

Information on Material Transactions Containing Conflicts of Interest and/or Transactions with the Affiliates

Review Mechanism Policy for Transaction And Fulfillment of Related Terms and Conditions

Bank Mandiri has internal policies related to transactions containing conflict of interest and/or transactions with affiliates. The policy of providing 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 a reasonable benefit to the company, the provision shall also be subject to the approval of the Board of Commissioners.

Loan Policy for Board Of Commissioners and Directors

Bank Mandiri has a crediting policy for the Board of Commissioners and the Board of Directors that takes into account the principle of fairness through a generally accepted crediting process such as crediting process to regular customers.

Funding to related parties and to debtors with large amounts of funds is always done with a consideration to the principles of prudence, and has complied with the provisions of the Financial Services Authority (OJK) and other applicable laws and regulations, including the Legal Lending Limit (BMPK).

	Related Parties	Unrelated Parties (Individuals)	Unrelated Parties (Group of Debtors)
Violation of BMPK	None	None	None
Excess of BMPK	None	None	None

The Legal Lending Limit (BMPK) as of December 31, 2017 did not violate and exceed the BMPK's requirements for related parties and unrelated parties. BMPK was calculated in accordance with Bank Indonesia Regulation - PBI no. 7/3 /PBI/2005 dated January 20, 2005 on the Legal Lending Limit for Commercial Bank as amended by Bank Indonesia Regulation no. 8/13/PBI/2006 dated October 5, 2006.

During 2017 there was no violation and/or excess of BMPK for the provision of funds to the Related Parties of Bank Mandiri.

The Appropriateness and Reasons of Doing the Transaction

conflicts of interest had been done appropriately according to the laws and regulations. The transaction was conducted on the basis of the company's requirements and was free of any conflict of interest. In relation to transactions with related parties, Bank Mandiri and Its Subsidiaries conducted the transactions with related parties as defined in Statement of Financial Accounting Standards (SFAS) No.7 on "Related Party Disclosures" and Capital Market Supervisory Agency (BAPEPAM) and Financial Institution (LK) Regulations no. KEP-347/BL/2012 dated June 25, 2012 on "Presentation and Disclosures of Financial Statements of Issuers or Public Companies", defined as follows:

1. Person who:
 - a. Has control or joint control over the reporting party entity;
 - b. Has significant influence over the reporting party entity; or
 - c. Is a key management personnel of the reporting party entity or parent company of reporting party entity.
2. An entity is related to the reporting party entity if it meets one of the following:
 - a. Entity and reporting party 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 of the same third party
 - d. An entity is a joint venture of a third entity and another entity is an associate of the third entity
 - e. The entity is a post-employment benefit program for an employee benefit of one of the reporting party entity or entity associated with the reporting party entity

- f. An entity controlled or jointly controlled by persons identified as referred to in number 1); or
 - g. The person identified as referred to in number 1) on a) has significant influence over the entity or is the key management personnel of the entity
 - h. An entity that is controlled, jointly controlled or significantly influenced by the Government, namely the Ministry of Finance or Regional Government, which is the shareholder of the entity.
3. Non-related parties are as follows:
- a. Two entities which simply because they have the same director or key management personnel or because the key management personnel of one entity have significant influence over another entity
 - b. Two venturers which simply because they are jointly controlling the joint venture
 - c. Funders, trade unions, public service entities and departments and government agencies that do not control, jointly control or have significant influence over the reporting party entity, solely in the normal course of conduct with the entity
 - d. Customer, supplier, franchise holder, distributor or general agent with whom the entity entered into a business

transaction with significant volume, solely because of the economic dependence caused by the circumstances.

Name And Nature Of Relationships

Bank Mandiri And Its Subsidiaries Conducted The Transactions With Related Parties As Defined In Statement Of Financial Accounting Standards (Sfas) No. 7 On "Related Party Disclosures" And Capital Market Supervisory Agency (Bapepam) And Financial Institution (Lk) Regulations No. Kep-347/Bl/2012 Dated June 25, 2012 On "Presentation And Disclosures Of Financial Statements Of Issuers Or Public Companies". All transactions made in 2017 were categorized as Arm's Length transactions and in accordance with the ordinary commercial requirements as shown by "Unqualified Opinion" from Independent Auditor on 2017 Consolidated Financial Statements.

A Related Party Is A Person Or Entity Associated With An Entity That Prepares Its Financial Statement (Reporting Party Entity).

In The Course Of Conducting Its Normal Business, Bank Mandiri Has Significant Business Transactions With Related Parties. The Related Parties And The Nature Of Their Relationship With The Bank Are Described As Follows.

The Relationship Of Related Parties As Main Shareholder

The Government of Republic of Indonesia through Ministry of Finance.

The Relationship Of Related Parties Due To Ownership And/Or Management

The relationship of related parties due to ownership and/or management are presented in the following table.

The Relationship of Related Parties Due to Ownership and/or Management Table

No	Related Parties Due to Ownership and/or Management	Nature of Relationship
1	PT Kustodian Sentral Efek Indonesia	Associate Company
2	PT Sarana Bersama Pengembangan Indonesia	Associate Company
3	Pension Fund of Bank Mandiri	Bank Mandiri as the founder
4	Pension Fund of Bank Mandiri 1	Bank Mandiri as the founder
5	Pension Fund of Bank Mandiri 2	Bank Mandiri as the founder
6	Pension Fund of Bank Mandiri 3	Bank Mandiri as the founder
7	Pension Fund of Bank Mandiri 4	Bank Mandiri as the founder
8	PT Bumi Daya Plaza	Controlled by Pension Fund of Bank Mandiri (since December 19, 2013)
9	PT Pengelola Investama Mandiri	Controlled by Pension Fund of Bank Mandiri (since December 19, 2013)
10	PT Usaha Gedung Mandiri	Controlled by Pension Fund of Bank Mandiri (since December 19, 2013)
11	PT Estika Daya Mandiri	Controlled by Pension Fund of Bank Mandiri 1
12	PT Asuransi Staco Mandiri (formerly known as PT Asuransi Staco Jasapratama)	Controlled by Pension Fund of Bank Mandiri 2
13	PT Mulia Sasmita Bhakti	Controlled by Pension Fund of Bank Mandiri 3
14	PT Krida Upaya Tunggal	Controlled by Pension Fund of Bank Mandiri 4
15	PT Wahana Optima Permai	Controlled by Pension Fund of Bank Mandiri 4

