF FIXED ASSETS REVALUATION

Net difference of fixed assets revaluation in Bank Mandiri reached IDR30.306.255 million in 2019. This amount has increased IDR3.870.948 million or 14,64% from which in 2018 that reached 26.435.307 million.

NET ACTUARIAL PROFIT OF DEFINED BENEFIT PROGRAM AFTER REDUCED BY DEFERRED TAX

Net actuarial profit defined benefit program after reduced by deferred tax in Bank Mandiri reached IDR653.489 million in 2019. The amount has increased IDR304.876 million or 87,45% from which in 2018 that reached IDR348.613 million.

OTHER COMPREHENSIVE INCOME

Other comprehensive income in Bank Mandiri reached IDR85.052 million in 2019. The amount has increased IDR85.052 million or 100,00% from which in 2018.

DIFFERENCE OF TRANSACTION WITH NON-CONTROLLING PARTY

Difference of transaction with non-controlling party in Bank Mandiri reached (IDR106.001) million in 2019. The amount has remained steadily from which in 2018 that also reached (IDR106.001) million.

RETAINED EARNINGS

Retained earnings in Bank Mandiri reached IDR143.310.060 million in 2019. The amount has increased IDR16.225.374 million or 12,77% from which in 2018 that reached IDR127.084.686 million.

NON-CONTROLLING INTEREST ON CONSOLIDATED NET ASSET ENTITY OF SUBSIDIARY

Non-controlling interest on consolidated net asset entity of subsidiary in Bank Mandiri reached IDR4.433.672 million in 2019. The amount has increased IDR675.884 million or 17,99% from which in 2018 that reached IDR3.757.788 million.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

Throughout 2019, Bank Mandiri managed to earn consolidated Net Profit of IDR27,482,133 million or increased by 9.86% from IDR25,015,021 million in 2018.

Table of the Consolidated Summary of Profit and Loss and Other Comprehensive Income

(in IDR Million)

Description	2019	2018	Growth	
			(IDR)	(%)
(1)	(2)	(3)	(4) = (2)-(3)	(5) = (4)/(3)
OPERATING INCOME AND EXPENSES				
Interest Income and Sharia Income	91.525.090	80.992.570	10.532.520	13,00%
Interest Expense and Sharia Expense	(32.084.902)	(26.369.938)	5.714.964	21,67%
Interest and Sharia Income – Net	59.440.188	54.622.632	4.817.556	8,82%
Premium Income – Net	1.807.503	2.707.133	(899.630)	(33,23%)
Interest, Sharia, and Premium Income – Net	61.247.691	57.329.765	3.917.926	6,83%
Other Operating Income	26.490.398	27.672.065	(1.181.667)	(4,27%)
Allowance for Impairment Losses	(11.742.986)	(14.394.973)	(2.651.987)	(18,42%)
Reversal/(Formation) for Estimated Losses on Commitments and Contingencies	(262.215)	270.973	533.188	196,77%
Other Allowance Formation	(67.262)	(61.498)	5.764	9,37%
Unrealised Gains/(Losses) from an Increase/(Decrease) in the Fair Value of Marketable Securities, Government Bonds, and Policyholders' Investment in Unit-Link Contracts	8.205	(18.483)	26.688	144,39%
Gains on Sale of Marketable Securities and Government Bonds	853.850	674.087	179.763	26,67%
Other Operating Expense	(40.076.167)	(37.566.139)	2.510.028	6,68%
OPERATING PROFIT	36.451.514	33.905.797	2.545.717	7,51%
Income/(Expenses) Non-Operating - Net	(10.074)	37.572	(47.646)	(126,81%)
PROFIT BEFORE TAX EXPENSES AND NON-CONTROLLING INTERESTS	36.441.440	33.943.369	2.498.071	7,36%
Tax Expenses - Net	(7.985.848)	(8.091.432)	(105.584)	(1,30%)
PROFIT FOR THE CURRENT YEAR	28.455.592	25.851.937	2.603.655	10,07%
OTHER COMPREHENSIVE INCOME				
Items That Will Not Be Reclassified To Profit or Loss	4.252.631	1.585.482	2.667.149	168,22%
Items That Will Be Reclassified To Profit or Loss	2.958.445	(2.902.231)	5.860.676	201,94%
Other Comprehensive Income for the Current	7.211.076	(1.316.749)	8.527.825	647,64%
Year – after Income Tax	35.666.668	24.535.188	11.131.480	45,37%
TOTAL COMPREHENSIVE INCOME OF THE CURRENT YEAR	28.455.592	25.851.937	2.603.655	10,07%
Owner of Parent Company	27.482.133	25.015.021	2.467.112	9,86%
Non-Controlling Interest	973.459	836.916	136.543	16,32%
Total Comprehensive Income for the Current Year Attributed to:	35.666.668	24.535.188	11.131.480	45,37%
Owner of Parent Company	34.655.095	23.771.531	10.883.564	45,78%
Non-Controlling Interest	1.011.573	763.657	247.916	32,46%
PROFIT PER SHARE (in full IDR)	588,90	536,04	52,86	9,86%



INTEREST AND SHARIA INCOME - NET

Interest and Sharia Income-Net in Bank Mandiri reached IDR59.440.188 million in 2019. The amount has increased IDR4.817.556 million or 8,82% from which in 2018 that reached IDR54.622.632 million. The increase mainly generated from the interest income IDR9.976.793 million, that was compensated by the increase of interest expense IDR5.359.598 million.

Table of Interest and Sharia Income – Net

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Interest Income	84.431.175	74.454.382	9.976.793	13,40%
Sharia Income	7.093.915	6.538.188	555.727	8,50%
Total Interest Income and Sharia Income	91.525.090	80.992.570	10.532.520	13,00%
Interest expense	(29.070.226)	(23.710.628)	5.359.598	22,60%
Sharia Expense	(3.014.676)	(2.659.310)	355.366	13,36%
Total Interest Expense and Sharia Expense	(32.084.902)	(26.369.938)	5.714.964	21,67%
Interest and Sharia Income – Net	59.440.188	54.622.632	4.817.556	8,82%

PREMIUM INCOME - NET

Premium Income-Net in Bank Mandiri reached IDR1.807.503 million in 2019. The amount has decreased IDR899.630 million or 33,23% from which in 2018 that reached IDR2.707.133 million. The fall mainly generated from the increase in claim expense IDR1.670.793 million compensated by premium income IDR771.163 million.

Table of Premium Income – Net

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Premium Income	11.113.650	10.342.487	771.163	7,46%
Claim Expense	(9.306.147)	(7.635.354)	1.670.793	21,88%
Premium Income – Net	1.807.503	2.707.133	(899.630)	(33,23%)

OTHER OPERATING INCOME

Other operating income in Bank Mandiri reached IDR26.490.398 million in 2019. The amount has decreased IDR1.181.667 million or 4,27% from which in 2018 that reached IDR27.672.065 million. The income mainly generated from other operating income—others IDR2.598.646 million compensated by the increase in other operating income—provisions and commissions IDR1.202.649 million.

Table of Other Operating Income

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Other Fees and Commissions	14.216.435	13.013.786	1.202.649	9,24%
Income from Marketable Group - Net	3.871.620	3.657.290	214.330	5,86%
Others	8.402.343	11.000.989	(2.598.646)	(23,62%)
Total Other Operating Income	26.490.398	27.672.065	(1.181.667)	(4,27%)

ALLOWANCE FOR IMPAIRMENT LOSS

Formation of Allowance for Impairment Loss in Bank Mandiri reached IDR11.742.986 million in 2019. The amount has decreased IDR2.651.987 million or 18,42% from which in 2018 that reached IDR14.394.973 million. The fall mainly generated from the provided loans IDR2.013.824 million.

Table of Allowance for Impairment Losses

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Current Account with Other Banks	(248)	(1.703)	(1.455)	(85,44%)
Placement with Other Banks	51	(115)	(166)	(144,35%)
Securities	11.701	(20.263)	(31.964)	(157,75%)
Other Receivables – Trade Transactions	262.928	(178.324)	(441.252)	(247,44%)
Loans	(11.468.133)	(13.481.957)	(2.013.824)	(14,94%)
Consumer Financing Receivables	(564.224)	(638.849)	(74.625)	(11,68%)
Net Investment in Leasing	(17.342)	(3.950)	13.392	339,04%
Acceptance Claims	65.114	(49.878)	(114.992)	(230,55%)
Equity Investment	(32.833)	(19.934)	12.899	64,71%
Allowance for Impairment Losses	(11.742.986)	(14.394.973)	(2.651.987)	(18,42%)

FORMATION OF OTHER ALLOWANCES

Formation of Other Allowances in Bank Mandiri reached IDR67.626 million in 2019. The amount has increased IDR6.128 million or 9,96% from which in 2018 that reached IDR61.498 million. The rise of the formation mainly generated from the formation of allowance on estimated loss arising from fraud cases IDR6.758 million.

Table of Formation of Other Allowances

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Estimated Losses Arising from Fraud	(17)	18	35	194,44%
Estimated Losses Arising from Legal Cases	810	7.568	(6.758)	(89,30%)
Losses Arising from Operating Risk – External Fraud	(22.768)	(5.580)	17.188	308,03%
Losses of Other Operating Risks	(28.339)	-	28.339	100,00%
Other Assets	(1.455)	-	1.455	100,00%
Other Allowance Formation	(9.722)	-	9.722	100,00%
Loss Operational risk - execution management, shipping & processing	(1.227)	-	1.227	100,00%
Losses of Other Operating Risks	-	(7.282)	(7.282)	(100,00%)
Other Assets	(4.544)	(56.222)	(51.678)	(91,92%)
Other Allowance Formation	(67.262)	(61.498)	5.764	9,37%



UNREALIZED PROFIT/(LOSS) FROM INCREASE/(DECREASE) INVESTMENT FAIR VALUE OF POLICY HOLDERS ON UNIT-LINK CONTRACT

Unrealized profit/(Loss) from increase/(Decrease) Investment Fair Value of Policy Holders on Unit-Link Contract in Bank Mandiri reached profit IDR8.205 million in 2019. The amount has increased IDR26.688 million or 144,39% from which in 2018 that lost IDR18.483 million.

Table of Unrealised Gains/(Losses) from an Increase/(Decrease) in the Fair Value of Marketable Securities, Government Bonds, and Policyholders' Investment in Unit-Link Contracts

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Changes in the Fair Value of Policyholders' Investment and an Increase/(Decrease) in the Liability Contract in Unit-Link Contracts				
Changes in the Fair Value of Policyholders' Investment	1.759	1.802.602	(1.800.843)	(99,90%)
Increase in the Liabilities under Unit-Link Contracts	(1.759)	(1.802.602)	(1.800.843)	(99,90%)
Others	8.205	(18.483)	26.688	144,39%
Unrealised Gains/(Losses) from an Increase/(Decrease) in the Fair Value of Marketable Securities, Government Bonds, and Policyholders' Investment in Unit-Link Contracts	8.205	(18.483)	26.688	144,39%

PROFIT ON SALE OF GOVERNMENT STOCKS AND BONDS

Profit on Sale of Government Stocks and Bonds in Bank Mandiri reached IDR853.850 million in 2019. The amount has increased IDR179.763 million or 26,67% from which in 2018 that reached IDR674.087 million. The increase mainly generated from government bonds that were available for sale IDR122.760 million.

Table of Gains on Sale of Marketable Securities and Government Bonds

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Available for sale				
Securities	352.269	229.509	122.760	53,49%
Government Bond	501.581	444.578	57.003	12,82%
Gains on Sale of Marketable Securities and Government Bonds	853.850	674.087	179.763	26,67%

OTHER OPERATING EXPENSES

Other Operating Expenses in Bank Mandiri reached IDR40.076.167 million in 2019. The amount has increased IDR2.510.028 million or 6,68% from which in 2018 that reached IDR37.566.139 million. The rise mainly generated from general and administrative expenses IDR1.048.048 million.

Table of Other Operating Expenses

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Salary and Allowance Expense	(17.221.046)	(16.322.769)	898.277	5,50%
General and Administrative Expenses	(17.635.053)	(16.587.005)	1.048.048	6,32%
Miscellaneous - Net	(5.220.068)	(4.656.365)	563.703	12,11%
Total Other Operating Expenses	(40.076.167)	(37.566.139)	2.510.028	6,68%

NON-OPERATING INCOME/(EXPENSE)

Non-Operaning Income/(Expense) in Bank Mandiri reached (IDR10.074) million in 2019. The amount has decreased IDR47.646 million or 126,81% from which in 2018 that reached IDR37.572 million. The decrease mainly generated from the decrease of other non-operating income IDR38.285 million.

Table of Non-Operating Income / (Expenses)

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Gains on Sale of Fixed Assets	12.529	21.890	(9.361)	(42,76%)
Miscellaneous - Net	(22.603)	15.682	(38.285)	(244,13%)
Non-Operating Income / (Expenses)	(10.074)	37.572	(47.646)	(126,81%)

PROFIT BEFORE TAX EXPENSES AND NON-CONTROLLING INTERESTS

Profit Before Tax Expense and Non-Controlling Interest in Bank Mandiri reached IDR36.441.440 million in 2019. The amount has increased IDR2.498.071 million or 7,36% from which in 2018 that reached IDR33.943.369 million. The rise mainly generated from operating profit IDR2.545.717 million.

Table of Profit before Tax Expense and Non-Controlling Interests

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Operating Profit	36.451.514	33.905.797	2.545.717	7,51%
Non-Operating Income / (Expenses)	(10.074)	37.572	(47.646)	(126,81%)
Profit before Tax Expense and Non-Controlling Interests	36.441.440	33.943.369	2.498.071	7,36%

TAX EXPENSES

Tax Expenses in Bank Mandiri reached IDR7.985.848 million in 2019. The amount has decreased IDR105.584 million or 1,30% from which in 2018 that reached IDR105.584 million. The decrease mainly generated from the deferred tax expense IDR508.663 million.



Table of Tax Expenses

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Current Tax				
Current Year	(7.433.937)	(5.918.708)	1.515.229	25,60%
Previous Year	(201.197)	(1.313.347)	(1.112.150)	(84,68%)
Deferred Tax	(350.714)	(859.377)	(508.663)	(59,19%)
Tax Expenses - Net	(7.985.848)	(8.091.432)	(105.584)	(1,30%)

CURRENT YEAR PROFIT

Current Year Profit in Bank Mandiri reached IDR28.455.592 million in 2019. The amount has increased IDR2.603.655 million or 10,07% from which in 2018 that reached IDR25.851.937 million. The increase mainly generated from the profit before tax expense and non-controlling interest IDR2.498.071 million.

Table of the Profit for the Current Year

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Profit before Tax Expense and Non-Controlling Interests	36.441.440	33.943.369	2.498.071	7,36%
Tax Expenses - Net	(7.985.848)	(8.091.432)	(105.584)	(1,30%)
Profit for the Current Year	28.455.592	25.851.937	2.603.655	10,07%

OTHER COMPREHENSIVE INCOME/(EXPENSE)

Other comprehensive income/(expense) in Bank Mandiri reached IDR7.211.076 million in 2019. The amount has significantly increased IDR8.527.825 million or 647,64% from which in 2018 that reached (IDR1.316.749) million. The rise mainly generated from the change of fair value of financial asset in available-for-sale group IDR7.405.068 million.

Table of Other Comprehensive Income

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Items not reclassified as Profit or Loss				
Profit of Fixed Asset Revaluation	3.870.948	768.681	3.102.267	403,58%
Actuarial Profit of Defined Benefit Plan	368.663	1.023.174	(654.511)	(63,97%)
Income Tax Related to Items that are not Reclassified as Profit Profit Loss	(72.032)	(206.373)	(134.341)	(65,10%)
Other	85.052	-	85.052	100,00%
Total Items that are not Reclassified as Profit or Loss	4.252.631	1.585.482	2.667.149	168,22%
Item Classified as Profit or Loss				

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Adjustment as a result of Description of Financial Statement in Foreign Currency	(100.228)	(55.547)	44.681	80,44%
Changes in Fair Value of Available-for-Sale Financial Asset	3.819.305	(3.585.763)	7.405.068	206,51%
Effective Portion from Cash Flow Hedge	(34.028)	(27.695)	6.333	22,87%
Income Tax Related to Items reclassified to Profit or Loss	(726.604)	766.774	(1.493.378)	(194,76%)
Total Item Reclassified to Profit or Loss	2.958.445	(2.902.231)	5.860.676	201,94%
Comprehensive Current Year Income/(Expense) - After Tax Income	7.211.076	(1.316.749)	8.527.825	647,64%

ATTRIBUTABLE COMPREHENSIVE PROFIT AND INCOME

Current Year Attributable Comprehensive Profit and Income in Bank Mandiri reached IDR35.666.668 million in 2019. The amount has increased IDR11.131.480 million or 45,37% from which in 2018 that reached IDR24.535.188 million. The rise mainly generated from current year comprehensive income attributed to the owner of parent company IDR10.883.564 million.

Table of Profit Attribution

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Owner of Parent Company	27.482.133	25.015.021	2.467.112	9,86%
Non-Controlling Interest	973.459	836.916	136.543	16,32%
Profit for the Current Year Attributable	28.455.592	25.851.937	2.603.655	10,07%
Owner of Parent Company	34.655.095	23.771.531	10.883.564	45,78%
Non-Controlling Interest	1.011.573	763.657	247.916	32,46%
Comprehensive Income for the Current Year Attributable	35.666.668	24.535.188	11.131.480	45,37%

EARNING PER SHARE

Earnings per share at Bank Mandiri reached IDR588.90 in 2019. This achievement has increased from 2018 which reached IDR536.04. The increase in earnings per share comes from the increase in profits attributable to owners of the parent.

Table of Earning per Share

(in full IDR)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
Basic	588,90	536,04	52,86	9,86%
Diluted	588,90	536,04	52,86	9,86%



CONSOLIDATED CASH FLOW REPORTS

With strong operating cash flow, Bank Mandiri is in a solid position to grow in the future. This is reflected in the disclosures in cash flow as follows:

Table of Cash Flow

(in IDR Million)

Description (1)	2019 (2)	2018 (3)	Growth	
			(IDR) (4) = (2)-(3)	(%) (5) = (4)/(3)
CASH FLOWS FROM OPERATIONAL ACTIVITIES				
Net Cash Acquired / (Used for) from Operational Activities	23.967.890	(31.962.470)	55.930.360	174,99%
CASH FLOWS FROM INVESTMENT ACTIVITIES				
Net Cash Used in Investment Activities	(16.251.888)	(21.041.189)	4.789.301	22,76%
CASH FLOWS FROM FUNDING ACTIVITIES				
Net Cash Used (for) / Acquired from Funding Activities	(6.872.016)	17.151.038	(24.023.054)	(140,07%)
INCREASE / (DECREASE) CASH NET AND CASH EQUIVALENT	843.986	(35.852.621)	36.696.607	102,35%
IMPACT OF CHANGE DIFFERENCE ON CASH AND CASH EQUAL	(1.728.922)	1.754.511	(3.483.433)	(198,54%)
Cash and Cash Equivalents at the Beginning of the Year	124.677.686	158.775.796	(34.098.110)	(21,48%)
Cash and Cash Equivalents at the End of the Year	123.792.750	124.677.686	(884.936)	(0,71%)

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities in Bank Mandiri reached IDR23.967.890 million in 2019. The amount has leveled up IDR55.930.630 million or 174,99% from which in 2018 that reached (IDR31.962.470) million. The rise mainly generated from the increase of current account IDR50.444.626 million.

CASH FLOW FROM INVESTMENT ACTIVITIES

Cash flow from investment activities in Bank Mandiri reached (IDR16.251.888) million in 2019. The amount has increased IDR4.789.301 million or 22,76% from which in 2018 that reached (IDR21.041.189) million. The increase mainly generated from the decrease in stocks purchase—besides measured on fair value through profit loss IDR3.867.357 million.

CASH FLOW FROM FINANCING ACTIVITIES

Cash flow from financing activities in Bank Mandiri reached (IDR6.872.016) million in 2019. The amount has decreased IDR24.023.054 million or 140,07% from which in 2018 that reached IDR17.151.038 million. The fall mainly generated from the decrease of stock buybacks IDR24.483.539 million.

ABILITY TO PAY DEBT AND COLLECTIBILITY IN RECEIVABLES

ABILITY TO PAY DEBT

The ability to pay debt is reflected in the Bank's liquidity and solvency. With regard to bonds issued, the ability to pay debts is reflected in the smooth payment of interest and the ranking of bonds.

THE ABILITY TO PAY SHORT-TERM DEBT (BANK LIQUIDITY)

Pursuant to the Regulation of Bank Indonesia No. 20/4/PBI/2018 dated April 3, 2018, in the context of encouraging the banking intermediation function to the real sector in accordance with the capacity and target of economic growth while maintaining prudential principles, Bank Indonesia issued a macroprudential policy instrument namely the Macroprudential Intermediation Ratio (RIM) which is an improvement on the Statutory Reserves Minimum Loan to Funding Ratio (LFR) and has taken effect since July 16, 2018. RIM is the ratio of the results of a comparison between loans granted to third parties (not including loans to other banks) and corporate securities owned by banks against DPK (excluding interbank funds) and securities issued by banks. As per December 2019, Bank Mandiri's RIM has been 93.93%. Although the value of Bank Mandiri's RIM ratio is quite high, Bank Mandiri's liquidity level is still well maintained. In accordance with RIM regulations, RIM targets set are Total RIM which ranges between 80% - 92%. If RIM > 92% but KPMM > 14%, then Bank will not be penalized (as per December 2019, KPMM realization amount as 21.39%).

THE ABILITY TO PAY LONG-TERM DEBT (BANK SOLVABILITY)

Bank Mandiri's Capital Adequacy Ratio (CAR—is the capital ratio towards the weighted assets based on Risk-Weighted Assets—RWA) in 2019 has increased by 21,38% (bank only) to compare to which in 2018 20,96% (bank only). The ratio showed that the solvency is good because Bank Mandiri has exceeded the minimal CAR requirement from Regulator so that it can fulfill credit risk, market risk and operational risk.

The sufficient liquidity of Bank Mandiri can be seen from the Ratio Liquidity Coverage and liquidity reserves. Liquidity Coverage Ratio (LCR) is ratio between High Quality Liquid Assets (HQLA) and total estimation net cash outflow during 30 days ahead in crisis scenario. LCR is to increase bank's durability of short term liquidity in crisis condition. In December 2019 LCR Bank Mandiri reached 184,13% (Bank Only) and 177,71% (consolidation), exceeding over LCR set by Regulator which is minimum 100%.

Liquidity reserves are liquidity tool above GWM which function to fulfill the need of non-scheduled liquidity. In managing the liquidity reserves, Bank Mandiri has limitation in form of limit safety level, which are liquidity reserves for a month ahead. In December 2019, the liquidity reserves were over safety level.

ABILITY TO PAY DEBT FROM SECURITIES ISSUED

The ability to pay debt can be reflected by the ratings of stocks issued by Bank Mandiri and subsidiaries such as bonds, Medium Term Note (MTN) and Global Bond. Stocks issued are regularly assessed by rating agency to support the feasibility. The quality of stock heavily depends on the ability of the issuing company to pay stocks on their maturity dates and the ability to pay interest or coupon during the issuance period of the stocks.

Bonds and MTN issued are listed in Indonesia Stock Exchange; Bank Mandiri and subsidiary use Pefindo and Fitch Rating Indonesia as rating agencies. Global Bonds (Euro Medium Term note/EMNT) are issued and listed in Singapore Stock Exchange and offered to investors in the United States area by complying the regulation S based on US Securities Act.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Table of Ability to Pay Debt of Securities issued

Description	Rating	
	2019	2018
Bond		
Bank Mandiri I Phase I Year 2016 Sustainable Bonds	^{id} AAA by Pefindo	^{id} AAA by Pefindo
Bank Mandiri Phase II Year 2017 Self Registration Bonds	^{id} AAA by Pefindo	^{id} AAA by Pefindo
Bank Mandiri Phase III Year 2018 Self Registration Bonds	^{id} AAA by Pefindo	^{id} AAA by Pefindo
Bank Mantap I Phase I Sustainable Bonds Year 2019	AA (idn) by Fitch Rating Indonesia	-
Bank Steady I Bonds in 2017	AA (idn) by Fitch Rating Indonesia	AA (idn) by Fitch Rating Indonesia
Mandiri Tunas Finance IV Phase II Year 2019 Sustainable Bonds	^{id} AA+ (Double A+) by Pefindo	-
Mandiri Tunas Finance IV Phase I Year 2019 Sustainable Bonds	^{id} AA+ (Double A+) by Pefindo	-
Mandiri Tunas Finance III Phase II Year 2017 Self Registration Bonds	^{id} AA+ (Double A+) by Pefindo	^{id} AA+ (Double A+) by Pefindo
Mandiri Tunas Finance III Phase I Year 2016 Sustainable Bonds	^{id} AA+ (Double A+) by Pefindo	^{id} AA+ (Double A+) by Pefindo
Mandiri Tunas Finance II Phase II 2016 Sustainable Bonds	^{id} AA+ (Double A+) by Pefindo	^{id} AA+ (Double A+) by Pefindo
Mandiri Tunas Finance II Phase I Year 2015 Self Registration Bonds	^{id} AA+ (Double A+) by Pefindo	^{id} AA+ (Double A+) by Pefindo
BSM Sukuk Mudharabah in 2016	^{id} AA- (sy) (Double A- Syariah) by Pefindo	^{id} AA- (sy) (Double A- Syariah) by Pefindo
Asset Backed Securities (EBA)		
EBA SP SMF-BMRI 01 Class A Series A1.	^{id} AAA by Pefindo	^{id} AAA by Pefindo
EBA SP SMF-BMRI 01 Class A A2 Series.	^{id} AAA by Pefindo	^{id} AAA by Pefindo
Medium Term Notes (MTN)		
Bank Mandiri Subordinated I Medium Term Notes (MTN) 2018 ("Mandiri Subordinated MTN")	^{id} AA (Double A) by Pefindo	^{id} AA (Double A) by Pefindo
Global Bond		
Euro Medium Term Note (Senior Debt Securities with Unsecured Fixed Interest) in U.S Dollar ("EMTN") currency	Baa2 by Moody's BBB- by Fitch Ratings	-

Table of Ranking Meaning

Rating Agency	Rating	Rating Meaning
Pefindo Rating	^{id} AAA	Has superior capacity in long-term financial commitments compared to other obligors.
	^{id} AA	Only slightly different from ^{id} AAA, the ^{id} AA level means it has a very strong capacity in long-term financial commitments compared to other Indonesian obligors.
Moody's Rating	Baa2	A rating that describes bonds with moderate risk and therefore has speculative characteristics.
Fitch Ratings	BBB-	Included in the category of medium quality investment rating-medium risk which is currently in satisfactory condition.
	AA (idn)	Demonstrate expectations of a very low default risk relative to other issuers or debt securities in Indonesia. Credit risk is only slightly different from issuers or debt securities that have the highest rank in Indonesia.
Tanda tambah (+)		A certain ranking indicates that the ranking is relatively strong in each rating category.
Tanda minus (-)		Certain ranks indicate that the rank is relatively weak in each rating category.
(sy)		Means the rank mandates Islamic principles.

BANK RENTABILITY

Bank Mandiri's consolidated profitability is measured through the following ratios.

Table of Bank Rentability Ratio

Description	(Bank Only, in %)		
	2019	2018	2017 ^{*)}
Return on Equity (ROE)	15,08	16,23	14,53
Return on Assets (ROA)	3,01	3,17	2,72
Net Interest Margin (NIM)	5,46	5,52	5,63
Cost Efficiency Ratio (CER)	43,04	44,35	45,06
Operating Expense to Operating Income (BOPO)	67,64	66,48	71,17

^{*)}Reklasifikasi Akun

Bank Mandiri's Return on Equity (ROE) up to 2019 reached 15.08% with Return on Assets (ROA) reaching 3.01%, while Net Interest Margin reached 5.46% due to the adjustment of credit portfolios to lower risk segments and the implementation of a credit restructuring program for debtors in the context of improving asset quality. In addition, in the face of a declining banking NIM, Bank Mandiri maintains an efficiency level as indicated by the acquisition of a bank only efficiency ratio (Cost Efficiency Ratio/CER) of 43.04% with a ratio of Operating Expenses and Operating Income (BOPO) of 67.64% is one of the strategies implemented by Bank Mandiri to maintain the effectiveness of operational activities and operational expansion that is well implemented.

BANK DUE COLLECTIBILITY

The smooth flow of credit payments is reflected in the collectibility of the Bank's receivables. Loans that have been disbursed and their collectibility classifications are presented as follows.

Bank Credit Collectibility Table

(in IDR billion)

Description	2019	2018	2017	2016	2015
Current	734.848	669.875	596.828	548.208	501.587
Special Mention	38.663	29.048	25.195	21.020	22.513
Substandard	3.373	3.717	6.046	9.263	1.753
Doubtful	3.533	1.922	3.663	2.150	2.120
Loss	11.934	14.405	12.525	12.028	8.057
Credit	792.351	718.967	644.257	592.669	536.030
NPL	18.840	20.044	22.234	23.441	11.930
NPL (%)	2,39%	2,79%	3,45%	3,96%	2,23%

NPL value Bank Mandiri in 2019 was 2,39%; it has decreased from which in 2018 that reached 2,79%. To solve the problem of NPL, various focus strategic initiatives have been undertaken in 2019, including the improvement of asset quality step by step, the improvement of portfolio mix toward healthier sector growth, the improvement of infrastructure and business process, the increase the capability of human resources in financing and the improvement of policy and procedure.

Bank Mandiri again has improved the parameter of watchlist based on lesson learnt from high risk account debtor to prevent the rise of NPL so that the analysis mechanism of watchlist debtor is more precise to anticipate the decrease of credit quality based on 3 principles (Character, Business Capacity, and Payment Ability). Also, watchlist mechanism is strengthened with "suspect watchlist" which is the list of indicative potential debtor watchlist.

Suspect watchlist is compiled through on desk analysis based on several parameters that are mandatory, then further sharpening of the watchlist analysis individually by each debtor manager. Therefore, an account strategy can be determined early to better anticipate the existence of a Non Performing Loan.

Bank Mandiri regulates the credit provisions that must be avoided as an effort to minimize the amount of bad loans, which include the following:

1. Loans that is used to finance businesses that are speculative, gambling, pornographic, contrary to the norms of decency, narcotics and sectors that are prohibited by regulators and other laws and regulations.
2. Loans provided without sufficient financial information, except for small loans can be adjusted as needed by the Bank.
3. Loans that require special expertise not owned by the Bank.
4. Loans to non-performing and / or bad debtors at other banks or other creditors, and loans guaranteed by individual gurantors / guarantors that have been included in the list of problem loans at other Banks or black / bad lists of Bank Indonesia or Bank negative lists, except those concerned considered cooperative, good character and the cause of non-performing or non-performing loans due to factors that can be believed not to conflict with Bank regulations and can be believed not to conflict with Bank regulations and Regulator regulations including due to bad economic conditions or natural disasters.
5. Loans for companies whose managers / owners are listed on the black list, SLIK bad loans and checklist (prevent and prevent), or commit disgraceful acts in the banking sector.
6. Loans for political parties, political organizations and for political activities.
7. Loans to individuals with diplomatic immunity, or their management having diplomatic immunity.
8. Loans for the production, trade, shipping and import of weapons outside the business entity / official institution that gets a special permit / special legality from the government.
9. Loans for projects or businesses that significantly harm the environment.
10. Loans that are not in accordance with applicable legal provisions.



RISK MANAGEMENT CAPITAL STRUCTURE AND PRACTICE

CAPITAL STRUCTURE

MANAGEMENT POLICY FOR CAPITAL STRUCTURE AND ITS BASIS OF SELECTION

Bank Mandiri's policies regarding capital are prepared to ensure the fulfillment of the Bank's liquidity requirements as determined by changes in legislation and to ensure the ability of Bank Mandiri to develop sustainable businesses based on an analysis of economic aspects globally and nationally. The capital policy is part of the Bank's Business Plan prepared by the Directors and approved by the Board of Commissioners.

CAPITAL STRUCTURE DETAILS

In accordance with OJK regulations, Bank Mandiri's capital structure consists of Core Capital (Tier 1) and Complementary Capital (Tier 2).

CORE CAPITAL

Core Capital (Tier 1) mainly comes from:

1. Paid in capital
2. Other comprehensive income consisting of:
 - a. Difference in translation of financial statements
 - b. Changes in the fair value of financial assets in the group of available for sale
 - c. Surplus revaluation surplus
3. Other additional capital reserves consisting of:
 - a. Agio
 - b. General backup
 - c. Previous year's profits
 - d. Walking profit
 - e. Non Productive PPA Assets that should be provided
4. Calculated non-controlling interests (for consolidated capital)
5. Deduction of main core capital consisting of:
 - a. Deferred tax calculation
 - b. Goodwill
 - c. Intangible assets
 - d. Calculated inclusion
 - e. Securitization exposure

COMPLETE CAPITAL

Supplementary Capital (Tier 2) mainly originates from PPA general reserves for productive assets that must be formed and subordinated loans.

Table of Bank Mandiri's Capital Structure Years 2019-2019

(in IDR Million)

Component of Capital	2019	2018	2017
Capital:			
Core Capital	179.161.161	158.442.446	145.616.420
Supplementary Capital	9.667.098	9.115.536	7.561.895
Total capital for credit risk, operational risk, and market risks	188.828.259	167.557.982	153.178.315
Risk-Weighted Assets for Credit Risk	731.563.854	677.717.804	589.631.509
Risk-Weighted Assets for Operational Risk	123.291.988	115.067.839	104.792.639
Risk-Weighted Assets for Market Risk	28.049.779	6.449.454	13.367.349
Total Risk-Weighted for credit risk, operational risk, and market risks	882.905.621	799.235.097	707.791.497

Table of the Capital Adequacy Ratio

(in %)

Description	2019	2018	2017
CAR for Core Capital	20,29	19,82	20,57
CAR for Credit Risk	25,81	24,72	25,98
CAR for Credit and Operational Risks	22,09	21,14	22,06
CAR for Credit and Market Risks	24,86	24,49	25,40
CAR for Credit, Operational, and Market Risks	21,39	20,96	21,64
Minimum CAR for Core Capital	6,00	6,00	6,00
Minimum CAR Based on the Risk Profile	9,59	9,56	9,5

CAPITAL ADEQUACY AND IMPLEMENTATION OF BASEL II AND III

Bank Mandiri's capital has referred to BI and OJK regulations (Basel II and Basel III), namely:

- Pillar 1 (one), in calculating capital adequacy for credit risk, market risk and operational risk.
- Pillar 2 (two) Basel II or better known as the Internal Capital Adequacy Assessment Process (ICAAP) approach.
ICAAP includes determining risk appetite, overall risk assessment, capital planning, and bank-wide stress testing.

The method used to calculate capital adequacy, Bank Mandiri uses the Basel II Standardized Approach for credit risk and includes the External Rating component, as well as simulating an Internal Ratings-Based Approach. As for market risk, the Bank uses the Basel II Standardized Measurement Method, and also uses the Internal Value at Risk measurement method. For operational risk, the Bank refers to the Basel II Basic Indicator Approach.

As the implementation of Basel III in Indonesia, Bank Mandiri has also reported the fulfillment of Liquidity Coverage Ratio (LCR) on a monthly basis, and conducted the trial calculation of the Net Stable Funding Ratio (NSFR) and Leverage Ratio (LR) quarterly in terms with FSA regulations. In December 2019, the Bank could maintain a liquidity adequacy ratio (LCR) of 177.71% (consolidated) and a net stable funding ratio (NSFR) of 116.60%. Bank Mandiri has implemented the implementation of Basel III referring to Basel documentation, regulation, and initiative issued by the FSA.



Table 1.a Quantitative Disclosure of Bank Mandiri's Capital Structure

(in million IDR)

				December 31, 2019		December 31, 2018	
				Bank	Consolidated	Bank	Consolidated
I	Core Capital (Tier 1)			179,161.161	194,621.334	158,442.446	171,457.236
1	Core Capital/Common Equity Tier 1 (CET 1)			179,161.161	194,621.334	158,442.446	171,457.236
	1.1	Paid Up Capital (After deduction with Treasury Stock)		11,666.667	11,666.667	11,666.667	11,666.667
	1.2	Additional Capital Reserves		181,778.836	192,104.205	160,898.881	169,146.591
	1.2.1	Supplementary factors		182,296.409	192,623.690	162,899.659	171,061.615
		1.2.1.1	Other Comprehensive Income	31,258.362	31,997.438	26,054.833	26,660.737
			1.2.1.1.1 The excess of financial statement translation	-	180.931	15.212	225.430
			1.2.1.1.2 Potential benefits from the increase on fair value Saldo surplus revaluasi aset tetap	1,347.793	1,510.252	-	-
			1.2.1.1.3 The balance of revaluation surplus	29,910.569	30,306.255	26,039.621	26,435.307
		1.2.1.2	Other disclosed capital reserves	151,038.047	160,626.252	136,844.826	144,400.878
			1.2.1.2.1 Agio	17,476.308	17,316.192	17,476.308	17,316.192
			1.2.1.2.2 General reserves	2,333.333	2,333.333	2,333.333	2,333.333
			1.2.1.2.3 Prior years profit	105,778.426	113,494.594	92,956.347	99,736.332
			1.2.1.2.4 Profit for the year	25,449.980	27,482.133	24,078.838	25,015.021
			1.2.1.2.5 Capital paid in advance	-	-	-	-
			1.2.1.2.6 Others	-	-	-	-
		1.2.2	Reduction factors	(517.573)	(519.485)	(2,000.778)	(1,915.024)
			1.2.2.1 Other Comprehensive Income	(184.883)	(184.883)	(1,731.158)	(1,644.232)
			1.2.2.1.1 Less difference of financial statement translation	(167.543)	(167.543)	(113.258)	(113.258)
			1.2.2.1.2 Potential loss from the increase on fair value of financial assets in available for sale category	(17.340)	(17.340)	(1,617.900)	(1,530.974)
			1.2.2.2 Other disclosed capital reserves	(332.690)	(334.602)	(269.620)	(270.792)
			1.2.2.2.1 Disagio	-	-	-	-
			1.2.2.2.2 Prior years loss	-	-	-	-
			1.2.2.2.3 Loss for the year	-	-	-	-
			1.2.2.2.4 Less difference between PPA and CKPN on productive assets	-	-	-	-
			1.2.2.2.5 Less difference of amount of fair value adjustment from the financial instruments in Trading Book	-	-	-	-
			1.2.2.2.6 PPA non-productive assets that should be provided	(332.690)	(334.602)	(269.620)	(270.792)
			1.2.2.2.7 Others	-	-	-	-
	1.3	Non-controlling interests that can be taken into account		-	1,258.072	-	1,089.346
	1.4	Reduction factors of core capital		(14,284.342)	(10,407.610)	(14,123.102)	(10,445.368)
		1.4.1	Deferred taxes calculation	(3,350.632)	(3,887.103)	(4,576.026)	(4,968.840)
		1.4.2	Goodwill	-	(117.741)	-	(117.741)
		1.4.3	The whole other intangible assets	(2,680.603)	(2,888.703)	(2,177.988)	(2,333.692)
		1.4.4	Investments that taken into account as a reduction	(8,253.107)	(3,514.063)	(7,344.088)	(3,000.095)
		1.4.5	Lack of capital in insurance subsidiaries	-	-	-	-
		1.4.6	Securitization exposures	-	-	(25.000)	(25.000)
		1.4.7	Other reduction factors of core capital	-	-	-	-
			1.4.7.1 Placement of funds on the instrument AT 1 and/or Tier 2 in other banks	-	-	-	-
			1.4.7.2 Cross-ownership on other entities acquired by the transition because of the law, grants, or grants will	-	-	-	-
	2	Additional Core Capital/Additional Tier 1 (AT 1)		-	-	-	-
		2.1	Instruments that meet the requirements of AT 1	-	-	-	-
		2.2	Agio/Disagio	-	-	-	-
		2.3	Reduction factors of Additional Core Capital	-	-	-	-
			2.3.1 Placement of funds on the instrument AT 1 and/or Tier 2 in other banks	-	-	-	-
			2.3.2 Cross-ownership on other entities acquired by the transition because of the law, grants, or grants will	-	-	-	-

(in million IDR)

		December 31, 2019		December 31, 2018	
		Bank	Consolidated	Bank	Consolidated
II	Supplementary Factors (Tier 2)	9.667.098	10.938.559	9.115.536	10.350.983
1	Capital instruments in the form of shares or others that meet the requirements of Tier 2	522.550	816.300	644.063	1.012.812
2	Agio/Disagio	-	-	-	-
3	PPA general reserves on productive assets that shall be constituted (at most 1.25% of RWA for Credit Risk)	9.144.548	10.122.259	8.471.473	9.338.171
4	Reduction factors of supplementary capital	-	-	-	-
4.1	Sinking Fund	-	-	-	-
4.2	Investment on the instrument of Tier 2 in other banks	-	-	-	-
4.3	Cross-ownership on other entities acquired by the transition because of the law, grants, or grants will	-	-	-	-
III	Total Capital (I+II)	188.828.259	205.559.893	167.557.982	181.808.219

Table 1.a Quantitative Disclosure of Bank Mandiri's Capital Structure

		December 31, 2019		December 31, 2018		December 31, 2019		December 31, 2018	
		Bank	Consolidated	Bank	Consolidated	Bank	Consolidated	Bank	Consolidated
Risk Weighted Assets (Rwa) Based On Risks					Current Assets Ratio				
Risk Weighted Assets (RWA) For Credit risks	731.563.854	809.780.687	677.717.804	747.053.655	CET 1 Ratio (%)	20,29%	19,79%	19,82%	19,29%
Risk Weighted Assets (RWA) For Market risks	28.049.779	28.490.405	6.449.454	6.810.839	Tier 1 Ratio (%)	20,29%	19,79%	19,82%	19,29%
Risk Weighted Assets (RWA) For Operational risks	123.291.988	145.116.015	115.067.839	134.848.982	Tier 2 Ratio (%)	1,10%	1,11%	1,14%	1,17%
Total ATMR	882.905.621	983.387.107	799.235.097	888.713.476	CAR (%)	21,39%	20,90%	20,96%	20,46%
CAR ratio in accordance with profile risks	9,59%	9,60%	9,56%	9,57%	Cet 1 for Buffer	11,80%	11,30%	11,40%	10,89%
Fulfillment Allocation of CAR					Percentage of Buffer Which Mandatory Filled By The Bank				
From CET1	8,49%	8,49%	8,42%	8,40%	Capital conservation buffer (2,5% of ATMR) (%)	2,500%	2,500%	1,875%	1,875%
From AT1	0,00%	0,00%	0,00%	0,00%	Countercyclical buffer (0% - 2,5% of ATMR) (%)	0,00%	0,00%	0,00%	0,00%
From Tier 2	1,10%	1,11%	1,14%	1,17%	Capital surcharge (1% - 2,5% of ATMR) (%)	2,500%	2,500%	1,875%	1,875%





RISK MANAGEMENT PRACTICES

There are 8 (eight) risk profiles managed by Bank Mandiri as Banks and 10 (ten) risk profiles managed by Bank as financial conglomerates, namely credit risk, market risk, liquidity risk, operational risk, legal risk, reputation risk, strategic risk, compliance risk, intra-group transaction risk and insurance risk. However, this section only describes risk management practices for credit risk, market risk, liquidity risk and operational risk. As for explanations related to other types of risk, namely legal risk, reputation risk, strategic risk, compliance risk, intra-group transaction risk and insurance risk, are presented in the Risk Profile and Management section in Corporate Governance in this Annual Report.

Table 2.1.a Disclosure of Net Claims by Region – the Bank Separately

No	Portfolio Category	December 31, 2019								
		Net claims by region								
		Sumatera	Jakarta	Java	Kalimantan	Sulawesi & Maluku	Bali & Nusa Tenggara	Papua	Kantor Pusat	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1	Claims against Government	18.883							163.070.737	
2	Claims against Public Sector Entities	14.684.614	78.357.074	18.784.187	2.825.859	229.084	708.177		46.532.799	
3	Claims against Multilateral Development Banks and International Institutions									
4	Claims against Banks	701.283	2.525.855	45.328			3.822		48.431.264	
5	Collateralized Housing Loans	2.457.118	9.089.576	7.311.682	856.925	1.077.432	1.086.078	222.234		
6	Collateralized Commercial Property Loans									
7	Loans to Employees/Pensioners									
8	Claims against MSMEs and Retail Portfolio	32.369.001	69.372.473	43.920.192	9.450.889	14.016.614	8.925.466	3.647.204	14.186.999	
9	Claims against Corporations	64.253.861	203.751.569	68.542.984	19.180.662	8.662.650	12.165.858	1.334.926	74.230.129	
10	Mature Claims	1.040.886	1.913.780	2.521.712	238.743	345.137	128.583	29.282	499.479	
11	Other Assets								78.786.010	
	Total	115.525.646	365.010.327	141.126.085	32.553.079	24.330.917	23.017.984	5.233.646	425.737.417	

Table 2.1.b Disclosure of Net Receivables by Region - Banks Consolidated with Subsidiaries

No	Portfolio Category	December 31, 2019								
		Net claims by region								
		Sumatera	Jakarta	Java	Kalimantan	Sulawesi & Maluku	Bali & Nusa Tenggara	Papua	Kantor Pusat	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1	Claims against Government	18.883							169.404.916	
2	Claims against Public Sector Entities	14.684.614	78.357.074	18.784.187	2.825.859	229.084	708.177		46.718.245	
3	Claims against Multilateral Development Banks and International Institutions									
4	Claims against Banks	701.283	2.525.855	45.328			3.822		49.172.515	
5	Collateralized Housing Loans	2.457.118	9.089.576	7.311.682	856.925	1.077.432	1.086.078	222.234	47.094	
6	Collateralized Commercial Property Loans								3.780	
7	Loans to Employees/Pensioners								19.318.856	
8	Claims against MSMEs and Retail Portfolio	32.369.001	69.372.473	43.920.192	9.450.889	14.016.614	8.925.466	3.647.204	33.633.658	
9	Claims against Corporations	64.253.861	203.751.569	68.542.984	19.180.662	8.662.650	12.165.858	1.334.926	75.550.523	
10	Mature Claims	1.040.886	1.913.780	2.521.712	238.743	345.137	128.583	29.282	714.562	
11	Other Assets								82.275.824	
12	Exposure at Sharia Unit (If any)								113.178.507	
	Total	115.525.646	365.010.327	141.126.085	32.553.079	24.330.917	23.017.984	5.233.646	590.018.478	

DISCLOSURE OF RISK EXPOSURE

CREDIT RISK

Disclosure of Credit Risk Exposure per area, period of time, and economic sector

Based on standard approach, Bank Mandiri has exposure per area, period of time, and economic sector as follow:

(in IDR Million)

	December 31, 2019		December 31, 2018									
	Net claims by region		Net claims by region									
	Overseas	Total	Sumatera	Jakarta	Java	Kalimantan	Sulawesi & Maluku	Bali dan Nusa Tenggara	Papua	Kantor Pusat	Overseas	Total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
	24.828.982	187.918.602	19.039	0	14.319.433	0	0	0	0	184.873.937	21.638.599	173.156.442
	1.452.683	163.574.478	16.444.401	65.279.069	0	2.950.818	120.223	713.140	0	34.611.835	1.405.059	160.985.717
			0	0	65.105	0	0	0	0	0	0	0
	9.409.798	61.117.350	11.925	2.053.186	8.091.883	0	0	20.328	1.096	42.123.428	8.258.827	51.850.598
		22.101.044	2.723.540	9.484.344	0	1.128.960	1.428.432	1.190.158	237.199	0	0	24.284.516
			0	0	0	0	0	0	0	0	0	0
			0	0	35.529.312	0	0	0	0	0	0	0
	149.006	196.037.845	27.272.437	60.379.021	73.649.367	8.302.165	11.918.655	7.440.662	3.187.802	10.208.816	101.235	165.647.129
	25.926.009	478.048.648	60.638.427	175.821.657	1.746.908	18.799.430	8.498.142	9.290.301	1.648.724	73.510.707	18.024.993	449.067.955
		6.717.603	621.216	1.574.503	0	262.619	369.215	56.750	23.882	170.278	1.453	4.766.009
		78.786.010	0	0	133.402.007	0	0	0	0	66.924.439	0	74.284.573
	61.766.478	1.194.301.579	107.730.986	314.591.780	122.428.692	31.443.993	22.334.667	18.711.339	5.098.704	412.423.441	49.430.165	1.104.042.939

(in IDR Million)

	December 31, 2019		December 31, 2018									
	Net claims by region		Net claims by region									
	Overseas	Total	Sumatera	Jakarta	Java	Kalimantan	Sulawesi & Maluku	Bali dan Nusa Tenggara	Papua	Kantor Pusat	Overseas	Total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
	24.828.982	194.252.781	19.039	0	0	0	0	0	0	156.086.497	21.638.599	177.744.135
	1.452.683	163.759.924	16.444.401	65.279.069	14.319.433	2.950.818	120.223	713.140	0	59.872.731	1.405.059	161.104.874
			0	0	0	0	0	0	0	0	0	0
	9.409.798	61.858.601	11.925	2.053.186	65.105	0	0	20.328	1.096	42.691.357	8.258.827	53.101.823
		22.148.137	2.723.540	9.484.344	8.091.883	1.128.960	1.428.432	1.190.158	237.199	59.738	0	24.344.254
		3.780	0	0	0	0	0	0	0	5.584	0	5.584
		19.318.856	0	0	0	0	0	0	0	13.809.572	0	13.809.572
	149.006	215.484.503	27.272.437	60.379.021	35.529.312	8.302.165	11.918.655	7.440.662	3.187.802	30.648.798	101.235	184.780.087
	25.926.009	479.369.041	60.638.427	175.821.657	73.649.367	18.799.430	8.498.142	9.290.301	1.648.724	83.697.243	18.024.993	450.068.285
		6.932.685	621.216	1.574.503	1.746.908	262.619	369.215	56.750	23.882	315.019	1.453	4.971.565
		82.275.824	0	0	0	0	0	0	0	77.045.359	0	77.045.359
		113.178.507	0	0	0	0	0	0	0	99.306.244	0	99.306.244
	61.766.478	1.358.582.640	107.730.986	314.591.780	133.402.007	31.443.993	22.334.667	18.711.339	5.098.704	563.538.141	49.430.165	1.246.281.781

**Table 2.2.a Disclosure of Net Claims by the Remaining Term of the Contract – the Bank Separately**

No	Kategori Portofolio	December 31, 2018					
		Net Claims by Remaining Contract Time					
		≤ 1 tahun	> 1 thn s.d. 3 thn	> 3 thn s.d. 5 thn	> 5 thn	Non-Kontraktual	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims against Government	25.621.145	26.615.599	44.388.928	37.311.785	53.981.144	187.918.602
2	Claims against Public Sector Entities	88.082.650	17.498.753	15.786.442	42.206.633		163.574.478
3	Claims against Multilateral Development Banks and Inter-national Institutions						
4	Claims against Banks	42.111.991	7.138.060	5.059.115	3.102.418	3.705.766	61.117.350
5	Collateralized Housing Loans	12.088.168	492.623	1.215.435	8.304.818		22.101.044
6	Collateralized Commercial Property Loans						
7	Loans to Employees/Pensioners						
8	Claims against MSMEs and Retail Portfolio	40.318.067	58.691.674	47.201.279	49.826.825		196.037.845
9	Claims against Corporations	210.456.190	75.278.789	87.787.787	104.525.882		478.048.648
10	Mature Claims	3.455.287	1.379.981	645.494	1.236.840		6.717.603
11	Other Assets					78.786.010	78.786.010
	Total	422.133.497	187.095.479	202.084.481	246.515.202	136.472.920	1.194.301.579

Table 2.2.b Disclosure of Net Claims by the Remaining Term of the Contract – the Bank Consolidated with Subsidiaries

No	Kategori Portofolio	31 December 2019					
		Net Claims by Remaining Contract Time					
		≤ 1 tahun	> 1 thn s.d. 3 thn	> 3 thn s.d. 5 thn	> 5 thn	Non-Kontraktual	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims against Government	26.887.981	27.882.435	45.655.764	38.578.621	55.247.980	194.252.781
2	Claims against Public Sector Entities	88.129.011	17.545.114	15.832.804	42.252.994		163.759.924
3	Claims against Multilateral Development Banks and International Institutions						
4	Claims against Banks	42.260.241	7.286.310	5.207.366	3.250.669	3.854.016	61.858.601
5	Collateralized Housing Loans	12.099.941	504.397	1.227.208	8.316.592		22.148.137
6	Collateralized Commercial Property Loans				3.780		3.780
7	Loans to Employees/Pensioners	3.292.103	6.774.371	3.808.914	5.443.468		19.318.856
8	Claims against MSMEs and Retail Portfolio	45.179.731	63.553.339	52.062.944	54.688.489		215.484.503
9	Claims against Corporations	210.786.289	75.608.887	88.117.885	104.855.981		479.369.041
10	Mature Claims	3.509.058	1.433.751	699.265	1.290.611		6.932.685
11	Other Assets					82.275.824	82.275.824
12	Exposure at Sharia Unit (If any)	46.658.641	19.561.204	14.074.756	19.762.473	13.121.432	113.178.507
	Total	478.802.995	220.149.810	226.686.906	278.443.677	154.499.252	1.358.582.640

(in IDR Million)

	December 31, 2018					
	Net Claims by Remaining Contract Time					
	≤ 1 tahun	> 1 thn s.d. 3 thn	> 3 thn s.d. 5 thn	> 5 thn	Non-Kontraktual	Total
	(9)	(10)	(11)	(12)	(13)	(14)
	35.845.246	30.378.924	26.234.379	22.565.653	58.132.240	173.156.442
	99.600.581	20.342.432	13.724.315	27.318.390	0	160.985.717
	0	0	0	0	0	0
	40.738.119	4.290.303	2.468.220	64.037	4.289.919	51.850.598
	8.867.585	909.935	2.717.832	11.789.163	0	24.284.516
	0	0	0		0	0
	0	0	0		0	0
	32.409.754	53.400.819	35.095.364	44.741.192	0	165.647.129
	233.500.719	55.924.562	71.926.845	87.715.829	0	449.067.955
	2.292.750	693.842	885.155	894.263	0	4.766.009
	0	0	0	0	74.284.573	74.284.573
	453.254.752	165.940.817	153.052.110	195.088.527	136.706.732	1.104.042.939

(in IDR Million)

	31 December 2018					
	Net Claims by Remaining Contract Time					
	≤ 1 tahun	> 1 thn s.d. 3 thn	> 3 thn s.d. 5 thn	> 5 thn	Non-Kontraktual	Total
	(9)	(10)	(11)	(12)	(13)	(14)
	56.721.282	43.646.670	14.726.321	24.704.213	37.945.649	177.744.135
	81.940.259	19.664.196	18.412.183	41.088.235	0	161.104.874
	0	0	0	0	0	0
	36.540.595	3.738.685	2.581.631	54.648	10.186.264	53.101.823
	8.760.311	973.755	2.850.788	11.759.399	0	24.344.254
	0	0	0	0	0	5.584
	2.353.272	4.842.480	2.722.701	3.891.119	0	13.809.572
	31.489.761	64.793.150	36.432.392	52.064.783	0	184.780.087
	243.465.125	63.249.209	68.618.202	74.735.749	0	450.068.285
	2.865.535	604.561	511.265	990.204	0	4.971.565
	0	0	0	0	77.045.359	77.045.359
	40.939.702	17.163.592	12.349.617	17.340.191	11.513.141	99.306.244
	471.774.729	204.690.255	145.753.912	204.789.823	135.281.095	1.162.289.816



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Tabel 2.3.a. Disclosure of Net Claims by Economic Sector – the Bank Separately

(in IDR Million)

No.	Economic Sector	Claims against government	Claims against Public Sector Entities	Claims against Multilateral development Banks and international institutions	Claims against Banks	Collateralized Housing Loans	Collateralized Commercial Property Loans	Loans to Employees/ Pensioners	Claims against MSMEs and retail Portfolio	Claims against Corporations	Mature Claims	Other assets	Exposure at Sharia unit (if any)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
31 December 2019													
1	Agriculture, menial labor and forestry		10,899.221						7,346.932	61,460.544	31,683		
2	Fisheries								137.061	79,537	2,669		
3	Mining and extractive industries		4,139.172						30.352	38,454.263	20,613		
4	Processing industry		24,901.558						1,827.439	97,727.252	2,864,736		
5	Power, gas and water		24,225.777						10,449	15,800.512	49,764		
6	Construction		23,121.001						183,468	21,968.943	54,868		
7	Wholesale and retail trade		1,305.967						31,163.556	62,973.618	1,116,152		
8	Hospitality		440.193						4,626.624	5,443.463	74,518		
9	Transportation, warehousing and communications		8,166.312						1,101.040	32,979.740	571,563		
10	Financial intermediaries		15,208.484		7,055.548				235.221	17,846.289	32,465		
11	Real estate, leasing and corporate services		8,027.325						2,932.627	39,436.454	143,898		
12	Government administration, defense and mandatory social security	3,004.720	1,664.548						4,650	27,188			
13	Education								53,519	189,327	195		
14	Health and social activities	7,785	69,929						116,399	3,867,328	12,806		
15	Social, cultural, entertainment and other personal services								24,755	362,005	347		
16	Personal household services								10,294	8,458	3,506		
17	International organizations and other extra international organizations				501,177					267,668			
18	Indeterminate activities								2,936	58,324	3,665		
19	Household					22,101.044			131,802.606	7,465,931	1,467,688		
20	Non-Business Field		3,079						13,551.054	2,265,869	116,564		
21	Miscellaneous (additional including for SBI, SUN)	184,906.098	41,401.911		53,560.625				876,864	69,365,932	149,902	78,786,010	
	Total	187,918,602	163,574,478		61,117,350	22,101,044			196,037,845	478,048,648	6,717,603	78,786,010	
31 December 2018													
1	Agriculture, menial labor and forestry	0	10,761,919	0	0	0	0	0	5,304,345	60,988,086	22,842	0	0
2	Fisheries	0		0	0	0	0	0	129,144	76,331	2,563	0	0
3	Mining and extractive industries	0	7,096,213	0	0	0	0	0	28,032	29,242,875	37,538	0	0
4	Processing industry	0	43,118,455	0	0	0	0	0	1,776,270	95,404,111	1,586,204	0	0
5	Power, gas and water	0	20,784,172	0	0	0	0	0	17,710	10,065,173	104,873	0	0
6	Construction	0	19,595,744	0	0	0	0	0	205,467	18,939,726	74,757	0	0
7	Wholesale and retail trade	0	572,997	0	0	0	0	0	25,988,105	60,065,529	1,197,240	0	0
8	Hospitality	0	461,342	0	0	0	0	0	4,109,896	2,608,418	34,409	0	0
9	Transportation, warehousing and communications	0	2,551,730	0	0	0	0	0	844,958	24,508,268	238,400	0	0
10	Financial intermediaries	0	8,615,937	0	51,850,598	0	0	0	24,942	15,820,228	56,764	0	0
11	Real estate, leasing and corporate services	0	2,952,257	0	0	0	0	0	2,592,937	30,954,023	122,562	0	0
12	Government administration, defense and mandatory social security	1,801,215	628,607	0	0	0	0	0	10,665	43,747	493	0	0
13	Education	0	0	0	0	0	0	0	37,373	119,543	769	0	0
14	Health and social activities	0	0	0	0	0	0	0	81,200	1,196,557	32,110	0	0
15	Social, cultural, entertainment and other personal services	0	0	0	0	0	0	0	4,341	421,750	0	0	0
16	Personal household services	0	0	0	0	0	0	0	9,137	11,850	546	0	0
17	International organizations and other extra international organizations	0	0	0	0	0	0	0	0	165,912	0	0	0
18	Indeterminate activities	0	0	0	0	0	0	0	6,255	154,390	1	0	0
19	Household	0	13,436	0	0	24,284,516	0	0	95,430,106	10,904,618	1,148,410	0	0
20	Non-Business Field	0	0	0	0	0	0	0	11,020,764	382,628	102,453	0	0
21	Miscellaneous (additional including for SBI, SUN)	171,355,228	43,832,908	0	0	0	0	0	18,025,482	86,994,194	3,073	74,284,573	0
	Total	173,156,442	160,985,717	0	51,850,598	24,284,516	0	0	165,647,129	449,067,955	4,766,009	74,284,573	0

Tabel 2.3.b. Disclosure of Net Claims by Economic Sector – the Bank Consolidated with Subsidiaries

(in IDR Million)

No.	Economic Sector	Claims against government	Claims against Public Sector Entities	Claims against Multilateral development Banks and international institutions	Claims against Banks	Collateralized Housing Loans	Collateralized Commercial Property Loans	Loans to Employees/ Pensioners	Claims against MSMEs and retail Portfolio	Claims against Corporations	Mature Claims	Other assets	Exposure at Sharia unit (if any)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
31 December 2019													
1	Agriculture, menial labor and forestry		10.899.221						7.346.932	61.460.544	31.683		
2	Fisheries								137.061	79.537	2.669		
3	Mining and extractive industries		4.139.172						30.352	38.454.263	20.613		
4	Processing industry		24.901.558						1.827.439	97.727.252	2.864.736		
5	Power, gas and water		24.225.777						10.449	15.800.512	49.764		
6	Construction		23.121.001						183.468	21.968.943	54.868		
7	Wholesale and retail trade		1.305.967						31.163.556	62.973.618	1.116.152		
8	Hospitality		440.193						4.626.624	5.443.463	74.518		
9	Transportation, warehousing and communications		8.166.312						1.101.040	32.979.740	571.563		
10	Financial intermediaries		15.208.484		7.055.548				235.221	17.846.289	32.465		
11	Real estate, leasing and corporate services		8.027.325						2.932.627	39.436.454	143.898		
12	Government administration, defense and mandatory social security	3.004.720	1.664.548						4.650	27.188			
13	Education								53.519	189.327	195		
14	Health and social activities	7.785	69.929						116.399	3.867.328	12.806		
15	Social, cultural, entertainment and other personal services								24.755	362.005	347		
16	Personal household services								10.294	8.458	3.506		
17	International organizations and other extra international organizations				501.177					267.668			
18	Indeterminate activities								2.936	58.324	3.665		
19	Household					22.148.137			131.802.606	7.465.931	1.467.688		
20	Non-Business Field		3.079						13.551.054	2.265.869	116.564		
21	Miscellaneous (additional including for SBI, SUN)	191.240.277	41.587.357		54.301.877		3.780	19.318.856	20.323.522	70.686.326	364.985	82.275.824	113.178.507
	Total	194.252.781	163.759.924		61.858.601	22.148.137	3.780	19.318.856	215.484.503	479.369.041	6.932.685	82.275.824	113.178.507
31 December 2018													
1	Agriculture, menial labor and forestry	0	10.761.919	0	0	0	0	0	5.304.345	60.988.086	22.842	0	0
2	Fisheries	0	0	0	0	0	0	0	129.144	76.331	2.563	0	0
3	Mining and extractive industries	0	7.096.213	0	0	0	0	0	28.032	29.242.875	37.538	0	0
4	Processing industry	0	43.118.455	0	0	0	0	0	1.776.270	95.412.046	1.586.204	0	0
5	Power, gas and water	0	20.784.172	0	0	0	0	0	17.710	10.065.173	104.873	0	0
6	Construction	0	19.595.744	0	0	0	0	0	205.467	18.939.726	74.757	0	0
7	Wholesale and retail trade	0	572.997	0	0	0	0	0	25.988.105	60.057.621	1.197.240	0	0
8	Hospitality	0	461.342	0	0	0	0	0	4.109.896	2.608.442	34.409	0	0
9	Transportation, warehousing and communications	0	2.551.730	0	0	0	0	0	844.958	24.508.268	238.400	0	0
10	Financial intermediaries	0	8.615.937	0	51.850.598	0	0	0	24.942	15.820.228	56.764	0	0
11	Real estate, leasing and corporate services	0	2.952.257	0	0	0	0	0	2.592.937	30.954.023	122.562	0	0
12	Government administration, defense and mandatory social security	1.801.215	628.607	0	0	0	0	0	10.665	43.747	493	0	0
13	Education	0	0	0	0	0	0	0	37.373	119.543	769	0	0
14	Health and social activities	0	0	0	0	0	0	0	81.200	1.196.557	32.110	0	0
15	Social, cultural, entertainment and other personal services	0	0	0	0	0	0	0	4.341	421.750	-	0	0
16	Personal household services	0	0	0	0	0	0	0	9.137	11.850	546	0	0
17	International organizations and other extra international organizations	0	0	0	0	0	0	0	-	165.912	-	0	0
18	Indeterminate activities	0	0	0	0	0	0	0	6.255	154.390	1	0	0
19	Household	0	13.436	0	0	24.284.516	0	0	95.430.106	10.904.618	1.148.410	0	0
20	Non-Business Field	0	0	0	0	0	0	0	11.020.764	382.628	102.453	0	0
21	Miscellaneous (additional including for SBI, SUN)	175.942.920	43.952.064	0	1.251.225	59.738	5.584	13.809.572	37.158.440	87.994.473	208.629	77.045.359	99.306.244
	Total	177.744.135	161.104.874	0	53.101.823	24.344.254	5.584	13.809.572	184.780.087	450.068.285	4.971.565	77.045.359	99.306.244

Note: Net claims which recorded on 'Others' among other 'Other Assets', as well as non-cash loan such as placements of Bank Indonesia, securities, BG, and L/C. *) Sectors that disclosed are the sectors that have nominal value/material balance. For sectors which are not material, combined into one by the name of other sectors and described to the stakeholders.

**DISCLOSURE OF CREDIT RISK AND RESERVE EXPOSURES**

Bank Mandiri implements policies that always prioritize the principle of prudence in mitigating credit risk, including in determining the provision for impairment losses.

RESERVE PER REGION - BANK INDIVIDUALLY AND CONSOLIDATION WITH SUBSIDIARIES**Table 2.4.a Disclosure of Claims and Allowance by Region – the Bank Separately**

No	Description	December 31, 2018									
		Claims by Region									
		Sumatera	Jakarta	Java	Kalimantan	Sulawesi & Maluku	Bali & Nusa Tenggara	Papua	Kantor Pusat	Overseas	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1	Claims	118.225.047	373.012.858	146.450.286	32.865.693	25.955.479	23.621.192	5.251.559	482.875.858	54.407.311	
2	Impaired Claims										
	a. Outstanding	5.619.575	20.125.554	8.605.129	1.260.009	1.863.567	795.965	131.812	2.353.257	23.427	
	b. Mature	2.723.653	5.530.382	7.181.364	513.437	1.437.731	583.834	49.014	1.940.783	55.211	
3	Reserves for Impairmentsi (CKPN) - Bank Individually	3.212.390	8.811.565	5.847.008	234.034	1.433.217	537.192	1.362	1.726.141	55.211	
4	Reserves for Impairmentsi (CKPN) - Collective	1.357.849	2.446.896	1.796.049	570.119	551.283	277.959	99.026	545.037	59.850	
5	Written-off claims	1.320.611	2.210.027	1.994.917	501.883	544.973	154.883	89.130	4.025.031	-	

Table 2.4.b Disclosure of Claims and Allowance by Region – the Bank Consolidated with Subsidiaries

No	Description	December 31, 2018									
		Claims by Region									
		Sumatera	Jakarta	Java	Kalimantan	Sulawesi & Maluku	Bali & Nusa Tenggara	Papua	Kantor Pusat		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
1	Claims	108.060.476	322.139.910	135.987.507	31.872.686	23.864.916	18.997.796	5.044.518	475.042.714		
2	Impaired Claims										
	a. Outstanding	5.540.060	11.404.032	7.290.994	1.007.819	2.124.705	1.084.684	111.961	1.324.668		
	b. Mature	2.005.456	8.718.371	6.270.650	929.894	1.446.301	252.719	56.036	1.501.645		
3	Reserves for Impairmentsi (CKPN) - Bank Individually	2.552.160	11.620.142	5.172.871	543.475	1.455.606	220.148	9.508	2.121.013		
4	Reserves for Impairmentsi (CKPN) - Collective	1.256.162	2.240.912	1.877.149	610.568	621.206	333.130	112.774	533.396		
5	Written-off claims	1.460.767	3.749.201	4.609.082	848.099	1.158.169	233.415	285.446	647.434		

Catatan:

Reserves for Impairmentsi in accordance with the definition in OJK SE number 42 / SEOJK.03 / 2016 concerning calculation of RWA for Credit Risk (without collectibility 1)

The value of write off bills is only for individual banks

The net invoices of Subsidiaries are monitored and recorded in Headquarter area

(in IDR Million)

		December 31, 2017									
		Claims by Region									
	Total	Sumatera	Jakarta	Java	Kalimantan	Sulawesi & Maluku	Bali & Nusa Tenggara	Papua	Kantor Pusat	Overseas	Total
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
	1.262.665.282	108.060.476	322.139.910	135.987.507	31.872.686	23.864.916	18.997.796	5.044.518	475.042.714	44.532.110	1.165.542.632
	40.778.295	5.540.060	11.404.032	7.290.994	1.007.819	2.124.705	1.084.684	111.961	1.324.668	40.141	29.929.065
	20.015.410	2.005.456	8.718.371	6.270.650	929.894	1.446.301	252.719	56.036	1.501.645	61.323	21.242.395
	21.858.120	2.552.160	11.620.142	5.172.871	543.475	1.455.606	220.148	9.508	2.121.013	59.912	23.754.833
	7.704.069	1.256.162	2.240.912	1.877.149	610.568	621.206	333.130	112.774	533.396	48.674	7.633.971
	10.841.455	1.460.767	3.749.201	4.609.082	848.099	1.158.169	233.415	285.446	647.434	239.359	13.230.972

(in IDR Million)

			December 31, 2017									
			Claims by Region									
	Overseas	Total	Sumatera	Jakarta	Java	Kalimantan	Sulawesi & Maluku	Bali & Nusa Tenggara	Papua	Kantor Pusat	Overseas	Total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
	44.532.110	1.165.542.632	108.060.476	322.139.910	135.987.507	31.872.686	23.864.916	18.997.796	5.044.518	651.379.363	44.532.110	1.341.879.281
	40.141	29.929.065	5.540.060	11.404.032	7.290.994	1.007.819	2.124.705	1.084.684	111.961	1.324.668	40.141	29.929.065
	61.323	21.242.395	2.005.456	8.718.371	6.270.650	929.894	1.446.301	252.719	56.036	1.874.769	61.323	21.615.519
	59.912	23.754.833	2.560.067	11.620.916	5.164.947	543.475	1.455.606	220.148	9.508	430.756	59.912	22.065.334
	48.674	7.633.971	1.256.162	2.240.127	1.877.149	610.544	621.206	333.130	112.774	2.630.993	48.674	9.730.759
	239.359	13.230.972	1.460.767	3.749.201	4.609.082	848.099	1.158.169	233.415	285.446	2.598.547	239.359	15.182.085



RESERVES PER ECONOMIC SECTOR - INDIVIDUAL BANKS AND CONSOLIDATIONS WITH SUBSIDIARIES

Table 2.5.a Disclosure of Claims and Allowance by Economic Sector – the Bank Separately

(in IDR Million)

No.	Economic Sector	Claims	Impairment Claims		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective	Deleted Claims
			Not Yet Due	Due Date			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
31 December 2019							
1	Agriculture, menial labor and forestry	80.554.587	1.233.267	168.541	932.973	683.069	253.819
2	Fisheries	225.359	10.483	4.879	5.559	7.942	4.073
3	Mining and extractive industries	44.036.775	439.181	900.238	1.470.481	122.133	176.311
4	Processing industry	137.242.315	19.120.158	8.073.791	10.848.144	562.505	1.442.244
5	Power, gas and water	40.260.016	537.576	159.716	175.692	60.965	7.225
6	Construction	46.716.798	1.248.458	944.231	1.465.328	199.535	287.763
7	Wholesale and retail trade	99.366.117	4.472.990	3.403.330	2.636.099	2.008.794	4.050.627
8	Hospitality	10.760.248	439.189	153.408	107.099	264.236	111.767
9	Transportation, warehousing and communications	43.822.286	2.555.511	1.131.952	972.916	274.638	209.953
10	Financial intermediaries	37.410.726	52.657	130.239	123.113	157.974	1.404.516
11	Real estate, leasing and corporate services	51.563.745	1.110.275	549.640	1.130.998	423.983	161.512
12	Government administration, defense and mandatory social security	4.597.099				5.378	323
13	Education	242.800	955	360		4.937	6.692
14	Health and social activities	4.280.068	47.671	192.496	206.128	62.217	15.252
15	Social, cultural, entertainment and other personal services	387.659	2.821	675		2.562	159.478
16	Personal household services	25.641	1.349	7.055		4.139	423
17	International organizations and other extra international organizations	768.845				821	-
18	Indeterminate activities	67.325	1.662	5.935		3.468	-
19	Household	164.218.476	7.296.417	2.536.866	140.175	2.371.023	2.549.478
20	Non-Business Field	16.160.360	614.943	243.499		8.943	-
21	Miscellaneous (additional including for SBI, SUN)	479.958.037	1.592.731	1.408.558	1.643.413	474.807	-
	Total	1.262.665.282	40.778.295	20.015.410	21.858.120	7.704.069	10.841.455
31 December 2018							
1	Agriculture, menial labor and forestry	77.587.051	896.264	209.523	828.690	603.398	522.728
2	Fisheries	198.493	11.809	5.097		8.775	5.654
3	Mining and extractive industries	36.511.186	360.430	1.094.630	1.238.792	107.988	420.567
4	Processing industry	147.450.654	9.600.483	7.117.174	10.313.028	636.055	1.613.702
5	Power, gas and water	31.100.302	548.593	176.880	69.404	121.266	120.565
6	Construction	39.864.454	1.160.856	1.037.521	1.608.063	174.497	233.075
7	Wholesale and retail trade	90.066.601	3.808.132	5.017.258	4.050.398	2.052.605	6.625.911
8	Hospitality	7.328.093	543.876	72.051	64.248	235.994	206.132
9	Transportation, warehousing and communications	29.194.347	3.624.887	645.923	1.125.080	193.374	597.714
10	Financial intermediaries	26.076.964	115.610	1.536.308	1.490.163	130.633	2.472
11	Real estate, leasing and corporate services	36.411.831	968.543	418.718	346.141	405.640	222.662
12	Government administration, defense and mandatory social security	2.405.335	3.202	1.028	0	4.555	1.291
13	Education	165.964	6.648	1.286	0	4.552	375
14	Health and social activities	1.434.339	28.907	163.155	133.137	23.397	1.978
15	Social, cultural, entertainment and other personal services	522.820	25.918	92.897	92.897	5.159	134.186
16	Personal household services	22.007	2.894	996	0	1.233	161
17	International organizations and other extra international organizations	1.460.240	0	0	0	1.642	0
18	Indeterminate activities	159.732	1.711	3	0	3.023	249
19	Household	150.550.319	7.063.694	2.163.707	235.110	2.407.740	2.521.551
20	Non-Business Field	11.727.461	583.637	226.013		273.182	0
21	Miscellaneous (additional including for SBI, SUN)	475.304.440	572.973	1.262.228	2.159.705	239.240	0
	Total	1.165.542.632	29.929.065	21.242.395	23.754.857	7.633.947	13.230.972

Note:

The sectors that are disclosed are sectors that have a material nominal value / balance. For sectors that are not material, they are combined into one with the names of other sectors and explained to stakeholders.

The bill is a gross value (before deducting Impairment).

Impairment in accordance with the definition in OJK SE number 42 / SEOJK.03 / 2016 concerning calculation of RWA for Credit Risk (without collectibility 1)

The value of write off bills is only for individual banks.

The net bills of Subsidiaries are recorded in the Other Economic Sectors

Table 2.5.b Disclosure of Claims and Allowance by Economic Sector – the Bank Consolidated with Subsidiaries

(in IDR Million)

No.	Economic Sector	Claims	Impairment Claims		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective	Deleted Claims
			Not Yet Due	Due Date			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
31 December 2019							
1	Agriculture, menial labor and forestry	80.554.587	1.233.267	168.541	932.973	683.069	253.819
2	Fisheries	225.359	10.483	4.879	5.559	7.942	4.073
3	Mining and extractive industries	44.036.775	439.181	900.238	1.470.481	122.133	176.311
4	Processing industry	137.242.315	19.120.158	8.073.791	10.848.144	562.505	1.442.244
5	Power, gas and water	40.260.016	537.576	159.716	175.692	60.965	7.225
6	Construction	46.716.798	1.248.458	944.231	1.465.328	199.535	287.763
7	Wholesale and retail trade	99.366.117	4.472.990	3.403.330	2.636.099	2.008.794	4.050.627
8	Hospitality	10.760.248	439.189	153.408	107.099	264.236	111.767
9	Transportation, warehousing and communications	43.822.286	2.555.511	1.131.952	972.916	274.638	209.953
10	Financial intermediaries	37.410.726	52.657	130.239	123.113	157.974	1.404.516
11	Real estate, leasing and corporate services	51.563.745	1.110.275	549.640	1.130.998	423.983	161.512
12	Government administration, defense and mandatory social security	4.597.099				5.378	323
13	Education	242.800	955	360		4.937	6.692
14	Health and social activities	4.280.068	47.671	192.496	206.128	62.217	15.252
15	Social, cultural, entertainment and other personal services	387.659	2.821	675		2.562	159.478
16	Personal household services	25.641	1.349	7.055		4.139	423
17	International organizations and other extra international organizations	768.845				821	-
18	Indeterminate activities	67.325	1.662	5.935		3.468	-
19	Household	164.218.476	7.296.417	2.536.866	140.175	2.371.023	2.549.478
20	Non-Business Field	16.160.360	614.943	243.499		8.943	-
21	Miscellaneous (additional including for SBI, SUN)	531.416.723	2.378.718	2.438.794	1.376.940	3.198.803	1.747.478
	Total	1.314.123.968	41.564.282	21.045.646	21.591.647	10.428.065	12.588.933
31 December 2018							
1	Agriculture, menial labor and forestry	77.587.051	896.264	209.523	828.690	603.398	522.728
2	Fisheries	198.493	11.809	5.097	0	8.775	5.654
3	Mining and extractive industries	36.511.186	360.430	1.094.630	1.238.792	107.988	420.567
4	Processing industry	147.450.654	9.600.483	7.117.174	10.305.093	636.055	1.613.702
5	Power, gas and water	31.100.302	548.593	176.880	69.404	121.266	120.565
6	Construction	39.864.454	1.160.856	1.037.521	1.608.063	174.497	233.075
7	Wholesale and retail trade	90.066.601	3.808.132	5.017.258	4.058.306	2.052.605	6.625.911
8	Hospitality	7.328.093	543.876	72.051	64.224	235.994	206.132
9	Transportation, warehousing and communications	29.194.347	3.624.887	645.923	1.125.080	193.374	597.714
10	Financial intermediaries	26.076.964	115.610	1.536.308	1.490.163	130.633	2.472
11	Real estate, leasing and corporate services	36.411.831	968.543	418.718	346.141	405.640	222.662
12	Government administration, defense and mandatory social security	2.405.335	3.202	1.028	0	4.555	1.291
13	Education	165.964	6.648	1.286	0	4.552	375
14	Health and social activities	1.434.339	28.907	163.155	133.137	23.397	1.978
15	Social, cultural, entertainment and other personal services	522.820	25.918	92.897	92.897	5.159	134.186
16	Personal household services	22.007	2.894	996	0	1.233	161
17	International organizations and other extra international organizations	1.460.240	0	0	0	1.642	0
18	Indeterminate activities	159.732	1.711	3	0	3.023	249
19	Household	150.550.319	7.063.694	2.163.707	235.896	2.406.955	2.521.551
20	Non-Business Field	11.727.461	583.637	226.013		273.182	0
21	Miscellaneous (additional including for SBI, SUN)	651.641.089	572.973	1.635.352	469.449	2.336.837	1.951.113
	Total	1.341.879.281	29.929.065	21.615.519	22.065.334	9.730.759	15.182.085

Note:

The sectors that are disclosed are sectors that have a material nominal value / balance. For sectors that are not material, they are combined into one with the names of other sectors and explained to stakeholders.

The bill is a gross value (before deducting Impairment).

Impairment in accordance with the definition in OJK SE number 42 / SE0JK.03 / 2016 concerning calculation of RWA for Credit Risk (without collectibility 1)

The value of write off bills is only for individual banks.

The net bills of Subsidiaries are recorded in the Other Economic Sectors



DETAILS OF TRANSFER MOVEMENTS - INDIVIDUAL BANKS AND CONSOLIDATIONS WITH SUBSIDIARIES

Table 2.6.a Disclosure of Details of the Movement of Allowance for Impairment Losses – the Bank Separately

(in IDR Million)

No.	Description	31 December 2019		31 December 2018	
		(CKPN) - Individual	(CKPN) -Collective	CKPN Individual	CKPN Kolektif
(1)	(2)	(3)	(4)	(5)	(6)
1	Opening Impairment Reserves balance	23.932.918	7.633.527	25.041.957	8.453.756
2	Allocation (Recovery) of Impairment Reserves in the current period (Net)	3.256.889	6.306.930	4.781.079	6.723.052
	2.a Allocation of Impairment Reserves in current period	3.256.889	6.306.930	4.783.445	6.859.148
	2.b Recovery of Impairment Reserves in current period	-	-	(2.366)	(136.096)
3	Impairment Reserves used to cover write-offs in current period	(5.165.140)	(5.676.315)	(6.217.025)	(7.016.226)
4	Other Allocation recovery in current period	(166.547)	(560.073)	326.907	(527.055)
Closing Impairment Reserve Balance		21.858.120	7.704.069	23.932.918	7.633.527

Tabel 2.6.b. Disclosure of Details of the Movement of Allowance for Impairment Losses – the Bank Consolidated with Subsidiaries

(in IDR Million)

No.	Description	31 December 2019		31 December 2018	
		(CKPN) - Individual	(CKPN) -Collective	CKPN Individual	CKPN Kolektif
(1)	(2)	(3)	(4)	(5)	(6)
1	Opening Impairment Reserves balance	23.916.438	10.342.973	25.582.587	10.284.780
2	Allocation (Recovery) of Impairment Reserves in the current period (Net)	3.252.431	8.637.780	4.129.401	10.365.433
	2.a Allocation of Impairment Reserves in current period	3.244.662	8.377.777	4.570.531	9.989.200
	2.b Recovery of Impairment Reserves in current period	7.769	260.003	(29.269)	16.711
3	Impairment Reserves used to cover write-offs in current period	(5.410.509)	(7.980.485)	(6.548.619)	(9.420.794)
4	Other Allocation recovery in current period	(166.713)	(572.204)	341.208	(526.924)
Closing Impairment Reserve Balance		21.591.647	10.428.065	23.916.438	10.342.973

Note:

Including foreign exchange differences due to foreign currency translation and recognition of interest income on parts that do not experience impairment in value of loans decreased in value.

Excludes Impairment Reserve from administrative account transactions.



NET CLAIMS BY RATING SCALE – THE BANK SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIES

Table 3.1.a. Disclosure of Net Claims by Portfolio and Rating Scale Categories – the Bank Separately

December 31, 2018							
No	Portfolio Category		Net claims				
		Rating Agency	Long term rating				
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3	Baa1 s.d Baa3	
		PT. Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d. A-(idn)	BBB+(idn) s.d BBB-(idn)	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-	id BBB+ s.d id BBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Claims against Government		296.533	15.138.685	11.203.925	18.397.202	
2	Claims against Public Sector Entities		50.449.227	8.588.785	34.379.323	5.528.644	
3	Claims against Multilateral Development Banks and International Institutions						
4	Claims against Banks		924.729	886.741	42.098	43.933	
5	Collateralized Housing Loans						
6	Collateralized Commercial Property Loans						
7	Loans to Employees/Pensioners						
8	Claims against MSMEs and Retail Portfolio						
9	Claims against Corporations		14.114.270	14.184.491	11.201.486	884.839	
10	Mature Claims						
11	Other Assets						
Total			65.784.759	38.798.702	56.826.832	24.854.618	

December 31, 2017							
No	Portfolio Category		Net claims				
		Rating Agency	Long term rating				
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3	Baa1 s.d Baa3	
		PT. Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d. A-(idn)	BBB+(idn) s.d BBB-(idn)	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-	id BBB+ s.d id BBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Claims against Government	0	968.425	351.450	0	17.239.151	
2	Claims against Public Sector Entities	0	38.019.247	11.003.092	22.395.459	6.061.755	
3	Claims against Multilateral Development Banks and International Institutions	0	0	0	0	0	
4	Claims against Banks	0	1.386.697	1.235.482	0	0	
5	Collateralized Housing Loans	0	0	0	0	0	
6	Collateralized Commercial Property Loans	0	0	0	0	0	
7	Loans to Employees/Pensioners	0	0	0	0	0	
8	Claims against MSMEs and Retail Portfolio	0	0	0	0	0	
9	Claims against Corporations	0	8.307.758	7.096.171	26.083.046	335.984	
10	Mature Claims	0	0	0	0	0	
11	Other Assets	0	0	0	0	0	
Total		0	48.682.127	19.686.195	48.478.505	23.636.890	

(in IDR Million)

	December 31, 2018								
	Net claims								
	Long term rating			Short term rating				Unrated	Total
	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	A-1	A-2	A-3	Kurang dari A-3		
	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	F1+ s.d F1	F2	F3	Kurang dari F3		
	Ba1 s.d Ba3	B1 s.d B3	Kurang dari B3	P-1	P-2	P-3	Kurang dari P-3		
	BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Kurang dari B-(idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Kurang dari F3(idn)		
	id BB+ s.d id BB-	id B+ s.d id B-	Kurang dari idB-	idA1	idA2	idA3 s.d id A4	Kurang dari idA4		
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
					896.263			141.985.994	187.918.602
								64.628.500	163.574.478
								59.219.849	61.117.350
								22.101.044	22.101.044
								196.037.845	196.037.845
			83.702					437.579.859	478.048.648
								6.717.603	6.717.603
								78.786.010	78.786.010
			83.702		896.263			1.007.056.704	1.194.301.579

	December 31, 2017								
	Net claims								
	Long term rating			Short term rating				Unrated	Total
	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	A-1	A-2	A-3	Kurang dari A-3		
	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	F1+ s.d F1	F2	F3	Kurang dari F3		
	Ba1 s.d Ba3	B1 s.d B3	Kurang dari B3	P-1	P-2	P-3	Kurang dari P-3		
	BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Kurang dari B-(idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Kurang dari F3(idn)		
	id BB+ s.d id BB-	id B+ s.d id B-	Kurang dari idB-	idA1	idA2	idA3 s.d id A4	Kurang dari idA4		
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	0	0	0	0	1.850.021	0	0	152.747.395	173.156.442
	0	0	0	0	0	0	0	83.506.164	160.985.717
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	49.228.419	51.850.598
	0	0	0	0	0	0	0	24.284.516	24.284.516
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	165.647.129	165.647.129
	98.242	0	0	0	0	0	0	407.146.755	449.067.955
	0	0	0	0	0	0	0	4.766.009	4.766.009
	0	0	0	0	0	0	0	74.284.573	74.284.573
	98.242	0	0	0	1.850.021	0	0	961.610.959	1.104.042.939

**Table 3.1.b. Disclosure of Net Claims by Portfolio and Rating Scale Categories – the Bank Consolidated with Subsidiaries**

December 31, 2019							
No	Portfolio Category	Net claims					
		Rating Agency	Long term rating				
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3	Baa1 s.d Baa3	
		PT. Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d. A-(idn)	BBB+(idn) s.d BBB-(idn)	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-	id BBB+ s.d id BBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Claims against Government		435.716	15.138.685	11.203.925	18.397.202	
2	Claims against Public Sector Entities		50.449.227	8.588.785	34.379.323	5.610.804	
3	Claims against Multilateral Development Banks and International Institutions						
4	Claims against Banks		943.906	1.276.714	84.432	71.533	
5	Collateralized Housing Loans						
6	Collateralized Commercial Property Loans						
7	Loans to Employees/Pensioners						
8	Claims against MSMEs and Retail Portfolio						
9	Claims against Corporations		14.174.595	14.184.491	11.201.486	1.175.062	
10	Mature Claims						
11	Other Assets						
12	Exposure at Sharia Unit (If any)						
	Total		66.003.444	39.188.675	56.869.165	25.254.602	

December 31, 2018							
No	Portfolio Category	Net claims					
		Rating Agency	Long term rating				
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3	Baa1 s.d Baa3	
		PT. Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d. A-(idn)	BBB+(idn) s.d BBB-(idn)	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-	id BBB+ s.d id BBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Claims against Government	0	1.109.391	351.450		20.813.768	
2	Claims against Public Sector Entities	0	38.019.247	11.003.092	22.395.459	6.096.774	
3	Claims against Multilateral Development Banks and International Institutions	0	0	0	0	0	
4	Claims against Banks	0	1.386.697	1.235.482	0	15.970	
5	Collateralized Housing Loans	0	0	0	0	0	
6	Collateralized Commercial Property Loans	0	0	0	0	0	
7	Loans to Employees/Pensioners	0	0	0	0	0	
8	Claims against MSMEs and Retail Portfolio	0	0	0	0	0	
9	Claims against Corporations	0	8.359.530	7.096.171	26.088.000	462.848	
10	Mature Claims	0	0	0	0	0	
11	Other Assets	0	0	0	0	0	
12	Exposure at Sharia Unit (If any)	0	0	0	0	0	
	Total	0	48.874.865	19.686.195	48.483.459	27.389.360	

(in IDR Million)

December 31, 2019									
Net claims									
Long term rating			Short term rating				Unrated	Total	
BB+ s.d BB-	B+ s.d B-	Kurang dari B-	A-1	A-2	A-3	Kurang dari A-3			
BB+ s.d BB-	B+ s.d B-	Kurang dari B-	F1+ s.d F1	F2	F3	Kurang dari F3			
Ba1 s.d Ba3	B1 s.d B3	Kurang dari B3	P-1	P-2	P-3	Kurang dari P-3			
BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Kurang dari B-(idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Kurang dari F3(idn)			
id BB+ s.d id BB-	id B+ s.d id B-	Kurang dari idB-	idA1	idA2	idA3 s.d id A4	Kurang dari idA4			
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
				896.263			148.180.990	194.252.781	
103.285							64.628.500	163.759.924	
							59.482.016	61.858.601	
							22.148.137	22.148.137	
							3.780	3.780	
							19.318.856	19.318.856	
							215.484.503	215.484.503	
		239.193					438.394.214	479.369.041	
							6.932.685	6.932.685	
							82.275.824	82.275.824	
								113.178.507	
103.285		239.193		896.263			1.056.849.506	1.358.582.640	

December 31, 2018									
Net claims									
Long term rating			Short term rating				Unrated	Total	
BB+ s.d BB-	B+ s.d B-	Kurang dari B-	A-1	A-2	A-3	Kurang dari A-3			
BB+ s.d BB-	B+ s.d B-	Kurang dari B-	F1+ s.d F1	F2	F3	Kurang dari F3			
Ba1 s.d Ba3	B1 s.d B3	Kurang dari B3	P-1	P-2	P-3	Kurang dari P-3			
BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Kurang dari B-(idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Kurang dari F3(idn)			
id BB+ s.d id BB-	id B+ s.d id B-	Kurang dari idB-	idA1	idA2	idA3 s.d id A4	Kurang dari idA4			
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
0	0	0	0	1.850.021	0	0	153.619.505	177.744.135	
0	0	0	0	0	0	0	83.590.301	161.104.874	
0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	50.463.674	53.101.823	
0	0	0	0	0	0	0	24.344.254	24.344.254	
0	0	0	0	0	0	0	5.584	5.584	
0	0	0	0	0	0	0	13.809.572	13.809.572	
0	0	0	0	0	0	0	184.780.087	184.780.087	
170.142	0	0	0	0	0	0	407.891.595	450.068.285	
0	0	0	0	0	0	0	4.971.565	4.971.565	
0	0	0	0	0	0	0	77.045.359	77.045.359	
0	0	0	0	0	0	0	0	99.306.244	
170.142	0	0	0	1.850.021	0	0	1.000.521.496	1.246.281.781	



DISCLOSURE OF THE EXPOSURE TO COUNTERPARTY CREDIT RISK

Counterparty credit risk can occur due to derivative, repo, and reverse repo transactions. In accordance with the conditions of the Indonesian financial market that do not have many derivative instruments, Bank Mandiri has insignificant derivative exposures. The position of reverse repo transactions is with other banks and Corporations, while repo transactions are with other banks with underlying Government Bonds. Based on the report of the Standard Approach, the Bank's exposures in derivative, repo, and reverse repo transactions are as follows.

DERIVATIVE TRANSACTIONS – THE BANK SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIES

Table 3.2.a. Disclosure of Counterparty Credit Risk: Derivative Transactions

No	Underlying Variable	31 December 2019								
		Notional Amount			Derivative Claims	Derivative Obligations	Net Claims before MRK	MRK	Net Claims after MRK	
		≤ 1 year	> 1 year - ≤ 5 year	> 5 year						
	BANK INDIVIDUALLY									
1	Interest Rate	3.183.382	33.726.839		559.073	341.427	984.177		1.534.780	
2	Exchange Rate	194.531.203	1.572.775	541.448	994.238	454.841	4.029.107	1.348.284	4.014.153	
3	Others		140.000		58.324	228.765	117.164	-	117.164	
	TOTAL	197.714.585	35.439.614	541.448	1.611.635	1.025.033	5.130.448	1.348.284	5.666.096	
	BANK CONSOLIDATED									
1	Interest Rate	4.005.545	36.073.737		579.141	341.427	1.045.688		1.596.291	
2	Exchange Rate	194.531.203	1.572.775	541.448	994.238	454.841	4.029.107	1.348.284	4.014.153	
3	Shares									
4	Gold									
5	Other metals besides gold									
6	Others		140.000		58.324	398.754	117.164	-	117.164	
	TOTAL	198.536.748	37.786.512	541.448	1.631.703	1.195.022	5.191.959	1.348.284	5.727.607	

REPO TRANSACTIONS - THE BANK SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIES

Table 3.2.b.1. Disclosure of Counterparty Credit Risk: Repo Transactions – the Bank Separately

No	Portfolio Category	31 December 2019			
		Fair repo SSB value	Repo Obligations	Net Claims	ATMR
(1)	(2)	(3)	(4)	(5)	(6)
1	Claims against Government	4.001.825		13.133	
2	Claims against Public Sector Entities				
3	Claims against Multilateral Development Banks and International Institutions				
4	Claims against Banks		3.699.819	760.957	252.219
5	Claims against MSMEs and Retail Portfolio				
6	Claims against Corporations				
	TOTAL	4.001.825	3.699.819	774.090	252.219

(in IDR Million)

	31 December 2018							
	Notional Amount			Derivative Claims	Derivative Obligations	Net Claims before MRK	MRK	Net Claims after MRK
	≤ 1 year	> 1 year - ≤ 5 year	> 5 year					
	33.588.620	21.187.554	0	167.355	144.450	888.432	0	888.432
	112.285.578	10.252.334	0	1.464.809	435.106	4.159.100	1.429.971	4.126.982
	0	140.000	0	64.768	448.298	122.815	0	122.815
	145.874.198	31.579.888	0	1.696.932	1.027.854	5.170.347	1.429.971	5.138.229
	888.432	59.959.637	0	304.722	144.450	1.778.843	0	1.778.843
	4.126.982	10.252.334	0	1.464.889	435.106	4.159.473	1.429.971	4.127.355
	122.815	0	0	64.768	0	122.815	0	122.815
	5.138.229	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	140.000	0	0	516.964	0	0	0
	145.900.082	70.351.971	0	1.834.380	1.096.520	6.061.131	1.429.971	6.029.013

(in IDR Million)

	31 December 2018			
	Fair repo SSB value	Repo Obligations	Net Claims	ATMR
	(7)	(8)	(9)	(10)
	17.012.421	0	562.132	0
	0	0	0	0
	0	0	0	0
	0	16.120.197	335.476	68.070
	0	0	0	0
	0	0	0	0
	17.012.421	16.120.197	897.609	68.070

**Table 3.2.b.2. Disclosure of Counterparty Credit Risk: Repo Transactions – the Bank Consolidated with Subsidiaries**

No	Portfolio Category	31 December 2019				
		Fair repo SSB value	Repo Obligations	Net Claims	ATMR	
(1)	(2)	(3)	(4)	(5)	(6)	
1	Claims against Government	4.107.216		13.133		
2	Claims against Public Sector Entities	14.597				
3	Claims against Multilateral Development Banks and International Institutions					
4	Claims against Banks			798.708	271.094	
5	Claims against MSMEs and Retail Portfolio					
6	Claims against Corporations		82.236			
	TOTAL	4.121.813	82.236	811.841	271.094	

REVERSE REPO - TRANSACTIONS - THE BANK SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIES**Table 3.2.c.1. Disclosure of Counterparty Credit Risk: Reverse Repo Transactions – the Bank Separately**

No	Portfolio Category	31 December 2019				
		Fair repo SSB value	Repo Obligations	Net Claims	ATMR	
(1)	(2)	(3)	(4)	(5)	(6)	
1	Tagihan Kepada Pemerintah	79.291		79.291		
2	Tagihan Kepada Entitas Sektor Publik					
3	Tagihan Kepada Bank Pembangunan Multilateral dan Lembaga Internasional					
4	Tagihan Kepada Bank	168.852		168.852	33.770	
5	Tagihan Kepada Usaha Mikro, Usaha Kecil dan Portofolio Ritel					
6	Tagihan kepada Korporasi					
	TOTAL	248.143		248.143	33.770	

Table 3.2.c.2. Disclosure of Counterparty Credit Risk: Reverse Repo Transactions – the Bank Consolidated with Subsidiaries

No	Portfolio Category	31 December 2018				
		Fair repo SSB value	Repo Obligations	Net Claims	ATMR	
(1)	(2)	(3)	(4)	(5)	(6)	
1	Tagihan Kepada Pemerintah	1.670.806		1.670.806		
2	Tagihan Kepada Entitas Sektor Publik					
3	Tagihan Kepada Bank Pembangunan Multilateral dan Lembaga Internasional					
4	Tagihan Kepada Bank	168.852		168.852	33.770	
5	Tagihan Kepada Usaha Mikro, Usaha Kecil dan Portofolio Ritel					
6	Tagihan kepada Korporasi	115.705		115.705	115.705	
	TOTAL	1.955.363		1.955.363	149.476	

(in IDR Million)

	31 December 2018			
	Fair repo SSB value	Repo Obligations	Net Claims	ATMR
	(7)	(8)	(9)	(10)
	17.012.421	0	562.132	0
	0	0	0	0
	0	0	0	0
	0	16.611.528	335.476	67.095
	0	0	0	0
	0	0	0	0
	17.012.421	16.611.528	897.609	67.095

(in IDR Million)

	31 December 2018			
	Fair repo SSB value	Repo Obligations	Net Claims	ATMR
	(7)	(8)	(9)	(10)
	87.467	0	87.467	0
	0	0	0	0
	0	0	0	0
	1.551.982	1.241.585	1.551.982	310.396
	0	0	0	0
	0	0	0	0
	1.639.448	1.241.585	1.639.448	310.396

(in IDR Million)

	31 December 2017			
	Fair repo SSB value	Repo Obligations	Net Claims	ATMR
	(7)	(8)	(9)	(10)
	470.659	0	470.659	0
	0	0	00	0
	0	0		0
	1.551.982	0	1.551.982	310.396
	0	0	0	0
	74.183	0	74.183	74.183
	2.096.824	0	2.096.824	384.580

**CREDIT RISK MITIGATION USING A STANDARDIZED APPROACH**

To proceed credit application, the collateral received may constitute objects bought on credit (movable or immovable assets) and those not bought on credit (personal guarantee and corporate guarantee). The object put up as collateral for particular credit shall meet a number of criteria, for example, having an economic value, marketable transferable, and has a juridical value.

The guidelines for determining the collateral structure in the context of credit risk mitigation policies have been specified in detail in the Standard Procedures for Credit for each segment. The type of collateral accepted by the Bank include movable assets (for example, cash, trade receivables, inventories, machinery, and securities), immovable assets (for example, land, buildings, and machinery), and guarantee (personal/corporate guarantee). In the event that guarantee is accepted by the Bank, the Bank shall evaluate feasibility and genuineness of the guarantor.

To guarantee the credit facility, the Bank shall give priority to collateral in the form of fixed assets such as land or land and buildings. The value of the collateral the Bank uses as collateral for credit shall be the value of collateral assessed

Table 4.1.a. Disclosure of Net Claims by Risk Weighting After Calculating the Impact of Credit Risk Mitigation – the Bank Separately

No	Portfolio Category	December 31, 2019												
		Net Claims after Calculating Effect of Credit Risk Mitigation												
		0%	20%	25%	35%	40%	45%	50%	75%	100%	150%	Others		
(1)	(2)	(3)	(4)		(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)		
A	BALANCE SHEET EXPOSURE													
1	Claims against Government	178.658.937	292.557											
2	Claims against Public Sector Entities	425.273	56.435.616					86.237.720						
3	Claims against Multilateral Development Banks and International Institutions													
4	Claims against Banks	77.276	27.127.175					14.992.963						
5	Collateralized Housing Loans		928.576	3.917.538	17.254.929									
6	Collateralized Commercial Property Loans													
7	Loans to Employees/Pensioners													
8	Claims against MSMEs and Retail Portfolio	1.123.055	4.161.042						189.502.769					
9	Claims against Corporations	16.102.822	27.863.268					11.015.841		387.624.207	82.086			
10	Mature Claims	2.849	8.396							836.673	5.862.913			
11	Other Assets									53.218.623	315.472			
	Total Balance Sheet Exposure	196.390.212	116.816.630	3.917.538	17.254.929			112.246.524	189.502.769	441.679.503	6.260.472			
B	EXPOSURE IN ADMINISTRATIVE ACCOUNT TRANSACTIONS													
1	Claims against Government	8.345.735												
2	Claims against Public Sector Entities	110.403	2.564.715					17.786.719						
3	Claims against Multilateral Development Banks and International Institutions													
4	Claims against Banks							14.182.336						
5	Collateralized Housing Loans													
6	Collateralized Commercial Property Loans													
7	Loans to Employees/Pensioners													
8	Claims against MSMEs and Retail Portfolio	542.212	121						708.158					
9	Claims against Corporations	2.876.288	424.748					180.645		30.563.585	323			
10	Mature Claims										6.770			
	Total TRA Exposure	11.874.638	2.989.583					32.149.700	708.158	30.563.585	7.094			
C	Counterparty CREDIT RISK EXPOSURE													
1	Claims against Government	621.373												
2	Claims against Public Sector Entities							14.033						
3	Claims against Multilateral Development Banks and International Institutions													
4	Claims against Banks		2.566.406					2.171.194						
5	Claims against MSMEs and Retail Portfolio								488					
6	Claims against Corporations		10.691							1.304.143				
	Total Counterparty Credit Risk Exposure	621.373	2.577.097					2.185.227	488	1.304.143				

by the internal (credit operation unit) and external assessors that are the Bank's partners or external assessors that are not the Bank's partners appointed by the competent authority in the business unit / credit recovery unit.

In the calculation of credit risk mitigation using the standard approach pursuant to the Circular Letter of the Financial Services Authority No. 42/SEOJK.03/2016 concerning Guidelines for the Calculation of Risk-Weighted Assets for Credit Risk, the Bank may recognize the use of collateral, warranty, guarantee, or credit insurance as credit risk mitigation techniques, given that it meets several requirements. The following are the types of eligible financial collateral in credit risk mitigation techniques: cash, current accounts / savings / deposits, gold, Surat Utang Negara / SUN (Government Bonds), Certificate Bank Indonesia / SBI (Bank Indonesia Certificates), and so on as specified in the Circular of the Financial Services Authority (SE OJK) mentioned above. As for collateral in the forms of fixed assets inventories, and land / buildings owned by the Bank, it is not recognized in the standard approach

DISCLOSURE OF THE EXPOSURE TO CREDIT RISK AND CREDIT RISK MITIGATION

Based on the standard approach-based reporting, Bank's exposure and credit risk mitigation used are as follows.

NET TRANSACTION PER WEIGHT OF RISK AFTER MITIGATION OF CREDIT RISK – BANK AS INDIVIDUAL AND CONSOLIDATION WITH SUBSIDIARIES

	ATMR	Capital Charge *) (ATMR x 9.50%)	December 31, 2018										ATMR	Capital Charge **) (ATMR x 9.52%)
			Net Claims after Calculating Effect of Credit Risk Mitigation											
			0%	20%	35%	40%	45%	50%	75%	100%	150%	Others		
	(13)	(14)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(28)
	58.511	5.611	165.655.102	0	0	0	0	0	0	894.191	0	0	894.191	85.485
	54.405.983	5.217.534	660.420	43.984.680	0	0	0	94.281.327	0	0	0	0	55.937.599	5.347.634
			0	0	0	0	0	0	0	0	0	0	0	0
	12.921.916	1.239.212	46.357	24.393.231	0	0	0	13.182.039	0	0	0	0	11.469.666	1.096.500
	7.204.325	690.895	0	6.718.982	17.565.534	0	0	0	0	0	0	0	7.719.544	737.988
			0	0	0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0	0	0
	142.959.285	13.709.795	948.799	2.908.710	0	0	0	0	160.323.328	0	0	0	120.824.238	11.550.797
	398.827.911	38.247.597	14.607.652	14.418.388	0	0	0	25.787.346	0	355.346.389	0	0	371.123.739	35.479.429
	9.632.723	923.778	1.710	13.092	0	0	0	0	0	664.337	4.078.098	0	6.784.102	648.560
	54.862.547	5.261.318	24.444.552	0	0	0	0	0	0	49.565.020	275.000	0	49.977.520	4.777.851
	680.873.201	65.295.740	206.364.594	92.437.083	17.565.534	0	0	133.250.711	160.323.328	406.469.937	4.353.098	0	624.730.601	59.724.245
			5.865.201	0	0	0	0	0	0	0	0	0	0	
	9.406.302	902.064	120.807	4.671.951	0	0	00	17.266.532	0	0	0	0	9.567.656	914.668
			0	0	0	0		00	0	0	0	0	0	00
	7.091.168	680.043	0	498	0	0	0	8.931.228	0	0	0	0	4.465.714	426.922
			0	0	0	00	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0	0	0
	531.142	50.937	402.491	492	0	0	0	0	1.057.971	0	0	0	793.577	75.866
	30.739.342	2.947.903	2.623.509	961.513	0	0	0	276.531	0	33.415.870	0	0	33.746.438	3.226.160
	10.155	974	0	0	0	0	0	0	0	0	8.772	0	13.159	1.258
	47.778.110	4.581.921	9.012.009	5.634.454	0	0	0	26.474.291	1.057.971	33.415.870	8.772	0	48.586.544	4.644.874
								0	0	0	0	0	0	00
			741.948	0	0		00	0	0	0	0	0	0	0
	7.016	673	0	0	0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0	0	0
	1.598.878	153.332	0	3.682.309	0		0	1.614.935	0	0	0	0	1.543.929	147.600
	366	35	0	0	0	0	0	0	5.337	0	0	0	4.003	383
	1.306.282	125.272	0	22.667	0	0	0	10.313	0	1.597.777	0	0	1.607.467	153.674
	2.912.543	279.313	741.948	3.704.976	0	0	0	1.625.248	5.337	1.597.777	0	0	3.155.399	301.656



NET TRANSACTION PER WEIGHT OF RISK AFTER MITIGATION OF CREDIT RISK – BANK AS INDIVIDUAL AND CONSOLIDATION WITH SUBSIDIARIES

Tabel 4.1.b. Disclosure of Net Claims by Risk Weighting After Calculating the Impact of Credit Risk Mitigation – the Bank Consolidated with Subsidiaries

No	Kategori Portfolio	31 December 2018											
		Net Claims after Calculating Effect of Credit Risk Mitigation											
		0%	20%	25%	35%	40%	45%	50%	75%	100%	150%	Others	
(1)	(2)	(3)	(4)		(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
A	BALANCE SHEET EXPOSURE												
1	Claims against Government	183.401.601	292.557										
2	Claims against Public Sector Entities	425.273	56.435.616					86.338.795		84.371			
3	Claims against Multilateral Development Banks and International Institutions												
4	Claims against Banks	77.276	28.156.464					14.605.663					
5	Claims against Banks		964.478	3.926.755	17.256.905								
6	Collateralized Commercial Property Loans									3.780			
7	Loans to Employees/Pensioners							19.318.856					
8	Claims against MSMEs and Retail Portfolio	1.130.481	4.161.042						208.942.001				
9	Claims against Corporations	16.105.650	27.934.284					11.015.841		388.599.559	237.578		
10	Mature Claims	2.849	8.396							839.545	6.075.125		
11	Other Assets												
12	Exposure at Sharia Unit (If any)	33.949.293	13.354.408	3.025.961	3.956.466			21.675.974	9.818.557	22.460.823			
	TOTAL BALANCE SHEET EXPOSURE	235.092.423	131.307.244	6.952.715	21.213.371			152.955.130	218.760.558	411.988.077	6.312.703		
B	EXPOSURE IN ADMINISTRATIVE ACCOUNT TRANSACTIONS												
1	Claims against Government	8.345.735											
2	Claims against Public Sector Entities	110.403	2.564.715					17.786.719					
3	Claims against Multilateral Development Banks and International Institutions												
4	Claims against Banks							14.182.336					
5	Collateralized Housing Loans												
6	Collateralized Commercial Property Loans												
7	Loans to Employees/Pensioners												
8	Claims against MSMEs and Retail Portfolio	542.212	121						708.158				
9	Claims against Corporations	2.876.288	424.748					180.645		30.563.585	323		
10	Mature Claims										6.770		
11	Exposure at Sharia Unit (If any)	2.471							251.575	847.907			
	TOTAL TRA EXPOSURE	11.877.110	2.989.583					32.149.700	959.732	31.411.492	7.094		
C	Counterparty CREDIT RISK EXPOSURE												
1	Claims against Government	2.212.888											
2	Claims against Public Sector Entities							14.033					
3	Claims against Multilateral Development Banks and International Institutions												
4	Claims against Banks		2.585.583					2.251.279					
5	Claims against MSMEs and Retail Portfolio								488				
6	Claims against Corporations		10.691							1.419.849			
7	Exposure at Sharia Unit (If any)												
	TOTAL Counterparty CREDIT RISK EXPOSURE	2.212.888	2.596.275					2.265.312	488	1.419.849			

Catatan:

^{*)} Capital Expenses are calculated based on CAR according to the Risk Profile for the period September 2018^{**)} Capital Expenses are calculated based on CAR according to the Risk Profile for the period September 2018

	ATMR	Beban Modal *) (ATMR x 9.49%)	31 December 2017										ATMR	Capital Charge **) (ATMR x 9.52%)
			Net Claims after Calculating Effect of Credit Risk Mitigation											
			0%	20%	35%	40%	45%	50%	75%	100%	150%	Others		
	(13)	(14)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(28)
	58.511	5.617	169.858.797	0	0	0	0	0	0	894.191	0	0	894.191	85.574
	54.540.891	5.235.926	660.420	43.984.680	0	0	0	94.374.424	0	26.059	0	0	56.010.207	5.360.177
			0	0	0	0	0	0	0	0	0	0	0	0
	12.934.124	1.241.676	46.357	25.780.473	0	0	0	12.778.639	0	0	0	0	11.545.414	1.104.896
	7.214.501	692.592	0	6.768.897	17.575.356	0	0	0	0	0	0	0	7.733.168	740.064
	3.780	363	0	0	0	0	0	0	0	5.584	0	0	5.584	534
	9.659.428	927.305	49	0	0	0	0	13.809.523	0	0	0	0	6.904.761	660.786
	157.538.709	15.123.716	954.982	2.908.710	0	0	0	0	179.450.012	0	0	0	135.169.251	12.935.697
	400.050.704	38.404.868	14.610.340	14.470.160	0	0	0	25.792.300	0	356.052.146	160.977	0	372.083.793	35.608.419
	9.953.911	955.575	1.710	13.092	0	0	0	0	0	665.148	4.282.843	0	7.092.030	678.707
	58.221.331	5.589.248	24.623.937	0	0	0	0	0	0	52.179.841	241.581	0	52.560.302	5.030.021
	47.717.973	4.580.925	27.775.544	14.414.476	3.500.262	0	0	18.508.875	8.911.251	20.265.225	0	0	40.461.696	3.872.184
	757.893.863	72.757.811	238.532.137	108.340.488	21.075.618	0	0	165.263.760	188.361.263	430.088.194	4.685.401	0	690.460.399	66.077.060
			5.865.201	0	0	0	0	0	0	0	0	0	0	0
	9.406.302	903.005	120.807	4.671.951	0	0	0	17.266.532	0	0	0	0	9.567.656	915.625
			0	0	0	0	0	0	0	0	0	0	0	0
	7.091.168	680.752	0	498	0	0	0	8.931.228	0	0	0	0	4.465.714	427.369
			0	0	0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0	0	0
	531.142	50.990	402.491	492		0	0	0	1.058.062	0	0	0	793.645	75.952
	30.739.342	2.950.977	2.623.509	961.513	0	0	0	276.531	0	33.415.870	00	0	33.746.438	3.229.534
	10.155	975	0	0	0	0	0	0	0	0	8.772	0	13.159	1.259
	1.036.588	99.512	1.260	0	0	0	0	73.482	233.585	540.563	0	0	752.493	72.014
	48.814.698	4.686.211	9.013.268	5.634.454	0	0	0	26.547.773	1.291.647	33.956.434	8.772	0	49.339.105	4.721.752
			1.125.140	0	0	0	0	0	0	0	0	0	0	0
	7.016	674	0	0	0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0	0	0
	1.642.756	157.705	0	3.710.951	0	0	0	1.853.677	0	0	0	0	1.669.029	159.726
	366	35	0	0	0	0	0	0	5.337	0	0	0	4.003	383
	1.421.987	136.511	0	22.667	0	0	0	10.313	0	1.671.960	0	0	1.681.650	160.934
			1.241.693	0	0	0	0		0		0	0	0	0
	3.072.126	294.924	2.366.833	3.733.617	0	0	0	1.863.990	5.337	1.671.960	0	0	3.354.681	321.043



NET TRANSACTIONS AND CREDIT RISK MITIGATION TECHNIQUE – THE BANK SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIES

Table 4.2.a. Disclosure of Net Claims and Credit Risk Mitigation Technique – the Bank Separately

No	Portfolio Category	31 December 2019						
		Net Claims	Portion secured by				Portion unsecured	
			Collateral	Guarantee	Credit Insurance	Others		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
A	BALANCE SHEET EXPOSURE							
1	Claims against Public Sector Entities	178.951.494					178.951.494	
2	Claims against Public Sector Entities	143.098.608	425.273				142.673.336	
3	Claims against Multilateral Development Banks and International Institutions							
4	Claims against Banks	42.197.414	77.276				42.120.138	
5	Collateralized Housing Loans	22.101.044					22.101.044	
6	Collateralized Commercial Property Loans							
7	Loans to Employees/Pensioners							
8	Claims against MSMEs and Retail Portfolio	194.786.866	1.123.055		4.161.042		189.502.769	
9	Claims against Corporations	442.688.224	16.102.822				426.585.402	
10	Mature Claims	6.710.832	2.849		8.396		6.699.587	
11	Other Assets	78.786.010					78.786.010	
	TOTAL BALANCE SHEET EXPOSURE	1.109.320.493	17.731.275		4.169.438		1.087.419.780	
B	EXPOSURE IN ADMINISTRATIVE ACCOUNT TRANSACTIONS							
1	Claims against Government	8.345.735	3.656				8.342.079	
2	Claims against Public Sector Entities	20.461.837	110.403				20.351.433	
3	Claims against Multilateral Development Banks and International Institutions							
4	Claims against Banks	14.182.336					14.182.336	
5	Collateralized Housing Loans							
6	Collateralized Commercial Property Loans							
7	Loans to Employees/Pensioners							
8	Claims against MSMEs and Retail Portfolio	1.250.491	542.212		121		708.158	
9	Claims against Corporations	34.045.589	2.876.288				31.169.301	
10	Mature Claims	6.770					6.770	
	TOTAL TRA EXPOSURE	78.292.757	3.532.560		121		74.760.076	
C	Counterparty CREDIT RISK EXPOSURE							
1	Claims against Government	621.373					621.373	
2	Claims against Public Sector Entities	14.033					14.033	
3	Claims against Multilateral Development Banks and International Institutions							
4	Claims against Banks	4.737.600					4.737.600	
5	Claims against MSMEs and Retail Portfolio	488					488	
6	Claims against Corporations	1.314.835					1.314.835	
	TOTAL Counterparty CREDIT RISK EXPOSURE	6.688.329					6.688.329	
	Total (A+B+C)	1.194.301.579	21.263.835		4.169.559		1.168.868.185	

Note:

In accordance with SE OJK No. 42/SEOJK.03/2016 regarding "Guidelines on Calculation of Risk Weighted Assets for Credit Risk by Using Standard Approach", that included in the credit risk mitigation are the collateral (eligible financial collateral), warranty, guarantee or credit insurance. Besides collateral eligible financial collateral, Bank Mandiri also have collateral in the form of fixed assets, accounts receivable, inventory, and other collateral.

(in IDR Million)

	December 31, 2018					
	Net Claims	Portion secured by				Portion unsecured
		Collateral	Guarantee	Credit Insurance	Others	
	(9)	(10)	(11)	(12)	(13)	(14)
	166,549,294	0	0	0	0	166,549,294
	138,926,427	293,257	367,164	0	0	138,266,007
	0	0	0	0	0	0
	37,621,627	46,357	0	0	0	37,575,270
	24,284,516	0	0	0	0	24,284,516
	0	0	0	0	0	0
	0	0	0	0	0	0
	164,180,837	948,799	0	2,908,710	0	160,323,328
	410,159,775	14,607,652	0		0	395,552,123
	4,757,237	1,710	0	13,092	0	4,742,435
	74,284,573	0	0		0	74,284,573
	1,020,764,285	15,897,775	367,164	2,921,802	0	1,001,577,544
	5,865,201	2,398	0	0	0	5,862,803
	22,059,290	120,807	0	0	0	21,938,483
	0	0	0	0	0	0
	8,931,726	0	0	0	0	8,931,726
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	1,460,955	402,491	0	492	0	1,057,971
	37,277,423	2,623,509	0	0	0	34,653,914
	8,772		0	0	0	8,772
	75,603,368	3,149,206	0	492	0	72,453,669
	741,948	0	0	0	0	741,948
	0	0	0	0	0	0
	0	0	0	0	0	0
	5,297,244	0	0	0	0	5,297,244
	5,337	0	0	0	0	5,337
	1,630,757	0	0	0	0	1,630,757
	7,675,285	0	0	0	0	7,675,285
	1,630,757	19,046,981	367,164	2,922,295	0	1,081,706,499

**Table 4.2.b. Disclosure of Net Claims and Credit Risk Mitigation Technique – the Bank Consolidated with Subsidiaries**

No	Portfolio Category	31 December 2019					
		Net Claims	Portion secured by				Portion unsecured
			Collateral	Guarantee	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A	BALANCE SHEET EXPOSURE						
1	Claims against Government	183.694.158					183.694.158
2	Claims against Public Sector Entities	143.284.054	425.273				142.858.781
3	Claims against Multilateral Development Banks and International Institutions						
4	Claims against Banks	42.839.403	77.276				42.762.127
5	Collateralized Housing Loans	22.148.137					22.148.137
6	Collateralized Commercial Property Loans	3.780					3.780
7	Loans to Employees/Pensioners	19.318.856					19.318.856
8	Claims against MSMEs and Retail Portfolio	214.233.524	1.130.481		4.161.042		208.942.001
9	Claims against Corporations	443.892.913	16.105.650				427.787.262
10	Mature Claims	6.925.915	2.849		8.396		6.914.669
11	Other Assets	82.275.824					82.275.824
12	Exposure at Sharia Unit (If any)	112.076.553	4.827.919				107.248.634
	Total balance sheet exposure	1.270.693.118	22.569.448		4.169.438		1.243.954.231
B	Exposure in administrative account transactions						
1	Claims against Government	8.345.735	3.656				8.342.079
2	Claims against Public Sector Entities	20.461.837	110.403				20.351.433
3	Claims against Multilateral Development Banks and International Institutions						
4	Claims against Banks	14.182.336					14.182.336
5	Collateralized Housing Loans						
6	Collateralized Commercial Property Loans						
7	Loans to Employees/Pensioners						
8	Claims against MSMEs and Retail Portfolio	1.250.491	542.212		121		708.158
9	Claims against Corporations	34.045.589	2.876.288				31.169.301
10	Mature Claims	6.770					6.770
11	Exposure at Sharia Unit (If any)	1.101.953	2.471				1.099.482
	TOTAL TRA EXPOSURE	79.394.710	3.535.031		121		75.859.558
C	Counterparty CREDIT RISK EXPOSURE						
1	Claims against Government	2.212.888					2.212.888
2	Claims against Public Sector Entities	14.033					14.033
3	Claims against Multilateral Development Banks and International Institutions						
4	Claims against Banks	4.836.862					4.836.862
5	Claims against MSMEs and Retail Portfolio	488					488
6	Claims against Corporations	1.430.540					1.430.540
7	Exposure at Sharia Unit (If any)						
	TOTAL Counterparty CREDIT RISK EXPOSURE	8.494.812					8.494.812
	Total (A+B+C)	1.358.582.640	26.104.479		4.169.559		1.328.308.601

Note:

In accordance with SE OJK No. 42/SEOJK.03/2016 regarding "Guidelines on Calculation of Risk Weighted Assets for Credit Risk by Using Standard Approach", that included in the credit risk mitigation are the collateral (eligible financial collateral), warranty, guarantee or credit insurance. Besides collateral eligible financial collateral, Bank Mandiri also have collateral in the form of fixed assets, accounts receivable, inventory, and other collateral.

(in IDR Million)

	December 31, 2018					
	Net Claims	Portion secured by				Portion unsecured
		Collateral	Guarantee	Credit Insurance	Others	
	(9)	(10)	(11)	(12)	(13)	(14)
	170.752.989	0	0	0	0	170.752.989
	139.045.583	293.257	367.164	0	0	138.385.163
	38.605.469	46.357	0	0	0	38.559.112
	24.344.254	0	0	0	0	24.344.254
	5.584	0	0	0	0	5.584
	13.809.572	0	49	0	0	13.809.523
	183.313.704	954.982		2.908.710	0	179.450.012
	411.085.922	14.610.340	0	0	0	396.475.583
	4.962.793	1.710	0	13.092	0	4.947.991
	77.045.359		0	0	0	77.045.359
	97.215.662	4.368.642	0	0	0	92.847.019
	1.160.186.890	20.275.288	367.213	2.921.802	0	1.136.622.587
	5.865.201	2.398	0	0	0	5.862.803
	22.059.290	120.807	0	0	0	21.938.483
	0	0	0	0	0	0
	8.931.726	0	0	0	0	8.931.726
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	1.461.046	402.491	0	492	0	1.058.062
	37.277.423	2.623.509	0	0	0	34.653.914
	8.772	0	0	0	0	8.772
	848.889	1.260	0	0	0	847.630
	76.452.348	3.150.466	0	492	0	73.301.390
	1.125.945	0	0	0	0	1.125.945
	0	0	0	0	0	0
	0	0	0	0	0	0
	5.564.628	0	0	0	0	5.564.628
	5.337	0	0	0	0	5.337
	1.704.940	0	0	0	0	1.704.940
	1.241.693	0	0	0	0	1.241.693
	9.642.543	0	0	0	0	9.642.543
	1.246.281.781	23.425.753	367.213	2.922.295	0	1.219.566.520



ASSET SECURITIZATION

Table 5.1.a. Disclosure of Securitization Transactions – the Bank Separately

No	Securitization Exposure	December 31, 2019				
		Value of securitized assets	Value of securitized assets that impaired		Profit/ Loss from Securitization	
			Mature	Outstanding		
(1)	(2)	(3)	(4)	(5)	(6)	
1	Bank acts as Originating Creditor - Example of exposure type: Claim secured by residential property	NIHIL				
2	Bank acts as Provider of Credit Enhancements					
	a. First loss facility - Example of exposure type: Claim secured by residential property)	NIHIL				
	b. Second loss facility - Example of exposure type: Claim secured by residential property	NIHIL				
3	Bank acts as Provider of Liquidity Facility - Example of exposure type: Claim secured by residential property	NIHIL				
4	Bank acts as Service Provider - Example of exposure type: Claim secured by residential property	NIHIL				
5	Bank acts as Custodian Bank - Example of exposure type: Claim secured by residential property	NIHIL				
6	Bank acts as Investor					
	a. Senior tranche - Example of exposure type: Claim secured by residential property	435.392				
	b. Junior tranche - Example of exposure type: Claim secured by residential property	25.000				
Total		460.392				

Table 5.1.b. Disclosure of Securitization Transactions – the Bank Consolidated with Subsidiaries

No	Securitization Exposure	December 31, 2019				
		Value of securitized assets	Value of securitized assets that impaired		Profit/ Loss from Securitization	
			Mature	Outstanding		
(1)	(2)	(3)	(4)	(5)	(6)	
1	Bank acts as Originating Creditor - Example of exposure type: Claim secured by residential property	NIHIL				
2	Bank acts as Provider of Credit Enhancements a. First loss facility - Example of exposure type: Claim secured by residential property)	NIHIL				
	b. Second loss facility - Example of exposure type: Claim secured by residential property	NIHIL				
3	Bank acts as Provider of Liquidity Facility - Example of exposure type: Claim secured by residential property	NIHIL				
4	Bank acts as Service Provider - Example of exposure type: Claim secured by residential property	NIHIL				
5	Bank acts as Custodian Bank - Example of exposure type: Claim secured by residential property	NIHIL				
6	Bank acts as Investor a. Senior tranche - Example of exposure type: Claim secured by residential property	449.139				
	b. Junior tranche - Example of exposure type: Claim secured by residential property	25.000				
Total		474.139				

(in IDR Million)

	December 31, 2019		December 31, 2018					
	ATMR	Capital reduction	Value of securitized assets	Value of securitized assets that impaired		Profit/ Loss from Securitization	ATMR	Capital reduction
	(7)	(8)	(9)	Mature	Outstanding	(12)	(13)	(14)
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
	75.349		314.303	0	0	0	314.303	0
	6.740		25.000	0	0	0	0	25.000
	82.089		339.303	0	0	0	314.303	25.000

(in IDR Million)

	December 31, 2019		December 31, 2018					
	ATMR	Capital reduction	Value of securitized assets	Value of securitized assets that impaired		Profit/ Loss from Securitization	ATMR	Capital reduction
	(7)	(8)	(9)	Mature	Outstanding	(12)	(13)	(14)
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
			NIHIL	0	0	0	0	0
	77.504		330.985	0	0	0	330.985	0
	6.740		25.000	0	0	0	0	25.000
	84.244		355.985	0	0	0	330.985	25.000

**Table 5.2.a. Disclosure of the Summary of Securitization Transaction Activities with the Bank Acting as Creditor – the Bank separately**

(in IDR Million)

No	Underlying Asset	December 31, 2019		December 31, 2018	
		Value of Securitized Asset	Profit (Loss)	Value of Asset Securitized	Profit (Loss)
(1)	(2)	(3)	(4)	(5)	(6)
1	Claims against Government			0	0
2	Claims against Public Sector Entities			0	0
3	Claims against Multilateral Development Banks and International Institutions			0	0
4	Claims against Banks			0	0
5	Collateralized Housing Loans			0	0
6	Collateralized Commercial Property Loans			0	0
7	Loans to Employees/Pensioners			0	0
8	Claims against MSMEs and Retail Portfolio			0	0
9	Claims against MSMEs and Retail Portfolio			0	0
10	Mature Claims			0	0
11	Exposure at Sharia Unit (If any)			0	0
	Total	NIHIL	NIHIL	NIHIL	NIHIL

Table 5.2.b. Disclosure of the Summary of Securitization Transaction Activities with the Bank as Originator – the Bank Consolidated with the Subsidiary

(in IDR Million)

No	Underlying Asset	December 31, 2019		December 31, 2018	
		Value of Securitized Asset	Profit (Loss)	Value of Asset Securitized	Profit (Loss)
(1)	(2)	(3)	(4)	(5)	(6)
1	Claims against Government			0	0
2	Claims against Public Sector Entities			0	0
3	Claims against Multilateral Development Banks and International Institutions			0	0
4	Claims against Banks			0	0
5	Collateralized Housing Loans			0	0
6	Collateralized Commercial Property Loans			0	0
7	Loans to Employees/Pensioners			0	0
8	Claims against MSMEs and Retail Portfolio			0	0
9	Claims against MSMEs and Retail Portfolio			0	0
10	Mature Claims			0	0
11	Exposure at Sharia Unit (If any)			0	0
	Total	NIHIL	NIHIL	NIHIL	NIHIL

DISCLOSURE OF RWA CALCULATIONS FOR CREDIT RISK USING A STANDARD APPROACH

Based on the exposure category according to the standardized approach, Bank Mandiri has the following exposure, namely:

ASSET EXPOSURES IN THE BALANCE – THE BANK SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIE

Table 6.1.1. Disclosure of Asset Exposures in the Balance

(in IDR Million)

No	Portfolio Category	December 31, 2019			December 31, 2018		
		Net Claims	RWA before MRK	RWA after MRK	Net Claims	RWA before MRK	RWA after MRK
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims against Government	178.951.494	58.511	58.511	166.549.294	894.191	894.191
2	Claims against Public Sector Entities	143.098.608	54.607.324	54.405.983	138.926.427	56.158.097	55.937.599
3	Claims against Multilateral Development Banks and International Institutions				0	0	0
4	Claims against Banks	42.197.414	12.960.555	12.921.916	37.621.627	11.492.844	11.469.666
5	Collateralized Housing Loans	22.101.044	7.204.325	7.204.325	24.284.516	7.719.544	7.719.544
6	Collateralized Commercial Property Loans				0	0	0
7	Loans to Employees/Pensioners				0	0	0
8	Claims against MSMEs and Retail Portfolio	194.786.866	146.090.149	142.959.285	164.180.837	123.135.628	120.824.238
9	Claims against MSMEs and Retail Portfolio	442.688.224	414.928.232	398.827.911	410.159.775	385.728.891	371.123.739
10	Mature Claims	6.710.832	9.647.912	9.632.723	4.757.237	6.803.687	6.784.102
11	Exposure at Sharia Unit (If any)	78.786.010		53.534.095	74.284.573	49.977.520	49.977.520
	Total	1.109.320.493	645.497.009	679.544.750	1.020.764.285	641.910.404	624.730.601

Table 6.2.1 Disclosure of Asset Exposures in the Balance - Consolidation with Subsidiaries

(in IDR Million)

No	Portfolio Category	December 31, 2019			December 31, 2018		
		Net Claims	RWA before MRK	RWA after MRK	Net Claims	RWA before MRK	RWA after MRK
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims against Government	183.694.158	58.511	58.511	170.752.989	894.191	894.191
2	Claims against Public Sector Entities	143.284.054	54.742.232	54.540.891	139.045.583	56.230.705	56.010.207
3	Claims against Multilateral Development Banks and International Institutions				0	0	0
4	Claims against Banks	42.839.403	12.972.762	12.934.124	38.605.469	11.568.593	11.545.414
5	Collateralized Housing Loans	22.148.137	7.214.501	7.214.501	24.344.254	7.733.168	7.733.168
6	Collateralized Commercial Property Loans	3.780	3.780	3.780	5.584	5.584	5.584
7	Loans to Employees/Pensioners	19.318.856	9.659.428	9.659.428	13.809.572	6.904.786	6.904.761
8	Claims against MSMEs and Retail Portfolio	214.233.524	160.675.143	157.538.709	183.313.704	137.485.278	135.169.251
9	Claims against MSMEs and Retail Portfolio	443.892.913	416.153.854	400.050.704	411.085.922	386.691.633	372.083.793
10	Mature Claims	6.925.915	9.969.100	9.953.911	4.962.793	7.111.615	7.092.030
11	Exposure at Sharia Unit (If any)	82.275.824	56.876.974	56.876.974	77.045.359	52.560.302	52.560.302
	Total	1.158.616.564	728.326.285	708.831.533	1.062.971.228	667.185.854	649.998.702



COMMITMENT / CONTINGENCY EXPOSURES - BANK INDIVIDUALLY AND CONSOLIDATED WITH SUBSIDIARIES

Table 6.1.2 Disclosures of Contingencies/Commitment Liability Exposures on Administrative Account Transactions – the Bank separately Administratif

(in IDR Million)

No	Portfolio Category	December 31, 2019			December 31, 2018		
		Net Claims	RWA before MRK	RWA after MRK	Net Claims	RWA before MRK	RWA after MRK
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims against Government	8.345.735			5.865.201		
2	Claims against Public Sector Entities	20.461.837	9.461.495	9.406.302	22.059.290	9.628.060	9.567.656
3	Claims against Multilateral Development Banks and International Institutions				0	0	0
4	Claims against Banks	14.182.336	7.091.168	7.091.168	8.931.726	4.465.714	4.465.714
5	Collateralized Housing Loans				0	0	0
6	Collateralized Commercial Property Loans				0	0	0
7	Loans to Employees/Pensioners				0	0	0
8	Claims against MSMEs and Retail Portfolio	1.250.491	937.868	531.142	1.460.955	1.095.716	793.577
9	Claims against Corporations	34.045.589	33.616.232	30.739.342	37.277.423	36.366.931	33.746.438
10	Mature Claims	6.770	10.155	10.155	8.772	13.159	13.159
	Total	78.292.757	51.116.918	47.778.110	75.603.368	51.569.579	48.586.544

Tabel 6.2.2. Disclosures of Commitment/ Contingencies Liability Exposures on Administrative Account Transactions - Consolidation with Subsidiaries

(in IDR Million)

No	Portfolio Category	December 31, 2019			December 31, 2018		
		Net Claims	RWA before MRK	RWA after MRK	Net Claims	RWA before MRK	RWA after MRK
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims against Government	8.345.735			5.865.201		
2	Claims against Public Sector Entities	20.461.837	9.461.495	9.406.302	22.059.290	9.628.060	9.567.656
3	Claims against Multilateral Development Banks and International Institutions				0	0	0
4	Claims against Banks	14.182.336	7.091.168	7.091.168	8.931.726	4.465.714	4.465.714
5	Collateralized Housing Loans				0	0	0
6	Collateralized Commercial Property Loans				0	0	0
7	Loans to Employees/Pensioners				0	0	0
8	Claims against MSMEs and Retail Portfolio	1.250.491	937.868	531.142	1.461.046	1.095.784	793.645
9	Claims against Corporations	34.045.589	33.616.232	30.739.342	37.277.423	36.366.931	33.746.438
10	Mature Claims	6.770	10.155	10.155	8.772	13.159	13.159
	Total	78.292.757	51.116.918	47.778.110	75.603.459	51.569.647	48.586.612

EXPOSURES TO COUNTERPARTY CREDIT RISK – THE BANK INDIVIDUALLY AND CONSOLIDATED WITH SUBSIDIARIES

Table 6.1.3 Disclosures of Exposure Triggering Counterparty Credit Risk – the Bank separately

(in IDR Million)

No	Portfolio Category	December 31, 2019			December 31, 2018		
		Net Claims	RWA before MRK	RWA after MRK	Net Claims	RWA before MRK	RWA after MRK
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims against Government	621.373			741.948	0	0
2	Claims against Public Sector Entities	14.033	7.016	7.016	0	0	0
3	Claims against Multilateral Development Banks and International Institutions				0	0	0
4	Claims against Banks	4.737.600	1.598.878	1.598.878	5.297.244	1.543.929	1.543.929
5	Claims against MSMEs and Retail Portfolio	488	366	366	5.337	4.003	4.003
6	Claims against Corporations	1.314.835	1.306.282	1.306.282	1.630.757	1.607.467	1.607.467
7	Eksposur tertimbang dari Credit Valuation Adjustment (CVA risk weighted assets)			1.246.362	0	0	930.957
	Total	6.688.329	2.912.543	4.158.905	7.675.285	3.155.399	4.086.356

Table 6.2.3 Disclosures of Exposures Triggering Counterparty Credit Risk – the Bank Consolidated with Subsidiaries

No	Portfolio Category	December 31, 2019			December 31, 2018		
		Net Claims	RWA before MRK	RWA after MRK	Net Claims	RWA before MRK	RWA after MRK
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims against Government	2.212.888			1.125.945	0	0
2	Claims against Public Sector Entities	14.033	7.016	7.016	0	0	0
3	Claims against Multilateral Development Banks and International Institutions				0	0	0
4	Claims against Banks	4.836.862	1.642.756	1.642.756	5.564.628	1.669.029	1.669.029
5	Claims against MSMEs and Retail Portfolio	488	366	366	5.337	4.003	4.003
6	Claims against Corporations	1.430.540	1.421.987	1.421.987	1.704.940	1.681.650	1.681.650
7	Eksposur tertimbang dari Credit Valuation Adjustment (CVA risk weighted assets)			1.260.113	0	0	1.052.537
	Total	8.494.812	3.072.126	4.332.239	8.400.850	3.354.681	4.407.219

**RISK SETTLEMENT EXPOSURES – THE BANK SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIES****Table 6.1.4 Disclosures of Credit Risk Exposures Due to Settlement Failures (Settlement Risk) – the Bank separately**

(in IDR Million)

No	Transaction Type	December 31, 2019			December 31, 2018		
		Exposure Amount	Capital reduction factors	RWA after MRK	Exposure Amount	Capital reduction factors	RWA after MRK
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Delivery versus payment				0	0	0
	a. Capital Charge 8% (5-15 days)				0	0	0
	b. Capital Charge 50% (16-30 days)				0	0	0
	c. Capital Charge 75% (31-45 days)				0	0	0
	d. Capital Charge 100% (lebih dari 45 days)				0	0	0
2	Non-delivery versus payment				0	0	0
	Total				0	0	0

Table 6.2.4 Disclosure of Credit Risk Exposures Due to Settlement Failures (Settlement Risk) – the Bank Consolidated with Subsidiaries

(in IDR Million)

No	Transaction Type	December 31, 2019			December 31, 2018		
		Exposure Amount	Capital reduction factors	RWA after MRK	Exposure Amount	Capital reduction factors	RWA after MRK
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Delivery versus payment				0	0	0
	a. Beban Modal 8% (5-15 hari)				0	0	0
	b. Beban Modal 50% (16-30 hari)				0	0	0
	c. Beban Modal 75% (31-45 hari)				0	0	0
	d. Beban Modal 100% (lebih dari 45 hari)				0	0	0
2	Non-delivery versus payment				0	0	0
	Total				0	0	0

EXPOSURES TO SECURITIZATION – THE BANK SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIES

Table 6.1.5 Disclosure of Exposure to Securitization - the Bank Separately

(in IDR Million)

No	Transaction Type	December 31, 2019		December 31, 2018	
		Reduction factors	ATMR	Reduction factors	ATMR
(1)	(2)	(3)	(4)	(5)	(6)
1	Support Credit Facilities that meet the requirements			0	0
2	Support Credit Facilities that do not meet the requirements			0	0
3	Liquidity Facilities that meet the requirements			0	0
4	Liquidity Facilities that do not meet the requirements			0	0
5	Purchase of Asset-Backed Stock that meet the requirements		82.089	25.000	314.303
6	Purchase of Asset-Backed Stock that do not meet the requirements			0	0
7	Securitization exposure not covered by Bank Indonesia regulations on the application of prudential principles to asset securitization by commercial banks			0	0
Total			82.089	25.000	314.303

Table 6.2.5 Disclosures of Exposure to Securitization – the Bank Consolidated with Subsidiaries

(in IDR Million)

No	Transaction Type	December 31, 2019		December 31, 2018	
		Reduction factors	ATMR	Reduction factors	ATMR
(1)	(2)	(3)	(4)	(5)	(6)
1	Support Credit Facilities that meet the requirements			0	0
2	Support Credit Facilities that do not meet the requirements			0	0
3	Liquidity Facilities that meet the requirements			0	0
4	Liquidity Facilities that do not meet the requirements			0	0
5	Purchase of Asset-Backed Stock that meet the requirements		84.244	25.000	330.985
6	Purchase of Asset-Backed Stock that do not meet the requirements			0	0
7	Securitization exposure not covered by Bank Indonesia regulations on the application of prudential principles to asset securitization by commercial banks			0	0
Total			84.244	25.000	330.985

**EXPOSURES IN SHARIA BUSINESS UNITS – THE BANKS SEPARATELY AND CONSOLIDATED WITH SUBSIDIARIES****Table 6.1.6 Disclosure of Exposures in Sharia-Based Business Units - The Bank Separately**

(in IDR Million)

	31 December 2019	31 December 2018
TOTAL RWA OF CREDIT RISKS	731.563.854	667.221.328
TOTAL CAPITAL REDUCTION FACTORS		25.000

Table 6.2.6 Disclosure of Exposures in Sharia-Based Business Units and / or Subsidiaries Undertaking Their Business Operations in Compliance with Sharia-Based Principles (if any) - Consolidated with Subsidiaries

(in IDR Million)

No	Types Transaksi	December 31, 2019		December 31, 2018	
		Capital Reducing Factor	ATMR	Capital Reducing Factor	ATMR
(1)	(2)	(3)	(4)	(5)	(6)
1	Total Eksposur		48.754.561		43.730.137

Table 6.2.7 Disclosure of Total Credit Risk Measurement - Consolidated with Subsidiaries

(in IDR Million)

	31 December 2019	31 December 2018
TOTAL RWA OF CREDIT RISKS	809.780.687	736.418.456
TOTAL CAPITAL REDUCTION FACTORS		25.000

MARKET RISK**DISCLOSURE OF MARKET RISK USING A STANDARD METHOD**

In order to increase the quality and quantity of the Bank capital to anticipate potential losses due to the financial and economic crisis, the Minimum Capital Requirement is calculated periodically using a Standard Method reported monthly to Bank Indonesia for bank only positions, while the consolidated positions with Subsidiaries is reported quarterly.

Table 7.1. Disclosure of Market Risk Using a Standard Method

(in IDR Million)

No.	Types Risk	December 31, 2019				December 31, 2018			
		Bank		Consolidated		Bank		Consolidated	
		Expense Modal	ATMR	Capital Charge	ATMR	Expense Modal	ATMR	Expense Modal	ATMR
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Interest Rate Risks	144.274	1.803.422	161.028	2.012.851	132.613	1.657.657	144.278	1.803.481
	a. Specific Risks	2.783	34.786	12.688	158.598	2.745,61	34.320	10.171	127.132
	b. General Risks	141.491	1.768.636	148.340	1.854.253	129.866,97	1.623.337	134.108	1.676.349
2	Exchange Rate Risks	254.087	3.176.084	271.363	3.392.031	139.433,90	1.742.924	139.842	1.748.019
3	Equity Risks	-	-	1.220	15.249	-	-	74	925
4	Commodity Risks	-	-	-	-	-	-	-	-
5	Option Risks	1.845.622	23.070.273	1.845.622	23.070.273	243.910	3.048.873	243.910	3.048.873
	Total	2.243.982	28.049.779	2.279.232	28.490.405	515.956	6.449.454	528.104	6.601.298

For internal goals, Bank Mandiri has also performed calculations using the Internal Method. The calculation of Capital Minimum Requirement using internal methods is performed by calculating Value at Risk (VaR), which is a value that describes the maximum potential for losses experienced by the Bank as a result of market movements that affect the Bank's risk exposure under normal market conditions. The Historical Simulation method was used to obtain the VaR value.

The Realization of Value Risk of Bank Mandiri in 2019 is as follows:

Table 7.2 Disclosure of Market Risk by Using Internal Models (Value at Risk / VaR) – Bank only

No	Risk Type	December 31, 2018				December 31, 2017			
		"VaR Average"	"VaR Maximum"	"VaR Minimum"	"VaR End Period"	"VaR Average"	"VaR Maximum"	"VaR Minimum"	"VaR End Period"
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Interest Rate Risk	13.833	29.191	3.933	5.109	21.426	35.131	7.100	14.256
2	Exchange Rate Risk	17.095	62.359	2.133	22.572	10.846	35.831	1.845	23.528
3	Option risk	3.798	6.815	1.746	2.095	2.990	5.666	603,47	2.452
	Total	27.117	81.837	8.379	33.381	36.457	66.154	12.480	12.480

DISCLOSURE OF EXPOSURE OF INTEREST RATE RISK IN BANKING BOOK (IRRBB)

Interest Rate Risk in the Banking Book or Interest Rate Risk in The Banking Book is a risk due to movement of interest rates in the market that is opposite to the Banking Book position, which has the potential to have an impact on the Bank's capital and income both now and in the future.

In accordance with FSA Circular Letter number 12 / SEOJK.03 / 2018 regarding "Application of Risk Management and Risk Measurement Standard Approach for Interest Rate Risk in the Banking Book (Interest Rate Risk in the Banking Book) for Commercial Banks", the Bank uses 2 (two) methods in conducting IRRBB Risk measurement as follows:

- Measurement based on changes in the economic value of equity, hereinafter abbreviated as EVE, is a method that measures the impact of changes in interest rates on the economic value of the Bank's equity; and
- Measurement based on changes in net interest income, hereinafter referred to as NII, is a method that measures the impact of changes in interest rates on bank income.

Based on the sensitivity analysis simulation results in the end of 2019, the impact of changes in interest rates on the economic value of equity and net interest income is as follows:

Table 7.3 Disclosure of Exposure to Interest Rate Risk in Banking Book (IRBB)

(in million IDR)

Periode	ΔEVE		ΔNII	
	2019*	2018	2019*	2018
Parallel up	8.299.949	n.a	3.267.543	n.a
Parallel down	(9.501.949)	n.a	(3.625.313)	n.a
Steeper	3.004.717	n.a		
Flattener	(412.105)	n.a		
Short rate up	3.025.040	n.a		
Short rate down	(3.944.793)	n.a		
Negative Maximum Value (absolute)	9.501.949	n.a	3.625.313	n.a
Tier 1 capital (for ΔEVE) or Projected Income (for ΔNII)	179.161.161	n.a	51.328.426	n.a
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	5,30%	n.a	7,06%	n.a

* Calculation method according to SEOJK Interest Rate Risk in Banking Book (IRRBB) No. 12 / SEOJK.03 / 2018 dated August 21, 2018

**Table 7.3.b Disclosure of Interest Rate Risk Exposure in Banking Book (IRRBB) - Bank Seraca Consolidation**

(in million IDR)

Periode	ΔEVE		ΔNII	
	2019*	2018	2019*	2018
Parallel up	3.985.147	n.a	2.760.651	n.a
Parallel down	(4.345.886)	n.a	(3.541.208)	n.a
Steepener	1.926.165	n.a		
Flattener	(280.488)	n.a		
Short rate up	1.115.085	n.a		
Short rate down	(1.941.508)	n.a		
Negative Maximum Value (absolute)	4.345.886	n.a	3.541.208	n.a
Tier 1 capital (for ΔEVE) or Projected Income (for ΔNII)	194.621.334	n.a	63.556.000	n.a
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	2,23%	n.a	5,57%	n.a

* Calculation method according to SEOJK Interest Rate Risk in Banking Book (IRRBB) No. 12 / SEOJK.03 / 2018 dated August 21, 2018

In addition to disclosure of IRRBB exposure, exchange rate risk disclosures are also carried out. Exchange rate risk arises due to movements in the market exchange rate that are opposite to Bank Mandiri's foreign exchange position. Exchange rate risk originates from the Bank's balance sheet assets and liabilities in foreign currencies, foreign exchange transactions with customers and counterparties that cause open positions in foreign currencies, as well as structural positions in foreign exchange due to equity participation. Bank Mandiri manages exchange rate risk by monitoring and managing the Net Open Position (NOP) in accordance with internal limits and regulations. As of the end of December 2019, the absolute overall NOP was 1.19% of the capital.

IRRBB Qualitative Analysis

1	Explanation of how the Bank defines IRRBB for risk measurement and control.
	<p>Interest rate risk in the Banking Book or Interest Rate Risk in The Banking Book, hereinafter abbreviated as IRRBB, is a risk due to interest rate movements in the market that are opposite to the Banking Book position, which has the potential to have an impact on the Bank's capital and earnings (earnings) both for the time being this as well as in the future</p> <p>The Bank measures IRRBB using two methods, namely measurement based on changes in the economic value of equity or abbreviated ΔEVE and measurements based on changes in net interest income or abbreviated as IINII. The ΔEVE and ΔNII simulations are carried out according to the scenario of rising and decreasing interest rates (rate shock) in FSA Circular Letter Number 12/SEOJK.03/2018 on August 21, 2018. The Bank carries out control and mitigation of interest rate risk through asset and liability recomposition strategies or hedging strategies.</p>
2	Description of the IRRBB management and mitigation strategy.
	<p>The Bank determines the IRRBB control strategy which is in line with the Bank's overall business strategy by taking into account the level of risk to be taken (risk appetite) and risk tolerance approved by the Board of Directors.</p> <p>Meanwhile, the IRRBB mitigation strategy for changes in the economic value of capital (ΔEVE) is determined depending on the position duration (average repricing maturity) of assets and liabilities. As per June 30, 2019, Individual ΔEVE Bank Mandiri by 5.60% was still far below the regulator limit of 15%. Under these conditions, the Bank implemented a strategy of maintaining the profile duration assets and liabilities duration in accordance with the realization.</p>
3	Periodization of bank IRRBB calculations, and an explanation of the specific actions used by banks to measure sensitivity to IRRBB.
	<p>To ensure that the IRRBB is properly monitored, the Bank performs an IRRBB calculation for each position at the end of the reporting month and reports and publishes for each position at the end of the quarterly report in accordance with applicable regulations. Measurement of sensitivity to IRRBB is carried out according to the provisions in FSA Circular Letter Number 12/SEOJK.03/2018 dated August 21, 2018, among others as follows:</p> <p>a) The IRRBB calculation takes into account the entire Banking Book position by issuing equity and is grouped based on material currency positions for the Bank</p> <p>b) The ΔEVE calculation does not take into account the existence of commercial margins in cash flows and discounts on cash flows.</p>

IRRBB Qualitative Analysis

4 An explanation of the interest rate shock scenario and the stress scenario used by banks to estimate changes in economic value and earnings.

Measurement of IRRBB exposure is done based on 6 (six) interest rate shock scenarios as follows:

Skenario	Description	Changing Estimation	
		Economic value	Earnings
Parallel Up	Shock interest rates that are parallel to the top	✓	✓
Parallel Down	Shock interest rates that are parallel to the down	✓	✓
Steepener	The interest rate shock that marks the short-term interest rate decreases and the long-term interest rate increases (short rates down and long rates up).	✓	
Flattener	Horizontal interest rate shock combined with short-term interest rates increases and long-term interest rates decline.	✓	
Short Up	Short-term interest rate shocks are increasing.	✓	
Short Down	Short-term interest rate shocks are decreasing.	✓	

5 Modeling assumptions used significantly in the Internal Measurement System (IMS) - if any.

The Bank does not have the modeling assumptions used significantly in the Bank's Internal Measurement System (IMS) that are different from the modeling assumptions used in the IRRBB calculation report with a standardized approach.

6 Description on how the bank hedge IRRBB (if any), along with the related accounting treatment.

The Bank conducts hedging transactions for interest rate risk positions by taking into account risk appetite, business strategies, and projections for future movements in market factors. The Bank does not apply the hedge accounting method in the accounting for hedge transactions. Gains/losses arising from hedging transactions are recorded in the Bank's profit/loss statement.

7 Comprehensive description of the main modeling and parametric assumptions used in calculating Δ EVE and Δ NII.

Here are the main modeling assumptions used in calculating Δ EVE and Δ NII:

- The Δ EVE calculation does not account for the existence of commercial margins in cash flows and discounts on cash flows while the Δ NII calculation takes into account commercial margins in cash flow.
- Instruments that have behavioral options, such as consumer credit, retail deposits, and NMD, have calculated the material impact on Δ EVE and Δ NII by using the early prepayment model (for consumer credit), early redemption (for time deposits), and behavior analysis for slotting NMD based. The model will affect the instrument's repricing time profile in the repricing gap.

Quantitative Analysis

1 The average Repricing Maturity applied for NMD.

- ✓ The average Repricing Maturity for IDR is 2.32 years.
- ✓ The average Repricing Maturity for USD is 2.18 years.

2 Longest repricing maturity applied for NMD.

- ✓ The longest repricing maturity for NMD is 6 years.



LIQUIDITY RISK

Liquidity risk is a risk arising from the inability of banks to provide liquidity at fair prices which will have an impact on the profitability and capital of the Bank. Bank Mandiri manages liquidity risk by measuring the amount of liquidity risk faced by the Bank using several indicators, including the primary reserve ratio (GWM and Cash ratio), secondary reserve (liquidity reserve), Macroprudential Intermediation Ratio (RIM), Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). To support the determination of the strategy in anticipating future liquidity conditions, the Bank uses a maturity profile made on a contractual basis on a monthly basis. The disclosure of liquidity risk exposure is presented in the following tables.

Table 8.1.a. Disclosure of IDR Maturity Profile – the Bank Separately

No.	Pos-pos	31 December 2019						
		Balance	Maturity					
			≤ 1 Month	> 01 - 03 Months	> 03 - 06 Months	> 06 - 12 Months	> 12 BLN	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
I	BALANCE SHEET							
	A. Assets							
	1. Cash	23.105.408	23.105.408					
	2. Placement with Bank Indonesia	34.381.128	34.381.128	0	0	0	0	
	3. Placement with other banks	4.206.736	4.206.735	1	0	0	0	
	4. Securities	104.336.471	780.683	2.376.264	1.231.969	17.860.393	82.087.162	
	5. Loans	654.452.910	72.485.051	25.546.844	41.711.107	54.007.926	460.701.982	
	6. Other receivables	1.293.890	1.214.599	0	54.562	24.729	0	
	7. Other assets	632.280	464.317	0	0	167.963	0	
	Total Assets	822.408.823	136.637.921	27.923.109	42.997.638	72.061.011	542.789.144	
	B. Liabilities							
	1. Third party funds	684.837.009	575.735.605	83.850.236	7.961.296	16.080.117	1.209.755	
	2. Funds from Bank Indonesia	0	0	0	0	0	0	
	3. Funds from other ban	9.309.540	9.309.540	0	0	0	0	
	4. Securities issued	13.903.224	0	0	0	929.314	12.973.910	
	5. Loans received	872.168	124	0	0	0	872.044	
	6. Other liabilities	28.855.589	27.545.440	7.236	1.302.913	0	0	
	7. Miscellaneous	14.030.427	10.000.177	3.502.258	527.992	0	0	
	Total Kewajiban	751.807.957	622.590.886	87.359.730	9.792.201	17.009.431	15.055.709	
	Difference between Assets and Liabilities in the Balance Sheet	70.600.866	(485.952.965)	(59.436.621)	33.205.437	55.051.580	527.733.435	
II	ADMINISTRATIVE ACCOUNT							
	A. Administrative Account Claims							
	1. Commitments	63.455.341	63.455.341	0	0	0	0	
	2. Contingencies	33.852.381	0	5.911.961	27.940.420	0	0	
	Total Administrative Account Claims	97.307.722	63.455.341	5.911.961	27.940.420	0	0	
	B. Administrative Account Liabilities							
	1. Commitments	181.628.062	31.469.718	142.900.949	7.257.395	0	0	
	2. Contingencies	55.956.398	0	0	55.956.398	0	0	
	Total Administrative Account Liabilities	237.584.460	31.469.718	142.900.949	63.213.793	0	0	
	Difference between Assets and Liabilities in the Balance Sheet	(140.276.738)	31.985.623	(136.988.988)	(35.273.373)	0	0	
	Difference [(IA-IB)+(IIA-IIIB)]	(69.675.872)	(453.967.342)	(196.425.609)	(2.067.936)	55.051.580	527.733.435	
	Cumulative Difference	(69.675.872)	(453.967.342)	(650.392.951)	(652.460.887)	(597.409.308)	(69.675.872)	

(in IDR Million)

December 31, 2017						
	Balance	Maturity				
		≤ 1 Month	> 01 - 03 Months	> 03 - 06 Months	> 06 - 12 Months	> 12 Month
	(9)	(10)	(11)	(12)	(13)	(14)
	21.578.738	21.578.738	0	0	0	0
	37.399.252	37.399.252	0	0	0	0
	4.108.098	4.088.098	20.000	0	0	0
	78.114.842	541.617	2.129.028	4.648.486	15.472.671	55.323.040
	587.383.045	91.189.826	25.676.074	37.129.721	52.056.151	381.331.273
	2.159.852	2.159.852	0	0	0	0
	729.797	606.751	0	0	123.046	0
	731.473.624	157.564.134	27.825.102	41.778.207	67.651.868	436.654.313
	624.901.234	523.922.640	94.394.908	3.340.424	2.477.317	765.945
	0	0	0	0	0	0
	7.251.997	7.251.997	0	0	0	0
	13.871.711	0	0	0	0	13.871.711
	712.494	0	0	0	0	712.494
	51.285.300	37.499.453	7.218	13.778.629	0	0
	11.842.004	9.598.398	1.573.799	669.807	0	0
	709.864.740	578.272.488	95.975.925	17.788.860	2.477.317	15.350.150
	21.608.884	(420.708.354)	(68.150.823)	23.989.347	65.174.551	421.304.163
	98.811.756	98.811.756	0	0	0	0
	31.945.499	0	4.844.874	27.100.625	0	0
	130.757.255	98.811.756	4.844.874	27.100.625	0	0
	189.416.599	52.050.570	127.347.346	10.018.683	0	0
	51.685.379	0	0	51.685.379	0	0
	241.101.978	52.050.570	127.347.346	61.704.062	0	0
	(110.344.723)	46.761.186	(122.502.472)	(34.603.437)	0	0
	(88.735.839)	(373.947.168)	(190.653.295)	(10.614.090)	65.174.551	421.304.163
	(88.735.839)	(373.947.168)	(564.600.463)	(575.214.553)	(510.040.002)	(88.735.839)

**Table 8.1.b. Disclosure of IDR Maturity Profile – the Bank Consolidated with Subsidiaries**

No.	Pos-pos	31 December 2019					
		Balance	Maturity				
			≤ 1 Month	> 01 - 03 Months	> 03 - 06 Months	> 06 - 12 Months	> 12 BLN
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I	BALANCE SHEET						
	A. Assets						
	1. Cash	31.989.891	31.539.117	442.311	8.463	0	0
	2. Placement with Bank Indonesia	38.186.918	38.048.918	138.000	0	0	0
	3. Placement with other banks	26.409.313	14.887.200	3.272.420	161.212	2.451.963	5.636.516
	4. Securities	178.754.677	4.008.535	8.769.398	5.891.845	20.887.594	139.197.306
	5. Loans	697.115.777	74.534.597	27.491.154	43.957.955	58.003.250	493.128.820
	6. Other receivables	3.586.889	3.185.530	289.454	67.081	24.729	20.095
	7. Other assets	106.283.084	24.268.958	10.047.386	4.540.734	5.661.719	61.764.288
	Total Assets	1.082.326.550	190.472.856	50.450.123	54.627.290	87.029.256	699.747.025
	B. Liabilities						
	1. Third party funds	705.426.178	587.690.457	88.572.843	10.529.456	17.179.742	1.453.680
	2. Funds from Bank Indonesia	375.000	0	0	0	0	375.000
	3. Funds from other ban	24.115.402	10.592.816	2.175.063	2.019.386	3.596.953	5.731.183
	4. Securities issued	20.116.234	0	0	609.662	1.029.138	18.477.435
	5. Loans received	872.168	124	0	0	0	872.044
	6. Other liabilities	29.347.896	28.037.747	7.236	1.302.913	0	0
	7. Miscellaneous	106.419.294	90.179.994	11.153.636	2.516.299	2.149.272	420.094
	Total Liabilities	886.672.173	716.501.138	101.908.779	16.977.715	23.955.105	27.329.436
	Difference between Assets and Liabilities in the Balance Sheet	195.654.377	(526.028.282)	(51.458.655)	37.649.575	63.074.151	672.417.589
II	ADMINISTRATIVE ACCOUNT						
	A. Administrative Account Claims						
	1. Commitments	63.455.341	63.455.341	0	0	0	0
	2. Contingencies	33.852.381	0	5.911.961	27.940.420	0	0
	Total Administrative Account Claims	97.307.722	63.455.341	5.911.961	27.940.420	0	0
	B. Administrative Account Liabilities						
	1. Commitments	182.772.430	31.799.667	143.078.264	7.365.734	152.353	376.412
	2. Contingencies	57.105.201	342.394	175.877	56.066.440	144.172	376.319
	Total Administrative Account Liabilities	239.877.632	32.142.061	143.254.141	63.432.174	296.525	752.731
	Difference between Assets and Liabilities in the Balance Sheet	(142.569.910)	31.313.280	(137.342.180)	(35.491.754)	(296.525)	(752.731)
	Difference [(IA-IB)+(IIA-IIB)]	53.084.467	(494.715.002)	(188.800.835)	2.157.821	62.777.626	671.664.858
	Cumulative Difference	53.084.467	(494.715.002)	(683.515.837)	(681.358.017)	(618.580.391)	53.084.467

(in IDR Million)

	December 31, 2017					
	Balance	Maturity				
		≤ 1 Month	> 01 - 03 Months	> 03 - 06 Months	> 06 - 12 Months	> 12 Month
	(9)	(10)	(11)	(12)	(13)	(14)
	22.886.103	22.826.296	46.865	12.942	0	0
	49.204.902	48.966.902	238.000	0	0	0
	5.349.874	5.273.874	44.000	32.000	0	0
	96.818.638	6.171.193	3.366.046	5.202.046	18.470.809	63.608.543
	687.095.661	94.228.002	32.517.308	42.824.199	58.332.442	459.193.710
	3.099.553	3.099.553	0	0	0	0
	2.842.533	1.396.015	213.120	12.608	128.902	1.091.888
	867.297.264	181.961.835	36.425.338	48.083.796	76.932.153	523.894.141
	720.344.720	606.460.616	102.236.887	6.272.950	4.566.211	808.056
	0	0	0	0	0	0
	22.715.734	9.444.476	1.261.215	1.647.166	3.612.325	6.750.552
	19.086.805	0	0	0	719.470	18.367.336
	712.494	0	0	0	0	712.494
	53.534.322	39.657.261	18.408	13.778.629	0	80.024
	13.020.125	10.377.446	1.892.846	699.833	50.000	0
	829.414.201	665.939.799	105.409.357	22.398.578	8.948.005	26.718.461
	37.883.064	(483.977.964)	(68.984.019)	25.685.218	67.984.148	497.175.680
	98.839.590	98.814.035	4.559	4.791	16.204	0
	31.945.499	0	4.844.874	27.100.625	0	0
	130.785.089	98.814.035	4.849.433	27.105.416	16.204	0
	189.423.568	52.056.917	127.347.968	10.018.683	0	0
	52.383.722	63.298	100.769	51.750.619	154.965	314.072
	241.807.290	52.120.215	127.448.737	61.769.302	154.965	314.072
	(111.022.202)	46.693.820	(122.599.304)	(34.663.885)	(138.761)	(314.072)
	(73.139.138)	(437.284.144)	(191.583.322)	(8.978.667)	67.845.387	496.861.608
	(73.139.138)	(437.284.144)	(628.867.466)	(637.846.133)	(570.000.746)	(73.139.138)



Table 8.2.a. Disclosure of Foreign Currency Maturity – the Bank Separately

No.	Pos-pos	31 December 2019					
		Balance	Maturity				
			≤ 1 Month	> 01 - 03 Months	> 03 - 06 Months	> 06 - 12 Months	> 12 BLN
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I	BALANCE SHEET						
	A. Assets						
	1. Cash	2.250.992	2.250.992	0	0	0	0
	2. Placement with Bank Indonesia	19.600.022	19.600.022	0	0	0	0
	3. Placement with other banks	21.694.391	20.933.755	513.264	246.400	0	972
	4. Securities	36.470.980	555.161	3.773.361	3.782.842	652.672	27.706.943
	5. Loans	137.898.204	8.537.252	8.438.103	8.490.551	12.696.643	99.735.656
	6. Other receivables	341.010	341.010	0	0	0	0
	7. Other assets	522.801	375.952	75.021	0	71.828	0
	Total Assets	218.778.399	52.594.143	12.799.748	12.519.794	13.421.143	127.443.571
	B. Liabilities						
	1. Third party funds	130.268.535	116.554.555	10.605.994	1.578.260	1.499.032	30.694
	2. Funds from Bank Indonesia	0	0	0	0	0	0
	3. Funds from other ban	3.221.212	1.773.142	1.448.070	0	0	0
	4. Securities issued	10.305.364	0	0	0	0	10.305.364
	5. Loans received	41.866.996	2.066.938	6.035.819	4.461.363	14.547.333	14.755.543
	6. Other liabilities	37.985.144	34.228.442	872.043	2.396.911	70.773	416.975
	7. Miscellaneous	7.642.358	1.023.557	6.433.997	184.804	0	0
	Total Liabilities						
	Difference between Assets and Liabilities in the Balance Sheet	(12.511.210)	(103.052.491)	(12.596.175)	3.898.456	(2.695.995)	101.934.996
II	ADMINISTRATIVE ACCOUNT						
	A. Administrative Account Claims						
	1. Commitments	68.390.654	68.390.654	0	0	0	0
	2. Contingencies	29.458.693	0	20.811.381	8.647.312	0	0
	Total Administrative Account Claims	97.849.347	68.390.654	20.811.381	8.647.312	0	0
	B. Administrative Account Liabilities						
	1. Commitments	167.968.813	101.633.078	42.705.291	23.630.444	0	0
	2. Contingencies	40.563.513	0	0	40.563.513	0	0
	Total Administrative Account Liabilities	208.532.326	101.633.078	42.705.291	64.193.957	0	0
	Difference between Assets and Liabilities in the Balance Sheet	(110.682.980)	(33.242.424)	(21.893.910)	(55.546.645)	0	0
	Difference [(IA-IB)+(IIA-IIB)]	(123.194.189)	(136.294.915)	(34.490.086)	(51.648.189)	(2.695.995)	101.934.996
	Cumulative Difference	(123.194.189)	(136.294.915)	(170.785.000)	(222.433.190)	(225.129.185)	(123.194.189)

(in IDR Million)

	December 31, 2017					
	Balance	Maturity				
		≤ 1 Month	> 01 - 03 Months	> 03 - 06 Months	> 06 - 12 Months	> 12 Month
	(9)	(10)	(11)	(12)	(13)	(14)
	2.865.129	2.865.129	0	0	0	0
	20.732.983	18.575.983	2.157.000	0	0	0
	19.032.836	18.202.837	422.211	203.189	129.420	75.179
	36.279.273	1.792.467	4.511.624	1.798.348	1.066.910	27.109.924
	131.583.802	11.559.262	15.558.815	16.738.938	7.011.170	80.715.616
	615.148	615.148	0	0	0	0
	653.542	292.662	283.919	0	76.962	0
	211.762.713	53.903.488	22.933.569	18.740.476	8.284.462	107.900.718
	114.585.304	100.080.083	9.087.369	3.982.253	1.081.031	354.568
	0	0	0	0	0	0
	8.116.705	7.332.535	404.553	145.137	234.480	0
	0	0	0	0	0	0
	38.563.047	3.623.774	6.509.280	3.865.790	3.120.460	21.443.744
	37.937.546	33.064.869	2.075.681	2.796.996	0	0
	6.593.000	771.962	5.458.159	362.879	0	0
	205.795.602	144.873.223	23.535.041	11.153.056	4.435.971	21.798.311
	5.967.110	(90.969.735)	(601.472)	7.587.420	3.848.491	86.102.407
	160.470.263	160.470.263	0	0	0	0
	25.641.136	0	15.429.812	10.211.324	0	0
	186.111.400	160.470.263	15.429.812	10.211.324	0	0
	69.206.935	14.784.416	32.069.255	22.353.264	0	0
	30.512.217	0	0	30.512.217	0	0
	99.719.153	14.784.416	32.069.255	52.865.482	0	0
	86.392.247	145.685.847	(16.639.443)	(42.654.157)	0	0
	92.359.357	54.716.112	(17.240.915)	(35.066.737)	3.848.491	86.102.407
	92.359.357	54.716.112	37.475.197	2.408.460	6.256.950	92.359.357

**Table 8.2.b. Disclosure of Foreign Currency Maturity Profile – the Bank Consolidated with Subsidiaries**

No.	Pos-pos	31 December 2019					
		Balance	Maturity				
			≤ 1 Month	> 01 - 03 Months	> 03 - 06 Months	> 06 - 12 Months	> 12 BLN
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I	BALANCE SHEET						
	A. Assets						
	1. Cash	2.845.251	2.845.251	0	0	0	0
	2. Placement with Bank Indonesia	19.833.011	19.833.011	0	0	0	0
	3. Placement with other banks	22.347.874	21.587.238	513.264	246.400	0	972
	4. Securities	37.435.563	569.842	3.784.975	3.893.986	668.413	28.518.347
	5. Loans	138.712.816	8.537.252	8.438.103	8.490.551	12.696.643	100.550.267
	6. Other receivables	341.108	341.010	98	0	0	0
	7. Other assets	1.074.638	716.425	86.733	28.096	119.860	123.523
	Total Assets	222.590.260	54.430.028	12.823.173	12.659.033	13.484.917	129.193.109
	B. Liabilities						
	1. Third party funds	130.548.892	116.834.912	10.605.994	1.578.260	1.499.032	30.694
	2. Funds from Bank Indonesia	6.316	6.316	0	0	0	0
	3. Funds from other ban	3.695.963	2.247.893	1.448.070	0	0	0
	4. Securities issued	10.305.364	0	0	0	0	10.305.364
	5. Loans received	42.939.336	2.066.938	6.035.819	4.461.363	14.547.333	15.827.882
	6. Other liabilities	38.067.384	34.228.442	872.043	2.396.911	70.773	499.215
	7. Miscellaneous	8.144.568	1.477.330	6.454.652	189.554	23.031	0
	Total Liabilities	233.707.822	156.861.830	25.416.579	8.626.088	16.140.170	26.663.155
	Difference between Assets and Liabilities in the Balance Sheet	(11.117.562)	(102.431.802)	(12.593.405)	4.032.945	(2.655.253)	102.529.954
II	ADMINISTRATIVE ACCOUNT						
	A. Administrative Account Claims						
	1. Commitments	68.390.654	68.390.654	0	0	0	0
	2. Contingencies	29.458.693	0	20.811.381	8.647.312	0	0
	Total Administrative Account Claims	97.849.347	68.390.654	20.811.381	8.647.312	0	0
	B. Administrative Account Liabilities						
	1. Commitments	168.002.379	101.635.144	42.705.291	23.636.531	23.168	2.244
	2. Contingencies	40.597.857	2.738	107	40.569.600	23.168	2.244
	Total Administrative Account Liabilities	208.600.236	101.637.883	42.705.398	64.206.131	46.336	4.488
	Difference between Assets and Liabilities in the Balance Sheet	(110.750.889)	(33.247.229)	(21.894.018)	(55.558.819)	(46.336)	(4.488)
	Difference [(IA-IB)+(IIA-IIB)]	(121.868.451)	(135.679.031)	(34.487.423)	(51.525.874)	(2.701.589)	102.525.466
	Cumulative Difference	(121.868.451)	(135.679.031)	(170.166.454)	(221.692.328)	(224.393.917)	(121.868.451)

(in IDR Million)

	December 31, 2017					
	Balance	Maturity				
		≤ 1 Month	> 01 - 03 Months	> 03 - 06 Months	> 06 - 12 Months	> 12 Month
	(9)	(10)	(11)	(12)	(13)	(14)
	3.273.053	3.273.053	0	0	0	0
	21.990.937	19.833.937	2.157.000	0	0	0
	20.911.919	20.081.920	422.211	203.189	129.420	75.179
	37.053.032	1.792.467	4.656.239	1.814.715	1.066.910	27.722.701
	135.847.140	11.568.006	15.559.594	17.745.738	7.493.919	83.479.882
	615.148	615.148	0	0	0	0
	785.678	296.751	283.919	19.655	110.833	74.520
	220.476.905	57.461.281	23.078.963	19.783.298	8.801.081	111.352.282
	120.350.880	105.644.555	9.180.911	4.021.371	1.149.475	354.568
	0	0	0	0	0	0
	9.860.438	7.525.234	404.553	145.137	1.785.514	0
	0	0	0	0	0	0
	38.563.047	3.623.774	6.509.280	3.865.790	3.120.460	21.443.744
	37.937.546	33.064.869	2.075.681	2.796.996	0	0
	6.614.346	773.427	5.458.159	362.879	19.881	0
	213.326.257	150.631.858	23.628.584	11.192.174	6.075.330	21.798.311
	7.150.648	(93.170.577)	(549.621)	8.591.124	2.725.751	89.553.971
	160.470.263	160.470.263	0	0	0	0
	25.641.136	0	15.429.812	10.211.324	0	0
	186.111.400	160.470.263	15.429.812	10.211.324	0	0
	69.364.586	14.834.173	32.171.684	22.358.729	0	0
	30.977.372	3.981	0	30.610.917	359.368	3.106
	100.341.958	14.838.155	32.171.684	52.969.645	359.368	3.106
	85.769.442	145.632.109	(16.741.872)	(42.758.321)	(359.368)	(3.106)
	92.920.090	52.461.532	(17.291.493)	(34.167.197)	2.366.383	89.550.865
	92.920.090	52.461.532	35.170.039	1.002.842	3.369.225	92.920.090



Liquidity Coverage Ratio (LCR), a comparison between High Quality Liquid Assets (HQLA) and the estimated net cash outflow for the next 30 (thirty) days in a crisis scenario, is one indicator used in managing risk bank short-term liquidity in a crisis scenario.

Table 8.3 Disclosure of the Value of the Liquidity Coverage Ratio

2019	Value LCR (%)			
	Q1	Q2	Q3	Q4
	(1)	(2)	(3)	(4)
Bank Individually	178,36%	187,41%	181,57%	184,13%
Bank Consolidated	174,38%	179,15%	173,43%	177,71%

Net Stable Funding Ratio (NSFR), a comparison between Available Stable Funding (ASF) with Required Stable Funding (RSF), is one indicator used in managing risk bank long-term liquidity in a crisis scenario.

Table 8.4 Disclosure of the Value of Net Stable Funding Ratio

2019	Value NSFR (%)			
	Q1	Q2	Q3	Q4
	(1)	(2)	(3)	(4)
Bank Individually	117,30%	116,66%	121,91%	116,56%
Bank Consolidated	116,58%	116,24%	120,83%	116,60%

OPERATIONAL RISK

CALCULATION OF RISK WEIGHTED ASSETS (RWA) FOR OPERATIONAL RISK

In order to calculate the capital expense and RWA for operational risk, the Bank currently uses the Basic Indicator Approach (BIA) method in accordance with the Financial Services Authority Circular No. 24/SEOJK.03/2016 concerning RWA Calculation for operational risk using the Basic Indicator Approach.

Risk-weighted assets for operational risk of December 31, 2018 as Bank as Individual Position reached IDR 115,067,839 million. While RWA for consolidated operational risk with Subsidiaries is IDR 134,858,983 million.

The following is a table of capital expenses and RWA for operational risk using the Basic Indicator Approach (BIA) method in accordance with the regulations of Bank Indonesia above.

Table 9.1 Disclosures of Quantitative Operational Risks - The Bank Separately and Consolidated

(in IDR Million)

	The approach used	Position Report Date December 31, 2019		
		Gross Revenue (Last Average) *	Capital Expenses	ATMR
1	Base Indicator Approach - The Bank Individually	65.755.727	9.863.359	123.291.988
2	Basic Indicator Approach (Consolidation)	77.395.208	11.609.281	145.116.015

*) for Banks that use a basic indicator approach in calculating Operational risk

SIMULATION OF WORST CASES AND STRESS TESTING

To measure the level of resilience of Bank Mandiri in dealing with a plausible scenario of exceptional extreme cases, Bank Mandiri conducts stress testing as a basis for decision making (contingency plan) and as a fulfillment of regulatory requirements applied in Indonesia. For Bank Mandiri, stress testing aims to estimate the amount of loss, estimate the resilience of Bank capital in absorbing losses, adequacy of liquidity to meet the contractual and behavioral obligations of the Bank, and identify steps that must be taken to mitigate risks and maintain capital resilience.

There are 2 (two) types of stress testing conducted by Bank Mandiri, namely sensitivity / shock analysis and scenario analysis (historical and hypothesis). The implementation of stress testing covers the main types of risks, including credit risk, market risk and liquidity risk. However, the calculation simulation used statistical models and financial models developed by the Bank with reference to industry best practices. Specifically for credit risk, Bank Mandiri's stress testing model was developed to cover the wholesale, consumer and retail segments (modules have been developed per product for more granular and accurate results) by referring to best practices, including through econometric modeling that links credit risk factors with macroeconomic factors.

Implementation of stress testing in 2018 based on a scenario prepared by Bank Mandiri Office of Chief Economist which broadly uses the assumption of the impact of trade war between the US and China, continued to increase in the US Funds Rate, volatility in world oil prices and a slowdown of China's economic growth towards the Indonesian economy. The global pressures have an effect on exchange rate volatility, the high flow of foreign capital in and out of the domestic market, the widening current account deficit, rising domestic interest rates, and slowing national economic growth. In general, the results of stress testing show that Bank Mandiri is still able to maintain capital resilience and adequate liquidity in conditions of economic weakness, despite pressure on profits.

RECOVERY PLAN

Based on the size of assets, liabilities and capital, and the level of product complexity as well as linkages with the banking system, Financial Services Authority has determined Bank Mandiri as a Systemic Bank (Domestic Systemically Important Bank).

As a Domestic Systemically Bank, Bank Mandiri prepares Recovery Plans and Recovery Options to prevent, restore and improve the financial condition and business continuity of the Bank in the event of financial stress, as stipulated in Financial Services Authority Regulation No. 14/POJK.03/2017 concerning Recovery Plans for Systemic Banks.

The prepared Recovery Plan includes an analysis of the condition of all the Bank's business lines and Subsidiaries, including an analysis scenario of stress testing that occurs on the Bank in an idiosyncratic or market-wide shock that can endanger the Bank's business continuity (point of non viability). The recovery plan has been approved by shareholders of Bank Mandiri as of March 21, 2018 and Bank Mandiri has issued a Medium Term Notes of IDR500 billion in order to fulfill Financial Services Authority Regulation No. 14/POJK.03/2017 concerning Recovery Plans for Banks Systemic implementation of the recovery plan.

The Bank organizes Recovery Options to overcome the conditions of capital, liquidity, profitability, and asset quality in accordance with the trigger level set for the purpose of prevention, recovery and improvement of the financial condition of the Bank. Bank Mandiri has also conducted an analysis of the feasibility and effectiveness to ensure that each prepared Recovery Options can be run properly.



MATERIAL COMMITTEE RELATED TO CAPITAL GOODS INVESTMENT

Material ties related to capital goods investment in 2019 are presented as follows.

Bonding Materials Related to Capital Goods Investment

(in IDR)

Party Name (vendor)	Type of Bonding	Realization
PT Experian Decision Analytics Indonesia	Integrated Business Process Re-engineering	233,400,855,959
Pegasystem Ltd		

BONDING OBJECTIVE

The Integrated Retail Loan Business Process Rengineering (BPR) project is one of the strategic initiatives to make improvements or changes to business processes by integrating various business segments starting from the retail segment with the aim of increasing customer centricity, increasing efficiency and strengthening internal control. The implementation of the BPR Integrated Retail Loan initiative as a stepping stone to self service feature is expected to increase the capability of Bank Mandiri in conducting straight through processing through automated decisioning and constant decisions for the retail segment, transparency in terminating retail loans and being able to become the basis for quick corrective actions to improve end to end the retail credit process.

The Integrated Customer Management Project is one of the strategic initiatives aimed at increasing customer value through the use of data analytics and campaign management. The services provided to customers are based on customer data analytics to ensure that customers get services according to their needs and profiles. The implementation of the Integrated Customer Management initiative enables Bank Mandiri to have a personalized pricing and offer and seamless channel experience built with customer data analytics based on big data technology so that Bank Mandiri can provide optimal value to customers.

Project Embedded Banking Experience is one of the strategic initiatives aimed at increasing customer experience across touchpoints for both online and e-channel services as well as offline services. Customers will be mapped according to their respective customer journey to determine service standards and procedures on all channels. The implementation of the Embedded Banking Experience initiative can provide customers with more relevant and personalized experiences in using Bank Mandiri services.

SOURCE OF FUNDS

In fulfilling material commitments related to investment in capital goods, Bank Mandiri uses sources of funds originating from the Bank's capital that has been budgeted during the year.

CURRENCY THAT BECAME DENOMINATION

Transactions conducted in the context of binding material for capital expenditure are in IDR.

STEPS PLANNED BY MANDIRI TO PROTECT THE RISK OF FOREIGN CURRENCY POSITIONS

All binding and capital expenditure transactions are carried out in IDR, so Bank Mandiri does not need to protect against the risk of protection of currencies.

CAPITAL GOODS INVESTMENT

One very important role in developing Bank Mandiri is by investing. Capital Expenditure Investment is an activity to spend funds which is used to buy a number of assets or investments that are expected to provide future benefits.

TYPES AND VALUES OF CAPITAL GOODS INVESTMENT

Bank Mandiri has invested goods in the forms of lands, buildings, equipments, office supplies and computers, motor vehicles, and assets in completion. Goods investment during 2019 realized IDR7,64 trillion. Types and values of capital goods investment are presented in the following table.

Table of Types and Values of Investment of Capital Expenditure - Fixed Assets

(in IDR Million)

Types	Value in 2019	Value in 2018
Land	3.974.318	831.546
Building	190.600	134.224
Equipments, office inventory, and computer	693.637	287.844
Vehicles	4.380	15.816
Assets in progress ^{*)}	2.778.631	1.932.212
Total	7.641.566	3.201.642

^{*)} assets in progress include buildings, computers and other un-installed hardware, equipment and inventory of offices, land, motor vehicles, etc.

The investment in capital expenditure in the form of intangible assets throughout 2019 and 2018 is presented as follows..

Table of Types and Values of Investment of Capital Expenditure - Intangible Assets

(in IDR Million)

Types	Value in 2019	Value in 2018
Software	88.090	106.128
Assets in progress ^{*)}	1.063.145	758.837
Total	1.151.235	864.965

^{*)}After deducting the amortization amounting to IDR 3,793,603 and IDR 3,198,9800 from December 31, 2019 and 2018, respectively.

GOALS OF CAPITAL EXPENDITURE INVESTMENT

The purchase of capital expenditure aims to support the operational activities of the bank activities as a whole.



MATERIAL INFORMATION ABOUT INVESTMENT, EXPANSION, DIVESTMENT, ACQUISITION, OR RESTRUCTURING OF DEBT AND CAPITAL

INVESTMENT

Bank Mandiri invests in a number of securities and government bonds with the aim of increasing the Bank's profitability and performance. The details of Bank Mandiri's investment started from December 31, 2019 and 2018 are presented as follows.

Table of Investment Details

(in IDR Million)

Uraian	2019	2018
Securities		
Related parties		
Measured at fair value through profit or loss	2.834.117	119.807
Available for sale	8.626.405	8.422.061
Owned until due date	5.158.874	3.802.269
Measured at cost*)	1.922.915	1.104.833
	18.542.311	13.448.970
Third party		
Measured at fair value through profit or loss	4.637.866	3.627.578
Available for sale	11.140.087	21.616.313
Owned until due date	2.882.674	4.152.400
Measured at cost*)	11.952.894	1.552.166
	30.613.521	30.948.457
Unit-link investment **)		
Related parties		
Measured at fair value through profit or loss	8.834.946	8.113.830
Third party		
Measured at fair value through profit or loss	13.176.134	11.621.419
Total	71.166.912	64.132.676
Subtracted:		
Unamortized discount	(5.654)	(3.653)
Unrealized gains/ (losses) from increase/(decrease) in fair value of stick securities	171.648	(196.549)
Allowance for impairment losses	(69.538)	(96.574)
	96.456	(296.776)
Neto	71.263.368	63.835.900

*) Securities owned by Subsidiaries.

