

# LEADING WITH IMPACT BECOMING INDONESIA'S SUSTAINABILITY CHAMPION







# Leading with Impact: Becoming Indonesia's Sustainability Champion

Bank Mandiri is at the forefront of sustainability transformation, driven by its vision of “Becoming Indonesia’s Sustainability Champion for a Better Future” and its strong commitment to creating tangible, positive impacts on society, the environment, and the economy. As a catalyst for change, Bank Mandiri integrates sustainability principles into every aspect of its business, including financing strategic sectors such as renewable energy, green infrastructure, and socially impactful enterprises. This holistic approach not only fosters inclusive economic growth but also strengthens national resilience in addressing global challenges such as climate change and the transition to a low-carbon economy.

Through innovation and concrete action, Bank Mandiri continues to advance progressive approaches to sustainable finance, becoming the first national bank to issue a Sustainable Finance Framework and Transition Finance Framework. These frameworks provide strategic guidance to support financing for high-impact sustainable projects while enhancing environmental and social governance across all operational aspects. By setting ambitious targets to achieve carbon neutrality in operations by 2030, Bank Mandiri reinforces its determination to lead Indonesia’s sustainability transformation. This vision establishes Bank Mandiri as a trailblazer, guiding Indonesia toward a greener, more inclusive, and resilient future while creating long-term value for all stakeholders.

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# Introduction

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# Performance in 2024

## Consolidated Profit Before Tax (Rp trillion)

2024

76.40

2023

74.68

2022

56.38

## Net Consolidated Profit (Rp trillion)

2024

55.78

2023

55.06

2022

41.17

## Operating Income (Rp trillion)

2024

164.33

2023

146.26

2022

126.76

## Total Consolidated Assets (Rp trillion)

2024

2,427.22

2023

2,174.21

2022

1,992.54

## Dividend Payments (Rp trillion)

2024

33.04

2023

24.70

2022

16.82



## Economic Highlights [DJK B.1]

### Sustainable Investing



ESG Mutual Funds

Rp3.54 trillion

### Sustainable Financing Products

Green Loan

Rp3.78 trillion

Sustainability  
Linked Loan

Rp3.02 trillion

Green Mortgage

Rp587 billion

### Sustainable Funding

#### Sustainability Bonds (2021)

53%



47%

USD  
300 million

- Green
- Social

#### ESG Repo (2022)

34%



66%

USD  
500 million

- Green
- Social

#### Green Bonds (2023)

61%



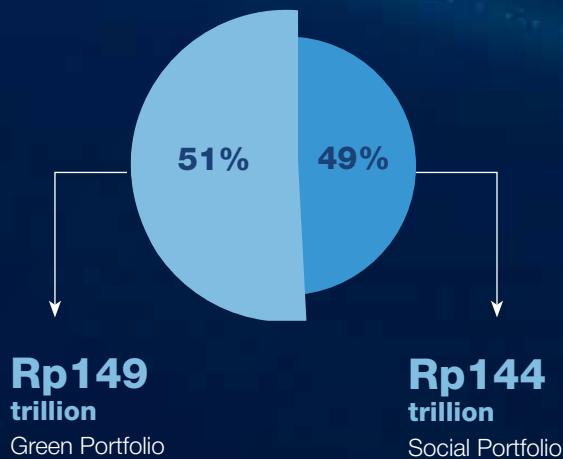
39%



Rp5 trillion

- Renewable Energy
- Environmentally Sustainable Management of Living Natural Resources and Land Use

## Sustainable Financing Based on Sustainable Business Activity Categories (KKUB) POJK



↑ **15.2% YoY**  
Green Portfolio

↑ **6.5% YoY**  
Social Portfolio

## Sustainable Business Activity Categories





### 3 Green Building Certified by GBCI

- ▶ Indjoko Building, Surabaya
- ▶ Mandiri Digital Tower, Jakarta
- ▶ Plaza Mandiri, Jakarta

Increased

↑ **200%** from the previous year



The management of plastic bottle waste through Reverse Vending Machines (RVM) reached

**1,473.7 kg**

or

**78,811 plastic bottles**



## Environmental Highlights

[OUK B.2]



**241**

Smart Branches



**870**

Solar panel units



**404**

Environmentally Friendly Operational Vehicles



**26**

EV Charging Station



**10**

Green Offices



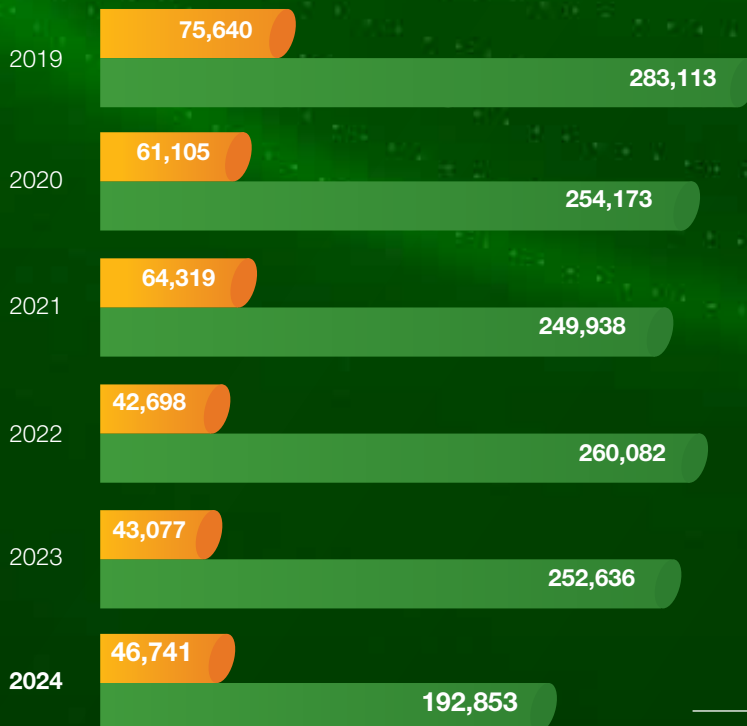
Livin' Planet is a feature within Livin' SUKHA designed to enhance customer awareness of and engagement with environmental initiatives. It offers tools such as a carbon footprint calculator, tree planting contributions, educational content, and progress reports on these impacts.





## GHG Emissions Scope 1 and 2 (tCO<sub>2</sub>e)

Bank Mandiri's Scope 1 and 2 carbon emissions, using 2019 emissions as the baseline.



Bank Mandiri historical data of Scope 1 & 2 carbon emissions of (tCO<sub>2</sub>e)

● Scope 1  
● Scope 2

## Use of Recycled Water (m<sup>3</sup>) [OJK F.18]



## Electricity Consumption (GJ)



## Fuel Consumption (GJ)



### 33%

Scope 1 and 2 Emissions from the 2019 Baseline



### 30%

Emission Intensity per Employee from the 2019 Baseline

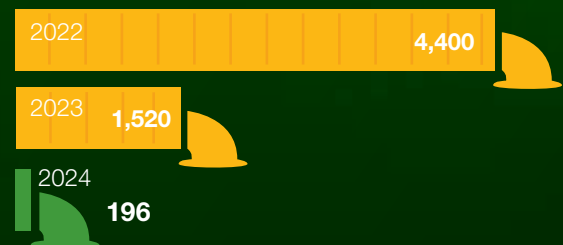


### 17%

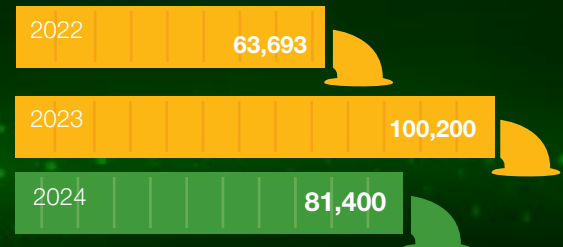
Financed Emission Intensity from 2023

## Waste Reduction [OJK F.13]

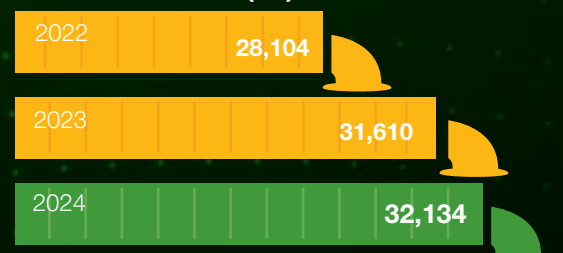
### Hazardous Waste (Kg)