No	Related Parties Due to Ownership and/or Management	Nature of Relationship
16	Pension Fund of Financial Institution of Bank Mandiri	Significantly influenced by Bank Mandiri
17	Employee and Pensioners Health Cooperation of Bank Mandiri (Mandiri Healthcare)	Significantly influenced by Bank Mandiri
18	PT Mitra Transaksi Indonesia	Significantly influenced by Bank Mandiri

The nature of transactions with related parties due to ownership and/or management consists of : share investment, issued securities, subordinated loans, loans, customer savings and bank guarantees.

The Relationship of Related Parties With Government Entities

Table of the Relationship of Related Parties with Government Entities

No	Subsidiaries of SOE	No	Subsidiaries of SOE	No	Subsidiaries of SOE
1	PT Abuki Jaya Stainless (AJSI)	31	PT Asuransi Jiwa Tugu Mandiri (AJTM)	61	PT Brantas Energi Mandiri
2	PT Adhi Persada Beton	32	PT Asuransi Samsung Tugu	62	PT Brantas Hidro Energi
3	PT Adhi Persada Gedung	33	PT Asuransi Tokio Marine Indonesia	63	PT Brantas Mahalona Energi
4	PT Adhi Persada Properti	34	PT Badak Arun Solusi (dhl. PT Patra Teknik)	64	PT Brantas Nipajaya Energi
5	PT Administrasi Medika	35	PT Bahana Artha Ventura	65	PT Brantas Prospek Energi
6	PT Aero Globe Indonesia	36	PT Bahana Securities	66	PT Brantas Prospek Engineering
7	PT Aero Systems Indonesia	37	PT Bakti Timah Solusi Medika	67	PT Brantas Prospek Mandiri
8	PT Aerofood Indonesia	38	PT Balai Lelang Artha Gasia	68	PT BRI Life
9	PT Aerojasa Cargo	39	PT Balebat Dedikasi Prima	69	PT BRI Multifinance Indonesia
10	PT Aerowisata	40	PT Bali Griya Shanti	70	PT Bromo Steel Indonesia
11	PT Agro Sinergi Nusantara (ASN)	41	PT Bank BRI Syariah	71	PT Bukit Asam Banko
12	PT Akses Pelabuhan Indonesia	42	PT Baturaja Multi Usaha	72	PT Bukit Asam Medika
13	PT Alam Lestari Nusantara	43	PT Belitung Intipermi	73	PT Bukit Asam Prima
14	PT Alur Pelayaran Barat Surabaya	44	PT Berdikari Logistik Indonesia	74	PT Bukit Energi Investama
15	PT Angkasa Pura Hotel	45	PT Berdikari United Livestock	75	PT Bukit Energi Service Terpadu
16	PT Angkasa Pura Kargo	46	PT Berkah Kawasan Manyar Sejahtera	76	PT Bukit Multi Investama
17	PT Angkasa Pura Logistik	47	PT Berlian Jasa Terminal Indonesia	77	PT Bumi Sawindo Permai
18	PT Angkasa Pura Property	48	PT Berlian Manyar Sejahtera	78	PT Cinere Serpong Jaya
19	PT Angkasa Pura Retail	49	PT Bhakti Wasantara Net	79	PT Citilink Indonesia
20	PT Angkasa Pura Solusi	50	PT Bhineka Wana	80	PT Citra Bhakti Margatama Persada
21	PT Angkasa Pura Supports	51	PT Bhumi Visatanda Tour dan Travel	81	PT Citra Lautan Teduh
22	PT Anpa International Ltd (Qq PT Akuel Asia Pulse Pte Ltd)	52	PT Bima Sepaja Abadi	82	PT Citra Lintas Angkasa
23	PT Antam Niterra Haltim	53	PT BNI Life Insurance	83	PT Citra Sari Makmur
24	PT Antam Resourcindo	54	PT BNI Sekurites	84	PT Citra Tobindo Sukses Perkasa
25	PT Artha Daya Coalindo	55	PT Borneo Alumina Indonesia	85	PT Clariant Kujang Catalysts
26	PT Arthaloka Indonesia	56	PT Borneo Edo International	86	PT Cogindo Dayabersama
27	PT Arthindokarya Sejahtera	57	PT BPR Rizky Barokah	87	PT Crompton Prima Switchgear Indonesia
28	PT Askrimdo Mitra Utama (dhl PT Usayasa Utama)	58	PT Brantas Adya Surya Energi	88	PT Cut Meutia Medika Nusantara
29	PT Asuransi Berdikari	59	PT Brantas Cakrawala Energi	89	PT Dalle Energy Batam (DEB)
30	PT Asuransi Jiwa Taspen	60	PT Brantas Energi	90	PT Danareksa Capital

