

Procurement of Goods and Services PT Bank Mandiri (Persero) Tbk.

In the procurement process, Bank Mandiri implements the principles of good governance and ensures that the entire procurement process complies with applicable laws and regulations. Bank Mandiri also applies risk management principles in the procurement process. The principles and practices include :

1. Separating functions in the Procurement Implementing Unit, including the unit whose duty to conduct selection of prospective partners/vendors, the unit whose duty to carry out the procurement process, the unit whose duty to prepare Owner Estimate; and Compliance Unit.
2. Applying risk management principles, including identification, assessment, mitigation and monitoring as well as operational risk measurement.
3. Adhering to Guidelines for Bank Mandiri's Work Culture based on the following :
 - a. Core Values, AKHLAK (Trustworthy, Competent, Harmonious, Loyal, Adaptive, and Collaborative)
 - b. Corporate Culture
 - c. Good Corporate Governance (GCG), and
 - d. Complying with the code of conduct, Business Ethics and implementing the precautionary principle.

Bank Mandiri also establishes ethics for all personnel and units related to the procurement of goods and services to work with a sense of professional responsibility on the basis of honesty, not influencing each other, and avoiding conflicts of interest between each party involved. In addition, Bank Mandiri strives to always avoid and prevent abuse of authority and/or collusion for personal, group or other party gains that may directly or indirectly harm Bank Mandiri. Each party is required to avoid and prevent the occurrence of Corruption, Collusion and Nepotism (KKN) in the procurement process, and shall not accept, offer, or promise to give or receive gifts or rewards in any form, whether directly or indirectly.

Bank Mandiri has a policy regarding Selection and Capacity Building for Suppliers or Vendors, namely:

1. Operational Policy (KOPR), article 205 on Operational Facilities and Infrastructure – Procurement
2. Procurement Standard Operating Guidelines (SPO) that regulate, among others (Chapter III) :
 - A. General provisions include:
 - 1) Principles of Procurement
 - 2) Procurement Ethics
 - 3) Purpose of the Procurement Process
 - 4) Monitoring of Domestic Products Use
 - 5) Procurement Planning
 - 6) Loading Guidelines
 - B. Provisions for the implementation of the procurement of goods and services include :
 - 1) Procurement of Goods and Services Mechanism



- 2) Procurement Process
 - 3) Stages of the Procurement Process
 - 4) Execution of Work and Handover of Work
 - 5) Provisions for Change of Work (plus/minus) specifically in the field of construction implementation services.
 - 6) Implementation of Procurement Activities to Overcome Certain Conditions.
 - 7) Document and Payment Process.
3. Procurement Operational Technical Guidelines (PTO) that regulate, among others (Chapter III) :
 - A. Implementation Provisions
 1. Accreditation Partners (Goods and Services Providers)
 - a. General & including aspects that are reviewed in carrying out the qualifications of prospective Goods and Services Providers)
 - b. Procedures for partner accreditation (Goods and Services Providers) (including aspects considered in determining recommended partners to be invited in a procurement process)
 - c. Partner Monitoring includes :
 1. Monitoring Partner Data
 2. Partner Performance Monitoring, which consists of :
 - a) Evaluation of Partner Performance Periodically
 - b) Evaluation of Partner Performance based on Contract
 3. Increasing Partner Competence
 4. Sanctions for Associates