**) Unit-links Investments are investments owned by policyholders in Subsidiary's unit-link contracts which are presented at fair value.

Table of Investment Details

(in IDR Million)

Description	2019	2018
Government Bonds		
Related parties		
Measured at fair value through profit or loss	5.040.996	3.372.637
Available for sale ***)	96.664.454	78.265.244
Owned to maturity	18.003.259	17.977.222
Measured at per expense fee *)	8.079.331	13.468.806
	127.788.040	1.200.609
Investment in unit-links **)		
Related parties		
Measured at fair value through profit or loss	1.212.260	1.200.609
Total	129.000.300	114.284.518

*) Government Bonds owned by a Subsidiary.

**) Investments in unit-linked are investments owned by policyholders in Subsidiary's unit-linked contracts which are presented at fair value.

***) Including sukuk, project based sukuk and retail sukuk classified as fair value through other comprehensive income.

While information on investments in the form of equity participation in a Subsidiary is presented as follows.

PT MANDIRI CAPITAL INDONESIA (MCI) EQUITY CAPITAL

Based on the approval letter from FSA No. S-14/PB.3/2019 dated January 31, 2019 regarding the Increase in the Equity Capital of Bank Saudara in PT Mandiri Capital Indonesia (MCI), FSA has listed Bank Mandiri's plan to make additional capital investments to MCI in the FSA administration.

On February 6, 2019, the transaction of adding equity capital to the MCI was carried out in the amount of IDR.547,000 million, so that the authorized capital of the MCI amounted to IDR1,097,000 million as stipulated in notary deed Muhammad Hanafi No. 6 dated February 7, 2019 and was approved by the Ministry of Law and Human Rights No. AHU-0006380.AH.01.02. year 2019 dated February 7, 2019. The addition of equity capital to MCI was carried out by issuing 5,470 new shares in MCI, each with a nominal value of IDR 100,000,000 (full amount) in which all new shares were executed by Bank Mandiri (100%).

With an additional capital of IDR.547,000 million made entirely by Bank Mandiri, the percentage of share ownership in MCI, each of which is owned by Bank Mandiri, is 99.99% and Mandiri Sekuritas becomes 0.01%.

EXPANSION

Throughout 2019 Bank Mandiri has expanded by adding 37 (thirty seven) branch offices, from 1,310 branch offices in 2018 to 1,347 branch offices in 2019.

DIVESTMENT

Bank Mandiri has not carried out investment activities throughout 2019.

ACQUISITION

During 2019, Bank Mandiri did not conduct acquisition activities

DEBT AND CAPITAL RESTRUCTURING

During 2019, Bank Mandiri did not conduct debt restructuring transactions and/or capital restructuring.

USE OF THIRD PARTY SERVICES

The use of third party services to assess the fairness of investment transactions, acquisitions, divestments and restructuring performed by following the applicable regulations in the capital market sector.



COMMITMENT AND CONTINGENCY

Information on Bank Mandiri's commitment and contingency is presented as follows.

Table of Commitments and Contingencies

(in IDR Million)

Description	2019	2018
COMMITMENT		
Commitment Liabilities		
Credit facilities given but untapped*)		
Related party	(67.895.741)	(55.668.817)
Third party	(116.865.692)	(103.488.612)
Total	(184.761.433)	(159.157.429)
Letters of credit which is inalienable and still in progress		
Related party	(7.689.574)	(11.195.881)
Third party	(9.875.779)	(8.550.047)
Total	(17.565.353)	(19.745.928)
Commitment Liabilities - Net	(202.326.786)	(178.903.357)
CONTINGENCY		
Contingency bill:		
Guarantee received from other bank	21.693.786	15.016.138
Interest income in progress	7.897.176	8.811.005
Others	32.729	32.729
Total	29.623.691	23.859.872
Contingency Liabilities :		
Guarantee given in the form:		
Guarantee Bank		
Related party	(18.426.336)	(26.849.223)
Third party	(78.037.060)	(55.264.862)
Total	(96.463.396)	(82.114.085)
Standby letters of credit		
Related party	(9.253.918)	(7.673.903)
Third party	(4.544.170)	(5.457.786)
Total	(13.798.088)	(13.131.689)
Others	(1.206.502)	(816.766)
Total	(111.467.986)	(96.062.540)
Contingency Liabilities – Net	(81.844.295)	(72.202.668)
TOTAL COMMITMENT AND CONTINGENCY - NET	(284.171.081)	(251.106.025)

*) Includes committed and uncommitted credit facilities that have not been used.

TARGET ACHIEVEMENT AND FUTURE TARGET

TARGET ACHIEVEMENT

Bank Mandiri's net profit until 2019 amounted to IDR.25.45 trillion (Bank Only) managed to exceed the target set at the beginning of IDR25.36 trillion. Factors driving the achievement of the net profit target were the acquisition of a Net Interest Income of IDR50.32 trillion and an efficiency program that was able to control Bank Mandiri's operational costs so that it did not exceed the stipulated budget. Relating to NPL, Bank Mandiri has been able to decrease the NPL Gross to 2.79% compared to the same period in the previous year which reached 3.45% (bank only) and control the CKPN costs to decrease by 11.7% to IDR11.59 trillion.

Tables of Realization and Targets for 2019

(bank only, in trillion IDR)

Description	Realization December 2019	Target December 2019
Credit	792,4	805
DPK (Average balance)	738,7	762
Net Income	25,5	25
Operating Expense	30,8	45
Biaya CKPN	10,2	14
Gross NPLs (%)	2,39%	2,58%
Efficiency Ratio (%)	42,79%	41,69%

FUTURE TARGET

Bank Mandiri has set the 2020 financial projections. The consolidated financial projections and Bank Only are presented as follows.

Tabel Proyeksi 2020

Description	2020 Projection
Projection (Consolidation)	
Loan Growth (YoY)	10%-11%
Net Interest Margins	5,3%-5,5%
Fee Based Income	IDR22 triliun – IDR24 triliun
Efficiency Ratio	42% - 43%
Gross NPLs	2,4%-2,5%
Cost of Credit	1,25%-1,35%
Projection (Bank Only)	
Low Cost Average Growth (YoY) ^{*)}	6%-7%
Adding EDC ^{*)}	20.000
Adding Micro Network ^{*)}	57
Adding Branch Offices ^{*)}	4

ASSUMPTIONS USED IN PROJECTION 2020

In preparing the Bank's Business Plan for 2020, Bank Mandiri uses several macroeconomic assumptions as follows:

Tabel Asumsi Makro dan Mikro Ekonomi

Asumsi	Proyeksi 2020
MACRO ASSUMPTION	
Growth of Gross Domestic Product (%)	5,14%
Inflation (%)	3,54%
USD/IDR Exchange	14.296
7 Days Reverse Repo Rate (%)	
Credit Growth (%)	4,75%
Growth of Thrid Party Fund (%)	10,15%
Pertumbuhan Dana Pihak Ketiga (%)	8,50%

Sumber: Riset Office of Chief Economist Bank Mandiri dan Bank Indonesia.



INFORMATION AND MATERIAL FACTS AFTER THE DATE OF ACCOUNTANT REPORTS

Until completion of Annual Report preparation, no description of significant events after the date of the accountant report is provided, including their impact on business performance and risks in the future.

POLICIES, ANNOUNCEMENTS AND DIVIDEND PAYMENTS

DIVIDEND POLICY

The distribution of dividends by Bank Mandiri is done once a year through the process of determining and approval of the Shareholders at the Annual General Meeting of Shareholders (AGMS). Bank Mandiri has a policy to distribute dividends to shareholders while maintaining a dividend payout ratio of around 50% of net income annually, unless the AGMS states otherwise depending on various considerations related to the performance of the year concerned.

Some of these factors include the level of financial soundness of Bank Mandiri, the level of capital adequacy, the need for Bank Mandiri funds for further business expansion, without reducing the right of the AGMS of Bank Mandiri to determine in accordance with the provisions of the Company's Articles of Association.

Bank Mandiri will only pay dividends from net profit under Indonesian law and will pay dividends (if any) in cash in Rupiah and continue to comply with applicable regulations on the stock exchange by making timely payments. Bank Mandiri has no restrictions (negative covenants) in connection with restrictions on third parties in the context of dividend distribution that can harm the rights of public shareholders.

ANNOUNCEMENT AND DIVIDEND PAYOUT

Dividend distribution is carried out based on the GMS Decision as described below

Tabel Pengumuman dan Pembayaran Dividen Tahun Buku 2014-2018

Description	Year book of 2018	Year book of 2017	Year book of 2016	Year book of 2015	Year book of 2014
Net Profit (million IDR)	25.015,02	20.639,68	13.806,57	20.334,97	19.871,87
Dividend (million IDR)	11.256,76	9.287,86	6.212,95	6.100,49	4.967,97
Dividend Per Share (IDR)	241,22	199,02552	266,26947	261,44958	212,91292
Number of shares	46.666.666.666	46.666.666.666	23.333.333.333	23.333.333.333	23.333.333.333
Dividend Pay Out Ratio (%)	45%	45%	45%	30%	25%
Date of Announcement	16 Mei 2019	23 Maret 2018	14 Maret 2017	21 Maret 2016	18 Maret 2015
Date of payment	19 Juni 2019	20 April 2018	13 April 2017	22 April 2016	17 April 2015

ANNOUNCEMENT AND DIVIDEND PAYMENT OF 2018

Bank Mandiri GMS dated 16 May 2019 has approved and decided the use of Bank Mandiri net profit of the financial year ended in 31 December 2018 amounting IDR25.015.020.898.824,50 as detailed below:

1. 45% of the Company's Net Profit for the period of 1 January - 31 December 2015, or IDR 6,100,490,253,271.41, will be distributed as cash dividend to the shareholders, while dividend for Government/Republic of Indonesia shall be paid pursuant to the laws and regulations. To grant power and authority to the Board of Directors to regulate the procedure and implementation of cash dividend payment, and to further announce it pursuant to the applicable provision with the distribution allocation as follows:
 - Amounting to 60% for Government/Republic of Indonesia Shareholder
 - Amounting to 40% to majority shareholders.
2. Amounting to 55% of the Company's Net Profit or IDR 11,956,960,896,411.96 will be booked as Retained Earning.

Payment of dividend for the financial year of 2018 will be executed on 19 June 2019, while the financial performance for the financial year of 2019 will be decided during GMS of 2020.

PANNOUNCEMENT AND 2017 DIVIDEND PAYOUT

Based on the Annual General Meeting of Bank Mandiri on March 23, 2018 it was decided to approve and determine the use of the Company's Net Profit of year book ended December 31, 2017 as much as IDR20,639,683,141,139.50 with the following allocations:

1. 30% of the Company's Net Profit for the period of January 1 to December 31, 2017 or in the amount of IDR.6,191,904,942,341.85 distributed as cash dividends to shareholders and specifically for the dividends of the Republic of Indonesia would be deposited in accordance with the provisions of laws and regulations.
2. 15% of the Company's Net Profit for the period of January 1 to December 31, 2017 or in the amount of IDR3,095,952,471,170.92 are designated as special additional dividends which are all distributed as concurrent cash dividends to the shareholders recorded during the recording date dividend. Thus, the total amount of paid-up dividends to shareholders was 45% of the Company's net profit.
3. 55% of the Company's Net Profit or equal to IDR 11,351,825,727,626.73 was appointed as Retained Earnings to support future capital gains.

Dividend for the fiscal year of 2017 will be paid on 20 April 2018.



EMPLOYEE STOCK OPTION PROGRAM (ESOP) / MANAGEMENT STOCK OPTION PROGRAM (MSOP)

Based on the Resolution of the GMSE dated 29 May 2003 as stated in the Notarial deed of Sutjipto, S.H., No. 142 dated May 29, 2003, the shareholders of Bank Mandiri also approved plans for share ownership by employees and Directors through the Employee Stock Allocation ("ESA") Program and Provision of Management Stock Option Plan ("MSOP"). The ESA Program consisted of a Share Plan Bonus and a Share Purchase at Discount program. Meanwhile, the MSOP program was aimed at Directors and employees at grade level or certain criteria. The fees and discounts on the ESA program became the responsibility of Bank Mandiri, whose expenses are sourced from reserves that have been formed. The management and implementation of the ESA and MSOP programs would be handled by the Board of Directors, while the supervision was carried out by the Board of Commissioners.

On July 14, 2003, the Government of the Republic of Indonesia released 4,000,000,000 shares, representing 20% of its ownership in Bank Mandiri, through an Initial Public Offering (IPO). As a follow up to the Government Regulation of the Republic of Indonesia No. 27/2003 dated June 2, 2003 which approved a divestment of up to 30.00% of Government ownership in Bank Mandiri and based on the decision of the State Owned Enterprise Privatization Team No. Kep-05 / TKP / 01/2004 dated January 19, 2004, the Government of the Republic of Indonesia carried out a further divestment of 10.00% ownership in Bank Mandiri or as many as 2,000,000,000 Common Series B shares on March 11, 2004 through a private placement.

During the IPO on July 14, 2003, Bank Mandiri gave the option to purchase shares to management through the MSOP Stage 1 (one) program of 378,583,785 options with an execution price of IDR742.50 (full amount) per share and nominal value of IDR500 (value full) per share. The issuance of this stock option was accounted for at the Equity - Stock Option at a fair value of IDR.69.71 (full amount) per share. The option executed from MSOP Stage 1 (one) is 375,365,957 shares, resulting in an increase in the Issued and Paid Up Capital of IDR.187,683, the addition of the Shareholder Agio of IDR.117,193. MSOP Stage 1 (one) could be executed until July 13, 2008 as announced at the Announcement of the Indonesia Stock Exchange (formerly the Jakarta Stock Exchange) No. Peng-262 / BEJ.PJS / P / 07-2004 dated July 14, 2004.

Furthermore, at the Annual General Meeting of Shareholders dated May 16, 2005, MSOP Phase 2 (two) was approved for 312,000,000 options stock. The execution price per share is IDR1,190.50 (full amount) as the implementation in the first year and IDR2,493 (full amount) as the implementation in the second year and in the following year. The nominal value per share was IDR500 (full amount). The issuance of this stock option was recorded in equity - stock options with fair value of stock options amounting to IDR642.28 (full amount) per share. The options executed from MSOP Stage 2 (two) are 311,713,697 shares resulting in the addition of issued and paid-up capital of IDR.155,857 and additional share premiums of IDR.425,233. The 5 (last period) period of implementation of MSOP Stage 2 (two) option conversion rights is May 4, 2010 for 30 exchange days as announced in the Announcement of the Indonesia Stock Exchange (formerly the Jakarta Stock Exchange) No. Peng-97 / BEJ-PSJ / P / 02-2007 dated February 2, 2007. MSOP Stage 2 (two) stock options which were not executed were 286,303 shares or IDR.184 which passed the implementation period which was recorded as an additional share premium.

The Annual General Meeting of Shareholders dated May 22, 2006 approved the granting of MSOP Stage 3 (three) of 309,416,215 stock options. The GMS also authorized the Board of Commissioners to establish MSOP Stage 3 (three) implementation and supervision policies and report them at the upcoming GMS. The MSOP Stage 3 (three) option price per share of MSOP Stage 3 was IDR1,495.08 (full amount) with a nominal value of IDR500 (full amount) per share. This stock option was recorded at the Equity - Stock Option post with a fair value of stock options of IDR.593.89 (full amount) per share. Options executed from MSOP Stage 3 (three) amounted to 309,415,088 shares resulting in the addition of issued and paid-up capital of IDR154,707 and additional share premiums of IDR491,651. The MSOP Stage 3 (three) option execution period ended in February 2011, before the commencement of the trading period of Bank Mandiri Preemptive Rights dated February 14, 2011 to February 21, 2011. MSOP Stage 3 (three) stock options which were not executed were 1,127 shares respectively or as much as IDR. 4, which passes through the implementation period which is recorded as an additional share premium.

On December 27, 2010, the Bank made the first registration to the Financial Services Authority (formerly the Capital Market and Financial Institution Supervisory Agency) in the context of Limited Public Offering (PUT) to Bank shareholders in the context of Rights Issuance Pre-emptive Securities ("HMETD") totaling 2,336,838,591 series of PUT B. Shares had been approved by the Board of Commissioners through a letter dated April 29, 2010. The Bank submitted a notification regarding LPO to Bank Indonesia through a letter dated September 17, 2010. PUT had also been promulgated through Government Regulation of the Republic of Indonesia No. 75 of 2010 dated November 20, 2010. PUT received effective approval from Bapepam and LK through letter No. S-807 / BL / 2011 dated January 27, 2011, in which PUT became effective after obtaining approval from shareholders at the Extraordinary General Meeting of Shareholders held on January 28, 2011.

Pre-emptive as many as 2,336,838,591 Rights shares were traded during the period February 14, 2011 - February 21, 2011 with an exercise price of IDR5,000 (full amount) per share which resulted in an additional issued and paid-up capital of IDR1,168,420. Based on the resolutions of the Extraordinary General Meeting of Shareholders dated August 21, 2017, the shareholders of Bank Mandiri approved Bank Mandiri's stock split from IDR500 (full amount) per share to IDR250 (full amount) per share, so the capital was placed into 46,666,666,666 shares consisting of 1 (one) Series A Dwiwarna share and 46,666,666,665 Series B shares. For the stock split, there were no changes to the authorized, issued and paid-up capital. The breakdown of the share nominal value would be effective on September 13, 2017.

In 2019, Bank Mandiri did not have an Employee Stock Ownership Program (ESOP) and Management Stock Ownership Program (MSOP) program, the program ended in 2010.

REALIZATION OF USE OF PUBLIC OFFERING RESULTS

On 11 April 2019, Bank Mandiri has finalized the issuance of Euro Medium Term Note (Senior Debt Notes with Unsecured Fixed Interest) in US Dollar (EMTN) amounting USD750.000.000 with interest 3.75% per annum and tenor 5 (five) years due 11 April 2024 (Debt Notes). This Debt Note is listed in Singapore Stock Exchange and is offered to investors outside United States subject to US Regulation based on US Securities Act.

The issuance of this Debt Note is the First Tranche of the Company's EMTN program with a maximum size of USD2.000.000.000. Acting as Joint Global Coordinator in this transaction is The Hongkong and Shanghai Banking Corporation Limited (HSBC) and Mandiri Securities Pte. Ltd (Mandiri Securities). While HSBC, Mandiri Securities, MUFG Securities Asia Limited and Standard Chartered Bank act as Joint Bookrunners.

The fund will be used to support the Company business growth by sufficient source of fund, good distribution of tenor, and improvement of forex Macprudential Intermediation Ratio. In addition to using this fund to improve the Bank's structure of fund which is still largely dominated by public fund with short-term tenor, the Bank also requires USD funding to anticipate a larger forex credit growth compare to forex Third Party Fund (DPK) of the Bank.

EMTN offering is not publicly offered in Indonesia as referred by Law No.8 of 1995 concerning Capital Market and its implementation regulations, thus the Company did not provide any information on the realization of the utilization of public offering proceeds.



INFORMATION ON MATERIAL TRANSACTIONS CONTAINING CONFLICT OF INTEREST AND / OR TRANSACTIONS WITH AFFILIATED PARTIES

AFFILIATE TRANSACTIONS

Affiliates, are:

1. Family relationships due to marriage and descent to the second degree, both horizontally and vertically;
2. Relations between Parties with employees, directors or commissioners of the Party;
3. Relations between 2 (two) companies in which there are one or more members of the same Board of Directors or Board of Commissioners;
4. Relations between the company and the Party, both directly and indirectly, controlling and controlled by the company;
5. Relationship between 2 (two) companies controlled, directly or indirectly, by the same Party; or
6. Relations between the company and major shareholders.

- the Bank's periodic financial statements;
- 2. Transactions which are the main business activities of the Bank or Bank Controlled Company as stipulated in the Bank's Articles of Association or Bank Controlled Companies; and
- 3. Transactions that are supporting the main business activities of the Bank or the Bank's Controlled Company.

Based on SPO Corporate Secretary Chapter III.A concerning Bank Activities as a Public Company, it is conveyed that as a form of information disclosure to stakeholders, reports related to Affiliated Transactions which according to the laws and regulations must be informed to the public, the Exchange and / or Financial Services Authority within the time limit legislation stipulated.

Up to the end of 2019, there was no transaction that fall into transactions with affiliated party transactions.

TRANSACTIONS WITH AFFILIATED PARTIES

Affiliated Transactions are all types of transactions both for goods and services carried out by and between:

- Bank with a Bank Affiliated Party, or
- Bank Controlled Company with Bank Affiliated Parties.

Transactions with affiliated parties have the potential risk of abuse by related parties that can harm minority shareholders and have an impact on market integrity. Bank Affiliated Parties are prohibited from utilizing the Bank for personal, family and / or other party's interests which can harm or reduce the Bank's profits; and is prohibited from taking and / or receiving personal benefits from the Bank, other than remuneration and other facilities determined based on the decision of the General Meeting of Shareholders. Affiliated Transactions are carried out by methods, processes and / or methods in such a way that the Bank or Controlled Company does not give / receive different or special treatment to / from the Bank's Affiliated Party. Affiliate transactions are carried out based on normal and reasonable commercial terms.

The following Affiliate Transactions are excluded:

1. Rewards, including salaries, pension contributions, and / or special benefits given to members of the Board of Commissioners of the Board of Directors and employees, as a whole have been disclosed in

CONFLICT OF INTEREST TRANSACTIONS

Conflict of interest is a condition in which the Bank's employees in carrying out their duties and obligations to have interests outside of the interests of the service, concerning personal interests, family interests and other parties, so the Bank may lose objectivity in making decisions and policies in accordance with the given authority.

Therefore:

1. All Bank Officers are required to avoid activities that can cause conflicts of interest. If one thing or another cannot be avoided, then the person concerned must report it to the immediate supervisor.
2. All Bank Officers are prohibited from giving approval and or requesting approval for credit facilities, as well as special interest rates and other specificities for:
 - Herself/Himself
 - His family/Her Family
 - A company where he and or his family has an interest
3. All Bank Officers are prohibited from working for other companies either as directors, employees,

consultants or commissioners, except when they have received assignments or written permission from the Bank. Especially for members of the Board of Commissioners and Directors, concurrent positions follow the regulatory provisions regarding Good Corporate Governance.

4. All Bank Officers are prohibited from being partners directly or indirectly, both partners for goods or services for the Bank.
5. All Bank Officers are prohibited from taking goods belonging to the Bank for their own, family or other outside parties' interests.
6. All Bank employees are only permitted to conduct securities transactions, foreign exchange trading, precious metals, tran derivative witnesses and other goods for their own benefit if there is no conflict of interest, violation of insider trading rules from the Capital Market Authority, and other regulations.

The ranks of Bank Mandiri are required to make annual disclosures related to conflicts of interest each year, and each work unit is required to submit a transaction / decision report containing a conflict of interest every quarter.

During 2018, there was no transaction that fulfilled the conflict of interest category.

RELATED TRANSACTION

Bank Mandiri and its Subsidiaries carried out transactions with the related parties as defined in PSAK No. 7 concerning the Related Parties Disclosures and Bapepam and LK Regulations No. KEP-347/BL/2012 dated June 25, 2012 concerning "Presentation and Disclosure of Financial Statements of Issuers or Public Companies".

A related party is a person or entity that is related to the entity that prepares its financial statements (reporting entity). The related parties are as follows:

- 1) A person who:
 - a. has control or joint control over the reporting entity;
 - b. has significant influence over the reporting entity; or
 - c. the key management personnel of the reporting entity or the parent of the reporting entity.
- 2) An entity is related to a reporting entity if any of the following:

- a. The entity and the reporting entity are members of the same business group;
 - b. An entity is an associate or joint venture of the entity;
 - c. Both entities are joint ventures from the same third party;
 - d. An entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - e. The entity is a post-employment benefit plan for the benefits of employee either from the reporting entity or an entity related to the reporting entity;
 - f. The entity is controlled or jointly controlled by a person identified as referred to in point 1); or
 - g. A person identified as referred to in point 1) letter a) has significant influence over the entity or the entity's key management personnel;
 - h. The entity is controlled, jointly controlled or significantly influenced by the Government, namely the Minister of Finance or the Local Governments which are the shareholders of the entity.
- 3) Parties which are not related parties are as follows:
 - a. Two entities simply because they have the same director or key management personnel or because the key management personnel of one entity has significant influence over the other entity;
 - b. Two joint venturers simply because they share joint control of a joint venture;
 - c. Fund provider, trade unions, public service entity and departments and agencies of government that do not control, jointly control or significantly influence the reporting entity, solely in the implementation of normal business with the entity;
 - d. Customers, suppliers, franchisers, distributors or general agents with whom an entity holds business transaction with significant volumes, solely because of economic dependence due to the circumstances.



NAME AND NATURE OF RELATED RELATIONS

In order to conduct its normal business, Bank Mandiri has significant business transactions with related parties. Related parties and the nature of their relationship with the Bank are described as follows.

RELATIONSHIP OF RELATED PARTIES AS MAIN SHAREHOLDERS

Government of the Republic of Indonesia through the Ministry of Finance.

RELATIONSHIP OF RELATED PARTIES DUE TO OWNERSHIP AND / OR DEFENSE

The relationship of related parties due to ownership and / or management is presented in the following table.

Related Party Relationship Table due to Ownership and/or Management

No	Related Party Relationship Table due to Ownership and/or Management	Nature of Relationship
1	PT Kustodian Sentral Efek Indonesia	Associated Company
2	PT Mandiri AXA General Insurance	Associate Company
3	Bank Mandiri Pension Fund	Bank Mandiri as the founder
4	Bank Mandiri Pension Fund 1	Bank Mandiri as the founder
5	Bank Mandiri Pension Fund 2	Bank Mandiri as the founder
6	Bank Mandiri Pension Fund 3	Bank Mandiri as the founder
7	Bank Mandiri Pension Fund 4	Bank Mandiri as the founder
8	PT Bumi Daya Plaza	Controlled by Dana Pensiun Bank Mandiri (since 19 December 2013)
9	PT Pengelola Investama Mandiri	Controlled by Dana Pensiun Bank Mandiri (since 19 December 2013)
10	PT Usaha Gedung Mandiri.	Controlled by Dana Pensiun Bank Mandiri (since 19 December 2013)
11	PT Estika Daya Mandiri	Controlled by Bank Mandiri Pension Fund 1
12	PT Asuransi Staco Mandiri (formerly PT Asuransi Staco Jasapratama)	Controlled by Bank Mandiri Pension Fund 2
13	PT Mulia Sasmita Bhakti	Controlled by Bank Mandiri Pension Fund 3
14	PT Krida Upaya Tunggal	Controlled by Bank Mandiri Pension Fund 4
15	PT Wahana Optima Permai	Controlled by Bank Mandiri Pension Fund 4
16	<i>Koperasi Kesehatan Pegawai dan Pensiunan Bank Mandiri (Mandiri Healthcare)</i>	Significantly influenced by Bank Mandiri

The nature of transactions with related parties is, among others, equity participation, issued securities, loans and subordinated securities, loans, customer deposits and Bank guarantee.

RELATION OF RELATED PARTY WITH GOVERNMENT ENTITY

SOE Subsidiary

1	PT Abuki Jaya Stainless	36	PT Asuransi Berdikari	71	PT Brantas Adya Surya Energi
2	PT Abipraya Nusantara Energi	37	PT Asuransi BRI Life	72	PT Brantas Cakrawala Energi
3	PT Adhi Commuter Properti	38	PT Asuransi Jasa Raharja Putera	73	PT Brantas Energi
4	PT Adhi Persada Beton	39	PT Asuransi Jiwa Taspen	74	PT Brantas Energi Mandiri
5	PT Adhi Persada Gedung	40	PT Asuransi Jiwa Tugu Mandiri (AJTM)	75	PT Brantas Hidro Energi
6	PT Adhi Persada Properti	41	PT Asuransi Samsung Tugu	76	PT Brantas Mahalona Energi
7	PT Administrasi Medika	42	PT Asuransi Tokio Marine Indonesia	77	PT Brantas Nipajaya Energi
8	PT Aero Globe Indonesia	43	PT Badak Arun Solusi (dahulu PT Patra Teknik)	78	PT Brantas Prospek Energi
9	PT Aero Systems Indonesia	44	PT Bahana Artha Ventura	79	PT Brantas Prospek Engineering
10	PT Aerofood Indonesia	45	PT Bahana Securities	80	PT Brantas Prospek Mandiri
11	PT Aerojasa Cargo	46	PT Bahana TCW Investment Management	81	PT BRI Multifinance Indonesia
12	PT Aerojasa Perkasa	47	PT Bakti Timah Solusi Medika	82	PT Bromo Steel Indonesia
13	PT Aerotrans Service Indonesia	48	PT Balebat Dedikasi Prima	83	PT Bukit Asam Tbk.
14	PT Aero Wisata	49	PT Bali Griya Shanti	84	PT Bukit Asam Banko
15	PT Agro Sinergi Nusantara	50	PT Bank BNI Syariah	85	PT Bukit Asam Medika
16	PT Akses Pelabuhan Indonesia	51	PT Bank BRI Syariah Tbk	86	PT Bukit Asam Prima
17	PT Alam Lestari Nusantara	52	PT Batubara Bukit Kendi	87	PT Bukit Energi Investama
18	PT Alur Pelayaran Barat Surabaya	53	PT Baturaja Multi Usaha	88	PT Bukit Energi Service Terpadu
19	PT Aneka Jasa Grhadika	54	PT Belitung Intipermai	89	PT Bukit Multi Investama
20	PT Aneka Tambang Tbk.	55	PT Berdikari Logistik Indonesia	90	PT Bumi Sawindo Permai
21	PT Angkasa Pura Aviati	56	PT Berkah Kawasan Manyar Sejahtera	91	PT Cibaliung Sumber Daya
22	PT Angkasa Pura Hotel	57	PT Berkah Multi Cargo	92	PT Cibitung Tanjung Priok Port Tollways
23	PT Angkasa Pura Kargo	58	PT Berlian Jasa Terminal Indonesia	93	PT Cinere Serpong Jaya
24	PT Angkasa Pura Logistik	59	PT Berlian Manyar Sejahtera	94	PT Citilink Indonesia
25	PT Angkasa Pura Propertindo	60	PT Bhakti Wasantara Net	95	PT Citra Bhakti Margatama Persada
26	PT Angkasa Pura Property	61	PT BhinekaWana	96	PT Citra Lautan Teduh
27	PT Angkasa Pura Retail	62	PT Bhumi Visatanda Tour & Travel	97	PT Citra Lintas Angkasa
28	PT Angkasa Pura Solusi	63	PT Bima Sepaja Abadi	98	PT Citra Sari Makmur
29	PT Angkasa Pura Supports	64	PT PJB Services	99	PT Citra Tobindo Sukses Perkasa
30	PT Anpa International Ltd (Qq PT Akuel Asia Pulse Pte Ltd)	65	PT BNI Asset Management	100	PT Clariant Kujang Catalysts
31	PT Antam Energi Indonesia	66	PT BNI Life Insurance	101	PT Cogindo Dayabersama
32	PT Antam Resourcindo	67	PT BNI Sekurities	102	PT Crompton Prima Switchgear Indonesia
33	PT Artha Daya Coalindo	68	PT Borneo Alumina Indonesia	103	PT Cut Meutia Medika Nusantara
34	PT Arthindokarya Sejahtera	69	PT Borneo Edo International	104	PT Dalle Energy Batam (DEB)
35	PT Askrindo Mitra Utama (dahulu PT Usayasa Utama)	70	PT BPR Rizky Barokah	105	PT Danareksa Capital



106	PT Danareksa Finance	144	PT Graha Yasa Selaras	182	PT Integrasi Logistik Cipta Solusi
107	PT Danareksa Investment Management	145	PT Gresik Cipta Sejahtera	183	PT International Mineral Capital
108	PT Danareksa Sekuritas	146	PT Griyaton Indonesia	184	PT Inti Bagas Perkasa
109	PT Dasaplast Nusantara	147	PT Gunung Gajah Abadi	185	PT Inti Global Optical Comm
110	PT Dayamitra Telekomunikasi	148	PT Gunung Kendaik	186	PT IPC Terminal Petikemas
111	PT Dok & Perkapalan Waime	149	PT Hakaaston	187	PT ITCI Kayan Hutani
112	PT Dok & Perkapalan Air Kantung	150	PT Haleyora Power	188	PT Jababeka PP Properti
113	PT Donggi Senoro LNG	151	PT Haleyora Powerindo	189	PT Jakarta Industrial Estate Pulogadung
114	PT Dwimitra Enggang Khatulistiwa	152	PT Hasta Kreasi Mandiri	190	PT Jakarta International Container Terminal
115	PT Electronic Data Interchange Indonesia	153	PT HK Infrastruktur	191	PT Jakarta Trans Metropolitan
116	PT Elnusa Fabrikasi Konstruksi	154	PT HK Realtindo	192	PT Jalantol Lingkarluar Jakarta
117	PT Elnusa Geosains Indonesia	155	PT Utama Prima	193	PT Jalin Pembayaran Nusantara
118	PT Elnusa Tbk	156	PT Hutansanggara Labanan Lestari	194	PT Jambi Prima Coal
119	PT Elnusa Oilfield Service	157	PT Igarar	195	PT Jasa Armada Indonesia
120	PT Elnusa Petrofin	158	PT Indo Japan Steel Center	196	PT Jasa Marga Bali Tol
121	PT Elnusa Trans Samudera	159	PT Indo Ridlatama Power	197	PT Jasa Marga Balikpapan Samarinda
122	PT Eltran Indonesia	160	PT Indofarma Global Medika	198	PT Jasa Marga Gempol Pasuruan
123	PT Energi Agro Nusantara	161	PT Indometal London Ltd	199	PT Jasa Marga Jalanlayang Cikampek
124	PT Energi Pelabuhan Indonesia	162	PT Indonesia Chemical Alumina	200	PT Jasa Marga Japek Selatan (JJS)
125	PT Equiport Inti Indonesia	163	PT Indonesia Coal Resources	201	PT Jasa Marga Kualanam Tol
126	PT Farmalab Indoutama	164	PT Indonesia Comnets Plus	202	PT Jasa Marga Kunciran Cengkareng
127	PT Feni Haltim	165	PT Indonesia Kendaraan Terminal	203	PT Jasa Marga Manado Bitung
128	PT Finnet Indonesia	166	PT Indonesia Air & Marine Supply	204	PT Jasa Marga Pandaan Malang
129	PT Fintek Karya Nusantara	167	PT Indonesia Power	205	PT Jasa Marga Pandaan Tol
130	PT Freeport Indonesia	168	PT Indonusa Telemedia	206	PT Jasa Marga Probolinggo Banyuwangi
131	PT Gadang Hidro Energi	169	PT Indopelita Aircraft Service	207	PT Jasa Marga Properti
132	PT GAG Nikel	170	PT Industri Karet Nusantara	208	PT Jasa Marga Tollroad Maintenance
133	PT Gagas Energi Indonesia	171	PT Industri Kemasan Semen Gresik	209	PT Jasa Marga Tollroad Operator (JMTO)
134	PT Gapura Angkasa	172	PT Industri Nabati Lestari (PT Sinar Oleo Nusantara)	210	PT Jasa Marga Transjawa Tol (JTT)
135	PT Garuda Maintenance Facility Aero Asia	173	PT Infomedia Nusantara	211	PT Jasamarga Semarang Batang
136	PT Gema Hutani Lestari	174	PT Infomedia Solusi Humanika	212	PT Jasamarga Surabaya Mojokerto
137	PT Geo Dipa Energi	175	PT Infrastruktur Telekomunikasi Indonesia	213	PT Jasa Peralatan Pelabuhan Indonesia
138	PT GIEB Indonesia	176	PT Inhutani I	214	PT Jasa Prima Logistik Bulog
139	PT GIH Indonesia	177	PT Inhutani II	215	PT KAI Commuter Jabodetabek
140	PT Gitanusa Sarana Niaga	178	PT Inhutani III	216	PT Kalimantan Jawa Gas
141	PT Graha Investama Bersama	179	PT Inhutani IV	217	PT Kalimantan Medika Nusantara
142	PT Graha Niaga Tata Utama	180	PT Inhutani V	218	PT Kaltim Daya Mandiri
143	PT Graha Sarana Duta	181	PT INKA Multi Solusi		

219	PT Kaltim Industrial Estate
220	PT Kaltim Jasa Sekuriti
221	PT Kaltim Jordan Abadi
222	PT Kaltim Kariangau Terminal
223	PT Karya Citra Nusantara
224	PT Kawasan Industri Gresik
225	PT Kawasan Industri Kujang Cikampek
226	PT Kereta Api Logistik
227	PT Kereta Api Pariwisata
228	PT Kerisma Witikco Makmur (PT Kerismas)
229	PT Kertas Padalarang
230	PT Kharisma Pemasaran Bersama Logistik
231	PT Kharisma Pemasaran Bersama Nusantara
232	PT KHI Pipe Industries
233	PT Kimia Farma Apotek
234	PT Kimia Farma Diagnostika
235	PT Kimia Farma Sungwun Pharmacopia
236	PT Kimia Farma Trading & Distribution
237	PT Kliring Perdagangan Berjangka Indonesia
238	PT Koba Tin
239	PT Kodja Terramarin
240	PT Komipo Pembangkitan Jawa Bali
241	PT Krakatau Argo Logistics
242	PT Krakatau Bandar Samudra
243	PT Krakatau Blue Water
244	PT Krakatau Daedong Machinery
245	PT Krakatau Daya Listrik
246	PT Krakatau Engineering
247	PT Krakatau Golden Lime
248	PT Krakatau Industrial Estate Cilegon
249	PT Krakatau Information Technology
250	PT Krakatau Medika
251	PT Krakatau Nasional Resources
252	PT Krakatau Nippon Steel Sumikin
253	PT Krakatau Osaka Steel
254	PT Krakatau Posco
255	PT Krakatau Prima Dharma Sentana

256	PT Krakatau Samator
257	PT Krakatau Semen Indonesia
258	PT Krakatau Tirta Industri
259	PT Krakatau Wajatama
260	PT Krakatau Wajatama Osaka Steel Marketing
261	PT Kresna Kusuma Dyandra Marga
262	PT Kujang Tatar Persada
263	PT Kujang Tirta Sarana
264	PT Lamong Energi Indonesia
265	PT Laras Astra Kartika
266	PT LEN Railway Systems
267	PT LEN Telekomunikasi Indonesia
268	PT Limbong Hidro Energi
269	PT Madu Baru
270	PT Mardec Nusa Riau
271	PT Marga Lingkar Jakarta
272	PT Marga Sarana Jabar
273	PT Marga Trans Nusantara
274	PT Mega Citra Utama
275	PT Mega Eltra
276	PT Melon Indonesia
277	PT Menara Antam Sejahtera (MAS)
278	PT Meratus Jaya Iron & Steel
279	PT Merpati Training Center
280	PT Metra Digital Media
281	PT Metra Plasa
282	PT MetraNet
283	PT Minahasa Brantas Energi
284	PT Mirtasari Hotel Development
285	PT Mitra Cipta Polasarana
286	PT Mitra Dagang Madani
287	PT Mitra Energi Batam (MEB)
288	PT Mitra Hasrat Bersama (MHB)
289	PT Mitra Karya Prima
290	PT Mitra Kerinci
291	PT Mitra Proteksi Madani
292	PT Mitra Rajawali Banjarn
293	PT Mitra Tekno Madani

294	PT Mitra Tour & Travel
295	PT Mitrasraya Adhijasa
296	PT Mitratani Dua Tujuh
297	PT Muba Daya Pratama
298	PT Multi Nitrotama Kimia (MNK)
299	PT Multi Terminal Indonesia
300	PT Multimedia Nusantara
301	PT New Priok Container Terminal One
302	PT Nikel Halmahera Timur (NHT)
303	PT Nindya Beton
304	PT Nindya Karya
305	PT Nusa Karya Arindo
306	PT Nusantara Batulicin
307	PT Nusantara Medika Utama
308	PT Nusantara Regas
309	PT Nusantara Sukses Investasi
310	PT Nusantara Terminal Services
311	PT Nusantara Turbin dan Propulsi
312	PT Nutech Integrasi
313	PT Optima Nusa Tujuh
314	PT Pal Marine Service
315	PT Palawi Risorsis
316	PT Pann Pembiayaan Maritim
317	PT Patra Drilling Contractor
318	PT Patra Jasa
319	PT Patra Logistik
320	PT Patra Nusa Data
321	PT Patra Trading
322	PT PBM Adhiguna Putera
323	PT Pefindo Biro Credit
324	PT Pegadaian Galeri Dua Empat
325	PT Pekanbaru Permai Propertindo
326	PT Pelabuhan Bukit Prima
327	PT Pelabuhan Tanjung Priok
328	PT Pelat Timah Nusantara Tbk (PT Latinusa)
329	PT Pelayanan Energi Batam
330	PT Pelayaran Bahtera Adiguna
331	PT Pelindo Husada Citra (PT Rumah Sakit Primasatya Husada Citra)



332	PT Pelindo Marine Service	367	PT Pertamina EP	405	PT PHE Metana Kalimantan B
333	PT Pelindo Properti Indonesia	368	PT Pertamina Gas	406	PT PHE Metana Sumatera 5
334	PT Pelita Air Service	369	PT Pertamina Geothermal Energy	407	PT PHE ONWJ
335	PT Pelita Indonesia Djaya Corporation	370	PT Pertamina Hulu Energi	408	PT PHE OSES Ltd
336	PT Pembangkitan Jawa Bali (PJB)	371	PT Pertamina Internasional Eksplorasi dan Produksi	409	PT PHE Semai II
337	PT Pendawa Lestari Perkasa	372	PT Pertamina Hulu Indonesia	410	PT PHE West Madura Offshore
338	PT Pendidikan Maritim dan Logistik Indonesia	373	PT Pertamina Hulu Mahakam	411	PT PINS Indonesia
339	PT Pengembang Pelabuhan Indonesia	374	PT Pertamina Hulu Sanga Sanga	412	PT PJB Investasi
340	PT Pengerukan Indonesia (Rukindo)	375	PT Pertamina International Shipping	413	PT PLN Batam
341	PT Perhutani Anugerah Kimia	376	PT Pertamina International Timor SA	414	PT PLN Batubara
342	PT Perjaya Bravo Energi	377	PT Pertamina Lubricants	415	PT PLN Enjinering
343	PT Perkebunan Agrintara (PA)	378	PT Pertamina Patra Niaga	416	PT PLN Tarakan
344	PT Perkebunan Mitra Ogan	379	PT Pertamina Power Indonesia	417	PT PNM Investment Management
345	PT Perkebunan Nusantara I (Persero)	380	PT Pertamina Retail	418	PT Portek Indonesia
346	PT Perkebunan Nusantara II (Persero)	381	PT Pertamina Training & Consulting	419	PT Pos Logistik Indonesia
347	PT Perkebunan Nusantara IV (Persero)	382	PT Pertamina Trans Kontinental	420	PT Pos Properti Indonesia
348	PT Perkebunan Nusantara V (Persero)	383	PT Peruri Digital Security	421	PT PP Energi
349	PT Perkebunan Nusantara VI (Persero)	384	PT Peruri Properti	422	PT PP Infrastruktur
350	PT Perkebunan Nusantara VII (Persero)	385	PT Perusahaan Gas Negara Tbk.	423	PT PP Presisi (dahulu PT PP Peralatan)
351	PT Perkebunan Nusantara VIII (Persero)	386	PT Pesonna Indonesia Jaya	424	PT PP Properti
352	PT Perkebunan Nusantara IX (Persero)	387	PT Pesonna Optima Jasa	425	PT PP Properti Jababeka Residen
353	PT Perkebunan Nusantara X (Persero)	388	PT Peteka Karya Gapura	426	PT PP Urban (dahulu PT PP Pracetak)
354	PT Perkebunan Nusantara XI (Persero)	389	PT Peteka Karya Jala	427	PT PPA Finance
355	PT Perkebunan Nusantara XII (Persero)	390	PT Peteka Karya Samudera	428	PT PPA Kapital
356	PT Perkebunan Nusantara XIII (Persero)	391	PT Peteka Karya Tirta	429	PT Pratama Mitra Sejati
357	PT Perkebunan Nusantara XIV (Persero)	392	PT Petro Jordan Abadi	430	PT Pratama Persada Airbone
358	PT Pemalang Batang Toll Road	393	PT Petrokimia Gresik	431	PT Prima Citra Nutrindo
359	PT Permata Graha Nusantara	394	PT Petrokimia Kayaku	432	PT Prima Husada Cipta Medan
360	PT Permata Karya Jasa	395	PT Petrokopindo Cipta Selaras	433	PT Prima Indonesia Logistik
361	PT Permodalan Nasional Madani Venture Capital	396	PT Petronika	434	PT Prima Medica Nusantara
362	PT Peroksida Indonesia Pratama	397	PT Petrosida Gresik	435	PT Prima Multi Terminal
363	PT Perta Arun Gas	398	PT PG Rajawali I	436	PT Prima Pengembangan Kawasan
364	PT Pertamina Bina Medika	399	PT PG Rajawali II	437	PT Prima Power Nusantara
365	PT Pertamina Dana Ventura	400	PT PGAS Solution	438	PT Prima Terminal Peti Kemas
366	PT Pertamina Drilling Services Indonesia	401	PT PGAS Telekomunikasi Nusantara	439	PT Propernas Griya Utama
		402	PT PGN LNG Indonesia	440	PT Pupuk Indonesia Energi
		403	PT Phapros Tbk	441	PT Pupuk Indonesia Logistik
		404	PT PHE Abar	442	PT Pupuk Indonesia Pangan
				443	PT Pupuk Iskandar Muda

444	PT Pupuk Kalimantan Timur
445	PT Pupuk Kujang
446	PT Pupuk Sriwidjaja Palembang
447	PT Purantara Mitra Angkasa Dua
448	PT Puspertino
449	PT Pusri Agro Lestari
450	PT Putra Indo Tenaga
451	PT Railink
452	PT Rajawali Citramass
453	PT Rajawali Nusindo
454	PT Rajawali Tanjungsari Enjiniring
455	PT Rantepao Hidro Energi
456	PT Ratah Timber
457	PT Reasuransi Nasional Indonesia
458	PT Recon Sarana Utama
459	PT Rekadaya Elektriika
460	PT Rekadaya Elektriika Consult
461	PT Rekindo Global Jasa
462	PT Rekayasa Cakrawala Resources
463	PT Rekayasa Engineering
464	PT Rekayasa Industri (PT Rekind)
465	PT Rekind Daya Mamuju
466	PT Reska Multi Usaha
467	PT Riset Perkebunan Nusantara
468	PT Rolas Nusantara Mandiri
469	PT Rolas Nusantara Medika
470	PT Rolas Nusantara Tambang
471	PT Rumah Sakit Bhakti Timah
472	PT Rumah Sakit Pelabuhan
473	PT Rumah Sakit Pelni
474	PT Sabre Travel Network Indonesia (dahulu ADSI)
475	PT Sahung Brantas Energi
476	PT Saka Energi Bangkanai Barat
477	PT Saka Energi Indonesia
478	PT Sarana Aceh Ventura
479	PT Sarana Agro Nusantara
480	PT Sarana Bandar Logistik
481	PT Sarana Bandar Nasional

482	PT Sarana Bengkulu Ventura
483	PT Sarana Jabar Ventura
484	PT Sarana Jakarta Ventura
485	PT Sarana Jambi Ventura
486	PT Sarana Jateng Ventura
487	PT Sarana Jatim Ventura
488	PT Sarana Kalbar Ventura
489	PT Sarana Kalsel Ventura
490	PT Sarana Kaltim Ventura
491	PT Sarana Papua Ventura
492	PT Sarana Riau Ventura
493	PT Sarana Sulsel Ventura
494	PT Sarana Sulut Ventura
495	PT Sarana Surakarta Ventura
496	PT Sari Arthamas (Sari Pacific Hotel)
497	PT Sari Valuta Asing
498	PT Satria Bahana Sarana
499	PT Segara Indochin
500	PT Semen Gresik
501	PT Semen Indonesia Aceh
502	PT Semen Indonesia Beton (dahulu PT SGG Prima Beton)
503	PT Semen Indonesia Distributor (dahulu PT Waru Abadi)
504	PT Semen Indonesia International
505	PT Semen Indonesia Logistik (dahulu PT Varia Usaha)
506	PT Semen Kupang Indonesia
507	PT Semen Padang
508	PT Semen Tonasa
509	PT Senggigi Pratama Internasional
510	PT Sentul PP Properti
511	PT Sepatim Batamtama
512	PT Sepoetih Daya Prima
513	PT SGG Energi Prima
514	PT Sigma Cipta Caraka
515	PT Sigma Cipta Utama
516	PT Sigma Utama
517	PT Sinergi Informatika Semen Indonesia
518	PT Sinergi Investasi Properti

519	PT Sinergi Perkebunan Nusantara (SPN)
520	PT Sinkona Indonesia Lestari
521	PT Solusi Bangun Andalas
522	PT Solusi Bangun Beton
523	PT Solusi Bangun Indonesia
524	PT Solusi Energy Nusantara
525	PT Sri Pamela Medika Nusantara
526	PT Sriwijaya Markmore Persada
527	PT Sucofindo Advisory Utama
528	PT Sucofindo Episi
529	PT Sumber Segara Primadaya (S2P)
530	PT Sumberdaya Arindo
531	PT Surabaya Industrial Estate Rungkut (SIER)
532	PT Surveyor Carbon Consulting Indonesia
533	PT Surya Energi Indotama
534	PT Swadaya Graha
535	PT Tanjung Alam Jaya
536	PT Telekomunikasi Indonesia International
537	PT Telekomunikasi Selular
538	PT Telemedia Dinamika Sarana
539	PT Telkom Akses
540	PT Telkom Landmark Tower
541	PT Telkom Satelit Indonesia (dahulu PT Patra Telekomunikasi Indonesia)
542	PT Terminal Peti Kemas Surabaya
543	PT Terminal Teluk Lamong
544	PT Tiar Daya Hidro
545	PT Tiga Mutiara Nusantara (TMN)
546	PT Timah Agro Manunggal
547	PT Timah Industri
548	PT Timah Investasi Mineral
549	PT Timah Karya Persada Properti (dahulu PT Timah AdhiWijaya)
550	PT Timah Tbk.
551	PT Tiphone Mobile Indonesia Tbk
552	PT Tracon Industri
553	PT Trans Jabar Tol
554	PT Trans Marga Jateng
555	PT Transportasi Gas Indonesia



556	PT Tri Sari Veem	567	PT Waskita Beton Precast Tbk	578	PT Wijaya Karya Intrade Energy
557	PT Truba Bara Banyu Enim	568	PT Waskita Bumi Wira	579	PT Wijaya Karya Realty
558	PT Tugu Insurance Company Ltd Hongkong	569	PT Waskita Fim Perkasa Realti	580	PT Wijaya Karya Industri dan Energi
559	PT Tugu Pratama Indonesia	570	PT Waskita Karya Energi	581	PT Wijaya Karya Komponen Beton
560	PT Tugu Pratama Interindo	571	PT Waskita Karya Realty	582	PT Wijaya Karya Krakatau Beton
561	PT Tugu Reasuransi Indonesia	572	PT Waskita Toll Road	583	PT Wijaya Karya Pracetak Gedung
562	PT United Tractors Semen Gresik	573	PT Widar Mandripan Nusantara	584	PT Wijaya Karya Realty Minor Development
563	PT Varia Usaha Bahari	574	PT Wijaya Karya Beton	585	PT Wisma Seratus Sejahtera
564	PT Varia Usaha Beton	575	PT Wijaya Karya Bitumen	586	PT Yasa Industri Nusantara
565	PT Varia Usaha Dharma Segara	576	PT Wijaya Karya Bangunan Gedung	587	Saka Indonesia Pangkah BV
566	PT Varia Usaha Lintas Segara	577	PT Wijaya Karya Industri dan Konstruksi	588	Timah International Investment Pte Ltd

State-Owned Enterprises

589	Perum BULOG	614	PT Bahana Pembinaan Usaha Indonesia	641	PT Indofarma
590	Perum DAMRI	615	PT Balai Pustaka	642	PT Indonesia Asahan Aluminium (INALUM)
591	Perum Jaminan Credit Indonesia (Jamkrindo)	616	PT Bank Negara Indonesia (Persero) Tbk.	643	PT Indra Karya
592	Perum Jasa Tirta I	617	PT Bank Rakyat Indonesia (Persero) Tbk.	644	PT Industri Kapal Indonesia
593	Perum Jasa Tirta II	618	PT Bank Tabungan Negara (Persero) Tbk.	645	PT Industri Kereta Api (INKA)
594	Perum Lembaga Penyelenggara Pelayanan Navigasi Penerbangan Indonesia (Perum LPPNPI)	619	PT Barata Indonesia	646	PT Industri Nuklir Indonesia
595	Perum LKBN Antara	620	PT Berdikari	647	PT Industri Sandang Nusantara
596	Perum Pegadaian	621	PT Bhanda Ghara Rekasa	648	PT Industri Telekomunikasi Indonesia (INTI)
597	Perum Percetakan Negara Republik Indonesia	622	PT Bina Karya	649	PT Istaka Karya
598	Perum Percetakan Uang Republik Indonesia (Perum PERURI)	623	PT Bio Farma	650	PT Jasa Marga Tbk
599	Perum Perhutani	624	PT Biro Klasifikasi Indonesia	651	PT Kawasan Berikat Nusantara
600	Perum Perikanan Indonesia (Perum PERINDO)	625	PT Boma Bisma Indra	652	PT Kawasan Industri Makasar
601	Perum Perumnas	626	PT Brantas Abipraya	653	PT Kawasan Industri Medan
602	Perum Pengangkutan Djakarta (PPD)	627	PT Primissima	654	PT Kawasan Industri Wijayakusuma
603	Perum Produksi Film Negara	628	PT Dahana	655	PT Kereta Api Indonesia
604	PT Adhi Karya (Persero) Tbk	629	PT Danareksa	656	PT Kertas Kraft Aceh
605	PT Amarta Karya	630	PT Dirgantara Indonesia	657	PT Kertas Leces
606	PT Angkasa Pura I (Persero)	631	PT Djakarta Llyod	658	PT Kimia Farma Tbk
607	PT Angkasa Pura II (Persero)	632	PT Dok & Perkapalan Kodja Bahari	659	PT Kliring Berjangka Indonesia
608	PT ASABRI	633	PT Dok & Perkapalan Surabaya	660	PT Krakatau Steel Tbk
609	PT ASDP Indonesia Ferry	634	PT Energy Management Indonesia	661	PT Len Industri
610	PT Asuransi Jasa Indonesia	635	PT Garam	662	PT Merpati Nusantara Airlines
611	PT Asuransi Jasa Raharja	636	PT Garuda Indonesia	663	PT PAL Indonesia
612	PT Asuransi Jiwasraya	637	PT Hotel Indonesia Natour	664	PT Pann Multi Finance
613	PT Asuransi Credit Indonesia (PT Askrindo)	638	PT Utama Karya	665	PT Pelabuhan Indonesia I
		639	PT Iglas	666	PT Pelabuhan Indonesia II
		640	PT Indah Karya	667	PT Pelabuhan Indonesia III
				668	PT Pelabuhan Indonesia IV

669	PT Pelayaran Nasional Indonesia (PT PELNI)	679	PT Perusahaan Pengelola Aset	691	PT Sucofindo
670	PT Pembangunan Perumahan Tbk.	680	PT Perusahaan Perdagangan Indonesia	692	PT Survei Udara Penas
671	PT Pengembangan Pariwisata Indonesia	681	PT Pindad	693	PT Surveyor Indonesia
672	PT Pengusahaan Daerah Industri Pulau Batam	682	PT Pos Indonesia	694	PT Taman Wisata Candi Borobudur, Prambanan & Ratu Boko
673	PT Perikanan Nusantara	683	PT Pupuk Indonesia Holding Company	695	PT Taspen
674	PT Perkebunan Nusantara III	684	PT Rajawali Nusantara Indonesia	696	PT Telekomunikasi Indonesia (PT Telkom)
675	PT Permodalan Nasional Madani	685	PT Reasuransi Indonesia Utama	697	PT Varuna Tirta Prakasya
676	PT Pertamina	686	PT Sang Hyang Seri	698	PT Virama Karya
677	PT Pertani	687	PT Sarinah	699	PT Waskita Karya
678	PT Perusahaan Listrik Negara	688	PT Semen Baturaja	700	PT Wijaya Karya
		689	PT Semen Indonesia	701	PT Yodya Karya
		690	PT Semen Kupang		

Social Security Body

702	BPJS Kesehatan
703	BPJS Ketenagakerjaan

Financial Institution

704	Lembaga Pembiayaan Ekspor Indonesia
705	PT Indonesia Infrastruktur Finance
706	PT Penjaminan Infrastruktur Indonesia
707	PT Sarana Multigriya Finansial
708	PT Sarana Multi Infrastruktur

The nature of transactions of related parties with government entities consisted of demand deposits in other banks, placements in other banks, securities, government bonds, other receivables - trade transactions, derivative receivables, loans, consumer financing receivables, acceptances receivables, derivative liabilities, customer deposits, deposits from other banks, acceptances liabilities, liabilities on securities sold with repurchase agreements, issued securities, received loans and subordinated securities, credit facilities that have not been used, bank guarantee, irrevocable letters of credit that are still running and standby letters of credit. In conducting its business activities, the Group also conducts purchase or use transactions of services such as telecommunications costs, electricity costs and other costs with related parties of government entities.

RELATIONSHIP OF MANAGEMENT OR KEY EMPLOYEE TO BANK MANDIRI

Salaries and allowances, bonuses and tantiems, long-term benefits for the Board of Commissioners, Board of Directors, Audit Committee and Risk Monitoring Committee, Sharia Supervisory Board and Senior Executive Vice President for the years that ended on 31 December 2019 and 2018 reached IDR1.369.860 million and IDR1.295.170 million or 3,45% and 3,44% of the total of other consolidated operating expense respectively.

REASONS AND REASONS FOR THE TRANSACTION

All transactions conducted in 2019 were performed fairly and were in accordance with normal commercial requirements. Fairness of transactions with related parties or containing conflicts of interest has been carried out fairly according to the laws and regulations. Transactions were conducted on the behalf of the Company's needs and were free from conflicts of interest. During 2019 there were no related party transactions requiring GMS approval.



REALIZATION OF RELATED PARTIES

The following table is the details of the balance of transactions with related parties as of December 31, 2019 and 2018.

Tabel Nilai Transaksi Pihak Berelasi

(in IDR Million)

Uraian	2019	2018
ASSET		
Current account with other banks	4.493	8.476
Placements in Bank Indonesia and Other Banks	1.499.924	1.162.378
Securities *)	27.377.257	21.562.800
Government bonds	129.000.300	114.284.518
Other receivables - trade transactions	14.186.619	10.724.084
Derivative receivables	18.817	149.832
Loans	171.384.121	160.729.702
Consumer financing receivables	6.758	8.278
Acceptance claims	1.198.875	2.183.157
Equity Investment	112.298	322.617
Total assets to related parties	344.789.462	311.135.842
Total Consolidated Assets	1.318.246.335	1.202.252.094
Percentage of Total Assets to Parties Related against Total of Consolidated Assets	26,16%	25,88%
LIABILITIES		
Customer's Savings		
- Current account / wadiah current account	60.118.497	51.161.488
- Wadiah savings / savings	3.307.760	3.537.033
- Time deposit	34.132.147	40.762.862
Deposits from other banks		
- Current accounts and savings	148.557	787.013
- Time deposit	-	116.958
Liabilities for securities sold under agreements to repurchase	-	102.234
Derivative liabilities	42.505	19.126
Acceptance liabilities	2.076.355	4.688.800
Issued securities	10.696.100	10.071.700
Loans received	984.974	423.686
Loans and subordinated securities	127.750	136.750
Total liabilities to related parties	111.634.645	111.807.650
Total consolidated liabilities	1.025.749.580	941.953.100
Percentage of total liabilities to related parties against total consolidated liabilities	10,88%	11,87%

(in IDR Million)

Uraian	2019	2018
TEMPORARY SYIRKAH FUNDS	1.733.920	2.277.156
Percentage against total temporary syirkah funds	2,08%	3,02%
PROFIT AND LOSS STATEMENT AND OTHER COMPREHENSIVE INCOME		
Interest income from government bonds and treasury paper	6.951.891	5.109.695
Interest income from government bonds and treasury paper	7,60%	6,31%
Loan interest expense received	51.349	-
Percentage against interest income and sharia income	0,16%	-
COMMITMENT AND CONTINGENCIES		
Unused Loan Facilities Granted	67.895.741	55.668.817
Outstanding Irrevocable letter of credit	7.689.574	11.195.881
Granted guarantees in the form of a bank guarantee	18.426.336	26.849.223
Granted Guarantees are in the form of standby letters of credit	9.253.918	7.673.903
Total of commitments and contingencies to related parties	103.265.569	101.387.824
Total Consolidated commitments and contingencies	284.171.081	251.106.025
Percentage of total commitments and contingencies to related parties against Total of consolidated assets	36,34%	40,38%

*Gross before amortized discount and unrealized (losses) / profit from (decrease) / increase in value of securities.

REVIEW MECHANISM POLICY OF TRANSACTIONS AND FULFILLMENT OF RELATED TERMS AND CONDITIONS

Bank Mandiri has internal policies related to transactions that contain conflicts of interest and / or transactions with affiliated parties. The policy of providing funds to related parties must not contain conflict with the general procedures for the regulations of applicable funds and must continue to provide reasonable benefits for the Company, and the regulations must obtain the approval of the Board of Commissioners.

The policy of providing funds to the related parties may not conflict with the general procedures of providing funds that are valid and must continue to provide the reasonable profits for Bank Mandiri and the provision must obtain the approval of the Board of Commissioners.

LOAN POLICY FOR BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Bank Mandiri has a policy of granting credit to the Board of Commissioners and Directors which takes into account the principle of fairness through the generally accepted credit process such as the process of granting credit to regular customers.

Remarks	Loans	Excess of BMPK	Violation of BMPK
Board of Commissioners	Nihil	Nihil	Nihil
Board of Directors	Nihil	Nihil	Nihil



POLICY CHANGE AND THE IMPACT TO THE BANK

Following is the list of laws and regulations changes in 2019, as well as Changes and Information adjustment made by Bank Mandiri:

Table Of Policy Change And The Impact To The Bank

No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations	
1	Bank Indonesia Regulation Number. 21/1/PBI/2019 on Offshore Loans and Other Bank Obligations in Foreign Currencies	<ol style="list-style-type: none"> Bank Offshore Loans is bank loans to non-resident in foreign currencies and/or IDR Other Bank obligations in foreign currencies comprises of: <ol style="list-style-type: none"> Has domestic foreign currencies debt notes that is issued by bank in the bourse. Has performed risk participation transactions that is a risk transfer transaction for individual credit and/or other facilities based on risk participation transaction main agreement. Has applied prudence principles. Period and prudence principles of Bank offshore loan or other Bank obligations in foreign currencies: <ol style="list-style-type: none"> Long Term Obligation above 1 (one) year and Bank Indonesia approval to enter the market with 3 (three) months validity since the approval date; and Short Term Obligation only 1 (one) year and limit Short Term Obligation daily balance position to maximum 30% of bank capital. Submit realization mandatory report at the latest: <ol style="list-style-type: none"> 7 Business Days after offshore bank loan such as loan agreement and debt note issued through private placement entering the market, Domestic Foreign Currencies Debt Notes issued through private placement, and Risk Participation Transaction (TPR) 7 Business Days after the transaction settlement date for offshore bank loan such as debt note and Domestic Foreign Currencies Debt Notes that issued through bourse. 	
2	PBI No.21/2/PBI/2019 on Report of Foreign Exchange Activities.	<ol style="list-style-type: none"> Separate arrangement of Foreign Exchange Activities report and Implementation of Prudential Principles Activities (KPPK) report Expansion of the scope of Foreign Exchange Flows Activities Report Risk Participation Transaction (TPR) is added to the scope of data and description in the Foreign Exchange Flows Activities Report. Strengthen reporting mechanism and Foreign Exchange Flows Activities monitoring. <ol style="list-style-type: none"> Time alignment in submitting inter-report in LLD report, particularly for New LLN Plan Report and its amendments, to become: <ul style="list-style-type: none"> New LLN Plan Report to be submitted at the latest on 15 March. Changes in New LLN Plan Report to be submitted at the latest on 15 March. Corrections to reports are submitted at the latest on the 20th of the month the report is submitted. To improve monitoring effectiveness and implementation of LLD reporting sanctions through: <ul style="list-style-type: none"> To revoke administrative sanctions such as fines from LLD Report with written warnings. To expand sanction enforcement and monitoring on LLD players who did not submit LLD Report to Bank Indonesia. Adjustment of administrative sanctions for LLD Reports for new reporters and reporters who are in the process of bankruptcy / no longer in operation. Other technical improvement related to LLD reporting. Time arrangement for the enactment of reporting and sanction. <ul style="list-style-type: none"> Obligation to submit and penalty impose on LLD Report, New ULN Plan, its amendments and penalty impose will take effect since March 2019 data period that is submitted in April 2019. Obligation to submit and penalty impose on LLD Report such as ULN New Plan and its changes will take effect for LLD data reporting in the form of ULN new plan of 2019 that is submitted no later than 15 March 2019. 	
3	Minister of Law and Human Rights of the Republic of Indonesia Regulation No. 15 of 2019 concerning Implementing Procedures for the Application of Knowing Beneficial Owner of Corporations Principle.	<ol style="list-style-type: none"> Collecting PM related information from: <ol style="list-style-type: none"> Statement for Corporations representative party Information from authorized institution Information from report in line with Laws and/or Accountable information. Collecting information such as: <ol style="list-style-type: none"> Personal information (name, identity no, and others) Tax Registration Number (NPWP) Relation between PM and respective Corporation Supporting document comprises of: <ol style="list-style-type: none"> Copy of PM document of identity Copy of Tax Registration Number Power of attorney or statement on PM relation with respective Corporation Founder request or Corporation legalization when the Corporate operate its business or activities. 	

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	This Bank Indonesia Regulation is issued in consideration of prudence principle, to mitigate various potential risks and to prevent the Bank from causing sensitive issues to external sectors in Indonesia. In addition to that, regulations on Bank Offshore Loan (ULN) and other Bank obligations in foreign currencies need to be in line with the development of various products and bank latest activities.	No significant changes.	Internal requirement adjustment to Treasury Standard Procedure
	This PBI is an improvement from previous PBI, particularly regulation related to LLD activities report.	No significant changes.	Adjustment of reporting requirements for foreign exchange flows.
	This regulation is issued to clarify provisions related to Know-Your-Beneficial-Owner principle as regulated in Presidential Regulation No. 13 of 2018 regarding Application of Know Your Beneficial Owner by Corporation Principle in the context of Prevention and Eradication of Money Laundry and Financing of Terrorism.	No significant changes.	-



No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations
4	Circular Letter of Minister of State Owned Companies No. SE-2 / MBU / 07/2019 concerning Management of Clean State-Owned Enterprises through the Implementation of the Prevention of Corruption, Collusion and Nepotism, and Handling Conflicts of Interest and Strengthening Internal Oversight.	<ol style="list-style-type: none"> 1. The Board of Directors and the Board of Commissioners / Supervisory Board of SOEs in their corporate governance must apply prudence principle and high compliance with the laws and regulations. 2. The Board of Directors and the Board of Commissioners / Supervisory Board of SOEs must increase efforts to prevent corruption, collusion and nepotism systematically and continuously, through: <ol style="list-style-type: none"> a. To implement corruption, collusion and nepotism prevention activities. b. To enforce the handling of conflict of interest in SOE. c. To improve monitoring governance at SOE and SOE subsidiary. 3. Implementation of 3 (three) initiatives to prevent corruption, collusion and nepotism as referred to in number 2 (two) are monitored and evaluated periodically through an assessment of good corporate governance at the relevant SOE and / or through other evaluation instruments. 4. Violations of the laws and regulations, codes of ethics and policies of the relevant SOEs will not be tolerated, including bribery, gratuities and conflicts of interest. For this reason, the Board of Directors, the Board of Commissioners, or the SOE Supervisory Board will be dealt firmly if indicated, caught red-handed, and / or proven to have committed all forms of fraud / corruption, collusion and nepotism.
5	Manpower Minister Regulation No. 228 of 2019 concerning Certain Positions Permissible for Foreign Employees	<ol style="list-style-type: none"> 1. Job Classification The positions stated in this provision refer to the International Standard Classification of Occupations (ISCO), published by the International Labor Organization (ILO) and further applied by the government of Indonesia in the form of the Indonesian Occupation Classification Standard (KBJI). 2. Non-Personnel Position Board of Commissioners and the Board of Directors position can be occupied by Foreign Workers, provided that the position does not have responsibilities related to personnel matters and does not conflict with applicable laws and regulations 3. Unlisted Position If the position to be occupied by a Foreign Worker is not registered in Ministry Decree No 228/2019, employers must submit permission request related to the Foreign Worker employment to the Minister or through the appointed official 4. Periodic Evaluation Every position held by a Foreign Worker, including the requirements to occupy that position, must be evaluated either every 2 (two) years or at any time if necessary.
6	Government of the Republic of Indonesia Regulation No. 1 of 2019 on Export Proceeds from Exploitation, Management and/or Processing Activities of Natural Resources	<ol style="list-style-type: none"> 1. The DHE SDA Special Account is an Exporter account at a Bank Conducting Business Activities in foreign currencies. 2. Deposit interest fund originated from the DHE SDA Special Account at Banks Conducting Business Activities in Foreign Currencies are subject to income tax in accordance with the provisions of the Law on Taxation. 3. DHE SDA payments to the Special Account used by the Exporter: <ol style="list-style-type: none"> a. Export duties and other levies in the export sector b. Loans c. Import d. Profit/dividend and/or e. Other investors needs 4. The use of DHE SDA can be done as long as it is proven with supporting documents. 5. Payment can be made through an escrow account. Exporters are required to make an escrow account at a Bank Conducting Business Activities in Foreign Currencies. 6. Exporters who do not comply with this regulation will be subjected to administrative sanctions in the form of: <ol style="list-style-type: none"> a. Administrative sanctions b. Export restriction and/or c. Revocation of business license

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	This regulation was issued in order to maintain the reputation and credibility of SOEs as value creation agents and development agents whose business management is carried out based on the principles of Corporate Governance.	No significant changes.	-
	This regulation was issued in the context of implementing the provisions of Minister of Manpower Regulation No. 10 of 2018 concerning the Procedures for the Utilization of Foreign Workers, which regulates certain positions that can be occupied by Foreign Workers.	No significant changes.	-
	This regulation is issued in order to maintain the sustainability of national development and to improve and maintain national economic resilience, it is necessary to regulate Foreign Exchange Export Proceeds (DHE), particularly DHE of exported goods related to the exploitation, management, and / or processing of natural resources from mining, plantation, forestry, and fisheries.	Creating DHE SDA special account by making product codes and flagging business savings products and DHE SDA demand deposits.	Make a Change Request Making flagging business savings products and DHE SDA demand deposits.



No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations
7	Regulation of the Republic of Indonesia No. 71 of 2019 concerning the Holding of Electronic Systems and Transactions	<ol style="list-style-type: none"> Obligations of Electronic System Providers: <ol style="list-style-type: none"> To ensure that the Electronic System does not contain Electronic Information and/or Documents and does not facilitate the dissemination of prohibited Electronic Information in accordance with statutory provisions. Deleting irrelevant Electronic Information and/or Documents under its control at the request of the person concerned by: <ul style="list-style-type: none"> Write off (right to erasure) and Removal from the list of search engines (right to delisting) * * based on the court decision. Provide mechanisms for eliminating Electronic Information and/or Electronic Documents that are no longer relevant in accordance with statutory provisions. Electronic Agent Organizers <ol style="list-style-type: none"> The Electronic Agent Organizer must contain information to protect the user's rights to the Electronic Agent it organizes, at least: <ul style="list-style-type: none"> Contract terms The procedure of reaching an agreement Privacy guarantee and/or personal data protection Electronic Agent Organizer must provide features to the Electronic Agent it operates that allows its users to make changes to the information that is still in the transaction process. Electronic Certification Organizer <p>The Indonesian Electronic Certification Organizer provides Electronic Signature services and other services that use Electronic Certificates, namely:</p> <ol style="list-style-type: none"> Electronic seal, which is an electronic signature representing a business entity. The electronic time marker is a marker that binds between time and date with electronic information and/or electronic documents using reliable methods. Recorded electronic delivery services are services that provide shipping, provide proof of delivery, protect electronic information and/or documents sent from the risk of loss, theft, damage, or unauthorized changes. Website authentication is a service that identifies the website owner and links the website to a person or business entity that receives a website electronic certificate using a reliable method. Electronic signature and/or seal preservation is a service that guarantees legal force and can still be validated even though the electronic certificate has expired.
8	Regulation of the Minister of Agrarian Affairs and Spatial Planning / Head of the National Land Agency of the Republic of Indonesia No. 9 of 2019 concerning Electronic Integrated Mortgage Rights Services.	<ol style="list-style-type: none"> Mortgage Services can be carried out electronically through the HT-el System. HTel system is a certified system from the authorized agency. Types of Mortgage Services that can be submitted through the HT-el System include: <ol style="list-style-type: none"> Registration of Mortgage Rights The transition of Mortgage Rights The creditor name change Amortization of Mortgage Rights. Users of the HT-el System service include: <ol style="list-style-type: none"> Individual/legal entity as creditor, and The State Civil Apparatus of the Ministry in charge of serving Mortgage Rights. To become a Registered User, an individual/legal entity registers on the HT-el System. Registered Users submit applications for Mortgage Rights electronically through the HT-el System provided by the Ministry. Service requests that have been received by the HT-el System are provided with proof of registration of applications issued by the system. The service results of Mortgage Rights through the HT-el System include: <ol style="list-style-type: none"> Mortgage Rights Certificate; and Record of mortgage rights in the land book and Certificate of Land Rights or Ownership Rights on Flats In the event the credit is paid in full, the creditor immediately registers the written off mortgage. The results of the Mortgage Rights service are conveyed to the applicant through the HT-el system and through the Electronic Domicile. In the event that the Mortgage service has been received by the HT-el System, and within the service process period there is a seizure and/or blocking request that has not been recorded in the land book, the service process of Mortgage through the HT-el System is postponed.

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	<p>This regulation is issued to encourage digital economic growth and uphold the country's sovereignty over electronic information in the territory of the Republic of Indonesia, needing a comprehensive regulation on the use of information technology and electronic transactions.</p>	<p>Make a list of all electronic applications/ products/systems at Bank Mandiri, both products developed by Bank Mandiri itself or Plug and Play. The electronic application/ product will be registered within 1 (one) year from the time the regulation came into force (10 October 2020).</p>	<p>Mapping all initiatives and or projects affected by PP 71/2019.</p>
	<p>Regulation of the Minister of Agrarian Affairs and Spatial Planning / Head of the National Land Agency of the Republic of Indonesia No. 9 in 2019 concerning electronically integrated mortgage service services are arranged to improve mortgage service services that meet the principles of transparency, timeliness, speed, convenience, and affordability in the framework of public services, and to adjust the development of law, technology, and the needs of the community through utilizing information technology so that mortgage security procedures can be integrated electronically so that it becomes more effective and efficient.</p> <p>Electronic mortgage service is also known as the Electronic Mortgage System (HT-el System). The HT-el system is a series of mortgage rights service processes in the context of maintaining land registration data held through an integrated electronic system.</p>	<p>Bank Mandiri has become a Registered User of the HT-el System, where Credit Operation acts as the Admin Holder of the Head Office. Henceforth the Head Office Admin User Holder is submitted to CISO. Currently, Bank Mandiri has 265 users consisting of:</p> <ul style="list-style-type: none"> a. Credit Operation (142 users) b. Consumer Loan (34 users) c. Micro (89 users) 	<ol style="list-style-type: none"> 1. The related units (Credit Operations, Micro and Consumer Loans) will re-discuss the criteria and authority of employees who are entitled to hold User Supervisors and User Operators on the HT-el system. 2. Other relevant Work Units (units responsible for the preparation and improvement of SPO/PTO internal provisions), as follows: <ul style="list-style-type: none"> a. SPK Corporate, b. SPK Commercial, c. SPK SME d. SPK Consumer e. SPK Micro f. SPO Credit, CO Wholesale g. SPO Credit, CO Retail h. CO Consumer Credit SPO



No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations
9	Bank Indonesia Regulation Number. 21/9/PBI/2019 concerning Integrated Commercial Bank Reports	<ol style="list-style-type: none"> Report preparation and submission: <ul style="list-style-type: none"> Refers to the metadata set by the authorities, namely BI, OJK, and LPS. a. The report is divided into 4 (four) groups of information, namely: Finance, Risk, Payment System Activities and Financial Services, and basic data information groups. b. Reports are submitted individually per bank branch office, joint per bank, and/or consolidation between banks and subsidiaries. c. The submission of reports is carried out centrally by the head office of the bank/other designated offices. Reporters are declared late/did not submit a report for data end of June to August 2020 will be given written notice. Deadline for submission of reports: <ul style="list-style-type: none"> a. 2 (two) days since the deadline, except for the daily reporting period. b. If it falls on a Saturday/Sunday/national holiday, and/or joint leave is adjusted to the next working day, unless otherwise stipulated by BI.
10	Bank Indonesia Regulation Number. 21/14/PBI/2019 concerning Foreign Export Results Exchange and Import Payments Foreign Exchange	<ol style="list-style-type: none"> All Foreign Exchange from the Export of Natural Resources (DHE SDA) must be received through the Bank at the DHE SDA Reksus no later than the end of the third month after the Export Customs Notification Month (PPE). In the event that DHE SDA is received in cash in the country, DHE must be deposited with the Bank in the DHE SDA Reksus no later than the end of the third month after the PPE Month. Arrangements related to opening, transfer of incoming funds, and transfer of outgoing funds to the DHE SDA Reksus. Banks are required to submit Non-TT Transaction Reports which are accompanied by online Export information to BI ≤ the 5th of the following month after PPE Month and/or the month of receipt of DHE. If the deadline falls on a holiday then the submission of the report can be done the following day. The procedure for submitting reports refers to the BI provisions concerning monitoring of bank and customer foreign exchange flows. Banks that violate obligations related to DHE SDA deposits are subjected to administrative sanctions in the form of written warnings. Banks that carry out funds transfer orders from exporters of natural resources, goods owners, and/or parties to oil and gas contracts for outgoing fund transfer transactions without supporting documents are subject to administrative sanctions based on Bank Indonesia regulations concerning monitoring of bank and customer foreign exchange flows.
11	Bank Indonesia Regulation Number. 21/15/PBI/2019 concerning Monitoring of Bank and Customer Foreign Exchange Activities.	<ol style="list-style-type: none"> The scope of reporting Deadline for report submission In case the report is not filled in accordance with information from the customer and/or supporting documents; and/or the bank cannot provide explanations, evidence, notes, and/or other related documents, the bank is stated not to submit the LLD report correctly. Obligation to submit supporting documents for delivery of data, information and supporting documents by customers. The obligation to submit LLD reports in the form of RTE reports and DPDP reports as referred to in PBI No. 18/10/PBI/2016 for the receipt of non-SDA DHE continues to be valid until the submission of the LLD report for the December 2019 report period submitted in January 2020.
12	Regulation of the Financial Service Authority No. 1/POJK.03/2019 on Implementation of Internal Audit Function to Commercial Banks.	<ol style="list-style-type: none"> The obligations of banks have an internal audit function and the structure, authority, and responsibilities of the Internal Audit Unit (IAU) Professional Ethics of IAU Preparation of an annual audit plan and scope of internal audit activities The responsibilities of the Board of Directors, the Board of Commissioners, and the Audit Committee in carrying out internal audits; and New Provisions: <ol style="list-style-type: none"> Relationship between IAU and other parties IAU function in business groups; and The use of external services in conducting internal audits. The Obligation of Submitting the Report <ol style="list-style-type: none"> The report on the appointment or dismissal of the IAU head no later than 10 working days after the date of appointment or dismissal. Special report on any internal audit findings that are expected to endanger the business continuity of the Bank no later than 3 (three) working days after being discovered; Reports on the results of independent external parties review is conducted once in 3 (three) years; and Implementation report and main points of internal audit results.

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	This regulation was issued to improve data quality, the effectiveness of reporting, and reduce the burden of submitting Bank Reports to Bank Indonesia, OJK, and the Deposit Insurance Corporation.	Reports conducted by Bank Mandiri are categorized into 4 (four) information groups, namely: finance, risk, payment system activities, and financial services, and basic data information groups.	Adjustment of the reporting system, reporting is done through the Antasena BI system.
	This regulation issued in order to improve the efficiency of monitoring the export proceeds from foreign exchange earnings (DHE) and foreign exchange expenditure on import payments through banks in Indonesia to support the optimization of the use of export proceeds and monitoring foreign exchange import payments.	Creation of a DHE SDA special account by making product codes and flagging business savings products and DHE SDA giro	Reporting on DHE SDA special accounts
	This is an improvement from the previous PBI carried out in order to encourage transparency and increase the availability of information on Foreign Exchange Activities through the rearrangement of provisions regarding the delivery of data and information, including information related to import foreign exchange payments (DPI).	There is a scope of changes in LLD reporting that must be submitted: a. DHE special account statements consisting of DHE special account transaction reports as well as DHE special account position statements and deposits. b. DHE and DPI transaction report which will contain information on DHE receipt and DPI expenditure for no telegraphic transfer (non TT) a/l L/C, D/C, and Non-Swift transactions.	Adjustments to the reporting submitted.
	This Regulation of the Financial Service Authority is issued in the context of perfecting provisions related to the implementation of standards for the implementation of audit functions of commercial banks in accordance with the development of international practices (BCBS Document - The Internal Audit Function in Banks and International Standards for Professional Practices in Internal Audit.	Creating copies of each IAU task implementation report to the President Director to be submitted to the board of commissioners, the Audit committee, and the Director in charge of the compliance function (no significant changes).	Conducting gap analysis of internal provisions based on obligations stipulated in Regulation of the Financial Service Authority, as well as making adjustments to internal provisions.



No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations
13	Regulation of the Financial Service Authority No. 11/POJK.03/2019 on Prudential Principles in Asset Securitization Activities for Commercial Banks	<ol style="list-style-type: none"> POJK applies to Conventional Commercial Banks, branch offices of banks domiciled abroad, Sharia Commercial Banks, and Sharia Business Units. The types of assets transferred include financial assets and sharia assets. Expansion of the definition of the initial creditor/originator, which also includes the sponsoring party in the issuance of asset-backed commercial paper/other types of securities. The obligations of statement include: <ol style="list-style-type: none"> Report on plans to transfer financial assets or sharia assets in asset securitization activities by the Bank as Initial Creditors/originators as a whole at the latest 60 (sixty) days before the asset transfer agreement is signed. Report on the implementation of transfer of financial assets or sharia assets in asset securitization activities by the Bank as Initial Creditors/originators as a whole at the latest 7 (seven) working days after the asset transfer agreement. Report on the implementation of the Bank's activities as a Supporting Credit Provider, Liquidity Facility Provider, Service Provider, and/or Custodian Bank. Report of the Bank as a Service Provider conducting Repurchases (clean-up calls). RWA calculation report for securitization exposure, which includes: <ul style="list-style-type: none"> ATMR calculation report for securitization exposure for the Bank individually every month; and Report on the calculation of RWA on securitization exposures to banks on a quarterly basis.
14	Regulation of the Financial Service Authority No. 12/POJK.03/2019 on Commercial Bank Reporting through the Financial Service Authority Reporting System.	<p>Regulation of the Financial Service Authority governs:</p> <ol style="list-style-type: none"> Criteria for Banks that are required to submit Reports and appoint responsible officers and reporting officers The list of types of reports that have been developed at APOLO along with the effective period of their delivery, for Conventional Commercial Banks, are: <ol style="list-style-type: none"> Liquidity coverage ratio report (April 2019 period) The June 2019 period is: <ul style="list-style-type: none"> Monthly publication report Quarterly published report Asset quality report and the establishment of a provision for the Bank's assets Basic credit interest rate statement Working papers and net stable funding ratio report. Statements of minimum capital requirements and risk-weighted assets (September 2019 period) Quarterly publication report of the fourth quarter position (December 2019 period) The June 2020 period: <ul style="list-style-type: none"> Indonesia banking human resources data report-monthly. Indonesian banking human resource data report on a semester basis.
15	Regulation of the Financial Service Authority No. 25/POJK.03/2019 on Reporting of Foreign Customer Information Regarding Taxation to Partner Countries Or Partner Jurisdictions.	<ol style="list-style-type: none"> Financial information reported includes the identity of the financial account holder, the financial account number, the identity of the Reporting LJK (financial service agency), the balance or value of the financial account, and the income associated with the financial account. Reporting LJK is required to submit zero reports in the event that there are no financial accounts that must be reported in one calendar year. Reporting LJK is required to appoint 1 (one) person in charge of reporting. If necessary, the responsible officer can appoint 1 (one) implementing officer. Foreign customer information reports are submitted online through a foreign customer information delivery system (SiPINA) no later than 60 (sixty) days before the end of the AEOI deadline between the Government of Indonesia and the governments of partner countries or partner jurisdictions. Before being able to do the reporting, the Reporting LJK must register with SiPINA. Registration is carried out online by including a letter of application for system registration, information of the person in charge and implementing officer, and documents or other information if needed. If there is a misinformation in the report submitted through SiPINA, the Reporting LJK can make corrections. Corrections are made based on requests from the DGT or Reporting LJK initiatives through SiPINA.

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	This Regulation of the Financial Service Authority was issued in connection with Indonesia's commitment as a member of the G-20 that is to make adjustments to the application of the precautionary principle in asset securities activities with "Basel III: Revisions to the Securitization Framework"	No significant changes were made.	Applying adjustments to internal regulations of Bank Mandiri governing asset securitization activities.
	To support the effectiveness of the supervisory function in the banking sector, financial information, and other information submitted by Banks are required. The information is complete, accurate, current, complete, and comparable. Banks must prepare and submit financial information and other information to the Financial Service Authority in the time and form determined by the Financial Service Authority as referred to in the Law on Banking and the Law on Sharia Banking. In line with technological developments, online and efficient reporting methods are needed through the Financial Service Authority Reporting System. The online submission of Reports is intended to increase effectiveness in supervision and analysis of data and information related to the establishment of the Financial Service Authority policies	Submitting reporting obligations through the APOLO System as stipulated in the POJK	Registering APOLO users and adjusting reports sent to the Financial Service Authority in accordance with Regulation of the Financial Service Authority regulations.
	This regulation was issued in order to support the Government of Indonesia and LJK in the implementation of automatic exchange of financial information and the obligation to report financial information based on international agreements in the field of taxation.	No significant changes were made.	-



No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations
16	Regulation of the Financial Service Authority No. 26/POJK.01/2019 on Electronic Licensing in the Sector of Financial Services.	<ol style="list-style-type: none"> Electronic licensing in the financial services sector is licensing in a unified process that starts from the application stage to the completion stage through 1 (one) system using information technology. Use of Access Rights <ol style="list-style-type: none"> Applicants as the owner of Access Rights are entitled to: <ul style="list-style-type: none"> Access information for the electronic licensing process in the financial services sector Make a password change Ask the helpdesk/call center of the licensing system electronically to block access rights, in the event that the user id and password are misused. In case of: <ul style="list-style-type: none"> The owner of the access right submits an application to the Financial Service Authority to terminate the access right; Deemed necessary according to the Financial Service Authority; or The business license of the owner of the access right is revoked, the access right to the electronic licensing system is declared expired. Electronic Licensing Process in the Financial Services Sector. <ol style="list-style-type: none"> Applicants must upload the complete documents, data, and/or additional Electronic Licensing information in the Financial Services Sector in the Electronic Licensing System. The Financial Service Authority provides proof of acceptance. Submission of applications made outside working hours, the Financial Service Authority will process the following business day. Applicants who have submitted applications are not required to submit documents in writing.
17	Regulation of the Financial Service Authority No. 31/POJK.03/2019 on Obligation to Fulfill Leverage Ratio for Commercial Banks.	<ol style="list-style-type: none"> This regulation was issued in order to limit the excessive leveraging conditions in the banking sector so that the deleveraging process which deteriorated and could endanger the entire financial system and the economy could be avoided. Banks are required to submit a Leverage Ratio report based on the end position of the quarterly report to the Financial Service Authority consisting of: <ol style="list-style-type: none"> Total Leverage Ratio Exposure Report; and Leverage Ratio calculation report. Banks are required to publish a Leverage Ratio report based on the end of the quarterly position report. Violations of the provisions will be subject to administrative sanctions and IDR30 million (for reporting). Violations of the publication of the Leverage Ratio will be subject to sanctions in accordance with the FSA's regulations regarding transparency and publication of Bank reports.
18	Regulation of the Financial Service Authority No. 23/POJK.01/2019 on Amendment to the Financial Service Authority Regulation No. 12/POJK.01/2017 on the Implementation of Anti-Money Laundering and Prevention of Terrorism Funding Programs in the Financial Services Sector	<ol style="list-style-type: none"> Obligations for Financial Service Providers (PJK): <ol style="list-style-type: none"> Conducting a risk assessment of Money Laundering and Terrorism Funding crimes nationally and sectorally. Identifying and verifying the identity of the Beneficial Owner. The obligation to submit documents and/or information on the identity of the owner or ultimate controller of the beneficial owner does not apply to the beneficial owner. PJK is prohibited from providing, giving, or lending Funds to or for the benefit of persons or Corporations whose identities are listed in the list of suspected terrorists and terrorist organizations and the list of funds for the Proliferation of Mass Destruction Weapons. The face-to-face verification process can be replaced by verification through an electronic means owned by the PJK or owned by a third party (required to get approval from the OJK). Providing data, information, and/or documents administered, as soon as possible and ≤ 3 working days after the PJK receives a request from the Financial Service Authority and/or other authorized authorities. Bank Obligations that carry out Funds Transfer activities <ol style="list-style-type: none"> Originating Bank: <ul style="list-style-type: none"> Delivering in writing the required information within ≤ 3 working days based on written request from the Receiving Bank, and/or from the competent authority if the Receiving Bank only obtains account number or transaction reference number information. Successor Bank: <ul style="list-style-type: none"> Forwarding messages and funds transfer orders. Administering information received from the Sending Bank or other Intermediary Bank with a period of ≤ 5 (five) years from receipt of the Fund Transfer order. Beneficiary Bank: <ul style="list-style-type: none"> Verifying the identity of the recipient's Customer or WIC if the identity has not been verified before. Administering information in accordance with the provisions of the administration of documents in this POJK. The deadline for submitting the data update realization report is submitted every year ≤ 1 (one) month after the reporting period ends. If the PJK that has policies and procedures for implementing the APU and PPT program must adjust the policies and procedures in accordance with these the Financial Service Authority Regulations, ≤ 6 (six) months after the promulgation of this the Financial Service Authority Regulation. PJK late submitting reports subject to administrative sanctions in the form of fines of IDR100 thousand per day and per report, and a maximum of IDR10 million. Penalties can be imposed at a maximum of IDR5 Billion for individuals and a maximum of IDR15 Billion for companies. The Financial Service Authority can announce the imposition of administrative sanctions to the public/community.

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	Existing licensing procedures are regulated in the provisions of each sector. Licensing procedures are carried out through applications submitted manually and/or electronically by LJK, Parties, individuals or business entities, both in the form of legal entities or not in the form of legal entities that have or will carry out activities in the financial services sector and are processed by work units under the coordination of the Chief Executive in each sector of supervision, which includes the banking sector, capital market, insurance, pension funds, financial institutions, and other financial service sectors. Taking it into account, the Financial Service Authority considers it necessary to manage the licensing process in an integrated manner.	All licensing in the financial services sector starts from the application stage until the completion stage is done through 1 (one) system, namely the electronic licensing system	Registering the access rights for the use of the licensing system electronically.
	This regulation was issued in order to limit the excessive leveraging conditions in the banking sector so that the deleveraging process which deteriorated and could endanger the entire financial system and the economy could be avoided.	Banks are required to submit and publish Lever Ratio reports.	-
	This Regulation of the Financial Service Authority is issued in the context of perfecting regulations with provisions that confirm the existence of verification activities by the Receiving Bank, specifically on identities that have not been verified before, and administration of documents in the Fund Transfer activities.	<ol style="list-style-type: none"> 1. The provision of additional sanctions in the form of sanctions can be imposed a maximum of IDR5 billion for individuals and a maximum of IDR15 billion for companies. 2. The data update realization report is submitted annually no later than 1 month after the reporting period ends. 	Make adjustments to the internal provisions of the SP APU PPT.



No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations											
19	Bank Indonesia Regulation Number. 21/6/PBI/2019 on the Third Amendment to Bank Indonesia Regulation No. 20/5/PBI/2018 on Monetary Operations.	<div>1. Placement of IDR funds:<div>a. Sharia Standing Facilities are conducted by the mechanism of Bank Indonesia accepting placement of IDR funds from Sharia Standing Facilities participants without issuing securities.</div><div>b. Performed in the form of a Bank Indonesia Sharia Deposit Facility (FASBIS).</div><div>c. Using the contract also.</div></div> <div>2. SukBI characteristics issued by Bank Indonesia<div>a. Using underlying assets in the form of SBSN and/or global Sukuk;</div><div>b. The minimum tenure is 1 (one) day and the maximum is 12 months stated in the number of calendar days, which is calculated from 1 (one) day after the transaction settlement date up to the due date;</div><div>c. It is issued scriptless;</div><div>d. It can be pledged as collateral to Bank Indonesia;</div><div>e. It can only be purchased by Sharia Commercial Banks and Sharia Business Units in the primary market;</div><div>f. It can be traded in the secondary market; and</div><div>g. It can only be owned by banks.</div></div>											
20	Bank Indonesia Regulation Number. 21/8/PBI/2019 on the Third Amendment to Bank Indonesia Regulation No. 17/9/PBI/2015 on the Implementation of Scheduled Funds Transfer and Clearing by Bank Indonesia.	<div>1. The deadline for sending and forwarding funds in the fund transfer service and regular payment services is set as follows:</div> <table><tr><th>Arrangement Substance</th><th>Existing Provisions</th><th>New Provisions</th></tr><tr><td><i>Service Level Agreement (SLA) for Funds Transfer Services</i></td><td>Electronic Funds Transfer/EFD data transfer must be made no later than 2 (two) hours after Participants receive funds transfer orders. Forwarding of funds to the receiving customer is made no later than 2 (two) hours after settlement</td><td>Transfer of EFD Funds must be made no later than 1 (one) hour after Participants receive funds transfer orders. Submission of funds to Recipient Customers is made no later than 1 (one) hour after settlement.</td></tr><tr><td><i>Service Level Agreement (SLA) for Regular Payment Services</i></td><td>Not Regulated Forwarding of funds to the receiving customer is made no later than 2 (two) hours after settlement.</td><td>Delivery of EFD Payment must be made no later than 1 (one) hour after Participants receive funds transfer orders. Submission of funds to Recipient Customers is no later than 1 (one) hour after settlement.</td></tr></table>	Arrangement Substance	Existing Provisions	New Provisions	<i>Service Level Agreement (SLA) for Funds Transfer Services</i>	Electronic Funds Transfer/EFD data transfer must be made no later than 2 (two) hours after Participants receive funds transfer orders. Forwarding of funds to the receiving customer is made no later than 2 (two) hours after settlement	Transfer of EFD Funds must be made no later than 1 (one) hour after Participants receive funds transfer orders. Submission of funds to Recipient Customers is made no later than 1 (one) hour after settlement.	<i>Service Level Agreement (SLA) for Regular Payment Services</i>	Not Regulated Forwarding of funds to the receiving customer is made no later than 2 (two) hours after settlement.	Delivery of EFD Payment must be made no later than 1 (one) hour after Participants receive funds transfer orders. Submission of funds to Recipient Customers is no later than 1 (one) hour after settlement.	<div>2. The deadline for funds forwarding for fund transfer services and regular payment services is excluded for transactions that contain names or account numbers that are different from customer account information administered by the Bank.</div>	
Arrangement Substance	Existing Provisions	New Provisions											
<i>Service Level Agreement (SLA) for Funds Transfer Services</i>	Electronic Funds Transfer/EFD data transfer must be made no later than 2 (two) hours after Participants receive funds transfer orders. Forwarding of funds to the receiving customer is made no later than 2 (two) hours after settlement	Transfer of EFD Funds must be made no later than 1 (one) hour after Participants receive funds transfer orders. Submission of funds to Recipient Customers is made no later than 1 (one) hour after settlement.											
<i>Service Level Agreement (SLA) for Regular Payment Services</i>	Not Regulated Forwarding of funds to the receiving customer is made no later than 2 (two) hours after settlement.	Delivery of EFD Payment must be made no later than 1 (one) hour after Participants receive funds transfer orders. Submission of funds to Recipient Customers is no later than 1 (one) hour after settlement.											

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	This regulation was issued in order to support the implementation of Monetary Operations based on sharia principles. It is necessary to expand the underlying assets not only by using SBSN but also by including global Sukuk owned by Bank Indonesia as the underlying assets of Bank Indonesia Sukuk.	No significant changes were made.	-
	This PBI enhances the provisions regarding deadline for sending and forwarding funds in the fund transfer service and regular payment service.		-



No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations															
21	Bank Indonesia Regulation Number. 21/12/PBI/2019 regarding the Amendment of PBI No.20/4/PBI/2018 concerning the Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional bank, Sharia Bank, and Sharia Business Units	<p>1. Funding sources components in the Macroprudential Intermediation Ratio (RIM) or Sharia RIM calculation.</p> <p>2. The criteria of approved loan and funding that is used as the basic calculation of RIM/Sharia RIM is as follows:</p> <p>a. Approved loan or funding is in the form of bilateral loan or funding and/or syndicated loan or funding;</p> <p>b. Approved loan or funding is not in the form of subordinated loan or funding, asset under management, finance lease obligation, and/or overdraft;</p> <p>c. Approved loan or funding is not included loan or funding from local bank;</p> <p>d. Approved loan or funding has at least 1 (one) year time remaining; and</p> <p>e. Approved loan or funding is done based on agreement.</p> <p>3. For BUK who is the branch office from the bank based in overseas and UUS of the branch office of the bank based in overseas, the criteria of approved loan or funding is in the form of bilateral loan or funding and/or syndicated loan or funding including the approved loan or funding from the head office and/or branch office of the same bank that does the overseas operational activity.</p> <p>4. In the case of RIM/Sharia RIM is below the RIM/Sharia RIM target range, the bank is subject to the obligation to fulfill the Giro RIM/Sharia RIM with the the formula: $\text{Giro RIM} = \text{Lower Disincentive Parameter} \times (\text{RIM} - \text{Target} - \text{RIM}) \times \text{DPK BUK in IDR with the number of Lower Disincentive Parameter pay attention to the ratio of non-performing loan (NPL) or non-performing financing (NPF) ratio, and KPMM ratio as follows:}$ <table> <tr> <th>NPL/NPF</th><th>KPMM</th><th>Lower Disincentive Parameter</th></tr> <tr> <td>≥ 5%</td><td>-</td><td>0.00</td></tr> <tr> <td></td><td>KPMM ≥ 14%</td><td>0.00</td></tr> <tr> <td>< 5%</td><td>14% < KPMM ≤ 19%</td><td>0.10</td></tr> <tr> <td></td><td>KPMM > 19%</td><td>0.15</td></tr> </table> <p>In the event of RIM/Sharia RIM is above the RIM/Sharia RIM target range, then the fulfillment obligation of Giro RIM/Sharia RIM both the formula and the number of Upper Disincentive Parameter is substantially the same as the previous regulation.</p> <p>5. The adjustment of interest rate reference used as the basic for the calculation of payment obligation penalty for the bank unable to fulfill the Giro RIM/Sharia RIM, is adjusted from JIBOR Overnight to Indonesia Overnight Index Average (IndONIA).</p> <p>6. Data source for the approved loan or funding and the credit value/funding used for the NPL/NPF calculation comes from LBU or LSMK, BUS, UUS.</p> <p>7. Specifically for the approved loan or funding components for:</p> <p>a. BUK that is a branch office from the bank located overseas; and</p> <p>b. UUS of the branch office of the bank located in overseas, then the data source comes from the LBU or LSMK, BUS, UUS, as mentioned in number 7 and approved loan or lending report from the head office and/or branch office of the same bank that does overseas operational activity.</p> </p>	NPL/NPF	KPMM	Lower Disincentive Parameter	≥ 5%	-	0.00		KPMM ≥ 14%	0.00	< 5%	14% < KPMM ≤ 19%	0.10		KPMM > 19%	0.15
NPL/NPF	KPMM	Lower Disincentive Parameter															
≥ 5%	-	0.00															
	KPMM ≥ 14%	0.00															
< 5%	14% < KPMM ≤ 19%	0.10															
	KPMM > 19%	0.15															

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	<p>PBI is issued in order to encourage strengthening of the banking intermediary function, therefore there's still room for the accommodative macroprudential policy with still paying attention to the effect of procyclicality risk and the condition of financial cycle in line with the efforts to keep encouraging the momentum of economic growth in the middle of macro economy stability and maintained financial system.</p>	<p>Make adjustment to:</p> <ol style="list-style-type: none"> 1. GIRO, RIM fulfillment criteria. 2. RIM Report on daily basis 	<p>Make adjustment to the Internal provision which is SP ALM.</p>



No	Laws and Regulations	Principal Regulations on New Regulations or Significant Main Regulation Changes to the Former Regulations
22	Bank Indonesia Regulation Number. 21/13/PBI/2019 concerning the Amendment of Bank Indonesia Regulation Number 20/8/PBI/2018 concerning the Loan to Value Ratio for Property Loan, Financing to Value Ratio for Property Funding, and Down Payment for Motor Vehicle Loan (KKB) or Financing for Motor Vehicle (PKB)	<ol style="list-style-type: none"> 1. The adjustment of the maximum range which is added 5% from the LTV/FTV ratio set by Bank Indonesia in previous provision. 2. The setting of maximum range for green property which is added 5% from the maximum range of LTV/FTV relaxed ratio. Specifically for LTV/FTV ratio that has reached 100% will not be set by BI will be left to the bank's policy with attention to the precautionary principle. 3. The adjustment of the non-performing loan and non-performing financing from net to gross so that in a whole the ratio requirement is: <ol style="list-style-type: none"> a. Gross non-performing loan and non-performing financing ratio less than 5%; and b. Gross non-performing property loan (KP) and non-performing property financing (PP) ratio less than 5%. 4. The adjustment of the ratio requirement also impacted the KP/PP for the property that is still partially provided (partially prepaid). 5. The adjustment of the non-performing loan and non-performing financing from net to gross so that in a whole the ratio requirement is: 6. Gross non-performing loan and non-performing financing less than 5%; and 7. Gross non-performing property loan and non-performing property financing ratio less than 5%. 8. The adjustment of the ratio requirement also impacted the KP/PP for the property that is still partially provided (partially prepaid). 9. The adjustment of one type of the house which is from "22m2 to 70m2" type to the ">21m2 to 70m2" type. 10. The adjustment of minimum threshold of Down Payment for KKB/PKB which is subtracted 5% - 10% from the one set by BU in the previous provision. 11. The setting of minimum threshold for Down Payment for KKB/PKB for green motor vehicles is subtracted 5% from the relaxed Down Payment minimum threshold. 12. The adjustment of the non-performing motor vehicle loan ratio and non-performing motor vehicle financing requirement from gross to net to be: <ol style="list-style-type: none"> a. gross non-performing loan and non-performing financing ratio less than 5%; and b. net non-performing motor vehicle loan and non-performing motor vehicle financing ratio less than 5%. 13. Offline reporting for KP/PP for green property and KKB/PKB for green vehicle. 14. The adjustment for previous change that are in accordance with the mandate of the delegation in PBI which is the change in the KP/PP ceiling limit that is using an independent appraiser for collateral valuation from IDR.5 billion to IDR.10 billion.

	Regulation Issuance Background or Regulations Changes	Impact to Bank Mandiri	Information on Adjustment Performed by Bank Mandiri
	This rule is issued in the effort of adjustment to the Loan to Value (LTV) ratio limit for Property Credit, Financing to Value (FTV) Ratio for property financing, and down payment for motor vehicle loan or financing.	Bank Mandiri adjusted Loan to Value (LTV) ratio for Property Credit, Financing to Value (FTV) Ratio for property financing, and down payment for motor vehicle loan or financing	Make adjustment of the internal provision.



CHANGE OF ACCOUNTING POLICIES

The accounting policy amendment done in order to comply with the applicable PSAK relevant to the Bank and Subsidiaries operation.

Table of the Accounting Policy Amendment and Its Impact

No	Accounting Standard	Changes in Accounting Standard	Amendment Summary	Impact on Financial Statement
1	PSAK 22 (business Combination): Business Combination Carried Out in Stages	Yearly Adjustment	Addition to Paragraph 42A: When one of the party in a joint arrangement (as defined in PSAK 66: Joint Arrangement) gains control of the business that is a form of joint operation (as defined in PSAK 66), and has the right for the assets and obligations for the related liability of said joint operation moments before the acquisition date, then that transaction is a business combination carried out in stages. The acquirer applies the requirements for a business combination that is carried out in stages, including the re-measurement of previously owned interests in joint operations in the manner described in paragraph 42. Therefore, the acquirer re-measure all of the previously owned interests in the said joint operation.	There are no quantitative impact to the financial report.
2	PSAK 21 (Work Reward): Amendment, Curtailment or Program Completion	Amendemen	Amendment of PSAK 24: a. Added the paragraph 101A, 122A, 123A, 179 and changed the paragraph 57, 99, 120, 123, 125, 126, 156, and the addition of title before paragraph 122A. b. Give a clearer guidance for the entity in recognizing past service costs, settlement gains and losses, current service cost and net interest after the amendment, curtailment, or program completion for using the latest actuarial assumptions (previously using the actuarial assumptions at the beginning of the annual reporting period). c. Clarify how the accounting requirements for amendment, curtailment, or program completion can affect the upper limit of asset requirements as seen from the reduction in the surplus which causes change in the upper limit of the assets	There is no quantitative impact to the financial report.

No	Accounting Standard	Changes in Accounting Standard	Amendment Summary	Impact on Financial Statement
3	PSAK 26 (Loan Cost): Loan Cost Exception in the Capitalization Fee Calculation	Yearly Adjustment	Clarify that the loan cost capitalization fee are the weighted average loan costs of all loan balances during the period but the entity excludes from the said calculation the loan cost for the loan that was acquired specifically to obtain qualifying assets until substantially all activities required to prepare assets to be used according to its intentions or sold off after finished.	There is no quantitative impact to the financial report.
4	PSAK 45 (Income Tax): Income Tax for Dividend	Yearly Adjustment	Consequences of income tax for dividend by erasing paragraph 52B and added paragraph 57A. Consequences of income tax for dividend (as defined in PSAK 71: Financial Instrument) occurs when the entity admits the liability to pay the dividend. The consequences of that income tax is more directly connected with the past transaction or event that produced profits that can be distributed rather than distribution to owner. Therefore, the entity recognize the consequences of said income tax in gains losses, other comprehensive income or equity according to the entity's early recognition for the said past transaction or event.	No material quantitative impact on Equity or Profit Loss
5	PSAK 66 (Joint Arrangement)	Yearly Adjustment	Clarify that the participating party in, but not having joint control of, a joint operation can get joint control for a joint operation in the joint operation activity is a business (as defined in PSAK 22: Business Combination). In that case, the owned previous interest in the joint operation cannot be re-measured.	There is no quantitative impact to the financial report.
6	ISAK 33 (Foreign Exchange Transaction and Advance Consideration)	New Regulation	Applied to the foreign exchange transaction when the entity recognize the non-monetary assets or non-monetary liability occurs from the payment or acceptance of the advance consideration before the entity recognize the related assets, expenses or income.	There is no quantitative impact to the financial report.



BANK SOUNDNESS LEVEL

Based on the Financial Services Authority Regulation No. 4/POJK.03/2016 dated January 26, 2016 concerning the Rating of Commercial Banks using a Risk-Based Bank Rating, the Bank's soundness is reflected in the results of an assessment of the Bank's condition on risk and Bank performance which can be seen from the final rating of the assessment results.

The Soundness Rating of Commercial Banks uses a risk-based bank rating that includes four factors, namely:

1. Risk Profile
2. Good Corporate Governance (GCG)
3. Rentability (Earnings)
4. Capital

Table of Bank Mandiri Soundness Levels Position 31 December 2019 Individually (Self Assessment)

Assessment Factor	Assessment on December 31, 2019	Assessment on December 31, 2018
	Rate	Rate
Risk Profile	2	1
Good Corporate Governance (GCG)	1	1
Rentability	1	1
Capital	1	1
Risk Based Bank Rating	1	1

In 2019, the soundness of the Bank is in the "1" Composite Rating which reflects the condition of the Bank which is generally very soundness, so it is able to deal with significant negative effects of changes in business conditions and other external factors reflected in ratings, among others risk profile, implementation of GCG, profitability, and capital which are generally very good. If there are weaknesses, in general these weaknesses are not significant.

BUSINESS CONTINUITY INFORMATION

POTENTIAL OF SIGNIFICANT AFFECTION TO BUSINESS CONTINUATION

Bank Mandiri until the end of 2018 did not have the potential things that significantly influenced the business continuity. It can be seen from the financial conditions that grew from year to year and the excellent financial performance. This was reflected from the improvement of the sustainable business income. Based on these circumstances, Bank Mandiri did not face the problem related to the business continuity.

MANAGEMENT ASSESSMENT ON SIGNIFICANT INFLUENCE ON BUSINESS CONTINUITY

Bank Mandiri always conducts the assessment on the Bank's ability to continue its business continuity and believes that Bank Mandiri has resources to continue its business in the future. Assessment is conducted based on various factors like analysis of the strength of financial and non-financial conditions. This analysis is reflected in the assessment of the Bank Soundness Level. Based on the assessment results, there were no things that significantly influenced the business continuity.

ASSUMPTIONS USED BY MANAGEMENT IN CONDUCTING ASSESSMENT

Several assumptions that become Bank Mandiri's consideration in conducting assessment on the business continuity are:

- Global, national and banking industry economic growth
- SWOT analysis in determining Bank Mandiri's position in the banking industry
- Risk Profile
- Good Corporate Governance (GCG) Implementation
- Bank Rentability
- Bank Capital Strength

CONTROL OF NON-PERFORMING LOAN

Bank Mandiri's credit quality continues to show improvement, bank Mandiri's gross NPL ratio on a consolidated basis in September 2019 managed to drop significantly by 48bps (YoY) to reach 2.53%. That gross NPL ratio is the lowest figure since the third trimester of 2015. Meanwhile the Cost of Credit ratio has reached 1.65% improving 29bps from the same period of previous year that had reached 1.94%.

Bank Mandiri has a strategy to continue to grow in a healthy and sustainable manner, while prioritizing the principle of prudence through credit distribution to sector with lower credit risk and strengthening risk management. Especially for the credit quality improvement and suppressing the NPL and Cost of Credit the efforts conducted are as follows:

- Full account assessment towards performing credit (collectability 1 and 2) that was included in the watch list category is followed by mapping to project debtors who still continue to perform and who have the potential to downgrade.
- Carrying out efforts to save credit to the watchlist debtors through accelerating credit restructuring of debtors who have good faith, business prospects and financial conditions that are getting better and collateral with adequate security coverage ratio.
- Carrying out efforts to save credit to the non-performing debtors through rescheduling, reconditioning and restructuring, including the conversion of credit to temporary equity participation.
- Conduct debtor review post-restructuring, including assessing the business prospects of the debtor while taking into account market conditions and economic sectors that are the debtor's business that can affect the performance and repayment capacity of the debtor.
- For loans that cannot be restructured, efforts will be made to reduce the debit tray (downsizing) immediately.
- Improving the coordination and cooperation with the stakeholder in managing the non-performing loan among others PPAK, Private Auction Hall, judiciary, curator, etc.

STRATEGY FOR IMPROVING FEE BASED INCOME IN 2020

During 2019 Bank Mandiri managed to record IDR. 23.10 billion of Fee Based Income (Bank Only). This income comes from the provincial income, commission and fee of IDR. 12.33 billion, foreign exchange transaction income of IDR. 2.37 billion, income from increases in value of securities and government bonds of IDR. 1.35 billion and other income of IDR. 6.69 billion.

In 2020, Bank Mandiri will continue to increase the growth of fee based income with focusing on the value chain strategy between the Wholesale Banking segments with the Retail Banking Segment that will encourage the development of transaction banking. Bank Mandiri also focusing to develop the digital banking capability that will make it easier for customer in doing transaction in the wholesale or retail segment as focused in the improvement of Mandiri Cash Management, Mandiri Online 2.0 and Branchless Banking. Other than optimizing the transaction banking, Bank Mandiri also focusing on growing the fee based income through the Treasury Division by maximizing on the net foreign exchange position management, trading securities and government bonds and also encouraging customer securities transactions by utilizing a network of priority branch offices to target priority customers and



private banking that requires alternative investments outside of fund products. Treasury also keep innovating to increase the service to the customer through digital platform which is Mandiri e-FX for the foreign exchange transaction and Mr Bonds for the securities transactions. The strengthening of the Regional Treasury marketing (RTM) function in each of the Regional Office is also one of the things done in 2018-2019 in order to improve the treasury transaction contribution on the regional area.

RESPONSE TO A MONETARY POLICY DIRECTION

During 2019, especially in the second semester, BI has lower BI's interest rate 7 days reverse repo rate by 100 bps from 6.0% to 5.0% in accordance to the decrease in interest rates policy of the US Central Bank (The Fed) by 75 bps from 2.5% to 1.75%. The current policy interest rate is still in line with BI's policy stance to maintain the momentum of economic growth and also overall macroeconomic stability, including indicators of inflation, the exchange rate, the trade balance, and the current account balance.

The accommodative macroprudential policy also has been taken to encourage the growth of banking credit. This was done by loosening the provisions of the LTV / FTV ratio by an average of 5-10% for home and vehicle ownership, loosening the macroprudential intermediation ratio to 84-94%, from 80-92% previously, and expanding bank funding, including prudent overseas loans.

Several things forward that are the focus and have an influence on the direction of the BI policy mix are a slowdown in the global economy, a more stable global financial market, domestic economic growth that is still maintained, a current account balance that continues to improve, a stable IDR exchange rate, maintained inflation, growth credit and banking liquidity conditions. The current global economic growth continues to slow down due to the trade war between the US and China. IMF predicted the global economic growth this year will only grow 3%, which is the lowest growth since the 2018 crisis. This also affected Indonesia's economic growth that continues to slow down for three quarters in a row to be only 5.02% in the third quarter of 2019.

Meanwhile the current condition of banking liquidity is still tight, with an LDR of 93.8% in September 2019 due to weak DPK growth. The economic slow down and the tightness of the liquidity also affected the slow down of credit growth. The credit growth until September 2019 was recorded slowing down to 7.9% (YoY). Meanwhile we are assuming that next year's inflation is still managed in the BI target range of $2.5 \pm 1.0\%$ this year and $2.0 \pm 1.0\%$ in the upcoming 2020. By looking at these various factors, we see that the room for an accommodative BI policy mix is still open, both through interest rates and from macroprudential. We estimate next year BI will continue to lower BI-7 DRRR by 25 bps to 4.75% to encourage the domestic economic growth. Meanwhile BI also has signaled that it will expand accommodative macroprudential policies, aimed at the development of UMKM and national development priority sectors in the next few years.

In response to the decline in the BI benchmark rate and also the increase in the Fed Fund Rate (FFR), Bank Mandiri selectively participated in adjusting deposit rates. Furthermore, interest rate adjustments are also accompanied by efforts to maintain Bank Mandiri's profit target in 2019, among others by maintaining stable yield of loans, increasing revenue from service transactions (fee-based income) that are recurring, increasing credit volume, and decrease in Overhead Cost (OHC). During 2019, with the downward trend in interest rates, Bank Mandiri's yield of loans was maintained and raised by 7 bps from 8.18% to 8.25%. Bank Mandiri loans also managed to record growth of 6.6% to IDR766.32 trillion, with a focus on sustainable credit growth and maintaining asset quality. DPK in 2019 also managed

to grow by 10.14% compared to previous year to IDR. 815.50 billion. The higher DPK growth from the credit growth managed to increase Bank Mandiri's liquidity with the decrease of Bank Mandiri's Loan to Deposit ratio from 96.74% to 93.74%. Other than that, during 2019, Bank Mandiri also actively keeps carrying out operational cost efficiency program by encouraging improvement of business model and business process to be more efficient so that the cost is easier to control and gives maximum benefit. The improvement of business model is carried out through efficiency program, the improvement of multifunction role and organizational perfection, reward and responsibility. Business process improvement is done by improving business processes through several programs such as Business Process Re-engineering and improving some credit processes that will reduce processing time for credit applications and credit analysis.

ASPECT OF TAXATION

TAX PAYMENT PUBLICATION

As one of the manifestations of Good Corporate Governance, Bank Mandiri manages tax rights and obligations transparently and accountably in accordance with applicable regulations.

PAYMENT OF TAXES

Total Tax Payments for the period January to December 2019, as follows.

Tabel Pembayaran Pajak

(in full IDR)

Tax Description	2019	2018
Article 25 Income Tax	6.246.292.133.398	4.975.699.207.701
Article 21 Income Tax	1.564.874.362.530	1.431.071.632.685
Article 22 Income Tax	20.034.574.961	17.212.447.177
Article 23 Income Tax	204.785.259.732	165.492.737.681
Article 26 Income Tax	646.735.021.650	528.069.960.596
Income Tax Article 4 paragraph (2)	4.213.386.296.477	3.745.853.403.161
Value-added Tax	967.041.304.966	863.095.533.145
Regional Tax and Other Taxes	139.359.597.481	151.104.531.725
Total	14.002.508.551.195	11.877.599.453.871

NO COMPLIANCE IN TAX PAYMENTS

In the 2019 period, there was no Company non-compliance with the obligation to pay taxes (NIL).



PROHIBITION, LIMITATION AND/OR SIGNIFICANT OBSTACLES TO TRANSFER FUNDS BETWEEN BANKS AND OTHER ENTITIES IN A BUSINESS GROUP

With reference to Bank Mandiri's internal policy regarding the provision of funds to related parties (individuals or groups, including executive officers, Directors and Commissioners of the Bank) has been carried out properly with reasonable conditions with the approval of the Board of Commissioners.

MAXIMUM LIMITS FOR GIVING CREDITS AND PROVIDING LARGE FUNDS FOR COMMERCIAL BANKS

PROVISION OF RELATED PARTY FUNDS

In carrying out its business activities, Bank Mandiri has established policies that include limits on granting funds to related parties according to the Republic of Indonesia Financial Services Authority Regulation Number 32 / POJK.03/2018 concerning the Maximum Lending Limit (BMPK) and Provision of Large Funds for Commercial Banks and POJK No. 38/POJK.03/2019 on Amendment to POJK No. 32/POJK.03/2018 on BMPK and the Provision of Large Funds for Commercial Bank.

Related parties are individuals or companies that have a control relationship with the Bank, both directly and indirectly, through ownership, management and/or financial relationships.

Table of Total of Provision of Funds for Parties Regarding Position in December 2018

No	Provision of Funds	TOTAL	
		Debtors (people)	Nominal (billion IDR)
1	To Related Parties	14	11.474
2	To Core Debtors		
	Individual	-	-
	The group	25	252.669
	Total Core Debtor	25	252.669

Table of Total Provision of Bank Funds to Related Parties December 2019 Position

(in IDR Million)

	Nominal
Capital	188.786.637
BMPK (10% of Capital)	18.878.664
BMPK In House (90%)	16.990.797
Outstanding Related Parties	11.474.105
Looseness (Excess) of BMPK	7.404.559
Looseness (Excess) of BMPK In House	5.516.692

Tabel of Related Parties that received Provision of Funds as of 30 December 2019

(in IDR Million)

No	Name Of Debtors	Limit Valas	Provision of Funds		
			IDR	Valas	Total
	Related Parties Subsidiaries - Domestic	11.649.514	10.169.675	-	10.169.675
1	AXA Mandiri Financial Services				
	- Participation	1.507.239	1.507.239	-	1.507.239
	- Credit <i>Corporate Card</i>	1.000	130		1.130
2	Mandiri AXA General Insurance (MAGI)				
	- Participation	74.171	74.171	-	74.171
	- Credit	200.000	44.125	-	44.123
	- Credit <i>Corporate Card</i>	1.000	15	-	15
3	Kustodian Sentral Efek Indonesia				
	- Participation	3.000	3.000	-	3.000
4	Mandiri Sekuritas				
	- Participation	1.199.954	1.199.954	-	1.199.954
	- Credit	247.740	247.740,00	-	247.740
	- Credit <i>Corporate Card</i>	5.000	600	-	600
5	Sarana Bersama Pengembangan Indonesia				
	- Participation	-	-	-	0
6	Mandiri Tunas Finance (MTF)				
	- Participation	1.376.579	1.376.579	-	1.376.579
	- Credit	1.149.081	1.064.081	-	1.064.081
	- Credit <i>Corporate Card</i>	2.000	105		105
7	Credit kepada Pengurus dan Pejabat Eksekutif				
	- <i>Credit Card</i>	83.460	22.968	-	22.968
	- Credit Konsumtif	343.968	275.429	-	275.429
8	Bank Syariah Mandiri				
	- Placement	299.000	117.026	-	117.026
	- Credit <i>Corporate Card</i>	1.000	33	-	33
9	Bank Mandiri Taspen Pos				
	- Placement	200.000	-	-	-
	- Credit <i>Corporate Card</i>	1.500	96	-	96



(in IDR Million)

No	Name Of Debtors	Limit Valas	Provision of Funds		
			IDR	Valas	Total
10	Asuransi Jiwa Inhealth Indonesia				
	- Participation	1.423.278	1.423.278	-	1.423.278
	- Credit <i>Corporate Card</i>	5.110	108	-	108
11	Mandiri Utama Finance				
	- Participation	281.529	281.529	-	281.529
	- Credit	1.741.550	1.478.149	-	1.478.149
12	Mandiri Capital Indonesia				
	- Participation	1.300.855	1.300.855	-	1.300.855
13	Mandiri Manajemen Investasi				
	- Credit	200.000	-	-	0
	- Credit <i>Corporate Card</i>	1.500	115	-	115
	Pihak Terkait Entitas Anak - Luar Negeri	1.558.861	-	1.304.430	1.304.430
14	Mandiri Europe Ltd				
	- Participation	723.939	-	723.939	723.939
	- Placement	800.000	-	555.300	555.300
15	Mandiri International Remittance				
	- Participation	25.191	-	25.191	25.191
	- Credit	9.731	-	-	0
	Total All Related Parties	13.208.375	-	-	11.474.105
	Kelonggaran BMPK	-	-	-	7.404.559
	Related to Bmpk				NIHIL

Table Violation and / or Exceeding the LLL for Provision of Funds To Related Parties of Bank Mandiri

Remarks	Related Parties	Unrelated Parties (Individuals)	Unrelated Parties (Group of Debtors)
LLL violations	Nil	Nil	Nil
Exceeding LLL	Nil	Nil	Nil

During 2019, there was no violation and/or excess of BMPK for the provision of funds to the Related Parties of Bank Mandiri. BMPK was calculated in accordance with PBI No. 32/POJK.03/2018 on Maximum Lending Limit (BMPK) and Provision of Large Fund for Commercial bank and POJK No. 38/POJK.03/2019 on Amendment to POJK No. 32/POJK.03/2018 on BMPK and the Provision of Large Funds for Commercial Bank.

DERIVATIVE AND VALUE PROTECTION FACILITIES

Derivative receivables are classified as financial assets in groups measured at fair value through profit and loss, while derivative liabilities are classified as internal financial liabilities group is measured at fair value through profit or loss.

Derivative instruments (including foreign exchange transactions for funding and trading purposes) are presented based on their fair values determined based on market prices using the Reuters rate at the report date or the discounted cash flow method and recorded in the consolidated statement of financial position.

Derivative receivables are presented at the amount of unrealized gains from derivative contracts, net of allowance for impairment losses. Derivative liabilities are presented at the amount of unrealized losses from derivative contracts. Gains or losses from derivative contracts are presented in the consolidated financial statements based on the Bank's objectives for transactions, namely (1) hedging fair value, (2) hedging cash flows, (3) hedging net investment in foreign operations and (4) trading instruments, as follows:

1. Gains or losses from derivative contracts that are intended and fulfill the requirements as instruments of hedging on fair value and gains or losses on changes in the fair value of protected assets and liabilities are recognized as profit or loss that can be offset from the same accounting period. Any difference that occurs indicates that the hedge is ineffective and is directly recognized as the current year's consolidated profit or loss.
2. The effective portion of a gain or loss on a derivative contract that is designated as a cash flow hedge is reported as other comprehensive income. The ineffective portion of hedging is reported as consolidated profit or loss for the year.
3. Gains or losses from derivative contracts intended as hedges for net investment in foreign operations are reported as other comprehensive income, insofar as they are considered effective as hedging transactions.
4. Gains or losses from derivative contracts not designated as hedging instruments (or derivative contracts that do not meet the requirements as hedging instruments) are recognized as consolidated profit or loss for the year.

Table of Derivative transactions Overview as of December 31, 2019

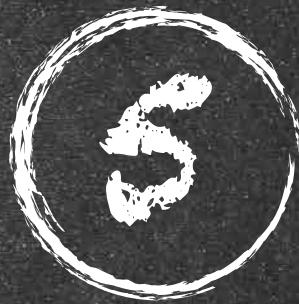
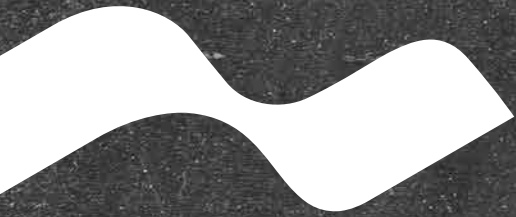
Transaction	Fair Value		
	Contract value (absolute IDR equivalent)	Derivative Bill	Derivative Liabilities
Related parties			
Related exchange rates			
1. Futures contract - buy			
United States Dollar	28.390	-	565
2. Futures contracts - sell			
United States Dollar	689.399	6.004	-
3. Swap - buy			
United States Dollar	1.003.247	-	2.315
4. Swap - sell			
United States Dollar	851.002	3.879	-
5. Option - buy			
United States Dollar	694.125	-	-
Etc	1.041.188	-	10
Related to interest rates			
1. Swap - Interest rates			
United States Dollar	1.005.599	8.934	39.615
Total Related Parties		18.817	42.505



Transaction		Fair Value		
		Contract value (absolute IDR equivalent)	Derivative Bill	Derivative Liabilities
Third party				
Related exchange rates				
1.	Futures contract - buy			
	United States Dollar	6.042.889	-	86.753
	Etc	1.471.997	9.674	3.372
2.	Futures contract - sell			
	United States Dollar	4.570.919	28.623	4.703
	Etc	323.991	299	175
3.	Swap - buy			
	United States Dollar	17.283.615	1.283	321.964
	Etc	187.935	1.577	-
4.	Swap - sell			
	United States Dollar	52.549.644	841.657	960
	Etc	1.699.928	33	18.321
5.	Option - buy			
	United States Dollar	597.621	7.405	-
	Etc	3.162.166	44.675	15.703
6.	Option - sell			
	United States Dollar	1.527.075	18.645	-
	Etc	81.676	58.324	-
Related to interest rates				
1.	Swap - interest rates			
	United States Dollar	10.993.828	559.360	525.557
	Etc	3.821.530	27.104	175.009
Third Party Total			1.598.659	1.152.517
Total			1.617.476	1.195.022

Table of derivative transactions Overview as of 31 December 2018

Description		Fair value		
		Contract Value absolutely (equivalent to IDR)	Derivative Claims	Derivative Liabilities
Transactions				
Related Parties				
Related exchange rate				
1.	Forward Contract – buy			
	US - Dollar	5,279,020	78,593	-
2.	Swap – buy			
	US - Dollar	307,460	-	19,126
3.	Swap –sell			
	US - Dollar	3,347,330	38,521	-
Related interest rate				
1.	Swap – Interest Rate			
	Others		32,718	-
Total Pihak Berelasi			149,832	19,126
Third Parties				
Related Exchange Rate				
1.	Forward Contract - buy			
	US - Dollar	8,629,804	224	110,197
	Others	1,441,671	5,550	7,450
2.	Forward Contract – sell			
	US - Dollar	6,857,148	116,081	1,926
	Others	36,885	527	25
3.	Swap – buy			
	US – Dollar	10,126,846	2,008	150,581
	Others	413,134	1,487	151
4.	Swap – sell			
	US - Dollar	58,581,199	780,903	86,955
	Others	5,256,413	2,133	6,696
5.	Option – buy			
	US – Dollar		61,176	
6.	Option – sell			
	US - Dollar		7,752	-
	Others		64,768	-
Related to Interest Rate				
1.	Swap - interest rate			
	US - Dollar		421,324	181,154
	Others		184,792	501,383
Total Third Parties			1,648,725	1,098,551
Total			1,798,557	1,117,677



Human Capital

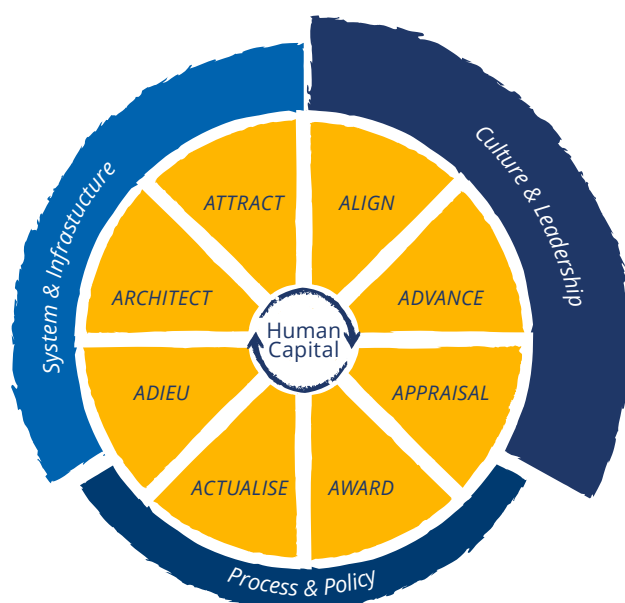
Bank Mandiri Work Culture, namely: One Heart One Mandiri, Resilient Independence, Growing Healthy, Meeting Customers' Needs, and Together Building the Nation is a guide in thinking, acting and behaving daily.





Human Capital Management Strategy

The implementation of Human Capital management at Bank Mandiri is based on employee life cycle and guided by a framework that is aligned with Bank's strategies. Employee life cycle is illustrated below.



Employee life cycle consists of:

- 1. Architect – Organization Development**
Organization Development includes organizational structure and job evaluation design, career development, and capacity planning.
- 2. Attract – Human Capital Fulfillment**
Reliable system to fill the company with Human Capital from either internal or external sourcing as well as strategy for employee attraction.
- 3. Align – Employee on Boarding System and Employment Relations**
Employee-friendly on boarding system and employment relations for both new hires and employees.
- 4. Advance – Training and Development**
Human Capital training and capability development to support business needs.
- 5. Appraise – Individual Performance Management**
Accountable and transparent system for employee performance assessment and feedback.
- 6. Award – Total Reward**
Competitive and accurate employee reward system.
- 7. Actualize – Talent and Succession Management**
Qualified and timely talent and succession management system.
- 8. Adieu – Employee Dismissal**
Employee dismissal system.

In order to manage employee life cycle well and continuously, each of the stages should be supported by strengthening the foundation that includes:

- a. More structured, accessible and understandable Human Capital process and policy;
- b. integrated and user-friendly technology system and infrastructure; as well as
- c. Culture and leadership that support transformation, including shift in mindset, behavior, and working pattern, as well as improved roles of leaders as role model in Human Capital management process.

Each stage of employee life cycle is described as follows:

ARCHITECT

As mentioned earlier, Bank Mandiri has aligned its organizational structure to sharpen its organizational functions in supporting Bank's business strategies. To this end, the company has conducted several activities that include: organizational structure finalization, position mapping that fits with the new organizational structure, and employee placement via talent panel.

Throughout 2018, Bank Mandiri has conducted periodical reviews on organizational effectiveness regarding employee productivity in its working units in Head and Regional Offices. From the reviews, it can be implied that redistribution of capacity planning between working units has fitted the workload of each working unit. In addition, Bank Mandiri has also conducted continuous reviews on its Human Capital fulfillment strategy and policy in order to support Bank's business strategy and improve labor cost efficiency, particularly in facing digitalization era and millennial domination in human capital management.

ATTRACT

Dynamic business and organization development requires swift and accurate recruitment of Human Capital. Strategies for Human Capital fulfillment are directed towards timely fulfillment of business needs with excellent Human Capital.

As all networks of the Bank equally need Human Capital, Bank Mandiri makes local people priority in its recruitment and hiring. To recruit and find candidates, Bank Mandiri has partnered with the best universities in Indonesia by regularly participating in either job fair or campus hiring. In addition to the aforementioned strategies, recruitment for candidates also involves e-Recruitment via Bank Mandiri's website (www.bankmandiri.co.id).

RECRUITMENT METHODS

To fill the needs for Human Capital, Bank Mandiri conducts both internal and external recruitment using the following program or approach:

1. internal recruitment, conducted through present employees development program including: Staff Development Program (SDP), Authorized Officers (P3K), and transfer of executives from Operations Services/Administration function to Sales/Credit/Collection function.
2. External recruitment, conducted through fresh graduate and experience hire approach for either management-level or executive-level employees. To fill the needs for Human Capital, Bank Mandiri conducts external recruitment by considering several things and special conditions including candidates scarcity in certain areas, job types, and certain expertises.



OFFICER DEVELOPMENT PROGRAM

Officer Development Program (ODP) is a training program for fresh graduates recruited for managerial positions at Bank Mandiri. ODP focuses on several fields including Regular ODP, IT ODP, and Risk Management ODP. In 2018, Bank Mandiri focused on developing IT and Risk Management ODP in order to face the swift changes in business and to anticipate the increasing impacts of VUCA (Volatility, Uncertainty, Complexity, and Ambiguity). In order to fill the needs for vacant managerial positions in Information Technology and Risk Management units, Bank Mandiri recruited fresh graduates through IT and Risk Management ODP as well as experience hire. Several strategies for IT and Risk Management ODP have been executed including:

IT AND RISK MANAGEMENT ODP

Pemenuhan kebutuhan *Human Capital* di unit kerja Teknologi Informasi dan Manajemen Risiko terutama untuk level Pegawai Pimpinan dilakukan melalui jalur *fresh graduate*, yaitu melalui ODPIT, ODP *Risk Management*, serta *experience hire*. Adapun strategi pemenuhan ODP IT dan ODP *Risk Management* yang telah dilakukan adalah sebagai berikut:

- a. Defining specific qualifications particularly related to candidates' educational background:
- b. Candidates for IT and Risk Management ODP are sourced from:
 - **Job Fair**
Bank Mandiri has participated in a number of job fairs held by Career Development Center (CDC) of several reputable domestic and international universities. Throughout 2018, Bank Mandiri has participated in job fairs held by Universitas Gadjah Mada, Bandung Institute of Technology, Universitas Indonesia, Bogor Agricultural University, University of Brawijaya, Bina Nusantara University, and Pelita Harapan University. In addition, Bank Mandiri has also participated in a number of job fairs facilitated by Young Indonesian Professionals' Association (YIPA) in London to recruit diaspora or Indonesian students studying in best universities in London. From its participation in a number of events, on average, more than 800 candidates applied

for a position in Bank Mandiri's ODP program, particularly IT and Risk Management ODP.

- **Campus Visit/Campus Hiring**
Campus visit/campus hiring is held to provide students with knowledge and information related to professional world in banking industry. This event is Bank's proactive approach to reach out best candidates from reputable Universities in Indonesia.
- **Online Searching**
In addition to the above method, applicants are also allowed to apply online via Bank Mandiri's website using the Applicant Tracking System (ATS) that helps to monitor the progress of each candidate's application.
- c. Recruitments for IT and Risk Management ODP generally involve the same process like administrative screening, psychometric test, panel interview, and medical test. In panel interview stage, Bank Mandiri involved subject matter experts in the field of Information Technology and Risk Management with competency-based interview certificate. The company expects that the involvement of subject matter experts can help discover candidates' profiles and potentials optimally according to its predetermined specifications.

SPECIAL REGION MANAGERIAL CANDIDATE (CPDK)

Other than ODP, Bank Mandiri also developed a special recruitment program called the Special Region Managerial Candidate Program (CPDK), which is dedicated for fresh-graduate candidates from local people. Employees recruited from this CPDK Program will be coached and trained through a specific and intensive development program that consists of in-class and on-the-job training to familiarize themselves with the standard operation and business process applied at their respective work unit and get ready to carry out the roles and duties of the leadership staff at their respective local region.

INTERNSHIP PROGRAM

Bank Mandiri's external recruitment is carried out by offering an internship program in 2 (two) different options including Kriya Mandiri and Certified

Internship Program. Participants showing excellent abilities and competencies during their internship will be appointed pool candidate in the recruitment process to be Bank Mandiri employees. There are two types of Internship Program at Bank Mandiri, they are Kriya Mandiri and Certified Student Internship Program (PMMB).

KRIYA MANDIRI

Kriya Mandiri is an integrated work-study program for high school graduates, Diploma, and Graduates aiming to provide them with knowledge, skills, and experience necessary for working in banking industry. Learning modules are provided to prepare the interns for jobs including back office, call center, customer service, and teller. Kriya Mandiri Program, since its first launched in 2012 to 2018, has recruited 11,859 interns. After successfully completing the program, most of them were hired as employees of Bank Mandiri while some others preferred to continue studying or to work in other companies.

In addition, Bank Mandiri also offers special internship program for high school graduates with disabilities for contact center position under “Kriya Mandiri Contact Center” internship program. While participating in this program, interns will go through 3 (three) comprehensive stages including basic, intermediate, and advance in a 3-year period according to the syllabus and curriculum.

CERTIFIED INTERNSHIP PROGRAM

The Certified Internship Program (CIP/PMBB) is an internship program for students from various Public/Private Universities initiated by the Ministry of State-Owned Enterprises (SOEs) and facilitated by Forum Human Capital Indonesia (FHCI).

As the implementation of “SOEs for the Country”, this program aims to support government program in building excellent and competitive Human Capital for future career. Students participating in this program will enrich themselves with variety of real-work knowledge and skills through comprehensive and structured program.

In 2018, Bank Mandiri provided as many as 371 internship positions for fresh graduates or final-year Diploma and Undergraduate students, from 14 (fourteen) public and private universities. This 6-month internship program was started with a 3-day in-class training (induction program). Students are eligible for allowance, employment accident insurance, and life insurance during the internship program. After completing the internship, students were handed Certificate of Industrial Certified Internship issued by Bank Mandiri.

ALIGN

EMPLOYEE ON BOARDING SYSTEM

On boarding system refers to the mechanism through which new hires acquire necessary knowledge, skills, and behavior to become Bank’s employees. The General Principles in implementing employee on boarding include:

1. Compliance

Bank Mandiri helps the employees to understand the principles of regulations and policies of the Bank.

2. Culture

Bank Mandiri prepares the employees to take and uphold Bank’s norms, including working culture and core values of the company.

3. Clarification

Bank Mandiri ensures that the employees understand not only their new jobs and responsibilities but also the expected results from their performance.

4. Connection

Bank Mandiri ensures that the employees are able to build good and positive relations with each other.

EMPLOYMENT RELATIONS (INDUSTRIAL RELATIONS)

Bank Mandiri always strives to create open, positive, and progressive working environment in order to build harmonious, dynamic, and fair industrial relations. In regard to industrial relations management, Bank Mandiri is guided by the Law No. 13 Year 2003 regarding Employment (UU No. 13/2003). The general principles underlying the industrial relations at Bank Mandiri include:



1. Establishing and maintaining harmonious industrial relations, with active participation of employees, Bank's Labor Union, as well as other employee organizations acknowledged by the Bank.
2. Conducting activities that improve employees engagement level through programs that effectively bring desired impact on employees' working attitude and behavior as well as positive impacts on Bank's performance.

Industrial Relations was established upon understanding that the Company, Employees, and Labor Union carry rights, obligations and responsibilities with respect, trust and determination to cooperate with each other to support Bank's business and to uplift employees' welfare. Means are needed in industrial relation practices. They include:

1. Labor Union

By allowing its employees to join labor unions, Bank Mandiri shows its adherence to the Law of Manpower. Bank Mandiri's Labor Union (SPBM) is established to maintain good employee-management relations at Bank Mandiri that contributes to harmonious industrial relations. Established in 2000, SPBM has been registered in the Department of Manpower and Transmigration No.KEP.804/M/BW/2000, and listed under Depnakertrans RI No.45/V/P/V/2001.

2. Collective Labor Agreement

Mandiri has already had a Collective Labor Agreement (CLA/PKB) resulting from negotiations between the Bank and Bank Mandiri Employees Union (SPBM) regulating the terms at work, rights and obligations of both parties under the provisions of law. PKB was first kicked off in 2004-2006 period and the prevailing PKB today is the seventh that is valid for the 2017-2019 period. It has been registered and legalized by the Ministry of Manpower and numbered KEP.198/PHJSK.PK/PKB/XII/2017 dated 11 December 2017.

3. Internal and External Regulations

Bank Mandiri is always obedient and adherent to prevailing regulations and laws in Indonesia.

In addition, Bank Mandiri also complies with the prevailing internal regulations within the company which include Operational Policy (Human Capital) updated and approved on December 12, 2017 as well as the Standard Guidelines for Human Capital updated on March 20, 2018.

4. Bipartite Cooperation Institutes (Bipartite LKS)

Bipartite Cooperation Institutes (LKS) at Bank Mandiri was first established in 2005 and was registered in Manpower and Transmigration Agency of Jakarta Selatan under registration number 4391/-1.837 dated December 13, 2015.

In accordance with the Law No. 13/2003 and as also stated in PKB 2015-2017, Bank Mandiri and the Labor Union routinely hold Bipartite LKS every 2 (two) months as the forum to communicate and consult industrial relations issues. In the forum, the company communicates its Human Capital policies as well as several focuses on company's business development based on its vision and mission. Labor Union, on the other hand, not only provides the management with feedback and inputs for improvement but also expresses their aspirations.

5. Handling Complaints

Although complaints are simply a normal part of business, inability to handle complaints well can lead to undesired impacts such as decline in employee productivity that in turn will be disadvantageous for both the employees themselves and Bank Mandiri. Conducive work environment and open communication forum play key roles in establishing effective employment relations. Company and all employees always strive to handle complaints well and according to prevailing regulations.

6. Industrial Relations Conflict Resolution

In order to create a favorable working environment not only for employees but also for the Bank, all stakeholders must strive to build harmonious industrial relations. For example, when conflict arises, working units or the company should be able to handle it according to the Law No. 13/2003 and Law No. 2 Year 2004 on Industrial Relations Conflict Resolution.



HC4U

In order to build harmonious industrial relations that support productivity improvement as well as employee engagement Bank Mandiri provides HC4U. HC4U is employee services center to facilitate communication between employees and the company accessible via telephone, email or direct walk-in center HC4U, on 12th Ground Plaza Mandiri.

EMPLOYEE ENGAGEMENT

Employee engagement is a result of effective implementation of industrial relations that acts as parameters to measure employee emotional engagement with the company. To create synergies that lead to optimal productivity at work, Bank Mandiri always pays special attention to the welfare of its employees. The company provides either material or non-material employee welfare program. A material program is a welfare program that is directly linked to employee performance and its compensation can be given in the form of pension, holiday allowance, bonuses, paid leave, and death funds. Meanwhile, Bank Mandiri's non-material welfare program provide all employees with facilities and services without discrimination.

In order to boost employee engagement, Bank Mandiri has also provided lactation room for female nursing employees in either Head Office or regional/branches. Clean and convenient lactation room has been provided and equipped with various facilities and basic needs for nursing mothers. Besides lactation room, Bank Mandiri also provides day care service for employees with children namely "Mandiri Day Care". Providing these facilities to all employees, the company expects its employees to work professionally while still being able to play roles as mother/parents that in turn

create convenient workplace and lead to increase in productivity for the company.

Employee engagement has become one of focuses in Bank Mandiri's Human Capital management for years. Bank Mandiri is determined to sharpen focus on employee engagement issue by conducting several surveys to measure level of employee engagement with the company. The surveys were conducted both online and offline via interview and Focus Group Discussion since 2010.

EMPLOYEE TURNOVER RATE IN 2019

Bank Mandiri fully aware that Human Capital is one of most vital assets in improving the quality of Bank's performance. Therefore, Bank Mandiri always provides convenience and maintains safety for its employees at work to boost their engagement with the company. In addition to employee engagement survey, Bank Mandiri annually monitors its Attrition Rate (employee turnover) by monitoring both resignation and unpaid leave (CLTB) in the company. Doing so helps the company to analyze and understand employee profiles, particularly reasons for quitting the jobs. The Tren Attrition Rate of Bank Mandiri from 2017 - 2019 is presented below:

**Table of Trend Attrition Rate of Bank Mandiri from 2017 to 2019**

Years	Total Attrition	Total Employees	Percentage
2019	1.723	39.065	4,41%
2018	1.662	39.809	4,18%
2017	1.446	38.307	3,77%

The turnover of Bank Mandiri employees for the last 3 (three) years is listed in the following table.

Tabel Turnover pegawai Bank Mandiri untuk Tahun 2017 to 2019

Years	Total Attrition	Total Employees	Percentage
2019	2.538	39.065	6,50%
2018	2.586	39.809	6,50%
2017	2.267	38.307	5,92%

During 2019, there were 2,538 Bank Mandiri employees leaving the company. In response to the turnover, Bank Mandiri has formulated employee recruitment strategies to meet the Company's human capital requirement. These strategies include Officer Development Program (ODP) and Staff Development Program (SDP). The first is intended for fresh-graduates candidates while the latter is intended for Bank Mandiri's internal employees promoted to leadership staff.



ADVANCE

Bank Mandiri believes that the success key to win competition in the highly competitive financial industry lies on reliable and competent human capital. Therefore, Human Capital should be managed rightly to produce highly qualified resource. Best Human Capital shows not only technical competences and capabilities, but also good leadership. In shaping reliable and competent Human Capital, Bank Mandiri has created and

implemented the following strategies:

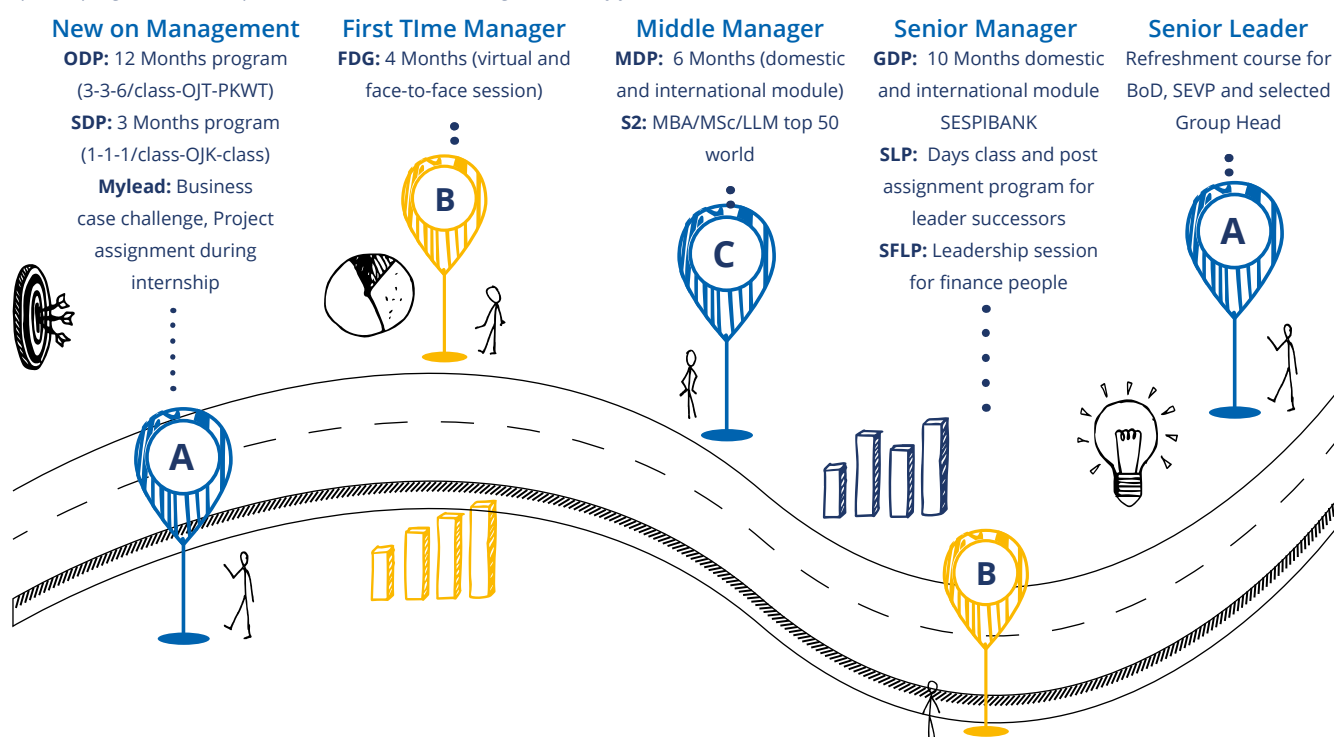
- Speed up learning to sustain high performance culture
- Boost talent capability
- Leverage intangible assets to attract, restrain, and motivate the best talent.

Bank Mandiri is committed to creating highly qualified leaders by conducting multi level leadership program including:

- **Officer Development Program (ODP)**
A training program for fresh graduates recruited for managerial positions at Bank Mandiri.
- **Staff Development Program (SDP)**
A training program for Bank Mandiri employees to be promoted for managerial positions at the Bank.
- **Post Graduate Program (S2)**
A formal training program for eligible employees of Bank Mandiri. This program is run in cooperation with 50 best universities in the world.
- **Middle Management Development Program (MDP)**
A training program for highly potential middle manager prepared as successors in the level of Department Head or Area Manager or equivalent level (Level 3).
- **General Management Development Program (GDP)**
A training program for talented and potential senior managers prepared for becoming successors above MDP-graduates' level including Group Head or Regional CEO or other equivalent positions (Level 2).
- **SESPiBANK Program**
A training program for candidates of Senior Executive or Top Management to be the top leaders of the bank.
- **Executive Development Program (EDP)**
A training program for Board of Directors, SEVP, Group Head, and Regional CEO.

Leadership By Program

Specific program to develop selected and talented managers in every job level



Human Capital training and development are carried out based on prevailing internal policies. The training and development framework is prepared based on business needs and aligned with Human Capital strategies.

The framework for competence training and development includes:

1. Living Core Values

They are core values and corporate culture that should be held and implemented by each of the employees to support Bank's business strategy. Core values adopted from corporate culture include Trust, Integrity, Professionalism, Customer Focus, and Excellence (TIPCE) with 11 (eleven) Main Attitudes stemming from Employee Value Proposition "Spirit Memakmurkan Negeri" (The Spirit to Prosper the Nation).



2. Technical Capability

It is knowledge, skills, and attitude that should be owned by all employees according to their job functions. Technical capabilities are grouped into job functions in Corporate Banking, Retail Banking, and support function.

3. Leadership Capability

It is the skills needed by an employee to carry out leadership function. A good leadership is truly needed to make sure all employees of the company are able to become role models for other people.

DESIGN FOR HUMAN CAPITAL TRAINING AND DEVELOPMENT

Human Capital training and development are designed in line with corporate strategy to ensure all programs/activities are efficient, effective, and integrated to improve Bank Mandiri's performance.



Design components for training and development at Bank Mandiri are as follows:

1. Learning Budget and Plan

The process of making training, development, and budget allocation plans.

2. Learning Analysis

The process of analyzing learning needs based on business needs and organization development.

3. Learning Design

The process of designing education and training curricula based on the results of learning analysis.

4. Learning Development

The process of developing education and training curricula into materials, methodology, as well as evaluations.

5. Learning Implementation

The process of implementing the education and training curricula that have been set in the Learning Design and Learning Development stage.

6. Learning Evaluation and Research

The process of measuring and evaluating the impacts of education and training.

The foundations in designing such competence training and development are as follow:

1. Learning Partner

Internal and external experts taking parts in training and development program as module writer, trainer, coach, mentor, buddy, and so forth.

2. Hange Management

The process of improving employees' knowledge, skills and attitudes.

3. Facility

Physical or technological facilities that support training and development program.

4. Communication, Branding and Marketing

The process of making strategies for management, communication, and interaction with internal and external stakeholders in order to maintain public perceptions.

Furthermore, referring to the fact that Bank Mandiri consists of numerous units with various jobs and responsibilities, therefore company establishes Academy for each field that includes:

Academy	Segmen
Wholesale Banking Academy	Focusing on development of Wholesale Banking, Trade Finance, Treasury, International Banking, and Overseas Branches segments.
Retail Banking Academy	Focusing on development of small medium enterprise, retail banking, consumer deposit, financial service, and investment management segments.
Banking Operations, Sales and Service Academy	Focusing on competence development in banking operations (branch and supporting), credit operation, e-channel operation, marketing and sales, services, customer experience and satisfaction fields.
Governance, Risk Management, Compliance Academy	Focusing on competence development in compliance, risk management, anti money laundering, governance, audit and legal as well as industrial relations fields.
Digital Banking, Information Technology and Support Academy	Focusing on competence development in digital banking, information technology, enterprise data management, and support fields.
Leadership Academy	Focusing on leadership development of at Bank Mandiri, including ODP/SDP, S2 and Managerial Capability, MDP, GDP, and Human Capital.

In order to support development of employee competence, Bank Mandiri has built campus facilities spread across Indonesia namely "Mandiri University". Bank Mandiri announced its plan to build Mandiri University across Indonesia, classified into 3 (three) types including A, B, and C. The type A campus houses the most complete facilities such

as classroom, conference call, dormitory, e-learning facilities, simulation room, breakout room adapted to international standards, wi-fi, cafe, gym, theater room, and other supporting facilities. There have been 13 (thirteen) campuses located across Indonesia as mentioned below.





Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital



KNOWLEDGE MANAGEMENT

Bank Mandiri has developed Enterprise Knowledge Management System in order to support business process through the presentation of up-to-date and accurate information that provides solutions to business challenges. Bank Mandiri has perfected its curricula which refer to international best practices.

APPRAISE

To improve the implementation of performance management at Bank Mandiri, since 2019 several initiatives have been implemented which include improvements in qualitative assessments based on attitude aspects that focus on achieving sustainable, long-term performance of the Bank and in line with the 5 (five) latest Bank Mandiri Work Culture, namely One Heart One Mandiri, Strong Mandiri, Grow Healthy, Meet Customers' Needs, and Together Building the Country.

PERFORMANCE ASSESSMENT SYSTEM

Employee performance assessment is based on employee achievement in accordance with the approved Key Performance Indicator (KPI) and attitude in the form of fulfilling or increasing competence. The performance elements assessed consist of the result and process elements. The results show the achievement of

employees over the target (lag measure), while the process shows how to achieve the target (lead measure).

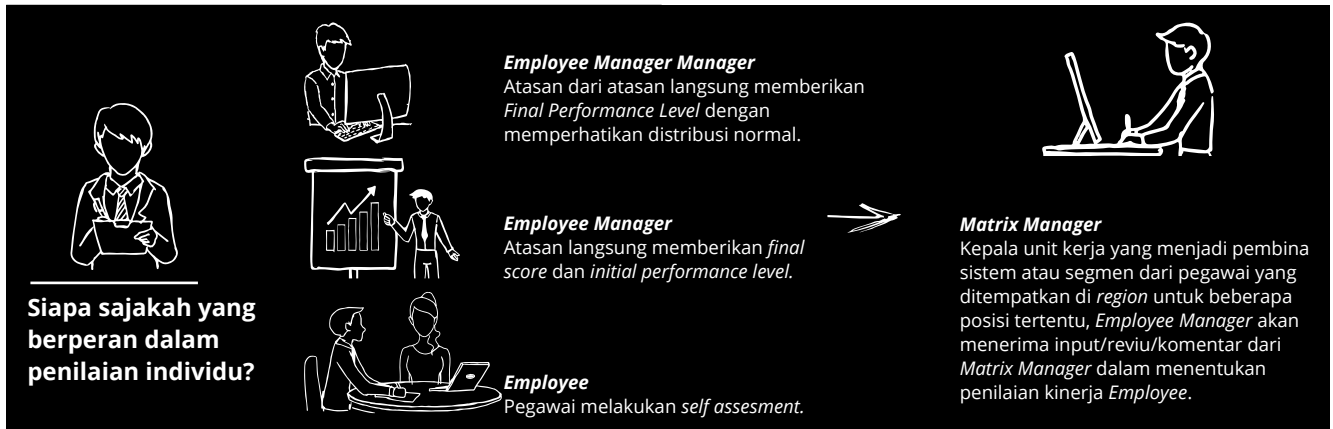
The Performance Level at Bank Mandiri is categorized based on 5 (five) predicates, namely:

1. **Superior Performance** shows outstanding/special performance.
2. **Very Good Performance** shows satisfactory/very good performance.
3. **Good Performance** shows good performance/meets expectations.
4. **Requires some Improvement** shows the need for improvements to help improve performance.
5. **Under Performance** shows not showing the appropriate/expected performance.

Based on the Performance Level, the employee classification talent was also established as the basis for development and promotion. Talent classification is categorized based on the potential and level of performance of employees, namely High Potential, Critical Resources, Key Contributors, Under Achiever, and Limited Contributor.

With the performance appraisal system, it is expected to encourage employees to improve performance in the next period. The results of performance appraisal are used as one of the factors in determining benefits, determining the category of talent and promotion. In assessing employee performance, employees are given the opportunity to carry out self-assessments of

their achievements. Then the results of the self-assessment will be discussed, reviewed and approved by the direct supervisor. The parties who play a role in evaluating employee performance are explained in the following figure.



AWARD

Remuneration policy is the bank's strategy in providing compensation to employees, which is adjusted to the Bank's ability to accommodate changes in employee demographics, management of labor costs, and in order to encourage the achievement of the Bank's business goals.

The remuneration of Bank Mandiri is prepared with the aim of being able to attract, maintain, motivate, and increase the commitment of employees to continuously provide optimal performance, supporting the Bank's vision, mission, and strategy.

In general, the remuneration strategy of Bank Mandiri is guided by the Labor Law and Financial Services Authority Regulations. The long-term total reward strategy is that the Bank has a strong-competitive value towards the market, namely:

1. Make a general effort to position the Bank on 75 percentiles.
2. Especially for top talent and critical jobs can be positioned up to 90 percentile.

To find out the remuneration position of the Bank on market conditions, every year Bank Mandiri participates in the Annual Salary Survey organized by independent and competent third parties. The results of the study of the survey are used as a basis for adjusting the remuneration strategy of the Company to be subsequently proposed at the Board of Directors Meeting to be approved.

The implementation of the remuneration strategy is also carried out by taking into account the performance of each individual employee (based on performance), work unit performance and overall Bank performance, but still within the budget set. In general, in implementing the total rewards, Bank Mandiri provides salaries, annual salary adjustments, Holiday Allowances (THR), Annual Leave Implementation Money, and Large Leave Money given for each 3 (three) year period of work. Bank Mandiri also provides health facilities for employees and members of their families, including guarantees of inpatient care, outpatient care, childbirth, dental care, General Check Up, glasses and a retired Bank health program.

In addition, the Bank provides variable compensation including Location Allowances, Specific Position Allowances, Appearance Allowances for frontliner employees, Overtime Compensation, Performance achievement Bonuses, Sales incentives, retention programs, and Long Term Incentive programs in the form of shares.

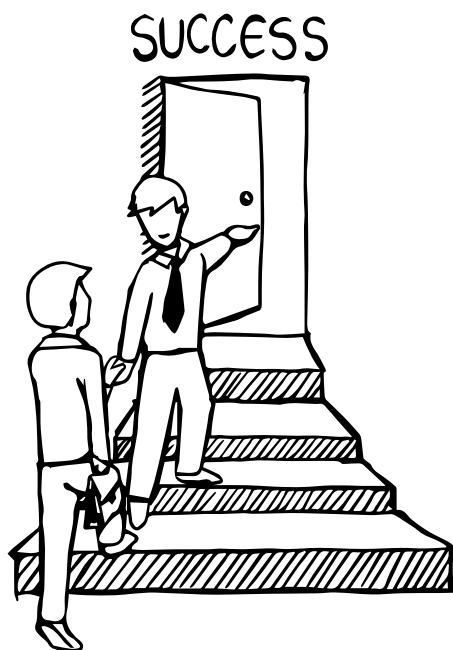
To support the official service, Bank Mandiri provides official-facilities including official-housing, reimbursement of utilities, telephone expenses, and rental-official vehicles. While to support the needs of employees in home ownership, vehicles, and other needs, Bank Mandiri provides Employee Welfare Credit facilities.



In addition to providing total rewards as explained, to encourage the spirit of innovation and employee productivity, Bank Mandiri routinely holds awards for employees, including the following:

MANDIRI BEST EMPLOYEE

Mandiri Best Employee (MBE) is a form of highest appreciation to Bank Mandiri employees who are expected to represent employees who not only perform very well, but also are able to become role models that actively influence their surrounding partners to also be able to surpass targets by behaving according to their values - TIPCE main values. The MBE 2017 event was held on November 9, 2018.



NATIONAL FRONTLINER CHAMPIONSHIP

The National Frontliner Championship (NFC) is an award event held to appreciate the Bank Mandiri Frontliners for the services provided to customers. This event is part of a series of activities at the 2018 Mandiri Customer Care Summit, which takes place in Jakarta on September 17-20, 2018. Through this event, Bank Mandiri hopes that all Frontliners can be motivated to strive to be the best and consistently provide positive Customer Experience to customers.

ACTUALIZE

In implementing a career development program, Bank Mandiri is always based on the principle of fair opportunity, namely the equal opportunity for each employee to grow and develop while taking into account the Company's needs, job family position, ability, performance level, value rating, talent group (talent classification), position availability, and other requirements.

Bank Mandiri applies a grading system that separates job grade and individual grade as a structure in career development. Job Grade is a value that describes the level of position based on the weight of the work and the factors determined by the Company. An Individual Grade is a value that describes the level of permanent employees determined on the basis of the performance, technical competence, leadership and working period of each employee, as well as periodic evaluations through the assessment process.

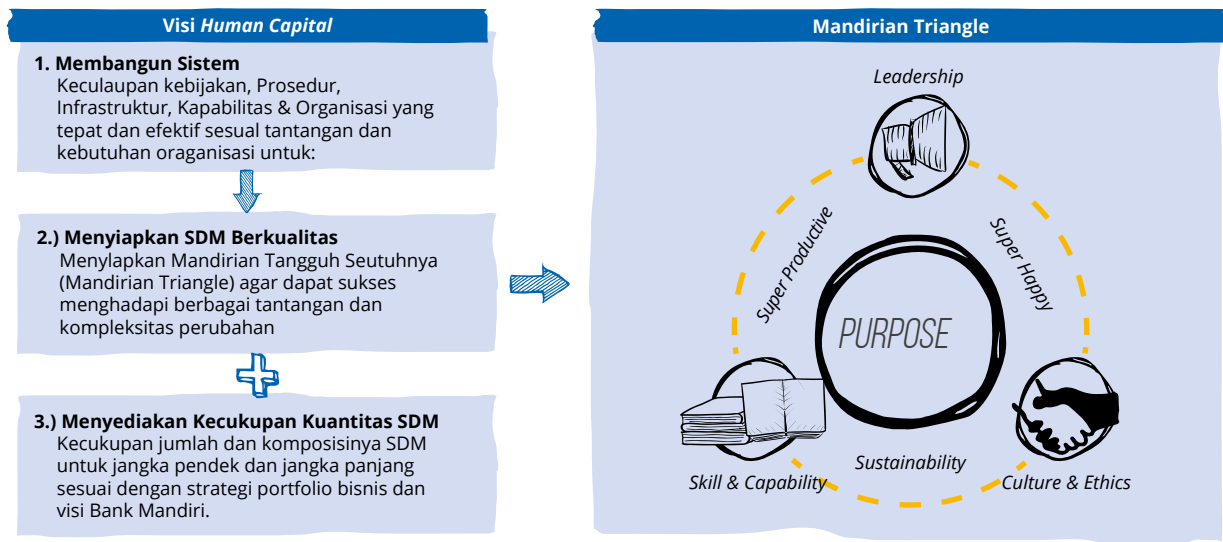
PROMOTION

There are a number of things that are considered when transferring employees, including the targeted positions having at least the same or higher job grade, performance and potential of employees, the employment period of employees in the last position and/or work location, and capabilities needed in positions addressed. The transfer of Bank Mandiri employees is carried out in 2 (two) time cycles, namely, the Main Promotion Cycle (MPC) and Secondary Promotion Cycle (SPC) carried out in the Talent Mobility system.



TALENT AND SUCCESS MANAGEMENT

The talent and succession management process is the process of preparing and developing talents so that they are ready to become successors who occupy critical positions at Bank Mandiri. With the existence of talent management and good succession, it is hoped that Bank Mandiri will have the best talents who are ready to fill the leadership pipeline on an ongoing basis.



Talent and succession management implements Mandiri 5 Cores Triangle which consists of Capability, Culture and Ethics, Leadership, Mindset, and Purpose. The framework is used as a basis for talent development which ensures that all five aspects are implemented in a balanced and comprehensive manner. The talent and succession management process is divided into 4 (four) main processes consisting of:

1. Talent Classification and Nomination

The process of mapping and determining talent is based on the consistency of performance and potential of each employee whose process begins with the determination of performance appraisal, assessment of potential, determination of Talent Classification, to be grouped into 2 (two) Talent Groups.

2. Talent Assessment

The process of measuring capabilities and profiles of talent that aims to obtain information regarding the capability gap of talent that can be used as input in development. Talent Assessment measures 3 (three) aspects which include Leadership Assessment, Technical Assessment, and Behavior Assessment.

3. Talent Development

The talent that has been designated as a successor, the development plan will be prepared in the form of an Individual Development Program (IDP). The arrangement is based on the capability gap of each successor. The outline development plan can be divided into 3 (three) parts, namely Job Exposure (can be in the form of Project Assignment, Promotion, Job Swap, and Job Attachment), Training, and Coaching and Mentoring.

4. Talent Review

The stage for re-evaluating selected successors based on their performance, competency, and potential. The review of successors is held every 6 (six) months. The output of the review can be in the form of adjustments to development/resumption, excluded from the successor pool, or ready to be promoted.



Mandirian Unggul

Bank Mandiri defines the main behaviors that employees need to have based on the results of a study of several competency measurement tools used by several assessment center institutions. This main behavior is used as a tool to measure the potential of an employee called 8 Superior Mandirians. The so-called 8 (eight) Superior Mandirians is as follows.

1

Achieving

Someone who has enormous energy and always takes the high initiative to achieve and grab more than expected. So this person will always try to be the best and exceed the target.

2

Strategic Thinking

Someone who has a clear vision and direction for him to achieve something. This person also has a clear and good plan regarding how things will be delivered to achieve the best. So when he becomes a leader, this person will provide clear direction for himself and for his team.

5

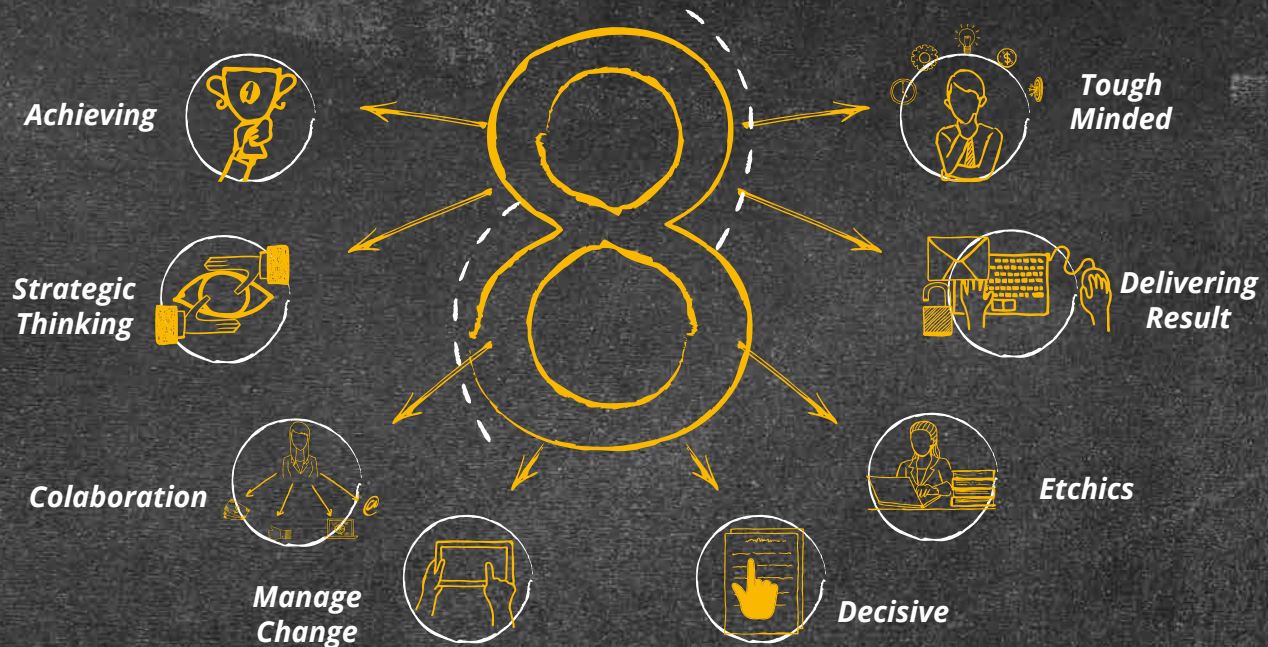
Decisive

When an uncertain situation occurs, one of the toughest tasks of a leader is to make a decision. Decisive is one of the critical attitudes that a leader is expected to be able to direct and make accountable decisions with measured risks in even the most difficult situations.

6

Etchics

Ethics is closely related to employee's integrity, both in decision making and when collaborating with related stakeholders. But keep in mind also that ethics is also closely related to actions and communication that can be accounted for and trusted.



Collaboration

For large organizations such as Bank Mandiri, cooperation and synergy between work units will be needed and holds the key to the success of achieving a goal. Someone who will become an independent future leader is also expected to have the ability to "people development." What is meant by people development here is the spirit to provide development not only to oneself but also to colleagues and subordinates.

3

4

Manage Change

Adapting and accepting changes and responding positively and openly is the expected behavior of employees at Bank Mandiri, so superior employees will always be able to provide the best even in conditions of changing circumstances and policies.

Delivering Result

All previously mentioned elements are in vain when work stops at mere aspirations and promises without clear results. At the end of the day, the measure of the success of a job will be measured from the work completed with a complete quality of work and upholding ethics and cooperation with all stakeholders.

7

8

Tough Minded

To become a leader at Bank Mandiri, there will be many challenges, obstacles, and difficulties that must be faced throughout the process to achieve certain achievements. Therefore, a Superior Mandirian is expected to be able to show his resilience in facing all challenges and has the ability to bounce back when he has to fall during the journey.



ADIEU

This stage is the last step in an employee lifecycle. Dismissal of employees or Termination of Employment is the termination of employment relations between the Employee and the Bank because of certain matters which result in the termination of the rights and obligations of the Employee and the Bank. The general principle of terminating employees is:

1. It is carried out based on an agreement between the Employee and the Bank unless the Employee violates employee discipline rules.
2. Performed at the initiative of the Bank and/or at the initiative of employees.
3. Done by considering the rights and obligations of employees and the Bank.

PENSION PROGRAM

In implementing a pension program, Bank Mandiri establishes a Pension Fund for Employees. In general, the scope of the Pension Fund program consists of two programs, namely:

1. Defined Benefit Pension Program

Pension program for employees who are still actively working at the Bank from the Legacy Bank (4 Banks before the merger) and Bank Legacy's retirees.

2. Defined Contribution Pension Program

Pension program for Permanent Employees of the Bank and new Employees who have been appointed as permanent employees of the Bank.

In connection with the OJK Regulation No. 5/POJK.05/2017 concerning Contributions, Pension Benefits, and Other Benefits held by the Pension Fund, Bank Mandiri has made adjustments to the Pension Fund Regulations (PDP) in accordance with the decision of the OJK Board of Commissioners No. KEP-125 / NB.11 / 2018 dated March 12, 2018, including:

- Accumulation of Employer Contributions for participants with a membership period of less than 3 (three) years is used as the employer contribution to other participants.
- Payment of Pension benefits at once.
- Asset grouping (life cycle fund) according to the age of the Participant group, which is divided into

2 (two) groups, namely Cluster General and Cluster Special.

- The Pension Fund is obliged to separate funds categorized as inactive funds, if after payment is separated, there will be no payment of Pension Benefits, then the Pension Fund must submit inactive funds to the BHP.
- Provisions for Additional Participant Contributions in the form of incidental and monthly contributions.

In addition to establishing a Pension Fund for Employees, Bank Mandiri also registers Employees as participants in the Pension Guarantee Program for the Social Security Organizing Agency (BPJS) in accordance with the applicable laws and regulations.

PENSION PREPARATION PROGRAM

For employees who are about to retire and already retired, Bank Mandiri also provides special training related to employee retirement preparation programs namely Pra-Purna Bhakti, where the training aims to shape mentality and expertise as well as debriefing employees to remain productive even though they are no longer employees.

POST PENSION BENEFIT

Bank Mandiri also appreciates Bank Mandiri Pensioners who aim to reward employees who enter normal retirement age for their contributions to Bank Mandiri and in increasing engagement with employees/retirees towards the company.

Bank Mandiri also pays attention to health facilities for retired employees by establishing Koperasi Mandiri Healthcare (MHC). The MHC Cooperative was established at the end of 2010 with membership fees of 5% originating from Employee contributions of 2% and subsidies from the Bank at 3%.

Process and Policy Human Capital

The management of each Human Capital function is regulated in the form of a process and set out in policies that are used as guidelines by taking into account operational risks. Internal policies related to the management of Human Capital at Bank Mandiri are regulated in:

1. Operational Policy (Human Resources Sub-Chapter) which has been updated and approved on December 12, 2017;
2. The Human Resource Standards that have been updated and approved on March 20, 2018;
3. Technical Guidelines for Human Resources (PTSDM) are updated using the concept of employee lifecycle (8A). Updates are carried out partially and gradually, while PTSDM which has been updated and approved is as follows.

Technical Guidelines for Human Resources (PTSDM)	Date Approved
PTSDM Architect – Design and Study of Organizational Structures	Wednesday, September 12, 2018
PTSDM Architect – Employee Need Planning and Manpower Cost Budgeting	Wednesday, September 12, 2018
PTSDM Attract - Outsourcing Partner Accreditation	Monday, May 02, 2016
PTSDM Attract - Application of Bank Mandiri Power Outsourcing Base Data (DFOB)	Friday, October 17, 2014
PTSDM Align - Employee Relations	December 14, 2017
PTSDM Advance - Implementation of the Postgraduate Scholarship Program	Monday, August 01, 2016
PTSDM Advance - Training and Development Costs	Friday, April 01, 2016
PTSDM Advance - Implementation of Internship Program, Research, Research, and Field Work Practices in Work Units	Sunday, July 01, 2018
PTSDM Appraise - Individual Performance Management System	Tuesday, December 01, 2015
PTSDM Award - Transactional Reward – Compensation	1 August 2017
PTSDM Award - Transactional Reward – Official travel	Saturday, October 01, 2016
PTSDM Award – Relational Reward	November 01, 2018
PTSDM Actualized – Talent and Succession Management	Monday, December 10, 2018
PTSDM Actualized – Implementing Employee Development Program	Wednesday, December 14, 2016
PTSDM Adieu – Pension Program	Tuesday, September 13, 2016
PTSDM Corporate Culture - Culture Excellence Score Board (CES)	Friday, June 01, 2018
PTO Corporate Culture - Mandiri Craft Management & Mandiri Craft Database Application	Tuesday, July 10, 2018

All internal provisions related to Human Resources are constantly reviewed and updated regularly in accordance with the development of the organization.



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

System and Infrastructure Human Capital

Bank Mandiri always manages and updates the Human Capital Information Management System information system that is tailored to the needs of the Company with reference to applicable policies and procedures. The thing that must be considered in the Human Capital management information system is that the arrangement, development, and modification of the system must pay attention to aspects of consistency, system operational continuity, time efficiency, reduction in operational risk and customer satisfaction.

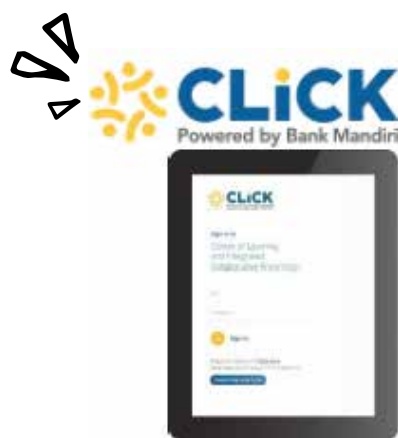
MANDIRI TALENT MANAGEMENT SYSTEM

The Mandiri Talent Management System, known as TaMS, is a tool to help manage employees and Human Capital processes at Bank Mandiri. At present, TaMS is used by the Human Capital and Line Manager teams in conducting employee mobility, determining talent classification, succession management, and compensation management.



MANDIRI CLICK

Since its launching in 2017, the employee self-service portal, Mandiri CLICK has many additional features to continue to be able to support employees in having an understanding of their rights and obligations in accordance with Bank Mandiri's internal policies. Now Mandiri CLICK also has a leave feature and benefit feature to find out what facilities and benefits each employee has. In addition, Mandiri CLICK is now enriched with information from relevant parties related to staffing such as BPJS up to Bank Mandiri Pension Fund.



MANDIRI EASY

Human Capital Bank Mandiri uses one of the e-Performance tools called Mandiri easy (Mandiri Employee Appreciation System), in order to align targets and ensure the achievement of all targets can be monitored properly. Mandiri easy is a cloud-based system so it is flexible to be accessed anywhere as far as connected to the internet. This system functions, as access to assessing the performance of Bank Mandiri employees.



MANDIRI CAREER WEBSITE

Mandiri Career is one of the menus on the Bank Mandiri website which contains information about job vacancies at Bank Mandiri (ODP, MY Lead, Mandiri Craft, Experienced Hire, Banking Staff, and CPDK) and Subsidiaries. The community is allowed to submit job applications online through Mandiri Career.



MANDIRI YOUNG LEADERS

MYLD is a support tool for Mandiri Young Leaders participants to keep up to date with the Mandiri Young Leaders Program information.





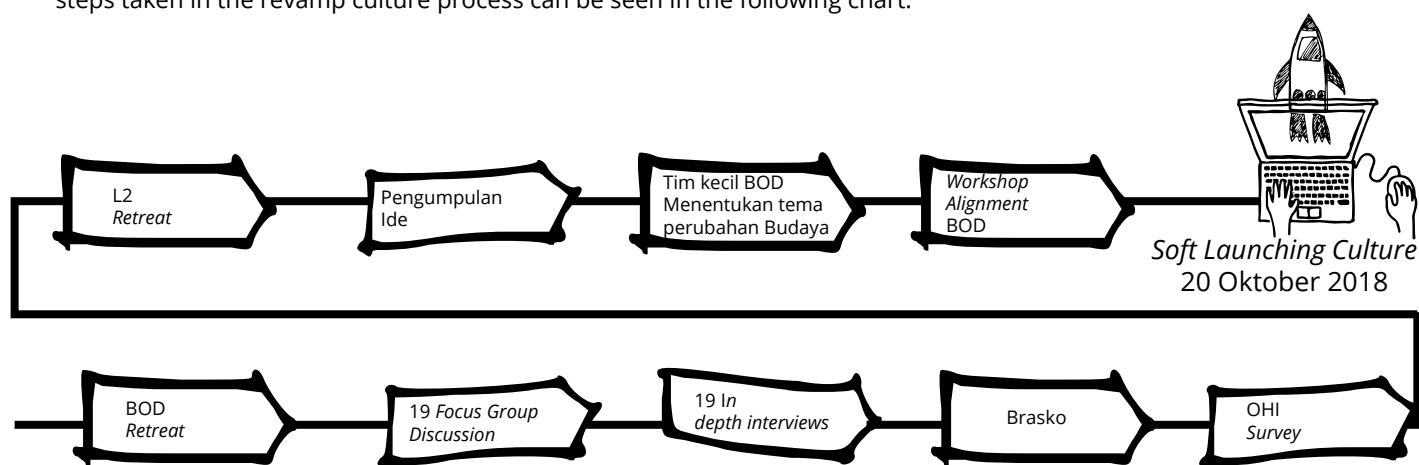
Culture Internalization

The presence of the millennial generation at Bank Mandiri has encouraged the Company to continue adjusting its work culture to remain relevant to the Company's internal and external conditions. Through working culture adjustments, all Bank Mandiri employees will have a strong character in thinking and acting in accordance with Bank Mandiri's 5 (five) behavioral cultures. In addition to adjusting the work culture, Bank Mandiri also implemented a smell of the place approach in building the happiness and productivity of the Company's employees, most of whom were millennials. The smell of the place approach means managing various elements of work, both fiscal and emotional in order to create a work atmosphere that makes employees happy and productive.

WORK CULTURE TRANSFORMATION

In line with the vision of Bank Mandiri to become Indonesia's Best, ASEAN's Prominent, and against the challenges of being able to adjust business developments in an era of technological and digital disruption and the presence of generations of millennials, in 2018 Bank Mandiri has carried out a revamp culture process. Revamp Culture is carried out systematically to perfect the Work Culture with a foundation of core values (Trust, Integrity, Professionalism, Customer Focus, and Excellence), Code of Conduct, and Business Ethics to build a strong character of Independence. The results of revamp culture are 5 (five) new Bank Mandiri Work Culture, namely: One Heart One Mandiri, Tough Mandiri, Growing Healthy, Meeting Customer Needs, and Together Building the Country and 13 new key behaviors in accordance with 5 (five) Bank Mandiri Work Culture, which is a guide in thinking, acting, and behaving daily.

The revamp culture process is carried out systematically to perfect and rectify the appropriate Work Culture, while the steps taken in the revamp culture process can be seen in the following chart:



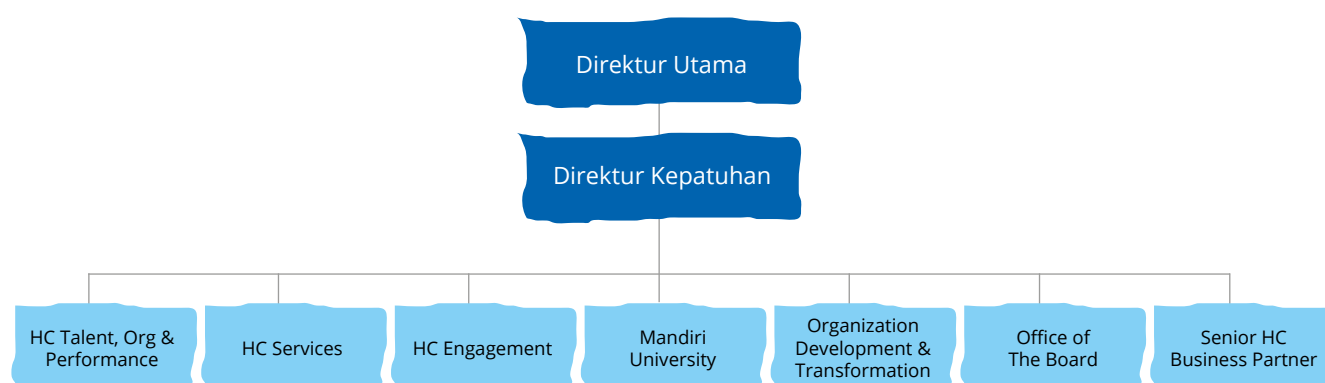
The following is description of Bank Mandiri's new 5 (five) Working Cultures.