No	Subsidiaries of SOE
91	PT Danareksa Finance
92	PT Danareksa Investment Management
93	PT Danareksa Sekuritas
94	PT Dasaplast Nusantara
95	PT Daya Laut Utama
96	PT Dayamitra Telekomunikasi
97	PT Dharma Lautan Nusantara
98	PT Dok dan Perkapalan Waime
99	PT Dok dan Perkapalan Air Kantung
100	PT Donggi Senoro LNG
101	PT Electronic Data Interchange Indonesia
102	PT Elnusa Tbk
103	PT Eltran Indonesia
104	PT Energi Agro Nusantara
105	PT Energi Pelabuhan Indonesia
106	PT Equiport Inti Indonesia
107	PT Farmalab Indoutama
108	PT Feni Haltim
109	PT Finnet Indonesia
110	PT GAG Nikel
111	PT Gagas Energi Indonesia
112	PT Gapura Angkasa
113	PT Gema Hutani Lestari
114	PT Geo Dipa Energi
115	PT GIEB Indonesia
116	PT GIH Indonesia
117	PT Gitanusa Sarana Niaga
118	PT Graha Investama Bersama
119	PT Graha Sarana Duta
120	PT Graha Yasa Selaras
121	PT Gresik Cipta Sejahtera
122	PT Griyaton Indonesia
123	PT Gunung Gajah Abadi
124	PT Gunung Kendaik
125	PT HaKaAston
126	PT Haleyora Power
127	PT Haleyora Powerindo
128	PT Hasta Kreasi Mandiri
129	PT HK Realtindo
130	PT Utama Prima
131	PT Hutansanggara Labanan Lestari

No	Subsidiaries of SOE
132	PT Igaras
133	PT Indo Ridlatama Power
134	PT Indofarma Global Medika
135	PT Indonesia Chemical Alumina
136	PT Indonesia Coal Resources
137	PT Indonesia Comnets Plus
138	PT Indonesia Kendaraan Terminal
139	PT Indonesia Power
140	PT Indonusa Telemedia
141	PT Indopelita Aircraft Service
142	PT Industri Karet Nusantara
143	PT Industri Kemasan Semen Gresik
144	PT Industri Nabati Lestari (PT Sinar Oleo Nusantara)
145	PT Infomedia Nusantara
146	PT Infomedia Solusi Humanika
147	PT Infrastruktur Telekomunikasi Indonesia
148	PT Inhutani I
149	PT Inhutani II
150	PT Inhutani III
151	PT Inhutani IV
152	PT Inhutani V
153	PT INKA Multi Solusi
154	PT Integrasi Logistik Cipta Solusi
155	PT Inti Bagas Perkasa
156	PT Inti Global Optical Comm
157	PT IPC Terminal Petikemas
158	PT Itci Kayan Hutani
159	PT Jababeka PP Properti
160	PT Jakarta Industrial Estate Pulogadung (JIEP)
161	PT Jakarta International Container Terminal
162	PT Jakarta Trans Metropolitan
163	PT Jalantol Lingkarluar Jakarta
164	PT Jalin Pembayaran Nusantara
165	PT Jasa Armada Indonesia
166	PT Jasa Layanan Pemeliharaan
167	PT Jasa Marga Bali Tol
168	PT Jasa Marga Balikpapan Samarinda
169	PT Jasa Marga Jalanlayang Cikampek
170	PT Jasa Marga Kualanamu Tol
171	PT Jasa Marga Manado Bitung

No	Subsidiaries of SOE
172	PT Jasa Marga Pandaan Malang
173	PT Jasa Marga Pandaan Tol
174	PT Jasa Marga Properti
175	PT Jasa Peralatan Pelabuhan Indonesia
176	PT Jasa Prima Logistik Bulog
177	PT Jasamarga Semarang Batang
178	PT Jasamarga Surabaya Mojokerto
179	PT Jasaraharja Putera
180	PT KAI Commuter Jabodetabek
181	PT Kalimantan Agro Nusantara
182	PT Kalimantan Jawa Gas
183	PT Kalimantan Medika Nusantara
184	PT Kaltim Daya Mandiri
185	PT Kaltim Industrial Estate
186	PT Kaltim Jasa Sekuriti
187	PT Kaltim Jordan Abadi
188	PT Karya Citra Nusantara
189	PT Kawasan Industri Gresik
190	PT Kawasan Industri Kujang Cikampek
191	PT Kereta Api Logistik
192	PT Kereta Api Pariwisata
193	PT Kerimas Witikco Makmur (PT Kerimas)
194	PT Kertas Padalarang
195	PT Kharisma Pemasaran Bersama Logistik
196	PT Kharisma Pemasaran Bersama Nusantara
197	PT KHI Pipe Industries
198	PT Kimia Farma Apotek
199	PT Kimia Farma Sungwun Pharmacopia
200	PT Kimia Farma Trading dan Distributor
201	PT Kliring Perdagangan Berjangka Indonesia
202	PT Koba Tin
203	PT Kodja Terramarin
204	PT Komipo Pembangunan Jawa Bali
205	PT Krakatau Argo Logistics
206	PT Krakatau Bandar Samudra
207	PT Krakatau Blue Water
208	PT Krakatau Daedong Machinery
209	PT Krakatau Daya Listrik
210	PT Krakatau Engineering
211	PT Krakatau Golden Lime

No	Subsidiaries of SOE
212	PT Krakatau Industrial Estate Cilegon
213	PT Krakatau Information Technology
214	PT Krakatau Medika
215	PT Krakatau Nasional Resources
216	PT Krakatau Nippon Steel Sumikin
217	PT Krakatau Osaka Steel
218	PT Krakatau Posco
219	PT Krakatau Posco Chemtech Calcination
220	PT Krakatau Prima Dharma Sentana
221	PT Krakatau Samator
222	PT Krakatau Tirta Industri
223	PT Krakatau Wajatama
224	PT Krakatau Wajatama Osaka Steel Marketing
225	PT Kresna Kusuma Dyandra Marga
226	PT Kujang Tatar Persada
227	PT Kujang Tirta Sarana
228	PT Kukuh Tangguh Sandang Mills
229	PT Lamong Energi Indonesia
230	PT Laras Astra Kartika
231	PT LEN Railway Systems
232	PT LEN Telekomunikasi Indonesia
233	PT Limbong Hidro Energi
234	PT Madu Baru
235	PT Mardec Nusa Riau
236	PT Marga Kunciran Cengkareng
237	PT Marga Lingkar Jakarta
238	PT Marga Sarana Jabar
239	PT Marga Trans Nusantara
240	PT Mega Citra Utama
241	PT Mega Eltra
242	PT Melon Indonesia
243	PT Menara Antam Sejahtera (MAS)
244	PT Meratus Jaya Iron dan Steel
245	PT Merpati Training Center
246	PT Metra Digital Media
247	PT MetraNet
248	PT Minahasa Brantas Energi
249	PT Mirtasari Hotel Development
250	PT Mitra Dagang Madani
251	PT Mitra Energi Batam (MEB)
252	PT Mitra Hasrat Bersama (MHB)