### Liquid Waste (m<sup>3</sup>)



### Liquid Waste Treated Using Reverse Osmosis (m<sup>3</sup>)





## Total Employees (Mandirian)



## Gender Diversity

## BOC &amp; BOD



87.5%



12.5%

## &gt;AVP Level



64%



36%

## Total Employees



47.6%



52.4%



4,315,947

Total training hours completed by all  
Bank Mandiri employees

89.93%

Employee engagement rate



## Social Highlights [OJK B.3]

110,672

Mandiri Agents

3

Millions of Bank  
Mandiri accounts  
successfully opened  
through Mandiri Agents.

6.5

Millions of people who  
have benefited from  
the CSR and financial  
inclusion programs.

15,101

MSMEs have received  
training through  
the Rumah BUMN  
program.

20,482

Indonesian Migrant  
Workers (PMI) who  
have received Financial  
Management education  
through the Mandiri  
Sahabatku program.

3

million debtors received  
the disbursement of  
People's Business  
Credit (KUR)

1,010

Entrepreneurs  
mentored through the  
Mandiri Young  
Entrepreneur (WMM)  
Program.

27,520

farmers received  
training through the  
Rice Milling Unit  
program



A cashier application designed to simplify operations for MSMEs, offering features such as sales recording, product stock monitoring, and sales disbursement—all in a single application.

**± 2.4 million** registered merchants

**Promoting financial access for MSMEs in non-urban areas**

**±1.47 million** users in non-urban areas



(registered users in non-urban areas)



**29**

**million**  
registered users

### #BeyondSuperAPP

Livin' by Mandiri is dedicated to reaching all segments of society by providing innovative, inclusive, and easily accessible features, aimed at providing convenient financial services for everyone.

## Livin' Features

### Tap to Pay

The first bank in Indonesia to offer contactless payment features via smartphone for debit and credit card transactions.



### SUKHA

Livin' SUKHA is a 'one-stop solution for all your lifestyle needs,' seamlessly integrating lifestyle essentials and financial services within a single application: Livin' by Mandiri.







# 95.30

## Most Trusted Company

Bank Mandiri is recognized as one of the **top performers in the Corporate Governance & Perception Index (CGPI)**.

\*) Previous CGPI rating: 95.22

Bank Mandiri is the first national bank to develop SFF and TFF initiatives to support sustainable development and a low-carbon economy.



**Sustainable Finance  
Framework (SFF)**



**Transition Finance  
Framework (TFF)**



## Governance Highlights



Strengthening 17 sectoral credit policies by integrating environmental, social, and governance (ESG) aspects into the technical guidelines of the Industry Acceptance Criteria (IAC).



**Disclosure of GHG emissions from financing and investment** activities committed through membership in the Partnership for Carbon Accounting Financials (PCAF)



The appointment of a Personal Data Protection Officer (PPDP) or Data Protection Officer (DPO) and the establishment of the Data Protection & Fraud Risk Group to support the implementation of the Personal Data Protection Law (PDP Law) at Bank Mandiri



Implementation of the Personal Data Protection (PDP) Policy and Privacy Policy in accordance with internal provisions outlined in the Memorandum of Procedure on Personal Data Protection, covering all operations, including overseas branch offices, subsidiaries, customers, and vendors.



Bank Mandiri has developed the Mandiri Subsidiaries Management Principles Guideline (MSMPG), which includes regulations on information technology collaboration and data management with its Subsidiaries.

### Implementation of the Information Security Management System (ISMS) in accordance with the IEC 27001:2013 Standard, covering:



1. Provision of information security services through Mandiri's Security Operation Center (SOC) to manage cybersecurity threats in banking systems and cyber operations.



2. Development and operation of IT applications related to Livin' by Mandiri.



3. Provision of infrastructure and operations for Mandiri's Data Center and Disaster Recovery Center.



4. Development and operation of IT applications related to Kopra by Mandiri.

## Optimal

Highest Score

For **Cyber Security Maturity (CSM)**

## Optimal

Highest Score

For **Incident Handling Maturity Level Measurement**

# Message from the President Commissioner

[GRI 2-22] [OJK A.1, D.1]



**Muhamad Chatib Basri**

President Commissioner/Independent  
Commissioner



## Dear Esteemed Stakeholders,

With profound gratitude, we offer our praise and thanks to God Almighty for His blessings and grace that have continuously guided us. Under His guidance and protection, PT Bank Mandiri (Persero) Tbk—hereinafter referred to as “the Company” or “Bank Mandiri”—successfully navigated various challenges throughout 2024 with confidence and determination. Amid dynamic and ever-changing circumstances, the Company has maintained solid business growth, reflecting resilience and flexibility in adapting to a dynamic market environment.

On this important occasion, the Bank Mandiri Board of Commissioners expresses our deepest appreciation for the achievements attained by the Company on its sustainability journey. This year’s Sustainability Report reflects our commitment and dedication to implementing responsible business practices while showcasing the milestones and programs we have undertaken to create long-term value for our stakeholders.

## Addressing Sustainability Challenges

The Company recognizes that the journey toward sustainability is not without its challenges. Climate change, social inequality, and global economic-political dynamics demand continuous adaptation and innovation. We therefore emphasize the importance of a proactive and collaborative approach to addressing these challenges while identifying new opportunities to drive sustainable growth. We believe that by integrating sustainability into every aspect of our business and collaborating with various stakeholders, we can create innovative solutions that deliver positive impacts for the environment and society.

Amid economic-political turbulence and global social and environmental issues, Bank Mandiri faced several challenges requiring resilience and innovation. One of the main challenges faced by the banking sector in 2024 was liquidity. The high growth of bank lending was not accompanied by an equivalent increase in deposit growth (Third Party Funds/DPK). This trend led to a higher loan-to-deposit ratio (LDR), requiring us to be cautious in managing liquidity and ensure that financial resources are available to support economic growth and customer financing.

Additionally, the limited scope of global interest rate reductions posed another significant challenge for the Company. Adjustments in interest rates had to be made carefully, taking into account economic developments and future interest rate policies. While fostering credit growth under prudent principles, we also maintained the quality of our financing. As we are committed to maintaining a healthy and sustainable portfolio quality, managing non-performing loans (NPLs) is a top priority in keeping credit risks under control.

In addition to liquidity, the Company faces several strategic issues requiring special attention. Global economic challenges such as climate change, political uncertainty, raw material price fluctuations, and energy and commodity price volatility also impact Bank Mandiri’s operations. We highlighted the manufacturing and agricultural sectors in particular, which are closely tied to this year’s economic outlook. As a bank supporting these sectors, we understand their industry dynamics and are prepared to address potential challenges, including supply uncertainties and price fluctuations.