Work Culture	13 Key Behavior
	<ol style="list-style-type: none"> 1) Prioritizing Mandiri's interests: I act and make decisions by prioritizing the interests of Mandiri above personal and other parties' interests. 2) Collaboration: I collaborate and support each other selflessly to achieve the best results. 3) Empathy and respect: I treat others as individuals who should be appreciated.
	<ol style="list-style-type: none"> 4) Code of Conduct and Business Ethics: I work by adhering to the code of conduct and business ethics. 5) Learner mindset: I always learn to gain more knowledge, capabilities, and insights from various sources, experiences, and feedback. 6) Working in Smart, Agile, Adaptive, and Problem-Solving Manners: I understand the context and essence of work to complete the work in an effective and productive manner and always focus on providing solutions. 7) Intrapreneurship: I actively seek for and seize opportunities to maximize business potential.
	<ol style="list-style-type: none"> 8) Think and act in balance: I act by balancing various factors (processes, capabilities, risks, and so on) to achieve sustainable results. 9) Sustainable: I balance performance achievement for long-term sustainability.
	<ol style="list-style-type: none"> 10) Explore and meet customer needs: I actively explore customer needs, including market conditions and competition to provide the appropriate products, services, and solutions. 11) Maintaining customer relationships: Constantly maintaining a mutually beneficial relationship between the Company and customers.
	<ol style="list-style-type: none"> 12) Contribution to the Country: I make contribution by delivering the best performance for myself, family, and environment. 13) Balanced Role: As an employee, I balance my performance in managing the company professionally, constantly enhancing company value, and acting as an agent of development.



Management Structure of Human Capital

Human Capital Management at Bank Mandiri is supervised directly by the Compliance Director. To support the implementation of business strategies that are in line with the Bank's vision and mission, an organizational structure is aligned, including in the management of Human Capital as outlined in the Decree of the Board of Directors No. KEP. DIR / 070/2019 dated 12 December 2019 as follows.



The duties and responsibilities of each Work Unit above related to Human Capital management are:

Working Units	Functions, Duties, and Responsibilities
Human Capital Strategy & Talent Management	Formulating and developing comprehensive Human Capital strategies and policies related to talent management and Human Capital process improvement and technology that can provide support to all work units of the Central and Regional Offices both for the short and long term.
Human Capital Services	Formulating strategies and policies related to the fulfillment of Human Capital, operations and Human Capital services that are effective and efficient to create synergy and meet the needs of all work units of the central and regional offices in the form of time to market.

Working Units	Functions, Duties, and Responsibilities
Mandiri University Group	Providing solutions, training and development programs that are appropriate to ensure each employee that has been equipped with capabilities to support the growth and performance achievement of each work unit.
Human Capital Engagement	<ul style="list-style-type: none"> Formulating strategies and policies to maintain good employee engagement by aligning all Human Capital policies and applying labor policies and industrial relations based on applicable laws and regulations Maintaining and developing work culture values, so each employee is able to think, act, make decisions and relate to other parties in accordance with clean, healthy and professional corporate management values.
Human Capital Performance & Remuneration	Managing, developing and monitoring Human Capital policies related to Performance and Reward Management as well as Organization Development to support business processes and organizational effectiveness both at Headquarters and at Regional Offices based on best practices that are aligned with business strategies and applicable laws and regulations.
Human Capital Business Partner	Becoming a strategic business partner in managing Human Capital in work units under its coordination, both at the Headquarters and at Regional Offices.
Man Power Planning & Outsource	Planning, establishing, developing, directing, monitoring and evaluating the implementation strategy and MPOM services related to the management and fulfillment of Outsourcing Staff, as well as the management of the Kriya Mandiri apprenticeship program in accordance with the planned requirements for the amount, time and budget specified.

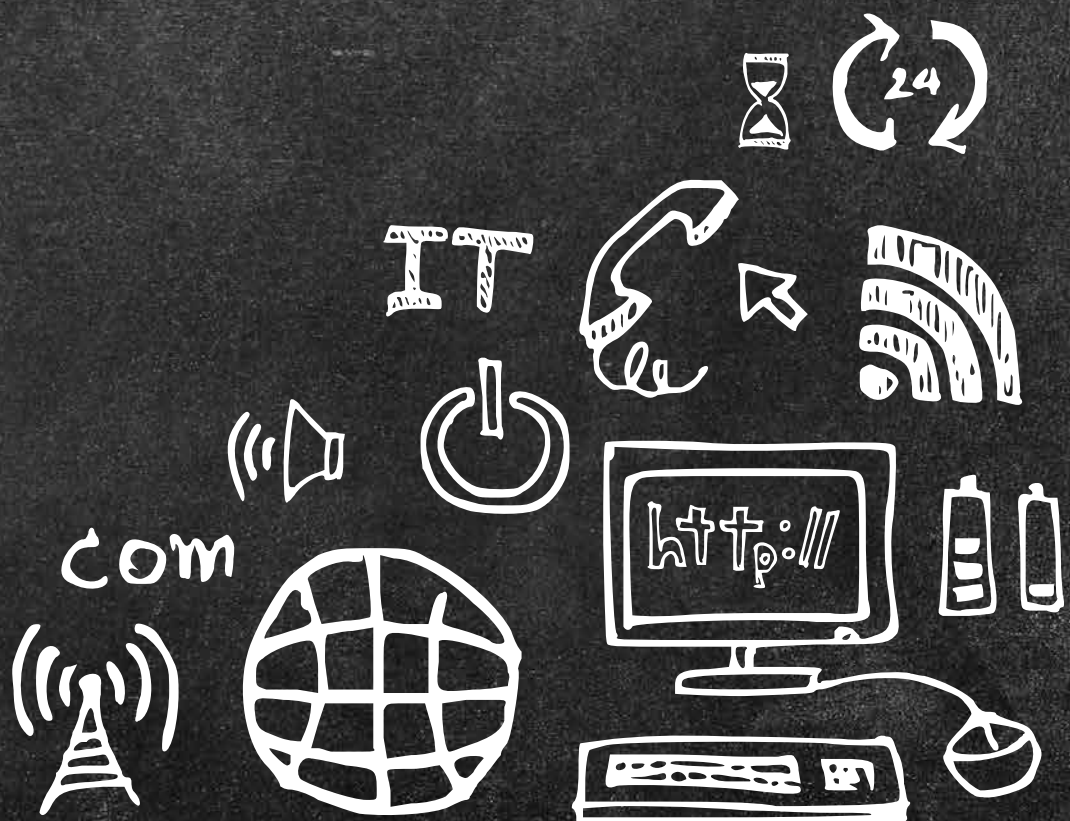
Human Capital Profile

Information related to the Bank Mandiri employee profile can be found on the Company Profile section of this Annual Report.



Information Technology

Bank Mandiri has innovated the employee recruitment process to identify the best IT talent in supporting Bank Mandiri's IT and Digital Transformation, the Mandiri Hackathon program.





"Bank Mandiri's Information Technology Policy, in addition to supporting business processes in the banking industry, is also expected to inspire the public, especially the country's millennial successors. Bank Mandiri carries out Transformation in Information Technology to establish reliable, robust, agile, secure, and efficient IT management so as to serve short- and long-term business needs through increased reliability, security, and internal IT capabilities. Bank Mandiri also has created an innovation called Mandiri Hackathon, which is an employee recruitment program that identifies the best IT talent to support its IT and Digital Transformation. The program also aims to gather innovative ideas that can respond to the needs for digital banking and suit Bank Mandiri's branding from digitally-savvy participants. In 2019, a total of 5,974 millennials registered for the program, boosting the recruitment pipelines significantly."

The role of Information Technology (IT) in banking world to improve bank competitiveness is indicated by banks' increasing speed, accuracy, efficiency, productivity, validity and service. Rapid market changes, new product and service development and changes in expectations for time to market require that banks can adjust their operating models. Industrial revolution 4.0 has disrupted the banking sector characterized by the existence of VUCA (Volatility, Uncertainty, Complexity, and Ambiguity). These changes encourage changes in consumer behavior and mindset that must be responded to by conducting a digital transformation to maintain and enhance customer loyalty.

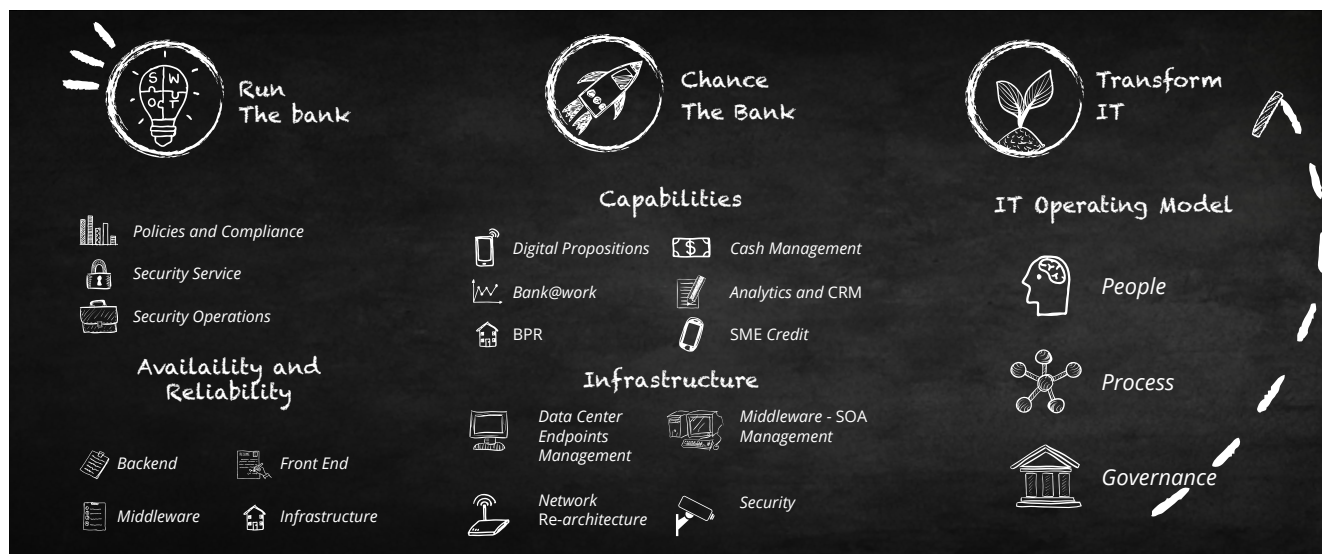
The implementation of digital strategy at Bank Mandiri includes the development of Chatbot Mandiri Intelligence Assistant (MITA) to facilitate customer service automation through social media at any time. Meeting customer needs by utilizing digital technology,

both applications, devices as delivery channels that can be accessed anytime and anywhere. At present, most of customer financial transactions of Bank Mandiri are carried out through electronic networks.

Digital transformation is not only done on e-channel products, but also in business process automation through the development of end-to-end system and application that can accelerate business processes. Moreover, Bank Mandiri can penetrate new markets by utilizing data analytics for "cross selling loan products".

IT Development Master Plan

To develop its IT strategy, Bank Mandiri refers to Re-Aligned IT Strategy and Execution Plan (ISP) 2017-2020 that accords with its Corporate Plan. This strategy is translated into IT Transformation as a comprehensive framework that encourages the development of reliable, robust, agile, secure, and efficient IT management so as to serve short- and long-term business needs through increased reliability, security, and internal IT capabilities.



STREAM #1 - RUN THE BANK

Run the Bank focuses on tactical improvements to operational effectiveness, including improvements in security, increased service availability and the reliability of IT systems to encourage operational excellence in the long run.

a. Security

Bank Mandiri's IT security improvements were made in terms of security governance, security protection, and security operations through the implementation of a security awareness campaign, increased data security, network and end points, and cyber security.

b. Availability & Reliability

In supporting the Bank's business and improving the IT service management system, capabilities were enhanced. In 2019, system improvements were made through enhancing core banking performance, modernizing the integration of Bank Mandiri systems with internal and external applications and the high availability of Mandiri channels such as the implementation of Mandiri Online's active-active data center.

STREAM #2 - CHANGE THE BANK

Change the Bank is an implementation of strategic IT initiatives aimed at building business capabilities in support of the Corporate Plan. The IT strategic initiatives are aligned with the Re-Aligned IT Strategy & Execution Plan (ISP) 2017-2020. Such alignment is created among others through the implementation of Onboarding Deposit to facilitate the transformation in Bank Mandiri's digital services that utilize video banking and digital signature technology for the KYC process, which can now be utilized by branchless banking agents.



Performance Highlights



Report of the Board of Commissioners and Directors



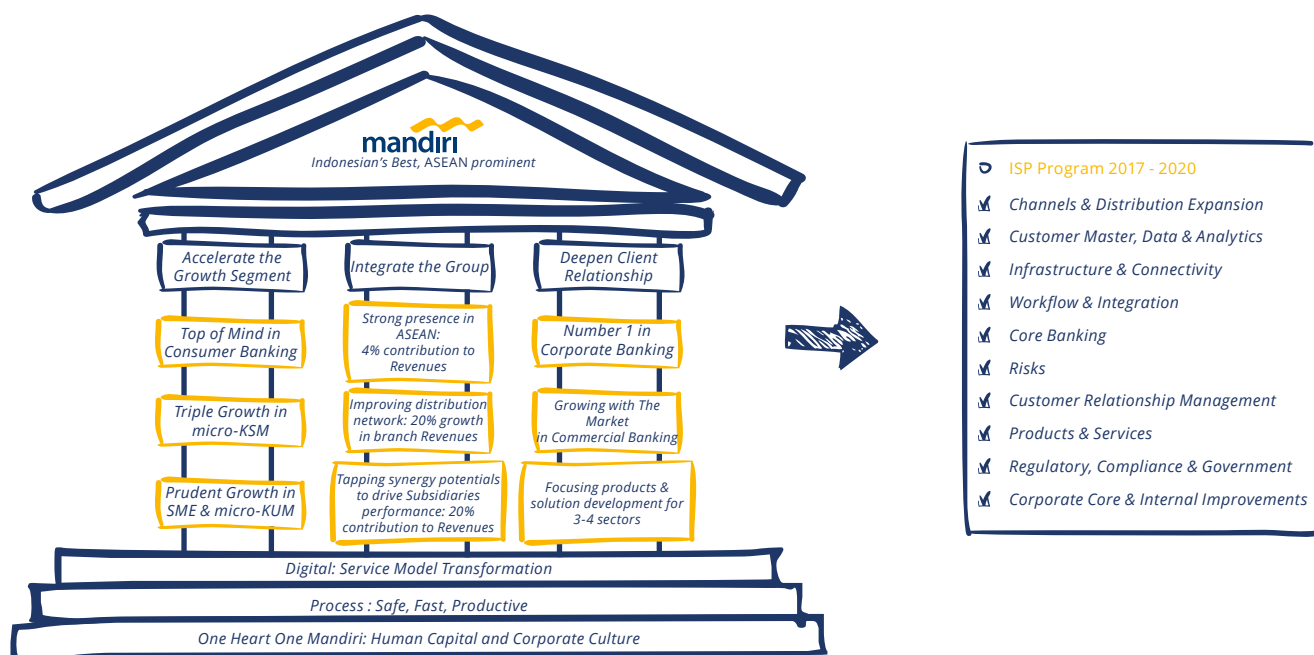
Company Profile



Management Discussion and Analysis on Company Performance



Human Capital



STREAM #3 - TRANSFORM IT

Transform IT constitutes improvements to the IT Operating Model for improved IT capabilities, increased use of technology, and operational efficiency in the long run in terms of people, process, and governance.

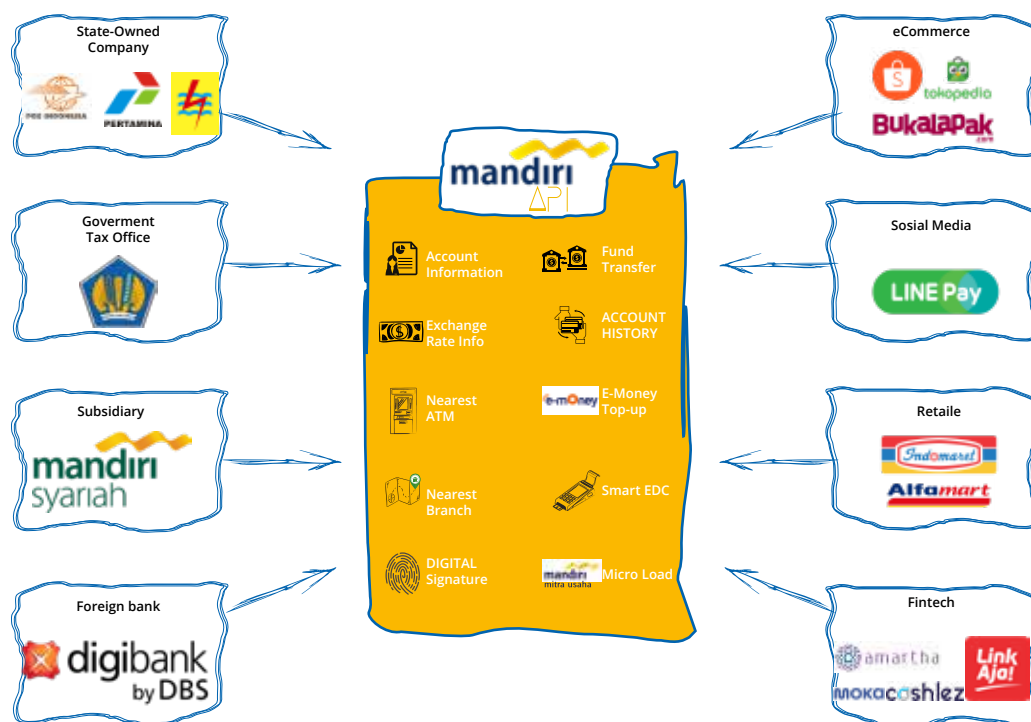
Improvements that have been made include through the assessment of IT employees' technical capabilities, the establishment of Community of Practices (COP) and the Center of Excellence (COE) as an initiative to improve employee capability, the preparation of Playbook API as a technology standard and the process for implementing API Management which is currently used as a reference by Bank Indonesia in preparing the Consultative Paper Open API Standard, and improving governance to ensure the implementation of operational activities more effectively.

Information Technology Innovation

APPLICATION PROGRAMMING INTERFACE (API)

In welcoming the rapidly developing industry revolution 4.0 and anticipating increasingly fierce digitalization competition, Bank Mandiri has carried out digital innovations through the Open Banking initiative by providing easy access to banking products and services to digital and cross-sectoral financial service ecosystem players. With the Application Programming Interface (API) platform, it will facilitate the integration and collaboration between Bank Mandiri applications and Bank Partner applications to utilize banking services in a safe and real-time manner so as to stimulate new forms of cooperation in the banking and non-banking industries and accelerate financial inclusion. Through API technology, Mandiri creates a "Horizontally integrated value chain" with comprehensive services through cross-sectoral (cross-industry) partners in one financial service platform from the Bank.

An API-based cooperation has been implemented with various business partners, including: e-commerce, fintech, subsidiaries, and many more. Mandiri API Portal can be accessed at developer.bankmandiri.co.id.



BIG DATA

As The Best 4.0 Company - CNBC Indonesia Awards 2019, PT. Bank Mandiri (Persero) Tbk always tries its best to keep up with and adopt the latest technology that supports its business strategy effectively and efficiently based on customer needs. In this regard, Bank Mandiri has implemented Big Data Technology.

Big data is a data management environment that can store and process extremely **LARGE** data of **VARIOUS** types at an **INCREDIBLE** speed.

Big data can store not only structured data such as tables, but also unstructured data such as images, web log, audio, video, social media, and so on. Bank Mandiri has tens of millions of active customers and generate tens of millions transaction data lines across its systems, thus it is imperative to have a system capable of managing such data and generating output from such data use quickly and in a real-time manner.

Big Data Technology is used as a tool to generate reports and dashboards for management and business units as decision-making support tools, and reporting tools to external parties such as banking regulators.

Big Data as analytics tools generate insights and leads to help Business Units improve bank business and identify frauds and operational excellence through several initiatives, including predictive analytics, Cross Selling, Marketing Engine, Transaction Flow Diagram/ Customer Transaction Diagram, Fraud Alert, and Leads Management System. In the future, Big Data utilization will be more advanced, especially with the implementation of Deep Learning and Internet of Thing Analytics technologies.



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

During Pilot : We **compare** leads selection **between the BAU vs AI** (Recommendation Engine)

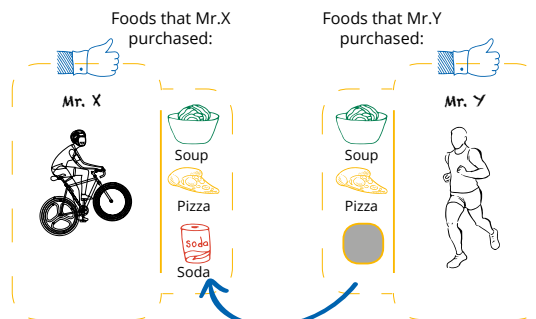
The BAU (Business as Usual)

- » The Customer will be offered a merchant discount program if the customer has historically made a purchase in that particular merchant
- » For example : Discount program in Tokopedia will only be offered to customer who has historically made a purchase in Tokopedia

The Recommender System

- » Recommender System is an AI algorithm (used by Netflix and Amazon)
- » This algorithm is trying to find similar pattern between customers , based on their transaction behavior
- » This algorithm is used to predict customer ' s likelihood in purchasing a product / service from a particular merchant

HOW RECOMMENDER SYSTEM WORKS



Since most of Mr. Y's purchases are similar to most of Mr. X's purchases, there is a **high probability** that Mr. Y will purchase Soda

PREDICTIVE
AI MODEL
DEMONSTRATION

104.87%

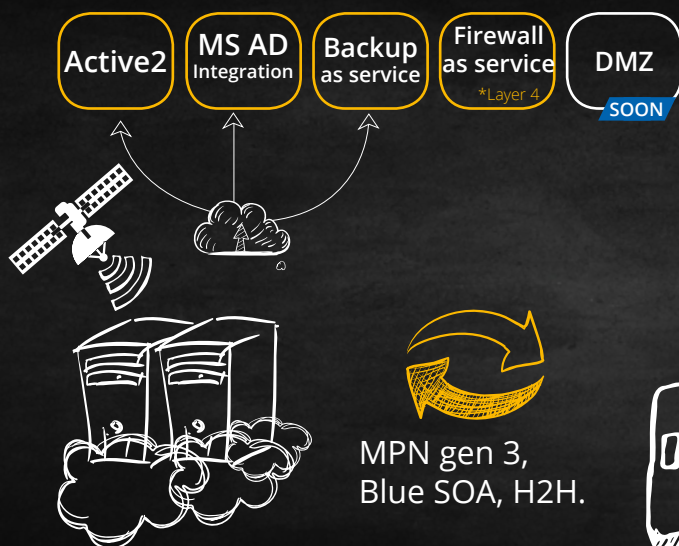
Recommender System
sale volume
improvement for BAU

MANDIRI DIGICUB

Mandiri Digicub is a workspace with open space concept as a form of IT Transformation implementation. Digicub is specifically designed to support solution development with collaboration between business and IT with Agile Development method. This workspace is built with various facilities that can support productivity and teamwork so that it can be a place for developing products/services that have more value and become a mainstay for Bank Mandiri in the future.

MANDIRI CLOUD

In addition to the innovations made on the channel side, Bank Mandiri also innovated on the provision of IT infrastructure that is Infrastructure as a Service (IaaS), namely Mandiri Cloud. Mandiri Cloud is Virtual Private Cloud (On-Premise) Technology adopting the Cloud Computing model to accelerate the provision of IT infrastructure and it takes only 15 minutes, compared with the conventional model which may take 12 weeks (procurement, server set up, storage set up, network set up).



Mandiri Cloud is located in Bank Mandiri's two Data Centers and is used for IT operation and development of Bank Mandiri's applications. In 2019, Bank Mandiri continued to improve Mandiri Cloud in terms of Cloud system configuration, the addition of storage capacity, and improvements to the network devices. With Mandiri Cloud, Bank Mandiri can keep up with its rapid business growth and create a reliable IT infrastructure with high availability.

SECURITY OPERATION CENTER

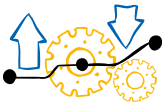
Service transformation into a digital platform creates a great opportunity for business growth, but at the same time the challenge of Cybersecurity is facing organizations. The issues of data confidentiality, integrity, and availability become increasingly crucial, where the value and volume of data increase, the perimeter of data use is borderless, and the devices used are increasingly diverse.

Bank Mandiri implements the Security Operation Center (SOC) as a way to ensure the security of its systems and services. The Security Operation Center (SOC) is an initiative covering people, processes, and technologies to monitor, detect, and respond to cyber threats, both internal and external of the Bank, and operates 24 hours a day and 7 days a week. The Security Operation Center (SOC) has the following capabilities:



Incident Response

Monitoring, notification and response to events and incidents that threaten the Bank Mandiri system.



Security event analytics

The ability to analyze security events with the support of tools that provide visibility and event correlation that occurs.



Threat hunting & intelligence

Ability to identify potential and indications of cyber attacks through internal and external information sources.

HACKATHON

Mandiri Hackathon is a national scale competition activity by Bank Mandiri which was held on 27-30 June 2019, named "What the Hack!" (WTH). This competition is held to support Bank Mandiri's IT & Digital Transformation by accommodating innovative ideas that are in line with digital banking needs and Bank Mandiri's branding in digital-savvy circles.

This activity is also designed as one of the innovative recruitment processes to identify the best IT talent. Mandiri Hackathon 2019 successfully attracted 5,974 millennials registrants and provided a significant increase in recruitment pipelines.



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



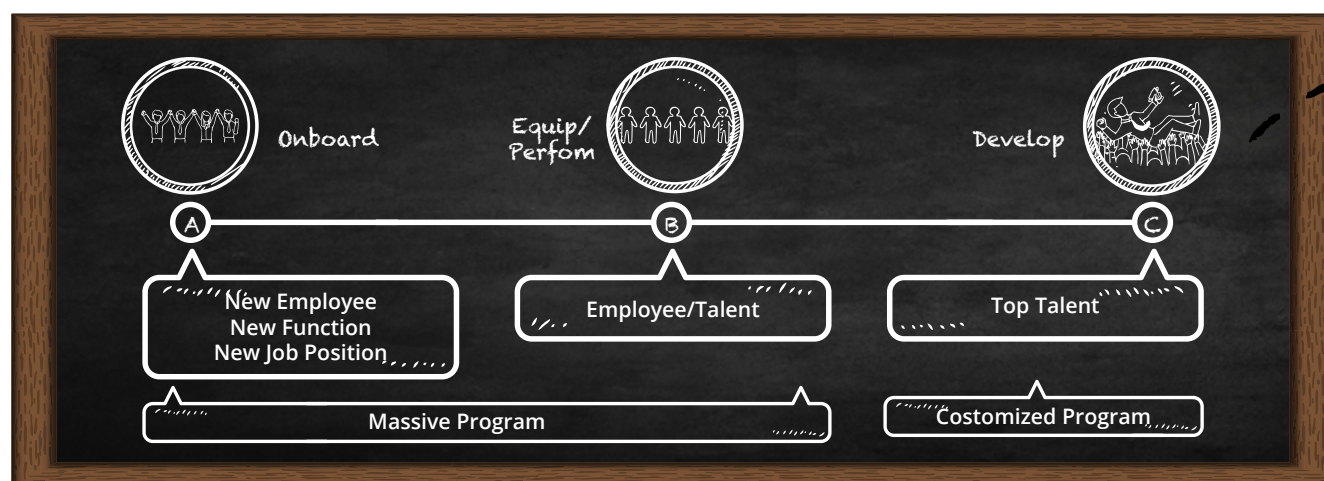
Management Discussion and Analysis on Company Performance



Human Capital

IT HR Development

To support Information Technology strategy and development, Bank Mandiri needs to have a systematic IT education program, which is a framework used to develop the capabilities of IT employees. In 2019, Bank Mandiri created a Development Journey for IT employees since the first time they join Bank Mandiri. The following are some employee capability development programs initiated by Bank Mandiri:



IT SCHOOL

IT School is a training program for fresh graduates (ODP IT) that is comprehensive in forming agile and balanced IT Innovation Leaders (soft skills and hard skills) so that they are able to compete in the Industrial 4.0 era. An IT Innovation Leader is required to have a balance that is not only technology savvy, but also has a good sense of human behavior and sensitivity to business (business sensitive). In addition, he must also be agile towards technological developments so that he can continue to adapt and be creative to produce the best Bank Mandiri products.

IT School has an improved curriculum to be in line with Bank Mandiri's business strategy, which aims to provide a balance of skills to employees, both soft skills and hard skills. Soft skill development is carried out among others in design thinking, creative/ innovative thinking, system/ structured thinking, presentation/ communication skills, business analysis, and system analysis. While the development of hardskills is carried out among others in programming, testing, and agile project management.

IT CERTIFICATION

IT certification is a specialization program based on job functions and best practice certification. Certifications given to employees are Prince 2 Foundation, The Open Group Architecture Framework (TOGAF), Certified Business Analyst Professional (CBAP), ISO 27001, Certified Information Security Manager (CISM), and Information Technology Infrastructure Library (ITIL), depending on employees' work unit at Bank Mandiri.

COMMUNITY OF PRACTICE

Community of Practice (CoP) as part of Bank Mandiri IT learning curve, one of which is implemented through the formation of communities to share knowledge and collaboration in increasing knowledge, expertise, and experience best practices according to the community IT domain. Through this community, it is expected to increase employee capability and synergy between work units through collaboration to share knowledge. Communities that have been formed include: Agile / Devops Community, Infosec Community, Cloud Community and Enterprise Architecture Community.

CENTER OF EXCELLENCE

Center of Excellence (CoE) is part of People Development, which aims to enhance employees' capability, transforming them into an expert in each IT domain. Currently, BMRI has several CoEs, including: API/ESB CoE, Low Code Platform CoE, Project Manager CoE, and many more.



Information Technology Availability and Infrastructure

Bank Mandiri equips its IT infrastructure with Plaza Mandiri Data Center (DC) and Sentra Rempoa Data Recovery Center (DRC) to support its business continuity in case of emergency. As its business grows more rapidly, Bank Mandiri requires reliable IT infrastructure with high availability. To serve this need, Bank Mandiri developed Infrastructure as a Service called Mandiri Cloud, which is a Virtual Private Cloud (VPC) used for the operation and development of its applications.

Bank Mandiri has a Command Center that monitors all of its IT services and operates 24/7. It also has a Service Desk that serves as the first layer to address IT problems across channels and operates 24/7. Bank Mandiri's Command Center consists of a Primary Command Center and a Secondary Command Center which are interconnected for 24 hours. Functions performed by Bank Mandiri's Command Center include:

1. Proactive Monitoring of any errors or alerts for infrastructure service disruptions through Single View Dashboard Monitoring to maintain IT service oper-

ation and the use of robotic tools for early warning system automation and notification.

2. Maintaining the availability and reliability of the data center and data recovery center for 24/7, and escalating problems quickly.
3. Serving as a facilitator in dealing with and resolving IT service problems.
4. Ensuring coordination in the implementation of problem management.

To maintain operational reliability, accelerate resolution of a problem in measurable and monitored manners, and meet its commitment to provide excellent support to Bank Mandiri's business, Bank Mandiri's IT work unit implements the following certified service standards:

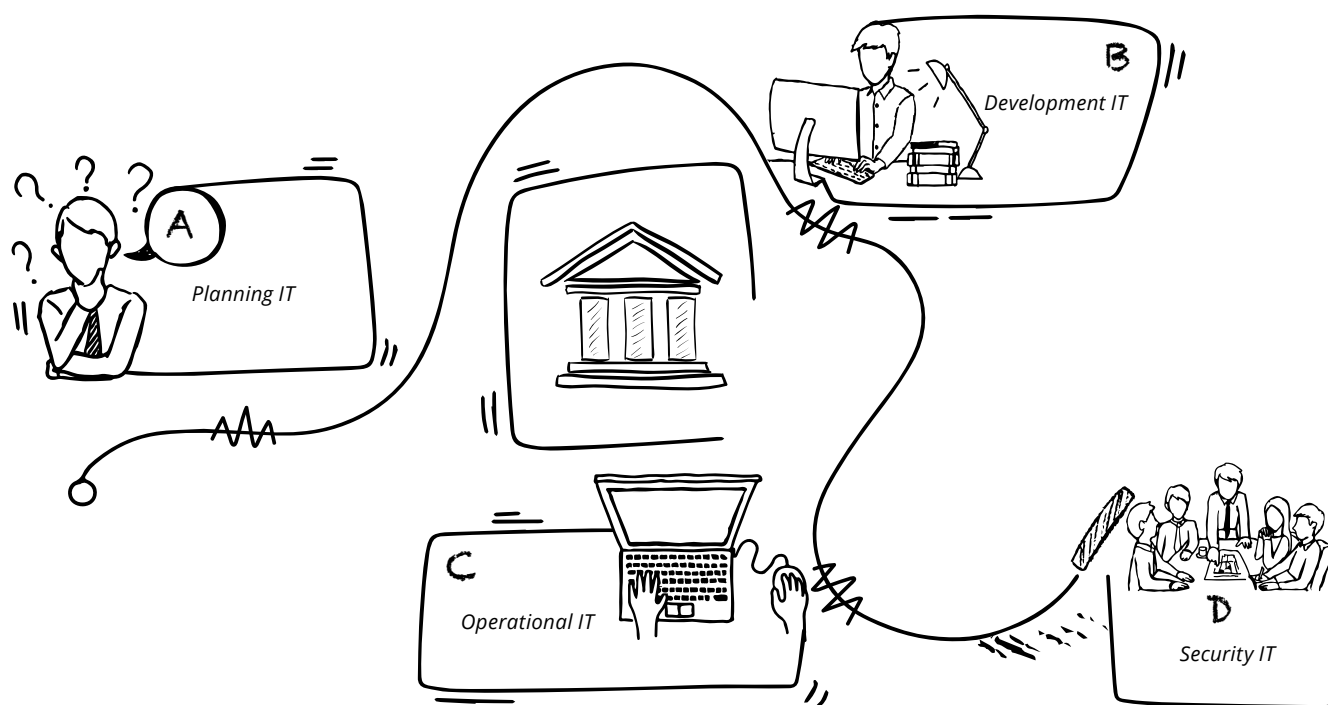
1. ISO 9001: 2015 on Operations and Development of Data Centers, DRC, IT Security, and Infrastructure.
2. ISO/IEC 20000-1: 2011 on Service Management System that Supports Internal Customers.



Information Technology Policy and Governance

To serve its business needs, improve services to customers, and streamline its operations, Bank Mandiri needs to implement an Information Technology (IT) system with good governance on an end-to-end basis to maintain confidentiality, integrity, availability, reliability, continuity, and compliance. Bank Mandiri IT Governance is carried out based on regulatory provisions, both the Financial Services Authority (OJK) and Bank Indonesia (BI) as well as other regulatory provisions, while still considering the character and business strategy of Bank Mandiri. Bank Mandiri always guarantees continuous improvements to its IT Governance in accordance with its business development by conducting a periodic review.

In general, Bank Mandiri's IT activities are divided into 4 processes: IT planning, development, operation, and security. The IT framework adopted by Bank Mandiri is illustrated in the following chart:



INFORMATION TECHNOLOGY PLAN

The Information Technology Planning Process consists of several sub-processes, including: Development of the IT Strategic Plan (ISP) as guidelines for IT initiative development that conforms to Bank Mandiri's Corporate Plan, Annual IT Initiative planning, IT Architecture planning, and IT Strategic Research and Studies.

DEVELOPMENT OF INFORMATION TECHNOLOGY

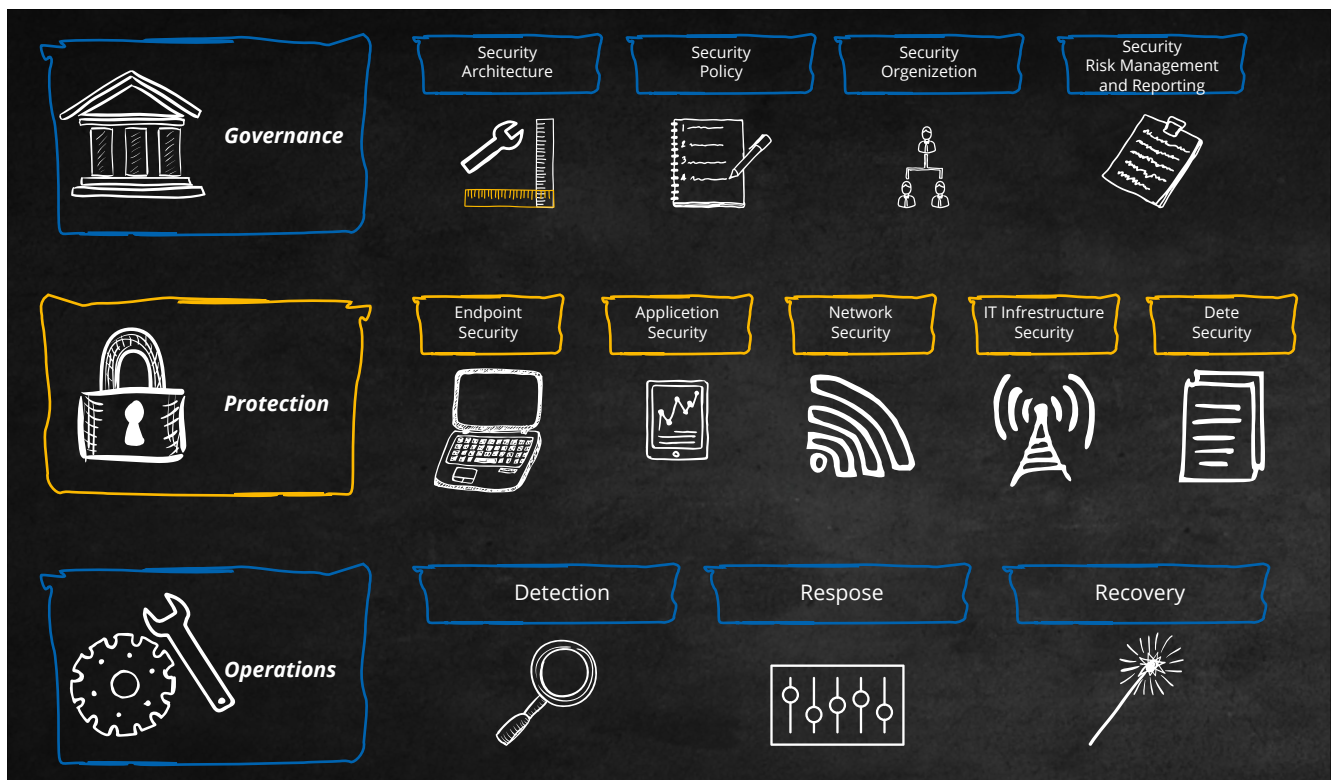
In general, the Information Technology Development process is comprised of IT initiative development, non-project IT initiative development, and End-User Computing (EUC) development, all of which are managed by the IT work unit. Bank Mandiri implements Waterfall and Agile development methods.

OPERATIONAL MANAGEMENT OF INFORMATION TECHNOLOGY

IT operational management consists of several processes. Operational management processes include: System Operational Management, Backup and Restore Process Management, Network Management, IT Infrastructure and Asset Management, and IT Incident Management.

INFORMATION TECHNOLOGY SECURITY

Information Technology Security is undertaken in measurable and systematic manners through improvements in Enterprise Information Security Architecture (EISA)-based information security that focuses on 3 (three) areas, i.e. Governance, Protection, and Operations designed to prevent, identify, respond, and recover the Bank in the event of cybersecurity. The EISA framework is illustrated in the following figure:





The following are focus areas of the EISA framework:

EISA FRAMEWORK		
Governance	Protection	Operations
<p>CISO Office Group as the 1st line of defense is in charge of ensuring the Bank's information security and serves 3 main functions, they are:</p> <ol style="list-style-type: none"> 1. <i>Design</i>, i.e. through security architecture and strategy designing 2. <i>Services</i>, i.e. through development, analysis, and disbursement of information about standard procedures, awareness program, risk management, and implementation of security control in the course of IT planning and development 3. <i>Operations</i>, i.e. efforts to address information security incidents, which include protection, detection, response, and recovery from cyber security. <p>Operational Risk Group as the 2nd line of defense is in charge of managing cyber security risk at enterprise level.</p> <p>IT Audit as the 3rd line of defense is in charge of ensuring that all operational activities conform to internal regulations, external regulations, and best practices for the industry.</p> <p>The Bank improves its employee competencies through training and certification related to information technology, cyber security risk, and data protection.</p> <p>Bank's assets, in the forms of customer information and data are managed by implementing the principle of Confidentiality, Integrity, and Availability based on Work Culture, Good Corporate Governance, Code of Conduct, Business Ethics, and Prudential Banking.</p> <p>Bank has identified cyber risks in its relationships with third parties through 3rd party risk assessment periodically.</p> <p>Moreover, Bank instils security awareness into 3rd party and employees periodically through phishing drill, e-learning, and other media.</p> <p>Furthermore, Bank implements ORMT (<i>Operational Risk Management Tools</i>) to manage cyber security threats.</p>	<p>Bank Mandiri continuously applies security standards and improves capabilities through EISA roadmap development and implementation based on the latest technology, including initiatives on the 5 layers of information security architecture, i.e.:</p> <ol style="list-style-type: none"> 1. Endpoint Security – through protection, encryption, and monitoring of end-users' IT devices. 2. Application Security – through the implementation of Secure System Development Life Cycle method at each stage of Bank system and application development. 3. Network Security – through updates on network security devices such as Next-Gen Firewall and Network Access Control. 4. Data Security – through technology such as Data Loss Prevention, Data Masking and Data Encryption to prevent leakage of Bank's information. 5. IT Infrastructure – through updates on security of the infrastructures used by Bank by means of patching, hardening, Identity and Access Management, and Privileged Access Management. 	<p>To maintain smooth operations 24/7, Bank through its Security Operation Center provides protection against insider and external cyber threats. Each information security event or incident is managed in consistent, effective, and measurable manners.</p> <p>All information systems adopted by the Bank have undergone the security assessment process to manage any vulnerability well.</p> <p>Moreover, Bank provides online protection for its brand and website against threats such as phishing, online scams, unauthorized, and counterfeit sales that might be detrimental to customers.</p> <p>Then, to maintain customer information and data security, Bank conducts internal monitoring and prevention of sensitive data transfer outside of Bank's network through email, web browser, and removable media.</p> <p>Furthermore, Bank already develops digital forensic capabilities that enables security incident investigation processes, ensures post-incident recovery, improve security postures, and prevents recurrence of such incidents.</p>

Information Technology Development Plan 2020

The development of Bank Mandiri's Information Technology in 2020 has been planned and arranged based on the Corporate Plan and Re-Aligned IT Strategy and Execution Plan (ISP) 2017-2020, and focuses on improving IT Service Management and developing IT capabilities to support the Bank's business services, both from the front end, middle end, and back end.

The front-end development in 2020 focuses on channel development to enable omni-channel services and seamless experience as a touchpoint for both customers and employees. The middle-end development is undertaken through development of integration and workflow capabilities that enable seamless internal and external connectivity through the enterprise service bus. The back-end development is carried out through improvements to IT systems and applications supporting the management of banking services and products that enable Bank Mandiri to develop new and complex products. In addition, improvements are also made to core banking system stabilization, functionality of the core system, and infrastructure capabilities.





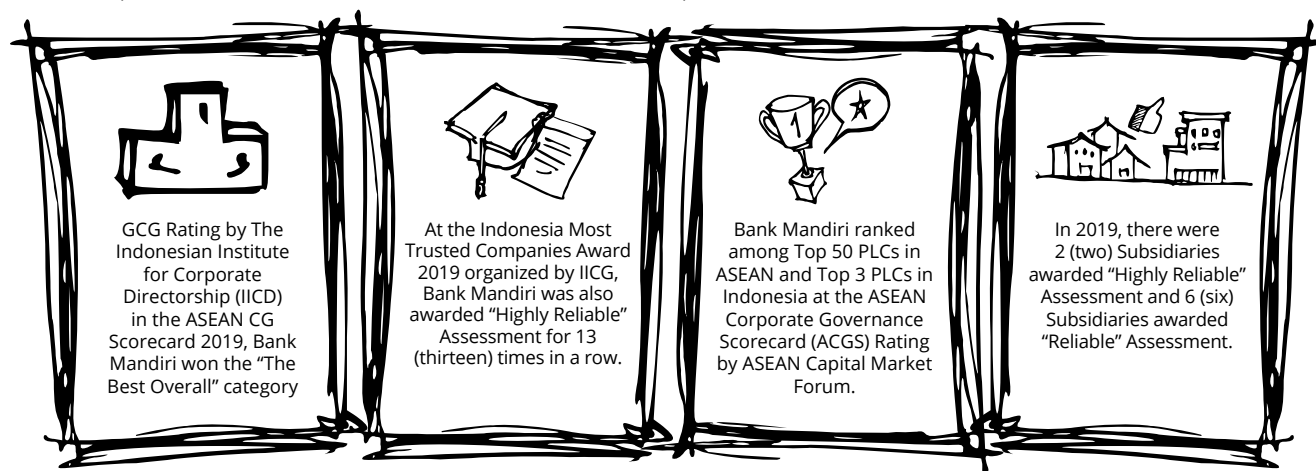
Good Corporate Governance

In the Implementation of Corporate Governance. Bank Mandiri is always committed to providing the best. Bank Mandiri has received various awards, including Bank Mandiri is included in the Top 50 ASEAN PLCs and Top 3 Indonesian PLCs in the ranking of the ASEAN Corporate Governance Scorecard (ACGS) by the ASEAN Capital Market Forum





Bank Mandiri Achievements in Implementing Corporate Governance



In running its business operation, Bank Mandiri implements 5 (five) principles of Good Corporate Governance (GCG), namely Transparency, Accountability, Responsibility, Independency, and Fairness.

Governance Principles	Description
Transparency	<ol style="list-style-type: none"> 1. The Company discloses its information in a timely, adequate, clear, accurate, comparable manner, as well as accessible by relevant parties (stakeholders). 2. The Company discloses information that includes, but not limited to, vision, mission, business goals, the Company's strategies, financial and non-financial condition, structure of the Board of Directors and Board of Commissioners, controlling stakeholders, risk management, supervision and internal control system, compliance system implementation, good corporate governance system and implementation, and material information and facts that may affect investors' decisions. 3. The Company's policies should be in written form and should be communicated to the stakeholders who have the right to receive information on the policies. 4. The principle of transparency still takes into account the Company's confidentiality provision, position confidentiality, and personal rights in accordance with the applicable regulations.
Accountability	<ol style="list-style-type: none"> 1. The Company sets business goals and strategies in order for it to be accountable to the stakeholders. 2. The Company defines clear tasks and responsibilities for each member structure of the Board of Commissioners and the Board of Directors and all the sub-ordinate personnel in the sub-levels, which are aligned to the Company's vision, mission, values, business goals, and strategies. 3. The Company should believe that each member of the Board of Commissioners and the Board of Directors as well as all the sub-ordinate personnel possess competences in accordance with their respective responsibilities and that they understand their roles in the implementation of good corporate governance. 4. The Company defines check and balance system in managing the Company. 5. The Company has a performance measurement from all of the Company's Personnel based on the agreed measurement standard which is consistent with the Corporate Culture Values, Company's business goals and strategies, as well as rewards-and-punishment system applied by the Company.
Responsibility	<ol style="list-style-type: none"> 1. Perseroan berpegang pada prinsip kehati-hatian (<i>prudential banking practices</i>) dan menjamin kepatuhan terhadap peraturan yang berlaku. 2. Perseroan sebagai <i>good corporate citizen</i> peduli terhadap lingkungan dan melaksanakan tanggung jawab sosial secara wajar.
Independency	<ol style="list-style-type: none"> 1. The Company adheres to the principle of prudential banking practices and guarantees compliance with the applicable regulations. 2. As a good corporate citizen, the Company cares about the environment and conducts its social responsibility reasonably.
Fairness	<ol style="list-style-type: none"> 1. The Company takes into account the interest of all stakeholders based on the principles of fairness and equality (equal treatment). 2. The Company provides opportunities for all stakeholders to give feedbacks and to express their opinions for the interest of the Company, as well as provides access to information as based on the principle of transparency.

The development of Good Corporate Governance implementation has been performed in a structured manner with the following phases:

Years	Corporate Governance Program
1998 Beginning of Merger	The awareness of GCG implementation emerged because there was a banking crisis caused by “bad governance” practices throughout banking industry. This led to many banks being bailed out and the Board of Directors and Board of Commissioners had to sign a Management Contract with the World Bank, in which it was stated that banks were obliged to implement GCG.
2000- 2001 Establishing the Fundamental of Governance Commitment, Structure, and Mechanisms	Bank Mandiri responded to the Management Contract made with the World Bank by issuing, among others, the following provisions <ul style="list-style-type: none"> - Joint Decree of Board of Directors and Board of Commissioners on GCG Principles. - Joint Decree of Board of Directors and Board of Commissioners on Code of Conduct that served as the guideline on the conducts when interacting with customers, associates, and colleagues. - Decree of Board of Directors on Compliance Policy that mandated all of Bank Mandiri’s personnel to be fully accountable individually in performing the Bank’s operational activities in their respective fields. Bank Mandiri has assigned independent consultant to perform diagnostic review of GCG implementation. Based on the implementation of GCG, the Independent Rating Agency gave a score of 6.2 for 2003, showing an increase when compared to 5.4 in the preceding year.
2003 Bank Mandiri’s Initial Public Offering (IPO)	In order to conduct IPO, Bank Mandiri has enhanced GCG implementation by taking the following steps: <ol style="list-style-type: none"> 1. Formation of Committees at the Board of Commissioners level, i.e.: <ul style="list-style-type: none"> - Audit Committee - Risk Monitoring Committee - Remuneration and Nomination Committee - GCG Committee 2. Formation of Corporate Secretary 3. Implementation of General Meeting of Shareholders in accordance with the applicable legislative regulations for public companies. 4. Implementation of timely information disclosure, e.g. In Financial Statement, and material information or events or facts. 5. Development of timely, adequate, clear, and accurate Annual Report. 6. Consideration of the interest of minority shareholders. 7. Participation in GCG implementation assessment by Independent Institution, i.e. The Indonesian Institute for Corporate Governance.
2005 Cultural Transformation	<ol style="list-style-type: none"> 1. Bank Mandiri’s transformation began by the determination of shared values and formulation of Bank Mandiri’s key corporate behaviors (TIPCE) that reflects the Company’s culture values. 2. Development of GCG Charter specified in the Decision of Board of Commissioners, which rules the principal implementation of GCG at Bank Mandiri. 3. “Most Trusted” GCG Rating for the first time in Corporate Governance Perception Index (CGPI).
2008- 2010 Continued Cultural Transformation	<ol style="list-style-type: none"> 1. Continuously implementing enhancement of prudent banking, GCG, and internal control by developing GCG website, Compliance Risk Management System, procedure standards for Anti-Money Laundering and Combating the Financing of Terrorism, Risk-Based Audit Tools, and Audit Management Information System. 2. Business decisions or other managerial decisions were made by taking into account GCG principles while also considering all applicable provisions. 3. Implementation of continued culture internalization by, among others, organization of Culture Fair, Culture Seminar, and Recognition Program in the form of rewards to best work units and change agents in relation to the implementation of cultural programs.



Years	Corporate Governance Program
2011 - 2013	<ol style="list-style-type: none"> 1. Bank Indonesia issued PBI No. 13/1/PBI/2011 on Assessment of the Soundness of Commercial Banks, which requires the Bank, either individually or in consolidation, to perform GCG evaluation using Risk-Based Bank Rating (RBBR) approach. 2. Bank Mandiri's consistent, ongoing implementation of GCG has received accolades from independent, professional institutions, both at national and international level, among others: <ul style="list-style-type: none"> - Bank Mandiri was rated the "Best Financial" in GCG Rating by The Indonesian Institute for Corporate Directorship (IICD), in which the rating included 100 public listed companies with the largest capitalization value as recorded at the Indonesian Stock Exchange. - Since 2009, Bank Mandiri has always been rated the best company in terms of GCG implementation in GCG Rating by the Corporate Governance Asia (CGA) headquartered in Hong Kong. 3. Implemented Gratification control by implementing Gift Disclosure reporting dated July 2, 2013 as a measure to prevent the receipt of gratification in accordance with the recommendation from the Corruption Eradication Commission (Komisi Pemberantasan Korupsi/KPK). 4. Actively participated in order to continuously realize anti-corruption culture, e.g. by attending the 2013 Anti-Corruption Week organized by KPK.
2014	<ol style="list-style-type: none"> 1. Bank Mandiri was rated "The Best Overall" in GCG Rating by The Indonesian Institute for Corporate Directorship (IICD) in the Corporate Governance Awards. 2. Bank Mandiri was rated "The Best of Asia" as an Icon in Corporate Governance in GCG Rating by the Corporate Governance Asia (CGA) headquartered in Hong Kong. 3. Good Corporate Citizen (GCC) is in line with Bank Mandiri's 2015–2020 corporate plans, one of which is social economic impact with role model corporate citizen as one of its components. Bank Mandiri has completed diagnostic review of the implementation of GCG at Bank Mandiri. 4. Revised the provisions on the banning of gratification as set forth in the Operating Technical Guideline (OTG) for Gift Disclosure Statement in accordance with KPK's recommendation.
2015	<ol style="list-style-type: none"> 1. Executing Transformation Stage III 2. Bank Mandiri was rated in "The Best Financial Sector" in GCG Rating by The Indonesian Institute for Corporate Directorship (IICD) in the Corporate Governance Awards. 3. Bank Mandiri was rated "The Best of Asia" as an Icon in Corporate Governance in GCG Rating by the Corporate Governance Asia (CGA). 4. Implemented Integrated Corporate Governance <ul style="list-style-type: none"> - Implemented integrated governance and integrated units at Mandiri Group in accordance with the Financial Services Authority Regulation No. 18/POJK.03/2014 dated 18 November 2014 concerning Integrated Governance. - Established Compliance Unit, Integrated Risk Management Unit, Integrated Internal Audit Unit, and Integrated Governance Committee. - Developed Guideline on Integrated Governance. 5. Refined the Operating Technical Guideline (OTG) for Gift Disclosure Statement into the OTG for Gratification Control effective as of July 3, 2015, and launched the Gratification Control Unit (GCU) on July 9, 2015. Bank Mandiri's GCU received the 2015 SOE with the Best Gratification Control Unit from the Corruption Eradication Committee.
2016	<ol style="list-style-type: none"> 1. Bank Mandiri was rated "The Best Overall" in GCG Rating by The Indonesian Institute for Corporate Directorship (IICD) in the Corporate Governance Awards. 2. Attended the National Gratification Control Unit Forum held from October 31 - November 3, 2016 in Bogor, West Java. 3. Attended the 2016 International Anti-Corruption Day Festival held from December 8-10, 2016 in Pekanbaru, Riau, where Bank Mandiri was awarded the SOE with the Best Gratification Control System.
2017	<ol style="list-style-type: none"> 1. Corporate Governance Perception Index (CGPI) is a GCG implementation research and rating program conducted by an independent institution known as The Indonesian Institute for Corporate Governance (IICG). Bank Mandiri has participated in CGPI assessment for 14 (fourteen) consecutive years since 2003. In 2017, Bank Mandiri was once again ranked "The Most Trusted Company", making it the 11th consecutive ranking. 2. Bank Mandiri was rated "The Best Overall" in GCG Rating by The Indonesian Institute for Corporate Directorship (IICD) in the Corporate Governance Awards. 3. Attended the 2017 International Anti-Corruption Day Festival held from December 11-12, 2017 at Bidakara Hotel, Jakarta. Bank Mandiri was awarded the SOE with the Best Gratification Control System.

Years	Corporate Governance Program
2018	<ol style="list-style-type: none"> 1. The Corporate Governance Perception Index (CGPI) is a research program and ranking of GCG implementation carried out by independent institutions, namely the Indonesian Institute for Corporate Governance (IICG). Bank Mandiri has followed CGPI's assessment for 15 (fifteen) consecutive years since 2003. In 2018 in the 2018 Indonesia Most Trusted Companies Award organized by the IICG, Bank Mandiri again won the title "The Most Trusted Company" by 12 (twelve) consecutive times. 2. Bank Mandiri is included in the Top 50 PLCs in ASEAN and Top 3 PLCs in Indonesia at the 2nd ASEAN Corporate Governance Scorecard (CG) Awards. 3. Bank Mandiri was re-elected for the fourth time as a BUMN with a Gratification Control System Best by KPK.
2019	<ol style="list-style-type: none"> 1. GCG Rating by The Indonesian Institute for Corporate Directorship (IICD) in the Corporate Governance Awards event, Bank Mandiri won the "The Best Overall" category. 2. The Corporate Governance Perception Index (CGPI) is a research program and ranking the implementation of GCG conducted by an independent institution namely The Indonesian Institute for Corporate Governance (IICG). Bank Mandiri has participated in the CGPI assessment for 15 (fifteen) consecutive years since 2003. In 2019 in the 2019 Indonesia Most Trusted Companies Award held by IICG, Bank Mandiri again won the "Most Trusted" rating of 13 (thirteen) consecutive times. 3. Bank Mandiri is included in the Top 50 ASEAN PLCs and Top 3 PLCs in Indonesia. 4. Improving the Composition of the Integrated Governance Committee so that the majority of its members are Independent Commissioners, so that it complies with the ACGS criteria.

Basis for Corporate Governance Implementation

Bank Mandiri is continuously committed to implement corporate governance, by referring to a number of relevant regulations and guidelines for GCG (best practices) implementation developed by both national and international institutions. The legislative regulations used as the basis for corporate governance implementation are:

1. Law of the Republic of Indonesia No. 10 of 1998 concerning the Amendment of Law No. 7 of 1992 concerning Banking.
2. Law of the Republic of Indonesia No. 40 of 2007 concerning Limited Liability Company.
3. Financial Services Authority Regulation No. 17/POJK.03/2014 concerning Implementation of Integrated Risk Management for Financial Conglomerates.
4. Financial Services Authority Regulation No.18/POJK.03/2014 concerning Implementation of Integrated Governance for Financial Conglomerates.
5. Financial Services Authority Regulation No. 8/POJK.04/2015 concerning the Website of Issuers or Public Listed Companies.
6. Financial Services Authority Regulation No. 21/POJK.04/2015 concerning Implementation of Public Company Governance Guidelines.
7. Financial Services Authority Regulation No. 31/POJK.04/2015 concerning Disclosure of Material Information or Facts by Issuers or Public Companies.
8. Financial Services Authority Regulation No. 55/POJK.03/2016 concerning implementation of Governance for Commercial Banks.
9. Financial Services Authority Circulating Letter No. 32/SEOJK.04/2015 concerning Corporate Governance for Public Listed Companies.
10. Financial Services Authority Circulating Letter No. 13/SEOJK.03/2017 concerning Implementation of Governance for Commercial Banks.

In addition to the provisions mandated by the abovementioned legislative regulations, Bank Mandiri also used GCG implementation guidelines as a basis, i.e.:

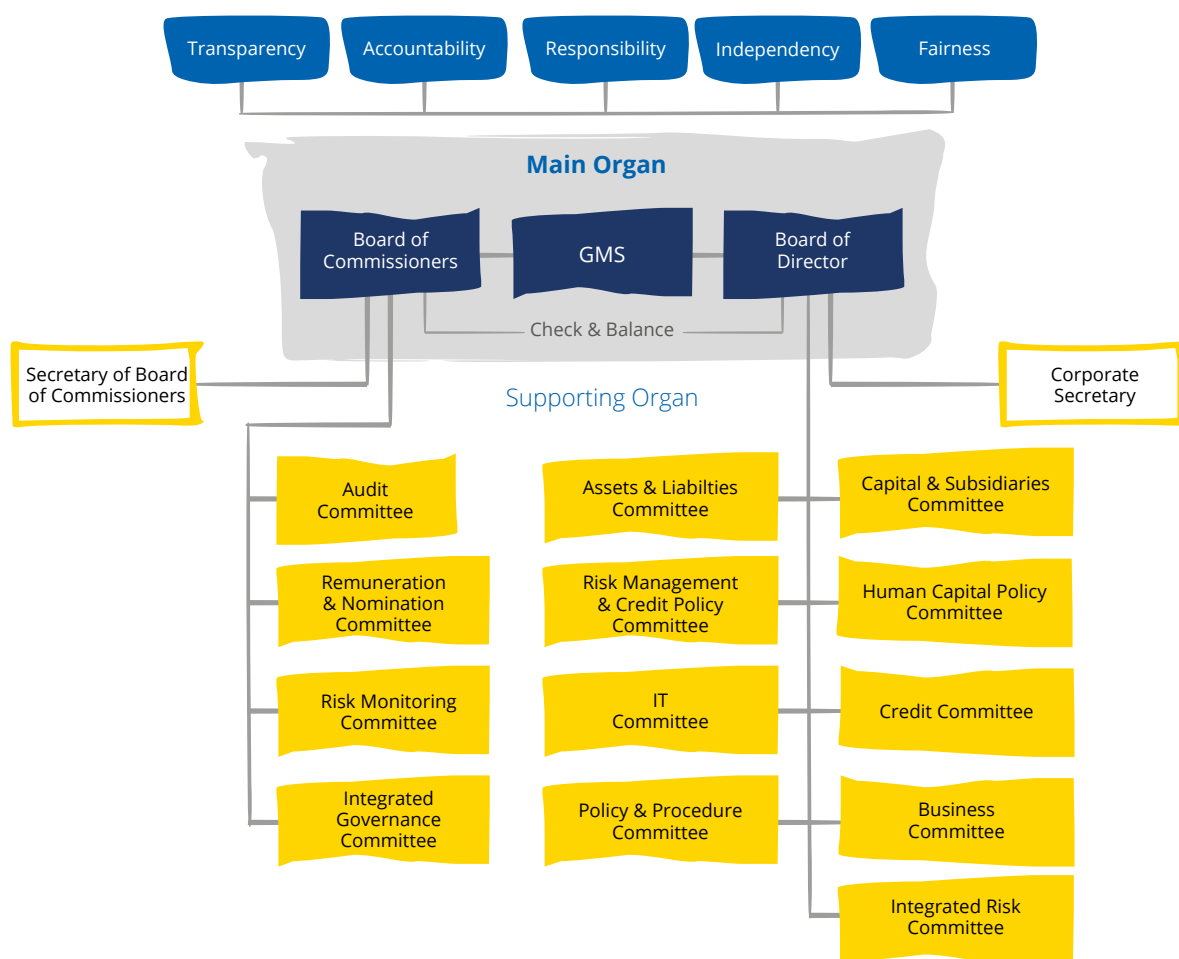
1. Corporate Governance principles developed by the Organization for Economic Cooperation and Development (OECD).
2. ASEAN Corporate Governance Scorecard;
3. Indonesian GCG Guideline developed by the National Committee on Governance Policies (Komite Nasional Kebijakan Governance/KNKG).
4. Principles for Enhancing Corporate Governance issued by Basel Committee on Banking Supervision.



Structure and Mechanism of Corporate Governance

Based on the Law of the Republic of Indonesia Number 40 of 2007 concerning Limited Liability Companies, the Organs of the Company consists of General Meeting of Shareholders (GMS), Board of Commissioners and Board of Directors. Its administration adopts a two tier system, namely Board of Commissioners and Board of Directors, who have specific authority and responsibility based on their respective functions as specified in the Articles of Association and the laws and regulations.

STRUCTURE OF COMPANY ORGANS



GOVERNANCE SOFT STRUCTURE

In order to continuously improve the quality and scope of governance implementation, Bank Mandiri have formulated and implemented operational policies for all work units that are in line with principles of corporate governance, named Architecture of Bank Mandiri Policy. It is a hierarchy/arrangement of policies as the framework and governance in formulating policy as well as the Company's activities implementation. Bank Mandiri has a Group Principles Guideline which guides all parts of the company in the Conglomeration of Bank Mandiri Finance.



The soft governance structure that has been owned by Bank Mandiri includes:

1. Bank Mandiri's Articles of Association which have been notified to the Minister of Law and Human Rights of the Republic of Indonesia is Letter No. AHU-AH.01.03-0172245 regarding Receipt of Notification of Amendments to the Company's Articles of Association of PT Bank Mandiri (Persero) Tbk. Dated on April 30, 2018.
2. Bank Mandiri Policy Architecture which was updated and approved on 9 July 2018
3. The updated Mandiri Subsidiary Management Principles Guideline (MSMPG) was updated and approved on June 29, 2018.
4. Mandiri Group Principle Guideline (MGPG) which was passed on October 1, 2018.
5. Bank Mandiri's Code of Conduct which was updated and approved on July 9, 2018.
6. Updated and approved Bank Mandiri Business Ethic dated on July 9, 2018.
7. The Board of Commissioners Charter which has been updated and approved through the Decree of the Board of Commissioners No. 7. KEP.KOM / 014/2019 on September 25, 2019.
8. The Board of Directors Charter which has been updated and approved through Directors Decree No. KEP.DIR / 211/2017 on September 13, 2017.
9. The Integrated Governance Guidelines which have been approved by the Board of Commissioners on December 4, 2019.
10. The Audit Committee Charter which has been updated and approved through the Decree of the Board of Commissioners No. KEP.KOM / 015/2019 on September 25, 2019.
11. Charter of the Risk Monitoring Committee which has been updated and approved through the Decree of the Board of Commissioners No. KEP.KOM / 016/2019 on September 25, 2019.
12. Remuneration and Nomination Committee Charter which has been updated and approved through the Decree of the Board of Commissioners No. KEP.KOM / 017/2019 on September 25, 2019.
13. Charter of the Integrated Governance Committee which has been updated and approved through the Decree of the Board of Commissioners No. KEP.KOM / 020/2019 on September 25, 2019.



14. Operational Policy (Human Resources) which was updated and approved on December 12, 2017.
15. Legal, Compliance & Anti-Money Laundering and Prevention of Terrorism Funding Policies that have been updated and approved on September 21, 2018.
16. The updated Risk Management Guidelines and approved standards on August 2, 2017.
17. Operational Policy (Corporate Secretary / Company Secretary) which was passed on December 12, 2017.
18. Standard Procedure for Corporate Secretary that has been updated and approved on December 16, 2019.
19. Procurement Operational Procedure Standard which was updated and approved on 7 October 2019.
20. Standard Operating Procedures for Work Plans and Corporate Budgets and Bank Business Plans which have been updated and approved on July 6, 2017.
21. Accounting Guidelines Standards which have been updated and approved on December 28, 2017.
22. Credit Collection and Recovery Standard Operating Guidelines which have been updated and approved on December 4, 2019.
23. The updated Information Technology Operational Guidelines have been updated and approved on September 20, 2019.
24. Internal Audit Standard Procedures that have been updated and approved on June 24, 2019.
25. Standard Human Resource Procedures that were updated and approved on July 3, 2019
26. Technical Information Technology Operational Instructions that have been updated and approved on November 29, 2017.
27. Technical Guidelines for the Individual and Integrated Good Corporate Governance Self-Assessment which was adopted on February 1, 2018.

28. The updated and approved Technical Credit Collection and Recovery Wholesale Operational Instructions on December 23, 2019.
29. Retail Credit Collection and Recovery Operational Technical Guidelines which have been updated and approved on December 19, 2017.

MECHANISM OF CORPORATE GOVERNANCE

Mechanism of corporate governance is a process to implement corporate governance principles supported by the adequacy of bank governance structure and infrastructure, thus producing outcomes that are compatible with the expectation of the Company stakeholders. The process to implement corporate governance is inherent to the structure of corporate governance as follows.

SHAREHOLDERS

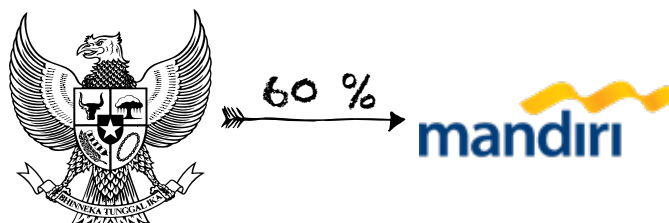
Shareholder is an individual or a legal entity who lawfully owns one or more share in a Company. Shareholders are owners of the Company. Company's Share is a share on behalf of and is issued by the owners who are registered in the List of Shareholders and which consist of:

1. Series A Dwiwarna Share that may only be owned by the Republic of Indonesia.
2. Series B Share that may be owned by the Republic of Indonesia and/or the Citizens.

RIGHTS OF THE SHAREHOLDERS

INFORMATION ON MAJORITY AND CONTROLLING SHAREHOLDERS (SERIES A DWIWARNA)

As a State-Owned Enterprises (SOE), majority ownership of Bank Mandiri is owned by the Government of the Republic of Indonesia, which in this case is represented by the Ministry of SOE. So that Bank Mandiri does not have major shareholders and individual controllers.



At the time of establishment, state capital investment by the Republic of Indonesia to Bank Mandiri was performed pursuant to Government Regulation No. 75 of 1998 on State Capital Investment of the Republic of Indonesia for the Establishment of Limited Liability Company (Company) in Banking Field dated October 1, 1998.

The capital investment was performed by altering state-held shares to the ex-legacies of Bank Mandiri, namely Bank Bumi Daya, Bank Dagang Negara, Bank Ekspor Impor Indonesia dan Bank Pembangunan Indonesia. As the majority shareholder, the Government of the Republic of Indonesia currently holds 60% (sixty percent) of the shares, or 28,000,000,000 (twenty-eight billion) shares, in which one Series A Dwiwarna share is among all the shares. Series A Dwiwarna shareholder is entitled the following privilege that does not experienced by other shareholders:

1. Right to approve the following matters in GMS:
 - a. Approving the Amendment to the Company's Articles of Association.
 - b. Approving capital change.
 - c. Approving the appointment and discharge of members of the Board of Directors and Board of Commissioners.
 - d. Approving merger, consolidation, acquisition, segregation, dissolution of the Company.
 - e. Approving the remuneration of the Board of Directors or Board of Commissioners.
 - f. Approving asset transfer and assurance which requires GMS approval as per the Articles of Association.
 - g. Approving the investment and reduction to the percentage of capital investment at other company which requires GMS approval as per the Articles of Association.
 - h. Approving the utilization of net profit.
 - i. Approving the non-operational investment and long-term funding which requires GMS approval as per the Articles of Association.
2. Right to propose GMS agenda.
3. Right to request and access company data and documents.
4. Right to propose binding nomination of candidates of Board of Directors members and candidates of Board of Commissioners members.

In addition to the above privileges, certain actions of the Board of Directors with certain criteria must obtain

approval written from the Board of Commissioners and Series Shareholders A Dwiwarna as stipulated in Article 12 paragraph (7) Bank Mandiri's Articles of Association.

RIGHTS OF GENERAL SHAREHOLDERS

Bank Mandiri Shareholders, both Holders of Series A Dwiwarna Share and Holders of Series B Share, have the same right in addition to the Special Right of Series A Dwiwarna Share above and as long as not regulated otherwise by the Company's Articles of Association, as follows:

1. The right to attend, express opinions, and vote in a GMS based on one share.
2. Each Shareholder has the right of 1 (one) vote/share (one share one vote)
3. Obtain an explanation of the voting procedure before the GMS begins.
4. The voting mechanism is done by the polling method
5. Opportunity to propose an agenda in GMS.
6. Opportunity to grant authority to another party if a shareholder is unable to attend the GMS.
7. Reveal practices to encourage involvement of Shareholders outside the GMS
8. To propose questions in every agenda discussion and every decision of GMS agenda.
9. Opportunity to vote as agree, disagree, or abstain in every proposal of decision of GMS agenda.
10. Right to obtain information regarding the company in manners that are on time, correct, and regular, except for matters that are confidential.
11. Right to obtain part of the Company's profit that is allocated for Shareholder in the form of dividend and another distribution of profit, which is proportional to the number of owned shares.
12. Right to obtain comprehensive description and accurate information regarding procedure that needs to be executed in relation to the implementation of GMS.

RESPONSIBILITIES OF SHAREHOLDERS

In addition to the rights and authorities, Bank Mandiri Shareholders as the capital owners also have responsibilities that must be fulfilled to the Company.

CONTROLLING SHAREHOLDERS

Their responsibilities are as follows:



1. Controlling shareholders must be able to:
 - a. Consider the interests of minority shareholders and stakeholders pursuant to the applicable conditions and laws and regulations;
 - b. In the event of alleged violation to the laws and regulations or as requested by relevant authority, names of shareholders and ultimate shareholders shall be disclosed to law enforcement authorities regarding the ultimate controlling shareholders, or as requested by relevant authority.
2. As for controlling shareholders with shares in several public companies, they have to be open with regard to accountability and relationship between public companies.

ALL SHAREHOLDERS

Their responsibilities are as follows:

1. Distinguishing the ownership of the property of public company and personal property.
2. Distinguishing their functions as shareholders and members of Board of Commissioners or Board of Directors in the event that shareholders serve in one of those organs.
3. Shareholders who have particular interests are not allowed to vote.

Minority shareholders are responsible to exercise their rights effectively pursuant to the Articles of Association of the Company as well as the laws and regulations.

POLICY OF RELATIONSHIP WITH SHAREHOLDERS

As a Public Company, Bank Mandiri continuously attempts to provide accurate, periodic, and up-to-date information to Shareholders. Currently, communication activity to the Shareholders in Bank Mandiri is managed by the Corporate Secretary and Investor Relations Work Unit. Pursuant to Article 5 of Financial Services Authority Regulation No. 35/POJK.04/2014 concerning the Secretary of Issuer Company or Public Company, one of the functions of Corporate Secretary is a liaison between the Issuer and shareholders, OJK, and other stakeholders. Internal policy regulating the relationship between Bank Mandiri and Shareholders is Operational Policy and Standard Procedure of Corporate Secretary which, among other things, regulates Corporate Communication Activity.

EQUAL TREATMENT TO SHAREHOLDERS

By referring to the provision of legislations which are regulations in Capital Market, Bank Mandiri always puts forward equality principles for all shareholders (majority or minority). This commitment is reflected in internal regulations as stated in Corporate Secretary Policy Bank Mandiri and Corporate Secretary Standard Guideline Bank Mandiri that are periodically reviewed, that regulate that all shareholders have the same right for information transparency from Bank Mandiri, namely information about company performance, financial information, and other information needed by all shareholders.

Equal treatment to shareholders is also reflected in the implementation of Company GMS. Each shareholder is entitled to propose GMS subject to the Company.

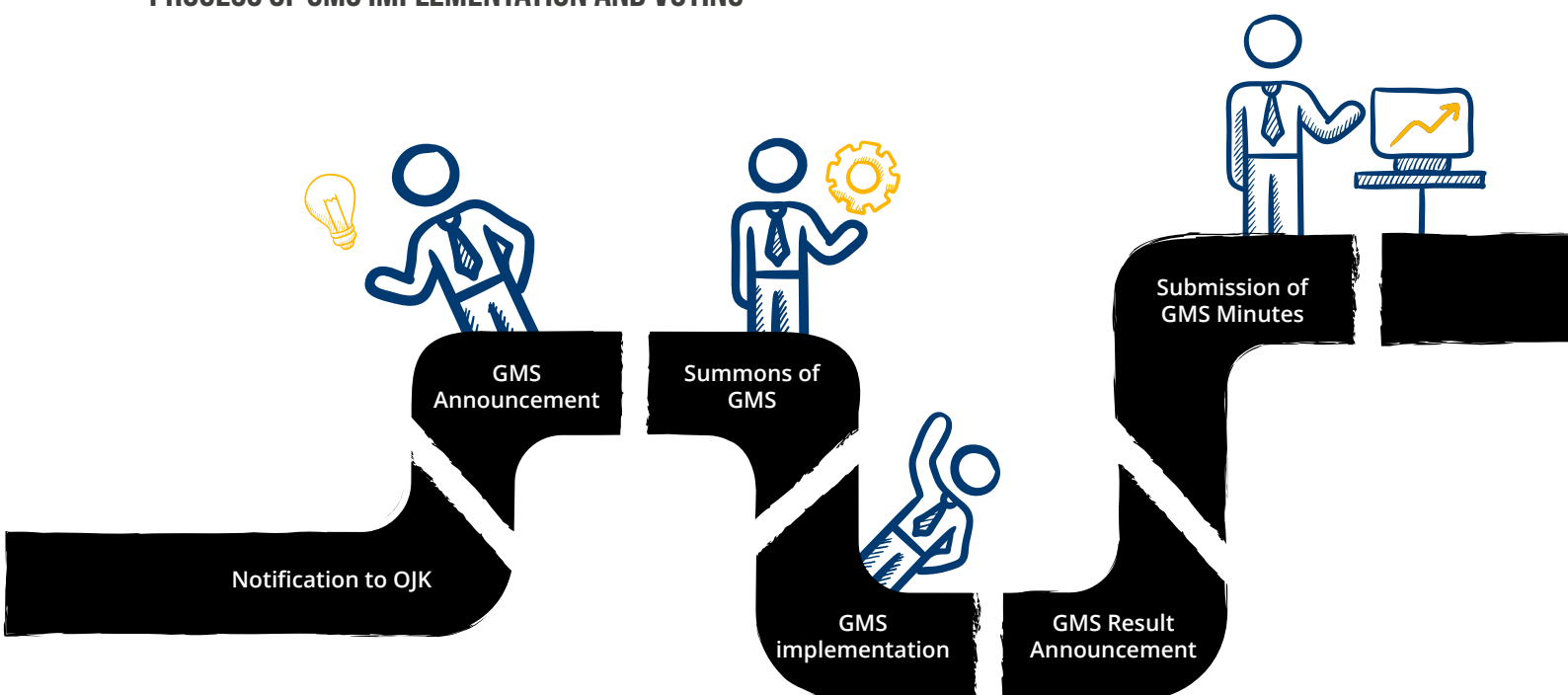
GENERAL MEETING OF SHAREHOLDERS

Being a Company established as Limited Liability Company, General Meeting of Shareholders (GMS) is the highest organ of the Company with the rights and authorities that

are absent in the Board of Commissioners and Board of Directors in the limit as specified in the provision of legislations and Articles of Association of the Company. In addition, GMS can be a communication medium between Board of Directors and Board of Commissioners, as well as the Company's shareholders in the form of discussion for all present shareholders in every GMS subject. Implementation of GMS in Bank Mandiri refers to the following conditions:

1. Law Number 40 of 2007 concerning Limited Liability Company.
2. Financial Services Authority Regulation No. 32/POJK.04/2014 dated December 8, 2014 concerning the Plan and Implementation of General Meeting of Shareholders of a Public Company, as amended by Financial Services Authority Regulation No. 10/POJK.04/2017 dated March 14, 2017.
3. Articles of Association of Bank Mandiri.

PROCESS OF GMS IMPLEMENTATION AND VOTING



QUORUM PROVISION

The quorum provisions regarding the attendance and resolutions of GMS, in relation to matters that must be resolved, were executed as follows:

1. The meeting is attended by shareholders who represent more than 1/2 (one half) of the entire shares with valid voting rights, and resolutions are valid when agreed by more than 1/2 (one half) of the entire amount of shares with voting rights which were present in the Meeting, unless the Law and/or Articles of Association of the Company determines a higher quorum.
2. In the event that presence quorum as specified is not achieved, the second GMS is valid and is entitled to make binding resolutions when attended by shareholders who represent minimum 1/3 (one third) of the entire shares with valid voting rights, and resolutions are valid when agreed by more than 1/2 (one half) of the entire amount of shares with voting rights which were present in the Meeting, unless the Law and/or Articles of Association of the Company determines a higher quorum.
3. In the event that presence in the second GMS as specified is not achieved, the third GMS can be held under the condition that it is valid and is entitled to make decisions when attended by shareholders of

shared with valid voting rights, within a presence quorum and requirement to make decision that are determined by Financial Services Authority at the Company's request.

DECISION MAKING MECHANISM

The decision making mechanism in the meeting is conducted by deliberation to reach consensus. But if deliberation for consensus was not reached, then the decision making in the Meeting was conducted in a way voting. Voting is carried out verbally with shareholders who vote disagree or abstain being asked to submit the sound card. Especially for meeting agenda concerning certain people, voting is carried out with a closed letter that is not signed and all holders the shares present present the voting card. Voting is done with a sound card the calculation is done electronically.

Throughout 2018, the Company implemented GMS for 1 (one) time, namely Annual GMS on March 21, 2018, at Auditorium Plaza Mandiri, Jakarta. The specified Annual GMS was implemented under the following phases:



IMPLEMENTATION OF THE EXTRAORDINARY RUPS 2019 AND THEIR REALIZATION

The steps for the Extraordinary General Meeting of Shareholders on January 7, 2019 are illustrated in the following table.

Table of the Implementation of the Extraordinary GMS 2019

No.	Activities	Date of Implementation	Information
1	GMS Notification to Financial Service Authority	November 21, 2018	Delivered to Financial Services Authority through a letter signed by the Directors of Bank Mandiri No. CEO / 1336/2018 on November 21, 2018 regarding the Implementation of the Extraordinary General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk. 2019.
2	GMS Notification to shareholders	November 29, 2018	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of the announcement of the GMS has been reported by Bank Mandiri to Financial Services Authority and the Indonesia Stock Exchange on the same day through Letter No. HBK.CSC/CMA.2683/2018 and No. HBK.CSC/CMA.2684/2018 both of which were dated December 14, 2018 and reported through the Financial Services Authority's Electronic Reporting System and the Indonesia Stock Exchange.</p>
3	Invitation of GMS to Shareholders	December 14, 2018	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of invitation summons to the GMS has been reported by Bank Mandiri to the Financial Services Authority and the Indonesia Stock Exchange on the same day through Letter No. HBK.CSC/CMA.2683/2018 and No. HBK.CSC/CMA.2684/2018 both of which were dated December 14, 2018 and reported through the Financial Services Authority's Electronic Reporting System and the Indonesia Stock Exchange.</p>
4	Conducting GMS	January 7, 2019	<p>The GMS was chaired by the President Commissioner / Independent Commissioner of Bank Mandiri in accordance with the appointment at the Board of Commissioners' Meeting on December 20, 2018.</p> <p>The GMS was attended by 7 Members of the Board of Commissioners of 8 members of the Board of Commissioners and all members of the Board of Directors. 1 (one) Board of Commissioners was unable to attend due to ...</p> <p>The shareholders and / or the all representative's power of attorney were those who owned 38,820,336,898 shares including series A Dwiwarna shares or constitute 83.19% of the total shares.</p> <p>The Company provided the GMS Rules for all shareholders who presented in the form of a pocket book, and the principles of the code of conduct were read out before the GMS begins.</p> <p>Shareholders were given the opportunity to ask questions in accordance with the agenda of the Meeting in each agenda discussed at the Annual GMS.</p> <p>Voting is done verbally in which shareholders who voted to disagree or abstain were asked to submit their voting cards. Specifically for the agenda of a meeting involving a particular person, voting was carried out with a closed letter that was not signed, and all shareholders present showed the ballot card.</p> <p>The Company had appointed an independent party namely Notary Utiek R. Abdurachman and PT Datindo Entrycom in conducting the calculation and / or validating the votes.</p>
5	Announcement of GMS Results	January 8, 2019 January 9, 2019	<p>The highlights of the results of the GMS were announced and uploaded on the Company's website both in Indonesian and in English.</p> <p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of the announcement of the results of the GMS has been reported by the Company to the FSA and the Indonesia Stock Exchange through letter No. HBK.CSC/CMA.38/2018 and No. HBK.CSC/CMA.39/2018, both dated March 23, 2018 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.</p>
6	Submission of GMS Minutes	February 1, 2019	Submission of GMS Minutes to FSA has considered to the deadline for submission in accordance with FSA Regulation No. 32 / POJK.04 / 2014 and submitted through Letter No. HBK.CSC/CMA.247/2019 dated February 1, 2019 and uploaded to the Bank Mandiri Website on the same day.

INDEPENDENT PARTY OF VOTING COUNTER

The Company has appointed an independent party namely Notary Utiek R. Abdurachman and PT Datindo Entrycom in conducting the calculation and / or validating the votes.

ATTENDANCE RECAPITULATION AT THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ON 7 JANUARY 2019

The Board of Commissioners, Directors and Audit Committee of Bank Mandiri present at the Extraordinary General Meeting of Shareholders on January 7, 2019 are as follows:

Table of Presence Recapitulation in Annual GMS 7 Januari 2019

No.	Name	Position	Presence	Information
1.	Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	Present	
2.	Imam Apriyanto Putro	Vice of President Commissioner	Present	
3.	Askolani	Commissioner	Present	
4.	Goei Siauw Hong	Independent Commissioner	Present	
5.	Bangun Sarwito Kusmulyono	Independent Commissioner	Present	
6.	Ardan Adiperdana	Commissioner	Not Present	By permission
7.	Makmur Keliat	Independent Commissioner	Present	
8.	R. Widyo Pramono	Commissioner	Present	
9.	Kartika Wirjoatmodjo	President Director	Present	
10.	Sulaiman Arif Arianto	Vice President Director	Present	
11.	Royke Tumilaar	Director of Corporate Banking	Present	
12.	Hery Gunardi	Director of Small and Medium Enterprise and Network	Present	
13.	Ahmad Siddik Badruddin	Director of Risk Management	Present	
14.	Rico Usthavia Frans	Director of Information Technology and Operation	Present	
15.	Darmawan Junaidi	Director of Treasury dan International Banking	Present	
16.	Alexandra Askandar	Director of Institutional Relations	Present	
17.	Agus Dwi Handaya	Director of Compliance	Present	
18.	Panji Irawan	Director of Finance	Present	
19.	Donsuwan Simatupang	Director of Retail Banking	Present	
20.	Budi Sulistio	Member of Audit Committee	Present	
21.	Bambang Ratmanto	Member of Audit Committee	Not Present	Absent reason

DECISION OF EXTRAORDINARY GMS ON JANUARY 7, 2019

Mata Acara Rapat Pertama
Presentation and evaluation of performance until the third quarter of 2018.
The first meeting agenda was in the form of reports without questions and answers session.
Decision The First Meeting Agenda only contains the Presentation and Evaluation of the Company's Performance during Fiscal Year 2018 until the Third Quarter of 2018.
Follow up Performance evaluations up to the third quarter of 2018 have been well received by shareholders.
Status : Realized



Second Meeting Agenda

Changes in the composition of the Company's Management.

Minutes of the Meeting stated that the Number of Shareholders who submitted Questions and / or provided opinions of 2 people.

Voting results

Agree	: 72.42% including one share of A Dwiwarna series
Abstain	: 2.90%
Disagree	: 24.68%

Decisions:

Therefore:

The meeting with the highest votes, namely 29,239,662,419 shares or constituting 75.32% of the total votes at the Meeting decided to approve:

1. Adding nomenclature to the position of Member of the Board of Directors of the Company, namely Director of Commercial Banking.
2. Appointing Mr. Riduan as Director of Commercial Banking.
3. The term of office of a member of the Board of Directors appointed as referred to in number 2, was in accordance with the provisions of the Company's Articles of Association with due regard to the laws and regulations in the Capital Market, and without prejudice to the right of the GMS to dismiss at any time.
4. With the addition of the nomenclature to the position and the appointment of Members of the Board of Directors of the Company as referred to in numbers 1 and 2, the composition of the Board of Directors (members of the Board of Directors and Board of Commissioners) of the Company shall be as follows:

Board of Directors

- 1) President Director : Kartika Wirjoatmodjo
- 2) Vice President Director : Sulaiman Arif Arianto
- 3) Director of Corporate Banking : Royke Tumilaar
- 4) Director of Commercial Banking : Riduan
- 5) Director of Retail Banking : Dosuwan Simatupang
- 6) Director of Treasury dan International Banking : Darmawan Junaidi
- 7) Director of Small Bussiness and Network : Hery Gunardi
- 8) Director of Financial : Panji Irawan
- 9) Director of Information Technology and Operations : Rico Usthavia Frans
- 10) Director of Risk Management : Ahmad Siddik Badruddin
- 11) Director of Compliance : Agus Dwi Handaya
- 12) Director of Institutional Relations : Alexandra Askandar

Board of Commissioner

- 1) President Commissioner/ Independent Commissioner: Hartadi Agus Sarwono
- 2) Vice of President Commissioner : Imam Apriyanto Putro
- 3) Commissioner: Askolani
- 4) Commissioner : Ardan Adiperdana
- 5) Commissioner : R. Widyono Pramono
- 6) Independent Commissioner : Bangun S. Kusmulyono
- 7) Independent Commissioner : Goei Siau Hong
- 8) Independent Commissioner : Makmur Keliat

5. Granting the power and authority to the Directors of the Company with the right of substitution to take all necessary actions related to the decisions of this agenda in accordance with applicable laws and regulations, including to state in a separate Notary Deed and notify the composition of the Directors and Members of the Board of Commissioners of the Company to The Indonesian Ministry of Law and Human Rights, as well as requesting the Financial Services Authority to conduct a Fit and Proper Test of the candidates for the Board of Directors above, in accordance with applicable regulations.

Follow up

1. Mr. Riduan has obtained FSA approval for the assessment of the Capability and Compliance Test as stated in the FSA Letter No. SR-112 / PB.12 / 2019 dated May 14, 2019 and his appointment as Director was declared effective as of May 15, 2019 as stated in Bank Mandiri Letter No. KPH / 398/2019 dated May 15, 2019.
2. The addition to the nomenclature of the structure of the composition of the members of the Board of Directors has been applied.
3. The Board of Directors of Bank Mandiri has taken all necessary actions related to the

Status : Realized

IMPLEMENTATION OF THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS AND ITS REALIZATION

The stages of the 2019 Annual General Meeting of Shareholders are illustrated in the following table.

Table of 2019 Annual General Meeting of Shareholders

No.	Agenda	Date of Implementation	Information
1	Notification of GMS to Financial Services Authority	April 1, 2019	Delivered to FSA through a letter signed by the Directors of Bank Mandiri No. CEO / 42/2019 dated April 1, 2019 regarding the Implementation of the Extraordinary General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk. 2019.
2	Notification of GMS to Shareholders	April 8, 2019	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of the announcement of the GMS has been reported by Bank Mandiri to FSA and the Indonesia Stock Exchange on the same day through Letter No. HBK.CSC/CMA.758/2019 and No. HBK.CSC/CMA.759/2019, both of which are dated April 8, 2019 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.</p>
3	Invitation to the GMS to the Shareholders	April 24, 2019	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of invitation to the GMS has been reported by Bank Mandiri to FSA and the Indonesia Stock Exchange on the same day through Letter No. HBK.CSC/CMA.866/2019 and No. HBK.CSC/CMA.868/2019, both of which are dated April 24, 2019 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.</p>
4	Implementation of GMS	May 16, 2019	<p>The GMS was chaired by the President Commissioner/ Independent Commissioner of Bank Mandiri in accordance with the appointment at the Board of Commissioners' Meeting on April 4, 2019</p> <p>The GMS was attended by all members of the Board of Commissioners and Directors.</p> <p>Shareholders and / or all shareholder's attorney representing 39,469,169,109 shares including Dwiwarna A series shares or constituting 84.557% of the total shares.</p> <p>The Company provides the GMS Rules for all shareholders present in the form of a pocket book and the principles of the code of conduct were read out before the GMS began.</p> <p>Shareholders were given the opportunity to ask questions in accordance with the agenda of the Meeting in each agenda discussed at the Annual GMS.</p> <p>Voting was done verbally where shareholders who vote did not agree or abstain are asked to submit their voting cards. Specifically for the agenda of a meeting involving a particular person, voting was carried out with a closed letter that was not signed and all shareholders present present the ballot card.</p> <p>The Company has appointed an independent party namely Notary Utiek R. Abdurachman and PT Datindo Entrycom in conducting the calculation and / or validating the votes.</p>



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

No.	Agenda	Date of Implementation	Information
5	Announcement of GMS	May 17, 2019	Highlights The results of the GMS have been announced and uploaded on the Company's website in Indonesian and English.
		May 20, 2019	Done through disclosure of information on: 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange.
			The Evidence of the announcement of the results of the GMS has been reported by the Company to the FSA and the Indonesia Stock Exchange through letter No. HBK.CSC/CMA.1035/2019 dated May 20, 2019 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.
6	Submission of GMS Minutes	June 14, 2019	Submission of GMS Minutes to FSA has paid attention to the deadline for submission in accordance with FSA Regulation No. 32 / POJK.04 / 2014 and submitted through Letter No. HBK.CSC/CMA.1142/2019 dated June 14, 2019 and uploaded to the Bank Mandiri Website on the same day.

INDEPENDENT VOTING COUNTER

The Company has appointed an independent party namely Notary Utiek R. Abdurachman and PT Datindo Entrycom in conducting the calculation and / or validating the votes.

ATTENDANCE RECAPITULATION AT THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Board of Commissioners, Directors and Audit Committee of Bank Mandiri who attended the 2019 Annual GMS were as follows:

Attendance Recapitulation Table at the 2019 Annual General Meeting of Shareholders

No.	Name	Position	Present
1.	Hartadi Agus Sarwono	President Commisioner / Independent Commissioner	Present
2.	Imam Apriyanto Putro	Vice of President Commisioner	Present
3.	Askolani	Commissioner	Present
4.	Goei Siau Hong	Independent Commissioner	Present
5.	Bangun Sarwito Kusmulyono	Independent Commissioner	Present
6.	Ardan Adiperdana	Commissioner	Present
7.	Makmur Keliat	Independent Commissioner	Present
8.	R. Widyo Pramono	Commissioner	Present
9.	Kartika Wirjoatmodjo	President Director	Present
10.	Sulaiman Arif Arianto	Vice of President Director	Present
11.	Royke Tumilaar	Director of Corporate Banking	Present
12.	Hery Gunardi	Director of Small Bussiness and Network	Present
13.	Ahmad Siddik Badruddin	Director of Risk Management	Present
14.	Rico Usthavia Frans	Director of Information Technology and Operation	Present
15.	Darmawan Junaidi	Director of Treasury and International Banking	Present
16.	Alexandra Askandar	Director of Institutional Relations	Present
17.	Agus Dwi Handaya	Director of Compliance	Present
18.	Panji Irawan	Director of Financial	Present
19.	Donsuwan Simatupang	Director of Retail Banking	Present
20.	Riduan	Director of Commercial Banking	Present
21.	Budi Sulistio	Member of Audit Committee	Present
22.	Bambang Ratmanto	Member of Audit Committee	Present
23.	Ridwan D. Ayub	Member of Audit Committee	Present

DECISION OF THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS

First Meeting Agenda

Approval of the Annual Report and Ratification of the Company's Consolidated Financial Statements for Fiscal Year 2018 and Approval of the Board of Commissioners' Supervisory Report in 2018 and Ratification of the Financial Statements for the Implementation of the Partnership and Community Development Program in 2018 as well as Granting Full Payment and Exemption of Full Responsibility (volledig acquit et decharge) to the Board of Directors Management Measures of the Company and the Board of Commissioners for the Supervision of the Company during Fiscal Year 2018

Minutes of Meeting state that there were 4 (four) shareholders who submitted Questions and / or provide opinions.

Voting results

Agree : 99.046% including one share of Dwiwarna A series
 Abstain : 0.437%
 Disagree : 0.157%

Decision

Therefore:

The meeting with the most votes, namely 39,407,285,809 shares or constitutes 99.843% of the total votes cast at the Meeting resolves:

1. Approving the Company's Annual Report, including the report on the use of proceeds from the Bank Mandiri Phase III Sustainable Bonds I public offering 2018, and the Board of Commissioners Supervisory Duties Report for the Fiscal Year ending on December 31, 2018 and ratify the Company's Consolidated Financial Statements for the Fiscal Year ended on December 31, 2018, which had been audited by Purwantono, Sungkoro & Surja Public Accountant Firm according to the report No. 00034 / 2.1032 / AU.1 / 07 / 0685-1 / 1 / I / 2019 dated January 28, 2019 with a fair audit opinion in all material respects.
2. Ratifying the Financial Statements of the Implementation of the Partnership and Community Development Program for the Fiscal Year ending on December 31, 2018, which has been audited by Purwantono, Sungkoro & Surja Public Accountants according to their report No. 01104 / 2.1032 / AU.2 / 10 / 0685-1 / 1 / V / 2019 dated May 3, 2019 with a fair audit opinion in all material matters and accepting the Directors' plan to carry out the transfer of the Partnership Program fund balance of a maximum of Rp350 billion as a source of funds The Company's Community Development and the remaining Partnership Program funding amounting to IDR 120,518,478,322.00 was channeled through a Special SOE.
3. Upon the approval of the Company's Annual Report, including the realization of the use of proceeds from the Bank Mandiri Phase III Sustainable Bonds I public offering 2018, and the Board of Commissioners' Duties Report for the Fiscal Year ended December 31, 2018 and the Company's Consolidated Financial Statements for the Year For books ending December 31, 2018 and the Financial Statements for the Implementation of the Partnership and Community Development Program for the Financial Year ending December 31, 2018, the Meeting provided full repayment and release of responsibility (volledig acquit et de charge) to all members of the Board of Directors and Board Commissioners for the management and supervision actions that have been carried out during the Fiscal Year which ended on December 31, 2018, insofar as these actions did not constitute a criminal offense and those actions were reflected in the Annual Report, Consolidated Financial Statements and Financial Statements for Implementing the Partnership Program and the Company's Environmental Development for the Fiscal Year ending on December 31, 2018.
4. Granting of full redemption and release of responsibility includes giving to Mr. Ogi Prastomiyono, Mr. Hery Gunardi, Mr. Tardi and Ms. Kartini Sally, from January 1, 2018 to March 21, 2018, respectively, served as Operations Director, Distributions Director, Retail Banking Director, and Institutional Director.

Follow up

Financial Statements and Annual Reports have been submitted to FSA and the Indonesia Stock Exchange with the following information:

- a. Submission of Financial Statements
 - Submission of such reports is also carried out through the OJK Electronic Reporting System and the Indonesia Stock Exchange.
- b. Submission of Annual Report
 - Delivered to FSA through Letter No. HBK.CSC/CMA.865/2019 dated 24 April 2019 and the report was copied to the Indonesia Stock Exchange.
 - Annual report submission is also carried out through the FSA Electronic Reporting System and the Indonesia Stock Exchange.

Status : Realized

Second Meeting Agenda

Determination of the use of the Company's Net Profit for Fiscal Year 2018.

Minutes of Meeting states that there are no Shareholders who submit Questions and / or provide opinions.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Voting Results

Agree	: 99,923% including one share of Dwiwarna A series
Abstain	: 0,077%
Disagree	: 0%

Decision

Therefore:

The unanimous meeting, namely 39,469,169,109 shares or representing 100% of the total votes cast at the Meeting resolved:

Approve and determine the use of the Company's Net Profit for the Fiscal Year ended December 31, 2018 amounting to IDR 25,015,020,898,824.50 as follows:

- 45% of the Company's net profit for fiscal year 2018 will be distributed as cash dividends to shareholders and specifically dividends for the Government / State of the Republic of Indonesia will be deposited in accordance with statutory provisions. Giving power and authority to the Directors to regulate the procedure and implementation of the cash dividend payment and subsequently announce it in accordance with the applicable provisions with the allocation of shares:
 - Government / Republic of Indonesia shareholders of 60%
 - Public shareholders of 40%.
- A total of 55% of the Company's net profit for fiscal year 2018 was determined as Retained Earnings.

Follow up

Bank Mandiri has announced the Schedule and Procedure for Distribution of Cash Dividends for Fiscal Year 2018 on March 23, 2018 and has made cash dividend payments to shareholders on April 20, 2018.

Status : Realized

Third Meeting Agenda

Determination of Remuneration (salary / honorarium, facilities, benefits, and other benefits) for Fiscal Year 2019 and Tantiem for Fiscal Year 2018 for the Directors and Board of Commissioners of the Company.

Minutes of Meeting states that there are no Shareholders who submit Questions and / or provide opinions.

Voting Results

Agree	: 96.800% including one share of Dwiwarna A series
Abstain	: 0.591%
Disagree	: 2.609%

Decision

Therefore:

The meeting with the most votes, namely 38,439,400,429 shares or constituting 97.391% of the total votes cast at the Meeting resolved:

Giving the authority and power to the Board of Commissioners of the Company, by first obtaining the approval of Dwiwarna Series A Shareholders, to determine the salaries of members of the Board of Directors and honorarium for members of the Board of Commissioners, and the provision of benefits, facilities, and / or other benefits for the 2019 financial year, as well as setting bonuses for the performance of members of the Board of Directors and Board of Commissioners for the year ended December 31, 2018.

Follow up

Determination of salaries for members of the Board of Directors and honorarium for members of the Board of Commissioners, and the provision of benefits, facilities, and / or other benefits for the fiscal year 2019, as well as the determination of tantiem for the performance of members of the Board of Directors and the Board of Commissioners for the financial year ended December 31, 2018 has been carried out by the Board The Commissioner first obtains approval from the SOE Ministry.

Status : Realized

Fourth Meeting Agenda

Determination of the Public Accounting Firm to audit the Company's Financial Statements for Fiscal Year 2019 and the Financial Statements for the Implementation of the Partnership and Community Development Program for 2019.

Minutes of Meeting state that there are 1 (one) shareholders who submit Questions and / or provide opinions.

Voting Results

Agree	: 97.872% including one share of Dwiwarna A series
Abstain	: 0.009%
Disagree	: 2.199%

Decision

Therefore:

Meeting with the most votes, namely 38,632,625,808 shares or constituting 97.881% of the total votes cast at the Meeting decides to approve:

1. Appointing Purwantono, Sungkoro & Surja Public Accountant Firms as Public Accounting Firms that will audit the Company's Consolidated Financial Statements and Financial Statements for the Implementation of the Partnership and Community Development Program for the Financial Year which will end on December 31, 2019.
2. Giving power of attorney to the Board of Commissioners to determine the honorarium and other requirements for the Public Accountant Firm, and to establish a Substitute Public Accounting Firm in the case of Purwantono, Sungkoro & Surja Public Accountants, for whatever reason cannot complete the audit of the Company's Consolidated Financial Statements and Financial Statements Implementation of the Partnership and Community Development Program for the financial year which will end on December 31, 2019.

Follow up

The appointment of Purwantono, Sungkoro & Surja Public Accountant Firm has been reported to the FSA through letter No. CEO / 326/2018 dated April 3, 2018.

Status : Realized

Fifth Meeting Agenda

Changes in the composition of the Company's Management.

Minutes of Meeting states that there are no Shareholders who submit Questions and / or provide opinions.

Voting Results

Agree : 96.486% including one share of Dwiwarna A series
 Abstain : 0.298%
 Disagree : 3.126%

Decision

Therefore:

Meeting with the most votes, which is 38,199,927,944 shares or constitutes 96.784% of the total votes cast at the Meeting decided to approve:

- a. Perubahan Susunan Pengurus Perseroan
 1. Respectfully dismiss the name of Askolani as a commencing Commissioner from the closing of this GMS with thanks for the contribution of energy and thought given while serving as a Member of the Board of Commissioners of the Company.
 2. Appoint Mr. Askolani as a Commissioner.
 3. The term of office of Members of the Board of Commissioners appointed as referred to in number 2, in accordance with the provisions of the Company's Articles of Association, namely until the closing of the 5th (fifth) Annual GMS since the appointment of the concerned or Annual GMS held in 2024, with due regard to legislation in the Capital Market sector and without prejudice to the right of the GMS to dismiss at any time.
 4. With the dismissal and appointment of the Members of the Board of Commissioners as referred to in number 1 and number 2 above, the composition of the Board of Commissioners shall be as follows:
 - 1) President Commissioner / Independent Commissioner : Hartadi A. Sarwono
 - 2) Vice of President Commissioner: Imam Apriyanto Putro
 - 3) Commissioner: Askolani
 - 4) Commissioner: R. Widyono Pramono
 - 5) Commissioner: Ardan Adiperdana
 - 6) Independent Commissioner : Bangun S. Kusmulyono
 - 7) Independent Commissioner : Goei Siau Hong
 - 8) Independent Commissioner : Makmur Keliat
 5. Members of the Board of Commissioners who were appointed as referred to in number 2 who still held other positions that are prohibited by the legislation to be held concurrently with the position of a Member of the Board of Commissioners of a State-Owned Enterprise, then the person concerned had to resign or be dismissed from his position.
 6. To grant power of attorney with substitution rights to the Board of Directors of the Company to state the resolutions of this GMS in the form of a notarial deed and appear before the Notary or the authorized official, and make necessary adjustments or corrections if required by the competent authority for the implementation of the meeting's decision.
- b. The Change in Nomenclature of Directors
 1. Changing the nomenclature of the position of members of the Board of Directors of the Company as follows:

No.	Previous	Recent
1.	Director of Small Bussiness and Network	Director of Bussiness and Netwrok
2.	Director of Compliance	Director of Compliance and Human Capital
3.	Director of Financial	Director of Financial and Strategy



2. Transferring the assignments listed below as members of the Company's Board of Directors:

No.	Name	Previous	Recent
1.	Hery Gunardi	Director of Small Business and Network	Director of Business and Network
2.	Agus Dwi Handaya	Director of Compliance	Director of Compliance and Human Capital
3.	Panji Irawan	Director of Financial	Director of Financial and Strategy

each of which is appointed based on the decision of the GMS of the 2017 Financial Year, with the term of office continuing the rest of their respective terms of office, in accordance with the decision of the GMS of the relevant appointment.

3. With the change in the nomenclature of the position and the transfer of positions of members of the Board of Directors of the Company as referred to in number 1 and number 2, the composition of the Board of Directors' Membership shall be as follows:

- 1) President Director : Kartika Wirjoatmodjo
- 2) Vice President Director : Sulaiman Arif Arianto
- 3) Director of Commercial Banking : Riduan
- 4) Director of Compliance and Human Capital : Agus Dwi Handaya
- 5) Director of Treasury and International Banking : Darmawan Junaidi
- 6) Director of Financial and Strategy : Panji Irawan
- 7) Director of Corporate Banking : Royke Tumilaar
- 8) Director of Retail Banking : Donsuwan Simatupang
- 9) Director of Institutional Relations : Alexandra Askandar
- 10) Director of Business and Network : Hery Gunardi
- 11) Director of Risk Management : Ahmad Siddik Badruddin
- 12) Director of Information Technology and Operation : Rico Usthavia Frans

4. To grant power of attorney with substitution rights to the Board of Directors of the Company to declare what is decided by this GMS in the form of a notarial deed and appear before the Notary or the authorized official, and make necessary adjustments or corrections if required by the competent authorities for the implementation of the meeting's decision.

Follow up

1. Changes to the nomenclature of the structure of the composition of the Directors have been implemented.
2. The structure of the composition of the Directors has used the nomenclature.
3. The Board of Directors of Bank Mandiri has taken all necessary actions related to the decision of this agenda in accordance with applicable laws and regulations.

Status : Realized

IMPLEMENTATION OF THE EXTRAORDINARY GMS 2019 AND THEIR REALIZATION

The steps for the Extraordinary General Meeting of Shareholders on August 28, 2019 are illustrated in the following table.

Table of the Implementation of the Extraordinary GMS 2019

No.	Agenda	Date of Implementation	Information
1	Notification of GMS to FSA	July 12, 2019	Delivered to FSA through a letter signed by the Directors of Bank Mandiri No. DCO / 692/2019 dated July 12, 2019 regarding the Implementation of the Extraordinary General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk.
2	Announcement of GMS to Shareholders	July 19, 2019	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of the announcement of the GMS has been reported by Bank Mandiri to FSA and the Indonesia Stock Exchange on the same day through Letter No. HBK.CSC/CMA.1417/2019 and No. HBK.CSC/CMA.1418/2019, both of which are dated July 19, 2019 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.</p>

No.	Agenda	Date of Implementation	Information
3	Invitation of GMS to Shareholders	August 6, 2019	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of invitation to the GMS has been reported by Bank Mandiri to the OJK and the Indonesia Stock Exchange on the same day through Letter No. HBK.CSC/CMA.1509/2019 and No. HBK.CSC/CMA.1510/2019, both of which are dated August 6, 2019 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.</p>
4	GSM Implementation	Wednesday, August 28, 2019	<p>The GMS was chaired by the President Commissioner / Independent Commissioner of Bank Mandiri in accordance with the appointment at the Board of Commissioners' Meeting on July 10, 2019.</p> <p>The GMS was attended by all members of the Board of Commissioners and Directors.</p> <p>The shareholders and/or all the representative's power of attorney who owned 39,273,007,411 shares including the Dwiwarna A series shares or constitute 84.156% of the total shares.</p> <p>The Company provided the GMS Rules for all shareholders present in the form of a pocket book and the principles of the code of conduct were read out before the GMS begins.</p> <p>Shareholders were given the opportunity to ask questions in accordance with the agenda of the Meeting in each agenda discussed at the Annual GMS.</p> <p>Voting was done verbally where shareholders who vote did not agree or abstain were asked to submit their voting cards. Specifically for the agenda of a meeting involving a particular person, voting was carried out with a closed letter that is not signed and all shareholders present present the ballot card.</p> <p>The Company has appointed an independent party namely Notary Utiek R. Abdurachman and PT Datindo Entrycom in conducting the calculation and/or validating the votes.</p>
5	Announcement of GMS Results	August 29, 2019 August 30, 2019	<p>The Highlights The results of the GMS had been announced and uploaded on the Company's website in Indonesian and English.</p> <p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of the announcement of the results of the GMS had been reported by the Company to the FSA and the Indonesia Stock Exchange through letter No. HBK.CSC/CMA.1631/2019 and No. HBK.CSC/CMA.1632/2019 both of which are dated August 30, 2019 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.</p>
6	Submission of GMS Minutes	September 24, 2019	<p>Submission of GMS Minutes to FSA has paid attention to the deadline for submission in accordance with FSA Regulation No. 32 / POJK.04 / 2014 and submitted through Letter No. HBK.CSC/CMA.1736/2019 dated 24 September 2019 and uploaded to the Bank Mandiri Website on the same day.</p>

INDEPENDENT PARTY OF VOTING COUNTER

The Company has appointed an independent party namely Notary Utiek R. Abdurachman and PT Datindo Entrycom in conducting the calculation and / or validating the votes.

ATTENDANCE RECAPITULATION AT THE EXTRAORDINARY GMS AUGUST 28, 2019

The Board of Commissioners, Directors and Audit Committee of Bank Mandiri that attended the Extraordinary General Meeting of Shareholders on August 28, 2019 are as follows:



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Attendance Recapitulation Table at the Extraordinary General Meeting of Shareholders on August 28, 2019

No.	Name	Position	Presence	Information
1.	Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	Present	
2.	Imam Apriyanto Putro	Vice President Commissioner	Present	
3.	Askolani	Commissioner	Present	
4.	Goei Siau Hong	Independent Commissioner	Present	
5.	Bangun Sarwito Kusmulyono	Independent Commissioner	Present	
6.	Ardan Adiperdana	Commissioner	Present	
7.	Makmur Keliat	Independent Commissioner	Present	
8.	R. Widyo Pramono	Commissioner	Present	
9.	Kartika Wirjoatmodjo	President Director	Present	
10.	Sulaiman Arif Arianto	Vice President Director	Present	
11.	Royke Tumilaar	Director of Corporate Banking	Present	
12.	Hery Gunardi	Director of Small Business and Network	Present	
13.	Ahmad Siddik Badruddin	Director of Risk Management	Present	
14.	Rico Usthavia Frans	Director of Information Technology and Operation	Present	
15.	Darmawan Junaidi	Director of Treasury and International Banking	Present	
16.	Alexandra Askandar	Director of Institutional Relations	Present	
17.	Agus Dwi Handaya	Director of Compliance and Human Capital		
18.	Panji Irawan	Director of Financial and Strategy	Present	
19.	Donsuwan Simatupang	Director of Retail Banking	Present	
20.	Riduan	Director of Commercial Banking	Present	
21.	Budi Sulistio	Member of Audit Committee	Present	
22.	Bambang Ratmanto	Member of Audit Committee	Present	

DECREE OF THE EXTRAORDINARY 28 AUGUST 2019

First Meeting Agenda

Presentation / Evaluation of the Company's Quarterly / Semester I Year 2019 Performance.

The first meeting agenda presented reports, and there was no question and answer session.

Decision

The First Agenda of the Meeting was a report presentation / performance evaluation.

Follow up

Company Performance Evaluation for Quarter II / Semester I of 2019 has been well received by shareholders.

Status : Realized

Second Meeting Agenda

The change of The composition of the Company's Management.

Minutes of Meeting states that there were no Shareholders who submit Questions and / or provide opinions.

Voting Results

Agree : 73.243% including one share of Dwiwarna A series
 Abstain : 3.755%
 Disagree : 23.003%

Decision

Therefore:

Meeting with the most votes, namely 30,239,134,427 shares or constituted 77% of the total all votes issued at the Meeting decide:

1. Respectfully dismiss Mr. Askolani as a member of the Board of Commissioners of PT Bank Mandiri (Persero) Tbk. The dismissal of the members of the Board of Commissioners commencing from the closing of this meeting with gratitude for the contribution of energy and thought given while serving as a member of the Board of Commissioners.
2. Propose the appointment of Mr. Rionald Silaban as a member of the Board of Commissioners of PT Bank Mandiri (Persero) Tbk. The appointment of the members of the Board of Commissioners mentioned above is effective after receiving approval from the Financial Services Authority on the Fit and Proper Test and compliance with applicable laws and regulations. The term of office of the appointed member of the Board of Commissioners is ended until the closing of the fifth Annual GMS since the appointment, namely the Annual GMS held in 2024 without prejudice to the right of the GMS to dismiss at any time.
3. With the changes in the members of the Board of Commissioners, the composition of the Board of Commissioners is as follows:
 - 1) President Commissioner / Independent Commissioner : Hartadi Agus Sarwono
 - 2) Vice of President Commissioner : Imam Apriyanto Putro
 - 3) Commissioner: Rionald Silaban
 - 4) Independent Commissioner: Bangun Sarwito Kusmulyono
 - 5) Independent Commissioner: Goei Siau Hong
 - 6) Commissioner: Ardan Adiperdana
 - 7) Independent Commissioner: Makmur Keliat
 - 8) Commissioner: R. Widy Pramono
4. Giving power and authority to the Directors of the Company with substitution rights to take all necessary actions related to the decision of this agenda in accordance with applicable laws and regulations, including to declare in a separate Notary Deed and notify the composition of the Company's Board of Commissioners to the Ministry of Law and HAM.

Follow up

Mr. Rionald Silaban has conducted a Fit and Proper Test and will be effectively served after obtaining approval from the FSA.

Status : Realized

IMPLEMENTATION OF THE EXTRAORDINARY GMS 2019 AND THEIR REALIZATION

The steps for the Extraordinary General Meeting of Shareholders on December 9, 2019 are illustrated in the following table

Table of the Implementation of the Extraordinary GMS 2019

No.	Agenda	Date of Implementation	Information
1	Notification of GMS to FSA	October 30, 2019	Delivered to FSA through a letter signed by the Directors of Bank Mandiri No. HBK / 1867/2019 dated October 30, 2019 concerning the Implementation of the Extraordinary General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk.
2	Announcement of GMS to Shareholders	October 31, 2019	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange <p>The evidence of invitation to the GMS has been reported by Bank Mandiri to the OJK and the Indonesia Stock Exchange on the same day through Letter No. HBK.CSC/CMA.1889/2019 and No. HBK.CSC/CMA.1890/2019 which are both dated October 31, 2019 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.</p>
3	Invitation to the GMS to the Shareholders	November 15, 2019	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>Proof of summons to the GMS has been reported by Bank Mandiri to OJK on November 15, 2019 through Letter No. HBK.CSC/CMA.2013/2019 which is copied to the Indonesia Stock Exchange and reported through the OJK Electronic Reporting System and the Indonesia Stock Exchange.</p>



No.	Agenda	Date of Implementation	Information
4	GMS Implementation	Monday, December 9, 2019	<p>The GMS was chaired by the President Commissioner / Independent Commissioner of Bank Mandiri in accordance with the appointment at the Board of Commissioners' Meeting on October 30, 2019.</p> <p>The GMS was attended by all members of the Board of Commissioners and Directors.</p> <p>The shareholders and / or all the representative's power of attorney who owned 38,946,269,369 shares including Dwiwarna A series shares or constitute 84.456% of the total shares.</p> <p>The Company provided the GMS Rules for all shareholders present in the form of a pocket book and the principles of the code of conduct were read out before the GMS begins.</p> <p>Shareholders were given the opportunity to ask questions in accordance with the agenda of the Meeting in each agenda discussed at the Annual GMS.</p> <p>Voting was done verbally where shareholders who vote do not agree or abstain are asked to submit their voting cards. Specifically for the agenda of a meeting involving a particular person, voting was carried out with a closed letter that is not signed and all shareholders present present the ballot card.</p> <p>The Company had appointed an independent party namely Notary Utiek R. Abdurachman and PT Datindo Entrycom in conducting the calculation and / or validating the votes.</p>
5	The Announcement of GMS results	December 10, 2019	Highlights The results of the GMS had been announced and uploaded on the Company's website in Indonesian and English.
		December 11, 2019	<p>Done through disclosure of information on:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Website of the Indonesia Stock Exchange. <p>The evidence of the announcement of the results of the GMS has been reported by the Company to the FSA and the Indonesia Stock Exchange through letter No. HBK.CSC/CMA.2151/2019 and No. HBK.CSC/CMA.2152/2019, both dated December 11, 2019 and reported through the FSA Electronic Reporting System and the Indonesia Stock Exchange.</p>
6	Submission of GMS Minutes	Januari 7, 2019	Submission of GMS Minutes to OJK has paid attention to the deadline for submission in accordance with OJK Regulation No. 32 / POJK.04 / 2014 and submitted through Letter No. BSJ.CSC/CMA.11/2020 dated 7 January 2020 and uploaded to the Bank Mandiri Website on the same day.

INDEPENDENT PARTY OF VOTING COUNTER

The Company has appointed an independent party namely Notary Utiek R. Abdurachman and PT Datindo Entrycom in conducting the calculation and / or validating the votes.

ATTENDANCE RECAPITULATION AT THE EXTRAORDINARY GMS ON DECEMBER 9, 2019

The Board of Commissioners, Directors and Audit Committee of Bank Mandiri who attended the Extraordinary GMS on 9 December 2019 were as follows:

Attendance Recapitulation Table at the Extraordinary GMS December 9, 2019

No.	Name	Position	Presence	Information
1.	Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	Present	
2.	Goei Siau Hong	Independent Commissioner	Present	
3.	Bangun Sarwito Kusmulyono	Independent Commissioner	Present	

No.	Name	Position	Presence	Information
4.	Ardan Adiperdana	Commissioner	Present	
5.	Makmur Keliat	Independent Commissioner	Present	
6.	R. Widyo Pramono	Commissioner	Present	
7.	Rionald Silaban*	Commissioner	Present	
8.	Sulaiman Arif Arianto	Vice of President Director	Present	
9.	Royke Tumilaar	Director of Corporate Banking	Present	
10.	Hery Gunardi	Director of Bussiness and Network	Present	
11.	Ahmad Siddik Badruddin	Director of Risk Management	Present	
12.	Rico Usthavia Frans	Director of Information Technology and Operation	Present	
13.	Darmawan Junaidi	Director of Treasury and International Banking	Present	
14.	Alexandra Askandar	Director of Institutional Relations	Present	
15.	Agus Dwi Handaya	Director of Compliance and Human Capital	Present	
16.	Panji Irawan	Director of Financial and Strategy	Present	
17.	Donsuwan Simatupang	Director of Retail Banking	Present	
18.	Riduan	Director of Commercial Banking	Present	
19.	Bambang Ratmanto	Member of Audit Committee	Present	

* Effective after obtaining approval from FSA on the Fit and Proper Test

DECISION OF THE EXTRAORDINARY GMS ON DECEMBER 9, 2019

First Meeting Agenda	
Changes in the composition of the Company's Management.	
Minutes of Meeting states that there were no Shareholders who submitted Questions and / or provide opinions.	
Voting results Agree : 77.756% including one share of Dwiwarna A series Abstain : 2.159% Disagree : 20.048%	
Decision Therefore: Meeting with the most votes, namely 31,124,131,758 shares or constituted 79.916% of the total all votes issued at the Meeting decide	
1. To confirm the dismissal with respect to the names below as Management of the Company: 1) Mr. Kartika Wirjoatmodjo as the President Director of the Company, who was appointed based on the decision of the 2014 Annual General Meeting of Shareholders, as of October 25, 2019; 2) Mr. Imam Apriyanto Putro as Vice President Commissioner of the Company, who was appointed based on the Resolution of the 2014 Financial Year General Meeting, as from November 18, 2019; with gratitude for the contribution of energy and thought given while serving as the Company's Management.	
2. Respectfully dismiss the names below as members of the Company's Board of Commissioners: 1) Mr. Hartadi Agus Sarwono as President Commissioner / Independent Commissioner; 2) Mr. Bangun Sarwito Kusmulyono as Independent Commissioner; 3) Mr. Goel Siauw Hong as Independent Commissioner; Each of them was appointed based on the decision of the Extraordinary General Meeting of Shareholders in 2017, the Resolution of the General Meeting of Shareholders for the 2014 Fiscal Year, and the Resolution of the 2014 General Meeting of Shareholders, with gratitude for the contribution of energy and thoughts given while serving as Members of the Company's Board of Commissioners.	



First Meeting Agenda

3. The change the nomenclature of the position of members of the Board of Directors of the Company as follows:

No.	Previous	Recent
1.	Director of Retail Banking	Direktur Consumer and Retail Transaction
2.	Director of Treasury and International Banking	Direktur Treasury, International Banking & Special Asset Management
3.	Director of Information Technology and Operation	Director of Information Technology
4.	-	Director of Operation
5.	Director of Bussinness and Network	-

4. Transfer the assignments listed below as members of the Company's Board of Directors:

No.	Name	Previous	Recent
1.	Royke Tumilaar	Director of Corporate Banking	President Director
2.	Alexandra Askandar	Director of Institution Relations	Director of Corporate Banking
3.	Donsuwan Simatupang	Director of Retail Banking	Director of Institutional Relations
4.	Panji Irawan	Director of Financial and Strategy	Director of Operation
5.	Hery Gunardi	Director of Busssiness and Network Transaction	Director of Consumer and Retail Transaction
6.	Darmawan Junaidi	Director of Treasury and International Banking	Director of Treasury, International Banking, and Special Asset Management
7.	Rico Usthavia Frans	Director of Information Technology and Operation	Director of Information Technology

who were appointed respectively based on the resolutions of the 2015 Fiscal Year GMS, 2017 Fiscal Year GMS, 2017 Fiscal Year GMS, 2017 Fiscal Year GMS, 2017 Fiscal Year GMS, 2017 Fiscal Year GMS, and 2015 Fiscal Year GMS, with tenure continuing the remaining tenure respectively, in accordance with the GMS decision on the appointment concerned.

5. Appointing the names below as the Management of the Company:
- 1) Mr. Kartika Wirjoatmodjo as President Commissioner
 - 2) Mr. Muhamad Chatib Basri as Vice President Commissioner / Independent Commissioner
 - 3) Mr. Mohamad Nasir as Independent Commissioner
 - 4) Mr. Robertus Bilita as Independent Commissioner
 - 5) Mr. Silvano Winston Rumanthir as Director of Finance and Strategy
6. The term of office of the members of the Board of Commissioners and Board of Directors appointed as referred to in number 5 shall expire until the closing of the fifth Annual GMS since the appointment, namely the Annual GMS held in 2024, with due observance of laws and regulations in the field of Capital Market and without prejudice to the right of the GMS to dismiss at any time.
7. With the inauguration, dismissal, changes in nomenclature of position, assignment of duties, and appointment of the Company's Management as referred to in numbers 1, 2, 3, 4 and 5, the composition of the Company's Board of Directors and Board of Commissioners membership shall be as follows:
- a. The Directors
 - 1) President Director: Royke Tumilaar
 - 2) Vice of President Director: Sulaiman A. Arianto
 - 3) Director of Corporate Banking: Alexandra Askandar
 - 4) Director of Commercial Banking: Riduan
 - 5) Director of Treasury, International Banking, and Special Asset Management: Darmawan Junaidi
 - 6) Director of Consumer and Retail Transaction: Hery Gunardi
 - 7) Director of Operation: Panji Irawan
 - 8) Director of Compliance and Human Capital: Agus Dwi Handaya
 - 9) Director of Institutional Relations: Donsuwan Simatupang
 - 10) Director of Risk Management: Ahmad Siddik Badruddin
 - 11) Director of Information Technology: Rico Usthavia Frans
 - 12) Director of Finance and Strategy: Silvano Winston Rumanthir

First Meeting Agenda

- b. Board of Commissioners
 - 1) President Commissioner: Kartika Wirjoatmodjo
 - 2) Vice President Commissioner / Independent Commissioner: Muhamad Chatib Basri
 - 3) Commissioner: Ardan Adiperdana
 - 4) Commissioner: R. Widy Pramono
 - 5) Commissioner: Rionald Silaban
 - 6) Independent Commissioner: Makmur Keliat
 - 7) Independent Commissioner: Mohamad Nasir
 - 8) Independent Commissioner: Robertus Bilitea
8. Appointed members of the Board of Directors and Board of Commissioners as referred to in number 5 can only carry out their duties as Members of the Board of Directors and Members of the Board of Commissioners after obtaining approval from the Financial Services Authority.
9. The members of the Board of Directors and the Board of Commissioners appointed as referred to in number 5 who still hold positions in other positions that are prohibited by the legislation to be held concurrently with the positions of members of the Board of Directors or members of the Board of Commissioners of a State-Owned Enterprise, then the party concerned must resign or is expected to be removed from his position.
10. Granting power of attorney with the right of substitution to the Directors of the Company to declare what was decided by this GMS in the form of a notarial deed and facing a notary or authorized officer, and making necessary adjustments or improvements if required by the competent authority for the purpose of implementing the contents of the meeting's decision.

Follow up

1. Changing the nomenclature of the structure of the composition of the Directors have been implemented.
2. The structure of the composition of the Directors has used the nomenclature.
3. The Board of Directors of Bank Mandiri has taken all necessary actions related to the decision of this agenda in accordance with applicable laws and regulations.

Status : Realized

IMPLEMENTATION OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2018 AND ITS REALIZATION

Realization In 2018, the Company held 1 (one) RUPS, the Annual RUPS held on March 21, 2018, located at Plaza Mandiri Auditorium, Jakarta. The Annual GMS was held with the following stages:

The stages of the Company's Annual General Meeting of Shareholders in 2018 are illustrated in the following table.

Table of Annual GMS Implementation in 2018

No.	Activity	Date	Remarks
1	GMS Notification to Financial Services Authority	February 1, 2018	It is delivered to Financial Services Authority via a letter as signed by the Board of Directors of the Company No. CEO/119/2018 dated February 1, 2017 on the Implementation of Annual General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk. of Fiscal Year 2017.
2	GMS Announcement to Shareholders	February 12, 2018	<p>Conducted through information disclosure at:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Indonesian Stock Exchange Website. <p>Proof of GMS announcement has been reported by the Company to Financial Services Authority and Indonesian Stock Exchange on the same day via Letter No. CEO.CSC/234/2018 and No. CEO.CSC/234/2018 which both are dated February 12, 2018 and was reported via Electronic Reporting System of Financial Services Authority and Indonesian Stock Exchange.</p>
3	GMS Summons to Shareholders	February 27, 2018	<p>Conducted through information disclosure at:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Indonesian Stock Exchange Website. <p>Evidence of GMS summons has been reported by the Company to Financial Services Authority and Indonesian Stock Exchange on the same day via Letter No. CEO.CSC/437/2018 and No. CEO.CSC/438/2018 which both are dated February 27, 2018 and was reported via Electronic Reporting System of Financial Services Authority and Indonesian Stock Exchange.</p>



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

No.	Activity	Date	Remarks
4	Holding of GMS	March 21, 2018	<p>GMS was directed by President Commissioner of Bank Mandiri as appointed in the Meeting of the Indonesian Stock Exchange on March 7, 2018.</p> <p>GMS was attended by all members of both the Board of Commissioners and Board of Directors.</p> <p>Shareholders and/or their proxies were present at the GMS who have 40,762,866,983 shares, including Series A Dwiwarna Share or 87.349% of all shares.</p> <p>The Company distributed GMS Rules and Regulations to all present shareholders in the form of pocket book. In addition, important points of the rules and regulations were read out prior to the start of GMS.</p> <p>Shareholders were allowed to ask questions pursuant to Meeting subjects in Annual GMS.</p> <p>Voting was performed verbally in which disagreeing or abstain shareholders were asked to relinquish their voting cards. Particularly for meeting subjects related to a specific person, voting was performed using unsigned enclosed letter and all present shareholders submitted their voting cards.</p> <p>The Company has appointed two independent parties, Notary Ashoya Ratam and PT Datindo Entrycom to count and/or validate the votes.</p>
5	Announcement of GMS Result	March 22, 2018	The results of the GMS have been announced and uploaded on the Bank Mandiri Website in Indonesian and English.
		March 23, 2018	<p>Conducted through information disclosure at:</p> <ol style="list-style-type: none"> 1. Bisnis Indonesia and The Jakarta Post newspapers. 2. Bank Mandiri Website. 3. Indonesian Stock Exchange Website. <p>Proof of GMS result announcement has been reported by the Company to Financial Services Authority and Indonesian Stock Exchange via Letter No. CEO. CSC/723/2018 dated March 23, 2018 and was reported via Electronic Reporting System of Financial Services Authority and Indonesian Stock Exchange.</p>
6	Submission of GMS Minutes	April 20, 2018	Submission of GMS Minutes to Financial Services Authority have complied to delivery deadline pursuant to Financial Services Authority Regulation No. 32/POJK.04/2014 and was delivered via Letter No. HBK.CSC/CMA.976/2018 dated April 20, 2018 and uploaded to Bank Mandiri website on the same day.

INDEPENDENT PARTY OF VOTING COUNTER

Bank Mandiri has appointed independent parties namely Notary Ashoya Ratam and PT Datindo Entrycom in calculating and/or validating votes.

PRECENSE RECAPITULATION IN ANNUAL GMS 2018

The 2018 Annual GMS was attended by the entire Board Commissioner, Board of Directors and Audit Committee of Bank Mandiri is as follows:

Table of Presence Recapitulation in Annual GMS 2018

No.	Name	Position	Presence
1.	Hartadi Agus Sarwono	President Commissioner/Independent Commissioner	Attending
2.	Imam Apriyanto Putro	Deputy President Commissioner	Attending
3.	Askolani	Commissioner	Attending
4.	Goei Siau Hong	Independent Commissioner	Attending
5.	Bangun Sarwito Kusmulyono	Independent Commissioner	Attending
6.	Ardan Adiperdana	Commissioner	Attending
7.	Makmur Keliat	Independent Commissioner	Attending
8.	R. Widyo Pramono	Commissioner	Attending
9.	Kartika Wirjoatmodjo	President Director	Attending

No.	Name	Position	Presence
10.	Sulaiman Arif Arianto	Deputy Director	Attending
11.	Ogi Prastomiyono	Director of Operations	Attending
12.	Royke Tumilaar	Director of Wholesale Banking	Attending
13.	Hery Gunardi	Director of Distributions	Attending
14.	Tardi	Director of Retail Banking	Attending
15.	Ahmad Siddik Badruddin	Director of Risk Management & Compliance	Attending
16.	Kartini Sally	Director of Kelembagaan	Attending
17.	Rico Usthavia Frans	Director of Digital Banking & Technology	Attending
18.	Darmawan Junaedi	Director of Treasury	Attending
19.	Budi Sulistio	Member of Audit Committee	Attending
20.	Bambang Ratmanto	Member of Audit Committee	Attending

RESOLUTIONS OF ANNUAL GMS 2018

First Meeting Agenda

Approval to Annual Report and Validation of Financial Statement of Company Consolidation, Approval to Supervisory Report of the Board of Commissioners, Validation of Annual Report on the Implementation of Partnership and Environmental Development Program for fiscal year which expires in December 31, 2017, including submission of Accountability Report on the expenditure of fund obtained from Public Offering of Continuous Bonds I by Bank Mandiri Phase II in 2017, as well as amortization and release from full responsibility (volledig acquit et de charge) to the Board of Directors and Board of Commissioners of the Company for the actions of management and supervisor performed in a Fiscal Year which expires on December 31, 2017.

Minutes of Meeting state that number of Shareholders who submitted questions and/or provided opinions are 2 persons

Voting Result

Agree : 99.471% Including one Series A Dwiwarna share
 Abstain : 0.321%
 Disagree : 0.208%

Resolutions

Therefore:

Meeting with the most votes, namely 40,678,177,971 shares or constituting 99.792% of the number of all votes issued at the Meeting decides to approve:

1. Approving the Company's Annual Report, including Report of Supervisory Duty of the Board of Commissioners for a Fiscal Year which expired on December 31, 2017, and validating Financial Statement of the Consolidated Company for a Fiscal Year which expired on December 31, 2017, that has been audited by a Public Accounting Firm Purwantono, Sungkoro, and Surja with an audit opinion that is without modification.
2. Validating Annual Report of the Partnership and Environmental Development Program for the Fiscal Year which expired on December 31, 2017 and has been audited by a Public Accounting Firm Purwantono, Sungkoro, and Surja with an audit opinion that is without modification.
3. Accepting Accountability Report on the expenditure of fund obtained from Public Offering of Continuous Bonds I by Bank Mandiri Phase II in 2017 of IDR6,000,000,000,000 (six trillion rupiah).
4. On the approval of the Company's Annual Report, including Report of the Duties of the Board of Commissioners for the Fiscal Year which expired on December 31, 2017, the report on the expenditure realization of fund obtained from Public Offering of Continuous Bonds I by Bank Mandiri Phase II in 2017 of IDR6,000,000,000,000 (six trillion rupiah), the validation of Financial Statement of Consolidated Company for a Fiscal Year which expired on December 31, 2017, as well as the Annual Report of Partnership and Environmental Development Program for the Fiscal Year which expired on December 31, 2017, thus the Meeting provided amortization and release from full responsibility (volledig acquit et de charge) to the entire members of the Board of Directors and Board of Commissioners of the Company for the acts of management and supervision performed in the Fiscal Year which expired on December 31, 2017, provided that the act is not a criminal act and is reflected in the Annual Report, Financial Statement of Consolidated Company, as well as Annual Report of Partnership and Environmental Development Program for a Fiscal Year which expired on December 31, 2017.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

5. The amortization and release from full responsibility were also granted to:
- Ms. Aviliani who served as Company's Independent Commissioner of January 1, 2017 to March 14, 2017.
 - Mr. Abdul Aziz who served as Company's Independent Commissioner of January 1, 2017 to March 14, 2017.
 - Mr. Pahala N. Mansury who served as Company's Director as of January 1, 2017 to April 12, 2017.
 - Mr. Wimboh Santoso who served as Company's President Commissioner of January 1, 2017 to July 20, 2017.

Follow-up Actions

Financial Reports and Annual Reports have been submitted to Financial Service Authority and the Indonesia Stock Exchange with the following information:

- Financial Statement Submission
 - Submitted to Financial Service Authority by Letter No. HBK.CSC/CMA.207/2018 dated February 7, 2018.
 - Submitted to Indonesia Stock Exchange by Letter No. HBK.CSC/CMA.209/2018 dated February 7, 2018.
 - Submission of reports is also carried out through the Electronic Reporting System of Financial Service Authority and the Indonesia Stock Exchange.
- Annual Report Submission
 - Submitted to Financial Service Authority by Letter No. CEO.CSC/CMA.436/2018 dated February 27, 2018 and the report was sent to the Indonesia Stock Exchange.
 - Submission of reports is also carried out through the Electronic Reporting System of Financial Service Authority and the Indonesia Stock Exchange.

Status: Realized

Second Meeting Agenda

Approval to of the expenditure of the Company's net profit for the fiscal year which expired on December 31, 2017.

Minutes of Meeting state that number of Shareholders who submitted questions and/or provided opinions are 1 person

Voting Result

Agree	: 98.877% Including one share of Dwiwarna A series
Abstain	: 0.436%
Disagree	: 0.687%

Resolutions

Therefore:

"Meeting with the most votes, namely 40,482,896,659 shares or constituting 99.313% of the total votes issued at the Meeting decided:

Approved and determined the use of the Company's Net Profit for the fiscal year expired on December 31, 2017 amounting to IDR20,649,683,141,139.50 (twenty trillion six hundreds and forty nine billion six hundreds and eighty-three million one hundred and forty one thousand one hundred and thirty nine rupiah and fifty cents) as follows:

- 30% of the Company's net profit of fiscal year 2017, or IDR6.191.904.942.341,85 (six trillion one hundred and ninety one billion nine hundred and four million nine hundred and forty two thousand three hundred and forty one rupiah and twenty four cent), and is added by special addition dividend of 15% or IDR3.095.952.471.170,92 (three trillion seventy five billion nine hundred and fifty two million four hundred and seventy one thousand one hundred and seventy rupiah and ninety two cent), is distributed as cash dividend to the shareholders, and dividend particularly for the Government/Republic of Indonesia shall be paid pursuant to the laws and regulations, hence the percentage of distributed dividend is 45% of the Company's net profit.

To grant power and authority to the Board of Directors to regulate the procedure and implementation of cash dividend payment, and further to announce it pursuant to the applicable provision with the distribution allocation as follows:

- Government/Republic of Indonesia Shareholder: 60%
- Public Shareholders: 40%

- 55% of the Company's net profit for the period of January 1 to December 31, 2017, or IDR11.351.825.727.626,73 (eleven trillion three hundred and fifty one billion eight hundred and twenty five million seven hundred and twenty seven thousand six hundred and twenty six rupiah and seventy three cent) set as Undistributed Profit.

Follow-up Actions

Bank Mandiri has announced the Schedule and Procedure of Cash Dividend Distribution for the Fiscal Year 2017 on March 23, 2018, and has paid cash dividend to the shareholders on April 20, 2018.

Status: Realized

Third Meeting Agenda

Appointment of a Public Accounting Firm to audit the Company's Financial Statement and Annual Report on the Implementation of Partnership and Environmental Development Program for the Fiscal Year which expired on December 31, 2018.

Minutes of Meeting state that there are no Shareholders who submitted questions and/or provided opinions.

Voting Result

Agree : 95.142% Including one share of Dwiwarna A series
Abstain : 0.504%
Disagree : 4.354%

Resolutions

Therefore:

"Meeting with the most votes, that is 38,988,003,445 shares or constituting 95.646% of the total votes issued at the Meeting decided to approve:

1. Appointment of Public Accounting Firm Purwantono, Sungkoro & Surja as the Firm to audit the Financial Statement of Consolidated Company and Annual Report on the Implementation of Partnership and Environmental Development Program for the Fiscal Year expired on December 31, 2018.
2. Grant of authority to the Board of Commissioners to determine the honorarium and other requirements for the Public Accounting Firm, and to determine Substitute Public Accounting Firm in the event that Public Accounting Firm Purwantono, Sungkoro & Surja, by any means cannot complete the audit of the Financial Statement of Consolidated Company and Annual Report on the Implementation of Partnership and Environmental Development Program for the fiscal year which expired on December 31, 2018.

Follow-up Actions

The appointment of Purwantono, Sungkoro & Surja Public Accountant Office was reported to the Financial Service Authority by letter No. CEO/326/2018 dated April 3, 2018.

Status: Realized

Fourth Meeting Agenda

Determination of salary of Board of Directors, honorarium of Board of Commissioners, tantiem, as well as determination of other allowance, facility, and benefit for all members of Board of Directors and members of Board of Commissioner of the Company.

Minutes of Meeting state that there are no Shareholders who submitted questions and/or provided opinions.

Voting Result

Agree : 96.089% Including one series A Dwiwarna share
Abstain : 0.563%
Disagree : 3.348%

Resolutions

Therefore:

"Meeting with the most votes, namely 39,398,144,827 shares or constituting 96.652% of the total votes issued at the Meeting decided to approve:

Granting authority and power to Board of Commissioner of the Company, by firstly obtaining approval from the Holders of Series A Dwiwarna Shareholders, determine the salary of members of Board of Directors and honorarium of members of Board of Commissioners, to provide other facility, benefit, and/or allowance for fiscal year 2018, as well as tantiem for the performance of members of Board of Directors and Board of Commissioners for fiscal year which expired on December 31, 2017.

Follow-up Actions

Determination of the remuneration of members of the Board of Directors and the honorarium of members of the Board of Commissioners, and the provision of benefits, facilities and/or other benefits for the 2018 financial year, as well as the determination of bonuses for the performance of members of the Board of Directors and Board of Commissioners expired on December 31, 2017 The Commissioner firstly obtained the approval of the Ministry of State-owned Enterprises.

Status: Realized



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Fifth Meeting Agenda

Approval of the Company's Recovery Plan.

Minutes of Meeting state that there are no Shareholders who submitted questions and/or provided opinions.

Voting Result

Agree : 99.717 % Including one series A Dwiwarna share
Abstain : 0.274%
Disagree : 0.009%

Resolutions

Therefore:

"Meeting with the most votes, that is 40,759,041,371 shares or constituting 99.991% of the total votes issued at the Meeting decided to approve:

Approved the Company's Recovery Plan in order to comply with the provisions of Financial Services Authority Regulation No. 14/POJK.03/2017.

Follow-up Actions

Referring to the provisions of Financial Services Authority Regulation No. 14/POJK.03/2017 concerning the Recovery Plan for Systemic Banks, Bank Mandiri has conducted update of the Recovery Plan document and submitted to OJK through Letter No. CEO/1788/2018 November 29, 2018.

Status: Realized

Sixth Meeting Agenda

Determination of Enactment of SOE Minister Regulation No. PER-02/MBU/07/2017 concerning Amendment to the SOE Minister Regulation No. PER-09/MBU/07/2015 concerning the State-Owned Enterprises' Partnership and Community Development Program and the Approval for the Provision of Non-Interest Loans or Grants for SOE Partnership Programs in the Financial Services Sector Specifically Established for the Development and Empowerment of the People's Economy

Minutes of Meeting state that there are no Shareholders who submitted questions and/or provided opinions.

Voting Result

Agree : 99.720% Including one series A Dwiwarna A share
Abstain : 0.271%
Disagree : 0.009%

Resolutions

Therefore:

"Meeting with the most votes, namely 40,759,041,171 shares or constituting 99.991% of the total votes issued at the Meeting decided to approve:

1. Established the enactment confirmation of the SOE Minister Regulation No. PER-02/MBU/7/2017 concerning Amendment to the SOE Minister Regulation PER-09/MBU/07/2015 concerning the State-Owned Enterprise Partnership and Community Development Program and its changes.
2. Granting power of attorney to the Board of Commissioners by first obtaining written approval from the Series A Dwiwarna Shareholder regarding the authority of the GMS as stipulated in the SOE Minister Regulation: PER-02/MBU/07/2015 concerning Amendment to the SOE Minister Regulation. PER-02/MBU/7/2017, and its change.

Follow-up Actions

With the approval of the enactment confirmation of the SOE Minister Regulation: PER-02/MBU/7/2017 concerning Amendment to the SOE Minister Regulation. PER-09/MBU/07/2015 regarding the State-Owned Enterprises Partnership and Community Development Program, the implementation of Bank Mandiri Partnership and Community Development Program refers to the SOE Minister Regulation.

Status: Realized

Seventh Meeting Agenda

Approval to the Amendment to the Company's Articles of Association.

Minutes of Meeting state that there are no Shareholders who submitted questions and/or provided opinions.

Voting Result

Agree : 71.166% Including one series A Dwiwarna share
Abstain : 1.603%
Disagree : 27.231%

Resolutions

Therefore:

"Meeting with the most votes, namely 29,662,566,695 shares or constituting 72.769% of the total votes issued at the Meeting decided to approve:

1. Approved the Amendment to the Company's Articles of Association.
2. Approving to reformulate all provisions in the Articles of Association regarding the amendment as specified in point 1 (one) of the resolution above.
3. Granting power and authority to the Board of Directors, together with rights to substitute to perform any necessary actions related to the resolution of the seventh Meeting Agenda, including to formulate and restate the entire Articles of Association of the Company in a Notarial Deed, to inform the authorized institution to obtain approval and/or receipt of information on the Amendment to the Articles of Association of the Company, to perform any actions considered necessary and beneficial for such necessity by not excluding anything, as well as to perform addition and/or amendment to the Articles of Association as required by authorized institution."

Follow-up Actions

Bank Mandiri's Articles of Association have been amended as specified in the Deed No. 21 dated April 11, 2018 the notification of the amendment has been received and recorded by the Minister of Law and Human Rights of the Republic of Indonesia dated April 30, 2018 based on Letter Number AHU-AH.01.03-0172245.

Status: Realized

Eighth Meeting Agenda

Approval of Changes in the Management Composition of the Company.

Minutes of Meeting state that there are no Shareholders who submitted questions and/or provided opinions.

Voting Result

Agree : 96.185% Including one series A Dwiwarna share
Abstain : 1.145%
Disagree : 2.670%

Resolutions

Therefore:

"Meeting with the most votes, namely 29,662,566,695 shares or constituting 72.769% of the total votes issued at the Meeting decided to approve:

1. Honorably dismissing the following names from the members of Board of Director of the Company:

- a. Mr. Ogi Prastomiyono as Director of Operations
- b. Mr. Hery Gunardi as Director of Distributions
- c. Mr. Tardi as Director of Retail Banking
- d. Ms. Kartini Sally as Director of Kelembagaan

The dismissal of members of the Board of Directors takes place as of the closing of meeting, together with an expression of gratitude for their physical and intellectual contribution during their tenure as members of the Board of Directors.



2. Agree to change the nomenclature of the composition of Board of Directors, as follows:

No.	From	To
1.	Director of Wholesale Banking	Director of Corporate Banking
2.	Director of Distributions	Director of Small Business & Network
3.	Director of Treasury	Director of Treasury & International Banking
4.	Director of Operations	Director of Finance
5.	Director of Digital Banking and Technology	Director of Information Technology & Operation
6.	Director of Kelembagaan	Director of Institutional Relations
7.	Director of Risk Management and Compliance	Director of Risk Management
8.	-	Director of Compliance

3. Honorably dismissing the following names from the members of Board of Director of the Company:

No.	Name	From	To
1.	Royke Tumilaar	Director of Wholesale Banking	Director of Corporate Banking
2.	Darmawan Junaidi	Director of Treasury	Director of Treasury & International Banking
3.	Rico Ushtavia Frans	Director of Digital Banking and Technology	Director of Information Technology & Operation
4.	Ahmad Siddik Badruddin	Director of Risk Management and Compliance	Director of Risk Management

4. Appointing the following names from the members of Board of Director of the Company:

- Mr. Donsuwan Simatupan as Director of Retail Banking
- Mr. Hery Gunardi as Director of Small Business & Network
- Mr. Panji Irawan as Director of Finance
- Ms. Alexandra Askandar as Director of Institutional Relationship
- Mr. Agus Dwi Handaya as Director of Compliance

Appointment of members of the Board of Directors is effective after obtaining approval from the Financial Services Authority on Fit & Proper Test and fulfilling the applicable laws and regulations.

Tenure expiration of the appointed members of Board of Directors happens concurrently with the closing of the 5th Annual GMS since the appointment of the relevant members, by observing the laws and regulations in the field of Capital Market and without prejudice to GMS rights to dismiss them at any time.

5. With the dismissal, amendment in job nomenclature, assignments and appointment of Members of the Company's Board of Directors as referred to in numbers 1, 2, 3 and 4, the composition of the Company's Board of Directors becomes as follows:

No.	Name	Position
1.	Bpk. Kartika Wirjoatmodjo	President Director
2.	Bpk. Sulaiman Arif Arianto	Deputy Director
3.	Bpk. Royke Tumilaar	Director of Corporate Banking
4.	Bpk. Donsuwan Simatupang	Director of Retail Banking
5.	Bpk. Hery Gunardi	Direktur Bisnis Kecil dan Jaringan
6.	Bpk. Darmawan Junaidi	Direktur Treasury dan International Banking
7.	Bpk. Panji Irawan	Direktur Keuangan
8.	Bpk. Rico Usthavia Frans	Direktur Teknologi Informasi dan Operasi
9.	Ibu Alexandra Askandar	Director of Institutional Relationship
10.	Bpk. Ahmad Siddik Badruddin	Direktur Manajemen Risiko
11.	Bpk. Agus Dwi Handaya	Direktur Kepatuhan

6. Granting authority to the Board of Directors, together with rights to substitute to perform any necessary actions related to the resolution of the Eighth Meeting agenda pursuant to the applicable laws and regulations, including to state in a specific notarial deed and to inform the amendment to the composition of the composition Company's Board of Directors to the Ministry of Law and Human Rights, and to inquire Financial Services Authority to perform Fit and Proper Test to member candidates of Board of Commissioners of the Company pursuant to the applicable laws and regulations.

Follow-up Actions

All members of the Board of Directors appointed at the Annual GMS have effectively appointed each of the following dates:

1. Mr. Panji Irawan and Mr. Donsuwan Simatupang has obtained approval from Financial Service Authority regarding the result of Fit and Proper Test as specified in Letter of Financial Service Authority No. SR-180/PB.12/2018 dated September 3, 2018, and the appointment concerned as Director is declared effective since September 4, 2018 as stated in Bank Mandiri Letter No. KPH/1116/2018 dated September 4, 2018.
2. Ms. Alexandra Askandar and Mr. Agus Dwi Handaya has obtained approval from Financial Service Authority regarding the result of Fit and Proper Test as specified in Letter of Financial Service Authority No. SR-183/PB.12/2018 dated September 10, 2018, and the appointment concerned as Director is declared effective since September 12, 2018 as stated in Bank Mandiri Letter No. DCO/1131/2018 dated September 12, 2018.
3. Following up the effective position of Mr. Agus Dwi Handaya as Director of Compliance, then Bank Mandiri has submitted information on the Director of Compliance's changes to the Financial Service Authority through Letter No. HBK.CSC/CMA.1962/2018 dated September 12, 2018.

Status: Realized

BOARD OF COMMISSIONERS

Board of Commissioners are the Organ of the Company which serves to conduct supervision generally and/or specifically pursuant to the Articles of Association, to provide advice to the Board of Directors, as well as to ensure that the Company conducts the principles of GCG. Board of Commissioners are responsible to Shareholders in supervising the policy of the Board of Directors on the general operations of the Company, which refer to business plans that are approved by the Board of Commissioners and shareholders, and in ensuring compliance to all applicable laws and regulations.

Every member of the Board of Commissioners must have high integrity, knowledge, capability, and commitment to spare his/her time in performing his/her duties. Thus, the composition of Board of Commissioners of the Company must allow effective, accurate, and quick decision-making. In other words, Board of Commissioners are also demanded to act independently, meaning that there should be no conflict of interest that can disrupt its ability to perform their duties independently and critically, both in their internal relationship and in their relationship with the Board of Directors.

DUTIES AND RESPONSIBILITIES OF BOARD OF COMMISSIONERS

1. The Board of Commissioners is tasked with supervising the management policies, the general management of the Company and the business of the Company conducted by the Board of Directors, including oversight of the implementation of
 - a. the Company's Long-Term Plan, Work Plan and Corporate Budget (RKAP), Articles of Association, RUPS decisions and applicable laws and regulations, for the benefit of the Company in accordance with the aims and objectives of the Company.
2. In carrying out its duties in conducting supervision and providing advice, the Board of Commissioners is responsible for:
 - a. Ensuring that good governance is implemented in every business activity of the Company at all organizational levels or levels and evaluating the integrated corporate governance policies.
 - b. Safeguard the interests of the Company by taking into account the interests of the Shareholders and being accountable to the GMS.
 - c. Turn off the application of Risk Management and Capital Management in an integrated manner in accordance with the characteristics and complexity of the Financial Conglomerate's business within the Company.
 - d. Specifically in the implementation of the internal control system, the Board of Commissioners is also responsible for:
 - Ensuring the Board of Directors develops and maintains an adequate, effective and efficient internal control system.
 - Review the effectiveness and efficiency of the internal control system based on information obtained from the Internal Audit Work Unit at least once in 1 (one) year.
 - Appoint an independent quality controller from an external party to conduct a review of the performance of the Internal Audit Work Unit, taking into account the recommendations of the Audit Committee.



- e. Ensuring that the Directors create and carry out anti-fraud culture and care at all levels of the Company's organization.

DUTIES AND RESPONSIBILITIES OF PRESIDENT COMMISSIONER

Based on the Guidelines and Charter of the President Commissioner of Bank Mandiri, the duties and responsibilities of the President Commissioner of Bank Mandiri are as follows:

1. Meetings of the Board of Commissioners held which are conveyed to all members of the Board of Commissioners by stating the agenda, date, time and place of the meeting.
2. Coordinating and ensuring the implementation of duties and meetings of the Board of Commissioners and the Board of Commissioners Meeting in accordance with applicable regulations

BOARD OF COMMISSIONERS' OBLIGATIONS

The Board of Commissioners' obligations include:

1. Supervise the management of the Company by the Board of Directors and provide advice to the Board of Directors including work plans, development of the Company, implementation of the Company's strategic policies, implementation of the Articles of Association and resolutions of the GMS and / or Extraordinary GMS and applicable laws and regulations.
2. To approve and supervise the implementation of RKAP in accordance with the provisions of the Company's Articles of Association.
3. Following the progress of the Company's activities, providing opinions and suggestions to the GMS regarding issues that are considered important and material for the management of the Company,
4. Propose to the General Meeting of Shareholders the appointment of a Public Accountant who will review the Company's books.
5. Report to the GMS if there are symptoms of a decline in the Company's performance accompanied by suggestions regarding corrective actions that must be taken.
6. Reporting the implementation of the supervisory tasks that have been carried out during the new financial year to the GMS.
7. Monitor the follow up of findings on irregularities based on laws and regulations, the Articles of Association and prudential banking practices.
8. Report to OJK no later than 7 (seven) working days since the discovery of (a) violations of laws and regulations in the financial and banking fields; and (b) circumstances or estimates of conditions which

- may endanger the Company's business continuity.
9. Performing other supervisory duties as determined by the GMS and statutory provisions.
10. Carry out other obligations in the context of supervisory duties and giving advice, as long as it does not conflict with statutory regulations, the Articles of Association, and / or GMS Resolutions.

THE RIGHTS AND AUTHORITIES OF THE BOARD OF COMMISSIONERS

The rights and authorities of the Board of Commissioners are as follows:

1. Provide decisions on the actions of the Board of Directors as stipulated in the Company's Articles of Association.
2. Each Commissioner, both jointly or individually at any time has the right to enter buildings and pages or other places used or controlled by the Company and has the right to examine books, letters of evidence, inventories goods, examine and match the cash situation for verification and securities purposes as well as to know all actions taken by the Directors.
3. Actions must be carried out in a capacity as a Board of Commissioners and must be reported in a Board of Commissioners meeting regarding these actions.
4. If deemed necessary, the Board of Commissioners has the right to request the assistance of experts in carrying out their duties for a limited period at the Company's expense.
5. Each Commissioner has the right to request an explanation of all matters from the Board of Directors as well as from all levels below it, and the Board of Directors must provide an explanation.
6. Each Commissioner has the right to attend meetings held by the Directors or subordinate units without participating in making decisions.
7. The Board of Commissioners with the most votes at any time has the right to temporarily dismiss one or more members of the Board of Directors, if they are proven to be acting contrary to the Articles of Association or are proven to have neglected their obligations or there is an urgent reason for the Company.
8. The temporary termination must be notified in writing to the person concerned along with the reasons that caused the action.
9. Within 90 (ninety) days after the date of the temporary dismissal, the Board of Commissioners is required to hold a General Meeting of Shareholders which will decide whether the relevant member of the Board of Directors will be permanently dismissed

or returned to his position, where he is given the opportunity to attend and defend himself.

10. Approve the appointment and dismissal of the Corporate Secretary and Head of the Company's Internal Audit Work Unit which is proposed by the Directors and recommended by the Audit Committee.
11. Carry out other supervisory authorities as long as they do not conflict with the laws and regulations, the Articles of Association, and / or GMS Decree.

DECISION THAT NEEDS TO AGREE TO THE BOARD OF COMMISSIONERS

Decisions that need to be approved by the Board of Commissioners of Bank Mandiri are stipulated in the Company's Articles of Association and Board of Commissioners Decree No. KEP.KOM / 001/2019 dated February 8, 2019 concerning the Determination of the Acting Limits of the Directors of PT Bank Mandiri (Persero) Tbk. Who must obtain written approval from the Board of Commissioners and Dwiwarna A Series Shareholders, and the GMS. Decisions that need to be approved by the Board of Commissioners include:

1. Releasing / transferring and / or pledging the Company's assets with criteria and values exceeding a certain amount determined by the Board of Commissioners, taking into account legislation in the capital market and banking sector for a nominal value of Rp200 billion to Rp500 billion.
2. Establish cooperation with business entities or other parties, in the form of joint operations (KSO), business cooperation (KSU), licensing cooperation, Build-Operate and Transfer (BOT), Build-Owned Ownership (Build, Operate and Own / BOO) and other agreements having the same nature, the term of which or the value exceeds the value determined by the Board of Commissioners for a nominal of Rp 200 billion to Rp 500 billion and a period of 5-10 years.
3. Conducting capital participation, releasing capital participation including changes in capital structure with a certain value determined by the Board of Commissioners of other companies, subsidiaries and joint ventures that are not in the framework of saving receivables, by taking into account provisions in the Capital Market for a nominal value of Rp150 billion to Rp200 billion.
4. Establish a subsidiary and / or joint venture of a certain value determined by the Board of

Commissioners by taking into account legislation in the Capital Market for a nominal value of Rp150 billion to Rp200 billion.

5. Proposing representatives of the Company to become prospective members of the Board of Directors and Board of Commissioners of subsidiaries that make significant contributions to the Company and / or strategic values according to the Limits and / or criteria set by the Board of Commissioners.
6. Merging, merging, expropriation, separation and dissolution of subsidiaries and joint ventures with a certain value determined by the Board of Commissioners by observing the laws and regulations in the Capital Market for a nominal value of Rp150 billion to Rp200 billion.

TENURE OF BOARD OF COMMISSIONERS

The Company's Articles of Association specifies that the members of the Board of Directors are appointed and dismissed by GMS. The GMS is attended by Holders of Series A Dwiwarna Share and the resolutions of the meeting must be approved by such Holders. Members of the Board of Commissioners are appointed by GMS from the candidates proposed by GMS, from the candidates proposed by Holders of series A Dwiwarna Share, and the candidacy is binding the GMS.

GMS resolutions on the appointment and dismissal of members of the Board of Commissioners also decide the time for the appointment and dismissal. In the event that GMS does not decide it, the appointment and dismissal of members of the Board of Commissioners are effective as of the closing of GMS by observing the laws and regulations.

Members of the Board of Commissioners were appointed for a period of time as of the date determined by GMS, who appointed them, and expired on the closing of the 5th (five) Annual GMS following the date of their appointment, provided that it may not exceed the 5 (five) years period of time, by observing the laws and regulations in the field of Capital Market, but without prejudice to the rights of GMS to dismiss members of the Board of Commissioners at any time before their tenures expires. After their tenure expires, members of the Board of Commissioners may be reappointed by GMS for one tenure.



CRITERIA FOR MEMBERS OF THE BOARD OF COMMISSIONERS

Criteria for the Board of Commissioners of Bank Mandiri that have been regulated in the Articles of Association of the Liability Company are as follows:

1. Having good character, morals, and integrity;
2. Being competent in performing legal acts;
3. Within 5 (five) years prior to appointment or during the office, he/she:
 - a. is never declared bankrupt;
 - b. never becomes a member of the Board of Directors and/or member of the Board of Commissioners who is declared as guilty and causes a company to be declared as bankrupt;
 - c. is never penalized for committing a criminal act which causes adverse impact to the country's finance and/or to anything related to financial sector; and
 - d. never becomes a member of the Board of Directors and/or member of the Board of Commissioners who, during his/her tenure:
 - never holds Annual GMS;
 - its responsibility as a member of the Board of Directors and/or members of the Board of Commissioners is never; accepted by the GMS or never giving accountability as a member of the Board of Directors; and/or members of the Board of Commissioners to the GMS; and
 - once caused the companies which obtains permission, approval, and registration from Financial Services Authority to fail in fulfilling their obligation to submit annual report and/or Financial Services Authority.
4. has commitment to comply to the laws and regulations;
5. has knowledge and/or expertise in the fields required by the Company; and
6. fulfills other specified requirements.

NOMINATION AND SELECTION PROCESS OF BOARD OF COMMISSIONERS

The procedure for the appointment of Bank Mandiri Board of Commissioners refers to Financial Services Authority Regulation No. 33/POJK.04/2014 concerning Board of Directors and Board of Commissioners of Issuers or Public Companies as well as Minister of SOE Regulation No. PER-02/MBU/02/2015 concerning Requirements and Procedures for the Appointment and Dismissal of Members of Board of Commissioners and Supervisory Board of State-Owned Enterprises. The procedures for the appointment of Board of Commissioners include:

1. Sources of prospective SOE Board of Commissioners /

Board of Commissioners candidates come from:

- a. Former BUMN Director.
- b. BUMN Board of Commissioners / Supervisory Board.
- c. Structural Officers and Government Functional Officers.
- d. Another source.
2. A candidate who will be determined to be a candidate for the Board of Commissioners, is someone who has been declared to have met the Formal Requirements, Material Requirements, and Other Requirements.
3. Assessment of fulfillment of Material Requirements, carried out by: i. assessing curriculum vitae and supporting documents; and ii. specifically to evaluate integrity, it is carried out with a written statement from the candidate concerned as stated in Attachment II to this Ministerial Regulation; and / or iii. Interview.
4. With respect to certain SOEs determined by the Minister, candidates for President Commissioner / Members of the Board of Commissioners must follow the fit and proper test conducted by a Professional Institution appointed by the Minister to conduct a fit and proper test of candidates for the Directors.
5. Specifically for State-Owned Banks, prospective candidates to be presented at the GMS are assessed by a Team formed by the Minister by involving the Chair of the Committee of the Board of Commissioners who performs the Nomination function. If the Chair of the Committee of the Board of Commissioners referred to is absent, it can be replaced by a member of the Committee from the Independent Commissioner who performs the Nomination function.

The process of nominating and selecting the Board of Commissioners is carried out through the proposal of the members of the Board of Directors to the GMS by taking into account the recommendations of the Board of Commissioners and the Remuneration and Nomination Committee. Prior to the discussion on the appointment and dismissal of the Board of Commissioners in the GMS, information was provided on the profiles of new and reappointed candidates for the Board of Commissioners.

BOARD CHARTER GUIDELINES AND RULES FOR WORK

In carrying out its duties, the Board of Commissioners of Bank Mandiri is guided by the Board of Commissioners' Guidelines and Rules which are approved based on the Decree of the Board of Commissioners No. KEP. KOM / 014/2019 dated September 25, 2019. The Board of Commissioners 'Guidelines and Charter contain instructions for the Board of Commissioners' work procedures and explain the stages of activities in a structured and systematic manner and are easy to understand and can be carried out consistently. The

Board of Commissioners Standing Orders are a reference for the Board of Commissioners in carrying out their respective duties to achieve the Company's goals.

The Board of Commissioners' Guidelines and Regulations regulate the following matters:

1. General Provisions
2. Duties, Responsibilities and Authority
 - a. Duties, Obligations and Responsibilities
 - b. Rights and Powers of the Board of Commissioners
 - c. Information Disclosure and Conflict of Interest
 - d. Committee
 - e. Secretary of the Board of Commissioners
3. Board of Commissioners Meeting
 - a. Meeting Quorum Types and Quorums
 - b. Guest Participants in the Board of Commissioners' Meeting
 - c. Chairperson of the Meeting
 - d. Meeting materials
 - e. Meeting Decision
 - f. Minutes of meetings
 - g. Meeting Summons and Organizations
4. Working Mechanism
 - a. Assignment of duties
 - b. Commissioner Working Time
 - c. Signing of Documents

- d. Business trip
- e. Performance Evaluation of the Board of Commissioners
5. Others
 - a. Work Ethics and Corporate Culture
 - b. Continuing Education
 - c. Change
6. Closing

COMPOSITION AND BASIS FOR BOARD OF COMMISSIONERS

All Board of Commissioners have passed fit and proper without records and have obtained approval from the OJK, indicating that each member of the Board of Commissioners has adequate integrity, competence and financial reputation in accordance with OJK Regulation Number 27 / POJK.03 / 2016 concerning Capability and Compliance Assessment for The Main Party of Financial Services Institution stating that prospective members of the Board of Commissioners must obtain approval from the OJK before carrying out its actions, duties and functions as a Board of Commissioners.

During 2019, the composition of the members of the Company's Board of Commissioners underwent several changes as explained below.

COMPOSITION AND BASIS FOR APPOINTMENT OF THE COMPANY'S BOARD OF COMMISSIONERS BEFORE THE EXTRAORDINARY AGM DATED 28 AUGUST 2019

The composition of the Board of Commissioners before the Extraordinary General Meeting of Shareholders on 28 August 2019 was 8 (eight) people consisting of 1 (one) President Commissioner / Independent Commissioner, 1 (one) Deputy President Commissioner, 3 (three) Independent Commissioners and 3 (3) three) Commissioners. All members of the Board of Commissioners are domiciled in the working area of the Bank Mandiri Head Office. The composition and basis for appointment of the Board of Commissioners can be seen in the table below.

Table of Composition and Basis of Appointment of the Board of Commissioners

Name	Position	Implementing fit and proper test	Rapture Basis	Effective date
Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	November 15, 2017
Imam Apriyanto Putro	Deputy Chief Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 11, 2015
Goei Siauw Hong	Independent Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Bangun Sarwito Kusmulyono	Independent Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Makmur Keliat	Independent Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	September 25, 2017
Askolani	Commissioner	Financial Services Authority	Extraordinary GMS on 21 May 2014 and was reappointed at the Annual GMS on 16 May 2019	September 3, 2014
Ardan Adiperdana	Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	October 3, 2016
R. Widyo Pramono	Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	January 15, 2018



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

COMPOSITION AND BASIS FOR APPOINTMENT OF THE COMPANY'S BOARD OF COMMISSIONERS AFTER EXTRAORDINARY AGM 28TH AUGUST 2019

The composition of the Board of Commissioners after the Extraordinary General Meeting of Shareholders on 28 August 2019 was 8 (eight) people consisting of 1 (one) President Commissioner / Independent Commissioner, 1 (one) Deputy President Commissioner, 3 (three) Independent Commissioners and 3 (three) Commissioners. All members of the Board of Commissioners are domiciled in the working area of the Bank Mandiri Head Office. The composition and basis for appointment of the Board of Commissioners can be seen in the table below.

Table of Composition and Basis of Appointment of the Board of Commissioners

Name	Position	Implementing fit and proper test	Rapture Basis	Effective date
Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	November 15, 2017
Imam Apriyanto Putro	Deputy Chief Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 11, 2015
Goei Siau Hong	Independent Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Bangun Sarwito Kusmulyono	Independent Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Makmur Keliat	Independent Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	September 25, 2017
Askolani	Commissioner	Financial Services Authority	Extraordinary GMS on 21 May 2014 and was reappointed at the Annual GMS on 16 May 2019	September 3, 2014
Ardan Adiperdana	Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	October 3, 2016
R. Widyo Pramono	Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	January 15, 2018

* The tenure of Deputy President Commissioner of the Company, Mr. Imam Apriyanto Putro ended in connection with his appointment as Deputy Director of PT Pupuk Indonesia on November 18, 2019.

COMPOSITION AND BASIS FOR APPOINTMENT OF THE COMPANY'S BOARD OF COMMISSIONERS AFTER EXTRAORDINARY AGM DATED 9 DECEMBER 2019

The composition of the Board of Commissioners after the Extraordinary General Meeting of Shareholders on December 9, 2019 was 8 (eight) people consisting of 1 (one) President Commissioner, 1 (one) Deputy President Commissioner / Independent Commissioner, 3 (three) Independent Commissioners and 3 (three) Commissioners. All members of the Board of Commissioners are domiciled in the working area of the Bank Mandiri Head Office.

As of December 2019, there were still 5 (five) Commissioners who were still in the Fit & Proper Test, while 3 (three) Commissioners had passed the Fit & Proper Test without notes and had received approval from the FSA indicating that the Commissioners The Company has adequate integrity, competence and financial reputation in accordance with OJK Regulation Number 27 / POJK.03 / 2016 concerning Capability and Compliance Assessment for Main Parties of Financial Services Institutions stating that prospective members of the Board of Commissioners must obtain approval from the OJK before carrying out actions, tasks, and its function as a Board of Commissioners.

The composition and basis for appointment of the Board of Commissioners can be seen in the table below.

Table of Composition and Basis of Appointment of the Board of Commissioners

Name	Position	Implementing fit and proper test	Rapture Basis	Effective date
Kartika Wirjoatmodjo	President Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on December 9, 2019	Still in the process of fit and proper test
Muhamad Chatib Basri	Deputy President Commissioner /Independent Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on December 9, 2019	Still in the process of fit and proper test

Name	Position	Implementing fit and proper test	Rapture Basis	Effective date
Makmur Keliat	Independent Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 14, 2017	September 25, 2017
Mohamad Nasir	Independent Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on December 9, 2019	Still in the process of fit and proper test
Robertus Bilitea	Independent Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on December 9, 2019	Still in the process of fit and proper test
Rionald Silaban	Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 28, 2019	Still in the process of fit and proper test
Ardan Adiperdana	Commissioner	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	October 3, 2016
R. Widyo Pramono	Commissioner	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	January 15, 2018

ORIENTATION PROGRAM FOR NEW COMMISSIONERS

The orientation program for the Board of Commissioners is only carried out by presenting relevant material by the Directors related and coordinated by the Corporate Secretary. The implementation of the orientation program for the Commissioners was only carried out after the appointment of a new Commissioner at the GMS. The introductory program material includes Good Corporate Governance, Company Performance, Risk Management, and topics relevant to the new Commissioner task field. In addition to direct exposure by the relevant Directors, new Commissioners are also given a Board Manual, which is a document that contains documents / regulations that must be known by the Board of Commissioners to carry out its duties and responsibilities, including the Articles of Association, Charter and Rules of the Board of Commissioners, Committee Charter Board of Commissioners' Supporting Committee, and other related documents.

During 2019, there were no new Commissioners so there was no orientation program for the new Commissioners.

No.	Date	Topics	Material Presenters	Participant
1.	September 24, 2019	Risk management	Group Head Credit Portfolio Risk	Rional Silaban
2.	October 3, 2019	<i>Corporate Plan, Strategy and Performance 2019</i>	Group Head Strategy and Performance Management	Rional Silaban
3.	November 28, 2019	Strategy and Performance 2019	Group Head Strategy and Performance Management	Rional Silaban
4.	December 16, 2019	- Business Process - Strategy & work performance	- President Director - Director of Finance & Strategy	Kartika Wirjoatmodjo, M. Chatib Basri, M. Nasir, Robertus Bilitea
5.	December 18, 2019	Risk Management	Director of Risk Management	M. Chatib Basri, M. Nasir
6.	December 20, 2019	- Risk Management - Strategy & Work Performance	- Members of the Risk Monitoring Committee - Group of Head Credit Portfolio Risk - Group of Head Strategy & Performance Management	Robertus Bilitea
7.	December 23, 2019	- Risk Management - Strategy & Work Performance	- Members of the Risk Monitoring Committee - Group of Head Credit Portfolio Risk - Group of Head Strategy & Performance Management	Rionald Silaban, M. Nasir
8.	December 27, 2019	- Good Corporate Governance	Group head Compliance	Rionald Silaban
9.	December 30, 2019	Human Capital	- Group of Head Human Capital Strategy & Talent Management	Rionald Silaban



FIELD OF THE BOARD OF COMMISSIONERS SUPERVISION DUTIES

In order to optimize the implementation of the functions and duties of the Board of Commissioners, the assignment of duties for each member of the Board of Commissioners has been determined. The supervision of the Board of Commissioners does not reduce the rights, obligations, responsibilities and authority of each member of the Board of Commissioners in carrying out their functions and duties. The division of functions, duties and responsibilities of the Board of Commissioners is as follows.

Table of The Board of Commissioners' Drafting

Name	Position	Period	Duties
Hartadi Agus Sarwono	President Commissioner / Independent Commissioner	November 15, 2017 - December 9, 2019	Chairperson of the Remuneration and Nomination Committee,
Kartika Wirjoatmodjo*	President Commissioner	December 9, 2019 - December 31, 2019	Member of the Remuneration and Nomination Committee, Member of the Integrated Governance Committee
Imam Apriyanto Putro	Deputy Chief Commissioner	June 11, 2015 - November 18, 2018	Member of the Integrated Governance Committee
Muhamad Chatib Basri*	Deputy President Commissioner / Independent Commissioner	December 9, 2019 - December 31, 2019	Risk Monitoring Committee Member Member of the Integrated Governance Committee
Goei Siau Hong	Independent Commissioner	June 25, 2015 - December 9, 2019	Head of the Risk Monitoring Committee, Chair of the Integrated Governance Committee, Audit Committee Member
Bangun Sarwito Kusmulyono	Independent Commissioner	June 25, 2015 - December 9, 2019	Chairman of the Audit Committee, Member of Risk Monitoring Committee, Member of the Remuneration and Nomination Committee
Mohamad Nasir*	Independent Commissioner	December 9, 2019 - December 31, 2019	Member of Audit Committee
Robertus Bilita*	Independent Commissioner	December 9, 2019 - December 31, 2019	Member of Audit Committee. Member of the Remuneration and Nomination Committee, Member of the Integrated Governance Committee
Makmur Keliat	Independent Commissioner	September 25, 2017 - December 31, 2019	Head of the Risk Monitoring Committee, Audit Committee Member, Member of the Remuneration and Nomination Committee, Chairman of the Integrated Governance Committee
Askolani	Commissioner	September 3, 2014 - August 28, 2019	Member of the Integrated Governance Committee
Rionald Silaban*	Commissioner	August 28, 2019 - December 31, 2019	Member of Risk Monitoring Committee, Member of the Integrated Governance Committee
Ardan Adiperdana	Commissioner	October 3, 2016 - December 31, 2019	Chairman of the Audit Committee, Member of Risk Monitoring Committee, Member of the Remuneration and Nomination Committee, Member of the Integrated Governance Committee
R. Widyo Pramono	Commissioner	August 21, 2017 - December 31, 2019	Chairperson of the Remuneration and Nomination Committee, Member of Audit Committee, Member of Risk Monitoring Committee, Member of the Integrated Governance Committee

* Effective after obtaining approval from FSA on the Fit and Proper Test.

AFFILIATE RELATIONSHIP OF THE BOARD OF COMMISSIONER

The criteria for the affiliate relationship among members of the Board of Directors, Board of Commissioners, and Controlling Shareholders cover:

1. Affiliations among Board of Directors members.
2. Affiliations among Board of Directors members and Board of Commissioners members.
3. Affiliations among Board of Directors members and Majority and/or Controlling Shareholders.
4. Affiliations among Board of Commissioners members; and
5. Affiliations among Board of Directors members and Majority and/or Controlling Shareholders.

The affiliate relationships among members of the Board of Directors, Board of Commissioners, and Controlling Shareholders are illustrated in the following table:

Table of Affiliate Relationship of The Board of Commissioners

Name of Commissioner	Position	Period	Financial, Family, and Organizational Relationship													
			Financial Affiliations with						Financial Affiliations with						Organizational Relationship With	
			Board of Commissioners		Board of Directors		Controlling Share-holders		Board of Commissioners		Board of Directors		Controlling Share-holders			
			Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Hartadi Agus Sarwono	President Commissioner / Independent Commissioner	November 15, 2017 - December 9, 2019		√		√		√		√		√		√		√
Kartika Wirjoatmodjo*	President Commissioner	December 9, 2019 - December 31, 2019		√		√		√		√		√		√		√
Imam Apriyanto Putro	Deputy Chief Commissioner	June 11, 2015 - November 18, 2019		√		√		√		√		√		√		√
Muhamad Chatib Basri*	Deputy President Commissioner / Independent Commissioner	December 9, 2019 - December 31, 2019		√		√		√		√		√		√		√
Goei Siauw Hong	Independent Commissioner	June 25, 2015 - December 9, 2019		√		√		√		√		√		√		√
Bangun Sarwito Kusmulyono	Independent Commissioner	June 25, 2015 - December 9, 2019		√		√		√		√		√		√		√
Mohamad Nasir*	Independent Commissioner	9 December 2019 - 31 December 2019		√		√		√		√		√		√		√
Robertus Biliatea*	Independent Commissioner	9 December 2019 - 31 December 2019		√		√		√		√		√		√		√
Makmur Keliat	Independent Commissioner	25 September 2017 - 31 December 2019		√		√		√		√		√		√		√
Askolani	Commissioner	3 September 2014 - 28 August 2019		√		√		√		√		√		√		√
Rionald Silaban*	Commissioner	28 August 2019 - 31 December 2019		√		√		√		√		√		√		√
Ardan Adiperdana	Commissioner	3 October 2016 - 31 December 2019		√		√		√		√		√		√		√
R. Widyo Pramono	Commissioner	21 August 2017 - 31 December 2019		√		√		√		√		√		√		√

* Effective after obtaining approval from FSA on the Fit and Proper Test).



CONCURRENT POSITION OF THE BOARD OF COMMISSIONERS

According to the Ministry of SOE Regulation No PER-03/MBU/02/2015 and the Financial Services Authority Regulation No. 55/POJK.03/2016 concerning the Implementation of Corporate Governance in Commercial Banks, concurrent positions of the Board of Commissioner are regulated as follows:

1. Members of the Board of Directors shall be prohibited from having concurrent positions as:
 - a. Member of the Board of Commissioners of other State-Owned Enterprises (SOE).
 - b. Member of the Board of Directors of State-Owned Enterprises, Regionally-Owned Enterprises, and Private Enterprises.
 - c. Concurrent positions beyond which are admitted by the regulations.
 - d. Concurrent positions that may cause a conflict of interest with respective SOE.
2. Members of the Board of Commissioners shall be prohibited from having concurrent positions as Directors, member of Board of Commissioners, or Executive Officers in:
 - a. financial institution or company, bank or non-bank.
 - b. more than 1 (one) non-financial institutions and companies domiciled in and outside of Indonesia.

3. However, the provision allows a Board of Commissioners member to serve concurrent position as:
 - a. Director, Board of Commissioners, or Executive Officer with oversight function on 1 (one) non-bank Subsidiary controlled by Bank Mandiri.
 - b. A non-independent member of the Board of Commissioners runs functional tasks of the shareholders which are legal entities in Bank's business group.
 - c. Member of the BOC in non-profit organizations.

In addition, the Company's Articles of Association also regulate the dual position of the Board of Commissioners policy. Board of Commissioners shall be prohibited from having concurrent positions as:

1. Member of the Board of Directors at State-Owned Enterprises, Regionally-Owned Enterprises, and private enterprises.
2. Committee of political party and/or candidate/member of the House of Representative, House of Regional Representative, Regional People's House of Representative Level I and II, and/or candidate of regional head/vice head.
3. Concurrent positions beyond which are admitted by the regulations.
4. Concurrent positions that may cause a conflict of interest.

Bank Mandiri's Board of Commissioners has revealed concurrent position he has and does not have concurrent positions outside those permitted by applicable regulations and can cause conflict of interest which is prohibited by regulations legislation.

Concurrent position of Bank Mandiri BOC can be seen in the following table.

Table Concurrent Position of Board of Commissioners Position

Name	Position	Period	Position in Company/ Other Institution	Name of Company/ Other Institution
Hartadi Agus Sarwono	President Commissioner / Independent Commissioner	November 15, 2017 - December 9, 2019	President Director	Lembaga Pengembangan Perbankan Indonesia (LPPI)
Kartika Wirjoatmodjo*	President Commissioner	December 9, 2019 - December 31, 2019	Deputy Ministry	Kementerian BUMN
Imam Apriyanto Putro	Deputy Chief Commissioner	June 11, 2015 - November 18, 2019	Ministry Secretary	Kementerian BUMN
Muhamad Chatib Basri*	Deputy President Commissioner / Independent Commissioner	December 9, 2019 - December 31, 2019	Independent Commissioner	PT XL Axiata Tbk.
Goei Siauw Hong	Independent Commissioner	June 25, 2015 - December 9, 2019	President Director	Gagas Prima Solusi
Bangun Sarwito Kusmulyono	Independent Commissioner	25 Juni 2015 – 9 Desember 2019	-	-
Mohamad Nasir*	Independent Commissioner	9 Desember 2019 – 31 Desember 2019	Special Staff of the Vice President of the Republic of Indonesia	-
Robertus Bilitea*	Independent Commissioner	9 Desember 2019 – 31 Desember 2019	Founder/Senior Partner	Law Firm Radjiman Bilitea & Partners
Makmur Keliat	Independent Commissioner	25 September 2017 – 31 Desember 2019	Lecturer	Department of International Relations, Faculty of Social and Political Sciences, University of Indonesia
			Commissioner	PT Kenta Indonesia Internasional

Name	Position	Period	Position in Company/ Other Institution	Name of Company/ Other Institution
Askolani	Commissioner	3 September 2014 - 28 August 2019	Dirjen Anggaran	Ministry of Finance
Rionald Silaban*	Commissioner	28 August 2019 - 31 December 2019	Head	Financial Education and Training Agency, Ministry of Finance
Ardan Adiperdana	Commissioner	3 October 2016 - 31 December 2019	Head	Financial and Development Supervisory Agency
R. Widyo Pramono	Commissioner	21 August 2017 - 31 December 2019	-	-

* Effective after obtaining approval from FSA on the Fit and Proper Test).

MANAGEMENT OF THE BOARD OF COMMISSIONER'S CONFLICTS OF INTEREST

The management of the conflict of interest of the Board of Commissioners regulated in the Board of Commissioners Charter is as follows:

- Each Commissioner must maintain information based on statutory regulations that must be kept confidential including provisions on insider trading and other information which the Company has not disclosed to the public.
- Each Commissioner must disclose:
 - Ownership of shares in the Company and in other companies domiciled at home or abroad.
 - Financial and family relationships with other members of the Board of Commissioners and members of the Board of Directors and their families.
 - Other information related to statutory regulations must be disclosed to the public.
- The Board of Commissioners is prohibited from being involved in making decisions related to banking operational activities and / or making decisions that may cause conflicts of interest.
- The Board of Commissioners in carrying out its duties, responsibilities and authority is prohibited from using the Company for personal, family, other company or certain parties interests in a manner that is contrary to the laws and regulations and the Company's code of ethics.

STOCK OWNERSHIP OF THE BOARD OF COMMISSIONERS

The Board of Commissioners has disclosed its ownership in both Bank Mandiri and other banks and other companies domiciled at home and abroad. Bank Mandiri's Board of Commissioners shares ownership can be seen in the table below.