No	Subsidiaries of SOE
253	PT Mitra Karya Prima
254	PT Mitra Kerinci
255	PT Mitra Proteksi Madani
256	PT Mitra Rajawali Banjaran
257	PT Mitra Tekno Madani
258	PT Mitra Tour dan Travel
259	PT Mitrasraya Adhijasa
260	PT Mitratani Dua Tujuh
261	PT Muba Daya Pratama
262	PT Multi Nitrotama Kimia
263	PT Multi Terminal Indonesia
264	PT Multimedia Nusantara
265	PT New Priok Container Terminal One
266	PT Ngawi Kertosono Jaya
267	PT Nikel Halmahera Timur (NHT)
268	PT Nindya Beton
269	PT Nindya Karya
270	PT Nusa Karya Arindo
271	PT Nusantara Batulicin
272	PT Nusantara Medika Utama
273	PT Nusantara Regas
274	PT Nusantara Sukses Investasi
275	PT Nusantara Terminal Services
276	PT Nusantara Turbin dan Propulsi
277	PT Optima Nusa Tujuh
278	PT Pal Marine Service
279	PT Palawi Risorsis
280	PT Pann Pembiayaan Maritim
281	PT Patra Jasa
282	PT Patra Logistik
283	PT Patra Telekomunikasi Indonesia
284	PT Patra Trading
285	PT PBM Adhiguna Putera
286	PT Pefindo Biro Kredit
287	PT Pejagan Pemalang Tol Road
288	PT Pekanbaru Permai Propertindo
289	PT Pelabuhan Bukit Prima
290	PT Pelabuhan Tanjung Priok
291	PT Pelayanan Energi Batam
292	PT Pelayanan Bahtera Adiguna
293	PT Pelindo Energi Logistik
294	PT Pelindo Husada Citra (PT Rumah Sakit Primasatya Husada Citra)

No	Subsidiaries of SOE
295	PT Pelindo Marine Service
296	PT Pelindo Properti Indonesia
297	PT Pelita Air Service
298	PT Pelita Indonesia Djaya Corporation
299	PT Pembangkit Jawa Bali (PJB)
300	PT Pendidikan Maritim dan Logistik Indonesia
301	PT Pengembang Pelabuhan Indonesia
302	PT Pengerukan Indonesia (Rukindo)
303	PT Perhutani Anugerah Kimia
304	PT Perkebunan Agrintara (PA)
305	PT Perkebunan Mitra Ogan
306	PT Perkebunan Nusantara I (Persero)
307	PT Perkebunan Nusantara II (Persero)
308	PT Perkebunan Nusantara IV (Persero)
309	PT Perkebunan Nusantara IX (Persero)
310	PT Perkebunan Nusantara V (Persero)
311	PT Perkebunan Nusantara VI (Persero)
312	PT Perkebunan Nusantara VII (Persero)
313	PT Perkebunan Nusantara VIII (Persero)
314	PT Perkebunan Nusantara X (Persero)
315	PT Perkebunan Nusantara XI (Persero)
316	PT Perkebunan Nusantara XII (Persero)
317	PT Perkebunan Nusantara XIII (Persero)
318	PT Perkebunan Nusantara XIV (Persero)
319	PT Permata Graha Nusantara
320	PT Permata Karya Jasa
321	PT Permodalan Nasional Madani Venture Capital
322	PT Peroksida Indonesia Pratama
323	PT Perta Arun Gas
324	PT Perta Daya Gas
325	PT Pertamina Bina Medika
326	PT Pertamina Dana Ventura
327	PT Pertamina Drilling Services Indonesia
328	PT Pertamina East Natuna
329	PT Pertamina EP
330	PT Pertamina EP Cepu
331	PT Pertamina EP Cepu Alas Dara dan Kemuning
332	PT Pertamina Gas
333	PT Pertamina Geothermal Energy
334	PT Pertamina Hulu Energi

No	Subsidiaries of SOE
335	PT Pertamina Internasional Eksplorasi dan Produksi
336	PT Pertamina International Timor SA
337	PT Pertamina Lubricants
338	PT Pertamina Patra Niaga
339	PT Pertamina Power Indonesia
340	PT Pertamina Retail
341	PT Pertamina Training dan Consulting
342	PT Pertamina Trans Kontinental
343	PT Peruri Digital Security
344	PT Peruri Properti
345	PT Pesonna Optima Jasa
346	PT Peteka Karya Gapura
347	PT Peteka Karya Jala
348	PT Peteka Karya Samudera
349	PT Peteka Karya Tirta
350	PT Petro Jordan Abadi
351	PT Petrokimia Gresik
352	PT Petrokimia Kayaku
353	PT Petrokopindo Cipta Selaras
354	PT Petronika
355	PT Petrosida Gresik
356	PT PG Rajawali I
357	PT PGAS Solution
358	PT PGAS Telekomunikasi Nusantara
359	PT PGN LNG Indonesia
360	PT Phapros
361	PT PHE Abar
362	PT PHE Metana Kalimantan B
363	PT PHE Metana Sumatera 5
364	PT PHE West Madura Offshore
365	PT PINS Indonesia
366	PT PLN Batubara
367	PT PLN Enjinering
368	PT PLN Tarakan
369	PT PNM Investment Management
370	PT Portek Indonesia
371	PT Pos Logistik Indonesia
372	PT Pos Properti Indonesia
373	PT PP Energi
374	PT PP Infrastruktur
375	PT PP Peralatan
376	PT PP Properti

