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) | Conflict of interest is a condition in which the Board of the Bank in carrying out its duties and responsibilities has 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.
   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 |
The business ethics as the basis for the behavior of the Bank’s employees in carrying out business activities, covers the following aspects:

### 1. Individual behavior

- **Personal integrity**
  1. Upholds morals, has self-esteem and strong discipline.
  2. Maintain personal integrity in accordance with applicable rules, regulations, policies and systems.
  3. Has a commitment to maintain the Bank's image and reputation.
  4. Rely on all actions and behaviors on pure conscience.
  5. 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.
  6. Avoid activities related to an organization and/or individuals that enable conflicts of interest.
  7. 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.

- **Treatment/Actions of Discrimination**
  1. Uphold human rights.
  2. Prevent discrimination in all its forms.
  3. Acts of Harassment by Bank Officers must avoid all forms of conduct that violate public order and morality.

- **Acts of harassment**
  1. Must avoid all forms of actions that violate public order and morality.

### 2. Protection of Bank Property

- **Bank Property**
  1. Always maintains and protects all assets owned by the Bank, both tangible and intangible.
  2. Using the Bank's assets only for activities related to the interests of the Bank.
  3. Use the Bank's assets responsibly including the appropriateness of the designation.

- **Confidential Information Protection**
  1. Protect and prevent valuable and confidential information from loss, misuse, leakage and theft.
  2. Do not disseminate reports/information about banks that are not intended to be public.

- **Intellectual Property of the Bank**
  1. Safeguard the Bank's intellectual property.
  2. Dedicate competencies held for the interests of the Bank as intellectual property of the Bank.

- **Note and Reporting**
  1. Responsible for the accuracy and completeness of the notes and reports presented.
Compliance With The 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>
<thead>
<tr>
<th>Types of Violation</th>
<th>Sanction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light Sanction</td>
<td>1. First Written Reprimand</td>
</tr>
<tr>
<td></td>
<td>2. Second Written Reprimand</td>
</tr>
<tr>
<td>Medium Sanction</td>
<td>1. First Written Warning</td>
</tr>
<tr>
<td></td>
<td>2. Second Written Warning</td>
</tr>
<tr>
<td></td>
<td>3. Written and Last Written Warning</td>
</tr>
<tr>
<td>Serious Sanction</td>
<td>Termination/Termination of Employment</td>
</tr>
</tbody>
</table>

### Number of Code Violations

During 2018, there were 466 (four hundred sixty six) violations of the code of ethics with the following details:

<table>
<thead>
<tr>
<th>Types of Sanctions</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Written Reprimand</td>
<td>167</td>
</tr>
<tr>
<td>Second Written Reprimand</td>
<td>82</td>
</tr>
<tr>
<td>First Written Warning</td>
<td>65</td>
</tr>
<tr>
<td>Second Written Warning</td>
<td>30</td>
</tr>
</tbody>
</table>
The number of violations of the code of ethics based on the categories of sanctions given are as follows.

<table>
<thead>
<tr>
<th>Types of Sanctions</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard and Last Written Warning</td>
<td>20</td>
</tr>
<tr>
<td>Work Termination</td>
<td>72</td>
</tr>
<tr>
<td>Contract termination</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>466</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Kategori</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light</td>
<td>249</td>
</tr>
<tr>
<td>Medium</td>
<td>115</td>
</tr>
<tr>
<td>Severe</td>
<td>102</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>466</strong></td>
</tr>
</tbody>
</table>