Table of Stock Ownership of the Board of Commissioners

Name	Position	Period	Stock Ownership			
			Bank Mandiri	Other Bank	Non Bank Financial Institution	Other Companies
Hartadi Agus Sarwono	President Commissioner / Independent Commissioner	November 15, 2017 - December 9, 2019	Nil	Nil	Nil	Nil
Kartika Wirjoatmodjo*	President Commissioner	December 9, 2019 - December 31, 2019	789,000 shares (0.0016907%)	Nil	Nil	Nil
Imam Apriyanto Putro	Chief Commissioner	June 11, 2015 - November 18, 2018	114,300 shares (0.0002449%)	Nil	Nil	Nil
Muhamad Chatib Basri*	Deputy President Commissioner / Independent Commissioner	December 9, 2019 - December 31, 2019	Nil	Nil	Nil	Nil



Name	Position	Period	Stock Ownership			
			Bank Mandiri	Other Bank	Non Bank Financial Institution	Other Companies
Goei Siau Hong	Independent Commissioner	June 25, 2015 - December 9, 2019	Nil	Nil	Nil	Gagas Prima Solusi (99.9%)
Bangun Sarwito Kusmulyono	Independent Commissioner	June 25, 2015 - December 9, 2019	Nil	Nil	Nil	Nil
Mohamad Nasir*	Independent Commissioner	9 December 2019 - 31 December 2019	Nil	Nil	Nil	Nil
Robertus Bilitea*	Independent Commissioner	9 December 2019 - 31 December 2019	Nil	Nil	Nil	Nil
Makmur Keliat	Independent Commissioner	25 September 2017 - 31 December 2019	Nil	Nil	Nil	PT Kenta Indonesia Internasional(30%)
Askolani	Commissioner	3 September 2014 - 28 August 2019	109,000 shares (0,0002336%)	Nil	Nil	Nil
Ronald Silaban*	Commissioner	28 August 2019 - 31 December 2019	Nil	Nil	Nil	Nil
Ardan Adiperdana	Commissioner	3 October 2016 - 31 December 2019	319,500 shares (0,0006846%)	Nil	Nil	Nil
R. Widyo Pramono	Commissioner	21 August 2017 - 31 December 2019	249,900 shares (0,0005355%)	Nil	Nil	Nil

* Effective after obtaining approval from FSA on the Fit and Proper Test).

INDEPENDENT COMMISSIONER

The composition of the Company's Board of Commissioners as of December 31, 2019 was 8 (eight) members with 4 (four) of them as Independent Commissioners, which means that 50% (fifty percent) of the existing Commissioners were independent commissioner. The composition of the Board of Commissioners members has fulfilled the provisions of FSA Regulation Number 55 / POJK.03 / 2016 concerning Application of Governance for Commercial Banks and Financial services Authority's Circular Letter Number 13 / SEOJK.03 / 2017 concerning Application of Governance for Commercial Banks which regulates that at least 50% (fifty percent) of the total members of the Board of Commissioners are Independent Commissioners. As of December 31, 2019, 3 (three) of the 4 (four) Independent Commissioners of the Company were still in the process of Fit and Proper Test at the FSA after being appointed at the Extraordinary GMS on December 9, 2019.



CRITERIA FOR INDEPENDENT COMMISSIONER AND STATEMENT OF INDEPENDENT

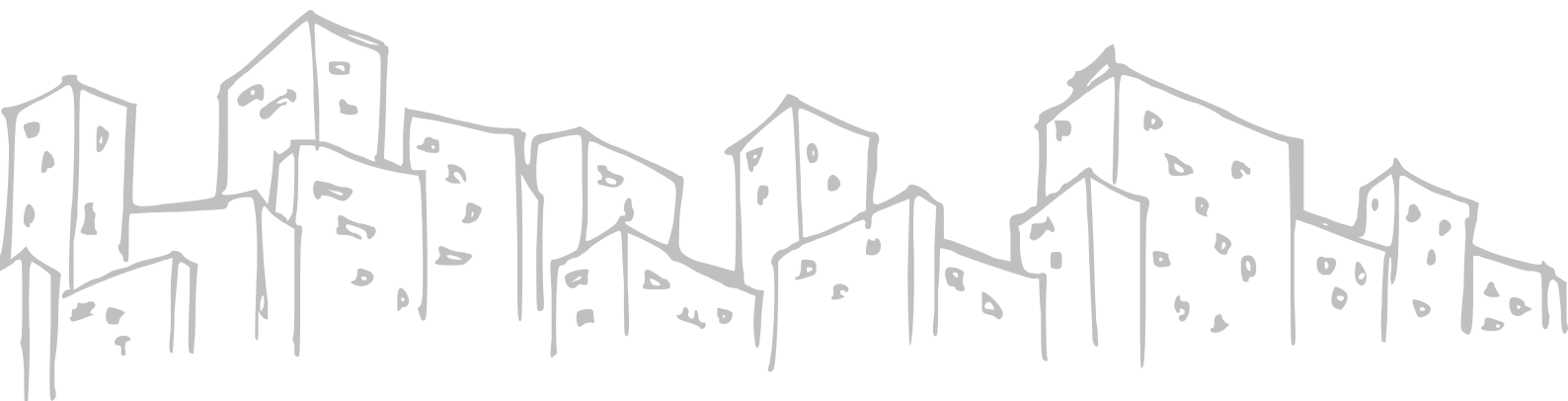
The criteria of the Independent Commissioner refer to the provisions of the Financial Services Authority Regulation No. 33/POJK.04/2014 on December 8, 2014 concerning Directors and Board of Commissioners of Issuers or Public Companies. The Independent Commissioner of Bank Mandiri shall meet the following criteria: The Independent Commissioner of Bank Mandiri shall meet the following criteria:

Criteria for Independent Commissioner	Independent Commissioner						
	Muhamad Chatib Basri**	Mohamad Nasir**	Robertus Bilita**	Makmur Keliat	Hartadi Agus Sarwono*	Goei Siau Hong*	Bangun Sarwito Kusmulyono*
Shall not become the person who works, has the authority over, or has responsibility to plan, lead, control, or monitor the Bank's activities in the last 6 (six) months except for reappointment as an Independent Commissioner of Public Company for the next period.	✓	✓	✓	✓	✓	✓	✓
Shall not have shares either directly or indirectly in the Issuer or the Public Company.	✓	✓	✓	✓	✓	✓	✓
Shall not have affiliate relationship with the Issuer or the Public Company, BOC member, BOD member, or majority shareholders of the Issuer or the Public Company.	✓	✓	✓	✓	✓	✓	✓
Shall not have any business relationship either directly or indirectly in the Issuer or the Public Company.	✓	✓	✓	✓	✓	✓	✓

* Finish the term of service from December 9, 2019.

** Appointed based on the Extraordinary General Meeting of Shareholders on December 9, 2019. Effective after obtaining approval from the FSA on the Fit and Proper Test.

Each of the Independent Commissioners of Bank Mandiri, namely: Mr Hartadi Agus Sarwono, Mr Goei Siau Hong, Mr Bangun Sarwito Kusmulyono and Mr Makmur Keliat, have made an Independent Statement and have been submitted to the OJK.





**SURAT PERNYATAAN INDEPENDENSI
PT BANK MANDIRI (PERSERO) Tbk.**

Saya yang bertanda tangan di bawah ini :

Nama : Hartadi Agus Sarwono
Tempat/tanggal lahir : [redacted]
Alamat Domisili : [redacted]
(copy KTP-SIM terlampir)
Telepon Rumah : [redacted]
Jabatan : Komisaris Utama mewakili Komisaris Independen
Nama Perusahaan : PT Bank Mandiri (Persero) Tbk.
Nomor telepon perusahaan : [redacted]

Dengan ini menyatakan bahwa saya :

1. Tidak memiliki hubungan keuangan, hubungan kepengurusan, hubungan kepemilikan, dan/atau hubungan keluarga dengan anggota Direksi, anggota Dewan Komisaris lain, dan/atau Pemegang Saham Pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemandirian saya untuk bertindak independen sebagaimana diatur dalam ketentuan Pelaksanaan Good Corporate Governance bagi Bank Umum.
2. Apabila dikemudian hari, saya diumumkan memiliki hubungan-hubungan sebagaimana dimaksud pada butir 1 di atas, maka saya bersedia melepaskan jabatan Komisaris Independen saya dan bersedia untuk diganti.

Demikian pernyataan independensi saya, yang telah saya buat dengan sejujur-jujur.

Mengunduh,
PT Bank Mandiri (Persero) Tbk.

Jakarta, 7 September 2017

Kartika Wiriatmodjo
Direktur Utama

Hartadi Agus Sarwono

**SURAT PERNYATAAN INDEPENDENSI
PT BANK MANDIRI (PERSERO) Tbk.**

Saya yang bertanda tangan di bawah ini :

Nama : Guel Kiaw Hong
Tempat/tanggal lahir : [redacted]
Alamat Domisili : [redacted]
(copy KTP-SIM terlampir)
Telepon Rumah : [redacted]
Jabatan : Komisaris Independen
Nama Perusahaan : PT Bank Mandiri (Persero) Tbk.
Nomor telepon perusahaan : [redacted]

Dengan ini menyatakan bahwa saya :

1. Tidak memiliki hubungan keuangan, hubungan kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan anggota Dewan Komisaris lainnya, Direksi dan/atau Pemegang Saham Pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemandirian saya untuk bertindak independen sebagaimana diatur dalam ketentuan Pelaksanaan Good Corporate Governance bagi Bank Umum.
2. Apabila dikemudian hari, saya diumumkan memiliki hubungan-hubungan sebagaimana dimaksud pada butir 1 di atas, maka saya bersedia melepaskan jabatan Komisaris Independen saya dan bersedia untuk diganti.

Demikian pernyataan independensi saya, yang telah saya buat dengan sejujur-jujur.

Mengunduh,
PT Bank Mandiri (Persero) Tbk.

Jakarta, 20 April 2018

Budi G. Sukliko
Direktur Utama

Guel Kiaw Hong

**SURAT PERNYATAAN INDEPENDENSI
PT BANK MANDIRI (PERSERO) Tbk.**

Saya yang bertanda tangan di bawah ini :

Nama : DR. H. Bangun Sarwito Kusumadono MBA
Tempat/tanggal lahir : [redacted]
Alamat Domisili : [redacted]
(copy KTP-SIM terlampir)
Telepon Rumah : [redacted]
Jabatan : Komisaris Independen
Nama Perusahaan : PT Bank Mandiri (Persero) Tbk.
Nomor telepon perusahaan : [redacted]

Dengan ini menyatakan bahwa saya :

1. Tidak memiliki hubungan keuangan, hubungan kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan anggota Dewan Komisaris lainnya, Direksi dan/atau Pemegang Saham Pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemandirian saya untuk bertindak independen sebagaimana diatur dalam ketentuan Pelaksanaan Good Corporate Governance bagi Bank Umum.
2. Apabila dikemudian hari, saya diumumkan memiliki hubungan-hubungan sebagaimana dimaksud pada butir 1 di atas, maka saya bersedia melepaskan jabatan Komisaris Independen saya dan bersedia untuk diganti.

Demikian pernyataan independensi saya, yang telah saya buat dengan sejujur-jujur.

Mengunduh,
PT Bank Mandiri (Persero) Tbk.

Jakarta, 20 April 2018

Budi G. Sukliko
Direktur Utama

Bangun S. Kusumadono

**SURAT PERNYATAAN INDEPENDENSI
PT BANK MANDIRI (PERSERO) Tbk.**

Saya yang bertanda tangan di bawah ini :

Nama : Makmur Kallat
Tempat/tanggal lahir : [redacted]
Alamat Domisili : [redacted]
(copy KTP-SIM terlampir)
Telepon Rumah : [redacted]
Jabatan : Komisaris Independen
Nama Perusahaan : PT Bank Mandiri (Persero) Tbk.
Nomor telepon perusahaan : [redacted]

Dengan ini menyatakan bahwa saya :

1. Tidak memiliki hubungan keuangan, hubungan kepengurusan, hubungan kepemilikan, dan/atau hubungan keluarga dengan anggota Direksi, anggota Dewan Komisaris lain, dan/atau Pemegang Saham Pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemandirian saya untuk bertindak independen sebagaimana diatur dalam ketentuan Pelaksanaan Good Corporate Governance bagi Bank Umum.
2. Apabila dikemudian hari diumumkan bahwa saya memiliki hubungan-hubungan sebagaimana dimaksud pada butir 1, maka saya bersedia melepaskan jabatan Komisaris Independen saya dan bersedia untuk diganti.

Demikian pernyataan independensi saya, yang telah saya buat dengan sejujur-jujur.

Mengunduh,
PT Bank Mandiri (Persero) Tbk.

Jakarta, 14 Agustus 2018

Kartika Wiriatmodjo
Direktur Utama

Makmur Kallat

MEETING OF THE BOARD OF COMMISSIONER

Jenis dan kuorum rapat Dewan Komisaris yang diatur dalam Pedoman dan Tata Tertib Dewan Komisaris adalah sebagai berikut:

The types and quorums of the Board of Commissioners meetings regulated in the Board of Commissioners' Code of Conduct are as follows:

1. Every decision of the Board of Commissioners is taken at the Board of Commissioners meeting.
2. The Board of Commissioners must hold regular meetings with the Board of Directors (Joint Meetings) at least 1 (one) time in 4 (four) months.
3. The meeting of the Board of Commissioners is legal and has the right to make binding decisions if 2/3 of the total members of the Board of Commissioners are present or represented at the meeting.
4. A Commissioner can be represented at a meeting by another Commissioner based on a letter of authority.
5. A Commissioner can only represent another Commissioner.
6. The Board of Commissioners can schedule Board of Commissioners meetings for the following year before the fiscal year ends.

Materials for Board of Commissioners meetings are distributed to all meeting participants no later than 5 (five) working days before the meeting is held, unless the meeting is held out of schedule, the meeting materials can be delivered before the meeting is held.

PLAN FOR EARLY MEETING OF THE YEAR OF THE BOARD OF COMMISSIONERS

The Board of Commissioners' meeting plan for 2020 as uploaded on the Bank Mandiri website are as follows:

Quarter I	Monthly Review of Bank Performance.
	Review and approval of the 2019 (Audited) Consolidated Financial Statements.
	Quarterly Review of the Performance of the Bank and Subsidiaries for 2019.
	Preparation for the Annual General Meeting of Shareholders for Fiscal Year 2019.
	Selection of Public Accounting Firm (KAP) for Audit of 2020 Financial Statements.
Quarter II	Quarterly Review of Risk Profiles, Business Activities, IT, HR and Other Strategic Initiatives for
	Monthly Review of Bank Performance.
	Quarterly Review of Risk Profiles, Business Activities, IT, HR and Other Strategic Initiatives for Quarter I / 2020 period.
Quarter III	Quarterly Review of the Performance of the Bank and Subsidiaries for Quarter I / 2020.
	Monthly Review of Bank Performance.
	Quarterly Review of the Performance of the Bank and Subsidiaries for the Second Quarter / 2020 period.
	Quarterly Review of Risk Profiles, Business Activities, IT, HR and Other Strategic Initiatives for Period II / 2020.
	Review of the Implementation of Integrated Governance.
Quarter IV	Discussion of the Work Plan and Budget of the Company in 2021.
	Monthly Review of Bank Performance.
	Quarterly Review of the Performance of the Bank and Subsidiaries for Quarter III / 2020.
	Quarterly Review of Risk Profiles, Business Activities, IT, HR and Other Strategic Initiatives for Quarter III / 2020 period.
	Approval of the Bank's Business Plan for 2021-2023, Year's Sustainable Financial Action Plan 2021-2025, and the 2020 Recovery Plan Update.



REALIZATION OF THE BOARD OF COMMISSIONERS MEETING

MEETING OF THE BOARD OF COMMISSIONER

Throughout 2019, the agenda, date and participants of the Board of Commissioners' Meeting are as follows.

Table of Quorum and Board of Commissioners Meeting Attendance

No.	Date	Meeting agenda	Meeting Participants	Present / Absent	Absent Reason
1.	Wednesday, January 9, 2019	Proposed Changes in Organizational Structure After the General Meeting of Shareholders on January 7, 2019.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
2.	January 23, 2019	Audit Report Update on Bank Mandiri Financial Report for the Year Ended December 31, 2018.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
3.	Wednesday, February 6 2019	Proposed Management of a Bank Mandiri Subsidiary Company.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
4.	Thursday, February 14, 2019	Approval of Proposed Credit Facility Related Party.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		

No.	Date	Meeting agenda	Meeting Participants	Present / Absent	Absent Reason
5.	Wednesday, February 20, 2019	Application for Approval for Distribution of Partnership Program (PK) Funds to Special SOEs.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
6.	Wednesday, February 27 2019	Approval for the Election of Prospective Members of Bank Mandiri Risk Monitoring Committee from Independent Parties.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
7.	Wednesday, March 20, 2019	1. Approval of Proposed Credit Facility Related Party 2. Approval of Proposed Provision of Benefit in Bank Mandiri Pension Funds I - IV 3. Approval of Proposal for Management of Subsidiaries of Bank Mandiri 4. Approval for Revised Bank Business Plan (RBB) for 2019-2021	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
8.	Wednesday, March 27, 2019	Update on Annual GMS Plan for Fiscal Year 2018.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		



No.	Date	Meeting agenda	Meeting Participants	Present / Absent	Absent Reason
9.	Thursday, April 4, 2019	1. Update Bank Mandiri’s Strategic Investment Plan 2019 2. Approval of Proposed Credit Facility Related Party 3. Appointment of Members of the Board of Commissioners as Chairman of the Annual GMS for Fiscal Year 2018.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
10.	Wednesday, April 24, 2019	Approval of Establishment of KAP Selection for Audit of Bank Mandiri Financial Statements in 2019.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
11.	Monday, April 29, 2019	1. Approval of Proposal for Management of Subsidiary Companies of Bank Mandiri 2. Approval of the Plan to Acquire 9% of Shares and Increase Capital of PT Mandiri Tunas Finance	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
12.	Thursday, May 2, 2019	Approval of the Transfer of Partnership Program Funds (PK) to the Community Development Fund (BL).	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
13.	Wednesday, May 8, 2019	<u>Update on Preparation for Annual GMS for Fiscal Year 2018.</u>	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		

No.	Date	Meeting agenda	Meeting Participants	Present / Absent	Absent Reason
14.	Thursday, May 9, 2019	1. Review of Talent Pool Data for Prospective Directors of Bank Mandiri 2. Proposed Salary / Honorarium for 2019, 2018 Performance Bonus and Long Term Incentive (LTI) for Directors and Board of Commissioners.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
15.	Monday, May 13, 2019	Update on Preparation for Annual GMS for Fiscal Year 2018.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
16.	Wednesday, May 15, 2019	Approval for Capital Increase of PT Mandiri Capital Indonesia.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
17.	Thursday, May 16, 2019	Proposal of Prospective Commissioners of Bank Mandiri in Annual GMS for Fiscal Year 2018.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
18.	May 22, 2019	1. Approval of Proposed Credit Facility Related Party 2. Approval of Organizational Structure in the After Annual GMS for Fiscal Year 2018	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
19	May 29, 2019	Approval of Proposed Credit Facility Related Party.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	



No.	Date	Meeting agenda	Meeting Participants	Present / Absent	Absent Reason
20.	Wednesday, June 26, 2019	Approval of the 2019 RKAP Revision and 2019-2021 RBB Revision.	Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
			Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
R. Widyo Pramono	Present				
100% Presence					
21.	Wednesday, July 10, 2019	Approval for Addition of Related Party Credit Facilities.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
			22.	Monday, July 22, 2019	
Imam Apriyanto Putro	Present				
Goei Siau Hong	Present				
Bangun Sarwito Kusmulyono	Present				
Makmur Keliat	Present				
Askolani	Present				
Ardan Adiperdana	Present				
R. Widyo Pramono	Present				
100% Presence					
23.	Wednesday, July 24, 2019	1. Approval of Proposed Credit Facility Related Party 2. Approval of the Revision of the Board of Commissioners' Guidelines and Rules, and Revision of the Audit Committee Charter.			Hartadi Agus Sarwono
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Askolani	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
			24.	Thursday, August 1, 2019	Committee Remuneration and Scope of Work Prospective Bank Mandiri Remuneration and Nomination Committee Members from Independent Parties.
Imam Apriyanto Putro	Present				
Goei Siau Hong	Present				
Bangun Sarwito Kusmulyono	Present				
Makmur Keliat	Present				
Askolani	Present				
Ardan Adiperdana	Present				
R. Widyo Pramono	Present				
100% Presence					

No.	Date	Meeting agenda	Meeting Participants	Present / Absent	Absent Reason
25.	Wednesday, August 21, 2019	Approval on Election of Bank Mandiri Remuneration and Nomination Committee Members from Independent Parties.	Hartadi Agus Sarwono Imam Apriyanto Putro Goei Siauw Hong Bangun Sarwito Kusmulyono Makmur Keliat Askolani Ardan Adiperdana R. Widyo Pramono	Present Present Present Present Present Present Present Present	
			100% Presence		
26.	Wednesday, 4 September 2019	1. Nomination of President Director of Subsidiary Companies. 2. Approval of Proposed Credit Facility Related Party.	Hartadi Agus Sarwono Imam Apriyanto Putro Goei Siauw Hong Bangun Sarwito Kusmulyono Makmur Keliat Rionald Silaban Ardan Adiperdana R. Widyo Pramono	Present Present Present Present Present Present Present Present	
			100% Presence		
27.	Wednesday, September 18 2019	Approval of Proposed Credit Facility Related Party.	Hartadi Agus Sarwono Imam Apriyanto Putro Goei Siauw Hong Bangun Sarwito Kusmulyono Makmur Keliat Rionald Silaban Ardan Adiperdana R. Widyo Pramono	Present Present Present Present Present Present Present Present	
			100% Presence		
28.	Wednesday, September 25, 2019	1. Board of Commissioners Work Visit Plan and Supporting Committee for the Board of Commissioners 2. Approval of the Board of Commissioners' Guidelines and Rules of Procedure 3. Approval of the Remuneration and Nomination Committee Charter 4. Approval of the Risk Monitoring Committee Charter	Hartadi Agus Sarwono Imam Apriyanto Putro Goei Siauw Hong Bangun Sarwito Kusmulyono Makmur Keliat Rionald Silaban Ardan Adiperdana R. Widyo Pramono	Present Present Present Present Present Present Present Present	
			100% Presence		
29.	Wednesday, October 9, 2019	Approval of Proposal for Management of Subsidiaries of Bank Mandiri	Hartadi Agus Sarwono Imam Apriyanto Putro Goei Siauw Hong Bangun Sarwito Kusmulyono Makmur Keliat Rionald Silaban Ardan Adiperdana R. Widyo Pramono	Present Present Present Present Present Present Present Present	
			100% Presence		
30.	Wednesday, October 23, 2019	Follow Up Meeting with OJK	Hartadi Agus Sarwono Imam Apriyanto Putro Goei Siauw Hong	Present Present Present	



No.	Date	Meeting agenda	Meeting Participants	Present / Absent	Absent Reason
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Rionald Silaban	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
31.	Wednesday, October 30, 2019	1. Approval for the Implementation of the 2019 General Meeting of Shareholders.	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Rionald Silaban	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
		2. Appointment of Members of the Board of Commissioners as Chairman of the 2019 Annual General Meeting of Shareholders	100% Presence		
32.	Wednesday, November 13, 2019	Approval of Proposal for Management of Subsidiaries of Bank Mandiri	Hartadi Agus Sarwono	Present	
			Imam Apriyanto Putro	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Rionald Silaban	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
33.	Wednesday, November 20 2019	1. Approval of the Proposed Bank Mandiri Sustainable Financial Action Plan (RAKB) 2020 - 2024	Hartadi Agus Sarwono	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Rionald Silaban	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
		2. Approval of Proposed RKAP for 2020 and RBB for 2020-2022	100% Presence		
		3. Approval of Bank Mandiri Recovery Plan Update 2019	100% Presence		
		4. Approval of Proposed Credit Facility Related Party	100% Presence		
34.	Wednesday, November 27 2019	Approval of Proposed Credit Facility Related Party.	Hartadi Agus Sarwono	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Rionald Silaban	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		
35.	Wednesday, December 4, 2019	Approval for the Adjustment of the Integrated Governance Committee Charter.	Hartadi Agus Sarwono	Present	
			Goei Siau Hong	Present	
			Bangun Sarwito Kusmulyono	Present	
			Makmur Keliat	Present	
			Rionald Silaban	Present	
			Ardan Adiperdana	Present	
			R. Widyo Pramono	Present	
			100% Presence		

No.	Date	Meeting agenda	Meeting Participants	Present / Absent	Absent Reason
36.	Thursday, December 12, 2019	1. Approval of Proposed Credit Facility Related Party. 2. Approval of Proposed Dissolution & Liquidation of Mandiri DPLK, Proposed Team and KAP for Liquidation, as well as Proposed Independent DPLK Business Plan Report for 2020	Kartika Wirjoatmodjo Muhamad Chatib Basri Makmur Keliat Mohamad Nasir Robertus Bilitea Rionald Silaban Ardan Adiperdana R. Widyo Pramono	Present Present Present Present Present Present Present Present	
100% Presence					

JOINT MEETING

Joint Meetings of the Board of Commissioners with the Directors consisted of a Joint Meeting of the Board of Commissioners inviting the Directors and a Joint Meeting of the Directors inviting the Board of Commissioners

JOINT MEETING OF THE BOARD OF COMMISSIONERS INVITING THE DIRECTORS

Throughout 2019, the agenda, date and participants of the Board of Commissioners' Joint Meeting inviting the Directors are as follows.

Table of Joint Meeting of The Board of Commissioner inviting the Directors

No.	Date	Agenda	Participants – the Board of Commissioner	Presence	Information	Participants – Board of Director	Presence	Information
1.	Thursday, January 31, 2019	December 2018 Financial and Performance Reports.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Not Present	Business Trip
			Imam Apriyanto Putro	Not Present	Permission	Sulaiman A. Arianto	Present	
			Goei Siau Hong	Present		Royke Tumilaar	Not Present	Business Trip
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Not Present	Business Trip
			Makmur Keliat	Present		Rico U. Frans	Not Present	Business Trip
			Askolani	Present		Ahmad Siddik Badruddin	Not Present	Business Trip
			Ardan Adiperdana	Present		Darmawan Junaidi	Present	
			R. Widyo Pramono	Present		Alexandra Askandar	Not Present	Business Trip
						Agus Dwi Handaya	Not Present	Business Trip
						Panji Irawan	Present	
						Donsuwan Simatupang	Present	



No.	Date	Agenda	Participants – the Board of Commissioner	Presence	Information	Participants – Board of Director	Presence	Information
2.	Wednesday, February 27 2019	Financial and Performance Report for January 2019.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Not Present	Business Trip
			Imam Apriyanto Putro	Not Present	Permission	Sulaiman A. Arianto	Present	
			Goei Siau Hong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Present	
			Makmur Keliat	Present		Rico U. Frans	Present	
			Askolani	Present		Ahmad Siddik Badruddin	Not Present	Business Trip
			Ardan Adiperdana	Present		Darmawan Junaidi	Not Present	Business Trip
			R. Widyo Pramono	Present		Alexandra Askandar	Not Present	Business Trip
						Agus Dwi Handaya	Present	
						Panji Irawan	Present	
						Donsuwan Simatupang	Not Present	Business Trip
3.	Wednesday, March 20, 2019	Financial and Performance Report for February 2019.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Not Present	Business Trip
			Imam Apriyanto Putro	Not Present	Permission	Sulaiman A. Arianto	Present	
			Goei Siau Hong	Present		Royke Tumilaar	Not Present	Business Trip
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Present	
			Makmur Keliat	Present		Rico U. Frans	Not Present	Business Trip
			Askolani	Present		Ahmad Siddik Badruddin	Present	
			Ardan Adiperdana	Present		Darmawan Junaidi	Not Present	Business Trip
			R. Widyo Pramono	Present		Alexandra Askandar	Not Present	Business Trip
						Agus Dwi Handaya	Present	
						Panji Irawan	Present	
						Donsuwan Simatupang	Not Present	Business Trip

No.	Date	Agenda	Participants – the Board of Commis- sioner	Presence	Information	Participants – Board of Director	Presence	Information
4.	Wednes- day, May 22, 2019	April 2019 Financial and Per- formance Reports.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Present	
			Imam Apriyanto Putro	Present		Sulaiman A. Arianto	Present	
			Goei Siauwhong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Present	
			Makmur Keliat	Present		Rico U. Frans	Present	
			Askolani	Present		Ahmad Siddik Badrudin	Not Present	Business Trip
			Ardan Adiperdana	Not Present	Permission	Darmawan Junaidi	Present	
			R. Widyo Pramono	Present		Alexandra Askandar	Present	
						Agus Dwi Handaya	Present	
						Panji Irawan	Present	
						Donsuwan Simatupang	Not Present	Business Trip
						Riduan	Present	
5.	Wednes- day, June 26, 2019	Financial and Per- formance Report for May 2019.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Not Present	Business Trip
			Imam Apriyanto Putro	Present		Sulaiman A. Arianto	Present	
			Goei Siauwhong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Present	
			Makmur Keliat	Present		Rico U. Frans	Not Present	Business Trip
			Askolani	Present		Ahmad Siddik Badrudin	Present	
			Ardan Adiperdana	Present		Darmawan Junaidi	Not Present	Business Trip
			R. Widyo Pramono	Present		Alexandra Askandar	Not Present	Business Trip
						Agus Dwi Handaya	Present	
						Panji Irawan	Present	
						Donsuwan Simatupang	Not Present	Business Trip
						Riduan	Present	



No.	Date	Agenda	Participants – the Board of Commissioner	Presence	Information	Participants – Board of Director	Presence	Information
6.	Wednesday, August 21, 2019	Financial and Performance Reports for July 2019.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Not Present	Business Trip
			Imam Apriyanto Putro	Not Present	Permission	Sulaiman A. Arianto	Present	
			Goei Siau Hong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Present	
			Makmur Keliat	Present		Rico U. Frans	Present	
			Askolani	Present		Ahmad Siddik Badruddin	Not Present	Business Trip
			Ardan Adiperdana	Present		Darmawan Junaidi	Present	
			R. Widyo Pramono	Present	Permission	Alexandra Askandar	Present	
						Agus Dwi Handaya	Not Present	Business Trip
						Panji Irawan	Present	
						Donsuwan Simatupang	Present	
						Riduan	Present	
7.	Wednesday, September 18 2019	August 2019 Financial and Performance Reports.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Present	
			Imam Apriyanto Putro	Present		Sulaiman A. Arianto	Not Present	Business Trip
			Goei Siau Hong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Not Present	Business Trip
			Makmur Keliat	Present		Rico U. Frans	Present	
			Rionald Silaban	Present		Ahmad Siddik Badruddin	Not Present	Business Trip
			Ardan Adiperdana	Present		Darmawan Junaidi	Present	
			R. Widyo Pramono	Present		Alexandra Askandar	Not Present	Business Trip
						Agus Dwi Handaya	Not Present	Business Trip
						Panji Irawan	Not Present	Business Trip
						Donsuwan Simatupang	Present	
						Riduan	Present	
8.	Wednesday, October 23, 2019	September 2019 Financial and Performance Reports.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Not Present	Business Trip
			Imam Apriyanto Putro	Present		Sulaiman A. Arianto	Present	
			Goei Siau Hong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Present	
			Makmur Keliat	Present		Rico U. Frans	Present	

No.	Date	Agenda	Participants - the Board of Commissioner	Presence	Information	Participants - Board of Director	Presence	Information
			Rionald Silaban	Present		Ahmad Siddik Badruddin	Not Present	Business Trip
			Ardan Adiperdana	Present		Darmawan Junaidi	Present	
			R. Widyo Pramono	Present		Alexandra Askandar	Present	
						Agus Dwi Handaya	Not Present	Business Trip
						Panji Irawan	Present	
						Donsuwan Simatupang	Present	
						Riduan	Present	

JOINT MEETING OF DIRECTORS INVITING THE BOARD OF COMMISSIONER

Throughout 2019, the Joint Meeting of Directors inviting the Board of Commissioners is as follows.

Table of Joint Meeting of Directors and the Board of Commissioner

No.	Meeting Date	Meeting Agenda	Meeting Participants - Board of Commissioners	Presence	Reason for Absent	Board of Directors Meeting Participants	Attending/Not Attending	Reason for Absent
1.	Wednesday, January 23, 2019	Audit Report Update on Bank Mandiri Financial Report for the Year Ended December 3, 2018.	Hartadi Agus Sarwono	Absent	Permission	Kartika Wirjoatmodjo	Absent	Business Trip
			Imam Apriyanto Putro	Present		Sulaiman Arif Arianto	Present	
			Goei Siau Hong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Hery Gunardi	Present	
			Makmur Keliat	Present		Ahmad Siddik Badruddin	Present	
			Askolani	Present		Rico Usthavia Frans	Present	
			Ardan Adiperdana	Absent	Permission	Darmawan Junaidi	Present	
			R. Widyo Pramono	Present		Alexandra Askandar	Present	
						Agus Dwi Handaya	Present	
						Panji Irawan	Present	
						Donsuwan Simatupang	Present	
						Riduan	Present	
2.	Wednesday, May 22, 2019	1. Approval for Provision of Credit Facilities to Related Parties. 2. Approval for Provision of Short-Term	Hartadi Agus Sarwono	Present				
			Imam Apriyanto Putro	Present				
			Goei Siau Hong	Present				
			Bangun Sarwito Kusmulyono	Present				
			Makmur Keliat	Present				
			Askolani	Present				



No.	Meeting Date	Meeting Agenda	Meeting Participants - Board of Commissioners	Presence	Reason for Absent	Board of Directors Meeting Participants	Attending/Not Attending	Reason for Absent
		Credit Facilities to Manriri International Remittance Sdn. Bhd. (MIR). 3. Approval of Organizational Structure in the After Annual GMS for Fiscal Year 2018.	Ardan Adiperdana	Absent	Permission			
4.	Wednesday, April 24, 2019	Financial Performance in March 2019.	R. Widy Pramono	Present				
			Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Absent	Permission
			Imam Apriyanto Putro	Present		Sulaiman Arif Arianto	Present	
			Goei Siau Hong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Riduan	Present	
			Makmur Keliat	Present		Dosuwan Simatupang	Present	
			Askolani	Present		Darmawan Junaidi	Present	
			Ardan Adiperdana	Present		Hery Gunardi	Present	
						Panji Irawan	Present	
						Rico Usthavia Frans	Present	
			R. Widy Pramono	Present		Ahmad Siddik Badruddin	Present	
						Agus Dwi Handaya	Absent	Permission
						Alexandra Askandar	Present	
5.	Wednesday, July 24, 2019	June 2019 Financial and Performance Report.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Present	
			Imam Apriyanto Putro	Present		Sulaiman Arif Arianto	Present	
			Goei Siau Hong	Present		Royke Tumilaar	Present	
			Bangun Sarwito Kusmulyono	Present		Riduan	Present	
			Makmur Keliat	Present		Dosuwan Simatupang	Present	
			Askolani	Present		Darmawan Junaidi	Present	
			Ardan Adiperdana	Present		Hery Gunardi	Present	
						Panji Irawan	Present	
						Rico Usthavia Frans	Present	
			R. Widy Pramono	Present		Ahmad Siddik Badruddin	Present	
						Agus Dwi Handaya	Present	
						Alexandra Askandar	Present	

No.	Meeting Date	Meeting Agenda	Meeting Participants - Board of Commissioners	Presence	Reason for Absent	Board of Directors Meeting Participants	Attending/Not Attending	Reason for Absent
6.	Wednesday, November 20, 2019	October 2019 Financial and Performance Report.	Hartadi Agus Sarwono	Present		Kartika Wirjoatmodjo	Present	
			Goei Siau Hong	Present		Sulaiman Arif Arianto	Present	
			Bangun Sarwito Kusmulyono	Absent	Sick	Royke Tumilaar	Present	
			Makmur Keliat	Present		Riduan	Present	
			Rionald Silaban	Present		Dosuwan Simatupang	Present	
			Ardan Adiperdana	Present		Darmawan Junaidi	Present	
			R. Widyo Pramono	Present		Hery Gunardi	Present	
						Panji Irawan	Present	
						Rico Usthavia Frans	Present	
						Ahmad Siddik Badruddin	Present	
						Agus Dwi Handaya	Present	
						Alexandra Askandar	Present	

THE FREQUENCY AND ATTENDANCE OF THE BOARD OF COMMISSIONERS

The frequency and attendance of the Board of Commissioners is as follows.

Table of Frequency and Attendance of Board of Commissioners' Meetings

Name	Position	Periode	Meeting of Board Commissioner			Joint Meeting of Board of Commissioner and Directors		
			Total and Attendance Percentage			Total and Attendance Percentage		
			Number of meeting	Number of presence	Percentage	Number of meeting	Number of presence	Percentage
Hartadi Agus Sarwono	President Commissioner / Independent Commissioner	November 15, 2017 - December 9, 2019	35	35	100%	13	12	92%
Kartika Wirjoatmodjo*	President Commissioner	December 9, 2019 - December 31, 2019	1	1	100%	-	-	-
Imam Apriyanto Putro	Vice President Commissioner	June 11, 2015 - November 18, 2018	32	32	100%	12	8	67%



Name	Position	Periode	Meeting of Board Commissioner			Joint Meeting of Board of Commissioner and Directors		
			Total and Attendance Percentage			Total and Attendance Percentage		
			Number of meeting	Number of presence	Percentage	Number of meeting	Number of presence	Percentage
Muhamad Chatib Basri*	Vice President Commissioner / Independent Commissioner	December 9, 2019 - December 31, 2019	1	1	100%	-	-	-
Goei Siauwh Hong	Independent Commissioner	June 25, 2015 - December 9, 2019	35	35	100%	13	13	100%
Bangun Sarwito Kusmulyono	Independent Commissioner	June 25, 2015 - December 9, 2019	35	35	100%	13	12	92%
Mohamad Nasir*	Independent Commissioner	December 9, 2019 - December 31, 2019	1	1	100%	-	-	-
Robertus Bili-tea*	Independent Commissioner	December 9, 2019 - December 31, 2019	1	1	100%	-	-	-
Makmur Keliat	Independent Commissioner	September 25, 2017 - December 31, 2019	36	36	100%	13	13	100%
Askolani	Commissioner	September 3, 2014 - August 28, 2019	25	25	100%	10	10	100%
Rionald Silaban*	Commissioner	August 28, 2019 - December 31, 2019	11	11	100%	3	3	100%
Ardan Adiperdana	Commissioner	October 3, 2016 - December 31, 2019	36	36	100%	12	10	77%
R. Widyo Pramono	Commissioner	August 21, 2017 - December 31, 2019	36	36	100%	13	13	100%

*Effective after obtaining approval from Financial Services Authority on the Fit and Proper Test.

IMPLEMENTATION OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

FREQUENCY AND PROCEDURES FOR PROVIDING ADVICE TO THE BOARD OF DIRECTORS

Providing advice from the Board of Commissioners to the Directors was carried out both formally in the Meeting and informally in non-meeting. Formal meetings consisted of 3 (three) types of meetings, namely:

1. Committee Meetings under the supervision of the Board of Commissioners, which consist of Audit Committee Meetings, Risk Monitoring Committee Meetings, Integrated Governance Committee Meetings and Remuneration and Nomination Committee Meetings.
2. Meeting of the Board of Commissioners (RAKOM), which is an internal meeting of the Board of Commissioners and / or by inviting the Director of the related field.
3. Meeting of the Board of Commissioners with the Board of Directors (RAKOMDIR), namely a Board of Commissioners Meeting together with the Board of Directors

SUPERVISION OF BOARD OF COMMISSIONERS ON IMPLEMENTATION OF CORPORATE STRATEGY

Based on Financial Services Authority Regulation No. 5 / POJK.03 / 2016 concerning Bank Business Plans, the Board of Commissioners is required to carry out supervision of the implementation of the Bank Business Plan which includes, among others, policies and management strategies. The results of the supervision are set forth in the Supervision Report on the Implementation of the Bank's Business Plan which is submitted to the Financial Services Authority every semester. In addition, based on the Ministry of SOE Letter No. S-76 / D3.MBU / 2014 dated June 3, 2014 concerning Requests for Response to the Quarterly Report, the Board of Commissioners had to submit Responses to the Company's Performance Achievement to the Ministry of SOEs as Dwiwarna Series A Shareholders every quarter. In 2019, the Board of Commissioners has prepared and submitted a Supervision Report on the Implementation of the Bank's Business Plan as follows:

Financial Services Authority	State-owned Enterprises Ministry
Letter No. KOM / 024/2019 dated February 27, 2019, regarding the Bank's Business Plan Oversight Report 2018 - 2019 PT Bank Mandiri (Persero) Tbk. Semester II of 2018.	Letter No. KOM / 111/2019 dated July 31, 2019, regarding Responses to the Performance Report of PT Bank Mandiri (Persero) Tbk. Up to Quarter II / 2019.
Letter No. KOM / 125/2019 dated August 28, 2019, regarding the Bank's Business Plan Oversight Report 2019 - 2021 PT Bank Mandiri (Persero) Tbk. Semester I of 2019.	Letter No. KOM / 167/2019 dated October 31, 2019, regarding Responses to the Performance Report of PT Bank Mandiri (Persero) Tbk. until Quarter III / 2019

Report on supervision of the implementation of the Bank's Business Plan submitted to FSA and Responses to the Achievement of the Company's Performance submitted to the Ministry of SOEs includes reports on:

1. Assessment of the Board of Commissioners regarding the implementation of the Bank Mandiri Business Plan in the form of evaluating both quantitative and qualitative aspects of the realization of the Business Plan.
2. The Board of Commissioners' assessment of the factors that affect Bank Mandiri's performance in general, particularly with regard to capital, profitability, risk profiles, especially credit risk, market risk, and liquidity risk.
3. Assessment of the Board of Commissioners regarding efforts to improve the performance of Bank Mandiri, in the case that according to the assessment concerned the performance of the Bank as referred to in point 2 above has decreased.

The assessment of the Board of Commissioners in points 1-3 was also complemented with an assessment of external factors that affect the Bank's operations.

IMPLEMENTATION OF THE BOARD OF COMMISSIONERS' DUTIES

Based on Financial Services Authority's Regulation No. 55 / POJK.03 / 2016 concerning Implementation of Governance for Commercial Banks, the duties and responsibilities of the Board of Commissioners are as follows:

1. Ensuring that good governance is implemented in all of the Bank's business activities at all levels of the organization.
2. Supervise the implementation of the duties and responsibilities of the Board of Directors and provide advice to the Board of Directors.
3. The Board of Commissioners must direct, monitor and evaluate the implementation of the Bank's strategic policies.

During 2019, the Board of Commissioners had carried out its duties, obligations and responsibilities in order to oversee the management policies and the management of the Company which are determined based on applicable laws and regulations, the Company's Articles of Association and Work Plans established at the beginning of the year.

These duties, obligations and responsibilities are done through Board of Commissioners Meetings, Board of Commissioners Meetings with Directors, or Joint Meetings and Evaluations of committees under the Board of Commissioners. The implementation of the duties of the Board of Commissioners during 2019 include the following:

1. Overseeing the policies and the management of the plan carried out by the Directors during 2019, including oversight of the implementation of the 2019-2021 Bank Business Plan (RBB) and the 2019-2023 Sustainable Financial Action Plan (RAKB).
2. Conducting periodic monitoring and provide advice to the Directors including on the 2019 work plan, the Company's development, and implementation of the Company's strategic policies, especially on matters of concern to the Board of Commissioners during 2019, namely on aspects of Credit, Information Technology, and Human Resources.
3. Conducting periodic monitoring of credit developments, particularly in the high growth segment and high growth product, as well as monitoring the Watchlist debtors, the development of Credit Col. 2, the effectiveness of credit restructuring, and Non-Performing Loans of the Bank. In addition, regular reviews are also conducted of Bank Mandiri's core debtors and their value chains.
4. Conducting periodic monitoring of the aspects of Reliability, Availability, and Security in the IT infrastructure, including the readiness of HR in supporting the development of digitalization.
5. Conducting periodic monitoring of HR planning (Manpower Planning) in harmony with the Corporate Plan, Bank Business Plan, and the real needs of long-term business development.
6. Providing direction, monitor the preparation, and approve the proposed Work Plan and Corporate Budget (RKAP) for 2020, Bank Business Plan (RBB) for 2020 - 2022, RAKB for 2020 - 2024, and Update Recovery Plan for 2019.
7. Following the development of the Company's activities, providing opinions and suggestions to the Directors regarding issues that are considered important and material for the management of the Company, including the results of the joint audit



- of Financial Services Authority & The Financial Transaction Reports and Analysis Centre (PPATK), incidents of customer balance mismatches, and the results of external party audits during 2019.
8. Proposing the appointment of a Public Accountant (AP) and / or a Public Accounting Firm (KAP) who will conduct an audit of the Consolidated Financial Statements which will expire on December 31, 2019 to the Annual GMS for Fiscal Year 2018.
 9. Reviewing the audit conducted by KAP Purwanto, Sungkoro & Surja (Ernst & Young) for the 2018 Financial Year Bank Mandiri Financial Report and Bank Mandiri Financial Institution Pension Fund (Mandiri DPLK).
 10. Overseeing the Board of Directors' follow-up on the findings of Internal and External Auditors, both the findings in 2019 and the findings in the previous year that are still on progress, and ensure that all findings have been well resolved according to the specified deadline.
 11. Reviewing the talent pool and any proposed candidates for Directors and Board of Commissioners that will be proposed at the Annual GMS / Extraordinary GMS.
 12. Conducting an evaluation of the performance of the Board of Directors during 2019 on a regular basis and review the Remuneration of the Directors and Board of Commissioners.
 13. Reviewing and giving approval to any proposal for granting credit facilities or Board of Directors actions that are required to obtain written approval from the Board of Commissioners based on the applicable laws and regulations and the Articles of Association.
 14. Ensuring that good governance is implemented in every business activity of the Company at all organizational levels or levels and evaluating the integrated corporate governance policies.
 15. Conducting periodic monitoring of the effectiveness of the Whistleblowing System, including aspects of safe environment for the Whistle-blower (Reporting).
 16. Conducting periodic monitoring of the progress in implementing the Anti-Money Laundering and Prevention of Terrorism Financing (APU - PPT) program in Bank Mandiri and Subsidiaries.
 17. Ensuring the implementation of integrated Risk Management in accordance with the characteristics and business complexity of the Financial Conglomerate in the Company.
 18. Ensuring that the Board of Directors develops and maintains an adequate, effective and efficient Internal Control System (SPI), and reviews the effectiveness and efficiency of the SPI based on information obtained from the Audit Committee and the Internal Audit Work Unit.
 19. Submitting reports on the results of supervision and recommendations for improvements to the realization of the RBB which are then submitted to the FSA every semester and to the Ministry of SOEs quarterly.
 20. Conducting periodic monitoring of the process of transferring the Mandiri Financial Institution Pension Fund (DPLK) portfolio to the Mandiri DPLK, as well as the plan to dissolve and liquidate the Mandiri DPLK so that the liquidation process will be reported to the FSA. It also reviews and provides approval for the 2020 DPLK Mandiri Business Plan.
 21. Holding 36 (thirty-six) times Board of Commissioners meetings both internal meetings and with the related Field Director to discuss certain aspects of the Board of Commissioners' attention.

RECOMMENDATIONS AND DECISIONS OF THE BOARD OF COMMISSIONERS

Throughout 2019 the Board of Commissioners has provided recommendations and performed the duties and responsibilities of the Board of Commissioners through forums including:

1. Board of Commissioners Meeting
2. Joint meetings of the Committees under the Board of Commissioners
3. On site Visit of the Board of Commissioners together with Committees under the Board of Commissioners

During 2019, the Board of Commissioners issued 38 (thirty-eight) letters of approval including credit approval to related parties, additional participation in other Companies / Subsidiaries, and other approvals which are under the authority of the Board of Commissioners as stipulated in the Articles of Association and regulations applicable. Some of the agreements can be submitted as follows.

No	Date	Subjects
1.	January 10, 2019	Approval of the Proposed Bank Mandiri Organizational Structure After the extraordinary GSM dated January 7, 2019.
2.	January 16, 2019	Approval of Related Party Credit Facilities.
3.	February 8, 2019	Approval of Appointment of Subsidiary's Board of Commissioners and Directors

No	Date	Subjects
4.	February 18, 2019	Approval of Related Party Credit Facilities.
5.	February 26, 2019	Determination of the Extension of Mr. Busi Sulistio as Member of the Audit Committee of Bank Mandiri.
6.	March 12, 2019	Approval of Appointment of Subsidiary's Board of Commissioners.
7.	March 20, 2019	Approval of 2019 Company Budget Work Plan (RKAP) and 2019-2021 RBAP Revisions.
8.	March 20, 2019	Approval for Providing Benefits at the Pension Funds in 2019.
9.	March 25, 2019	Approval of Related Party Credit Facilities.
10.	April 4, 2019	Approval of Related Party Credit Facilities.
11.	April 30, 2019	Determination of Committee Membership under the Board of Commissioners.
12.	May 6, 2019	Approval of Appointment of Subsidiary's Board of Commissioners and Directors.
13.	May 8, 2019	Approval of Appointment of Subsidiary's Board of Commissioners and Directors.
14.	May 24, 2019	Approval of Related Party Credit Facilities.
15.	May 24, 2019	Approval of the Proposed Bank Mandiri Organizational Structure After the Annual General Meeting of Shareholders on May 16, 2019.
16.	May 27, 2019	Approval of Audit Services Price of Bank Mandiri Consolidated Financial Statements, PKBL Financial Statements, Financial Statements and Mandiri DPLK Investment Reports as of the date and year ended December 31, 2019.
17.	May 29, 2019	Approval of Related Party Credit Facilities.
18.	May 31, 2019	Determination of Remuneration and Tantiem for the Board of Commissioners and Directors of Bank Mandiri.
19.	June 26, 2019	Approval of 2019 RKAP Revision and 2019-2021 RBB.
20.	July 3, 2019	Determination of Committee Membership under the Board of Commissioners.
21.	July 10, 2019	Approval of Capital Addition Plan for Related Parties.
22.	July 12, 2019	Approval of Related Party Credit Facilities.
23.	July 25, 2019	Approval of Related Party Credit Facility (BMEL).
24.	August 16, 2019	Principle Approval for DPLK Mandiri Transfer, Dissolution and Liquidation.
25.	September 11, 2019	Approval of Appointment of Subsidiary's Board of Commissioners and Directors.
26.	September 16, 2019	Appointment of Remuneration and Nomination Committee Members and Determination of Committee Membership under the Board of Commissioners.
27.	September 25, 2019	Approval of Related Party Credit Facilities.
28.	October 21, 2019	Approval of Appointment of Subsidiary's Board of Commissioners and Directors.
29.	November 22, 2019	Approval of Related Party Credit Facilities.
30.	November 22, 2019	Approval of Updating 2019 Recovery Plan.
31.	November 22, 2019	Approval of the 2020 RKAP and the 2020-2022 RBB.
32.	November 22, 2019	Approval of the 2020-2024 Sustainable Financial Action Plan (RAKB).
33.	November 22, 2019	Approval of Appointment of Subsidiary's Board of Commissioners and Directors.
34.	September 29, 2019	Approval of Related Party Credit Facilities.
35.	December 12, 2019	Approval of the Proposed Bank Mandiri Organizational Structure After the Extraordinary GMS dated December 9, 2019.
36.	December 12, 2019	Approval of Transfer of Mandiri DPLK Business, Proposed Liquidation & KAP Team, proposed Dissolution and Liquidation of Mandiri DPLK, and Report of Mandiri DPLK Business Plan.
37.	December 12, 2019	Approval of Related Party Credit Facilities.
38.	December 18, 2019	Determination of Committee Membership under the Board of Commissioners.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

RISK MANAGEMENT CERTIFICATION

As regulated in the Bank Indonesia Regulation No. 11/19/PBI/2009 concerning Risk Management Certification for the Management and Officials of Commercial Banks, Board of the Bank (Board of Commissioners and Board of Directors) **must have Risk Management Certificate** issued by the Professional Certification Institute, under the following classification:

No.	Period	Level	Validity period
1.	Commissioner	Minimum Level 1	4 years
2.	Independent Commissioner	Minimum Level 2	4 years
3.	President Director and Director of the Bank with assets > Rp10 Trillion	5	2 years

In the event of expiration of the certificate, Refreshment must be attended on a regular basis at least:

- once in every 4 (four) years for level 1 and 2; or
- once in every 2 (two) years for level 3, 4, and 5.

Therefore, the Independent Commissioners of Bank Mandiri are required to pass the Risk Management Certification level 2, and level 1 for non-Independent Commissioners. The following members of the Board of Commissioners have successfully passed the Risk Management Certification.

Name	Position	Period	Certificate Issuing Institution	
Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	November 15, 2017 – December 9, 2019	Risk Management Certification Agency (BSMR)	
			Indonesian Bankers Association (IBI) and Master of Management, Faculty of Economics and Business, Universitas Gadjah Mada (MMUGM)	
			Indonesian Bankers Association (IBI) and Master of Management, Faculty of Economics and Business, Universitas Gadjah Mada (MMUGM)	
			Indonesian Banking Development Institute (IBDI/LPPI)	
Kartika Wirjoatmodjo*	President Commissioner/	December 9, 2019 – December 31, 2019	Lembaga Sertifikasi Profesi Perbankan (LSPP)	
			Lembaga Sertifikasi Profesi Perbankan (LSPP)	
Imam Apriyanto Putro	Deputy President Commissioner	June 11, 2015 – November 18, 2018	Risk Management Certification Agency (BSMR)	
Muhamad Chatib Basri*	Deputy President Commissioner/ Independent Commissioner	December 9, 2019 – December 31, 2019	-	
Goei Siauw Hong	Independent Commissioner	June 25, 2015 – December 9, 2019	Banking Professional Certification Agency (LSPP)	
			Banking Professional Certification Agency (LSPP)	
			Bara Risk Forum	
Bangun Sarwito Kusumulyono	Independent Commissioner	June 25, 2015 – December 9, 2019	Risk Management Certification Agency (BSMR)	
			Banking Professional Certification Agency (LSPP)	
Mohamad Nasir*	Independent Commissioner	December 9, 2019 – December 31, 2019	-	
Robertus Bilita*	Independent Commissioner	December 9, 2019 – December 31, 2019	-	
Makmur Keliat	Independent Commissioner	September 25, 2017 – December 31, 2019	Banking Professional Certification Agency (LSPP)	
Askolani	Commissioner	September 3, 2014 – August 28, 2019	Banking Professional Certification Agency (LSPP)	
			Bara Risk Forum	
Rionald Silaban*	Commissioner	August 28, 2019 – December 31, 2019	Banking Professional Certification Agency (LSPP)	
Ardan Adiperdana	Commissioner	October 3, 2016 – December 31, 2019	Banking Professional Certification Agency (LSPP)	
			Banking Professional Certification Agency (LSPP)	
R. Widyo Pramono	Commissioner	August 21, 2017 – December 31, 2019	Banking Professional Certification Agency (LSPP)	
			Indonesian Banking Development Institute (IBDI/LPPI)	

*Effective after obtaining approval from Financial Services Authority on the Fit and Proper Test.

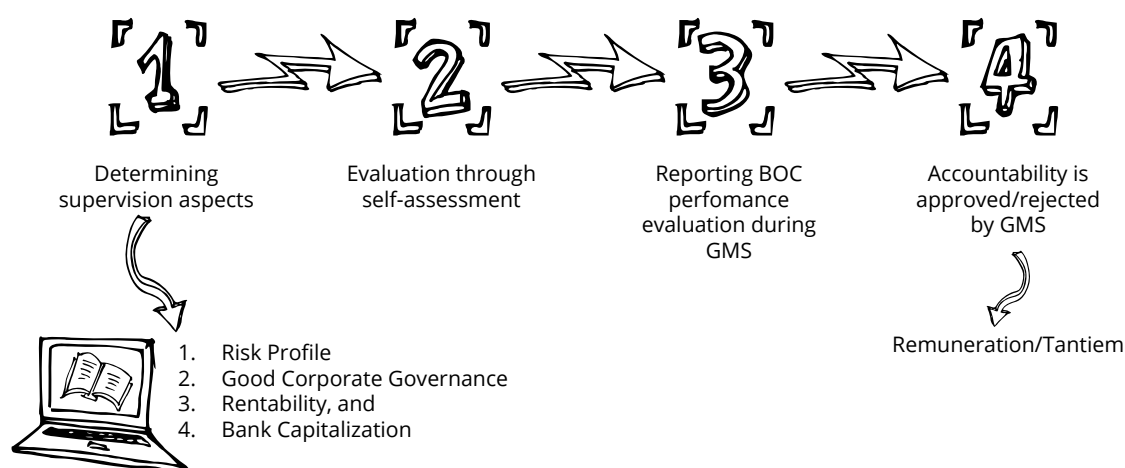
	Level	Field/Area	Date of Certificate Issuance	Expiry Date
	Level 2	Risk Management	March 29, 2016	March 29, 2020
	Refreshment	Intensive Wealth Management and Risk Management Refreshment Programs for Executives	August 26, 2017	August 26, 2019
	Refreshment	International Risk Management Refreshment Programs for Executives	November 4, 2017	November 4, 2019
	Refreshment	Executive Risk Management Refreshment Program	July 02 – 09, 2018	July 09, 2020
	Level 5	Banking Risk Management	April 17, 2015	April 17, 2017
	Refreshment	Refreshment Manajemen Risiko Perbankan: Menghadapi Fraud di dunia Perbankan, Financial Club, Graha Niaga, Jakarta	August 16, 2017	August 16, 2019
	Level 1	Risk Management	April 11, 2015	April 11, 2019
	-	-	-	-
	Refreshment	Banking Risk Management	June 21, 2019	June 21, 2021
	Level 2	Banking Risk Management	April 17, 2015	April 17, 2019
	Refreshment	Banking Risk Management	October 18, 2017	October 18, 2019
	Level 2	Banking Risk Management	December 13, 2016	December 16, 2020
	Refreshment	Refreshment : Managing Risk for a Healthy Credit Portfolio	November 16, 2016	November 16, 2018
	-	-	-	-
	-	-	-	-
	Level 2	Risk Management	May 12, 2017	May 12, 2021
	Level 1	Banking Risk Management	June 24, 2014	June 24, 2018
	Refreshment	Key Risk Management Challenges in 2019	December 07, 2018	December 07, 2020
	Level 1	Risk Management	November 14, 2019	November 14, 2023
	Level 1	Risk Management	July 30, 2016	July 30, 2020
	Refreshment	Executive Risk Management Refreshment Program with the theme entitled "Risk Management as Performance"	July 9, 2018	July 09, 2020
	Level 1	Risk Management	September 20, 2017	September 20, 2021
	Refreshment	Executive Risk Management Refreshment Program with the theme entitled "Risk Management as Performance"	July 02 – 09, 2018	July 09, 2020



PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS

The performance of the Board of Commissioners is assessed through self-assessment and reported as well as accounted for by the General Meeting of Shareholders.

PROCEDURE OF PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS



CRITERIA FOR PERFORMANCE EVALUATION OF THE BOARD OF COMMISSIONERS

No.	Indicator	Weight
1.	The Board of Commissioners holds regular Board of Commissioners Meeting no less than 4 (four) times in 1 (one) year.	10%
2.	The Board of Commissioners holds regular joint meeting with the Board of Directors no less than 4 (four) times in 1 (one) year.	10%
3.	The Board of Commissioners improves the knowledge, skill, and capability through the participation in seminar/training in accordance with the members' respective fields at least once a year.	10%
4.	The Board of Commissioners conducts on-site visits to the branches/regions to perform their supervisory function twice at the least in 1 (one) year.	10%
5.	The Board of Commissioners regularly evaluates the performance of the Bank and the Subsidiaries (Consolidated) 4 (four) times at the least in 1 (one) year.	10%
6.	The Board of Commissioners evaluates, prepares, and submits Reports on the Performance of the Bank's Financial Institutions Pension Fund to the Regulating Bodies once at the least in 1 (one) year.	10%
7.	The Board of Commissioners regularly arranges and submits the Supervision Report of Bank Business Plan to the Regulating Bodies twice in 1 (one) year.	10%
8.	The Board of Commissioners reviews, evaluates, and grants approval on aspects requiring approval from the Board of Commissioners pursuant to the prevailing laws and the Articles of Association, such as: <ul style="list-style-type: none"> • Company Work Plan and Budget • Bank Business Plan • The Selection of Public Accountant Firm to act as the Auditor of Financial Statements of the Bank and Financial Institutions Pension Fund, and proposing the name of the Firm to be approved in the Annual General Meeting of Shareholders. • Capital injection or divestment and management structure of the Subsidiaries. • Approval of credit facilities for the related parties. • Effectiveness of Bank Risk Management and Integrated Risk Management systems and processes • Effectiveness of the implementation of the Internal Audit Work Unit function. 	10%
9.	The Board of Commissioners ensures the implementation of Good Corporate principles and practices holistically within the organization.	10%
10.	The Board of Commissioners ensures that the subordinate Committees, comprising Audit Committee, Risk Monitoring Committee, Nomination and Remuneration Committee, and Integrated Governance Committee, have performed their duties and functions appropriately and effectively in accordance with the applicable provisions. Below are the measured indicators in the implementation of duties and functions of Committees reporting to the Board of Commissioners: <ul style="list-style-type: none"> • Hosted Meetings of Committees and Committees Work Plan • Degree of attendance and participation in Committee Meetings • Submission of Reviews to the Board of Commissioners • Timely Preparation and Submission of Committee Reports 	10%

PARTIES CONDUCTING ASSESSMENT

The Board of Commissioners carried out self-assessment to its performance throughout 2018

PERFORMANCE ASSESSMENT RESULT OF THE BOARD OF COMMISSIONERS

No.	Indicator	Weight	Pencapaian
1.	The Board of Commissioners holds regular Board of Commissioners Meeting no less than 4 (four) times in 1 (one) year.	10%	100%
2.	The Board of Commissioners holds regular joint meeting with the Board of Directors no less than 4 (four) times in 1 (one) year.	10%	100%
3.	The Board of Commissioners improves the knowledge, skill, and capability through the participation in seminar/training in accordance with the members' respective fields at least once a year.	10%	100%
4.	The Board of Commissioners conducts on-site visits to the branches/regions to perform their supervisory function twice at the least in 1 (one) year.	10%	100%
5.	The Board of Commissioners regularly evaluates the performance of the Bank and the Subsidiaries (Consolidated) 4 (four) times at the least in 1 (one) year.	10%	100%
6.	The Board of Commissioners evaluates, prepares, and submits Reports on the Performance of the Bank's Financial Institutions Pension Fund to the Regulating Bodies once at the least in 1 (one) year.	10%	100%
7.	The Board of Commissioners regularly arranges and submits the Supervision Report of Bank Business Plan to the Regulating Bodies twice in 1 (one) year.	10%	100%
8.	<p>The Board of Commissioners reviews, evaluates, and grants approval on aspects requiring approval from the Board of Commissioners pursuant to the prevailing laws and the Articles of Association, such as:</p> <ul style="list-style-type: none"> • Company Work Plan and Budget • Bank Business Plan • The Selection of Public Accountant Firm to act as the Auditor of Financial Statements of the Bank and Financial Institutions Pension Fund, and proposing the name of the Firm to be approved in the Annual General Meeting of Shareholders. • Capital injection or divestment and management structure of the Subsidiaries. • Approval of credit facilities for the related parties. • Effectiveness of Bank Risk Management and Integrated Risk Management systems and processes • Effectiveness of the implementation of the Internal Audit Work Unit function. 	10%	100%
9.	The Board of Commissioners ensures the implementation of Good Corporate principles and practices holistically within the organization.	10%	100%
10.	<p>The Board of Commissioners ensures that the subordinate Committees, comprising Audit Committee, Risk Monitoring Committee, Nomination and Remuneration Committee, and Integrated Governance Committee, have performed their duties and functions appropriately and effectively in accordance with the applicable provisions.</p> <p>Below are the measured indicators in the implementation of duties and functions of Committees reporting to the Board of Commissioners:</p> <ul style="list-style-type: none"> • Hosted Meetings of Committees and Committees Work Plan • Degree of attendance and participation in Committee Meetings • Submission of Reviews to the Board of Commissioners • Timely Preparation and Submission of Committee Reports 	10%	100%

THE EVALUATION OF THE COMMITTEES UNDER THE BOARD OF COMMISSIONERS AND THE BASIS OF THE EVALUATION

In order to improve the role of the Board of Commissioners in performing the supervisory function, the Board of Commissioners had established 4 (four) committees, namely:

1. Audit Committee
2. Remuneration and Nomination Committee
3. Risk Monitoring Committee
4. Integrated Governance Committee



The Audit Committee has the duty and responsibility to assist and facilitate the Board of Commissioners in carrying out their duties and supervisory functions on matters related to the quality of financial information, internal control systems, effectiveness of external and internal auditor audits, effectiveness of risk management and compliance with laws and regulations. laws that apply. Throughout 2019, the Audit Committee has carried out its duties and responsibilities well. The Audit Committee has conducted 18 (eighteen) meetings and carried out its duties which include:

1. Reviewing reports and matters that need to be approved by the Board of Commissioners include business plan realization report, audit function implementation report, consolidated financial report and integrated internal audit report.
2. Preparing the recommendations and reports including PKBL approval, KAP appointment, evaluation of the implementation report of the Compliance Director, adjustment of the Annual Audit Plan, Report on the Evaluation Results of the Implementation of Audit Services on the Annual Historical Financial Information of PT Bank Mandiri (Persero) Tbk. Fiscal Year 2018 and Report on the Results of Evaluation of the Implementation of Audit Services on the Annual Historical Financial Information of Pension Funds of Financial Institutions PT Bank Mandiri (Persero) Tbk. Book Year 2018.
3. Establishing communication and coordination with work units at Bank Mandiri. This communication is carried out by inviting the relevant work units in discussions to discuss current issues at Bank Mandiri.

The Remuneration and Nomination Committee has the duty and responsibility to assist in carrying out its functions and duties in the fields related to remuneration and nomination of members of the Board of Directors and the Board of Commissioners. Throughout 2019, the Remuneration and Nomination Committee has carried out its duties and responsibilities well. The Remuneration and Nomination Committee conducted 9 (nine) meetings and carried out its tasks which include:

1. Providing recommendations / proposals for candidates who qualify as Members of the Board of Commissioners and Directors of Bank Mandiri to the Board of Commissioners to be submitted to the GMS.
2. Obtaining and analyzing data on prospective Directors from the talent pool of officials one level below the Directors and identifying candidates for the Board of Commissioners who meet the requirements.
3. Proposing an appropriate remuneration system for the Directors and Board of Commissioners of Bank Mandiri in the form of a payroll / honorarium system, facilities / benefits, bonuses, and so on for 2019.

The Risk Monitoring Committee has the duties and responsibilities in carrying out its duties and responsibilities in conducting supervision and providing advice to the Directors to obtain adequate confidence so that the implementation of the Company's risk management continues to meet the adequacy of risk management procedures and methodologies, so that the Bank's business activities remain can be controlled at acceptable limits and benefits the Company. Throughout 2019, the Risk Monitoring Committee has carried out its duties and responsibilities well. The Risk Monitoring Committee conducted 29 (twenty-nine) meetings and carried out its tasks which include:

1. Proposed approval for applications for credit facilities and provision of funds to Related Parties, whether in the nature of an extension, addition, amendment or new grant.
2. Proposing Bank Mandiri organizational structure.
3. Proposing capital increase, release of shares, liquidation at the subsidiary company.
4. Reviewing the proposed composition of management / management of the subsidiary company.
5. Proposing Update on Recovery Plan and Management Policies of Subsidiary Companies.
6. Reviewing the Risk Dashboard, stress management tests and implementation of risk management at Bank Mandiri.
7. Reviewing other requests that require the approval of the Board of Commissioners, including proposals to conduct Build, Operate, Transfer (BOT) cooperation to optimize Bank Mandiri's assets.

The Integrated Governance Committee has the duty and responsibility to assist and facilitate the Board of Commissioners in carrying out the duties and functions of supervision over the implementation of Governance in each of the Financial Services Institutions (LJK) in the Bank Mandiri Financial Conglomerate to comply with the Integrated Governance Guidelines and Implementation the duties and responsibilities of the Board of Directors of Bank Mandiri. Throughout 2019, the Integrated Governance Committee has carried out its duties and responsibilities well. The Integrated Governance Committee has conducted meetings 3 (three) times and carried out its tasks which include:

1. Realization of KPI Subsidiaries
2. Update on Integrated Internal Audit Results.
3. Self-Assessment Results of the Implementation of Integrated Governance.
4. Achievement of PSAK 71 in the Mandiri Group.
5. Realization of the 2019 Integrated Work Unit Work Plan.

The Board of Commissioners periodically (annually) evaluates the effectiveness of the committees' performance under the Board of Commissioners.

The Board of Commissioners considers that during 2019 the committees have carried out their duties and responsibilities quite effectively in terms of the achievement of the Key Performance Indicator (KPI) of each committee. Information on the achievement of the Key Performance Indicator (KPI) of the Committees under the Board of Commissioners is presented in each section of the Committee of the Board of Commissioners.

THE MECHANISM OF RESIGNATION AND DISMISSAL OF THE BOARD OF COMMISSIONERS

The resignation and dismissal mechanism of the Board of Commissioners under the Company's Articles of Associations are as follows:

1. Members of the Board of Commissioners shall be appointed and dismissed by the General Meeting of Shareholders, which shall be attended by Series A Dwiwarna Shareholders and the GMS Resolution must be approved by the Series A Dwiwarna Shareholders. Members of the Board of Commissioners shall be appointed by the GMS from the candidates nominated by Series A Dwiwarna Shareholders, which nomination shall be binding to the GMS.
2. Board of Commissioners member(s) can be dismissed at any time pursuant to GMS Resolutions by stating the reason.
3. The grounds for the dismissal of a BOC member as stipulated in point 2 above shall be applied if in reality, the BOC member:
 - a. Cannot perform their duties well;
 - b. Violate the provisions of Articles of Association and/or the laws and regulations;
 - c. Get involved in an act that causes loss for the Company and/or country;
 - d. Perform an act violating the ethics and/or compliance which must be respected by the Board of Commissioners;
 - e. Is declared guilty by the Court with a permanent legal force;
 - f. Resign.
4. The Board of Commissioners can be dismissed by GMS based on other grounds deemed appropriate by GMS for the interest and purpose of the Company.
5. The dismissal resolution based in the said grounds, shall be resolved after the said BOC member is given the opportunity to defend him/herself at the GMS.
6. The termination for the above grounds shall be deemed unamicable dismissal.
7. Among the members of the Board of Commissioners and between members of Board of Commissioners and members of the Board of Directors there should not be any family relationship up to third degree both vertically and horizontally including the relationships arising from marriage.
8. In case of the occurrence of the situation, GMS is authorized to dismiss one of them.
9. A member of the Board of Commissioners has the right to resign from his/her position before the end of his/her term of service by notifying in writing of his/her purpose to the Company.
10. The Company is obliged to hold GMS to resolve the resignation request of the member of the Board of Commissioners within 90 (ninety) days after the receipt of the resignation letter at the latest.
11. The Company is obliged to implement disclosure of information to public and to convey to Financial Services Authority (FSA) within 2 (two) days at the latest after the receipt of the resignation request of the member of the Board of Commissioners.
12. Before the resignation becomes effective, the said member of the Commissioners shall still have the obligation to complete his/her duties and responsibilities according to the Articles of Association and the laws and regulations.
13. To the resigning member of the Board of Commissioners mentioned above may still be asked for his/her responsibilities as a member of the Board of Commissioners until the approval of his/her resignation date at GMS.
14. The release of responsibilities of the resigning member of the Board of Commissioners shall be provided after the release from Annual Meeting of Shareholders.
15. In the event the resignation of a member of the Board of Commissioners resulting the number of the member of the Board of Commissioners becomes less than 3 (three), then such resignation shall be valid when it is determined by GMS and a new member is appointed, so as to meet the minimum requirement of the member of the Board of Commissioners.
16. The term of the Board of Commissioners member ends if:
 - a. The resignation has been effective;
 - b. Passed away;
 - c. Expired tenure;
 - d. Dismissed through GMS; or
 - e. The member is declared bankrupt by Commercial Court which has permanent legal force or is placed under guardianship pursuant to a court decree;
 - f. No longer meets the requirement as a Board of Commissioners member in accordance with the Articles of Association and applicable laws and regulations.
17. For a member of the Board of Commissioners who terminates on or before the end of his/her term of office, unless due to death, he/she remains responsible for all of his/her actions that have not been accepted by GMS.



POLICIES RELATED TO THE RESIGNATION OF THE BOARD OF COMMISSIONERS GETTING INVOLVED IN FINANCIAL CRIME

Article of Association of Bank Mandiri has regulated policies related to the resignation of Board of Commissioners and Board of Directors member getting involved in financial crime. If a member of the Board of Commissioners and Board of Directors does not meet the regulation requirements anymore, including involving in a financial crime, then the term of office of the member of Board of Commissioners and Board of Directors shall automatically ends.

BOARD OF DIRECTORS

The Board of Directors is a Company Organ that is authorized and fully responsible for the management of the Company for the interest of the Company in accordance with the provisions of the Articles of Associations. In performing their duty, the Board of Directors is obliged to fully devote his/her energy, thought, attention and dedication to the tasks, liabilities and the achievement of the Company. The Board of Directors must comply with the Articles of Association of the Company and the laws and regulations and shall implement the professionalism, efficiency, transparency, independence, accountability, responsibility and appropriateness principles. Each member of the Board of Directors of Bank Mandiri shall perform his/her duties and liabilities with good will, full of responsibility, and prudence, in accordance and compliance with the applicable laws.

DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The duties and responsibilities of the Bank Mandiri Directors are as follows:

1. Running and responsible for management Company for the interest and in accordance with the purposes and objectives of the Company stipulated in Articles of Association and act as leaders in the arrangement.
2. Maintaining and managing the Company's assets.
3. Representing the Board of Directors for and on behalf of the Company both inside and outside the Court.
4. Arrange and define vision and mission, strategy and the management policy of the Company.
5. Arrange, establish, supervise and evaluation of the implementation of the Company's Plan (Corporate Budget Work Plan, Plan Business Development, Financial Action Plans Sustainable and Human Resource Development Plans) medium and long term.
6. Set the Company's performance targets, conduct supervision and evaluation and striving achievement of the Company's performance targets.
7. Arrange, implement and evaluate the Company's risk management strategies and policies from the identification stage to risk monitoring.
8. Establish policies and implement principles Good Corporate Governance and internal control.
9. Maintain the image of the Company and establish relationships with all stakeholders.
10. Carry out other duties and responsibilities regulated in the Articles of Association, regulations legislation and stipulated in the Meeting General Shareholders, Directors' Meetings and Company regulations.

RIGHTS AND AUTHORITIES OF THE BOARD OF DIRECTORS

The Board of Directors has the following rights and authorities:

1. Take all actions and decision in the framework of managing the Company by observing the Company's Articles of Association, Legislation, Company regulations and Good Corporate Governance.
2. Establish the management division of tasks among Directors, in the event that it is not decided by another General Meeting of Shareholders.
3. Directing and setting policies as well Company regulations to support management/Company activities related to budget/financial business activities, risk management, operational, and human resources.
4. Set the submission of the Board of Directors' power to representing the Company inside and outside the Court to one or several special people appointed for that including good Company employees alone or together and/or to another body.
5. Regulate provisions regarding Company employees including the determination of salaries, pensions, or day guarantees old and other income for the Company's employees based on legislation.
6. Lift and dismiss employees The company is based on labor regulations and other laws and regulations.
7. Appoint and dismiss the Corporate Secretary and/or Head of the Supervisory Unit Internal Audit with the approval of the Board of Commissioners.
8. Write off bad debts with provisions as stipulated in the Budget The basis is then reported to Board of Commissioners to report and accounted for in the Annual Report.
9. Do not collect the interest receivable, fine, fees, and other receivables in the framework restructuring and/or settlement of receivables and do other

actions in order settlement of the Company's receivables with obligations report to the Board of Commissioners who the provisions and procedures for reporting are stipulated by the Board of Commissioners.

10. Carry out all other actions and actions regarding the management and ownership of wealth Company, binds the Company with parties other and/or other parties with the Company, as well as representing the Company inside and outside the Court about all things and all events, with restrictions as stipulated in the regulations legislation, Articles of Association and/or GMS decision.
11. Establish Organizational Structure and officials
The Company has a certain level that is regulated through the Decree of the Board of Directors with regard to provisions of the Articles of Association, laws and regulations and Company regulations.
12. Delegating tasks, responsibilities and authority to officials below him to assisting in managing the Company with pay attention to the Articles of Association, regulations Company regulations and regulations.
13. Carry out supervision over each activity The Company is in accordance with the aims and objectives The Company and Good Corporate Governance.

THE TENURE OF THE BOARD OF DIRECTORS

The term of office of the Board of Directors is as follows:

1. The Board of Directors members are appointed for the tenure starting from the GMS closing or other dates specified by the appointing GMS and ends after the closing of the 5th (fifth) Annual GMS after the appointing date, on condition no more than 5 (five) years, by considering the applicable laws and regulations including in the field of Capital Market, without lessening the rights from the GMS to dismiss the Board of Directors members at any time before the tenure ends.
2. The dismissal is effective after the closing of the GMS, unless defined otherwise by the GMS.
3. After the tenure ends, the Board of Directors members can be reappointed by the GMS for another tenure.

CRITERIA OF THE BOARD OF DIRECTORS

The candidates of the Board of Directors members are individuals, who meet the requirement when appointed or in the tenure:

1. Having good ethics, morals and integrity.
2. Eligible to do legal actions.

3. Within 5 (five) years prior to appointment or during the office, he/she:
 - a. Has never declared bankrupt.
 - b. Has never been a member of the Board of Directors and/or Board of Commissioners found guilty of causing a Company bankrupt.
 - c. Has never been sentenced of crime for causing the loss of the country and/or relating to financial sector.
 - d. never becomes a member of the Board of Directors and/or member of the Board of Commissioners who, during his/her tenure:
 - Has hold Annual GMS.
 - whose accountability as member of Board of Directors and/or Board of Commissioners has been declined by GMS or has never provided accountability report as member of Board of Directors and/or Board of Commissioners to GMS.
 - Has caused a company that has license, approval, or registration from FSA not to fulfill its obligation to deliver Annual Report and/or financial report to FSA.
4. Has the commitment to comply with the laws and regulations.
5. Has the knowledge and/or expertise in the area required by the Company.

BOARD CHARTER OF THE BOARD OF DIRECTORS

In performing its duties and responsibilities, the Board of Directors has Guidance and Codes of Conduct of the Board of Directors as approved by Board of Directors Decree Number: KEP.DIR/211/2017 on September 13, 2017 regarding Guidelines and Codes of Conduct for Board of Directors PT Bank Mandiri (Tbk). The content of Guidelines and Codes of Conduct for Board of Directors regulates the following things.

1. General Terms
2. Organization, Stewardship, Authority to Act, and General Policy
3. Board of Directors Meeting
4. Working Time and Ethics
5. Committee
6. Correspondence
7. Board of Directors Shareholding
8. Performance Evaluation of the Board of Directors
9. Miscellaneous
10. Amendment
11. Closing



THE COMPOSITION AND GROUNDS FOR THE APPOINTMENT OF THE BOARD OF DIRECTORS

In 2019, the number and composition of Directors changed several times with the following composition.

COMPOSITION AND BASIS OF THE BOARD OF DIRECTORS OF THE COMPANY BEFORE THE EXTRAORDINARY GMS ON JANUARY 7, 2019

The composition of the Company's Directors before the Extraordinary General Meeting of Shareholders on January 7, 2019, consists of 11 (eleven) Directors consisting of 1 (one) President Director, 1 (one) Deputy President Director and 9 (nine) Directors.

Table of Composition and Basis of Directors' Remuneration

Name	Position	Implementing due diligence and compliance	Appointment Basis	Effective date
Kartika Wirjoatmodjo	President Director	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	May 17, 2016
Sulaiman Arif Arianto	Vice Director	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Royke Tumilaar	Director of Corporate Banking	Bank Indonesia	Annual General Meeting of Shareholders on May 23, 2011	July 25 2017
Hery Gunardi	Business and Network Director	Financial Services Authority	Annual General Meeting of Shareholders on April 2, 2013	July 4, 2013
Ahmad Siddik Badruddin	Director of Risk Management	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Rico Usthavia Frans	Director of Information Technology and Operations	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	July 20, 2016
Darmawan Junaidi	Director of Treasury and International Banking	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	January 12, 2018
Alexandra Askandar	Director of Institutional Relations	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 12, 2018
Agus Dwi Handaya	Compliance Director	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 12, 2018
Panji Irawan	Director of Finance	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 4, 2018
Donsuwan Simatupang	Director of Retail Banking	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 4, 2018

COMPOSITION AND BASIS OF THE BOARD OF DIRECTORS OF THE COMPANY AFTER EXTRAORDINARY GMS ON JANUARY 7, 2019

The composition of the Board of Directors of the Company after the Extraordinary General Meeting of Shareholders on January 7, 2019, consists of 12 (twelve) Directors consisting of 1 (one) President Director, 1 (one) Vice President Director and 10 (ten) Directors.

Tabel Komposisi dan Dasar Pengangkatan Direksi

Name	Position	Executing	Rapture Basis	Effective date
Kartika Wirjoatmodjo	President Director	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	May 17, 2016
Sulaiman Arif Arianto	Vice Director	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Royke Tumilaar	Director of Corporate Banking	Bank Indonesia	Annual General Meeting of Shareholders on May 23, 2011	July 25 2017

Name	Position	Executing	Rapture Basis	Effective date
Hery Gunardi	Business and Network Director	Financial Services Authority	Annual General Meeting of Shareholders on April 2, 2013	July 4, 2013
Ahmad Siddik Badruddin	Director of Risk Management	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Rico Usthavia Frans	Director of Information Technology and Operations	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	July 20, 2016
Darmawan Junaidi	Director of Treasury and International Banking	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	January 12, 2018
Alexandra Askandar	Director of Institutional Relations	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 12, 2018
Agus Dwi Handaya	Compliance Director	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 12, 2018
Panji Irawan	Director of Finance	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 4, 2018
Donsuwan Simatupang	Director of Retail Banking	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 4, 2018
Riduan	Director of Commercial Banking	Financial Services Authority	Extraordinary General Meeting of Shareholders on January 7, 2019	May 15, 2019

COMPOSITION AND BASIS OF THE BOARD OF DIRECTORS OF THE COMPANY AFTER THE GMS ON MAY 16, 2019

At the 2019 Annual General Meeting of Shareholders, it was decided that the nomenclature changes to the positions of members of the Board of Directors so that the composition of the Board of Directors of the Company after the Annual GMS on May 16, 2019, namely the Board of Directors, consisted of 12 (twelve) people consisting of 1 (one) President Director, 1 (one) Vice President Director and 10 (ten) Directors.

Table of Composition and Basis of Directors' Appointment

Name	Position	Implementer	Rapture Basis	Effective date
Kartika Wirjoatmodjo	President Director	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	May 17, 2016
Sulaiman Arif Arianto	Vice Director	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Royke Tumilaar	Director of Corporate Banking	Bank Indonesia	Annual General Meeting of Shareholders on May 23, 2011	July 25 2017
Hery Gunardi	Director of Small Business and Networks	Financial Services Authority	Annual General Meeting of Shareholders on April 2, 2013	July 4, 2013
Ahmad Siddik Badruddin	Director of Risk Management	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Rico Usthavia Frans	Director of Information Technology and Operations	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	July 20, 2016
Darmawan Junaidi	Director of Treasury and International Banking	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	January 12, 2018
Alexandra Askandar	Director of Institutional Relations	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 12, 2018
Agus Dwi Handaya	Director of Compliance and HR	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 12, 2018
Panji Irawan	Director of Finance and Strategy	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 4, 2018
Donsuwan Simatupang	Director of Retail Banking	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 4, 2018
Riduan	Director of Commercial Banking	Financial Services Authority	Extraordinary General Meeting of Shareholders on January 7, 2019	May 15, 2019

*The term of office of the President Director of the Company, Mr. Kartika Wirjoatmodjo ends due to the appointment of the relevant Minister of SOE Republic of Indonesia on October 25, 2019.



COMPOSITION AND BASIS OF THE BOARD OF DIRECTORS OF THE COMPANY AFTER EXTRAORDINARY GMS ON DECEMBER 9, 2019

The composition of the Board of Directors of the Company after the Extraordinary General Meeting of Shareholders on December 9, 2019, namely the Directors totaling 12 (twelve) people consisting of 1 (one) President Director, 1 (one) Deputy President Director and 10 (ten) Directors.

Table of Composition and Basis of Directors' Appointment

Nama	Jabatan	Pelaksana Uji Kelayakan dan Keputusan	Dasar Pengangkatan	Tanggal Efektif
Royke Tumilaar	President Director	Financial Services Authority	Extraordinary General Meeting of Shareholders on December 9, 2019	Still in the process of fit and proper test.
Sulaiman Arif Arianto	Vice President Director	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Alexandra Askandar	Director Of Corporate Banking	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 12, 2018
Hery Gunardi	Director Of Consumer And Retail Transaction	Financial Services Authority	Annual General Meeting of Shareholders on April 2, 2013	July 4, 2013
Ahmad Siddik Badruddin	Director Of Risk Management	Financial Services Authority	Annual General Meeting of Shareholders on March 16, 2015	June 25, 2015
Rico Usthavia Frans	Director Of Information Technology	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2016	July 20, 2016
Darmawan Junaidi	Director Of Treasury, International Banking, And Special Asset Management	Financial Services Authority	Extraordinary General Meeting of Shareholders on August 21, 2017	January 12, 2018
Agus Dwi Handaya	Director Of Compliance And Hr	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 12, 2018
Panji Irawan	Director Of Operations	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 4, 2018
Donsuwan Simatupang	Director Of Institutional Relations	Financial Services Authority	Annual General Meeting of Shareholders on March 21, 2018	September 4, 2018
Riduan	Director Of Commercial Banking	Financial Services Authority	Extraordinary General Meeting of Shareholders on January 7, 2019	May 15, 2019
Silvano Winston Rumantir	Director Of Finance And Strategy	Financial Services Authority	Extraordinary General Meeting of Shareholders on 9 December 2019	Still in the process of fit and proper test.

ORIENTATION PROGRAM FOR THE NEW BOARD OF DIRECTORS

Orientation program for the new Board of Directors are conducted by presenting relevant materials by relevant Working Unit Leaders and are coordinated by the Corporate Secretary. The implementation of the orientation program for the new Board of Directors shall be conducted after the appointment of the new Board of Directors. The material of the introductory program consists of Good Corporate Governance, the Performance of the Company, Risk Management, and topics relevant to the tasks of the new Board of Directors.

The orientation program for the New Directors, Mr. Silvano W. Rumantir, who was appointed based on the Extraordinary General Meeting of Shareholders on December 9, 2019, will be implemented in 2020, after there are fit and proper test results.

DIRECTOR'S DUTIES

In carrying out its duties, the Directors are divided into the following task fields.

Table of Directors' Duties

Name	Position	Period	Supervision
Kartika Wirjoatmodjo	President Director	January 1, 2019 - October 25, 2019	Internal Audit, Corporate Transformation.
Royke Tumilaar*	Director of Corporate Banking	January 1, 2019 - December 9, 2019	Large Corporate
	President Director	9 December 2019 - 31 December 2019	Internal Audit, Business and Network, Corporate Secretary.
Sulaiman Arif Arianito	vice director	January 1, 2019 - December 31, 2019	Chief Transformation Office
Hery Gunardi	Director of Small Business and Networks	January 1, 2019 - May 16, 2019	Distribution Strategy, Wealth Management, Consumer & Transaction.
	Business and Network Director	May 16 2019- December 9 2019	Distribution Strategy, Wealth Management, Consumer & Transaction.
	Director of Consumer and Retail Transaction	9 December 2019 - 31 December 2019	Consumer Business, Wealth Management, Strategic Marketing & Communication, Corporate Real Estate
Ahmad Siddik Badruddin	Director of Risk Management	January 1, 2019 - December 31, 2019	Retail Risk, Wholesale Risk, Credit Control & Supervision.
Rico Usthavia Frans	Director of Information Technology and Operations	January 1, 2019 - December 9, 2019	Information Technology, Digital Banking, Operation.
	Director of Information Technology	9 December 2019 - 31 December 2019	Information Technology, Digital Banking
Darmawan Junaidi	Director of Treasury and International Banking	January 1, 2019 - December 9, 2019	Treasury, International Banking & Financial Institutions, Transaction Banking & Wholesale Products, Transaction Banking & Wholesale Sales, Strategic Procurement
	Director of Treasury, International Banking, and Special Asset Management	9 December 2019 - 31 December 2019	Treasury, International Banking & Financial Institutions, Transaction Banking & Wholesale Products, Transaction Banking & Wholesale Sales, Strategic Procurement, Legal, Special Asset Management.
Alexandra Askandar	Director of Institutional Relations	January 1, 2019 - December 9, 2019	Government & Institutional, Government Project, Corporate Secretary.
	Director of Corporate Banking	9 December 2019 - 31 December 2019	Corporate Banking
Agus Dwi Handaya	Compliance Director	January 1, 2019 - May 16, 2019	Compliance, Human Capital, Mandiri University.
	Director of Compliance and HR	May 16, 2019- December 31, 2019	Compliance, Human Capital, Mandiri University, Office of The Board.
Panji Irawan	Director of Finance and Strategy	January 1, 2019 - December 9, 2019	Strategy & Performance Management, Accounting, Investor Relations, Corporate Real Estate, Office of Chief Economist.
	Direktur Operation	9 Desember 2019 - 31 Desember 2019	Wholesale Credit Operations, Retail Credit Operations, Retail Credit Center, Electronic Channel Operations, Customer Care, Business Continuity Management, Cash & Trade Operations.
Donsuwan Simatupang	Director of Retail Banking	January 1, 2019 - December 9, 2019	Credit Card, Consumer Loans, Micro Personal Loan, SME Banking, Micro Development & Agent Banking, Retail banking.
	Director of Institutional Relations	9 December 2019 - 31 December 2019	Government & Institutional, Government Project.
Riduan**	Director of Commercial Banking	January 7, 2019 - December 31, 2019	Commercial Banking
Silvano Winston Rumantir*	Director of Finance and Strategy	9 December 2019 - 31 December 2019	Strategy & performance Management, Accounting, Investor Relations, Office of Chief Economist.

Information:

* Effective after obtaining approval from FSA on the Fit and Proper Test.

** Effective office since May 15, 2019.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

AFFILIATIONS OF BOARD OF DIRECTORS

The Board of Directors shall always be independent, meaning that they do not have conflict of interest which interferes their ability to carry out their tasks independently and critically, whether among the Board of Directors members or the relation with the Board of Commissioners.

The Board of Directors have no financial relations, management relations, shareholding and/or family relations with other members of the Board of Commissioners, the Board of Directors and/or Controlling Shareholders or relation with the Bank, therefore they are able to carry out their tasks and responsibility independently.

The Board of Directors is prohibited from having double post as a President Director or other Directors in other State, Region and Public Owned Enterprise or other positions related to Company management, as well as structural position, and functional position in the central and regional government institutions/organization, and other positions in accordance with the Company Articles of Association and applicable laws and regulations.

The independency of the Board of Directors is shown in the following table:

Table of Affiliations of Board of Directors

Name	Position	Period	
Kartika Wirjoatmodjo	President Director	January 1, 2019 - October 25, 2019	
Royke Tumilaar*	Director of Corporate Banking	January 1, 2019 - December 9, 2019	
	President Director	9 December 2019 - 31 December 2019	
Sulaiman Arif Arianto	Vice director	January 1, 2019 - December 31, 2019	
Hery Gunardi	Director of Small Business and Networks	January 1, 2019 - May 16, 2019	
	Business and Network Director	May 16 2019- December 9 2019	
	Director of Consumer and Retail Transaction	9 December 2019 - 31 December 2019	
Ahmad Siddik Badruddin	Director of Risk Management	January 1, 2019 - December 31, 2019	
Rico Usthavia Frans	Director of Information Technology and Operations	January 1, 2019 - December 9, 2019	
	Director of Information Technology	9 December 2019 - 31 December 2019	
Darmawan Junaidi	Director of Treasury and International Banking	January 1, 2019 - December 9, 2019	
	Director of Treasury, International Banking, and Special Asset Management	9 December 2019 - 31 December 2019	
Alexandra Askandar	Director of Institutional Relations	January 1, 2019 - December 9, 2019	
	Director of Corporate Banking	9 December 2019 - 31 December 2019	
Agus Dwi Handaya	Director of Compliance and HR	May 16, 2019- December 31, 2019	
	Director of Compliance and HR	May 16, 2019- December 31, 2019	
Panji Irawan	Director of Finance and Strategy	January 1, 2019 - December 9, 2019	
	Director of Operations	9 December 2019 - 31 December 2019	
Donsuwan Simatupang	Director of Retail Banking	January 1, 2019 - December 9, 2019	
	Director of Institutional Relations	9 December 2019 - 31 December 2019	
Riduan**	Director of Commercial Banking	January 7, 2019 - December 31, 2019	
Silvano Winston Rumantir*	Director of Finance and Strategy	9 December 2019 - 31 December 2019	

* Effective after obtaining approval from OJK on the Fit and Proper Test.

** Effective office since 15 May 2019.

	Financial, Family, and the Board of Directors Management Affiliations													
	Financial Affiliations with						Financial Affiliations with						Other Company Management Affiliations	
	The Board of Commis-sioners		Directors		Controlling Shareholders		The Board of Commission-ers		Directors		Controlling Shareholders			
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√		√		√
		√		√		√		√		√	</			



POLICIES ON THE BOARD OF DIRECTORS CONCURRENT POSITIONS

Policies on the Board of Directors concurrent positions is specified in the following regulations.

1. Based on SOE Minister's Regulation Number PER-03/MBU/02/2015 concerning Requirements, Procedures for Appointment, and Dismissal of Directors of State Owned Enterprises, members of the Board of Directors are prohibited from holding multiple positions as:
 - a. Member of the Board of Directors at State-Owned Enterprises, Regionally-Owned Enterprises, and private enterprises.
 - b. Member of the Board of Commissioners in State-Owned Enterprises.
 - c. other structural and functional positions in the central and regional government institutions/organization;
 - d. political party officials and/or legislative candidates/members; and/or regional head/deputy head candidates;
 - e. positions causing conflict of interests and/or other positions in accordance to applicable laws and regulations;
2. Based on Financial Services Authority Regulation No. 55/POJK.03/2016 concerning Implementation of Governance for Commercial Banks, members of the Board of Directors are prohibited from holding multiple positions as members of the Board of Directors, members of the Board of Commissioners or Executive Officers in other banks, companies and/or institutions. However, it does not include positions of the Board of Directors responsible for auditory of the Bank additional investment to subsidiaries, carrying out functional tasks as the Board of Commissioners members in subsidiaries that is not a bank controlled by the Bank, as long as it does not make the concerned disregard his tasks and responsibility as the Bank Board of Commissioners member.

Table of The Board of Directors Concurrent Positions

Name	Position	Period	Designation in Company/ Other Institution	Name of Company/ Other Institution
Kartika Wirjoatmodjo	President Director	January 1, 2019 - October 25, 2019	-	-
Royke Tumilaar*	Director of Corporate Banking	January 1, 2019 - December 9, 2019	-	-
	President Director	9 December 2019 - 31 December 2019	-	-
Sulaiman Arif Arianto	Deputy Director	January 1, 2019 - December 31, 2019	-	-
Hery Gunardi	Director of Small Business and Networks	January 1, 2019 - May 16, 2019	-	-
	Business and Network Director	May 16 2019- December 9 2019	-	-
	Director of Consumer and Retail Transaction	9 December 2019 - 31 December 2019	-	-
Ahmad Siddik Badruddin	Director of Risk Management	January 1, 2019 - December 31, 2019	-	-
Rico Usthavia Frans	Director of Information Technology and Operations	January 1, 2019 - December 9, 2019	-	-
	Director of Information Technology	9 December 2019 - 31 December 2019	-	-
Darmawan Junaedi	Director of Treasury and International Banking	January 1, 2019 - December 9, 2019	-	-
	Director of Treasury, International Banking, and Special Asset Management	9 December 2019 - 31 December 2019	-	-
Alexandra Askandar	Director of Institutional Relations	January 1, 2019 - December 9, 2019	-	-
	Director of Corporate Banking	9 December 2019 - 31 December 2019	-	-
Agus Dwi Handaya	Compliance Director	January 1, 2019 - May 16, 2019	-	-
	Director of Compliance and HR	May 16, 2019- December 31, 2019	-	-
Panji Irawan	Director of Finance and Strategy	January 1, 2019 - December 9, 2019	-	-
	Director of Operations	9 December 2019 - 31 December 2019	-	-

Name	Position	Period	Designation in Company/ Other Institution	Name of Company/ Other Institution
Donsuwan Simatupang	Director of Retail Banking	January 1, 2019 - December 9, 2019	-	
	Director of Relations Institutional	9 December 2019 - 31 December 2019	-	-
Riduan**	Director of Commercial Banking	January 7, 2019 - December 31, 2019	-	-
Silvano Winston Rumanthir*	Finance Director and Strategy	9 December 2019 - 31 December 2019		

* Effective after obtaining approval from OJK on the Fit and Proper Test.

** Effective office since 15 May 2019.

MANAGEMENT OF THE BOARD OF DIRECTORS CONFLICT OF INTEREST

Management of the Board of Directors conflict of interest is specified in Bank Mandiri Policy Architecture in 2016. Bank Mandiri Policy Architecture is a policy hierarchy/structure as a framework and guidelines in policy preparation and implementation of Bank activity. The Management of the Board of Directors conflict of interest is as following:

1. The Board of Commissioners, the Board of Directors, and Executive Officers shall commit to avoid any forms of conflict of interest.
2. In the event that the Board of Directors member(s) has a personal Interests in a transaction, contract or contracts proposed in which one of the party is the Bank, the interest shall be mentioned in the Board of Directors Meeting and the concerned Board of Directors member has no authority to take a vote.
3. Periodically in at least 1 (once) in a year, every member of the Board of Commissioners, the Board of Directors and the Executive Officers is obliged to make a statement regarding whether or not they have conflict of interests with the Bank activities they carry out.
4. Members of the Board of Commissioners, the Board of Directors and the Executive Officers is prohibited from having concurrent positions as specified in the applicable regulations.

STOCK OWNERSHIP OF THE BOARD OF DIRECTORS

The Board of Directors has disclosed its share ownership in both Bank Mandiri and other banks and other companies domiciled inside or outside the country. There are no members of the Bank Mandiri Directors have Bank Mandiri shares reaching 5% or more of the paid up capital of Bank Mandiri, or in other banks or other companies domiciled inside or outside the country. Share ownership of the Board of Directors of Bank Mandiri can be seen in the table below.

Table of Stock Ownership of Board of Directors

Name	Position	Period	Stock Ownership			
			Bank Mandiri	Oth-ers Bank	Lembaga Keuangan Non Bank	Company Other
Kartika Wirjoatmodjo	President Director	January 1, 2019 - October 25, 2019	789,000 shares (0.0016907%)	Nil	Nil	Nil
Royke Tumilaar*	Director of Corporate Banking	January 1, 2019 - December 9, 2019	786,100 shares (0.0016845%).	Nil	Nil	Nil
	President Director	9 December 2019 - 31 December 2019				
Sulaiman Arif Arianto	Vice director	January 1, 2019 - December 31, 2019	1,103,588 shares (0.0023648%).	Nil	Nil	Nil



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

Name	Position	Period	Stock Ownership			
			Bank Mandiri	Others Bank	Lembaga Keuangan Non Bank	Company Other
Hery Gunardi	Director of Small Business and Networks	1 Januari 2019 – 16 Mei 2019	1,102,100 shares (0.0023616%).	Nil	Nil	Nil
	Business and Network Director	16 Mei 2019- 9 Desember 2019				
	Director of Consumer and Retail Transaction	9 Desember 2019 – 31 Desember 2019				
Ahmad Siddik Badruddin	Director of Risk Management	1 Januari 2019 – 31 Desember 2019	1,680,700 shares (0.0036015%).	Nil	Nil	Nil
Rico Usthavia Frans	Director of Information Technology and Operations	1 Januari 2019 – 9 Desember 2019	684,100 shares (0.0014659%).	Nil	Nil	Nil
	Director of Information Technology	9 Desember 2019 – 31 Desember 2019				
Darmawan Junaidi	Director of Treasury and International Banking	1 Januari 2019 – 9 Desember 2019	529,500 shares (0.0011346%).	Nil	Nil	Nil
	Director of Treasury, International Banking, and Special Asset Management	9 Desember 2019 – 31 Desember 2019				
Alexandra Askandar	Director of Institutional Relations	1 Januari 2019 – 9 Desember 2019	753,600 shares (0.0016149%).	Nil	Nil	Nil
	Director of Corporate Banking	9 Desember 2019 – 31 Desember 2019				
Agus Dwi Handaya	Compliance Director	1 Januari 2019 – 16 Mei 2019	415,100 shares (0,0008895%).	Nil	Nil	Nil
	Director of Compliance and HR	16 Mei 2019- 31 Desember 2019				
Panji Irawan	Director of Finance and Strategy	1 Januari 2019 – 9 Desember 2019	345,100 shares (0,0007395%).	Nil	Nil	Nil
	Director of Operations	9 Desember 2019 – 31 Desember 2019				
Donsuwan Simatupang	Director of Retail Banking	1 Januari 2019 – 9 Desember 2019	345,100 shares (0,0007395%).	Nil	Nil	Nil
	Director of Institutional Relations	9 Desember 2019 – 31 Desember 2019				
Riduan**	Director of Commercial Banking	7 Januari 2019 – 31 Desember 2019	158,400 shares (0,0003394%).	Nil	Nil	Nil
Silvano Winston Rumanthir*	Director of Finance and Strategy	9 Desember 2019 – 31 Desember 2019	Nil	Nil	Nil	Nil

* Effective after obtaining approval from OJK on the Fit and Proper Test.

** Effective office since 15 May 2019.

THE BOARD OF DIRECTORS MEETING

The Board of Directors Meeting is a meeting attended Board of Directors which can be held at least 1 (once) in a month or at any time when it is necessary as requested by one or more members of the Board of Directors, or as written request from the Board of Commissioners. The Board of Directors Meeting shall hold a Board of Directors Meeting with the Board of Commissioners periodically in at least 1 (once) in 4 (four) months. Meetings are legal and have the right to make binding decisions when attended or represented by more than 2/3 (two thirds) of the members of the Board of Directors. The meeting material was delivered to all participants of the 5 (five) working days meeting before the meeting.

The President Director is the chairman for the Board of Directors Meeting, and in the event that the President Director is absent or unavailable, the Vice Director shall be the chairman. If the Vice Director is absent or unavailable, the Meeting Chairman is the Substitute Director of the President Director or the Substitute Director of the Vice Director as specified in the Board of Directors regulations regarding Job Description and Authority of the Board of Directors as well as the Establishment of Substitute Director list. If the assigned Substitute Director is also unavailable, the Board of Directors Meeting will be conducted by a member of the Board of Directors Meeting that is present and assigned at the meeting.

THE PLAN FOR THE EARLY YEAR MEETING OF THE BOARD OF DIRECTORS

Quarter 1	<ul style="list-style-type: none"> Review of monthly/quarterly performance of the Company. Quarterly review of the performance of the Company and Subsidiaries. Preparation of the Annual General Meeting of Shareholders. Monthly review of strategic plans, business, and human capital. Review and approval of Audit Financial Reports. Election of External Auditors for 2018 Book Year.
Quarter 2	<ul style="list-style-type: none"> Review of monthly/quarterly performance of the Company. Quarterly review of the performance of the Company and Subsidiaries. Monthly review of strategic plans, business, and human capital.
Quarter 3	<ul style="list-style-type: none"> Review of monthly/quarterly performance of the Company. Quarterly review of the performance of the Company and Subsidiaries. Monthly review of strategic plans, business, and human capital. Review of the implementation of Integrated Governance. Discussion on Financial and Business Plans for 2018 Book Year.
Quarter 4	<ul style="list-style-type: none"> Review of monthly/quarterly performance of the Company. Quarterly review of the performance of the Company and Subsidiaries. Monthly review of strategic plans, business, and human capital. Review of the implementation of Integrated Governance. Discussion on Financial and Business Plans for 2019 Book Year.

REALIZATION OF THE BOARD OF DIRECTORS MEETING

The Board of Directors meeting is carried out with an internal Board of Directors meeting and meeting Board of Directors with Board of Commissioners meeting. The agenda, date and meeting participants for each meeting can be seen below.

MEETING OF THE BOARD OF DIRECTORS

Throughout 2019, the agenda, date and participants of the Directors' Meeting are as follows.

Table of Quorum and Board of Directors' Attendance

No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
1.	January 8, 2019	1. General Discussion (Follow Up on the Extraordinary GMS Resolution in 2019). 2. Project Pearl. 3. Others	Kartika Wirjoatmodjo Sulaiman Arif Arianto Royke Tumilaar Riduan Dosuwan Simatupang Darmawan Junaidi Hery Gunardi Panji Irawan Rico Usthavia Frans Ahmad Siddik Badruddin Agus Dwi Handaya Alexandra Askandar	Present Present Present Present Present Present Present Present Absent Present Present Present	Business Trip
Attendance 92%					



No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
2.	January 15, 2019	1. General Discussion. 2. December 2018 Financial Performance and Corporate Event Update. 3. Update Analyst Meeting Q4 2018). 4. Others: a. Risk Management Update. b. Legal Update. c. Internal Audit Update. 5. Project Update	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
3.	January 22, 2019	1. General Discussion. 2. Proposed approval of "the Company's Consolidated Financial Statements December 31, 2018 (Audited)". 3. Corporate Secretary Update. 4. Strategic Marketing Communication Update.	Kartika Wirjoatmodjo	Absent	Business Trip
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		
4.	January 29, 2019	1. Discussion of Human Capital. 2. Proposed Treasury. 3. Update Restructuring.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
5.	February 6, 2019	1. General Discussion: a. Legal Update. b. Human Capital Discussion. 2. Update Restructuring. 3. Update Operation. 4. Update Third Party Funds (DPK).	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Absent	Leave
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		

No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
6.	February 12, 2019	1. General Discussion. 2. Financial Performance in January 2019. 3. Risk Management Update. 4. DPK Update. 5. Update Strategic Marketing Communication.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Absent	Business Trip
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		
7.	February 20, 2019	1. General Discussion: a. Update LinkAja b. Proposed Provisional Menara Mandiri Building II by PT Pertamina (Persero). 2. Update Culture & Performance Management. 3. Discussion of Human Capital	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Absent	Business Trip
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Absent	Business Trip
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 83%		
8.	February 26, 2019	1. General Discussion: a. Human Capital Discussion. b. Special Asset Management Update. 2. Proposed LinkAja. 3. Commercial Banking Update.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Absent	Business Trip
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Absent	Business Trip
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 83%		
9.	March 5, 2019	1. Discussion of Human Capital. 2. Proposed Mandiri Healthcare. 3. Proposed Granting of Bank Mandiri Pension Fund Benefits.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		



No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
10.	March 13, 2019	1. General Discussion: Restructuring Update. 2. Discussion of Human Capital. 3. Financial Performance in March 2019 and Bank Business Plans 2019 -2021. 4. Update Sierra Project. 5. Update the Strategic Progress Initiative.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
11.	March 19, 2019	1. General Discussion: a. New Officer Briefing. b. Revised Bank Business Plan 2019-2021. 2. Discussion of Human Capital.	Kartika Wirjoatmodjo	Absent	Business Trip
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		
12.	March 26, 2019	1. Proposed Annual GMS for 2019. 2. Proposed Capital Increase.	Kartika Wirjoatmodjo	Absent	Leave
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		
13.	April 1, 2019	1. Direction of New Officials. 2. Update the Wholesale Transformation Initiative. 3. Update the New Business Delivery System Initiative. 4. DPK Update. 5. Commercial Organization Updates.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		

No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
14.	April 9, 2019	1. General Discussion. 2. Proposed Human Capital Engagement and Internal Audit. 3. Financial Performance in March 2019. 4. Discussion of Human Capital. 5. Update BPR Project Progress.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Absent	Business Trip
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Absent	Leave
			Attendance 83%		
15.	April 16, 2019	1. Discussion of Human Capital: a. Salary Increment. b. Talent Management. c. Talent Panel. d. Strategic Plan for Outsourcing. 2. Procurement of Financial Statement Audit Services. 3. Internal Audit Update.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
16.	April 23, 2019	1. Consumer Segment Update. 2. Update on Public Expose and Analyst Meeting Preparation Tw / I 2019. 3. Annual GMS Update 2019. 4. Risk Management Update.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Absent	Business Trip
			Royke Tumilaar	Present	
			Riduan	Absent	Leave
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 83%		
17.	April 30, 2019	1. General Discussion. 2. Update SME Banking.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		



No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
18.	May 7, 2019	1. General Discussion. 2. Proposed Strategic Initiatives. 3. Update Transformation Wholesale. 4. Update on the Implementation of IFRS 9.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
19.	May 14, 2019	1. General Discussion. 2. Financial Performance in April 2019. 3. Corporate Real Estate Update.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
20.	May 21, 2019	1. General Discussion: a. Alignment of Organizational Structure. b. Authority to Decide Credit. 2. Wealth Management Update. 3. Consumer Segment Update. 4. Update Sierra Project. 5. Discussion of Human Capital.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Absent	Leave
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		
21.	June 18, 2019	1. General Discussion. 2. Financial Performance in May 2019 and Revised 2019 RKAP and 2019-2021 RBB. 3. Risk Management Update.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		

No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
22.	July 2, 2019	1. General Discussion. 2. Update Special Asset Management. 3. Human Capital Project Update. 4. Proposing Maliye Project.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Absent	Leave
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		
23.	July 9, 2019	1. General Discussion. 2. Consumer Segment Update. 3. Update Fee Based Income. 4. DPK Update. 5. Update Commercial & SME Segments.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Absent	Leave
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		
24.	July 16, 2019	1. Financial Performance June 2019, Preparation of Public Expose & Analyst Meeting Q2 2019. 2. Update on the Implementation of PSAK 71.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Absent	Leave
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Absent	Leave
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 83%		
25.	July 23, 2019	1. General Discussion 2. Discussion of Human Capital 3. Proposed Corporate Secretary 4. Consumer Segment Update 5. Update Government Segments 6. Update the Micro segment 7. Corporate Debtor Update	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Absent	Leave
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		



No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
26.	August 13, 2019	1. General Discussion 2. Financial Performance in July 2019. 3. Business Strategy in Aceh Province.	Kartika Wirjoatmodjo	Absent	Leave
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Absent	Leave
			Alexandra Askandar	Absent	Leave
			Attendance 75%		
27.	August 20, 2019	1. Digital Banking Update. 2. Proposed Corporate Secretary.	Kartika Wirjoatmodjo	Absent	Leave
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Absent	Leave
			Alexandra Askandar	Present	
			Attendance 83%		
28.	August 27, 2019	1. General Discussion. 2. Project Burj. 3. Liquidity and Credit Projection August 2019. 4. Discussion of Human Capital.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Absent	Business Trip
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		
29.	September 3, 2019	1. General Discussion: a. Internal Audit Update. b. Human Capital Discussion. 2. Accounting Update. 3. Update Link Only. 4. DPK Update. 5. Update Restructuring. 6. Update Operation.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Absent	Business Trip
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Absent	Business Trip
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 83%		

No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
30.	September 10, 2019	1. General Discussion: a. HC Engagement Proposal b. Project Maliye 2. Financial Performance of August 2019 and Preparation of Corporate Plan. 3. Risk Management Update. 4. DPK Update. 5. Discussion of Human Capital. 6. FBI Update. 7. Burj Project Update. 8. Corporate Banking Update.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
31.	October 2, 2019	1. General Discussion: Direction of New Officials. 2. Update PSAK 71. 3. Update Payroll.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
32.	October 16, 2019	1. Financial Performance September 2019, RKAP 2020 and RBB 2020-2022 and Corporate Update 2020-2024. 2. EIK KIK Securitization. 3. Discussion of Human Capital.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
33.	October 22, 2019	1. General Discussion. 2. Proposed Organizational Structure.	Kartika Wirjoatmodjo	Present	
			Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Absent	Business Trip
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 92%		



No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
34.	October 29, 2019	1. General Discussion. 2. Discussion of Human Capital. 3. DPK Update.	Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
35.	November 5, 2019	1. Discussion of Human Capital. 2. Proposed RKAP 2020 and RBB 2020-2022.	Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Absent	Leave
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Absent	Business Trip
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Absent	Business Trip
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 73%		
36.	November 12, 2019	1. General Discussion. 2. Financial Performance October 2019, RAKB 2020-2024 and Recovery Plan. 3. Discussion of Human Capital.	Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 100%		
37.	November 26, 2019	1. Internal Audit Update. 2. Proposed Treasury and Market Risk.	Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Absent	Business Trip
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Attendance 91%		

No.	Date	Meeting Agenda	Meeting Participant	Attendance	Reason for Not Attending
38.	December 3, 2019	1. General Discussion. 2. Mandiri Employee Award 2019. 3. System and Service Preparation Update. 4. Maliye Project Update 5. Discussion of Human Capital. 6. Authority to Decide Credit.	Sulaiman Arif Arianto	Present	
			Royke Tumilaar	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Absent	Business Trip
			Attendance 91%		
39.	December 10, 2019	Follow-up to the decisions of the Extraordinary GMS.	Royke Tumilaar	Absent	Business Trip
			Sulaiman Arif Arianto	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Silvano Winston Rumanthir	Absent	Business Trip
			Attendance 83%		
40.	December 16, 2019 Date January 8, 2019	Financial Performance in November 2019.	Royke Tumilaar	Present	
			Sulaiman Arif Arianto	Present	
			Riduan	Present	
			Dosuwan Simatupang	Present	
			Darmawan Junaidi	Present	
			Hery Gunardi	Present	
			Panji Irawan	Present	
			Rico Usthavia Frans	Present	
			Ahmad Siddik Badruddin	Present	
			Agus Dwi Handaya	Present	
			Alexandra Askandar	Present	
			Silvano Winston Rumanthir	Present	
			Attendance 100%		

JOINT MEETING OF DIRECTORS INVITES BOARD OF COMMISSIONERS

The date and agenda of the Joint Meeting of the Board of Commissioners and the Board of Directors, namely the Joint Meeting of the Board of Commissioners inviting the Board of Directors and the Joint Meeting of the Directors to invite the Board of Commissioners can be seen in the section Board of Commissioners' Meeting on Corporate Governance Chapter in this Annual Report.



MEETING FREQUENCY AND ATTENDANCE

During 2019, the Board of Directors held 40 (forty) meetings of the Directors. The frequency and attendance of Directors' meetings can be seen in the table below.

Table of Frequency and Attendance Level of the Board of Directors Meeting

Name	Position	Period
Kartika Wirjoatmodjo	President Director	January 1, 2019 - October 25, 2019
Royke Tumilaar*	Director of Corporate Banking	January 1, 2019 - December 9, 2019
	President Director	9 December 2019 - 31 December 2019
Sulaiman Arif Arianto	vice director	January 1, 2019 - December 31, 2019
Hery Gunardi	Director of Small Business and Networks	January 1, 2019 - May 16, 2019
	Business and Network Director	May 16 2019- December 9 2019
	Director of Consumer and Retail Transaction	9 December 2019 - 31 December 2019
Ahmad Siddik Badruddin	Director of Risk Management	January 1, 2019 - December 31, 2019
Rico Usthavia Frans	Director of Information Technology and Operations	January 1, 2019 - December 9, 2019
	Director of Information Technology	9 December 2019 - 31 December 2019
Darmawan Junaidi	Director of Treasury and International Banking	January 1, 2019 - December 9, 2019
	Director of Treasury, International Banking, and Special Asset Management	9 December 2019 - 31 December 2019
Alexandra Askandar	Director of Institutional Relations	January 1, 2019 - December 9, 2019
	Director of Corporate Banking	9 December 2019 - 31 December 2019
Agus Dwi Handaya	Compliance Director	January 1, 2019 - May 16, 2019
	Director of Compliance and HR	May 16, 2019- December 31, 2019
Panji Irawan	Director of Finance and Strategy	January 1, 2019 - December 9, 2019
	Director of Operations	9 December 2019 - 31 December 2019
Donsuwan Simatupang	Director of Retail Banking	January 1, 2019 - December 9, 2019
	Director of Institutional Relations	9 December 2019 - 31 December 2019
Riduan**	Director of Commercial Banking	January 7, 2019 - December 31, 2019
Silvano Winston Rumantir*	Director of Finance and Strategy	9 December 2019 - 31 December 2019

* Effective after obtaining approval from OJK on the Fit and Proper Test.

** Effective office since 15 May 2019.

	Director Meetings			Joint Meeting of the Board of Directors with the Board of Commissioners		
	Total and Attendance Percentage			Total and Attendance Percentage		
	Total Meeting	Total Attendance	Percentage	Total Meeting	Total Attendance	Percentage
	33	28	85%	12	4	33%
	40	38	95%	13	11	85%
	40	36	90%	13	12	92%
	40	38	95%	13	11	85%
	40	35	88%	13	5	38%
	40	35	88%	13	10	77%
	40	35	88%	13	10	77%
	40	37	93%	13	8	62%
	40	32	80%	13	8	62%
	40	40	100%	13	12	92%
	40	40	100%	13	9	69%
	40	38	95%	13	13	100%
	2	1	50%	-	-	-



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

RISK MANAGEMENT CERTIFICATION

As stipulated in Bank Indonesia Regulation No. 11/19/PBI/2009 concerning Share Risk Management Certification Management and Officers of Commercial Banks, Bank Managers (ie Board of Commissioners and Directors) must have a Certificate Risk Management issued by Professional Certification Institutions, with the following classification:

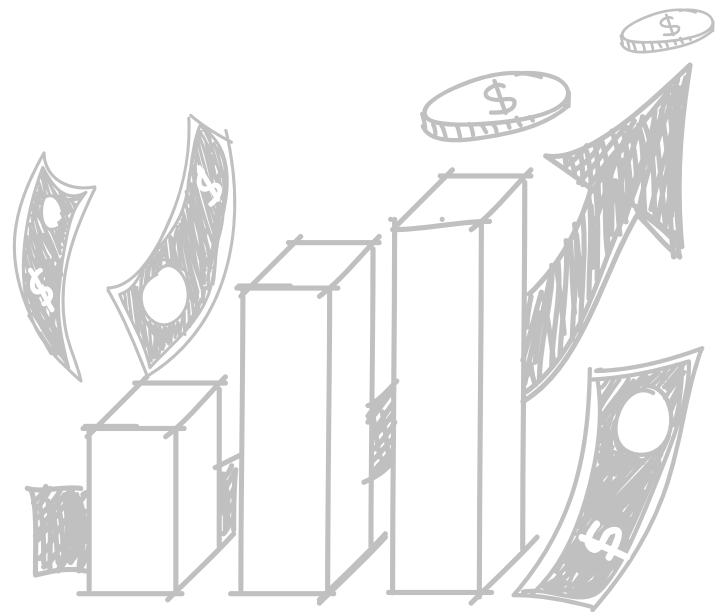
No.	Position	Level	Validity Period
1.	Commissioner	Level 1 At the Least	4 years
2.	Independent Commissioner	Level 2 At the Least	4 years
3.	President Director and Bank Directors with >Rp10 Trillion of assets in possession	5	2 years

In the event of expiration of the certificate, Refreshment must be attended on a regular basis at least:

- once in every 4 (four) years for level 1 and 2; or
- once in every 2 (two) years for level 3, 4, and 5.

Considering that Bank Mandiri has assets of > Rp10 Trillion, all Directors of Bank Mandiri must pass Certification Level 5 Risk Management. The certification is also one of the requirements to follow fit and proper test conducted by OJK. The Risk Management Certification owned by the Directors is as following.

Name	Position	Period	Certificate Issuing Institution	
Kartika Wirjoatmodjo	President Director	January 1, 2019 - October 25, 2019	Banking Professional Certification Institute (LSPP)	
			Banking Professional Certification Institute (LSPP)	
Royke Tumilaar*	Director of Corporate Banking	January 1, 2019 - December 9, 2019	Banking Professional Certification Institute (LSPP)	
	President Director	9 December 2019 - 31 December 2019	BARa Risk Forum	
Sulaiman Arif Arianto	Vice director	January 1, 2019 - December 31, 2019	BARa Risk Forum	
			Banking Professional Certification Institute (LSPP)	
Hery Gunardi	Director of Small Business and Networks	January 1, 2019 - May 16, 2019	BARa Risk Forum	
	Business and Network Director	May 16 2019- December 9 2019	Banking Professional Certification Institute (LSPP)	
	Director of Consumer and Retail Transaction	9 December 2019 - 31 December 2019	BARa Risk Forum	
Ahmad Siddik Badruddin	Director of Risk Management	January 1, 2019 - December 31, 2019	Banking Professional Certification Institute (LSPP)	
			BARa Risk Forum	
			BARa Risk Forum	
			BARa Risk Forum	
Rico Usthavia Frans	Director of Information Technology and Operations	January 1, 2019 - December 9, 2019	Risk Management Certification Agency (BSMR)	
	Director of Information Technology	9 December 2019 - 31 December 2019	BARa Risk Forum	
			BARa Risk Forum	



	Level	Field/Area	Date of Certificate Issuance	Expiry Date
	Level 5	Banking Risk Management	April 17, 2015	April 17, 2017
	Refreshment	Refreshment of Banking Risk Management: Facing Fraud in the world of Banking, Financial Club, Graha Niaga, Jakarta	August 16, 2017	August 16, 2019
	Level 5	Banking Risk Management	June 12, 2012	June 12, 2014
	Refreshment	Risk Management Refreshment in Stockholm	September 21, 2016	September 21, 2018
	Refreshment	Risk Management Refreshment - BARA; Cyber risk management and financial crimes in Banking Industry, Bali	July 13, 2018	July 13, 2020
	Level 5	Banking Risk Management	May 30, 2017	May 26, 2019
	Level 5	Banking Risk Management	April 13, 2013	April 13, 2015
	Refreshment	Refreshment of Banking Risk Management	July 2, 2015	April 13, 2017
	Refreshment	BARA Risk Program: Deeper understanding on IFRS 9 & BASEL IV and Progress of Basel III Implementation, Bali	May 19, 2017	May 19, 2019
	Level 5	Banking Risk Management	April 11, 2015	April 11, 2017
	Refreshment	Risk Management Refreshment in Stockholm	September 21, 2016	September 21, 2018
	Refreshment	Refreshment at Prague 17-18 October 2017	October 17, 2017	October 18, 2017
	Refreshment	Risk Management Refreshment	March 19, 2018	March 19, 2020
	Refreshment	Risk Management Refreshment	July 13, 2018	July 13, 2020
	Level 5	Banking Risk Management	May 7, 2016	May 7, 2018
	Refreshment	Risk Management Refreshment - BARA; Tapping Potential Opportunities in Indonesian Sustainable Palm Oil Industry, in Jakarta	March 19, 2018	March 19, 2020
	Refreshment	Refreshment of Risk Management in Prague	October 18, 2017	October 18, 2019



Name	Position	Period	Certificate Issuing Institution	
Darmawan Junaidi	Director of Treasury and International Banking	January 1, 2019 - December 9, 2019	Banking Professional Certification Institute (LSPP)	
	Director of Treasury, International Banking, and Special Asset Management	9 December 2019 - 31 December 2019		
Alexandra Askandar	Director of Institutional Relations	January 1, 2019 - December 9, 2019	Banking Professional Certification Institute (LSPP)	
	Director of Corporate Banking	9 December 2019 - 31 December 2019		
Agus Dwi Handaya	Compliance Director	January 1, 2019 - May 16, 2019	Banking Professional Certification Institute (LSPP)	
	Director of Compliance and HR	May 16, 2019 - December 31, 2019		
Panji Irawan	Director of Finance and Strategy	January 1, 2019 - December 9, 2019	Banking Professional Certification Institute (LSPP)	
	Director of Operations	9 December 2019 - 31 December 2019	Deposit Insurance Agency (LPS)	
Donsuwan Simatupang	Director of Retail Banking	January 1, 2019 - December 9, 2019	Banking Professional Certification Institute (LSPP)	
	Director of Institutional Relations	9 December 2019 - 31 December 2019	Center for Risk Management Studies / CRMS	
Riduan**	Director of Commercial Banking	January 7, 2019 - December 31, 2019	BARa Risk Forum	
			Banking Professional Certification Institute (LSPP)	
Silvano Winston Rumanthir*	Director of Finance and Strategy	9 December 2019 - 31 December 2019	Banking Professional Certification Institute (LSPP)	

* Effective after obtaining approval from OJK on the Fit and Proper Test.

** Effective office since 15 May 2019.

DECISION AND IMPLEMENTATION OF DIRECTORS DUTIES

During 2019, the Board of Directors has carried out its duties, obligations and responsibilities in the context of carrying out the management of the Company as stipulated in the applicable laws and regulations, the Company's Articles of Association and Work Plans established at the beginning of the year. The implementation of the Board of Directors' duties during 2019 in general are as follows:

1. Preparation of the Bank's Business Plan 2019 - 2021 Company.
2. Meeting the Company's performance targets by maximizing the growth of The Core (Large Corporate) and New Core (Consumer Banking) segments.
3. Preparation of the 2020 Sustainable Financial Action Plan (RAKB).
4. Monitoring the implementation of the Top 21 BOD Initiatives, specifically IT Strengthening and Digital Banking Development projects.
5. Asset and Financial Management.
6. Organizing Directors' meetings. During 2019 there

were 40 (forty) Directors' Meetings and 5 (five) Joint Meetings (the Directors invited the Board of Commissioners).

7. Attending Board of Commissioners meetings.
8. Organizing the Annual General Meeting of Shareholders for Fiscal Year 2019 which was held on May 16, 2019.
9. Supervision and improvement of internal business processes.
10. Implementation of Good Corporate Governance in every business activity.
13. Actively participating as one of the First Movers in the implementation of Sustainable Finance in Indonesia with participation in the Indonesian Sustainable Financial Initiative (IKBI)
14. Distribution of PKBL funds to improve community welfare and the environment, including the distribution of aid for earthquake victims in Lombok and Palu.
15. Performing other tasks related to the management of the Company.

	Level	Field/Area	Date of Certificate Issuance	Expiry Date
	Level 5	Banking Risk Management	October 7, 2017	October 7, 2019
	Level 5	Banking Risk Management	May 21, 2018	May 21, 2020
	Level 5	Banking Risk Management	May 2, 2018	May 2, 2020
	Level 5	Banking Risk Management	February 10, 2016	February 10, 2018
	Refreshment	Refreshment of Risk Management Certification	February 28, 2018	February 28, 2020
	Level 5	Banking Risk Management	April 8, 2015	April 8, 2017
	Refreshment	Refreshment of Risk Management Certification	April 30, 2017	April 30, 2019
	Refreshment	Risk Management Certification	2018	2020
	Level 5	Banking Risk Management	February 18, 2019	February 18, 2021
	Level 5	Banking Risk Management	January 21, 2020	January 21, 2022

The Board of Directors' decisions issued during 2019 are as follows.

No.	Subjects	No.	Subjects
1.	Assignment as Executive Officer in charge of Commercial Banking	12.	Decision of the Board of Directors on Policy & Procedure Committees
2.	Organizational structure	13.	Decision of the Board of Directors regarding the Risk Management & Credit Policy Committee
3.	Assignment of Duties and Authorities of Members of the Board of Directors as well as the Designation of Substitute Directors, Regional Directors Directors, and Directors of Subsidiary Directors	14.	Decree of the Board of Directors Regarding the Establishment of the Team & Reviewer Procurement of Audit Services on the Consolidated Financial Statements & Financial Reports of the Partnership & Community Development Program (PKBL) of PT Bank Mandiri (Persero) Tbk. & For the Year Ended December 31, 2019
4.	Appointment and Designation as an Independent Culture Squad	15.	Dismissal of Employees for Being Appointed as Directors of a State-Owned Enterprise (BUMN)
5.	Decision of the Directors of the Executive Committee	16.	Determination of the Chairman of the Anti-Fraud Strategy of PT Bank Mandiri (PERSERO) Tbk.
6.	Decree of the Assets & Liabilities Committee Directors	17.	Pension Funds Regulations from Bank Mandiri Pension Funds Three
7.	Decision of the Directors of the Business Committee	18.	Pension Funds Regulations from Bank Mandiri Pension Funds Four
8.	Decision of the Directors of the Capital & Subsidiaries Committee	19.	Pension Funds Regulations from the Bank Mandiri Pension Fund Two
9.	Decree of the Board of Directors regarding the Human Capital Policy Committee		
10.	Decree of the Board of Directors regarding the Information Technology Committee		
11.	Decision of the Board of Directors regarding the Integrated Risk Committee		



No.	Subjects
20.	Pension Funds Regulations from the Bank Mandiri Pension Fund One
21.	Addendum to the determination of the composition of the procurement committee of the public tender contractor for the construction of the Wijayakusuma standalone tower building
22.	Implementation of IT and Non-IT Initiatives in 2019
23.	Changes to 2 (two) Health Programs for Bank Mandiri Pensioners
24.	Appointment and designation as an independent university revamp task force
25.	The decree of the director was the formation of the steering committee and the managing committee of the 2018 Fiscal Year BMRI
26.	amendment to the determination of the composition of the procurement committee for the construction of an office building of Bank Mandiri Region XII Papua
27.	Appointment and Designation as an Independent Culture Squad Leader
28.	Determination of The Composition of The Public Tender Committee For The Rejuvenation Of 33 Elevator Units of Tower Towers I And II Directors Of PT Bank Mandiri
29.	Decision of The Board of Directors Regarding The Determination of The Composition of The Contractor Procurement Committee for The Construction of The Palembang Operation Center Warehouse
30.	Decision of The Board of Directors Regarding The Establishment of Integrated Governance Committee Membership
31.	Decision of The Board of Directors Regarding The Determination of Risk Monitoring Committee Membership
32.	Decision of The Directors Regarding The Determination of Audit Committee Membership
33.	Decision of The Directors of Bank Mandiri Regarding The Organizational Structure of The Directors of PT Bank Mandiri (Persero) Tbk
34.	Decision of The Board of Directors Regarding The Assignment of Duties and Authority of Members of The Board of Directors As Well As The Appointment of A Substitute Director, Director of Regional Trustees. and Directors for Subsidiary Companies
35.	Appointment and Appointment of PT Bank Mandiri's Senior Executive Vice President
36.	Appointment and Stipulation of P.J.Chief Transformation Officer
37.	Audit Committee
38.	Remuneration and Nomination Committee
39.	Car Procurement SK Decree
40.	Determination of the Independent Risk Culture Project Transforming Team for 2019
41.	Establishment of a Negotiating Team and Provision of Power of Attorney in the Making of Collective Labor Agreements (PKB) of PT Bank Mandiri (Persero) Tbk

No.	Subjects
42.	Determination of the preparation of the procurement committee for the contractor implementing interior and mep office buildings in the X / Sulawesi and Maluku regions in Makassar
43.	Determination of the composition of the purchasing committee Land / Land and buildings in Semarang
44.	Appointment and appointment of Senior Executive Vice President
45.	Pension Funds Regulations from Financial Institution Pension Funds
46.	Determination of the Arrangement of the Committee to Purchase Land / Land and Buildings in 2019
47.	Power of attorney for the directors regarding the determination of the procurement of BMRI corporate plan projects for 2020-2024
48.	Determination of the composition of the procurement committee for the construction of an independent tower office building in Denpasar
49.	Dismissal of Employees for Being Appointed as Directors of a State-Owned Enterprise (BUMN)
50.	Decision of the directors regarding the determination of membership of the remuneration committee and nomination of directors of Bank Mandiri
51.	Decision of the board of directors regarding the determination of the membership of the risk monitor for directors of independent banks
52.	Decision of the board of directors regarding the establishment of integrated governance committee membership
53.	Determination of the Committee and the Procurement Team Mandiri Employee Award (MEA) & Best Employee Appreciation Night (BEAN) 2019
54.	Appointment and designation of PT Bank Mandiri's Senior Executive Vice President
55.	Formation of the optimization cooperation project team through the build, operate, transfer (BOT) asset scheme owned by PT Bank Mandiri (Persero) Tbk. at Griya Mampang Prapatan
56.	Termination of Employee
57.	Decree of the Board of Directors regarding SEVP position adjustment
58.	Determination of the 2019 Mandiri Employee Award (MEA) Committee and Procurement Team & Best Employee Appreciation Night (BEAN) in 2019
59.	Determination of the external consulting services procurement team review of the quality of PT Bank Mandiri (Persero) Tbk's internal audit activities.
60.	Organizational structure
61.	Trial
62.	Appointment and assignment of SEVP
65.	The appointment of Mr. Silvano as Executive Officer
66.	Determination of team and reviewer of audit service procurement

REVIEW OF COMPANY ANNUAL STRATEGY

The Board of Directors sought to encourage the Company's performance for the following year by reviewing the Company's annual strategy conducted at the end of the current year. In 2018, the review of the Company's annual strategy was conducted through the Board of Directors' meeting.

EVALUATION OF COMPANY STRATEGY

Evaluation of the Company's strategy in line with the Company's Vision and Mission as well as current business environment was constantly conducted periodically and involved all Directors and executive officials at Bank Mandiri in the annual Corporate Work Plan and Budget (RKAP) discussion forum and the Company's Long-Term Plan (RJPP) to find out the achievement level and business direction.

PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

The process of evaluating the performance of the Directors can be seen from the achievement of Key Performance Indicators (KPI) Directors individually and KPI Directors individually collegial assessment by Shareholders is conducted through the mechanism of the General Meeting of Shareholders (GMS).

INDIVIDUAL DIRECTORS PERFORMANCE ASSESSMENT

President Director

- Maintaining the Bank's Soundness.
- The achievement of business finance targets in accordance with RKP and RBB.
- The KPKU assessment is at least the same as the KPKU assessment in the previous year.
- The achievement of CSR distribution for social, education, and religion in accordance with the work plan.
- Implementation of the Company's Compliance as an Open Company.
- Achieving an increase in business volume in the region.
- Achieving an increase funding / Fee Based Income in the region.
- Achieving an increase in the volume of digital transactions by customers in the region.
- Maintaining the Quality of Assets / Performing Loans.

Vice director

- Maintaining the Bank's Soundness.
- The achievement of business finance targets in accordance with RKP and RBB.
- The KPKU assessment is at least the same as the KPKU assessment in the previous year.

Director of Corporate Banking

- Achieving an increase in business volume for the Corporate Banking segment.
- Achieving increased funding / Fee Based Income for the Corporate Banking segment.
- Increasing volume of digital transactions by Corporate Banking segment customers.
- Maintaining the Quality of Assets / Performing Loans.

Director of Consumer and Retail Transaction

- Achieving an increase in business volume for the Retail Banking segment.
- Achieving increased funding / Fee Based Income for the Retail Banking segment.
- Increasing volume of digital transactions by Retail Banking segment customers.
- Maintaining the Quality of Assets / Performing Loans.

Director of Institutional Relations

- Achieving an increase in business volume for the Institutional segment.
- Achieving an increase in funding / Fee Based Income for the Institutional segment.
- Increasing volume of digital transactions by Institutional segment customers.
- Maintaining the Quality of Assets / Performing Loans.

Risk Management Director

- Ensuring that the application of risk management has gone well.
- Ensuring the implementation of a risk management culture at all levels of the organization

Director of Technology & Information

- Implementation of effective technology and information governance.

Director of Operations

- Achieving an increase in fee based income.
- The achievement of increased business transactions.

Director of Treasury, International Banking & SAM

- Maintaining the Company's liquidity.
- Achieving Credit Restructuring.
- Settlement of Non-Performing Loans.
- Improving the Quality of Non-Performing Loans to Performing Loans.



- The percentage of case settlement is better than the previous year
- The achievement of the Special Assets Management management target

Director of Finance & Strategy

- Maintain a CAR ratio between 20% -21%.
- Business realization according to RKAP / RBB.
- The achievement of specified financial ratios.
- The KPKU assessment is at least the same as the KPKU assessment in the previous year.

Director of Compliance & HR

- The achievement of compliance implementation at Bank Mandiri.
- Achieving a reduction in the ratio of the number of sanctions fines from the regulator.
- The achievement of the specified percentage of case resolution is better than the previous year.
- The achievement of Human Capital management strategies and targets.

PERFORMANCE OF COLLEGIAL DIRECTORS PERFORMANCE ASSESSMENT

An evaluation of the Board of Directors' performance is based on the achievement (KPI) previously agreed through the GMS mechanism by the Shareholders, the Board of Commissioners, and the Board of Directors.

PROCEDURE OF PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

The performance of the Board of Directors is reported to the shareholders in the GMS.

CRITERIA OF PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

The criteria of performance evaluation of the Board of Directors based on the Key Performance Indicators (KPI) are:

1. Financial and market perspectives
2. Focus on customers
3. Effectiveness of products and processes
4. Focus on manpower
5. Leadership, governance, and CSR
6. Agent of development

PARTIES PERFORMING ASSESSMENT

The parties making assessment of the Board of Directors' performance are the Board of Commissioners and the GMS. In evaluating the performance of the Board of Directors, the Board of Commissioners refers to the KPI. The Board of Commissioners and Directors will then account for their performance achievements in the 2018 period, including the implementation of their duties and responsibilities in the GMS to be held in 2019.

RESULTS OF PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS

The results of the Board of Directors' performance assessment based on KPI can be seen in the table below.

Strategic Targets		Percentage	Indicators	Score
FINANCIAL AND MARKET PERSPECTIVE		24,0%		
1.	Increase Profitability	6,0%	Earning after Tax (EAT) in 2019 is higher than the realization in 2018 (Rp billion)	6,34
2.	Increase Company Value	6,0%	Market Cap growth is higher than the Indonesian Banking Industry	3,91
3.	Maintaining the Quality of Assets	6,0%	NPL ratio is better than the Banking Industry *)	6,80
4.	Increase Efficiency	6,0%	Cost to Income Ratio is better than last year **)	6,02
			Sub Total	23,07
CUSTOMER FOCUS		22,0%		
5.	Increase External Customer Satisfaction and Regulators.	11,0%	The Bank Ranking of the survey results from independent surveyors are better than last year	14,30
		11,0%	Minimum 80% of BAO approved by OJK has the status of "DONE".	11,83
			Sub Total	26,13
EFEKTIVITAS PRODUK DAN PROSES		20,0%		
6.	Increase banking digitalization	7,0%	The percentage of banking transactions (financial) that have been digitalized in 2019 is higher than in 2018.	7,10
7.	Increase financial inclusion and literacy	7,0%	The number of branchless banking agents has increased compared to the realization in 2018:	9,07
			a. Digital Financial Services (LKD)	4,52
			b. LAKU Pandai	4,55
			Total	

PT Bank Mandiri (Persero) Tbk. Annual Report 2019 535



Strategic Targets	Percentage	Indicators	Score
Total Skor Agent of Development	10,0%		10,94
Skor Bankwide Per Januari - Desember 2019			109,44
Skor Bankwide Per Januari - Juni 2019			111,31
Final Skor Bankwide (Average)			110,37

Information:

* Industry data using October 2019 position

** Exclude non-recurring items

PERFORMANCE ASSESSMENT OF THE COMMITTEE UNDER THE BOARD OF DIRECTORS AND THE BASIS OF THE ASSESSMENT

In carrying out its management duties, the Board of Directors is also assisted by 9 (nine) Committees under the Board of Directors called the Executive Committees, namely:

1. Assets and Liabilities Committee (ALCO)
2. Business Committee (BC)
3. Capital And Subsidiaries Committee (CSC)
4. Human Capital Policy Committee (HCPC)
5. Information Technology Committee (ITC)
6. Integrated Risk Committee (IRC)
7. Policy and Procedure Committee (PPC)
8. Risk Management and Credit Policy Committee (RMPC)
9. Credit Committee (RKK)

The Board of Directors considered that during 2018 the committees it supervised had carried out their duties and responsibilities properly.

The Assets and Liabilities Committee (ALCO) is a committee formed to assist the Board of Directors in carrying out the functions of determining the strategy of managing assets and liabilities, setting interest rates and liquidity, as well as other matters related to managing the Company's assets and liabilities, as well as monitoring and implementing the Recovery Plan when the Company is in a condition of financial pressure / crisis. During 2019, the basis for the assessment was that ALCO had conducted 9 (nine) meetings and had carried out its duties properly.

Business Committee (BC) is a committee formed to assist the Board of Directors in determining the Company's integrated business management strategy, managing the Company's products and / or activities as well as determining the strategy and effectiveness of marketing

communication in the field of wholesale banking and retail banking. During 2019, the basis for the assessment is that BC has conducted 7 (seven) meetings and has carried out its duties properly.

The Capital and Subsidiaries Committee (CSC) is a committee formed to assist the Board of Directors in managing the Subsidiary, among others determining the management strategy of the Subsidiary, capital participation, release of capital, determining the members of the Board of Directors and / or members of the Board of Commissioners of the Subsidiary and remuneration for Members of the Directors and / or a member of the Board of Commissioners of a Subsidiary. During 2019, the basis for the assessment was that the CSC had conducted 27 (twenty-seven) meetings and carried out their duties properly.

The Human Capital Policy Committee (HCPC) is a committee formed to assist the Board of Directors in determining the Company's Human Capital management strategy, establishing and developing the organization, and setting the strategic direction for developing the Human Capital Information System. During 2019, the basis of the assessment is that HCPC has held 4 (four) meetings and carried out their duties properly.

The Information Technology Committee (ITC) is a committee formed to assist the Board of Directors in determining IT strategic plans and IT budgeting, determining strategic IT projects and IT security. During 2019, the basis of the assessment is that the ITC has conducted 4 (four) meetings and has carried out its duties properly.

The Integrated Risk Committee (IRC) is a committee that is tasked with assisting the Board of Directors in the formulation of, among others, Integrated Risk Management policy and improvement or improvement of the Integrated Risk Management policy based on the results of the implementation evaluation. During 2019, the basis for the assessment was that the IRC had conducted 4 (four) meetings and had carried out its duties properly.

The Policy and Procedure Committee (PPC) is a committee formed to discuss and recommend to the Directors in the preparation and / or adjustment / refinement of Company policies and establish Company procedures including Human Capital policies and procedures and to discuss and decide upon the granting of authority to company officials (ex-officio). During 2019, the basis for the assessment was that the PPC had held 21 (twenty-one) meetings and had carried out their duties properly.

The Risk Management & Credit Policy Committee (RMPC) is a committee divided into two categories A and Category B with the task of Category A, which is to identify, measure and monitor risks, determine risk management policies and strategies and Category B has the task of formulating credit policies, oversee implementation credit policy, monitor the development and condition of the loan portfolio and provide recommendations for corrective measures. During 2019, the basis for the assessment was that the RMPC had conducted 14 (fourteen) meetings and had carried out its duties properly

Credit Committee / Credit Committee Meeting (RKK) is a committee that is tasked with assisting the Board of Directors in deciding credit disbursements (new, additional, decreasing, and / or extending) managed by the Business Unit in accordance with the authority limit, including the determination / change of the credit structure.

Throughout 2019, the basis for the assessment is that the Credit Committee has conducted 91 (Ninety-one) Times meetings for the Corporate segment and 126 (one hundred twenty-six) times for the Commercial segment.

RESIGNATION AND DISMISSAL MECHANISM FOR THE BOARD OF DIRECTORS

Resignation and dismissal mechanism for the Board of Directors is regulated by the Articles of Association are as follows:

1. The GMS may dismiss the Board of Director's members at any time by stating its arguments.
2. The dismissal of a member of Board of Directors is called for if, based on the factual circumstance, the said members:
 - a. is unable/inadequate to fulfill the obligations as agreed in the management contract;
 - b. is unable to perform duties appropriately;
 - c. violates the provisions of the Articles of Association and/or the applicable laws;
 - d. engages in actions that harm the Company and/or country;
 - e. conduct actions that violate ethics and/or propriety that should be valued as the member;
 - f. is declared guilty by the Court's decision that has permanent legal force;
 - g. resigns;
 - h. other reasons deemed appropriate by the GMS for the interests and objectives of the company.
3. The dismissal by the reasons aforementioned is conducted after the person(s) concerned in the event of dismissal is given the opportunity to raise defense, excluding the dismissal specified in the provisions of point (2) letter f and g.
4. The dismissal due to reasons as referred to in point letter d and f are considered dishonorable discharge.
5. Among the Board of Director's members and between the Board of Directors' members and the Board of Commissioners' members, there shall not be any blood relationship of three generations, either vertical or horizontal in the family tree, including the familial relationship arising from marriage.
6. In the event that such condition prevails, the GMS has the authority to dismiss one of the members.
7. A member for the Board of Directors may resign from his/her position before his/her term of office expires. In the event that a member of the Board of Directors resigns, the said member shall submit a written request for resignation to the Company.
8. The Company must hold the GMS to decide on the resignation request of a member of the Board of Directors no later than 90 (ninety) days after receiving the letter of resignation.
9. The Company is obliged to provide information transparency to the public and submit it to the Financial Service Authority no later than 2 (two) working days after:
 - a. The approval of the resignation application from a member of the Board of Directors.
 - b. The achievement of the GMS results.
10. Before the resignation is effective, the concerned member of the Board of Directors shall assume responsibility to complete the duties and the responsibilities in accordance with the Articles of Association and the applicable laws.
11. The resigning member will be released from any responsibility after obtaining discharge of duty from the annual GMS.
12. A member of the Board of Directors is dismissed if:
 - a. effectively resigned;



- b. passed away;
 - c. Expired tenure;
 - d. dismissed by the decision of GMS;
 - e. declared bankrupt by a Commercial Court which has a permanent legal force or under the auspices based on a Court's decision; or
 - f. no longer fulfilling the requirements as a member of the Board of Directors based on the provisions of the Articles of Association and the applicable laws.
13. For the member of the Board of Directors dismissed before or after the term of office, unless unable to resume the position due to deceased, the concerned member shall therefore be held responsible for their actions that have not been approved by the GMS;
14. The Board of Director's members may at any time be temporarily dismissed by the Board of Commissioners if they conduct a contrary action to the Articles of Association or there are indications of actions that harm the Company or neglect the obligations or there are crucial explanations for the Company, by paying attention to the following provisions:
- a. temporary dismissal shall be notified in written to the said member along with the rationale, then forwarded to the Board of Directors;
 - b. the notification as referred to in the letter "a" shall be submitted no later than 2 (two) working days after the the temporary dismissal is effective;
 - c. the member who is subject to temporarily dismissal has no authority to conduct the Company's management for the sake of the Company in relation with the purposes and objectives of the Company or to represent the Company either within or outside the Court;
 - d. within a period of at most 90 (ninety) days after the temporary dismissal has been done, the Board of Commissioners shall organize the GMS to revoke or reinforce the temporary dismissal;
 - e. with the organization period of the GMS as referred to in letter d or the GMS cannot make any decision, the temporary dismissal shall be canceled;
 - f. the limitation of authority as stated in point c shall be effective since the effective date of temporary dismissal by the Board of Commissioners until:
 - there is a decision of the GMS which reinforces or revokes the temporary dismissal in letter d; or
 - the due date as stated in letter d has passed.
 - g. in the GMS as referred to in letter d, the member of concerned shall be given an opportunity to raise defenses;
 - h. temporary dismissal cannot be extended or re-established by the same rationale if the temporary dismissal is declared void as referred to in letter e;
 - i. In the event that the GMS revokes the temporary dismissal or circumstances as referred to in letter e prevail, the concerned member shall remain perform his/her tasks;
 - j. If GMS outcome reinforces the decision of the temporary dismissal, then the member is dismiss permanently;
 - k. if the member who is subjected to temporary dismissal does not attend the GMS after being summoned in written, the member shall be considered neglects his/her rights to defend himself/herself in the GMS and agree to the GMS decision
 - l. The Company is obliged to conduct information transparency to the public and submit it to the Financial Services Authority regarding:
 - the decision of temporary dismissal; and
 - the results of GMS either to revoke or reinforce the temporary dismissal decision as referred to in letter "d" , or any information regarding the cancellation of the temporary dismissal by the Board of Commissioners due to the absence of the GMS until the due date as referred to in letter e of this article, no later than 2 (two) working days from such happening.

POLICIES RELATED TO THE RESIGNATION OF THE BOARD OF DIRECTORS' MEMBERS DUE TO THEIR INVOLVEMENT IN FINANCIAL CRIMES

The Articles of Association of Bank Mandiri has regulated the resignation policy of the members of the Board of Directors and the Board of Commissioners if they are involved in financial crimes. If the members are no longer legally qualified, including engaging in financial crime, then the members' term of office shall automatically expire.

ORGAN AND COMMITTEE UNDER THE BOARD OF COMMISSIONERS

In supervising the Company, the Board of Commissioners is assisted by the Secretary of the Board of Commissioners and committees under the Board of Commissioners. Committees under the Board of Commissioners consist of the Audit, Risk Monitoring, Remuneration and Nomination, and Integrated Governance Committees. The Organs and Committees under the Board of Commissioners are described as follows.

SECRETARY TO THE BOARD OF COMMISSIONERS

The Board of Commissioners of Bank Mandiri has a Secretary of the Board of Commissioners (Sekdekom) from outside the Company, who is appointed and terminated by and is responsible to the Board of Commissioners.

The Secretary of the Board of Commissioners of Bank Mandiri is tasked with carrying out the secretarial duties of the Board of Commissioners. Based on SOE Minister Regulation No. PER-12 / MBU / 2012 concerning Supporting Organs of the Board of Commissioners / Board of Trustees of State-Owned Enterprises, the Board of Commissioners may form a Secretariat of the Board of Commissioners headed by the Secretary of the Board of

Commissioners whose job is to assist the smooth running of the administration activities of carrying out the duties and responsibilities of the Board of Commissioners.

DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

Based on the Decree of the Board of Commissioners No. KEP.KOM / 014/2019 concerning Guidelines and Rules of Procedure for the Board of Commissioners, the Secretary of the Board of Commissioners has the following duties and responsibilities:

1. Carry out activities to support the functions and activities of the Board of Commissioners.
2. Take notes and administer the Board of Commissioners' Meeting.
3. Administer the correspondence and reports of the Board of Commissioners and Committees of the Board of Commissioners.
4. Carry out other tasks determined by the Board of Commissioners.

BOARD OF COMMISSIONERS' SECRETARY PROFILE

The Secretary of the Board of Commissioners is currently held by Widia Jessti who was appointed based on the Decree of the Board of Commissioners No. KEP.KOM / 004/2019 dated April 23, 2019.



Widia Jessti
Secretary of the Board of
Commissioner

Age	33 years old
Place and Date of Birth	Pekalongan, January 30, 1986
Domicile	Jakarta
Educational Background	<ul style="list-style-type: none"> - Diploma in Accounting at the State College of Accountancy (2006). - Bachelor of Accounting at the University of Indonesia (2009). - Master of Business Administration - Global Banking & Finance at the University of Birmingham (2016).
Work Position History	<ul style="list-style-type: none"> - Head of Talent Acquisition and Functional Position Management Subdivision at the Ministry of SOEs (2017 - present). - Commissioner at PT Sicpa Peruri Securink (June 2018 - June 2019). - Secretary of the Board of Commissioners at PT Indonesia Asahan Aluminum (Persero) (March 2017 - April 2019). - Competency Development Analyst at the Ministry of SOEs (May 2014 - September 2014). - Financial Analyst for SOEs Construction Services in the Ministry of SOEs (May 2014 - September 2014). - Secretary of the Board of Commissioners at PT Bahana Business Development Indonesia (November 2011 - September 2014). - Financial Analyst for SOEs Financial Services in the Ministry of SOEs (October 2010 - May 2014). - Human Resources Division Staff at the Ministry of SOEs (October 2006 - October 2010).



COMPETENCE DEVELOPMENT OF BOARD OF COMMISSIONER'S SECRETARY

The competency development that was followed by the Secretary of the Board of Commissioners during 2019 is as follows.

No.	Activity	Date	Organizer
1.	Labour Market Needs Forecasting for Education Policy	March 11-22, 2019	Australia Awards Indonesia
2.	Paparan Dampak Trade War US - China terhadap Indonesia.	May 22, 2019	Bank Mandiri
3.	Certified Risk Management Professional	August 19-23, 2019	LSPMR

THE IMPLEMENTATION OF THE SECRETARY OF THE BOARD OF COMMISSIONERS

The Secretary of the Board of Commissioners is supported by the Staff and the Secretariat of the Board of Commissioners to compiled the main points of the work program in 2019 with the realization as follows:

1. Preparing meeting materials, prepare minutes of meetings, and administer in an orderly manner the Board of Commissioners' Meetings, Meetings of Committees under the Board of Commissioners, and Meetings of the Board of Commissioners inviting the Directors.
2. Providing input and information to the Board of Commissioners on matters of concern to the Board of Commissioners, including related to policies and strategies of the Board of Directors in order to achieve strategic targets in the 2019 RKAP, lending to certain sectors, credit restructuring processes, infrastructure reliability IT, GCG, APU - PPT, human resource development, risk management both bank only and integrated, and the Internal Control System.
3. Cooperating with Committees under the Board of Commissioners in fulfilling the obligations of the Board of Commissioners, including reports from the Board of Commissioners to the Regulator.
4. Coordinating the implementation of the Working Visit of the Board of Commissioners and Committees under the Board of Commissioners, including preparing Reports on the Results of Visits.
5. Administering the correspondence of the Board of Commissioners and Committees under the Board of Commissioners, including drafting the approval of the Board of Commissioners on matters proposed by the Board of Directors for approval of the Board of Commissioners, including proposals for the

provision of related party funds, KAP proposals for audits in 2019, proposals from management Bank Mandiri and Subsidiaries, proposed revisions to the 2019 RBAP and 2019-2021 RBB, proposals for 2020 and RBAP in 2020-2022, proposed recovery plan for 2019, proposals for the Sustainable Financial Action Plan for 2020-2024, proposals for switching the Mandiri DPLK portfolio to the AXA Mandiri DPLK, the dissolution and liquidation of Mandiri DPLK (the Board of Commissioners as the Independent DPLK Supervisory Board), as well as other Directors' actions that must obtain written approval from the Board of Commissioners.

6. Coordinating the participation of the Board of Commissioners and Committees under the Board of Commissioners in training / seminars / other competency development activities in accordance with the supervision area of each Commissioner / Committee.
7. Working with the Corporate Secretary to prepare a new Commissioner orientation program.
8. Carrying out other tasks to support the smooth supervision of the tasks and provide advice carried out by the Board of Commissioners.

AUDIT COMMITTEE

The Bank Mandiri Audit Committee was formed by the Board of Commissioners with the aim of assisting the implementation of the duties and functions of the Board of Commissioners. Based on the SOE Ministerial Decree and the applicable regulations in banking institutions in Indonesia, among others POJK No. 55 / POJK.04 / 2015 concerning the Formation and Guidelines for the Work Implementation of the Audit Committee and POJK No. 55 / POJK.03 / 2016 concerning Implementation of Governance for Commercial Banks, with the aim of assisting and facilitating the Board of Commissioners in carrying out their duties and supervisory functions on matters relating to the quality of financial information, internal control systems, effectiveness of external and internal auditor audits, the effectiveness of the implementation of risk management and compliance with applicable laws and regulations.

BASIC FORMATION OF AUDIT COMMITTEES

The establishment of the Audit Committee refers to the following rules:

1. Financial Services Authority Regulation No. 55 / POJK.03 / 2016 concerning the Implementation of Governance for Commercial Banks.
2. Financial Services Authority Regulation No. 55 / POJK.04 / 2015 concerning the Formation and

Guidelines for the Work Implementation of the Audit Committee.

3. Regulation I-A Attachment I Decree of the Board of Directors of PT Bursa Efek Indonesia No. KEP-00001 / BEI / 01-2014 dated January 20, 2014 concerning Listing of Shares and Equity-Type Securities Other Than Shares Issued by Listed Companies.
4. Bank Mandiri's Articles of Association and their amendments.
5. Decree of the Board of Commissioners No. KEP. KOM / 013/2019 dated 11 September 2019 concerning the Membership Composition of the Audit Committee, the Risk Monitoring Committee, the Integrated Governance Committee and the Remuneration and Nomination Committee of PT Bank Mandiri (Persero) Tbk.
6. Decree of the Board of Directors No. KEP. DIR / 038/2019 dated July 18, 2019 concerning Determination of the Membership of the Audit Committee of PT Bank Mandiri (Persero) Tbk.

AUDIT COMMITTEE CHARTER

In implementing GCG principles, Bank Mandiri has formed an Audit Committee that has the duty and responsibility to assist the Board of Commissioners in carrying out its supervisory duties and functions. In carrying out its duties the Audit Committee is guided by the Audit Committee Charter, which was last updated on September 25, 2019 based on the Decision of the Board of Commissioners No. KEP.KOM / 015/2019 concerning the Audit Committee Charter of PT Bank Mandiri (Persero) Tbk. The Audit Committee Charter includes:

1. General Purpose
2. Basic Regulations
3. Duties, Responsibilities and Authority
4. Composition, Structure, Membership Requirements and Tenure
5. Meeting
6. Reports and Recommendations
7. Handling Complaints / Reporting Regarding Dugaan Violations Regarding Financial Reporting
8. Closing

DUTIES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE

Duties and responsibilities of the Audit Committee that have been regulated in the Audit Committee Charter are as follows:

1. Financial Report
 - a. Monitoring and analyzing:
 - Reports and financial information both internal and financial information that will be released by the Company to the public and / or authorities.
 - Audit Reports related to the Company's Financial Statements.
 - Work Plan and Budget of the Company and the Company's Long Term Plan.
 - Complaints relating to the Company's accounting and financial reporting processes.
- b. Conducting regular meetings with relevant work units and Auditors (Internal and External) to request additional information and clarification in the field of accounting and finance.

2. Internal Control

- a. Internal Control Systems and Processes

Monitoring and analyzing:

 - Standard internal control system of the Company in accordance with applicable best practices.
 - Report on the results of audits of the Internal Audit Work Unit and External Auditor who inspects the Company to ensure that internal control has been implemented properly.
 - Implementation of the Directors' follow-up on the findings of the Internal Audit Work Unit, public accountants and the supervision results of the Financial Services Authority.
 - Adequacy of internal control in subsidiaries.
- b. Internal Audit
 - Monitoring and reviewing:
 - (1) Audit Plan, Scope, and Budget of the Internal Audit Work Unit and provide recommendations to the Board of Commissioners.
 - (2) Effectiveness of internal audit implementation.
 - (3) Internal Audit Work Unit Performance.
 - (4) Audit Reports are particularly significant findings and ensure that the Board of Directors take corrective actions that are needed quickly to overcome weaknesses in control, fraud, compliance with policies, laws and regulations, or other problems identified and reported by the Internal Audit Work Unit .
 - Ensuring that the Internal Audit Work Unit works independently and upholds integrity in carrying out its duties.
 - Requesting the assistance of the Internal Audit Work Unit to carry out special investigations / investigations if there are audit findings and / or information relating to violations of applicable laws and regulations and provide input deemed necessary in conducting the audit.
 - Ensuring that the Internal Audit Work Unit communicates with the Board of Directors, the Board of Commissioners, the External Auditor, and the Financial Services Authority.



- Providing recommendations to the Board of Commissioners regarding the overall annual remuneration of the Internal Audit Work Unit and performance awards.
- Providing recommendations to the Board of Commissioners regarding the appointment and dismissal of the Head of the Company's Internal Audit Work Unit which is proposed by the Directors.
- Conducting communication / meetings with the Internal Audit (periodically or if necessary) to discuss matters, among others as follows:
 - (1) Realization of the Annual Audit Plan and Internal Audit Cost Budget.
 - (2) Significant audit findings and not follow up on Internal Audit recommendations.
 - (3) Other matters that require clarification or explanation.

c. External Audit

- Providing recommendations for:
 - (1) Appointment of a Public Accountant (AP) and a Public Accountant Office (KAP) who will audit the Company's financial statements to the Board of Commissioners to be submitted to the General Meeting of Shareholders (GMS). In preparing the recommendations, the Audit Committee may consider:
 - (i) Independence of AP and / or KAP;
 - (ii) The scope of the Audit;
 - (iii) Rewards for Audit services;
 - (iv) The expertise and experience of AP and / or KAP, and the Audit Team of KAP;
 - (v) Methodologies, techniques, and audit tools used by KAP;
 - (vi) Benefits of the most current perspectives that will be obtained through the replacement of AP and / or KAP, and the Audit Team from KAP;
 - (vii) Potential risks from the use of audit services by the same KAP in a row for a sufficiently long period of time; and / or
 - (viii) Evaluation results of the implementation of providing audit services on annual historical financial information by the AP and / or KAP in the previous period, if any.

When the AP and / or KAP that has been decided by the GMS cannot complete the provision of audit services on annual historical financial information during the professional assignment period, the appointment of a replacement AP and / or KAP

is carried out by the Board of Commissioners after obtaining the GMS approval by taking into account the recommendations of the Audit Committee.

- (2) Termination of AP and KAP.
- Reviewing and ensuring that:
 - (1) Bank Mandiri has standard procedures and is in accordance with applicable regulations / provisions in the implementation of KAP elections.
 - (2) The process of implementing KAP selection is in accordance with standard procedures.
 - The Audit Committee evaluates the implementation of providing audit services on annual historical financial information by the AP and / or KAP.
- The evaluation is carried out through:
- (1) The suitability of audit implementation by the AP and / or KAP with the applicable audit standards.
 - (2) Adequacy of field work time.
 - (3) Assessment of the range of services provided and the adequacy of pick tests.
 - (4) Recommendations for improvements given by the AP and / or KAP.
- Conducting periodic communication with KAP who is examining the Mandiri Bank to discuss matters that need to be communicated, including the following:
 - (1) Progress of the inspection.
 - (2) Important findings.
 - (3) Changes to the rules / regulations in accounting and financial records from the authorized institution.
 - (4) Adjustments that occur based on the results of the inspection.
 - (5) Constraints / obstacles encountered in the implementation of the inspection.
 - Reviewing and monitoring of:
 - (1) All significant findings from the results of the examination of external auditors and other examining institutions.
 - (2) Follow up of the auditee on the results of examinations conducted by external auditors.
 - Providing independent opinion in the event of disagreement between the Directors and the Accountant for the services they provide.

3. Compliance

Monitoring and analyzing:

- a. The Company's compliance with laws and regulations, both internal and external relating to the Company's business activities.
- b. Inspection report related to the Company's

compliance with internal and external regulations issued by the Internal and External Audit Work Unit.

- c. The suitability of the audit implementation by the Public Accounting Firm with the applicable audit standards.
- d. Conformity of financial statements with applicable accounting standards.
- e. Potential conflicts of interest of the Company.
4. Conducting regular meetings with related work units to discuss matters which are within the scope of supervision.
5. Arranging the Audit Committee Charter and Work Procedures and conducting reviews as needed at least once every 2 (two) years.
6. Reporting the results of monitoring and review periodically, as well as providing input on matters that need the attention of the Board of Commissioners.

AUDIT COMMITTEE AUTHORITY

The Audit Committee has the authority to:

1. Communicating with the Head of Work Unit and other parties in the Company and the Public Accounting Firm that inspects the Company for information, clarification and requests for documents and reports needed.
2. Obtaining reports on the results of internal auditors and external auditors and other supervisory / examining institutions.
3. Assigning internal auditors and / or external auditors to carry out special investigations / investigations, if there are strong allegations of fraud, violation of the law and violation of applicable laws and regulations.
4. Accessing records or information about employees, funds, assets and other company resources related to the implementation of their duties.
5. Obtaining input and or suggestions from outside parties of the Company relating to their duties.
6. Performing other authorities granted by the Board of Commissioners.

THE POSITION OF THE AUDIT COMMITTEE

The term of office of members of the Audit Committee who is not a member of the Board of Commissioners / Supervisory Board of the Company is a maximum of 3 (three) years and can be extended once for 2 (two) years, without prejudice to the right of the Board of Commissioners / Supervisory Board to dismiss them at any time. Whereas for Audit Committee Members who are Members of the Board of Commissioners, their

tenure (term of office) as the Audit Committee is the same as their term of office (term of office) as the Board of Commissioners.

AUDIT COMMITTEE REPORTING

The Audit Committee must make periodic reports to the Board of Commissioners regarding the activities of the Audit Committee, at least once in 3 (three) months. The Audit Committee must make a report to the Board of Commissioners on each assignment given and or for each identified problem that requires the attention of the Board of Commissioners.

The Audit Committee reports on the results of the evaluation of the implementation of providing audit services on annual historical financial information by the External Auditor no later than 6 (six) months after the fiscal year ends or at any time if necessary.

STRUCTURE, MEMBERSHIP AND EXPERTISE OF THE AUDIT

COMMITTEE

The structure and membership of the Audit Committee are as follows:

1. The Audit Committee of the Company consists of at least 3 (three) members who are from the Independent Commissioners and Independent Parties.
2. The composition of the membership of the Audit Committee is at least 1 (one) Independent Commissioner as Chairman and concurrently a member, 1 (one) Independent Party who has expertise in finance or accounting and 1 (one) Independent Party who has expertise in the field of law or banking.
3. Must have at least 1 (one) member with educational background and expertise in accounting and finance.
4. The Chairperson of the Audit Committee can only hold concurrent positions as chair of the committee at most 1 (one) other committee.

During 2019, the composition of the Audit Committee's membership underwent changes which can be submitted as follows.

PERIOD JANUARY 1 - APRIL 30, 2019

The composition of the Audit Committee membership period January 1 - April 30 2019 which has been appointed based on Directors Decree No. KEP.DIR / 003/2018 concerning the Establishment of Audit Committee Membership which was passed on January 19, 2018 is as follows:



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Audit Committee Structure, Membership and Expertise Table

Name	Position	Information	Expertise
Bangun Sarwito Kusmulyono	Chairman concurrently member	Independent Commissioner	Finance, Banking
Hartadi Agus Sarwono	Member	President Commissioner / Independent Commissioner	Banking, Economic
Goei Siau Hong	Member	Independent Commissioner	Fiscal, Budget and Tax
Makmur Keliat	Member	Independent Commissioner	Macroeconomic
Budi Sulistio	Member	Independent Party	Accounting, Audit
Bambang Ratmanto	Member	Independent Party	Accounting, Audit Management

PERIOD OF APRIL 30- JUNE 28, 2019

The composition of the Audit Committee membership period April 30- June 28, 2019 has been appointed based on Directors Decree No. KEP.DIR / 033/2019 dated May 14, 2019 concerning Establishment of the Audit Committee Membership of PT Bank Mandiri (Persero) Tbk. are as follows:

Audit Committee Structure, Membership and Expertise Table

Name	Position	Information	Keahlian
Bangun Sarwito Kusmulyono	Chairman concurrently member	Independent Commissioner	Finance, Banking
Hartadi Agus Sarwono	Member	President Commissioner / Independent Commissioner	Banking, Economic
Goei Siau Hong	Member	Independent Commissioner	Fiscal, Budget and Tax
Makmur Keliat	Member	Independent Commissioner	Macroeconomic
Budi Sulistio	Member	Independent Party	Accounting, Audit
Bambang Ratmanto	Member	Independent Party	Accounting, Audit Management
Ridwan D. Ayub	Member	Independent Party	Audit Management, Risk Management

PERIOD JUNE 28- DECEMBER 12, 2019

The composition of the membership of the Audit Committee for the period June 28 to December 12, 2019 has been appointed based on Directors Decree No. KEP.DIR / 038/2019 dated 18 July 2019 concerning Determination of the Membership of the Audit Committee of PT Bank Mandiri (Persero) Tbk. are as follows:

Audit Committee Structure, Membership and Expertise Table

Name	Position	Information	Expertise
Bangun Sarwito Kusmulyono	Chairman concurrently member	Independent Commissioner	Finance, Banking
Hartadi Agus Sarwono	Member	President Commissioner / Independent Commissioner	Banking, Economic
Goei Siau Hong	Member	Independent Commissioner	Fiscal, Budget and Tax
Makmur Keliat	Member	Independent Commissioner	Macroeconomic
Bambang Ratmanto	Member	Independent Party	Accounting, Audit Management
Ridwan D. Ayub	Member	Independent Party	Audit Management, Risk Management

PERIOD DECEMBER 12 – 31, 2019

The composition of Audit Committee membership for the period of December 12 – 31, 2019 which has been appointed based on Directors Decree No. KEP.DIR / 001/2020 concerning Audit Committee Membership Determination which was approved on January 13, 2020 is as follows:

Audit Committee Structure, Membership and Expertise Table

Name	Position	Information	Expertise
Ardan Adiperdana	Chairman concurrently member	Commissioner	Accounting, Audit
Makmur Keliat	Member	Independent commissioner	Macroeconomic
R. Widyo Pramono	Member	Commissioner	Legal
Robertus Bilitea ^{*)}	Member	Commissioner	Legal
Bambang Ratmanto	Member	Independent commissioner	Accounting, Audit Management
Bambang Ratmanto	Member	Independent party	Accounting, Audit Management
Ridwan D. Ayub	Member	Independent party	Audit Management, Risk Management

* Effective after obtaining approval from OJK on the Fit and Proper Test.

PROFILE OF AUDIT COMMITTEE

The profile of Audit Committee from December 31, 2019 is in the following:.



Ardan Adiperdana
Chairman and Concurrently Member of
Audit Committee

The profile can be seen in the Board of Commissioners section




Makmur Keliat
Member of Audit Committee

The profile can be seen in the Board of Commissioners section



R. Widyo Pramono
Member of Audit Committee

The profile can be seen in the Board of Commissioners section



Robertus Bilitea
Member of Audit Committee

The profile can be seen in the Board of Commissioners section



Bambang Ratmanto
Member of Audit Committee



Ridwan D. Ayub
Member of Audit Committee

Age	61 years old
Domicile	Warga negara Indonesia
Appointment Date	January 2, 2018
Education background	<ul style="list-style-type: none"> - Bachelor of Accounting from Gadjah Mada University (1982). - Masters in Management in Business Management from Prasetya Mulya Business School (2008).
Occupational History	<ul style="list-style-type: none"> - Member of the Audit Committee at PT Bank Negara Indonesia (Persero) Tbk. (2016 – January 2018). - President Commissioner, Chair of the Audit Committee, and Chair of the Risk Monitoring Committee at PT Bank MNC International Tbk (2014-2016). - Independent Commissioner and Chairman of the Audit Committee at PT Bank MNC Internasional Tbk. (2013-2014). - Executive Vice President - Head of Credit & Operations Policy Risk Management Directorate at PT CIMB Niaga Tbk. (2010-2013).
Position Period	January 2, 2018 - January 2, 2021

Age	57 years old
Domicile	Jakarta
Appointment Date	April 30, 2019
Education background	<ul style="list-style-type: none"> - Bachelor in Social Sciences and Political Sciences from Parahyangan Catholic University in 1985. - Masters in Financial Management Specialization from Mercu Buana University in 2008.
Occupational History	<ul style="list-style-type: none"> - Member of the Integrated Corporate Governance Committee of PT Bank Mandiri (Persero) Tbk. (2016 - present) - Member of the Risk Monitoring Committee of PT Bank Mandiri (Persero) Tbk. (2016- June 2019) - Member of the Audit Committee of PT Bank Mandiri (Persero) Tbk. (2014-2016). - Member of the Risk Monitoring Committee of PT Bank Rakyat Indonesia (Persero) Tbk. (2006-2014) - Deputy Head of Operational Risk Division of PT Bank Internasional Indonesia Tbk. (2002-2005)
Position Period	April 30, 2019 – April 30, 2022



QUALIFICATION OF EDUCATION AND WORK EXPERIENCE OF THE AUDIT COMMITTEE

Audit Committee membership requirements are as follows:

1. General Requirements
 - a. Having integrity, character and good morals.
 - b. Does not have personal interests / relationships that can cause conflict of interest against the Company.
2. Competency Requirements
 - a. Have sufficient expertise, ability, knowledge and experience related to their duties and responsibilities.
 - b. Must understand financial statements, company business specifically related to the Company's services or business activities, audit process and risk management.
 - c. Able to work together and have the ability to communicate well and effectively and are willing to provide sufficient time to carry out their duties.
 - d. Have adequate knowledge of the Company's Articles of Association, laws and regulations in the banking sector, Capital Market, SOEs and other relevant laws and regulations.
 - e. Willing to increase competence continuously through education and training.

The educational qualifications and work experience of the Chair and Members of the Audit Committee are as follows.

Audit Committee Education Qualification and Work Experience Table

Name	Position	Period	Education	Working experience
Bangun Sarwito Kusmulyono	Chairman concurrently member	January 1 - December 12, 2019	<ul style="list-style-type: none"> • Bachelor in Chemical Engineering. • Master of Business Administration. • Doctor in Environmental Management. 	Having work experience including in banking, capital, defense and banking supervision.
Ardan Adiperdana	Chairman concurrently member	December 12 - December 31, 2019	<ul style="list-style-type: none"> • Bachelor of Economics. • Master in Business Administration. • Doctor in Strategic Management. 	Having work experience, among others in the field of Finance and company supervision.
Hartadi Agus Sarwono	Member	January 1 - December 12, 2019	<ul style="list-style-type: none"> • Bachelor's degree in Industrial Engineering. • Master of Arts in Macroeconomics. • Ph.d in Monetary Theory and Policy 	Having work experience including in banking, finance, monetary, and banking supervision.
Goei Siau Hong	Member	January 1 - December 12, 2019	<ul style="list-style-type: none"> • Bachelor in Agronomy • Master of Business Administration (MBA) in Business, Finance and Marketing 	Having work experience including in the fields of finance, research, and banking supervision.
Makmur Keliat	Member	January 1 - December 31, 2019	<ul style="list-style-type: none"> • Bachelor's degree in Corporate Economics. • Bachelor of Art in Social Sciences and Political Sciences/ Department of International Relations. • Ph.d in the field of School of International Studies. 	Having work experience including in the fields of education, political science, international relations, research and publications.
R. Widyo Pramono	Member	December 12 - December 31, 2019	<ul style="list-style-type: none"> • Bachelor of Law. • Masters in Management. • Master of Law. • Doctorate in criminal law. • Professor of Criminal Law. 	Having work experience in the field of law and supervision.
Robertus Bilitea	Member	December 12 - December 31, 2019	<ul style="list-style-type: none"> • Bachelor in Civil Law • Master in Business Legal 	Having work experience in the field of law and banking.
Mohamad Nasir	Member	December 12 - December 31, 2019	<ul style="list-style-type: none"> • Bachelor in Accounting • Master in Accounting • Doctor of Accounting 	Having work experience, among others in the field of education and auditing.
Bambang Ratmanto	Member	January 1 - December 31, 2019	<ul style="list-style-type: none"> • Bachelor of Accounting. • Master of Management in Business Management. 	Having work experience in the banking sector, specifically in the audit field.

Name	Position	Period	Education	Working experience
Budi Sulistio	Member	January 1 - June 28, 2019	<ul style="list-style-type: none"> Bachelor of Economics. Master of Business Administration 	Having work experience in banking.
Ridwan D. Ayub	Member	April 30 - December 31 2019	<ul style="list-style-type: none"> Bachelor's degree in Social and Political Sciences Masters in Financial Management Specialization 	Having work experience in the banking sector, specifically in the fields of audit and risk management.

INDEPENDENCE OF AUDIT COMMITTEE

All members of the Audit Committee from independent parties have no relationship in financial, management, shareholders and/or family relations with the Board of Commissioners, the Board of Directors and/or Controlling Shareholders or relationships with the Bank, which can affect their ability to perform independently.

Table of Independence of Audit Committee

Aspect of Independence	Hartadi Agus Sarwono	Bangun Sarwito Kusumulyono	Goei Siauw Hong	Ardan Adiperdana	Makmur Keliat	R. Widyo Pramono	Robertus Bilita	Mohamad Nasir	Budi Sulistio	Bambang Ratmananto	Ridwan D. Ayub
Not having financial relation with the Boards of Commissioners and Directors	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not having management relation in the company, subsidiaries, or affiliated companies	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not having shareholding relation in the company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not having family relation with Board of Commissioners, Board of Directors, and/or other members of the Audit Committee	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not serving as administrator of political parties, officials and the government	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

AUDIT COMMITTEE MEETING

The Audit Committee holds regular meetings at least 1 (once) in 1 (one) month. A meeting can be held if it is attended by at least 51% (fifty one percent) of the total committee members including 1 (one) Independent Commissioner and 1 (one) Independent Party.

Decisions of the Audit Committee meeting are taken based on deliberation to reach consensus. The meeting is chaired by the Chairperson of the Audit Committee or other Committee Members who are Independent Commissioners, if the Chairperson of the Audit Committee is unable to attend.

Each Audit Committee meeting is outlined in the minutes of the meeting, including when there are differences of opinion, which are signed by all members of the Audit Committee present and submitted to the Board of Commissioners.

**MEETING AGENDA OF AUDIT COMMITTEE**

Throughout 2019, the dates of implementation, meeting Agenda and Audit Committee meeting Participants, are as follows.

Table of Audit Committee Meeting Agenda

No.	Meeting Date	Meeting Agenda	Participant	Presence Quorum
1	January 9, 2019	Annual Audit Plan 2019.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Budi Sulistio - Bambang Ratmanto 	100%
2	February 20, 2019	Application for Approval for Distribution of Partnership Program (PK) Funds to Special SOEs.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Budi Sulistio - Bambang Ratmanto 	100%
3	February 21, 2019	<ol style="list-style-type: none"> 1. Significant Findings Quarter IV / 2018. 2. Update on POJK No. 1 / POJK.03 / 2019 concerning the Implementation of the Internal Audit Function at Commercial Banks. 	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Budi Sulistio - Bambang Ratmanto 	100%
4	March 20, 2019	Proposed Revised Bank Business Plan (RBB) 2019 - 2021.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Budi Sulistio - Bambang Ratmanto 	100%
5	April 24, 2019	<ol style="list-style-type: none"> 1. The Selection and Proposed Process of KAP Determination for Audit of Bank Mandiri Financial Statements for the 2019 Financial Year. 2. Management Letter from KAP PSS - EY on the Audit Results of Financial Statements for Fiscal Year 2018. 	<ul style="list-style-type: none"> - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Budi Sulistio - Bambang Ratmanto 	83%
6	May 2, 2019	Application for Approval of the Transfer of Partnership Program Funds (PK) to become a Source of Community Development Funds (BL).	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	71%
7	May 8, 2019	Significant Findings Quarter I / 2019.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Budi Sulistio - Bambang Ratmanto - Ridwan D. Ayub 	100%
8	May 29, 2019	Report of Compliance Director for Quarter IV / 2018 and Quarter I / 2019.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Budi Sulistio - Bambang Ratmanto - Ridwan D. Ayub 	100%
9	June 26, 2019	Proposed Revisions of the 2019 RKAP and the 2019-2021 RBB.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong 	100%

No.	Meeting Date	Meeting Agenda	Participant	Presence Quorum
			<ul style="list-style-type: none"> - Makmur Keliat - Budi Sulistio - Bambang Ratmanto - Ridwan D. Ayub 	
10	July 24, 2019	Discussion on the Audit Committee Charter Revision.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	100%
11	August 1, 2019	<ol style="list-style-type: none"> 1. PSAK 71 update. 2. Update NPL and Progress Collection of Top 10 debtors. 	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	100%
12	August 7, 2019	<ol style="list-style-type: none"> 1. Significant Findings Quarter II / 2019. 2. Quarterly Compliance Director Report II / 2019. 	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	100%
13	September 11, 2019	Update on the Complete Audit Plan of Bank Mandiri Financial Statements for Fiscal Year 2019.	<ul style="list-style-type: none"> - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	83%
14	October 9, 2019	Evaluation of Bank Mandiri Quarterly / 2019 Business Activity Reports.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Bangun S. Kusmulyono - Goei Siaw Hong - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	100%
15	November 13, 2019	Significant Findings in Quarter III/2019.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Goei Siaw Hong - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	83%
16	November 20, 2019	<ol style="list-style-type: none"> 1. Proposed Compilation of RKAP 2020 and RBB 2020-2020 Bank Mandiri. 2. Update FSA Findings. 	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Goei Siaw Hong - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	83%
17	December 11, 2019	Report of Compliance Director III / 2019.	<ul style="list-style-type: none"> - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	100%
18	December 18, 2019	Update on Audit Progress of Bank Mandiri Financial Statements for Fiscal Year 2019.	<ul style="list-style-type: none"> - Ardan A. Perdana - Makmur Keliat - Bambang Ratmanto - Ridwan D. Ayub 	100%

**FREQUENCY AND ATTENDANCE OF AUDIT COMMITTEE MEETINGS**

During 2019, the Audit Committee held 18 (eighteen) meetings. The frequency and level of attendance of meetings of each Audit Committee member are as follows.

Table of Frequency and Attendance of Audit Committee Meetings

Name	Position	Period	Number of Meeting	Number of Attendance	Percentage
Bangun Sarwito Kasmulyono	Chairman concurrently member	January 1 - December 12, 2019	17	14	82%
Ardan Adiperdana	Chairman concurrently member	December 12 - December 31, 2019	1	-	0%
Hartadi Agus Sarwono	Member	January 1 - December 12, 2019	17	14	82%
Goei Siau Hong	Member	January 1 - December 12, 2019	17	15	88%
Makmur Keliat	Member	January 1 - December 31, 2019	18	18	100%
R. Widyo Pramono	Member	December 12 - December 31, 2019	1	1	100%
Robertus Biliatea	Member	December 12 - December 31, 2019	1	-	0%
Bambang Ratmanto	Member	January 1 - December 31, 2019	18	18	100%
Budi Sulistio	Member	January 1 - June 28, 2019	9	8	89%
Ridwan D. Ayub	Member	April 30 - December 31 2019	13	13	100%

KEY PERFORMANCE INDICATORS (KPI) ACHIEVEMENT OF AUDIT COMMITTEE

The KPI achievement of the Audit Committee in 2019 is as follows.

No.	Key Performance Indicator	Indicator Weight (%)	Achievement Score (%)	Indicator Weight x Achievement Score (%)
1.	Realization of total committee meetings and work plans.	30	100,00	30,00
2.	Assessment of attendance and participation rates in meetings.	20	100,00	20,00
3.	Presentation of review result of the Board of Commissioners.	20	95,00	19,00
4.	Timely making and presentation of Committee Report.	30	95,00	28,50
TOTAL KPI OF THE COMMITTEE		100		97,50

REMUNERATION OF AUDIT COMMITTEES

Remuneration of Audit Committees originating from Independent Non-Commissioners is regulated in the Decree of the Board of Commissioners No. KEP.KOM / 008/2019 dated 30 April 2019 concerning Remuneration of Supporting Organs of the Board of Commissioners of PT Bank Mandiri (Persero) Tbk. and regulated in the Letter of Assignment concerned as a member of the Committee under the Board of Commissioners issued by Bank Mandiri.

No.	Description	Non-Commissioner Committee Member
1.	Salary / Honorarium	A maximum of 20% of the Salary of the President Director
2.	Composition Benefits	Not given
3.	Holiday allowance	In accordance with the provisions of Bank Mandiri employees
4.	Bonuses / Tantiems	Not given
5.	Amenities	
	a. Transportation Allowance	Not given
	b. Health	Not given
	c. Business trip	In accordance with Bank Mandiri employee requirements / equivalent to Group Head

BRIEF REPORT OF THE AUDIT COMMITTEE ACTIVITIES IN 2019

The Audit Committee has carried out its duties and functions as stipulated in the Audit Committee Charter by always implementing the principle of independence in accordance with applicable regulations and in accordance with the 2019 Audit Committee work plan approved by the Board of Commissioners. The activities of the Audit Committee during 2019 are as follows:

1. Implementation of Report Review

During 2019, the Audit Committee conducted a review of several reports as well as matters that were requested for approval from the Board of Commissioners, namely:

- a. Significant Findings of Quarter IV / 2018 Audit Results.
- b. Draft Consolidated Financial Statements 3 (three) Months Ended March 31, 2019 and 2018 and Published Financial Reports as of March 31, 2019 and 2018 PT Bank Mandiri (Persero) Tbk. and Subsidiaries.
- c. Report on Realization of Business Plan for Quarter IV / 2018.
- d. Report on the Implementation of the 2018 Semester II Integrated Audit Function submitted by the Internal Audit Directorate to the Board of Commissioners through Note No. IAU.SEVP / 282/2019 dated April 11, 2019.
- e. Annual Audit Report (AAR) 2018 submitted to the Internal Audit Directorate to the Board of Commissioners through Note No. IAU.SEVP / 291/2019 dated April 16, 2019.
- f. Consolidated Financial Statements of PT Bank Mandiri (Persero) Tbk. and Subsidiaries as of March 31, 2018 submitted to the Board of Commissioners through the Board of Directors Letter No. KEU / 408A / 2019 dated June 17, 2019.
- g. Revised Bank Business Plan for 2019-2021.
- h. Request for Input on the Consolidated Financial Statements of PT Bank Mandiri (Persero) Tbk. as of June 30, 2019 through Letter No. KES.ACC / FRP.230 / 2019 dated July 11, 2019.
- i. Adjustment of the Internal Audit Charter submitted by the Head of the Internal Audit Work Unit (SEVP Internal Audit) to the Audit Committee through Letter No. IAU.SEVP / 1025/2019 dated 9 August 2019.
- j. Integrated Internal Audit Report Semester I / 2019 submitted by SEVP Internal Audit to the Board of Commissioners through Letter No. IAU.SEVP / 1034/2019 dated 12 August 2019.
- k. Significant Findings of Quarter II / 2019 Audit Results submitted by SEVP Internal Audit to the Board of Commissioners through Letter No. IAU.SEVP / 828/2019 dated July 25, 2019.