No	Subsidiaries of SOE
377	PT PP Properti Jababeka Residen
378	PT PP Urban (dahulu PT PP Pracetak)
379	PT PPA Finance
380	PT PPA Kapital
381	PT Pratama Mitra Sejati
382	PT Pratama Persada Airbone
383	PT Prima Citra Nutrindo
384	PT Prima Husada Cipta Medan
385	PT Prima Indonesia Logistik
386	PT Prima Medica Nusantara
387	PT Prima Multi Terminal
388	PT Prima Pengembangan Kawasan
389	PT Prima Power Nusantara
390	PT Prima Terminal Petikemas
391	PT Propernas Griya Utama
392	PT Pupuk Agro Nusantara
393	PT Pupuk Indonesia Energi
394	PT Pupuk Indonesia Logistik
395	PT Pupuk Indonesia Pangan
396	PT Pupuk Iskandar Muda
397	PT Pupuk Kalimantan Timur
398	PT Pupuk Kujang
399	PT Pupuk Sriwidjaja Palembang
400	PT Purantara Mitra Angkasa Dua
401	PT Puspelindo
402	PT Pusri Agro Lestari
403	PT Railink
404	PT Rajawali Citramass
405	PT Rajawali Nusindo
406	PT Rajawali Tanjungsari Enjiniring
407	PT Rantepao Hidro Energi
408	PT Ratah Timber
409	PT Reasuransi Nasional Indonesia
410	PT Recon Sarana Utama
411	PT Rekadaya Elektriika
412	PT Rekadaya Elektriika Consult
413	PT Rekindo Global Jasa
414	PT Rekindo Cakrawala Resources
415	PT Rekindo Engineering
416	PT Rekindo Industri/PT REKIND
417	PT Rekindo Daya Mamuju
418	PT Reska Multi Usaha

No	Subsidiaries of SOE
419	PT Riset Perkebunan Nusantara
420	PT Rolas Nusantara Mandiri
421	PT Rolas Nusantara Medika
422	PT Rolas Nusantara Tambang
423	PT Rumah Sakit Pelabuhan
424	PT Rumah Sakit Pelni
425	PT Sabre Travel Network Indonesia (dulu ADSI)
426	PT Sahung Brantas Energi
427	PT Saka Eksplorasi Baru
428	PT Saka Eksplorasi Timur
429	PT Saka Eksplorasi Ventura
430	PT Saka Energi Bangkanai Barat
431	PT Saka Energi Indonesia
432	PT Saka Energi Sepinggan
433	PT Sampico Adhi Abbatoir
434	PT Sarana Aceh Ventura
435	PT Sarana Agro Nusantara
436	PT Sarana Bandar Logistik
437	PT Sarana Bandar Nasional
438	PT Sarana Bengkulu Ventura
439	PT Sarana Jabar Ventura
440	PT Sarana Jakarta Ventura
441	PT Sarana Jambi Ventura
442	PT Sarana Jateng Ventura
443	PT Sarana Jatim Ventura
444	PT Sarana Kalbar Ventura
445	PT Sarana Kalsel Ventura
446	PT Sarana Kaltim Ventura
447	PT Sarana Multigriya Finansial
448	PT Sarana NTT Ventura
449	PT Sarana Papua Ventura
450	PT Sarana Riau Ventura
451	PT Sarana Sulsel Ventura
452	PT Sarana Sulut Ventura
453	PT Sarana Surakarta Ventura
454	PT Sarana Usaha Sejahtera Insanpalapa
455	PT Sari Arthamas (Sari Pan Pacific Hotel)
456	PT Sari Valuta Asing
457	PT Satria Bahana Sarana
458	PT Segara Indochin
459	PT Semen Gresik
460	PT Semen Indonesia Aceh

No	Subsidiaries of SOE
461	PT Semen Indonesia Beton (dahulu PT SGG Prima Beton)
462	PT Semen Indonesia International
463	PT Semen Indonesia Logistik (dahulu PT Varia Usaha)
464	PT Semen Kupang Indonesia
465	PT Semen Padang
466	PT Semen Tonasa
467	PT Semesta Marga Raya
468	PT Senggigi Pratama internasional
469	PT Sentul PP Properti
470	PT Sepatim Batamtama
471	PT Sepoetih Daya Prima
472	PT SGG Energi Prima
473	PT Sigma Cipta Caraka
474	PT Sigma Utama
475	PT Sinergi Investasi Properti
476	PT Sinergi Perkebunan Nusantara
477	PT Sinkona Indonesia Lestari
478	PT Solo Ngawi Jaya
479	PT Solusi Energy Nusantara
480	PT Sri Melamin Rejeki
481	PT Sri Pamela Medika Nusantara
482	PT Sriwijaya Markmore Persada
483	PT Sucofindo Advisory Utama
484	PT Sucofindo Episi
485	PT Sumber Segara Primadaya (S2P)
486	PT Sumberdaya Arindo
487	PT Surabaya Industrial Estate Rungkut (SIER)
488	PT Surveyor Carbon Consulting Indonesia
489	PT Surya Energi Indotama
490	PT Swadaya Graha
491	PT Tanjung Alam Jaya
492	PT Telekomunikasi Indonesia International
493	PT Telekomunikasi Selular
494	PT Telemedia Dinamika Sarana
495	PT Telkom Akses
496	PT Telkom Landmark Tower
497	PT Terminal Peti Kemas Surabaya
498	PT Terminal Petikemas Indonesia
499	PT Terminal Teluk Lamong
500	PT Tiga Mutiara Nusantara (TMN)

