

## Reporting Channels

SMS & WHATSAPP  
0811-900-7777PHONE  
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bmri-wbsltc@tipoffs.infoMAIL  
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bmri-wbsltc.tipoffs.info

## Management of WBS-LTC Reporting [GRI 205-2]

Year	Reporting Channels				Report Classification		Reports Followed Up	Reports Declared Completed
	Letter	Email	Website	SMS/WA	Fraud	Non-Fraud		
2024	4	52	79	122	38	219	257	257
2023	9	42	55	60	46	121	167	167
2022	1	47	66	23	30	107	137	137

## Anti-Financial Crime Policy

## Anti-Bribery and Anti-Corruption Policy

Bank Mandiri has established an internal and detailed policy framework on anti-bribery and anti-corruption, encompassing the Anti-Gratification Policy, Corruption Prevention Policy, Gratification Policy, and Anti-Bribery Management Policy. This framework is supported by a comprehensive anti-fraud strategy, which includes operational standards and other regulations aligned with applicable laws. This reflects the Bank's zero-tolerance commitment towards corruption, fraud, and gratification practices.

As part of its compliance with prevailing laws, Bank Mandiri adopts the definition of gratification as stipulated in Law No. 31 of 1999 on the Eradication of Corruption Crimes, as amended by Law No. 20 of 2001. Bank Mandiri defines gratification as the receipt of gifts in the form of money or equivalents, goods, discounts, memberships, commissions, interest-free loans, tickets, accommodation facilities, travel packages, scholarships, free medical treatments, and other benefits, whether conducted through electronic means or otherwise. Gratification is categorized into three main types:

## 1. Gratification That Requires Reporting

## a. Gratification considered as bribery

Gratification related to position and contrary to the recipient's duties or obligations. These are considered bribery if:

1. The gratification is reasonably suspected of influencing the policies, decisions, or actions of the authority figure.
2. The gratification is received during the performance of duties, within the scope of authority or responsibility.
3. The gratification is provided during official visits but is not related to the official purpose of the visit.
4. The gratification occurs during the processes of employee recruitment, transfers, or promotions.

## b. Gratification Related to Celebrations:

1. Gratification in connection with religious holiday celebrations from customers, debtors, partners, vendors, or other parties with potential conflicts of interest.

2. Gratification related to other celebrations, such as engagements, weddings, childbirth, or traditional/religious ceremonies, with a maximum value limit of one million rupiah.

## 2. Gratification Not Requiring Reporting

- a. Gratification related to official duties includes those received in the context of serving as a speaker or resource person, participating in official assignments, or undertaking official travel, as long as it adheres to internal regulations.
- b. Other forms of gratification are exempt from mandatory reporting as stipulated in the KPK Regulation on Gratification Reporting.

The specific policies and strategies related to bribery and corruption also address the prevention of any form of bribery, including kickbacks, direct or indirect political contributions, and charitable donations or sponsorships that may be misused. All information regarding these policies is publicly accessible to ensure transparency and accountability. [\[GRI 3-3\]](#)

Through these policies, Bank Mandiri defines corruption as the misuse of public or private positions for personal or group gain. Bribery, meanwhile, is defined as the provision or receipt of unauthorized gifts, services, or compensation to influence business decisions. Fraud encompasses any form of misconduct in banking practices, such as asset embezzlement, information leaks, and acts of corruption that violate laws and employee discipline.

To prevent bribery, Bank Mandiri established an Anti-Bribery Management System (ABMS) Audit Team to conduct certifications, audits, and verifications in compliance with international standards. This initiative is an integral part of the Bank's Code of Conduct.

Bank Mandiri has obtained the ISO 37001:2016 Anti-Bribery Management System (ABMS) Certification for the scope of Procurement & Vendor Management on August 10, 2020. The scope was later expanded to include the internal audit process, becoming Procurement, Vendor Management, and Internal Audit Process as of September 20, 2022. The ISO 37001:2016 ABMS certification was renewed on October 13, 2023, and has been maintained based on a recommendation letter dated September 30, 2024.