- l. Report on the Implementation of Compliance Director of Semester I / 2019 Period submitted by the Compliance Director to the Board of Commissioners through Letter No. KPS / 882/2019 dated July 26, 2019.

2. Preparation of Recommendations and Reports

During 2019, the Audit Committee prepared Recommendations and Reports addressed to the Board of Commissioners with the following details:

Recommendation

- a. Recommendation for Approval of the Transfer of Partnership Program Funds (PK) as a Source of Community Development Funds (BL) submitted to the Board of Commissioners through Letter No. AUC / 010/2019 dated May 7, 2019.
- b. Recommendation of the Audit Committee in Appointing a Public Accountant (AP) and / or Public Accountant Office (KAP) for an Audit of the Annual Historical Financial Information of PT Bank Mandiri (Persero) Tbk. for Fiscal Year 2019 submitted to the Board of Commissioners through Note No. AUC / 014/2019 dated May 22, 2019.
- c. Evaluating the report on the implementation of the duties of the Director of Compliance of PT Bank Mandiri Tbk. Semester I / 2019 period submitted to the Board of Commissioners through Note No. AUC / 025/2019 dated August 26, 2019.
- d. Follow-up on reports of significant findings of Quarter II / 2019 submitted to the Board of Commissioners through Note No. AUC / 027/2019 dated September 20, 2019.
- e. Recommendations for approval of adjustments to the 2019 Internal Audit Charter submitted to the Board of Commissioners through Note No. AUC / 028/2019 dated September 20, 2019.
- f. Recommendation for Approval of Adjustment for Annual Audit Plan Semester II / 2019 submitted to the Board of Commissioners through Note No. AUC / 032/2019 dated November 8, 2019.
- g. Recommendation of the Audit Committee in Appointing a Public Accountant (AP) and / or Public Accountant Office (KAP) for an Audit of the DPLK Mandiri Liquidation Financial Information submitted to the Board of Commissioners through Note No. AUC / 034A / 2019 dated December 12, 2019.
- h. Recommendations for the preparation of the 2020 Annual Audit Plan submitted to the Board of Commissioners through Note No. AUC / xx / 2019 dated December 31, 2019.

Report

- a. Report on the Results of the Evaluation of the Implementation of Audit Services on the Annual Historical Financial Information of PT Bank Mandiri (Persero) Tbk. Book Year 2018 by KAP Purwantono, Sungkoro & Surja (Ernst & Young)



submitted to the Board of Commissioners through Note No. AUC / 17/2019 dated June 25, 2019. Furthermore, the report was submitted by the Directors to OJK through Letter No. KES / 656/2019 dated June 26, 2019.

- b. Evaluation Report on the Implementation of Audit Services Providing Annual Financial Information for Pension Funds of Financial Institutions PT Bank Mandiri (Persero) Tbk. Book Year 2018 by KAP Purwanto, Sungkoro & Surja (Ernst & Young) submitted to the Board of Commissioners through Note No. AUC / 18/2019 dated June 25, 2019. The report was then submitted by the Board of Directors of DPLK Mandiri to OJK through Letter No. HBK.DPLK / 466/2019 dated June 25, 2019.

3. Implementation of Internal Discussions

In order to carry out internal monitoring and control functions, the Audit Committee has established communication and coordination with work units at Bank Mandiri. This communication is carried out by inviting the relevant work units in discussions to discuss

current issues at Bank Mandiri. Based on the results of the discussion, the Audit Committee has presented the main points of discussion in the form of pointers meetings which will then be used as supporting information / data in the Audit Committee Meeting. During 2019, 18 (eighteen) internal discussions and joint work unit representatives were held.

WORK PLAN OF THE AUDIT COMMITTEE FOR 2020

In 2020, the Audit Committee has set a work plan that will be discussed through meetings at least once (1) in 3 (three) months. The Audit Committee's work plans for 2020 include:

1. Monitoring and evaluation of the adequacy of internal control, including the adequacy of the financial reporting process.
2. Evaluation of the adequacy of internal control in Subsidiaries.
3. Monitoring and evaluating the company's compliance with laws and regulations.

Statement of Audit Committee on the Effectiveness of Internal Control System and Risk Management
The internal control system performed by Bank Mandiri was considered effective and adequate, reflected in the effectiveness of the implementation of internal control functions, including internal audit function, risk management, compliance, financial and operational controls.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee was formed with the aim of assisting in carrying out its functions and duties in the fields related to remuneration and nomination of members of the Directors and Board of Commissioners. Bank Indonesia Regulations / FSA Regulations require banks to form Remuneration and Nomination Committees as GCG applications so that Banks can be managed based on the principles of openness, accountability, responsibility, independence and fairness.

THE BASIS FOR ESTABLISHING A REMUNERATION AND NOMINATION COMMITTEE

The basis for establishing the Remuneration and Nomination Committee refers to:

1. Company's Articles of Association.
2. Law No. 19 of 2003 concerning BUMN.
3. POJK No. 55 / POJK.03 / 2016 Regarding the Implementation of Governance for Commercial Banks.
4. SOE Minister of State Regulation No. PER-12 / MBU / 2012 concerning Supporting Organs of the Board of Commissioners / Board of Trustees of State-Owned Enterprises.
5. Bank Mandiri's Articles of Association and their amendments.
6. Decree of the Board of Commissioners No. PEM. KOM / 013/2019 dated 11 September 2019 concerning the Membership Composition of the Audit Committee, the Risk Monitoring Committee, the Integrated Governance Committee and the Remuneration and Nomination Committee of PT Bank Mandiri (Persero) Tbk.
7. Directors Decree No. KEP.DIR / 060/2019 concerning Determination of the Remuneration and Nomination Committee Membership on September 20, 2019.

REMUNERATION AND NOMINATION COMMITTEE CHARTERS

To make sure that the Remuneration and Nomination Committee can work effectively, the Remuneration and Nomination Committee must have a guideline that clearly states the roles and responsibilities of the committee and its scope of work. The work guidelines for the Remuneration and Nomination Committee are regulated in the Remuneration and Nomination Committee Charter of PT Bank Mandiri (Persero) Tbk. which was last updated on September 25, 2019 based on the Decision of the Board of Commissioners No. KEP.KOM / 017/2019 concerning the Remuneration and Nomination Committee Charter contains, among others:

1. General Purpose
2. Basic Regulations
3. Duties, Responsibilities, and Authority
4. Composition, Structure, Membership Requirements, and Tenure
5. Nomination and Remuneration System
6. Meeting
7. Reports and Recommendations
8. Closing

DUTIES AND RESPONSIBILITIES OF THE REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee has the duty and responsibility in implementing the following matters:

1. Duties and responsibilities of the Remuneration and Nomination Committee related to the Nomination function:
 - a. Providing recommendations to the Board of Commissioners regarding:
 - Composition of positions of members of the Board of Directors and / or members of the Board of Commissioners.
 - Policies, criteria and qualifications needed in the Nomination process in accordance with the Company's strategic plan.
 - Performance evaluation policy for members of the Board of Directors and / or members of the Board of Commissioners.
 - Proposal for appointment, dismissal and / or replacement of members of the Board of Directors and / or members of the Board of Commissioners to the GMS.
 - System and procedure for selecting and / or replacing members of the Board of Directors and / or Board of Commissioners to be submitted to the GMS.
 - Independent parties who will become members of the Audit Committee and Risk Monitoring Committee.
 - Capacity building program for members of the

Board of Directors and / or members of the Board of Commissioners.

Members of the Remuneration and Nomination Committee who have a conflict of interest with the recommended proposal must disclose the recommended proposal.

- b. Assisting the Board of Commissioners in evaluating the performance of members of the Board of Directors and / or members of the Board of Commissioners based on benchmarks that have been prepared as evaluation material.
 - c. Identifying prospective members of the Board of Directors both from within and from outside the company and / or prospective members of the Board of Commissioners who meet the requirements to be submitted / appointed as members of the Dir member or member of the Board of Commissioners.
 - d. Helping the Board of Commissioners obtain and / or analyze the data of prospective members of the Board of Directors from the talent pool of officials one level below the Board of Directors.
 - e. Having a data base and talent pool for prospective members of the Board of Directors and prospective members of the Board of Commissioners.
 - f. Preparing, implementing and analyzing criteria and procedures for dismissal of the Board of Commissioners and / or Directors.
2. Duties and responsibilities of the Remuneration and Nomination Committee related to the Remuneration function:
 - a. Providing recommendations to the Board of Commissioners regarding:
 - Policies, structures and amounts of remuneration for the Directors and / or Board of Commissioners, to be submitted to the GMS.
 - Performance appraisal with the remuneration suitability received by each member of the Board of Directors and / or members of the Board of Commissioners.
 - Options to the Board of Commissioners, Directors and employees, including stock options and supervision of their implementation.
 - b. Assisting the Board of Commissioners in proposing a remuneration system that is suitable for members of the Board of Directors and / or members of the Board of Commissioners in the form of a salary / honorarium system, provision of facilities, benefits, bonus / incentive / tantiem, pension system, evaluation or evaluation of the system and the options given.
 - c. Evaluating remuneration policies based on performance, risk, fairness with peer groups, targets and the Company's long-term strategy, fulfillment of reserves as stipulated in the



legislation and the Company's future revenue potential.

- d. Delivering evaluation results and recommendations to the Board of Commissioners regarding:
 - Remuneration policy for Directors and / or Board of Commissioners to be submitted to the GMS.
 - Remuneration Policy for Employees as a whole to be submitted to the Directors.
- e. Ensuring that the remuneration policy complies with applicable regulations.
- f. Conducting periodic evaluations of the implementation of remuneration policies.

REMUNERATION AND NOMINATION COMMITTEE AUTHORITY

The Remuneration and Nomination Committee has the following authority:

1. Communicating with the Head of Work Unit and other parties in the Company to obtain information, clarification and request documents and reports that are needed.
2. Requesting the Company to conduct surveys according to the needs of the Remuneration and Nomination Committee.
3. Accessing records or information about employees, funds, assets and other company resources related to the implementation of their duties.
4. Obtaining input and or suggestions from outside parties of the Company relating to their duties.
5. Performing other authorities granted by the Board of Commissioners.

REPORTS ON THE REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee must report the implementation of the duties, responsibilities and procedures of the Nomination and Remuneration that are carried out for each assignment given and / or for any problems identified that require the attention of the Board of Commissioners or at least 2 (two) times in 1 (one) year

STRUCTURE, MEMBERSHIP AND EXPERTISE OF THE REMUNERATION AND NOMINATION COMMITTEE

The provisions for the membership of the Company's Remuneration and Nomination Committee are as follows:

1. The Remuneration and Nomination Committee consists of at least 3 (three) people with a composition of 1 (one) Independent Commissioner as Chair and member, 1 (one) Commissioner, and 1 (one) Executive Officer who is in charge of the Resources function.

Human or 1 (one) Representative officer (ex officio) as a non-voting member.

2. Human Resources or 1 (one) employee representative (ex officio) as a non-voting member.
3. The Executive Officer in charge of Human Resources or employee representatives who are members of the Committee must have knowledge of the Company's remuneration and / or nomination system and succession plan.
4. When there are more than 3 (three) members of the Remuneration and Nomination Committee, the members of the Independent Commissioners shall be no less than 2 (two) people.
5. If needed, the Remuneration and Nomination Committee can appoint members from parties outside the Company and must meet the following requirements:
 - a. The members have no affiliation with the Company, members of the Board of Directors, members of the Board of Commissioners, or the Company's Major Shareholders.
 - b. Having experience related to Nomination and / or Remuneration.
 - c. Not concurrently serving as another Committee member owned by the Company.
6. The Chairperson of the Remuneration and Nomination Committee may only hold concurrent positions as Chair of the Committee at most in 1 (one) other Committee.
7. Members of the Directors of the Company and other Banks are prohibited from becoming members of the Remuneration and Nomination Committee.
8. The replacement of members of the Remuneration and Nomination Committee that is not from the Board of Commissioners shall be made no later than 60 (sixty) days after the members of the Remuneration and Nomination Committee are no longer able to carry out their functions.
9. The Company is required to document the decision on the appointment and removal of members Remuneration and Nomination Committee.
10. The terms of office for Committee Members who are members of the Independent Party refer to the applicable laws and regulations.

During 2019, the membership composition of the Remuneration and Nomination Committee had changes which can be submitted as follows.

PERIOD OF JANUARY 1- JUNE 28, 2019

The composition of the membership of the Remuneration and Nomination Committee for the period of January 1 - June 28, 2019 was appointed based on Directors Decree No. KEP.DIR / 041/2018 concerning the Determination of Membership of the Remuneration and Nomination Committee which was passed on May 16, 2018 is as follows:

Table of Remuneration and Nomination Committee Structure, Membership and Expertise

Name	Position	Information	Expertise
Hartadi Agus Sarwono	Chairman concurrently member	President Commissioner / Independent Commissioner	Banking, Economic
Imam Apriyanto Putro	Member	Vice President Commissioner	Governance
Askolani	Member	Commissioner	Fiscal, Budget and Tax
Bangun Sarwito Kusmulyono	Member	Independent Commissioner	Finance, Banking
Goei Siauw Hong	Member	Independent Commissioner	Fiscal, Budget and Tax
Ardan Adiperdana	Member	Commissioner	Accounting, Audit
Makmur Keliat	Member	Independent Commissioner	Macroeconomic
R. Widyo Pramono	Member	Commissioner	Hukum
Putu Dewi Prasthiani	Secretary concurrently an Ex-Officio Member	Group Head of Human Capital Services	Human Capital, Learning Experience & Operations

PERIOD OF JUNE 28- SEPTEMBER 11, 2019

The composition of the membership of the Remuneration and Nomination Committee for the period June 28- September 11, 2019 has been appointed based on Directors Decree No. KEP.DIR / 039/2019 concerning the Determination of Membership of the Remuneration and Nomination Committee which was ratified on July 18, 2019 is as follows

Table of Remuneration and Nomination Committee Structure, Membership and Expertise

Name	Position	Information	Expertise
Hartadi Agus Sarwono	Chairman concurrently member	President Commissioner / Independent Commissioner	Banking, Economic
Bangun Sarwito Kusmulyono	Chairman concurrently member	Independent Commissioner	Finance, Banking
Makmur Keliat	Member	Independent Commissioner	Macroeconomic
R. Widyo Pramono	Member	Commissioner	Legal
Steven A. Yudiyantho	Secretary concurrently an Ex-Officio Member	Group Head Human Capital Strategy & Talent Management	Human Capital

PERIOD OF SEPTEMBER 11- DECEMBER 12, 2019

The composition of the membership of the Remuneration and Nomination Committee for the period of September 11 - December 12, 2019 has been appointed based on Directors Decree No. KEP.DIR / 060/2019 concerning Determination of Membership of the Remuneration and Nomination Committee which was passed on September 20, 2019 is as follows:

Table of Remuneration and Nomination Committee Structure, Membership and Expertise

Name	Position	Information	Expertise
Hartadi Agus Sarwono	Chairman concurrently member	President Commissioner / Independent Commissioner	Banking, Economic
Bangun Sarwito Kusmulyono	Chairman concurrently member	Independent Commissioner	Finance, Banking
Makmur Keliat	Member	Independent Commissioner	Macroeconomic
R. Widyo Pramono	Member	Commissioner	Legal
Indri K. Hidayat	Member	Independent Party	Human Capital, Banking
Steven A. Yudiyantho	Secretary concurrently an Ex-Officio Member	Group Head of Human Capital Strategy & Talent Management	Human Capital

PERIOD OF DECEMBER 12-31, 2019

The composition of the membership of the Remuneration and Nomination Committee for the period December 12 – 31, 2019 which has been appointed based on Directors Decree No. KEP.DIR / 002/2020 concerning the Determination of Membership of the Remuneration and Nomination Committee which was adopted on January 13, 2020 is as follows:

Name	Position	Information	Expertise
R. Widyo Pramono	Chairman concurrently member	Commissioner	Legal
Kartika Wirjoatmodjo	Member	President Commissioner	Banking, Finance
Makmur Keliat	Member	Independent Commissioner	Macroeconomic
Ardan Adiperdana	Member	Commissioner	Accounting, Audit
Robertus Bilita*)	Member	Independent Commissioner	Legal
Indri K. Hidayat	Member	Independent Party	Human Capital, Banking
Steven A. Yudiyantho	Secretary concurrently an Ex-Officio Member	Group Head of Human Capital Strategy & Talent Management	Human Capital

* Effective after obtaining approval from OJK on the Fit and Proper Test.



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

PROFILE OF REMUNERATION AND NOMINATION COMMITTEE

The following is the profile of the Remuneration and Nomination Committee as at 31 December 2019.



R. Widyo Pramono
Chairperson and Committee Member
Remuneration and Nomination

The Profile can be seen in the Board of Commissioners Section



Ardan Adiperdana
Member of the Remuneration and
Nomination Committee

The Profile can be seen in the Board of Commissioners Section



Makmur Keliat
Member of the Remuneration and
Nomination Committee

The Profile can be seen in the Board of Commissioners Section



Robertus Bilitea
Member of the Remuneration and
Nomination Committee

The Profile can be seen in the Board of Commissioners Section



Kartika Wirjoatmodjo
Member of the Remuneration and
Nomination Committee

The Profile can be seen in the Board of Commissioners Section



Indri K. Hidayat
Member of the Remuneration and
Nomination Committee

Age	59 years old
Domicile	Indonesia
Appointment Date	September 4, 2019
Educational background	<ul style="list-style-type: none"> - Bachelor of Academy Secretary / LPK Tarakanita (1982). - Brevet Pension Management, Faculty of Economics from the University of Indonesia (1994) - Masters in Management from Bina Nusantara University (2008).
Employment History	<ul style="list-style-type: none"> - Independent Commissioner at PT Data Center Indonesia (November 2018-present) - HR Director of Permata Bank (2009-2018) - Head of HR Division at PT Rajawali Corpora (2007 - 2009) - HR Director of Dexa Medica Group (2003-2007) - HR Director of Citibank Indonesia (1998 - 2003) - HR Director of PT Keramik Indonesia Association Tbk. (1995 - 1998)



Steven A. Yudiyanto
Member of the Remuneration and
Nomination Committee

Age	46 tahun
Domicile	Indonesia
Appointment Date	28 Juni 2019
Educational background	<ul style="list-style-type: none"> - Bachelor degree in Management from Gadjah Mada University 1996 - Masters in Business from IPMI-Mt. Eliza Graduate School of Business 2001
Employment History	<ul style="list-style-type: none"> - Group Head of Human Capital Strategy & Talent Management (1 May 2019 - present) - Group Head of Human Capital Talent, Organization & Performance (December 2018 - May 2019) - Commercial HR Director of Danone Waters Indonesia (2017 - December 2018) - OD Director of Danone Waters Indonesia (2016 - 2017) - Learning & Development Director of Danone Academy Indonesia at Danone Waters Indonesia (2013 - 2016)

QUALIFICATION OF EDUCATION AND EXPERIENCE OF THE REMUNERATION AND NOMINATION COMMITTEE

Members of the Remuneration and Nomination Committee have at least the following qualifications:

1. General Requirements
 - a. Having integrity, character and good morals.
 - b. Does not have personal interests / relationships that can cause conflict of interest against the Company.
2. Competency Requirements
 - a. Having sufficient expertise, ability, knowledge and experience related to their duties and responsibilities, specifically related to the provisions of the Bank's remuneration and / or nomination system and succession plan.
 - b. Able to work together and have the ability to communicate well and effectively and are willing to provide sufficient time to carry out their duties.
 - c. Have adequate knowledge of the Company's Articles of Association, laws and regulations in the banking sector, Capital Market, SOEs and other relevant laws and regulations.
 - d. Willing to increase competencies continuously through education and training.

The educational qualifications and work experience of the Chair and Members of the Remuneration and Nomination Committee are as follows.

Table of Education Qualifications and Work Experience of the Remuneration and Nomination Committee

Name	Position	Period	Education	Work experience
Hartadi Agus Sarwono	Chairman concurrently member	1 Januari – 12 Desember 2019	<ul style="list-style-type: none"> Bachelor's degree in Industrial Engineering. Master of Arts in Macroeconomics. Ph.d in Monetary Theory and Policy 	Having work experience including in banking, finance, monetary, and banking supervision.
R. Widyo Pramono	Member	January 1 - December 12, 2019	<ul style="list-style-type: none"> Bachelor of Law. Masters in Management. Master of Law Doctorate in criminal law Professor of Criminal Law. 	Having work experience, including in the field of law and supervision.
	Chairman concurrently member	December 12 - December 31, 2019		
Kartika Wirjoatmodjo	Member	December 12 - December 31, 2019	<ul style="list-style-type: none"> Bachelor of Economics majoring in accounting. Master of Business Administration (MBA) in Business. 	Having work experience including in the fields of accounting, banking, finance, taxation, and securities.
Imam Apriyanto Putro	Member	January 1 - June 28, 2019	<ul style="list-style-type: none"> Bachelor of Economics in Management. Master of Management 	Having work experience in the fields of finance, government, human resources, and corporate supervision.
Askolani	Member	January 1 - June 28, 2019	<ul style="list-style-type: none"> Bachelor of Economics and Development Studies. Master of Business Administration (MBA) in Economics and Banking. 	Having work experience, among others in the fields of finance, economics, industrial company supervision
Bangun Sarwito Kusmulyono	Member	January 1 - December 12, 2019	<ul style="list-style-type: none"> Bachelor in Chemical Engineering. Master of Business Administration. Doctor in Environmental Management. 	Having work experience including in banking, capital, defense and banking supervision.
Goei Siau Hong	Member	January 1 - June 28, 2019	<ul style="list-style-type: none"> Bachelor in Agronomy Master of Business Administration (MBA) in Business, Finance and Marketing 	Having work experience including in the fields of finance, research, and banking supervision.
Ardan Adiperdana	Member	January 1 - June 28, 2019	<ul style="list-style-type: none"> Bachelor of Economics. Master in Business Administration. Doctor in Strategic Management. 	Having work experience, among others in the field of Finance and company supervision.
		December 12 - December 31, 2019		
Makmur Keliat	Anggota	January 1 - December 31, 2019	<ul style="list-style-type: none"> Bachelor's degree in Corporate Economics. Bachelor of Art in Social Sciences and Political Sciences / Department of International Relations. Ph.d in the field of School of International Studies. 	Having work experience including in the fields of education, political science, international relations, research and publications.
Robertus Bilita	Anggota	12 Desember – 31 Desember 2019	<ul style="list-style-type: none"> Bachelor of Civil Law Master's of Business Legal 	Have work experience at law and banking.



Name	Position	Period	Education	Work experience
Indri K. Hidayat	Anggota	11 September – 31 Desember 2019	<ul style="list-style-type: none"> Bachelor's Academy Secretary. Masters in Management 	Have work experience at banking and resources human power
Putu Dewi Prasthiani	Secretary concurrently Member Ex-Officio	1 Januari – 28 Juni 2019	<ul style="list-style-type: none"> Bachelor in Industrial Engineering. 	Have work experience among others in the banking sector
Steven A. Yudiyanto	Secretary concurrently Member Ex-Officio	28 Juni – 31 Desember 2019	<ul style="list-style-type: none"> Bachelor in Management. Masters in Business. 	Have work experience at banking and resources human power

REMUNERATION AND NOMINATION COMMITTEE INDEPENDENCE

All members of the Remuneration and Nomination Committee do not have financial, management, ownership relations shares and/or family relations with the Board of Commissioners, Directors and/or Controlling Shareholders or relationship with Bank Mandiri, which can affect its ability to act independently.

Table of Remuneration and Nomination Committee

Aspect of Independence	Hartadi Agus Sarwono	R. Widyo Pramono	Bangun Sarwito Kusmulyono	Imam Apriyanto Putro	Askolani	Goei Siau Hong	
Has no financial relationship with the Board of Commissioners and Board of Directors	✓	✓	✓	✓	✓	✓	
Not having relationship of management in the company, subsidiary, or affiliate companies	✓	✓	✓	✓	✓	✓	
Not having a relationship oh shares-holding in the company	✓	✓	✓	✓	✓	✓	
Has no family relationship with the Board of Commissioners, Board of Directors, and/or fellow members of he Rmuneration and Nomination Committee	✓	✓	✓	✓	✓	✓	
Not serving as administrator of political parties and government officials	✓	✓	✓	✓	✓	✓	

	Ardan Adiperdana	Makmur Keliat	Robertus Bilita	Indri K. Hidayat	Putu Dewi Prasthiani	Steven A. Yudiyanto
	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓



MEETING OF REMUNERATION AND NOMINATION COMMITTEE

The provisions of the Remuneration and Nomination Committee meeting set forth in the Remuneration and Nomination Committee Charter are as follows:

1. The Remuneration and Nomination Committee holds regular meetings at least 1 (one) time in 4 (four) months.
2. Remuneration and Nomination Committee meetings can only be held if attended by at least 51% (fifty one percent) of the total committee members including 1 (one) Independent Commissioner who is a Remuneration and Nomination Committee and 1 (one) Executive Officer in charge of the Human Resources function or 1 (one) employee representative.
3. Decisions of the Remuneration and Nomination Committee meetings are taken based on deliberation to reach consensus.
4. In the case that consensus agreement does not occur, the decision is made based on majority votes.
5. The meeting shall be chaired by the Chairperson of the Remuneration and Nomination Committee or a member who is appointed in writing, if the Chairperson of the Remuneration and Nomination Committee is unable to attend.

6. In the time that a Committee Member for whatever reason is unable to attend, the presence of the Committee Member may be represented by other Committee Members based on a power of attorney.
7. Committee members can only represent one other Committee member.
8. Each Remuneration and Nomination Committee meeting is outlined in the minutes of the meeting, including when there are differences of opinion, which are signed by all members of the Committee present and submitted to the Board of Commissioners.
9. Committee Members from Independent Parties or other parties appointed by the Chair of the Committee will act as secretaries in charge of recording and making minutes of Committee Meetings.
10. Meetings can be held not physically, but through teleconference media or other media facilities that allow all Committee Meeting participants to see and hear each other directly and participate in meetings.

AGENDA FOR MEETING OF THE REMUNERATION AND NOMINATION COMMITTEE

During 2019, 9 (nine) Remuneration and Nomination Committee Meetings were held with the main discussion and notes as follows:

The Remuneration and Nomination Committee Meeting Agenda Table

No.	Date of Meeting	Meeting agenda	Meeting Participant	Presence Quorum (%)
1.	April 29, 2019	Proposed Remuneration for Directors and Board of Commissioners for Performance Year 2018.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Imam Apriyanto Putro - Askolani - Goei Siaw Hong - Bangun S. Kusmulyono - Ardan Adiperdana - Makmur Keliat - R. Widyo Pramono - Putu Dewi Prasthiani 	100%
2.	May 9, 2019	Review of Talent Pool Data for Prospective Directors.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Imam Apriyanto Putro - Askolani - Goei Siaw Hong - Bangun S. Kusmulyono - Ardan Adiperdana - Makmur Keliat - R. Widyo Pramono - Putu Dewi Prasthiani 	100%
3.	May 16, 2019	Proposal of Candidates for the Board of Commissioners of Bank Mandiri in the Annual General Meeting of Fiscal Year 2018.	<ul style="list-style-type: none"> - Hartadi A. Sarwono - Imam Apriyanto Putro - Askolani - Goei Siaw Hong - Bangun S. Kusmulyono - Ardan Adiperdana - Makmur Keliat - R. Widyo Pramono - Putu Dewi Prasthiani 	100%

No.	Date of Meeting	Meeting agenda	Meeting Participant	Presence Quorum (%)
4.	May 31, 2019	Determination of the 2019 Remuneration and the 2018 Performance Tantiem for the Directors.	<ul style="list-style-type: none"> Hartadi A. Sarwono Imam Apriyanto Putro Askolani Goei Siaw Hong Bangun S. Kusmulyono Ardan Adiperdana Makmur Keliat R. Widyo Pramono Putu Dewi Prasthiani 	100%
5.	August 21, 2019	Proposed Candidates for Directors in the RUPS LB dated August 28, 2019.	<ul style="list-style-type: none"> Hartadi A. Sarwono Bangun S. Kusmulyono Makmur Keliat R. Widyo Pramono Steven A. Yudiyantho 	100%
6.	August 26, 2019	Review of the Performance of the Directors and Talent Pool of Candidates for Bank Mandiri Candidates.	<ul style="list-style-type: none"> Hartadi A. Sarwono Bangun S. Kusmulyono Makmur Keliat R. Widyo Pramono Steven A. Yudiyantho 	100%
7.	August 28, 2019	Proposed Candidates for the Board of Commissioners in the General Meeting of Shareholders on 28 August 2019.	<ul style="list-style-type: none"> Hartadi A. Sarwono Bangun S. Kusmulyono Makmur Keliat R. Widyo Pramono Steven A. Yudiyantho 	100%
8.	November 11, 2019	Review on the Talent Pool Data of Prospective Directors for the Preparation of LB General Meeting on December 9, 2019.	<ul style="list-style-type: none"> Hartadi A. Sarwono Bangun S. Kusmulyono Makmur Keliat R. Widyo Pramono Indri K. Hidayat Steven A. Yudiyantho 	100%
9.	December 9, 2019	Proposed Candidates for the Directors and Board of Commissioners in the General Meeting of Shareholders on 9 December 2019.	<ul style="list-style-type: none"> Hartadi A. Sarwono Bangun S. Kusmulyono Ardan A. Perdana Makmur Keliat Indri K. Hidayat Steven A. Yudiyantho 	100%

FREQUENCY AND ATTENDANCE OF THE REMUNERATION AND NOMINATION COMMITTEE MEETING

During 2019, the Remuneration and Nomination Committee held 9 (nine) meetings. The frequency and level of attendance of each Remuneration and Nomination Committee member at the meeting is as follows.

Table of Frequency and Attendance of Remuneration and Nomination Committee Meeting

Name	Position	Period	Number of Meeting	Number of Presence	Percentage
Hartadi Agus Sarwono	Chairman concurrently member	January 1 - December 12, 2019	9	9	100%
R. Widyo Pramono	Member	January 1 - December 12, 2019	9	9	100%
	Chairman concurrently member	December 12 - December 31, 2019			
Kartika Wirjoatmodjo	Member	December 12 - December 31, 2019	-	-	100%
Imam Apriyanto Putro	Member	January 1 - June 28, 2019	4	4	100%
Askolani	Member	January 1 - June 28, 2019	4	4	100%
Bangun Sarwito Kusmulyono	Member	January 1 - December 12, 2019	9	9	100%
Goei Siaw Hong	Member	January 1 - June 28, 2019	4	4	100%
Ardan Adiperdana	Member	January 1 - June 28, 2019	4	4	100%
		December 12 - December 31, 2019			
Makmur Keliat	Member	January 1 - December 31, 2019	9	9	100%



Name	Position	Period	Number of Meeting	Number of Presence	Percentage
Robertus Biletea	Member	December 12 - December 31, 2019	-	-	100%
Indri K. Hidayat	Member	September 11 - December 31, 2019	2	2	100%
Putu Dewi Prasthiani	Secretary concurrently an Ex-Officio Member	January 1 - June 28, 2019	4	4	100%
Steven A. Yudiyanto	Secretary concurrently an Ex-Officio Member	June 28 - December 31, 2019	5	5	100%

THE KEY PERFORMANCE INDICATORS ACHIEVEMENT OF THE REMUNERATION AND NOMINATION COMMITTEE

The KPI Remuneration and Nomination Committee achievements in 2019 are as follows.

No.	Key Performance Indicator	Indicator Value (%)	Achievement Value (%)	Indicator Value x Achievement Value (%)
1.	Realization Number of Committee meeting and Work Plan	30	100,00	30,00
2.	Assessment on attendance level and participation in the Meetings	20	100,00	20,00
3.	Submission of Review Outcome to the Board of Commissioners	20	95,00	19,00
4.	On-time Preparation and Submission of Committee Report	30	95,00	28,50
TOTAL KPI KOMITE		100		97,50

REMUNERATION OF THE REMUNERATION AND NOMINATION COMMITTEE

Remuneration of the Remuneration and Nomination Committee originating from Non-Commissioner Independent parties is regulated in the Decree of the Board of Commissioners No. KEP.KOM / 008/2019 dated 30 April 2019 concerning Remuneration of Supporting Organs of the Board of Commissioners of PT Bank Mandiri (Persero) Tbk. and regulated in the Letter of Assignment concerned as a member of the Committee under the Board of Commissioners issued by Bank Mandiri.

No.	Description	Non-Commissioner Committee Member
1.	Salary / Honorarium	A maximum of 20% of the Salary of the President Director
2.	Composition Benefits	Not given
3.	Holiday allowance	In accordance with the provisions of Bank Mandiri employees
4.	Bonuses / Tantiems	Not given
5.	Amenities	
	a. Transportation Allowance	Not given
	b. Health	Not given
	c. Business trip	In accordance with Bank Mandiri employee requirements / equivalent to Group Head

BRIEF REPORT ON THE IMPLEMENTATION OF THE REMUNERATION AND NOMINATION COMMITTEE OF 2019

In 2019, as the duties and functions of the Remuneration and Nomination Committee listed in the Bank Mandiri Remuneration and Nomination Committee Charter, the Remuneration and Nomination Committee has provided recommendations / proposals for candidates who qualify as Members of the Board of Commissioners and Directors of Bank Mandiri to the Board of Commissioners to be submitted to AGM. The proposal was obtained through a series of processes carried out by the Remuneration and Nomination Committee covering the preparation of policies, criteria and qualifications needed in the process of nominating prospective members of the Board of Commissioners and Directors in accordance with the Company's strategic plan. The Remuneration and Nomination Committee also helps the Board of Commissioners obtain and analyze the data of prospective Directors from the talent pool of officials one level below the Directors and identify candidates for the Board of Commissioners who meet the requirements.

In addition to the nomination system, the Remuneration and Nomination Committee has also assisted the Board of Commissioners in proposing an appropriate remuneration system for the Directors and Board of Commissioners of Bank Mandiri in the form of a payroll / honorarium system, facilities / benefits, bonuses, and so on for 2019.

WORK PLAN OF THE REMUNERATION AND NOMINATION COMMITTEE IN 2020

In 2020, the Remuneration and Nomination Committee has set a work plan that will be discussed through meetings at least once in 4 (four) months. The work plans of the Remuneration and Nomination Committee in 2020 include

1. Evaluating and providing recommendations related to policies, criteria and qualifications needed in the Nomination process in accordance with Bank Mandiri's strategic plan.
2. Evaluating and providing recommendations regarding the system and procedure for selecting and / or replacing members of the Board of Commissioners and members of the Board of Directors to the Board of Commissioners to be submitted to the GMS.
3. Evaluating and providing recommendations regarding the capacity building program for members of the Board of Commissioners and / or members of the Board of Directors.
4. Evaluating and providing recommendations on performance evaluation of members of the Board of Commissioners and / or members of the Board of Directors based on benchmarks that have been prepared as evaluation material.

BOARD OF DIRECTORS SUCCESSION POLICY

The Board of Directors succession policy of Bank Mandiri refers to the Minister of SEO Regulation No. PER-03/MBU/02/2015 concerning Requirements, Appointment, and Dismissal of Members of Board of Directors of State-Owned Enterprises. One of the duties of the Remuneration and Nomination Committee is to form a nomination system for members of the Board of Commissioners and/or Directors of the Company that will be part of the Good Corporate Governance Policy of the Company and become a guideline for the Board of Commissioners and RUPS in determining the remuneration and nomination of the Board of Commissioners and/or Directors.

Basic Principles

- a. Requirements for Board of Directors and Board of Commissioners.
Candidates for Board of Directors and Commissioners have to meet the requirements determined in the Company's Articles of Association and the applicable laws and regulations such as Law on Limited Liability Companies, Law on Banking, and Law on Capital Market and other provisions.

- b. Candidacy and Candidate Proposal for Board of Directors and Board of Commissioners
Candidates for Board of Directors and Board of Commissioners were proposed through a selection and with due regards to the above requirements.

Procedures

In implementing the Nomination function, the Bank Mandiri Remuneration and Nomination Committee performs the following procedures:

1. Compile the composition and process of nominating members of the Board of Directors and/or members of the Board of Commissioners.
2. Formulate policies and criteria needed in the process of nominating candidates for members of the Board of Directors and/or members of the Board of Commissioners.
3. The Remuneration and Nomination Committee identifies candidates who meet the criteria.
4. Assist the evaluation of the performance of members of the Board of Directors and/or members of the Board of Commissioners.
5. Develop capacity building programs for members of the Board of Directors and/or members of the Board of Commissioners.
6. Review and propose candidates who fulfill the requirements as members of the Board of Commissioners and/or prospective members of the Board of Directors to the Board of Commissioners to be submitted to the RUPS.
7. The selection process is carried out before the term of office ends or is requested by the Board of Commissioners, or if there is a vacancy

Requirements and Criteria

The requirements and criteria for candidates of Board of Directors and/or Commissioners are in accordance with the Company's Articles of Association and other applicable provisions, which are as follows:

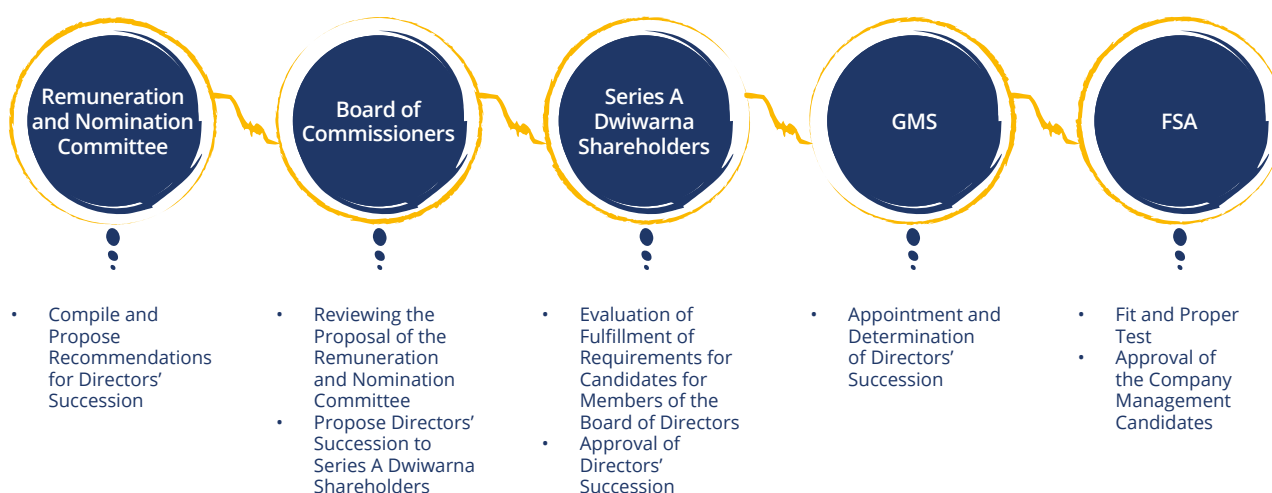
1. The person who can be proposed as a member of Board of Directors and/or Commissioners is the individual capable of performing legal actions and has never been declared bankrupt or convicted which cause bankruptcy of a company, or someone who has never been sentenced for criminal offense which harm the finances of the State within 5 (five) years prior to his/her appointment, one or the other with due regards to the applicable laws and regulations.
2. The person is not related by blood to third degree, both horizontally or vertically nor by marriage (in laws) with other members of Board of Directors or Commissioners.



3. The person is not in the banking black list as determined by bank supervisory authorities.
4. The person has excellent integrity, in terms of:
 - a. Has good character and morals.
 - b. Comply with applicable laws and regulations.
 - c. Has high commitment to the development of healthy bank operations.
 - d. Deemed fit and proper to be a member of Board of Directors and/or Commissioners.
5. Integrity assessment is conducted by evaluating the candidates in terms of non performance of the following actions:
 - a. Banking engineering and practices that deviate from banking regulations.
 - b. Actions categorized as non fulfillment of commitments agreed with Bank Indonesia or Government.
 - c. Actions categorized as beneficial to Owner, Management, Employees, and or other parties that may harm or reduce bank's profit.
 - d. Actions categorized as violation of the provisions related to banking prudential principles.
 - e. Actions by Management and Executive Officers categorized as not independent.
6. Meeting the competence criteria, in terms of having:
 - a. Adequate knowledge in Banking.
 - b. Experience and expertise in Banking and or Financial Institution
 - c. Ability to perform strategic management for the development of healthy Banks.

7. Other than the above criteria, it is better to meet the following additional criteria:
 - a. Having leadership skill supported by knowledge in economics, accounting and law.
 - b. For Board of Commissioners, there is another criterion of having experience in banking or other financial institution supervisory.
 - c. For Board of Directors, there are other criteria of having at least 3 (three) years experience as Senior Management in banking or other financial institutions.

A candidate for the Board of Directors may be proposed from the Board of Commissioners after assessing the concerned person and if eligible, he/she needs to be proposed to the Minister of SOE. The candidate to be nominated to become members of the Board of Directors must also meet the formal requirements and other requirements specified in PER-03/MBU/02/2015 and the Financial Services Authority Regulation No. 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of the Issuer or Public Company and has passed the Fit and Proper Test conducted by the Financial Services Authority. In 2019, Bank Mandiri is working with the Company Assessment Service of PT Daya Dimensi Indonesia to conduct assessment against candidates for the Board of Commissioners and Board of Directors. The names are obtain recommendation from the Appraisal Service Company will be reported by the Remuneration and Nomination Committee to the Board of Commissioners names of candidates to be submitted in the GMS.



RISK MONITORING COMMITTEE

The Risk Monitoring Committee was formed by the Board of Commissioners of Bank Mandiri in order to assist the Board of Commissioners in carrying out their duties and responsibilities in conducting supervision and providing advice to the Board of Directors to obtain adequate confidence so that the implementation of the Bank's risk management continues to meet the adequacy of risk management procedures and methodology, so that the Bank's business activities can be controlled at acceptable limits and benefit the Bank.

BASIC FORMATION OF RISK MONITORING COMMITTEE

The establishment of the Committee is guided by and is based on applicable laws and regulations and best practices that can be applied in banking institutions in Indonesia, including:

1. FSA Regulation No. 17 / POJK.03 / 2014 dated 18 November 2014 concerning the Implementation of Integrated Risk Management for Financial Conglomerates.
2. Regulation of the State Minister for State-Owned Enterprises No. PER-09 / MBU / 2012 dated July 6, 2012 concerning amendments to the Regulation of the Minister of State Owned Enterprises No. PER-01 / MBU / 2011, concerning the Implementation of Good Corporate Governance in State-Owned Enterprises.
3. Regulation of the State Minister for State-Owned Enterprises No. PER-12 / MBU / 2012, concerning Supporting Organs for the Board of Commissioners / Board of Trustees of State-Owned Enterprises.
4. Bank Mandiri's Articles of Association and their amendments.
5. Decree of the Board of Commissioners No. PEM. KOM / 013/2019 dated 11 September 2019 concerning the Membership Composition of the Audit Committee, the Risk Monitoring Committee, the Integrated Governance Committee and the Remuneration and Nomination Committee of PT Bank Mandiri (Persero) Tbk.
6. Directors Decree No. KEP.DIR / 061/2019 dated 20 September concerning Determination of Membership of the Risk Monitoring Committee.

RISK MONITORING COMMITTEE CHARTER

In carrying out its duties and responsibilities, the Bank Mandiri Risk Monitoring Committee has a Risk Monitoring Committee Charter, which was most recently updated on September 25, 2019 based on the Decree of the Board of Commissioners No. KEP.KOM / 016/2019.

The Risk Monitoring Committee Charter includes:

1. General Purpose
2. Basic Regulations
3. Duties, Responsibilities and Authority
4. Composition, Structure and Membership Requirements, and Tenure
5. Meeting
6. Reports and Recommendations
7. Handling Complaints / Reporting Regarding Alleged Violations Regarding Financial Reporting
8. Closing

DUTIES AND RESPONSIBILITIES OF THE RISK MONITORING COMMITTEE

The duties and responsibilities of the Risk Monitoring Committee include::

1. Monitoring and evaluating:
 - a. Conformity between the risk management policy and the Company's integrated risk management policy and the implementation of the policy.
 - b. Implementation of the work plan and duties of the Risk Management Committee, Integrated Risk Management Committee, Risk Management Work Unit, and Integrated Risk Management Work Unit of the Company.
 - c. Adequacy of the process of identifying, measuring, monitoring, controlling and risk management information systems.
 - d. The Company's compliance with the Articles of Association, Bank and Capital Market Supervisory Authority regulations, as well as other laws and regulations related to risk management.
2. Carrying out monitoring and review of:
 - a. Risk Profile Reports, both Individual and Consolidated with Subsidiaries.
 - b. Risk based Bank Soundness Reports, both Individual and Consolidated with Subsidiaries.
 - c. Other reports related to the management of 10 (ten) types of risk, namely Credit Risk, Market Risk, Operational Risk, Liquidity Risk, Legal Risk, Compliance Risk, Reputation Risk, Strategic Risk, Intra Group Transaction Risk, and Insurance Risk.
 - d. General credit policies and other obligations required by the Regulator to be submitted to the Board of Commissioners by the Board of Directors.
3. Providing recommendations to the Board of Commissioners for:
 - a. The things that can support an increase in the effectiveness of the implementation of risk management in the Company.
 - b. Conformity between the Company's risk



management policies and integrated risk management policies with the implementation of these policies to ensure that the Company has managed risks adequately.

4. Conducting regular meetings with relevant work units to discuss matters that are within the scope of supervision.
5. Reporting the results of monitoring and review periodically, as well as providing input on matters that need to be considered by the Board of Commissioners.
6. Arrange the Guidelines and Rules of Work for the Risk Monitoring Committee and conduct a review as needed at least every 2 (two) years.

RISK MONITORING COMMITTEE AUTHORITY

The Risk Monitoring Committee has the authority to:

1. Communicating with the Head of Work Unit and other parties in the Company to obtain information, clarification and request documents and reports that are needed.
2. Accessing records or information about employees, funds, assets and other company resources related to the implementation of their duties.
3. Obtaining a Risk Profile Report, Bank Soundness Report, and other reports related to the application of risk management, both individually and Consolidated with Subsidiaries.
4. Obtaining input and or suggestions from outside parties of the Company relating to their duties.
5. Performing other authorities granted by the Board of Commissioners.

RISK MONITORING COMMITTEE REPORTING

The Risk Monitoring Committee must make periodic reports to the Board of Commissioners regarding the activities of the Risk Monitoring Committee at least once in 3 (three) months. The Risk Monitoring Committee must make a report to the Board of Commissioners on each assignment given and / or for any problems identified that require the attention of the Board of Commissioners.

STRUCTURE, MEMBERSHIP AND EXPERTISE OF THE RISK MONITORING COMMITTEE

The structure and membership of the Risk Monitoring Committee are as follows:

1. The Risk Monitoring Committee shall consist of at least 3 (three) persons who are from the Independent Commissioners and Independent Parties.
2. The composition of the membership of the Risk Monitoring Committee is at least 1 (one) Independent Commissioner as Chairman and concurrently a member, 1 (one) Independent Party who has expertise in finance, and 1 (one) Independent Party who has expertise in the field of risk management .
3. Members of the Risk Monitoring Committee from Independent Parties are considered to have expertise in the financial sector in terms of meeting the following criteria:
 - a. Having knowledge in economics, finance and / or banking.
 - b. Have work experience of at least 5 (five) years in the economic, financial and / or banking fields.
4. Members of the Risk Monitoring Committee from Independent Parties are considered to have expertise in the field of risk management in terms of meeting the following criteria:
 - a. Having knowledge in the field of risk management; and / or
 - b. Have work experience of at least 2 (two) years in the field of risk management.
5. Members of the Directors of the Company and other Banks are prohibited from becoming members of the Risk Monitoring Committee.
6. Independent Commissioners and Independent Parties who are members of the Risk Monitoring Committee at least 51% (fifty one percent) of the total members of the Risk Monitoring Committee.
7. The Chairperson of the Risk Monitoring Committee can only concurrently hold the position of Chair of the Committee at most in 1 (one) other Committee.
8. In carrying out the daily tasks of the Committee, it can be assisted by staff and or appointed Committee Secretaries based on the decision of the Risk Monitoring Committee meeting.

PERIOD OF JANUARY 1 - APRIL 30, 2019

The composition of the Risk Monitoring Committee membership period January 1 - April 30, 2019 which has been appointed based on Directors Decree No. KEP.DIR / 126/2017 concerning Determination of Membership The Remuneration and Nomination Committee which was approved on May 26, 2017 is as follows:

Table of Structure, Membership and Expertise of the Risk Monitoring Committee

Name	Position	Information	Expertise
Goei Siau Hong	Chairman concurrently member	Independent Commissioner	Fiscal, Budget and Tax
Bangun Sarwito Kusmulyono	Member	Independent Commissioner	Finance, Banking
Ardan Adiperdana	Member	Commissioner	Accounting, Audit
R. Widyo Pramono	Member	Commissioner	Legal
Ridwan D. Ayub	Member	Independent Party	Audit Management, Risk Management
Lista Irna	Member	Independent Party	Risk Management

PERIOD OF APRIL 30 - SEPTEMBER 11, 2019

The composition of the Risk Monitoring Committee membership period April 30- September 11, 2019 has been appointed based on Directors Decree No. KEP.DIR / 061/2019 concerning the Determination of Membership of the Remuneration and Nomination Committee which was passed on September 20, 2019 is as follows:

Table of Structure, Membership and Expertise of the Risk Monitoring Committee

Name	Position	Information	Expertise
Goei Siau Hong	Chairman concurrently member	Independent Commissioner	Fiscal, Budget and Tax
Bangun Sarwito Kusmulyono	Member	Independent Commissioner	Finance, Banking
Ardan Adiperdana	Member	Commissioner	Accounting, Audit
R. Widyo Pramono	Member	Commissioner	Legal
Lista Irna	Member	Independent Party	Risk Management
Chrisna Pranoto	Member	Independent Party	Compliance, Credit Operations

PERIOD OF SEPTEMBER 11- DECEMBER 12, 2019

The composition of the Risk Monitoring Committee membership period September 11- December 12, 2019

which has been appointed based on Directors Decree No. KEP.DIR / 061/2019 concerning the Determination of Membership of the Remuneration and Nomination Committee which was passed on September 20, 2019 is as follows:

Table of Structure, Membership and Expertise of the Risk Monitoring Committee

Nama	Jabatan	Keterangan	Keahlian
Goei Siau Hong	Chairman concurrently member	Independent Commissioner	Fiscal, Budget and Tax
Bangun Sarwito Kusmulyono	Member	Independent Commissioner	Finance, Banking
Ardan Adiperdana	Member	Commissioner	Accounting, Audit
R. Widyo Pramono	Member	Commissioner	Legal
Ronald Silaban	Member	Commissioner	Human Capital, Macroeconomic
Lista Irna	Member	Independent Party	Risk Management
Chrisna Pranoto	Member	Independent Party	Compliance, Credit Operations

PERIOD OF DECEMBER 12- DECEMBER 31, 2019

The composition of the Risk Monitoring Committee membership for the period December 12 - 31, 2019 has been appointed based on Directors Decree No. KEP.DIR / 003/2020 concerning Determination of Membership of the Remuneration and Nomination Committee which was adopted on January 13, 2020 is as follows:

Tabel Struktur, Keanggotaan dan Keahlian Komite Pemantau Risiko

Name	Position	Information	Expertise
Makmur Keliat	Chairman concurrently member	Independent Commissioner	Macroeconomic
Muhamad Chatib Basri	Member	Deputy President Commissioner / Independent Commissioner	Economic
Ardan Adiperdana	Member	Commissioner	Accounting, Audit
R. Widyo Pramono	Member	Commissioner	Legal
Ronald Silaban	Member	Commissioner	Human Capital, Macroeconomic
Lista Irna	Member	Independent Party	Risk Management
Chrisna Pranoto	Member	Independent Party	Compliance, Credit Operations



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

PROFILE OF RISK MONITORING COMMITTEE

The profiles of the members of the Risk Monitoring Committee as of December 31, 2019 are as follows.



Makmur Keliat
Chairman and Concurrently Member of Risk Monitoring Committee

The profile can be seen in the Profile section of the Board of Commissioners



Ardan Adiperdana
Member of Risk Monitoring Committee

The profile can be seen in the Profile section of the Board of Commissioners



R. Widyo Pramono
Member of Risk Monitoring Committee

The profile can be seen in the Profile section of the Board of Commissioners



Robertus Bilitea
Member of Risk Monitoring Committee

The profile can be seen in the Profile section of the Board of Commissioners



Kartika Wirjoatmodjo
Member of Risk Monitoring Committee

The profile can be seen in the Profile section of the Board of Commissioners



Lista Irna
Member of Risk Monitoring Committee

Age	52 years old
Domicile	Indonesia
Appointment Date	September 4, 2019
Editorial Background	<ul style="list-style-type: none"> - Bachelor Degree in Mining Engineering from Universitas Sriwijaya (1990). - Master Degree of Business Administration at Swiss German University – Serpong Indonesia (2005).
Employment History	<ul style="list-style-type: none"> - Chief Credit Officer (CCO) Consumer and Mass Market Bank Danamon Indonesia (2014-2016). - Enterprise Risk and Policy Integrated Risk Bank Danamon Indonesia (2010-2014) - Head of Consumer Risk Credit Operation (VP) Standard Chartered Bank (2007-2010) - Credit Planning, MIS Reporting and QA Head, Credit – Consumer Banking (AVP) Standard Chartered Bank (Februari 2007 – Agustus 2007) - National Head of Telemarketing, Shared Distribution di Standard Charter Bank (2006-2007)



Chrisna Pranoto
Member of Risk Monitoring Committee

Age	57 years old
Domicile	Indonesia
Appointment Date	June 28, 2019
Editorial Background	<ul style="list-style-type: none"> - S1 in the field of Agronomy from Bogor Agricultural Institute (1986) - S2 in the field of International Business from the Gajah Mada University Union (1998).
Employment History	<ul style="list-style-type: none"> - President Commissioner of PT Gedung Bank Exim (October 2018 - present) - Group Head Compliance at Bank Mandiri (2015 - 2018) - Change Management Office Staff at Bank Mandiri (2014) - President Commissioner of PT Mandiri Manajemen Investasi (2013 - 2015) - Group Head Distribution Network II at Bank Mandiri (2013-2014) - Group Head Central Operations at Bank Mandiri (2012 - 2013) - Group Head Credit Operations at Bank Mandiri (2007-2012) - Member of the Bank Mandiri Pension Fund Supervisory Board (2006 - 2011)

EDUCATION QUALIFICATION AND WORK EXPERIENCE OF RISK MONITORING COMMITTEE

Requirements for members of the Risk Monitoring Committee are as follows:

1. General Requirements
 - a. Having integrity, character and good morals.
 - b. Does not have personal interests / relationships that can cause conflict of interest against the Company.
2. Competency Requirements
 - a. Have sufficient expertise, ability, knowledge and experience related to their duties and responsibilities.
 - b. Having sufficient knowledge to read and understand financial statements and reports related to monitoring the implementation of banking risk management policies.
 - c. Able to work together and have the ability to communicate well and effectively and are willing to provide sufficient time to carry out their duties.
 - d. Have adequate knowledge of the Company's Articles of Association, laws and regulations in the banking sector, Capital Market, SOEs and other relevant laws and regulations.
 - e. Willing to increase competencies continuously through education and training.

The educational qualifications and work experience of the Chairperson and Members of the Risk Monitoring Committee are as follows.

Table of The Risk Monitoring Committee Education Qualification and Work Experience

Name	Position	Period	Education	Work Experience
Goei Siauwh Hong	Chairman concurrently member	January 1 - December 12, 2019	<ul style="list-style-type: none"> Bachelor in Agronomy Master of Business Administration (MBA) in Business, Finance and Marketing 	Has work experience including in the fields of finance, research, and banking supervision.
Makmur Keliat	Chairman concurrently member	December 12 - December 31	<ul style="list-style-type: none"> Bachelor's degree in Corporate economics. Bachelor of Art in Social Sciences and Political Sciences / Department of International Relations. Ph.d in the field of School of International Studies. 	Having work experience including in the fields of education, political science, international relations, research and publications.
Muhamad Chatib Basri	Member	December 12 - December 31	<ul style="list-style-type: none"> Bachelor's degree in Economics Master of Business Administration in the field of Economic Development Ph.D in Economics 	Having work experience in the economic field
Bangun Sarwito Kusmulyono	Member	January 1 - December 12, 2019	<ul style="list-style-type: none"> Bachelor in Chemical Engineering. Master of Business Administration. Doctor in Environmental Management. 	Having work experience including in banking, capital, defense and banking supervision.
Ardan Adiperdana	Member	January 1 - December 31, 2019	<ul style="list-style-type: none"> Bachelor of Economics. Master in Business Administration. Doctor in Strategic Management. 	Having work experience, among others in the field of Finance and corporate supervision.
R. Widyo Pramono	Member	January 1 - December 12, 2019	<ul style="list-style-type: none"> Bachelor of Law. Masters in Management. Master of Law Doctorate in criminal law Professor of Criminal Law. 	Having work experience, including in the field of law and supervision.
Rionald Silaban	Member	September 11 - December 31, 2019	<ul style="list-style-type: none"> Bachelor of Laws Master in Law Center 	Having work experience in the field of education and financial training.
Ridwan D. Ayub	Member	January 1 - April 30, 2019	<ul style="list-style-type: none"> Bachelor's degree in Social and Political Sciences. Masters in Financial Management Specialization. 	Having work experience in banking.
Lista Irna	Member	January 1 - December 31, 2019	<ul style="list-style-type: none"> Bachelor in Engineering. Master of Business Administration. 	Having work experience in banking.
Chrisna Pranoto	Member	April 30 - December 31 2019	<ul style="list-style-type: none"> Bachelor in Agronomy Masters in International Business Management 	Having work experience in banking.



INDEPENDENCE OF RISK MONITORING COMMITTEE

All members of Risk Monitoring Committee who come from independent party have no financial, management, share ownership relationship and/or family relationship with the Board of Commissioners, Board of Directors and/or Controlling Shareholders or relationship with the Bank that can affect their abilities to act independently.

Table of Risk Monitoring Committee Independence

Independence Aspect	Goei Siauwhong	Makmur Keliat	Bangun S. Kusmulyono	Muhamad Chatib Basri	
Not having financial relationship with the Board of Commissioners and Board of Directors	✓	✓	✓	✓	
Not having relationship of management in the company, subsidiary, or affiliate companies	✓	✓	✓	✓	
Not having relationship of shares-holding in the company	✓	✓	✓	✓	
Not having family relationship with the Board of Commissioners, Board of Directors, and/or fellow Risk Monitoring Committee	✓	✓	✓	✓	
Not serving as an administrator of political parties and government officials	✓	✓	✓	✓	

RISK MONITORING COMMITTEE MEETINGS

Risk Monitoring Committee Meeting is held at least once a month. Risk Monitoring Committee Meeting is considered valid if it is attended by at least 51% (fifty-one percent) of the members including one Commissioner and Independent Party.

AGENDA OF RISK MONITORING COMMITTEE MEETINGS

Throughout 2019, the date, agenda, and the Attendees of the meetings of Risk Monitoring Committee are as follows.

Table of Agenda of Risk Monitoring Committee Meetings

No.	Meeting Date	Meeting Agenda	Meeting Attendee	Quorum of Attendance (%)
1	January 9 2019	Proposed Changes in Organizational Structure After the General Meeting of Shareholders on 7 January 2019.	<ul style="list-style-type: none"> Goei Siauwhong Bangun Sarwito Kusmulyono Ardan A. Perdana R. Widyo Pramono Ridwan D. Ayub Lista Irna 	100%
2	January 16, 2019	Update on Management and Handling of Customer Complaints.	<ul style="list-style-type: none"> Goei Siauwhong Bangun Sarwito Kusmulyono Ardan A. Perdana R. Widyo Pramono Ridwan D. Ayub Lista Irna 	100%
3	February 14 2019	Proposed Related Party Credit Facility.	<ul style="list-style-type: none"> Goei Siauwhong Bangun Sarwito Kusmulyono Ardan A. Perdana R. Widyo Pramono Ridwan D. Ayub Lista Irna 	100%

	Ardan Adiperdana	R. Widyo Pramono	Rionald Silaban	Ridwan D. Ayub	Lista Irna	Chrisna Pranoto
	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓

No.	Meeting Date	Meeting Agenda	Meeting Attendee	Quorum of Attendance (%)
4	February 27 2019	Mandiri University Update on Improvement Bank Mandiri HR Competency and Quality	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – R. Widyo Pramono – Ridwan D. Ayub – Lista Irna 	100%
5	March 6, 2019	<ol style="list-style-type: none"> 1. Risk Dashboard Quarter IV / 2018. 2. Update Business Strategy of PT Mandiri Capital Indonesia (MCI). 	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – R. Widyo Pramono – Ridwan D. Ayub – Lista Irna 	100%
6	March 20, 2019	<ol style="list-style-type: none"> 1. Proposed Related Party Credit Facility. 2. Proposed Provision of Benefits in Pension Funds I - IV Mandiri Bank. 3. Proposed Management of a Bank Mandiri Subsidiary Company. 	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – R. Widyo Pramono – Ridwan D. Ayub – Lista Irna 	83%
7	March 27, 2019	Update on the Progress of PT Mandiri Utama Finance Portfolio Quality Improvement.	<ul style="list-style-type: none"> – Goei Siau Hong – Ardan A. Perdana – R. Widyo Pramono – Ridwan D. Ayub – Lista Irna 	83%
8	April 4, 2019	<ol style="list-style-type: none"> 1. Proposed Related Party Credit Facility. 2. Analysis on the Mix of Existing Loan Portfolios in Foreign Currencies. 3. Analysis on the High Outstanding and High Growth of Loans Portfolio in Corporate Banking as of 4Q / 2018. 	<ul style="list-style-type: none"> – Goei Siau Hong – Ardan A. Perdana – R. Widyo Pramono – Ridwan D. Ayub – Chrisna Pranoto 	71%
9	April 10, 2019	Business Development and Risk Management for Micro Banking Segments.	<ul style="list-style-type: none"> – Goei Siau Hong – Ardan A. Perdana – R. Widyo Pramono – Ridwan D. Ayub – Lista Irna – Chrisna Pranoto 	86%



No.	Meeting Date	Meeting Agenda	Meeting Attendee	Quorum of Attendance (%)
10	April 29, 2019	Proposed Acquisition Plan of 9% Shares and Increased Capital of PT Mandiri Tunas Finance.	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – Ridwan D. Ayub – Chrisna Pranoto 	71%
11	May 8, 2019	<ol style="list-style-type: none"> 1. Update IT in the context of Preparing Eid. 2. RBBR Semester II / 2019 and Quarterly I / 2019 Risk Dashboard. 	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – R. Widyo Pramono – Lista Irna – Chrisna Pranoto 	100%
12	May 15, 2019	<ol style="list-style-type: none"> 1. Update the IT Initiative. 2. Proposed additional capital of PT Mandiri Capital Indonesia. 	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – Lista Irna – Chrisna Pranoto 	83%
13	May 22, 2019	<ol style="list-style-type: none"> 1. Proposed Related Party Credit Facility. 2. Proposed Changes in Organizational Structure After the Annual GMS for Fiscal Year 2018. 	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – R. Widyo Pramono – Lista Irna – Chrisna Pranoto 	83%
14	May 29, 2019	Proposed Related Party Credit Facility.	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – R. Widyo Pramono – Lista Irna – Chrisna Pranoto 	100%
15	June 26, 2019	Implementation of Interest Rate Risk in the Banking Book (IRRBB) at the Mandiri Group.	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – R. Widyo Pramono – Lista Irna – Chrisna Pranoto 	100%
16	July 10, 2019	<ol style="list-style-type: none"> 1. Proposed Related Party Credit Facility. 2. Update on DPLK Mandiri Business Transfer Plan. 	<ul style="list-style-type: none"> – Goei Siau Hong – Ardan A. Perdana – R. Widyo Pramono – Lista Irna – Chrisna Pranoto 	83%
17	July 24, 2019	<ol style="list-style-type: none"> 1. Update on the Implementation of Revamp Culture & People Development Program. 2. Proposed Related Party Credit Facility. 	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – R. Widyo Pramono – Lista Irna – Chrisna Pranoto 	100%
18	August 1, 2019	Risk Dashboard Quarter II / 2019 and RBBR Semester I / 2019.	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – R. Widyo Pramono – Chrisna Pranoto 	67%
19	August 14, 2019	<ol style="list-style-type: none"> 1. New Regulations Update for Quarter II / 2019. 2. Update of Related Party Business Development Plan. 	<ul style="list-style-type: none"> – Goei Siau Hong – Bangun Sarwito Kusmulyono – Ardan A. Perdana – R. Widyo Pramono – Lista Irna – Chrisna Pranoto 	100%

No.	Meeting Date	Meeting Agenda	Meeting Attendee	Quorum of Attendance (%)
20	September 4, 2019	Update on Corporate Banking Segment Loans.	<ul style="list-style-type: none"> - Goei Siau Hong - Bangun Sarwito - Kusmulyono - Ardan A. Perdana - R. Widy Pramono - Lista Irna - Chrisna Pranoto 	100%
21	September 11, 2019	<ol style="list-style-type: none"> 1. Update on Customer Complaints Settlement. 2. Update the IT Project. 3. Discussion on the Revision of the Risk Monitoring Committee Charter. 	<ul style="list-style-type: none"> - Goei Siau Hong - Bangun Sarwito - Kusmulyono - Ardan A. Perdana - R. Widy Pramono - Chrisna Pranoto 	83%
22	September 18, 2019	<ol style="list-style-type: none"> 1. Proposed Related Party Credit Facility. 2. Update on Bank Mandiri Core Debtor Business Development. 	<ul style="list-style-type: none"> - Goei Siau Hong - Bangun Sarwito - Kusmulyono - Ardan A. Perdana - Chrisna Pranoto 	67%
23	September 25, 2019	<ol style="list-style-type: none"> 1. Update on Bank Mandiri Core Debtor Business Development. 2. Update on APU-PPT Implementation. 	<ul style="list-style-type: none"> - Goei Siau Hong - Bangun Sarwito - Kusmulyono - Ardan A. Perdana - R. Widy Pramono - Lista Irna - Chrisna Pranoto 	100%
24	October 23, 2019	Discussion of IT Roadmap.	<ul style="list-style-type: none"> - Goei Siau Hong - Bangun Sarwito - Kusmulyono - Ardan A. Perdana - R. Widy Pramono - Lista Irna - Chrisna Pranoto 	100%
25	October 30, 2019	<ol style="list-style-type: none"> 1. Update Business Development in the Commercial Banking Segment. 2. Update BOT and Abandoned Assets. 	<ul style="list-style-type: none"> - Goei Siau Hong - Bangun Sarwito - Kusmulyono - Ardan A. Perdana - Lista Irna - Chrisna Pranoto 	83%
26	November 20, 2019	<ol style="list-style-type: none"> 1. Proposed Bank Mandiri Sustainable Financial Action Plan (RAKB) 2020 - 2024. 2. Proposed Bank Mandiri Recovery Plan 2019. 3. Proposed Related Party Credit Facility. 	<ul style="list-style-type: none"> - Goei Siau Hong - Ardan A. Perdana - R. Widy Pramono - Lista Irna - Chrisna Pranoto 	83%
27	November 27, 2019	Proposed Related Party Credit Facility.	<ul style="list-style-type: none"> - Goei Siau Hong - Ardan A. Perdana - R. Widy Pramono - Lista Irna - Chrisna Pranoto 	83%
28	December 4, 2019	<ol style="list-style-type: none"> 1. Wholesale Segment Watchlist Report. 2. Quarterly Risk Dashboard III / 2019. 	<ul style="list-style-type: none"> - Goei Siau Hong - Bangun Sarwito - Kusmulyono - Ardan A. Perdana - R. Widy Pramono - Lista Irna - Chrisna Pranoto 	100%
29	December 11, 2019	<ol style="list-style-type: none"> 1. Proposed Related Party Credit Facility. 2. Update on Legal Legal Cases and Risk Mitigation. 3. Proposed Dissolution and Liquidation of Mandiri DPLK, Proposed Team and KAP for Liquidation, and Proposed Independent DPLK Business Plan Report for 2020. 	<ul style="list-style-type: none"> - Ardan A. Perdana - Makmur Keliat - Lista Irna - Chrisna Pranoto 	80%

**FREQUENCY AND ATTENDANCE PRESENCE OF RISK MONITORING COMMITTEE MEETING**

During 2019, the Risk Monitoring Committee held 29 (twenty nine) meetings. The frequency and level of attendance of each member of the Risk Monitoring Committee is as follows.

Table of Frequency and Attendance of Risk Monitoring Committee Meetings

Name	Position	Period	Number of Meeting	Number of Presence	Percentage
Goei Siauw Hong	Chairman concurrently member	January 1 - December 12, 2019	29	28	97%
Makmur Keliat	Chairman concurrently member	December 12 - December 31	-	-	-
Muhamad Chatib Basri	Member	December 12 - December 31	-	-	-
Bangun Sarwito Kusmulyono	Member	January 1 - December 12, 2019	29	22	76%
Ardan Adiperdana	Member	January 1 - December 31, 2019	29	26	90%
R. Widyo Pramono	Member	January 1 - December 12, 2019	29	24	83%
Ronald Silaban	Member	September 11 - December 31, 2019	9	-	-
Ridwan D. Ayub	Member	January 1 - April 30 2019	10	10	100%
Lista Irna	Member	January 1 - December 31, 2019	29	24	83%
Chrisna Pranoto	Member	April 30 - December 31 2019	19	19	100%

KEY PERFORMANCE INDICATORS (KPI) ACHIEVEMENT OF RISK MONITORING COMMITTEE

The achievement of KPI of Risk Monitoring Committee in 2019 is as follows.

No.	Key Performance Indicator	Indicator Value (%)	Achievement Value (%)	Indicator Value x Achievement Value (%)
1.	Realization of Number of Meetings Committees and Work Plans.	30	100,00	30,00
2.	Assessment of attendance and participation in meetings.	20	100,00	20,00
3.	Submitting Review Results to Board of Commissioners.	20	95,00	19,00
4.	Report Creation and Submission Timely committee.	30	95,00	28,50
TOTAL KPI KOMITE		100		97,50

RISK MONITORING COMMITTEE REMUNERATION

The Remuneration of the Risk Management Committee originating from Independent Non-Commissioners is regulated in the Decree of the Board of Commissioners No. KEP.KOM / 008/2019 dated April 30, 2019 concerning Remuneration of Supporting Organs of the Board of Commissioners of PT Bank Mandiri (Persero) Tbk. and regulated in the Letter of Assignment concerned as a member of the Committee under the Board of Commissioners issued by Bank Mandiri.

No.	Description	Non-Commissioner Committee Member
1.	Salary / Honorarium	A maximum of 20% of the Salary of the President Director
2.	Composition Benefits	Not given
3.	Holiday allowance	In accordance with the provisions of Bank Mandiri employees
4.	Bonuses / Tantiems	Not given
5.	Amenities	
	a. Transportation Allowance	Not given
	b. Health	Not given
	c. Business trip	In accordance with Bank Mandiri employee requirements / equivalent to Group Head

BRIEF REPORT ON THE IMPLEMENTATION OF ACTIVITIES OF THE RISK MONITORING COMMITTEE, 2019

The methodology used by the Risk Monitoring Committee in carrying out its duties is

- Reviewing the requests / reports of the Directors received by the Board of Commissioners.
- Holding meetings / discussions with related work units to discuss issues that are the focus of supervision of the Board of Commissioners.

The Risk Monitoring Committee has carried out its duties and functions as stipulated in the Risk Monitoring Committee Charter by always applying the precautionary principle in accordance with applicable regulations. The activities of the Risk Monitoring Committee during 2019 are as follows:

1. Preparation of Recommendations and Reports

During 2019, the Risk Monitoring Committee has prepared Recommendations and Reports addressed to the Board of Commissioners with the following details:

- Customer Complaints Report.
- Customer Complaints Report.
- Follow up the IT

2. Conducting Internal Discussion

In order to carry out the monitoring function on the application of risk management in accordance with applicable regulations, the Risk Monitoring Committee has established good communication and coordination with work units at Bank Mandiri.

This communication is carried out by inviting relevant work units in internal discussions to discuss issues that are currently becoming issues at Bank Mandiri, specifically related to risk management.

Based on the results of the discussion, the Risk Monitoring Committee has submitted the main points of discussion in the form of pointers meetings which will then be used as supporting information / data in the Risk Monitoring Committee Meeting. During 2019, 29 (twenty nine) internal discussions had been held with representatives of the work units.

RISK MONITORING COMMITTEE WORK PLAN FOR 2020

In 2020, the Risk Monitoring Committee has set a work plan that will be discussed through the meeting at least 1 (one) time in 1 (one) month. The work plan of the Risk Monitoring Committee in 2020 includes

- Evaluation of the compatibility between Bank Mandiri's Risk Management policy and Integrated Risk Management policy and the implementation of the policy.
- Monitor the adequacy of the process of identification, measurement, monitoring, control and risk management information systems.
- Reviewing the implementation of Integrated Risk Management.



INTEGRATED GOVERNANCE COMMITTEE

The Integrated Governance Committee was formed by the Board of Commissioners with the aim of assisting and facilitating the Board of Commissioners in carrying out the duties and functions of supervision over the implementation of Governance in each Financial Services Institution (LJK) in the Bank Mandiri Financial Conglomerate to comply with the Integrated Governance Guidelines and Implementation the duties and responsibilities of the Board of Directors of Bank Mandiri. It also serves to provide direction or advice to the Board of Directors of Bank Mandiri on the implementation of the Integrated Governance Guidelines, and evaluate the Integrated Governance Guidelines and direct them in order to improve.

BASIS FOR THE FORMATION OF INTEGRATED GOVERNANCE COMMITTEE

The establishment of the Integrated Governance Committee is based on the applicable laws and regulations as well as best practices at banking institutions in Indonesia, including:

1. Financial Services Authority Regulation No. 18 / POJK.03 / 2014 dated on November 18, 2014 concerning the Implementation of Integrated Governance for Financial Conglomerates.
2. Financial Services Authority Regulation No. 55 / POJK.03 / 2016 concerning the Implementation of Governance for Commercial Banks.
3. Regulation of the State Minister for State-Owned Enterprises No. PER-09 / MBU / 2012 dated July 6, 2012 concerning amendments to the Regulation of the Minister of State Owned Enterprises Number PER-01 / MBU / 2011, concerning the Implementation of Good Corporate Governance in State-Owned Enterprises.
4. Regulation of the Minister of State for State-Owned Enterprises No. PER-12 / MBU / 2012, concerning Supporting Organs for the Board of Commissioners / Board of Trustees of State-Owned Enterprises.
5. Articles of Association of PT Bank Mandiri (Persero) Tbk and their amendments.
6. Decree of the Board of Commissioners No. KEP.KOM / 013/2019 dated on September 11, 2019 concerning the Membership Composition of the Audit Committee, the Risk Monitoring Committee, the Integrated Governance Committee and the Remuneration and Nomination Committee of PT Bank Mandiri (Persero) Tbk.
7. Directors Decree No. KEP.DIR / 062/2018 dated on September 20, 2019 concerning Determination of Membership of the Integrated Governance Committee.

INTEGRATED GOVERNANCE COMMITTEE CHARTER

In carrying out its duties and responsibilities, the Integrated Governance Committee of Bank Mandiri has the Charter of the Integrated Governance Committee, which was last updated on December 4, 2019 based on the Decree of the Board of Commissioners No. KEP.KOM / 020/2019. The Charter of the Integrated Governance Committee regulates matters including:

1. General Purpose
2. Basic Regulations
3. Duties, Responsibilities and Authority
4. Composition, Structure, Membership Requirements and Tenure
5. Meeting
6. Report
7. Closing

DUTIES AND RESPONSIBILITIES OF INTEGRATED GOVERNANCE COMMITTEE

The Integrated Governance Committee has the duty and responsibility to:

1. Evaluating the implementation of Integrated Governance at least through an assessment of the adequacy of internal control and the implementation of the integrated compliance function.
 - a. Assessment of the Adequacy of Integrated Internal Control
 - Evaluating that the Company and its Subsidiaries already have a standard integrated internal control system in accordance with the best practices in force through a review of the Integrated Governance Guidelines in force in the Company.
 - Monitoring and evaluating the effectiveness of the implementation of integrated internal control through a review of the Periodic Report and Inspection Report issued by the Integrated Internal Audit Work Unit.
 - Conducting periodic meetings with the Integrated Internal Audit Work Unit to discuss matters related to the integrated internal control system.
 - Conducting periodic meetings with the Integrated Risk Management Work Unit to discuss matters related to integrated risk management.
 - Monitoring and evaluating the implementation of follow-up by the Directors of the Company and Subsidiaries on the findings of the Integrated Internal Audit Work Unit, Public Accounting Firm, and the results of supervision

of the Financial Services Authority regarding weaknesses in the system and implementation of integrated internal control.

b. Implementation of Integrated Compliance Function

- Monitoring and evaluating the compliance of the Company and its Subsidiaries to the prevailing laws and regulations in the Capital Market and the Financial Services Authority, Bank Indonesia, and other regulations relating to banking, insurance, securities and financing business through coordination with the Work Unit Integrated Compliance.
- Studying periodic reports and audit reports relating to compliance with internal and external regulations issued by the Integrated Compliance Work Unit and external auditors.
- Conducting periodic meetings with the Integrated Compliance Work Unit to discuss matters relating to the Compliance of the Company and its Subsidiaries to internal and external regulations.
- Monitoring and evaluating the implementation of follow-up by the Directors of the Company and Subsidiaries on the findings of the Integrated Compliance Work Unit, Public Accounting Firm, and the results of supervision of the Financial Services Authority regarding weaknesses in the system and implementation of the integrated compliance function.

In conducting the evaluation, the Integrated Governance Committee obtained information in the form of an evaluation of the implementation of the internal audit and the compliance function of each LJK from members of the Board of Commissioners of each LJK who were members of the Integrated Governance Committee.

2. Providing recommendations to the Company's Board of Commissioners to perfect the Integrated Governance Guidelines according to the needs of at least 2 (two) years.

INTEGRATED GOVERNANCE COMMITTEE AUTHORITY

The Integrated Governance Committee has the authority to implement the following matters:

1. Providing opinions to the Company's Board of Commissioners regarding the implementation of Integrated Governance through the assessment of the adequacy of internal control and the implementation of the integrated compliance function.

2. Communicating with the Integrated Compliance Work Unit, Integrated Internal Audit Work Unit, and Integrated Risk Management Work Unit to obtain information, clarification and request the Company and the required reports.

REPORTING OF INTEGRATED GOVERNANCE COMMITTEE

The Integrated Governance Committee must make periodic reports to the Board of Commissioners of Bank Mandiri regarding the activities of the Integrated Governance Committee, at least once in 6 (six) months. The Integrated Governance Committee must make a report to the Board of Commissioners of Bank Mandiri on each assignment given and / or for any problems identified that require the attention of the Bank Mandiri Board of Commissioners.

STRUCTURE, MEMBERSHIP AND EXPERTISE OF THE INTEGRATED GOVERNANCE COMMITTEE

Integrated Corporate Governance Committee membership consists of at least:

1. An Independent Commissioner who is the Chairperson of one of the committees in the Company becomes the Chairperson and member.
2. Independent Commissioners representing and appointed from the Subsidiary Companies in the Financial Conglomerate, as members.
3. At least there is an independent party as a member.
4. Member of the Sharia Supervisory Board of Bank Syariah Mandiri, as a member.
5. Membership of Independent Commissioners in the Integrated Governance Committee representing and appointed from LJK in the Financial Conglomerate in accordance with the needs of the Financial Conglomerate.
6. Membership of Independent Commissioners, independent parties, and members of the Sharia Supervisory Board in the Integrated Governance Committee in the Financial Conglomerate is not counted as a dual position.
7. The amount The composition and composition of members of the Integrated Governance Committee are adjusted to the needs of the Financial Conglomerate as well as the efficiency and effectiveness in carrying out the duties of the Integrated Governance Committee by taking into account at least the representation of each financial service sector.

The structure, membership and expertise of the committee are as follows.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

PERIOD JANUARY 1, 2019 - SEPTEMBER 20, 2019

The composition of the Integrated Governance Committee membership period January 1 - September 20 2019 based on Directors Decree No. KEP.DIR / 004/2018 concerning Determination of the Integrated Governance Committee Membership on January 19, 2018 is as follows:

No.	Name	Information	Position	Expertise
1	Goei Siauw Hong	Chairman concurrently member	Independent Commissioner	Finance, Perbankan
2	Imam Apriyanto Putro	Member	Deputy Chief Commissioner	Governance
3	Askolani	Member	Commissioner	Fiscal, Budget and Tax
4	Bangun Sarwito Kusmulyono	Member	Independent Commissioner	Perbankan
5	Makmur Keliat	Member	Independent Commissioner	Macroeconomic
6	Ridwan D. Ayub	Member	Independent Party	Finance, Management
7	Budi Sulistio	Member	Independent Party	Accounting, Audit
8	Edhi Chrystanto	Member	Independent Commissioner of PT Bank Mandiri Taspen	Economy, Business
9	Frans A. Wiyono	Member	Independent Commissioner of PT Mandiri AXA General Insurance	Insurance Education
10	D. Cyril Noerhadi	Member	Independent Commissioner of PT Mandiri Sekuritas	Strategic Management
11	Wihana Kirana Jaya	Member	Independent Commissioner of PT AXA Mandiri Financial Services	The economy
12	Ravik Karsidi	Member	Independent Commissioner of PT Mandiri Tunas Finance	Rural Sociology
13	Ali Ghufon Mukti	Member	Independent Commissioner of PT Asuransi Jiwa Inhealth Indonesia	Medical
14	M. Syafii Antonio	Member	Sharia Supervisory Board of PT Bank Syariah Mandiri	Islamic Economics
15	Mulya E. Siregar	Member	Independent Commissioner from PT Bank Syariah Mandiri	Islamic Banking Accounting

PERIOD OF SEPTEMBER 20, 2019 – DECEMBER 31, 2019

The composition of the Integrated Governance Committee membership period September 20, 2019 - December 31, 2019 based on Directors Decree No. KEP.DIR / 62/2019 concerning Determination of Membership of the Integrated Governance Committee dated January 19, 2018 is as follows:

No.	Name	Information	Position	Expertise
1	Goei Siauw Hong	Chairman concurrently member	Independent Commissioner	Finance, Perbankan
2	Hartadi A Sarwono	Member	President Commissioner / Independent Commissioner	Perbankan, Economic
3	Imam Apriyanto Putro	Member	Deputy Chief Commissioner	Governance
4	Makmur Keliat	Member	Independent Commissioner	Macroeconomic
5	Ardan Adiperdana	Member	Commissioner	Accounting, Audit
6	Ronald Silaban*)	Member	Commissioner	Human Capital, Macroeconomic
7	Ridwan D. Ayub	Member	Independent Party	Finance, Management
8	Chrisna Pranoto	Member	Independent Party	Compliance, Credit Operations
9	Edhi Chrystanto	Member	Independent Commissioner of PT Bank Mandiri Taspen	Economy, Business
10	Frans A. Wiyono	Member	Independent Commissioner of PT Mandiri AXA General Insurance	Insurance Education
11	D. Cyril Noerhadi	Member	Independent Commissioner of PT Mandiri Sekuritas	Strategic Management
12	Wihana Kirana Jaya	Member	Independent Commissioner of PT AXA Mandiri Financial Services	The economy
13	Ravik Karsidi	Member	Independent Commissioner of PT Mandiri Tunas Finance	Rural Sociology
14	Ali Ghufon Mukti	Member	Independent Commissioner of PT Asuransi Jiwa Inhealth Indonesia	Medical
15	Mulya E. Siregar	Member	Independent Commissioner from PT Bank Syariah Mandiri	Islamic Banking Accounting
16	M. Syafii Antonio	Member	Sharia Supervisory Board of PT Bank Syariah Mandiri	Islamic Economics
17	Mohammad Hidayat**)	Member	Sharia Supervisory Board of PT Bank Syariah Mandiri	Islamic Economics

* Effective after obtaining approval from OJK on the Fit and Proper Test.

** He took office on 15 July 2019

PROFILE OF THE INTEGRATED GOVERNANCE COMMITTEE

The profiles of Members of the Integrated Governance Committee are as follows.



Goei Siau Hong
Chairperson of the Integrated Governance Committee

The profile can be seen in the Board of Commissioners section



Hartadi A. Sarwono
Member of the Integrated Governance Committee

The profile can be seen in the Board of Commissioners section



Imam Apriyanto Putro
Member of the Integrated Governance Committee

The profile can be seen in the Board of Commissioners section



Makmur Keliat
Chairperson and Committee Member Risk Monitoring

Profil dapat dilihat pada bagian Dewan Komisaris



Ardan Adiperdana
Member of the Integrated Governance Committee

The profile can be seen in the Board of Commissioners section



Rionald Silaban
Member of the Integrated Governance Committee

The profile can be seen in the Board of Commissioners section



Chrisna Pranoto
Member of the Integrated Governance Committee

The profile can be seen in the Board of Commissioners section



Ridwan D. Ayub
Member of the Integrated Governance Committee

The profile can be seen in the Board of Commissioners section



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital



Edhi Chrystanto

Member of the Integrated Governance
Committee

Age	61 years old
Nationality	Indonesia
Appointment Date	October 24, 2017
Educational Background	<ul style="list-style-type: none"> - Bachelor Degree in Economics from Diponegoro University (1983). - Master Degree in Finance from University of Colorado at Denver (1993).
Employment History	<ul style="list-style-type: none"> - Independent Commissioner of PT Bank Mandiri Taspen (2015 - present). - Senior Vice President of Regional Office X Makassar PT Bank Mandiri (Persero) Tbk. (2010-2014). - Head of Branch of Bank Mandiri Jakarta Kebon Sirih, Gambir, Imam Bonjol and Thamrin (2005-2007). - Head of Branch of Bank Mandiri Jakarta Tomang (2003).



Wihana Kirana Jaya

Member of the Integrated Governance
Committee

Age	61 years old
Domicile	Depok
Educational Background	<ul style="list-style-type: none"> - Bachelor of Economics from Gadjah Mada University (UGM) (1983). - Master of Money, Bank and Finance, Department of Economics, University of Birmingham, United Kingdom (1990). - Doctor of Economics Department of Economics, Monash University, Melbourne (2008). - Professor of Economics from Gadjah Mada University (2010).
Employment History	<ul style="list-style-type: none"> - Commissioner of PT Pelindo IV (2017) - Special Staff of the Minister of Economy and Transportation Investment, Ministry of Transportation of the Republic of Indonesia (2016-present). - Independent Commissioner AXA Mandiri (2015-present). - Dean of the Faculty of Economics and Business, Gadjah Mada University (2013-2016). - State Revenue Optimization Team, Ministry of Finance (2012-2014). - Deputy Dean for Students, Alumni, Cooperation and Business Development, Faculty of Economics and Business, UGM (2009-2012). - Fiscal Decentralization Assistance Team, and Regional Finance Course Steering Team, Ministry of Finance (2010-2013). - AIPEG Consultant, AUSAID, Authority Decentralization Consultant, DSF, World Bank (2011-present).



Frans A. Wiyono

Member of the Integrated Governance
Committee

Age	61 years old
Domicile	Bekasi
Educational Background	<ul style="list-style-type: none"> - Bachelor of Arts in IKIP Sanata Dharma Yogyakarta (1977) - Bachelor at Sanata Dharma University, Yogyakarta (1982)
Employment History	<ul style="list-style-type: none"> - World Bank: Micro Insurance and Senior Insurance Specialist (2011 - present) - International Financial Corporation World Bank: Earthquake Index Insurance and Agriculture Weather Index Insurance (2013 - present) - BMAI (Indonesian Insurance Mediation Bureau): Adjudicator (2008 - present) - Independent Commissioner of Mandiri AXA General Insurance (2011 - present) - Tokio Marine Holdings (Life and Non-Life): team of Good Corporate Governance (2016 - present) - Independent Commissioner of PT Asuransi Jiwa Bhinneka Life (October 2017 - present). - Independent Commissioner of PT Reasuransi International Indonesia (2009-2016) - Independent Commissioner of PT Asuransi AXA Indonesia (2012-2013) - General Insurance Association of Indonesia (AAUI): Technical Executive Director (2007 -2011) - Independent Commissioner of PT Asuransi Ramayana (2008-2011) - President Director of PT Asuransi Indrapura 2006-2007) - Technical Director of PT Bringin General Insurance (2003 - 2006) - Technical Director of PT Asuransi Ramayana (1998-2003) - Commissioner of PT Bringin Sejahtera Artamakmur (1998-2003) - Technical Director of PT Asuransi Bringin Sejahtera Artamakmur (1991-1998) - Operational Director of PT Beringin Sejahtera Makmur (1991)



D. Cyril Noerhadi
Member of the Integrated Governance
Committee

Age	58 Years Old
Domicile	Jakarta
Educational Background	<ul style="list-style-type: none"> - Bachelor of Geology from the Bandung Institute of Technology (ITB) (1985). - Master of Business Administration, University of Houston, United States. - Doctor of Strategic Management from the University of Indonesia (2013).
Employment History	<ul style="list-style-type: none"> - President Director of PT Creador Indonesia (2011 - present). - Commissioner of PT Medikaloka Hermina (2017 - present). - Independent Commissioner of PT Austrindo Nusantara Jaya Tbk. (2017 - present). - President Commissioner / Independent Commissioner of PT Mandiri Sekuritas (2012-present). - Commissioner of PT Medco Downstream Indonesia (2006-2013). - Finance Director of PT Medco Energy International Tbk. (2005-2011). - Director / Partner of PT Pricewaterhouse Coopers Securities (1999-2005). - President Director of PT Indonesia Stock Exchange (1996-1999). - President Director of PT Indonesia Clearing Deposit Securities (1993-1996). - Executive Director of PT Persero Danareksa / PT Danareksa Finance (1991-1993).
Legal Basis for Appointment	Appointed as a member of the Integrated Governance Committee on 23 October 2017.



Ali Ghufroon Mukti
Member of the Integrated Governance
Committee

Age	57 Years Old
Domicile	Jakarta
Educational Background	<ul style="list-style-type: none"> - Bachelor of Medicine from the Faculty of Medicine, Gadjah Mada University (1986). - Master of Science (M.Sc) Tropical Medicine, The Department of Tropical Hygiene, Mahidol University, Bangkok, Thailand (1991). - Doctor of Philosophy (Ph.D), Faculty of Medicine, University of Newcastle, Australia (2000).
Employment History	<ul style="list-style-type: none"> - Independent Commissioner of PT Asuransi Jiwa Inhealth Indonesia (2017 - present). - PJS Chancellor of Trisakti University (2016 - present) - Director General of Science and Technology Resources and Higher Education, Kemenristekdikti (2015 - present). - Chairman of the LWG Preparation for the Implementation of the Health BPJS (2012-2015). - President Commissioner of Inhealth (2012-2014). - Acting Minister of Health of the Republic of Indonesia (2012). - Deputy Minister of Health of the Republic of Indonesia (2011-2014). - Chair of the Association of Indonesian Medical Education Institutions (AIPKI) (2011-2013). - Dean of the Faculty of Medicine UGM (2008-2011). - Head of the Public Health Sciences Section of the Faculty of Medicine UGM (2003-2008) - Chairperson of the Yogyakarta Province DI Yogyakarta Board of Trustees for Social Health Insurance (2003).



Ravik Karsidi
Member of the Integrated Governance
Committee

Age	62 Years Old
Domicile	Solo
Educational Background	<ul style="list-style-type: none"> - Bachelor of Education Science FIP at Sebelas Maret State University, Surakarta (1980). - Master of Science in Rural Sociology Study Program for Development Studies at the Bogor Agricultural Institute (IPB), Bogor (1994). - Doctor of Development Extension Studies Program at Bogor Agricultural University (IPB), Bogor (1999).
Certification	Financing Company Certification for Commissioners - SPPI, Jakarta 24 April 2018
Employment History	<ul style="list-style-type: none"> - Independent Commissioner of PT Mandiri Tunas Finance (2017 - present). - Chairman of the Audit Committee of PT Mandiri Tunas Finance (2017-present). - Chairman of the PT Mandiri Tunas Finance Risk Monitoring Committee (2017-present). - Chairman of the PT Mandiri Tunas Finance Nomination and Remuneration Committee (2017-present). - Vice Rector I for Academic Affairs, UNS, Surakarta (2007-2011). - Deputy Team Leader consultant for Bank Indonesia Micro Credit Project (PKM), Jakarta (1996-1999). - National Jury of Students and Lecturers with the Directorate General of Higher Education of the Ministry of Education and Culture (2004-present). - National jury of the Student Scientific Work competition, Ditjen Dikti Kemendikbud (2002-present). - Study program assessors and Higher Education institutions at BANPT (Higher Education National Accreditation Agency) (2003-present). - UNS Postgraduate Teaching Staff (Masters in Communication Studies, S2 / S3 Development Counseling / Community Development Management, and S2 PKLH Study Programs, S2 Cultural Studies, S2 Management Masters, S3 Educational Sciences, S3 Economics) (2001-present). - Teaching Staff of the Department of Education FKIP UNS (1981-present). - Chancellor of the University of Eleven March (2011 - present).
Legal Basis for Appointment	Appointed as a member of the Integrated Governance Committee on August 25, 2017 based on the Decision of the Board of Commissioners of PT Mandiri Tunas Finance No. 01 / DEKOM / VIII / 2017

**Mulya E. Siregar**

Member of the Integrated Governance Committee

Age	62 Years Old
Domicile	Jakarta
Educational background	<ul style="list-style-type: none"> - Bachelor in Agriculture Socio-Economic, Bogor Agricultural University (1980). - Master of Science from The Ohio State University (1989). - Doctor of Philosophy (PhD) from The Ohio State University (1998).
Certification	<ul style="list-style-type: none"> - Maintenance Program Risk Management Certification level V in 2016, Jakarta - Risk Management Certification Refresment Course 2014 IRPA-BSMR, Jakarta - Risk Management-Executive Programs of the BSMR Level V Directors in 2007 BSMR, Jakarta
Employment History	<ul style="list-style-type: none"> - Commissioner of PT Pelindo IV (2017) - Special Staff of the Minister of Economy and Transportation Investment, Ministry of Transportation of the Republic of Indonesia (2016-present). - Independent Commissioner AXA Mandiri (2015-present). - Dean of the Faculty of Economics and Business, Gadjah Mada University (2013-2016). - State Revenue Optimization Team, Ministry of Finance (2012-2014). - Deputy Dean for Students, Alumni, Cooperation and Business Development, Faculty of Economics and Business, UGM (2009-2012). - Fiscal Decentralization Assistance Team, and Regional Finance Course Steering Team, Ministry of Finance (2010-2013). - APEG Consultant, AUSAID, Authority Decentralization Consultant, DSF, World Bank (2011-present).
Legal Basis for Appointment	Appointed as a member of the Integrated Governance Committee on April 17, 2018.

**Mohammad Hidayat**

Member of the Integrated Governance Committee

Age	53 Years Old
Domicile	Jakarta
Educational background	<ul style="list-style-type: none"> - Bachelor of Sharia Faculty IAIN Jakarta (1991); - Master of Business Administration from IPWI Jakarta; - Post-graduate from the Institute of Legal Studies at the Business Law & Legal Management (IBLAM) Jakarta (2003); and - Doctor of Islamic Economics and Finance at Trisakti University, Jakarta (2014).
Certification	<ul style="list-style-type: none"> - Islamic Bank certification, BIRTH Langkawi Malaysia; - DPS, LSP DSN Competency Certification; and - Contract Law Certification, The A Team Jakarta
Employment History	<ul style="list-style-type: none"> - Daily Management Board of the National Sharia Council (BPH DSN) MUI; - Sharia Economic Community Expert Council (MES); - Post-graduate Lecturer at the University of Indonesia PSTTI Program; - Postgraduate Lecturer of IEF Program in Trisakti University; - Active as a supervisor and advisor in several Islamic financial / non-financial institutions; - The permanent preacher of the mosque at the Presidential Palace and the Mosque at the Republic of Indonesia Vice President's Institution; - Book Author; and - Chairperson of the Al-Washiyah Foundation.
Legal Basis for Appointment	Appointed as a member of the Integrated Governance Committee on 15 July 2019

EDUCATION QUALIFICATION AND WORK EXPERIENCE OF INTEGRATED GOVERNANCE COMMITTEE

Requirements for Integrated Governance Committee Members include:

1. General Requirements
 - a. Having integrity, character and good morals.
 - b. Does not have personal interests / relationships that can cause conflict of interest against the Company.
2. Competency Requirements
 - a. Have sufficient expertise, ability, knowledge and experience related to their duties and responsibilities.
 - b. Have sufficient knowledge of good corporate governance.
 - c. Have sufficient knowledge of capital market regulations and regulations related to banking, insurance, securities and financing business.

Table of Education Qualification and Work Experience of the Integrated Governance Committee

Name	Position	Education	Work experience
Goei Siauw Hong	Chairman concurrently member	<ul style="list-style-type: none"> Bachelor in Agronomy Master of Business Administration (MBA) in Business, Finance and Marketing 	Having work experience including in the fields of finance, research, and banking supervision.
Hartadi A. Sarwono	Member	<ul style="list-style-type: none"> Bachelor's degree in Industrial Engineering. Master of Arts in Macroeconomics. Ph.d in Monetary Theory and Policy 	Having work experience including in banking, finance, monetary, and banking supervision.
Imam Apriyanto Putro	Member	<ul style="list-style-type: none"> Bachelor of Economics in Management. Master of Management 	Having work experience in the fields of finance, government, human resources, and corporate supervision.
Makmur Keliat	Member	<ul style="list-style-type: none"> Bachelor's degree in Corporate Economics. Bachelor of Art in Social Sciences and Political Sciences /Department of International Relations. Ph.d in the field of School of International Studies. 	Having work experience including in the fields of education, political science, international relations, research and publications.
Ardan Adiperdana	Member	<ul style="list-style-type: none"> Bachelor of Economics. Master in Business Administration. Doctor in Strategic Management. 	Having work experience, among others in the field of Finance and corporate supervision.
Rionald Silaban	Member	<ul style="list-style-type: none"> Bachelor of Laws Master in Law Center 	Having work experience in the field of education and financial training.
Ridwan D. Ayub	Member	<ul style="list-style-type: none"> Bachelor's degree in Social and Political Sciences. Masters in Financial Management Specialization. 	Having work experience in banking.
Chrisna Pranoto	Member	<ul style="list-style-type: none"> Bachelor in Agronomy Masters in International Business Management 	Having work experience in banking.
Edhi Chrystanto	Member	<ul style="list-style-type: none"> Bachelor of Economics. Master Finance. 	Having work experience in banking.
Frans A. Wiyono	Member	<ul style="list-style-type: none"> Bachelor of Arts 	Having work experience in banking and insurance.
D. Cyril Noerhadi	Member	<ul style="list-style-type: none"> Bachelor of Geology. Master of Business Administration. Doctor in Strategic Management. 	Having work experience in the fields of investment, health, plantation, and mining.
Wihana Kirana Jaya	Member	<ul style="list-style-type: none"> Bachelor of Economics. Master of Money, Bank and Finance, Department of Economics. Doctor of Economics. Professor of Economics. 	Having work experience in the Indonesian Ministry of Transportation, insurance, Gadjah Mada University, Ministry of Finance, and World Bank.
Ravik Karsidi	Member	<ul style="list-style-type: none"> Bachelor of Educational Sciences. Master of Science in Rural Sociology Study Program for Development Studies. Doctor of Development Counseling Study Program. 	Having work experience in finance, banking, the Directorate General of Higher Education, Ministry of Education and Culture, National Accreditation Board for Higher Education, Semarang State University and as Chancellor of Sebelas Maret University.
Ali Ghufon Mukti	Member	<ul style="list-style-type: none"> Bachelor of Medicine Master of Science (M.Sc) in Tropical Medicine, The Department of Tropical Hygiene. Doctor of Philosophy (Ph.D), Faculty of Medicine. 	Having work experience in the insurance, health, as a chancellor at Trisakti University, working at the Ministry of Research and Technology, Ministry of Health of the Republic of Indonesia, Dean of the Faculty of Medicine UGM.
M. Syafii Antonio*	Member	<ul style="list-style-type: none"> S1 in Sharia and Islamic Law. Masters in Economics. PhD in Micro Finance. 	Having work experience in banking and as a Daily Board of Management of the MUI National Sharia Board, Rector of Tazkia University College of Islamic Economics and Member of the National Economic Committee.
Mulya E. Siregar	Member	<ul style="list-style-type: none"> Bachelor in Agriculture Socio-Economic. Master of Science. Doctor of Philosophy (PhD). 	Having work experience in Sharia banking.
Mohammad Hidayat**	Member	<ul style="list-style-type: none"> Bachelor of Sharia Master of Business Administration Master in Law Doctor in Islamic Economics and Finance 	Having work experience in sharia banking and education.



INDEPENDENCY OF INTEGRATED GOVERNANCE COMMITTEE

Members of Integrated Governance Committee have no shares in Bank Mandiri and its Subsidiaries, either directly or indirectly, have no affiliation relationship with Bank Mandiri, its Subsidiaries, Members of the Board of Commissioners and/or Subsidiaries, Members of the Board of Directors and/or Subsidiaries and main shareholders of Bank Mandiri and/or Subsidiaries and have no business relationship either directly or indirectly with Bank Mandiri and its Subsidiaries.

Table of Independency of Integrated Governance Committee

Aspect of Independency	Goei Siau Hong	Hartadi A Sarwono	Imam Apriyanto Putro	Makmur Keliat	Ardan Ad-iperdana	Rionald Silaban	Ridwan D. Ayub	Edhi Chrys-tanto	
Has no financial relationship with the Board of Commissioners and Board of Directors	✓	✓	✓	✓	✓	✓	✓	✓	
Not having relationship of management in the company, subsidiary, or affiliate companies	✓	✓	✓	✓	✓	✓	✓	✓	
Not having a relationship of shares-holding in the company	✓	✓	✓	✓	✓	✓	✓	✓	
Has no family relationship with the Board of Commissioners, Board of Directors, and/or fellow Integrated Governance Committee	✓	✓	✓	✓	✓	✓	✓	✓	
Not serving as administrator of political parties and government officials	✓	✓	✓	✓	✓	✓	✓	✓	

INTEGRATED GOVERNANCE COMMITTEE MEETING

The provisions of the Integrated Governance Committee meeting regulated in the Integrated Governance Committee Charter are as follows:

1. The Integrated Governance Committee must hold at least 1 (one) meeting in 6 (six) months.
2. Integrated Corporate Governance Committee meetings are considered valid if attended by at least 51% of the number of members including an Independent Commissioner of the Company and an Independent Party.
3. The decision of the Integrated Governance Committee meeting is made based on deliberation to reach a consensus.
4. In the case that consensus agreement does not occur, the decision is made based on majority votes.

	Frans A. Wiyono	D. Cyril Noerhadi	Wihana Kirana Jaya	Ravik Kar-sidi	Ali Ghu-fron Mukti	M. Syafii Antonio	Mulya E. Siregar	Chrisna A. Pranoto	Moham-mad Hidayat
	✓	✓	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓	✓	✓

5. The meeting shall be chaired by the Chairperson of the Integrated Governance Committee or other Committee Members who are Independent Commissioners, if the Chair of the Integrated Governance Committee is unable to attend.
6. Each meeting of the Integrated Governance Committee is set forth in the minutes of the meeting, including when there are differences of opinion along with the reasons for those differences of opinion, which are signed by the chair and secretary of the committee and documented with.
7. Meetings of the Integrated Governance Committee must be set forth in minutes of meetings signed by the Chairperson and the Committee Secretary.
8. Integrated Governance Committee meetings can be held through electronic media.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

AGENDA OF INTEGRATED GOVERNANCE COMMITTEE MEETING

During 2019, the Integrated Governance Committee held 3 (three) meetings. The agenda of the Integrated Governance Committee meeting is as follows.

Table of Agenda for Integrated Governance Committee Meeting

No.	Date	Agenda	Meeting Participant	Presence Quorum (%)
1.	March 13, 2019	<ol style="list-style-type: none"> 1. Realization of KPI Subsidiaries. 2. TKT Self Assessment Results for semester II / 2018. 3. 2019 Integrated Work Unit Work Plan. 4. Presentation of PT Mandiri Utama Finance's Governance Implementation. 	<ul style="list-style-type: none"> - Goei Siau Hong - Imam Apriyanto Putro - Askolani - Bangun Sarwito - Kusmulyono - Makmur Keliat - Ridwan D. Ayub - Budi Sulistio - Edhi Chrystanto - Frans A. Wiyono - D. Cyril Noerhadi - Wihana Kirana Jaya - Ravik Karsidi - Ali Ghufon Mukti - M. Syafii Antonio - Mulya E. Siregar 	100%
2.	October 9, 2019	<ol style="list-style-type: none"> 1. TKT Self Assessment Results for semester I / 2019. 2. Integrated Work Unit Work Plan 2019. 3. Achievement of PSAK 71 in the Mandiri Group. 4. Adjustment of the Charter and Membership of the TKT Committee. 	<ul style="list-style-type: none"> - Goei Siau Hong - Ardan Adiperdana - Bangun Sarwito - Kusmulyono - Makmur Keliat - Ridwan D. Ayub - Chrisna A. Pranoto - Edhi Chrystanto - D. Cyril Noerhadi - Wihana Kirana Jaya - Ravik Karsidi - Ali Ghufon Mukti - Mulya E. Siregar 	87%
3.	December 4, 2019	<ol style="list-style-type: none"> 1. Follow-Up Input TKT Committee 2. Adjustment of TKT Charter 3. Presentation of the Performance of PT Axa Mandiri Financial Services 4. 2020 Integrated Work Unit Work Plan 	<ul style="list-style-type: none"> - Goei Siau Hong - Ardan Adiperdana - Makmur Keliat - Ridwan D. Ayub - Chrisna A. Pranoto - Edhi Chrystanto - D. Cyril Noerhadi - Frans A. Wiyono - Wihana Kirana Jaya - Ravik Karsidi - Ali Ghufon Mukti - Mulya E. Siregar - Mohammad Hidayat 	93%

FREQUENCY AND ATTENDANCE OF INTEGRATED GOVERNANCE COMMITTEE MEETING

During 2019, the Integrated Governance Committee held 3 (three) meetings. The frequency and level of attendance of meetings of each member of the Integrated Governance Committee is as follows.

Table of Frequency and Attendance at Integrated Governance Committee Meetings

Name	Position	Number of Meeting	Number of Presence	Percentage
Goei Siau Hong	Chairman	3	3	100%
Hartadi A. Sarwono	concurrently member	3	3	100%
Imam Apriyanto Putro	Member	3	3	100%

Name	Position	Number of Meeting	Number of Presence	Percentage
Bangun Sarwito Kusmulyono	Member	1	1	100%
Makmur Keliat	Member	3	3	100%
Ardan Adiperdana	Member	3	3	100%
Budi Sulistio	Member	1	1	100%
Ridwan D. Ayub	Member	3	3	100%
Chrisna Pranoto	Member	3	3	100%
Edhi Chrystanto	Member	3	3	100%
Frans A. Wiyono	Member	3	3	100%
D. Cyril Noerhadi	Member	3	3	100%
Wihana Kirana Jaya	Member	3	3	100%
Ravik Karsidi	Member	3	3	100%
Ali Ghuftron Mukti	Member	3	3	100%
M. Syafii Antonio	Member	1	1	100%
Mulya E. Siregar ^{*)}	Member	3	3	100%
Mohammad Hidayat ^{**)}	Member	2	1	50%

^{*)} Resigned from 15 July 2019

^{**)} He took office on 15 July 2019

ACHIEVEMENT OF KEY PERFORMANCE INDICATORS (KPI) OF INTEGRATED GOVERNANCE COMMITTEE

Achievements of Integrated Governance Committee on KPI throughout 2019 is as follows

No.	Key Performance Indicator	Indicator Value (%)	Achievement Value (%)	Indicator Value x Achievement Value (%)
1.	Realization Number of Committee meeting and Work Plan	30	100,00	30,00
2.	Assessment on attendance level and participation in the Meetings	20	100,00	20,00
3.	Submission of Review Outcome to the Board of Commissioners	20	95,00	19,00
4.	On-time Preparation and Submission of Committee Report	30	95,00	28,50
TOTAL KPI KOMITE		100		97,50

REMUNERATION OF INTEGRATED GOVERNANCE COMMITTEE

The Remuneration of the Integrated Governance Committee originating from the Independent Non Commissioner is regulated in the Decree of the Board of Commissioners No. KEP.KOM / 008/2019 dated April 30, 2019 concerning Remuneration of Supporting Organs of the Board of Commissioners of PT Bank Mandiri (Persero) Tbk. and regulated in the Letter of Assignment concerned as a member of the Committee under the Board of Commissioners issued by Bank Mandiri.

No.	Description	Non-Commissioner Committee Member
1.	Salary / Honorarium	A maximum of 20% of the Salary of the President Director
2.	Composition Benefits	Not given
3.	Holiday allowance	In accordance with the provisions of Bank Mandiri employees
4.	Bonuses / Tantiems	Not given
5.	Amenities	
	a. Transportation Allowance	Not given
	b. Health	Not given
	c. Business trip	In accordance with Bank Mandiri employee requirements / equivalent to Group Head



BRIEF REPORT ON THE IMPLEMENTATION OF INTEGRATED GOVERNANCE COMMITTEE ACTIVITIES IN 2019

During 2019, the Integrated Governance Committee discussed and established matters relating to:

1. In a meeting on March 13, 2019, the TKT Committee held a meeting to discuss the following matters:
 - 1) Realization of KPI Subsidiaries
 - 2) TKT Self Assessment Results for semester II / 2018
 - 3) 2019 Integrated Work Unit Work Plan
 - 4) Presentation of the Implementation of Governance in PT Mandiri Utama Finance
2. In a meeting on October 9, 2019, the TKT Committee held a meeting to discuss the following matters:
 - 1) TKT Self Assessment Results for semester I / 2019
 - 2) 2019 Integrated Work Unit Work Plan
 - 3) Achievement of PSAK 71 in the Mandiri Group
 - 4) Adjustment of the Charter and Membership of the TKT Committee
3. In a meeting on December 4, 2019, the TKT Committee held a meeting to discuss the following matters:
 - 1) Follow-Up Input TKT Committee
 - 2) Adjustment of TKT Charter
 - 3) Presentation of the Performance of PT Axa Mandiri Financial Services
 - 4) 2020 Integrated Work Unit and Work Plan

Recommendation of the Integrated Governance Committee

After conducting a discussion on the follow-up to the implementation of Integrated Governance, the Integrated Governance Committee agreed to optimize efforts to document the recommendations and direction of the Integrated Governance Committee (TKT) as a result of evaluating the implementation of TKT in KK Mandiri, so that implementation and follow-up in all integrated work units (SKKT, SKMRT, SKAIT) can be monitored on an ongoing basis.

WORK PLAN FOR THE INTEGRATED GOVERNANCE COMMITTEE IN 2020

In 2019, the Integrated Governance Committee has established a work plan that will be discussed through the meeting at least 1 (one) time in 6 (six) months. The work plan of the Integrated Governance Committee in 2020 among others, evaluating the implementation of Integrated Governance through:

1. Assessment of the Adequacy of Integrated Internal Control.
2. Implementation of Integrated Compliance Function.
3. Implementation of Integrated Risk Management.

PROCEDURES FOR REPLACEMENT OF COMMITTEES UNDER THE BOARD OF COMMISSIONERS

The procedures for replacing Committee members under the Board of Commissioners from Independent Parties are explained in the following chart.



ORGANS AND COMMITTEE UNDER THE BOARD OF DIRECTORS

In carrying out the Company's operational activities, the Board of Directors is assisted by Corporate Secretary and committees under the Board.

CORPORATE SECRETARY

Bank Mandiri has the function of a Corporate Secretary run by the Corporate Secretary Group work unit and is led by an Executive Officer with the corporate title Senior Vice President who is appointed based on the Decree of decision of the Senior Executive Vice President (SEVP) No. KEP.SEVP/ 272/2014 September 30, 2014.

The Corporate Secretary of Bank Mandiri is directly responsible to the Board of Directors and is under the supervision of the Director of Institutional Relations which has duties and responsibilities including acting as a Bank mediator with stakeholders such as regulators, investors, and the wider community, especially those related to capital markets responsible for ensuring company compliance with applicable laws and regulations as part of the implementation of Good Corporate Governance (GCG). In addition, the Corporate Secretary is responsible for maintaining the Bank's good image in the eyes of stakeholders widely.

THE BASIS FOR THE APPOINTMENT OF CORPORATE SECRETARY

The establishment, appointment and carrying out of functions and duties of Corporate Secretary, refer to:

1. Articles of Association of Bank Mandiri
2. Financial Services Authority Regulation No. 35/POJK.04/2014 concerning Corporate Secretary of Issuer and Public Companies.
3. Decree of the Board of Directors of PT Bursa Efek Indonesia Number Kep-00001/BEI/01-2014 concerning the Amendment to Regulation Number I-A: Concerning the Registration of Shares and Equity Securities Other

than Shares Issued by Listed Companies.

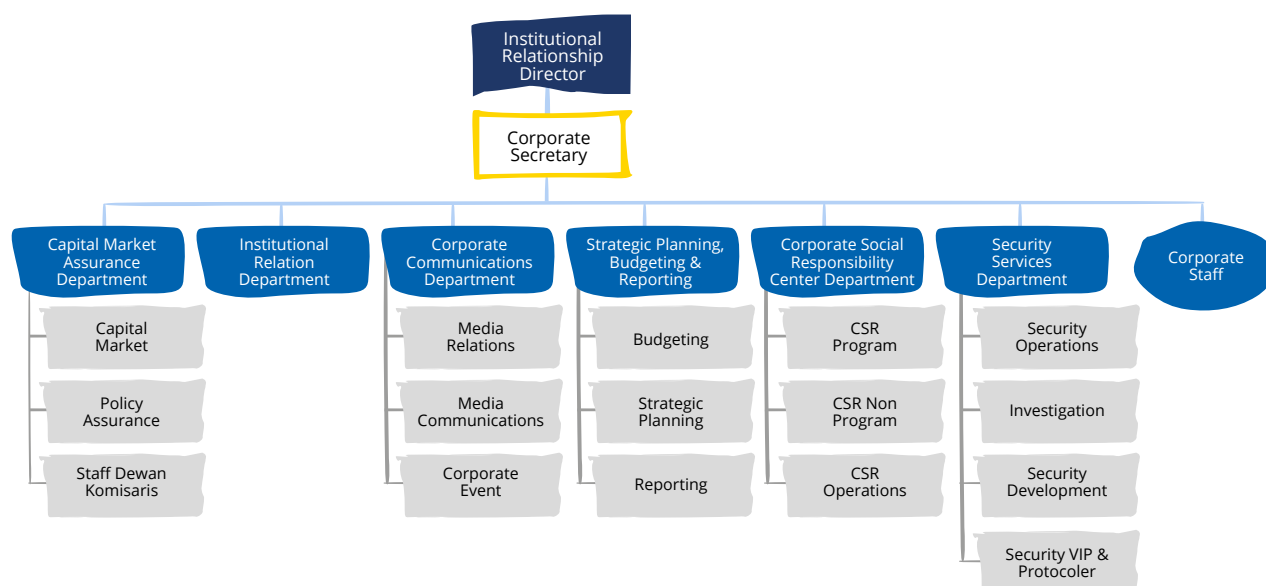
4. SOE Minister Regulation No. PER-01/MBU/2011 concerning the Implementation of Good Corporate Governance in State Owned Companies, as amended by PER-09/MBU/2012.
5. Law No. 19 of 2003 concerning State Owned Companies.
6. Decree of Minister of State Owned Companies No. KEP-117/MMBU/2002 dated July 31, 2002.
7. Regulation No.IX.I4 Decree of Head of Capital Market Supervisory Agency (Bapepam) No. Kep 63/PM/1996 dated January 17 1996.
8. Decree of SEVP No. KEP.SEVP/272/2014 dated September 30, 2014.

STRUCTURE OF THE CORPORATE SECRETARY

The Corporate Secretary is directly responsible to the Director of Institutional Relations, in which the functions and duties are divided into 6 (six) fields, which are:

1. Bank activities as a public company, including implementing corporate governance, especially those related to capital market provisions
2. Corporate Communication Activities;
3. Secretarial Activities
4. Stakeholder Management Activities;
5. Corporate Social Responsibility Activities;
6. Security Activities.

In carrying out the functions and duties of each department, coordination and supervision are directly in the hand of Corporate Secretary. In carrying out its functions and duties, the Corporate Secretary is guided by the Policy and Standards of Corporate Secretary.





FUNCTIONS AND DUTIES OF CORPORATE COMPANY

Referring to Article 5 of the Financial Services Authority Regulation No. 35/POJK.04/2014 concerning Corporate Secretary of Issuers or Public Companies, the function of the Corporate Secretary is to carry out tasks at least covering:

1. Following the development of the capital market, especially the applicable laws and regulations in the field of capital markets.
2. Providing input to the Board of Directors and the Board of Commissioners to comply with the rules and regulations in the field of capital market.
3. Assisting the Board of Directors and the Board of Commissioners in implementing corporate governance which includes:
 - a. disclosure of information to the public, including the availability of information on the Issuer's Website;
 - b. submission of statements to Financial Services Authority on time;
 - c. organizing and documenting the General Meeting of Shareholders;
 - d. organizing and documenting the Meetings of Board of Directors and/or Board of Commissioners; and
 - e. implementing an orientation program for the company for the Board of Directors and/or the Board of Commissioners.
4. As a liaison between Issuers and shareholders, the OJK and other stakeholders.

In line with these Financial Services Authority Regulation, the Corporate Secretary of Bank Mandiri also has a Policy and Standard of Guidelines as the foundation of the Corporate Secretary in carrying out their functions and duties, among others

Activities that are the scope of responsibility of the Corporate Secretary include:

1. Bank Activities as a Public Company:
 - a. Carrying out Information Disclosure including reporting to Regulators in relation to the status of the Bank as a Public Company.
 - b. Organizing and documenting the General Meeting of Shareholders.
 - c. Carrying out reporting according to the provisions of other laws which are the authority of the Corporate Secretary work unit.
 - d. Managing the administration of Bank Mandiri shareholders.
 - e. Carrying out other activities related to Corporate Action and/or other information disclosures.
 - f. Carrying out the Bank's compliance function with regulations in the field of capital market

2. Corporate Communication Activities
 - a. Establishing corporate communication policies and strategies together with Strategic Marketing Communication Work Units including:
 - Establishing regulations regarding the implementation of communication.
 - Establishing brand image and brand positioning.
 - b. Melakukan aktivitas komunikasi yang bersifat korporasi kepada pemangku kepentingan internal maupun eksternal Korporasi.
 - c. Mengadakan dan melaksanakan kegiatan tertentu (event/acara/sponsorship) sebagai pelaksanaan strategi komunikasi yang bersifat korporasi serta pengelolaan reputasi/risiko reputasi.
 - d. Conducting corporate communication activities to Corporate internal and external stakeholders.
 - e. Holding and carrying out certain activities (events/ sponsorships) as the implementation of corporate communication strategies and reputation risk management.
3. Secretarial Activities
 - a. Organizing and documenting the Meetings of Board of Directors Meetings and Board of Commissioners.
 - b. Administering company documents including regulating or stipulating regulations concerning letters and management of company documents.
 - c. Carrying out activities to support the functions and work activities of the Board of Commissioners, Board of Directors and SEVP.
4. Corporate Social Responsibility Activities
 - a. Establishing strategies and carry out Corporate Social Responsibility Activities.
 - b. Carrying out other similar activities either in the form of implementation of government programs or by collaborating with third parties such as the Partnership and Community Development Program and giving donations in connection with natural disasters.
5. Corporate Security Activities

Carrying out corporate security activities that aim to support the smoothness and orderliness of the Bank's operational activities including regulating and stipulating the regulations concerning the implementation of bank security.

PROFILE OF CORPORATE SECRETARY

Currently the Bank Mandiri Corporate Secretary is held by Rohan Hafas. He joined Bank Mandiri in 2014 and served as Corporate Secretary based on SEVP Decree No. KEP.SEVP/272/2014 September 30, 2014.



Rohan Hafas
Corporate Secretary

Age	57 years old
Nationality	Indonesia
Domile	Jakarta
Educational Background	Bachelor Degree in Management of the University of Indonesia (1987).
Certification	Level 1 Risk Management held by the Banking Professional Certification Institute (2012) and has participated in the Refreshment held by BARa Risk Forum (2016).
Employment History	<ul style="list-style-type: none"> - Division Head of Corporate Secretary of PT Bank Mutiara, Tbk (2010 - 2014). - Operational Director of PT Daria Dharma (2005 - 2010).

COMPETENCE IMPROVEMENT PROGRAM OF CORPORATE SECRETARY

As a liaison with external parties, the Corporate Secretary must always keep up with the developments in the world of capital markets and consistently improve their competence in the fields of law, finance, communications and corporate governance. For this reason, the Corporate Secretary of Bank Mandiri routinely participates in various trainings/workshops/seminars that are useful to maximize their very important role in the company. Throughout 2018, the Corporate Secretary has participated in various Training/Workshop/Seminars as follows.

No.	Competency Development / Training Materials	Time and Place of Implementation	Organizer
1.	World Economic Forum	January 9-25, 2019, Davos	World Economic Forum
2.	Leadership Forum	June 20-22, 2019, Banyuwangi	Internal
3.	Media Training	September 10-14, 2019	Internal

In addition, the ranks of employees under the corporate secretary function have attended training in the fields of law, accounting, secretarial and reporting, and actively participated in seminars/sosialization related to the latest regulations issued by the regulator.

DUTIES IMPLEMENTATION OF THE CORPORATE SECRETARY IN 2019

During 2019, the Corporate Secretary of Bank Mandiri has carried out functions and tasks related to stakeholders, including:

- Following the development of Capital Market regulations, especially the laws and regulations that are applied in the Capital Market, by ensuring compliance with new regulations issued by the FSA, Indonesia Stock Exchange and other regulators related to the capital market.
- Developing GCG Awareness for the Directors and Board of Commissioners of Bank Mandiri, including informing about new policies and issues regarding GCG.
- Organizing and documenting the Annual General Meeting of Shareholders on May 16, 2019, Extraordinary General Meeting of Shareholders on January 7, 2019, August 28, 2019, and December 9, 2019, Mandatory Public Expose 2019 on August 19, 2019, and ensure regular communication every quarter to investors through the Analyst Meeting, on January 28, April 29, July 17, and October 28, 2019.
- Making Dividend payments for Fiscal Year 2018 on June 19, 2019.
- Organizing and attending Board of Commissioners Meetings, Board of Directors Meetings, Joint Meetings of Directors Inviting the Board of Commissioners, and Joint Meetings of the Board of Commissioners inviting the Directors and make minutes of the meeting. In 2019, there were 33 (thirty-three) times, 40 (forty)



- times, 6 (six) times, and 8 (eight) meetings which have been held respectively.
6. Conducting periodic review of the Company's Main Policy, the Company's Articles of Association, the Board of Directors 'Guidelines and Rules of Work, the Board of Commissioners' Guidelines and Rules of Work, the Committee's Rules of Directors, the Charter of Committees under the Board of Commissioners, and other Policies in accordance with applicable laws and regulations and implementation of Bank governance.
 7. Opening information to the public in accordance with applicable laws and regulations.
 8. Opening information to Bank Mandiri internal employees through Mandiri Magazine. During 2019, the Corporate Secretary has published 12 (twelve) editions of Mandiri Magazine.
 9. Preparing Annual Report and Sustainability Report for Fiscal Year 2018 and submit it to the relevant Regulator in a timely manner. It also monitors the submission of the 2018 Fiscal Year Annual Report belonging to 11 (eleven) Subsidiaries to the Regulator.
 10. Arranging the Capability and Compliance Test of Board of Directors members and Board of Commissioners new members.
 11. Documenting of Company legality data, including the GMS Deed, Amendment to Articles of Association Deed, Amendment to Management Deed, Company Domicile Mark, and other legality documents.
 12. Establishing communication with the Ministry of Stated-Owned Enterprises, FSA, Bank Indonesia (BI), Ministry of Finance, Secretary of State, Deposit Insurance Corporation (LPS), Self Regulatory Organization (Indonesian Stock Exchange (BEI), Indonesian Central Securities Depository (KSEI), and Clearing Guarantee Indonesian Securities (KPEI)), Securities Administration Bureau, and other related institutions.
 13. Monitoring the implementation of the State Organizer Asset Report (LHKPN) to the Corruption Eradication Commission (KPK). During 2019, there were 320 out of 326 people or 98% had fulfilled their reporting obligations.
 14. Compiling and issuing 85 (eighty-five) Directors' Decrees related to the Implementation of the Company's Operational Activities.
 15. Reporting the results of daily media monitoring to the Board of Commissioners and Directors Members every morning on weekdays.
 16. Coordinating the organization of Corporate Events, both internal and external events, for example Mandiri Jogja Marathon, Mandiri GBK I See Fest 2019, Mandiri Nusa Dua International Run, Bank Mandiri Anniversary, and other Corporate Events.
 17. Covering the activities of Corporate Ceremonial Activities as many as 99 (Ninety-nine) coverage.
 18. Participating actively in hearings and working visits with the DPR-RI.
 19. Channeling Partnership Programs, Community Development, Corporate Social Responsibility and Sponsorship and monitoring their credibility.
 20. Carrying out the activities of licensing, security and escort / protocol (Bank officials) Directors and Board of Commissioners in the office / place of service, trip / agenda and residency.
 21. Administering and distributing all incoming letters addressed to Bank Mandiri or related Work Units for following up.
 22. Acting as a liaison between Bank Mandiri and shareholders, investors, regulators and other stakeholders.

THE REPORT OF THE COMPANY SECRETARY FISCAL YEAR 2018

In order to fulfill Article 11 of FSA Regulation No. 35/POJK/2014, the Corporate Secretary of Bank Mandiri has compiled periodic reports at least 1 (one) time in 1 (one) year regarding the implementation of the company secretary function to the Board of Directors and was forwarded to the Board of Commissioners submitted through a Memorandum to the Board of Directors No. HBK.CSC/CMA.235/2019 dated February 14, 2019 concerning to the Reports on the Functions and Duties of Corporate Secretary Group 2018 and Letter to the Board of Commissioners No. HBK.CSC/CMA.471/2019 dated February 27, 2019 concerning to the Reports on the Functions and Duties of Corporate Secretary Group 2018.

COMMITTEES UNDER THE BOARD OF DIRECTORS

In carrying out its duties, the Board of Directors is assisted by the Corporate Secretary and Committees whose job is to provide advice and recommendations relating to the policies and directions of the Directors. Bank Mandiri has Committees under the Board of Directors or also called the Executive Committee, as many as 9 (nine) Committees as it was stated in the Decree of the Directors No. KEP.DIR/77/2019 dated December 17, 2019 concerning Directors Executive Committee of PT Bank Mandiri (Persero) Tbk.

However, in the capacity as a committee, all Executive Committees do not have the authority to act to represent and on behalf of the Company in binding or signing agreements with third parties. All actions for and on behalf of the Company must be carried out in accordance with the provisions of the Company's Articles of Association.

ASSETS AND LIABILITIES COMMITTEE

The Assets and Liabilities Committee (ALCO) is a committee formed to assist the Board of Directors in carrying out the functions of determining the strategy of managing assets and liabilities, setting interest rates and liquidity, as well as other matters related to managing the Company's assets and liabilities. In addition, during conditions of significant financial pressure and during periods of financial and economic crisis, ALCO has the duty to monitor the bank financial indicators listed in the Recovery Plan and to escalate to the Board of Directors regarding the determination of Recovery Plan activation.

STRUCTURE AND MEMBERSHIP OF ASSETS AND LIABILITIES COMMITTEE

Based on Directors Decree No. KEP.DIR/78/2019 dated December 17, 2019 concerning Assets and Liabilities Committee, the structure and membership of ALCO are as follows:

Chairman	: President Director
Secretary	: Group Head Market Risk
Substitute Secretary (Alternate) I	: Group Head Treasury
Substitute Secretary (Alternate) II	: Group Head Strategy & Performance Management
Substitute Secretary (Alternate) III	: Group Head Credit Portfolio Risk

- I. Voting Member
 - a. Permanent Voting Member

1. President Director
2. Vice President Director
3. Consumer & Retail Transaction Director
4. Risk Management Director
5. Treasury, International Banking & SAM Director
6. Corporate Banking Director
7. Institutional Relations Director
8. Commercial Banking Director
9. Finance and Strategy Director Direktur Keuangan & Strategi

- b. Non-Permanent Voting Member
Members of the Board of Directors and SEVP related to the material present as an invitee.

- II. Permanent Non-Voting Member Compliance & HR
Director or Group Head Compliance or appointed Compliance Group official.

- III. Contributing Non-Voting Member
 - a. Group Head/other Group Head level present as an invitation related to the material on the committee's agenda

- b. Committee Secretary.

- IV. Permanent Invitation without Voting Rights (Invitee)

- a. SEVP Internal Audit *) or Group Head at Internal Audit or Internal Audit officials who attend as permanent invitee without voting rights.

*) In the case that the material discussed at the Committee is material proposed by the SEVP Internal Audit, the SEVP Internal Audit acts as a Voting Member.

- b. Officials in the operational risk area, namely the Senior Operational Risk Head, are related to the material on the agenda of the committee that was present as a permanent invitee without voting rights (invitee).

ASSETS AND LIABILITIES COMMITTEE PROFILE

The profile of the Assets and Liabilities Committee members as of December 31, 2019 is as follows

Name	Position	Information	Educational Background
Royke Tumilaar	Chairman/Permanent Voting Member	President Director	His educational background can be seen in Directors Profile in this Annual Report.
Sulaiman Arif Arianto	Permanent Voting Member	Vice President Director	His educational background can be seen in Directors Profile in this Annual Report.
Hery Gunardi	Permanent Voting Member	Consumer & Retail Transaction Director	His educational background can be seen in Directors Profile in this Annual Report.
Ahmad Siddik Badruddin	Permanent Voting Member	Risk Management Director	His educational background can be seen in Directors Profile in this Annual Report.
Darmawan Junaidi	Permanent Voting Member	Treasury, International Banking & SAM Director	His educational background can be seen in Directors Profile in this Annual Report.
Alexandra Askandar	Permanent Voting Member	Corporate Banking Director	His educational background can be seen in Directors Profile in this Annual Report.
Donsuwan Simatupang	Permanent Voting Member	Institutional Relations Director	His educational background can be seen in Directors Profile in this Annual Report.
Riduan	Permanent Voting Member	Commercial Banking Director	His educational background can be seen in Directors Profile in this Annual Report.
Silvano Winston Rumanthir	Permanent Voting Member	Finance and Strategy Director	His educational background can be seen in Directors Profile in this Annual Report.

**DESCRIPTION DUTIES AND RESPONSIBILITIES OF ASSETS AND LIABILITIES COMMITTEE**

In carrying out its functions, ALCO has the following duties and responsibilities:

1. Establish, develop and review strategies for managing assets and liabilities.
2. Evaluate the position of the Company's assets and liabilities in accordance with the objectives of managing liquidity risk, interest rates and exchange rates.
3. Evaluate the Company's position and the Assets & Liabilities Management (ALM) strategy to ensure that the results of the Company's risk taking position are consistent with the objectives of managing interest rates, liquidity and exchange rates.
4. Conduct an evaluation / review of asset and liability pricing to ensure that pricing can optimize the results of investment funds to minimize the cost of funds and maintain the Company's balance sheet structure in accordance with the Company's ALM strategy.
5. Evaluate / review deviations between the realization and the projected budget and business plan of the Company.
6. Discuss and set limits on liquidity management, gap management, pricing management, and FX management.

7. Establish fund transfer pricing methodology.
8. Discuss and determine other matters that are in the scope of ALM, including Subsidiaries / entities that are under the control of the Company.
9. Monitor and implement / activate the Recovery Plan as follows:
 - a. Monitor the Bank's financial indicators listed in the Recovery Plan which include indicators of liquidity, capital, profitability and asset quality.
 - b. Escalate to the Board of Directors if the Recovery Plan indicators will or have violated the limit (trigger level) set to get the Recovery Plan activation decision.

DUTIES IMPLEMENTATION OF ASSETS AND LIABILITIES COMMITTEE 2019

In carrying out its duties and responsibilities, ALCO holds meetings at least 3 (three) times a year or at any time if it is necessary at the request of one or more members of the voting committee (voting member), or at the request of the Board of Directors or upon a written proposal from work units related to delivering material to be discussed and coordinating with the Committee Secretary.

During 2019, ALCO held 9 (nine) meetings with the following agenda:

No.	Date	Agenda	Presence Quor-um (%)
1.	January 15, 2019	Management of Macprudential Intermediation Ratio	100%
2.	March 5, 2019	1. Credit Interest Review. 2. Review Authority of Rupiah Deposit Interest Rates. 3. Foreign Currency Liquidity Management Strategies. 4. Program Review and Interest Rates for Third Party Foreign Currency Funds.	91%
3.	April 16, 2019	1. Foreign Currency Fund Management Strategy. 2. Liquidity Preparation Before Lebaran 2019.	82%
4.	May 7, 2019	1. Credit Interest Review. 2. Foreign Currency Fund Management Strategy. 3. Rupiah Liquidity Management Strategies.	91%
5.	July 2, 2019	1. Rupiah and Foreign Exchange Liquidity Update. 2. Third Party Fund Strategy and Credit Interest Rates. 3. Buffer Customer Review. 4. Bank Mandiri IRRBB Progress Implementation.	73%
6.	October 2, 2019	1. Economic & Banking Sector Update. 2. Development of Third Party Funds, Credit and Liquidity in September 2019. 3. Liquidity Reserve Limit Review.	64%
7.	October 29, 2019	1. Development of Third Party Funds, Credit and Liquidity. 2. Interest Rate Outlook. 3. Management of Hedging Implementation Ratio. 4. Review of Foreign Currency Deposit Interest Rates. 5. Proposed of Interest Rate for New Savings Product.	60%
8.	December 3, 2019	Report on the Implementation of the 2019 ALCO Decision.	90%
9.	December 19, 2019	Review of Authority to Decide on Rupiah DPK Pricing.	100%

ASSETS AND LIABILITIES COMMITTEE WORK PLAN FOR 2020

In 2020, ALCO has established a work plan that will be discussed through meetings at least 3 (three) times in one year. The ALCO work plan for 2020 includes:

1. Establish, develop and review strategies for managing assets and liabilities.
2. Evaluate the positions and strategies of assets and liabilities to optimize the results of investment, minimize the cost of funds and maintain a balance sheet structure in accordance with the Bank's business plan.
3. Monitor and maintain the Bank's financial indicators listed in the Recovery Plan which include indicators of liquidity, capital, profitability and asset quality.

BUSINESS COMMITTEE

Business Committee is a committee formed to assist the Board of Directors in determining the Company's integrated business management strategy, managing the Company's products and / or activities as well as determining the strategy and effectiveness of marketing communication in the field of wholesale banking and retail banking.

STRUCTURE AND MEMBERSHIP OF BUSINESS COMMITTEE

Based on Directors Decree No. KEP.DIR/79/2019 dated December 17, 2019 concerning Business Committee, the structure and membership of the Business Committee are as follows:

Chairman	:	President Director
Secretary (Segmen Wholesale)	:	Group Head Transaction Banking Wholesale Product
Secretary (Segmen Retail)	:	Group Head Retail Deposit Product & Solution

- I. Voting Member
 - a. Permanent Voting Member

1. President Director
2. Vice President Director
3. Consumer & Retail Transaction Director
4. Risk Management Director
5. Information Technology Director
6. Treasury, International Banking & SAM Director
7. Corporate Banking Director
8. Institutional Relations Director
9. Commercial Banking Director
10. SEVP Wholesale Risk
11. SEVP Business and Network
12. Chief Transformation Officer
13. SEVP Corporate Banking
14. SEVP Commercial Banking
15. SEVP Consumer Business

- b. Non-Permanent Voting Member
Members of the Board of Directors and SEVP related to the material present as an invitee.

- II. Permanent Non-Voting Member
Compliance & HR Director or Group Head Compliance or appointed Compliance Group official.

- III. Contributing Non-Voting Member
 - a. Group Head / other Group Head level present as an invitee related to the material on the committee's agenda
 - b. Committee Secretary.

- IV. Invitee
 - a. SEVP Internal Audit *) or Group Head at Internal Audit or Internal Audit officials who attend as permanent invitee without voting rights.

*) The material discussed at the Committee is material proposed by the SEVP Internal Audit, the SEVP Internal Audit acts as a Voting Member.

- b. Officials in the operational risk area, namely the Senior Operational Risk Head, are related to the material on the agenda of the committee that was present as a permanent invitee without voting rights.

BUSINESS COMMITTEE PROFILE

The profile of Business Committee members as of December 31, 2019 is as follows

Name	Position	Information	Educational Background
Royke Tumilaar	Chairman/ Permanent Voting Member	President Director	His educational background can be seen in Directors Profile in this Annual Report.
Sulaiman Arif Arianto	Permanent Voting Member	Vice President Director	His educational background can be seen in Directors Profile in this Annual Report.
Hery Gunardi	Permanent Voting Member	Consumer & Retail Transaction Director	His educational background can be seen in Directors Profile in this Annual Report.



Name	Position	Information	Educational Background
Ahmad Siddik Badruddin	Permanent Voting Member	Risk Management Director	His educational background can be seen in Directors Profile in this Annual Report.
Rico Usthavia Frans	Permanent Voting Member	Information Technology Director	His educational background can be seen in Directors Profile in this Annual Report.
Darmawan Junaidi	Permanent Voting Member	Treasury, International Banking & SAM Director	His educational background can be seen in Directors Profile in this Annual Report.
Alexandra Askandar	Permanent Voting Member	Corporate Banking Director	His educational background can be seen in Directors Profile in this Annual Report.
Donsuwan Simatupang	Permanent Voting Member	Institutional Relations Director	His educational background can be seen in Directors Profile in this Annual Report.
Riduan	Permanent Voting Member	Commercial Banking Director	His educational background can be seen in Directors Profile in this Annual Report.
David Pizarda	Permanent Voting Member	SEVP Wholesale Risk	Riwayat Pendidikan Beliau dapat dilihat pada bagian Profil Pejabat Eksekutif dalam Laporan Tahunan ini.
Permanent Voting Member	Chief Transformation Officer	His educational background can be seen in Directors Profile in this Annual Report.	Riwayat Pendidikan Beliau dapat dilihat pada bagian Profil Pejabat Eksekutif dalam Laporan Tahunan ini.

TASKS AND RESPONSIBILITIES DESCRIPTION OF BUSINESS COMMITTEE

In carrying out its functions, BC has the following duties and responsibilities:

1. Discuss and determine the Company's business strategy for the wholesale and retail segments, including the business strategies of the Subsidiaries.
2. Discuss, evaluate, and determine the business development of the wholesale and retail segments in an integrated manner, including the development / renewal of products and services, both credit and non-credit, business processes, rates, infrastructure and marketing communication infrastructure and business supporting technology.
3. Discuss, evaluate and determine business strategies with the Company's anchor client.
4. Monitor and evaluate the results of strategic performance and business initiatives / projects in the wholesale and retail segments.
5. Discuss and resolve strategic business problems including alliances between the Company's work units and alliances with Subsidiaries or entities under the control of the Company.
6. Discuss, evaluate and determine the development and termination of new products, both credit and non-credit, including digital banking products and services.
7. Delegate authority to designated officials to decide and carry out operational business matters.

IMPLEMENTATION OF BUSINESS COMMITTEE TASK IN 2019

In carrying out its duties and responsibilities, BC holds meetings at least 3 (three) times a year or at any time if it is necessary at the request of one or more committee members with voting members, or at the request of the Board of Directors or upon a written proposal from the unit work related to delivering material to be discussed and coordinating with the Committee Secretary.

Throughout 2019, BC has held as many meetings 7 (seven) times with the following agenda:

No.	Date	Agenda	Presence Quorum (%)
1.	March 19, 2019	1. Bank Guarantee product manual. 2. Mandiri Repo Product Manual	72%
2.	March 26, 2019	1. Related Party Management Limit. 2. Approval of Interest Rate Swap Transactions (IRS) with a tenor of more than 5 years with Related Parties.	72%
3.	April 9, 2019	Related Party Management Limit	67%
4.	April 23, 2019	Related Party Management Limit	56%
5.	May 7, 2019	Related Party Management Limit	78%
6.	August 27, 2019	Manual revision of Dual Currency Investment Mandiri Products.	56%
7.	December 3, 2019	Related Party Management Limit	100%

BUSINESS COMMITTEE WORK PLAN IN 2020

In 2020, BC has established a work plan that will be discussed through meetings at least 3 (three) times in one year. The BC work plans for 2020 include:

1. Discuss and determine the Company's business strategy for the wholesale and retail segments, including the business strategies of the Subsidiaries.
2. Discuss, evaluate and determine business strategies with the Company's anchor client.
3. Monitor and evaluate the results of strategic performance and business initiatives / projects in the wholesale and retail segments.

CAPITAL AND SUBSIDIARIES COMMITTEE

The Capital and Subsidiaries Committee (CSC) is a committee formed to assist the Board of Directors in managing the Subsidiary, such as determining the management strategy of the Subsidiary, capital participation, capital release, divestment / capital release, assigning members of the Board of Directors and / or members of the Board of Commissioners of the Subsidiary and remuneration for Members of the Board of Directors and / or Members of the Board of Commissioners of a Subsidiary.

STRUCTURE AND MEMBERSHIP OF CAPITAL AND SUBSIDIARIES COMMITTEE

Based on Directors Decree No. KEP.DIR/80/2019 dated December 17, 2019 concerning the Capital and Subsidiaries Committee, the structure and membership of CSC are as follows:

Chairman : President Director
Secretary : Group Head Strategic Investment & Subsidiaries Man-agement

Substitute Secretary : Group Head Strategic Performance and Management (Alternate)

- I. Voting Member
 - a. Permanent Voting Member
 1. President Director
 2. Vice President Director
 3. Risk Management Director
 4. Finance and Strategy Director
 - b. SEVP Chief Transformation Office of Non-Permanent Members with Voting Rights (Non-Permanent Voting Member)
Members of the Board of Directors and SEVP related to the material present as an invitee
- II. Permanent Non-Voting Member
Compliance & HR Director or Group Head Compliance or appointed Compliance Group official
- III. Contributing Non-Voting Member
 - a. Group Head / other Group Head level present as an invitee related to the material on the committee's agenda
 - b. Committee Secretary.
- IV. Invitee
 - a. SEVP Internal Audit *) or Group Head of Internal Audit or Internal Audit officials who attend as permanent invitee without voting rights
 - *) The material discussed at the Committee is material proposed by the SEVP Internal Audit, the SEVP Internal Audit acts as a Voting Member.
 - b. Officials in the operational risk area, namely the Senior Operational Risk Head, are related to the material on the agenda of the committee that was present as a permanent invitee without voting rights



CAPITAL AND SUBSIDIARIES COMMITTEE PROFILE

The profile of the Capital and Subsidiaries Committee members as of December 31, 2019 is as follows

Name	Position	Information	Educational Background
Royke Tumilaar	Chairman/Permanent Voting Member	President Director	His educational background can be seen in Directors Profile in this Annual Report.
Sulaiman Arif Arianto	Chairman/Permanent Voting Member	Vice President Director	His educational background can be seen in Directors Profile in this Annual Report.
Ahmad Siddik Badruddin	Chairman/Permanent Voting Member	Risk Management Director	His educational background can be seen in Directors Profile in this Annual Report.
Silvano Winston Rumantir	Chairman/Permanent Voting Member	Finance and Strategy Director	His educational background can be seen in Directors Profile in this Annual Report.
Pantro Pander Silitonga	Chairman/Permanent Voting Member	Chief Transformation Officer	His educational background can be seen in Directors Profile in this Annual Report.

DUTIES AND RESPONSIBILITIES DESCRIPTION OF CAPITAL AND SUBSIDIARIES COMMITTEE

In carrying out its functions, CSC has duties and responsibilities including:

1. Establish strategies and limits for the management of Subsidiaries, including companies that are under the control of Subsidiaries, if necessary.
2. Discuss, recommend and determine business initiatives of the Company's capital participation to Subsidiaries.
3. Discuss, recommend and approve the capital investment plan of the Subsidiary, including additional equity participation and release of equity / divestment.
4. Evaluate and discuss the financial performance of Subsidiaries, including companies that are under the control of Subsidiaries, if necessary.
5. Discuss, recommend, and approve remuneration (including salaries, honorarium, benefits and facilities) members of the Directors and Board of Commissioners of Subsidiaries, including companies that are under the control of Subsidiaries that have been recommended by the Human Capital work unit responsible for remuneration material.
6. Discuss, recommend and approve the nominations of members of the Directors and / or Board of Commissioners of the Subsidiary by continuing to refer to the Company's Articles of Association.
7. Discuss, recommend, and approve the nominations of members of the Board of Directors and / or Board of Commissioners of a company that is under the control of a Subsidiary.
8. The authority of CSC as regulated without reducing the authority of the Direction Meeting to continue to be able to decide on the nomination of members of the Directors and Board of Commissioners of the Subsidiary and companies under the control of the Subsidiary.
9. Discuss, recommend and approve the Subsidiary's Work Plan and Budget (RKAP) including companies that are under the control of the Subsidiary, if necessary.
10. Discuss, recommend, determine / decide on the implementation and agenda of the General Meeting of Shareholders (GMS) of Subsidiaries including companies that are under the control of Subsidiaries, if necessary and decide on other requests or proposals that require the Company's decision as Shareholders.
11. Discuss, recommend and approve management and financial strategies of Financial Institution Pension Funds (DPLK).
12. Establish the Proxy to represent the Company as a Shareholder in a Subsidiary (Shareholder Proxy).

DUTIES IMPLEMENTATION OF CAPITAL AND SUBSIDIARIES COMMITTEE

In carrying out its duties and responsibilities, the CSC holds meetings at least 3 (three) times a year or at any time if it is necessary at the request of one or more committee members with voting members, or at the request of the Board of Directors or upon a written proposal from the unit work related to delivering material to be discussed and coordinating with the Committee Secretary.

Throughout 2019, CSC has held 27 (twenty seven) meetings with the following agenda:

No.	Date	Agenda	Presence Quorum (%)
1	January 3, 2019 (Circularly)	Proposed the Dismissal of PT Bank Syariah Mandiri Management.	100%
2	January 3, 2019 (Circularly)	Proposed the Articles of Association Amendment of PT Mandiri AXA General Insurance.	100%
3	January 29, 2019	1. Determination of Mandiri International Remittance Management. 2. Determination of Mandiri Manajemen Investasi Management. 3. Determination of Mandiri Utama Finance Management. 4. Determination of AXA Mandiri Financial Services Management. 5. Determination of Bank Syariah Mandiri Management. 6. Determination of Mandiri AXA General Insurance Management. 7. Determination of Mandiri Capital Indonesia Management. 8. Determination of Bank Mandiri Europe Ltd Management.	100%
4	February 26, 2019	1. Determination of Subsidiary Companies Management. 2. Determination of Subsidiary's Shareholders' Authority (KPS).	60%
5	March 5, 2019	1. Approval of Agenda and Material of Limited General Meeting of Shareholders (RUPST) of Subsidiaries. 2. Determination of Subsidiary Companies Management.	80%
6	March 21, 2019 (Circularly)	Additions to the Articles of Association of Sub-sidiaries.	100%
7	April 1, 2019	Discussion on the Remuneration of Subsidiary Management.	60%
8	April 2, 2019 (Circularly)	Turnover of President Director of Mandiri Inter-national Remittance (MIR).	100%
9	April 10, 2019 (Circularly)	Turnover in Subsidiaries Management (Mandiri Sekuritas and Bank Syariah Mandiri).	100%
10	April 16, 2019	Purchasing 9% of Tunas Ridean (TURI) shares in Mandiri Tunas Finance (MTF) and Capital Addition of Rp300 billion in MTF.	80%
11	April 16, 2019 (Circularly)	Appointment of PT Mandiri Sekuritas Commissioner.	100%
12	May 7, 2019	1. Capital increase of PT Mandiri Capital Indonesia (MCI). 2. Turnover in PT Mandiri Utama Finance (MUF) Management. 3. Turnover in PT Mandiri Tunas Finance (MTF) Management.	80%
13	May 31, 2019 (Circularly)	Cancellation of Appointment of PT Bank Mandiri Taspen Directors.	100%
14	June 25, 2019 (Circularly)	Determination of Subsidiaries Shareholders Authority	100%
15	June 26, 2019 (Circularly)	Turnover in Subsidiary Companies Management (Mandiri Manajemen Investasi and Mandiri AXA General Insurance).	100%
16	July 16, 2019 (Circularly)	Approval of Shares Purchase of PT Mitra Transactions Indonesia (MTI) by PT Mandiri Sekuritas. Turnover in PT Mitra Transactions Indonesia (MTI) Management.	100%
17	July 30, 2019 (Circularly)	Approval of Subsidiary Companies Management Turnover (Mandiri Sekuritas and Mandiri AXA General Insurance).	100%
18	August 5, 2019 (Circularly)	Appointment Approval of PT Fintek Karya Nusantara (Finarya) Commissioners.	100%
19	August 30, 2019 (Circularly)	Approval of Business Plan Changes to PT AXA Mandiri Financial Service (AMFS) for 2019-2021.	100%
20	September 9, 2019 (Circularly)	Approval of Business Plan Changes to PT AXA Mandiri Financial Service (AMFS) for 2019-2021.	100%
21	September 18, 2019 (Circularly)	Proposed Turnover in Subsidiary Companies Management.	100%
22	October 9, 2019 (Circularly)	Proposed Approval of Amendment to Articles of Association In connection with the Establishment of Unit Usaha Syariah (UUS) of PT Bank Mandiri Taspen (Bank Mantap).	100%
23	October 12, 2019 (Sirkuler)	Proposed Turnover in the Composition of Dewan Pengawas Syariah (DPS) of PT Bank Syariah Mandiri.	100%



No.	Date	Agenda	Presence Quorum (%)
24	Oktober 17, 2019	1. Approval of AMFS Company Work Plan and Budget (RKAP) 2020. 2. Approval of Inhealth Company Work Plan and Budget (RKAP) 2020. 3. Approval of Mansek Company Work Plan and Budget (RKAP) 2020. 4. Approval of MMI Company Work Plan and Budget (RKAP) 2020. 5. Approval of MCI Company Work Plan and Budget (RKAP) 2020. 6. Approval of BSM Company Work Plan and Budget (RKAP) 2020. 7. Approval of Bank Mantap Company Work Plan and Budget (RKAP) 2020. 8. Approval of MTF Company Work Plan and Budget (RKAP) 2020. 9. Approval of MUF Company Work Plan and Budget (RKAP) 2020. 10. Approval of MAGI, MIR dan BMEL Company Work Plan and Budget (RKAP) 2020.	80%
25	November 4, 2019 (Circularly)	Proposed Turnover in Subsidiary Companies Management.	100%
26	November 28, 2019 (Circularly)	Proposed Implementation of Mandiri Group Principle Guideline (MGPG) through the GMS of Subsidiary Companies.	100%
27	Desember 18, 2019 (Circularly)	Proposed Turnover in Subsidiary Companies Management.	100%

THE CAPITAL AND SUBSIDIARIES COMMITTEE WORK PLAN IN 2020

In 2020, CSC has approved a work plan that will be discussed through meetings at least 3 (three) times in a year. CSC's work plan for 2020 includes:

1. Approval of the agenda and material for the Annual General Meeting of Subsidiaries.
2. Determination of Management of Subsidiary Companies.

HUMAN CAPITAL POLICY COMMITTEE

The Human Resources Policy Committee (HCPC) is a committee formed to assist the Board of Directors in managing management strategies. Human Capital Corporation, regulates and develops the organization, and develops the Direction of Human Capital Information System development strategy.

THE ORGANIZATIONAL STRUCTURE AND MEMBERSHIP OF HUMAN CAPITAL POLICY COMMITTEE

Based on the Board of Directors' decision No. KEP.DIR / 81/2019 dated December 17, 2019, the structure and decision of the HCPC are as follows

Chairperson	: President Director
Secretary	: Group Head of Human Capital Engagement
Alternate Secretary	: Group Head of HC Performance & Remuneration

- I. Voting Member
 - a. Permanent Voting Member
 1. President Director
 2. Deputy President Director
 3. Director of Consumer & Retail Transaction
 4. Director of Information Technology
 5. Director of Risk Management
 6. Director of Compliance & Human Resources
 7. Director of Finance & Strategy
 - b. Non-Permanent Voting Members
Members of the Board of Directors and SEVP related to the material present as invitations.
- II. Permanent Non-Voting Member
Group Head Compliance or appointed Compliance Group officials must be present at Committee Meetings.
- III. Contributing Non-Voting Member
 - a. Group Head / other Group Head level invited to be associated with material on the committee's agenda.
 - b. Committee Secretary
- IV. Permanent Invitations without Voting Rights (Invitee)
 - a. SEVP Internal Audit *) or Group Head of Internal Audit Directorate or Internal Audit Directorate officials who attend as permanent invitations without voting rights.
*) In the case that the material discussed at the Committee is material proposed by the SEVP Internal Audit, the SEVP Internal Audit acts as a Voting Member.
 - b. The official in the field of operational risk, namely the Senior Operational Risk Head, is related to the material on the agenda of the committee present as a permanent invitation without voting rights.

THE HUMAN CAPITAL POLICY COMMITTEE PROFILE

The profile of the members of the Human Capital Policy Committee as of December 31, 2019 is as follows

Name	Position	Information	Educational Background
Royke Tumilaar	Chairperson/ Permanent voting member	President Director	His Educational History can be seen in the Profile of Directors in this Annual Report
Sulaiman Arif Arianto	Permanent voting member	Deputy President Director	His Educational History can be seen in the Profile of Directors in this Annual Report
Hery Gunardi	Permanent voting member	Director of Consum-er & Retail Transac-tion	His Educational History can be seen in the Profile of Directors in this Annual Report
Ahmad Siddik Badruddin	Permanent voting member	Director of Risk Management	His Educational History can be seen in the Profile of Directors in this Annual Report
Rico Usthavia Frans	Permanent voting member	Director of Infor-mation Technology	His Educational History can be seen in the Profile of Directors in this Annual Report
Agus Dwi Handaya	Permanent voting member	Director of Compli-ance & Human Re-sources	His Educational History can be seen in the Profile of Directors in this Annual Report
Silvano Winston Rumantir	Permanent voting member	Director of Finance & Strategy	His Educational History can be seen in the Profile of Directors in this Annual Report

TASKS AND RESPONSIBILITIES DESCRIPTION OF BUSINESS COMMITTEE

In carrying out its functions, HCPC has duties and responsibilities including:

1. Establish strategic and operational directions for the management of Human Capital, including the culture and values of the company.
2. Establish strategic Human Capital management policies in the Subsidiaries, Pension Funds of Financial Institutions, Bank Mandiri Pension Funds, Foundations and Subsidiaries from Subsidiaries.
3. Define the strategic direction of developing the Human Capital Information System.
4. Establish and develop organizations including the fulfillment, development and training of Human Capital in accordance with the Company's business needs.
5. Establish individual performance management and rewards, talent and succession management and employee relations.
6. Establish authority limits in carrying out Human Capital management.
7. Discuss and resolve strategic Human Capital management problems.

THE IMPLEMENTATION OF THE HUMAN CAPITAL POLICY COMMITTEE DUTIES

In carrying out its duties and responsibilities, the HCPC holds meetings at least 3 (three) times a year or at any time if deemed necessary at the request of one or more committee members with voting members, or at the request of the Board of Directors or upon a written proposal from the unit work related to delivering material to be discussed and coordinating with the Committee Secretary.

During 2019, HCPC has held 4 (four) meetings with the following agenda.

No	Date of Meeting	Meeting Agenda	Attendace quorum (%)
1	May 21, 2019	Talent Management Framework.	71.43%
2	August 6, 2019	Changes to Employee Prosperity Credit Features and Processes.	N/A
3	August 9, 2019	Increase in Benefit Nominal of Appearances for Bank Mandiri Frontliner Employee.	N/A
4	November 29 2019	4 Human Capital Remuneration initiatives: - Location Allowance Updates. - Weekend Banking. - Age limit for child health facilities. - Number of days permits for male employees to accompany their wives giving birth to children (Paternity Leave).	N/A

**THE HUMAN CAPITAL POLICY COMMITTEE WORK PLAN IN 2020**

In 2020, HCPC has set a work plan that will be discussed through meetings at least 3 (three) times in a year. The HCPC work plan for 2020 includes:

1. Adjustments to Terms and Position including Executive Officers.
2. Talent Management (Leadership Character, Talent Classification and Individual Development Plan).
3. Review of Compensation and Benefits.
4. Proposed Bank S2 Program.
5. New Performance Management System (PMS).

THE INFORMATION TECHNOLOGY COMMITTEE

The Information Technology Committee (ITC) is a committee formed to assist the Board of Directors in determining IT strategic plans and IT budgeting, determining strategic IT projects and IT security.

THE STRUCTURE AND MEMBERSHIP OF INFORMATION TECHNOLOGY COMMITTEE

Based on Directors Decree No. KEP.DIR / 83/2019 dated 17 December 2019 concerning Information Technology Committee, ITC structure and membership are as follows:

Chairperson	: President Director
Secretary	: Group Head of IT Strategy and Architecture
Alternate Secretary	: Group Head IT Application Development

THE INFORMATION TECHNOLOGY COMMITTEE PROFILE

The profile of the Information Technology Committee members as of December 31, 2019 is as follows

Name	Position	Information	Educational Background
Royke Tumilaar	Chairperson/ Permanent voting member	President Director	His Educational History can be seen in the Profile of Directors in this Annual Report
Ahmad Siddik Badruddin	Permanent voting member	Director of Risk Management	His Educational History can be seen in the Profile of Directors in this Annual Report
Rico Usthavia Frans	Permanent voting member	Director of Information Technology	His Educational History can be seen in the Profile of Directors in this Annual Report
Silvano Winston Rumantir	Permanent voting member	Director of Finance & Strategy	His Educational History can be seen in the Profile of Directors in this Annual Report
Toto Prasetyo	Permanent voting member	SEVP Information Technology	His Educational History can be seen in the Profile of Directors in this Annual Report
Pantro Pander Silitonga	Permanent voting member	Chief Transformation Officer	His Educational History can be seen in the Profile of Directors in this Annual Report

- I. Voting Member
 - a. Permanent Voting Member
 1. President Director
 2. Director of Risk Management
 3. Director of Information Technology
 4. Director of Finance & Strategy
 5. SEVP Information Technology
 6. Chief Transformation Officer
 - b. Non-Permanent Voting Members
Members of the Board of Directors and SEVP related to the material present as invitations.
- II. Permanent Non-Voting Member
Group Head Compliance or appointed Compliance Group officials must be present at Committee Meetings.
- III. Contributing Non-Voting Member
 - a. Group Head / other Group Head level invited to be associated with material on the committee's agenda.
 - b. Committee Secretary
- IV. Permanent Invitations without Voting Rights (Invitee)
 - a. SEVP Internal Audit *) or Group Head of Internal Audit Directorate or Internal Audit Directorate officials who attend as permanent invitations without voting rights.
*) In the case that the material discussed at the Committee is material proposed by the SEVP Internal Audit, the SEVP Internal Audit acts as a Voting Member.
 - b. Officials in the operational risk area, namely the Senior Operational Risk Head, are related to the material on the agenda of the committee that was present as a permanent invitation without voting rights.

THE DESCRIPTION OF INFORMATION TECHNOLOGY COMMITTEE DUTIES AND RESPONSIBILITIES

In carrying out its functions, ITC has the following duties and responsibilities:

1. Discuss and determine the Company's IT Strategic Plan (ISP).
2. Establish a strategic terms of reference for managing IT Resources.
3. Establish strategies and action plans for projects and their budgets.
4. Establish IT security strategies and IT use risk management.
5. Ensure and monitor the implementation of IT projects in accordance with the ISP, IT budget and IT project delivery.
6. Set priorities and IT budget allocations that have been decided by the Directors.
7. Decide or provide direction related to planning, development and addition of strategic IT systems.

8. Discuss and resolving strategic issues in the scope of IT and the direction of IT investment including Subsidiaries.
9. Delegate authority to designated officials to decide upon and carry out matters of an operational IT nature.

THE IMPLEMENTATION OF INFORMATION TECHNOLOGY COMMITTEE DUTIES

In carrying out its duties and responsibilities, the ITC holds meetings at least 3 (three) times a year or at any time if deemed necessary at the request of one or more committee members with voting members, or at the request of the Board of Directors or upon a written proposal from the unit work related to delivering material to be discussed and coordinating with the Committee Secretary..

Throughout 2019, the ITC has held 4 (four) meetings on the topics discussed as follows:

No.	Date of Meeting	Meeting Agenda	Attendance Quorum (%)
1.	January 22, 2019	<ol style="list-style-type: none"> 1. Determination of the use of the total allocation of CAPEX IT 2019. 2. Determination of the implementation of IT initiatives in 2019. 3. Determination of the mechanism for delegating authority to decide on change of initiative by tiering based on program / project and product line initiative categories and further details with work units. 	100%
2.	April 22, 2019	<ol style="list-style-type: none"> 1. Investment increase for the Wealth Management Core System initiative with the target of completion of Q4 2020. 2. Portfolio of IT initiatives adjustment in 2019 without changing the total budget. 	100%
3.	June 18, 2019	<ol style="list-style-type: none"> 1. Review and change the composition of the IT initiative portfolio 2019. 2. Change in Information Technology Development Plan Report to Financial Service Authority (FSA). 	100%
4.	September 10, 2019	<ol style="list-style-type: none"> 1. Restructuration of the implementation format of the IT Committee into an IT & Digital Committee with a focus on the duties and responsibilities related to IT strategy and digital capabilities. 2. Delegation of authority from the IT Committee based on tiering authority for approval and change control of non-routine IT initiatives for the Product Line, IT Projects and IT Program categories. 3. Review of mechanism for initiative management in the Innovation / Incubation category. 4. Approval of the review and adjustment result of portfolio composition of the IT initiative 2019. 5. Approval of the new IT Initiative 2019: <ul style="list-style-type: none"> - New DTOBM & DTKBM Project. - ATM Merah Putih Platform Development Project. 	100%

THE INFORMATION TECHNOLOGY COMMITTEE WORK PLAN IN 2020

In 2020, the ITC has established a work plan that will be discussed through meetings at least 3 (three) times in a year. The ITC work plan for 2020 includes discussions in related meetings:

1. IT Prioritization, Budgeting and Revamp Project Monitoring.
2. Proposed IT initiative in 2020.
3. IT Transformation 4.0
4. Digital Banking Capabilities Update.
5. Report on Changes to the IT 2020 Development Plan to FSH.
6. IT Strategic & Execution Plan 2020 - 2024
7. IT Cost Allocation Management
8. Achievement of IT & business capability during 2020



THE INTEGRATED RISK COMMITTEE

The Integrated Risk Committee (IRC) is a committee that is tasked with assisting the Board of Directors in the formulation of, among others, Integrated Risk Management policy and improvement or improvement of the Integrated Risk Management policy based on the results of the implementation evaluation.

THE STRUCTURE AND MEMBERSHIP OF INTEGRATED RISK COMMITTEE

Based on the Board of Directors' decision No. KEP.DIR / 82/2019 dated December 17, 2019, the composition and membership of IRC are as follows:

Chairperson	: Director of Risk Management
Secretary	: Group Head of Credit Portfolio Risk
Alternate Secretary I	: Group Head Operational Risk
Alternate Secretary II	: Group Head Market Risk

- I. Permanent Members of the Company (Bank Mandiri)
 1. Director of Risk Management
 2. Director of Information Technology
 3. Director of Operation
 4. Director of Finance & Strategy
 5. SEVP Wholesale Risk
 6. Chief Transformation Officer
- II. Permanent Members of Subsidiaries
 - a. Director in charge of the Risk Management function of Bank Syariah Mandiri

- b. Director in charge of the Risk Management function of Mandiri Sekuritas
 - c. Director in charge of the Risk Management function of Mandiri Tunas Finance
 - d. Director in charge of the Risk Management function of AXA Mandiri Financial Services
- III. Non-Permanent Members (According to the Discussion Material)
 - a. Members of the Board of Directors / SEVP of the Company other than Permanent Members of the Company
 - b. Directors of Subsidiaries other than Permanent Members of Subsidiaries
- IV. Contributing Members
 - a. Group Head or other Group Head level from the Company and Subsidiaries invited related to the material on the Committee's agenda.
 - b. Committee Secretary
- V. Permanent Invitation (Invitee)
 - a. Compliance Director or Group Head Compliance or Group Compliance Officer from the appointed company.
 - b. SEVP Internal Audit or Group Head of Internal Audit Directorate or Internal Audit Directorate officials present as permanent invitations without voting rights.
 - c. Officials in the operational risk sector, namely the Senior Operational Risk Head, are related to the material on the agenda of the committee that is present as a permanent invitation from the Company.

THE INTEGRATED RISK COMMITTEE PROFILE

The profiles of Integrated Risk Committee members as of December 31, 2019 are as follows

Name	Position	Information	Educational Background
Royke Tumilaar	Chairperson/ Permanent voting member	President Director	His Educational History can be seen in the Profile of Directors in this Annual Report
Rico Usthavia Frans	Permanent voting member	Director of Information Technology	His Educational History can be seen in the Profile of Directors in this Annual Report
Panji Irawan	Permanent voting member	Director of Operation	His Educational History can be seen in the Profile of Directors in this Annual Report
Silvano Winston Rumanthir	Permanent voting member	Director of Finance & Strategy	His Educational History can be seen in the Profile of Directors in this Annual Report
Pantro Pander Silitonga	Permanent voting member	Chief Transformation Officer	His Educational History can be seen in the Profile of Executive Officers in this Annual Report.
David Pizarda	Permanent voting member	SEVP Wholesale Risk	His Educational History can be seen in the Profile of Executive Officers in this Annual Report.

THE DESCRIPTION OF INTEGRATED RISK COMMITTEE TASKS AND RESPONSIBILITIES

In carrying out its functions, IRC provides recommendations to the Directors regarding:

1. Adequacy of the integrated identification, measurement, monitoring, risk control process, and Integrated Risk Management information system.
2. A comprehensive internal control system on the implementation of Integrated Risk Management.
3. Implementation of Risk Management in each Subsidiary.
4. Others needed in order to formulate or evaluate the Integrated Risk Management policy.

THE IMPLEMENTATION OF INTEGRATED RISK COMMITTEE TASKS

In carrying out its duties and responsibilities, IRC holds meetings at least 3 (three) times a year or at any time if deemed necessary at the request of one or more committee members with voting members, or at the request of the Board of Directors or upon a written proposal from the unit work related to delivering material to be discussed and coordinating with the Committee Secretary.

During 2019, the IRC held 4 (four) meetings with the following agenda.

No.	Date	Agenda	Attendance Quorum (%)
1	February 11, 2019	Consolidation of Bank Mandiri Risk Based Bank Rating (RBBR) in a Consolidated and Integrated Risk Profile Position December 2018	77,78%
2	April 18, 2019	Individual Risk Profile Assessment and 1st Quarter Consolidation 2019	88,89%
3	August 8, 2019	Risk Based Bank Rating (RBBR) consolidation Semester 1 of 2019	88,89%
4	October 16, 2019	Self-Assessment of Consolidated Risk Profile Quarter III of 2019	100,00%

THE INTEGRATED RISK COMMITTEE WORK PLAN IN 2019

In 2020, IRC has set a work plan that will be discussed through meetings at least 3 (three) times in one year. The IRC work plan for 2020 includes:

1. Adequacy of Integrated Risk Management.
2. A comprehensive internal control system on the implementation of Integrated Risk Management.
3. Implementation of Risk Management in each Subsidiary.

THE POLICY AND PROCEDURE COMMITTEE

The Policy and Procedure Committee (PPC) is a committee formed to discuss and recommend to the Directors in the preparation and / or adjustment / refinement of Company policies and establish Company procedures including Human Capital policies and procedures and to discuss and decide upon the granting of authority to company officials (ex-officio).

THE STRUCTURE AND MEMBERSHIP OF POLICY AND PROCEDURE COMMITTEE

Based on Directors Decree No. KEP.DIR / 84/2019 dated 17 December 2019 concerning the Policy and Procedure Committee, the structure and membership of PPC are as follows:

PPC KATEGORI A

Chairperson	: Director of Risk Management
Secretary	: Group Head of Policy and Procedure
Alternate Secretary	: Group Head Compliance

I. Voting Member

- a. Permanent Voting Member
 1. Director of Risk Management
 2. Director of Operation
 3. SEVP Business and Network
 4. Chief Transformation Officer
- b. Non-Permanent Voting Members
Members of the Board of Directors and SEVP related to the material present as an invitation.

II. Permanent Non-Voting Member

The Compliance & HR Director or Group Head Compliance or appointed Compliance Group official must attend the Committee Meeting.

III. Contributing Non-Voting Member Members

- a. Group Head / other Group Head level invited to be associated with material on the committee's agenda.
- b. Committee Secretary



IV. Permanent Invitations without Voting Rights (Invitee)

Officials in the operational risk area, namely the Senior Operational Risk Head, are related to the material on the agenda of the committee that was present as a permanent invitation without voting rights.

PPC KATEGORI B

Chairperson : Director of Risk Management

Secretary : Group Head of Policy and Procedure

Alternate Secretary : Group Head Compliance

I. Voting Member

- a. Permanent Members with Voting Rights (Permanent Voting Member)

1. Director of Risk Management
2. Group Head of Policy and Procedure
3. Group Head of Legal
4. Group Head of Compliance
5. Senior Operational Risk Head related to the material on the committee's agenda

- b. Non-Permanent Voting Members
Members of the Board of Directors and SEVP related to the material present as an invitation.

II. Contributing Non-Voting Member

Group Head / other Group Head level invited to be associated with material on the committee's agenda.

III. Permanent Invitations without Voting Rights (Invitee)

Chief Auditor and / or Internal Audit Officer present as permanent invitations without voting rights.

THE POLICY AND PROCEDURE COMMITTEE PROFILE

The profile of the Policy and Procedure Committee members as of December 31, 2019 is as follows

Name	Position	Information	Educational Background
Ahmad Siddik Badruddin	Chairperson/ Permanent voting member	Director of Risk Management	His Educational History can be seen in the Profile of Directors in this Annual Report
Panji Irawan	Permanent voting member	Director of Operation	His Educational History can be seen in the Profile of Directors in this Annual Report
Pantro Pander Silitonga	Permanent voting member	Chief Transformation Officer	His Educational History can be seen in the Profile of Executive Officers in this Annual Report.

THE DESCRIPTION OF POLICY AND PROCEDURE COMMITTEE TASKS AND RESPONSIBILITIES

PPC has the following duties, powers and responsibilities:

1. PPC Category A
 - a. Discuss and recommend to the Directors in the preparation and / or adjustment / refinement of Company policies including Company policies in the field of Human Capital
 - b. Discuss and decide upon the granting of authority to Company officials on an ex-officio basis.
2. PPC Category B
 - a. Discuss and determine the preparation and / or adjustment / improvement of the Company's procedures including procedures in the field of Human Capital.
 - b. Discuss and decide upon the granting of authority to Company officials ex-officio other than those under PPC Category A.

THE IMPLEMENTATION OF POLICY AND PROCEDURE COMMITTEE DUTIES

In carrying out its tasks and responsibilities, PPC holds meetings at least 3 (three) times a year or at any time if deemed necessary at the request of one or more committee members with voting members, or at the request of the Board of Directors or upon a written proposal from the unit work related to delivering material to be discussed and coordinating with the Committee Secretary.

During 2019 PPC has held 21 (twenty-one) meetings with the following agenda

No.	Date of Meeting	Meeting Agenda	Attendance Quorum (%)
1.	February 14, 2019	Revised the Corporate Credit Procedure Standard.	100%
2.	February 28, 2019 (circular)	Revised the SOP of Operational Risk Management	100%
3.	April 8, 2019	1. Proposal of SOP of Recovery Plan. 2. Revised the SOP of Credit Collection & Recovery (Retail segment).	100%
4.	May 7, 2019 (circular)	Revisi Kebijakan Prekreditasi (KPKD).	100%
5.	May 10, 2019	Revised the Credit Procedure Standard Commercial.	100%
6.	May 28, 2019 (circular)	Revised the SOP of Data Management.	100%
7.	May 29, 2019 (circular)	Revised the SOP of Capital Market Service	100%
8.	June 24, 2019 (circular)	1. Revised the Internal Control Policy. 2. Revised the Internal Audit Standard Procedure.	100%
9.	July 3, 2019	1. Follow Up of PPC Decision in May 2019. 2. Revised the Operational Policy of Sub HR Policy and HR Procedure Standard.	100%
10.	August 12, 2019 (circular)	Revised the SOP of Credit Partner Accreditation (ARP).	100%
11.	August 23, 2019 (circular)	Revised the SOP of Treasury Operation.	100%
12.	August 29, 2019 (circular)	Revised the SOP of Policy and Procedure Formulation.	100%
13.	September 20, 2019 (circular)	1. Revised the SOP of Business Continuity Management (BCM). 2. Revised the SOP of Information Technology (IT)	100%
14.	September 26, 2019	Revised the SOP of Model Management.	100%
15.	October 7, 2019	1. Revised the SOP of Management of fixed assets and other goods. 2. Revised the SOP of Procurement. 3. Revised the Treasury Procedure Standard	100%
16.	October 23, 2019 (circular)	1. Revised the Risk Management Policy 2. Revised the Operational Policy	100%
17.	October 31, 2019 (circular)	1. Revised the Treasury Procedure Standard 2. Revised the SOP of Trust Service 3. Integration of Memorandum of Procedure into Corporate Credit Procedure Standard, Commercial, Small Medium Enterprise (SME).	100%
18.	November 20, 2019 (circular)	1. Revised the SOP Credit Collection & Recovery (CCR) 2. Revised the Credit Procedure Standard of Small Medium Enterprise (SME)	100%
19.	November 22, 2019 (circular)	1. Revised the Credit Policy. 2. Revised the SOP of Credit Collection & Recover (wholesale segment).	100%
20.	November 29, 2019	1. Revised the SOP of Term Installment Loans. 2. Law Procedure Standard	100%
21.	December 5, 2019	Revised the SOP of SPO of Management of fixed assets and other goods.	100%

THE POLICY AND PROCEDURE COMMITTEE WORK PLAN IN 2020

In 2020, PPC has established a work plan that will be discussed through meetings at least 3 (three) times in a year. The PPC work plan for 2020 includes:

1. Adjustment / refinement of policies in the field of Human Capital.
2. Compilation and / or adjustment / refinement of procedures in the field of Human Capital.



THE RISK MANAGEMENT AND CREDIT POLICY COMMITTEE

The Risk Management & Credit Policy Committee (RMPC) is a committee divided into two categories A and Category B with the following tasks:

Category A

- Identifying, measuring and monitoring risks, determining policies and risk management strategies.

Category B

- Formulating credit policies, overseeing the implementation of credit policies, monitoring the development and condition of the credit portfolio and providing recommendations for corrective measures.

THE STRUCTURE AND MEMBERSHIP OF RISK MANAGEMENT AND CREDIT POLICY COMMITTEE

Based on Directors Decree No. KEP.DIR / 85/2019 dated 17 December 2019 concerning Risk Management & Credit Policy Committee, the structure and membership of RMPC are as follows:

RMPC CATEGORY A - RISK MANAGEMENT

Chairperson	: Deputy President Director
Secretary	: Group Head of Credit Portfolio Risk
Alternate Secretary (Alternate I)	: Group Head of Operational Risk
Alternate Secretary (Alternate II)	: Group Head Market Risk

- I. Voting Member
 - a. Permanent Voting Member
 1. Deputy President Director
 2. Director of Risk Management
 3. Director of Operation
 4. Director of Finance & Strategy
 5. SEVP Wholesale Risk
 - b. Non-Permanent Voting Members
Members of the Board of Directors and SEVP related to the material present as an invitation.
- II. Permanent Non-Voting Member
The Compliance Director or Group Head of Compliance or appointed Compliance Group official must attend the Committee Meeting.
- III. Contributing Non-Voting Member
 - a. Group Head / other Group Head level invited to be associated with material on the committee's agenda.
 - b. Committee Secretary

IV. Permanent Invitations without Voting Rights (Invitee)

- a. SEVP Internal Audit *) or Group Head of Internal Audit Directorate or Internal Audit Directorate officials who attend as permanent invitations without voting rights.

*) In the case that the material discussed at the Committee is material proposed by the SEVP Internal Audit, the SEVP Internal Audit acts as a Voting Member.

- b. Officials in the operational risk area, namely the Senior Operational Risk Head, are related to the material on the agenda of the committee that was present as a permanent invitation without voting rights.

RMPC CATEGORY B - CREDIT POLICY

Chairperson	: President Director
Secretary	: Group Head of Credit Portfolio Risk
Alternate Secretary (Alternate I)	: Group Head of Credit Control Supervision
Alternate Secretary (Alternate II)	: SORH Wholesale Banking

- I. Permanent Members
 - a. President Director
 - b. Vice President Director
 - c. Risk Management Director
 - d. Finance & Strategy Director
 - e. Operational Director or Group Head Credit Operations
 - f. SEVP Internal Audit or Group Head of Internal Audit
- II. Non-Permanent Members
 - a. The Credit Director corresponds to the discussion segment on the committee's agenda.
 - b. The Risk Sector SEVP corresponds to the discussion segment on the committee's agenda.
 - c. Board of Director Members and SEVP related Materials present as invitations.
- III. Contributing Members
 - a. Group Head / equivalent of other level Group Head invited related to material on the committee's agenda.
 - b. Secretary of the Committee
- IV. Permanent Invitees (Invitee)
 - a. Director of compliance or Group Head Compliance or designated Compliance Group officials.
 - b. Officer in the field of operational risk or Senior Operational Risk Head correspond to the discussion segment.

RISK MANAGEMENT AND CREDIT POLICY COMMITTEE PROFILE

The profile of the members of the Risk Management and Credit Policy Committee as at 31 December 2019 is as follows

Name	Position	Account	Education history
Sulaiman Arif Arianto	Chairman/Permanent member with Voting rights	Vice President Director	His education history can be seen in the directors ' profile section of this annual report.
Ahmad Siddik Badruddin	Permanent member with Voting rights	Risk Management Director	His education history can be seen in the directors ' profile section of this annual report.
Panji Irawan	Permanent member with Voting rights	Operational Director	His education history can be seen in the directors ' profile section of this annual report.
Silvano Winston Rumanitir	Permanent member with Voting rights	Finance & Strategy Director	His education history can be seen in the directors ' profile section of this annual report.
David Pizarda	Permanent member with Voting rights	SEVP Wholesale Risk	His education history can be seen in the Executive Office profile section of this annual report.

RISK MANAGEMENT AND CREDIT POLICY COMMITTEE TASKS AND RESPONSIBILITIES DESCRIPTION

In carrying out its function, RMPC has tasks and responsibilities as follows:

Category A – Risk Management

1. Monitoring risk profile and management of all risks in order to establish risk appetite and risk management strategies integrated and capital adequacy.
2. Establishing risk management frameworks and methodologies for identifying, measuring and mitigating risks, including for stress and contingency plan conditions.
3. Improving the implementation of risk management periodically and incidentally as follow-up changes in internal and external conditions affecting the adequacy of capital and risk profile of the company.
4. Discussing and establishing strategic matters within the scope of risk management including risk management in subsidiaries.
5. Establishing matters related to business decisions that have special conditions (such as allocation and limits in the management of credit portfolios).

Category B – Credit Policy

1. Providing input to the board of directors in drafting the crediting policy or financing of the Bank, especially in relation to the formulation of prudence principles in the creditor.
2. Monitoring and evaluate the development and quality of the credit portfolio or the overall financing.
3. Supervising the application of the crediting policy and formulate a resolution in the event of any obstacles or constraints in its application, as well as conduct periodic review of the Credit Policy and

advise the board of directors in the event necessary changes or improvement.

4. Monitoring and evaluating the correctness of the implementation of credit disconnects, the process of giving, development and quality of credit provided to the parties related to the Bank and certain large debtors.
5. Monitoring and evaluating the correctness of the provisions of the Minimum credit allowance (BMPK), adherence to the provisions of other laws and regulations in the implementation of credit grants, and the settlement of non-performing loans in accordance to those stipulated in the crediting policy.
6. Ensuring and evaluating the Bank's efforts in fulfilling the adequacy of credit elimination allowance.
7. Submitting periodically written reports and advising the Board of improvement measures to the board of Directors with a copy of the BOC on the supervision of the implementation and implementation of the crediting policy and the results of monitoring and evaluation of the concerned matter.

RISK MANAGEMENT AND CREDIT POLICY COMMITTEE TASK IMPLEMENTATION

In carrying out the tasks and responsibilities of the RMPC convene a meeting at least 2 (two) times in a year or every time if deemed necessary at the request of one or more Permanent Voting Member/Permanent Member, or as request by the Board of directors or on the written proposal of the work unit related to the conveying material to be discussed and coordinated with the Secretary of the Committee.

Throughout 2019, the RMPC has conducted 14 (fourteen) times meeting with the topics covered as follows:



No.	Meeting Date	Meeting Agenda	Quorum of attendance (%)
1.	3 January 2019	<i>Approval Proposed Portfolio Guideline 2019.</i>	100%
2.	16 January 2019	1. Anti-Fraud Strategy Framework (ASF). 2. Health level assessment of individual Bank Mandiri Semester II period of 2018.	100%
3.	11 February 2019	Health level assessment of Bank Mandiri/Risk Based Bank Rating (RBBR) consolidated and integrated risk profile position of December 2018.	100%
4.	19 March 2019	1. Implementation results update of Operational Risk Framework in Bank Syariah Mandiri. 2. Approval Stimulation result of Bottom Up Stress Testing Bank Mandiri year 2018/2019.	100%
5.	18 April 2019	Approval of individual risk profile and consolidation assessment Q1 2019 Bank Mandiri.	80%
6.	20 Juni 2019	Approval of Parameters and Treshold change of Risk Based Bank Rating (RBBR) assessment of independent Bank of individual and consolidation.	Sirkuler
7.	16 Juli 2019	<i>Risk Based Bank Rating Bank Only Semester I 2019.</i>	100%
8.	19 Juli 2019	<i>Trading Activity Review Limit and Banking Book (Circu-lar) Interest Rate Risk Limit.</i>	Sirkuler
9.	8 Agustus 2019	Approval of the Assessment of the Consolidated Bank Soundness of Semester I 2019.	100%
10.	27 Agustus 2019	<i>Update Sensitivity Analysis Upstream, Midstream, and Downstream palm and CPO ecosystems.</i>	100%
11.	25 September 2019	Revision of the SPO Treasury Operation.	100%
12.	16 Oktober 2019	Approval of Bank risk profile assessment individually and consolidated quarterly III 2019.	100%
13.	13 November 2019	1. Update Operational Risk Q3 year 2019. 2. Review results Implementation of Pilot Control Testing Mandiri Tunas Finance. 3. Implementation of Model Risk Management Framework.	100%
14.	11 Desember 2019	Portfolio Guidelines 2020.	100%

RISK MANAGEMENT AND CREDIT POLICY COMMITTEE WORK PLAN 2020

In 2020, the RMPC has established a work plan that will be discussed through meetings at least 2 (two) times in a year. RMPC work plan in the year 2020 are:

1. Monitor risk profile and management of all risks in order to establish a risk appetite and risk management strategies integrated and capital adequacy.
2. Monitor and evaluate the development and quality of the credit portfolio or the overall financing.