No	Subsidiaries of SOE
501	PT Timah Agro Manunggal
502	PT Timah Industri
503	PT Timah Investasi Mineral
504	PT Timah Karya Persada Properti (dhl PT Timah Adhi Wijaya)
505	PT Tiphone Mobile Indonesia Tbk
506	PT Tracon Industri
507	PT Trans Jabar Tol
508	PT Trans Marga Jateng
509	PT Trans Mayapada
510	PT Transmarga Jatim Pasuruan
511	PT Transportasi Gas Indonesia
512	PT Tri Sari Veem
513	PT Truba Bara Banyu Enim
514	PT Tugu Insurance Company Ltd Hongkong
515	PT Tugu Pratama Indonesia
516	PT Tugu Pratama Interindo
517	PT Tugu Reasuransi Indonesia
518	PT Varia Usaha Bahari
519	PT Varia Usaha Beton
520	PT Varia Usaha Dharma Segara
521	PT Varia Usaha Lintas Segara
522	PT Waru Abadi
523	PT Waskita Beton Precast Tbk
524	PT Waskita Bumi Wira
525	PT Waskita Karya Energi
526	PT Waskita Karya Realty
527	PT Waskita Sangir Energi
528	PT Waskita Toll Road
529	PT Widar Mandripa Nusantara
530	PT Wijaya Karya Beton
531	PT Wijaya Karya Bitumen
532	PT Wijaya Karya Gedung
533	PT Wijaya Karya Industri dan Konstruksi
534	PT Wijaya Karya Intrade Energy
535	PT Wijaya Karya Realty
536	PT Wijaya Karya Rekayasa Konstruksi
537	PT Wisma Seratus Sejahtera
538	PT Yasa Industri Nusantara
539	Saka Energi Muriah Limited
540	Saka Indonesia Pangkah BV
541	Saka Indonesia Pangkah Limited

No	Subsidiaries of SOE
542	Saka Pangkah LLC
543	Timah International Investment Pte Ltd

No	SOE
544	BRJS Kesehatan
545	BRJS Ketenagakerjaan
546	Perum BULOG
547	Perum DAMRI
548	Perum Jaminan Kredit Indonesia (JAMKRINDO)
549	Perum Jasa Tirta I (Persero)
550	Perum Jasa Tirta II (Persero)
551	Perum Lembaga Penyelenggara Pelayanan Navigasi Penerbangan Indonesia (PERUM LPPNPI)
552	Perum LKBN Antara
553	Perum Pegadaian
554	Perum Percetakan Negara Republik Indonesia
555	Perum Percetakan Uang Republik Indonesia/PERUM PERURI
556	Perum Perhutani
557	Perum Perikanan Indonesia (PERUM PERINDO)
558	Perum Perumnas
559	Perum PPD
560	Perum Produksi Film Negara
561	PT Adhi Karya (Persero) Tbk.
562	PT Amarta Karya (Persero)
563	PT Aneka Tambang (Persero) Tbk.
564	PT Angkasa Pura I (Persero)
565	PT Angkasa Pura II
566	PT ASABRI
567	PT ASDP Indonesia Ferry (Persero)
568	PT Asuransi Jasa Indonesia
569	PT Asuransi Jasa Raharja
570	PT Asuransi Jiwasraya
571	PT Asuransi Kredit Indonesia/PT Askrido (Persero)
572	PT Bahana Pembinaan Usaha Indonesia
573	PT Balai Pustaka
574	PT Bank Negara Indonesia (Persero) Tbk.

No	SOE
575	PT Bank Rakyat Indonesia (Persero) Tbk.
576	PT Bank Tabungan Negara (Persero) Tbk.
577	PT Barata Indonesia
578	PT Berdikari
579	PT Bhanda Ghara Rekso
580	PT Bina Karya
581	PT Bio Farma (Persero)
582	PT Biro Klasifikasi Indonesia
583	PT Boma Bisma Indra
584	PT Brantas Abipraya
585	PT Cambrics Primmisima (Persero)
586	PT Dahana
587	PT Danarekso
588	PT Dirgantara Indonesia
589	PT Djakarta Llyod (Persero)
590	PT Dok dan Perkapalan Kodja Bahari
591	PT Dok dan Perkapalan Surabaya
592	PT Energy Management Indonesia
593	PT Garam
594	PT Garuda Indonesia (Persero) Tbk.
595	PT Hotel Indonesia Natour
596	PT Utama Karya
597	PT Iglas
598	PT Indah Karya
599	PT Indofarma (Persero) Tbk.
600	PT Indonesia Asahan Aluminium (INALUM)
601	PT Indra Karya
602	PT Industri Kapal Indonesia
603	PT Industri Kereta Api (INKA)
604	PT Industri Nuklir Indonesia (Persero)
605	PT Industri Sandang Nusantara
606	PT Industri Telekomunikasi Indonesia (INTI)
607	PT Istaka Karya

No	SOE
608	PT Jasa Marga (Persero) Tbk.
609	PT Kawasan Berikat Nusantara
610	PT Kawasan Industri Makasar (Persero)
611	PT Kawasan Industri Medan
612	PT Kawasan Industri Wijayakusuma
613	PT Kereta Api Indonesia
614	PT Kertas Kraft Aceh
615	PT Kertas Leces
616	PT Kimia Farma (Persero) Tbk.
617	PT Kliring Berjangka Indonesia
618	PT Krakatau Steel (Persero) Tbk.
619	PT Len Industri
620	PT Merpati Nusantara Airlines
621	PT PAL Indonesia
622	PT Pann Multi Finance (Persero)
623	PT Pelabuhan Indonesia I
624	PT Pelabuhan Indonesia II
625	PT Pelabuhan Indonesia III
626	PT Pelabuhan Indonesia IV
627	PT Pelayaran Nasional Indonesia (Persero)/ PT PELNI
628	PT Pembangunan Perumahan (Persero) Tbk.
629	PT Pengembangan Pariwisata Indonesia
630	PT Perusahaan Daerah Industri Pulau Batam (Persero)
631	PT Perikanan Nusantara
632	PT Perkebunan Nusantara III
633	PT Permodalan Nasional Madani
634	PT Pertamina
635	PT Pertani
636	PT Perusahaan Gas Negara Tbk
637	PT Perusahaan Listrik Negara
638	PT Perusahaan Pengelola Aset
639	PT Perusahaan Perdagangan Indonesia
640	PT Pindad