The Anti-Bribery Management System ensures that Bank Mandiri adheres to the following principles:

1. Prohibiting bribery and similar practices within the Company;
2. Complying with applicable laws, regulations, and anti-bribery provisions;

3. Aligning anti-bribery policies with the Company's objectives;
4. Implementing corporate governance practices that support anti-bribery goals;
5. Committing to fulfilling the requirements of the Anti-Bribery Management System (ABMS);
6. Enhancing anti-bribery awareness among relevant stakeholders;
7. Applying continuous improvement principles to the Anti-Bribery Management System (ABMS);
8. Assigning responsibility, authority, and independence to the Anti-Bribery Compliance Function; and
9. Imposing sanctions for violations of the Anti-Bribery Management System (ABMS) policies.

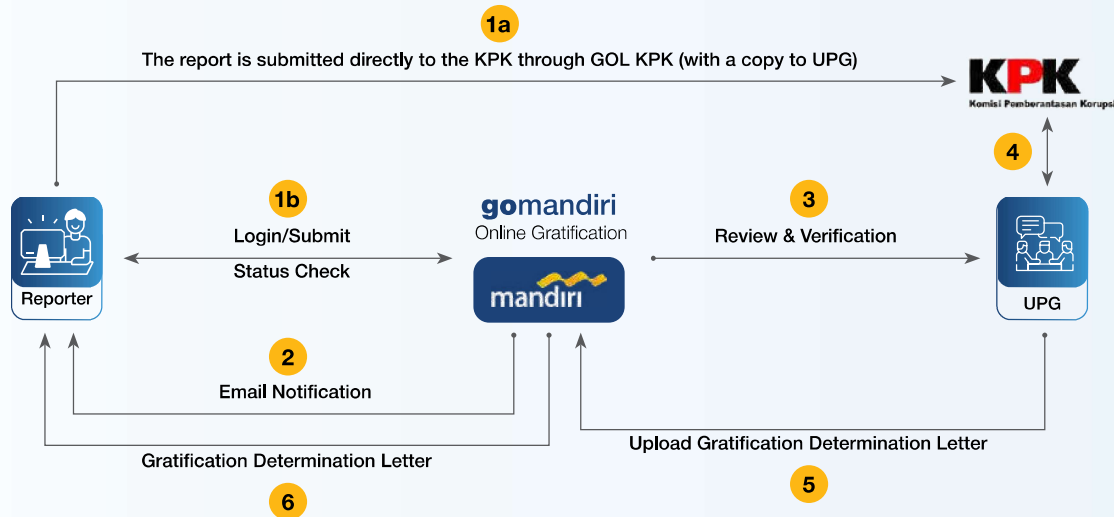
Bank Mandiri has an internal supervision unit in every business unit, including the head office, branches, and regional offices. Operational supervision is primarily focused on high-risk functions prone to fraud and potential corruption, particularly in procurement processes, cash and valuable asset storage, and financial transactions involving customers. In response, the Company has strengthened oversight, enhanced transparency in procurement processes, and provided anti-corruption training to all employees. This training includes operational guidelines on record-keeping, approval procedures, and appropriate behavior, aimed at mitigating these risks. [\[GRI 205-1\]](#)

In efforts to mitigate the risks of fraud and gratification, Bank Mandiri enforces strict policies regarding unauthorized payments. Bank Mandiri prohibits all forms of facilitation payments, whether direct or indirect. Facilitation payments are defined as small payments made to expedite administrative processes that should be performed in accordance with applicable regulations without additional costs.

To prevent gratification practices, Bank Mandiri implements the following gratification control processes: [\[GRI 3-3\]](#)

1. Establishing a Gratification Control Unit as part of the Compliance Unit, serving as the coordinator for gratification control at Bank Mandiri, as stipulated in the Board of Directors' Decree, updated with No. KEP. DIR/64/2021.
2. Issuing gratification control regulations within Bank Mandiri, which are refined annually or as needed in line with the bank's developments and/or compliance with regulatory requirements, with the latest update in 2024.
3. Conducting socialization of the gratification control program to all employees and stakeholders of Bank Mandiri.

### Gratification Control Scheme



### Anti-Fraud Strategy

#### Prevention

Pillar  
1

Implemented across all work units to reduce the potential for fraud occurrences.