CREDIT COMMITTEE MEETING (RKK)

The provisions of loans (covering new loans, additional loans, decreasing of loans, and or loan extension) managed by the Business Unit according to limits of authority, including stipulation/change of loan structure.

Since the establishment of Bank Mandiri a Credit Committee has been implemented which consists of functions of Business Unit and Risk Unit and have been refined for several times but in 2005 a fundamentally revamped process of lending was carried out in order to guarantee more prudent and appropriate loan on the best practice risk management as well as to reinforce the implementation of GCG principles. Every loan approval in wholesale segment must be carried out through a discussion in forum of Loan Committee Meeting as a

means of implementing a four-eyes principle as well as a check and balance process between Business Unit as an Initiator unit with Credit Risk Management as a Risk Mitigation Unit.

In the Credit Committee, the Legal Group and the Compliance Group must also be present to provide opinions on the legal and compliance side to reinforce the independence aspect, avoiding the dominance of one of the work units, avoiding conflict of interest and ensuring Objective and stress-free decision making. One of functions performed by Credit Committee members is credit recovery function that is the Restructuring Credit Committee.

CREDIT COMMITTEE MEMBERSHIP AND STRUCTURE

The RKK was established as the last time in the board of Directors decree No. KEP.DIR/52/2016 dated 30 Juli 2018 about the Executive Committee. Meanwhile, the Credit Committee member arrangement is governed by a reference to the Four Eyes Principles (balanced composition between business authority holders and credit risk holders). The committee secretary is Group Head of Large Corporate Risk and Group Head Middle Corporate Risk.

CREDIT COMMITTEE TASKS AND RESPONSIBILITIES DESCRIPTION

In carrying out its functions, the Credit Committee has the tasks and responsibilities as set forth in the standard credit procedure per segment as follows:

1. Credit Committee

The Credit Committee shall recommend and or terminate the credit (new, addition, decline, and/or renewal) managed by the Business Unit in accordance with the authority limit, including the determination/ amendment of the credit structure. Credit structures include but are not limited to credit limit, financing purpose/object, credit type, credit nature, credit term, grace period, financing portion, credit/Covenant terms and collateral.

2. Credit Committee – restructuring

Credit Committee – Restructuring is authorized to recommend and or discontinue as authorized by:

- Restructuring and completion of credit for Collectability 3, 4, 5 and collectability 1 and 2 post-restructuring which still managed Credit Recovery Unit.
- Restructuring of collectability Credits 1 and 2 category watch lists.
- Rescue/settlement of credit extraction tables, including severing the acquired assets (AYDA).
- Write-off the book and remove the credit bill.

- Credit Committee/Credit Committee-restructuring is responsible for the credit that is recommended and/or terminated according to the limit of authority including the determination/change of credit structure as mentioned above by doing the following things:

- Ensuring every given credit has fulfilled the general norms of banking and has been in accordance with the principles of healthy crediting.
- Ensuring that the implementation of credit disbursement is in accordance with the basic provisions / guidelines for granting credit at the Bank.
- Ensuring that credit grant is based on honest, objective, thorough and careful assessment and regardless of the influence of interested parties with credit applicants.
- Believing the credit to be granted can be paid in time, and will not develop into a non-performing loan.

CREDIT COMMITTEE TASKS IMPLEMENTATION

Throughout the year 2019, the Credit Committee has conducted a meeting of 91 (ninety one) times for the Corporate segment and 126 (one hundred and twenty six) times for the Commercial segment.

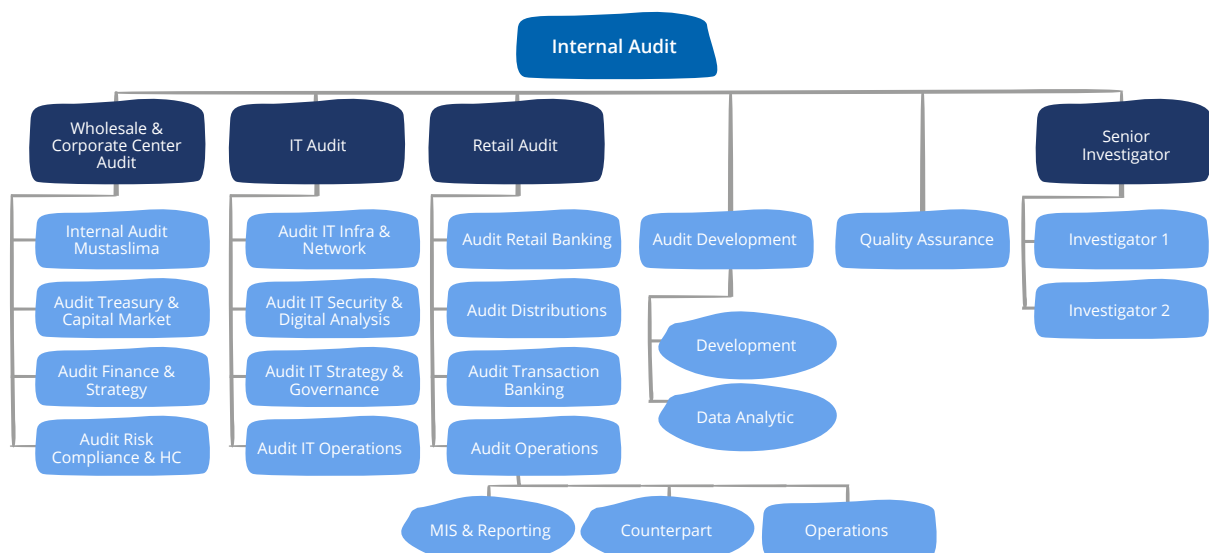
CREDIT COMMITTEE YEAR 2020 WORK PLAN

In 2020, Credit Committee has established a work plan that will be discussed through the meeting. The RKK work plan in 2020 includes recommending and/or disconnecting credit (new, addition, decline, and/or renewal) which is managed by the Business Unit according to the authority limit, including the determination/change of credit structure

INTERNAL AUDIT

Holding a role as the Third line of defence, Bank Mandiri's Internal Audit ensures that Internal control in each line of defence is getting stronger and more mature. Therefore, Internal Audit continues to innovate in the use of audit methodologies and tools so that audits are more effective and efficient.

ORGANIZATIONAL STRUCTURE AND CHAIRMAN OF INTERNAL AUDIT





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

POSITION OF THE INTERNAL AUDIT IN THE ORGANIZATIONAL STRUCTURE

At Bank Mandiri, Internal Audit is directly responsible to the President Director and can communicate with the Board of Commissioners through the Audit Committee. Since November 1, 2017, Internal Audit possesses 4 (four) Working Units whose work is adjusted to Bank Mandiri's business strategy, i.e. Wholesale & Corporate Centre Audit Group, Retail Audit Group, IT Audit Group and Senior Investigator. In addition, Internal Audit also has 2 (two) Departments that are directly responsible to the Senior Executive Vice President / Chief Audit Executive, i.e. the Audit Development Department and Quality Assurance Department.

PROFILE OF HEAD OF INTERNAL AUDIT



Mustaslimah
Senior Executive Vice President/
SEVP Internal Audit

Age	54 years old
Nationality	Indonesian Citizen
Domicile	Depok
Education	Bachelor in Agricultural Industrial Engineering from Bogor Agricultural Institute (1988).
Employment history	<ul style="list-style-type: none"> - Group Head Compliance (2006-2010) - Group Head Procurement and Fixed Asset (2010-2014) - Group Head Human Capital and Services (2014-2015) - Senior Executive Vice President/SEVP Internal Audit (2015 – saat ini)
Basis of Appointment:	Since 2015 he has served as Senior Executive Vice President / SEVP Internal Audit based on Directors Decree No. KEP.DIR / 095/2015 dated March 26, 2015
Certification	Level 5 Risk Management Certification

APPOINTING AND DISMISSING PARTIES OF THE HEAD OF INTERNAL AUDIT

The Chief Audit Executive is appointed and dismissed and is responsible directly to the President Director with the approval of the Board of Commissioners or the Audit Committee and subsequently reported to the Financial Services Authority. The appointment of the Company's Chief Audit Executive has been reported to the Financial Services Authority through a letter dated April 14, 2015.

INTERNAL AUDIT CHARTER

Internal Audit has an Internal Audit Charter ratified by the President Director and chairman of Bank Mandiri, which was last updated on 9 October 2019. Internal Audit Charter provides guidance regarding the purpose, position, authority, responsibilities and scope of internal Audit work. The position, authority and responsibilities expressed formally in the Internal Audit Charter are in accordance with the FSA regulation of the Republic of Indonesia No. 1/POJK. 03/2019 on implementing the internal Audit function of the commercial Bank.

INTERNAL AUDIT TASKS AND RESPONSIBILITIES

In carrying out its functions, the tasks and responsibilities of Internal Audit are as follows:

1. Planning and implementing internal audit activities with emphasis on areas/activities that are of high risk and evaluate existing procedures/control system to gain confidence that the Bank's objectives and objectives can be achieved optimally and continuously.
2. Conducting investigations, reporting, and conveying recommendations/conclusions on fraud to management.
3. Acting as a system builder for investigative activities, including for investigations carried out by work units outside of Internal Audit.
4. Developing and running programs to evaluate and improve the quality of Internal Audit.
5. Providing recommendations on audit results and monitor follow-up activity results of internal audit and investigative activities.
6. Assisting the tasks of the President Director and Board of Commissioners in conducting oversight by describing the operational operations of both

planning, implementation, and monitoring the audit results.

7. Coordinate its activities with external audit activities and other units/functions of assurance provider, in order to be achieved comprehensive and optimum audit results. Coordination can be carried out through periodic meetings to discuss things that are important to both sides.
8. Communicating directly with the board of directors, the BOC, the Audit Committee and the Integrated Governance Committee.
9. Making analysis and assessment in the field of finance, accounting, operations, and other activities through auditing.
10. Identifying everything possible to improve and improve the efficiency of resource and fund use.
11. Providing suggestions on improvements and objective information about the activities examined at all levels of management.

INTERNAL AUDIT AUTHORITY

The authority is owned by the Internal Audit, among others, as follows:

1. Conducting internal audit activities of all working units in the organization of the Bank, subsidiaries and in accordance with the prevailing governance.
2. To communicate directly with the board of Directors, Board of Commissioners, and the Audit Committee and Integrated Governance Committee.
3. Conducting communication and coordination with external parties including regulators and external auditors.
4. Convene meetings periodically and incidental to the President Director, BOC, and Audit committee.
5. Access all information, records, employees, and including but not limited to accounts and resources and other matters deemed necessary in connection with their tasks and functions.
6. Conducting investigative activity on the cases/problems in every aspect and element of activities that are indicative of fraud and violation of the code of Conduct in the organization of the Bank, subsidiaries and in accordance with the prevailing governance affiliation.
7. Joining strategic meeting without voting rights.

INTERNAL AUDIT PERSONNEL COMPOSITION

In carrying out its tasks, the company's Internal Audit is supported by competent and qualified resources. The number of Internal Audit personnel composition is as follows.

Table of Composition of Internal Audit Personnel for 2019

Position	Headcount
SEVP/ Chief Audit Executive	1
Chief Auditor	3
Senior Investigator Head	1
Audit Manager	11
Investigator Head	2
Department Head	3
Specialist	1
Specialist Investigator	4
Lead Auditor	14
Lead Investigator	2
Team Leader	1
Section Head	1
Investigator	3
Senior Auditor	19
Auditor	37
Junior Investigator	3
Officer	5
Supporting	8

INTERNAL AUDIT PROFESSIONAL CERTIFICATION

Internal Audit always strives to provide an ongoing education for all personnel to meet adequate qualifications and competencies. Education provided in the form of professional education that is certified both national and international, the program of attachment and training in the country and abroad. The professional certification that has been owned by the Internal Audit personnel until the year 2019 can be seen in the table below.

Table of National Professional Certification in 2019

Certification	Headcount
Qualified Internal Auditor – Basic	15
Qualified Internal Auditor – Advanced	16
Qualified Internal Auditor – Managerial	17
Banking Profession Certification Institute – Auditor	9



Certification	Headcount
Banking Profession Certification Institute – Supervisor	22
Banking Profession Certification Institute – Manager	1
General Banking Assessor	9
Certified Public Accountant (CPA Ind)	1
Level I Risk Management Certificate	102
Level II Risk Management Certificate	53
Level III Risk Management Certificate	18
Level IV Risk Management Certificate	4
Chartered Accountant	8

Table of International Professional Certification in 2019

Certification	Headcount
Certified Fraud Examiner	10
Certified Bank Auditor	1
Certified Information System Auditor	11
Certified Financial Services Auditor	1
Certified Internal Auditor	3

PARTICIPATION IN THE INTERNAL AUDIT PROFESSION ASSOCIATION

In order to broaden the professional insight and competence of internal auditors, Internal Audit has participated in the profession Association of Internal Audit, among others:

Name of activity/organization	Position	Time
Association of Internal Bank Auditors (IAIB)	SEVP Internal Audit as Chairman of the Board of Trustees	2017-2020
	One of the Department Head (DH) of Internal Audit as the management of Education and Training	2017-2020
Communication Forum for internal supervision unit	SEVP Internal Audit as Chairman	2019 - sekarang

In 2019, some institutions benchmark to Internal Audit Bank Mandiri. The list of institutions that perform Benchmarking is as follows.

No	Benchmarking Date	Institution	Focus on discussion
1	2 May 2019	PT Pegadaian (Persero)	Audit Information System (AIS)
2	12 August 2019	Direktorat Jenderal Pajak	Information system based Internal control system
3	3 October 2019	Perum Peruri	Risk Based Audit and Investigation Audit
4	15 November 2019	PT Dahana (Persero) PT INTI (Persero)	Internal control and risk management systems

CODE OF ETHICS FOR AUDITOR

In carrying out the duties and responsibilities the Internal Auditors of Bank Mandiri are required to be professional and obey the established code of ethics. The Bank Mandiri Internal Auditor's code of ethics is as follows:

- Integrity**
Internal Auditors possess integrity by building trust which is the basis for making reliable judgments.
- Objectivity**
The Internal Auditor shows high objectivity in accordance with professional standards in collecting, evaluating and communicating information about the activities or processes being examined. In addition, the Internal Auditor conducts balanced judgments by paying attention to all relevant conditions and not influenced by personal or other people's interests.
- Confidentiality**
The Internal Auditor respects the value and ownership of the received information and does not disclose the information without authorized authorization unless there is a legal or professional obligation to disclose the information.
- Competency**
The Internal Auditor uses knowledge, skill and experience required to carry out the audit duties. Internal audit activities must be carried out with professional skills and expertise that is having the knowledge, skills and other competencies needed to perform their responsibilities.

DEVELOPMENT OF INTERNAL AUDIT COMPETENCY

Development of Internal Audit competency can be seen in the Profile Chapter of This Annual Report.

INFORMATION SYSTEM OF INTERNAL AUDIT

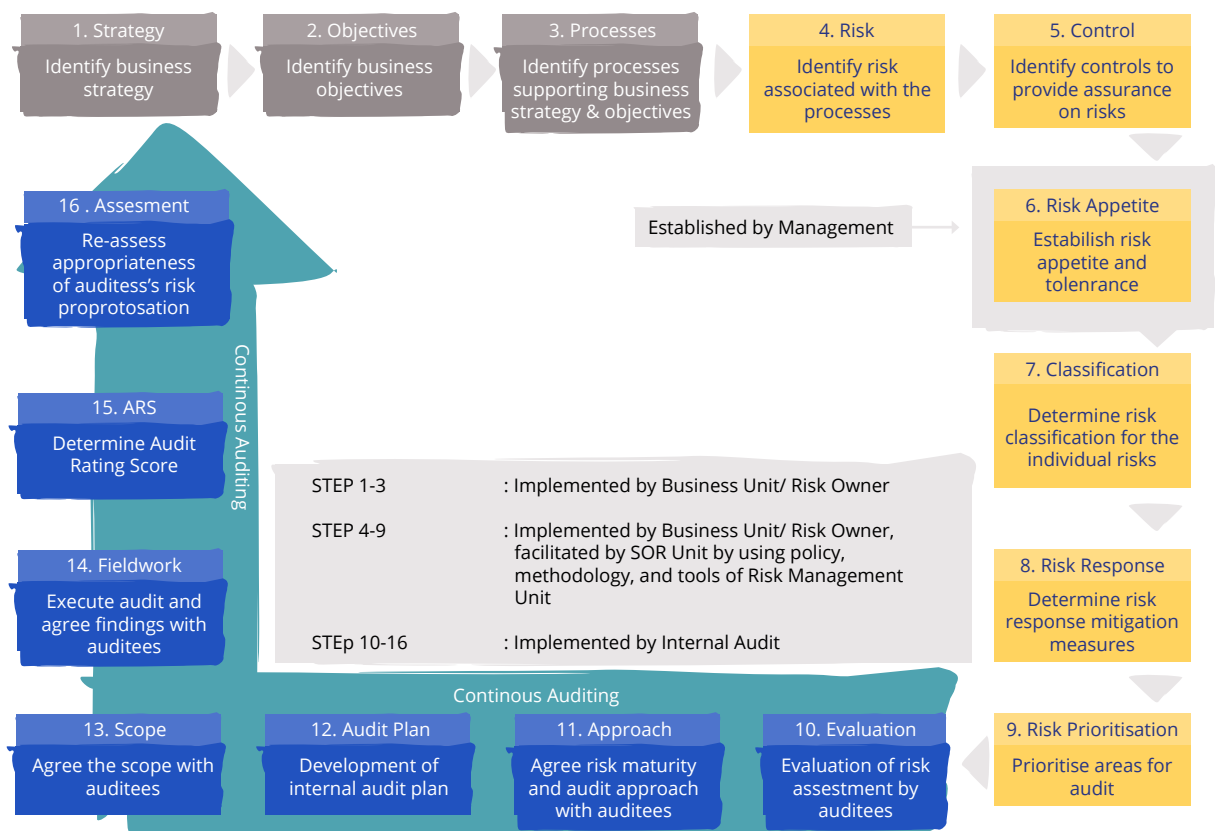
To improve the audit effectiveness and to provide the whole picture to the Management related to the implementation of the audit, the audit activities which consist of the planning, implementation, reporting and monitoring phases are carried out using an application called as Audit Management Information System. The Audit Management Information System application has been utilized since April 26, 2013 and continues to improve its performance, and in 2018 SIMA has been updated to 4.5 version.

AUDIT METHOD

Internal Audit applies a risk-based audit methodology in performing internal audit activities by focusing on high-risk areas. The application of this methodology is in accordance with the needs of the Company, Regulator provisions and best practices.

The application of a risk based audit methodology requires good cooperation between Internal Audit and the Operational Risk Management Work Unit and the Client.

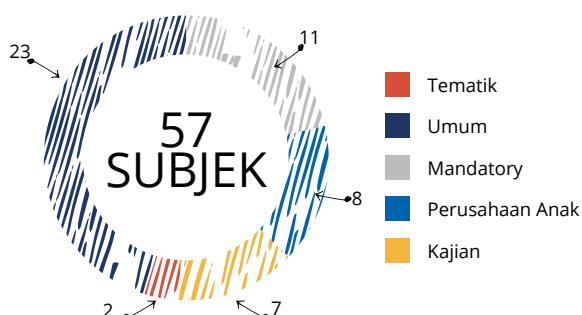
The following is the grand design of the application of the risk based audit at Bank Mandiri:





INTERNAL AUDIT WORK PROGRAM

In 2019 the Internal Audit has compiled an audit plan of 51 (fifty one) subject to assignments consisting of thematic Audit, General Audit, Audit Mandatory, Audit of subsidiaries and studies. These assignments are carried out by three working units in Internal Audit, namely the Wholesale working Unit & Corporate Center Audit Group, Retail Audit Group, and IT Audit Group. The details of the assignment subject can be seen in the following chart.



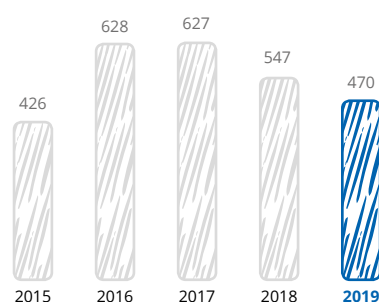
AUDIT ACTIVITIES FOR THE YEAR 2019

The development of the internal audit methodology is quite dynamic encouraging the company's Internal Audit work units to be more responsive/responsive and proactive. With this change, the audit plan that is initially static becomes more dynamic, adapting to the condition and needs of the company. As for the year 2019 have been conducted audit activities based Audit plans that have been pre-compiled for the subsequent results of the audit will be followed and made one of the materials to make ongoing repairs in Bank Mandiri. The number of findings and follow-up audit results during the year 2019 can be seen on the following chart:

FINDINGS AND FOLLOW UP ON INTERNAL AUDIT RESULTS

Tahun	Outstanding	Closed	Total
2015	0	426	426
2016	0	628	628
2017	0	627	627
2018	0	547	547
2019	0	470	470

Internal Findings and Follow Up



STANDARD IMPLEMENTATION OF BANK INTERNAL AUDIT FUNCTION

At 2019 Financial Services Authority (FSA) published POJK No. 1/POJK. 03/2019 on implementing the internal Audit function of the commercial Bank, effective 29 January 2019 replaces the standard implementation of the internal Bank Audit function (SPFAIB) that has been used. Following the publication of the POJK, Internal Audit has reported readiness status of the implementation of the regulation to President Director, Commissioner and Audit Committee periodically. The finalization of the Internal Audit readiness is characterized by the adoption of the Regulation on Internal provisions namely Internal Audit Charter, Internal Control Bank Mandiri Policy (KICN) and the Internal Audit Guidelines Standard (SPIA). Changes to these internal provisions have been approved by the President Director and Board of Commissioners in October 2019.

FSA REGULATION NO. 38/POJK. 03/2016 AND CIRCULAR LETTER FSA NO. 21/SEOJK. 03/2017

In conducting Audit, in particular IT Audit, the Bank is also subject to the provisions set out in the FSA regulation No. 38/POJK. 03/2016 concerning the application of risk management in the use of information technology by public Bank and circular letter FSA No. 21/SEOJK. 03/2017 about the implementation of risk management in the use of information technology by the public Bank which aims to improve the process of working IT Audit Bank Mandiri.

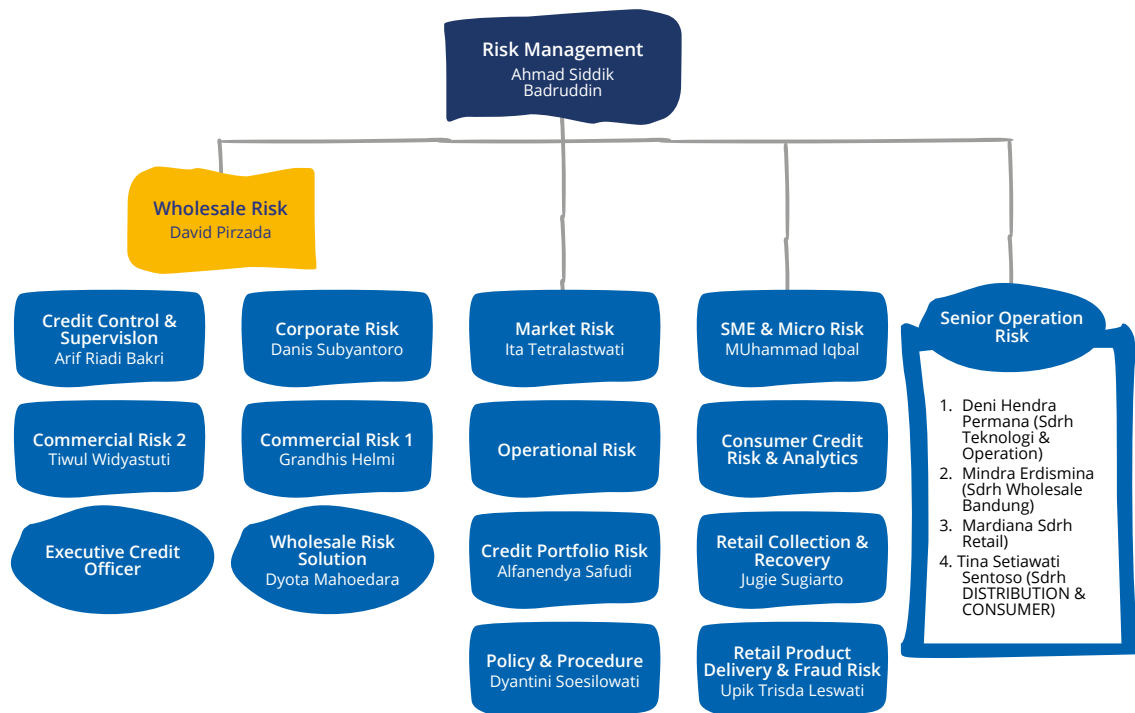
THE INTERNATIONAL STANDARDS FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING

In addition to regulatory provisions, the implementation of Internal Audit of Bank Mandiri adjusts to The International Standards for the Professional Practice of Internal Auditing (ISPPA) stipulated by The Institute of Internal Auditors (IIA).

RISK MANAGEMENT UNIT

ORGANIZATIONAL STRUCTURE RISK MANAGEMENT

The Bank Mandiri risk management structure consists of the Directorate of Risk Management led by the director of risk management who also oversees the Independent Risk Management unit and the Credit Approval Risk unit of Wholesale Risk led by SEVP. Wholesale Risk. The Independent Risk Management Unit consists of the Market Risk Group, Credit Portfolio Risk Group, Credit Control & Supervision Group, Policy & Procedures Group and Operational Risk Group which is each led by the Senior Vice President (SVP).



TASKS AND RESPONSIBILITIES OF RISK MANAGEMENT GROUP

Management of risk management at Bank Mandiri is generally done by several work units, namely Market Risk Group, Operational Risk Group and Credit Portfolio Risk Group, supervised by the Director of risk management. The tasks and responsibilities of each working unit are as follows.

Groups	Functions, tasks and responsibilities
Market Risk	<ol style="list-style-type: none"> 1. Conducting market risk measurement with Standard method, Internal method and market risk modelling. 2. Conducting analysis, providing recommendations and carrying out the market risk control function on the trading of Treasury activities to business units and management. 3. To manage the Bank's liquidity risk by implementing the principles of liquidity risk management as well as arranging the alternative funding liabilities strategy and Bank assets financing for the Bank's liquidity efficiently managed with the risks Controlled. 4. To manage interest rate and exchange rate risk in the banking book portfolio as well as to develop the recommendation of Bank Balance management strategy in order to achieve optimal risk and return in order to maintain profitability and increase shareholder value. 5. Review the methodology for pricing of third party funds, credits and Funds Transfer Pricing in line with asset and liabilities management strategies. 6. Manage information System Management in the framework of interest rate risk management, exchange rate risk and liquidity risk.



Groups	Functions, tasks and responsibilities
Operational Risk	<ol style="list-style-type: none"> 1. Formulate, propose, and monitor operational risk Appetite. 2. Develop and implement a capital expense calculation methodology (Regulatory Capital Charge) in accordance with the prevailing regulations or provisions of Basel. Includes monitoring of its realization. 3. Formulating, developing and refining frameworks related to operational risk management, such as procedures, technical indicators, methodologies and tools. Includes socializing, training, and mentoring the implementation of the operational risk management framework to the operational risk management Unit. 4. Monitoring and evaluating the implementation of operational risk management framework including RCSA, KRI, LED and Issue and Action Management in the owner's work Unit & Risk control and operational risk management Unit. 5. Designing, developing, and implementing systems related to operational risk management (ORMS). 6. Develop and implement risk awareness program for managing operational risk to all employees. 7. Develop a reporting system according to best practices and deliver the operational risk profile reporting of Bank to management or Risk Management & Credit Policy Committee and regulators in a bankwide and integrated 8. Review and provide recommendations for improvement of business processes to the working Unit risk owner, Operational Risk Management Unit and/or to the Risk Management Committee & Credit Policy Committee in order to minimize operational risk. 9. Providing referral, evaluating, providing recommendations, socialization, and providing assistance with the implementation of an operational risk management framework to the subsidiaries.
Credit Portfolio Risk	<ol style="list-style-type: none"> 1. Developing and refining credit risk methodologies, Credit Risk Tools (Rating & Scoring System, Watchlist, Credit Stress Testing and Financial Spreadsheets) as well as the processes used in providing credit to meet business development needs, improve credit processes, and follow changes in regulations, developments competition and best practices. 2. Arranging Portfolio Guidelines as a reference for credit growth and set portfolio limits (per economic / industry sector, segment, region) as a risk limit that can be taken by the Bank (risk appetite). 3. Carrying out portfolio management on a bankwide scale as well as per business segment, which includes allocation arrangements, reallocation and concentration of the loan portfolio, sectoral risk monitoring, as well as sectoral stress testing and sensitivity analysis including portfolio control if needed. 4. Formulating, preparing and coordinating the implementation of Enterprise Risk Management (ERM) which includes policies, governance, methodologies, processes and information systems, to support the application of risk management inherent in business processes and risk-based performance, with reference to international best practice , FSA / BI regulations and the application of Basel II / III. 5. Providing identification, measurement and analysis of risks in a consolidated and integrated manner with subsidiaries, including through Risk Profile, Risk-Based Bank Rating, and Scenario Analysis (Stress Testing). 6. Running the function of the enterprise risk management model, among others through the implementation of the governance model and the validation model, so that the models used by the Bank (risk management and business models) have qualities that can be academically and business responsibly and meet regulatory requirements. 7. Managing an ERM credit database and datamart that is accurate, reliable and timely for use in the process of modeling, portfolio management and ERM implementation.

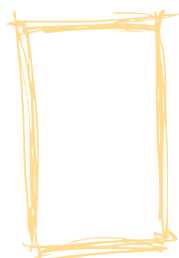
GROUP HEAD PROFILE



Ita Tetralastwati

Group Head of Market Risk

Age	49 Years Old
Location	Jakarta
Educational Background	Bachelor in Management Economics from Gadjah Mada University (1996).
Professional Experience	Served in Bank Mandiri as: <ul style="list-style-type: none"> – Chief Dealer Cash & Liquidity (2009-2012) – Division Head of Interest Rate Trading (2013-2015) – Division Head of FX Trading (2015-2016). – Group Head Market Risk (2017-sekarang) – Non-Executive Director Bank Mandiri Europe Limited (2018-sekarang).



Adi Surya Djoko

Group Head Operational Risk

Age	42 Years Old
Location	Jakarta
Educational Background	<ul style="list-style-type: none"> – Bachelor in Management from STIE IBII (1999). – Postgraduate of Business Administration from The University of Western Australia (2005). – Certified Anti-Money Laundering Specialist (CAMS) – ACAMS – Certified in Risk Information System Control (CRISC) – ISACA – Certified in Banking Risk Management (level 4 of 5) from Global Association of Risk Professionals (GARP) & Bank Indonesia
Professional Experience	Served in Bank Mandiri as: <ul style="list-style-type: none"> – Group Head of Wholesale Operational Risk (2016-2017) – Group Head of Operational Risk (2017-now).



Alfanendya Safudi

Group Head Credit Portfolio Risk

Age	49 Years Old
Location	Jakarta
Educational Background	<ul style="list-style-type: none"> – Bachelor in Industrial Engineering from the Bandung Institute of Technology (1994). – Financial Risk Manager (FRM) of the Global Association of Risk Professionals (2015). – Chartered Financial Analyst (CFA) from the CFA Institute (2019).
Professional Experience	Served at Bank Mandiri as: <ul style="list-style-type: none"> – Head of Risk Validator Model (2010-2015). – Department Head Credit Risk Modeling (2015-2016). – Department Head Enterprise Risk Management (2016-2018). – Group Head Credit Portfolio Risk Group (2018).



RISK MANAGEMENT CERTIFICATION

The number of Bank Mandiri employees who have obtained Risk Management certification can be seen in the table below.

Risk Management Certification Table

Level	SMR Compulsory Employees	Relevant		Irrelevant	
		Total	%	Total	%
1	2.185 persons	2.109 persons	96,52%	76 persons	3,48%
2	771 persons	729 persons	94,55%	42 persons	5,45%
3	565 persons	504 persons	89,20%	61 persons	10,80%
4	110 persons	100 persons	90,91%	10 persons	9,09%
5	11 persons	11 persons	100,00%	0 persons	0,00%
Total	3.642 persons	3.453 persons	94,81%	189 persons	5,19%

Realization per employee level can be seen in the table below.

Level/Status	AVP-VP	Board of directors	FAM-SM	SVP-SEVP	Grand Total
Qualified	2.269	11	1.038	135	3.453
Level 1	1.269		825	23	2.117
Level 2	507		213		720
Level 3	492			13	505
Level 4	1			99	100
Level 5		11			11
Grand Total	2.269	11	1.038	135	3.453

IMPLEMENTATION OF RISK MANAGEMENT UNIT ASSIGNMENT

YEAR 2019

The duties of the Risk Management Unit in 2019 are as follows:

- Developing a methodology for implementing Bottom Up Stress Testing (BUST) and Recovery Plan stress testing on an ongoing basis, so that in addition to contributing to the supervisory review of financial system stability, the Bank can also test capital resilience (solvency) and liquidity in a worsening scenario including preparing mitigation measures needed to restore the Bank's financial condition.
- Strengthening Credit Portfolio Management which includes setting direction for productive credit booking through the 2019 Portfolio Guideline. In addition, to anticipate the volatility in the outlook for the Palm & CPO sector in 2019, control of the Palm and CPO portfolio has been carried out to maintain growth in order to maintain portfolio quality. Bank Mandiri has also initiated a Portfolio Manager to improve the effectiveness of monitoring, especially in areas that have been implemented starting in 2017.
- Improving the end to end credit process in the wholesale segment through:
 - Enhancement Credit Processing System in the framework of improving end to end credit processes by:
 - Implementation of the New Internal Rating Based Approach (including improvements) for measuring the level of risk that is more precise and granular, including the implementation of the New Rating System at Foreign Offices (Bank Mandiri Hongkong, Bank Mandiri Singapore, Bank Mandiri Shanghai).
 - Enhancement ALERT where EWS analysis can always be done at the first opportunity (outside the quarterly period) when the symptoms of debtor quality decline are identified.
 - Development of Pipeline Management System (PMS) to avoid credit initiation of customers who have bad-historical (never rejected), have a bad reputation and do not comply with Industry Classification preferences and others.
 - Updating Industry Peers Analysis as a reference for comparison of financial performance in each industry sector.

4. Preparing infrastructure for the application of PSAK 71 through:
 - a. Completion of the Basel model (PD, LGD, EAD) and Expected Credit Loss (ECL).
 - b. Implement PSAK 71 system and run parallel calculation of CKPN PSAK 71.
5. Increasing predictive power model application score on credit card and Mandiri Multipurpose Credit products by using alternative internal data in addition to credit data.
6. Bank Mandiri is a leading practice for the implementation of the Risk Management Governance Model that covers, among others:
 - a. Risk Management Framework Model.
 - b. Governance & Organization Risk Management Model (based on the concept of Three Lines of Defenses).
 - c. The existence of an inventory model and calculation of the risk level of the model through the Model Risk Index indicator.
7. Implementation of the validation model and periodic monitoring model which is part of the lifecycle model becomes a quality control to ensure the model is in accordance with best practices and meets statistical / mathematical rules by considering aspects of business, regulation and risk management.



REMUNERATION OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Bank Mandiri has implemented a remuneration governance policy based on Financial Services Authority Regulation No. 45/POJK.03/2015 concerning Implementation of Governance in the Provision of Remuneration for Commercial Banks. Remuneration is a reward determined and given to the Board of Commissioners, Directors and/or Employees, both permanent and non-permanent in the form of cash and non-cash in accordance with their duties, authority and responsibilities. The implementation of governance in the provision of Remuneration aims to encourage prudent risk taking, so the sustainability of Bank Mandiri's business can be maintained.

REMUNERATION POLICY FOR THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

In providing remuneration for the Board of Commissioners and Directors, Bank Mandiri upholds the principle of prudential as well as commits to the prevailing regulations of law. Currently, the Company has implemented a good governance in terms of remuneration provision to the Board of Commissioners. This manner aims to promote prudent risk-taking to maintain the corporate sustainability.

The good governance implementation of remuneration provision is conducted by formulating policies that have been authorized under the Joint Decree of Board of Commissioners and Board of Directors on Remuneration Policy of PT Bank Mandiri (Persero) Tbk. dated March 20, 2008. The determination of remuneration for the Board of Commissioners refers to:

1. SOE State Minister Regulation No. PER-01/MBU/05/2019 dated May, 31 2019 concerning Change Fourth, the Regulation of the Minister of State Owned Enterprises No. PER-04/MBU/2014 concerning Determination Guidelines Earnings of Directors, Board of Commissioners.
2. SOE State Minister Regulation No. PER-01/MBU/2011 concerning Implementation of Governance Good Corporate Governance the SOE has been amended last by Regulation Minister of State Enterprises No. PER-09/MBU/2012 concerning Amendments to Regulations Minister of State-Owned Enterprises No PER-01/MBU/2011 about Implementation of Good Corporate Governance (Good Corporate Governance) in SOE.
3. Regulation of the Financial Service Authority No. 55/POJK.03/2016 dated December 9, 2016 on the Implementation of Governance for Commercial Banks.
4. Regulation of the Financial Service Authority No. 45/POJK.03/2015 dated December 23, 2015 on the Implementation of Governance concerning Remuneration for Commercial Banks.
5. The Company's Articles of Association.

In accordance with Regulation of the Financial Service Authority No. 45/POJK.03/2015 on the Implementation of Governance concerning Remuneration Provision for Commercial Banks, Bank Mandiri has performed a good

governance in such a provision as stated in the Joint Decree of Board of Commissioners and Board of Directors dated March 20, 2018 that has taken into account various aspects, including financial stability of the bank, risk management, short-term and long-term liquidity requirements, and potential future revenue. The Company may operate malus and clawback of variable remuneration for the bank officials who are under the category of Material Risk Taker (MRT), with the following provisions:

1. The company will have malus and or clawback applied in exceptional circumstances in the practice of variable remuneration, by taking into account some factors as follows:
 - The financial or non financial loss of the Company.
 - The direct or indirect involvement of the official in question in the loss.
2. Variable remuneration must be deferred amounting a percentage specified by the company.
3. This policy applies for MRT officials under the following criteria:
 - Causing financial or non financial loss to the Company.
 - Conducting frauds, breaking the law, behaving in an unethical manner, and/or falsifying records.
 - Intentionally violating bank's policy, rules, and procedures.
 - Inducing significant negative impacts towards bank capital due to a non economic or industrial climate change
4. In implementing remuneration for MRT officials, Bank Mandiri acts under the provisions from Financial Service Authority, Regulations of the Ministri of SOEs, and the Company's remuneration policy.

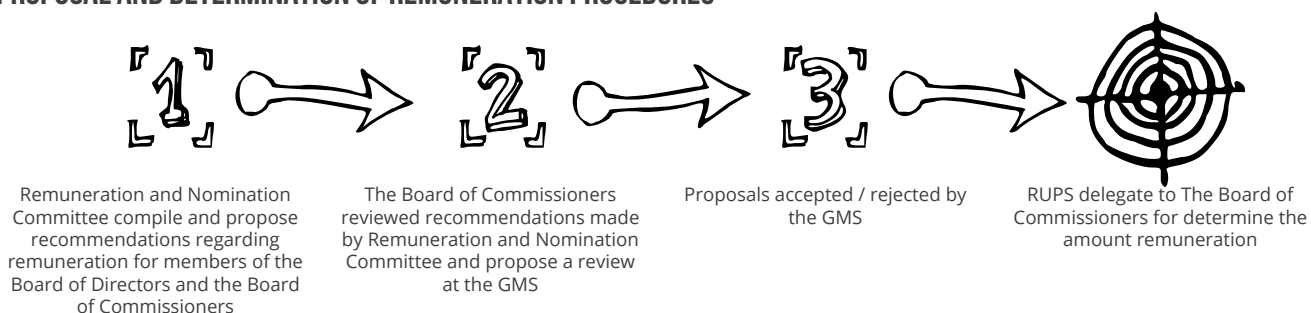
REMUNERATION AND NOMINATION COMMITTEE

The Board of Commissioners has formed a Remuneration and Nomination Committee which aims to assist in carrying out its functions and duties in the fields related to remuneration and nominations for members of the Board of Directors and Board of Commissioners. One of the tasks of the Remuneration and Nomination Committee is to create a remuneration system for the Board of Commissioners and Directors that will be part of the guidelines for corporate governance policies and will be the

basis for the Board of Commissioners and GMS in The Board of Commissioners has formed a Remuneration and Nomination Committee which aims to assist in carrying out its functions and duties in the fields related to remuneration and nominations for members of the Board of Directors and Board of Commissioners. One of the tasks of the Remuneration and Nomination Committee is to create a remuneration system for the Board of Commissioners and Directors that will be part of the guidelines for corporate governance policies and will be the basis for the Board of Commissioners and GMS in determining the remuneration of members of the Board of Commissioners and/or members of the Board of Directors.

The description regarding the Remuneration and Nomination Committee has been explained in the Remuneration and Nomination Committee section of the Corporate Governance Chapter in this Annual Report.

PROPOSAL AND DETERMINATION OF REMUNERATION PROCEDURES



The determination of remuneration for the Board of Commissioners and Directors is carried out with the following procedures:

1. Remuneration and Nomination Committee holds a review on remuneration for the Board of Commissioners and Directors.
2. The Committee coordinates with Human Capital Director and Officials as well as related work unit to arrange the proposal of remuneration.
3. In establishing policies on variable remuneration, the Committee coordinates with the Risk Management Work Unit
4. Based on the review, the Committee draws up recommendation on remuneration to be submitted to the Board of Commissioners and Directors.
5. The Board of Commissioners presents the proposal and recommendation under the basis of the review at the General Meeting of Shareholders to obtain approval.
6. The proposal and recommendation of the Board of Commissioners may come as:
 - a. Approval on the form and amount of the remuneration; or
 - b. Approval of authority for the Board of Commissioners to determine the form and amount of the remuneration.

PROCESS FOR PREPARATION OF REMUNERATION POLICY

Remuneration policy was one of the important factors in obtaining and/or maintaining employees, executive officers, Directors and Board of Commissioners who were competent and qualified. Remuneration policy was Bank Mandiri's strategy in providing rewards adjusted to the ability of Bank Mandiri to be able to accommodate changes in employee demographics, to have management of labor costs, and to encourage the achievement of Bank Mandiri's business objectives. Bank Mandiri's remuneration was prepared with the aim of being able to attract, maintain, motivate, and increase the commitment of employees to continuously provide optimal performance as well as to support Bank Mandiri's vision, mission and strategy.

The preparation of Bank Mandiri's remuneration policy considered several aspects, namely:

1. Financial performance and reserve fulfilment as stipulated in the applicable laws and regulations.
2. Remuneration that is adjusted to the industry in accordance with the Company's business activities and the scale of the company's business in the industry.
3. The duties, responsibilities and authorities of members of the Board of Directors and members of the Board of Commissioners related to the achievement of the Company's goals and performance.
4. Target performance or performance of each member of the Board of Directors and/or members of the Board of Commissioners in order to achieve equality between the work results and the benefits received.
5. Balance between permanent and variable benefits.
6. Consideration of the Bank's Long-term goals and Strategies



INDICATORS/COVERAGE OF REMUNERATION POLICY AND ITS IMPLEMENTATION

Based on Financial Services Authority Regulation No. 45/POJK.03/2015 concerning the Implementation of Governance in the Provision of Remuneration for Commercial Banks, Bank Mandiri has already had a Remuneration Policy which was ratified through a Joint Decree of the Board of Commissioners and Directors dated March 20, 2018. The remuneration policy applied at this time still regulated remuneration The Board of Commissioners and the Board of Directors. In further, the application to employees at certain levels will be determined as material risk takers. Determination of risk taker material will be carried out by using a qualitative and quantitative approach. In determining the remuneration of employees, Executive Officers, Directors and Board of Commissioners, the Remuneration and Nomination Committee considered several things, including:

1. Results of benchmarking remuneration of employees, executive officers, members of the Board of Directors and members of the Board of Commissioners with similar industries (peer group).
2. The size and complexity of the company's operations.
3. Remuneration consisted of salary/honorarium and benefits that could be standardized, namely Annual Holiday Allowance (THR), Home Service, Vehicle Service, Health and Utilities Facilities and other benefits. Whereas remuneration based on performance was a bonus/incentive for employees and bonuses for the Board of Directors and Board of Commissioners.

REMUNERATION RELATED TO THE RISK

In providing remuneration, Bank Mandiri considered the principles of prudence which aimed to encourage prudent risk taking in order to maintain the sustainability of Bank Mandiri's business. Bank Mandiri determined the method of measuring performance and type of risk in determining the Variable Remuneration according to the scale and complexity of Bank Mandiri's business activities. In determining Bank Mandiri's remuneration policy, Bank Mandiri considered the types, criteria, impacts and changes in determining the main types of risk in determining remuneration.

PERFORMANCE MEASUREMENT RELATED TO REMUNERATION

In providing remuneration, Bank Mandiri conducted performance measurements related to remuneration including a review of remuneration policies associated with performance appraisal, methods for linking individual remuneration with Bank Mandiri's performance, work unit performance and individual performance and methods used by Bank Mandiri to state that agreed key performance indicators cannot be achieved, so there should be adjustments to remuneration and the amount of remuneration adjustments if these conditions occur.

The implementation of the remuneration strategy was also carried out by considering the performance of each individual employee (based on performance), the performance of the work unit and the performance of Bank Mandiri as a whole, but still within the stipulated budget.

DETERMINATION OF REMUNERATION RELATED TO PERFORMANCE AND RISK

Bank Mandiri provided variable remuneration, namely remuneration associated with performance and risk, including bonuses, *tantiem*/performance incentives or other similar forms. Remuneration in the form of bonuses and incentives can be given in the form of cash, shares or stock-based instruments issued by Bank Mandiri with special provisions for the interests of the Board of Commissioners given in cash to avoid any element of conflict of interest in carrying out supervision.

EXTERNAL CONSULTANTS SERVICES

To determine Bank Mandiri's remuneration position on market conditions, every year Bank Mandiri participates in the Annual Salary Survey organized by independent and competent third parties. The results of the study from the survey were used as a basis in adjusting Bank Mandiri's remuneration strategy.

REMUNERATION AND FACILITIES OF THE BOARD OF COMMISSIONERS AND DIRECTORS

REMUNERATION STRUCTURE OF MEMBERS OF THE BOARD OF COMMISSIONERS AND DIRECTORS

By taking into account the prevailing provisions on remuneration, remuneration for the Board of Commissioners and Board of Directors is provided in the form of:

1. Fixed remuneration: remunerations provided independent from performance and risk, such as salary/honorarium, facilities, housing allowance, health allowance, education allowance, festive allowance, and post-employment benefit. Salary/honorarium, facilities, allowances, and post-employment benefit are provided in cash.
2. Variable remuneration: Remunerations provided in connection with performance and risks, such as bonuses, tantiem/performance incentives, or those of any other equal forms. Bonuses, tantiem, and incentives may be provided in cash, shares, or stock-based instruments issued by the Company, and cash only for the Board of Commissioners to avoid conflict of interest in their supervisory tasks.

The following are the details of remuneration structure of the Board of Commissioners.

Table of the Remuneration Structure of the Board of Commissioners and Directors

No.	Income Type	Provisions	
		Board of Commissioners	Directors
1.	Salary	The amount of position factor President Commissioner 45% of the President Director Vice President Commissioner 42.5% of the President Director Commissioners 90% of the President Commissioner	The amount of position factor Vice President Director 95% of Managing Directors Director in charge of HR 90% of the President Director Other Directors Members 85% of the President Commissioners
2.	Allow-ance		
	Religious holiday allow-ance	1 (one) time honorarium	1 (one) time honorarium
	Transportation Allow-ance	20% of the honorarium	<i>Not given</i>
	Annual Leave Allowance	Not given	<i>Not given</i>
	Full Benefits of Position	Insurance premiums are a max-imum of 25% of the honorarium / year	Insurance premiums are a maximum of 25% of salary / year
	Clothing Allowance	Can be given, if there are spe-cial events that require special clothing	Can be given, if there are special events that require special clothing
3.	Facilities		
	Service Vehicle Facilities	Provided in the form of a trans-portion allowance of 20% of the honorarium	1 (one) official vehicle is given in the form of a lease according to established criteria
	Medical facility	Treatment replacement accord-ing to internal policy number KEP.KOM / 018/2019	Treatment replacement according to internal policy number KEP.KOM / 018/2019
	Professional Collection Facilities	Maximum of 2 (two) mem-ber-ships relevant to the company's activities	Maximum of 2 (two) mem-berships relevant to the company's activities
	Legal Aid Facility	Legal aid facilities according to internal policy number KEP.KOM / 018/2019	Legal aid facilities according to internal policy number KEP.KOM / 018/2019
4.	Bonuses, incentives	Can be given in the form of shares or cash.	Can be given in the form of shares or cash.



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

NUMBER OF NOMINALS EVERY COMPONENT OF THE REMUNERATION STRUCTURE OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Remuneration in one year is grouped into the range of income levels as follows.

Total Remuneration and Other Facilities	Amount received			
	Board of Commissioner		Director	
	Persons	million rupiah	Persons	million rupiah
Remunerasi				
Salary	8 Orang	17.401,23	12 Orang	59.477,13
Housing Allowances	-	-	10 Orang	2.557,50
Transportation Allowance	8 Orang	2.665,65	4 Orang	561,98
Holiday allowance	8 Orang	2,069.26	12 Orang	5.474,77
Tantien	8 Orang	97,829.70	14 Orang*)	277.170,29
Other Facilities in the Form of Natura				
Housing (cannot be owned)	-	-	3 Orang	-
Transportation (cannot be owned)	-	-	12 Orang	-
Full service insurance (can be owned)	8 Orang	4.861,22	12 Orang	10.140,28
Health (cannot be owned)	8 Orang	372,33	12 Orang	1.520,42
Remuneration amount per person in 1 year				
Above IDR 2 billion	8 Orang	-	12 Orang	-
Above IDR 1 billion to Rp2 billion	-	-	-	-
Above IDR 500 million to IDR 1 billion	-	-	-	-
IDR 500 million and below	-	-	-	-

*) Includes Directors who have ended their term of office at the 2019 Annual General Meeting of Shareholders

In the framework of applying POJK No. 45 / POJK.03 / 2015 on the basis of 2018 Performance Bank Mandiri has also provided a bonus deferred bonus in the form of Bank Mandiri shares for Directors and Non-Independent Commissioners while for Independent Commissioners given in the form of deposits. The tantien suspension period is 3 (three) years or until the end of the term of office. granting of deferred bonuses in the form of shares was reported on June 26, 2019 through a Letter dated June 28, 2019 with the following details:

Name	Position	Share Bonuses
Imam Apriyanto Putro	Vice President Commis-sioner	220.900
Askolani	Commissioner	210.500
Ardan Adiperdana	Commissioner	210.500
Widyo Pramono	Commissioner	210.500
Kartika Wirjoatmojo	President Director	519,900
Sulaiman A Arianto	Deputy Chief Director	467,900
Royke Tumilaar	Director	441,900
Hery Gunardi	Director	441,900
Ahmad Sidik Badruddin	Director	441,900
Rico Usthavia Frans	Director	441,900
Darmawan Junaidi	Director	441,900
Alexandra Askandar	Director	345,100
Agus Dwi Handaya	Director	345,100
Panji Irawan	Director	345,100
Donsuwan Simatupang	Director	345,100
Ogi Prastomiyono*)	Director	96.800
Tardi*)	Director	96.800
Kartini Sally*)	Director	96.800

*) provided proportionally according to the service period.

VARIABLE REMUNERATION

Bank Mandiri provided variable compensation including Location Allowances, Specific Position Allowances, Appearance Allowances for front-liner employees, Overtime Compensation, Performance achievement Bonuses, Sales incentives, retention programs and Long Term Incentive programs in the form of shares. Variable remuneration was given in the form of shares of Bank Mandiri for Non-Independent members of the Board of Directors and Board of Commissioners and in the form of cash for members of the Independent Board of Commissioners with the provisions of Financial Services Authority Regulation No. 45/POJK.03/2015.

NUMBER OF VARIABLE REMUNERATION TO DIRECTORS, BOARD OF COMMISSIONERS AND EMPLOYEES

The number of Directors, Board of Commissioners and Employees who received variable remuneration for 1 (one) year and total nominal are as follows.

Variable Remuneration	Numbers in One Year			
	Directors		Board of Commissioners	
	People	IDR Million	People	IDR Million
Total	14 ^{*)}	55,434.06	8	19,565.94

*) Including the Board of Directors whose term of office expires at the 2019 Annual General Meeting of Shareholders

POSITION AND NUMBER OF PARTIES THAT BECOME RISK TAKERS MATERIALS

All members of the Board of Commissioners and the Board of Directors of Bank Mandiri are material risk takers. During the 2019 financial year, a total of 20 (twenty) members sit on the Board of Directors and the Board of Commissioners.

SHARES OPTION

Bank Mandiri did not issue share option programs for Directors, Board of Commissioners or employees throughout 2019

HIGHEST AND LOWEST SALARY RATIO

Bank Mandiri always complies with all applicable rules regarding remuneration to employees. The amount of remuneration provided has been adjusted to the applicable provisions and was above the Minimum Wage standard applicable in the operational area of Bank Mandiri. In implementing remuneration governance, Bank Mandiri always strives to maintain a gap in the salary ratio of all employees so that there is no too high difference.

Detailed information related to the highest and lowest salary ratios has been explained in the Corporate Social Responsibility Chapter in this Annual Report.

AMOUNT OF RECIPIENTS AND TOTAL REMUNERATION AMONG VARIABLES

During 2019, no number of recipients and the total number of variable remuneration guaranteed without conditions will be provided by Bank Mandiri to candidates for the Board of Directors, candidates for the Board of Commissioners, and / or prospective employees during the first 1 (one) year of work as referred to in Article 21 OJK Regulation No. 45 / POJK.03 / 2015.

NUMBER OF EMPLOYEES AFFECTED BY TERMINATION OF WORK RELATIONSHIPS

During 2019, there were 60 (sixty) employees who were terminated due to violations of the Bank Mandiri code of conduct.

TOTAL REMUNERATION THAT IS VOLTAGE OF SUSPENDED VARIABLES

The total amount of deferred variable remuneration consisting of cash and / or shares or share-based instruments issued by Bank Mandiri is as follows:

- Shares with a total of 2,813,600 shares with a nominal value of Rp18,327,880,440.
- Cash with a total of Rp2,556,899,560 after deducting taxes.



THE NUMBER OF REMUNERATIONS GIVEN IN ONE YEAR

The amount of remuneration given in one year to the Board of Commissioners and Directors can be seen in detail in the Nominal Amounts of Each Component of the Remuneration Structure of the Board of Commissioners and Directors in the Corporate Governance Chapter in this Annual Report.

QUANTITATIVE INFORMATION

Quantitative information about:

1. Total remaining Remuneration that is still suspended, whether exposed by implicit or explicit adjustments.
2. Total reduction in Remuneration caused by explicit adjustments during the reporting period.
3. Total reduction in Remuneration caused by implicit adjustments during the reporting period.

As in the table below:

Variable Remuneration Types	Remaining Suspended	Total Deduction During Report Period		
		Due to Explicit Adjustments (A)	Due to Explicit Adjustments (b)	Total (A) + (B)
1. Cash (in million rupiah)	Rp.2,556.89 million	-	-	-
2. Shares/Instruments based on shares issued by the Bank. (in shares and nominal million rupiah which is a conversion of these shares)	2,813,600 shares with a nominal value of Rp19,153.98 million	-	-	-

CERTIFIED PUBLIC ACCOUNTANT

Based on FSA Regulation No. 32/POJK.03/2016 on changes to No. 6/POJK.03/2015 on Transparency and Publication of Bank Reports, audits of the Company's Financial Statements for the 2017 fiscal year have been conducted by independent, competent, professional and objective public accountants in accordance with the Public Accountants Professional Standards, as well as work agreements and audit scope which have been set.

To make audit process to be in accordance with the Professional Standards of the Accountant and the scope of the audit that has been established and completed on time, meetings are routinely conducted discussing several significant important issues. The Company always strives to improve communication among the Public Accountant, Audit Committee and Management of the Company to be able to minimize the obstacles that occur during the audit process.

IMPLEMENTATION OF THE EXTERNAL AUDIT FUNCTION

The External Audit Function is implemented through the implementation of the Company's Financial Report Audit by AP and KAP, in order to ensure that the financial information is compiled and presented in a quality manner, form and express opinions on the fairness of

the Company's Financial Statements and test internal controls (internal control review), including retesting of matters that have been tested by Internal Audit and make observations of procedures performed by Internal Audit.

APPOINTMENT OF PUBLIC ACCOUNTANT

Appointment of KAP Purwantono, Sungkoro & Surja as an External Auditor who audited the Consolidated Financial Statements of PT Bank Mandiri (Persero) Tbk. and Subsidiaries, and PT Bank Mandiri (Persero) Tbk. Financial Year Partnership and Community Development Program Financial Report for the 2019 Fiscal Year, determined in the Annual General Meeting of Shareholders on May 16, 2019, based on FSA and other related provisions. Fiscal year 2019, is the fifth audit year period for KAP Purwantono, Sungkoro & Surja.

The chronology of the process of determining the External Auditor Financial Statements for the 2019 Fiscal Year is as follows:

1. The Board of Commissioners proposes a request to the Board of Directors to elect the KAP which will be designated as the External Auditor for Financial Statements for the 2019 Fiscal Year.
2. The Board of Directors conducts the procurement

process in the context of selecting KAP as External Auditor for Financial Statements for Book Year of 2019 based on the request of the Board of Commissioners, starting with the stage of establishing a Procurement Team until evaluating the technical and financial aspects of the Bidder's of KAP proposal and submitting the results to the Board of Commissioners through Audit Committee.

- Based on the results of the procurement, the Audit Committee prepares and submits recommendations for the appointment of the AP and/or KAP to the Board of Commissioners.
- The Board of Commissioners submits the proposed appointment of the AP and/or KAP to the Annual GMS by taking into account the recommendations of the Audit Committee.
- The Annual General Meeting of Shareholders on May 16, 2019, decided to establish KAP Purwantono, Sungkoro & Surja as KAP that would audit PT Bank Mandiri (Persero) Tbk's Consolidated Financial Statements. and Subsidiaries and the financial statements of the PT Bank Mandiri Partnership and Community Development Program, for the 2019 fiscal year, including granting power to the Board of Commissioners to determine the honorarium

and other requirements for the KAP, as well as determining a replacement KAP in the case of KAP Purwantono, Sungkoro & Surja, for whatever reason, could not complete the 2019 Financial Year Financial Report audit.

- Bank Mandiri submits a letter to the KAP of the Procurement Participant which submits a proposal regarding the results of the Annual GMS decision which sets KAP Purwantono, Sungkoro & Surja as the KAP who will audit PT Bank Mandiri (Persero) Tbk's Consolidated Financial Statements. and Subsidiaries and the Financial Statements of the PT Bank Mandiri (Persero) Tbk Partnership and Community Development Program for Fiscal Year 2019.

Bank Mandiri applies the principles of Professional Ethics in carrying out the determination of External Auditors, namely:

- Professional responsibility;
- Public interests;
- Integrity
- Objectivity
- Professional competence and prudence;
- Confidentiality
- Professional behaviour;
- Technical standard.

PUBLIC ACCOUNTANT FIRM, NAME OF ACCOUNTANT AND FEE

Based on Article 6 of POJK number 6/POJK.03/2015/2015 on Transparency and Publication of Bank Reports, has been stipulated that the Financial Statements of the final position of December announced on a quarter and annual basis must be audited by a Public Accountant registered with the OJK.

Audit work fees and other services for Purwantono, Sungkoro & Surja Public Accounting Firms for fiscal year 2019 worth IDR 23,432,100,000 ,. (including OPE and VAT) consists of:

- Audit services and other services amounting to IDR 12,607,100,000 (including OPE and VAT).
- Analytical services for the settlement of corrections to customer account balances, accrued interest balances, and other transactions, as part of an audit of PT Bank Mandiri (Persero) Tbk's consolidated financial statements. and Subsidiaries as of the date and for the year ended December 31, 2019 amounting to IDR 675,000,000 (including OPE and VAT).
- Services related to the implementation of Bank Mandiri corporate actions in 2019 amounting to IDR10,150,000,000 (including OPE and VAT).

The fees for services provided by Purwanto, Sungkoro & Surja Public Accountant Office for fiscal year 2019 received Rp12,607,100,000 (including OPE and VAT) consisting of Audit Fees on Financial Statements totaling Rp11,703,932,075 (including OPE and VAT) and an additional price of Rp903 .167,925 (including OPE and VAT) for other service fees provided.

The following is the chronology of the AP and KAP assignments that have audited the Financial Statement of Bank Mandiri at 2010-2019 fiscal year as follows:

Year	Public accounting firm	Accountant Name (Signing Partner)	Period KAP	Period AP	Fee *) (In thousands)	KAP license
2019	Purwantono, Sungkoro & Surja (EY)	Benyanto Suherman	5	2	12.607.100	603/KM.1/2015
2018	Purwantono, Sungkoro & Surja (EY)	Benyanto Suherman			11.990.000	603/KM.1/2015
2017	Purwantono, Sungkoro & Surja (EY)	Danil Setiadi Handaja		3	10.000.000	603/KM.1/2015
2016	Purwantono, Sungkoro & Surja (EY)	Danil Setiadi Handaja			7.850.000	603/KM.1/2015
2015	Purwantono, Sungkoro & Surja (EY)	Danil Setiadi Handaja			7.330.000	603/KM.1/2015



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

Year	Public accounting firm	Accountant Name (Signing Partner)	Period KAP	Period AP	Fee *) (In thousands)	KAP license
2014	KAP Tanudiredja, Wibisana & Rekan (PwC)	Haryanto Sahari	5	2	8.300.000	151/KM.1/2010
2013	KAP Tanudiredja, Wibisana & Rekan (PwC)	Haryanto Sahari			9.975.000	151/KM.1/2010
2012	KAP Tanudiredja, Wibisana & Rekan (PwC)	Lucy Luciana Suhenda		1	9.500.000	151/KM.1/2010
2011	KAP Tanudiredja, Wibisana & Rekan (PwC)	Haryanto Sahari		2	11.800.000	151/KM.1/2010
2010	KAP Tanudiredja, Wibisana & Rekan (PwC)	Haryanto Sahari			11.495.000	151/KM.1/2010

Information:

*) Fee including OPE & VAT

OTHER FEE AND SERVICES GIVEN BY ACCOUNTANTS

The details of other services amounting to Rp903,167,925 (including OPE and VAT) are as follows.

No.	Types of KAP Services 2018	Cost
1.	Audit of PT Bank Mandiri (Persero) Tbk's Financial and Partnership and Community Development Program (PKBL) Financial Statements.	181.621.000
2.	Audit of the Independent Auditor's Report on Compliance with Laws or Legislation and Internal Control.	155.182.500
3.	Audit of Business Activities in the Form of Custo-dy with Management (Trust).	88.000.000
4.	Implementation of agreed upon procedures for the Policy and Control Procedures Implemented by PT Bank Mandiri (Persero) Tbk. in the Provi-sion of Custodian Services.	117.938.700
5.	Application of Agreed Upon Procedure for the Reporting System to Bank Indonesia and certain Reports to Bank Indonesia.	102.927.400
6.	Insurance for PT Bank Mandiri (Persero) Tbk Per-formance Evaluation Results Report.	149.664.900
7.	Insurance for PT Bank Mandiri (Persero) Tbk PKBL Performance Evaluation Report	89.833.425
	Total	903.167.925

AUDIT OPINION

Opinions on the results of the 2012-2019 Financial Year Financial Statement are as follows:

Year	Opinion of Financial Statements
2019	The Consolidated Financial Statements present fairly without modification (previously unqualified) in accordance with Indonesian Financial Accounting Standards.
2018	The Consolidated Financial Statements present fairly without modification (previously unqualified) in accordance with Indonesian Financial Accounting Standards.
2017	The Consolidated Financial Statements present fairly without modification (previously unqualified) in accordance with Indonesian Financial Accounting Standards.
2016	The Consolidated Financial Statements present fairly without modification (previously unqualified) in accordance with Indonesian Financial Accounting Standards.
2015	The Consolidated Financial Statements present fairly without modification (previously unqualified) in accordance with Indonesian Financial Accounting Standards.
2014	The Consolidated Financial Statements present fairly without exception, in accordance with Indonesian Financial Accounting Standards
2013	The Consolidated Financial Statements present fairly without exception, in accordance with Indonesian Financial Accounting Standards
2012	The Consolidated Financial Statements present fairly without exception, in accordance with Indonesian Financial Accounting Standards

EFFECTIVENESS OF EXTERNAL AUDIT IMPLEMENTATION

To fulfil the principles of GCG as well as applicable laws and regulations, an audit report results of the financial statements carried out by an independent party, namely KAP is needed, the audit report result is then submitted to the FSA. Basis of Implementation of financial report transparency based on FSA provisions are as follows:

1. POJK No. 55/POJK.03/2016 on Implementation of Governance for Commercial Banks.
2. POJK No. 6/POJK.03/2015 on Transparency and Publication of Bank Reports.
3. POJK No. 32/POJK.03/2016 on Amendments to POJK No. 6/POJK.03/2015 concerning Transparency and Publication of Bank Reports.

RELATIONSHIP AMONG BANKS, PUBLIC ACCOUNTANTS, AND REGULATORS

In conducting the audit, other than fulfilling the applicable legal provisions, Bank Mandiri always strives to improve communication with KAP with the support of the relevant work units at Bank Mandiri. The Audit Committee and Internal Audit always supervise the audit conducted by KAP. The selected KAP communicates the plan for conducting an audit of Bank Mandiri financial statements to the Audit Committee and submits the audit plan along with the audit methodology and audit samples that will be used to Internal Audit. During the audit, periodic discussions of the audit progress and audit findings and other matters considered important by the parties were conducted periodically, including findings related to internal control.

Periodically, the Audit Committee will monitor the performance of KAP through Audit Committee meetings followed by Internal Audit and related Directors. The meeting also discussed the follow-up of audit findings by KAP. Through this coordination, comprehensive and optimal audit results are expected to be achieved.

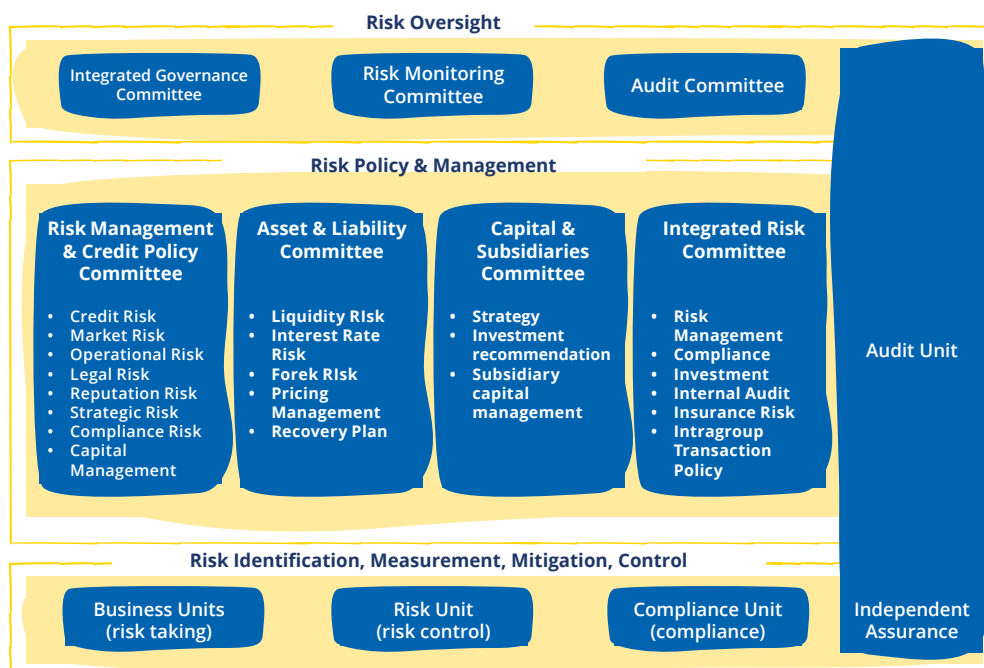
RISK MANAGEMENT

The risk management principle of Bank Mandiri is conducted proactively to achieve a healthy and sustainable financial and operational growth as well as to take care of the optimal risk-adjusted return level in accordance with the desired risk appetite. As a manifestation of Bank Mandiri's commitment in conducting a good company management practice, particularly in risk management, Bank Mandiri has established policy, process, competency, accountability, reporting and supporting technology in order to make the risk management in Bank Mandiri to be effective and efficient.

RISK MANAGEMENT FRAMEWORK

The company risk management framework is written in the risk governance structure of Bank Mandiri encompassing three main parts, which are Risk Oversight, Risk policy and Risk management, as well as Risk identification, Measurement Mitigation, and control. These three main parts are supported by the Audit Working Unit and Independent Assurer to guarantee the effectiveness of its performance.

Sketchily, the work and risk governance framework of Bank Mandiri as mentioned above is described as follows:





The Risk Governance Structure of Bank Mandiri is developed based on four risk management pillars as follow:

ACTIVE SUPERVISION BY THE BOARD OF COMMISSIONER AND DIRECTOR

The work and risk governance framework in Bank Mandiri consist of the Board of Commissioner performing risk oversight through Audit Committee, Risk Monitor Committee and Integrated Risk Governance, and Board of Director performing risk policy through Executive Committee related to risk management which are Risk management & Loan Policy Committee, Asset and Liabilities Committee, Capital and Subsidiaries Committee, and Integrated Risk Committee. In the operational level, the work unit of Risk Management along with Business Unit and Compliance Work Unit conduct risk identification function, risk measurement, risk mitigation and risk control.

The duties, responsibilities, and authorities of Board of Commissioner are related to active monitoring in risk management activities including:

1. Understanding the risk attached to company functional activity, particularly the one that can influence Company's financial condition.
2. Evaluating and approving the Risk Management policy conducted at least once in a year or more in a higher frequency in the event that there are significant changes in factors affecting company's business.
3. Performing evaluation toward the board of Director regarding Risk Management implementation in order to fit with the established policy, strategy and procedure of the company.
4. Providing consultation to the board of Director regarding transaction or business activity with large amount of fund.
5. Approving the provision of fund to the concerned parties on loan proposed by the loan committee in accordance with their authority.
6. Performing active monitoring toward the company capital adequacy in accordance with company's risk profile thoroughly, including reviewing risk appetite of the company established by the board of director.

7. Improving anti-fraud awareness and culture to all levels of the Company's organization.
8. Monitoring the implementation of Integrated Risk Management in accordance with the characteristics and complexity of the Company's effort.

In order to implement the Integrated Risk Management, the Board of Commissioner is responsible for:

1. Directing, approving, and evaluating policy which regulate the integrated management risk periodically.
2. Evaluating the implementation of integrated risk management policy by the Main Entity Board of Directors.
3. Performing evaluation on the implementation of Recovery Plan.

The duty, responsibility, and authority of Board of Directors related to risk management activity include:

1. Preparing written and comprehensive Risk Management's policy, strategy and procedure including the establishment and approval of the Company's risk limit, re-evaluating once in a year or more in the event of significant changes in factors affecting company's business activities.
2. Taking the responsibility of the risk management and risk exposure policies implementation conducted by the company, including evaluating and providing direction of Risk Management Strategies based on reports submitted by the Risk Management Unit and periodic submission of accountability report to the Board of Commissioners.
3. Evaluating and determining the transactions that exceed the authority of the Company's officials one level under the Board of Directors or transaction that requires the approval of the Board of Director in accordance with the applicable internal policies and procedures.
4. Developing Risk Management awareness and culture, including anti-fraud culture to all organization, among others through adequate communication concerning the importance of effective internal control;
5. Improving Human Capital competence related to Risk Management implementation, among

others through continuous education and training programs, particularly related to Risk Management system and process.

6. Implementing an independent Risk Management function, reflected through function separation between the Risk Management Unit that performs identification, measurement, monitor and risk control with the work unit that performs and completes transaction.
7. Conducting periodic review with frequency adjusted with the company's need.
8. Establishing the capital adequacy in accordance with the Company's risk profile and strategy to maintain the capital level, including establishing the Risk Appetite.
9. Monitoring the development of macroeconomic conditions, regulations, technology and other external factors, as well as assess potential impacts on the Bank's position and performance (through stress testing and sensitivity analysis) and prepare contingency plans including the preparation of a Recovery Plan (as a systemic bank).

In order to implement the Integrated Risk Management, the Board of Directors is responsible for:

1. Preparing and carrying out the policy which regulates Integrated Risk Management;
2. Developing risk culture as a part of Integrated Risk Management Implementation;
3. Ensuring the effectiveness of Human Capital management to perform the Integrated Risk Management function;
4. Ensuring that the Integrated Risk Management has been conducted independently;
5. Evaluating the review result of the Integrated Risk Management Work Unit periodically concerning the Integrated Risk Management process.

Bank Mandiri has also stipulated risk management committees which discuss and recommend to the Board of Director, among others concerning:

1. Policy and Procedure as well as monitor the risk faced by the company.
2. Management of Company's asset and liabilities including interest rate and liquidity
3. Management of subsidiary (equity capital,

divestment, remuneration, stipulation of the subsidiary management).

4. Implementation of Integrated Risk Management
5. Business development.

In addition, Bank Mandiri also has a Work Unit related to risk management consisting of at least:

1. Director in charge of the Risk Management function;
2. Risk Management Work Unit (SKMR);
3. Operational Work Unit (risk-taking unit);
4. Internal Audit Work Unit (SKAI);
5. Compliance Work Unit.

The Risk Management Work Unit (SKMR), the Internal Audit Work Unit (SKAI) and the Compliance Work Unit concurrently as the Integrated Work Unit.

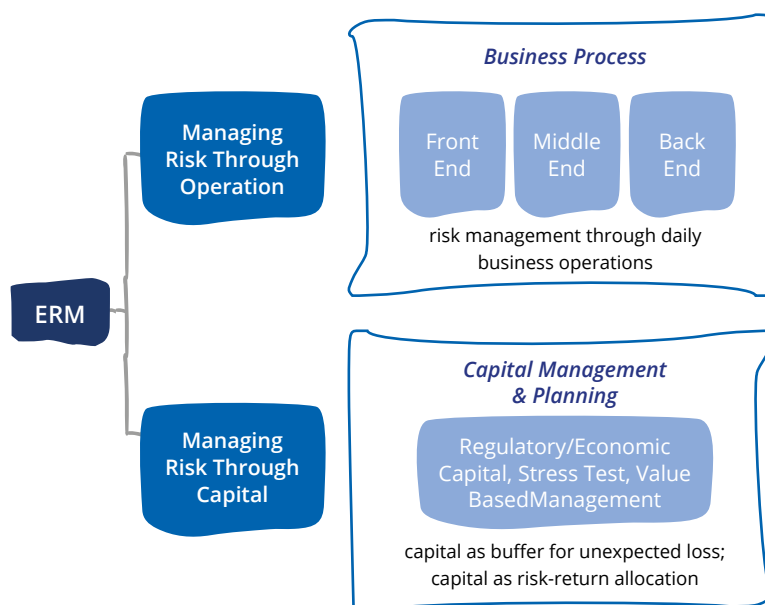
ADEQUACY OF POLICIES, PROCEDURES, AND DETERMINATION OF LIMITS

Bank Mandiri has a Risk Management policy used as the main guidance in carrying out risk management. For more specific business area, Bank Mandiri owns more special policies and procedures, for example in credit, treasury, and operational. Among other things regulated in the policies and procedures is the limit establishment for each activity, both in portfolio and transactional levels.

All policies and procedures in Bank Mandiri are the form of risk management attached in each Company's operational activity that is evaluated and updated at least once a year.

THE ADEQUACY OF IDENTIFICATION, MEASUREMENT, RISK MONITORING AND CONTROL PROCESSES, AND RISK MANAGEMENT INFORMATION SYSTEM (ERM)

Bank Mandiri conducts Processes of Identification, Measurement, Risk Monitoring and Control, as well as Risk Management Information System through Enterprise Risk Management (ERM) frameworks. The ERM implementation in Bank Mandiri uses two-prong approach, to ensure that the risk is not only mitigated properly through daily business, but also in unexpected situation (downturn) through capital reserve.



The four main components functioning as the supporting pillar in the implementation of two-prong approach are:

1. Organization and Human Capital

The Risk Management Work Unit of Bank Mandiri is responsible for managing all risk encountered by Bank Mandiri, including the development of supporting tools required in business process and risk management. In addition, there is a work unit in each unit business acting as the risk counterpart in the four-eye process of loan allocation. As the risk management is the responsibility of all work unit in Bank Mandiri, the success of risk management is determined by the existence of risk awareness in all working unit with adequate technical capability. Therefore, Bank Mandiri always improves the employee's capability and knowledge, most importantly in risk management, by conducting internal training on a regular basis through Risk Management Academy. Furthermore, Bank Mandiri also conducts socialization, discussion forum, apprentice, or program on risk management which is in line with company's culture internalization regularly at least once in a year. The Risk Management Unit of Bank Mandiri consists of Risk Management Directorate in charge of the Risk Management Independent unit and two Loan Approval Risk units known as Retail Risk directed by SEVP Retail Risk and Wholesale Risk directed by SEVP Wholesale Risk.

2. Policies and Procedures

The Risk Management Policies (KMR) employed as the main guidance in performing operational risk management and capital management in Bank Mandiri consist of:

- The prudential principle, such as Capital Adequacy Preparation, Early Warning System, Limit Establishment and Risk Diversification.
- Risk Management, such as Risk Profile, Risk Appetite, Stress Testing and Integrated Risk Management.
- Risk Management for each risk type, including identification process, measurement, risk monitoring and control.
- Risk Monitoring, including monitoring of activity implementation/risk management methodology in Bank Mandiri, and Internal Control System.

These Risk Management Policies become the basis for the preparation of procedures and technical guidelines related to risk management in Bank Mandiri.

3. System and Data

The risk management system is developed to support more efficient business processes so that decision making can be faster but still refers to the principle of prudence. In order to maintain data integrity and quality, Bank Mandiri has implemented a system including:

System	Tujuan
<ul style="list-style-type: none"> Integrated Processing System Loan Origination System 	To improve the efficiency of the loan process and maintain data quality in all business segments.
Loan Monitoring System	To monitor the quality of the credit (watchlist) individually or portfolio in the framework of an early warning mechanism.

System	Tujuan
Integrated Central Liabilities System (ICLS)	To enhance the integration and quality of limit data and the exposure of all customer facilities, in the context of implementing limit management.
Impairment & Provisioning	To measure CKPN according to the application of PSAK 71 and related dashboards and analytics.
Summit System	To manage market risk for treasury activities and monitoring credit risk arising from treasury activities.
ALM System	To manage and measure the size of the banking book risk for treasury and asset & liability management activities.
Risk Assessment Consolidation Generator System (RACER System)	To monitor or manage consolidated / integrated risk management effectively and efficiently by displaying data and information related to the risk profile of Bank Mandiri and its Subsidiaries.
Regulatory Capital system	To perform RWA measurements and capital charge calculations according to the Basel II / III (Standardized Approach and Advanced Approach) approach.
Fraud Detection Systems (FDS)	To monitor transactions of Loan Cards, Debit Cards, Merchants, Internet Banking and Micro loan by using predetermined parameters (rule based) determined based on historical data, mode and fraud trend. With the existence of this system, precautionary measures can be taken earlier and can minimize fraudulent transactions.
Fraud Risk Management System (FRMS)	To provide an integrated fraud control system that is capable of carrying out early detection of transactions that occur on various channels. Currently FRMS has been implemented on the Mandiri Online channel and will be followed by further implementation of other channels including loan cards, debit cards, prepaid cards (e-money), Mobile Banking (USSD, STK / DSTK, Text Type), Acquiring (ATM and Merchant), as well as branches and employees.
Anti Fraud Application System (AFAS)	To detect the risk of application fraud by utilizing rules. This system has been implemented, among others, on Loan Cards, Micro loan, and Unsecured Loans.

4. Methodology/Model and Analytics

Bank Mandiri has continuously implemented a risk measurement that refers to international best practices by using both quantitative and qualitative methods through the development of risk models such as rating, score, Value at Risk (VaR), portfolio management, stress testing and other models as supports in judgmental decision making. Periodically, these risk models are calibrated and validated by an independent Model Risk Validator unit to maintain the reliability and validity of the models and meet regulatory requirements.

In order to harmonize the implementation of Basel II and ERM with Basel II / III regulations and the application of best practices, Bank Mandiri adopted and implemented the Basel II / III and ERM frameworks. Basel II / III and ERM implementation at Bank Mandiri covers areas in Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Capital Management and Internal Capital Adequacy Assessment Process (ICAAP).

Implementing Basel II/III and ERM

IMPLEMENTATION ASPECT	SCOPE OF IMPLEMENTATION
Loan Risk	Development and Improvement of Basel II Risk Parameters for the implementation of Internal Rating Based Approach (PD, LGD, and EAD).
Market Risk	Measurement of structured product risk, treasury trading limits, treasury system infrastructure, repricing gap method and IRRBB application.
Liquidity and Interest Rate Risk	Improvement of liquidity limit, core deposit analysis, Risk Appetite Statement (RAS), stress testing liquidities, repricing gap method, and implementation of Assets and Liabilities Management System.
Operational Risk	Development of Framework and Governance Operational Risk Management (ORM).
Modal Management	Improvement of Economic Capital model, development of framework Portfolio Optimization and Capital Optimization.
Internal Capital Adequacy Assessment Process (ICAAP)	Implementation of Risk Appetite Statement, Stress Testing, Capital Planning, and synchronization with related regulation of Risk Based Bank Rating (RBBR).

**INTERNAL CONTROL SYSTEM (INTERNAL AUDIT)**

Bank Mandiri practices effective risk managements in all work units by implementing the three line of defence models with the following conditions:

1. Work unit as the risk owner is the first line of defence responsible for risk management in its unit.
2. Risk Management Unit is as the second line of defence performing oversight function.
3. Internal Audit Unit is as the third line of defence performing independent assurance function

RISK MANAGEMENT SYSTEM**BASIS FOR THE IMPLEMENTATION OF RISK MANAGEMENT**

In implementing risk management, Bank Mandiri always adheres and obeys the applicable laws and regulations in Indonesia by referring to:

1. Circular of Bank Indonesia no. 9/31/DPNP dated December 12, 2007 on Guidelines for the Use of Internal Capital in the Calculation of Minimum Capital Requirement for Commercial Banks by Calculating Market Risk.
2. Financial Services Authority Regulation No. 17/POJK.03/2014 dated November 18, 2014 on Application of Integrated Risk Management for Financial Conglomeration.
3. Financial Services Authority Regulation No. 18/POJK.03/2014 dated November 18, 2014 on the Implementation of Integrated Governance for Financial Conglomeration.
4. Financial Services Authority Regulation No. 4/POJK.03/2016 dated January 26, 2016 on the Assessment of Health Levels of Commercial Banks.
5. Financial Services Authority Regulation No. 11/POJK.03/2016 dated February 2, 2016 on the Minimum Capital Requirement for Commercial Banks, which was amended by the Financial Services Authority Regulation No. 34/POJK.03/2016 on Amendments to POJK No. 11/POJK.03/2016 on the Minimum Capital Requirements for Commercial Banks.
6. Financial Services Authority Regulation No. 18/POJK.03/2016 dated March 16, 2016 on the Application of Risk Management for Commercial Banks.
7. Financial Services Authority Regulation No. 55/POJK.03/2016 dated December 9, 2016 on the Implementation of Governance for Commercial Banks.
8. Financial Services Authority Regulation No. 38/POJK.03/2017 dated July 12, 2017 on the Implementation of Consolidated Risk Management for Banks Conducting Control of Subsidiary Companies.
9. Circular of Financial Service Authority No. 14/SEOJK.03/2015 dated May 25, 2015 on the Application of Integrated Risk Management for Financial Conglomeration.
10. Financial Services Authority Regulation No. 26/POJK.03/2015 dated December 11, 2015 on the Integrated Minimum Capital Provision Obligations for Financial Conglomeration.
11. Circular of Financial Service Authority No. 34/SEOJK.03/2016 dated September 1, 2016 on the Application of Risk Management for Commercial Banks.
12. Circular of Financial Service Authority No. 38/SEOJK.03/2016 dated September 8, 2016 on the Guidelines for Using Standard Methods in Calculating the Minimum Capital Requirement for Commercial Banks by Taking into account Market Risk.
13. Circular of Financial Service Authority No. 13/SEOJK.03/2017 dated March 17, 2017 on the Implementation of Governance for Commercial Banks.
14. Circular of Financial Service Authority No. 43/SEOJK.03/2017 dated July 19, 2017 on the Prudential Principle and report in the framework of Consolidating Risk Management Implementation for Banks that Control the Subsidiary Companies.
15. Circular of Financial Service Authority No. 15/SEOJK.03/2015 dated May 25, 2015 on the Implementation of Integrated Governance for Financial Conglomeration.
16. Circular of Financial Service Authority No. 14/SEOJK.03/2017 dated March 17, 2017 on the Health Rating of Commercial Banks.
17. Circular of Financial Service Authority No. 12/SEOJK.03/2018 dated August 21, 2018 on the Implementation of Risk Management and Risk Measurement in the Standard Approach for Interest Rate Risk in Banking Book for Commercial Banks.
18. Financial Services Authority Regulation No. 42/POJK.03/2015 dated December 23, 2015 on the Adequacy Obligations to Fulfil the Liquidity Coverage Ratio for Commercial Banks.
19. Financial Services Authority Regulation No. 50/POJK.03/2017 dated July 17, 2017 on the Obligation to Fulfil the Net Stable Funding Ratio for Commercial Banks.
20. Bank Indonesia Regulation No. 20/4/PBI/2018 dated July 16, 2018 concerning the Intermediation Ratio Macroprudential and Liquidity Support Macroprudential for Conventional Commercial Banks, Sharia Commercial Banks, and Sharia Business Units.
21. Bank Indonesia Regulation No 21/12/PBI/2019 tanggal 25 November 2019 concerning change of Bank Indonesia Regulation No. 20/4/PBI/2018 concerning the Intermediation Ratio Macroprudential and Liquidity Support Macroprudential for Conventional Commercial Banks, Sharia Commercial Banks, and Sharia Business Units.
22. Financial Services Authority Regulation No. 11 / POJK.03 / 2019 concerning Prudential Principles in Asset Securitization Activities for Commercial Banks.
23. FSA Circular No. 42/SEOJK.03/2016 concerning Guidelines for Calculation of Risk Weighted Assets

- for Credit Risk using the Standard Approach.
24. FSA Circular No. 48/SEOJK.03/2017 concerning Guidelines for Calculation of Net Bills for Derivative Transactions Calculation of Risk Weighted Assets for Credit Risk using the Standard Approach.
 25. FSA Circular No. 11/SEOJK.03/2018 concerning Amendments to FSA Circular No. 42/SEOJK.03/2016 concerning Guidelines for Calculation of Risk Weighted Assets for Credit Risk using the Standard Approach.

PRINCIPLES OF RISK MANAGEMENT

The Risk Management Principles of Bank Mandiri are as follows:

1. **Capital**
Bank Mandiri provides capital in accordance with the risks borne and maintains the capital level in accordance with applicable regulations.
2. **Transparency**
Bank Mandiri openly communicates relevant information in the risk-taking process and the risk-taking process itself.
3. **Independency**
Bank Mandiri's management acts professionally and is free from the pressure and influence of other parties.
4. **Integrated**
Bank Mandiri implements Integrated Risk Management in Financial Services Institutions that are members of the Bank Mandiri financial conglomerate in accordance with regulatory provisions.
5. **Sustainable**
Risk control is constantly being developed to better suit business conditions and existing best practices.
6. **Accountability**
Bank Mandiri applies policies and procedures to ensure management accountability to stakeholders.
7. **Responsibility**
Bank Mandiri acts on the principle of prudence and compliance with applicable laws and regulations.
8. **Fairness**
Bank Mandiri considers the interests of stakeholders based on the principle of equality and fairness (equal treatment).

PRINCIPLES OF PRUDENCE

Bank Mandiri applies the prudence principle through the provision of sufficient capital, compliance with applicable regulations and laws, and an early warning system. The Company manages capital adequacy that describes the managed risks and defines its capital components by taking into account the capital's ability to incorporate losses.

The Company prepares policies, standard procedures and product manuals as directions in operational activities and is implemented by all levels of the Company's organization to minimize the risks faced

in the Company's operational activities. In carrying out business activities, the Company understands the characteristics of the business being carried out, including the risks and legal regulations related to the business. Every action which is an exceptional condition, insofar as it does not conflict with the applicable laws and regulations, is carried out according to the rules and stipulated authority, based on reasons that can be accounted for, and documented.

The Company prepares procedures to be able to find out the possibility of increasing the Bank's risk exposure earlier so that the Bank can determine the steps that need to be taken so that potential losses do not occur or can be minimized.

PROCESS OF RISK MANAGEMENT

The Company's Risk Management process regulated in the Risk Management Policy is as follows:

1. Risk Management is carried out at all levels of the organization both transactional and portfolio.
2. Risk Management is carried out in an integrated manner with Subsidiaries while taking into account the regulations and business characteristics of Subsidiaries.
3. The Risk Management process is a dynamic process; hence, review is required periodically to keep it in line with current conditions and applicable regulations.
4. Implementation of Risk Management is carried out in a series consisting of
 - a. **Risk identification**
Risk identification aims to determine the types of risks inherent in each functional activity that have the potential to harm the Company.
 - b. **Risk measurement**
Risk measurement aims to determine the amount of risk inherent in the Company's activities to be compared with the Company's risk appetite so that the Company can take risk mitigation actions and determine capital to cover residual risks.
 - c. **Risk monitoring**
Risk monitoring aims to compare the risk limits that have been set with the amount of risk being managed.
 - d. **Risk control**
Risk control is carried out on the potential for the occurrence of liability on the limits of risk that have been determined and can be tolerated by the Company.

APPLICATION OF BASEL II AND III

In order to provide added value to stakeholders and as a form of Bank Mandiri compliance in fulfilling the capital In order to provide added value



to stakeholders and as a form of Bank Mandiri compliance in fulfilling the capital adequacy requirements set by regulators, Bank Mandiri always guarantees and ensures that the capital structure is strong enough to support the current business development strategy and maintain business sustainability in future.

Risk management in the capital aspect at Bank Mandiri includes policies on diversifying capital sources in accordance with long-term strategic plans and capital allocation policies efficiently in business segments that have an optimal risk-return profile (including placements with Subsidiaries). This aims to meet the expectations of stakeholders including investors and regulators.

Bank Mandiri ensures that it has sufficient capital to cover loan risk, market risk and operational risk, both based on regulatory requirements (regulatory capital) and internal capital requirements (economic capital). Bank Mandiri refers to Bank Indonesia and Financial Service Authority regulations (Basel II and Basel III), especially Pillar 1, in calculating capital adequacy for loan risk, market risk and operational risk.

In addition to the above calculation, Bank Mandiri is also developing a capital adequacy calculation with reference to Basel II Pillar 2 or better known as the Internal Capital Adequacy Assessment Process (ICAAP) approach. ICAAP includes the determination of risk appetite, overall risk assessment, capital planning, and bank-wide stress testing.

For the calculation of capital adequacy, Bank Mandiri uses the Basel II Standardized Approach for credit risk and has included the External Rating component. The Internal Ratings-Based Approach is used internally for risk management and credit provision. For market risk, Bank Mandiri uses the Basel II Standardized Measurement Method, and internally uses Value at Risk. For operational risk, Bank Mandiri refers to the Basel II Basic Indicator Approach.

Bank Mandiri has implemented the implementation of Basel III referring to the Basel documentation as well as regulations and initiatives issued by the Financial Service Authority. As part of implementing Basel III in Indonesia, Bank Mandiri has reported the fulfilment of monthly Liquidity Coverage Ratio (LCR) and the fulfilment of quarterly Net Stable Funding Ratio (NSFR), as well as conducting quarterly Leverage Ratio (LR) calculations in accordance with Financial Service Authority regulations.

As the implementation of the latest Basel III framework (Basel III reform), specifically related to Counterparty Loan Risk, Bank Mandiri has implemented a Loan Valuation Adjustment (CVA) calculation and simulated changes to the Standardized Approach for Measuring Counterparty Loan Risk Exposures (SA -CCR) which is a refinement of the existing CCR framework.

BASEL III REFORMS

In implementing the latest Basel III framework (Basel III reform), the Company will revise operational risk standards for some elements of the previous framework to improve reliability and sensitivity. Following up on this, a Qualitative Impact Study (QIS) based on the OJK Consultative Paper (CP) was carried out in calculating the minimum capital for Operational risk using a standardized approach.

On the other hand, in order to improve risk management due to interest rate movements that affect income and capital (Interest Rate Risk in Banking Book / IRRBB), Bank Mandiri has implemented Basel IV in accordance with OJK regulations in SEOJK No. 12 / SEOJK.03 / 2018 concerning Application of Risk Management and Risk Measurement Standard Approach for Interest Rate Risk in the Banking Book (Interest Rate Risk in The Banking Book) for Commercial Banks. The process of implementing the IRRBB provisions includes improvements to the system owned, adjusting internal policies, reviewing methodologies and their limits, reviewing assumptions and models, and making consolidation tools for Subsidiaries. IRRBB measurement results in accordance with the provisions have been reported quarterly to OJK starting June 2019.

APPLICATION OF INTEGRATED RISK MANAGEMENT

Konsolidasi/Integrasi manajemen risiko Bank Mandiri
The consolidation / integration of Bank Mandiri's risk management has begun gradually since 2008, in line with the issuance of Bank Indonesia Regulation No.8 / 6 / PBI / 2006 concerning the Implementation of Consolidated Risk Management for Banks Conducting Control on Subsidiary Companies, which in the development of these regulations replaced by Financial Services Authority Regulation Number 38 / POJK.03 / 2017 Regarding the Implementation of Consolidated Risk Management for Banks Conducting Control on Subsidiary Companies. In addition, Bank Mandiri has also implemented integrated risk management in accordance with Financial Services Authority Regulation No.17 / POJK.03 / 2014 concerning the Implementation of Integrated Risk Management for Financial Conglomerates.

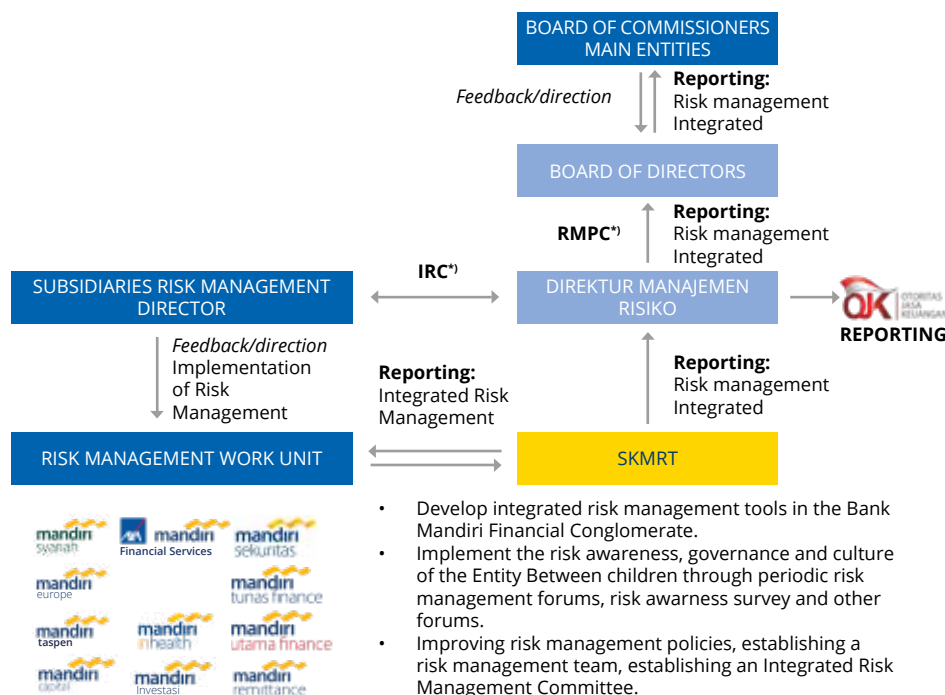
Integrated risk management is important to implement because Bank Mandiri as the Main Entity realizes that business continuity is also affected by risk exposures arising, both directly and indirectly, from the Subsidiary's business activities. In this regard, Bank Mandiri has implemented a system of consolidating / integrating risk management with its Subsidiaries, including Subsidiaries that operate outside the territory of Indonesia, while still fulfilling the principles of risk management, considering the business characteristics of each Subsidiary Company and adjusting to the jurisdiction of the authorities. / local supervisor. The Bank Mandiri subsidiaries are Bank Syariah Mandiri, Bank Mandiri

Europe Ltd., Bank Mandiri Taspen, Mandiri Securities, Mandiri Investment Management, AXA Mandiri Financial Services, Mandiri AXA General Insurance, Mandiri InHealth, Mandiri Tunas Finance, Mandiri Utama Finance, Mandiri International Remittance, and Mandiri Capital Indonesia.

The concept of consolidation / integration of risk management implemented by Bank Mandiri was prepared by taking into account compliance with Financial Services Authority Regulation No.38 / POJK.03 / 2017 concerning Application of Consolidated Risk Management for Banks Conducting Control on Subsidiary Companies, Financial Services Authority Regulation Number 17 / POJK.03 / 2014 concerning the Implementation of Integrated Risk Management for Financial Conglomerates, and Regulation of the Financial Services Authority Number 04 / POJK.03 / 2016 concerning Assessment of Soundness Levels of Commercial Banks which are subsequently implemented through a tool integration, risk awareness framework, corporate governance (governance), and risk management information systems (systems). In addition, in implementing

Bank Mandiri has internal guidelines, namely the Mandiri Group Principles Guidelines (MGPG), the Mandiri Subsidiary Management Principles Guidelines (MSMPG) and the Integrated Governance Guidelines which contain guidelines on the implementation of Mandiri risk management Group. This is one form of Bank Mandiri's compliance with regulations in force in Indonesia

In order to implement comprehensive integrated risk management, Bank Mandiri established an Integrated Risk Management Committee, which is an Integrated Risk Committee consisting of Directors / Executive Officers who oversee the Risk Management function of Bank Mandiri as the Main Entity in the Financial Conglomerate and Subsidiary Companies, which plays a role in providing recommendations for the preparation, improvement and refinement of the Integrated Risk Management policy. In addition, Bank Mandiri has also formed an Integrated Risk Management Work Unit (SKMRT) that reports directly to the Director of Risk Management with a reporting mechanism and duties and responsibilities as illustrated in the diagram



- Develop integrated risk management tools in the Bank Mandiri Financial Conglomerate.
- Implement the risk awareness, governance and culture of the Entity Between children through periodic risk management forums, risk awareness survey and other forums.
- Improving risk management policies, establishing a risk management team, establishing an Integrated Risk Management Committee.
- Develop a risk management information system to support the implementation of risk management integrated.

In order to improve understanding of the implementation of risk management at Bank Mandiri and Subsidiaries, several activities have been carried out in 2019:

1. The Integrated Risk Management Forum (IRMF) is conducted quarterly to discuss the latest issues related to risk management.
2. Assistance and socialization regarding risk management tools.
3. Loan Risk Workshop for investment activities.
4. Attachment of employees to Subsidiaries.
5. Review of risk management application to certain Subsidiaries.



RISK PROFILE AND THE MANAGEMENT

There are 10 (ten) types of risk that must be managed at least by Bank Mandiri on a consolidated basis, namely:

No.	Risk Type	Explanation
1.	Loan Risk	Loan Risk is a risk due to the failure of the debtor and / or other parties to fulfil obligations to the Bank. concentration of credit risk is included in the Credit risk.
2.	Market Risk	Market Risk is a risk in balance sheet and administrative account positions including derivative transactions, due to over-all changes in market conditions, including the risk of changes in option prices.
3.	Liquidity Risk	Liquidity Risk is a risk due to the inability of the Bank to meet maturing obligations from cash flow funding sources and/or from high-quality liquid assets that can be pledged, without disrupting the Bank's activities and financial condition.
4.	Operational Risk	Operational Risk is the risk due to insufficiency and / or non-functioning of internal processes, human errors, system fail-ures, and / or external events that affect the Bank's opera-tions.
5.	Legal Risk	Legal Risk is the risk due to legal demands and / or weakness-es in the juridical aspect.
6.	Reputation Risk	Reputation Risk is the risk due to a decrease in the lev-el of stakeholder confidence that comes from negative perceptions of the Bank.
7.	Strategic Risk	Strategic Risk is risk due to inaccuracy in making and/or im-plementing a strategic decision and failure to anticipate changes in the business environment.
8.	Compliance Risk	Compliance Risk is a risk due to the Bank not complying with and/or not implementing the applicable laws and regulations.
9.	Intra-Group Transaction Risk	Intra-Group Transaction Risk is the risk due to the depend-ence of an entity both directly and indirectly on other entities in a Financial Conglomeration in order to fulfil written and unwritten agreement obligations followed by transfer of funds and/or not followed by transfer of funds.
10.	Insurance Risk	Insurance risk is a risk due to failure of insurance companies to fulfil obligations to policyholders as a result of insufficient risk selection (underwriting) processes, pricing, reinsurance use, and/or claim handling.

MANAGEMENT OF RISK

CREDIT RISK

The process of managing Bank Mandiri's loan for the Wholesale segment begins with determining the target market through the Portfolio Guideline that sets Industry Classification (attractive, neutral, selective) and the appropriate industry limits, and selects and filters target customers through Industry Acceptance Criteria and Name Clearance, to produce pipelines quality debtor. The next process is to conduct a credit risk assessment using a series of credit risk tools (credit risk rating, spreadsheets, CPA, NAK, etc.) which are then decided by the Authority to Decide Credit (through Credit Committee Meetings) with a four-eyes principle that involves Business Units and Credit Risk Management Unit independently.

After the credit disbursement process, credit risk and potential debtor failures must always be monitored and detected early (Early Warning Signals) using watchlist tools and if the debtor becomes problematic then an account strategy needs to be implemented which includes collection, recovery and restructuring activities.

For the Retail segment, because it is a mass market, the credit process is carried out more automatically using a credit risk scorecard, referring to the Risk Acceptance Criteria of each product, and processed through an automated work flow (loan factory). The monitoring process is carried out in a portfolio manner through the Portfolio Quality Review, which can be continued with the collection and recovery process for the problematic portion of the portfolio.

To anticipate the deterioration of macroeconomic conditions, what-if analysis of the wholesale and retail portfolios is carried out through the process of stress testing and sensitivity analysis using certain macroeconomic scenarios.

In channeling its credit, Bank Mandiri always prioritizes the principle of prudence by placing a credit analysis function carried out by an independent business unit and credit risk unit. Bank Mandiri is always guided by the Credit Policy (KPKD) in managing credit risk end-to-end. Operationally, this policy is outlined in the form of Credit Procedure Standard (SPK) and Product Manual.

In implementing credit concentration risk management at the debtor level, Bank Mandiri consistently monitors the Legal Lending Limit (LLL) and the application of Management Limit and Value Chain Limit for large business groups. In general, the credit process and credit risk management at Bank Mandiri have been carried out end-to-end and integrated by the Business Unit, Credit Operation Unit and Credit Risk Management Unit.

The Bank periodically reviews and refines credit policies in general, credit procedures per business segment and risk management tools. The work guidelines referred to provide a complete guide to credit risk management, to identify risks, measure and mitigate risks in the end-to-end lending process starting from determining the target market, credit analysis, approval, documentation, credit withdrawal, monitoring / supervision, until the completion process problem loans / restructuring.

To enhance the social role and concern of the Bank for environmental risks and as a form of the implementation of the principle of responsibility in good corporate governance, Bank Mandiri has prepared Technical Guidelines for Environmental and Social Analysis in Providing Loans which is used as a reference in conduct environmental analysis in the analysis of credit granting. This is in line with the efforts made by Bank Indonesia, where in the Bank Indonesia Regulation concerning the Assessment of Asset Quality for Commercial Banks it is stipulated that the assessment of the debtor's business prospects is also related to the debtor's efforts to preserve the environment. In addition, Bank Mandiri has begun implementing sustainable banking through the implementation of the Sustainable Financial Action Plan (RAKB) in order to develop business processes and portfolios by considering ESG factors (environment, social, governance).

In principle, credit risk management is applied at the transactional and portfolio levels. At the transactional

level, a four-eyes principle is applied, namely each termination of credit involves the Business Unit and the Credit Risk Management Unit independently to obtain objective decisions. The four-eyes principle mechanism is carried out by the Credit Committee in accordance with the authority limit where the credit termination process is carried out through the Credit Committee Meeting mechanism.

Credit risks from debtors and products have been covered and reserved through CKPN, which is currently calculated based on PSAK 55 (as of January 1, 2020 will refer to PSAK 71), and monitored through the cost of credit indicator.

MARKET RISK

Market risk management is carried out by an independent working unit by implementing the segregation of duties principle, namely the separation of functions and responsibilities consisting of front office, middle office, and back office. Organization of Market Risk Management consists of two parts, i.e. Market Risk Management - Trading Book and Market Risk Management - Banking Book.

The framework and governance of market risk management in Bank Mandiri adheres to the three layers of defence, which consists of:

- The Board of Commissioners has the function of overseeing market risk (risk oversight) through the Risk Monitoring Committee, Integrated Governance Committee and Audit Committee.
- Directors who carry out the risk policy function through the Executive Committee related to market risk management and recovery plan, namely the Assets & Liabilities Committee and Risk Management Committee.
- Working Unit of Risk Management together with business unit and compliance unit carry out the functions of risk identification, risk calculation, risk monitoring and risk control.

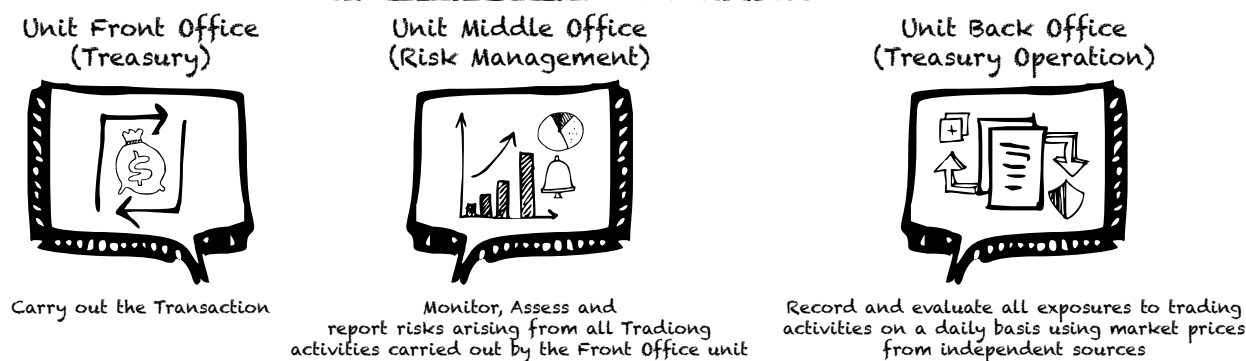
Risk Management Framework of Bank Mandiri is developed based on internal and external factors including but are not limited to bank business, regulatory provisions, development of methodologies and best practices, as well as risk data. Authority and responsibility related to the implementation of risk management are regulated in the Risk Management Policy (KMNR). Whereas for guidance in implementing market risk management both the trading book portfolio and the banking book are regulated in the Treasury Procedure Standard (SPT) and the Asset Procedure & Liability Management Standard.



MANAGEMENT AND MECHANISM OF MARKET RISK MEASUREMENT – TRADING BOOK

Trading book market risk is a risk arising from potential losses due to banking book activities, including changes in interest rates and exchange rates (including derivative instruments). Bank Mandiri's market risk management is carried out by applying principles of segregation of duties, which is to separate the functions and responsibilities independently of the treasury work unit trade transactions, which consist of:

Prinsip Segregation of Duties



MANAGEMENT AND MECHANISM OF MARKET RISK MEASUREMENT – BANKING BOOK

The banking book market risk is a risk that arises because of changes in interest rates and exchange rates for banking book activities that can affect the Bank's profitability (earnings perspective) and economic value of Bank capital (economic value perspective). Management of the Bank Mandiri banking book market risk is carried out by optimizing the balance sheet structure to obtain maximum returns in accordance with the level of acceptable risk. In addition, also by setting limits that refers to internal provisions and applicable laws and regulations provisions which is monitored weekly and monthly by the relevant work unit.

LIQUIDITY RISK

In order to manage liquidity risk in a measured and comprehensive manner, Bank Mandiri implements the following strategies:

1. Establish limits that refer to internal provisions and applicable laws and regulations provisions.
2. Perform periodic liquidity risk stress testing to determine the impact of changes in market factors and internal factors on extreme conditions (crises) on liquidity conditions.
3. Arrange and conduct periodic reviews of the Liquidity Contingency Plan (LCP) and Recovery Plan that regulate the Company's procedures to encounter deteriorating liquidity conditions including alternative funding strategies, including through alternative funding strategies among others through sale/purchase transactions of FX Money Market instruments and Interbank Securities Repo, Government Bond sales, use of Bank Indonesia Standing Facility and repo of Bank Indonesia

securities. Determination of liquidity conditions and funding strategies in the LCP and Recovery Plan has considered internal and external conditions.

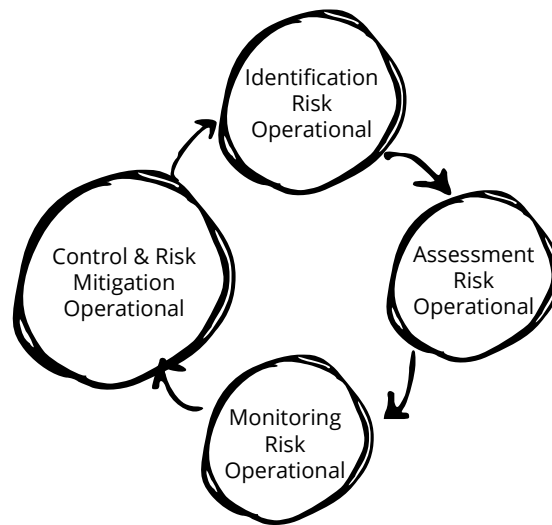
4. Monitor external indicators including the Jakarta Interbank Offered Rate (JIBOR), USD Interbank, Rupiah interest rate, spread between Return on Investment (ROI) compared to UST, Outstanding IDR banking Liquidity, USD/IDR exchange rate, spread loan default swaps (CDS), Composite Stock Price Index (CSPI), as well as current market information. This monitoring aims to increase awareness of economic conditions that are less stable, both due to the conditions of the global crisis and due to various domestic issues.

OPERATING RISK

Operating Risk may trigger other risks such as Reputation Risk, Strategic Risk, Legal Risk, Market Risk, Credit Risk, Compliance Risk, and Liquidity Risk. If a Bank can manage Operating Risk effectively and consistently, the possibility of other risks can be minimized. Operating Risk is inherent in any operating product/activity/process of the Company in the management of the organization. The ultimate responsibility of the Risk Owner Work Unit as the risk and control owner is to ensure good risk management process, thus reducing risk potential.

In order to implement effective Operational Risk Management, Bank Mandiri developed a methodology of identification, measurement, control/mitigation and monitoring of operational risk exposures utilized in each Working Unit. In addition, Bank Mandiri has also developed a management information system that is tailored to the characteristics, activities and complexity of the Company's business activities.

Operational Risk Management is carried out through 4 (four) stages as follows:



1. Risk Identification, i.e. the process of identifying potential risk inherent in a product/activity/ process by considering internal and external factors, including identifying control to be used for mitigation.
2. Risk Assessment, i.e. the process of assessing that considers potential impact and likelihood of a risk. This assessment aims to determine which risk is more material/significant compared to others in order that more focused control measures can be developed. Moreover, an assessment is also undertaken towards control through control testing to determine if the control design determined in the Bank's applicable provision has been implemented effectively (operating effectiveness) and/or still can be used effectively (design effectiveness)
3. Risk Monitoring, i.e. the process of monitoring risks that have been identified and assessed in terms of likelihood. Monitoring is undertaken all the time in each work unit by their respective members several times and collectively up to the work unit head through a work process that has been designed in the applicable provision. This includes monitoring of existing indicators or early warning system or instrument/reporting.
4. Risk Control and Mitigation, i.e. the process of controlling and mitigating risks prior to their occurrence by implementing the applicable provisions and/or follows-up (action plan) to control shortcomings (thus potentially resulting in risks) in the process of control and follows-up on an incident. This process aims to ensure that residual risks for the Bank are maintained at a minimal level. Control has to be maintained implemented consistently in accordance with the existing control design, and

reviewed continuously to ensure that the existing control design remains effective for mitigation of dynamic risks (emerging risk).

In implementing operational risk management, Bank Mandiri uses operational risk management tools/devices including:

1. *Risk and Control Self Assessment (RCSA)*
A register of key risks and controls, which will be used as a basis for risk-based control testing in order to identify potential weaknesses of control as early as possible and maintain the minimum level of residual risk by taking the necessary actions to mitigate before the risk occurs .
2. *Loss Event Database (LED)*
Database of operational risk incidents which are recorded on a risk-based basis with the aim of being lessons learned, monitoring remediation follow-up and improvement in the future, as well as input on the calculation of operational risk capital (regulatory capital charge).
3. *Key Risk Indicator (KRI)*
Indicators which are arranged as part of an effort to monitor the risks that exist on a risk based basis so that follow-up can be taken immediately before a risk actually occurs
4. *Issue and Action Management (IAM)*
A tool to monitor the follow-up that has been prepared on the issues found through various activities, for example Control Testing, Incidents, Key Risk Indicators, self identified issues, etc.
5. *Capital Modelling*
A model of operational risk capital (regulatory capital charge) which is in accordance with the provisions of applicable regulations, as a part of mitigating operational risk.



In order to facilitate the operational risk management process, Bank Mandiri has an integrated Operational Risk Management system that covers all of the aforementioned tools and is implemented in working units both head office and region. As an output of the operational risk management process, the Operational Risk Profile Report that describes operational risk exposures is delivered periodically to the Board of Commissioners and Directors. This is administered in order to support the active role of the Board of Commissioners and Directors in implementing the Company's operational risk management. The results of operational risk management reporting are then submitted to the regulator as part of the Risk-Based Bank Rating (RBRR) report in accordance with applicable regulations.

The implementation of operational risk management involves all elements in the Company, including the Board of Directors with active supervision by the Board of Commissioners. The Board of Commissioners and Directors understand the encountered risks and play an important role in supporting and overseeing the success of their implementation in all operational work units. Operational risk management in the Company is supervised by the Director of Risk Management supported by involvement.

- **Risk Management & Credit Policy Committee**
The Executive Committee carries out the functions of supervision, control and risk management, among others, through the establishment of risk management strategies and procedures, monitoring risk profiles and establishing risk appetite.
- **Operational Risk Management Coach Working Unit**
The Operational Risk Management Working Unit is responsible for formulating policies, strategies, frameworks and tools for operational risk management and conducting its socialization.
- **Unit Kerja Manajemen Risiko Operasional**
Satuan Kerja Manajemen Risiko Operasional yang bertanggung jawab mengimplementasikan kebijakan, strategi, kerangka dan perangkat manajemen risiko operasional bekerja sama dengan Unit Kerja Pemilik Risiko.
- **Operational Risk Management Working Unit**
The Operational Risk Management Working Unit is responsible for implementing policies, strategies, frameworks and operational risk management tools in collaboration with the Risk Owner Working Unit.
- **Compliance Working Unit**
Work units that carry out the compliance function on internal and external rules.
- **Internal Audit**
Work units that carry out evaluation of the effectiveness of internal control, risk management and governance processes.

LEGAL RISK

Legal risk is a type of risk encountered by Bank Mandiri as a result of lawsuits, both those carried out by internal and external parties and/or the discovery of juridical weaknesses such as the absence of legal documents and regulations or weaknesses in documents. Legal risk management organizations are carried out by the Legal Unit at the Head Office by carrying out functions, duties and responsibilities related to regulatory, advisory, litigation, advocacy and legal assistance, education and transformation in the field of law and management of Bank legal risk. In implementing these functions, duties and responsibilities, the Legal Unit at the Head Office coordinates with the Legal Unit in the Work Unit and Legal Unit in the Region. The Head Office Legal Unit is the system coach and supervises Legal Unit in Working Unit and Legal Unit in the Region. In optimizing the function of the working unit related to litigation, Bank Mandiri initiated the establishment of a Wholesale Loan Litigation Group which focused on handling litigation issues in the wholesale segment.

MECHANISM OF LEGAL RISK MANAGEMENT

The risk management mechanism which includes the identification process of measurement, control and monitoring refers to the applicable provisions concerning risk management. Each unit of product owner and / or executor or activity organizer is required to identify and manage risks to the maximum including but not limited to legal risks that are inherently inherent in every product or activity created or carried out by the Company, so that they do not have a broad impact and trigger risk Other risks include but are not limited to reputation risk.

Legal risk management carried out by Bank Mandiri, both preventive and repressive, is sufficient to protect the legal interests of Bank Mandiri and minimize the significant financial impact for Bank Mandiri, this is reflected in the Legal Risk Profile Report for 2019 which is in the predicate Low.

REPUTATION RISK

Reputation risk is managed through mechanisms, including monitoring, supervision, handling, and resolution under coordination from the Corporate Secretary with support from relevant work units, including Customer Care work unit, Legal work unit, retail risk work unit, IT work unit, and Strategy Marketing Communication work unit based on applicable internal regulations, and laws and regulations.

On the other hand, reputation risk is also managed by creating positive perceptions through positive articles and posts on conventional media and social media.

Mechanisms for Reputation Risk Management

Reputation risk is managed through a mechanism of supervision, handling and settlement which is coordinated by the Corporate Secretary Group with reference to the Standard provisions of the Corporate Secretary Guidelines.

Positive perceptions are created through positive articles and posts in the press, online media, and electronic media related to the company's business and social activities by referring to the provisions of the Corporate Secretary Standard Guidelines.

Implementation of Policy on Reputation Risk Management

As a form of implementing the reputation risk management policy, the Company ensures that all work units have performed their respective functions properly and in accordance with applicable regulations. As for events that occur that have the potential to impact on reputation risk related to the main tasks and functions of certain work units, the work unit is required to provide detailed information to the Corporate Secretary at the first opportunity in order to immediately manage the event to minimize the impact.

Bank Mandiri currently has official channels for receiving complaints and questions from customers, such as 14000 call centers, websites, branch offices, including print, online, electronic and social media. All complaints are forwarded to Customer Care for handling and resolution. In carrying out these tasks, the Customer Care work unit coordinates with the Corporate Secretary, especially in handling customer complaints related to conventional and social media.

Bank Mandiri also monitors and evaluates news coverage in print, online, electronic and social media periodically to measure the effectiveness of company publications and communications. Furthermore, the results of monitoring and evaluation are used as a basis for publication and communication activities for the next period in order to strengthen the company's reputation on an ongoing basis.

In order to establish good communication with the local media and relevant stakeholders throughout Indonesia, the Corporate Secretary also collaborated with local media to hold a Focus Group Discussion (FGD) in Palu, Central Sulawesi on the theme of post-natural economic recovery. In addition, the Corporate Secretary through regional offices outside Jakarta also conducts iftar activities with major local media to increase engagement and strengthen good relations.

By organizing communication activities in this area it is hoped that positive news can be created about Bank Mandiri in various national media, both print, online, electronic and social media, thus encouraging positive opinions for Bank Mandiri in the midst of society.

Whereas in the event of a crisis on the reputation of the Company and is massive so as to have a significant impact on the confidence of the Stakeholders, the Company will immediately implement an immediate action plan to minimize the impact of the crisis, including preparing problem management strategies, determining internal resource persons and execution schedules for activities crisis management, and overall evaluation.

STRATEGIC RISK

Strategic-risk Management Organization

The bank has established a risk management committee and a risk management unit aims to support a comprehensive, integrated, measurable, and controlled risk management. Each of these committees issues included in the scope of the intended committee.

Strategic-risk Management Mechanism

Bank risk management is regulated in a bank risk management policy with reference to Bank Indonesia regulation (PBI), the Financial Services Authority regulation (POJK), Basel provisions, and international best practices. This policy is regularly reviewed to anticipate changes in a business situation, regulation, and Bank internal condition.

In conducting strategic risk management, Bank Mandiri always conducts performance analysis and evaluates business target preparation and takes corrective steps in developing business plans and targets by considering internal and external conditions, if necessary.



The Implementation of Strategic Risk Management

Throughout 2019, by looking at internal and external conditions of Bank Mandiri and the corporate plan “restart” policy 2016-2020, Bank Mandiri is currently carrying out the stage III transformation to be the best financial institution in Indonesia in 2020. Considering the current economic situation, Bank Mandiri has performed some business strategies focusing on:

- **Strengthening business which becomes initial core competency** by increasing the wholesale loan above the market growth with the focus on anchor customers and industrial sectors, as well as increasing fee-based income and CASA wholesale through the improvement of banking transaction and cash management, and forex services and capital market.
- **Building and strengthening the new core competency**, by encouraging CASA retail growth through e-channel and Bank at Work initiatives by leveraging the network and derivatives of the wholesale customers. The growth of the consumer lending business, particularly in mortgages, auto loan, and personal loan through streamlining and cross-selling. Increasing the penetration of the micro-credit, especially KSM, and maintaining the market share segments in the Small and Medium Enterprises (SME) segments.
- **Strengthening the fundamentals**, by reducing the cost efficiency ratio through digitalization. Increasing network productivity through the improvement of business process and analytic utilization. Reducing the level of NPL by strengthening the early warning system, managing non-performing loans, and loan business processes.

Steps and Plans in Anticipating Strategic Risk

In anticipating the risk factors encountered by Bank Mandiri, it is necessary to implement independent and prudent risk management but not limit the company's business expansion process. The followings are some strategic risk management procedures applied in 2019:

- The economic growth which impacts business growth is still wary of several industrial sectors that indicate a potential risk of slowing or saturation. This leads Bank Mandiri to expand credits on the existing core and new core more prudently, and select prospective and resilient industrial sectors and segments toward economic turmoil. In addition, monitoring watch list and high-risk debtors are carried out end to end for better loan management.

- Controlling the formation of reserves (CKPN) by conducting review and follow-up action of the potentially problematic debtors so that CKPN costs can be reduced.
- Focusing on retail deposit in small business, micro, and consumer (individual) segments by running a program that can maintain its sustainability.
- Portfolios should be managed more agile to cope with cycles and volatility, prospective industrial sectors/segments should be encouraged to grow.
- Controlling costs through efficiency/saving overhead cost program and a more in-depth study of initiatives which have an impact on increasing productivity and eliminating non-value added cost.

COMPLIANCE RISK

All levels of the company are fully responsible to carry out compliance in their activities. The organizations, their duties, and responsibilities of implementing the compliance function are as follows:

1. Board of Commissioners
In relation to the implementation of the compliance function and integrated governance, the board of commissioners must carry out active supervision toward the implementation of the compliance function.
2. Integrated governance committee
The committee is formed to assist the commissioner board in carrying out the supervisory function of the implementation of the integrated governance and integrated compliance function at Bank Mandiri and subsidiaries.
3. Director/SEVP
The board of directors has duty and responsibility to foster and implement compliance culture and ensure the implementation of compliance culture at all organizational levels and business activities.
4. Director in charge of the compliance function
The director in charge of the compliance function is responsible for formulating a compliance culture strategy, minimizing compliance risk, establishing compliance systems and procedures and ensuring all policies, provisions, systems, and procedures are in accordance with prevailing laws and regulations.
5. Compliance work unit (Compliance & AML-CFT Group)
Compliance work unit assists and/or represents the director in charge of the compliance function in carrying out their duties and responsibilities.
6. Compliance unit within the work unit
Compliance unit within a work unit ensures the implementation of the compliance function

performed by the head of the supervised work unit.

7. The head of the work unit

The head of a work unit is responsible for realizing the compliance culture in their units, managing compliance risk, and implementing process and procedure improvement related to compliance issues in the units.

COMPLIANCE RISK MANAGEMENT MECHANISM

a. Identification

Compliance risk identification is stated in Compliance Risk Statement (CRS) which includes related regulation, causes of risk, risk control, and action plan needed to prevent compliance risk.

b. Assessment

The identified risk is assessed by each risk owner to create compliance risk profile in his work unit. The risk assessment is carried out based on the possibility of the risk occurrences and its impact. In addition, the risk owner also evaluates the effectiveness of the control.

c. Monitoring

Compliance risk monitoring is done by deciding and monitoring the risk appetite statement (RAS) of compliance risk.

d. Mitigation

The mitigation of the compliance risk is carried out by:

1. Reviewing that the compliance risk identifying process has been done properly and correctly.
2. Reviewing that the implementation of control and mitigation has been done properly and correctly.
3. Reviewing that the compliance risk assessment process has been carried out properly and correctly and considers historical sanctions data.

The Implementation of Compliance Risk Management

In 2019, the implementation of compliance risk management is carried out through:

1. Determination of Risk Appetite Statement (RAS)

In 2019, Bank Mandiri has established a Risk Appetite Statement (RAS) for compliance risk, which is the same value as 2018, which is 10 (ten) violations each month. During 2019, the amount of sanctions received by banks is 3 times each month and does not exceed the risk limit in accordance with the stipulated RAS.

2. Compliance Risk Assessment

Compliance risk assessment is conducted routinely every quarter and semester submitted to the OJK

as part of the Bank's Risk Profile Report. Based on the compliance risk self-assessment conducted in Quarter IV 2019, the level of compliance risk of the Company is 2 (low to moderate). Some things that become a concern for improvement are compliance risk awareness of employees, data quality and monitoring of report submission to the regulator.

3. Efforts to Mitigate Compliance Risk

In an effort to mitigate compliance risks, the Bank has implemented a number of compliance programs as follows:

a. Monitoring Regarding the Fulfillment of Bank Obligations for New Regulations

The Compliance Work Unit carries out prudential meetings, monitors the action plans that need to be carried out, and reminds the regulatory obligations to the relevant Work Units.

b. Control Testing of High-Risk Activities

Control testing is carried out by the Work Unit Compliance Unit for high-risk activities. If a discrepancy is found with the applicable regulations, it is necessary to immediately make improvements to prevent bank losses.

c. Compliance Testing Program

This program is a program in order to increase owner risk awareness of compliance risks and applicable regulations (according to their duties and responsibilities).

d. Compliance Work Unit Competency Improvement Program

In an effort to increase understanding related to compliance risk management, the Company collaborates with independent parties to organize training and compliance certification for all Compliance Work Unit personnel.

Steps and Plans in Anticipation Compliance Risk

The steps to be taken in relation to improving compliance risk management are as follows:

1. The management of compliance risk

a. Establishing Risk Appetite Statement (RAS) on the monitor the imposition of sanctions/fines to ensure the determined appetite is still under the company's control and improving compliance risk assessment parameter.

b. Improving procedures related to the implementation of the compliance function report.

2. Increasing compliance risk awareness

a. Conducting compliance assessment to increase employee understanding of the prevailing rules



and regulations.

- b. providing compliance advice on related issues.
3. Strengthening the monitoring of the compliance of regulatory obligation
 - a. Informing/socializing the prevailing laws and regulation or the results of analysis of the provisions to the companies.
 - b. Monitoring the compliance of action plan of work unit on the new regulations.
4. Increasing the competency of the compliance work unit

In order to improve the quality of human resources of the compliance unit, the bank cooperates with an independent party to conduct training and compliance certification.
5. Compliance Loan Review Forum (CCRF)

This discussion forum is held with the business units to increase the awareness of the compliance risk in the loan sector.
4. Peningkatan Kompetensi Satuan Kerja Kepatuhan

Dalam rangka meningkatkan kualitas Sumber Daya Manusia Satuan Kerja Kepatuhan, Bank bekerjasama dengan pihak independen untuk menyelenggarakan *training* dan sertifikasi kepatuhan.
5. *Compliance Credit Review Forum* (CCRF)

Forum diskusi ini dilaksanakan bersama Unit Bisnis dan Perusahaan Anak guna meningkatkan *awareness* risiko kepatuhan dibidang perkreditan.

RISK OF INTRA-GROUP TRANSACTIONS

Intra-Group Transaction Risk Management is carried out with Subsidiaries in the Bank Mandiri business group in accordance with Bank Mandiri's business strategy.

Bank Mandiri identifies and analyzes activities that can increase Intra-Group Transaction Risk exposure and affect company performance. The risk identification is carried out in the business activities of Bank Mandiri and Subsidiaries by considering the complexity of the transaction. Bank Mandiri can combine qualitative and quantitative approaches in the process of measuring Intra-Group Transaction Risks and will then conduct periodic risk monitoring in accordance with established procedures.

INSURANCE RISK

Insurance Risk Management is carried out at Subsidiaries in the Bank Mandiri business group which is engaged in the insurance business.

Bank Mandiri identifies and analyzes activities that can increase Insurance Risk exposure and affect company performance. The risk identification is carried out in the business activities of Subsidiaries engaged in insurance by considering its characteristics. Bank Mandiri can combine qualitative and quantitative approaches in the process of measuring Insurance Risk and will then be subject to periodic risk monitoring in accordance with established procedures.

THE EFFORTS TO INCREASE THE CULTURE OF RISK AWARENESS

In order to accomplish the vision of Bank Mandiri to become Indonesia's Best, ASEAN's Prominent, Bank Mandiri continuously applies a culture so-called risk awareness covering all operational and business activities to mitigate risks that have the potential to disrupt the Company's sustainability. The risk awareness culture starts out with the establishment of a Risk Appetite Statement (RAS) which indicates the type and level of risk which a company manages to accept; which are within the risk capacity the company has, and which are prepared in order to achieve business objectives. RAS will be used in the decision making process of a business and the discipline in respect of the implementation will be intensively monitored.

At the level of policies and procedures, the efforts to increase a culture of risk awareness are made by incorporating risk assessment and risk mitigation at each preparation standard of the business activity procedures and the Company product manuals.

Subsequently, an increase in the culture of risk awareness is also exposed by adhering risk awareness to an internalization culture of Bank Mandiri (corporate culture). One of the cultural themes known as "Mandiri

Tumbuh Sehat” emphasizes “thinking and acting in a balanced manner” whereby every individual in Bank Mandiri is expected to manage to pursue business growth alongside the proper consideration of risks. This point is necessary to be done in order that the performance achievement can be sustainable in the long run.

The success of a variety of programs carried out to increase the risk awareness culture absolutely needs to be supported by a good communication strategy. Bank Mandiri makes use of a couple of communication media to ensure that messages are delivered in an extensive coverage. Accordingly, other than holding a risk sharing forum, Bank Mandiri also exerts a digital channel for instance email blast so that the risk awareness culture can be embodied in an open, efficient, and effective framework of risk management.

RISK AWARENESS PROGRAM



For the sake of making a good operational risk management successful, it definitely needs to be fostered by good risk awareness from all levels of employees as well Bank Mandiri has an advanced program in an operational risk awareness culture which is better known as “OPERA (OPERational Risk Awareness)”. With the tagline known as DARE that stands for “Deteksi, Amankan, dan Respon”, or in English it refers to (Detection, Secure, and Response). This program is designed to enhance the understanding and effectiveness of each Bank Mandiri employee composed of the following details:



OPERA Edu



OPERA Edu

Is an awareness-related program that aims at provisioning education pertinent to risk and control encompassing the following points:

a. OPERA Clip is a short video with a maximum duration of 1 minute which raises the issues as regards the latest operational risks that must be implemented. The video has been made consisting of

1) OPERAClip Episode 1, it is displayed in the form of an awareness video which is functional to shape a targeted attitude in managing operational risks as the following categories:

- The first series with the theme of control is oriented towards the responsibility of each employee,
- The second series nuances the theme of understanding control, not only from simply "as he said", and
- The third series raises the theme about "fatal" if the control is merely regarded as a ritual.

OPERAClip Micro Edition: it is displayed in the form of awareness-driven video for risks and controls in the micro unit.

This video is shown continuously through internal broadcast media as a means of socialization, such as screens in office lifts, and other similar media. This video is obligatorily demanded to be watched by all employees in each work unit together routinely.

OPERA Clip



OPERA Toon

OPERAToon: is comic/cartoon articles which are presented in a lightweight, attractive and up-to-date package with the latest themes related to risks and controls that need to be adhered by every employee. The OPERAToon series is published regularly once a month and is sent via email blast to all employees..



OPERA Letter

OPERA Letter is short articles with a maximum of 2 (two) pages addressing certain themes with respect to the management of operational risks. Opera Letter is sent to all employees via emailblast every 3 (three) months.

OPERA Learning

Is a risk awareness program through learning / training around managing operational risk that must be followed by all employees. OPERA Learning takes the form of e-courses that can be accessed anywhere and anytime through the i-Learn menu at mandirieasy.com. each module is equipped with a post test to measure the level of awareness of each employee. When several modules are available, including: Introduction to operational risk management, SPO Operational Risk Management, Reporting Operational Risk Incidents, Introduction to Information Security



OPERA Forum



OPERA Forum

OPERA Forum is held as a forum of discussion with regard to the management of operational risks. OPERA forum falls into these following categories:

MRO Forum: a forum that is held every quarter specifically organized by the Operational Risk Management Unit and attended by the Head of Work Unit alongside the staffs. This forum aims at addressing issues corresponding to the Profile of Operational Risks in the Work Unit of Risk Owner, with the agenda of verifying control testing results, discussing key signification issues, and action plans which need to be immediately implemented.

OPERA Workshop: a workshop related to operational risk awareness organized by the Operational Risk Management Unit.

After the 2018 OPERA Workshop was held to all Region Offices, then in 2019 continued with the OPERA workshop to 79 Groups in Bank Mandiri. In addition, the OPERA workshops were also held to subsidiary companies with the aim of encouraging awareness on a wider scope.



RISK AWARENESS SURVEY

The Operational Risk Group, internally, has developed a survey methodology that aims to measure the level of operational risk awareness at each level of employees, identify gaps and opportunities for improvement, and set a comprehensive plan for follow-up improvement. The survey results can also be the basis for evaluating and improving the Risk Awareness Program so that it is always synchronous with the overall needs of the organization.

The survey methodology uses a series of questionnaire questions to measure the level of awareness of targeted attitudes of employees in managing operational risks. The interpretation of the survey results is the setting of 5 strengths and 5 weaknesses of targeted attitude. Strength is the most frequently asked question while the weakness is the most widely answered question by respondents.

As for taking the number of survey samples, in order to represent the entire employee, a finite population is used where:

$$n^* = \frac{1537}{1 + (1537 - 1)/36981}$$

$$= 1475 \text{ sampel}$$

$$n^* = \frac{n}{1 + (n - 1)/N}$$

With a minimum number of survey respondents of 1475 employee samples, the obtained Margin of Error value is 1%. If the number of respondents approaches the population, the smaller the Margin of Error value and the results of the survey will reflect the actual conditions..

The Risk Awareness Survey was conducted on August 5 - August 30 2019 with a total respondents of 9259 Bank Mandiri employees, both at the Head Office and the Regional Offices. The result shows the average score of 84.06 (scale 100), which means that employees have a considerable awareness

of the management of operational risk with some improvement needs to further increase employee risk awareness. Implementation of employee targeted attitude improvement is done continuously through aforementioned Risk Awareness Program mechanism and its effectiveness is monitored by related parties. Furthermore, Risk Awareness Survey will be a routine tool and agenda to be run by Bank Mandiri to measure the level of risk awareness of employees.

To find out whether the survey results reflect the conditions in the Bank Mandiri, the Operational Risk Group has also carried out the Focus Group Discussion for the level of executive, Officer and Department of Head as representatives of the Central Office and Region. The elaboration related to the forum group discussion results are some important things to highlight, among others:

- The difficulties of employees in understanding the rules were due to the SPO and PTO which are considered too long and wordy (less user friendly).
- Related to employee sanctions in the form of verbal notice where the notice is written so that it will always appear on the employee data so as to cause hindrance to the employees promotion. This causes employees to less openly disclose when an error/ incident occurs and tends to blame the situation/ other parties.
- Risk awareness requires a role model from management (tone from the top).

Furthermore, the Operational Risk Group along with Human Capital Engagement will map the action plan that needs to be done as a follow-up of the Operational Risk Awareness Survey results, including the risk awareness program that is currently running.

RISK ASSESSMENT

The result of self-assessment of the Individual Bank Mandiri Risk Profile for the 31th of December 2019 was ranked 1 (low) with the Inherent Risk Rank that was low to moderate and the rank of Risk Management Implementation Quality (RMIQ) Rating which was strong.

The self-assessment of Bank Mandiri risk profile (individual) for the 31th of December 2019 is as follows:

Types of Risks	The Level of Inherent Risk	The Level of Risk Man-agement Implementa-tion Quality	The Rank of Risk Level
Credit Risk	Moderate	Satisfactory	Low to moderate
Market Risk	Low	Strong	Low
Liquidity Risk	Low	Strong	Low
Operational Risk	Moderate	Fair	Moderate
Legal Risk	Low	Strong	Low
Strategic Risk	Low	Strong	Low
Compliance Risk	Low to moderate	Satisfactory	Low to moderate
Reputation Risk	Low	Satisfactory	Low
Composite Rating	Low to moderate	Satisfactory	Low to moderate

THE EVALUATION OF RISK MANAGEMENT SYSTEMS

Bank Mandiri constantly evaluates the effectiveness of the risk management systems. The evaluation entails adjusting the strategy and the framework of risks as the constituent of risk management policies, considering the adequacy of risk management information systems and the adequacy of risk identification, measurement, monitoring and control processes.

An example of evaluation on the risk management policy is the annual evaluation on the Risk Management Policy and Standard Procedure. The Board of Commissioners plays an active role in the evaluation of the risk management system by reviewing findings of the evaluation undertaken by the Board of Directors as the organ in charge of effective implementation of the risk management system. The annual evaluation results show that during 2019 Bank Mandiri has implemented fairly good risk management.

INTERNAL CONTROL SYSTEM

The Internal Control System (ICS) refers to a monitoring mechanism which is established by the company's management on an on-going basis. An effective ICS is an important component in the company management and becomes the foundation of the company operational activities which are proper and secured. An effective ICS can help the Board of Commissioners and Directors in safeguarding the assets of the company, ensuring the availability of credible financial and managerial reporting, increasing the company's compliance with laws and regulations, and decreasing the risk of loss, deviation, and violations of prudential aspects. The application of ICS in the company refers to the Internal Control Policy (ICP).

As a process executed by all levels of the company's organization, ICS is applied in the strategy setting in all work units, and it is designed to capably identify the plausible occurrence of an event that can impact the company, to manage risk in order to still remain within the risk appetite, and to provide adequate confidence in order to achieve the company goals.

THE OBJECTIVES OF CONTROLS

The objectives of implementing an effective ICS are classified into 4 (four) main objectives as follows:

1. The Compliance Objective

It is to ensure that all of the company's business activities have been undertaken resting upon the applicable laws and regulations, both the provisions issued by the Government, the Banking Supervision Authority, the Capital Market Authority and the company's internal policies, provisions, as well as procedures.

2. The Information Objective

It is to provide accurate, complete, on-time, and relevant information required in an effort to make appropriate and accountable decisions, including financial and non-financial reports needed by both internal and external parties of the company.

3. The Operational Objective

It is to enhance the effectiveness and efficiency in using assets and other resources as well as to protect the Bank from the risk of losses including those on account of fraud event.

4. The Objective of Risk Awareness Culture

It is to identify weaknesses and to assess deviations early and re-assess the fairness of the internally prevailing policies alongside the procedures at the Bank on an ongoing basis.

CONTROL ENVIRONMENT

The control environment indicates the entire commitment, behavior, care, and steps of the Board of Directors and Commissioners of Bank Mandiri in executing the operational activities. The Board of Commissioners is responsible for ensuring whether the Directors have monitored the effectiveness of the ICS implementation. The Board of Commissioners plays an active role in ascertaining that there are improvements to the company's problems that can potentially reduce the effectiveness of ICS.

The directors are responsible for setting the policies and strategies as well as internal control procedures. They are also responsible for monitoring the sufficiency and effectiveness of ICS. In addition, the Board of Commissioners and Directors are responsible for enhancing the work ethics and high integrity as well as for creating an organizational culture subjected to all employees appertaining to the importance of internal controls prevailing in Bank Mandiri.



Monitoring by management is undertaken through building up the culture control by means of the establishment of human resource policies and practices, including the following points:

1. The company has the written policies and procedures in regard to human resources encompassing the recruitment, career paths, payroll and remuneration systems, and employee coaching and development.
2. The company evaluates the performance, competency, and application of cultural values by employees periodically, wherein the results become the basis for assigning and placing the employees.
3. The company has an organizational structure which is adequate and reflects the task specification and responsibilities determined resting upon the applicable regulations.
4. The company has a written policy in association with the provisions and procedures for changing organizational structures.
5. The company management is executed in referential to the principles of Good Corporate Governance.
6. The company decision making is determined at the meeting held by the Board of Directors.
7. The process of making decision is undertaken in bottom-up and top-down manner.
8. The company makes policies which are aimed at preventing any occurrence opportunity of deviation or violations of the prudential principles.

RISK ASSESSMENT

Risk assessment is a set of actions which start out from the identification, analysis, and measurement of the company's risks for the sake of attaining the targets set. The risk assessment is done to all kinds of risks inherent in each process or activity that is conceivably potential to harm the company.

Bank Mandiri has the written risk management policies set by the Board of Directors and approved by the Board of Commissioners.

In an effort to implement an effective ICS, the company continuously identifies and assesses risks that can have an impact on the attainment of targets. The Internal Audit Work Unit (IAWU) periodically reviews the risk assessment produced by the Risk Management Work Unit (RMWU) so that the coverage of the audit is more extensive and comprehensive.

The assessment as such incorporates all risks faced, either individual or overall risks, which entail loan risk, market risk, liquidity risk, operational risk, legal risk,

reputation risk, strategic risk, compliance risk, insurance risk, and intra-group transaction risk.

CONTROL ACTIVITIES

Control activities entail the control and segregation of duties, with the descriptions presented as follows:

1. Control Activities

Control activities involve all levels of the company that include planning, policy and procedure determination, implementing controls and early verification processes to ensure that those policies and procedures are consistently obeyed. The control activities are those that cannot be separated from each function or daily activity of the company.

These activities are applied in all levels of function based on the structure of company organization as follows:

a. Review by The Board of Directors (Top Level Review)

The Board of Directors periodically requests explanation (information) and operational performance reports from the Head of Division in order to review the results of the realization compared to the set targets. Based on the review, soon the Board of Directors detects some problems that may occur, for instance control weaknesses, financial statement errors or other irregularities (fraud).

b. Review of Operational Performance (Functional Review)

This review is conducted by SKAI at the time of inspection or in the reporting process to the regulator, which includes:

- Conducting a review of the risk assessment (risk profile report) made by the Risk Management Unit
- Analyzing operational data, both related to the risk and financial data, by verifying details and transaction activities compared to outputs (reports) produced by the Risk Management Unit
- Carrying out a review of the implementation of work plans and budgets made by each division in order to:
 - 1) Identify the significant cause of deviation
 - 2) Determine requirements for corrective action

c. Managing the information system

- The company carries out verification of the accuracy and completeness of transactions and the implementation of authorization procedures in accordance with applicable regulations.

- The company accomplishes controlling steps of information technology (TI) to deliver system and data that are maintained confidentially with a good integrity and support the company's goal.
 - Controlling information technology includes:
 - 1) Controlling operational database, procurement system, development and maintenance of system/application. This controlling act is implemented for mainframe, server, user work station, and connectivity.
 - 2) Controlling of application is carried out for a program used by the company to process transactions in order to ensure the availability of effective auditing process and go over the validity of that auditing process.
 - d. Physical controls
 - Physical controls are carried out to guarantee the implementation of physical safeguards towards the company's assets.
 - These controls include securing assets, records and documentation and limited access to application programs.
 - The company has to check appraisal continuously.
 - e. Documentation
 - The company documents all policies, procedures, and working standard neatly and in a good order.
 - All policies, procedures, operational system and accounting standard are updated regularly in order to figure out the actual operational activities.
 - By request, documents are always available for the sake of internal auditor, external auditor, and Banking Monitoring Authority.
 - The Internal Audit Unit assesses the accuracy and availability of these documents when conducting routine and non-routine audits.
2. (Segregation of Duties)
- a. The aim of this segregation of duties is that everyone in the company does not have any opportunity to do and cover up mistakes or irrelevancies while doing their jobs.
 - b. The structure of organization is made by separating the functions of recording, inspecting, operational and operational items (segregation of duties), in which it is expected that it will create a system of dual control, dual custody and there will be no double jobs and conflict of interest in any activities.
 - c. In the implementation of this segregation policy, the company carries out several moves for instance:
 - Determine the function or certain job only for several employees in which these are separated from the others to decrease the risk of information/data manipulation or misuse of company's assets.
 - This separation is not limited only for front and back office activities but it is intended to manage several things as follows:
 - 1) Approval of spending and the realization of it.
 - 2) The customer account and bank account owner.
 - 3) Transactions in bank bookkeeping.
 - 4) Giving information to the bank customer.
 - 5) Assessing the adequacy of loan documentation and debtor monitoring after loan disbursement.
 - 6) Other business activities that may cause conflict of interest.
 - 7) The independence of the bank risk management function.
 - d. Both Directors and employees have a comprehensive job description including their functions, duties, authorities and responsibilities.
 - e. Both Directors and employees are not allowed to have a double job in their internal institution that can cause a conflict of interest.
- Based on the explanation above, the internal control system can be grouped into 2 (two) control activities namely operational control and financial control. It can be explained as follows:
- ### OPERATIONAL CONTROLS
- Operational controls conducted by Bank Mandiri include:
1. Review by the Board of Directors by requesting explanation (information) and reports of operational performance of the company so that the board of Directors can detect in case of control weakness, misconduct of financial statements or other irregularities (fraud).
 2. Review by Internal Audit, by reviewing the risk assessment (risk profile report) produced by the Risk Management Work Unit, analyzing operational data,
 3. Reviewing the realization of the work plan and budget implementation.



4. Controlling the information technology that includes control of data center operations and control of applications.
5. Documentation for all of the policies, procedures and working standards.

FINANCIAL CONTROL

Financial controls that have been carried out by Bank Mandiri include:

1. Applying the intended separation of functions so that everyone in his office does not have the opportunity to make and hide mistakes or irregularities in the implementation of their duties.
2. All policies, procedures, operating systems and accounting standards are updated periodically to describe actual operational activities.
3. Approval of funds withdrawal and expense realization.
4. Control over customer's account and Bank's owner's account.
5. Control over transactions in the Bank's bookkeeping.
6. Control of physical assets includes asset safeguarding, notes and documentation as well as limited access to application programs.

INFORMATION AND COMMUNICATION

a. Information

The company has system information that provides comprehensive and sufficient data/information related to business activities, financial condition, the implementation of risk management, the obedience towards rules and regulations, market information or external condition needed while making proper decisions.

b. Communication

The company has such a communication system which is able to deliver information to all stakeholders including internal and external parties such as Banking Monitoring Authority, external auditors, shareholders and customers of the company.

SPI's duty is to make sure the availability of effective means of communication so both managerial people and employees understand and obey the applicable policies and procedures while doing their jobs and responsibilities.

Managerial people have an effective communication channel so all information needed can be reached by interested parties. This requirement is for all

information including policies and procedures that have been assigned, risk exposures, real transactions, and operational performance of the Bank.

MONITORING ACTIVITIES

Directors conduct periodic monitoring activities to find out the effectiveness of overall SPI implementation although it is not limited only about the effectiveness and the safety of TI use in which The Board of Commissioners also ensure that The Directors have conducted the monitoring well.

Monitoring towards the main risks of the company is a part of daily activities including periodic evaluation carried out by Work Unit, Compliance Unit, Risk Management Work Unit, and Internal Audit Work Unit.

Related work units monitor the adequacy of SPI continuously in regard with the internal and external changing conditions and increase the capacity of this SPI so its effectiveness can be improved. If there are some SPI'S weaknesses identified by risk taking unit, intern audit of taking unit or the others, they should be reported to the Board of Commissioners and Board of Directors.

ITS COMPATIBILITY WITH THE COMMITTEE OF SPONSORING ORGANIZATIONS OF THE TREADWAY COMMISSION (COSO)

SPI consists of 8 components which are related to each other and applied effectively by all levels in the company in order to achieve its goal. It is the development of 5 principal elements of SPI regulated by Regulator.

This development referred to the COSO Model developed by Committee of Sponsoring Organizations of the Tread way Commission (COSO) in 2008 which consists of:

1. Internal Environment
2. Objective Setting
3. Event Identification
4. Risk Assessment
5. Risk Response
6. Control Activities
7. Information & Communication
8. Monitoring

THE EVALUATION OF INTERNAL MONITORING SYSTEM IMPLEMENTATION

The Board of Directors are responsible for the implementation of reliable and effective SPI in which they also have to increase the culture of risk awareness effectively and ensure that those values have embedded in every level of organization.

Internal audit is responsible for evaluating and actively improving the use of SPI continuously in regard with the operational implementation in achieving the company's goals. It also conducts reviews and verifies all activities in risk taking unit and subsidiaries periodically.

Evaluation results were submitted to the Board of Directors for follow-ups and monitoring to ensure effective implementation of the Internal Control System (SPI). To strengthen the Internal Control System, especially to control frauds, the Company implemented comprehensive and integrated anti-fraud strategies as part of the strategic policy. Based on evaluation throughout 2019, it is revealed that Bank Mandiri has a fairly good Internal Control System.

COMPLIANCE FUNCTION

Recently transactions are done using technology and it requires banking industries to move forward and collaborate with others to improve its system and strategy in order to meet the needs of community. The rapid progress of technology and business development of Bank Mandiri indeed will increase the risk exposure encountered by the company including compliance risk. To overcome this exposure, the compliance function is needed to minimize offenses that may cause losses for the company.

Related with the compliance function, Bank Mandiri refers to the OJK Regulation No. 46/POJK.03/2017 about The Implementation of Bank Compliance Function. Now, Bank Mandiri has got policies and a standard of compliance procedures explaining the duties and responsibilities of Compliance Work Unit.

THE ORGANISATION STRUCTURE OF COMPLIANCE FUNCTION

Organizations running the compliance functions have been regulated in Compliance Policies of Bank Mandiri and it can be seen in detail in Standard of Compliance Procedure. This organizations consist of :

1. Directors in charge of the compliance function
2. Compliance Unit
3. Compliance Work Unit in the Work Unit

DIRECTORS IN CHARGE OF COMPLIANCE FUNCTION

The directors in charge the Company's compliance function during 2019 were Mr. Agus Dwi Handaya as Director of Compliance & HRM

COMPLIANCE UNIT

Compliance Group is a unit having a role as Compliance Work Unit in Bank Mandiri and is directly responsible for The Board of Directors in charge for the compliance functions. As its role as Compliance Work Unit, Compliance Group has fulfilled the following requirements:

- a. Independence.
- b. Mastering the applicable rules and regulations.
- c. Do not carry out other tasks outside the Compliance Function.
- d. Have a high commitment to implement and develop a compliance culture.

Additionally, in order to implement Bank Indonesia Regulation No. 18 / POJK.03 / 2014 concerning the Implementation of Integrated Governance for Financial Conglomerates, Compliance Group also acts as an Integrated Compliance Unit to assist and evaluate the implementation of the compliance function in all members of the Financial Services Institution that is a member of the Mandiri Group financial conglomerate.

To carry out the compliance function, Compliance Group has 5 Departments and 1 functional unit Compliance Officer with the following structure:



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



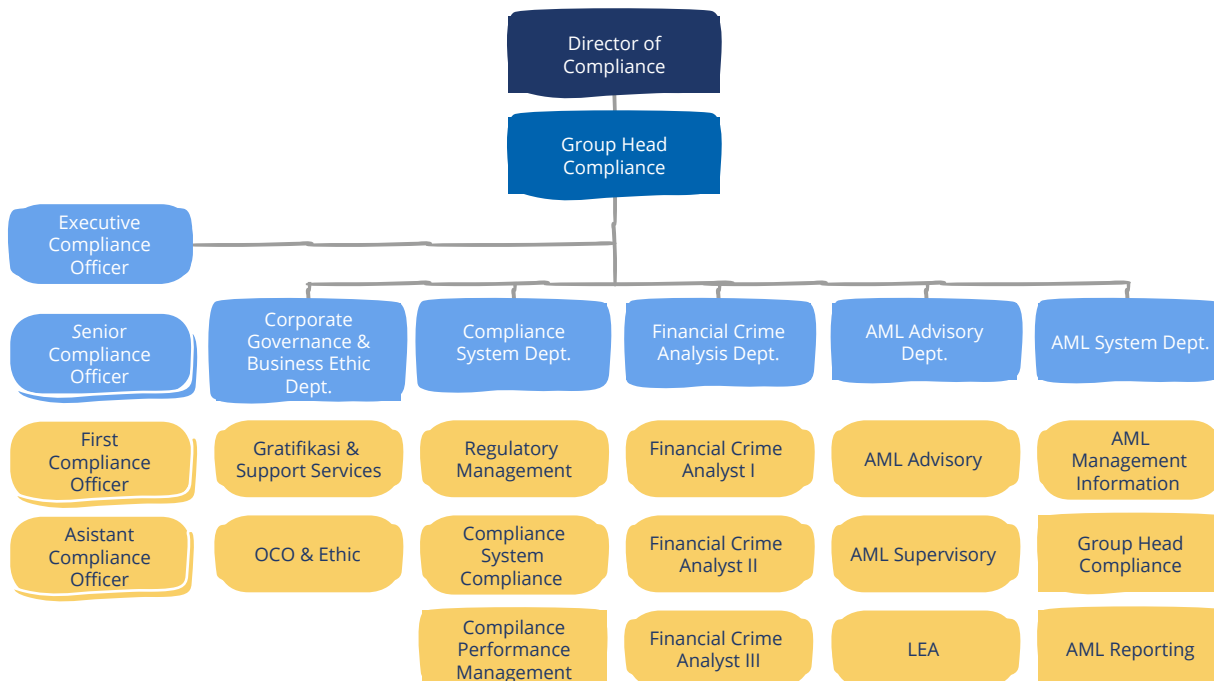
Management Discussion and Analysis on Company Performance



Human Capital

PROFILE OF HEAD OF COMPLIANCE FUNCTION

Compliance Work Unit in Mandiri Bank is led by The



Head of Compliance Unit. Each appointment and/or dismissal of the Head of the Bank Mandiri Compliance Unit has referred to the Bank Mandiri Compliance Policy and is reported to the Regulator. The appointment of Mr. Eman Suherman as Group Head of Compliance is based on Directors Decree No. KEP.DIR/HC.010/2019 dated January 8, 2019 concerning Appointment and Determination of Employee Positions.



Eman Suherman
Group Head Compliance & AML-CFT

Citizen	Indonesia
Domicile	Jakarta
Age	49 years old
Educational background	<ul style="list-style-type: none"> S1 in the field of Law from the University of Padjadjaran (1996) S2 in the field of Business Law from Erasmus University Rotterdam (2002).
Pengalaman Kerja	<ul style="list-style-type: none"> Group Head of Compliance Group (2019) Group Head of Legal Group (2017) PIC of Group Head of Legal Group (2016)

DUTIES AND RESPONSIBILITIES OF COMPLIANCE FUNCTIONS

The duties and responsibilities of the Compliance Group in carrying out compliance functions, in general are as follows:

1. Make steps in order to support the creation of a Compliance Culture in all business activities of the Bank at every level of the organization.
2. Identify, measure, monitor, and control Compliance Risk by referring to Bank Indonesia regulations regarding the Implementation of Risk Management for Commercial Banks.
3. Assess and evaluate the effectiveness, adequacy and suitability of policies, provisions, systems and procedures owned by the Bank with the applicable laws and regulations.
4. Conduct a review and / or recommend updating and refining policies, regulations, systems and procedures that are owned by the Bank so that they are in accordance with Bank Indonesia regulations and applicable laws and regulations.
5. Make efforts to ensure that the policies, provisions, systems and procedures, as well as the Bank's business activities are in accordance with Bank Indonesia regulations and applicable laws and regulations.

DEVELOPMENT OF COMPLIANCE FUNCTION COMPETENCE

The development that has been followed by employees of the Compliance Work Unit Division through out 2019 is as follows.

No	Name of Education and Employee Development	Implementation Date
1	TRADE & BANK GUARANTEE	29th February-02 March 2019
2	ANTI FINANCIAL CRIME COMPLIANCE & RISK MANAGEMENT	October 22 - 24, 2019
3	CONSTRUCTION INDUSTRIAL EXPERTISE	October, 07 - August19, 2019
4	APT PPU FORUM & GRATIFICATION CONTROL	December12-13, 2019
5	ICA 2ND ANNUAL APAC CONFERENCE	October 15-17, 2019
6	KPKU BUMN-BASED INTERPRETATION OF AT BANK MANDIRI SP	January 14-16, 2019
7	FRAUD MANAGEMENT	July 23-25, 2019
8	MANAGEMENT OF GOODS AND SERVICES PROCUREMENT	December 05-06, 2019
9	MANDIRI CULTURE CAMP	January 31 - February 01, 2019
10	UNDERSTANDING INNOVATION TECHNOLOGY FINTECH IN FINANCIAL SERVICES	November 27-29, 2019
11	AMLO CERTIFICATION BRIEFING	August 19-21, 2019
12	IMPLEMENTATION OF BANK MANDIRI SUSTAINABLE FINANCE	April 24-25, 2019
13	REDESIGN A BOMB & FIRST AID TRAINING PROGRAM	February 13-15, 2019
14	REFRESHMENT OF SAP EHCMS & DTOBM	September 25-27, 2019
15	REFRESHMENT OF RISK MANAGEMENT CERTIFICATION	August 12, 2019
16	AMLO CERTIFICATION	August 19-21, 2019
17	TRAIN THE TRAINER MODUL ETHICS	August 30, 2019
18	FRAUD AUDITING TRAINING	September 11 - August 30, 2019
19	TREASURY FOR OPERATIONS ACTIVITIES AND CONTROL	July 16-18, 2019
20	TTT OF CREATIVE PROBLEM SOLVING & DECISION MAKING	March 27-29, 2019
21	TTT OF PERSONAL LEADERSHIP	April 25-26, 2019
22	TTT OF SELF MOTIVATION	March 11-13, 2019
23	TTT OF SEVEN HABITS OF HIGHLY EFFECTIVE PEOPLE	February 18-22, 2019
24	TTT OF STRESS MANAGEMENT	April 22-24, 2019
25	EXAMS OF COMPLIANCE CERTIFICATION & AML LEVEL 2	October 23-24, 2019
26	WORKSHOP OF PALM OIL PLANTATION AND INDUSTRY	February 12-15, 2019
27	WORKSHOP OF FAST MOVING CONSUMER GOODS INDUSTRY	April 10-12, 2019



THE COMPLIANCE UNIT IN THE WORK UNIT

The Compliance Unit in the Work Unit is a work unit whose task is to ensure the implementation of the Compliance Function carried out by the supervised work unit Head. The Compliance Unit in the Work Unit is led by the Senior Operational Risk Head who is directly responsible to the Field Director in charge. The presence of the Head of Compliance Unit in the Work Unit does not eliminate the compliance responsibilities of the Field Director / SEVP and / or Group Head for the implementation of the compliance function in the work unit. In order to monitor the implementation of the compliance function in the work unit, the Compliance Unit in the Work Unit has an indirect reporting relationship with the Compliance Unit.

POLICY AND STANDARD OF COMPLIANCE PROCEDURES

Bank Mandiri has compliance policy and standard procedures that form the basis for all employees in fostering a Compliance Culture so that the Company's activities are always in line with the prevailing laws and regulations and based on the principle of prudence. The policies and standard procedures referred to are periodically reviewed at least once a year according to the needs of the bank as well as following changes in the prevailing laws and regulations.

COMPLIANCE POLICY OF BANK MANDIRI

In general, Bank Mandiri Compliance Policy contains guidelines for all employees in carrying out the Compliance Culture including: General Policy, Organization, Authority and Responsibility, Management of Compliance Risk, Reporting, Monitoring. The Compliance Policy also regulates the Compliance Principles, which consist of:

1. The Company is always compliant with the prevailing laws and regulations and applies the principle of prudence in carrying out all its activities (mandatory).
2. The Board of Commissioners and the Board of Directors are role models that are based on honesty and integrity so that compliance becomes a corporate culture (starts from the top).
3. All levels of the Company are fully responsible for carrying out compliance in each of their respective activities.

COMPLIANCE PROCEDURE STANDARD OF BANK MANDIRI

It is a more detailed elaboration of the Compliance Policy that contains guidelines for implementing the Compliance Function, which includes organization, duties and responsibilities, governance and compliance

work programs, implementation of compliance functions, compliance tools, increased compliance function compliance, compliance risk management, compliance risk mitigation and the relationship of the Compliance Unit with the Internal Audit Work Unit and the Risk Management Work Unit, specifically the operational risk management unit.

The compliance function is carried out in the form of Compliance Assurance Services (CAS), namely Supervisory services, Review / examination services, Consultation services, Regulatory services.

TECHNICAL INSTRUCTIONS OF BANK MANDIRI

It is a procedure and operational technical work process in implementing the compliance function, which is a description of the Compliance Procedure Standard. Especially for the implementation of compliance with the provisions relating to Anti-Money Laundering and Combating the Financing of Terrorism (AML-CFT), the policies and standards of the Anti-Money Laundering and Combating the Financing of Terrorism (AML-CFT) guidelines apply themselves.

In relation to the implementation of the integrated compliance function, Bank Mandiri has Mandiri Group Principle Guideline (MGPG) and the Mandiri Subsidiary Management Principles Guidelines (MSMPG) as guidelines in carrying out the integrated compliance function. Bank Mandiri, as the Main Entity, requires the Subsidiary to have a compliance policy that is in line with the Bank Mandiri Compliance Policy and is adjusted to the applicable regulations in each of the Subsidiary Entity industries. Whereas for Overseas Branches, it is adjusted to the laws and regulations and the provisions in force in the local State.

2020 COMPLIANCE STRATEGY

To support the achievement of Bank Mandiri's vision in 2020, Bank Mandiri has established a compliance strategy so as to minimize the likelihood of compliance risk and improve the culture of compliance in each Bank's activities.

RISK APPETITE STATEMENT (RAS) AND LEADING INDICATOR OF COMPLIANCE RISK

Business complexity and aggressive growth in the coming year must be balanced with compliance risk management that is more forward looking and more sensitive to the dynamics of changes that occur. For 2019, Bank Mandiri has a Risk Appetite Statement (RAS) which is a reference for all banks in carrying out the Company's activities so that the business target can be

achieved while still taking into account the risk limits that can occur. Compliance risk RAS is prepared prudently by using historical data in accordance with compliance risk assessment parameters as stipulated in Financial Services Authority's Circulating Letter No 14/SEOJK.03/2017 dated March 17, 2017 concerning Rating of Commercial Bank Soundness.

In 2019, Bank Mandiri still determined:

1. RAS Compliance Risk, namely violations that occur a maximum of 10 (ten) times per month.
2. Leading Indicators of Compliance Risk is the maximum number of penalties for penalties above IDR 19,000,000.00 for 3 (three) times per month.

The RAS and Leading Indicators of compliance risk were determined by the Risk Management & Loan Policy Committee through an alignment process between the perspectives of the Board of Commissioners and Directors in a top-down manner with a bottom-up perspective based on input and synchronization with business units and work units.

IMPLEMENTATION OF THE COMPLIANCE FUNCTION WORK PROGRAM IN 2019

COMPLIANCE WORK PLAN IN 2019

1. Improvement of Compliance Culture Awareness

To support the improvement of the Compliance Culture, the efforts made by the Company include the following:

- a. Enhancements of compliance devices
- b. Improvement of compliance culture
- c. Awareness improvement awareness of data/information quality
- d. Compliance risk management

2. Reinforcement of APU Program-PPT

In order to face the Mutual Evaluation Review (MER) in 2019-2020 and to anticipate the development of financial products and services including marketing channels, conglomerations, and complexity of banking technology, the company always make continual improvements in the implementation of the APU PPT program in both internal and wide groups.

Some of the improvement initiatives that have been carried out by Bank Mandiri are:

- a. Improvement of risk assessment of TPPU & TPPT with Risk Based Approach/RBA;
- b. Optimization of APU PPT program implementation in the Region and Branch through increasing the role of Anti Money Laundering Officer (AMLO) in the Region and implementation of On Site Review & Monitoring (OSRM) of APU PPT Program Implementation in the Branch;
- c. Preparation of the Information Exchange mechanism for CDD purposes and Risk Management in Financial Conglomerations;
- d. Fulfillment of Reporting and Information System Enhancement of State Officials Wealth Report (LHKPN);
- e. Enhancement of Application of Reporting and Anti-Money Laundering Analysis (APU) and Terrorism Funding Prevention (PPT).

3. Synergy Strengthening with Subsidiaries

In accordance with Integrated Governance as stated in Financial Services Authority Regulation No. 18/03. POJK/2014 concerning the Implementation of Integrated Governance for the Financial Conglomerate, Integrated Compliance Work Unit (SKKT) is responsible for monitoring and evaluating the implementation of compliance across subsidiaries. .

IMPLEMENTATION OF COMPLIANCE WORK PLAN IN 2019

1. Enhancement of compliance culture awareness

- a. Enhancements of Compliance Devices

Compliance devices consist of policy, guidelines, and compliance technical instructions. In order to enhance the effectiveness of the Bank's compliance function, the compliance devices will be periodically reviewed to suit the needs of the bank and the current development conditions.

- b. Enhancement of Compliance Culture

In order to increase the culture of compliance at all levels of the organization, the Compliance Unit has implemented a compliance test program for all employees. Related to enhancing the application of prudence principles in the process of issuing credit, the Handbook is updated and the Credit Allocation Compliance is



Reviewed. In addition, the Compliance Work Unit also seeks to convey regulations that must be understood by employees in the region through the OPERA (Operational Risk Awareness) socialisation program in collaboration with the Supervisory Work Unit of Operational Risk Management.

c. **Awareness Enhancement of Data/Information Quality**

As an effort to increase employee awareness on the importance of data/information quality that could impact the risk of compliance, the Company has conducted an awareness enhancement program through the creation of a booklet and video guidance to improve the quality of data/information and to socialize it to all employees.

d. **Compliance Risk Management**

Compliance risk management is carried out continuously to minimize the compliance risk to occur. The process of compliance risk management that will be carried out is:

- 1) Analysis of new provisions as a basis for the compliance risk drafting and conducting a prudential meeting with related work units to discuss the fulfilment of obligations on new regulations.
- 2) Dissemination of resume of new provisions to all employees through electronic media.
- 3) Conducting control testing of bank activities that have a high risk to prevent the disobedience to occur.

2. Synergy Strengthening with Subsidiaries

As a large financial conglomerate, an optimal synergy between the Primary Entity with the Subsidiaries and between Subsidiaries is necessary. The compliance synergy in question includes several matters, including compliance risk management, APU-PPT and implementation of Integrated Governance.

With regard to integrated compliance risk management, the Company makes alignment of compliance policy sets, organizes discussion forums on the risks of each Subsidiary Company, and monitors the implementation of the Subsidiary's compliance function through regular reporting.

In order to ensure the Mandiri Group's compliance with applicable laws and regulations, Bank Mandiri

as the Main Entity conducts things as follows:

- a. Compiling and reviewing Compliance Reports and Subsidiary Compliance Risk Profile Reports on a quarterly basis.
- b. Discussing the compliance issues of Subsidiaries along with their mitigation and preparing a risk profile outlook on a quarterly basis.
- c. Delivering a list of compliance of new regulations to the Subsidiaries, to ensure the fulfilment of obligations in the new regulations that have a significant impact and have a substantial sanction.

In relation to the implementation of the Integrated APU-PPT, the Bank will prepare a scheme and mechanism for the exchange of information between Bank Mandiri and its Subsidiaries and assistance to all Subsidiary Companies and Overseas Offices so that the application of the APU-PPT becomes more synchronized.

In terms of relation to the implementation of Integrated Governance, the Bank will direct the Subsidiary Company to participate in GCG assessment activities by an independent party namely The Indonesian for Corporate Governance (GCG) with the aim of increasing the application of GCG principles in the Subsidiary Companies and anticipating risks that will be encountered in the future.

EVALUATION OF EFFECTIVENESS OF COMPLIANCE FUNCTION

The implementation of the Compliance Function's activities and performance are constantly evaluated and assessed by the Compliance Director for the purpose of increasing the effectiveness of implementation in the coming year. Criteria for Compliance Function assessment based on Annual Work Plans, Key Performance Indicators (KPIs) and Non Key Performance Indicators (Non KPI) Work / Work Programs. The assessment based on KPI covers aspects of the Financial Perspective, Customer Perspective, Internal Business Perspective and Development Perspective. Evaluation is expected to improve the quality of implementation of a compliance culture and compliance risk management in minimizing risks that may occur due to non-compliance with applicable regulations.

ANTI MONEY LAUNDERING (AML) PROGRAMS AND COMBATING THE FINANCING OF TERRORISM (CFT)

The application of the AML-CFT program is an obligation for all parties, especially for banks as financial services companies. Given the increasingly widespread practice of money laundering, including the misuse of the use of accounts to accommodate terrorism funding, it requires commitment from all parties to support the implementation of the AML-CFT program.

Money Laundering crimes have become one of the topics that has touched the attention of the world because it has a significant impact in disrupting the stability of a country's economy. Therefore, the organization of the Financial Action Task Force on Money Laundering was formed to play a role in setting policies and providing recommendations on steps to prevent money laundering and terrorism financing that must be applied effectively by all States.

Bank Mandiri as one of the banks that has networks in all parts of Indonesia with diverse products and / or services is very vulnerable to the risk of money laundering and terrorism financing. Therefore, banks need to mitigate these risks by carrying out various prevention efforts, through the effective implementation of the AML-CFT program, including by applying a Risk Based Approach.

AML-CFT POLICY

In line with the latest developments related to the AML-CFT program and in connection with the OJK Regulation No. 12 / POJK.01 / 2017 concerning the Implementation of the Anti-Money Laundering and Combating the Financing of Terrorism Program in the Financial Services Sector, which among other things regulates the application of the AML-CFT within the Financial Conglomerate, so Bank Mandiri has made improvements to the AML-CFT Program implementation policy, based on 5 (five) Pillars for AML-CFT Program Implementation, namely:

1. Active supervision of the Board of Commissioners and Directors;
2. Policy and Procedure;
3. Internal Control;
4. Management Information System; and
5. Human Resources and Training.

Improvements to the Policy include:

1. Match the perceptions and understanding of all levels of the Bank regarding the importance of implementing the APU PP program;
2. Become a guideline in mitigating risks including legal risk, reputation risk, and operational risk;
3. Become a guideline in the preparation of product operational procedures and other banking activities based on prudential banking;
4. Fulfil the provisions in POJK regarding the Implementation of the AML and PPT Program in the Financial Services Sector.

ORGANIZATIONAL STRUCTURE AML-CFT

In order to increase the effectiveness of the AML-CFT program implementation at Bank Mandiri, it is necessary to support the active supervision of the Board of Commissioners and Directors so that they can motivate employees and work units in establishing a culture of compliance in all levels of the Company. The supervision includes the risk management of AML-CFT in Subsidiaries which is under the coordination of the AML-CFT Special Work Unit.

The implementation of the AML-CFT program is carried out by the AML-CFT Special Work Unit which is structurally under the Bank Mandiri Compliance Unit and is directly responsible to the Director in charge of the compliance function. The AML-CFT Organizational Structure can be described as follows:

In order for the AML-CFT program to be implemented effectively and meet regulatory requirements, in addition to the AML-CFT UKK at the Head Office, there is Anti Money Laundering Officer (AMLO) based in the Regional Office to carry out the supervision function of implementing the AML-CFT program at the Branch Office. In addition, taking into account operational tasks and business complexity, the AML-CFT Person in Charge (PIC) has been appointed at each Branch Office to oversee and carry out operational activities in accordance with the provisions of the AML-CFT program implementation at their respective Branch Offices.



AML-CFT PROGRAM

Bank Mandiri's commitment to implementing the AML-CFT program consistently and effectively implemented in the program includes the following:

1. Integrating the application of the AML-CFT program in the Financial Conglomerate through the establishment of AML-CFT policies and procedures by Subsidiaries and Overseas Branch Offices that are in line with the policies and procedures of Bank Mandiri while adhering to the regulations governing the AML-CFT program.
2. Application of the AML-CFT program in the Financial Conglomerate through the formulation of policies and procedures related to the exchange of information for the purpose of Customer Due Diligence and risk management between Bank Mandiri and Subsidiaries and between Subsidiaries.
3. Increasing the compliance culture in the implementation of the AML-CFT program which was followed up with efforts to improve the operational quality of Branch Offices in accordance with the provisions of AML-CFT on an on-going basis through the AML-CFT Pilot Branch Office program.
4. Establishing and fostering cooperation and coordination with Regulators and law enforcers, especially in the field of AML-CFT through the provision of customer data / information that has been determined as a suspect or subject of examination.
5. Preparation of renewal of the risk assessment methodology based on the Risk Based Approach by taking into account the factors related to the Customer; Country or Geographic Area; Products, Services or Transactions; and / or Distribution Channel (Delivery Channel).
6. Carrying out AMLO test and training in each region to improve AMLO competency in analyzing Suspicious Financial Transactions and the operation of using AML System.
7. Establishing and fostering cooperation with data provider units in fulfilling customer data and transaction information for the purpose of analyzing customer transactions.
8. Improving the quality and monitoring of reporting of Cash Transaction Reports, Fund Transfers and Foreign Transactions Financial Transaction Reports, Suspicious Financial Transaction Reports, and Integrated Service User Information Systems without exceeding Service Level Agreement (SLA) determined by the Regulator.
9. Conducting research on financial transactions of candidates for Regional Election in 2018 including the Special Campaign Fund Account used by supporters of Regional Election participants, in order to participate in realizing a clean Indonesia.
10. Perfecting the Reporting Application System and AML-CFT which includes, among other things, improving the appearance of the Report, adding Transaction Codes monitored by the transaction, adding Watch-lists from the List of Suspected Terrorists and Terrorist Organizations, List of Proliferation Funds for Weapons of Mass Destruction and List of Negative Information sourced from Mass Media on AML System.
11. Providing supporting data for the Company's operational activities in the form of customer classification according to the risks and providing data on the opponent's account information.
12. Increasing awareness of AML-CFT for employees at all levels of the organization through AML-CFT training with several media namely classroom training, e-learning and socialization to all employees of Branch Offices / Work Units at Bank Mandiri and Subsidiaries.

GRANTING OF SOCIAL AND / OR POLITICAL ACTIVITIES FUNDS

Bank Mandiri has proven to stakeholders that its orientation is not only to profit, but also to the interests of the community and the environment around Bank Mandiri's work units spread throughout Indonesia. As a manifestation of social responsibility, Bank Mandiri has set aside a portion of its profits to develop its community and environment. Throughout 2019, Bank Mandiri spent IDR 162,384,205,546 in fees.

Category of Fund	Fund Value	
	2019	2018
Environmental / Nature Conservation	300.003.500	-
Health	6.806.219.759	6.424.844.584
Field of Public Facilities and Worship	30.432.039.349	32.734.957.576
Natural Disaster Sector	7.920.291.210	10.792.630.559

Category of Fund	Fund Value	
	2019	2018
Field of Social Community Development in the context of poverty alleviation	41.162.887.810	28.505.502.677
Field of education	75.762.763.918	36.093.622.369
Total	162.384.205.546	114.551.556.765

The description related to corporate social responsibility is presented in the section on Corporate Social Responsibility and 2018 Sustainability Report which is an integral part of this Annual Report.

As for the provision of funds for political activities, during 2018 Bank Mandiri did not provide funds for political activities or political parties.

IMPORTANT CASES

During 2019 Bank Mandiri faced a number of important cases in the form of finished civil and criminal legal issues (which have permanent legal force) and which are still in the process of being finalized with the following details.

No.	Legal Issues	Amount		
		Civil	Criminal	Industrial Relation
1.	Has obtained a decision that has permanent legal force	315	12	N/A
2.	In the process of completion	94	28	N/A

IMPORTANT CASES FACED BY THE COMPANY

CIVIL CASES

From the aforementioned cases, the 4 civil cases which most significantly affect the Company can be seen in the following table:

No.	Principal Case / Claim	Settlement Status	Impact on Condition of the Company	Management Efforts	Imposed Sanctions	Nominal Claim for Compensation
1.	Case No.109/Pdt.G/2015/ PN.Pal between PT Trisakti Della Maharani and PT Bank Mandiri (Persero) Tbk.	Currently in the process of a second review in the Supreme Court of the Republic of Indonesia	Compensation and reputation risk	Bank Mandiri has prepared a Memory Reconsider Counter that supports Bank Mandiri's position.	There is no sanction	Materiil : Rp742.000.000.000 Immateriil : Rp200.000.000.000
2.	Case of PT. Dewata Royal International No. 683/ Pdt.G/2016/ PN.Jkt.Sel with Rustandi Yusuf as the plaintiff	Currently still in the process of Appeal in the DKI Jakarta High Court	Compensation and reputation risk	Bank Mandiri has prepared a Memory Reconsider Counter that supports Bank Mandiri's position.	There is no sanction	Materiil : Rp48.991.067.189 Immateriil : Rp166.666.666.667
3.	Case No.71/Pdt.G/2016/ PN.Dps between Surahman and Bank Mandiri	Currently in the process of a second review in the Supreme Court of the Republic of Indonesia	Compensation and reputation risk	Bank Mandiri has prepared a Memory Reconsider Counter that supports Bank Mandiri's position.	There is no sanction	Materiil : Rp55.500.000.000 Immateriil : Rp10.000.000.000



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

No.	Principal Case / Claim	Settlement Status	Impact on Condition of the Company	Management Efforts	Imposed Sanctions	Nominal Claim for Compensation
4.	Case No.388/Pdt.G/2018/PN.Sby between Andrianto Suhartono (AJBS) and Bank Mandiri	Currently it is still in the process of cassation at the Supreme Court of the Republic of Indonesia	Compensation and reputation risk	Bank Mandiri has submitted a cassation legal remedy and has prepared a Cassation Memory that supports Bank Mandiri's position.	There is no sanction	Materiil : Rp324.168.690.000 Immateriil : Rp250.000.000.000

CRIMINAL CASES

The Table of Civil Cases Faced by The Company

No.	Principal Case	Settlement Status	Impact on Condition of the Company	Management Efforts	Imposed Sanctions
1	PT Tirta Amarta Bottling Company (TAB)	a. Based on the official website of the Supreme Court of the Republic of Indonesia, on the date - the Supreme Court of the Republic of Indonesia had handed down the verdict at the Cassation level by rejecting the appeal of Cassation submitted by the Public Prosecutor. With the cassation decision, the acquittal of the Defendants (both TAB management and Bank employees) has a permanent legal force.	Credit and Reputation Risks	Waiting for an official copy of the Cassation decision from the Corruption Court at the Bandung District Court.	Tidak Ada
2	PT Central Steel Indonesia (CSI)	The legal process is in investigation process handled by General Attorney of Republic of Indonesia	Credit and Reputation Risks	Providing information as a witness and submitting evidences	There is no sanction
3	PT Sunprima Nusantara Pembiayaan (SNP)	The legal process at the investigation stage is handled by the Criminal Investigation Police Headquarters	Credit and Reputation Risks	Conducting a criminal reporting against the debtor related to the alleged crime of fraud, embezzlement and forgery of TPPU	There is no sanction
4	PT Global Teleshop (GTS)	The legal process of the investigation at the Metro Jaya Regional Police did not continue because there were no criminal incidents	Credit and Reputation Risks	Providing information as a witness and submitting evidences	There is no sanction
5	DUNIATEX GROUP	The legal process at the Criminal Investigation Agency Police Headquarters and the Attorney General's Office in the form of a request for clarification from Bank Mandiri as one of the DUNIATEX GROUP creditors	Credit and Reputation Risks	Providing information as a witness and submitting evidences	There is no sanction

THE IMPACT OF LEGAL ISSUES ON THE COMPANY

The impact of civil and criminal problem faced by Bank Mandiri through legal process is not significant since it has conducted the appropriate mitigation.