To tackle these challenges, we continue to innovate, collaborate with stakeholders, and ensure that every decision aligns with environmental, social, and governance (ESG) principles. We believe that creating positive impacts for the environment, society, and sustainable economic growth can only be achieved through cooperation and shared commitment.

In 2024, Bank Mandiri officially launched our Sustainable Finance Framework, which serves as a cornerstone for fulfilling the Company’s commitment to driving Indonesia’s economic transition toward a greener and more sustainable future. This framework is designed with key considerations that not only focus on achieving economic growth but also support global efforts to address climate change challenges.

Through the Sustainable Finance Framework, Bank Mandiri strives to ensure that every step taken aligns with global initiatives to combat climate change and supports the advancement of sustainable economic growth.

## Bank Mandiri's Sustainability Vision

As one of Indonesia's leading financial institutions, we understand that our role extends beyond providing financial services. We aim to be a driver of positive economic, social, and environmental change. Through our sustainability vision, "Becoming Indonesia's Sustainability Champion for a Better Future," Bank Mandiri is committed to leading the transformation toward a greener, more inclusive, and sustainable era. We strive to embed sustainability at the core of our business strategy, focusing on creating tangible positive impacts for society and the environment.

One of the strategic steps in realizing our sustainability vision is the development of financing aligned with national and global regulations and initiatives. We adhere to POJK Regulation 51/2017 on the Implementation of Sustainable Finance, which provides a framework for the financial services sector to integrate ESG aspects into its business practices. Additionally, we are committed to supporting the Green Economy and Sustainable Development roadmap, as well as Indonesia's Net Zero Emission (NZE) goals, as part of the national effort to address climate change challenges.

During the reporting period, concrete measures were taken by Company management to support the Sustainable Development Goals (SDGs) and prioritize ESG principles. These include channeling credit to support green economic activities and human resource capacity-building initiatives focused on inclusion and empowerment. We are also proud of the Company's commitment to reducing environmental footprint through various programs and policies aligned with global climate action and ecosystem protection goals.

We remain steadfast in our commitment to executing our sustainability vision, firmly believing that Bank Mandiri can serve as a catalyst for positive and sustainable change. We are dedicated to implementing innovative and integrated strategies across all aspects of our operations, from product development to policy implementation, to achieve our sustainability goals. We believe that through close collaboration with stakeholders, including customers, business partners, and local communities, we can create significant impacts for a better future.

## Bank Mandiri's Commitment to Net Zero Emissions

As part of our commitment to supporting the transition toward a greener and more sustainable economy, Bank Mandiri has set ambitious targets to achieve Net Zero Emission in Operations by 2030 and in financing by 2060. We understand that building a sustainable financial ecosystem is a long-term effort that requires full support from all stakeholders and collaboration with related parties.

To reduce our operational emissions, Bank Mandiri ensures the integration of ESG principles into our activities, encompassing environmentally friendly practices and fostering positive social relationships with employees and customers. Through this commitment, Bank Mandiri plays an active role in realizing a low-carbon economy and contributing positively to the environment and the overall economy.

## Appreciation

The Board of Commissioners extends our heartfelt gratitude to the Company's Board of Directors, and all our employees, partners, and stakeholders for their hard work and dedication. We also express our sincere thanks to our customers, stakeholders and shareholders, for their trust, enabling us to continue contributing to the realization of a low-carbon economy and inclusive sustainable finance.

The Board of Commissioners will remain steadfast in ensuring that Bank Mandiri stays on the right path to achieving its sustainability vision. We will continue to support management in developing strategies and initiatives that not only deliver economic benefits but also create positive impacts for society and the environment. Together, we will move forward toward a brighter future, where sustainability principles serve not only as the cornerstone of our every business decision but also as the driving force behind inclusive and sustainable economic growth.

On behalf of the Board of Commissioners,



**Muhamad Chatib Basri**

President Commissioner/Independent Commissioner



# Message from the President Director

[GRI 2-22] [OJK A.1, D.1]



**Darmawan Junaidi**  
President Director

## Dear Esteemed Stakeholders,

First and foremost, on behalf of Bank Mandiri's Board of Directors, I extend my deepest gratitude for the trust and support the Company receives from all our shareholders, business partners, and stakeholders. This trust and support serve as a vital foundation for us to continue our strategic role as one of the largest financial institutions and a pioneer in implementing sustainable business practices in Indonesia.

We are also profoundly grateful to present our 2024 Sustainability Report, which reflects our efforts and commitment in addressing global sustainability challenges. This report is not only tangible evidence of our dedication to sustainable business practices, but also as a testament to our transparency in meeting the expectations of our stakeholders.

The report outlines the challenges faced by the Company, the sustainability programs we implemented, and our financial and non-financial achievements throughout 2024. Through this report, we aim to highlight various initiatives and accomplishments in environmental, social, and governance (ESG) areas, and showcase the Company's commitment to collectively achieving the Sustainable Development Goals (SDGs).

# Bank Mandiri's Sustainability Vision: Becoming Indonesia's Sustainability Champion for a Better Future

The year 2024 marked a pivotal moment for us at Bank Mandiri as we navigate global challenges such as climate change, social pressures, and the need to build a more inclusive and resilient economic system. As one of the largest banking institutions in Indonesia, we fully recognize our significant responsibility to ensure that the economic growth we support delivers not only short-term benefits, but also contributes to social welfare and environmental sustainability for future generations. With this spirit, Bank Mandiri is a strategic partner for Indonesia, dedicated to realizing a greener future.

Our commitment to innovation and flexibility serves as our core foundation in supporting sustainable economic growth as embodied in our sustainability vision, "Becoming Indonesia's Sustainability Champion for a Better Future." This foundation is underpinned by our ESG framework built on three key pillars: Sustainable Banking, Sustainable Operations, and Sustainability Beyond Banking. ESG or Sustainability has become one of the key priorities in Bank Mandiri's business strategy and serves as one of the pillars of Bank Mandiri's Corporate Plan for 2025–2029.

With our robust framework, Bank Mandiri reinforces its role as a key driver in the transition towards a low-carbon

economy, aligned with our Sustainable Finance Policy, Net Zero Emission targets, and the national agenda for achieving sustainable development. Beyond providing financing, we act as a catalyst in accelerating the adoption of green technologies, promoting responsible business practices, and fostering cross-sector collaboration to build a resilient, inclusive, and environmentally conscious economic ecosystem.

Strong governance is another critical element in supporting our sustainability vision. Bank Mandiri continues to strengthen Good Corporate Governance (GCG) practices across all our operational lines as we stay committed to ethical, transparent, and responsible business principles. Throughout 2024, we enhanced our risk management systems by integrating sustainability principles into our business risk management, ensuring that every strategic decision supports long-term sustainability. These initiatives not only bolstered stakeholder trust but also delivered tangible results, reflected in an improved Corporate Governance Perception Index (CGPI) score of 95.30, underscoring recognition of our governance excellence. Through these measures, we reaffirm our dedication to upholding integrity, accountability, and transparency as the foundational pillars of sustainable success.

# Bank Mandiri's Sustainability Achievements

## Sustainable Banking

Through our Sustainable Banking pillar, we are committed to leading Indonesia's transition toward a low-carbon economy by financing business activities that integrate ESG principles. Bank Mandiri is the first national bank in Indonesia to issue a Sustainable Finance Framework and a Transition Finance Framework, a tangible demonstration of our commitment to sustainability. This reflects our dedication to establishing a solid framework and governance structure to support sustainable financing, aligned with applicable regulations and global standards, while mitigating the risks of greenwashing.