- Anti-fraud awareness through the dissemination of the Anti-Fraud Statement, Employee Awareness Program, and Customer Awareness Program.
- Identification of vulnerabilities through policies, procedures, job descriptions, and annual disclosures.
- Employee Know Your Employee (KYE) Policy applied during recruitment processes.

#### Detection

Pillar  
2

Conducted across all units, from the first line of defence, second, to the third, aimed at identifying and detecting fraud in banking activities.

- Whistleblowing.
- Fraud detection systems in transaction segments, including retail channels (micro, consumer, and SME).
- Surprise audits, especially in high-risk or fraud-prone business units.
- Surveillance systems to monitor and evaluate the effectiveness of internal control systems.

#### Investigation, Reporting, Sanctions, and Legal Processes

Pillar  
3

Fraud handling through investigations and reporting to the President Director, Board of Commissioners, and Regulators.

- Delegation of authority for conducting investigations and imposing sanctions to each region to expedite handling and recovery processes.

#### Monitoring, Evaluation, and Follow-Up

Pillar  
4

Monitoring of follow-up actions post-investigation and evaluation of fraud incidents to address weaknesses and strengthen internal controls to prevent recurrence.

- Written reports are systematically submitted to the President Director and Board of Commissioners to track the follow-up actions listed.

### Communication and Training on Anti-Corruption and Anti-Fraud by Work Region [GRI 205-2]

Work Region	Has been communicated by the Company regarding its anti-corruption and anti-fraud policies and procedures		Has attended anti-corruption and anti-fraud training	
	Total	%	Total	%
Head Office	13,811	35.53%	1,812	42.08%
Sumatera (Region 1, 2)	4,787	12.31%	343	7.97%
Jakarta (Region 3, 4, 5)	6,832	17.57%	533	12.38%
Java (Region 6, 7, 8)	7,755	19.95%	541	12.56%
Kalimantan (Region 9)	1,796	4.62%	590	13.70%
Sulawesi and Maluku (Region 10)	2,043	5.26%	223	5.18%
Bali and Nusa Tenggara (Region 11)	1,175	3.02%	212	4.92%
Papua (Region 12)	675	1.74%	52	1.21%
<b>Total</b>	<b>38,874</b>	<b>100.00%</b>	<b>4,306</b>	<b>100.00%</b>

In addition to training, Bank Mandiri actively encourages all employees to avoid involvement in fraudulent practices through various awareness programs. In 2024, the Company organized anti-fraud and anti-corruption policy awareness sessions for all employee categories (100%). [GRI 205-2]

## Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF), and Counter-Proliferation Financing of Weapons of Mass Destruction (CPF-WMD) Program Implementation

The rapid advancement of innovation and technology in the financial services sector has driven Bank Mandiri to undergo business transformation through digitalization. This approach is a key component of Bank Mandiri's long-term strategy, known as "Game-Changing Technology." This transformation is carefully balanced with the application of prudential principles, security, confidentiality, and robust risk mitigation measures to prevent the misuse of the Bank for Money Laundering (ML), Terrorist Financing (TF), and/or Proliferation Financing of Weapons of Mass Destruction (PF-WMD).

Indonesia officially became a full member of the Financial Action Task Force (FATF) following the FATF plenary meeting in Paris in October 2023. Bank Mandiri's active contribution to the Mutual Evaluation Review (MER) process played a significant role in Indonesia's successful assessment and full membership in the FATF. This achievement presents

a new challenge for Bank Mandiri to consistently support the AML, CTF, and CPF-WMD framework in Indonesia as part of its commitment to national development and the enhancement of global integrity standards.

To ensure the optimal implementation of the AML, CTF, and CPF-WMD programs, Bank Mandiri adheres to applicable regulations, risk management practices, the Bank's Business Plan, and international best practices. The Bank's vision, "To be your preferred financial partner," is realized through a series of strategic initiatives focused on Processes & Procedures, Systems & Technology, and Human Capital Development. These strategies are continuously implemented to enhance the effectiveness and optimization of the risk-based AML, CTF, and CPF-WMD programs.