IMPORTANT MATTERS FACED BY SUBSIDIARIES

Legal problems faced by subsidiaries in 2019 can be seen in the table as follows:

No.	Subsidiaries	Important Case	Amount		
			Civil	Criminal	Industrial Relations
1.	PT Bank Syariah Mandiri	Cases/Legal Issues in settlement process	216	16	7
		Completed Case / Legal Issues (already have permanent legal force)	48	9	1
2.	PT Mandiri Sekuritas	Cases/Legal Issues in settlement process	1	-	-
		Completed Case / Legal Issues (already have permanent legal force)	1	-	-
3.	PT Mandiri Tunas Finance	Cases/Legal Issues in settlement process	24	-	-
		Completed Case / Legal Issues (already have permanent legal force)	18	-	-
4.	PT AXA Mandiri Financial Services	Cases/Legal Issues in settlement process	2	5	-
		Completed Case / Legal Issues (already have permanent legal force)	6	1	-
5.	PT Bank Mandiri Taspen	Cases/Legal Issues in settlement process	-	-	-
		Completed Case / Legal Issues (already have permanent legal force)	-	-	-
6.	Mandiri International Remittance Sdn. Bhd.	Cases/Legal Issues in settlement process	-	-	-
		Completed Case / Legal Issues (already have permanent legal force)	-	-	-
7.	Bank Mandiri (Europe) Limited	Cases/Legal Issues in settlement process	-	-	-
		Completed Case / Legal Issues (already have permanent legal force)	-	-	-
8.	PT Asuransi Jiwa In-health Indonesia	Cases/Legal Issues in settlement process	1	-	-
		Completed Case / Legal Issues (already have permanent legal force)	1	-	-
9.	PT Mandiri Utama Finance	Cases/Legal Issues in settlement process	4	1	1
		Completed Case / Legal Issues (already have permanent legal force)	10	5	1
10.	PT Mandiri Capital Indonesia	Cases/Legal Issues in settlement process	-	-	-
		Completed Case / Legal Issues (already have permanent legal force)	-	-	-



IMPORTANT CASES FACED BY SUBSIDIARIES

Important cases faced by subsidiaries in 2019 were as follows:

Table of Important Cases Faced by Subsidiaries:

Subsidiaries	Case Principal/ Claim	Settlement Status	Influence Against Company Conditions	Management Efforts	Administra- tive Sanction
PT Bank Syariah Mandiri	Case claim of Bank Garansi PT Kutilang Paksi Mas No.357/Pdt.G/2015/PN.Jkt. Pst between PT Petro Energy and PT Bank Syariah Mandiri and PT Kutilang Paksi Mas	<p>The Verdict of Supreme Court of Republic of Indonesia</p> <p>On the 6th of December 2018, BSM received a notification letter of the verdict from Supreme Court of the Republic of Indonesia regarding to the Cassation of BSM and PT Petro Energy, which stated:</p> <p>TO ADJUDICATE:</p> <ul style="list-style-type: none"> - Refuse the cassation appeal request from cassation appellant II, PT Petro Energy; - Grant the cassation request from cassation appellant I, PT Bank Syariah Mandiri - Cancel the verdict of Jakarta High Court Number 204/PDT/2017/PT.DKI dated on the July 12, 2017 which revise the verdict of Jakarta Pusat District Court Number 257/Pdt.G/2015/PN.Jkt.Pst dated on the April 26, 2016. <p>Make judgment on own authority: In the exception : Refuse all exceptions of defendant I and defendant II; In the principal case:</p> <ul style="list-style-type: none"> - Refuse all the claim of the plaintiff; - Sentencing the Cassation Respondent I as well as the Cassation Petitioner II to pay court fees at all judiciary levels of the Cassation with IDR 500,000,- (five hundred thousand rupiahs) (in this case, the Cassation application of BSM was granted / won) 	Risk of Credit and Reputation	<p>BSM has made every possible effort by applying cassation through Supreme Court of Republic of Indonesia</p> <p>On the December 6, 2018, BSM received a notification letter of the verdict from Supreme Court regarding to BSM cassation effort and PT Petro Energy which cancel the verdict of Jakarta High Court Number 204/PDT/2017/PT.DKI dated.</p> <p>on the July 12, which revise the verdict of Jakarta Pusat District Court Number 257/Pdt.G/2015/PN.Jkt.Pst dated on the April 26, 2016 and</p> <p>and make judgment on own authority, refused all the lawsuit from the plaintiff</p> <p>In other words, BSM won the case</p>	There is no Sanction
	Case claim of Bank Garansi PT Kutilang Paksi Mas No.539/Pdt.G/2015/PN.Jkt.Pst between PT Solaris Prima Energy and PT Bank Syariah Mandiri and PT Kutilang Paksi Mas	<p>The Verdict of Supreme Court of Republic of Indonesia</p> <p>In April 9, 2018, BSM received a notification letter of the verdict from Supreme Court of the Republic of Indonesia regarding to the Cassation of PT Solaris Prima Energy, which stated:</p> <p>TO ADJUDICATE:</p> <ol style="list-style-type: none"> 1. Grant the cassation request from cassation appellant I, PT SOLARIS PRIMA ENERGY and cassation appellant II PT BANK SYARIAH MANDIRI. 2. Cancel the verdict of Jakarta High Court Number 651/PDT/2016/PT DKI dated on the January 27, 2017 which cancel the verdict of Jakarta Pusat District Court Number 539/PDT.G/2015/PN.Jkt.Pst dated on the July 1, 2016; <p>Make judgment on own authority: In the exception : Refuse all exceptions of the defendant In the principal case:</p> <ul style="list-style-type: none"> - Refuse all the claim of the plaintiff; - Sentencing the cassation appellant I as well as the Cassation Petitioner II to pay court fees at all judiciary levels of the cassation with IDR 500,000,- (five hundred thousand rupiahs) 	Risk of Credit and Reputation	<p>BSM has made every possible effort by applying cassation through Supreme Court of Republic of Indonesia</p> <p>On the April 9, 2018, BSM receive a notification letter of the verdict from Supreme Court regarding to the cassation effort of PT Solaris Prima Energy which stated cancel the verdict of Jakarta High Court Number 651/PDT/2016/PT DKI dated on the January 27, 2017 which cancel the verdict of Jakarta Pusat District Court Number Nomor 539/PDT.G/2015/ PN.Jkt. Pst dated on the 1st of July 2016 and make judgement on own authority to refuse all the lawsuit of the defendant.</p> <p>In other words, BSM won the case.</p>	There is no Sanction

Subsidiaries	Case Principal/ Claim	Settlement Status	Influence Against Company Conditions	Management Efforts	Administra- tive Sanction
	Case of Deposit Withdrawal for PT Pos Property Indonesia No.267/Pdt.G/2015/PN.Bdg between Monfiori (President Director of PT Pos Property Indonesia and PT Bank Syariah Mandiri and Ir. Sri Wikani and Akhmad Rizani (former President Director of PT Pos Property Indonesia)	The Verdict of Supreme Court of Republic of Indonesia Informed in the Case Search Information System of Bandung District Court dated on the 18 th of Januari 2018 that appellant request from Monfiori was rejected by the Supreme Court of Republic of Indonesia. The verdict of Supreme Court of Republic of Indonesia stated that TO ADJUDICATE: 1. Refuse appellant request from the cassation petitioner; MONFIORI 2. Sentencing the cassation petitioner/ plaintiff/appellant to pay court fees at all judiciary levels of the cassation with IDR.500,000,- (five hundred thousand rupiahs)	Risk of Credit and Reputation	BSM has made every possible effort so that BSM was sentenced win the case according to the official website of Supreme Coury of Republic of Indonesia. However, there is still possibility that PT Pos Properti Indonesia will submit a re-lawsuit from Bandung Religious Court BSM has not received the cassation verdict formally yet.	There is no Sanction
PT Mandiri Tunas Finance	Civil Case Number 199/Pdt.G/2018/PN.Tjk at Tanjungkarang District Court debtor on behalf of Yuhana Noviza, SH. M.Kn, with material claim of IDR. 1.000.000.000 and immaterial claim of IDR 10.000.000.000.	At present, the case is still in process and is in the mediation stage between the plaintiff and defendant I (MTF) and the defendant II (PT Bank Mandiri branch Sudirman, Jakarta) in Tanjungkarang District Court	Debtor did not make payments for all debt obligations, thus affecting the performance of AR Division	In this case, MTF has made every possible effort for the benefit of the company.	There is no Sanction
	Case of Tort Number 26/Pdt.G/2018/PN.Kds at Kudus District Court with PT Mulia Restu Mandiri Group as the debtor, with material claim of IDR 6.000.000.000	In District court level, MTF has won the case. However, the debtor submitted an appeal law to Semarang High Court. At present, the case is still in file inspection process in Kudus District Court.	Debtor did not make payments for all debt obligations, thus affecting the performance of AR Division	In this case, MTF has made every possible effort for the benefit of the company.	There is no Sanction
PT AXA Mandiri Financial Services	Case No. 196/Pdt.G/2018/PN.Jap The plaintiff of behalf of Antas Haulian Sinaga	At present, the case is in mediation stage in Jayapura District Court	Risk of Compensation and Reputation	At present, the case is in mediation stage in Jayapura District Court and AXA Mandiri is following the process.	There is no Sanction
	Police report no LP/86/VI/2016/SPKT on behalf of Antas Haulian Sinaga to Papua Regional police about alleged insurance violations by AXA Mandiri	At present, the case is in mediation stage in Jayapura District Court	Risk of Compensation and Reputation	At present, the case is in mediation stage in Jayapura District Court and AXA Mandiri is following the process.	There is no Sanction



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Subsidiaries	Case Principal/ Claim	Settlement Status	Influence Against Company Conditions	Management Efforts	Administra- tive Sanction
PT Asuransi Jiwa Inhealth Indonesia	Lawsuit of Civil Case No.2/Pdt.G/2018/ PN Ktp. Between Suniah (Juanda's heir, the AJK participant of Bank MTF) against Mandiri Tunas Finance and PT Asuransi Jiwa Inhealth Indonesia. With the principal case of tort with (Defendant II)	Lawsuit of Civil CaseNo.2/Pdt.G/2018/PN Ktp. Has been verdict by the judges panel of Ketapang District Court with the verdict dated on the 17 th of July 2018 stated that the lawsuit from the plaintiff cannot be accepted.	It does not have a significant impact on the company's finances because at level of the district court, the decision of Judges panel stated that the Plaintiffs claim cannot be accepted	Delegates a Management Representative to participate in the Trial to defend for the Company	-
					-

LEGAL ISSUES FACED BY THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

During the period of 2019, there were no members of the Board of Directors and Board of Commissioners of Bank Mandiri who had legal issues, both civil and criminal.

DISCLOSURE OF ADMINISTRATIVE SANCTIONS FROM OJK

During the 2019 period, there were no material administrative sanctions that affected the business continuity of Bank Mandiri and there were no administrative sanctions imposed on the Board of Commissioners and Directors.

COMPANY INFORMATION AND DATA ACCESS

The public can access all financial and non-financial reports that have been submitted by Bank Mandiri transparently through various means including Mass Media, Company Website, Public Expose, Electronic Reporting Facilities IDX issuers, the OJK Electronic Reporting System, and the BUMN (Indonesian State Owned Enterprises) Ministry Portal that are available on time, complete and accurate.

COMPANY SECRETARY

Rohan Hafas

Plaza Mandiri Lt. 3
Jl. Jenderal Gatot Subroto Kav. 36-38
Jakarta 12190 INDONESIA
Tel: 021 524 5299
Fax: 021 526 3460
Website: www.bankmandiri.co.id
Email: corporate.secretary@bankmandiri.co.id

SITUS WEBSITE

www.bankmandiri.co.id

CALL CENTER

14000 ; (021) 52997777

CONTACT ADDRESS

Corporate Secretary
corporate.secretary@bankmandiri.co.id

CUSTOMER CARE

Email: customerhandling@bankmandiri.co.id

HEADQUARTER ADDRESS

Plaza Mandiri
Jl. Jenderal Gatot Subroto Kav. 36-38
Jakarta 12190 INDONESIA
Tel. 62-21 5265045
Fax.62-21 5274477, 527557

MEDIA SOSIAL

Facebook: <https://id.facebook.com/officialbankmandiri/>
Twitter: @bankmandiri
Instagram: @bankmandiri





Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

INVESTOR RELATIONS

In order to provide fast and accurate information and become a media link between companies and capital market players, the Company has formed a work unit called Investor Relations. With the provision of accurate and accurate data, it is expected to be able helping capital market players in the investment decision-making process in the Company including to instill perceptions and expectations in the eyes of investors and potential investors regarding the Company's strategy, operational performance and financial performance.

The duties and responsibilities of Investor Relations include:

1. Communicating the Company's performance and strategy to analysts and investors in order to achieve a reasonable and optimal valuation of Bank Mandiri's shares in the long term.
2. Managing the resources needed and coordinate activities related to investor relations.
3. Representing the Company's management in meetings with analysts and investors, either one-on-one or public presentation sessions to communicate opinions, attitudes and reactions to company issues and provide strategic feedback for the Company's management.
4. Increasing the effectiveness of activities Investor Relations is measured through research coverage from sell side analysts, accuracy of factual information in analyst research, geographical coverage and quality of institutional shareholder lists.
5. Reviewing the pattern of sales and share ownership of the Company including managing and developing investor databases and contact reports.
6. Maintaining transparency, accuracy and timeliness of disclosure of relevant information to capital market players.

The contacts for Bank Mandiri Investor Relations are as follows

Investor Relations Group
Plaza Mandiri Lt. 1
Jl. Jenderal Gatot Subroto Kav. 36-38
Jakarta 12190 INDONESIA
Tel: 021 524 5085
Email: ir@bankmandiri.co.id
Website: <https://www.bankmandiri.co.id/web/ir>

GROUP HEAD INVESTOR RELATIONS PROFILE



Yohan Setio
Group Head Investor Relations

Citizen	Indonesia
Domicile	Jakarta
Educational Background	<ul style="list-style-type: none"> • S1 in Economics Accounting from University of Indonesia (2007) • S2 in Business Administration from the University of Cambridge (2012)
Position History	<ul style="list-style-type: none"> • Investor Relations Group Head of Bank Mandiri (February 2018 - present) • Investor Communication Business Analysis Department Head of Bank Mandiri (2016 - February 2018) • Vice President of Institutional Equity Sales of Mandiri Sekuritas (2012-2016) • Equity Research Analyst of Mandiri Securities (2008-2011)

No.	Types of Training and Competency Development Materials/Training	Time and Place of Implementation	Organizers
1.	General Management Development Program	28 – 30 Mei 2019 / Barcelona	Mandiri University & IESE Business School
2.	Level 1 Banking Risk Management	October 6, 2018 / Jakarta	Badan Nasional Sertifikasi Profesi
3.	Driving Performance Through Leadership & Culture Transformation	August 23-24, / Jakarta	Mandiri University

INVESTOR RELATIONS ACTIVITIES 2019

No.	Type of activity	Total	Description	Location
1.	Investor Conference	12 times	Conference related to Company's performance updates	New York, Hong Kong, Singapore, Jakarta
2.	Non-Deal Roadshow	7 times	Meeting at the Shareholders office location to update the Company's performance	USA, Canada, UK, Jakarta
3.	Branch Visits	2 times	Mentoring of Investor Visits to Regular Branch Offices and Micro Branch Offices	Banjarmasin, Surabaya
4.	Quarterly Earnings Call/ Analyst Meeting	4 times	Presentation of quarterly financial performance reports to investors and analysts	Jakarta

PRESS RELEASE

One form of information dissemination of Bank Mandiri to the public is by conducting press releases. The press release aims to describe the activities or events that occur. During 2019, press releases rolled out by Bank Mandiri included:

Table of Press Release

No	Date	Title
1.	January 3, 2019	Mandiri Facilitates Payment of Non-Cash Tickets in the Central Jakarta Region
2.	January 7, 2019	Bank Mandiri's Extraordinary General Meeting of Shareholders Appoints Riduan as Director of Commercial Banking
3.	January 9, 2019	Mandiri Teams Up with Pos Indonesia to Extend e-money Top Up Services
4.	January 14, 2019	Cooperating with Shopee, Mandiri to Sell e-money on the Digital Platform Subtitles: Mandiri e-store is the first bank in the marketplace
5.	January 16, 2019	Reaching Rp17,58 Trillion, Distribution of Bank Mandiri KUR 2018 Exceeds the Target
6.	January 16, 2019	Bank Mandiri Denies Issuing E-money with Political Figures
7.	January 18, 2019	Challenges to the Industrial Revolution 4.0, Mandiri encourages education on business digitalization for SME business people
8.	January 21, 2019	Mandiri Invites Investors to Invest
9.	January 24, 2019	Mandiri Strengthens Syndicated Loan Market
10.	January 28, 2019	Mandiri Teams Up With Bukalapak Distributes Working Capital Financing to MSMEs
11.	January 28, 2019	Consistently Growing Fast, Mandiri Earns Increase in Net Profit 2018
12.	January 30, 2019	Mandiri Investment Forum 2019 : Promote Indonesian Investment Opportunities
13.	February 4, 2019	Bank Mandiri is not related to Mandiri Finance Indonesia
14.	February 8, 2019	BUMN Develops Agriculture in West Java
15.	February 14, 2019	Spreading New Year's Optimism, Mandiri Celebrates Chinese New Year with Major Customers
16.	February 14, 2019	Bank Mandiri Develops the Economic Role of Pesantren (Islamic boarding school)
17.	February 21, 2019	Mandiri Serves Argo Industry Center Payment Receipt Transactions
18.	February 21, 2019	Boosts Premium Services, Mandiri Becomes the Best Domestic Private Bank



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

No	Date	Title
19.	February 27, 2019	Fostering NTT weaver, RKB Bank Mandiri Encourages Marketing via Fashion Shows
20.	February 27, 2019	Empowering Farmers, Mandiri Continues to Promote Farmer Entrepreneurship Program
21.	February 27, 2019	Mandiri KPR is Seriously Working on the Millennial Market
22.	March 24, 2019	Bank Mandiri Distributes People's Fisheries KUR
23.	March 29, 2019	Bank Mandiri Offers Convenience of Transactions at Tokopedia Official Store
24.	March 31, 2019	A thousand runners enliven the Banyuwangi Half Marathon
25.	April 4, 2019	Runners from Nine Countries Competing in the Mandiri Jogja Marathon 2019
26.	April 5, 2019	Mandiri Strengthens Management of BNPB Assistance
27.	April 10, 2019	Mandiri Strengthens Readiness to Face Disaster Impacts
28.	April 12, 2019	Bank Mandiri Issues USDN750 million MTN in Foreign Exchange
29.	April 22, 2019	Bank Mandiri Serves Reception of Jakarta Archdiocese Donations
30.	April 29, 2019	Increasingly Solid Performance, Bank Mandiri's Profit Grows 23,4% YoY
31.	May 2, 2019	Support SimPel Day 2019, Mandiri Socialize Saving Since an Early Age
32.	May 9, 2019	Anticipating Ramadhan and Idul Fitri 1440 H, Mandiri Prepares Rp54,9 Trillion
33.	May 15, 2019	Bank Mandiri: 2019, Economic Grows Positively
34.	May 16, 2019	Makes a profit of IDR 25 Trillion in 2018, Mandiri Distributes 45% as Dividend
35.	May 17, 2019	Supporting the Availability of Community Currency, Mandiri Spreads 77 Small Currency Exchange Points
36.	May 26, 2019	Bank Mandiri Operates 350 Branches during the Idul Fitri Holiday period June 1-9, 2019
37.	May 28, 2019	Bank Mandiri Provides Electronic Banking Services for Cooperatives
38.	May 30, 2019	Bank Mandiri Sends 22,964 Home-comers to Hometown
39.	June 11, 2019	Bank Mandiri Branch Transactions Reach IDR 30,3 trillion during Idul Fitri Holidays
40.	June 18, 2019	Holding Demo Day 2019, Mandiri Group Promotes Tekfin Startup to Potential Investors
41.	June 31, 2019	Consistent Marking Positive Performance, Mandiri Achieves Increase in Debt Rating from S&P
42.	July 12, 2019	Bank Mandiri Becomes KSEI Payment Bank and RDN Administrator Bank
43.	July 17, 2019	Bank Mandiri's Profit Reaches IDR. 13,5 Trillion
44.	July 19, 2019	Bank Mandiri Distributes Tourism KUR
45.	July 20, 2019	Bank Mandiri: "We Ensure Customer Accounts are Safe"
46.	July 20, 2019	Bank Mandiri: "Service has been Restored"
47.	July 23, 2019	Bank Mandiri Prepares Corporate Spending Card Services at 119 PELNI Terminal Points
48.	July 25, 2019	Encouraging People's Economy, Bank Mandiri Extends IDR. 87,05 Trillion in MSME Credit
49.	July 30, 2019	Support AKSIMUDA, Mandiri Socialize Saving Since an Early Age
50.	1 August, 2019	Bank Mandiri Serves PNPB of DG AHU of Ministry of Justice and Human Rights
51.	2 August, 2019	Mandiri Spreads Entrepreneurial Inspiration to the Young Generation
52.	4 August, 2019	Bank Mandiri Ensures Main Banking Services Run Normal
53.	5 August, 2019	Mandiri Promotes Industrial Revolution 4.0 to HNWI Customers
54.	7 August, 2019	Mandiri Invites HNWI Customers to Utilize Technology Innovation
55.	7 August, 2019	Encouraging Consumer Segments, Mandiri Introduces the Latest Priority Credit Cards
56.	11 August, 2019	Mandiri Group Employees Sacrifice for the Country
57.	14 August, 2019	Mandiri Denies Issues of Cyber Attack and Bankruptcy
58.	15 August, 2019	Bank Mandiri Polices Information Makers on Cyber Attack and Bankruptcy Hoax
59.	16 August, 2019	Republic of Indonesia Independence Day, Bank Mandiri Together with IndonesiaRE, PPI and Jakarta Lloyd Hold Cheap Markets
60.	20 August, 2019	Bank Mandiri Motivates Paskibraka Members to Become Superior HR
61.	28 August, 2019	Shareholders Appoint Rionald Silaban as Commissioner

No	Date	Title
62.	30 August, 2019	The Mandiri Young Entrepreneur Program Enters the Document Screening Phase
63.	30 August, 2019	Fighting HOAX, Mandiri Exposes Evidence of Perverted Information of IDR800 Trillion
64.	30 August, 2019	Mandiri Strengthens Electronic Transactions Through Coffee
65.	September 4, 2019	Strengthening BUMN Synergy, Mandiri Prepares Special Funding for PT TIMAH Partners
66.	September 5, 2019	Mandiri Disburses IDR. 2 trillion Non-Cash Loan to KAI (Indonesian Railway Company)
67.	September 12, 2019	Bank Mandiri is Promoting Local Tourism through KUR
68.	September 18, 2019	Bank Mandiri Helps ANTAM Refinancing Investment Loans of US \$ 129 Million
69.	September 19, 2019	Distributing Productive Micro Credit Financing, Mandiri Embraces Tekfin Agriculture
70.	September 22, 2019	National Police Hand in Hand With Mandiri Issuing Smart Multi-Functional Driving License
71.	September 23, 2019	Bank Mandiri Facilitates the Purchasing of National Housing Settlement
72.	September 30, 2019	Bank Mandiri Serves KDPDTT Financial Transactions
73.	October 1, 2019	Celebrating 21 Years Anniversary, Mandiri Spreads Discount Programs for Customers
74.	October 2, 2019	Strengthening Food Security and Welfare of Farmers, Mandiri and Pertamina Build Integrated Rice Processing System (SPBT) in Kebumen Regency, Central Java
75.	October 3, 2019	Strengthening Student Motivation, Bank Mandiri Builds IPB Entrepreneur Center
76.	October 3, 2019	Bank Mandiri Provides Electronic Banking Services for Cooperatives
77.	October 10, 2019	Cooperating with Astra Modern Land, Bank Mandiri Facilitates KPR in the ASYA Project
78.	October 10, 2019	Mandiri Expands Channel Auto-Create of Billing Codes and Tax Payments through Smart Sales Agents
79.	October 10, 2019	Bank Mandiri Donates 1 Ambulance for Bhayangkara Police Academy Hospital in Semarang
80.	October 11, 2019	Consistently Building Entrepreneurial Communities, WMM 2019 Produces 7 Champions
81.	October 19, 2019	Improving Financial Inclusion, Mandiri Targets Young Savers
82.	October 25, 2019	Bank Mandiri Continues to Strengthen Business Transformation
83.	October 28, 2019	Bank Mandiri disburses IDR 806,8 Trillion Credit in the Third Half of 2019
84.	November 1, 2019	Mandiri and LinkAja Expand Transaction Services
85.	November 6, 2019	Customs and Bank Mandiri Establishes Cooperation in Simplifying Customs and Excise Payments with Banking
86.	November 6, 2019	Supporting the Education Sector, Mandiri Disseminates Digital Financial Services to the Campus
87.	November 11, 2019	Bank Mandiri Prepares Special Financing for PT Waskita Beton Precast Supplier
88.	November 12, 2019	Holds Mandiri Fiesta Expo, Mandiri Offers KPR 4,5%
89.	November 15, 2019	Optimizing Wholesale Customer Liquidity, Mandiri Launches A Smart Account Service
90.	November 21, 2019	Bank Mandiri Invites CFO to Utilize the Digital Booming Momentum of Technology
91.	November 28, 2019	Mandiri Becomes Indonesian Bank's Best Bank Partner in Monetary Control and Money Market Deepening
92.	December 4, 2019	Holds Market Outlook, Mandiri Spread Optimism to HNWI Customers Ahead of 2020
93.	December 8, 2019	Coming to the End of Year holidays, Mandiri Credit Cards Offer Various Special Programs
94.	December 9, 2019	Bank Mandiri Performs Internal Succession
95.	December 12, 2019	Synergy of Farmer Empowerment, Ministry of Agriculture Republic of Indonesia Cooperates with Bank Mandiri
96.	December 16, 2019	Facing Christmas and New Year 2020, Holiday, Mandiri Prepares Rp33,5 Trillion
97.	December 18, 2019	Encouraging UMKM Business, Bank Mandiri Develops a Collaboration with Tekfin Financing
98.	December 19, 2019	Bank Mandiri is Ready to Distribute FLPP KPR (House Ownership Credit)
99.	December 29, 2019	End of Year, Bank Mandiri Extends Hundreds of Branch Operations



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

BULETIN

Bank Mandiri regularly publishes bulletins annually. The bulletins that have been published during 2019 are:

No	Bulletin Number	Month	Theme
1.	474	January	A Fresh Start
2.	475	February	Februari Love
3.	476	March	Let Music Speak
4.	477	April	Ideas Inspires Change
5.	478	May	Bring Us Close to fitrah
6.	479	June	Great Post Great Ideas
7.	480	July	Spark Your Ideas
8.	481	August	The Harmony in Diversity
9.	482	September	Growing Beyond Expectation
10.	483	October	Anyone Can Be A Hero
11.	484	November	Have A Wonderful Chrismast and A jouful Holiday
12.	485	December	Radiate Positive Vibes

TRANSPARENCY OF REPORT SUBMISSIONS

Throughout 2019, the Corporate Secretary of Bank Mandiri delivered information to the public through Mass Media, Company Website, Public Expose, Electronic IDX Issuer Reporting Facilities, FSA Electronic Reporting System, as well as periodic and incidental reports including Financial Services Authority (FSA), IDX, DIA, Ministry of Finance and the Ministry of SOE as follows:

Periodic Report

Report Type	Target	Report Period	Total
Annual Report	FSA & IDX	Annually	1
Consolidated Financial Statements of the Company and Subsidiaries	FSA, IDX, Ministry of Finance, Ministry of SOE	Quarterly	4
Stok Ownership Composition Report	FSA	Monthly	12
Forex Debt Report	FSA	Monthly	12
Annual Rating Result Report	FSA & IDX	Annually	1

Incidental Report

Date	Report Subject	Target
January - December 2019	Share Ownership Composition of PT Bank Mandiri (Persero) Tbk. (For 12 Total reports)	FSA
January - December 2019	Demand for Debt Data/Obligations in foreign currencies (for 12 total reports)	FSA
January - December 2019	Published Financial Report of PT Bank Mandiri (Persero) Tbk. (For 4 Total reports)	FSA, IDX, Ministry of Finance, Ministry of SOE
January - December 2019	Information Disclosure regarding Announcement of Extraordinary General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk. 2019 (3 times)	Ministry of SOE, FSA, IDX
January - December 2019	Information Disclosure regarding Announcement of Extraordinary General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk. 2019 (3 times)	Ministry of SOE, FSA, IDX

Date	Report Subject	Target
January - December 2019	The Implementation of the Extraordinary General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk. 2019 (3 times)	Ministry of SOE, FSA, IDX
January 23, 2019	Information Disclosure Report on Affiliate Transactions	FSA
July 19, 2019	Submission of Changes to the Membership of the Audit Committee of PT Bank Mandiri (Persero) Tbk.	FSA and IDX
May 15, 2019	Effective Determination of the Appointment of Commercial Banking Director of PT Bank Mandiri (Persero) Tbk.	FSA
April 1, 2019	Implementation of the Annual General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk. Fiscal Year 2018	Ministry of SOE, FSA, IDX
April 8, 2019	Information Disclosure of PT Bank Mandiri (Persero) Tbk. related to the Annual GMS Announcement of the Fiscal Year 2019	FSA, IDX and KSEI
July 26, 2019	Confirmation about News in the Mass Media	IDX
April 24, 2019	Information Disclosure of PT Bank Mandiri (Persero) Tbk. related to the Annual GMS Calling of the Fiscal Year 2019	FSA, IDX and KSEI
April 24, 2019	Submission of PT Bank Mandiri (Persero) Tbk Annual Report. Fiscal Year 2018	FSA and IDX
May 14, 2019	Proposed Decision of the Annual General Meeting of Shareholders of PT Bank Mandiri (Persero) Tbk. Fiscal Year 2018	Serie A Dwiwarna Shareholders. State Minister for SOE
June 14, 2019	Information Disclosure PT Bank Mandiri (Persero) Tbk. regarding Summary of Minutes of Annual GMS for Fiscal Year 2019	FSA and IDX
October 30, 2019	The Changes of PT Bank Mandiri (Persero) Tbk. Board of Directors Members	Ministry of SOE
June 19, 2019	Dividend Payment Report for the Government of the Republic of Indonesia	Ministry of Finance
December 31, 2019	Submission of Organizational Structure of PT Bank Mandiri (Persero) Tbk.	FSA
April 29, 2019	Submission of the Annual Report of Subsidiaries of PT Bank Mandiri (Persero) Tbk. Fiscal Year 2018	FSA
July 2, 2019	Submission of Annual Rating Results of Debt Securities and Rating of PT Bank Mandiri (Persero) Tbk.	FSA and IDX
21 August, 2019	Submission of PT Bank Mandiri (Persero) Tbk Annual Public Expose Report.	IDX
June 28, 2019	Submission of Information on Changes in the Number of Shares of Prospective Members of the Board of Directors and Board of Commissioners of PT Bank Mandiri (Persero) Tbk.	FSA
September 6, 2019	Submission of Information on Changes in the Number of Shares of Prospective Members of the Board of Commissioners of PT Bank Mandiri (Persero) Tbk.	FSA

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. Those are standard behaviors that have to be implemented in all organizational levels.

CONTENTS OF THE ETHICAL CODES

The main points of Bank Mandiri's code of ethics contain arrangements for work ethics and business ethics. The work ethic that regulates Bank Mandiri personnel's behaviors covers the following aspects:

1. Conflict of interest

Conflict of interest is a condition in which the Board of the Bank in carrying out its duties and responsibilities have interests beyond the interests of the service, both concerning personal, family or the interests of other parties so that the Board of the Bank of the possible loss of objectivity in making decisions and policies appropriate authority that the Bank has given. Therefore, the entire personnel of the Bank:

- a. Shall avoid activities that may cause a conflict of interest and report to the direct supervisor if unable to avoid.
- b. shall be prohibited to give consent and or request approval of any loan facilities, as well as special interest rates or other specificity for:
 - i. Himself/Herself.
 - ii. His family.
 - iii. Companies where he and / or his family have an interest
- c. Shall be 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.
- d. Shall be prohibited to become a direct or indirect partner, either a partner for goods or services for the Bank.
- e. Shall be prohibited to collect goods belonging to the Bank for personal, family or other outside interests.
- f. 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.

2. Confidentiality

- a. shall be required to understand and maintain the confidentiality of any information, in accordance with prevailing regulations
- b. Shall use the information received only for the banking activities.
- c. In providing information, must act in accordance with applicable provisions.
- d. To avoid misuse, the dissemination of customer information in the Bank's internal environment is done carefully and only to interested parties.
- e. Shall be prohibited from disseminating information to outside parties regarding:
 - i. Bank Activities with the Government of the Republic of Indonesia.
 - ii. Internal policies and Bank work procedures.
 - iii. Management of Information Systems, Data and Reports
 - iv. Employee data, whether active or not
 - v. Bank business activities, including activities with customers and partners.
Except with the approval of the authorized Bank official or because of orders based on applicable laws and regulations.
- f. The obligation to maintain special matters that must be kept confidential, still applies to former Bank employees.

3. Position Abuse and Gratification	<ul style="list-style-type: none"> a. Shall be prohibited from abusing authority and taking advantage of directly or indirectly, from knowledge obtained from the Bank's business activities to: <ul style="list-style-type: none"> i. Personal benefits. ii. Benefits for family members. iii. Benefits for other parties. b. Shall be prohibited from requesting or accepting, permitting or agreeing to accept gratuities related to his position and contrary to his obligations in accordance with applicable laws and regulations. The types of gratuities and reporting mechanisms will be regulated in separate provisions. c. Shall be prohibited from requesting or accepting, permitting or agreeing to receive a gift or reward from a third party who obtains or seeks to get a job related to the procurement of goods or services from the Bank. d. In the case of customers, partners and other parties giving gifts in the form of goods or in other forms at certain times such as on holidays, certain celebrations, disasters and others, if: <ul style="list-style-type: none"> i. As a result of receiving the gift it is believed that it has a negative impact and affects the bank's decision, and ii. The price of the gift is outside the reasonable limit, Then, the Bank Officers who receive the gift must immediately return the gift with a polite explanation that the Bank's Staff is not permitted to receive gifts. e. In the case of giving gifts as mentioned in point (d) above for one reason or another it is difficult to be returned, members of the Bank's Staff who receive the gift must immediately report to their superiors for further action. 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 cause a negative impact, it is permissible to accept it. g. In order to procure goods and services from third parties for bank services, must try to get the best price with a maximum discounted price which is recorded for the Bank's profit. h. Shall be prohibited from using his position to borrow from a customer or to borrow from a customer. i. Shall be prohibited from taking advantage of the opportunity to use the Bank's facilities for its own benefit beyond those provided by the Bank.
4. Insiders' behavior	<ul style="list-style-type: none"> a. Bank employees who have confidential information are not permitted to use the information to take advantage of themselves, their families or other third parties. b. Shall be prohibited from using internal information to make purchases, or trade securities, unless the information is known to the public. c. Shall be prohibited from misusing his position and taking advantage of both directly and indirectly for himself and others who can influence the decision. d. Decision making to sell or buy Bank assets and other services must be done by prioritizing the interests of the Bank.
5. Bank Data Integrity and Accuracy	<ul style="list-style-type: none"> a. Shall be obliged to present accurate and accountable data. b. Not allowed to book and / or change and / or delete books, with a view to obscuring the transaction. c. It is only permitted to make changes or deletion of data based on the authorization of the competent authority in accordance with procedures established by the Bank. d. Not allowed to manipulate documents.
6. Banking System Integrity	<ul style="list-style-type: none"> a. Must always be introspective and avoid the involvement of the Bank in criminal activities in finance and banking. b. Must be suspicious of unusual transactions and must take preventive actions in detecting accounts suspected of being used for activities such as money laundering, terrorism financing, corruption and other crimes.



The business ethics as the basis for the behavior of the Bank's employees in carrying out business activities, covers the following aspects:

<p>1. Individual behavior</p>	<p>a. Personal integrity</p> <ul style="list-style-type: none"> i. upholds morals, has self-esteem and strong discipline. ii. Maintain personal integrity in accordance with applicable rules, regulations, policies and systems. iii. Has a commitment to maintain the Bank's image and reputation. iv. Rely on all actions and behaviors on pure conscience. v. act respectfully and responsibly and free from influences that allow loss of objectivity in carrying out tasks or cause the Bank to lose its business or reputation. vi. Avoid activities related to an organization and / or individuals that enable conflicts of interest. vii. Both individually and jointly always strive not to be involved in matters that can weaken or reduce the integrity of the banking system in Indonesia. <p>b. Treatment / Actions of Discrimination</p> <ul style="list-style-type: none"> i. uphold human rights. ii. Prevent discrimination in all its forms. iii. Acts of Harassment by Bank Officers must avoid all forms of conduct that violate public order and morality. <p>c. Acts of harassment must avoid all forms of actions that violate public order and morality</p>
<p>2. Protection of Bank Property</p>	<p>a. Bank Property</p> <ul style="list-style-type: none"> i. always maintains and protects all assets owned by the Bank, both tangible and intangible. ii. Using the Bank's assets only for activities related to the interests of the Bank. iii. Use the Bank's assets responsibly including the appropriateness of the designation. <p>b. Confidential Information Protection</p> <ul style="list-style-type: none"> i. protect and prevent valuable and confidential information from loss, misuse, leakage and theft. ii. Do not disseminate reports / information about banks that are not intended to be public. <p>c. Intellectual Property of the Bank</p> <ul style="list-style-type: none"> i. safeguard the Bank's intellectual property. ii. Dedicate competencies held for the interests of the Bank as intellectual property of the Bank. <p>d. Note and Reporting Responsible for the accuracy and completeness of the notes and reports presented.</p>

<p>3. Implementation of Bank Business</p>	<ul style="list-style-type: none"> a. Mis-representation <ul style="list-style-type: none"> i. Bank staff representing the Bank in dealing with third parties act according to their capacity and authority. ii. Bank staff representing the Bank provide correct information, documents and reports in the right way. iii. The Bank's Board of Directors avoids actions that can cause misunderstanding from other parties. b. Relations with Business Partners <ul style="list-style-type: none"> i. always prioritize the interests of the Bank in dealing with business partners. ii. Prevent the occurrence of corruption, collusion and nepotism and negative images in dealing with work partners. iii. In working with partners, the principles of professionalism and justice are based on good faith. c. Behavior in Competing <ul style="list-style-type: none"> i. Responsible for creating and maintaining healthy competition in conducting business. ii. Avoid and prevent unfair ways of competing in developing his career. d. Relations with Other Organizations <ul style="list-style-type: none"> i. can conduct business contacts with other organizations including competitors as long as they provide benefits to the Bank. ii. Avoid all forms of collaboration / improper alliances with other parties. e. Obtain and Use Third Party Information <ul style="list-style-type: none"> i. avoid obtaining confidential information from third parties / competitors in inappropriate ways. ii. Do not recruit competitor employees with the aim of obtaining confidential information from competing companies. f. Relation to Regulators <ul style="list-style-type: none"> Adhere to the ethical principles and provisions that apply in fostering relationships with Regulators.
--	--

COMPLIANCE TO CODE OF CONDUCT

Bank Mandiri has a code of conduct that explains the basic principles of personal and professional behavior carried out by the Company. The code of conduct applies to all Bank Mandiri employees both contractual and permanent employees, and applies to all Board of Commissioners and Directors.

The application of a code of conduct is expected to encourage the realization of professional, responsible, reasonable, appropriate and trustworthy behavior in conducting business relationships with fellow co-workers and work partners.

DISSEMINATION OF THE CODE OF CONDUCT

The code of conduct has been communicated and socialized to the Board of Commissioners and its supporting aspects, Directors, officials one level below the Board of Directors and all employees, including through:

1. Company Website.
2. Email administrator delivered to all employees of the Company.
3. At the time of the signing of the collective labor agreement carried out between the union of the Company and the management of the Company.
4. Standing banners, flyers and other advertising media in the Company's office area.

In addition, the code of conduct can also be accessed at any time by all employees of Bank Mandiri through the Bank Mandiri portal called the Knowledge Management System (KMS).



EFFORT IN IMPLEMENTATION AND ENFORCEMENT OF THE CODE OF CONDUCT

The employees can report alleged violations of the implementation of the code of conduct to superiors using Letter to CEO (LTC). Any action that has been proven as a violation of the code of conduct will be subject to sanctions in accordance with applicable regulations

Efforts to implement and enforce the Bank Mandiri code of conduct are carried out with full awareness in the form of commitments, attitudes and actions, which include:

1. Statement of Compliance with the Bank Mandiri Code of Conduct
Bank Mandiri Personnel are required to read, understand well and are required to sign a "Statement of Compliance with the Bank to the Code of Conduct".
2. Commitment of Management and Entire Bank Mandiri Employees
Management's commitment and entire employees of Bank Mandiri to not receive money and / or items of gratuity and / or gifts related to their obligations or duties are published through the mass media and the Company's website.
3. Internal Disclosure of Conflict of Interest
Bank Mandiri personnel are required to make annual

disclosures related to conflicts of interest each year, and each work unit is required to submit a transaction / decision report containing a conflict of interest every quarter.

4. Integrity Pact
The integrity pact is signed by officials holding authority and all partners / partners of Bank Mandiri who are involved in the process of granting credit, procurement of goods and services, and accreditation of partners. In addition, the signing of the Annual Integrity Pact was carried out by all Board of Commissioners, Directors, and Executive Officers of Bank Mandiri in an effort to implement gratuity control. All Bank Mandiri employees also sign the Integrity Pact for the application of gratuities in every 2 (two) years.
5. Awareness Program
New Bank Mandiri employees will get the Bank Mandiri Code of Conduct induction program called the jump start program, as well as continuous and consistent policy socialization.

TYPES OF SANCTIONS FOR CODE OF CONDUCT VIOLATION

Sanctions for Code of Conduct violation are categorized into 3 (three) types, namely sanctions of light, medium and serious. Every violation of the Code of Ethics will be subject to sanctions in accordance with the Employee Discipline Regulations in force at Bank Mandiri, including criminal sanctions stipulated in the applicable laws and regulations.

Table of Types of Sanctions for Code of Ethics Violation

Type of Violation	Penalty
Light Sanction	First Written Reprimand Second Written Reprimand
Medium Sanction	First Written Warning Second Written Warning Written and Last Written Warning
Serious Sanction	Termination/Termination of Employment

TOTAL VIOLATIONS OF CODE OF ETHICS

During 2019, there were 606 (six hundred and six) violations of the code of ethics with the following details:

Table of Number of Code Violations

Sanctions Types of Sanctions	2019
First Written Rebuke	204
Second Written Reprimand	72
First Written Warning	142

Sanctions Types of Sanctions	2019
Second Written Warning	59
Hard and Last Written Warnings	69
Work termination	60

The number of violations of the code of ethics based on the categories of sanctions provided are as follows.

Category	2019
Light	276
Is	201
Weight	129
Total	606

ANTI CORRUPTION PROGRAM

Bank Mandiri has several policies related to Corruption Prevention, including internal control policies, Employee Discipline Regulations, Code of Conduct, Business Ethics and compiling Corporate Culture Values, among others, instilling integrity values from every level of Bank Mandiri.

The actions taken by Bank Mandiri to address issues of corruption practices, specifically in the Code of Conduct, have been regulated as follows:

1. Prohibit all levels of the Company from requesting or receiving, agreeing to receive a gift or reward from a third party that obtains or seeks to obtain facilities from the Company in the form of a "cash loan and non-cash loan" facility, or in order to purchase or discount letters notes, promissory notes, checks and trade papers or other proof of liability, or other facilities related to the Company's operations and those related to the procurement of goods and services from the Company.
2. Prohibition to all levels of the Bank in misusing their authority and taking advantage both directly and indirectly from the knowledge obtained from the Company's business activities to:
 - a. Personal advantage
 - b. Benefits for family members
 - c. Benefits for other parties
3. Providing sanctions from mild to severe for violators of the ban.
4. Comply with external and internal regulations.
5. In the field of credit, each loan provision must be carried out through discussion in the Loan Committee Meeting forum as a means of implementing the four-eyes principle and a check and balance process between the Business Unit as the initiator unit and Risk Management as the Risk Mitigation Unit. In the committee, the Legal Group and Compliance Group must also be present to provide legal and compliance opinions to strengthen aspects of independence, avoid domination of one unit, avoid conflict of interest and ensure objective and pressure-free decision making. To speed up the process and improve loan performance, Bank Mandiri also sets limits on the authority to decide loan based on loan exposure and the level of risk. The greater the exposure, the greater the cuorum of authority holders consisting of Loan Committee members who function as Risk Management and Loan Committee members who function as Business Units.
6. All levels of the Bank must make annual disclosures that contain all the circumstances or situations that enable the occurrence of violations I do not comply with this code of conduct.
7. All levels of Bank Mandiri can provide input for performance improvement, strengthening good corporate governance and fraud prevention, through Letter to CEO (LTC), which is a means of communicating with Bank Mandiri directly to the President Director (CEO).



8. In the Cooperation Agreement with the contractors / suppliers / partners, there is a clause that includes the commitment of the party not to carry out corrupt practices and gratuities.

In order to eradicate corruption, on November 4, 2014, the Company declared a commitment to the Corruption Eradication Commission to:

1. Build a National Integrity System with a Work Culture and Spirit Prosperity approach.
2. Implement gratuity controls to support efforts to eradicate corruption in the Company.

As an implementation of the commitment, Bank Mandiri has done the following:

1. Establish a gratuity Control Unit which is part of the Compliance work unit as coordinator of gratuity control at Bank Mandiri.
2. Issue provisions regarding the gratuity control program within the Bank Mandiri, which every year or according to the needs of the Company are continually refined in line with the development of the Company and / or fulfilment of the provisions of legislation and finally as refined in 2016.
3. Conduct socialization of the gratuity control program to all levels of Bank Mandiri employees and stakeholders.

GRATUITY POLICY

Bank Mandiri realizes that gratuity control is an important activity to keep business processes in line with business ethics that uphold the value of integrity. Therefore, since 2013, Bank Mandiri has had a Operating Technical Guideline namely Gift Disclosure Statement that regulates the prohibition on receiving gratuity for all Bank Mandiri employees. In addition, Gratuity control aims to build the values of Good Corporate Governance and create integrity values for all Bank Mandiri employees. Therefore, in carrying out daily business activities with customers, vendors, partners and all stakeholders, Bank Mandiri always based on ethics, mutual trust, and to be responsible. Thus business interests continue to run well and ethically but do not conflict with the provisions on the prohibition of gratuity. Until now, Bank Mandiri has tried to make continuous improvements in the implementation of its gratuity controls.

As a follow-up to directions from KPK related to establishment of fair value limits and adjustments to the current condition where Banks needs to maintain good partnership with all stakeholders in the course of their daily operations, Bank Mandiri had made improvements to the Operational and Technical Guidelines for Gratuity Control, which have taken into effect on 2 October 2019.



Bank Mandiri was re-elected for the fourth time as a BUMN (State-Owned Enterprise) with the Best Gratuity Control System.

As proof of Bank Mandiri's commitment to controlling gratification and combating corruption in Indonesia, the Bank Mandiri has been selected 4 (four) times as a BUMN with the Best Gratification Control System by the KPK from 2015 to 2018. For 2019 there was no agency election with the Best Gratification Control System by the KPK.

INTEGRITY PACT

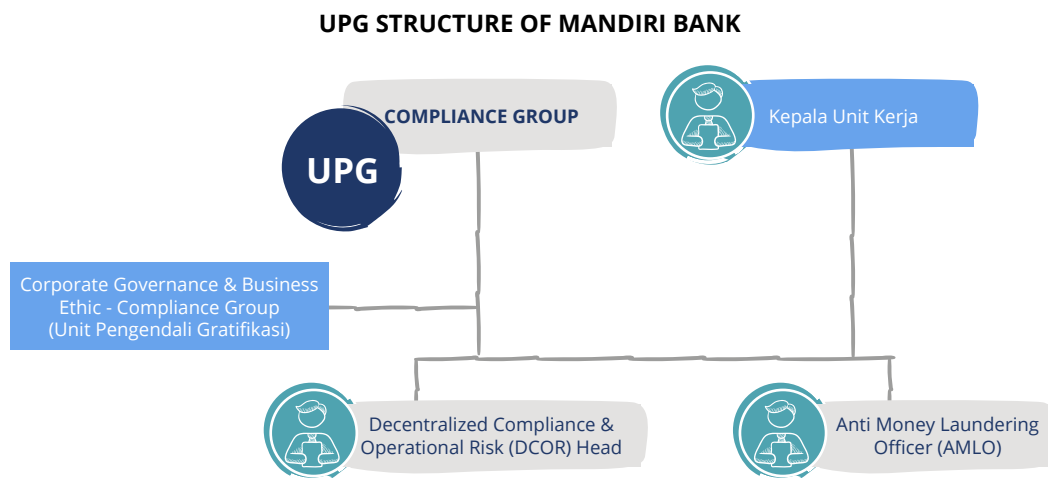
In order to support the gratuity control program, Bank Mandiri has a program to sign the Integrity Pact which is a statement of all levels of Bank Mandiri to commit to upholding moral and integrity, protecting and maintaining the image, credibility and interests of Bank Mandiri by not requesting or receiving gratuities from parties who have conflict of interest.

The Integrity Pact is signed by the Board of Commissioners and the Board of Directors every year. In addition, the Integrity Pact was also signed by all employees of Bank Mandiri when they first worked at Bank Mandiri and re-signing every 2 (two) years.

MANAGEMENT OF GRATIFICATION CONTROL

ORGANIZATIONAL STRUCTURE OF GRATIFICATION CONTROL UNITS

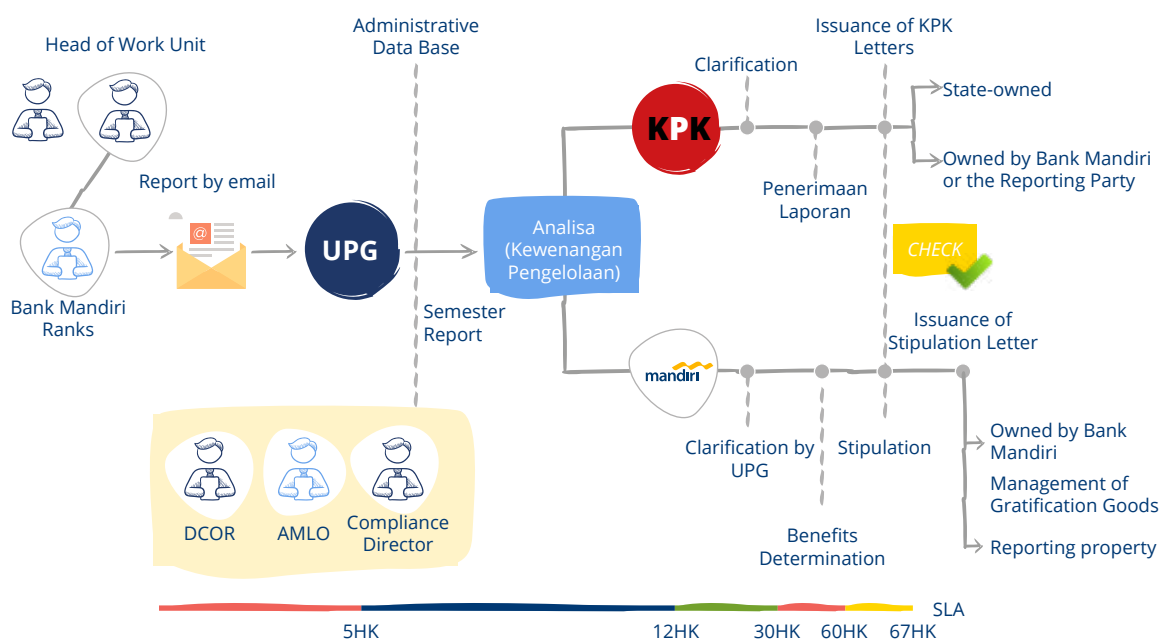
The Bank Mandiri Gratuity Control Unit (UPG) is managed by the Compliance Unit (COMPLIANCE WORK UNIT) at the Company, i.e. the Compliance Group. The UPG functions to control gratuities within Bank Mandiri, which in carrying out their duties are assisted by Decentralized Compliance & Operational Risk (DCOR) and Anti Money Laundering Officer (AMLO). The organizational structure of Bank Mandiri UPG is as follows:





GRATIFICATION REPORTING MECHANISM

Bank Mandiri has a gratuity reporting mechanism that is adjusted to the KPK reporting mechanism, with the following paths:



SOCIALIZATION OF GRATIFICATION POLICY

Socialization related to gratification control was carried out continuously to all levels of the organization to increase awareness where in its implementation UPG coordinated with Head of DCOR and Risk Business Control -AMLO. The socialization was carried out directly to the Working Units at Headquarters, Regional Offices, Branch Offices and through regular ODP/SDP classes. Throughout the year of 2018, face-to-face socialization was conducted to approximately 1,810 Bank Mandiri employees. Other media used in disseminating gratification control policies are through the installation of Gratuity Control Posters at the Regional Offices and Headquarters, sending Email Blasts, Screen Savers, Mandiri Magazine, making gratification display cabinets and urge all Bank Mandiri partners/fellows not to provide gratification related to religious celebrations and new year through national newspaper media.

GRATIFICATION REPORTS IN 2019

Bank Mandiri employees who receive/reject gratuities must report their receipt/rejection to the UPG via e-mail facilities no later than 5 (five) working days after receipt/rejection by filling in the reporting form accompanied by adequate supporting documents.

After receiving the report, UPG will review and classify the report on gratuities that are the authority of Bank Mandiri or the authority of the KPK. Throughout the year of 2019, numbers of reports on receipt/rejection of gratuities received by UPG were 151 reports. The receipt of reported gratuities includes in the form of bribery gratuities, perishable food/goods, goods in the framework of service, honorarium in the context of service and marriage.

WHISTLEBLOWING SYSTEM

To maintain and enhance the reputation of Bank Mandiri and in line with the second pillar of Anti-Fraud Strategy (SAF), i.e. the pillar of detection, a risk control system and means are required through the Whistle Blowing System (WBS) mechanism. Bank Mandiri has provided a media report on complaints of violations named Letter to CEO (LTC). LTC aims to detect acts of fraud or indications of fraud, encourage awareness and concern for all employees as well as improve the company's reputation in the eyes of stakeholders.

Management of LTC report receipts and administration is carried out by independent third parties to provide safe-environments that encourage employees and stakeholders to dare to report fraud or indications of fraud. Types of reported fraud include corruption, fraud, theft, embezzlement and forgery. In addition to reporting fraud or indications of fraud, LTC can also be used to report non-fraud violations such as violations of norms and ethics (code of conduct).

PURPOSES AND OBJECTIVES OF LTC

The LTC program as one of the Anti-Fraud Strategy (SAF) programs, aims to:

1. Detect fraud crimes or fraud indications with reports of employees or third parties of Bank Mandiri, which can be submitted by clearly stating their identity or anonymity, which can then be investigated or followed up.
2. Encourage awareness or concern of all employees to participate in keeping the work unit from loss due

to fraud so that the quality of supervision is better, and the sense of belonging to employees becomes higher.

3. Improve the Company's reputation in the eyes of Stakeholders, especially in the context of Corporate Governance that will enhance the company's image because it has adequate anti-fraud tools.

MANAGEMENT OF THE WHISTLEBLOWING SYSTEM

The management of the Company's WBS is carried out by Internal Managers, i.e. the Compliance Work Unit and External Managers, i.e. RSM Indonesia, which is an independent third party appointed by Bank Mandiri. Management by RSM Indonesia includes the reception and administration activities of the LTC report. With the presence of External Managers, it can provide a safe-environment that encourages employees and stakeholders to dare to report fraud or indications of fraud. Types of reported fraud include corruption, fraud, theft, embezzlement and forgery. In addition to reporting fraud or indications of fraud, LTC can also be used to report non-fraud violations such as violations of norms and ethics (code of conduct).

WBS management involves independent third parties. Among others, aims to:

1. Increase stakeholder confidence in the management of the WBS
2. Provide security for reporters/whistle-blowers
3. Minimize conflict of interest risk.
4. Independent and professional.
5. The reporter can monitor the status of the follow-up of the WBS report he submitted.

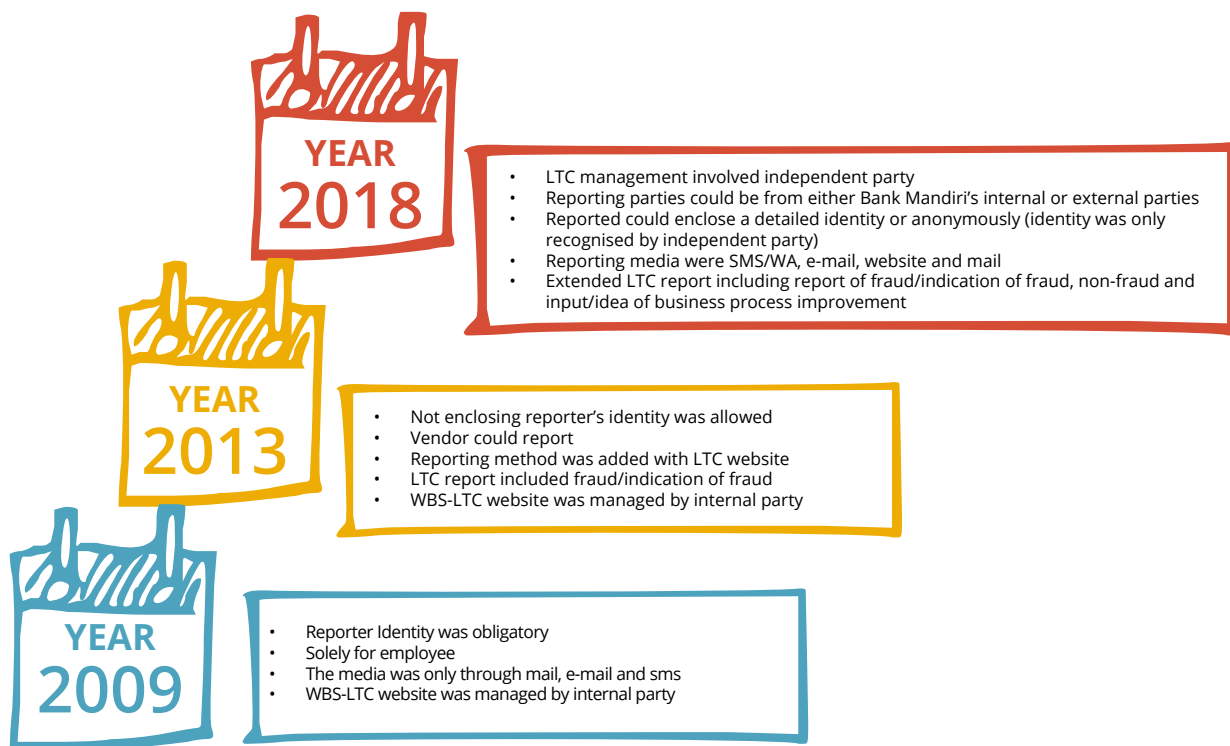
FLOWCHART OF VIOLATION REPORTING SUBMISSION





DEVELOPMENT OF LETTER TO CEO (LTC) NAME

LTC has undergone development and has been refined in 2018. This is done to improve the effectiveness of its implementation, as follows:



SUBMISSION OF THE VIOLATION REPORT

Bank Mandiri has provided reporting media for actions or indications of fraud and/or non fraud that can harm customers and Bank Mandiri as follows:

1. Website : <https://whistleblowing.tips/wbs/@bmri-lettertoceo>
2. Email : bmri-lettertoceo@rsm.id
3. Surat : PT RSM Indonesia melalui PO BOX 1007 JKS 12007
4. SMS and Whatsapp : 0811900777

PROTECTION FOR WHISTLEBLOWER

As a manifestation of the Company's commitment to maintaining the confidentiality of reporting data, Bank Mandiri provides:

1. Guarantee for the confidentiality of the reporter's identity.
2. Guarantee for the confidentiality of the contents of submitted reports.

TYPES OF VIOLATIONS THAT CAN BE REPORTED

Reporting that can be delivered via LTC, among others, consists of:

1. Fraud
 - a. Corruption
Corruption is an action taken by anyone who commits an act enriching himself or another person or a corporation that can harm the state's finance or the country's economy. Examples of actions included in the category of corruption include:
 - 1) Receive bribes.
 - 2) Position Abuse.
 - 3) Cooperating with parties outside the Bank to harm the Bank.
 - 4) Blackmail.
 - b. Fraud
What is meant by fraud is to deceive the Bank, customers or third parties and/or falsify documents, signatures, physical evidence and/or all authentic evidence. Examples of actions included in the fraud category include:
 - 1) Manipulate loan application data.
 - 2) Deceive the customers as if it were a bank product but is actually a fictitious transaction.
 - 3) Manipulate Bank financial data.
 - c. Theft
Theft is defined as taking what is not his right to obtain personal gain or other parties against the law. Examples of actions included in the theft category are:
 - 1) Stealing Bank data.
 - 2) Stealing money from kluis/teller desk.
 - 3) System Hacking
 - d. Embezzlement
Emblem is defined as the act of taking the

property of another person in part or in whole where the control of the item already exists in the perpetrator and the possession occurs legally. Examples of actions included in the category of embezzlement are:

- 1) Using customer funds (lapping).
- 2) Selling Bank's stationery for personal use.
- 3) Using petty cash for personal use.
- e. Forgery
Forgery is the process of making or imitating objects, data, information or documents that are made as if they were true with the intention of deceiving or tricking others. Examples of actions included in the forgery examples are:
 - 1) Falsifying customer data.
 - 2) Falsifying a certificate.
 - 3) Falsifying customer documents.
 - 4) Falsifying signatures.
2. Non-fraud, including violations of norms and ethics (code of conduct), with examples of actions include:
 - a. Opening Bank secrets for personal gain.
 - b. Insider behaviour.
 - c. Immoral acts inside and outside the Bank.
 - d. Harassment.
 - e. Drug abuse.
 - f. Being involved in prohibited community activities.

SOCIALIZATION OF WHISTLEBLOWING SYSTEM

In order to increase understanding of WBS at all levels of the organization, Bank Mandiri consistently and continuously socializes the system in various ways, including short video displays, placing posters around the office environment, PC screen savers and e-mail blasts to the board of directors of Bank Mandiri and using printed media that can be implemented by WBS more effectively in the future.

NUMBER OF VIOLATION

During 2019, the number of violation complaint reports received through LTC media via website, call center, email, faximile, and letter are as follow:

Years	Submission Medias					Report Classification			Followed-up Report	Completed Report
	Letter	Email	Website	Others	Fraud	Non Fraud	Others	Lainnya		
2017	0	8	0	0	0	5	3	0	8	8
2018	0	7	1	0	0	2	2	4	8	8
2019	4	24	10	10	0	23	8	17	48	48

VIOLATION REPORTS SANCTIONS/FOLLOW-UPS IN 2019

Every investigated violation report and those proven as violation has received sanction based on the regulation.



DIVERSITY OF BOARD OF COMMISSIONERS AND DIRECTORS

POLICIES ON DIVERSITY OF BOARD OF COMMISSIONERS

In the Articles of Association Bank Mandiri has regulated the diversity of the composition of the Board of Commissioners is appropriate with the Attachment of Financial Services Authority Circulating Letter No. 32/SEOJK.04/2015 concerning Governance Guidelines Public company. Appointment of the Board of Commissioners done by considering age, gender, integrity, dedication, understanding about related company management problems with one of the management functions, owning knowledge and/or expertise in the field needed by the Company and can provide time sufficient to carry out their duties and other requirements based on laws and regulations. Currently the Board of Commissioners has meet the criteria of all male sexes.

Although there is no gender diversity in current composition of the Board of Commissioners, but throughout Bank Mandiri's journey has shown diversity that is, Fransisca Oei as Commissioner at 2004 - 2005, Gunarni Soeworo as Commissioner Independent in 2005 - 2014, and Aviliani as Independent Commissioner in 2014 - 2017. In addition, gender diversity is also reflected in Committee membership under the Board of Commissioners with has 1 (one) woman as a member of the Risk Monitoring Committee from an independent party namely Ms. Lista Irna.

In 2019, some elements of diversity including education, work experience, age, and gender indicated composition diversity of the Board of Commissioner as illustrated in the following table

Table of Diversity in Composition of Board of Commissioner

Name	Position	Period	Age	Gender	Education	Work Experience	Expertise
Hartadi Agus Sarwono	President Commissioner/ Independent Commissioner	November 15, 2017 - December 9, 2019	67 Years	Male	Earned Bachelor's Degree in Civil Engineering. Master of Arts in Macroeconomics. Doctor of Philosophy in Monetary Theory and Policy.	Have experience work, among others, in the field banking, finance, monetary, and supervision banking.	Banking, Economic
Kartika Wirjoatmodjo*	President Commissioner	December 9, 2019 - December 31, 2019	46 years old	Male	Bachelor of Economic in accounting field. Master of Business Administration (MBA) in Business field	Having working experience in accounting, banking, finance, taxation and securities field.	Accounting, Business, and Banking
Imam Apriyanto Putro	Vice President Commissioner	June 11, 2015 - November 18, 2019	56 Years	Male	Bachelor of Economics in Management. Master of Management.	Have experience work, among others, in the field finance, government, human resources, and company supervision.	Governance
Muhamad Chatib Basri*	Deputy President Commissioner / Independent Commissioner	December 9, 2019 - December 31, 2019	54 years old	Pria	Bachelor's degree in Economics Master of Business Administration in the field of Economic Evelopment Ph.D in Economics	Having work experience in the economic field	Economic
Goei Siauw Hong	Independent Commissioner	June 25, 2015 - December 9, 2019	55 Years Old	Male	Bachelor's Degree in Agronomy. Master of Business Administration (MBA) in Business, Finance, and Marketing	Have experience work, among others, in the field finance, research, and banking supervision.	Finance, Banking

Name	Position	Period	Age	Gender	Education	Work Experience	Expertise
Bangun Sarwito Kusmulyono	Independent Commissioner	June 25, 2015 - December 9, 2019	76 Years	Male	Bachelor's Degree in Chemical Engineering Master of Business Administration Doctor's degree in Environment Management.	Have experience work, among others, in the field banking, capital, defense and banking supervision.	Banking
Mohamad Nasir*	Independent Commissioner	December 9, 2019 - December 31, 2019	59 years old	Male	Bachelor in Accounting Master in Accounting Doctor in Accounting	Having work experience, among others in the field of education and auditing.	Accounting, Auditing
Robertus Bilitea*	Independent Commissioner	December 9, 2019 - December 31, 2019	53 years old	Male	Bachelor in Civil Law Master in Business Legal	Having work experience in the field of law and banking	legal
Makmur Keliat	Independent Commissioner	September 25, 2017 - December 31, 2019	58 Years Old	Male	Bachelor Degree in Corporate Economics Bachelor of Art in Social and Political Sciences/ International Relations Department Drs. in Social and Political Sciences / International Relations Department Ph.d in School of International Studies	Have experience work, among others, in the field education, political science, International Relations, research and publication.	Macroeconomics
Askolani	Commissioner	September 3, 2014 - August 28, 2019	53 Years Old	Male	Bachelor of Economics and Development Study Master of Business Administration (MBA) in Economics and Banking.	Have experience work, among others, in the field finance, economics, supervision of the company industry.	Fiscal, Budget and Tax
Rionald Silaban*	Commissioner	August 28, 2019 - December 31, 2019	53 years old	Male	Bachelor of Law Master of Law Center	Having work experience in finance education and training field.	Human Capital, Macroeconomic
Ardan Adiperdana	Commissioner	October 3, 2016 - December 31, 2019	58 Years Old	Male	Bachelor of Economics. Master in Business Administration. Doctorate in Strategic Management.	Have experience work, among others, in the field Finance and supervision Company.	Accounting, Audit
R. Widyo Pramono	Commissioner	August 21, 2017 - December 31, 2019	62 Years	Male	Bachelor of Law Master of Management, Master of Law Doctorate in criminal law. Inaugurated as Professor of Criminal Law	Having work experience, among others in the field of law and supervision	Law



DIRECTOR DIVERSITY POLICY

In the recommendation of the Financial Services Authority in the Attachment of Financial Services Authority's Circulating Letter No. 32/SEOJK.04/2015 concerning Public Corporate Governance, it is stated that the composition of the Board of Directors members shall concern diversity in the members of Board of Directors. Diversity in the members of Board of Directors is combination of intended characteristics from the organ of Board of Directors as well as the members of the Board of Directors as individuals, in accordance with the Public Company needs. The combination of diversity is established by paying attention to the expertise, knowledge and experience that are in accordance with task division and function of the Board of Directors position in pursuing the objective of the Public Company.

The characteristic combination considerations shall affect in the appropriate nominating process and appointment of an individual as a member of the Board of Directors or the Board of Directors collectively. Diversity in the members of Board of Directors as

specified in the Attachment of Financial Services Authority's Circulating Letter No. 32/SEOJK.04/2015 concerning Public Corporate Governance has been accommodated in the Company's Article of Association. The appointment of the Board of Directors is carried out by considering the integrity, dedication, understanding on a Company management issue related to one management function, possessing knowledge and/or skill in the fields needed by the Company and being able to provide sufficient time to carry out his tasks as well as other requirements in accordance to the applicable laws and regulations.

However, the diversity policy only regulates diversity in knowledge and/or skills in accordance with the task field of the Board of Directors. Bank Mandiri has not possessed diversity policy related to age and gender because the nomination is prioritized on the Company needs.

In 2019, the diversity of the composition of the Board of Directors reflected in education, work experience, age and gender, can be seen as in the table below:

Table of Diversity in Composition of Directors

Name	Position	Period	Age	Gender	Education	Work Experience	Expertise
Kartika Wirjoatmodjo	President Director	January 1, 2019 - October 25, 2019	46 Years Old	Male	<ul style="list-style-type: none"> Bachelor of Economics majoring in accounting. Master of Business Administration (MBA) in Business. 	Have experience work, among others in the field banking account, finance, taxation, and securities.	Accounting, Business and Banking
Royke Tumilaar*	Director of Corporate Banking	January 1, 2019 - December 9, 2019	55 Years Old	Male	<ul style="list-style-type: none"> Bachelor of Economics in Management. Master of Business Administration (MBA) in Finance. 	Have experience work, among others in the field banking, supervision company, insurance and securities.	<i>Treasury & International Banking, Procurement, Special Asset Management, Commercial Banking, Corporate Banking</i>
	President Director	9 December 2019 - 31 December 2019					
Sulaiman Arif Arianto	Vice President Director	January 1, 2019 - December 31, 2019	60 Years Old	Male	<ul style="list-style-type: none"> Bachelor in Animal Husbandry. Master of Business Administration (MBA) in Finance. 	Have experience work, among others in the field finance and banking.	Credit Analyst, MSMEs and Corporate as well as Special Asset Management

Name	Position	Period	Age	Gender	Education	Work Experience	Expertise
Hery Gunardi	Director of Small Business and Networks	January 1, 2019 - May 16, 2019	57 Years Old	Male	<ul style="list-style-type: none"> Bachelor of Commerce Administration. Master of Business Administration (MBA) in Finance and Accounting. 	Have experience work, among others in the field banking, insurance, and securities.	<i>Micro & Retail Banking, Consumer Banking, Micro & Business Banking, Distributions, Credit Risk Management, Special Asset Management, Branding & Strategic Marketing</i>
	Business and Network Director	May 16 2019- December 9 2019					
	Director of Consumer and Retail Transaction	9 December 2019 - 31 December 2019					
Ahmad Siddik Badruddin	Director of Risk Management	January 1, 2019 - December 31, 2019	54 Years Old	Male	<ul style="list-style-type: none"> Bachelor of Chemical Engineering Master of Business Administration (MBA) in Management Information Systems. 	Have experience work, among others in the field banking, finance, and risk management.	Credit risk management, risk management strategies, risk analysis, management and collection strategies, fraud risk management, business and portfolio acquisition, and closing/ sales, portfolio scorecard management, operational risk management, self-assessment processes for risk control, management of external collection agents, and various training programs related to risk management.
Rico Usthavia Frans	Director of Information Technology and Operations	January 1, 2019 - December 9, 2019	49 Years Old	Male	Bachelor of Electrical Engineering.	Have experience work, among others in the field banking, petroleum, and information technology.	<i>Digital Banking & Technology, Transaction Banking/Payment System/Financial Technology, Information Technology, Data Analytics/ Enterprise Data Management</i>
	Director of Information Technology	9 December 2019 - 31 December 2019					
Darmawan Junaidi	Director of Treasury and International Banking	January 1, 2019 - December 9, 2019	53 Years Old	Male	Bachelor of Law.	Have experience work, among others in the field banking, finance, and mining.	Digital banking, User Experience development, data analysis by using big data, machine learning and artificial intelligence.
	Director of Treasury, International Banking, and Special Asset Management	9 December 2019 - 31 December 2019					



Name	Position	Period	Age	Gender	Education	Work Experience	Expertise
Alexandra Askandar	Director of Institutional Relations	January 1, 2019 - December 9, 2019	47 Years Old	Female	<ul style="list-style-type: none"> Bachelor in Economics. Master of Business Administration (MBA) in Finance. 	Have experience work, among others in the field banking, finance, and securities.	<i>Corporate Banking, Special Assets Management, Structured Finance, Government & Institutional.</i>
	Director of Corporate Banking	9 December 2019 - 31 December 2019					
Agus Dwi Handaya	Compliance Director	January 1, 2019 - May 16, 2019	49 Years Old	Male	<ul style="list-style-type: none"> Bachelor in Economics/ Accounting. Master of Business Administration (MBA) in Strategy & Finance. 	Have experience work, among others in the field banking, resources human, and economy.	Human Capital, Finance, Strategy and Performance, Economic
	Director of Compliance and HR	May 16, 2019- December 31, 2019					
Panji Irawan	Director of Finance and Strategy	January 1, 2019 - December 9, 2019	54 Years Old	Male	Bachelor/Engineer in Agricultural & Resource Economics.	Have work experience, among others in the field banking, industry, securities, and finance.	<i>Treasury & International Banking, Finance, Capital Market / Capital Market, Project Management, Corporate Estate, Investor Relationship Management Distribution, Planning & Strategic Development, Public Speaking & Event Organizations, Coaching & People Development, Underwriting, Competency Assessor/ Assessment.</i>
	Director of Operations	9 December 2019 - 31 December 2019					
Donsuwan Simatupang	Director of Retail Banking	January 1, 2019 - December 9, 2019	58 Years Old	Male	<ul style="list-style-type: none"> Bachelor in Corporate Economics. The Master of Business Administration (MBA) in the field of Investment Banking. 	Have experience work, among others in the field banking, management risk, and economy.	<i>Micro Banking, Small & Medium Enterprises Banking, Business Banking, Commercial Banking, Corporate Banking dan Risk Management.</i>
	Director of Institutional Relations	9 December 2019 - 31 December 2019					
Riduan**	Director of Commercial Banking	January 7, 2019 – December 31 2019	49 years old	Male	<ul style="list-style-type: none"> Bachelor of Economic and Accounting. Master in Management 	Having working experience in audit, banking, insurance, and economic field	<i>Accounting, Finance, Audit, Banking dan Risk Management.</i>

Name	Position	Period	Age	Gender	Education	Work Experience	Expertise
Silvano Winston Rumanthir*	Director of Financial and Strategy	December 9, 2019 – December 31, 2019	41 years old	Male	<ul style="list-style-type: none"> Bachelor of Arts Master of Finance 	Having work experience in finance and banking field	Finance, Commercial Banking, dan Risk Management.

INTERNAL FRAUD

Internal Fraud is carried out by the Company's internal and internal collusion with external parties. Internal audit is carried out by Internal Audit.

Internal fraud within 1 year	Total of fraud committed by					
	Members of The Board of Commissioners and Members of The Board of Directors		Permanent Employee		Non-Permanent Employees and Outsourcing Personnel	
	Previous Year (2018)	Current Year (2019)	Previous Year (2018)	Current Year (2019)	Previous Year (2018)	Current Year (2019)
Total Fraud	Outsourcing Personnel	-	35	40	8	4
Has Been Completed	-	-	35	40	8	4
In the Settlement Process in the Internal Bank	-	-	-	-	-	-
Settlement has not been attempted	-	-	-	-	-	-
Followed Through Legal Process	-	-	-	-	-	-

MANAGEMENT OF REPORTS OF STATE OFFICIALS WEALTH (LHKPN)

POLICY OF STATE OFFICIALS WEALTH REPORTS (LHKPN)

Bank Mandiri has a policy regarding the reporting implementation of State Officials Wealth Reports (LHKPN) based on Directors Decree No. KEP.DIR / 147A / 2017 dated June 21, 2017 concerning State Officials Wealth Reports (LHKPN) in the Environment of PT Bank Mandiri (Persero) Tbk. This policy regulates the Company's employees who are required to report their assets, delivery procedures, LHKPN administrator and work unit, as well as sanctions that can be imposed on employees who do not carry out their reporting obligations.



MANDATORY REPORT OF STATE OFFICIALS WEALTH REPORTS (LHKPN)

Based on the LHKPN Policy above, Mandatory Report of LHKPN are Structural Officers within Bank Mandiri, namely:

1. Member of Commissioners Board
2. Members of Directors Board
3. Senior Executive Vice President
4. Executive Officers reported to Bank Indonesia, namely:
 - a. Regional CEO
 - b. Group Head and Group Head Level Officials
 - c. Branch Head whose office licenses from Bank Indonesia covering Branch Offices and Foreign Branch Offices
5. Employees placed as Directors/ Commissioners Board in Subsidiaries and Pension Funds

MANAGER OF LHKPN

LHKPN reporting manager consists of LHKPN Management Coordinator and e-LHKPN Management Administrators with this following details:

1. LHKPN Management Coordinator is the Corporate Secretary and Group Head Human Capital Services with the following scopes of duties:
 - a. Coordinating with Corruption Eradication Commission (KPK) in monitoring, filling, and submitting LHKPN as well as socializing the obligations to the LHKPN.
 - b. Coordinating with the Ministry of State-Owned Enterprises and KPK regarding the management and administration of the LHKPN Compulsory Application.
2. e-LHKPN Management Administrators is a Corporate Secretary Group and Human Capital Services Group with the following scope of duties:
 - a. Managing and updating data required to report LHKPN within Bank Mandiri as well as updating the data of mandatory report LHKPN in Bank Mandiri office environment.
 - b. Managing and monitoring LHKPN reporting obligations within Bank Mandiri.

LHKPN REPORTING IN 2019

LHKPN reporting until the end of the 2019 period, from the number of compulsory reports of 327 (three hundred twenty-seven) people there were 321 (three hundred twenty-one) people or 98.17% who had fulfilled their reporting obligations.

IMPLEMENTATION OF INTEGRATED GOVERNANCE

In accordance with OJK Regulation No.18 / POJK.03 / 2014 concerning the Implementation of Integrated Governance for the Financial Conglomerate, Bank Mandiri as the Main Entity in the financial conglomerate with 10 (ten) Subsidiaries, has compiled the Integrated Governance Guidelines (TKT) as a reference for Bank Mandiri and all Subsidiaries within the Bank Mandiri business group. Bank Mandiri has also perfected the governance organs by establishing the TKT Committee, Integrated Compliance Unit, Integrated Risk Management Work Unit and Internal Audit Work Unit.

INTEGRATED GOVERNANCE REPORT

SELF ASSESSMENT REPORT OF INTEGRATED GOVERNANCE DURING 1 (ONE) YEAR OF BOOK

Self-assessment of Bank Mandiri and Subsidiaries is carried out with reference to the Financial Services Authority Circular No. 15 / SEOJK.03 / 2015 concerning the Implementation of Integrated Governance for Financial Conglomerates and refers to sectoral regulations of Subsidiaries.

The assessment is carried out on 3 (three) aspects of governance, namely structure, process and outcome (outcome) on the following 7 (seven) Assessment Factors for TKT Implementation:

1. Implementation of the duties and responsibilities of the Directors of the Main Entity.
2. Implementation of the duties and responsibilities of the Board of Commissioners of the Main Entity.
3. Duties and responsibilities of the TKT Committee.
4. Duties and responsibilities of the Integrated Compliance Work Unit.
5. Duties and responsibilities of the Integrated Internal Audit Work Unit.
6. Implementation of Integrated Risk Management.
7. Compilation and implementation of TKT Guidelines.

TKT assessment every semester involves all Directors and Board of Commissioners, Risk Management Unit, Internal Audit Unit, Compliance Unit and Corporate Secretary and all Subsidiaries.

The results of the TKT assessment in 2019 are as follows:

Semester I Assessment Year 2019

Rank	Rank Definition
1 (very good)	The Financial Conglomerate is considered to have implemented Integrated Governance that is generally very good. This is reflected in the very adequate fulfillment of the application of the TKT principles. If there are weaknesses in the implementation of Integrated Governance, in general those weaknesses are not significant and can be immediately corrected by the Main Entity and / or LJK.

The evaluation of TKT is carried out by Bank Mandiri involving all of the Subsidiaries. Bank Mandiri's conglomerate has implemented TKT which is generally very good by having fulfilled all three aspects of TKT consisting of aspects of the structure, process and results.

In terms of structure, Bank Mandiri has made an adjustment to the Decree on Membership of the Integrated Corporate Governance Committee through the Decree of the Board of Directors No. KEP.DIR / 31/2019 dated May 14, 2019.

Based on the aspect of the process, Bank Mandiri has held a meeting on March 13, 2019 with discussions including the results of the TKT self-assessment. In addition, in the first semester of 2019, Bank Mandiri Entities conducted audits to Subsidiaries in accordance with the Annual Audit Plan. During the first semester of 2019, an audit was conducted by



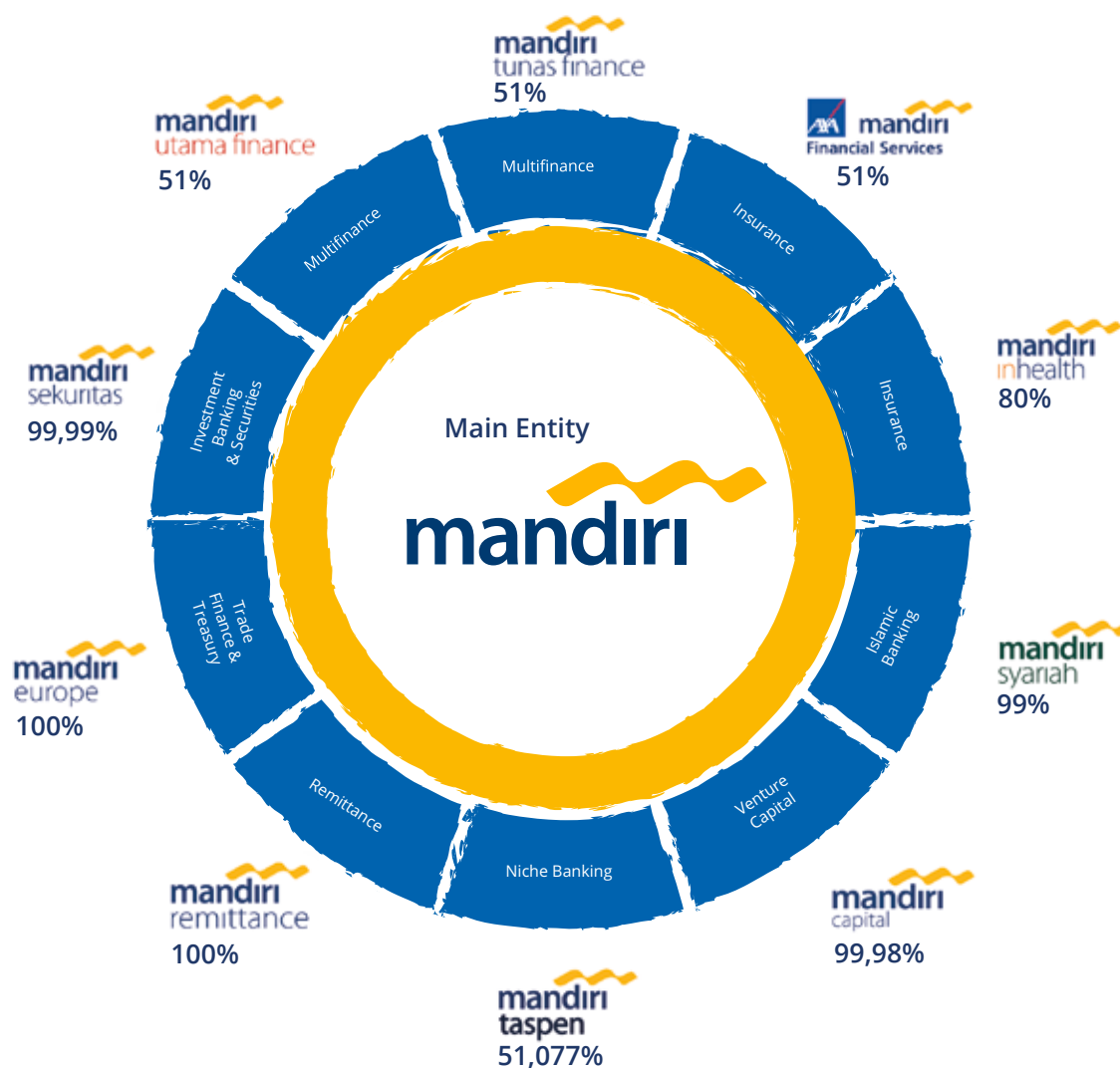
SKAIT to several Subsidiaries, namely Mandiri Tunas Finance and Mandiri Utama Finance.

Based on the aspect of results, Bank Mandiri has implemented the Integrated Governance that is generally good, namely the formation of the TKT Committee and the preparation of TKT guidelines for the Main Entity and Subsidiary Companies. In addition, SKKT, SKAIT and SKMRT have carried out their duties and responsibilities well and are constantly reviewing the effectiveness of TKT implementation.

Of the 7 (seven) parameters contained in Financial Services Authority Circular No. 15 / SEOJK.03 / 2015 can be said that all of these parameters have been implemented very well. However, in the first semester of 2019, there are Subsidiary Companies that do not yet have their own SKAI and the Internal Audit function is still carried out by the Main Entity. Assessment of Semester II of 2019 will be submitted to the Financial Services Authority on February 15, 2020.

STRUCTURE OF FINANCIAL CONGLOMERATION

Financial conglomerate structure of Bank Mandiri consists of Bank Mandiri as the Main Entity, as well as 10 (ten) Subsidiaries and 1 (one) Sub-subsidiary engaged in various sectors. Bank Mandiri's financial conglomerate structure is as follows:



STRUCTURE OF FINANCIAL CONGLOMERATES

As of December 31, 2019, Bank Mandiri's share ownership structure was as follows:

No.	Company	Composition	%
1.	Bank Syariah Mandiri	Bank Mandiri	99,99%
		Mandiri Sekuritas	0,01%
2.	Mandiri Sekuritas	Bank Mandiri	99,99%
		Koperasi Mandiri	0,01%
3.	Mandiri Tunas Finance	Bank Mandiri	51,00%
		Tunas Ridean	49,00%
4.	AXA Mandiri Financial Services	Bank Mandiri	51,00%
		AXA	49,00%
5.	Mandiri Taspen	Bank Mandiri	51,077%
		Taspen	48,416%
		Perorangan	0,507%
6.	Mandiri International Remittance	Bank Mandiri	100,00%
7.	Bank Mandiri Europe Limited	Bank Mandiri	100,00%
8.	Mandiri Inhealth	Bank Mandiri	80,00%
		Kimia Farma	10,00%
		Asuransi Jasa Indonesia	10,00%
9.	Mandiri Utama Finance	Bank Mandiri	51,00%
		Tunas Ridean	12,00%
		Asco	37,00%
10.	Mandiri Capital Indonesia	Bank Mandiri	99,99%
		Mandiri Sekuritas	0,01%

COMMITTEE STRUCTURE OF FINANCIAL CONGLOMERATES

Based on Decree of OJK No.18/POJK.03/2014 regarding Management Application of Financial Conglomerates, the committee structure of Bank Mandiri Financial Conglomerates can be explained in the following table:

GCG Mechanism		Subsidiaries									
		MS	MTF	AMFS	BMT	MIR	BMEL	MI	MUF	MCI	BSM
1	Guidelines of Corporate Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Compliance Work Unit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Internal Audit Work Unit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Risk Management Work Unit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

BOARD OF COMMISSIONERS AND DIRECTORS OF BANK MANDIRI FINANCIAL CONGLOMERATES

Board of Commissioners and Directors of Bank Mandiri have duties and responsibilities related to TKT namely:

Board of Commissioners :

1. Supervising the implementation of duties and responsibilities, and providing advice to Bank Mandiri Board of Directors as stipulated in the Articles of Association and applicable laws.
2. Supervising the implementation of TKT.

Directors :

1. Having full responsibility for the implementation of Bank Mandiri management.
2. Managing Bank Mandiri in accordance with the authority and responsibility as stipulated in the Articles of Association and the applicable laws and regulations.
3. Ensuring the application of TKT in financial conglomerates.
4. Arranging and informing TKT Guidelines to all Subsidiaries.
5. Directing, monitoring and evaluating the implementation of TKT Guidelines.
6. Following up on the direction / advice of Bank Mandiri Board of Commissioners in order to improve the TKT Guidelines.

The Board of Commissioners and Directors of Bank Mandiri are as follows:

Board of Commissioner	
Kartika Wirjoatmodjo	President Commissioner / Independent Commissioner
Muhamad Chatib Basri	Vice of President Commissioner
Rionald Silaban	Commissioner
Mohamad Nasir	Independent Commissioner
Robertus Biliatea	Independent Commissioner
Ardan Adiperdana	Commissioner
Makmur Keliat	Independent Commissioner
R. Widyono Pramono	Commissioner

Director	
Royke Tumilaar	President Director
Sulaiman Arif Arianto	Vice Of President Director
Hery Gunardi	Director
Ahmad Siddik Badruddin	Director
Rico Usthavia Frans	Director
Darmawan Junaidi	Director
Alexandra Askandar	Director
Agus Dwi Handaya	Director
Panji Irawan	Director
Donsuwan Simatupang	Director
Silvano Winston Rumanthir	Director

Beside Bank Mandiri, the Management Structure in Mandiri Group consists of the Board of Commissioners, the Board of Directors and the Sharia Supervisory Board of Subsidiaries. All of those have the responsibility assigned in the TKT Guidelines as follows:

Board of Commissioners:

1. Supervising the implementation of governance, duties and responsibilities of the Board of Directors and following up on audit results from internal and external parties.
2. Establishing committees or appointing parties to carry out functions that support the duties and responsibilities of the Board of Commissioners at least audit committees / functions, and compliance monitoring committees / functions.
3. Organizing Board of Commissioners meetings which at least includes frequency, attendance and decision making procedures.
4. Compiling the Board of Commissioners' work rules.

Directors:

1. Implementing the principles of corporate governance.
2. Preparing the Corporate Governance Guidelines.
3. Following up on audit results and recommendations from the Internal Audit Unit, external auditors, and the results of supervision from the authorities.

Bank Syariah Mandiri

Board of Commissioner	
Mulya E. Siregar	President Commissioner / Independent Commissioner
Bambang Widiyanto	Independent Commissioner
Muhamad Kapitra Ampera*	Independent Commissioner

*Masih dalam Proses *Fit and Proper test*.

Directors	
Toni Eko Boy Subari	President Director
Achmad Syafii	Director
Putu Rahwidhiyasa	Director
Kusman Yandi	Director
Ade Cahyo Nugroho	Director
Rosma Handayani	Director

Mandiri Sekuritas

Board of Commissioner	
Darwin Cyril Noerhadi	President Commissioner / Independent Commissioner
Farida Thamrin	Commissioner
Endra Gunawan	Commissioner

Directors	
Dannif Danusaputro	President Director
Silva Halim	Director
Heru Handayanto	Director
Andy Bratamihardja	Director

4. Organizing Board of Directors meetings.
5. Developing work rules that at least include the procedures for decision making and meeting documentation.

Sharia Supervisory Board:

1. The Sharia Supervisory Board must carry out its duties and responsibilities in accordance with the principles of Governance.
2. The Sharia Supervisory Board is responsible for providing advice to the Board of Directors and monitoring activities in accordance with Sharia Principles.
3. The implementation of the duties and responsibilities of the Sharia Supervisory Board is adjusted to the applicable laws and regulations in each Subsidiary.
4. Members of the Sharia Supervisory Board must provide sufficient time to carry out their duties and responsibilities optimally.
5. Arranging the work rules of the Sharia Supervisory Board.

Mandiri Tunas Finance

Board of Commissioner	
Rico Adisurja Setiawan	President Commissioner
Harry Gale	Commissioner
Ravik Karsidi	Independent Commissioner

Directors	
Arya Suprihadi	President Director
Harjanto Tjithardjojo	Director
Armendra	Director

AXA Mandiri Financial Services

Board of Commissioner	
Agus Haryoto Widodo	President Commissioner
Julien Steimer	Commissioner
Akhmad Syakhroza	Independent Commissioner
Wihana Kirana Jaya	Independent Commissioner



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Directors

Handojo Gunawan Kusuma	President Director
Henky Oktavianus	Director
Cecil Mundisugih	Director

Bank Mandiri Taspen

Board of Commissioner

Abdul Rachman	President Commissioner
Agus Haryanto	Commissioner
Edhi Chrystanto	Independent Commissioner
Sukoriyanto Saputro	Independent Commissioner
Zudan Arief Fakrulloh	Independent Commissioner

Directors

Josephus Koernianto Triprakoso	President Director
Paulus Endra Suyatna	Director
Nurkholis Wahyudi	Director
Iwan Soeroto	Director

Mandiri International Remittance Sdn.Bhd.

Directors

Wahyu Surahmat	President Director
Mohd Fodli Hamzah	Director
Diah Natalin Saragih	Non Executive Director
Siti Kamaliyah	Non Executive Director

Mandiri (Europe) Limited

Board Member

Mahendra Siregar	Independent Non Executive Director & Chairman
Geoffrey McDonald	Independent Non Executive Director
Ita Tetralaswati	Non Executive Director
I Nyoman G. Suarja	Executive Director & Chief Executive

Mandiri Inhealth

Board of Commissioner

Yusak Labanta Sudena Silalahi	President Commissioner
Bambang Wibowo	Independent Commissioner

Board of Commissioner

Ali Ghuftron Mukti	Independent Commissioner
--------------------	--------------------------

Directors

Iwan Pasila	President Director
Bugi Riagandhy	Director
Rahmat Syukri	Director
Ahmad Safrizal	Direktur

Mandiri Utama Finance

Board of Commissioner

Ignatius Susatyo Wijoyo	President Commissioner
Erida	Commissioner
Mansyur Syamsuri Nasution	Independent Commissioner

Directors

Stanley Setia Atmadja	President Director
Wiweko Probojakti	Director
Rita Mustika	Director

Mandiri Capital Indonesia

Board of Commissioner

Pantro Pander Silitonga	President Commissioner
Daniel Setiawan Subianto	Commissioner
Alamanda Shantika Santoso	Independent Commissioner

Directors

Mardianto Eddiwan Danusaputro	President Director
Hira Laksamana	Director
Joshua Agusta	Director

PT Mandiri Manajemen Investasi

Board of Commissioner

Elina Wirjakusuma	President Commissioner
Teuku Ali Usman	Commissioner
Margeret Tang	Independent Commissioner

Directors

Nurdiaz Alvin Pattisahusiwa	President Director
Arief Budiman	Director
Endang Astharanti	Director

INTEGRATED GOVERNANCE COMMITTEE

Bank Mandiri has established a TKT Committee consisting of Bank Mandiri Independent Commissioners and Independent Subsidiary Commissioners for each industry. The TKT Committee has the fewest duties and responsibilities:

- 1) Evaluating internal implementation and the compliance function implementation in an integrated manner.

In conducting evaluations, the TKT Committee obtains information in the form of an evaluation of the implementation of internal audits and the compliance function of each of the Subsidiaries from the members of the Board of Commissioners of each Subsidiary Company, who become the members of the TKT Committee.

- 2) Providing recommendations to Bank Mandiri Board of Commissioners, regarding:
 - a) Results of evaluation of TKT implementation;
 - b) Completion of TKT Guidelines.

INTEGRATED COMPLIANCE WORK UNIT

In line with the implementation of POJK No. 18 / POJK.03 / 2014, Bank Mandiri has established a Compliance Group as COMPLIANCE WORK UNIT which oversees the implementation of the compliance function at Mandiri Group. The duties and responsibilities of COMPLIANCE WORK UNIT are as follows:

1. Monitoring and evaluating the implementation of the compliance function in all Subsidiaries.
2. Preparing a report on the implementation of integrated compliance with the Director Subordinating the Compliance Function and the annual report of Integrated Governance.
3. Organizing forums with subsidiaries regarding the implementation of the integrated compliance function

During 2019, SKKT Bank Mandiri has carried out several initiatives in the context of TKT implementation, as follows:

1. Alignment of compliance policies and compliance risk management mechanisms.
2. Quarterly, receive and review the Integrated Compliance Function Implementation Report (LPKT).
3. On a quarterly basis, compile an integrated compliance implementation report.
4. Discussion forum with subsidiaries to discuss the assessment of compliance risk profiles (forward looking) and mitigation of compliance issues that occur in subsidiaries.
5. Inclusion of reporting frames for managing the compliance function in subsidiaries within Bank Mandiri's internal regulations to strengthen the synergy in managing the integrated compliance function.
6. Delivering a list of compliance with the new regulations to the Subsidiary Company, to ensure the fulfillment of the obligations in the new regulation.
7. Routinely monitoring compliance risks of Subsidiaries on a quarterly basis through the Implementation Report of the Integrated Compliance Function (LPKT) and the Integrated Risk Management Forum (IRMF) Forum

INTEGRATED AUDIT WORK UNIT

Bank Mandiri has established Internal Audit as SKAIT which is independent to the operational work unit. SKAIT, in this case is Internal Audit, has also collaborated

with 1st line and 2nd line Bank Mandiri and the Subsidiary's Internal Audit to ensure the effective implementation of internal control functions in Mandiri Group.

SKAIT has the duties and responsibilities contained in the TKT Guidelines as follows:

1. Carrying out audits on Subsidiary Companies either individually, joint audits or based on reports from the Subsidiary Internal Audit Unit;
2. Monitoring the implementation of Internal audits in each Subsidiary Company by conducting:
 - a. Evaluation of Subsidiaries SKAI audit plan in order to align the integrated audit plan;
 - b. Evaluation of internal and external audits results of subsidiaries and the follow-ups to prepare an integrated internal audit report.

During 2019, Bank Mandiri SKAIT has ensured the implementation of internal control functions in Subsidiaries:

1. Carrying out an audit of 10 (ten) subsidiaries.
2. Evaluating and aligning audit plans with subsidiaries before compiling the Annual Audit Plan (AAP) of Bank Mandiri and Subsidiaries.
3. Reviewing the Subsidiary SKAI Audit Report and its follow-ups on a quarterly basis.
4. Compiling Reports on the Implementation of Integrated Internal Audit Functions.

In addition, Bank Mandiri SKAIT also does a number of things in order to improve the functions of the Integrated SKAI as follows:

1. Alignment of the audit strategy of Subsidiary Companies (AAP 2019).
2. Performing SKAIT audits in 6 (six) Subsidiary Companies.
3. Revision of Internal Audit Charter SKAI Bank Syariah Mandiri and Bank Mantap in relation to the implementation of the Internal Audit function at Commercial Banks in accordance with POJK 1 / POJK.03 / 2019.
4. Organizing a Audit Meeting of the Subsidiary's Audit Committee that can invite SKAIT.
5. Periodically organizing the SKAI Mandiri Group forum.

INTEGRATED RISK MANAGEMENT WORK UNIT

Bank Mandiri sets the LoanPortfolio Risk Group as SKMRT, which is independent of other operational work units and has adequate policies, procedures and risk limits. SKMRT has the duties and responsibilities contained in the TKT Guidelines, including the following:



1. Providing input to the Board of Directors in the preparation of integrated risk management policies.
2. Monitoring the implementation of integrated risk management policies including developing procedures and tools for risk identification, measurement, monitoring and control.
3. Monitoring risks in financial conglomerates based on the results of the assessment:
 - a. Risk profile of each Subsidiary in the Financial Conglomerates;
 - b. Integrated risk level of each risk;
 - c. Integrated risk profile.
4. Managing stress testing.
5. Carrying out periodic reviews to ensure:
 - a. The accuracy of the risk assessment methodology;
 - b. Adequacy of implementation of management information systems;
 - c. Integrated accuracy of policies, procedures and risk limits.
6. Reviewing strategic proposed new business lines that can be significantly influential on the risk exposure of financial conglomerates.
7. Providing information to the integrated risk management committee on matters that need to be followed up regarding the results of the evaluation on the implementation of integrated risk management.
8. Providing input to the integrated risk management committee, in order to organizing and improving integrated risk management policies.
9. Arranging and submitting an integrated risk profile report periodically to the Directors in charge of the integrated risk management function and to the integrated risk management committee.

During 2019, SKMRT has carried out several initiatives in the framework of implementing integrated risk management, as follows:

1. Active supervision of management through forums and committees on a regular basis
2. Improving the risk management process in the Subsidiary Company by conducting on-site review and assistance.
3. Development of an Integrated Risk Management Information System, namely (RACER Risk Assessment Consolidation Generator System).
4. Subsidiary employee attachment program to Bank Mandiri as the Main Entity.

INTRAGROUP TRANSACTION POLICY

The development of Bank Mandiri and its subsidiaries aggressively in various business segments, making

Banks and its Subsidiaries synergize and collaborate in one business ecosystem. This raises the exposure of intragroup transactions within the Mandiri Group. The Bank always keeps the Intragroup Transactions in accordance with external and internal rules both in terms of exposure and process.

All intragroup transaction processes and cooperation established within the Mandiri Group are carried out in accordance with applicable internal regulations, including the Risk Management Policy (KMNR), Standard Procedure for Implementing Risk Based Bank Ratings (RBBR), Technical Instructions for Operations for Risk-Based Bank Rating Assessments (RBBR) and always guided by the Mandiri Subsidiary Management Principles Guideline, which is a guide for the Mandiri Group in building a business collaboration ecosystem. The policy regarding intragroup transaction risk at Bank Mandiri refers to the Financial Services Authority Regulation No.17 / POJK.03 / 2014 dated November 18, 2014 concerning the Implementation of Integrated Risk Management for Financial Conglomerates and Circular of Financial Services Authority No.14 / SEOJK.03 / 2015 dated May 25, 2015 concerning the Implementation of Integrated Risk Management for Financial Conglomerates.

The Bank constantly monitors business performance and risks arising from the business synergy of the Bank and Subsidiaries. In this case, the Bank always ensures that Intragroup Transactions within the Mandiri Group are always in accordance with the rules and limits set by the Regulator.

MANDIRI SUBSIDIARIES MANAGEMENT PRINCIPLE GUIDELINE (MSMPG)

Mandiri Subsidiaries Management Principles Guideline (MSMPG) is a guideline for Bank Mandiri and Subsidiaries in building an ecosystem of business collaboration through a culture of performance. It aims to create additional value for Bank Mandiri and its subsidiaries on an ongoing basis, by adhering to the principles of GCG and the Articles of Association of each of the Subsidiaries.

The principles of managing Bank Mandiri subsidiaries are in accordance with the provisions of MSMPG covering Integrated Governance activities, Financial Reports, Anti Money Laundering, and Prevention of Terrorism Funding (APU-PPT), Human Resources, Procurement, Synergy of Subsidiary Business, Strategy & Performance, Corporate Culture Values, Information Technology Cooperation, Data Management, Corporate

Sustainability Principles, Controllers of Gratification and Investment Management.

MSMPG is implemented by referring to the basic principles of managing Subsidiaries as follows:

- Subsidiaries are separated entities from Bank Mandiri.
- Management of subsidiaries is carried out professionally and does not intervene in the operational activities of subsidiaries.

- Management of Subsidiary Companies is carried out without disregarding the duties and responsibilities of the Board of Directors and Board of Commissioners of the Subsidiaries in accordance with the Articles of Association.

The management of Subsidiary Companies is aimed at optimizing sustainable profits, reducing risks, fulfilling regulatory requirements, and good governance.

Buyback Share and Buyback Bond

In 2019, there was no buyback share or buyback bond.

Provision of Related Party Funds

With reference to the internal policies of Bank Mandiri regarding lending, the provision of funds to related parties (individuals or groups, including executive officers, Board of Directors and Commissioners of the Bank) had been fairly exercised on reasonable terms with the approval of the Board of Commissioners.

The provision of funds to related parties shall not be contrary to the general procedure of granting the provision of funds in force and shall continue to provide reasonable benefits to the Company as well as the provision shall be subject to the approval of the Board of Commissioners. As one form of supervisory function implementation by the Board of Commissioners in the field of credit, lending over Rp 3 trillion individually should be reported quarterly to the Board of Commissioners. Reported loans were credits that had been terminated within 3 (three) months of the reporting period.

Table Number of Provision of Funds for Parties Regarding Position in December 2019

No	Provision of Funds	Amount	
		Debtor (person)	Nominal (billion IDR)
1	To Related Parties	14	11.474
2	To Core Debtors		
	Individu		
	Group	25	252.669
	Total Core Debtor	25	252.669

Related Information of the Provision of Related Party Funds is in the Management Analysis and Discussion section of this Annual Report.

Bank Strategic Plan

The Bank's Strategic Plan, both long and medium term, has been explained in the section on Bank Mandiri Strategy in 2018 Chapter Management Discussion and Analysis in this Annual Report.



Transactions Containing Conflict of Interest

During 2019, there were no transactions that contained conflicts of interest as stated in the OJK Circular Letter No. 13 / SEOJK.03 / 2017 and BAPEPAM-LK No. IX.E.1 concerning Conflicts of Interest.

Names and Position of Parties having Conflict of Interest	Name and Position of Decision Maker	Transaction Type	Transaction Value (millions of Rupiah)	Information
Nil	Nil	Nil	Nil	Nil

Internal Dispute of Bank Mandiri

During 2019, there were no internal disputes at Bank Mandiri relating to owner intervention, remuneration policies and other causes.

Prevention of Insider Trading

Internal provisions related to Insider Trading actions are implemented by Bank Mandiri contained in the Bank Mandiri Policy Architecture and Standard Corporate Secretary Guidelines. As for the Bank Architecture Policy, Bank Mandiri has stipulated that "all Bank Offices are only permitted to conduct securities transactions, foreign exchange trading, precious metals, derivative transactions and other goods for their own interests if there is no conflict of interest, violation of Insider Trading regulations from the Capital Market Authority and other regulations."

In the Standard Corporate Secretary Guidelines, the provisions governing Insider Trading actions are regulated in Chapter III number 5 letter d, covering:

1. Insiders who have insider information, such as information in the form of information about the Bank's financial situation, Bank activity plans and/or other unpublished material information which should be expected to influence the decisions of investors or shareholders, are prohibited from buying and/or selling Bank shares.
2. In-person who has insider information is prohibited from influencing any party including the Insider's family to make a purchase or sale of shares.
3. Insiders other than the Board of Directors and Board of Commissioners who commit violations as stipulated above and proven to conduct transactions and/or provide insider information will be the subject to disciplinary sanctions as stipulated in the Human Resources Guidelines Standard.
4. The Board of Directors and the Board of Commissioners and parties due to their position, profession/relationship with the Bank that carries out insider trading liability in accordance with applicable regulations.
5. Annual Disclosure/Annual Statement includes a ban on insider trading. The obligation to give an annual statement to the Bank's ranks is regulated in the code of conduct and/or Human Resources Guidelines Standard.

During 2019, there will be no insider trading on Bank Mandiri.

Transparency of Financial and Non Financial Conditions

Bank Mandiri fulfills the obligation of transparency and publication of financial and non-financial conditions in accordance with applicable regulations, through the delivery and publication of information through the print media and the Company's website as follows:

1. Monthly Financial Reports to regulators, which are also published through the BI and Bank Mandiri websites.
2. Quarterly Financial Reports to regulators, which are also published through the print media and website of the Company.
3. The Bank Mandiri Annual Report is prepared and presented in accordance with the provisions and submitted to regulators, rating agencies, banking development institutions, research institutions / institutions and financial magazines and published through the Company's website.
4. Information on Corporate Governance, which includes the Annual Report of Corporate Governance, Visions, Missions, Corporate Values, Compositions and Profiles of the Board of Commissioners and Directors, as well as internal provisions related to governance ranging from the Articles of Association to the Charter of Committees published through Bank Mandiri website.
5. Information on Company Products and Services including office network is published through the Annual Report and Bank Mandiri website, so customers, investors and the wider community can easily access information on Bank Mandiri products and services.
6. Information on the Procedure for Submitting Complaints, Information Security and Tips for Customers in using banking services published through Bank Mandiri website for the implementation of consumer protection provisions.
7. Other information that aims to support information disclosure, financial education and services to the public.

Application of Open Corporate Governance Guidelines

FSA Circular No. 32/ / SEOJK.04/2015 / 5 concerning Governance Guidelines covers 8 (five) aspects, 25 (eight) principles and 25 (twenty-five) recommendations on the application of aspects and principles of good corporate governance. Recommendations on the application of aspects and principles of good corporate governance in the Governance Guidelines are standard implementation of aspects and principles of good corporate governance that must be applied by the Company to implement the principles of good corporate governance. As for the description of its application, it can be conveyed as follows.

No	Aspects; Principles; Recommendation		Comply or Explain
A.	Aspect 1 : Relationship between Public Companies and Shareholders in guaranteeing the Rights of Shareholders.		
A.1.		Principle 1: Improving the Value of Organizing General Meeting of Shareholders (RUPS).	
A.1.1.		<p>Recommendation 1: Public companies have technical or voting methods or procedures, both openly and closed, that prioritize independence, and the interests of shareholders.</p> <p>Explanation: Every share altogether with issued vote rights have one share one vote. Shareholders may use their votes in decision making process, especially in the process that requires voting. However, decision making in the form of voting both openly and closed have not been regulated completely.</p>	<p>In the Annual General Meeting of Shareholders (RUPS) and Extraordinary RUPS, Bank Mandiri has carried out the voting process both openly and closed as stated in Rules of Conduct of the Annual Meeting of Shareholders.</p> <p>At the last Annual General Meeting of Shareholders in 2018, the voting mechanism was held in secret with officers approaching all shareholders who then put shareholders into the boxes provided by officers.</p>
		<p>Public company is recommended to have voting procedure in decision making process in any agenda of General Meeting of Shareholders. The procedure of voting have to secure the independence of shareholders. For example, open voting is done by raising hands in accordance with the instruction offered by the head of the GMS. Meanwhile, in a closed vote, the process is carried by using a sound card or by using electronic voting to facilitate decisions that require confidentiality or the request of shareholders.</p>	<p>The Company has made the General Meeting of Shareholder's Rules that can be uploaded on the Company's website and distributed to Shareholders at the time of the GMS.</p> <p>Description: Comply</p>



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

No	Aspects; Principles; Recommendation			Comply or Explain
A.1.2.			<p>Recommendation 2: The entire members of Board of Directors and Commissioners of Public Company present in Annual General Meeting of Shareholders.</p> <p>Explanation: The presence of entire members of Board of Directors and Commissioners of Public Company aims at the goal that every members of Board Directors and Commissioners can pay attention, explain, and answer the problems happening in the company or questions given by shareholders related any agenda in General Meeting of Shareholders directly.</p>	<p>At the 2018 Annual General Meeting of Shareholders, the entire members of Board of Directors and Commissioners presented.</p> <p>Description : Comply</p>
A.1.3.			<p>Recommendation 3: The summary of all aspects in General Meeting of Shareholders is available in Website Site of Public Company at least one (1) year.</p> <p>Explanation: Based on the provisions in Article 34 paragraph (2) of the Financial Services Authority Regulation Number 32 / POJK.04 / 2014 concerning the Plans and Implementation of General Meeting of Shareholders of Public Companies, Public Companies are required to make summary of GMS in Indonesian and foreign languages (minimum in English), and it had to be announced 2 (two) working days after the GMS was held to the public, one of which was through the Public Company Website. The availability of GMS summaries on the Public Company Website provides an opportunity for shareholders who are not present to obtain important information in the implementation of the GMS easily and quickly. Therefore, the provisions concerning the minimum period of availability of GMS summary on the Website are intended to provide sufficient time for shareholders to obtain such information.</p>	<p>Summary of Minutes of Annual General Meeting and Extraordinary General Meeting of Shareholders during 2018, both in Indonesian and English, has been announced 2 (two) working days after the RUPS has been uploaded on the Bank Mandiri Website, BEI and OJK Electronic Reporting System. On the Bank Mandiri Website, information regarding the implementation of the GMS has been presented, including a Summary of Minutes of the GMS for the past 5 (five) years. In addition, Bank Mandiri has compiled GMS Highlights in both Indonesian and English which are uploaded 1 (one) working day after the GMS is held on the Bank Mandiri Website.</p> <p>Description: Comply</p>
A.2.			<p>Principle 2 : Increasing the Quality of Public Company Communication with Shareholders or Investors.</p>	
A.2.1.			<p>Recommendation 4: Public companies have a particular communication policy with shareholders or investors.</p> <p>Explanation: The availability of communication between public companies and shareholders or investors is intended, so shareholders or investors get a clearer understanding of information that has been published to the public, such as periodic reports, information disclosure, business conditions or prospects and performance, and implementation of public corporate governance. In addition, shareholders or investors can also submit input and opinions to the management of the Public Company. The communication policy with shareholders or investors shows the commitment of the Public Company in carrying out communication with shareholders or investors. These policies can include strategies, programs, and timing of communication implementation, as well as guidelines that support shareholders or investors to participate in the communication.</p>	<p>Bank Mandiri has a communication policy with shareholders or investors as stipulated in the Standard Guidelines for Corporate Secretary (SPCS) Chapter III.A.I.Related to Information Disclosure.</p> <p>Information disclosure to stakeholders has been prepared by referring to the Capital Market provisions and other relevant laws and regulations, which can be briefly grouped into:</p> <p>a. Periodic and incidental reporting to related institutions (Financial Services Authority (OJK), Bank Indonesia, LPS, Ministry of Law and Human Rights, Indonesia Stock Exchange) and reporting through the Electronic Reporting System.</p> <p>b. General Meeting of Shareholders (GMS) Implemented in accordance with the provisions of the laws and Articles of Association of Bank Mandiri consisting of the annual GMS and other GMS (Extraordinary GMS)</p> <p>c. Carrying out other activities related to corporate action and / or information disclosure which include:</p> <ul style="list-style-type: none"> -Public Expose (quarterly) - Analyst Meeting (quarterly) <p>The Public Expose and Analyst Meeting held every quarter is intended to include information to the public and investors regarding conditions, business prospects, performance, and implementation of corporate governance.</p>
				<p>In addition, Bank Mandiri has also established a special work unit that handles maintaining and managing good relations with investors and acting as a center for information on Bank Mandiri upon the company performance for investors.</p> <p>Description: Comply</p>

No	Aspects; Principles; Recommendation		Comply or Explain
A.2.2.		<p>Recommendation 5: The Public Company discloses the communication policy of the Public Company with shareholders or investors on the Website.</p> <p>Explanation: Disclosure of communication policy is a form of transparency on the commitment of the Public Company in providing equality to all shareholders or investors as the form of implementation of communication. The disclosure of information also aims to increase the participation and role of shareholders or investors in the implementation of the Public Company communication program.</p>	<p>The Company has a communication of Public Company policy with shareholders or investors as outlined in the Standard Guidelines for Corporate Secretary (SPCS) Chapter III.A.I. Information Disclosure. This policy has been disclosed on the Website. In addition, Bank Mandiri always manages information on the Website so that shareholders or investors can immediately obtain the latest information related to Bank Mandiri, both about Products / Services, Performance, Management and Activities.</p> <p>Description: Comply</p>
B.	Aspect 2 : Fungsi and dan Role of Board of Commissioners		
B.1.		Principle 3 : Strengthen Memperkuat Membership and Composition of the Board of Commissioners.	
B.1.1.		<p>Recommendation 6: Determination of the number of members of the Board of Commissioners considering the condition of the Public Company.</p> <p>Explanation: The members number of the Board of Commissioners can affect the effectiveness of the implementation of duties from the Board of Commissioners. Determination of the number of members of the Board of Commissioners of a Public Company must refer to the applicable laws and regulations, which at least consist of 2 people based on the provisions of the Financial Services Authority Regulation Number 33 / POJK.04 / 2014 concerning Directors and Board of Commissioners of Issuers or Public Companies. In addition, it is also necessary to consider the condition of the Public Company which</p>	<p>Bank Mandiri has complied with the provisions of Article 20 POJK No. 33 / POJK.04 / 2014 concerning Directors and Commissioners of Issuers or Public Companies; namely the number of members of the Board of Commissioners have to be more than 2 (two) people. The total number of members of the Bank Mandiri Board of Commissioners is 8 (eight) consisting of 4 (four) Independent Commissioners and 4 (four) non-Independent Commissioners.</p> <p>Description: Comply</p>
		includes the characteristics, capacity and size, as well as achieving goals and meeting different business needs among the Public Company. However, the large number of members of the Board of Commissioners has the potential to disrupt the effectiveness of the functioning of the Board of Commissioners.	
B.1.2.		<p>Recommendation 7: Determination of the composition of members of the Board of Commissioners takes into account the diversity of expertise, knowledge and experience required.</p> <p>Explanation: The composition of the Board of Commissioners is a combination of characteristics both in terms of the Board of Commissioners aspects and members of the Board of Commissioners individually, according to the needs of the Public Company. These characteristics can be reflected in the determination of expertise, knowledge and experience needed in the implementation of supervisory and advisory duties by the Board of Commissioners of the Public Company. The composition that has taken into account the needs of the Public Company is a positive thing, especially related to decision making in the context of implementing the supervisory function carried out by considering various broader aspects.</p>	<p>The requirements to propose candidates for the Board of Commissioners have been carried out by taking into account the needs and complexity of the Bank Mandiri business, namely by taking into account the diversity of expertise, educational background, and experience as well as gender.</p> <p>Description: Comply</p>
B.2.		Principle 4 : Improving Performance of Duties and Responsibility of Board of Commissioners.	



No	Aspects; Principles; Recommendation		Comply or Explain
B.2.1.		<p>Recommendation 8: The Board of Commissioners has a self assessment policy to assess the performance of the Board of Commissioners.</p> <p>Explanation: The Board of Commissioners' self assessment policy is a guideline that is used as a form of collegial accountability for evaluating the performance of the Board of Commissioners. Self assessment is carried out by each member to assess the performance of the Board of Commissioners collegially, and not to assess the individual performance of each member of the Board of Commissioners. With this self assessment, it is expected that each member of the Board of Commissioners can contribute to improving the performance of the Board of Commissioners on an ongoing basis.</p> <p>The policy covers the assessment activities carried out along with their aims and objectives, period of implementation periodically, and benchmarks or assessment criteria used in accordance with recommendations given by the function of nomination and remuneration of Public Company, in which the existence of these functions is required in the Authority Regulation Financial Services Number 34 / POJK.04 / 2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies.</p>	<p>The Board of Commissioners has a self assessment policy stipulated in the Board of Commissioners' Regulations. The performance of the Board of Commissioners is carried out by each member of the Board of Commissioners through a Self Assessment mechanism based on assessment criteria related to the implementation of the duties and responsibilities of the Board of Commissioners which includes aspects of structure, direction and supervision.</p> <p>Description: Comply</p>
B.2.2.		<p>Recommendation 9: Self assessment policies to assess the performance of the Board of Commissioners, are disclosed through the Annual Report of the Public Company.</p> <p>Explanation: The disclosure of self-assessment policy on the performance of the Board of Commissioners is carried out not only to fulfill the transparency aspect as a form of accountability for the implementation of its duties, but also to provide confidence especially to shareholders or investors for efforts that need to be carried out in improving the performance of the Board of Commissioners. With the disclosure, the shareholders or investors know the check and balance mechanism for the performance of the Board of Commissioners.</p>	<p>Self-assessment policy to assess the performance of the Board of Commissioners disclosed in this Annual Report.</p> <p>Description : Comply</p>
B.2.3.		<p>Recommendation 10: The Board of Commissioners has a policy related to the resignation of members of the Board of Commissioners if involved in financial crimes.</p> <p>Explanation: The policy of resigning from a member of the Board of Commissioners involved in financial crime is a policy that can increase stakeholders' trust in the Public Company, so that the company's integrity will be maintained. This policy is needed to help the legal process, so the legal process does not interfere with the course of business activities. In addition, in terms of morality, this policy builds an ethical culture within the Public Company. This policy can be included in the Guidelines or the Ethical Codes applied to the Board of Commissioners.</p> <p>Furthermore, what is meant by being involved in financial crimes is the status of convicted members of the Board of Commissioners from the authorities. The intended financial crimes are manipulation and various forms of fraud in financial service activities as well as Money Laundering Criminal Actions as referred to in Law Number 8 Year 2010 concerning Prevention and Eradication of Money Laundering Crimes.</p>	<p>Bank Mandiri has a policy regarding the resignation of members of the Board of Commissioners if involved in financial crimes as stated in the Bank Mandiri Articles of Association, namely that the term of office of the Board of Commissioners ends one of them because it violates laws and regulations and when resigning.</p> <p>Based on Article 14 paragraph (26) letter f of the Bank Mandiri Articles of Association, the term of office of members of the Board of Commissioners ends if they no longer fulfill the requirements as members of the Board of Commissioners based on the Articles of Association and other laws and regulations. In the event that a member of the Board of Commissioners resigns including if involved in a financial crime, then the member of the Board of Commissioners concerned must notify Bank Mandiri in writing of its intentions and Bank Mandiri must hold a GMS to decide on the resignation request at the latest 90 (ninety) days after receipt of the resignation letter.</p> <p>Description: Comply</p>

No	Aspects; Principles; Recommendation		Comply or Explain
B.2.4.		<p>Recommendation 11: The Board of Commissioners or the Committee that carries out the Nomination and Remuneration function prepares a succession policy in the nomination process of members of the Board of Directors.</p> <p>Explanation: Based on the provisions of the Financial Services Authority Regulation Number 34 / POJK.04 / 2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies, the committee that carries out the nomination function has the task of formulating policies and criteria needed in the nomination process of prospective of Directors candidate. One policy that can support the nomination process as intended is the succession policy of members of the Board of Directors. The policy on succession aims to maintain the continuity of the regeneration process of leadership in the company in order to maintain business continuity and the company's long-term goals.</p>	<p>Bank Mandiri has a Remuneration and Nomination Committee that helps the Board of Commissioners to be able to submit suggestions to holders of Dwiwarna A series in terms of these following aspects:</p> <ol style="list-style-type: none"> 1. Arranging, implementing and analyzing criteria and nomination procedures for candidates for the Board of Commissioners and Directors 2. Identifying candidates for Directors from both inside and outside and candidates for the Board of Commissioners who fulfill the requirements to be submitted / appointed as Directors or Board of Commissioners. <p>In order to prepare for leadership regeneration in the future, Bank Mandiri designed the Talent and Succession Management program, a policy of succession</p>
			<p>of Directors which has been aligned with the Regulation of the Minister of BUMN No. PER-03 / MBU / 2015 concerning requirements, procedures for the appointment and dismissal of members of BUMN Directors. In addition, as a Public Company, the Company Policy also refers to POJK No. 33 / POJK.04 / 2014 concerning Directors and Commissioners of Issuers or Public Companies. The appointment and dismissal of the Company's Directors is based on the principles of professionalism and Good Corporate Governance (GCG).</p> <p>Description: Comply</p>
C.	Aspect 3 : Function and Role of Directors		
C.1.		Principle 5 : Strengthen Membership and Composition of Directors	
C.1.1.		<p>Recommendation 12: Determination of the members of the Board of Directors considering the condition of the Public Company and the effectiveness of decision making.</p> <p>Explanation: As a company aspect authorized to manage the company, the determination of the number of Directors greatly influences the performance of the Public Company. Thus, the determination of the number of members of the Board of Directors must be done through careful consideration and must refer to the provisions of the applicable legislation, which based on Financial Services Authority Regulation Number 33 / POJK.04 / 2014 concerning Directors and Board of Commissioners of at least Public Companies consists of 2 (two) people. In addition, the determination of the number of Directors must be based on the need to achieve the objectives of the Public Company and be adjusted to the conditions of the Public Company which includes the characteristics, capacity and size of the Public Company and how effective the decision-making of the Directors is.</p>	<p>Bank Mandiri has fulfilled the provisions of Article 20 POJK 33 / POJK.04 / 2014 concerning Directors and Board of Commissioners of Issuers or Public Companies, namely Directors of Issuers or Public Companies consisting of at least 2 (two) members of the Board of Directors. As of December 31, 2019, the number of Directors of Bank Mandiri was 12 (twelve) people and in its determination was based on the complexity and needs of Bank Mandiri. In the Board of Directors' regulations, the Board of Directors' decision making mechanism has been regulated.</p> <p>Description: Comply</p>
C.1.2.		<p>Recommendation 13: Determination of the composition of the Board of Directors members takes into account the diversity of expertise, knowledge and experience needed.</p> <p>Explanation: Similar to the Board of Commissioners, the diversity of the composition of the members of the Board of Directors is a combination of desirable characteristics both in terms of the aspects of the Directors and in term of individual aspects, according to the needs of the Public Company. The combination is determined by paying attention to the expertise, knowledge and experience that is appropriate in the division of tasks and functions of the Board of Directors in achieving the objectives of the Public Company. Thus, consideration of the combination of characteristics intended will have an impact on the accuracy of the nomination and appointment of individual members of the Board of Directors or Directors collegially.</p>	<p>Determination of the composition of Bank Mandiri Board of Directors has been carried out by taking into account the needs and complexity of Bank Mandiri's business, namely by taking into account the diversity of expertise, educational background, and experience and without differentiating gender. The diversity of the composition of the Board of Directors is expected to provide an alternative solution to an increasingly complex problem faced by the bank compared to members of the Board of Directors who are homogeneous, so that the decisions made become the best decisions.</p> <p>Description: Comply</p>



No	Aspects; Principles; Recommendation		Comply or Explain
C.1.3.		<p>Recommendation 14: Members of the Board of Directors in charge of accounting or finance have expertise and / or knowledge in the field of accounting.</p> <p>Explanation: The Financial Report is a report on management's responsibility for the human resource management owned by a Public Company, which must be prepared and presented in accordance with accepted Financial Accounting Standards in Indonesia and related OJK regulations, including legislation in the Capital Market sector regulating the presentation and disclosure of public company financial statements. Based on the laws and regulations in the Capital Market sector which regulate the responsibilities of the Board of Directors for Financial Statements, the Board of Directors is jointly responsible for the Financial Report, signed by the President Director and members of the Board of Directors in charge of accounting or finance.</p> <p>Thus, the disclosure and preparation of financial information presented in the financial statements will greatly depend on the expertise, and / or knowledge of the Directors, especially the members of the Board of Directors in charge of accounting or finance. The existence of expertise qualifications and / or knowledge in the accounting sector that at least belongs to the Board of Directors can provide confidence in the preparation of the Financial Report, so that the Financial Report can be relied on by stakeholders as a basis for making economic decisions related to the Public Company. Such expertise and / or knowledge can be proven by educational background, training certification, and / or related work experience.</p>	<p>The Director in charge of accounting or finance at Bank Mandiri is the Director of Finance, namely Mr. Panji Irawan with experience and competence in the field of Treasury (Finance), and accounting knowledge is significantly required to perform the duties. In addition, to support the implementation of his duties, he often participated in financial related forums and seminars both at home and abroad.</p> <p>Description: Comply</p>
C.2.		Principle 6: Improve the Quality of the Duties and Responsibilities of the Board of Directors.	
C.2.1.		<p>Recommendation 15 : Board of Directors has a Self Assessment policy for evaluation of the Board of Directors' performance</p> <p>Explanation :</p> <p>Similar to what applies to the Board of Commissioners, Board of Directors' Self Assessment Policy is a guideline utilized as a form of accountability for collegiate evaluation of the Board of Directors' performance. Self Assessment is intended to be performed by individual members to collegiately evaluate the implementation of the Board of Commissioners' performance, and not to evaluate the individual performance of each member of the Board of Commissioners. By Self Assessment, it is expected that individual members of the Board of Directors can contribute to continuously enhance the Board of Directors' performance.</p> <p>The policy may include assessment activities to perform, along with their intent and purpose, periodic implementation time, and assessment benchmarks or criteria to use in accordance with the recommendations provided by the Public Listed Company's remuneration and nomination function. The establishment of the function itself has been mandated in the Financial Services Authority Regulation concerning Remuneration and Nomination Committee in Issuers or Public Listed Companies</p>	<p>The Board of Directors has a self assessment policy. Directors' Performance Assessment is carried out by each member The Board of Directors through a Self Assessment mechanism to assess the performance of collegial Directors' performance, rather than assessing performance individual members of the Board of Directors. As described in the Annual Report in the Directors Performance Evaluation section.</p> <p>Description: Comply</p>

No	Aspects; Principles; Recommendation		Comply or Explain
C.2.2.		<p>Recommendation 16 : Self Assessment policy for evaluation of the Board of Directors' performance is to be disclosed in the respective Public Listed Company's Annual Report.</p> <p>Explanation : Disclosure of Self Assessment policy for evaluation of the Board of Directors' performance is made not only to adhere to the principle of transparency as a form of accountability of the implementation of its duties but also to provide important information regarding improvement measures in the management of Public Listed Companies. Such information is highly useful to provide assurance to shareholders or investors that the company management is continuously directed towards betterment. The disclosure will allow shareholders or investors to obtain knowledge about the check and balance mechanism applied to evaluate the Board of Directors' performance.</p>	<p>Self assessment policy to assess the performance of the Directors has been disclosed in the 2019 Book Annual Report.</p> <p>Description: Comply</p>
C.2.3.		<p>Recommendation 17 : Board of Directors has policy(ies) for resignation of the Board of Directors' members due to involvement in financial crime.</p> <p>Explanation : Policy for resignation of Board of Directors' members involved in financial crime is a policy that can enhance shareholders' trust to Public Listed Companies, allowing companies to maintain their integrity. The policy is required in order to support adequate legal processes and to prevent such legal processes from disrupting business activities. In addition, from morality perspective, such policy also builds an ethical culture within the environment of Public Listed Companies. The policy may be included in the Guideline or Code of Conduct applicable to the Board of Directors.</p> <p>Furthermore, involvement in financial crime is defined as any member of the Board of Directors being convicted by the authority. Financial crime as defined above includes manipulation and various forms of embezzlement in financial service activities, as well as Money Laundering as specified in Law Number 8 of 2010 on Prevention and Eradication of Money Laundering.</p>	<p>Bank Mandiri has a policy related to the resignation of members of the Board of Directors if involved in financial crimes as stated in the Company's Articles of Association. Based on Article 11 paragraph (24) letter f of the Articles of Association, the term of office of members of the Board of Directors ends if they no longer fulfill the requirements as members of the Board of Directors based on the provisions of the Articles of Association and legislation, including being involved in Financial crimes. In the event that a member of the Board of Directors resigns because of being involved in a financial crime, then the member of the Board of Directors must submit a written resignation request concerning Bank Mandiri and Bank Mandiri must hold a GMS to decide on the resignation request at the latest 90 (ninety) days after receipt of the resignation letter.</p> <p>Description: Comply</p>
D.	Aspect 4 : Stakeholder Engagement		
D.1.		Principle 7 : Improving Corporate Governance Aspects through Stakeholder Engagement.	
D.1.1.		<p>Recommendation 18 : Public Company has a policy for prevent insider trading.</p> <p>Explanation : Any individual in possession of insider information is prohibited from conducting Stock transactions using such insider information as specified in the Law on Capital Market. Public Listed Company can minimize the risk of insider trading by taking preventive measures, e.g. By explicitly separating confidential data and/or information from public data/ information, and by making proportional, efficient delegation of duties and responsibilities related to the management of such information.</p>	<p>Policy for preventing insider trading is set in SP Human Capital</p> <ul style="list-style-type: none"> - Chapter III.C.2.c concerning the Code of Conduct concerning the Code of Conduct and Business Ethics which are ethical standards that must be followed by all levels of the bank in carrying out their daily duties and services and conducting business relationships with customers, partners and colleagues. - Chapter III.C.2.e concerning employee Discipline Regulations governing obligations, prohibitions and sanctions to employees. <p>SP Corporate Secretary Chapter III.A.5 Principles of Information Disclosure, which regulates:</p>



No	Aspects; Principles; Recommendation		Comply or Explain
			<p>- Any Insider in possession of insider information is prohibited from influencing any parties, including any Insider's families, to perform share purchase or sales.</p> <p>- Any Insider other than the Board of Directors and Board of Commissioners who is found to violate the abovementioned provision and is proven to having conducted any transaction and/or provided insider transformation shall be charged with disciplinary action as specified in the Human Resources Guideline Standard.</p> <p>- Any member of the Board of Directors and Board of Commissioners and other parties who, due to their position or relationship with the Bank, is found to conduct insider trading shall be held accountable in accordance with the applicable provisions.</p> <p>Description: Comply</p>
D.1.2.		<p>Recommendation 19 : Public Listed Company has anti corruption and anti fraud policy in place.</p> <p>Explanation : Corruption policy serves to ensure that a Public Listed Company's business activities are carried out in a legal, prudent manner, and in accordance with good governance principles. Such policy may be a part of the code of conduct or set separately. The policy may include, among others, programs and procedures implemented to address corruption, kickback, fraud, bribery, and/or gratification within a Public Listed Company. The scope of the policy should reflect the respective Public Listed Company's prevention of any forms of corruption, either giving to or receiving from, any parties</p>	<p>Bank Mandiri has had an Anti-fraud Strategy policy in place, effective as of May 2, 2012, as a follow-up of Bi's Circulating Letter No. 13/28/DPNP dated 09 December 2011 concerning Implementation of Anti-fraud Strategy (SAF). The SAF governs, among others, organizations and 4 SAF Pillars within Bank Mandiri, i.e.:</p> <p>Pillar 1: Prevention Pillar 2: Detection Pillar 3: Investigation, Reporting, and Sanction Pillar 4: Monitoring, Evaluation, and Follow Up</p> <p>Bank Mandiri has delivered SAF Implementation Report to OJK regularly every semester, as well as incidental reports concerning any cases that may interfere with the Bank's operation, in accordance with the applicable provisions.</p> <p>Gratification Control Bank Mandiri has a Gratuity Control PTO and has a Gratification Control Unit (UPG) to carry out the gratification control function based on the Directors Decree (SK) in force since March 1, 2018.</p>
D.1.3.		<p>Recommendation 20 : Public Listed Company has a policy in place for supplier or vendor selection and capability improvement.</p> <p>Explanation : Policy regarding supplier or vendor selection useful to ensure that the Public Company to obtain goods or services that are needed at competitive prices and good quality. Where as policy increasing the ability of suppliers or vendors beneficial to ensure that the chain supply chain runs efficiently and effective. Ability of suppliers or vendors in supplying/fulfilling goods or services what the company needs will affect quality of the company's output.</p>	<p>Enhancement of the ability of Suppliers or Vendors, namely:</p> <ol style="list-style-type: none"> 1. Operational Policy (KOPR), article 205 concerning Operational Facilities and Infrastructure – Procurement 2. Procurement Operational Guidelines (SPO) standards which regulate, among others (Chapter III): <p>A. General provisions include:</p> <ol style="list-style-type: none"> 1) Basic Principles of Procurement 2) Procurement Ethics 3) Procurement Planning 4) Loading Guidelines

No	Aspects; Principles; Recommendation		Comply or Explain
		<p>Thus, the implementation of policies it can guarantee continuity of supply, both in terms of quantity and quality Public Company needs. As for coverage this policy covers the criteria in the election supplier or vendor, procurement mechanism transparent, capacity building efforts supplier or vendor, and fulfillment of rights relating to suppliers or vendors. The company has procurement related policies goods and services that contain selection and increasing supplier capacity or vendor stated in the Guidelines standard Procurement.</p>	<p>B. Provisions for the Implementation of Procurement of Goods and Services include:</p> <ol style="list-style-type: none"> 1) Procedures for Procurement of Goods and Services 2) Procurement Process 3) Procurement Process Stages 4) Job Implementation and Job Handover 5) Provisions for Employee Change (added/less) specifically in the field of construction services. 6) Implementation of Procurement Activities to Overcome Certain Conditions. 7) Document and Payment Process. <p>3. Procurement Technical Operational Guidelines (PTO) which regulate, among others (Chapter III):</p> <ol style="list-style-type: none"> a. Reviewing aspects in implementing candidate qualifications Provider of goods and services b. Procedure for partner accreditation (Provider of Goods and Services) c. Aspects that need to be considered in a procurement process d. Partner Monitoring includes: <ol style="list-style-type: none"> 1) Partner Data Monitoring 2) Partner Performance Monitoring consisting of: <ol style="list-style-type: none"> a. Periodic Partner Performance Evaluation b. Partner Performance Evaluation based on the Contract <p>Description: Comply</p>
D.1.4.		<p>Recommendation 21 : Public Listed Company has policy(ies) in place regarding fulfillment of creditor's rights.</p> <p>Explanation : Policy(ies) regarding fulfillment of creditor's rights is used as a guideline in taking loans from any creditor. The policy aims at maintaining fulfillment of creditor's rights while also maintaining creditor's trust to the respective Public Listed Company. The policy may include considerations in setting up agreements and follow ups in fulfillment of a Public Listed Company's duties to creditors.</p>	<p>The policy on fulfilling creditor rights is regulated in:</p> <p>Fund Product SPO, Product Manual and SPO Customer Complaint Management, which briefly regulates:</p> <ol style="list-style-type: none"> 1. Right to obtain a sufficient explanation of the characteristics of the product. 2. Right to be able to access the fund product terms and conditions through the Bank Mandiri website. 3. Ease to transact through branches, e-banking services or other facilities determined by the Bank. 4. Obtain interest in the amount according to the provisions in force at the Bank. 5. Procedures for handling and resolving customer complaints. <p>Bank Mandiri Funds and Services Policy, Articles 240 Customer Protection</p> <p>In the activity of raising funds and providing services, the Bank pays attention to the principle of customer protection. To protect customers, the Bank pays attention to the rights and obligations of customers while taking into account the interests of the Bank. The rights and obligations of the parties are poured into documents both application documents, as well as agreement documents and other forms of documents.</p> <p>Banks are required to ensure customers understand the rights and obligations of customers as stated in the document before making a Bank transaction.</p> <p>Description: Comply</p>



No	Aspects; Principles; Recommendation		Comply or Explain
D.1.5.		<p>Recommendation 22 : Public Listed Company has a whistleblowing system in place.</p> <p>Explanation : Well-developed whistleblowing system policy will provide assurance regarding protection for witness or whistleblower of an indication of violation committed by the respective Public Listed Company's employee or management. Implementation of such system policy will impact on the realization of good corporate governance culture. Whistleblowing system policy may include, among others, type of violations reportable via the whistleblowing system, method of reporting, protection and confidentiality assurance of the whistleblower's identity, report handling, report managing party, and result of handling and follow up of report.</p>	<ol style="list-style-type: none"> 1. Bank Mandiri has had a whistleblowing system in place under the name Letter To CEO (LTC). LTC is a facility used to submit reports regarding frauds or indications of fraud, either committed by employee or vendor, to the Group's CEO by emphasis Permissioning on the disclosure of the report in order to enhance the effectiveness of Bank Mandiri's internal control system. 2. Bank Mandiri's LTC has been implemented since 2009, and has been refined in 2018. 3. LTC is regulated in the Letter to CEO (LTC) Technical Guidelines on August 1, 2018. 4. Since revitalization in 2018, LTC management has involved parties independent to provide a safe environment that encourages employees and stakeholders to report. The reporter can include a complete identity or anonymously (the identity is only known to independent parties). 5. Submission of LTC reports can be submitted through the media as follows: <ul style="list-style-type: none"> - Website https://whistleblowing.tips/wbs/@bmri-lettertoceo - Email to bmri-lettertoceo@rsm.id - Letter to POBOX 1007 JKS 12007 - SMS and WA ke 0811-900777 <p>Description: Comply</p>
D.1.6.		<p>Recommendation 23 : Public Listed Company has policy(ies) in place regarding the provision of longterm incentive to the Board of Directors and employees.</p> <p>Explanation : Long-term incentive is a type of incentive provided based on long-term performance achievement. Long-term incentive plan is based on the idea that a company's longterm performance is reflected on share value growth or other long-term targets. Long-term incentive is useful to maintain loyalty and to motivate the Board of Directors and employees to improve their performance or productivity, which in turn will lead to improvement of the company's long-term performance. The presence of long-term incentive is a Public Listed Company's concrete commitment to encouraging the implementation of long-term incentive for the Board of Directors and employees, under the conditions that the procedure and form is in accordance with the respective Public Listed Company's longterm objectives. The policy may include, among others, the purpose and objectives of the long-term incentive, incentive requirements and procedure, and the conditions and risks the Public Listed Company should take into account in providing incentive. Such policy may also be included in the respective Public Listed Company's existing remuneration policy.</p>	<p>Bank Mandiri has a policy of providing long-term incentives to Commissioners and Directors in accordance with the provisions in Financial Services Authority Regulation No.45/POJK.03/2015 concerning Implementation of Governance in the Provision of Remuneration for Commercial Banks. Bank Mandiri implements Governance in Providing Remuneration that has considered various aspects, including bank financial stability, the creation of risk management, term liquidity requirements short and long term, and potential income in the future. Bank Mandiri can postpone deferred variable remuneration (Malus) or withdraw variable paid remuneration (Clawback) to officials classified as Risk Taker (MRT) Materials. As a follow-up initiative in line with the cultural transformation, Bank Mandiri is in the process of drafting a concept related to the implementation of the Risk Taker Material for officials (L2 / BoD Minus One).</p> <p>Description: Comply</p>
E.	Aspect 5: Information Transparency		
E.1.	Aspect 5: Information Transparency		
E.1.1.		<p>Recommendation 24 : Public Listed Company utilizes information technology in a broader extent other than website as a media for information transparency.</p> <p>Explanation : Utilization of information technology is helpful as a media for information transparency. Disclosure is made not only for information specified in the applicable legislative regulations, but also other information related to the respective Public Listed Company that is considered beneficial for the shareholders or investors. Broader utilization of information technology other than website is expected to enable companies to improve the effectiveness of company information distribution. However, utilization of information technology should take into account the benefits for the respective company and the cost required.</p>	<p>Bank Mandiri has managed the Website The company is always as optimal as possible provide the latest information and accurate for the Public. Besides the Website, the Bank Mandiri also utilizes technology and Other social media applications like SMS Banking, Mobile Banking, Instagram, Facebook and Twitter for media openness information.</p> <p>Description: Comply</p>

No	Aspects; Principles; Recommendation		Comply or Explain
E.1.2.		<p>Recommendation 25 : Public Listed Company's Annual Report discloses the owner of end benefit in the respective company's share ownership by at least 5% (five percent), in addition to the disclosure of the owner of end benefit in the company's share ownership by the majority shareholders and controlling shareholders</p> <p>Explanation : Capital Market legislative regulations governing the disclosure of Public Listed Company's annual report has specified the duty of disclosure of information regarding shareholders with 5% (five percent) or more shares in the respective Public Listed Company, as well as the duty of disclosure of information regarding majority shareholders and controlling shareholders of the company, either directly or indirectly, up to the owner of end benefit in the share ownership. The Governance Guideline recommended disclosure of the owner of end benefit in Public Listed Company share ownership by at least 5% (five percent), in addition to the disclosure of the owner of end benefit in the company's share ownership by the majority shareholders and controlling shareholders</p>	<p>Bank Mandiri has disclosed information regarding shareholders who have 5% or more of the Company's shares in the Report Yearbook for 2019.</p> <p>Description: Comply</p>
E.1.		Prinsip 8 : Meningkatkan Pelaksanaan Keterbukaan Informasi.	
E.1.1.		<p>Rekomendasi 24 : Perusahaan Terbuka memanfaatkan penggunaan teknologi informasi secara lebih luas selain Situs Web sebagai media keterbukaan informasi. Penggunaan teknologi informasi dapat bermanfaat sebagai media keterbukaan informasi. Adapun keterbukaan informasi yang dilakukan tidak hanya keterbukaan informasi yang telah diatur dalam peraturan perundang-undangan, namun juga informasi lain terkait Perusahaan Terbuka yang dirasakan bermanfaat untuk diketahui pemegang saham atau investor. Dengan pemanfaatan teknologi informasi secara lebih luas selain Situs Web diharapkan perusahaan dapat meningkatkan efektivitas penyebaran informasi perusahaan. Meskipun demikian, pemanfaatan teknologi informasi yang dilakukan tetap memperhatikan manfaat dan biaya perusahaan.</p> <p>Penjelasan :</p>	<p>Bank Mandiri telah mengelola Situs Web Perusahaan seoptimal mungkin untuk selalu menyediakan informasi yang terbaru dan akurat untuk Publik. Selain Situs web, Bank Mandiri juga memanfaatkan teknologi dan aplikasi media sosial lainnya seperti SMS Banking, Mobile Banking, Instagram, Facebook dan Twitter untuk media keterbukaan informasi.</p> <p>Keterangan : Comply</p>
E.1.2.		<p>Rekomendasi 25 : Laporan Tahunan Perusahaan Terbuka mengungkapkan pemilik manfaat akhir dalam kepemilikan saham Perusahaan Terbuka paling sedikit 5% (lima persen), selain pengungkapan pemilik manfaat akhir dalam kepemilikan saham Perusahaan Terbuka melalui pemegang saham utama dan pengendali.</p> <p>Penjelasan :</p> <p>Peraturan perundang-undangan di sektor Pasar Modal yang mengatur mengenai penyampaian laporan tahunan Perusahaan Terbuka telah mengatur kewajiban pengungkapan informasi mengenai pemegang saham yang memiliki 5% (lima persen) atau lebih saham Perusahaan Terbuka, serta kewajiban pengungkapan informasi mengenai pemegang saham utama dan pengendali Perusahaan Terbuka baik langsung maupun tidak langsung sampai dengan pemilik manfaat terakhir dalam kepemilikan saham tersebut. Dalam Pedoman Tata Kelola ini direkomendasikan untuk mengungkapkan pemilik manfaat akhir atas kepemilikan saham Perusahaan Terbuka paling sedikit 5% (lima persen), selain mengungkapkan pemilik manfaat akhir dari kepemilikan saham oleh pemegang saham utama dan pengendali.</p>	<p>Bank Mandiri telah mengungkapkan informasi mengenai pemegang saham yang memiliki 5% atau lebih saham Perseroan dalam Laporan Tahunan Tahun Buku 2019.</p> <p>Keterangan : Comply</p>



Implementation Of Corporate Governance Aspects And Principles Application Based On Guidelines Of Corporate Governance Principles For Banks Published By Basel Committee In Banking Supervision

The Governance Guidelines cover 12 principles of corporate governance. The Governance Guidelines are the best practice standards applied as a reference in implementing corporate governance in banks. The description of the application can be explained, as follows.

Principle	Explanation	Implementation in Bank Mandiri
Principle 1: Responsibilities of the Board of Commissioners.	The Board of Commissioners has responsibilities which include: approval and supervision on the application of business strategies, governance structures and mechanisms and corporate culture	In the Board of Commissioners 'code of conduct as outlined in the Board of Commissioners' Decree KEP.KOM / 005/2016 stated that the responsibility of the Board of Commissioners is to provide opinions and suggestions on Annual Work Plans and Budgets and provide advice on important including corporate culture.
Principle 2: Qualifications and Composition of the Board of Commissioners.	Members of the Board of Commissioners must have quality in accordance with their duties and responsibilities, both individually and collegially. The Board of Commissioners must understand its role in monitoring and implementing corporate governance, as well as being able to implement sound and objective decision making.	The Board of Commissioners of Bank Mandiri does not have a financial relationship, management, share ownership and / or family relations with other members of the Board of Commissioners, Directors and / or Controlling Shareholders or relations with the Bank, which may affect the ability to act independently as stipulated in the Implementation provisions Good Corporate Governance for Commercial Banks and has signed an Independent Statement.
Principle 3 Structure and Mechanism of the Board of Commissioners.	The Board of Commissioners have to determine the proper governance structure and practice in performing its duties and periodically conduct a review of its effectiveness.	The Board of Commissioners has Committees under the Board of Commissioners assisting the implementation of the duties of the Board of Commissioners, namely the Audit Committee, Risk Monitoring Committee, Remuneration and Nomination Committee and Integrated Governance Committee.
Principle 4: Directors.	Under the direction and supervision of the Board of Commissioners, the Board of Directors is able to manage the Bank's activities in accordance with the business strategy, risk taste, remuneration policy and other policies that have been approved by the Board of Commissioners.	The Board of Directors manages the Company under the direction and supervision of the Board of Commissioners, as evidenced by the company's business achievements that have increased from the previous year. All policies underlying the operations of Bank Mandiri must obtain the approval of the Board of Commissioners.
Principle 5 Governance Structure of the Business Group.	In a business group, the Board of Commissioners of the parent company has overall responsibility for the business group and to ensure the establishment and implementation of clean governance practices related to the structure, business and risks of business groups and entities. The Board of Commissioners and Directors must understand the business group organizational structure and the risks faced.	The Board of Directors and Board of Commissioners of Bank Mandiri have knowledge and understanding of the main business and the main risks of the company, as evidenced by the passing of the entire Board of Commissioners and Directors from Fit and Proper Test. The Board of Directors and the Board of Commissioners also constantly attend training and development to improve their capabilities.
Principle 6 Risk Management Function.	Banks must have a risk management function that is qualified, independent, has quality resources and has access to the Board of Commissioners.	Bank Mandiri runs the Risk Identification, Measurement, Monitoring, Control and Risk Management Information System through an Enterprise Risk Management (ERM) framework. Bank Mandiri continues to improve the capabilities and knowledge of all employees, especially in terms of risk management, by holding internal training regularly through the Risk Management Academy. In addition, Bank Mandiri also routinely holds at least once a year socialization, discussion forums, internships, and programs on risk management along with the internalization of the corporate culture. Bank Mandiri communicates risk management to the Board of Commissioners through the Risk Monitoring Committee and the Integrated Governance Committee.

Principle	Explanation	Implementation in Bank Mandiri
Principle 7 Identification of Risk Monitoring and Controlling	Risks must be identified, monitored and controlled for all activities of the Bank. The quality of risk management infrastructure and internal control must be able to keep up with changes in the Bank's risk profile, external risk conditions and industry practices.	In managing Bank Mandiri's Risk Management, bankwide identification, measurement and risk assessment has been performed by periodically developing risk profiles. Risk measurement and assessment has been able to work well according to the established Risk Management Policy that is adjusted to the level of risk faced by Bank Mandiri.
Principle 8 Risk Communication.	Effective risk governance implementation requires accurate risk communication in the Bank environment both between organizations and through reporting to the Board of Commissioners and Directors.	Each semester assessment of Risk Based Bank Rating (RBBR) is submitted to Integrated Risk Committed (IRC), which consists of Directors of Bank Mandiri and Subsidiaries. In addition, the results of the RBBR assessment are submitted to the Board of Commissioners through the Integrated Governance Committee.
Principle 9 Compliance.	The Board of Commissioners is responsible for control management related to the Bank's compliance risk. The Board of Commissioners must determine the compliance function and provide approval for policies and processes for identifying, evaluating, monitoring and reporting, and providing advice on compliance risks.	The Board of Commissioners ensures the implementation of good corporate governance in every business activity and corporate governance policies, including the implementation of compliance. The compliance risk assessment in RBBR is reported to the Board of Commissioners every 6 (six) months to get feedback.
Principle 10 Internal Audit.	The internal audit function must report independent assurance activities to the Board of Commissioners and must support the Board of Commissioners and Directors in encouraging the implementation of effective governance processes and long-term health of the Bank.	Conduct objective testing of evidence in order to provide an independent assessment of the adequacy of internal control, risk management and governance processes within the organization. Internal Audit is directly responsible to the President Director and communicates with the Board of Commissioners through the Audit Committee.
Principle 11 Compensation.	The Bank's remuneration structure must support the implementation of corporate governance and risk management.	The current remuneration structure of Bank Mandiri is in accordance with POJK Number 45 / POJK.03 / 2015 concerning Implementation of Governance in the Provision of Remuneration for Commercial Banks.
Principle 12 Disclosure and Transparency	The implementation of governance from the Bank must be performed transparently to Shareholders, Depositors, other relevant Stakeholders and Market Participants.	Bank Mandiri constantly updates the Bank Mandiri website www.bankmandiri.co.id , to ensure the availability of the most updated information for stakeholders. In addition, disclosure of Bank Mandiri information is carried out through Annual Reports, Sustainability Reports and Public Expose.

Good Corporate Governance Assessment

In order to improve the implementation of Bank Mandiri governance in a sustainable manner, Bank Mandiri conducted an assessment of the implementation of governance that has been carried out. Bank Mandiri conducts a self-assessment of the implementation of governance on a semester basis based on POJK No. 55 / POJK.03 / 2016 concerning Implementation of Governance for Commercial Banks and SEOJK No. 13 / POJK.03 / 2017 concerning Implementation of Governance for Commercial Banks. In addition, Bank Mandiri also assessed the implementation of governance through external parties by following the Corporate Governance Perception Index (CGPI) ranking and fulfilling the implementation of the ASEAN Corporate Governance Scorecard (ACGS).

SELF ASSESSMENT

Bank Mandiri conducted a self-assessment of the implementation of governance based on POJK No. 55 / POJK.03 / 2016 and SEOJK No. 13 / POJK.03 / 2017 which requires Commercial Banks to evaluate the implementation of Bank governance.

APPLIED CRITERIA

The criteria applied in conducting the self-assessment is the Financial Services Authority Circular Letter No. 13 / SEOJK.03 / 2017 concerning Implementation of governance for Commercial Banks. The self-assessment is intended to map the strengths and weaknesses of the implementation of corporate governance at Bank Mandiri in terms of three aspects, namely:



1. Governance Structure

The assessment of governance structure aims to assess the adequacy of the Company's governance structure and infrastructure, so the process of implementing the principles of corporate governance produces outcomes that are in line with the goals of the Company's stakeholders. The parties included in the Company's governance structure are the Board of Commissioners, Directors, Committees and work units in the Company. The Company's governance infrastructure includes policies and procedures, management information systems and the main tasks and functions of each organizational structure.

2. Governance Process

The governance process assessment aims to assess the effectiveness of the process of implementing the principles of corporate governance supported by the adequacy of the Company's governance structure and infrastructure to produce outcomes in accordance with the expectations of stakeholders.

3. Governance Outcome

Governance outcome assessment aims to assess the quality of outcomes that meet stakeholders' expectations which are the results of the process of implementing corporate governance principles supported by the adequacy of the structure and infrastructure of the Company's governance. Things included in governance outcomes are qualitative and quantitative aspects, including:

- Adequacy of report transparency.
- Compliance with laws and regulations.
- Consumer protection
- Objectivity in conducting an assessment/audit.
- Bank performance such as profitability, efficiency and capital.
- Enhancement/diminution of compliance with applicable regulations and resolution of problems faced by banks such as fraud, violations of the Legal Lending Limit (BMPK), violations

of provisions related to bank statements to regulators.

The self-assessment includes 11 (eleven) factors assessing the implementation of governance which include:

1. Implementation of the duties and responsibilities of the Board of Commissioners.
2. Implementation of the duties and responsibilities of the Board of Directors.
3. Completeness and implementation of the duties of the Committee.
4. Handling conflicts of interest.
5. Application of the compliance function.
6. Implementation of the internal audit function.
7. Implementation of the external audit function.
8. Application of risk management including the internal control system.
9. Provision of funds to related parties and large exposure.
10. Transparency of the Bank's financial and non-financial conditions, reports on the implementation of Good Corporate Governance and internal reporting.
11. Bank Strategic Plan.

THE PARTIES WHO GIVE ASSESSMENT

The Bank Mandiri governance self assessment process involves the entire Board of Commissioners, Directors and work units related to the intended governance assessment factors.

ASSESSMENT SCORE

In the first semester of 2019, Bank Mandiri has conducted its own assessment of the implementation of individual governance, which received feedback from the FSA as follows:

Score	Definition of Composite
2	It is reflected that the management of the Company has implemented a good governance in general. This is reflected in adequate fulfilment of the principles of Governance. In this matter there are weaknesses in the application of the governance principles, in general these weaknesses are less significant and can be resolved by normal actions by the Bank's management.

In the second semester of 2019, Bank Mandiri has assessed the individual governance. The assessment referred to obtain the following scores:

Score	Definition of Composite
1	It is reflected that the management of the Company has implemented a very good governance in general. This is reflected in adequate fulfilment of the principles of Governance. In this matter there are weaknesses in the application of the governance principles, in general these weaknesses are less significant and can be resolved by normal actions by the Bank's management.

From the two assessment results, the implementation of Bank Mandiri governance in 2019 can be concluded as follows:

Strength	Weakness
Structure	
1. Bank Mandiri holds both Annual and Extraordinary GMS to amend the Directors and Board of Commissioners	Employee awareness of Compliance culture still needs to be improved so as to minimize the risk of compliance in the future.
Process	
<ul style="list-style-type: none"> In order to carry out the tasks and responsibilities of the Board of Commissioners, as of June 2019 there have been 6 (six) Joint Meetings of the Directors and Board of Commissioners, and 20 (twenty) Board of Commissioners Meetings. There was a decrease in frequency of late reporting fines 1 (one) time and reporting error penalty 5 (five) times with a total frequency of 6 (six) times in semester 1/2019 decreased by 87% compared to semester 1/2018 which was 48 times. The Audit Committee, Risk Monitoring and Integrated Governance Committee Membership Decree has been made on May 14 2019 as follows: <ul style="list-style-type: none"> a. Audit Committee through Directors Decree No. Kep.DIR/33/2019 b. Risk Monitoring Committee through Directors' Decree No. Kep. DIR/32/2019 c. Integrated Corporate Governance Committee through Directors Decree No. Kep.DIR/31/2019 	
Results	
<ul style="list-style-type: none"> Bank Mandiri received the award as The Most Trusted Companies in the 2018 Indonesia Good Corporate Governance Award on December 11 2019. Bank Mandiri scored 94,86 which is the highest value among other companies. 	There are still penalties

RECOMMENDATIONS AND FOLLOW UP

During 2019, there was no recommendation from Financial Services Authority.

EXTERNAL PARTY ASSESSMENT

Other than conducting self-assessment in the implementation of governance based on regulatory provisions, Bank Mandiri actively evaluates governance by External Parties to get feedback on the implementation of Bank Mandiri's governance.

CORPORATE GOVERNANCE PERCEPTION INDEX (CGPI)

In assessing the quality of implementation of governance, Bank Mandiri participates in a research program and CGPI ranking held by The Indonesian Institute of Corporate Governance (IICG). CGPI is followed by public companies (issuers), SOEs, banks and other private companies in which Bank Mandiri has followed CGPI's assessment for 15 (fifteen) consecutive years since 2003.

APPLIED CRITERIA

The aspects of the CGPI assessment in 2018/2019 include:

- Governance Structure**
The aspect of governance structure is an assessment of the adequacy of the company's structure and infrastructure in managing changes in business models that create value for stakeholders in accordance with governance principles. Assessment indicators from aspects of governance structure include:
 - Shareholders
 - board of Commissioners
 - The Directors
 - Responsible for functional management
 - Other key stakeholders
- Governance Process**
The governance process aspect is an assessment of the effectiveness of systems and mechanisms in managing changes in business models that create value for stakeholders in accordance with governance principles. Assessment indicators of aspects of the governance process include:
 - Governansi fulfillment of the rights of Shareholders and GMS



- b. Governance of the Board of Commissioners and Directors
- c. Organizational Behavior Governance
- d. Internal and external supervision governance
- e. Disclosure governance and information disclosure
- f. Risk and compliance management governance
- g. Business Ecosystem Governance
- h. Resource Governance

3. Governance Outcome

The aspect of the results of governance is the assessment of the assessment of the quality of outcomes, results, impacts and benefits of managing

changes in business models that create value for stakeholders in accordance with the principles of governance. Assessment indicators from the aspect of the outcome of interest include:

- a. Business Performance
- b. Financial performance
- c. Business Ecosystem

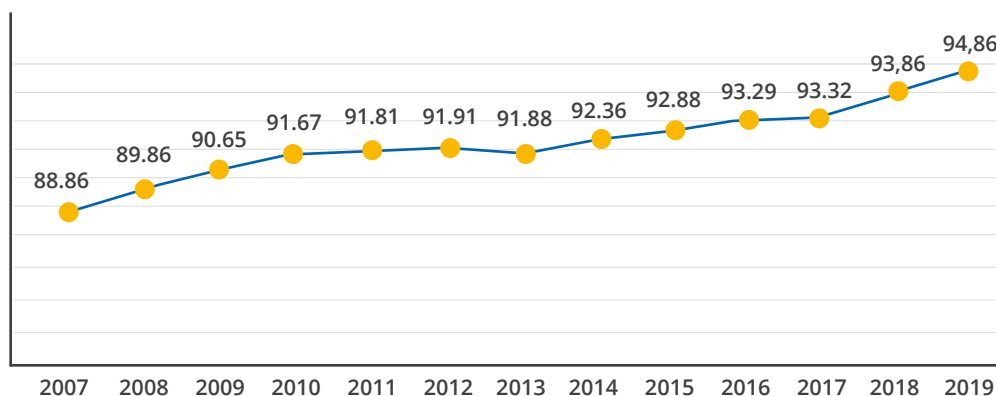
PARTIES WHO CONDUCTED ASSESSMENT

The party that conducted the CGPI assessment was The Indonesian Institute of Corporate Governance (IICG).

ASSESSMENT SCORE

The results of the CGPI assessment were used by Bank Mandiri to evaluate and improve the implementation of GCG. Bank Mandiri received the title of "Very Trusted Company" in the 2019 CGPI assessment with a value of 94.86. This award is the 13th (thirteenth) Bank Mandiri award from 2007 to 2019 respectively. The composition of Bank Mandiri's assessment for 2 consecutive years is as follows:

Steps	2018 score	2019 score
Governance Structure	24,35	32,98
Governance Process	40,36	30,63
Governance Outcome	29,15	31,25
Nilai	93,86	94,86



RECOMMENDATIONS AND FOLLOW UPS

From the results of the 2019, CGPI assessment, there are a number of recommendations from the IICG on the implementation of Bank Mandiri governance. These recommendations will be used as material for improving governance implementation at Bank Mandiri.

Table of Recommendations and Follow Up

No	Recommendations	Follow Up
Governance Structure		
1	Bank Mandiri needs to pay attention and manage the rights of Minority Shareholders by accommodating the aspirations of Minority Shareholders in the selection of Independent Commissioners and Unaffiliated Directors.	Members of the Board of Directors and Board of Commissioners are proposed by Shareholders of A Dwiwarna and their appointments are made through the GMS.
2	Bank Mandiri needs to consider and respond to the issue of gender diversity in the composition of the Board of Commissioners.	Prospective Directors and Commissioners proposed by the Remuneration and Nomination Committee always meet gender diversity. However, the final nomination is the authority of Series A Dwiwarna Shareholders. As for the membership of the Committee under the Board of Commissioners, there is a female member of the Risk Monitoring Committee.
3	Bank Mandiri needs to establish a draft organizational structure tailored to the needs and division of tasks among the Directors according to the control room	Bank Mandiri has established a new organizational structure through Directors Decree No. KEP.DIR/002/2019 dated January 10, 2019 concerning Organizational Structure.
Governance Process		
1	Bank Mandiri needs to develop and update policies and guidelines for the implementation of the GMS and decision-making in the GMS that provides added value to the company's Shareholders	Bank Mandiri has improved the Standard Procedure for the Corporate Secretary, which among others regulates the implementation of the GMS and decision making in the GMS.
2	Bank Mandiri needs to develop policies and guidelines as well as systems for implementing corporate social responsibility in a sustainable manner and PKBL.	Bank Mandiri has improved the Corporate Secretary Standard Procedure, which among others regulates PKBL. In addition, Bank Mandiri has compiled the PKBL Operational Technical Guidelines for more detailed regulation of PKBL.
Governance Outcome		
1	From the trend of Bank Mandiri's financial performance in the last 5 years, it was found to have experienced dynamic growth, so that Bank Mandiri must continue to increase growth by always maintaining the principle of prudence and systematic application of risk management.	Bank Mandiri continues to develop the strategies needed to continuously improve the Company's performance including the principles of prudence and risk management.
2	Bank Mandiri needs to increase employee understanding and awareness of the company's anti-fraud system to reduce the number of internal fraud incidents.	Bank Mandiri consistently and continuously conducts WBS socialization including short video screenings, placing posters around the work environment, PC screen savers and e-mail blasts to the whole Bank Mandiri and using print media so WBS can be more effective in the future.

In 2019 there were 2 (two) Subsidiaries that received the "Most Trusted" Predicate and there were 6 (six) Companies that received the "Trusted" Predicate with an explanation of the score as follows:

No.	Subsidiaries	Predicate	Score
1	PT Bank Syariah Mandiri	"Most Trusted"	86.34
2	PT Bank Mandiri Taspen	"Most Trusted"	85.80
3	PT Mandiri Sekuritas	"Trusted"	80.66
4	PT Mandiri Tunas Finance	"Trusted"	80.50
5	PT AXA Mandiri Financial Services	"Trusted"	79.05
6	PT Asuransi Jiwa InHealth Indonesia	"Trusted"	80.62
7	PT Mandiri AXA General Insurance	"Trusted"	77.66
8	PT Mandiri Manajemen Investasi	"Trusted"	78.95



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



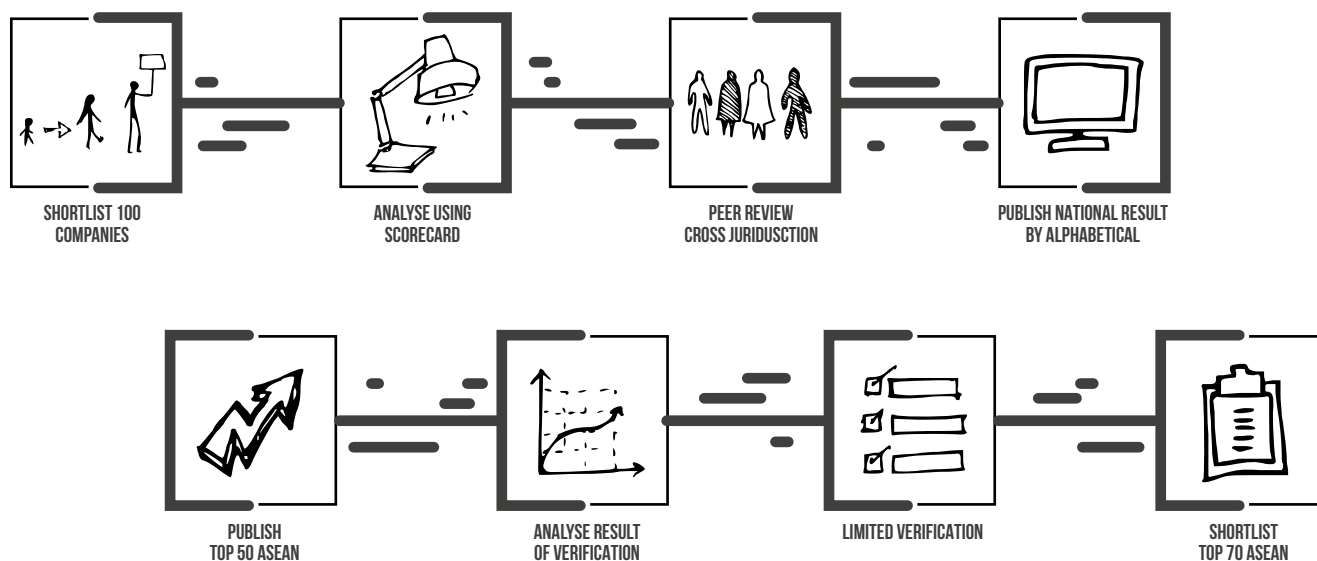
Management Discussion and Analysis on Company Performance



Human Capital

ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS)

One form of assessment applied related to the implementation of GCG at Bank Mandiri is the ASEAN Corporate Governance Scorecard, which is a parameter for measuring governance practices agreed upon by the ASEAN Capital Market Forum (ACMF). These parameters are based on the OECD Principles and are expected to increase investor confidence in listing companies in ASEAN.



APPLIED CRITERIA

The components of the assessment of the ASEAN Corporate Governance Scorecard are as follows:

1. Shareholders' Rights
2. Equal Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Board Responsibilities

PARTIES WHO CONDUCTED ASSESSMENT

The party that conducted the ASEAN CG Scorecard assessment was the ASEAN Capital Market Forum (ACMF).

SCORE OF ASSESSMENT

The results of the ASEAN CG Scorecard assessment for 2019, until the preparation of this Annual Report have not been published. But in 2018, Bank Mandiri succeeded in getting the TOP 50 ASEAN Public Listed Companies (PLCs) based on the application of GCG according to the ASEAN CG Scorecard.

RECOMMENDATIONS AND FOLLOW UP

From the results of the ASEAN CG Scorecard assessment of Bank Mandiri in 2019, there are a number of recommendations from the assessors regarding the implementation of Bank Mandiri governance that still needs to be improved. The recommendations referred to include:

Table of Recommendations And Follow Up

No.	Recommendations	Follow Up
1.	Bank Mandiri must pay dividends within 30 calendar days after the resolution of the GMS, in accordance with the ACGS Regulations. The date the dividend payment is made is published on the Website.	Bank Mandiri will monitor the payment period to comply with the ACGS Regulations.
2.	Bank Mandiri should work together with external parties to carry out the process of finding candidates and assessing candidates for members of the Board of Commissioners and Directors	Bank Mandiri is working with the Appraisal Service Company PT Daya Dimensi Indonesia to conduct an assessment of candidates for the Board of Commissioners and Directors
3.	The number of Independent Commissioners of the Remuneration and Nomination Committee members is higher than that of Non-Independent Commissioners.	Bank Mandiri has made adjustments so that the composition of members of the Remuneration and Nomination Committee majority are Independent Commissioners

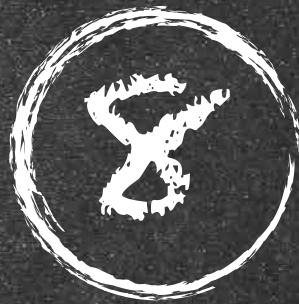
Praktik Bad Corporate Governance

Bank Mandiri realizes that bad corporate governance practices will disrupt the Good Governance (GCG) system that has been built by Bank Mandiri. Therefore, during 2019, Bank Mandiri did not take any actions and policies relating to the practice shown in the table as follows:

No.	Information	Practice
1.	Reports stating that the company polluted the environment.	Nil
2.	Important matters being faced by companies, subsidiaries, members of the Board of Directors and / or members of the Board of Commissioners were not disclosed in the Annual Report.	Nil
3.	Non-compliance in fulfilling tax obligations.	Nil
4.	Mismatch of presentation of annual reports and financial reports with applicable regulations and Indonesian GAAP.	Nil
5.	Cases related to workers and employees.	Nil
6.	There was no disclosure of operating segments in listed companies.	Nil
7.	There was a discrepancy between Annual Report hardcopy and softcopy.	Nil

Statement of Good Corporate Governance Implementation

All members of the Board of Commissioners, Directors and Employees of Bank Mandiri are always committed and applied the principles of good corporate governance and there are no material violations of regulations current regulation. In addition, Bank Mandiri has implemented governance in accordance with ASEAN Corporate Governance Scorecard (ACGS). The principles that have not been implemented by Bank Mandiri have been explained (explained) on the Bank Mandiri website.



Corporate Social Responsibility



The implementation of social responsibility is a manifestation of Bank Mandiri in achieving Sustainable Development, meeting the expectations of stakeholders, and compliance with legislative regulations and consistent with norms of international behavior. Bank Mandiri always evaluates the impact of each company's decisions and activities on the community and the natural environment. Therefore, social responsibility has been integrated into all of the Company's activities.

As one of the BOOK IV Banks in Indonesia and one of Indonesia's First Movers on Sustainable Banking, Bank Mandiri has developed risk management practices that support sustainable finance. In its journey, 8 (eight) "Indonesia First Movers" banks jointly formed the Indonesian Sustainable Financial Initiative (IKBI) to encourage sustainable financial practices that are inclusive in the financial services sector.





Social Responsibility Governance

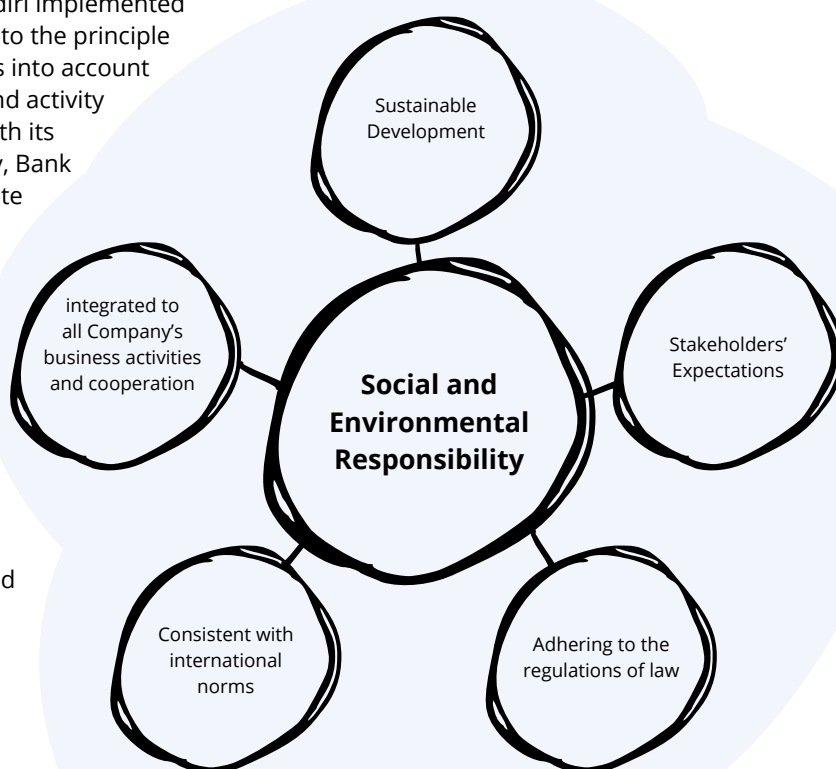
Organizational governance is a key factor required in the implementation of social responsibility over the impact of decisions and actions of an organization and integrating social responsibility in all its operational activities. Organizational governance reflects the strategies, targets and commitments of the implemented social responsibility, including Leader's commitment and accountability.

SOCIAL RESPONSIBILITY COMMITMENT

Sustainability of Bank Mandiri closely relates to fulfillments of its stakeholders' interest. The impact of Bank Mandiri activities against the stakeholders will in turn affect relationships between Bank Mandiri and its stakeholders. The establishment of harmonious relationships between Bank Mandiri and its stakeholders will in turn leverage the performance of Bank Mandiri.

In order to address that matter, Bank Mandiri implemented corporate social responsibility by adhering to the principle of sustainability. Bank Mandiri always takes into account the impact of its every business decision and activity on the community and the environment with its transparent and ethical approach. This way, Bank Mandiri always makes sure that its corporate social responsibility activities fulfill the principles of:

- ✓ Contributing to sustainable development, for the health and welfare of the community;
- ✓ Meeting shareholders' expectations;
- ✓ Adhering to the regulation of laws;
- ✓ Consistent with international norms; and
- ✓ Integrated to all Company's business activities and cooperation.





The corporate social responsibility activities carried out by Bank Mandiri are consistent with the Regulation of the Financial Services Authority No. 51/POJK.03/2017 on Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Corporations. With its corporate social responsibility activities, Bank Mandiri is committed to taking part in sustainable economic development in order to improve the quality of life and the environment, which will be beneficial for the Bank Mandiri itself, the local community, and society in general.

VISION AND MISSION

Bank Mandiri's commitment to social responsibility can be seen from the adjustment of its vision and mission. Bank Mandiri has a vision of "Indonesia's Best, ASEAN's Prominent." In order for that vision to be realized sustainably, Bank Mandiri has transformed into a banking institution that pays attention to environmental, social and governance aspects (LST) in its operations. In this regard, Bank Mandiri has incorporated the ESG elements into the mission of Bank Mandiri in the sustainable context as follows:

1. Oriented to the fulfillment of market needs.
2. Developing professional human resources.
3. Giving maximum benefit to stakeholders.

4. Carrying out operations and good corporate governance in banking operations and activities.
5. Contributing to sustainable growth by considering economic, environmental and social needs.

Implementation of Sustainable Finance

Bank Mandiri's commitment to social responsibility is to implement Sustainable Finance. Bank Mandiri has prepared a 2019-2023 Sustainable Financial Action Plan (RAKB) consisting of 3 (three) strategic pillars and has conveyed this to the Financial Services Authority in November 2018. The 2019-2023 RAKB serves as a reference in the implementation of sustainable finance at Bank Mandiri with the achievement of the implementation of the work program in 2019 as follows:

a) Sustainable Banking Pillar

In accordance with RAKB 2019 - 2023, 2019 is the first year of piloting the implementation of the Social Environment and Governance (LST) policy in the priority sectors of Oil Palm Plantation and Crude Palm Oil (CPO). As of September 2019, the number of debtors in the Corporate segment certified by Indonesia Sustainable Palm Oil (ISPO) and or in the certification process reached 44 debtors, an increase of 63% on an annual basis.



b) Sustainable Operation Pillar

Bank Mandiri has carried out the Bank's operational activities in a sustainable manner by implementing the Green Office Program such as the replacement of LED lights, rejuvenating air conditioners and waste management installations (water recycling) in Bank Mandiri's existing office buildings. As of September 2019, this green office initiative will have an impact on annual electricity consumption by 5.9% and the share of recycled water use that will reach 31% of total water use. During this period, the construction of new buildings owned by Bank Mandiri also used environmentally friendly materials such as Low Emission Glass Facade.

c) Pillars of Corporate Social Responsibility and Micro and Small and Medium Enterprises

As of September 2019, Bank Mandiri has implemented several Corporate Social Responsibility (CSR) programs that meet the concept of sustainable development with a focus on distribution to 9 (nine) of the 17 (seventeen) goals of Sustainable Development Goals (SDGs). One of the leading CSR programs in 2019 is the Mandiri Sahabatku program. As of September 2019 Bank Mandiri has fostered and developed 13,857 Indonesian Migrant workers (PMI) to become entrepreneurs. Another flagship CSR program is the Mandiri Young Entrepreneur program (WMM), which in this period was able to increase the capability of 3,075 young business people candidates with 15 finalists at WMM 2019.

Related to the development of Micro, Small and Medium Enterprises (MSMEs), in accordance with

RAKB 2019 - 2023, Bank Mandiri focuses on increasing financial inclusion through Branchless Banking in selected communities and channeling Micro Business Credit (KUM) and / or People's Business Credit (KUR) in 4 sectors commodity in a certain region. For the Branchless Banking initiative, especially in the Association of Farmers Groups (GAPOKTAN) and Women Empowerment, as of September 2019 the acquisition of 23 Gapoktan agents serving 7,639 customers and the acquisition of 415 female agents serving 354 customers. Meanwhile, the distribution of Bank Mandiri KUR / KUM, especially in the commodities of Sugar Cane, Sweet Potatoes, Edamame and Fisheries in certain areas in partnership with avalist companies, has been carried out to 330 farmers and fishermen with total disbursement reaching IDR32.2 billion.

In addition to the implementation of LST on the 3 pillars, Bank Mandiri has also extended credit to several Sustainable Business Activity Categories (KKUB). As of September 2019, the total funding of Bank Mandiri in these sectors reached IDR148,197 billion or 20.4% of the total loans of Bank Mandiri.

Forming an Environment Social and Governance-ESG (LST) Unit

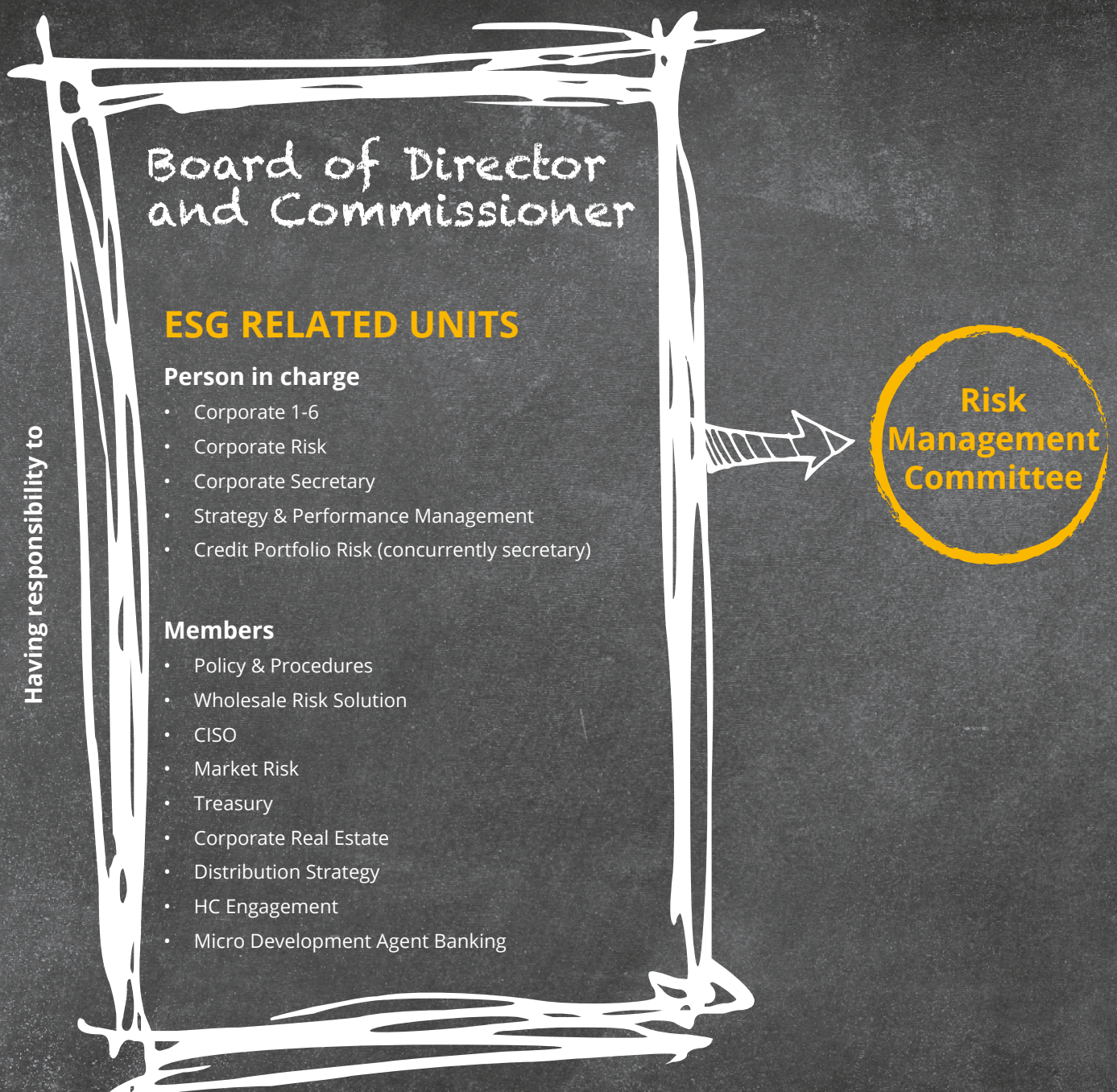
Bank Mandiri has established an ESG Unit that is directly responsible to the Risk Management Committee for risks related to ESG. The ESG Unit acts as the day-to-day person. The purpose of establishing this unit is:

- Designing an action plan on financing and investment policies.



- Renewing and reviewed the implementation of the RAKB in relation to ESG risk management activities related to banking activities in order to improve portfolio resilience handled by Credit Portfolio Risk.
- Monitoring and reporting on the progress of implementing the action plan based on indicators predetermined, such as the status of capacity planning, the status of the pilot project, the percentage of successful screening of customers, and so on.
- Planning and coordinating the capacity building sessions needed for the development and revision of ESG policies.

The members of the ESG related units can be seen in the image below.





The responsibilities of each section are explained as follows:

1) Corporate Banking

The duties and responsibilities of Corporate Banking 1-6 in related units of LST are:

- Implementing sectoral policies in accordance with their respective sectors that have been designated as priority sectors of the Bank.
- Educating debtors on sustainable finance.
- Identifying and mitigating customer ESG risks together with the Risk unit.
- Disseminating ESG policies that have been prepared for each Corporate segment customer through the Relationship Manager.
- Prepare an action plan with Corporate Risk for customers who do not meet the criteria in the checklist (checklist). Together with Treasury, Wholesale Risk Solution, Credit Portfolio Risk Group, Strategy & Performance Management Group and Market Risk as the person responsible for the initiative to publish environmental and socially sound financial service products, namely Sustainable / Green / Social Bonds end-to-end.

2) Corporate Risk

The duties and responsibilities of Corporate Risk in ESG related units are:

- Disseminating ESG policies that have been prepared for each Corporate segment customer.
- Preparing an action plan with Corporate 1,2,5 and 6 for customers who do not meet the criteria in the checklist (checklist).
- Conducting internal reviews on customer input related to sector policies.

3) *Corporate Secretary*

The duties and responsibilities of the Corporate Secretary of the ESG related units are:

- Allocating ESG funds and monitor their use to support sustainable financial implementation.
- Preparing the Bank's ongoing financial statements.
- Carrying out CSR programs, especially those related to economic and social development of the community through Corporate Social Responsibility, especially CSR Leading Entrepreneurs such as Mandiri Young Entrepreneurs and Mandiri Rumah Kreatif.
- Supporting Government programs especially those related to economic and social development of the community through Corporate Social Responsibility.
- Communicating environmentally friendly action programs through green campaigns both internally, especially in the Head Office and external work units of Bank Mandiri.

4) Strategy & Performance Management

The duties and responsibilities of Strategy & Performance Management in ESG related units are:

- Determining the strategic direction of Bank Mandiri through the management and preparation of short-term strategic plans (Work Plan and Budget of the Company / RKAP), medium-term (Bank / RBB Business Plan) and long-term (Long-Term Plan / RJP) in accordance with the vision set by the shareholders.
- Ensuring the direction and strategic plan of the RAKB is contained in the RAKB short-term strategic plan document and the RAKB long-term strategic plan.
- Responsible for regular RAKB reporting (1 and 5 years) to the Financial Services Authority.
- Working Together with Business Units, Treasury, Wholesale Risk Solution, Credit Portfolio Risk Group & Market Risk as the person responsible for the initiative to publish financial services products with environmental and social insight, namely Sustainable / Green / Social Bonds end-to-end.