As of December 2024, Bank Mandiri's sustainable financing reached Rp293 trillion, reflecting a year-on-year (YoY) increase of 10.8%. This includes Green Financing of Rp149 trillion and Social Financing of Rp144 trillion, with respective YoY growth of 15.2% and 6.5%. These achievements

underscore Bank Mandiri's position as a market leader in green financing, holding a market share of over 30% among the four largest banks in Indonesia.

As part of its strategic efforts, Bank Mandiri continues to strengthen its sustainable product portfolio by developing innovative solutions such as Green Loans, Social Loans, Sustainability-Linked Loans, and Corporate-in-Transition Financing. These solutions are designed to support customers—particularly those in carbon-intensive sectors—in transitioning toward greener business practices. Additionally, in 2024, Bank Mandiri launched a Green Mortgage program valued at Rp587 billion to promote environmentally friendly home purchases and introduced the Livin' Planet app, a digital platform enabling users to easily calculate their personal carbon footprints.

## Sustainable Operations

Under the Sustainable Operations pillar, Bank Mandiri reinforces its commitment to sustainability by targeting Net Zero Emission (NZE) in operations by 2030. Bank Mandiri consistently measures, monitors, and manages emissions from its business and operational activities through the Digital Carbon Tracking platform. As a result, the bank has successfully reduced carbon emissions by 33% compared to the 2019 baseline and 19% compared to 2023.

This achievement was driven by various strategic initiatives, which have doubled compared to the previous year. These include the installation of 870 solar panels, the operation of 10 green offices, and the deployment of 404 electric and hybrid operational vehicles to reduce carbon emissions. This year, Bank Mandiri successfully obtained green building certifications for Mandiri Digital Tower and Plaza Mandiri, demonstrating its commitment to implementing sustainable operational standards.

We prioritize privacy and information security as fundamental elements of delivering reliable and trustworthy banking services. To support this, we strengthened the implementation of the Personal Data Protection Act (PDP) by enhancing data management mechanisms, fortifying technical measures, and adopting best practices aligned with global industry standards. Through these efforts, we not only ensure regulatory compliance but also demonstrate our commitment to responsible, transparent, and secure data management.

Bank Mandiri is also committed to fostering a sustainability culture that is integrated across the organization, emphasizing innovation, flexibility, and collective awareness in every strategic move. We encourage all Mandiri employees to adopt a Green Business Mindset, incorporating ESG considerations as the foundation of our business and operational decision-making. This commitment is realized through continuous training programs, internal communications promoting shared awareness, and cross-functional initiatives that strengthen collaboration to create innovative and sustainability-oriented solutions across all organizational levels.

## Sustainability Beyond Banking

Under the Sustainability Beyond Banking pillar, Bank Mandiri is committed to driving growth that delivers positive social impacts in support of the Sustainable Development Goals (SDGs). Financial inclusion is one of its strategic priorities, realized through innovative products and services designed to reach underserved communities, including low-income groups, women, micro-enterprises, and remote rural populations.

Livin' Merchant, a prime example of this commitment, is an innovative application tailored to support MSMEs, with 69.39% of its users coming from non-urban areas. This reflects Bank Mandiri's strategic role in extending financial services to communities traditionally underserved by formal financial institutions.

As part of its financial inclusion and literacy strategy, the bank conducts ongoing educational programs targeting

youth, migrant workers, small business owners, and students in frontier, outermost, and underdeveloped (3T) regions. Flagship initiatives such as the Empowerment of Indonesian Migrant Workers (PMI) and Mandiri Edukasi Livin' Up Your Financial exemplify this approach.

Through its Corporate Social Responsibility (CSR) programs, Bank Mandiri continues to create significant and sustainable social impacts. These flagship programs focus on education, healthcare, and community empowerment, particularly in remote areas. One of Bank Mandiri's flagship CSR programs, Rumah BUMN, recorded a Social Return on Investment (SROI) value of 3.9. This achievement serves as tangible evidence of our contribution to creating positive social and environmental value while strengthening inclusive and equitable development.

## Closing Remarks


In conclusion, we extend our deepest gratitude to all our stakeholders for their continued support and trust in Bank Mandiri. We recognize that the journey toward sustainability is not an easy one, but with collaboration and shared commitment, we are confident that Bank Mandiri can continue to play a pivotal role in advancing the economy, maintaining social balance, and preserving the environment.

We will continue to drive innovation, strengthen collaboration, and enhance transparency in executing our sustainability strategies. Through the concrete steps we have taken and will continue to pursue, we believe that

Bank Mandiri can make a significant contribution toward realizing a greener, more inclusive, and sustainable future for all—customers, business partners, shareholders, and the broader community.

We remain optimistic that, with the support of our stakeholders, Bank Mandiri will overcome future challenges and deliver tangible positive impacts on the nation's economy, society, and environment, in line with our vision to be a leading bank championing sustainability principle in Indonesia.

On behalf of the Board of Directors of Bank Mandiri,



**Darmawan Junaidi**  
President Director



# Statement of Responsibility for the 2024 Sustainability Report [GRI 2-14]

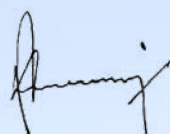
## Statement of Responsibility for the 2024 Sustainability Report Declaration by the Members of the Board of Directors on Responsibility for the 2024 Sustainability Report of PT Bank Mandiri (Persero) Tbk

We, the undersigned, have reviewed and hereby declare that all the information contained in PT Bank Mandiri (Persero) Tbk's Sustainability Report for 2024 has been presented comprehensively and that we fully assume responsibility for the accuracy of the report's content.

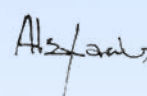
This statement is made truthfully and in good faith.

Jakarta, March 2025

### Board of Directors



**Darmawan Junaidi**  
President Director



**Alexandra Askandar**  
Vice President Director



**Agus Dwi Handaya**  
Director of Compliance and  
Human Capital



**Riduan**  
Director of Corporate Banking



**Aquarius Rudianto**  
Director of Network and Retail  
Banking



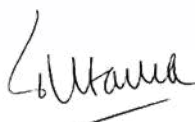
**Toni E. B. Subari**  
Director of Operations



**Rohan Hafas**  
Director of Institutional Relations



**Sigit Prastowo**  
Director of Finance & Strategy



**Timothy Utama**  
Director of Information Technology



**Eka Fitria**  
Director of Treasury &  
International Banking



**Totok Priyambodo**  
Director of Commercial Banking



**Danis Subyantoro**  
Director of Risk Management

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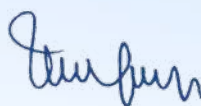
### Board of Commissioners



**Muhamad Chatib Basri**  
President Commissioner/  
Independent



**Zainudin Amali**  
Vice President Commissioner/  
Independent



**Loeke Larasati Agoestina**  
Independent Commissioner



**Muliadi Rahardja**  
Independent Commissioner



**Heru Kristiyana**  
Independent Commissioner



**Muhammad Yusuf Ateh**  
Commissioner



**Faried Utomo**  
Commissioner



**Rionald Silaban**  
Commissioner



**Arif Budimanta**  
Commissioner



**Tedi Bharata**  
Commissioner

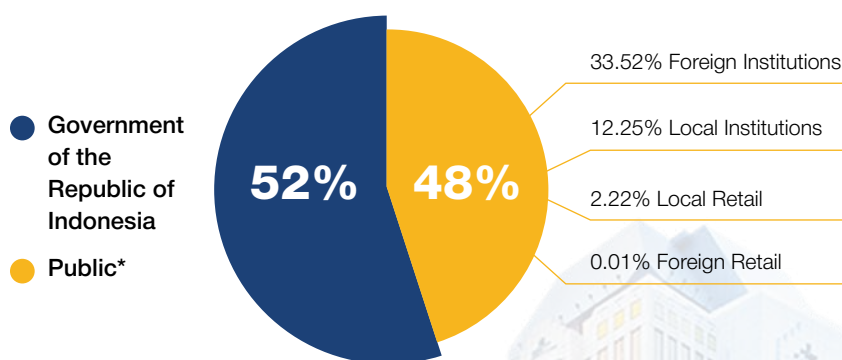
# Company Identity [GRI 2-1] [OJK C.2, C.3, C.4]