No	SOE
641	PT Pos Indonesia
642	PT Pupuk Indonesia Holding Company
643	PT Rajawali Nusantara Indonesia
644	PT Reasuransi Indonesia Utama
645	PT Sang Hyang Seri
646	PT Sarana Multi Infrastruktur (Persero)
647	PT Sarinah
648	PT Semen Baturaja (Persero)
649	PT Semen Indonesia (Persero) Tbk.
650	PT Semen Kupang
651	PT Sucofindo
652	PT Survey Udara Panas
653	PT Surveyor Indonesia
654	PT Taman Wisata Candi Borobudur, Prambanan dan Ratu Boko
655	PT Tambang Batubara Bukit Asam (Persero) Tbk.
656	PT Taspen
657	PT Telekomunikasi Indonesia Tbk/PT Telkom Tbk.
658	PT Timah (Persero) Tbk.
659	PT Varuna Tirta Prakasya
660	PT Virama Karya
661	PT Waskita Karya (Persero)
662	PT Wijaya Karya (Persero) Tbk.
663	PT Yodya Karya

No	State owned Financial Institution
664	Lembaga Pembiayaan Ekspor Indonesia
No	Financial Institution
665	PT Indonesia Infrastruktur Finance
666	PT Penjaminan Infrastruktur Indonesia
667	Pusat Investasi Pemerintah

The nature of the transactions of related parties with government entities consists of current accounts in other banks, placements with other banks, securities, government bonds, other receivables - trade transactions, derivative receivables, loans, consumer financing receivables, acceptance receivables, derivative liabilities, customer savings, savings from other banks, inter-bank call money, acceptance liabilities, liabilities on securities sold with agreements to be repurchased, issued securities, received loans, subordinated loans, granted credit facilities which has not been used, bank guarantees, non-cancelable letters of credit in progress and standby letters of credit.

In conducting its business activities, the Group also makes transactions for the purchase or use of services such as

telecommunications expenses, electricity costs and other costs of related parties with government entities.

The Relationship Of Management Or Key Employees Of Bank Mandiri

Salaries and allowances, bonuses and tantiems, long-term benefits for the Board of Commissioners, Board of Directors, Audit Committee and Audit Monitoring Committee, Sharia Supervisory Board and Senior Executive Vice President and Senior Vice President for the year ended at December 31, 2017 and 2016 were Rp1,153,809 million and Rp986,140 million or 3.30% and 3.15% of the other consolidated operating expenses, respectively.

Realization of Related Parties' Transaction

The details of transaction balances with related parties as of December 31, 2017 and 2016 are outlined in the table below.

Table of Transaction Value of Related Parties Year 2016-2017

(in Million Rupiahs)

Description	2017	2016
ASSET		
Current accounts with other banks	27,533	25,861
Placement with Bank Indonesia and other banks	3,152,167	1,725,571
Securities*)	20,775,463	18,571,548
Government bonds	103,411,188	98,933,278
Other receivables - trade transactions	10,517,587	5,934,300
Derivative receivables	23,824	3,660
Loans	113,611,412	100,201,483
Consumer financing receivables	7,957	10,532
Acceptance claims	1,049,343	415,848
Equity investment	89,110	50,331
Total Assets to Related Parties	252,665,584	225,872,412
Total Consolidated Assets	1,124,700,847	1,038,706,009
Percentage of Total Assets to Related Parties Against Total of Consolidated Assets	22.47%	21.75%
LIABILITIES		
Customer Savings		
- Current accounts/wadiah current accounts	46,108,385	48,729,926
- Savings/wadiah savings	3,548,205	1,973,087
- Time deposits	35,491,966	46,271,999
Savings from other banks		
- Current accounts and savings	252,785	45,912
- Time deposits	108,473	286,210
Inter-bank call money	-	40,000
Derivative liabilities	16,582	10,058
Liabilities on securities sold with agreements to be repurchased	-	230,024

Description	2017	2016
Acceptance liabilities	602,894	2,481,708
Issued securities	8,546,200	3,662,000
Total Liabilities to Related Parties	94,675,490	103,730,924
Total Consolidated Liabilities	888,026,817	824,559,898
Percentage of Total Liabilities to Related Parties against Total of Consolidated Liabilities	10.66%	12.58%
TEMPORARY SYIRKAH FUND	974,099	914,391
Percentage against the Total of Temporary Syirkah Fund	1.46%	1.50%
PROFIT AND LOSS STATEMENT AND OTHER COMPREHENSIVE INCOME		
Interest Income from Government Bonds and Treasury Paper (SPN)	5,300,754	5,490,404
Percentage against Interest Income and Sharia Income	6.64%	7.16%
Expense of received loan interest	-	971
Percentage against Interest Expense and Sharia Expense	-	0.01%
COMMITMENT AND CONTINGENCIES		
Unused loan facilities granted	50,456,815	38,790,412
Outstanding irrevocable letters of credit	5,904,249	3,519,396
Granted guarantees in the form of bank guarantees	25,912,130	23,212,078
Granted guarantees in the form of standby letters of credit	6,171,176	6,739,568
Total of Commitment and Contingencies to Related Parties	88,444,370	72,261,454
Total of Consolidated Commitment and contingencies	227,252,235	196,288,542
Percentage of Total of Commitment and Contingencies to Related Parties against Total of Consolidated Commitment and Contingencies	38.92%	36.81%

* Gross before unamortized discount and unrealized (losses) / gain from (decrease) / increase in value of securities

Regulatory Changes and Their Impacts on the Bank

The amendment of laws and regulations which influenced the Bank as well as their impact and response of the Bank towards the amendment in 2017 are summarized in the table below.