5) Wholesale Risk Solution

The duties and responsibilities of Wholesale Risk Solution to related units of ESG are:

- Performing functions to monitor the agreed action plan between the debtor and the Bank.
- Working Together with the Business Unit, Treasury, Strategy & Performance Management Group, Credit Portfolio Risk Group & Market Risk as the person responsible for the initiative to publish environmental and socially sound financial service products, namely Sustainable / Green / Social Bonds end-to-end.

6) Policy & Procedure

The duties and responsibilities of Policy & Procedures in related units of ESG are:

- Maintaining governance of the Bank's RAKB policies and procedures that are always updated and do not conflict with one another, by synchronizing and integrating policies, systems and procedures that are aligned and complementary.
- Coordinating the process of updating / refining policies, standard guidelines and RAKB procedures on the results of evaluations conducted periodically or on input from relevant work units, including when changes to the newly issued external regulations.

7) Credit Portfolio Risk

The duties and responsibilities of Credit Portfolio Risk in ESG units are:

- Reviewing the methodology in determining priority sectors in the RAKB.

- Developing a Portfolio Guideline to determine Industry Classification, the calculation of which is based on aspects of Industry Outlook, Col. 2, NPL, and Watchlist and added to LST aspects.
- As a control tower in implementing RAKB and conducting a review of the progress of RAKB.
- Performing the function as a secretary to coordinate with other relevant units in determining targets for achieving RAKB and to monitor follow-up if there are achievements of RAKB that do not meet targets that have been determined.
- Working Together with Business Units, Treasury, Strategy & Performance Management Group, Wholesale Risk Solution & Market Risk as the person responsible for the initiative to publish financial services products with environmental and social insight namely Sustainable / Green / Social Bonds end-to-end.

8) Chief Information Security Officer (CISO)

The duties and responsibilities of CISO in the ESG unit are:

- Developing and running a bank roadmap related to information security through initiatives that have been aligned with Bank Mandiri's vision and mission to support the growth of the bank's business and the security and convenience of customer transactions.
- Developing policies related to the protection and security of bank data (including customer data) in accordance with life cycle data in order to answer external concerns on the ESG MSCI Rating.
- Building and controlling user access to bank data / information, among others through the access matrix, privileged access, dual control, and segregation of duties.
- Ensuring that the results of periodic audits by internal, external and regulator are followed up in accordance with the target time for completion. CISO also controls risk related to information security on a bankwide basis.
- Building employee and third party awareness regarding security risks through various communication media including sharing sessions, newsletters, e-Learning, posters, banners, quizzes and periodic assessments. This unit also ensures that all employees have updated information about cyber attacks on digital financial products through various training and various certification programs that meet the needs of banks and the development of the digital era.

9) Micro Development Agent Banking (MDAB)

The duties and responsibilities of MDAB in the ESG unit are:

- Managing individual customers managing individual customers, cooperatives, and other business entities that meet the criteria to obtain a maximum loan limit of IDR 1 billion and manage Branchless Banking Agents. Branchless Banking agents that are managed consist of two categories, namely individual agents and legal agency agents.
- Strengthening the branchless banking network by implementing a banking transaction system in the form of a Mini ATM on EDC to all agents in stages. It is intended that Mandiri Agen can move up as financial inclusion as reflected in the increase in the volume and frequency of transactions.
- Establishing cooperation with the Ministry of SOEs and Social Services to make branchless banking agents as agents of social assistance, the Farmer Card program, the Family Hope Program (PKH), Non-Cash Food Assistance (BPNT) and Village-Owned Enterprises (BUMDes).

10) Corporate Real Estate

The duties and responsibilities of CRE in the LST unit are to manage all of the Bank's Fixed Assets (ATTB), including the following:

- Merumuskan kebijakan dan menetapkan pedoman pengelolaan ATTB.
- Melakukan perencanaan, pembangunan, dan pemeliharaan ATTB.
- Melakukan pengendalian dalam pengelolaan ATTB.

11) Distribution Strategy

Duties and responsibilities of the Distribution Strategy in the ESG unit are:

- Informing the environmentally friendly action program to regions 3,4,5 and 9 (region piloting).
- Confirming the region regarding the implementation of environmentally friendly action programs.

12) Retail Deposit Product Solution

The duties and responsibilities of Retail Deposit Product Solution in the ESG unit are to provide guidance and training in financial management and entrepreneurship, as well as entrepreneurship assistance / internships in several destination countries for Indonesian Migrant Workers (PMI).

13) HC Engagement

HC Engagement Group in the ESG unit acts as a driving force for employee engagement so that all employees can work together optimally with each other, so as to create optimal work productivity.

14) Mandiri University

Mandiri University in the ESG unit acts as the person in charge of developing employee internal capacity in accordance with Bank Mandiri's business needs.



15) Treasury

Working Together with the Business Unit, the Credit Portfolio Risk Group, the Strategy & Performance Management Group, the Wholesale Risk Solution & Market Risk as the person responsible for the initiative to publish environmental and socially sound financial service products, namely Sustainable / Green / Social Bonds end-to-end.

16) Market Risk

Working Together with the Business Unit, Treasury, Strategy & Performance Management Group, Wholesale Risk Solution & Market Risk as the person responsible for the initiative to publish environmental and socially sound financial service products, namely Sustainable / Green / Social Bonds end-to-end.

The agenda of activities carried out by the ESG Unit is as follows:

1) Reporting Flow

Unit related to ESG is directly responsible to the Risk Management Committee for risks related to ESG which are coordinated by Credit Portfolio Risk. Nonetheless, the Board of Directors / Commissioners retains full responsibility for the Bank's commitment to the goals of sustainable finance.

2) Meeting Frequency

The related unit of ESG will hold regular meetings to discuss related issues with obstacles in the implementation of RAKB including solutions, obstacles and progress on the implementation of RAKB. The frequency of routine meetings held progressively decreases with the time period of implementing the RAKB taking into account the complexity and number of issues related to ESGs that are more challenging in the early years of implementation than in subsequent years. Bank Mandiri schedules regular meetings every month.

Key Performance Indicators for LST Units are as follows:

Bank Mandiri established 3 (three) key performance indicators that are used to assess the progress of the RAKB. The three performance indicators are as follows:

1. Capacity Development

Bank Mandiri has planned to strengthen its technical capabilities in terms of ESG by carrying out capacity building activities.

Bank Mandiri's human resource capacity building is a key activity to realize the successful implementation of sector policy programs. Capacity building can be done through training and workshops with experts in the environmental and social fields. Training and workshops

must be given to all new employees in ESG related units, while training and workshops for refreshment purposes are held regularly every 2 (two) years.

The objectives of the training and workshop are as follows:

- Increasing internal capacity related to the assessment and implementation of sector policies.
- Providing knowledge of issues and regulations related to ESG.
- Providing an understanding of how to assess customers based on sector policies.
- Providing an overview of the main considerations when using due diligence checklists for customers in each sector.

To monitor the progress of capacity development, Bank Mandiri has set indicators to monitor capacity building activities. These indicators are:

- Percentage of staff participating in ESG training. These indicators are monitored by the ESg unit and are periodically reviewed every 3 months. If the results do not reach the specified target, this issue will be escalated to follow up so that risks associated with ESG can be reduced.
- 2. Implementation of sectoral pilot policy projects in the Corporate segment

The initial step of Bank Mandiri in running a Sustainable financial project begins with conducting a pilot project of sectoral policy implementation in the Corporate segment by selecting a sample of customers to be involved. To that end, Bank Mandiri has set indicators to measure the success of the pilot project. These indicators are:

- Number of customers who have been socialized on ESG topics. These indicators are monitored by ESG units and are monitored regularly every month. If the results do not reach the specified target, this issue will be escalated for further action. Conversely, if the results of the implementation of the pilot project meet the target, Bank Mandiri will implement sectoral policies in the Corporate segment to all customers in the related sectors.
- 3. Implementation of sector policies
Bank Mandiri has developed indicators to measure the effectiveness of sector policy implementation. These indicators are:
 - Percentage of customers in accordance with sector policies.
 - Percentage of customers who do not meet the provisions in sector policies.

The indicators are monitored by Wholesale Risk Solution and reviewed every month. If the results do not reach the specified target, this issue will be escalated to follow up so that risks associated with ESG can be reduced.

METHODS AND SCOPE OF DUE DILIGENT AGAINST SOCIAL, ECONOMIC AND ENVIRONMENTAL IMPACTS OF THE COMPANY

Bank Mandiri continues to examine the social, economic and environmental impacts of its business activities, with the aim of preventing negative impacts and adding value to stakeholders. The due diligence mechanism that has been applied for each core subject is explained as follows:

HUMAN RIGHTS

POLICY AND APPLICATION

In accordance with Bank Mandiri's business activities in the banking industry, human rights issues are more related to employment, health and work safety and customer rights. Bank Mandiri has a policy to provide safe and comfortable conditions for employees, eliminate all forms of discrimination, both in terms of gender, ethnicity, religion, race, and among groups and provide freedom for all employees to have an opinion and association. Bank Mandiri also has a policy to provide employment opportunities for persons with disabilities and the local community. These policies are set forth in:

1. Operational Policy (Human Resources Sub-Chapter) which was updated and approved on December 12, 2017.
2. The updated and approved Human Resources Guidelines Standard on March 20, 2018.
3. The Technical Guidelines for Human Resources (PTSDM) are updated using the concept of employee lifecycle (8A).
4. Business Continuity Management (BCM) Standard Operating Guidelines (SPO).
5. Operational Technical Directive (PTO) Emergency Response Plan (ERP).
6. Collective Labor Agreement.
7. Code of Conduct.

Human rights related to the rights of consumers (customers), Bank Mandiri has a policy to meet the expectations of its customers. The customer service policy considers 3 (three) critical points, namely compliance with regulations, provides comfort for customers, and continues to contribute to improving the Bank's performance. Bank Mandiri's policies related to fulfilling customer rights refer to policies and regulations that apply in Indonesia, namely Financial Services Authority Regulation No. 1 / POJK.07 / 2013 concerning Consumer Protection in the Financial Services Sector and Bank Indonesia Regulation No. 7/7 / PBI / 2005 concerning Settlement of Customer Complaints, which has been amended by PBI No. 10/10 / PBI / 2008 Regarding customer protection. Based on these regulations, Bank Mandiri has prepared and implemented comprehensive guidelines related to complaint management of the customers in the form of Standard Operational Guidelines (SPO) for Customer Complaints Management. Related to the confidentiality of customer data, Bank Mandiri already has an Operational Technical Directive (PTO) on Transparency in Using Customer Personal Data (TPDPN).

Various policies related to human rights have been well socialized. These policies become guidelines for the parties involved in implementing the application of social responsibility related to human rights.

MONITORING MECHANISM

In order to monitor the effectiveness of the implementation of social responsibility related to human rights, Bank Mandiri periodically conducts relevant surveys as a basis for continuous improvement. Regarding employment, health and work safety, Bank Mandiri conducts an annual employee engagement survey. Whereas related to customer satisfaction, Bank Mandiri has conducted a customer satisfaction survey every year.

HANDLING COMPLAINTS MECHANISM

In order to overcome the negative impact of decisions and operational activities, Bank Mandiri always strives to deal effectively with complaints from stakeholders, particularly employees and customers. Bank Mandiri has provided media for employees to submit complaints both through special media and through the Bank Mandiri Employees Union (SPBM). Resolution of employee complaints is done in stages according to a predetermined hierarchy. The mechanism for resolving customer complaints is implemented through several forms such as the formulation of PKB, the formation



of employee unions, the Bipartite Cooperation Institute between Bank Mandiri and employees and the availability of a forum for employees to pour out complaints regarding work problems called HC4U. Bank Mandiri has also provided a channel for customer complaints with various media and will be explained in more detail in the Social Responsibility Related to Consumers section of this Annual Report. Bank Mandiri always strives to immediately follow up and resolve customer complaints and complaints in accordance with the established Service Level Agreement (SLA).

FAIR OPERATION

POLICY AND APPLICATION

Bank Mandiri has a variety of policies that govern fair operations including the whistleblowing system (WBS), the Code of Conduct, and gratification policies. In the whistleblowing system policy, Bank Mandiri has a whistleblowing system (WBS) mechanism, namely the Letter to CEO (LTC) Program. The application of the Code of Conduct at Bank Mandiri in the form of ethical standards governing the behavior of the Bank's employees in carrying out business activities.

Whereas, the gratuity policy at Bank Mandiri, namely the prohibition of abuse of authority, the prohibition of requesting or receiving, permitting or agreeing to receive gratuities related to his position and contrary to his obligations, the prohibition of requesting or accepting, allowing or agreeing to accept a gift or reward from a third party and others will be explained in more detail in the Social Responsibility Related to Equitable Operations section.

MONITORING MECHANISM

In monitoring the implementation of fair operations, Bank Mandiri conducts evaluations and improvements in the implementation of GCG. Bank Mandiri also conducted a self-assessment conducted in semester I and II in 2019. In addition, Bank Mandiri also conducted an evaluation and improvement of the implementation of GCG by conducting an Assessment assessed by CGPI namely The Indonesian Institute of Corporate Governance (IICG).

HANDLING COMPLAINTS MECHANISM

Bank Mandiri has provided media for reporting acts or indications of fraud and / or non-fraud that can harm customers and Bank Mandiri, namely through the Website <https://whistleblowing.tips/wbs/@bmri-lettertocoe>, email to bmri-lettertocoe@rsm.id, the letter which was addressed to PT RSM Indonesia

through PO BOX 1007 JKS 12007 and SMS and Whatsapp to number 0811900777.

LIVING ENVIRONMENT

POLICY AND APPLICATION

Bank Mandiri has several policies related to environmental aspects, including the Bank Credit Policy Mandiri (KPBK) which prohibits financing for businesses or projects that endanger the environment. Obligations of prospective debtors to submit Environmental Impact Analysis (AMDAL) in financing to businesses / industries that are required or Environmental Management Efforts (UKL) - Environmental Monitoring Efforts (UPL) in accordance with applicable laws and regulations.

Whereas, Bank Mandiri's policies relating to environmental management and protection are manifested in the form of appeals, recommendations and internal regulations of Bank Mandiri in order to minimize the impact of Bank Mandiri's operations on the environment. Bank Mandiri always makes efforts to implement operational efficiency to all Work Units covering all Groups, Regional Offices and Branch Offices.

MONITORING MECHANISM

To find out the quality of wastewater, Bank Mandiri checks wastewater by sending samples to the Regional Environmental Laboratory, Environmental Agency, DKI Jakarta Provincial Government, once a month. In handling Greenhouse Gas emissions, Bank Mandiri conducts emission tests on 6 generators operated by Bank Mandiri. In addition to air emissions, concern for the environment is also demonstrated by Bank Mandiri by conducting noise tests regularly in several places, such as the building's front yard, backyard, front of the basement area, and southern lobby.

HANDLING COMPLAINTS MECHANISM

As a form of corporate responsibility related to the environment, both in the development of financial products / services and in environmental preservation, Mandiri Bank makes it easy for the public to submit suggestions or complaints by sending an email to Customer Care at the email address mandiricare@bankmandiri.co.id.

MANPOWER, HEALTH, AND SAFETY

POLICY AND APPLICATION

Bank Mandiri always provides the same treatment for all employees, because the interests of employees are the top priority that must be met. In addition, Bank Mandiri

also has a policy to provide a safe and comfortable work environment for employees. Internal policies related to employment, health and safety include the following:

1. Human Resources Policy and Collective Labor Agreement (PKB) between Bank Mandiri and all Bank Mandiri employees.
This policy is applied to create optimal conditions so that operational activities run smoothly for the progress of the company. In addition, this policy regulates work time, leave, salary and benefits that are entitled to employees.
2. Business Continuity Management (BCM) Operational Management Standards (SPO).
The BCM SPO is a general guideline in preparing Bank Mandiri to face and protect against various potential financial and non-financial losses that are catastrophic as a result of disaster events.
3. Emergency Response Plan (ERP) Operational Technical Guidance (PTO).
ERP PTO is a component of BCM as a guideline / guide in maintaining the safety and life safety of all employees, customers, and third parties in the event of disruption / disaster, including saving important data and Bank assets.

MONITORING MECHANISM

In the implementation of social responsibilities related to employment, Bank Mandiri conducts employee satisfaction surveys annually. With the increase in employee satisfaction survey results are expected to improve welfare and motivate employees so that it will affect employee productivity.

HANDLING COMPLAINTS MECHANISM

Bank Mandiri has established a mechanism for complaints about manpower issues relating to employment relations, working conditions and employment conditions by promoting mutual respect, respect and working together to provide the best solution in dealing with problems while upholding professional ethics.

This mechanism is implemented through several forms such as the formulation of PKB, the formation of employee unions, the Bipartite Cooperation Institute between Bank Mandiri and employees and the availability of a forum for employees to pour out complaints regarding work problems called HC4U.

CONSUMER

POLICY AND APPLICATION

In carrying out the company's responsibilities to consumers, Bank Mandiri refers to policies and regulations that apply in Indonesia, namely POJK No.

1 / POJK.07 / 2013 concerning Consumer Protection in the Financial Services Sector. The confidentiality of Customer Data has been regulated in Bank Mandiri's internal provisions, including the Technical Operational Directive (PTO) on Transparency in Using Customer Personal Data (TPDPN). In addition, Bank Mandiri refers to the policy of Bank Indonesia Regulation No. 7/7 / PBI / 2005 concerning Settlement of Customer Complaints, which has been amended by PBI No. 10/10 / PBI / 2008 Regarding customer protection. All complaints that have been received from various types of complaints media are then forwarded directly to the relevant settlement unit and monitored directly by the Customer Care Group to ensure to customers that the settlement of complaints will be carried out in accordance with the established Service Level Agreement (SLA).

MONITORING MECHANISM

Bank Mandiri is collaborating with PT Kadence International to carry out a Customer Satisfaction Survey of branch contact points and electronic banking (e-banking) to find out the extent of Bank Mandiri's customer satisfaction. In addition, Bank Mandiri also conducted a Customer Satisfaction Survey of the Retail and Wholesale business segments.

HANDLING COMPLAINTS MECHANISM

Every complaint or complaint from customers can be submitted to Bank Mandiri through several means including, through Mandiri Call, website, email, or social media owned by Bank Mandiri (Twitter, Facebook and Telegram). Customers can also go directly to Bank Mandiri Branch Offices throughout Indonesia or submit complaints through official letters submitted directly, sent by post or facsimile.

SOCIAL AND COMMUNITY DEVELOPMENT

POLICY AND APPLICATION

In implementing social responsibility related to social development, Bank Mandiri complies with the regulation of the Minister of State-Owned Enterprises of the Republic of Indonesia No. PER-02 / MBU / 7/2017 concerning the Second Amendment to the Regulation of the Minister of State-Owned Enterprises Number PER-09 / MBU / 07/2015 Regarding the Partnership Program and the Community-Owned Enterprise Environmental Development Program. The corporate social responsibility program towards social development includes the Education and Entrepreneurship Independence Program, the Financial Inclusion Program, and the Social and Environmental Responsibility Program.



MONITORING MECHANISM

Bank Mandiri annually carries out social responsibilities related to society. The program implementation is outlined in the Bank Mandiri PKBL report. In the PKBL Report there is the preparation and presentation of the PKBL program and also how to manage the funds of PKBL activities.

HANDLING COMPLAINTS MECHANISM

In the activity of responsibility related to community development, there are often obstacles in its implementation. Therefore, if there are problems or complaints in community activities, you can send an email to Bank Mandiri Customer Care at the email address Mandiricare@bankmandiri.co.id or by telephone at 14000.

SIGNIFICANT STAKEHOLDERS AFFECTED OR INFLUENTIAL ON THE IMPACT OF BANK MANDIRI ACTIVITIES

In performing its business, Bank Mandiri either directly or indirectly interacts with various stakeholders, which are affected by the activities of Bank Mandiri. Bank Mandiri is always committed to increasing stakeholder engagement so as to leverage the value of other shareholders and stakeholders. Significant stakeholders related to the activities of Bank Mandiri as well as strategies and work programs that have been implemented in increasing stakeholder engagement are as follows:

Stakeholder	Identification Base	Potential Impact
Shareholder Share	Economic, ownership and legal relations	<ol style="list-style-type: none"> 1. Improved performance of Bank Mandiri. 2. Positively growing value of shares.
Community	Social relations, social licenses, social responsibility, and closeness to Bank Mandiri	<ol style="list-style-type: none"> 1. PKBL progress and development 2. Increased opportunities of cooperation in PKBL program. 3. Increased education and understanding of effective financial use.
Employee, Employee Organizations	Law and stakeholders who help achieve the company's goals	<ol style="list-style-type: none"> 1. Employee's rights. 2. Improving the effectiveness of management and employee relationships.
Government, Regulator, Legislative Customer	Law and interests of Financial Services Institutions	<ol style="list-style-type: none"> 1. Compliance with all prevailing regulations 2. Good corporate governance 3. Cooperation in CSR programs
Customers	Economic relations	<ol style="list-style-type: none"> 1. Increased intensity of providing education related to financial products and services of Bank Mandiri, especially for new customers and the public who have not been educated yet about financial access. 2. Increased banking facilities and access as well as transaction security. 3. Transparency of the Company's service information.
Partnership	Economic and legal relations	Transparency in the procurement process
Mass Media	Social relations, social licenses	Open access to accurate and up-to-date information.

IMPORTANT SOCIAL, ECONOMIC AND ENVIRONMENTAL ISSUES RELATED TO THE IMPACT OF THE COMPANY'S ACTIVITIES

In determining important social, economic and environmental issues related to the impact of Bank Mandiri activities, Bank Mandiri conducts focus group discussions (FGDs) with various internal and external stakeholders on a regular basis. These important issues are then used as the basis for Bank Mandiri to prioritize management approaches in managing them. As a company engaged in the banking industry, prioritized important issues are more focused on economic and social issues, as presented in the following:

Important Issue	Remarks
Economic Performance	Describe the achievements and performance of Bank Mandiri during the reporting year.
Indirect Economic Impacts	Describe the commitment and benefits of the existence of Bank Mandiri for the community.
Anti-Corruption	Describe Bank Mandiri's commitment to conducting company operations in a clean, honest and transparent manner.
Environmental Topic	
Energy	Describes Bank Mandiri's concern for energy management, which is increasingly limited.
Water	Describe Bank Mandiri's concern for the management of water resources, which are increasingly limited.
Emission	Describe Bank Mandiri's concern for greenhouse gas emissions which have a major impact on climate change.
Effluents and Waste	Describe Bank Mandiri's concern in managing wastewater so it does not pollute the environment.
Environmental Compliance	Describe commitment to various environmental regulations so that Bank Mandiri's operations do not have a negative impact on the environment.
Social Topic	
Staffing	Describe Bank Mandiri's commitment to the importance of managing employees as an important asset for business sustainability.
Occupational Health and Safety	Describe Bank Mandiri's commitment to providing a safe and comfortable workplace so that employees are more productive and committed to their work
Training and Education	Describe the commitment of Bank Mandiri in an effort to improve employee competence as important capital to face increasingly fierce competition.
Diversity and Equal Opportunities	Describe Bank Mandiri's commitment to respecting diversity and equality to progress and develop without distinguishing ethnicity, religion, race and so on.
Customer Privacy	Describe Bank Mandiri's commitment to maintaining the confidentiality of customer data so as to create customer trust and loyalty.
(Customer Information Protection).	Describe Bank Mandiri's commitment to obeying socio-economic regulations, such as employment, fair competition, and non-discrimination.

SCOPE OF CORPORATE SOCIAL RESPONSIBILITY

In implementing corporate social responsibility, Bank Mandiri refers to ISO 26000. The social responsibility scope of Bank Mandiri encompasses:

1. Social Responsibility Governance
2. Human Rights
3. Employment
4. Environment
5. Fair Operation
6. Fulfillment on Customer's Interests
7. Community

Details of each category of social responsibility will be presented in each of the relevant sections of this Annual Report in detail:



Core Subject	Related Regulations
Human rights	<ol style="list-style-type: none"> 1. Financial Services Authority Regulation No. 1 / POJK.07 / 2013 concerning Consumer Protection in the Financial Services Sector. 2. Bank Indonesia Regulation No. 7/7 / PBI / 2005 concerning Settlement of Customer Complaints.
Fair Operation	Law of the Republic of Indonesia Number 20 of 2001 concerning Amendment to Law Number 31 of 1999 concerning Eradication of Corruption
Living environment	Government Regulation Number 47 of 2012 concerning Limited Corporate Social and Environmental Responsibility.
Employment, Health and Occupational Safety	<ol style="list-style-type: none"> 1. Labor Law of the Republic of Indonesia No 13 of 2013 2. Decree of the Minister of Manpower No. 228 of 2019 concerning certain positions that can be occupied by foreign workers.
Consumer	<ol style="list-style-type: none"> 1. Financial Services Authority Regulation No. 1 / POJK.07 / 2013 concerning Consumer Protection in the Financial Services Sector. 2. Bank Indonesia Regulation No. 7/7 / PBI / 2005 concerning Settlement of Customer Complaints, which has been amended by PBI No. 10/10 / PBI / 2008 Regarding customer protection.
Social Development and society	Regulation of the Minister of State-Owned Enterprises of the Republic of Indonesia Number: PER-02 / MBU / 7/2017 concerning Second Amendment to the Regulation of the Minister of State-Owned Enterprises No. PER-09 / MBU / 07/2015 Regarding Partnership Program and Community-Owned Enterprise Environmental Development Program.

Social and Community Development Regulation of the Minister of State-Owned Enterprises of the Republic of Indonesia Number: PER-02 / MBU / 7/2017 concerning the Second Amendment to the Regulation of the Minister of State-Owned Enterprises Number PER-09 / MBU / 07/2015 Regarding the Partnership Program and Environmental Development Program of State-Owned Enterprises.

While the scope of social responsibility that exceeds obligations is reflected in the implementation of operational activities which are the application of the pillars of sustainable operations and the pillars of corporate social responsibilities and MSMEs as explained in the Social Responsibility Commitments section.

In addition, Bank Mandiri is one of the 8 (eight) major banks in Indonesia known as First Movers on Sustainable Banking. The eight banks have formed a communication forum related to the implementation of sustainable finance, the Sustainable Financial Initiative (IKBI) on May 31, 2018 in Jakarta. The activity was then continued with a sustainable finance seminar with the theme "CSE Dialogue on Sustainable Finance." IKBI was formed with the aim of supporting the application of sustainable and inclusive financial norms. IKBI is expected to be able to build synergies in achieving Sustainable Development Goals (SDGs).

WORK STRATEGY AND PROGRAMS

Strategies and social responsibility work programs for each core subject of social responsibility are presented as follows:

Core Subject	Strategy	Work Programs
Human rights	Emphasizing the fulfillment of human rights related to employment, occupational health and safety and customer satisfaction.	<ol style="list-style-type: none"> 1. Regular coordination with SKBM. 2. Handling employee complaints through the HC4U container. 3. Training and developing employee competencies. 4. Customer education. 5. Mandiri Intelligent Assistant (MITA). 6. Handling customer complaints. 7. Explanation of solving customer problems through the Press Conference in various mass media. 8. Other relevant programs.

Core Subject	Strategy	Work Programs
Fair Operation	Emphasizing that there are no conflicts of interest in every business decision, conduct fair business competition and effectively implement WBS and Code of Conduct.	<ol style="list-style-type: none"> 1. Signing annual statements related to compliance with employee code of conduct by all employees. 2. Socialization of various GCG guidelines such as Gratuity Policy, WBS, and Code of Conduct 3. Management of Gratuities, WBS, and Code of Conduct. 4. Completion of the Gratification Control Technical Operational Directive. 5. The signing of the Integrity Pact by the Board of Commissioners, Directors and all employees. 6. Audit of procurement of goods and services. 7. Vendor Meeting and Vendor Gathering. 8. Vendor Satisfaction Survey. 9. Other relevant programs.
Living environment	Emphasizing the application of sustainable finance and saving energy and water use.	<ol style="list-style-type: none"> 1. Green Banking, namely environmentally friendly lending and the use of Digital Banking in banking activities. 2. Energy and water conservation activities by applying the concept of green buildings that are environmentally friendly in the Mandiri University complex and saving electricity by reducing excess electricity in all work units of the Bank Mandiri Office through blackout of workspace during recess and conducting power outages and public areas in during the daytime. 3. Environmental and waste management activities generated at the Head Office by using recycle water and using energy saving lamps. 4. The activity of saving paper usage by developing paperless administration by utilizing information technology. 5. Environmental preservation activities in the form of the Muara Gembong Social Forestry Project. 6. Other relevant programs.
Employment, Health and Occupational Safety	Emphasizing on strategies for fulfilling employee rights, such as gender equality and employment opportunities, providing adequate health facilities, and	<ol style="list-style-type: none"> 1. Material welfare programs that are directly related to employee performance. 2. Non-material employee welfare programs in the form of providing facilities and services to all Bank Mandiri employees without discrimination. 3. Using a smell of place approach in employee welfare activities to create an atmosphere that makes employees happy and productive. 4. Training programs, training and education. 5. Special appreciation programs for employees such as Mandiri Best Employee, Mandiri Employee Award and National Frontliner Championship. 6. Facilitating SPBM activities 7. Retirement training program. 8. Facilitating sports activities for employees. 9. Activities related to employee work safety, namely inspection of building fire protection equipment, standardization of specifications, placement of building safety devices and evacuation routes, and conveying emergency information to employees, guests and building emergency response teams. 10. Employee Engagement Survey. 11. Facilitating health benefits through BPJS facilities. 12. Other relevant programs.
Consumer	Emphasizing on customer satisfaction strategies and protecting the confidentiality of customer data	<ol style="list-style-type: none"> 1. Handling customer complaints. 2. Maintaining the confidentiality of customer data in accordance with the Technical Operational Directive (PTO) Transparency in Using Customer Personal Data (TPDPN). 3. Customer Education. 4. Customer service through the Mandiri Intelligent Assistant (MITA) feature. 5. Handling customer complaints. 6. Conducting customer satisfaction surveys. 7. Other relevant programs.



Core Subject	Strategy	Work Programs
Social and Community Development	Emphasizing on social responsibility and environmental development strategies as well as educational and entrepreneurial activities	<ol style="list-style-type: none"> 1. Mandiri Young Entrepreneur Program (WMM). 2. The Mandiri Friends Program. 3. Program support for the implementation of Financial Services Without Offices in the Framework of Inclusive Finance or PANDAI LAKU by increasing Branchless Banking Agents. 4. The Mandiri Social Care Development Program includes: BUMN Creative Homes, and Balkondes Development. 5. SOE Programs Present for the Country include: Students Get to Know the Archipelago, and Certified Student Internship Program (PMMB). 6. Non-cash social assistance distribution program. 7. Other relevant programs.

Stakeholder engagement is directed at Bank Mandiri's interests by taking into account corporate social responsibility, caring for environmental issues, and paying attention to priorities in establishing communication with various strategic partners.

The stakeholder engagement process includes Bank Mandiri's efforts to meet the expectations of each stakeholder by using available resources, in an appropriate, accountable manner, and not in conflict with the provisions stipulated in applicable laws and regulations.

Bank Mandiri Stakeholders Table

Stakeholders	Base Identification	Discussion Topics	Approach and Respons	Frequency of Approach
Shareholders	Economic, ownership and legal relations	<ol style="list-style-type: none"> 1. Improved performance of Bank Mandiri which is getting better. 2. Value of shares that grow positively. 	<ol style="list-style-type: none"> 1. Strengthening the abilities, skills and expertise of employees. 2. Improve Company Performance. 	Communication was done with hold a GMS or meeting as needed.
Public	Social relations, social licenses, social responsibility, and closeness with Bank Mandiri	<ol style="list-style-type: none"> 1. Progress and development of PKBL. 2. Increased opportunities for cooperation in the PKBL program. 3. Enhancing education and understanding of effective financial use. 	<ol style="list-style-type: none"> 1. Optimization of PKBL. 2. Increasing the number of new foster partners. 3. Providing broader consultation and training on financial planning to the wider community. 	Empowerment, Collaboration, and Consultation <ol style="list-style-type: none"> 1. Organizing Community Development. 2. Organizing the Independent Young Entrepreneur Program. 3. Carrying out educational consultations on financial planning. 4. Including tertiary institutions and third parties in the PKBL implementation assistance.
Employees, Employee Organizations	Legal and stakeholders who help achieve the goals of the company Legal and the interests of the Financial Services Institution	<ol style="list-style-type: none"> 1. Employee rights. 2. Increasing the effectiveness of management and employee relations. 	<ol style="list-style-type: none"> 1. Give full rights to employees against PKB that have been determined. 2. Consistency of holding regular meetings in various forums between management and employees. 	Consultation and Communication <ol style="list-style-type: none"> 1. Guaranting the fulfillment of normative rights. 2. Guaranting freedom of association and the right to express opinions. 3. Holding regular meetings in a bipartite forum between Bank Mandiri and the employee union. 4. Developing and making collective work agreements.

Stakeholders	Base Identification	Discussion Topics	Approach and Respons	Frequency of Approach
Government, Regulator, Legislative Customer	Economic relations	<ol style="list-style-type: none"> 1. Compliance with all applicable regulations. 2. Good corporate governance. 3. Cooperation in CSR programs. 	<ol style="list-style-type: none"> 1. Conducting periodic evaluations as a measure of effectiveness of compliance with applicable regulations. 2. Improving programs: <ol style="list-style-type: none"> a. Anti Corruption b. Anti-Money Laundering and Prevention of Terrorism Funding (APU-PPT). 3. Increasing the cooperation of CSR programs with the Government. 	Collaboration, Consultation and Communication <ol style="list-style-type: none"> 1. Complying with all applicable regulations. 2. Paying taxes, levies and non-tax state revenue (PNBP) in accordance with statutory regulations. 3. Doing active participation in deliberations on regional development plans (Musrenbang) 4. Requesting input from various government agencies on Bank Mandiri operational aspects.
Customer	Economic and legal relations	<ol style="list-style-type: none"> 1. Increasing the intensity of providing education related to Bank Mandiri financial products and services, especially for new customers and the public who have not been educated on financial access. 2. Improvement of banking facilities and access and transaction security. 3. Transparency of Company service information. 	<ol style="list-style-type: none"> 1. Consistency in conducting educational programs open to every Bank Mandiri customer. 2. Improving the system of banking transaction facilities and security. 3. Providing accurate information to each customer regarding the latest information on banking products and services. 	Consultation and Information <ol style="list-style-type: none"> 1. Ensuring service and quality assurance of financial products. 2. Organizing the complaints mechanism and the follow-up. 3. Conducting customer satisfaction surveys. 4. Maintain customer privacy. 5. There is a CustomerGathering forum.
Partner	Social relations, social licensing	Transparency in the procurement process	Implement a procurement system that complies with work guiding principles and ethical standards.	Collaboration and Information <ol style="list-style-type: none"> 1. Making a work contract 2. Monitoring and evaluate work contracts. 3. Providing sanctions to terminate the cooperation contract if there is a violation.
Mass media	Base Identification	Information disclosure	Providing accurate information about the latest Bank Mandiri news.	Information <ol style="list-style-type: none"> 1. Implementing the principles of information disclosure. 2. Conducting visits to the Company's business units to expand and understand the bank's business.



PROGRAMS THAT EXCEED MINIMUM RESPONSIBILITIES

Based on the work programs that have been described, several work programs that exceed the minimum responsibilities include:

1. Handling employee complaints through the HC4U container.
2. Vendor Meeting and Vendor Gathering.
3. Environmental preservation activities in the form of the Muara Gembong Social Forestry Project.
4. Special appreciation programs for employees such as Mandiri Best Employee, Mandiri Employee Award and National Frontliner Championship.
5. Customer service through the Mandiri Intelligent Assistant (MITA) feature.
6. The Independent Young Entrepreneur Program (WMM).
7. Other programs.

FINANCING AND BUDGET OF SOCIAL RESPONSIBILITY

Financing and social responsibility budgets are inherent in each of the company's relevant operational activities, such as labor costs, occupational health and safety, general costs, customer service costs and others.

Table of Employee Competency Development Cost

Competency Development Cost (in million Rupiah)	
2019	2018
633.039	592.665

In addition, Bank Mandiri also budgeted funds for social responsibility activities in the form of the Partnership and Community Development Program (PKBL).

Distribution of Partnership and Community Development Program 2019

Activity Category	Biaya Pelaksanaan (Rp)	
	2019	2018
Environmental / Nature Conservation	300.003.500	-
Health	6.806.219.759	6.424.844.584
Field of Public Facilities and Worship	30.432.039.349	32.734.957.576
Natural Disaster Sector	7.920.291.210	10.792.630.559
Field of Social Community Development in the context of poverty alleviation	41.162.887.810	28.505.502.677
Field of education	75.762.763.918	36.093.622.369
Total	162.384.205.546	114.551.556.765

Social Responsibilities Related To Human Rights



COMMITMENT AND POLICY

Bank Mandiri has full commitment to upholding human rights. The scope of social responsibility related to human rights encompasses prevention of discriminative actions, freedom of association, work-time arrangements, permission due to emergencies, and opportunities to do prayers. Bank Mandiri also has lactation room facilities, Mandiri day care (child care), and facilities for handling employee's complaints. The policy is contained in the Collective Labor Agreement (PKB) between Bank Mandiri and the Bank Mandiri Employee Union.

Moral principles related to Individual Behavior, Protection of Bank Property, and Implementation of Bank Business as the basis for behavior of the Bank's Staff in carrying out business activities are set forth in the Business Ethics documents of Bank Mandiri and PKB. Bank Mandiri also provides equal right and opportunity to work regardless of differences in religion, ethnicity, race, social status, skin color, gender, or other physical traits, including the appointment of prospective workers.

SCOPE OF SOCIAL RESPONSIBILITIES IN HUMAN RIGHTS

The scope of corporate social responsibility related to human rights, which is related to employment includes discrimination treatment / action, recognition and guarantee for Employees Unions, the right of granting work time, annual leave, permission to rest if giving birth / miscarriage or illness due to menstruation, permission to perform worship nor permission to leave workers if there is something.

SOCIAL RESPONSIBILITY ACTIVITY PLAN FOR HUMAN RIGHTS

Each year, Bank Mandiri always makes plans that are outlined in work programs contained in the Company's Work Plan and Budget (RKAP). The work program is intended to ensure that the work process at Bank Mandiri also pays attention to the implementation of human rights, including the allocation of costs for employees' activities. Enforcement of human rights is also indicated by the freedom for employees to form Employee Union and hold meetings between Employee



Union and the management of Bank Mandiri to discuss matters needed by employees so that the work program contained in the RKAP can be realized through paying attention to the agreement results between Employee Union and the management of Bank Mandiri.

IMPLEMENTATION OF INITIATIVE SOCIAL RESPONSIBILITIES OF HUMAN RIGHTS

Bank Mandiri always consistently fulfill the social responsibilities implementation policies. As a company engaging in the banking industry, the human rights issue is more focused on labor issues. The Basic Human Rights issue related to Bank Mandiri's activity is not a significant issue, considering banking is a business activity in the service field with the nature of services. The social responsibilities implementation activity related to Basic Human Rights includes:

Discriminative Treatment/Act

1. Bank's Officials uphold the Basic Human Rights.
2. Bank's Officials always prevent discriminative practice in all forms.

Recognition and Guarantee for Employee Unions

1. Every Employee has been given the right to be a member of the Employee Unions by submitting a written request and therefore the Bank is not permitted to prohibit any Employee to be or not to be a member of the Employee Unions.
2. Bank has provided a room with facilities among others desk, chair, cabinet, computer for the Central Leadership Council (DPP), Regional Leadership Council (DPW) and Branch Leadership Council (DPC). The room provision for the DPW and DPC depends on the room availability which usage is regulated by the Bank. The bank may allow the use of meeting rooms provided that it is not being used and has received written permission from the Bank.
3. Bank has guaranteed to treat or give the same attention to the Employee who is a member of the Employee Unions and the Employee who is not a member of the Employee Union in the implementation of their obligations and the fulfillment of their rights.

Working Hour

1. Special for female employees who are breastfeeding their baby, reasonable opportunities have been given to do lactation and or breastfeed their baby during work hour.

2. Paying attention to the smooth operation of the Bank, overtime work can be carried out with a mutual agreement between the Bank and the Employee to complete work that cannot be postponed and therefore Bank will give overtime pay to the Employee.
3. Overtime Work Hour is adjusted to the Bank's operational need and Bank established overtime facility. The amount of payment refers to the applicable law.

Annual Leave

1. Annual leave is given to the Employee that has been working at the Bank for 1 (one) consecutive year.
2. During the annual leave period, the Employee still received full salary.
3. The length of the annual leave determined by the Employee's position that was regulated by the Bank.
4. The provision of the annual leave implementation regulated by the Bank.
5. Annual leave rights are carried out based on the employee's request and/or assigned by the Bank and adjusted to the Bank's workload/need.
6. For the employee whose annual leave plan had been denied by the related work unit head, the said work unit head must submit a written reason for the denial and submit the copy to Human Capital work unit.

Maternity Leave, Miscarriage Leave, and Menstrual Pain Leave

1. Maternity leave and miscarriage leave are given to female Employees.
2. Maternity leave is given for the period of 1.5 (one and a half) month before the delivery date and 1.5 (one and a half) month after the delivery date according to OB/GYN or midwife's calculation.
3. Miscarriage leaves for 1.5 (one and a half) month or according to the recommendation of the OB/GYN or midwife.
4. The implementation and the provision of maternity leave or miscarriage leave have been regulated by the Bank.
5. Female employees who are experiencing pain during their period and notify their direct supervisor or authorized staff are given permission to rest and not required to work on the first and second day of the period.

Permission to Carry Out Religious Worship

The Bank always gives permission to the Employee to carry out their religious worship which provision is regulated by Bank Mandiri.



Permission to Take Leave

Bank gives permission for a paid leave in the event of:

1. Special occasion namely the employee's wedding, employee children's wedding, death of husband/wife/children/ children in law/parents/parents in law/other family member living under the same roof, birth of children, employee's wife miscarriage, child's circumcision, child's baptism, biological/adoptive child's tooth filling ceremony (Hindu), biological/adoptive child's visudhi ceremony (Buddhist), Employee's graduation.
2. Sickness, as in sick with a written recommendation from a doctor for a maximum of 3 (three) days, sick without a written recommendation from a doctor for 1 (one) day and hospitalization.
3. Personal matters that is important, sudden and cannot be represented.
4. Experiencing obstacle beyond the control of the Employee.

Bank has regulated the provision of work leave implementation.

ACHIEVEMENTS AND AWARDS INITIATIVE SOCIAL RESPONSIBILITIES FOR HUMAN RIGHTS

As stated in the section on social responsibility activities related to human rights, the emphasis on the issue of human rights is on labor issues. For the implementation of social responsibility related to human rights, Bank Mandiri has been awarded as the Top 100 Asia's Best Employer Brand in the 14th Employer Branding Awards in 2018 organized by the World HRD Congress.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

Social Responsibilities Related To Fair Operations



COMMITMENT AND POLICY

As one of the manifestations of good corporate governance implementation, Bank Mandiri is committed to always carry out fair operation practices. Bank Mandiri already has several policies that govern fair operation among others the internal control policy, whistleblowing system (WBS), Code of Conduct, and gratification policy. Those policies are specifically aimed at preventing conflicts of interest and implementing healthy business activities.

The scope of the implementation of social responsibilities related to the fair operation practices emphasized by Bank Mandiri this time is the prevention of conflict of interest, anti-corruption implementation, healthy competition, and the prevention of Insiders behavior. The anti-corruption implementation is manifested through the WBS, Code of Conduct and Gratification Policy.

SCOPE OF SOCIAL RESPONSIBILITY FOR FAIR OPERATIONS

The scope of social responsibility activities related to fair operations includes prevention of conflicts of interest,

implementation of the Whistleblowing System and Code of Conduct, prohibition of insiders' behavior, Mis-Representation, relationships with business partners, competency behavior and relationships with other organizations.

SOCIAL RESPONSIBILITY ACTIVITIES PLAN FOR FAIR OPERATIONS

Bank Mandiri always targets in its annual planning to ensure the implementation of all fair operating policies. Any violations that occur will be subject to strict sanctions in accordance with Bank Mandiri policies and applicable regulations.

IMPLEMENTATION OF INITIATIVE SOCIAL RESPONSIBILITIES FOR FAIR OPERATIONS

Bank Mandiri's consistent implementation of social responsibilities related to fair operation practices includes these matters:

Conflict of Interest Prevention

Conflict of interest is a condition where the Bank's Officials in carrying out their duty and obligations has another interest outside the interest of the company, either related to personal, family, or other party's interest so that the Bank's Officials may lose their objectivity in making decisions or policies according to the authority that the Bank has given them.

Therefore:

1. All Bank's Officials have earnestly endeavored to avoid any activity that could cause a conflict of interest. If one thing or another cannot be avoided, then the related staff must report it to their direct supervisor.
2. All Bank's Officials have been prohibited to give approval or seeking approval for the credit facility, special interest rate or other exclusivities for: 1) Themselves, 2) Their families, and 3) The company where they or their family have interest on.
3. All Bank's Officials are prohibited to work at other companies either as director, staff, consultant or board of commissioner member, unless they have received assignment or written permission from the Bank. Specifically for the members of the Board of Commissioner and Directors, the concurrent position will follow the regulatory provision regarding Good Corporate Governance.
4. All Bank's Officials are prohibited to be a direct or indirect contractor, either goods or service contractor for the Bank.
5. All Bank's Officials are prohibited to take items belonging to the Bank for their own, their families, or other outside party's interest.
6. All Bank's Officials only allowed conducting securities transaction, foreign exchange trading, precious metal, derivative transaction and other goods for their own interest if there is no conflict of interest, the violation of insider trading regulations from the Capital Market Authority, and other regulations.

Position Abuse and Gratification

1. All Bank's Officials have been prohibited to abuse their authority and taking advantage directly or indirectly, from the knowledge gained from the Bank's business activity for: 1) Personal advantage, 2) Advantage for their family member, 3) Advantage for other parties.
2. All Bank's Officials have been prohibited from requesting or accepting, allowing and approving to receive gratification related to their position and contrary to their obligations in accordance with the applicable law and regulations. That includes the prohibition to requesting or accepting, allowing and approving to accept a gift or reward from a third

party who gets or trying to get a facility from the Bank in the form of credit facilities (cash loan and/ or non cash loan), or in the context of purchasing or discounting money orders, promissory notes, check and trade paper or other obligation proof, or other facilities related to the Bank's operational activity. The types of gratification and the reporting mechanism will be regulated in Gratification Control Operational Technical Guidelines.

3. All Bank's Officials have been prohibited to requesting or accepting, allowing or approving to receive a gift or reward from a third party who gets or trying to get a job related to the goods or services procurement from the Bank.
4. In the event of the customer, contractors, and other parties giving gifts in the form of goods or other forms on special occasions such as holidays, certain celebrations, disasters, etc. if: 1) The effect of the gift acceptance is believed to bring negative impact and affect the bank's decision, and 2) The value of the gift is beyond reasonable limits, then the Bank's Officials who received the gift must immediately return the gift with a polite explanations that the Bank's Officials are not allowed to accept any gifts.
5. In the event of gift giving as mentioned in point four above because of one thing or another cannot be returned easily, therefore the Bank's Officials who received the gift must immediately report it to their supervisor to make a follow up in accordance to the applicable regulations.
6. In the event of the customer, contractors, and other parties giving promotional items, as long as the receipt of that promotional item is believed to not have a negative impact and affecting Bank's decision, the Bank's Officials are allowed to accept that promotional item.
7. In the event of the goods and service procurements from the third party for the Bank's official needs, Bank's Officials always try to get the best price with maximum discount. The received discount must be recorded for the Bank's benefit.
8. Bank's Officials are prohibited to use their position to borrow from or owing to the customer.
9. All Bank's Officials are prohibited to take advantage of the opportunity to use Bank's facilities for their own advantage beyond those provided by the Bank.

Implementasi Whistleblowing System dan Code of Conduct

Bank Mandiri has had the whistleblowing system (WBS) mechanism called Letter to CEO (LTC) Program. LTC aimed to detect fraud acts or indications. The management of WBS has been carried out by an



independent party, so that the implementation is more effective. The fraud types that were reported include corruption, swindle, theft, embezzlement, and forgery. A more detailed explanation regarding WBS has already been discussed in the Company Governance section of this Annual Report.

Beside WBS, Bank Mandiri also has implemented the Code of Conduct which is an ethical standard that governs the behavioral of the Bank's Officials in carrying out business activities. The implementation of the Code of Conduct is expected to encourage professional, responsible, reasonable, appropriate, and trustworthy behavior in conducting business relation with fellow coworkers or business partners.

Insiders Behavioral

1. Bank's Officials who have classified information are not allowed to use the information to take advantage for themselves, their family or other third parties, by: 1) Influence the customers or individuals or institutions in conducting transactions with the Bank. 2) Spreading the information to the customers or individuals or institutions.
2. All Bank's Officials have been prohibited to use the internal information to make a purchase, or trade securities, unless the information is widely known to the public.
3. Bank's Officials have been prohibited to abuse their position and take advantage directly or indirectly for themselves, their family member or other parties and/or influencing the decision process related to themselves.
4. The decision making to sell or purchase the Bank's asset and other services has been made to prioritize the Bank's interest without being influenced by the Insiders.

Misrepresentation

1. Bank's Officials who represent the Bank in dealing with third parties have acted according to their capacity and authority.
2. Bank's Officials who represent the Bank have given the correct information, documents, and reports in the correct way.
3. Bank's Officials have avoided the actions that can cause misunderstanding from other parties.

Relation with Work Partner

1. Bank's Officials always prioritize the Bank's interest in dealing with work partner.
2. Bank's Officials prevent corruption, collusion, and nepotism as well as a negative image in dealing with work partner.
3. Bank's Officials in cooperating with the working partner have implemented the professionalism and justice principles based on good faith.

Behavioral in Competing

1. Bank's Officials have been responsible for creating and maintaining healthy competition in conducting business.
2. Bank's Officials have stayed away, avoid and prevent the unhealthy ways of competing to develop their career.

Relation with Other Organization

1. The Bank's Officials have been able to make business contacts with other organizations including competitors as long as they provide benefits to the Bank.
2. The Bank's Officials have avoided all forms of inappropriate collaboration/alliance with other parties.

ACHIEVEMENTS AND AWARDS INITIATIVE SOCIAL RESPONSIBILITIES FOR FAIR OPERATIONS

Bank Mandiri's commitment in implementing social responsibility related to fair operating practices has made Bank Mandiri increase the trust of stakeholders. Bank Mandiri has been awarded for the thirteenth time achieving the title of "Highly Trusted" in the Corporate Governance Perception Index (CGPI) award held by the Indonesia Institute for Corporate Governance. In 2019, Bank Mandiri also became the Top 50 ASEAN Public Listed Companies and Top 3 Indonesian Public Listed Companies in the Asean Corporate Governance Awards. Besides the GCG rating by The Indonesian Institute for Corporate Directorship (IICD) in the ASEAN CG Scorecard 2019 event, Bank Mandiri won the "The Best Overall" category.

Corporate Social Responsibility Related to the Environment



COMMITMENT AND POLICY

Bank Mandiri has set some policies concerning the environment, both in terms of financial products/ services development and environmental conservation. In terms of products and services, the Company has set some policies, including:

1. Bank Mandiri Crediting Policy (KPB) that prohibits financing of businesses or projects that endanger the environment. Concerning this issues, Bank Mandiri sets a Standard Crediting Procedure (SPK) that arranges, among others:
 - a. Requirement for potential borrowers to submit an Environmental Impact Analysis (AMDAL) for compulsory business plan or Environmental Management Effort (UKL) - Environmental Monitoring Effort (UPL), in accordance with applicable regulations of law.
 - b. Requirement for potential borrowers to submit the result of Assessment Program for Company Performance Rank in Environmental Management (PROPER) issued by the Ministry of the Environment.
 - c. Prohibition of issuing credit for businesses posing threat to the environment, including sites of cultural heritage, and protected flora and fauna, and the likes.
2. On the other hand, the policy of Bank Mandiri in terms of environmental management and conservation is realized by providing appeals, announcements, and regulations to minimize the Company's operational impact on the environment. Bank Mandiri always strives for efficient operational efficiency in all of its Working Units that encompass the Group, Regional Offices, and Branches.



IMPORTANT AND IMPORTANT ENVIRONMENTAL RISKS AND RISKS

As a corporation engaged in banking, Bank Mandiri has identified the main risks faced, especially if lending is given to institutions that have environmental problems. Therefore, Bank Mandiri has a Green Banking policy related to the lending process, which is set out in Bank Mandiri's internal policies.

ACTIVITY PLAN

Bank Mandiri as one of 8 (eight) Banks included in Indonesia First Movers on Sustainable Banking, has a passion to become a pioneer of sustainable banking. Concrete steps taken by Bank Mandiri are implementing RAKB 2019 - 2023 which is routinely reported to the Risk Management Policy & Committee (RPMC) and preparing a Bank Sustainability Action Plan 2020-2020 in accordance with POJK No. 51 / POJK.03 / 2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies.

The preparation and implementation of the RKAB is a concrete action by Bank Mandiri in implementing sustainable finance by developing risk management practices that support sustainable finance. Bank Mandiri has consistently implemented credit financing policies in environmentally friendly business sectors where this has been regulated in Bank Mandiri's internal regulations such as:

- a. Bank Mandiri Credit Policy (KPBK) which prohibits financing for businesses or projects that endanger the environment.
- b. Credit Procedure Standard (SPK) which among others regulates:
 - Obligations of prospective borrowers submit Environmental Impact Analysis (AMDAL) in financing to businesses / industries that are required or Environmental Management and Monitoring Efforts (UPL) in accordance with applicable laws and regulations.
 - Obligations of prospective debtors to submit the results of an assessment of the Company Performance Rating Program in Environmental Management (PROPER) issued by the Ministry of Environment, especially for companies that have an important impact on the environment; has a very large amount of environmental pollution or damage; potential to pollute or damage the environment; registered on the capital market both at home and abroad; export oriented.
 - Industry Acceptance Criteria (IAC) Palm Oil which has been updated in several aspects such as not being allowed to distribute Peatland financing, both new and existing debtors of Bank Mandiri; Land area for planted at least 3,000 Ha; preferably HGU land status; Have a Plantation Business Permit; Have an ISPO certificate or at least proof of ISPO registration; Have a SOP for Prevention and Handling of Land Fires, have standard fire handling equipment in accordance with the criteria of the land and have a special fire prevention team that is trained according to the Directorate General of Forestry standards; and Plantation companies with an area of 250 hectares or more are required to facilitate the development of community gardens around a minimum of 20% of the total area of IUP-B or IUP or as stated in the location permit.

Bank Mandiri has also formulated the Sustainability Banking Principles, which are all principles of managing Bank Mandiri activities in aspects of Customer, Business Strategy, Banking Operations, Risk Management, Human Capital and Community Development. In one aspect of Risk Management it is stated that the Bank considers and mitigates all risks including the Environmental and Social risks in business activities.

Other than implementing this strategy, Bank Mandiri also carries out corporate social responsibility activities related to the environment with the following costs:

Activity Category	Implementation Cost (IDR)			
	2019	2018	2017	2016
Environmental / Nature Conservation	300.003.500	-	240.090.250	411.375.000

Bank Mandiri targets that Bank Mandiri's lending activities will always adhere to applicable internal regulations and will always try to avoid giving credit to projects or businesses that are clearly endangering the environment. Bank Mandiri will also ensure that 100% of debtors meet the AMDAL requirements and obtain the BLUE / GREEN / GOLD PROPER rating.

Bank Mandiri also targets energy saving and emission reduction activities with the Green Office Program. This program is a tangible form of contribution in environmental management around the head office in supporting the management of environmentally friendly offices. In its implementation, the office management along with all workers try to implement various saving programs such as saving paper, saving electricity, and saving water through socialization and advice. The program can provide tangible benefits such as reducing operational costs, increasing efficiency, and also improving the image of Bank Mandiri. Activities and activities in support of the creation of a Green Office are carried out through the use of environmentally friendly materials and more efficient use of energy.

LIVING ENVIRONMENTAL PROGRAM ACTIVITIES

The manifestation of Bank Mandiri's support for environmental preservation is reflected in each of Bank Mandiri's activities both at the Head Office and its business activities, among others as follows.

Green Banking

Credit Process

For each credit proposal, either for corporate or commercial sector, discussion of Environmental Impact Analysis (AMDAL) is included as one of the conditions.

In allocating its credits, Bank Mandiri prioritizes environmentally friendly organizations such as those in renewable energy, environmentally friendly transportation, energy efficiency, and those implementing sustainability concept.

- Debtors from the palm oil industry are required to have Indonesian Sustainable Palm Oil (ISPO) certification.
- Debtors from big palm oil industry must also have AMDAL and PROPER;
- Percentage of companies with green and blue PROPER policies of the total amount of allocated credit

The distribution of loans in the plantation industry sector with the largest portion of palm oil commodities in 2019 is presented in the following table:

No.	Comoditi	Number of Debtors	Loans Limit (IDR Billion)	Outstanding Principal Value (IDR Billion)
Corporate dan Retail-SME				
1	Palm oil	707	123.822	91.526
2	Rubber	103	4.850	3.677
3	Cane	60	3.018	2.299
4	Tea	8	419	364
5	Coffee	21	6.185	3.673
6	Other Agro Commodities	96	1.632	993
Total		995	139.927	102.533



Some of Bank Mandiri's loan distribution activities in the plantation industry sector are focused on financing the Corporate and Commercial Segments as follows:

- **Corporate Segments**
Throughout 2019, the portfolio managed by the Corporate segment reached IDR329.76 trillion, with the largest loans distribution being extended to the oil palm plantation industry sector and its derivatives that have passed ISPO certification. This standard is part of a policy made by the Ministry of Agriculture that aims to increase the competitiveness of Indonesian palm oil in the world market, and to participate in order to fulfill the President's commitment to reduce greenhouse gases, and pay attention to environmental issues.
- **Commercial Segments**
During 2019, the Commercial segment managed a portfolio of IDR151.42 trillion, with the largest loans distribution to the palm oil and CPO sectors. The provision of loans is aimed at encouraging the development of an environmentally sound national palm oil and CPO industry through close monitoring of business practices so as not to damage the environment.

When the Corporate, Commercial and Retail-SME segments are combined, the total loans distribution to the plantation industry reaches IDR139,927 billion, still greater than the total retail-micro plantation industry loans distribution with a total loan limit of IDR7,271 billion and a total outstanding principal value IDR 5,020 billion.

As a form of applying the concept of sustainable finance in loans distribution, as well as in preserving the environment, Bank Mandiri has channeled financing to sectors related to environmentally friendly energy, including:

1. Bank Mandiri has disbursed financing to the 515 Megawatt Poso Hydroelectric Power Plant project by PT Poso Energy, the Merangin 350 Megawatt Hydroelectric Development Project by PT Kerinci Merangin Hidro and other hydropower projects.
2. Bank Mandiri has also channeled funding for the Flood Control Infrastructure Development Project and the Umbulan Regional SPAM Project by PT Adhi Karya (Persero).
3. In addition, Bank Mandiri also distributed financing to the Minihidro Power Plant (PLTM) projects, including the Cikaso PLTM project, Silau 2 PLTM, Lebak Baran PLTM, Lebak Tundun PLTM and Segara PLTM by the Salim Group.

Digital Banking

Since the initiation of the use of digital banking in Bank Mandiri's banking activities, Bank Mandiri has made paper savings in customer transactions at the Branch Office. Paper savings are also enhanced through e-billing. Further explanation of Bank Mandiri's digital banking products and services has been explained in the Management Analysis and Discussion section of the Company's Performance in this annual report.

Activities to Save Energy and Water

Bank Mandiri uses energy in the form of electricity and petrol fuel to support its daily operations. The electricity is supplied by PT PLN (Limited Liability Company). And as an alternative source of electricity whenever there is blackout, as not to disrupt operation and services, the Company also provides generator sets. Other than generator set, petrol fuel is also used for the Company's operational vehicles. The types of the petrol fuel used include premium, pertalite, pertamax, pertamax plus, diesel oil, and dex.

Bank Mandiri realizes that both electricity and fuel are non-renewable energy sources and that their availability

is limited, Bank Mandiri takes necessary measures to save their use. In order to save electricity, Bank Mandiri applies the green building concept that is environmentally friendly. The concept is applied by the Company when developing the Mandiri University Complex which was planned to have 15 towers with expected electricity saving of 20%. In the Wijaya Kusuma (WK) area, where Mandiri University is located, a 1.8 hectare artificial lake that serves as a water reservoir was constructed. This will serve as the main water source to be processed into clean water for the buildings around the area, including Mandiri University. In the WK area, the land not allocated for buildings is around 78% of the area, from a total of approximately 20 hectares. So the land allocated for buildings is only about 22%. The open spaces are for a park, green open spaces, an artificial lake, perimeter drainage, pavement, water catchment area, and many more. Therefore, this WK area has already employed the environmentally friendly concept.

Throughout 2019, Bank Mandiri has initiated saving of electricity by replacing ordinary bulbs with LED lights. Air conditioners have also been replaced with environmentally friendly ones. Use of electricity has also been reduced in all working units at Bank Mandiri Offices by turning off lights during lunch breaks and in public area during the day. Electricity saving is also implemented by adding more glass panels in Mandiri Headquarter building. During daylight, electricity during office operational hours can optimize the energy obtained from the sun.

Meanwhile, in order to save the use of fuel, the Company has implemented policies such as reducing the number of physical meetings across offices, including with those with regional offices, and conduct teleconferences instead. The Company also implements the policy of less use of operational cars and replace them with four shuttle buses instead.

In addition to paper and fuel, Bank Mandiri also uses water resources in activities. The Company uses water resources from PDAM (the Regional Drinking Water Company). This water is used for cooling tower, the canteens, the restrooms, the mosque, to water the plants, and many more. Due to limited clean water sources and it costs a lot of money to process raw water to drinking water, Bank Mandiri implements the policy to save water. Other than posting signs of proper use of water, the Company also regularly checks water installation as to ensure proper maintenance and fixing due to leakage or any other damages.

Another measure to reduce the use of clean water is by proving a water recycling facility at the Headquarter. This recycled water can be used for many purposes, including watering the plant. Bank Mandiri also dedicated 30% of the area it possesses, or equal to 13,000 m² from a total of 39,000 m² for a green open area. Other than being used as a water recycling facility, the open area also serves as biopores to catch rain water. As of December 31, 2018, there are 100 biopore holes and it is targeted to continue to grow to become 120 holes in 2019.

As Bank Mandiri uses water supplied by PDAM, instead of ground water, there has never been any complaint from the local community concerning the use of water sources in and around the Headquarter in yearly reports.

Activities to Manage The Environment and The Resulting Waste

In waste water management activities, Bank Mandiri uses recycle water produced from waste water management in the form of sewage treatment plants so as to save on environmental management costs. Because Bank Mandiri uses water sourced from PDAMs and not ground water, during the reporting year, there were no complaints from the public regarding the disruption of the springs in the vicinity of the Head Office location.

In addition to environmental management, Bank Mandiri's operations produce solid waste in the form of waste from office activities, and liquid waste from office waste water. One of the efforts to reduce solid waste is by using energy saving lamps (LED). By using LED lights, the lifespan of the use of the lamp becomes longer, so that the lamp waste becomes decreased. Furthermore, in order not to cause environmental problems, Bank Mandiri provides sufficient trash bins. The collected waste will be disposed of at the Final Disposal Site (TPA) by third parties in collaboration with Bank Mandiri. The waste in the green open area in the form of fallen leaves is used as organic fertilizer. In addition to fertilizing the land, this effort also saves the cost of purchasing fertilizer.

Paper Saving Activity

Daily operations such as office administrations of printing documents and transactions with clients require the use of paper, which is almost inevitable. And as paper is made of pulp from trees, Bank Mandiri attempts to reduce its usage.



Measures taken for this include development of paperless administration and digital banking by making use of available information technology such as emails and mobile applications. Saving is also implemented by not printing non-essential documents, checking for mistakes in documents prior to printing, as to avoid re-printing, printing on both sides, and using used paper for printing of internal administration requirements.

ENVIRONMENTAL CONSERVATION

SOCIAL FORESTRY PROJECT OF MUARA GEMBONG

Starting in 2018, Bank Mandiri has always been support the implementation of the Social Forestry program in optimizing the estuary of the Gembong with acting as a bank channeling People's Business Credit (KUR) for fish farmers. In addition to revitalizing land ponds covering 830 hectares, Bank Mandiri also supports mangrove conservation monitoring program on land planted by several types of plants mangroves, including types of mangroves, fires, pidada, atep, and jeruju. Around the Mangrove conservation location there are some rare animal habitats, including Javan Lutung habitat, Long-tailed macaques, and migratory birds.

SYNERGY CONSERVATION OF BADAK

Rhino is one of the protected animals in Indonesia but with increasing population human and increasing land requirements for shelter causes more narrowness rhino habitat and its increasingly threatened existence. Consider that one of the tasks of BUMN is to participate in nature conservation, then it is appropriate the direction of the Ministry of BUMN, in 2019 the Bank Mandiri synergizes with several BUMNs and companies World Wildlife Fund (WWF) Indonesia and the Foundation Badak Indonesia (YABI) in the form of CSR programs protection and restoration of rhino species, good rhino Javanese and Sumatran rhinos from extinction.

SOCIAL RESPONSIBILITY CHANNEL FOR SOCIAL RESPONSIBILITY RELATED TO ENVIRONMENT

Realizing the environment-related corporate social responsibility, both for products/services development and environmental conservation, Bank Mandiri provides ease of access for members of the community to give feedback or complaints by sending email to our Customer Care at mandiricare@bankmandiri.co.id.

QUANTITATIVE IMPACT OF ACTIVITIES ACTIVITIES OF SOCIAL RESPONSIBILITY FOR LIFE

QUANTITATIVE IMPACT OF GREEN BANKING ACTIVITIES

Implementation of green banking concept in credit disbursement was a form of Bank Mandiri support in maintaining environmental conservation, which resulted in the following impact:

- All (100%) debtors had fulfilled AMDAL requirements with 47,3% of them obtained the predicate of BLUE/GREEN/GOLD PROPER. This will surely result in positive impact for the environment in Indonesia due to the increase of PROPER predicate by various companies.
- Out of the total 57 palm oil companies that became debtors of Bank Mandiri, 44 companies were already/currently in the process of certifying Indonesian Sustainable Palm Oil (ISPO) and 22 companies already had Roundtable Sustainable Palm Oil (RSPO) certification. The certificate indicates the role of the company in environmental conservation. It is expected that as more companies acquire the certificate, environmental conservation shall increase

QUANTITATIVE IMPACT OF ENERGY AND WATER SAVINGS

Throughout 2019, Bank Mandiri has done electricity use savings of 1,842,760 KWh compared to the previous year. Austerity electricity is also sought by reducing radiation sunlight coming into the building with using the Overall Thermal Transfer Value glass (OTTV) is low so that it can reduce usage electricity for air conditioning as well as by doing programs lights out every rest hour throughout Bank Mandiri office.

Electricity Consumption Table

Electricity Consumption Table (KWh)			
Description	2019	2018	2017
Electricity	29.114.400	30.957.160	33.581.522

As for the volume of water use, there was an increase of 29,457 m³ or 9.36%. This is in line with the increase in the number of employees and the increase in Bank Mandiri operational offices. However, the portion of water use from water recycle has increased by 3.64% in 2019. The increase indicates that Bank Mandiri prioritizes the use of water sourced from water recycle in its activities and activities and has been able to reduce waste water leftover.

Water Volume and Source Table

Water Consumption Table (m ³)			
Description	2019	2018	2017
Water volume from the PDAM	239.691	213.897	210.556
Water volume from a water recycle	104.372	100.709	72.554
Total Water Consumption Volume	344.063	314.606	283.110

The results of energy and water saving activities, have also impacted transportation costs and electricity, water and gas costs.

Table of Types and Amount of Electronic Waste

(in million rupiah)

Quantitative Impact	2019	2018
Transportation Cost	499.454	441.454
Electricity, Water, and Gas Cost	562.274	537.431
Total Assets	1.318.246.335	1.202.252.094
Ratio of Transportation Cost to Total Assets	1:0,0003790422	1:0,0003671892
Ratio of Electricity, Water, and Gas Cost to Total Assets	1:0,0004265318	1:0,0004470202

Based on the table above, it appears that when compared to the total assets of Bank Mandiri, there is a decrease in the ratio of Transportation Costs and Costs for Electricity, Water, and Gas. This indicates that the efforts to save energy, water and fuel that have been implemented by Bank Mandiri have been quite successful.

IMPACT OF ENVIRONMENTAL AND WASTE MANAGEMENT ACTIVITIES PRODUCED

As stated earlier, several environmental and waste management activities have had a positive impact. Waste water management in the form of a self-managed sewage treatment plant has reduced the share of water use by the PDAM so that Bank Mandiri can make savings in the cost of using water reaching IDR 2,000 / m³.



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

IMPACT OF ENVIRONMENTAL PRESERVATION

In the Social Forestry Program in Muara Gembong, Bank Mandiri supports a monitoring program of mangrove conservation on the land, which is planted by several types of mangrove plants, including mangrove, fires, pidada, atep, and jeruju. Around the Mangrove conservation site there are several rare animal habitats, including Javan Lutung habitat, Long-tailed macaques and migratory birds. The Social Forestry Program in Muara Gembong collaborates with the Ministry of Environment and Forestry (KLHK) and the Ministry of Maritime Affairs and Fisheries (KKP).

Similarly, in the Rhinoceros Conservation Synergy Program, Bank Mandiri played a role in programs in the form of protection and recovery of rhino species, both Javan and Sumatran rhinos from extinction.

Environmental Certification

In spite of all the savings, business activities of Bank Mandiri brought positive impact for the environment only indirectly. Thus, up to 2019, the Company had no environment-related certification.

ACHIEVEMENTS OF CSR INITIATIVES

Bank Mandiri's commitment to environmental preservation has led Bank Mandiri to increase stakeholders' trust. With the participation of Bank Mandiri in Government and Ministry of SOEs programs related to environmental preservation, the community benefits from economic benefits in the Social Forestry program in Muara Gembong through the provision of KUR and the development and assistance of farm farmers. While the indirect benefits obtained by the community are the preservation of mangrove forests through the Social Forestry program in Muara Gembong, biodiversity can be maintained and the surrounding community is protected from sea water abrasion.



Corporate Social Responsibilities Related to Employment, Health and Safety



POLICY AND COMMITMENT

Employees are important assets for Bank Mandiri. Therefore, the interests of employees are the main priority that must be met and Bank Mandiri always guarantees all rights owned by employees based on applicable laws and regulations. Bank Mandiri has a policy to provide equal treatment for all employees both in employment opportunities, remuneration, and training and development. This is stated in various Human Resources policies and Collective Labor Agreements (PKB) between Bank Mandiri and all Bank Mandiri employees.

Bank Mandiri also has a policy to provide a safe and comfortable working environment. Internal policies related to Occupational Safety and Health (K3) are listed in several company documents, including the following:

- Standard Operating Procedure (SOP) of Business Continuity Management (BCM)**
 SOP BCM is a general guideline in preparing Bank Mandiri to face and protect itself from various potentials of catastrophic financial and non-financial damages as a result of a disaster. The SOP regulates, among others, potential risks that may be experienced by Bank Mandiri, causes of risks, and mitigation procedures. SOP BCM came into effect as of 8 June 2017.



- **Technical Operational Guideline (PTO) of Emergency Response Plan (ERP)**

PTO ERP is a component of BCM as a guideline in maintaining the safety and life of all employees, customers, and third party at the time of disruption/disaster, including rescuing Bank's vital data and assets. ERP procedures are focused on life securing and rescuing. PTO ERP came into effect as of 4 September 2013.

SCOPE AND FORMULATION OF SOCIAL RESPONSIBILITY ON EMPLOYMENT, HEALTH AND SAFETY

The scope of corporate social responsibility activities related to occupational health and safety of the employment consists of employment programs (including gender equality in employment opportunities, equality in education and training programs, use of local labor, remuneration, promotion, freedom of association and retirement training. Furthermore, programs providing health facilities (including Mandiri Club Fitness and granting Insurance BPJS) and work safety programs (including regular inspections of building fire protection equipment to ensure that the fire equipment is functioning properly).

LABOR REGULATION REVIEW

In order to guarantee Bank Mandiri's compliance with provisions related to manpower, a review of the following conditions has been carried out:

Laws and regulations	Principal Settings or Principal Changes	Background	Impact to Bank Mandiri
Minister of Manpower Decree No. 228 of 2019 concerning certain positions that can be occupied by foreign workers	<ol style="list-style-type: none"> 1. Job Classification The positions in this provision refer to the International Standard Classification of Occupations (ISCO), which is published by the International Labor Organization (ILO) and which is further applied by the Indonesian government in the form of the Indonesian Standard Position Classification (KBJI). 2. Non Personnel Position The positions of the Board of Commissioners and the Board of Directors can be occupied by TKA, provided that the position does not have responsibilities related to personnel matters and does not conflict with applicable laws and regulations 3. Unlisted Position If the position to be occupied by a TKA is not registered in Kepmen 228/2019, employers must submit the application for permission related to the employment of the TKA to the Minister or through an appointed official 4. Periodic Evaluation Every position held by a TKA, including the requirements to occupy that position, must be evaluated either every 2 (two) years or at any time if necessary. 	This regulation was issued in the context of implementing the provisions of Minister of Manpower Regulation No. 10 of 2018 concerning Procedures for the Use of Foreign Workers, which regulates certain positions that can be occupied by Foreign Workers.	significant changes.

MANPOWER RISK MANAGEMENT

Throughout 2019, the risk of labor problems can be mitigated properly, this is evidenced by the absence of industrial relations cases and demonstrations from employees to management. This is the result of Bank Mandiri's efforts to meet the needs and expectations of all stakeholders, especially employees.

ACTIVITY PLAN

In relation to occupational, health and safety practices for employees, throughout 2019 Bank Mandiri has set several achievement targets, including:

- Guaranteeing welfare of employees in accordance with applicable regulations and contained in the Collective Labor Agreement;
- Ensuring gender equality in employment opportunities, as well as equality in opportunities for training for all employees;
- Improving the health facility scheme for employees and creating a decent and safe workplace for all Bank Mandiri employees.
- The realization of Bank Mandiri's operational activities that are running in accordance with applicable work safety procedures and standards, so that it is expected that throughout 2019 Bank Mandiri will not record zero work accidents at the Head Office or Branch / Regional Offices.

SOCIAL RESPONSIBILITY ACTIVITIES RELATED TO EMPLOYMENT, HEALTH AND SAFETY

LABOR ACTIVITIES

GENDER EQUALITY IN EMPLOYMENT OPPORTUNITIES

Bank Mandiri continuously provides equal right and opportunity to work regardless of differences in religion, ethnicity, race, social status, skin color, gender, or

other physical traits. Similarly, in appointing potential employees, Bank Mandiri does not discriminate on any grounds, because its decision is based on selection and evaluation results during employee probation and orientation period.

EQUALITY IN EDUCATION AND TRAINING PROGRAMS

Bank Mandiri continuously organizes several methods of education and training programs to support Bank Mandiri's operational activities. It constantly guarantees that every employee has equal opportunity to participate in education and training programs that are performed based on the necessity and development plan of the Company. Further explanation on Education and Training Program performed throughout 2018 can be seen in the Company Profile in this Annual Report.

USE OF LOCAL LABOR

Bank Mandiri constantly seeks to implement employment practices which corresponds to the applicable conditions. In addition to gender equality at work, Bank Mandiri also constantly empowers local manpower as the main human resource in all of its operational and banking activities of the Company. Up to 2019, the number of Bank Mandiri employees amounts to 39.065 persons and there is no foreign employee.

Remuneration

Bank Mandiri constantly complies to the applicable regulation regarding remuneration to the employees. The amount of remuneration is consistent with the applicable regulation and is above the applicable standard of Minimum Wage in the operational areas of Bank Mandiri. In relation to remuneration, Bank Mandiri constantly seeks to maintain salary ratios of all ways to avoid extreme gap of salary.

In the following table, we can see the ratio of the highest and lowest salaries of Bank Mandiri in 2019.

Table of Highest and Lowest Salary Ratio

Description	Rasio
Highest and lowest employee salaries	40,00 : 1
Salaries of the highest and lowest Directors	1,17 : 1
Highest and lowest Commissioner salary	1,11 : 1
Salary of the highest Directors and Highest Employees	1,95 : 1



Promotion

Bank Mandiri's commitment to treat the employees equally is also manifested by providing opportunity to all employees to develop their careers in the bank by promotion. Promotion of Bank Mandiri employees is performed in 2 (two) time cycles, namely Main Promotion Cycle (MPC) and Secondary Promotion Cycle (SPC), under Talent Mobility system.

From the number of employees who get class promotions in 2019, it can be seen in the following table.

Employees Grade Promotion Table

Employee	2019		2018	
	MPC	SPC	MPC	SPC
Leader	2.584	1.031	2.176	2.194
Executing	3.836	2.075	3.342	2.353
Total	6.420	3.106	5.518	4.547
Grand Total	9.526		10.065	

An increase in the number of employees who received promotions in 2018, which was 7.2%. This indicates that employees within the Bank Mandiri environment have a commitment to work as well as a high achievement motive in carrying out their work. that enthusiasm brings results with an increase in employee performance. To that end, Bank Mandiri has given its appreciation by giving promotions to these outstanding employees.

Employees' Well-Being Activity

The welfare of all employees has always been a matter of great concern to Bank Mandiri. This is done so that synergies between employees and Bank Mandiri are always established to create optimal work productivity. Employee welfare improvement programs are provided by Bank Mandiri in both material and non-material forms.

Material programs are welfare programs that are directly related to employee performance and compensation can be given in the form of transportation money, food allowances, pensions, holiday allowances, office fees, bonuses, education fees, medical expenses, official clothing, leave, and death money. While programs that are non-material are employee welfare programs through the provision of facilities and services to all employees of Bank Mandiri without discrimination.

Some of Bank Mandiri's non-material welfare programs that have been running to date include the provision of special lactation rooms for breastfeeding female employees and facilities for employees who already have children in the form of TPA called Mandiri Day Care which is located at Plaza Mandiri Basement 1 with operating hours 07.30-17.30 WIB and open every working day. In addition to these two things, Bank Mandiri also routinely carries out activities aimed at maintaining employee engagement levels, including Happy Hours, Family Gathering and other staffing activities.

To create an atmosphere that makes the employees happy and productive Bank Mandiri uses the smell of the place approach. This approach aims to establish good communication and relations among the employees whether in the daily work activities or in other gathering events. More than half of the Bank Mandiri employees are millennials; therefore Bank Mandiri provides various modern facilities and workspace that fits the millennial's taste. Furthermore, Bank Mandiri provides various training, coaching, and educations through cooperation with various best campuses both at home and abroad to improve its employee's competence. Bank Mandiri also provides various appreciation programs for the employees including salary, bonuses, and various other benefits facilities as well as special appreciation programs such as Mandiri Best Employee, Mandiri Employee Award and National Frontliner Championship.

Freedom of Association

Bank Mandiri seeks to always perform work practices to accommodate employees' rights, which, among others, is to establish Labor Union. Union of Bank Mandiri Employees (SPBM) was established as one of the main methods in achieving a congenial, harmonious, secure, and dynamic industrial relation to guarantee assurance of rights and obligations of the employees or corporate management, composure during work, improvement of employees' well-being, and business performance of the company.

SPBM was established in 2000 and is registered in the Department of Manpower and Transmigration of the Republic of Indonesia No. KEP.804/M/BW/2000 and recorded in the same Department under No. 45/V/P/V/2001. SPBM is located in a head office in Plaza Mandiri 12th Floor, Jalan Jend. Gatot Soebroto Lot 36-38, Jakarta Selatan. SPBM and Bank Mandiri have entered into a Collective Labor Agreement (PKB), the current PKB is the 9th PKB for the 2019-2021 period and has been registered and approved by the Ministry of Manpower Number KEP.277 / PHIJSK.PK / PKB / XII / 2019, December 23, 2019.

THE ROLE OF MANAGEMENT IN EMPLOYMENT POLICY

The management of Bank Mandiri participated in the review process until the signing of the Collective Labor Agreement with SPBM and all policies related to human resources, which were decided at the Board of Commissioners 'Meetings, Directors' Meetings and Committee Meetings to ensure the achievement of harmonious, safe, dynamic and dynamic industrial relations and ensure certainty employee and management rights and obligations are fulfilled.

RETIREMENT TRAINING

In addition to providing competency improvement training for active employees, Bank Mandiri also provides special training for employees who wish to enter retirement, namely the Pre-Retirement Service. The training is given with the aim of forming mentality and expertise as well as equipping employees to remain productive even though they are no longer active employees. In 2019, this training has been opened by 26 batches with a total of 432 employees and spent Rp10 billion. In accordance with the objectives of the training, the material provided for 5 (five) days, inter alia, is related to the preparation of retired employees financially and psychologically.

EVALUATION OF EMPLOYEE TURNOVER

Bank Mandiri is fully aware that Human Capital is one of the most important assets in supporting the

improvement in the quality of the Bank's performance. Therefore, Bank Mandiri always maintains the comfort and security of each employee while working to increase employee engagement with Bank Mandiri. In addition to going through employee engagement surveys, Bank Mandiri also conducts regular monitoring every year of the Attrition Rate (employee turnover rate, both those who resign and leave outside Bank Dependents (CLTB)). That way, Bank Mandiri can analyze and know for certain the profile of the employee who resigned, specifically the reasons / background for resignation of the employee.

During 2019, there were 2,538 Bank Mandiri employees leaving the company. With regard to employee turnover, Bank Mandiri has developed a strategy for employee fulfillment / recruitment so that the amount of human capital remains adequate for the Company's needs, including through the Officer Development Program (ODP) and Staff Development Program (SDP).

Provision of Healthcare Facility

Health is crucial for every one. Each individual is expected to maintain his health by living a healthy lifestyle as early as possible. In that case, Bank Mandiri plays a role in maintaining the employees' health by providing health care facility for the employees and their family members. Bank Mandiri continuously reviewed the benefit of health care facility to improve the well-being of the employees.

Improvement of health care facility is performed by reflecting on the study of benchmark result in several banks and availability of health care budget (Bank capability). This improvement is aimed at aligning the health care facility for Bank Mandiri employees with market trend, as well as managing it to be more effective and simpler to be reviewed in order to enhance the employees' well-being and to maintain competitiveness.

Mandiri Club Fitness

Bank Mandiri provides sport facilities called Mandiri Club Fitness to help maintain the health of all employees. Mandiri Club Fitness was established in 2003 on the initiative of some employees who love to exercise. In recent years, this club is managed by Lifecoach with an experience to manage and provide fitness instructor. Available classes include spinning, zumba, yoga, circuit training, weight training, and ladies training. In addition to fitness, this club also facilitates other types of sport, such as basketball, pencak silat, dancing, and others. Sport facility enables the employees to have fitter body, which, in turn, will increase their productivity.



BPJS INSURANCE

Bank Mandiri also facilitates health benefits through BPJS facilities. BPJS Health payments issued in 2018 amounted to Rp140.7 billion.

Work Safety Activities

Bank Mandiri already has PTO ERP as a guideline/guide in maintaining the safety and life safety of all employees in the Bank Mandiri work environment. This is the Company's effort to always create a decent and safe work environment for all employees.

In the meant PTO ERP, it is more focused on the readiness of equipment and facilities for building safety, readiness to implement human life rescue, and training for employees and the ERP team. Throughout 2018, several activities carried out by the Company related to work safety were as follows:

1. Conduct inspection/checking of building fire protection equipment regularly to ensure that fire equipment can function properly. Checking for Light Fire Extinguishers (APAR) is carried out by the Security Officer every 1 (one) month while the inspection of the Systematic Fire Extinguishers (APAT) and Fire Alarms is carried out by the building manager in collaboration with the Fire Extinguisher Service which is conducted every 1 (one) once a year.
2. Along with planning consultants, conduct standardization of specifications, placement of building safety devices, and evacuation routes, included in the standard guidebook for renovating office buildings, that are prepared and reviewed every 1 (once) or as needed.
3. Submitting emergency information to Employees, Guests and Building Emergency Response Teams through the installation of posters of fire/earthquake emergency evacuation instructions, performing of emergency procedures videos on internal television media, safety briefings before conducting events and socializing the functions and roles of emergency response teams once every 1 (one) year by inviting speakers from the Fire Department.

Details on the implementation of employee safety related activities can be seen in the following table:

Type of Activity	Target of Activities	Participants
Emergency Information Dissemination	Once a year	Employees appointed as emergency response teams
Emergency Evacuation Simulation	Once a year	All employees/teams and residents of other buildings
Fire Fighting Exercise	Once a year	Employees appointed as emergency response teams
The exercise of the Emergency Response Team	Once a year	Emergency Response Team (ERT)

Bank Mandiri also routinely conducts Dissemination on Building Emergency both at the Head Office and at the Regional, Area and Branch Offices. Details on the implementation of Information Dissemination on Building Emergency activities can be seen in the following table.

Table of Implementation of Information Dissemination on Building Emergency

Office Building Location		Information Dissemination Material	Execution time	Participants
Head Office				
1	Plaza Mandiri	Fire Safety Management	20 August 2019	Employee Representatives at Plaza Mandiri
2	Menara Mandiri Jakarta	Information dissemination on structure fire	15 October 2019	All Residents of Menara Mandiri Building

Office Building Location		Information Dissemination Material	Execution time	Participants
3	Sentra Mandiri	Simulation and Exercise on Handling of Structure Fire	17 October 2019	The Team for PKL (street vendors) and Employee Representatives at Sentra Mandiri
4	Wisma Mandiri II	Simulation and information dissemination on Fire Disaster Emergency Response	4 December 2019	Employee Representatives at Wisma Mandiri

1. Conducting emergency response preparedness training for building occupants, Building Emergency Response Teams and ERP Teams including fire suppression training, basic life-assistance training (P3K), first responder training (search and rescue) conducted at least once a year.

Details on the implementation of employee safety related activities can be seen in the following table:

Table of Implementation of Emergency Response Team Training

Type of Training	Location / Building	Implementation time	Peserta
Fire Fighting Training	Plaza Mandiri	September 21, 2019	Employee Representative at Plaza Mandiri Building
Fire Fighting Exercise using APR	Menara Mandiri	October 12, 2019	Employee Representative at Menara Mandiri Building
Building Fire Fighting Simulation and Exercise	Sentra Mandiri	October 18, 2019	Employee Representative at Mandiri Sentra Building
The use of hydrant pillars	Wisma Mandiri II	November 23, 2019	PKL Team in Wisma Mandiri Building

2. Conduct building fire emergency evacuation simulations to building occupants to measure the readiness of the Emergency Response Team and measure the time of evacuation from the location of the building to the gathering point. The simulation is carried out every 1 (one) year which is also attended by the Fire Department.

Bank Mandiri also routinely conducts Building Fire Emergency Evacuation Simulations at the Head Office and at the Regional, Area and Branch Offices. Details on the implementation of Building Fire Emergency Evacuation Simulation activities can be seen in the following table.

Table of Implementation of Building Fire Emergency Evacuation Simulation

Office Building Location		Implementation time	Participants
1	Plaza Mandiri	15 November 2019	All building occupants in Plaza Mandiri
2	Menara Mandiri Jakarta	17 October 2019	All building occupants in Menara Mandiri
3	Sentra Mandiri	18 October 2019	All building occupants in Sentra Mandiri
4	Wisma Mandiri II	30 December 2019	All building occupants in Wisma Mandiri

In addition to implementing the ERP Procedure on a regular basis, Bank Mandiri also includes all of its employees as participants in Social Security (Jamsostek) through Employment BPJS. The BPJS Employment program that was followed included the Old Age Insurance Program (JHT), Work Accident Insurance Program (JKK) and the Death Assurance Program (JK). Whereas for employees who carry out the activities of Escort Transport of Money and Valuables, Life Insurance is carried out.



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

Payment of BPJS Employment contribution for Old Age Guarantee, Death Guarantee, Work Accident Guarantee and Pension Guarantee of IDR377 billion. Meanwhile, BPJS Health payments amounted to IDR140,7 billion.

COMPLAINT CHANNEL OF SOCIAL RESPONSIBILITY ON EMPLOYMENT, HEALTH AND SAFETY

As a company that always strives to comply with applicable laws and regulations, where one of them is Law no. 13/2003, Bank Mandiri established a mechanism for complaints about manpower issues relating to employment relations, working conditions and employment conditions by promoting mutual respect, respect and cooperation to provide the best solution in dealing with problems while still upholding professional ethics. Workers' complaints are done in stages according to the following hierarchy:

- The first level is between Employees and direct supervisors;
- The second level is between the Employee and the supervisor from his direct supervisor;
- The third level is between Employees and Regional Offices / Groups with the knowledge of the Human Capital Engagement Group; and
- If the problem cannot be resolved (internally) bipartite, then the resolution effort is carried out according to the applicable laws.

This mechanism is implemented through several forms such as the formulation of PKB, the formation of employee unions, the Bipartite Cooperation Institute between Bank Mandiri and employees and the availability of a forum for employees to pour out complaints regarding work problems called HC4U.

QUANTITATIVE IMPACT OF EMPLOYMENT, HEALTH AND SAFETY ACTIVITIES

The impact of implementing social responsibility activities related to employment is the high level of employee engagement. Bank Mandiri received an award related to human capital management, namely as the Top 100 Asia's Best Employer Brand in the 14th Employer Branding Awards held by the World HRD Congress.

The implementation of the health facility program by Bank Mandiri aims to improve welfare and motivate employees so that it is expected to have an effect on employee productivity. Good management of health facilities by Bank Mandiri throughout 2018 has had an impact on the productivity level of Bank Mandiri employees. In 2018 Bank Mandiri employee productivity was recorded at Rp1,870.29 million per employee, an increase from 2017 which was recorded at Rp1,854.89 million per employee.

As a form of operational activities that have been carried out in accordance with procedures and work safety standards in force, so throughout 2019, Bank Mandiri did not record any work accidents (zero accidents) in Bank Mandiri's operational activities at the Head Office or Branch / Regional Offices.

CERTIFICATIONS

Bank Mandiri telah mendapatkan beberapa sertifikasi yang mendukung jaminan keselamatan kerja karyawan sebagai berikut:

Types of Certification:

BS EN ISO 9001 : 2015

Bank Mandiri has received several certifications that support the guarantee of employee work safety as follows:

Validation:

August 8, 2018-August 8, 2019

Issued By:

NQA

Types of Certification:

BS OHSAS 18001:2007

General Construction and Maintenance Services of Civil Engineering Works, Buildings, Roads, Bridges, and Irrigation

Validation:

August 7, 2018-July 23, 2019

Issued By:

NQA

Social Responsibilities Related to Responsibility to Consumers



COMMITMENT AND POLICY

In carrying out the company's responsibilities to consumers, Bank Mandiri refers to policies and regulations that apply in Indonesia, namely:

1. Financial Services Authority Regulation No. 1 / POJK.07 / 2013 concerning Consumer Protection in the Financial Services Sector.
2. Bank Indonesia Regulation No. 7/7 / PBI / 2005 concerning Settlement of Customer Complaints, which has been amended by PBI No. 10/10 / PBI / 2008 Regarding customer protection.

To complement these regulations and in order to support the spirit of a remarkable customer experience (CX) in particular the resolution of customer complaints / complaints, Bank Mandiri has also compiled and implemented comprehensive guidelines relating to the management of customer complaints in the form of Standard Operational Guidelines (SPO) for Customer Complaints Management.



FORMULATION OF SOCIAL RESPONSIBILITY RELATED TO CONSUMERS

Perumusan kebijakan maupun inisiatif strategis dalam hal pemberian layanan pada semua touch point maupun produk yang ditawarkan kepada nasabah, selalu mempertimbangkan 3 (tiga) *critical point*, yaitu:

1. Compliance critical, i.e. every policy, product offered, as well as new / existing strategic initiatives that are made not in conflict with regulations (internal or external), and continues to conduct ongoing reviews in the form of control testing activities and follow-up on internal audit findings.
2. Customer critical, namely every policy, product offered, and strategic initiatives made to provide comfort for customers, which are represented in the slogan "Soul Service" namely "Fast, Reliable, and Comfortable" which has been implemented by Bank Mandiri since 2015. This is reflected in the Service Level Agreement (SLA) review activity and the workflow for complaint resolution and customer satisfaction measurements that are carried out regularly every year.
3. Business Critical, which is every policy, product offered, and strategic initiatives made to benefit the Bank's business or work processes that are more optimal / increase efficiency as a form of contribution to improving the Bank's performance.

In the 2019 satisfaction survey information was also extracted related to customer expectations of banking services. The results were obtained that the customer's expectations of the bank were fast-responding services and Bank Mandiri was able to meet these expectations. This is evidenced by the higher Bank Mandiri satisfaction rate compared to the banking industry.

SOCIAL RESPONSIBILITY ACTIVITY PLAN TO CONSUMERS

In accordance with the Company's spirit to provide positive customer experience (CX) to all customers, responsibility of Bank Mandiri to customers, such as:

1. Providing service guarantees in the form of Standard Level Agreement (SLA) complaints that is continually reviewed and updated refer to customer expectations. Besides, Determination of complaint SLA amount according to the policies and regulations that apply in Indonesia, in this case the written complaint is completed within 20 (twenty) working days, and under certain conditions can be extended for the next 20 (twenty) working days.
2. Conducting banking education to all elements of society, as a form of responsibility of the Company in the Spirit of Propering the Nation.
3. Conducting customer satisfaction surveys as part of improving the quality of products and services provided by the Company to customers.

ACTIVITY

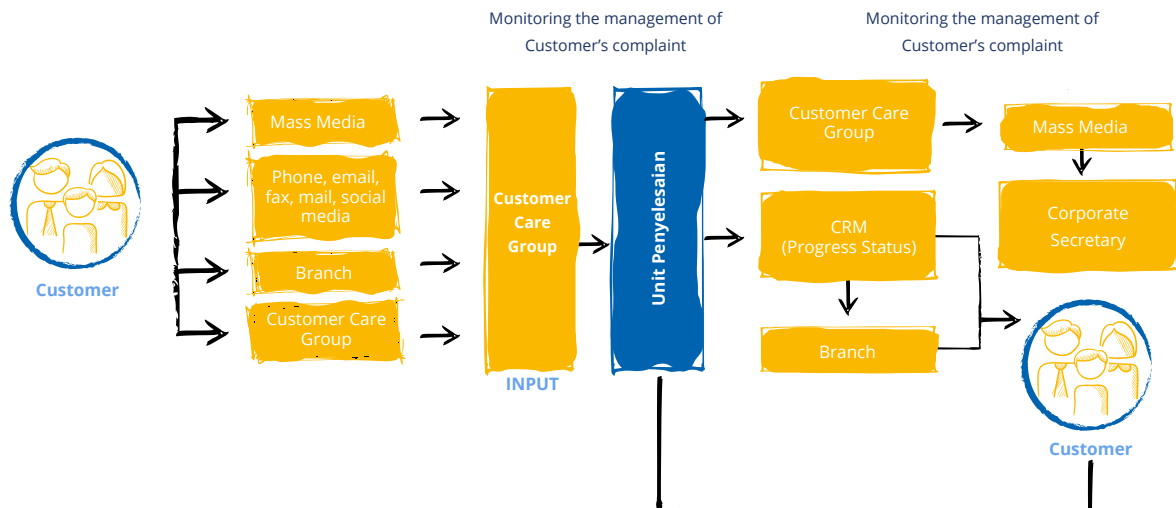
Customer Complaint Activities

As a form of the openness of Bank Mandiri for every customer complaint, Bank Mandiri facilitates customer complaints through various media such as:

1. Mandiri Call 24-hour service at 14000.
2. Website www.bankmandiri.co.id by choosing menu "contact us".
3. E-mail: mandiricare@bankmandiri.co.id.
4. Twitter Account @mandiricare.
5. Facebook Account "Bank Mandiri".
6. Telegram, at 0811-84-14000 (Telkomsel).
7. Official letter that is addressed to Bank Mandiri either delivered directly, sent by post or facsimile.
8. Bank Mandiri Branch Offices throughout Indonesia.

Handling Customer Complaints

In order for all customer complaints to be dealt with in a fast and effective process, Bank Mandiri conducts coordination with the picture of customer complaint flow stages, as follows:



All complaints that have been received from various types of media complaints are then forwarded directly to the settlement unit related and monitored directly by the Customer Care Group (CCG) to ensure that the settlement of complaints will be carried out in accordance with the established Service Level Agreement (SLA). Whereas, specifically for complaints made through mass media, CCG coordinates with the Corporate Secretary Group in monitoring complaints responses in related media. Additionally, CCG also provides policies for special complaints according to criteria and reporting customer complaints to regulators.

As a form of excellent service provided by Bank Mandiri to customers, data related to the resolution of customer complaints and complaints that have been carried out by Bank Mandiri within the past 5 (five) years can be seen in the following table.

Types of Customer Complaints	2019	2018	2017	2016	2015
Interest / Profit Sharing / Profit Margin	14	8	4	8	34
Fines / Penalties	45	14	7	31	90
Administration / Provision / Transaction Fees	133	85	107	81	156
Transaction Failure / Delay	566.809	482.297	312.740	209.879	295.027
Bill Amount / Account Balance	26.143	18.733	17.058	11.625	236
Etc	141	175	239	5.173	9.883
Total	593.285	501.312	330.155	226.797	305.426
In the Process of Completion	4.372	0	0	0	0
Has been resolved	597.657	501.312	330.155	226.797	305.426

Based on the data above, along with an increase in the number of transactions it can be seen that there is also an increasing trend in the number of complaints that have been resolved from 2015 to 2019. This indicates that Bank Mandiri has always tried to answer all complaints / complaints of its customers as a form of Bank Mandiri's accountability to the Customer.

Confidentiality of Customer Data

The confidentiality of Customer Data is regulated in internal provisions of Bank Mandiri, including the Technical Operational Guidelines (PTO) Transparency in the Use of Customer Personal Data (TPDPN) effective from November 10, 2015. This PTO regulates operational procedures related to TPDPN to new and existing individual Customers.



Provisions regarding the use of Customer's personal data (which is in the Bank) for commercial purposes must be carried out transparently and carried out based on the written agreement of the Customer. In the PTO, among others, it regulates the functions and duties of the management work unit and the mechanism for managing TPDPN.

Product Information Activity

In order to realize a high commitment to protect customer rights, then throughout 2018, Bank Mandiri has carried out various programs and social responsibility activities in the product and customer fields. The implementation of the policy that have been made include:

Customer Education

To expand the reach of education programs for customers, Bank Mandiri utilizes website www.bankmandiri.co.id and branch offices, ATMs, flyers, brochures, television, radio, websites, social media, indoor media and other advertising media to deliver educational materials about products and services available at Bank Mandiri. In addition, in 2018, Bank Mandiri has also conducted educational programs for customers of Bank Mandiri and the general public that aim to improve public financial literacy. The implementation of customer education events titled "Mandiri Edukasi 2018" in 5 (five) cities with the following information.

No.	City	Schedule Implementation	Topic Education
1.	Universitas Padjajaran – Bandung	Tuesday, April 30, 2019	<ul style="list-style-type: none"> Entrepreneurship "How to Build a Startup" The Smart Way to Invest
2	Universitas Tanjungpura – Pontianak	Thursday, October 3, 2019	
3	Universitas Jambi - Jambi	Thursday, November 14, 2019	
4	Institut Teknologi Sepuluh Nopember - Surabaya	Tuesday, November 26, 2019	
5	Universitas Udayana – Denpasar	Friday, November 29, 2018	

To ensure that the education program is effective in improving public financial literacy, Bank Mandiri conducted an Effectiveness Survey on a total of 784 respondents who were participants in the "Mandiri Edukasi 2018" event from the city: Bandung, Padang, Tangerang, Bengkulu, and Yogyakarta. From the survey results, information was obtained that the education program had been effective in improving public financial literacy.

Mandiri Intelligent Assistant (MITA)

It's time to ask
MITA

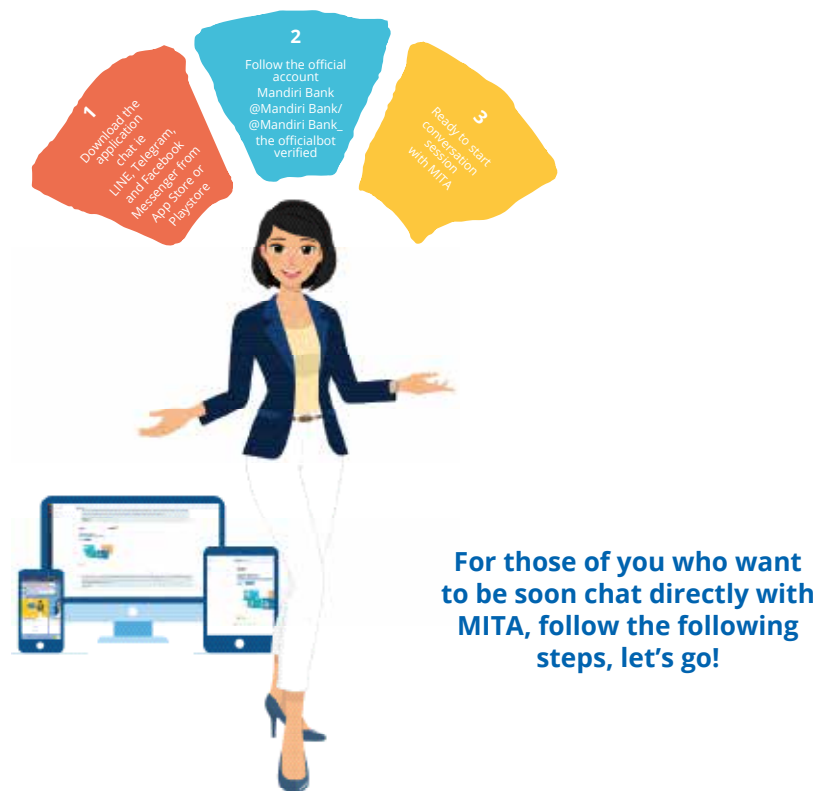


"The presence of MITA answers the challenges of Bank Mandiri in providing comprehensive services to various customer groups, especially millennial customers who are more familiar with social media"

To improve the quality of service to customers, Bank Mandiri added features of the Bank Mandiri website with Mandiri Intelligence Assistant (MITA). MITA is an information service for customers based on chat applications that can be accessed directly by users via cell phones to find out information about products, services, promotions, ATM locations and branches.

Bank Mandiri presents MITA to address the growing challenges of digital transformation in Indonesia, which is a form of the Company's adaptation to trends and service needs of modern contact center. MITA services are believed to be able to accelerate and facilitate customer interactions with banks so that in the future it is expected to help the Company win competition in the financial industry. In addition, this digital-based service is expected to meet the needs of customers from the millennial generation, which amounts to 43%.

The scope of MITA services is the delivery of information regarding Bank Mandiri products and services. MITA does not serve the delivery of information related to bank secrets as stipulated in the legislation and related to the customer's financial data.



COMPLAINTS CHANNELS

As a form of responsibility and openness of Bank Mandiri to its customers, any complaints or complaints from customers can be submitted to the Company through several facilities as mentioned previously, namely, among others, Mandiri Call, website, email or social media owned by Bank Mandiri (Twitter, Facebook and Telegram). Customers can also go directly to Bank Mandiri Branch Offices throughout Indonesia or submit complaints through official letters delivered directly, sent by post or facsimile.

IMPACT OF SOCIAL RESPONSIBILITY ACTIVITIES TO CONSUMERS

CUSTOMER SATISFACTION RESULTS

To find out the extent of Bank Mandiri's customer satisfaction levels in 2019, Bank Mandiri collaborated with PT Kadence International to conduct a Customer Satisfaction Survey on branch contact points and electronic banking (e-banking). Through the survey, 2 (two) values were obtained, namely Customer Satisfaction Score (CSAT) and Net Promoter Score (NPS). The survey method used is Face to Face Interview. The results of the survey show that overall the assessment of Bank Mandiri CSAT and NPS in 2019 is higher than the banking industry figures as can be seen in the following table:

**Table of Results of Customer Satisfaction Survey Branch Contact Points and e-Banking**

Contact Point	CSAT		NPS	
	Bank Mandiri	Industry	Bank Mandiri	Industry
Service Branch	83,32	82,13	39	31
e-Banking	82,56	81,86	32	32
Overall	82,73	81,92	36	33

In addition to measuring the two contact points above, Bank Mandiri also conducted a Customer Satisfaction Survey of the Retail and Wholesale business segments. The results of the 2019 survey showed that Bank Mandiri obtained a value of satisfaction above the value of the banking industry.

Tabel Hasil Customer Satisfaction Survey Segmen Bisnis Retail dan Wholesale

Business Segment	CSAT		NPS	
	Bank Mandiri	Industry	Bank Mandiri	Industry
Retail	85,09	81,84	39	26
Wholesale	82,91	81,33	36	19
Overall	84,18	81,62	38	25

CONFIDENTIALITY OF CUSTOMER DATA

In 2019, there were 5 complaints from customers related to data leakage and customer data confidentiality. 4 (four) of the 5 (five) complaints have been resolved properly in accordance with the SLA of the complaint that has been determined and the customer is well received the settlement of the complaint. 1 (one) complaint is still in the process of completion.

CONSUMER FIELDS INITIATIVE ACHIEVEMENTS

As a form of excellent service provided by Bank Mandiri to customers, Bank Mandiri always strives to immediately follow up and resolve complaints and complaints submitted by its customers. As for the 597,657 customer complaints that occurred in 2019, a total of 593,285 or more than 99% of complaints have been resolved. This proves the commitment of Bank Mandiri in providing the best service to customers as a stakeholder.

In addition, with the high level of settlement of customer complaints, customer confidence has also increased so as to indirectly improve the financial performance and net profit of Bank Mandiri, there is an increase in the amount of dividends that Bank Mandiri can provide to shareholders.

APPRECIATION

One of the newest channels provided by Bank Mandiri to provide convenience to obtain information related to Bank Mandiri is a chat application that can be accessed directly by customers, namely Mandiri Intelligence Assistant (MITA). As a form of excellent service through this service, MITA succeeded in getting the 1st Best Chatbot award for the category of Commercial Banks given based on the results of the Indonesian Marketing Research (MRI) survey and Infobank Magazine in 2019.

CERTIFICATION

Bank Mandiri's commitment to provide the best service to customers is also supported by the following certifications

Certification Type: ISO 9001: 2015 Customer Information Management Department Customer Care Group Validation: August 1, 2018 - July 31, 2020 Issued by: SGS	Certification Type: ISO 9001: 2015 Mandiri Contact Center Department Customer Care Group Validation: October 1, 2018 - September 30, 2020 Issued by: SGS
---	--

Corporate Social Responsibility to Community Social Development



Corporate social responsibility related to social development is a translation of one of the Bank's missions, namely caring for the interests of the community and the environment, as the company's contribution to improving people's welfare. In addition to the Social and Environmental Responsibility (TJSL) program and the Community Development Program (BL), Bank Mandiri also implements education and entrepreneurship independence programs and the Financial Inclusion program.

POLICY AND COMMITMENT

In implementing social responsibility related to social development, Bank Mandiri complies with the regulation of the Minister of State-Owned Enterprises of the Republic of Indonesia Number: PER-02 / MBU / 7/2017 concerning the Second Amendment to the Regulation of the Minister of State-Owned Enterprises Number PER-09 / MBU / 07/2015 About the Partnership Program and the Environmental Development Program of State-Owned Enterprises.

In addition, Bank Mandiri's internal policies related to responsibility for social development have been regulated and stipulated in the Standard Procedure Standards for the Corporate Secretary Procedure, which includes implementation of the Partnership Program and the Community Development Program, which was last updated on December 16, 2019.

RELEVANT SOCIAL ISSUES

As a company engaged in the banking industry, relevant social issues in particular are in terms of channeling funds to micro, small and medium scale businesses. Bank Mandiri emphasizes the principle of financial inclusion by organizing various programs including: The Education and Entrepreneurship Independence Program which includes the Independent Young Entrepreneur program (WMM) and Mandiri Sahabatku and the Financial Inclusion Program, the Branchless Banking Agent program. In addition, as a State-Owned Enterprise, the issue of Community Development is also a relevant issue. Bank Mandiri organizes a variety of



Performance Highlights



Report of the Board of Commissioners and Directors



Company Profile



Management Discussion and Analysis on Company Performance



Human Capital

Community Development programs including: The Mandiri Social Care Community Development Program including the BUMN Creative House Program and the Kenalan Village Economic Development Program (Balkondes), Magelang. Then there are the Present State BumN Programs including the Student Know Your Archipelago Program and the Certified Student Internship Program (PMMB). In addition, there is the Non-Cash Social Assistance Distribution Program and the Muara Gembong Social Forestry Project Program.

SOCIAL RISK

As a corporation engaged in banking, Bank Mandiri has identified risks faced by corporate social responsibility activities related to social development including the risk of misuse of assistance, the risk of mismanagement and the risk of invalidity in aid proposals. Therefore, Bank Mandiri conducted a survey in assessing the feasibility of the proposal, among others to monitor the object of assistance and the appropriateness of the amount of assistance to be provided, as well as to monitor both before, at the time of delivery and after providing assistance to the CSR activities.

SCOPE AND FORMULATION OF SOCIAL RESPONSIBILITY, SOCIAL DEVELOPMENT, COMMUNITY

The scope and formulation of corporate social responsibility towards social development include the Education and Entrepreneurship Independence Program (covering Independent Young Entrepreneurs and Friends of My Friends), Financial Inclusion Programs, and the Social and Environmental Responsibility Program (covering Mandiri Community Social Development Development: Village Economic Development Balkondes) Acquaintances in Magelang and SOEs creative houses, as well as the BUMN Program Present for the Country consisting of: Students Knowing the Archipelago, Certified Student Internship Program, and Muara Gembong Social Forestry).

SOCIAL RESPONSIBILITY ACTIVITIES PLAN

As part of the community, Bank Mandiri always harmonizes its presence and business activities in the community. Therefore, Bank Mandiri is committed to continuing to run community development and empowerment programs in order to achieve an independent and prosperous community.

SOCIAL RESPONSIBILITY ACTIVITIES IN THE SOCIAL DEVELOPMENT OF COMMUNITY

INDEPENDENCE AND EDUCATION INDEPENDENCE PROGRAM

The Education and Entrepreneurship Independence Program is the basis for producing young leaders who are independent and have high competitiveness in facing all the challenges of increasingly fierce global competition in future generations. In realizing this program, Bank Mandiri has had several strategic programs, including the following:

MANDIRI YOUNG ENTREPRENEUR (WMM)

The Mandiri Young Entrepreneur Program (WMM) is a program that invites young people to become entrepreneurs. WMM is an appreciation of Bank Mandiri to young entrepreneurs who excel at the same time supporting the Ministry of SME program in improving quality MSMEs in Indonesia through managerial skills training, networking and offline publications.

2019 is the 12th year of Bank Mandiri implementing the WMM program and presenting Expert Judges such as Dimas Djayadinigrat Creative Artists, Chef Renatta Moeloek, Nicholas Saputra Artis and social activist and Shinta Dhanuwardoyo as an Expert in Technology. Since it was first held, the WMM program has always been enticed by Young Entrepreneurs throughout Indonesia with the highest number of participants recorded in 2014 of 7,718 participants.

2007 conducted in Jakarta, >500 Participants	2008 Conducted in Jakarta, 1.057 Participants	2009 Conducted in Jakarta, >2500 participants	2010 Conducted in Jakarta, 3.395 participants	2011 Conducted in Jakarta, 3.751 Participants	2012 Conducted in Jakarta, 4.725 participants
2013 Conducted in Jakarta, 6.745 Participants	2014 Conducted in Jakarta, 7.718 Participants	2015 Conducted in Yogyakarta, 6.572 Participants	2016/2017 Conducted in di Bogor, 6.064 Participants	2018 Conducted in Malang, Jawa Timur 898 Participants*	2019 Conducted in Jakarta 3.075 Participants

* Changes in the concept of WMM registration, in which WMM became closed online which consisted of 30 Universities and 10 Communities

With the spirit of “Brave Young, Brave Work”, WMM 2019 was held with a series of activities, namely Zone Judging, National Judging, Company Visit, and Awarding Ceremony. The series of WMM 2019 Final Activities will be held from October 4 – 12, 2019, while the night of the WMM 2019 Grand Final will be held at Gandaria City Hall, Gandaria City Mall, Jakarta on October 11, 2019.

MANDIRI SAHABATKU

Since 2011, Bank Mandiri has continued to demonstrate its commitment to encourage the competence and entrepreneurial abilities of Indonesian Migrant Workers (PMI) abroad through the entrepreneurship education program, Mandiri Sahabatku. As a series of programs, in Indonesia is also supported by training and business assistance with successful entrepreneurs in the field of Salon, Meatballs, Chicken Noodle and Chips Souvenirs, Workshop, Agriculture, and Animal Husbandry through the Foster Father / Mother Program. Until 2019 my best friend's Mandiri Program has been implemented in several PMI destination countries namely Hong Kong, Malaysia, South Korea and Japan and has produced 13,358 alumni.

In 2019, more than 700 participants joined the Mandiri Sahabatku class, which in essence provided additional knowledge about financial planning and entrepreneurship as capital when returning to Indonesia. Until 2019, Mandiri Sahabatku has fostered more than 30 new entrepreneurs through the Foster Father / Mother program. As many as 3 participants have joined the class of Foster Mother Crisps, 6 participants have taken the class Foster Mother/Father Salon, 15 participants have taken the class Foster Father Bakso and 9 participants have taken the class Foster Father Workshop.

FINANCIAL INCLUSION PROGRAM

Agent of Branchless Banking

To support the financial inclusion program, Bank Mandiri has implemented the program also implemented the Laku Pandai program nationally as of July 13, 2016 in order to support the implementation of Officeless Financial Services in the Context of Inclusive Finance or LAKU PANDAI with reference to OJK Regulation No. 19 / POJK.03 concerning Financial Services without Offices in the Context of Inclusive Finance and OJK Circular and OJK Circular No. 6 / SEOJK.03 concerning Officeless Financial Services in the Context of Inclusive Finance by Banks. This activity is one of Bank Mandiri's efforts to increase access to banking services to unbanked people in both urban and rural areas and as the implementation of financial inclusion programs.

To support the program, Bank Mandiri continues to strive to increase the number and distribution of Branchless Banking Agents in all regions of Indonesia, especially for areas not covered by Bank Mandiri Branches. In addition, since July 2016, Bank Mandiri has made a product with the brand name Mandiri Simpanan Makmur (SIMAKMUR) to support the LAKUPANDAI initiative, mainly in the form of a Basic Saving Account (BSA) savings product. SIMAKMUR is a deposit account in Rupiah for individuals who have never had an account at Bank Mandiri and its implementation is carried out in accordance with the applicable terms and conditions.



As of the end of 2019, Bank Mandiri had 101,744 branchless banking agents, consisting of 89,851 individual agents and 11,893 Legal Entity agents. The number of branchless banking agents grew 46.3% compared to the number of branchless banking agents in 2018 of 69,526 agents. These agents have contributed positively in the case of acquiring accounts which accounted for 3,684,235 million savings accounts with a volume of funds as of December 2019 reaching IDR 151.26 billion

The internal policies related to branchless banking have been regulated in the form of PTO as follows:

- PTO Officeless Financial Services in the Framework of Inclusive Finance (Smart Practice) which discusses the duties and responsibilities of each work unit in the process of implementing Smart Practice, the authority to decide and operational provisions.
- PTO Mandiri Tabungan SiMakmur Branchless Banking Product Code which discusses the flow of the process in opening a SiMakmur account, depositing, withdrawing, changing data, blocking, closing, to managing customer complaints.

PROGRAM FOR SOCIAL AND ENVIRONMENTAL RESPONSIBILITY AND ENVIRONMENTAL DEVELOPMENT

In addition to entrepreneurship and financial inclusion programs, Bank Mandiri also distributes other social assistance to stakeholders in the environment surrounding the company's operations while continuing to adhere to the principles of Good Corporate Governance. The form of Social and Environmental Responsibility TJSL programs implemented by Bank Mandiri include in the areas of Disaster Assistance, Education Assistance, Health Assistance, Assistance for Public Facilities and Worship, and Assistance for Environmental Preservation.

The Mandiri Environmental Care program has been delivered in the Corporate Social Responsibility section related to the Environment. Whereas the TJSL activities carried out by Bank Mandiri in all work areas / Bank Mandiri Region are illustrated in the following infographics:

No.	Activity	The place	Date	Impact
1	Disaster Emergency Response Assistance in the Sunda Strait of the Tsunami Tsunami Pandeglang, Banten	Region III - Pandeglang, Banten	January - February 2019	Helping communities to recover from the effects of disasters in the form of temporary shelter
2	Community Social Forestry in Muara Gembong	Region IV - Muara Gembong, Bekasi Regency	Throughout 2019	Revitalizing ponds and their infrastructure and provide guidance and assistance to farmers. Bank Mandiri also supports a mangrove conservation program on the coast of Muara Gembong
3	BUMN Certified Internship Program	Region IV	Throughout 2019	Providing facilities for students to gain a certified internship experience
4	Implementation of the Republic of Indonesia's Attorney's Low-Cost Market in Jakarta	Region V - Jakarta	May 2019	Helping the community to obtain affordable food supplies in collaboration with the Indonesian Attorney General's Office
5	Empowerment of Farmer Communities and the construction of the Rice Milling Unit in Pamarican Ciamis	Region VI - Pamarican, Ciamis	May 2018 - February 2019	Helping the economy of village farmers in the form of rice processing plants and harvesting and supporting infrastructure for storing and distributing rice from local farmers
6	Development of the Village Economic Center in Mekarwangi Village, West Bandung Regency	Region VI - Mekarwangi Village, West Bandung Regency	September - November 2019	Supporting the economy of the community through the development of the tourism sector
7	Educational facilities (computer) assistance for students of SMPN 6 Surabaya	Region VIII - Surabaya	April 2019	Students of SMPN 6 can learn to use proper computer facilities

No.	Activity	The place	Date	Impact
8	Procurement of Excavators (Excavators) for the Government of the City of Surabaya in the context of flood prevention	Region VIII - Surabaya	December - January 2019	Assisting the Surabaya City Government in normalizing the river in the form of procuring heavy equipment so that the people of Surabaya can be free from floods
9	New Classroom Assistance for Extraordinary Schools (SLB) Dharma Asih Pontianak	Region IX - Pontianak	May - July 2019	Assisting in teaching and learning facilities in the form of classrooms so that students can learn more properly.
10	Relief assistance for victims of the Central Sulawesi Earthquake Disaster (Palu, Donggala, dan Sigi)	Region X	October 2018 - January 2019	Helping the community to recover from the effects of the earthquake disaster in the form of temporary shelter, food, clothing, and materials needed to survive in refugee camps
11	Construction of Facilities and Infrastructure of Primary Schools and Teachers' Houses on Rinca Island Labuan Bajo - NTT	Region XI - Rinca Island, Labuan Bajo, NTT	July - August 2019	Students can learn more freely and also the presence of new facilities can accommodate more students, and also to facilitate teachers to be able to teach with better conditions
12	Construction of a Suspension Bridge in Bentex Village, Gangga District, North Lombok Regency	Region XI - Bentex Village, North Lombok Regency	July - September 2019	Helping the community to facilitate transportation and accelerate the movement of the economy and public goods
13	Awarding 1 unit of St. Ambulance Hospital DFamian lewoleba NTT	Region XI - Lembata - NTT	November 2018	Assisting to underprivileged people who need health services.

MANDIRI CARES FOR COMMUNITY SOCIAL DEVELOPMENT

BUMN CREATIVE HOUSE

BUMN Creative House (RKB) is a BUMN synergy program which is an initiative of the Ministry of BUMN and aims as a training center for SMEs towards Go Modern, Go Digital, and Go Online through the Blanja.com channel. At present the number of SMEs that have been registered in the Bank Mandiri RKB is 12,918 SMEs. Bank Mandiri also continues to support SMEs to develop their business through training and exhibitions both at home and abroad. The number of training that has been given to UKM to date is 1,046. One of the Bank Mandiri RKBs, RKB Surabaya, also won the "Class A Best RKB Program" in the BUMN Present for the 2018 Awards.

VILLAGE ECONOMIC DEVELOPMENT (BALKONDES) KENALAN, MAGELANG

Balkondes is one of the BUMN programs that provides space for the village government and the community to develop the economic potential in the village, especially the tourism potential around Borobudur. The activities that have been carried out by Bank Mandiri in the construction of Balkondes include the construction of

homestays (including land rent), talud and bridges as well as training in cassava processing, matting, batik, and Balkondes management. By empowering the local community, it is hoped that it can improve the standard of living and local community life.

BUMN PROGRAM: PRESENT FOR THE COUNTRY

KNOWING ARCHIPELAGO FOR STUDENTS

The Certified Student Internship Program (PMMB) is one of the implementations of the BUMN Present for the State program in preparing superior human resources in the world of work. This program was initiated and facilitated by the Human Capital Forum (FHCI) and has been running from 2018.

In 2019, Bank Mandiri was given a target by FHCI to accept 325 PMMB participants. During 2019, Bank Mandiri had successfully received PMMB participants totaling 347 D3 and S1 students from 47 universities with apprenticeship locations in the work units of the Central and Regional Offices I - XII. The absorption of PM7 participants as many as 347 students was divided into 2 batches, namely Batch I in 2019 with 148 participants and Batch II in 2019 with 199 participants.



DISTRIBUTION OF NON CASH SOCIAL ASSISTANCE

In order to support Financial Inclusion in Indonesia which is also a focus of attention from the Government of Indonesia and the Financial Services Authority, since April 2016 the Government has called for an increase in Financial Inclusion through non-cash Social Assistance Distribution (Bansos) through the State Owned Bank Association Banks (Himbara), namely Bank Mandiri, BNI, BRI, and BTN with reference to Presidential Regulation Number 63 Year 2017 concerning Non-Cash Social Security Distribution. With this program, beneficiaries are expected to be more productive in order to improve their welfare. There are 2 (two) Social Aid Programs distributed by Bank Himbara, namely the Family Hope Program (PKH) and Non-Cash Food Assistance (BPNT). With assistance from Himbara Bank, it is hoped that it can increase the effectiveness of the distribution of aid so that it is more targeted. Bank Mandiri, as the Agent of Development, actively supports the success of the program, which is also in harmony with the culture of Bank Mandiri, the Spirit of Prospering the Nation.

SOCIAL FORESTRY PROJECT OF MUARA GEMBONG

The Social Forestry Program is a program with the aim of equitable distribution and improvement of the economy of the community around the forest while remaining guided by aspects of nature conservation. Bank Mandiri's support for the Social Forestry Program in Muara Gembong is in the form of pond revitalization, pond infrastructure procurement, provision of training to improve the capability of farmers and the provision of KUR.

The results of the revitalization of the pond have been seen from 3 times the harvest with a very significant increase compared to before the revitalization of the pond. Previously the farmer's productivity was only 50 to 100 kg per hectare, whereas now it reaches 4 to 5 tons per hectare with an optimal cultivation period so that the income of farmer's pond increased significantly. In addition, farmers can also employ 1 to 2 workers. Increased productivity and income is also in line with the increased awareness of farmers in preserving nature through replanting mangroves on their land, which is expected to be a stronghold against abrasion.

Bank Mandiri seeks to build the independence of farmers through financing People's Business Credit (KUR). In addition to farmers, Bank Mandiri also distributes KUR to farmers around the location of the Muara Gembong pilot project.

Other than Muara Gembong, Bank Mandiri also conducts coaching in other social forestry groups in West Java which are spread across Kab. Bandung, Kab. West Bandung, Kab. Majalengka, Kab. Sumedang, Palembang and Jambi. The development of Bank Mandiri can be done through training, providing production equipment, as well as KUR distribution. KUR that has been distributed in the Social Forestry Program is IDR 4.6 billion.

USE OF LOCAL LABOR

Bank Mandiri always empowers local workforce as the main resource in all operational activities. This is an effort of Bank Mandiri in implementing labor practices in accordance with applicable regulations. As of December 2019, there were no foreign workers at Bank Mandiri.

ANTI CORRUPTION PROGRAM

Bank Mandiri has a number of policies related to Corruption Prevention, including internal control policies, Employee Discipline Regulations, Code of Conduct, Business Ethics and preparing Corporate Culture Values including instilling value integrity from every line of Bank Mandiri.

SOCIAL RESPONSIBILITY CHANNEL FOR SOCIAL DEVELOPMENT OF COMMUNITY DEVELOPMENT

Bank Mandiri is committed to continuing to run community development and empowerment programs, but in its efforts to implement the program sometimes there are obstacles in its implementation. Therefore, if there are problems or complaints in community activities, you can send an email to Bank Mandiri Customer Care at the email address Mandiricare@bankmandiri.co.id or by telephone at 14000.

IMPACT OF SOCIAL RESPONSIBILITY ACTIVITIES INVITATION TO SOCIAL COMMUNITY DEVELOPMENT

IMPACT OF EDUCATION AND INDEPENDENCE AND ENTREPRENEURSHIP PROGRAMS

Through the Mandiri Young Entrepreneur program, Bank Mandiri hopes to continue to emerge new entrepreneurs who will ultimately create new jobs. The entrepreneurial programs run by Bank Mandiri have had an impact on increasing the turnover of the business participants of the program and more broadly, the education and entrepreneurship independence program has increased the financial independence of the Indonesian people.

IMPACT OF FINANCIAL INCLUSION PROGRAMS

The financial inclusion program, which is implemented by Bank Mandiri, has had an impact on fulfilling the right of everyone to have access and full services from financial institutions in a timely, convenient, informative, and affordable manner. Another impact of the financial inclusion program is the more open public insight, especially regarding banking services and other financial service industry products.

THE IMPACT OF THE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY PROGRAM (TJSL) AND THE ENVIRONMENTAL DEVELOPMENT (BL)

The implementation of the TJSL and BL program implemented by Bank Mandiri throughout 2018 is expected to have an impact in the form of equity and improvement of the community's economy within the TJSL and BL program so that it can improve the standard of living of the community. This can be seen among others in the Social Forestry Community Empowerment Program and Revitalization of Muara Gembong Ponds which has increased the Amount of Harvest Ponds by revitalizing Ponds from traditional patterns to Semi Intensive Patterns with an increase in yields of $\pm 500\%$ from the original harvest of 20-50 Kg / Hectares to 2-5 Tons / Hectares. In addition, Bank Mandiri also hopes that the implementation of the Balkondes program in Kenalan Village, Magelang can improve the skills and knowledge of local villagers and in the future will have an impact on improving the economic level of the community around the Borobudur tourist area.

IMPACT OF DISTRIBUTION OF NON CASH SOCIAL ASSISTANCE

As for some of the effects of the Non-Cash Social Assistance that has been distributed by are as follows:

- Building a people's economy;
- Assisting Government Programs to reduce poverty in Indonesia which is also in line with Sustainable Development Goals (SDGs);
- Distribution of social assistance is more targeted, right in quantity, on time, on quality and on administration;
- Encouraging people to play a role in Cashless society and Financial Inclusion in Indonesia;
- Increasing Underdeveloped Regional Resources

COSTS EXPENDED RELATED TO SOCIAL RESPONSIBILITY FOR THE SOCIAL DEVELOPMENT OF COMMUNITIES

During 2019, Bank Mandiri spent IDR 162.384,205,546.00 to carry out various activities related to social and community programs. The number increased by 41.65% from the previous year. The details regarding the distribution of CSR activities related to social and community development are as follows.

Table of Realization of the Distribution of PKBL in 2019

Kategori Penyaluran	2019	2018
Natural Disaster Relief	7.920.291.210	10.792.630.559
Educational aids	75.762.763.918	36.093.622.369
Community Social Assistance	41.162.887.810	28.505.502.677
in the context of poverty alleviation	18.025.163.825	15.237.730.801
Aid for Worship Facilities	6.806.219.759	6.424.844.584
Health Improvement Assistance	300.003.500	-
Assistance for Nature Conservation	12.406.875.524	17.581.925.775
Facility Development Assistance	162.384.205.546	114.636.256.765



Corporate Social Responsibilities Related to Suppliers to Suppliers



COMMITMENT AND POLICY

Provisions related to the Procurement of Goods and Services, namely the Procurement SPO has been updated and approved on March 1, 2017. The Procurement SPO is a guide of Bank Mandiri in conducting the procurement of strategic and non-strategic goods and services to support the Bank's operational activities according to quality, quantity and the time set at the best price and applying the principles of risk control management.

In carrying out the procurement process, procurement executives are required to sign an Integrity Pact to be able to carry out the procurement of goods and services. In addition, the procurement process must also refer to the basic principles of procurement implementation which include:

Effective	Procurement activities must be in accordance with the requirements / plans that have been set and can provide optimal benefits for Bank Mandiri.
Efficient	Procurement activities are carried out to achieve quality as specified, with the agreed time at the best price level.
Open and compete	Implementation of procurement must be open to providers of goods and services that have met the requirements and carried out through fair competition among suppliers of goods and services that meet certain conditions / criteria based on clear and transparent provisions and procedures.
Transparent	All provisions and information regarding the implementation of procurement, including technical and administrative requirements, evaluation procedures, evaluation results, determination of prospective Goods and Services Providers, are open.
Fair and not discriminatory	Provide equal treatment for all prospective Goods and Services Providers and does not lead to providing benefits to certain parties in any way and / or reason.
Accountable	The procurement process, results and payments must be accountable.
Responsible	The procurement process is carried out carefully and complies with applicable regulations.
Independent	Procurement decisions are taken objectively and are free from pressure from any party.

To realize the procurement activities based on the above principles, Bank Mandiri implements the following matters:

1. Separation of functions in the Procurement Implementing Unit, namely the unit conducting the selection of prospective partners / vendors, the unit conducting the procurement process, the unit making up the Estimated Self Price; and Compliance Work Unit.
2. Always subject to and comply with internal and external regulations.
3. Implementation of the principles of risk management which includes identification, assessment, mitigation and monitoring and measurement of operational risk.
4. Guided by Bank Mandiri's Work Culture based on values:
 - Trust, Integrity, Professionalism, Customer Focus and Excellence
 - Good Corporate Governance (GCG), and
 - Comply with the Code of Conduct and implement the precautionary principle.
5. Comply with Bank Mandiri's code of conduct, namely:
 - One Heart One Mandiri (How do we work as a Team)
 - Mandiri Tangguh (How do we personally as Mandiri work)
 - Growing Healthy (How do we develop business and performance)
 - Meeting Customer Needs (How do we behave to customers)
 - Together Building the Country (How do we interpret work and responsibility).

TARGET ACTIVITIES

Bank Mandiri targets that the entire process of procurement of goods and services has implemented the basic principles of procurement implementation as explained above. By applying these principles, it is expected that the level of supplier satisfaction will be well maintained and will subsequently have an impact on improving Bank Mandiri's overall performance.



ACTIVITY

PROCUREMENT OF GOODS AND SERVICES ACCORDING TO ETHICS AND PRINCIPLES



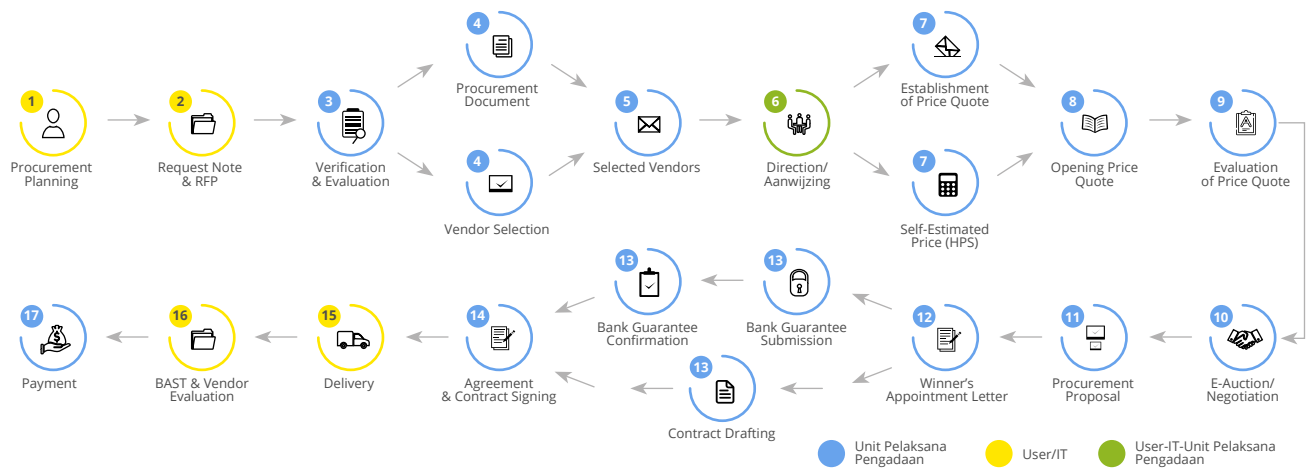
All parties involved in the Bank Mandiri procurement process include Procurement Implementing Units, Goods and Services Users and Goods and Services Providers obliged from time to time to comply with the following ethics:

- Carrying out each obligation in an orderly manner accompanied by a sense of responsibility to achieve the smooth and accuracy achievement of procurement objectives.
- Working professionally and independently on the basis of honesty and maintain confidentiality of documents that should be kept confidential, such as Self Estimated Price (HPS), to prevent irregularities in the implementation of procurement activities.
- Not influencing each other directly or indirectly to prevent and avoid unfair competition.
- Accepting and be responsible for all decisions made in accordance with the agreement of the parties.
- Avoiding and preventing conflicts of interest between the parties.
- Avoiding and preventing waste in the implementation of procurement activities.
- Avoiding and preventing the abuse of authority and / or collusion with the aim of personal, group or other party benefits that can directly or indirectly harm Bank Mandiri.
- Avoiding and preventing corruption, collusion and nepotism (KKN) in the procurement process.
- Not accepting gifts or rewards of any kind, either directly or indirectly.

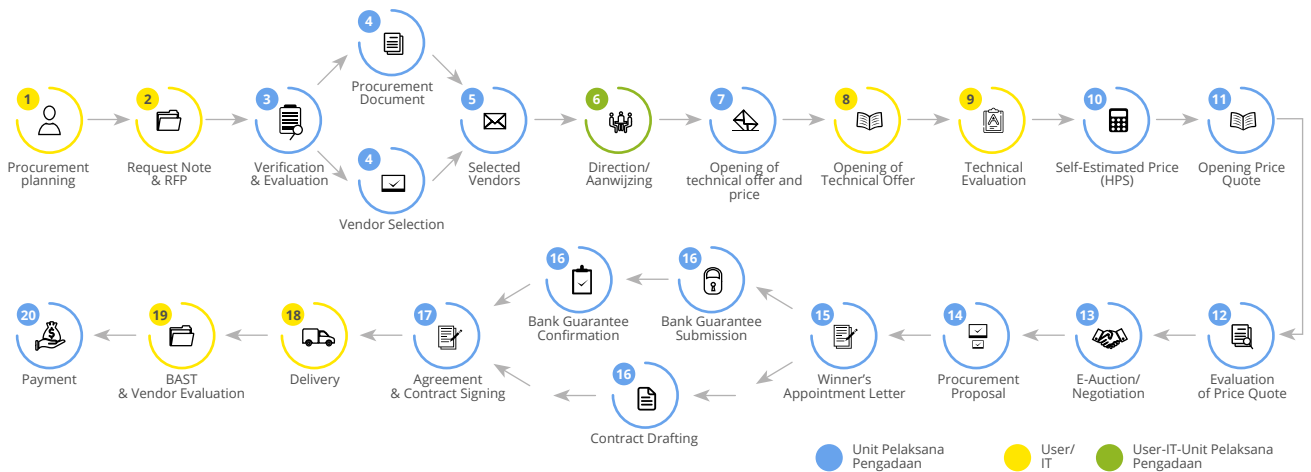
PROCEDURES FOR PROCUREMENT OF GOODS AND SERVICES

Bank Mandiri has procedures for procuring goods and services that can be described through 3 (three) schemes based on the level of complexity.

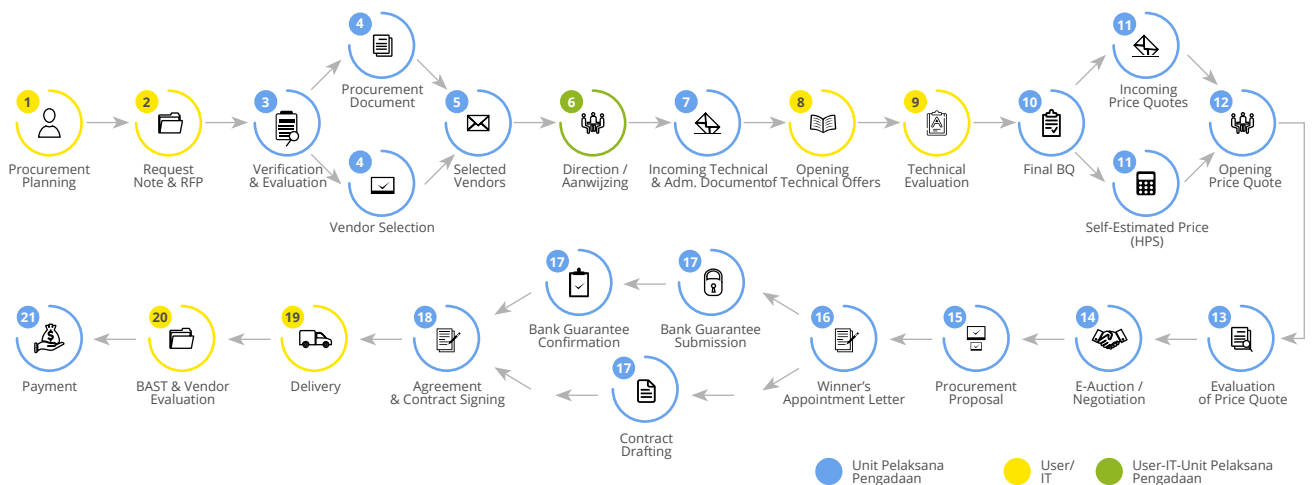
Simple Procurement Process Flow (One Stage One Cover)



Process Flow for Medium Complexity Procurement (One Stage Two Covers)



High Complexity Procurement Process Flow (Two Stages)



Bank Mandiri through the Internal System Strategic Procurement Group (Procurement Unit), has an application to support supplier procurement management activities, including:



Performance
Highlights



Report of the Board
of Commissioners and Directors



Company
Profile



Management Discussion
and Analysis on Company Performance



Human
Capital

No	Application Name	Application Description	Application Function
1	Bank Mandiri Procurement Portal	It is a web-based tool used to interact, among others, for Bank Mandiri with Suppliers and Prospective Suppliers	<ol style="list-style-type: none"> 1. Accreditation / registration of prospective suppliers. 2. Media introduction of potential suppliers. 3. Updating supplier data. 4. Monitoring News of Handover (BAST) of goods / services. 5. Tender Announcement.
2	Supplier Relationship Management Application	It is a web-based tool used by the Supplier Relationship Management unit to manage Bank Mandiri suppliers.	<ol style="list-style-type: none"> 1. Monitoring Requests for partner recommendations. 2. Analyzing the List of Selected Partners to be invited (DRTU). 3. Means for managing the List of Bank Mandiri Selected Partners (DRTM). 4. Means for evaluating and evaluating supplier capabilities.

AUDIT PROCUREMENT GOODS AND SERVICE

To ensure that the Procurement SPO and other Bank Mandiri policies have been carried out in accordance with the provisions, Bank Mandiri always conducts audits regularly and at any time, through Internal and External Audit. During 2019, there were no audit findings, both by external auditors and internal auditors regarding procurement that harmed Bank Mandiri.

SUPPLY COMPETENCY DEVELOPMENT PROGRAM

Bank Mandiri has carried out development activities to improve the quality of Bank Mandiri suppliers / vendors, through the implementation of Vendor Meetings and Vendor Gatherings accompanied by the awarding of the Vendor Award. The benefits of having a Vendor Meeting and Vendor Gathering are as follows:



VENDOR MEETING

In 2019 a Vendor Meeting has been held 3 times with the following information:

a. IT field

Date	:	October 8, 2019
Place	:	SPC Cafe, Plaza Mandiri Lantai 23 - Jakarta
Speakers	:	Group Head and Department Head Strategic Procurement Group
Invited Partner	:	Attended by 31 Bank Mandiri Partner Partners in the non IT field

b. Non IT Field

Date	:	October 9, 2019
Place	:	SPC Cafe, Plaza Mandiri Lantai 23 - Jakarta
Speakers	:	Group Head and Department Head Strategic Procurement Group
Invited Partner	:	Attended by 35 Bank Mandiri Partner Partners in the non IT field
Date	:	October 10, 2019
Place	:	Group Head and Department Head Strategic Procurement Group
Speakers	:	Group Head dan Department Head Strategic Procurement Group
Invited Partner	:	Attended by 35 Mandiri Bank Partner Partners in the Construction sector

COMPLAINTS CHANNEL FOR PROCUREMENT

In the process of procurement of goods and services, Bank Mandiri has applied the basic principles of procurement. Therefore, if the supplier / vendor has a complaint, information, or suggestion regarding the procurement of goods and services at Bank Mandiri, then the supplier / vendor can submit the complaint, information or suggestion through the email address SPCInfo&complain@bankmandiri.co.id.

IMPACT ACTIVITIES

The implementation of corporate social responsibility activities for suppliers has had an impact on the high level of supplier / vendor satisfaction. To measure the level of supplier / vendor satisfaction, Bank Mandiri has conducted a survey since 2013, in which 95.31% results were obtained that the percentage of suppliers / vendors were satisfied with the procurement of goods and services at Bank Mandiri. This value reflects that the procurement process and cooperation between Bank Mandiri and suppliers / vendors has been going very well and smoothly.

With a good and transparent procurement process, during 2019 there were no audit findings, both by external auditors and internal auditors regarding procurement that were detrimental to Bank Mandiri.



Reference to POJK and ARA Criteria

Criteria	Descriptions	Page
General		
The annual report is presented in proper and correct Bahasa Indonesia and is recommended to be presented in English as well The annual report is presented in proper and correct Bahasa Indonesia and is recommended to be presented in English as well		✓
The annual report is printed in fine quality, with easy-to-read font types and sizes.		✓
The annual report presents clear identity of the company	Company name and the year of the Annual Report are shown in: 1. Front cover; 2. Side margin; 3. Back cover; and 4. Each page	✓
The annual report is available at company website	Including current annual report and the annual reports from at least the last 4 years.	✓
Key Financial Highlights		
Information on Company's operating results with comparisons of 3 (three) fiscal years or since the starting of the company if the business activities have run for less than three (3) years	The information encloses, among others: 1. Sales/revenues; 2. Profit (loss): a. Attributable to the owner of the holding entity; and b. Attributable to non-controlling interest 3. Total comprehensive profit (loss) and other comprehensive income: a. Attributable to the owner of the holding entity; and b. Attributable to non-controlling interest; and 4. Profit (Loss) per Share Note: For a company with no subsidiaries, the company presents the profit (loss) and other profit (loss) and other comprehensive income in total.	20-23
Information on Company's financial position with comparisons of three (3) fiscal years or since the starting of the company if the business activities have run for less than three (3) years	The information encloses, among others: 1. Total investments in associates; 2. Total assets; 3. Total liabilities; and 4. Total equity.	20-23
Financial ratios with comparisons of three (3) fiscal years or since the starting of the company if the business activities have run for less than three (3) years	The information encloses five (5) financial ratios that are common and relevant to company's industry.	22-23
Information on stock price in tables and charts	1. Number of outstanding shares; 2. The information in tables and charts covers a. Market capitalization by prices in Stock Exchange where the shares are listed; b. The highest, lowest, and closing price of shares; and c. Trading volume where the shares are listed. 3. Information in charts contains at least: a. Closing price and share trading volume b. Trading volume where the shares are listed For each quarter of the last two (2) fiscal years. Note: if the company shall disclose information on share prices and trading volume if such company does not have market capitalization.	26-27

Criteria	Descriptions	Page
Information on outstanding bonds, sukuk, or convertible bonds of the last two (2) fiscal years	The information covers: 1. Number of outstanding bonds/sukuk/convertible bonds; 2. Interest rate/yield; 3. Maturity date; and 4. Bonds/sukuk rating in 2015 and 2016. Note: if the company shall disclose information on outstanding bonds, sukuk, or convertible bonds if such company does not have market capitalization	28
Board of Commissioners and Board of Directors Reports		
Board of Commissioners Report	Containing the following: 1. Assessment on Board of Directors' performance on company management and the basis for the assessment; 2. Perspective on company business outlook set by Board of Directors and its consideration basis; 3. Prospective on the implementation/management of whistleblowing system (WBS) in the company and the role of Board of Commissioners in such WBS; and 4. Changes in Board of Commissioners' composition and the reason behind the change (if any).	39-49
Board of Directors Report	Containing the following: 1. Analysis on company performance, which among others covers: a. Strategic policies; b. Comparisons between realizations and targets; and c. Challenges faced by the company and its settlement measures. 2. Analysis on business outlook; 3. Development of the implementation of corporate governance in the fiscal year; and 4. Changes in Board of Director's composition and the reason behind the change (if any)	53-61
Board of Directors and Board of Commissioners' signatures	ontaining the following: 1. Signatures are given on separate sheets; 2. Statement of full accountability on the accuracy of the annual report contents by Board of Directors and Board of Commissioners; 3. Signed by all members of Board of Commissioners and Board of Directors by stating names and positions; and 4. Written explanation in separate letter from the person(s) concerned in the event that a member of Board of Commissioners or Board of Directors fails to sign the annual report, or written explanation in separate letter from the other member(s) in the event that the person(s) concerned fails to provide a written explanation.	62-63
Company Profile		
Name and complete address of the company	The information contains among others: name and address, postal code, phone number(s), facsimile, e-mail, and website address.	66-67
Brief history of the company	Consisting among others: date/year of establishment, name, changes in company name (if any), and effective date for such changes in company name. Note: explanation shall be given in the event that the entity has never made any change to the name	69-70
Line of business	Description of, among others: 1. Company's business activities in accordance with the latest articles of association; 2. Business activities engaged; and 3. Generated products and/or services	71-81



Criteria	Descriptions	Page
Organizational structure	In a chart, consisting of names and positions, at least up to one level under the Board of Directors.	84-85
Company Vision, Mission, and Culture	Containing: 1. Company vision; 2. Company mission; 3. Explanation that the vision and mission have been reviewed and agreed upon by Board of Directors/Board of Commissioners. 4. Statement on corporate culture adhered by the company.	86-89
Identity and brief CV of Board of Commissioners members	The information encloses, among others: 1. Name; 2. Position and term of office (including position in the company or other institutions); 3. Age; 4. Domicile; 5. Educations (Field of Study and Educational Institution); 6. Work experience (Position, Institution, and Term of Office); 7. History of the appointment (period and position) as Board of Commissioners' member since initial appointment.	90-102
Identity and brief CV of Board of Directors members	The information encloses, among others: 1. Name; 2. Position and term of office (including position in the company or other institutions); 3. Age; 4. Domicile; 5. Educations (Field of Study and Educational Institution); 6. Work experience (Position, Institution, and Term of Office); 7. History of the appointment (period and position) as Board of Commissioners' member since initial appointment.	104-116
Total number of employees (2 years' comparison) and data of competency development that reflects the opportunity for every organizational level	The information encloses, among others: 1. Number of employees for each organizational level; 2. Number of employees for each educational level; 3. Number of employees by employment status; 4. Data of undertaken employee competency developments in fiscal year containing parties (Position level) attending the training, type of trainings, and purpose of trainings; and 5. Incurred costs for employee competency development in the fiscal year.	122-130
Shareholder Competition	Containing, among others: 1. Detailed name of shareholders covering 20 largest shareholders and their shareholding percentage; 2. Details of shareholders and their shareholding percentage, which include: a. Name of shareholders with 5% or more percent of shares; b. Public shareholding groups with their respective shareholding of less than 5%. 3. Name of Directors and Commissioners holding direct or indirect shares and their percentages; Note: Explanation shall be given in the event of Directors and Commissioners do not hold direct or indirect shares.	130-133
List of subsidiaries and/or associates	In the form of table containing the following information: 1. Names of subsidiaries and/or associates; 2. Shareholding percentage; 3. Explanation on the subsidiaries and/or associates' lines of business; and 4. Explanation on the operational status of the subsidiaries and/or associates (in operation or has not yet operating).	134-141
Company group structure	Company group structure in a chart describing subsidiaries, associates, joint ventures, and special purpose vehicles (SPVs).	142-143

Criteria	Descriptions	Page
Share listing chronology (including private placement) and/or share listing from the initial listing to the end of fiscal year	Containing, among others: 1. The year of shares issuance, number of shares, shares par value, and share offering price for each of corporate action; 2. Number of shares listed following the corporate actions; 3. Name of stock exchange where the shares are listed. Note: Explanation shall be given in the event of the company does not have share listing chronology.	144-147
Issuance and/ or other securities listing chronology from the initial listing to the end of fiscal year	Containing, among others: 1. Name of other securities, year of other securities issuance, interest/ yield rate, and the maturity date of other securities; 2. Other securities offering price; 3. Name of stock exchange where the other securities are listed; and 4. Rating of securities. Note: Explanation shall be given in the event of the company does not have other securities issuance and listing chronology.	147-152
Names and addresses of capital market supporting institutions and/or professions	The information encloses, among others: 1. Name and address of Securities Administration Bureau (BAE)/parties administrating company's shares; 2. Name and address of Public Accounting Firm; and 3. Name and address of rating agency.	157
Awards received in the last financial year and / or certification that is still valid in the last financial year both national and international scale	Containing descriptions of 1. Name of award and/or certification; 2. Year of award and/or certification; 3. Agency for awarding and/or certification; and 4. Validity period (for certification).	158-163
Names and addresses of subsidiaries and / or branch offices or representative offices (if any)	Memuat informasi antara lain: 1. Nama dan alamat entitas anak; dan 2. Nama dan alamat kantor cabang/perwakilan. Catatan: apabila perusahaan tidak memiliki entitas anak, kantor cabang, dan kantor perwakilan, agar diungkapkan	164-166
Information on Company Website	Covering at least: 1. Information on shareholders to last individual owners; 2. Contain of the Code of Ethics; 3. Information on General Meeting of Shareholders (GMS) at least covering the agenda discussed in GMS, minutes of GMS, and important dates i.e. GMS announcement date, GMS summon date, GMS date, GMS minutes announcement date; 4. Separate Annual financial statements (last 5 years); 5. Board of Commissioners and Board of Directors Profiles; and 6. Charter of the Board of Commissioners, Board of Directors, Committees, and Internal Audit Unit.	167
Educations and/or trainings for the Board of Commissioners, Board of Directors, Committees, and Internal Audit Unit.	Covering at least the following information (type and parties eligible to attend): 1. Educations and/or trainings for the Board of Commissioners; 2. Educations and/or trainings for the Board of Directors; 3. Educations and/or trainings for Audit Committee; 4. Educations and/or trainings for Nomination and Remuneration Committee; 5. Educations and/or trainings for Other Committees; 6. Educations and/or trainings for Corporate Secretary; and 7. Educations and/or trainings for Internal Audit Unit; Attended in the fiscal year Note: Explanation shall be given in the event of there are no educations and/or trainings in the fiscal year.	168-179



Criteria	Descriptions	Page
Management Discussion and Analysis on Company Performance		
Operational review per business segment	Containing descriptions of: 1. Explanation of each business segment. 2. Performance of each business segment, among others: a. Productions; b. Increase/decrease in business capacity; c. Sales/operating revenues; and d. Profitability.	200-243
Description of company's financial performance	Analysis on financial performance containing comparison between current financial performance and previous year's financial performance and causes for the increase/decrease (in narration and tables), among others concerning: 1. Current assets, non-current assets, and total assets; 2. Short-term liabilities, long-term liabilities, and total liabilities; 3. Equity; 4. Sales/revenues, expenses and profit (loss), other comprehensive incomes and total comprehensive profit (loss); and 5. Cash flow.	254-280
Discussion and analysis on company solvency and liquidity by presenting ratios that are relevant to company's industry	Explanation on: 1. Solvency for short- and long-term debts; and 2. Receivables collectability.	281-283
Discussion on capital structure and capital structure policy	Explanation on: 1. Capital structure, consisting of interest-based debts and equity; 2. Management policies on the capital structure (capital structure policies); and 3. The basis for Capital structure policies.	284-287
Discussion on material commitments for capital goods investments (other than funding commitment) in the last fiscal year	Explanation on: 1. The name of parties engaging in the commitment 2. Purpose of the commitments; 3. Sources of funds expected to meet these commitments; 4. Currency used; and 5. Planned measures to protect the company from risks arising from relevant currency position. Note: explanation shall be given in the event that the company does not have any commitments relating to capital investments in the last fiscal year.	338
Discussion on capital investments realized in the last fiscal year	Explanation on: 1. Type of capital investments; 2. Purposes of the capital investments; and 3. Value of capital investment spent in the last fiscal year. Note: explanation shall be given in the event that any capital investment realizations are non-existent	339
Information on comparisons between beginning of fiscal year's targets and realizations, and expected targets or projection for the coming year relating to revenue, profit, and other matters considered important to the company	The information encloses, among others: 1. Comparisons between beginning of year's targets and realizations; and 2. Expected targets or projection for the coming year.	343
Information and material facts occurring after accountant's reporting date	Description of significant events after accountant's reporting date including their effects on business performance and risks in the future. Note: explanation shall be given in the event that any significant events after accountant's reporting date are nonexistent.	344-345
Description on company's business outlook	Description on company's business outlook is related to industry and economy in general accompanied by quantitative supporting data from trustworthy source of data.	252
Description on marketing aspect	Description on marketing aspect on company products and/or services, among others marketing strategies and market share.	190-199

Criteria	Descriptions	Page
Description on dividend policy and amount of cash dividends per share and amount of dividends per year announced or paid for the last two (2) fiscal years.	Containing descriptions of: 1. Policy on dividend sharing; 2. Total dividends shared; 3. Amount of cash dividends per share; 4. Payout ratio; and 5. Date of announcement and payment of cash dividends. For each year. Note: explanation shall be given in the event that any dividend sharing is nonexistent.	344-345
Employee and/or Management Stock Ownership Plan (ESOP/ MSOP) carried out by the company existing until the end of fiscal year	Containing descriptions of: 1. Total ESOP/MSOP shares and its realization; 2. Term; 3. Requirements for entitled employees and/or management; and 4. Exercise price. Note: explanation shall be given in the event that the program concerned is non-existent	346-347
Realization of the use of proceeds from public offering (in the event that the company still has the obligation to report the proceed use realization)*	Containing descriptions of: 1. Total proceeds; 2. Planned use of the proceeds; 3. Detailed use of the proceeds; 4. Balance of proceeds; and Date of GMS/GMB approval on changes in the use of proceeds (if any). Note: explanation shall be given in the event that there is no information regarding realization of the use of proceeds from public offering.	347
Information on material transactions containing conflicts of interest and/or transactions with affiliates	Containing descriptions of: 1. Name of affiliates and the nature of affiliation; 2. Explanation on the fairness of transaction; 3. Reason behind the transaction; 4. Realization of transactions in the last fiscal year; 5. Company policy relating to review mechanism on transactions; and 6. Compliance with relevant regulations and provisions. Note: explanation shall be given in the event that any transaction concerned is nonexistent.	348-359
Description on regulatory changes having significant impact on the company	The description contains among others: 1. Regulatory changes; and 2. Their impacts (qualitative and quantitative) on the company (if significant) or statements stating that the impacts are insignificant. Note: explanation shall be given in the event that any regulatory changes having significant impacts on the company are nonexistent in the last fiscal year.	360-377
Description on changes in accounting policies applied by the company in the last fiscal year	The description includes among others: 1. Changes in accounting policies; 2. Their reasons; and 3. Impacts toward financial statements. Note: explanation shall be given in the event that any changes in accounting policies are nonexistent in the last fiscal year.	378-379
Information on business continuity	Disclosure of information includes: 1. Matters which potentially inflict significant impact on company's business continuity for the last fiscal year; 2. Management assessment on matters in point 1; and 3. Assumptions used by the management in performing the assessment. Note: in the event that any matters which potentially inflict significant impact on company's business continuity for the last fiscal year are nonexistent, the assumptions used as the basis for the management in assuring that such matters are nonexistent shall be disclosed.	380-389



Criteria	Descriptions	Page
Good Corporate Governance		
Board of Commissioners description	The description includes, among others: 1. Description of Board of Commissioners' responsibilities; 2. Assessment on the performances of committees under the Board of Commissioners and the basis for such assessment; and 3. Disclosure of the Board Charter (guidelines and codes of conduct for Board of Commissioners).	465-469
Information on Independent Commissioners	Covering, among others: 1. The criteria for Independent Commissioners appointment; and 2. Statement of independency of each Independent Commissioner.	476-478
Board of Directors description	The description includes, among others: 1. Scopes of duties and responsibilities of each Board of Directors member; 2. Assessment on the performances of committees under the Board of Directors (if any); and 3. Disclosure of the Board Charter (guidelines and codes of conduct for Board of Directors).	504-505
Assessment of the implementation of GCG for fiscal year 2018 covering at least Board of Commissioners and Board of Directors aspects.	Containing explanations on, among others: 1. Criteria used for the assessment; 2. Assessing party; 3. Assessment score for each criteria; 4. Recommendation of the assessment results; and Reasons on why the recommendations are/has not been implemented. Note: explanation shall be given in the event of the GCG implementation assessment for fiscal year 2016 is nonexistent.	719-725
Description of remuneration policy for Boards of Commissioners and Board of Directors	Containing, among others: 1. Disclosure of remuneration procedures to the determination for the Board of Commissioners; 2. Disclosure of remuneration procedures to the determination for the Board of Directors; 3. Remuneration structure which shows the remuneration components and amount of value per component for each Board of Commissioners' member; 4. Remuneration structure which shows the remuneration components and amount of value per component for each Board of Directors' member; 5. Disclosure of indicators for the determination of Board of Directors' remuneration; and 6. Disclosure of performance bonus, non-performance bonus, and/or shares option received by each Board of Commissioners' and Board of Directors' member (if any). Note: explanation shall be given in the event of performance bonus, non- performance bonus, and/or shares option received by each Board of Commissioners' and Board of Directors' member are nonexistent.	622-628
Frequency and attendance rate in BOC Meetings, BOD meetings, and BOC-BOD joint meetings	The information encloses, among others: 1. Meeting date; 2. Meeting participants; and 3. Meeting agenda For each BOC meeting, BOD meeting, and joint meeting.	479-493 and 514-527
Information on majority and controlling shareholders, both direct and indirectly, to individual holders	In schematic chart or diagram, that differs the main shareholders and controlling shareholders. Note: the main shareholder is the party which, either directly or indirectly, holds at least 20% (twenty percent) of the voting rights of all shares with voting rights issued by a company, but not a controlling shareholder.	438-439

Criteria	Descriptions	Page
Disclosure of affiliations among the members of Board of Directors, Board of Commissioners, and Majority and/or Controlling Shareholders	Containing, among others: 1. Affiliations among Board of Directors' fellow members; 2. Affiliations among Board of Directors members and Board of Commissioners members; 3. Affiliations among Board of Directors members and Majority and/or Controlling Shareholders; 4. Affiliations among Board of Commissioners' fellow members; and 5. Affiliations among Board of Commissioners' members and Majority and/or Controlling Shareholders. Note: explanation shall be given in the event that any concerned affiliations are nonexistent.	473 and 510-511
Audit Committee	Containing, among others: 1. Name and position of Audit Committee members; 2. Educational history qualifications (field of study and educational institution) and work experience of Audit Committee members (Position, Institution, and Term of Office); 3. Audit Committee members' independency; 4. Description of Audit Committee's duties and responsibilities; 5. Brief report on Audit Committee members' activities in the fiscal year; and 6. Frequency of meetings and attendance rate of Audit Committee members.	540-551
Nomination and/or Remuneration Committee	Containing, among others: 1. Name, position, and brief CV of Nomination and/or Remuneration Committee members; 2. Independency of Nomination and/or Remuneration Committee members; 3. Description of duties and responsibilities; 4. Description of implementation of activities of Nomination and/or Remuneration Committee members in the fiscal year; 5. Frequency of meetings and attendance rate of Nomination and/or Remuneration Committee members; 6. Statement about the existence of guidelines for Nomination and/or Remuneration Committee; and 7. Policy relating to Board of Directors' succession.	552-564
Other committees under the Board of Commissioners owned by the company	Containing, among others: 1. Name, position, and brief CV of other committee members; 2. Independency of other committee members; 3. Description of duties and responsibilities; 4. Description of the implementation of activities of other committees in the fiscal year; and 5. Frequency of meetings and attendance rate of other committees.	565-588
Description of duties and function of Corporate Secretary	Containing among others: 1. Name and brief CV of the corporate secretary; 2. Domicile; 3. Description of the duties and responsibilities; and 4. Descriptions on the implementation of Corporate Secretary's duties in fiscal year.	588-592
Description on internal audit unit	Containing, among others: 1. Name of internal audit unit head; 2. Number of employees (internal auditors) in internal audit unit; 3. Certification for internal audit professions; 4. Internal audit unit position in corporate structure; 5. Brief report on internal audit unit's implementation of activities; and 6. Parties appointing and dismissing head of internal audit unit.	611-616



Criteria	Descriptions	Page
Public Accountant	The information encloses, among others: 1. Number of periods in which a public accountant has conducted annual audit on financial statements for the last five (5) years; 2. Name and the year in which a Public Accounting Firm has conducted annual audit on financial statements for the last five (5) years; 3. Amount of fee for each service provided by public accountant in the last fiscal year; and 4. Other services provided by the accountant apart from annual audit on financial statements in the last fiscal year. Note: explanation shall be given in the event that any services are nonexistent.	628-631
Description on company risk management	Containing, among others: 1. Explanation on risk management system applied by the company; 2. Explanation on review on risk management system in the fiscal year; 3. Explanation on risks faced by the company; and 4. Risk management efforts.	631-653
Description on internal control system	Covering, among others: 1. Brief explanation on internal control system, among others concerning financial and operational control; 2. Explanation on compliance with internal control system with internationally- recognized framework (COSO – internal control framework); and 3. Explanation on review conducted on internal control system implementation in the fiscal year.	653-657
Description of corporate social responsibility related to social responsibility management covers these following matters	1. Information on commitment to social responsibility 2. Information on due diligence methods and scope on the social, economic and environmental impacts of company activities 3. Information on important stakeholders affected or influenced by the impact of company activities 4. Information on important socio-economic and environmental issues related to the impact of company activities 5. Information about the scope of corporate social responsibility both as obligation and as excessive obligation 6. Information about the company's strategies and work programs in handling social, economic and environmental issues in stakeholder engagement and increasing value for stakeholders and shareholders 7. Information about various programs that exceeds the company's minimum responsibilities relevant to the implemented business 8. Information about financing and social responsibility budgets	728-744
Description of corporate social responsibility related to Human Rights includes these following matters	1. Information on the commitment and policy of social responsibility related to Human Rights as a core subject 2. Information on the formulation of the company's scope of social responsibility related to Human Rights as a core subject 3. Information about corporate social responsibility planning in the aspect of Human Rights 4. Information about implementing CSR initiatives in the aspect of human rights 5. Information about achievements and awards for CSR initiatives in the aspect of human rights	745-747
Description of corporate social responsibility related to fair operations covets these following matters	1. Information on social responsibility commitments and policies in the aspect of fair operations as a core subject 2. Information about company's formulation of CSR in the aspect of fair operations as a core subject 3. Information about planning corporate social responsibility in the field of fair operations 4. Information about implementing CSR initiatives on the aspect of fair operations 5. Information about achievements and awards CSR initiatives on the aspect of fair operations	748-750

Criteria	Descriptions	Page
Description of corporate social responsibility related to the environment includes these following matters	<ol style="list-style-type: none"> 1. Information about environmental commitments and policies 2. Information about important environmental impacts and risks that are directly or indirectly related to the company 3. Information about the target / plan of activities in 2018 determined by management; 4. Information about activities implemented and related to environmental programs related to the company's operational activities 5. Information about the implementation of CSR initiatives related to the environment 6. Information about the achievement of quantitative impacts on these activities such as the use of environmentally friendly and recycled-able materials and energy, the company's waste treatment system, complaints mechanism for environmental problems, consideration of environmental aspects in providing credit to customers, and others. 7. Environmental certification owned by the company. 	751-758
Description of corporate social responsibility related to employment, health and work safety covers the information about	<ol style="list-style-type: none"> 1. Labor policies and corporate social responsibility core commitments 2. Information on the scope and formulation of social responsibility in the field of employment 3. Information regarding the 2018 target / plan of activities determined by management; and 4. implemented Activities and quantitative impacts on the activities 5. Information related to employment, health and safety and security practices, such as gender equality and employment opportunities, work facilities and safety, employee turnover rates, work accident rates, remuneration, complaints mechanism, labor issues, and others. 	759-766
Description of corporate social responsibility related to responsibility to consumers includes these following matters	<p>Covering, among others:</p> <ol style="list-style-type: none"> 1. 2018 Target / plan of activities determined by management 2. Activities implemented and impacts on the activities 3. Related to product responsibility, such as consumer health and safety, product information, facilities, number and countermeasures for consumer complaints, and others. 	767-772
Description of corporate social responsibility related to social and community development includes information about	<ol style="list-style-type: none"> 1. Policies and commitments of corporate social responsibility as a core subject to social and community development 2. Information about social issues that are relevant to the company 3. Information about social risks managed by the company 4. Information on the scope and formulation of social responsibility in the aspect of social and community development 5. 2018 Target / plan of activities determined by management; 6. implemented Activities and the impacts on the activities; and 7. Cost expense related to social development and communities, such as the use of local labor, empowerment of communities around the company, improvement of social facilities and infrastructure, other forms of donations, communication about anti-corruption policies and procedures, training on anti-corruption, and others. 	773-779
Significant cases currently faced by the company, subsidiaries, and Board of Directors and/ or Board of Commissioners member(s) serving during the annual report period	<p>Covering, among others:</p> <ol style="list-style-type: none"> 1. Principal case/lawsuit; 2. Dispute/lawsuit settlement status; 3. Risk faced by the company and amount of dispute/lawsuit settlement; and 4. Administrative sanctions imposed to the company, Board of Commissioners and Board of Directors members, by relevant authorities (capital market, banking, and others) for the latest fiscal year (or if any statement confirming no imposition of administrative sanction exists). <p>Note: explanation shall be given in the event that any significant cases faced by the company, subsidiaries, Board of Commissioners and Board of Directors members are nonexistent.</p>	665-671



Criteria	Descriptions	Page
Access to company information and data	Description on the availability of company information and data to public, such as through website (in Bahasa Indonesia and English), mass media, mailing list, bulletin, analyst meeting, etc.	671-677
Discussion on code of conduct	Consisting description, among others on: 1. Code of conduct contents; 2. Disclosure that the code of conduct applies to all levels of organization; 3. Dissemination of the code of conduct; 4. Types of sanction for each code of conduct violation; and 5. Number of code of conduct violation and the sanctions imposed in the last fiscal year. Note: explanation shall be given in the event that any codes of conduct violations are nonexistent in the last fiscal year.	677-683
Disclosure of whistleblowing system	Consisting of description on whistleblowing system mechanism, among others: 1. Whistleblowing delivery; 2. Whistleblower protection; 3. Handling of complaints; 4. Parties handling the complaints; and 5. Number of complaints received and processed in the last fiscal year; and 6. Sanction/follow-ups for the complaints which are settled in the fiscal year. Note: explanation shall be given in the event that any incoming complaints are nonexistent in the last fiscal year.	686-689
Policy on the diversity of Board of Commissioners and Board of Directors composition	Description of Company policy on the diversity of Board of Commissioners and Board of Directors composition by education (field of study), work experience, age, and gender. Note: explanation and basis of consideration shall be given in the event that concerned policy is non-existent	690-695
Financial Statements		
Statements from Board of Directors and/or Board of Commissioners on the Accountability on Financial Statements	Financial Statements Page Directors' Statement	FR Page Statement of Directors
Independent auditor's opinion on the financial statements		FR Opinion Page
Independent auditor's description on the opinion	The description includes: 1. Names and signatures; 2. Date of Audit Report; and 3. Public Accounting Firm's and Public Accountant's License Numbers.	FR Page 4
Comprehensive financial statements	Comprehensively consisting elements of the financial statements, such as: 1. Statement of financial position; 2. Statement of income and comprehensive income; 3. Statement of changes in equity; 4. Statement of cash flows; 5. Notes to the financial statements; 6. Comparative information on the previous period; and 7. Statements of financial position at the beginning of the previous period presented when an entity applies an accounting policy retrospectively or makes restatement of financial statements posts, or when an entity reclassifies posts in the financial statements (if relevant).	FR Page 1-317
Comparison of profitability level	Comparison between profit (loss) in current year and the previous year.	FR Page 9-11
Statement of Cash Flow	Fulfilling the following requirements: 1. Classification in three categories of activity: operating, investing, and funding; 2. The use of direct method in reporting the cash flow from operating activities; 3. Separation of presentation between cash receipts and/or cash expenses for the current year in operating, investing, and funding activities; and 4. Disclosure of non-cash transaction must be included in the notes to the financial statements.	FR Page 14-16

Criteria	Descriptions	Page
Accounting Policy Highlights	Consisting at least: 1. Statement of compliance with Financial Accounting Standards (SAK); 2. Basis for the measurement and preparation of financial statements; 3. Income tax; 4. Employee benefits; and 5. Financial instruments.	FR Pages 41-82
Disclosure of transactions with related parties	Items disclosed among others are: 1. Names of related parties and the nature of relationship with these parties; 2. Transactional value and its percentage against total revenue and relevant expenses; and 3. Total balance and its percentage against total assets or liabilities.	FR Pages 221-243
Disclosure of matters relating to taxation	Matters need to be disclosed: 1. Fiscal reconciliation and current tax expense calculation; 2. Explanation of relationship between tax expense (income) and accounting profit; 3. Statement acknowledging that Taxable Profits (LKP) from the reconciliation serves as the basis for Corporate Income Tax's Annual Tax Returns (SPT) of 2018; 4. Details of assets and deferred tax liabilities recognized in the financial position statement for each presenting period, and the amount of deferred tax (income) expenses recognized in the income statements if the amount is not visible in the total assets or liabilities of deferred tax recognized in the statements of financial position; and 5. Disclosure of any tax disputes	FR Pages 76-77 and 158-165
Disclosure of matters relating to fixed assets	Matters need to be disclosed: 1. Depreciation method used; 2. Description of accounting policy selected, either revaluation or cost model; 3. Methods and significant assumptions used to estimate fixed assets' fair value (for revaluation model) or disclosure of fixed assets' fair value (for cost model); and 4. Reconciliation of the gross carrying amount and accumulated depreciation of fixed assets at the beginning and the end of period by presenting: addition, reduction, and reclassification.	FR Pages 67-68 and 131-136
Disclosure of operational segment	Matters need to be disclosed: 1. General information covering the factors used to identify reported segment; 2. Information regarding profit and loss, assets, and liabilities of the reported segment; 3. Reconciliation of total revenue, profit and loss, assets, liabilities of the reported segment, and other material elements of the segment against relevant amount in the entity; and 4. Disclosure at the level of entity, covering information on products and/or services, geographical area, and main customers.	FR Pages 243-249
Disclosure relating to Financial Instruments	Matters need to be disclosed: 1. Detailed of financial instruments by classification; 2. Fair value and hierarchy of each group of financial instruments; 3. Explanation of risks relating to financial instruments: market risks, credit risks, and liquidity risks; 4. Risk management policies; and 5. Quantitative risk analysis relating to financial instruments.	FR Pages 42-56 and 254-313
Publication of financial statements	Items disclosed among others are: 1. Authorized publication date of the financial statements; and 2. The party responsible for the financial statements authorization.	FR Pages Statement of Directors and Independent Auditors' Report Pages



Conformity of the Implementation of Corporate Governance Towards the ASEAN Corporate Governance Scorecard

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
A	Right of Shareholder	
A.1	Basic Shareholder Rights	
A.1.1	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?	344-345
A.2	Right to Participate in decisions concerning fundamental corporate changes	
A.2.1	Amendments to the company's constitution?	Website Bank Mandiri
A.2.2	The authorisation of additional shares?	Website Bank Mandiri
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	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	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?	439 dan 448
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/ commissioners?	439 dan 444
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?	439 dan 448
A.3.4	Does the company disclose the voting procedures used before the start of meeting?	441

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
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?	443-444
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?	443-444 , 447-450, 452-453, dan 455
A.3.7	Does the company disclose the list of board members who attended the most recent AGM?	443,446,452,455
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?	443,446,452,455
A.3.9	Does the company allow for voting in absentia?	439
A.3.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	439
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?	443,446,451, 454,458
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?	442,446,451,458
A.3.13	Do companies provide at least 21 days notice for all AGMs and EGMs?	442,446,451,458
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?	442,446,451,458
A.3.15	Does the company give the opportunity for shareholder to place item/s on the agenda of AGM?	439
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?	341

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
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?	439 dan 448
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?	439
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)?	439
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?	443-444 , 447-450, 452-453, dan 455
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?	443-444 , 447-450, 452-453, dan 455
	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?	
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?	448-449
B.2.5	Were the proxy documents made easily available?	
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?	475,706
B.3.2	Are the directors / commissioners required to report their dealings in company shares within 3 business days?	133
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?	475

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
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?	359
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?	475
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?	475
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?	359
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	
C	Role of Stakeholders	
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	The existence and scope of the company's efforts to address customers' welfare?	739, 769-774
C.1.2	Supplier/contractor selection procedures?	782-785
C.1.3	The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	754-760
C.1.4	The company's efforts to interact with the communities in which they operate?	775-781
C.1.5	The company's anti-corruption programmes and procedures?	647
C.1.6	How creditors' rights are safeguarded?	674
C.1.7	Does the company have a separate report/section that discusses its efforts on environment/economy and social issues ?	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.	



No.	Prinsip dan Rekomendasi	Keterangan Penyajian
C.2.1	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?	637
C.3	Mechanisms for employee participation should be permitted to develop.	
C.3.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	707-709
C.3.2	Does the company explicitly disclose the policies and practices on training and development programmes for its employees?	118-123
C.3.3	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	651-655
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	Does the company have procedures for complaints by employees and other stakeholders concerning illegal and unethical behaviour (i.e. corruption, violation of rights)?	648-651
C.4.2	Does the company have a policy or procedures to protect an employee/ person who reveals illegal/unethical behaviour from retaliation?	648-655
D	Disclosure and Transparency	
D.1	Transparent ownership structure	
D.1.1	Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?	123-125
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	123-125
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?	125-126, 446, 484
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of senior management?	338-339
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	127-135
D.2	Quality of Annual Report	

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
D.2.1	Corporate objectives	88-91
D.2.2	Financial performance indicators	22-25
D.2.3	Non-financial performance indicators	26
D.2.4	Dividend policy	337
D.2.5	Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	92-111, 443-44, 479-481
D.2.6	Attendance details of each director/ commissioner in all directors/ commissioner meetings held during the year	449-462, 485-495
D.2.7	Total remuneration of each member of the board of directors/commissioners	462-465, 499-503
	Corporate Governance Confirmation Statement	
D.2.8	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?	684, 667-676
D.3	Disclosure of related party transactions (RPT)	
D.3.1	Does the company disclose its policy covering the review and approval of material/significant RPTs?	340-343
D.3.2	Does the company disclose the name, relationship, nature and value for each significant/material RPTs?	343-349
D.4	Directors and commissioners dealings in shares of the company	
D.4.1	Does the company disclose trading in the company's shares by insiders?	125, 446, 484
D.5	External auditor and Auditor Report	
D.5.1	Are the audit and non-audit fees disclosed?	590-591
D.5.2	Does the non-audit fee exceed the audit fees?	590-591
D.6	Medium of communications	
D.6.1	Quarterly reporting	642

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
D.6.2	Company website	157, 637
D.6.3	Analyst's briefing	642-643
D.6.4	Media briefings /press conferences	638-642
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?	Laporan Keuangan Audited
D.7.2	Is the annual report released within 120 days from the financial year end?	Laporan Keuangan Audited
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?	Laporan Keuangan Audited
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)	157
D.8.2	Materials provided in briefings to analysts and media	157
D.8.3	Downloadable annual report	157
D.8.4	Notice of AGM and/or EGM	157
D.8.5	Minutes of AGM and/or EGM	157
D.8.6	Company's constitution (company's by-laws, memorandum and articles of association)	157
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?	671
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?	468-469, 505

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	467
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated ?	465-466, 504
	Corporate Vision/Mission	
E.1.4	Does the company have an updated vision and mission statement?	87-88
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?	88
E.1.6	Does the board of directors have a process to review, monitor and oversee the implementation of the corporate strategy?	88
E.2	Board Structure	
	Code of Ethics or Conduct	
E.2.1	Are the details of the code of ethics or conduct disclosed?	677-683
E.2.2	Are all the directors/commissioners, senior management and employees required to comply with the code/s?	681
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	681-682
	Board Structure & Composition	
E.2.4	Do Independent directors/commissioners make up at least 50% of the board of directors/commissioners?	476-477
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	467, 505
E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	474-475, 512-513
E.2.7	Does the company have any executive directors who serve more than two boards of listed companies outside of the group?	90-102
	Nomination Committee (NC)	
E.2.8	Does the company have a Nominating Committee?	552-564
E.2.9	Is the Nominating Committee comprised of a majority of Independent directors/ commissioners?	552-564



No.	Prinsip dan Rekomendasi	Keterangan Penyajian
E.2.10	Is the chairman of the Nominating Committee an independent director/ commissioner?	552-564
E.2.11	Does the company disclose the terms of reference/governance structure/charter of the Nominating Committee?	553
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?	560-562
	Remuneration Committee (RC) / Compensation Committee	
E.2.13	Does the company have a Remuneration Committee?	552-564
E.2.14	Is the Remuneration Committee comprised of a majority of Independent Directors/ Commissioners?	552-564
E.2.15	Is the chairman of the Remuneration Committee an independent director/ commissioner?	552-564
E.2.16	Does the company disclose the terms of reference/governance structure/charter of the Remunerations Committee?	553
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?	560-562
	Audit Committee	
E.2.18	Does the company have an Audit Committee?	540-552
E.2.19	Is the Audit Committee comprised entirely of non-executive directors/ commissioners with a majority of independent directors/ commissioners?	544
E.2.20	Is the chairman of the Audit Committee an Independent Director/ Commissioner?	544
E.2.21	Does the company disclose the terms of reference/ governance structure/charter of the Audit Committee?	541
E.2.22	Does at least one of the independent directors/ commissioners of the committee have accounting expertise (accounting qualification or experience)?	544
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?	548-550
E.2.24	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	541-543
E.3	Board Processes	
	Board meetings and attendance	

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	479, 515
E.3.2	Does the board of directors/ commissioners meet at least six times during the year?	480-494, 515-527
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	493-494, 526-527
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	479, 514-515
E.3.5	Did the non-executive directors/ commissioners of the company meet separately at least once during the year without any Executives present?	480-494, 515-527
	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?	479, 515
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	588-592
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	591
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	468, 505
E.3.10	Did the company describe the process followed in appointing new directors/ commissioners?	468, 505
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	468, 505
	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?	622-628
E.3.13	Is there disclosure of the fee structure for non- executive directors/commissioners?	622-628
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	623

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
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?	624-626
	Internal Audit	
E.3.16	Does the company have a separate internal audit function?	611-616
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	612
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	612
	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)	640-648
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?	653, 657
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	640-648
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?	552
E.4	People on the Board	
	Board Chairman	
E.4.1	Do different persons assume the roles of chairman and CEO?	90, 104
E.4.2	Is the chairman an independent director/commissioner?	-
E.4.3	Is any of the directors a former CEO of the company in the past 2 years?	90-116
E.4.4	Are the role and responsibilities of the chairman disclosed?	466
	Lead Independent Director	

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
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?	-
	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?	690-695
E.5	Board Performance	
	Directors Development	
E.5.1	Does the company have orientation programmes for new directors/commissioners?	471, 508
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	168-171
	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?	563-564
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/ President?	468, 563-564
	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?	500-501, 533-536
	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?	500-501, 533-536
	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?	501-503, 536-537
	Bonus	



No.	Prinsip dan Rekomendasi	Keterangan Penyajian
(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?	442, 445-446, 450-451, 453-454, 457-458,
(B)B.	Equitable treatment of shareholders	
(B)B.1	Notice of AGM	
(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?	442, 445-446, 450-451, 453-454, 457-458
(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?	Laporan Keuangan
(B)D.1.2	Does the company disclose details of remuneration of the CEO?	622-628
(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?	690-695
(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?	690-695
(B)E.2	Board Structure	
(B)E.2.1	Does the Nominating Committee comprise entirely of independent directors/commissioners?	555-556
(B)E.2.2	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	555-556
(B)E.3	Board Appointments and Re-Election	

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
(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?	564
(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?	476-478
(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?	428-429
(B)E.6	Board Performance	
(B)E.6.1	Does the company have a separate board level Risk Committee?	565-575, 604-605
	Pinalty	
(P)A.	Rights of Shareholders	
(P)A.1.1	Did the company fail or neglect to offer equal treatment for share repurchase to all shareholders?	-
(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	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	-
(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	Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?	-
(P)A.3.2	Did the Chairman of the Board, Audit Committee Chairman and CEO attend the most recent AGM?	-

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
(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	Shareholders Agreement?	-
(P) A.4.2	Voting Cap?	-
(P) A.4.3	Mutiple Voting Rights?	-
(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	Is a pyramid ownership structure and/ or cross holding structure apparent?	-
(P)B	Equitable Treatment of Shareholders	
(P)B.1	Insider trading and abusive self-dealing should be prohibited.	
(P) B.1.1	Has there been any conviction of insider trading involving directors/commissioners, management and employees in the past three years?	-
(P)B.2	Protecting minority shareholders from abusive action	
(P) B.2.1	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?	-
(P) B.2.2	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?	-
(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	Have there been any violations of any laws pertaining to labour/employment/ consumer/insolvency/commercial/ competition or environmental issues?	-
(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	Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	-
(P)D	Disclosure and Transparency	

No.	Prinsip dan Rekomendasi	Keterangan Penyajian
(P)D.1	Sanctions from regulator on financial reports	
(P) D.1.1	Did the company receive a "qualified opinion" in its external audit report?	-
(P) D.1.2	Did the company receive an "adverse opinion" in its external audit report?	-
(P) D.1.3	Did the company receive a "disclaimer opinion" in its external audit report?	-
(P) D.1.4	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	-
(P)E	Responsibilities of the Board	
(P)E.1	Compliance with listing rules, regulations and applicable laws	
(P) E.1.1	Is there any evidence that the company has not complied with any listing rules and regulations over the past year apart from disclosure rules?	-
(P) E.1.2	Have there been any instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns?	-
(P)E.2	Board Structure	
(P) E.2.1	Does the Company have any independent directors/commissioners who have served for more than nine years or two terms of five years each (which ever is higher) in the same capacity? 1 The five years term must be required by legislation which pre-existed before the introduction of the ASEAN Corporate Governance Scorecard in 2011	-
(P) E.2.2	Did the company fail to identify who are the independent director(s)/commissioner(s)?	-
(P) E.2.3	Does the company have any independent directors/non- executive/commissioners who serve on a total of more than five boards of publicly-listed companies?	-
(P)E.3	External Audit	
(P) E.3.1	Is any of the directors or senior management a former employee or partner of the current external auditor (in the past 2 years)?	-
(P)E.4	Board Structure and Composition	
(P) E.4.1	Has the chairman been the company CEO in the last three years?	-
(P) E.4.2	Do independent non-executive directors/ commissioners receive options, performance shares or bonuses?	-