**Company Name** : PT Bank Mandiri (Persero) Tbk

**Business Sector** : Banking

**Legal Form** : Limited Liability Company

**Share Ownership**



The Government of the Republic of Indonesia, as the holder of Series A Dwiwarna (Golden Share), is the Majority and Controlling Shareholder of PT Bank Mandiri (Persero) Tbk

**Head Office Location** : **Plaza Mandiri**  
Jl. Jenderal Gatot Subroto Kav. 36-38  
Jakarta 12190 Indonesia

**Operational Locations** : 1. Domestic: All provinces in Indonesia  
2. International: Singapore, Malaysia, Hong Kong, Timor-Leste, People's Republic of China, United Kingdom, and Cayman Islands

**Telephone** : (021) 5265045

**Facsimile** : (021) 5274477, 527557

**Website** : [www.bankmandiri.co.id](http://www.bankmandiri.co.id)

**Call Center** : 14000 - (021) 52997777



## Vision and Mission [OJK C.1]



### Vision:

Driven by the goal of fostering prosperity for the nation, Bank Mandiri's long-term vision for 2020–2024 is **“To Be Your Preferred Financial Partner”**, which can be described as follows:

- a. A commitment to building long-term relationships based on trust, serving both business and individual customers. Bank Mandiri delivers international-standard services and provides innovative financial solutions. We strive to be recognized for our exceptional performance, talented human resources, and strong teamwork.
- b. Playing an active role in supporting Indonesia's long-term growth and consistently delivering high returns for our shareholders.



### Mission:

To support its vision, Bank Mandiri has established its mission: **“To seamlessly integrate our financial products and services into our customers' lives by delivering simple, fast, digital banking solutions”**, further elaborated as follows:

- a. Market-oriented approach
  1. Prioritizing customer interests by providing the best service through a professional and friendly approach.
  2. Delivering one-stop solutions to customers through synergy with subsidiaries.
  3. Offering competitive and secure products while focusing on the development of digital banking products and networks to meet customer needs.
- b. Developing professional resources
  1. Recruiting, training, and developing our human resources based on their talents and abilities.
  2. Ensuring fair growth opportunities for all our employees, while providing rewards and promotions based on performance and dedication.
- c. Maximizing Benefits for Stakeholders
  1. Generating optimal returns for shareholders while considering the interests of other stakeholders.
  2. Ensuring sustainable growth and continuous profit improvement.
- d. Implementing transparent management
  1. Upholding high work commitment and accountability.
  2. Practicing open management and fostering effective collaboration.
- e. Caring for the community and environment.
- f. Considering community and environmental interests in every decision-making process.





# Corporate Culture [GRI 2-23] [OJK F.1]

Since 2020, all State-Owned Enterprises (SOEs) are required to implement core values known as **AKHLAK**. This mandate is based on Circular Letter of the Minister of SOEs Number: SE 7/MB/07/2020, issued on July 1, 2020, regarding the Core Values of Human Resources in SOEs.

## Core Values (AKHLAK) and 18 Behavioral Guidelines of Bank Mandiri:



### TRUSTWORTHY

Upholding the trust that has been given. Behavioral guidelines for the value of **“Trustworthy”**:

- Fulfilling promises and commitments;
- Taking responsibility for tasks, decisions, and actions taken;
- Adhering to moral and ethical values.

### LOYAL

Being dedicated and prioritizing the interests of the nation and state. Behavioral guidelines for the value of **“Loyal”**:

- Upholding the good reputation of colleagues, leaders, SOEs, and the nation;
- Willing to make sacrifices to achieve greater goals;
- Being obedient to leadership as long as it aligns with laws and ethics.

### COMPETENT

Continuously learning and developing capabilities. Behavioral guidelines for the value of **“Competent”**:

- Enhancing personal competencies to address ever-changing challenges;
- Helping others to learn;
- Completing tasks with the highest quality.

### ADAPTIVE

Continuously innovating and showing enthusiasm in driving or adapting to change. Behavioral guidelines for the value **“Adaptive”**:

- Quickly adapting to become better;
- Continuously improving by keeping up with technological advancements;
- Acting proactively.

### HARMONIOUS

Caring for and respecting differences. Behavioral guidelines for the value of **“Harmonious”**:

- Respecting everyone, regardless of their background;
- Being willing to help others;
- Creating a conducive work environment.

### COLLABORATIVE

Building synergistic collaboration. Behavioral guidelines for the value of **“Collaborative”**:

- Providing opportunities for various parties to contribute;
- Being open to collaboration to create added value;
- Mobilizing the use of diverse resources for shared goals.

Bank Mandiri adopts AKHLAK as the fundamental foundation in human resource (HR) management. These values are implemented through various Human Capital strategies and initiatives to shape our employees into Strategic Business Leaders with AKHLAK who can compete globally. The application of these values also strengthens Bank Mandiri's position as a talent factory, supporting the role of SOEs as drivers of economic growth and accelerators of social welfare.

As a State-Owned Enterprise, Bank Mandiri integrates the core values of AKHLAK into its cultural programs, designed to transform the mindset and behavior of our employees. These core values are applied in our daily work activities to develop employee resilience. This aligns with Bank Mandiri's efforts to realize its Employee Value Proposition (EVP): Learn, Collaborate, Grow, and Contribute to Indonesia.