New Regulations and Their Effects on the Performance of Bank Mandiri and Its Subsidiaries

Regulations	Point of Regulations	Effects on Bank Mandiri and Its Subsidiaries
Regulation of the Financial Services Authority No. 14/POJK.03/2017 concerning the Plan of Action (Bank Recovery Plan)	- Obligation of the Board of Directors to prepare realistic and comprehensive recovery plan which is approved by the Board of Commissioners and Shareholders in the General Meeting of Shareholders (RUPS). - Obligation of the Board of Directors to communicate a recovery plan to all ranks or levels of the organization. - Obligation of the Board of Directors to conduct periodic evaluation and testing (stress testing) of recovery plan. - Obligation of banks to implement recovery plan effectively and on time.	- Composition of recovery plan to be signed by the Board of Directors and Board of Commissioners and subsequently submitted to Financial Services Authority (OJK). - Approval of recovery plan by shareholders in the General Meeting of Shareholders (RUPS) 2018. - Fulfillment of capital-characterized debt/investment instrument obligations to meet the Regulation of the Financial Services Authority (POJK) recovery plan requirements. - Adjustment of internal procedures (e.g stress tests, risk appetite, and contingency plan) with recovery plan

Regulations	Point of Regulations	Effects on Bank Mandiri and Its Subsidiaries
Bank Indonesia Regulation no. 19/8/PBI/2017 concerning the National Payment Gateway (GPN)	1. A bank's obligation to connect to the national payment gateway (GPN) by becoming a member on at least 2 (two) Switching Institutions. 2. Every domestic payment transaction is required to be processed through GPN (NPG). 3. Obligation to comply with the provisions concerning national branding. 4. Obligation to comply with provisions concerning pricing policy. 5. Obligation to provide service features for payment transactions processed through GPN (NPG).	1. A bank's obligation to connect to the national payment gateway (GPN) by becoming a member on at least 2 (two) Switching Bodies. 2. Implementation of national debit card, including replacement of existing card into card with national debit logo. 3. Obligation to comply with provisions concerning pricing policy. 4. Obligation to provide service features for payment transactions processed through GPN (NPG). 5. Inclusion of capital participation to service institutions (through Mandiri Capital Indonesia).
Bank Indonesia Regulation no. 19/5/PBI/2017 Regulation of Bank Indonesia no. 19/5/PBI/ 2017 concerning Treasury Certification and Application of the Market's Code of Ethics	1. Establish mechanism of treasury certification in internal policy. 2. Adjust the Standard Procedure of Treasury by adding mechanisms to implement the market's Code of Ethics and association membership. 3. Obligation of Report Submission about a list of the Board of Directors or an employee dismissed for violating the Code of Ethics (if any). 4. Registration of treasury certificates issued from foreign training institutions to Professional Certification Institution (LSP) appointed by BI. 5. Implementation of training programs for treasury certification.	1. Obligation of the mechanism of application of the Code of ethical market and association membership in internal policy. 2. Establish mechanism of treasury certification in internal policy. 3. Submission of a report of a list of the Board of Directors or an employee dismissed for violating the Code of ethics (if any). 4. Registration of treasury certificates issued from foreign training institutions to LSP appointed by Bank Indonesia (BI). 5. Implementation of training programs for treasury certification. 6. Registration of Associate membership
Regulation of the Financial Services Authority No. 50/ POJK.03/2017 concerning the Obligation of Fulfillment of Net Stable Funding Ratio for Commercial Bank	Commercial Bank Liabilities in Compliance with Net Stable Funding Ratio (Net Stable Funding Ratio).	Create a system for calculating and monitoring Net Stable Funding Ratio.
Regulation of the Financial Services Authority No. 51/ POJK.03/2017 concerning the Implementation of Sustainable Finance	1. Application of sustainable finance for the Financial Services Institution, Issuers and Public Companies which is conducted by using the principles in accordance with the Regulation of the Financial Services Authority (POJK) No. 51/POJK.03/ 2017. 2. Obligation to submit a Sustainable Financial Action Plan (RAKB) and Sustainability Report (RAKB realization), and publish Sustainability Reports within certain time limits. 3. Incentives from Financial Services Authority (OJK) to LJK (Financial Services Institution), Issuers and Public Companies that can implement sustainable finance effectively.	1. Bank Mandiri and all Subsidiaries must submit a Sustainable Financial Action Plan (RAKB) and Sustainability Report (RAKB Realization) each year, and publish Sustainability Reports by time limit according to the Regulation of the Financial Services Authority (POJK) No. 51/POJK.03/ 2017. 2. Several sustainable financial concepts in practice have been carried out by Mandiri Group should be formulated comprehensively in the form of policies and strategies and adjustments to the Mandiri Subsidiary Management Principles Guideline (MSMPG).

Table of Amendments to Regulations and Their Effects on the Performance of Bank Mandiri and Its Subsidiaries

Regulations	Details of Amendment	Effects on Bank Mandiri and Its Subsidiaries
Regulation of the Financial Services Authority No. 12/ POJK.01/2017 concerning the Implementation of Anti Money Laundering And Prevention of Terrorism Financing Program in the Financial Services Sector	1. Application of Risk-based Anti Money Laundering (APU) and Prevention of Terrorism Financing (PPT) program. 2. Defining Politically Exposed person. 3. Management of Beneficial Owner 4. Customer verification is possible to be done via non face to face 5. Obligation to take preventive measures / countermeasures. 6. Application of Anti Money Laundering (APU) and Prevention of Terrorism Financing (PPT) program in the business Group.	Mandiri Group is required to implement the Anti Money Laundering (APU) and Prevention of Terrorism Financing (PPT) program. The forms of follow-up on such obligations are: 1. Adjustments have been made to the Mandiri Subsidiary Management Principle Guideline. 2. Adjustments have been made to Bank Mandiri internal regulations. All Subsidiaries have formulated the internal policy of Anti Money Laundering (APU) and Prevention of Terrorism Financing (PPT) program