### EMPLOYEE VALUE PROPOSITION (EVP)



## Scale and Operational Network

### Subsidiaries [OJK C.3]

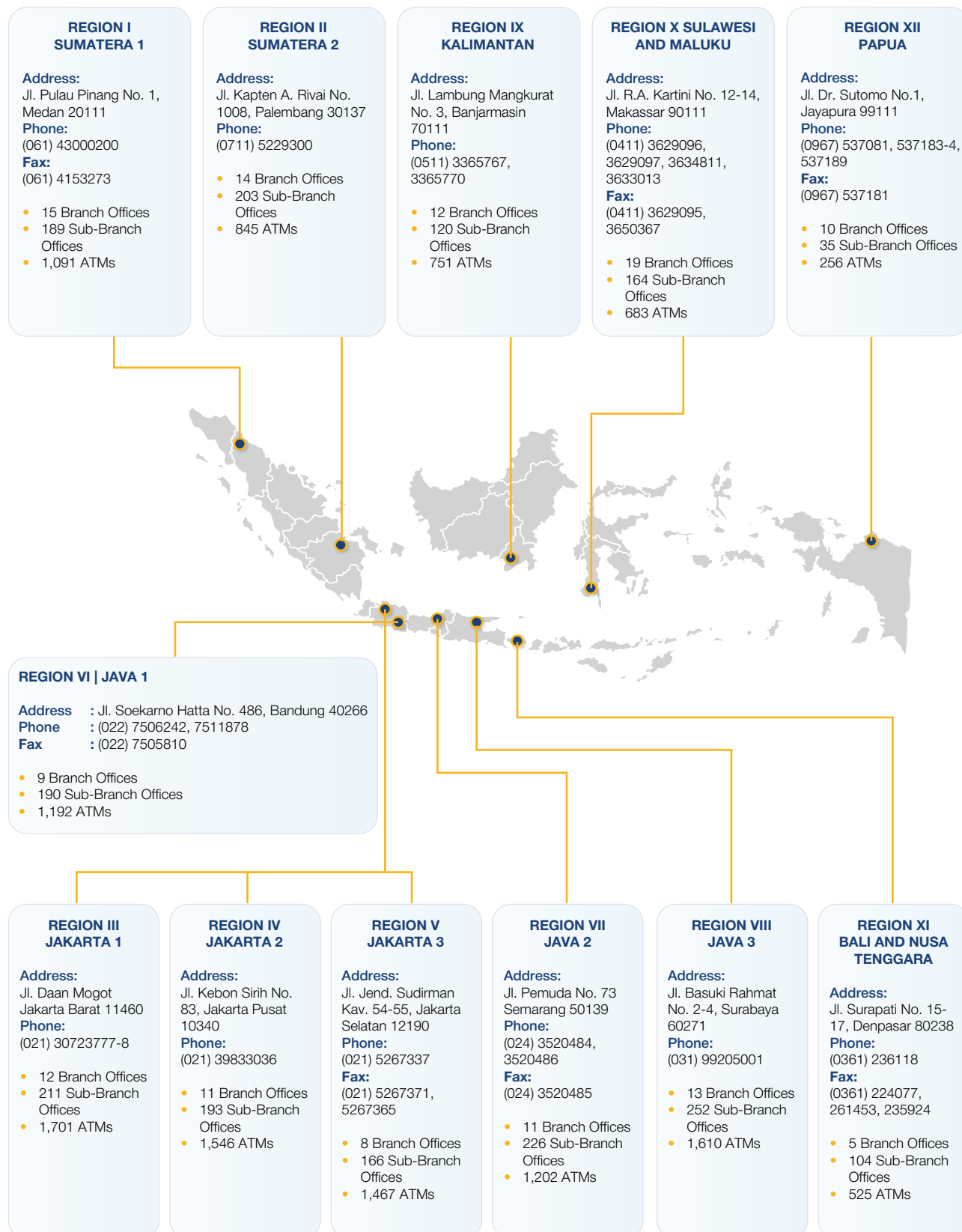
Indonesia
<ul style="list-style-type: none"> <li>PT Bank Syariah Indonesia Tbk (BSI)</li> <li>PT Bank Mandiri Taspen (Bank Mantap)</li> <li>PT Mandiri Tunas Finance (MTF)</li> <li>PT Mandiri Utama Finance (MUF)</li> <li>PT AXA Mandiri Financial Services (AXA Mandiri)</li> <li>PT Mandiri Sekuritas (Mansek)</li> <li>PT Mandiri Capital Indonesia (MCI)</li> </ul>
Malaysia
Mandiri International Remittance Sdn. Bhd. (MIR)
United Kingdom
Bank Mandiri (Europe) Limited (BMEL)

### Second-Tier and Third-Tier Subsidiaries [OJK C.3]

Indonesia
<ul style="list-style-type: none"> <li>PT Mandiri Manajemen Investasi (MMI)</li> <li>PT Mitra Transaksi Indonesia (MTI)</li> </ul>
Singapore
<ul style="list-style-type: none"> <li>Mandiri Securities Pte. Ltd. (MSPL)</li> <li>Mandiri Investment Management Pte. Ltd. (MIMS)</li> </ul>

# Operational Areas [GRI 2-6] [OJK C.3]

## Domestic Offices



## Overseas Offices

## Bank Mandiri Hong Kong

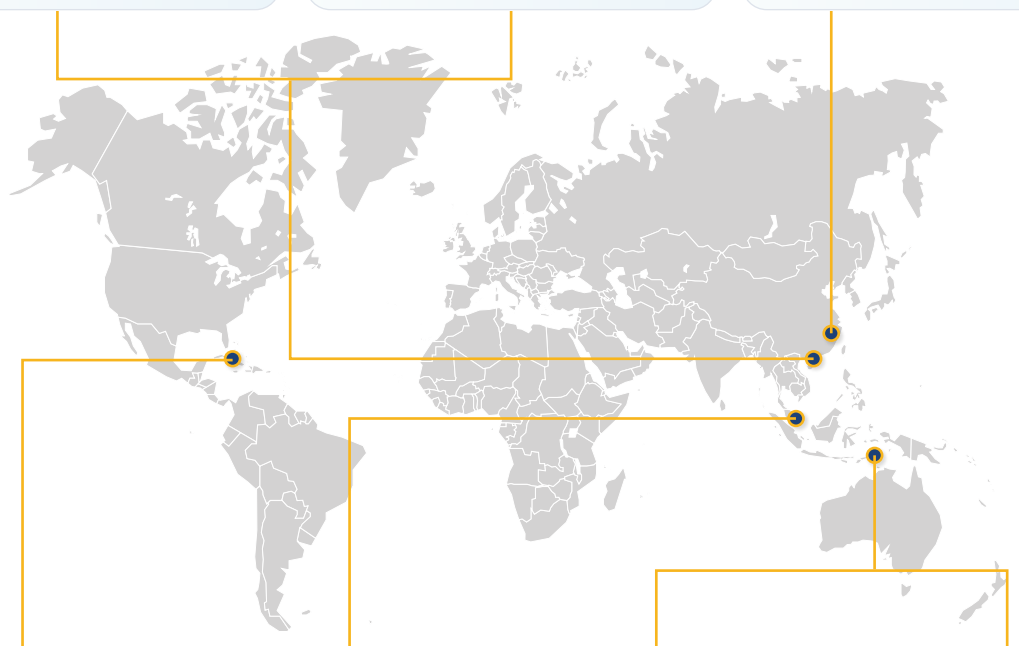
**Address:**  
7/F Far East Finance Centre, 16 Harcourt Road, Hong Kong  
**Phone:**  
+852-2881-3632  
**Fax:**  
+852-2529-8131, +852-2811-0735  
**Website:**  
[www.bankmandirihk.com](http://www.bankmandirihk.com)  
**SWIFT Code:**  
BMRIHKHH

## Remittance Office Hong Kong

**Address:**  
Shop 3, G/F, Keswick Court 3 Keswick Street, Causeway Bay, Hong Kong  
**Phone:**  
+852-2881-6650  
**Fax:**  
+852-2881-5386

## Bank Mandiri Shanghai

**Address:**  
Room 4101, Shanghai Tower No. 501, Yin Cheng Zhong Road, Pudong New District, Shanghai 200120, People's Republic of China  
**Phone:**  
+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 Cayman Islands

**Address:**  
Cardinal Plaza 3rd Floor, #30 Cardinal Avenue.  
PO BOX 10198, Grand Cayman KY 1 – 1002 Cayman Islands  
**Phone:**  
+1-345-945-8891  
**Fax:**  
+1-345-945-8892  
**SWIFT Code:**  
BMRICKYK

## Bank Mandiri Singapore

**Address:**  
12 Marina View, #19-01 Asia Square Tower 2, Singapore 018961  
**Phone:**  
+65-6213-5688, +65-6213-5680  
**Fax:**  
+65-6844-9833, +65-6844-9808  
**Website:**  
[www.ptbankmandiri.com.sg](http://www.ptbankmandiri.com.sg)  
**SWIFT Code:**  
BMRISGSG

## Bank Mandiri Dili, Timor Leste

**Address:**  
25 Rua de Abril No. 10 Colmera, Dili, Timor Leste  
**Phone:**  
+670-331-7777

## Bank Mandiri Dili, Timor Plaza, Timor Leste

**Address:**  
Timor Plaza – Unit #/Unidade No. #203; 233; 204; 230; 231; 232 Jl. Nicolau Lobato. Comoro, Dili, Timor Leste  
**Phone:**  
+670-331-7777

## Subsidiaries outside the territory of Indonesia

## Bank Mandiri (Europe) Limited London

**Address:**  
2nd Floor, 4 Thomas More Square, Thomas More Street London, E1W 1 YW, United Kingdom  
**Phone:**  
+44-207-553-8688  
**Fax:**  
+44-207-553-8599  
**Website:**  
[www.bkmandiri.co.uk](http://www.bkmandiri.co.uk)  
**SWIFT Code:**  
BMRIGB2L

## Mandiri International Remittance Sdn Bhd

**Address:**  
Wisma MEPRO, Ground & Mezzanine Floor, 29 & 31 Jl. Sultan Azlan Shah, 51200 Kuala Lumpur  
**Phone:**  
+60192619200  
**Website:**  
[www.mandiriremittance.com](http://www.mandiriremittance.com)



# Awards and ESG Ratings

## Awards



**Appreciated  
Governance  
ESG Report  
2023**



**Most  
Integrated  
ESG Report  
2023**



**Grand  
Award -  
Financial and  
Investment  
Sector**

Organizer : Investor Daily

Organizer : IDX Channel



**Best  
Sustainable  
Bank**



**Biggest ESG  
Impact -  
Banks**

- ▶ **Best Bank**
- ▶ **Best Corporate Bank - Large Corporation & MNCs**
- ▶ **Most Innovative Use of Technology**

Organizer : FinanceAsia



ESG Initiative  
of the Year  
5 Diamond



Best  
Sustainable  
Finance  
Leadership  
5 Gold



Best ESG  
Investing  
Innovation

Organizer : Business Update



Best Issuer  
Category -  
Capital Market  
Sector



Bronze - Most  
Committed to  
ESG

Organizer : Kehati

- ▶ Gold - Most Committed to DEI
- ▶ Silver - Best Managed Company
- ▶ Silver - Best Investor Relation
- ▶ Silver - Best Large Cap Company
- ▶ Bronze - Best CEO (Darmawan Djunaidi)
- ▶ Gold - Best CFO (Sigit Prastowo)

Organizer : FinanceAsia



**Green  
Economy  
Award for  
Banking  
Sustainable  
Product  
Innovation**

Organizer : Detikcom



**Green &  
Climate  
Financing**

Organizer : Republika



**Finance Sector  
Environment  
Champion**

Organizer : Katadata



**Fortune Change the  
World 2023**

Organizer : Fortune Indonesia

The Best Company  
in Executing Woman  
Empowerment Strategy  
across All Industries



Outstanding  
Achievement in  
Sustainability &  
Governance

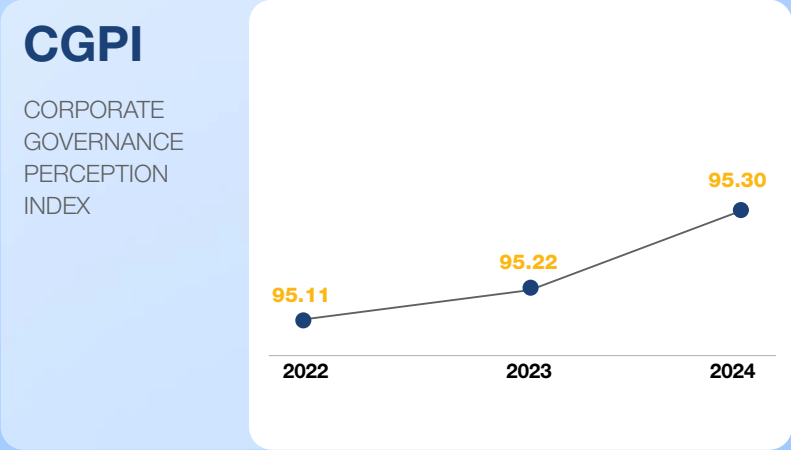
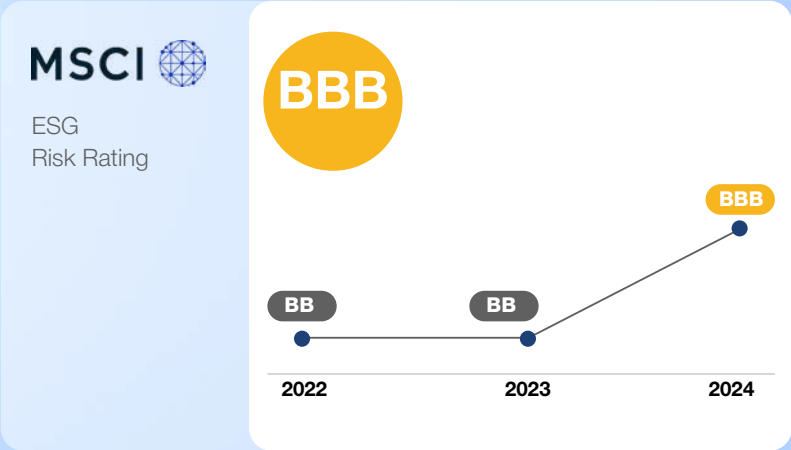


The Best Company  
in Executing  
Sustainability &  
Governance in  
Banking Industry



Organizer : SPEx2

ESG Ratings





# Membership in Associations [GRI 2-28] [OJK C.5]

Bank Mandiri is a member of several industry associations that hold strategic relevance to our business operations. This membership allows the Company to stay updated on the latest developments, particularly in the banking sector, while actively contributing to the enhancement of knowledge and expertise in the industry. However, Bank Mandiri does not make any financial contributions beyond the payment of regular membership fees.

Bank Mandiri participates in the following associations:

Association Name	Position in the Association	Scope
	(Member/Management)	
Association of Indonesian Publicly Listed Companies	Member	National
Banking Compliance Directors Communication Forum	Management	National
National Bank Association	Management	National
State-Owned Banks Association	Member	National
Indonesian Bankers Association	Member	National
Alternative Dispute Resolution Institution for the Financial Services Sector	Member	National
Bank Association for Risk Management	Management	National
World Economic Forum	Member	International
APEC Business Advisory Council	Member	Asia Pacific
Indonesian Chief Information Officer Association	Management	National
Indonesian Human Capital Forum	Management	National
Indonesia Foreign Exchange Market Committee	Management	National
Indonesia Sustainable Finance Initiative	Management	National
Association Cambiste Internationale - Financial Markets Association (ACI FMA) Indonesia	Management and Member	National
Indonesian Bond Traders Association	Management and Member	National
Banking Archiving Communication Forum	Member	National
Indonesian Archivists Association	Management and Member	National
Indonesia Contact Center Association	Internal Membership	National
International Council of Museums	Member	International
Indonesian Museum Association	Member	National
Regional Museum Association	Management and Member	National
International Chamber of Commerce (ICC) Indonesia	Management	International
Indonesian Association of Banks Selling Mutual Fund Units (ABAPERDI)	Management	National
Indonesian Custodian Bank Association	Management	National
Indonesian Trustee Association	Member	National
Indonesian Banking Human Capital Forum	Management	National

# About the Report

This report outlines our commitment to realizing the mission of sustainable finance through the development of innovative business practices, financial products, and services. Furthermore, it highlights Bank Mandiri's strategic efforts to support the achievement of the SDGs by implementing measurable performances in support of ESG goals throughout 2024.

## Reporting Period [GRI 2-3, 2-4, 2-6] [OJK C.6]

This sustainability report presents information on the Company's operations across Indonesia for the period of January 1 to December 31, 2024, and serves as a continuation of our 2023 Sustainability Report published in January 2024. Bank Mandiri's financial reporting period also aligns with the same timeframe, from January 1 to December 31, 2024. This report is published annually and there is a restatement of information previously presented in the report. During the reporting period, there were no significant organizational changes.

## Reporting Standards [OJK G.4]

Bank Mandiri's Sustainability Report is prepared with reference to various policies that support the implementation of sustainability principles. The reporting standards used include:

1. Financial Services Authority Regulation (POJK) Number 51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies;
2. Financial Services Authority Circular (SEOJK) Number 16/SEOJK.04/2021 on the Format and Content of Annual Reports for Issuers or Public Companies;
3. Global Reporting Initiative (GRI) Standards 2021;

4. Sustainability Accounting Standards Board (SASB);
5. Sustainability Banking Assessment (SUSBA) Environmental, Social, and Governance (ESG) Integration Pillars from the World Wide Fund for Nature (WWF);
6. Task Force on Climate-Related Financial Disclosures (TCFD).

Bank Mandiri has also early adopted the International Financial Reporting Standards (IFRS) S1 and S2, issued by the International Sustainability Standards Board (ISSB), to enhance transparency and the quality of sustainability reporting.

## Reporting Boundaries [GRI 2-2]

The environmental and social data and information presented in this report cover PT Bank Mandiri (Persero) Tbk, from the head office to operational offices, excluding subsidiaries and sub-subsidiaries. However, Bank Mandiri conducts consolidated financial audits with its subsidiaries, second-tier subsidiaries, and third-tier subsidiaries, namely:

### Subsidiaries:

- PT Bank Syariah Indonesia Tbk (BSI)
- PT Bank Mandiri Taspen (Bank Mantap)
- Bank Mandiri (Europe) Limited (BMEL)
- PT Mandiri Tunas Finance (MTF)
- PT Mandiri Utama Finance (MUF)
- PT AXA Mandiri Financial Services (AXA Mandiri)
- PT Mandiri Sekuritas (Mansek)
- PT Mandiri Capital Indonesia (MCI)
- Mandiri International Remittance Sdn. Bhd. (MIR)

### Second-tier and Third-tier Subsidiaries:

- PT Mandiri Manajemen Investasi (MMI)
- Mandiri Securities Pte. Ltd. (MSPL)
- PT Mitra Transaksi Indonesia (MTI)
- Mandiri Investment Management Pte. Ltd. (MIMS)

## Independent Review and Verification [GRI 2-5, 2-14] [OJK G.1]

Bank Mandiri is responsible for the ESG information and all supporting data presented in this 2024 Sustainability Report, which has been reviewed, approved, and signed by the entire Board of Commissioners and Board of Directors, as detailed in the Responsibility for the 2024 Sustainability Report section. This ensures that all material topics disclosed in the report are presented comprehensively and align with Bank Mandiri's material issues.

This report has undergone an internal review process by relevant units or groups and has been verified by an independent external party, PT Superintending Company of

Indonesia (Sucofindo) which is certified to the international assurance standard AA1000AS v3. The selection of PT Superintending Company of Indonesia (Sucofindo) as the independent verifier was based on considerations of expertise, reputation, and the absence of potential conflicts of interest or business relationships with Bank Mandiri.

The delegation of the independent third-party verifier selection was assigned by the Board of Directors to ESG Group, following the Standard Operating Procedure (SPO) for Procurement and the Technical Operational Guidelines (PTO).

## Sustainability Report Contact [GRI 2-3]

Readers may request information, provide suggestions, or offer feedback regarding this Sustainability Report by contacting:



[esgroup@bankmandiri.co.id](mailto:esgroup@bankmandiri.co.id)



(021) 5274477, 5275577



Jl. Jenderal Gatot Subroto Kav. 36-38,  
Jakarta 12190 Indonesia



[www.bankmandiri.co.id/en/esg](http://www.bankmandiri.co.id/en/esg)



(021) 5265045

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# Sustainability Commitment and Governance

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- Effectiveness of Corporate Governance Implementation
- Independence of Governance Body Members
- Competence and Diversity of Governance Body Members
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- Risk Management

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- ESG Unit Responsibilities
- ESG Governance Oversight and Evaluation
- ESG Risk Management
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- Oversight of Code of Conduct Compliance
- Whistleblowing System
- Anti-Financial Crime Policy
- Tax Governance
- Political Engagement and Lobbying
- Supplier Responsibility



# Corporate Governance

Bank Mandiri applies a two-tier governance system, where the Board of Commissioners is responsible for overseeing and providing strategic direction to the Board of Directors, thus ensuring compliance with regulations and policies that protect shareholders' interests. Meanwhile, the Board of Directors manages the Company's daily operations, formulates and executes strategies, and reports performance outcomes to the Board of Commissioners.

The Board of Directors holds a collective responsibility for managing Bank Mandiri to achieve the Company's vision and mission, in alignment with the mandate of its shareholders and stakeholders. Meanwhile, the Board of Commissioners is responsible for overseeing the Company's governance and providing strategic direction to the Board of Directors, ensuring the comprehensive implementation of GCG and ESG principles throughout the organization (bank-wide).

## Corporate Governance Principles [GRI 2-24]

In conducting business processes and operational activities, the Company consistently applies the principles

of Good Corporate Governance (GCG) at all levels. These principles include:



Transparency



Accountability



Responsibility



Independence



Fairness

Bank Mandiri continues to enhance the implementation of GCG principles by aligning its Corporate Governance Principles with the latest GCG standards outlined in the 2021 General Guidelines for Corporate Governance in

Indonesia (PUG-KI) issued by the National Governance Policy Committee (KNKG). These principles emphasize ethical behavior, accountability, transparency, and sustainability.





## Governance Structure [GRI 2-9, 2-11, 2-12]

The governance structure of Bank Mandiri is established in accordance with the provisions of Law of the Republic of Indonesia No. 40 of 2007 concerning Limited Liability Companies (Company Law). The Board of Commissioners and the Board of Directors carry out the Company's management with clearly defined functions and responsibilities to maintain independence in accordance with the Articles of Association and applicable regulations.

### General Meeting of Shareholders (GMS)

The General Meeting of Shareholders (GMS) is the highest organ within the Company's governance structure, with an authority that is not delegated to the Board of Commissioners or the Board of Directors. At the GMS forum, shareholders have the right to obtain information

related to the Company, whether from the Board of Directors or the Board of Commissioners. The GMS is held at least once a year (Annual GMS), but it can be convened at any time if necessary, upon request by one of the Company's organs (Extraordinary GMS).

### Board of Commissioners

The Board of Commissioners is responsible for supervising the Board of Directors in accordance with the Company's Articles of Association. The Board of Commissioners also provides advice to the Board of Directors and requests reports related to the Company, and reviews, signs, and approves annual reports. The Board of Commissioners plays a critical role in ensuring compliance with environmental, social, and governance (ESG) principles within Bank Mandiri, overseeing the implementation of internal audit reports, and improving risk management practices.

In its relationship with shareholders, the Board of Commissioners plays a role in safeguarding the interests

of shareholders by providing advice on significant issues faced by Bank Mandiri. All members of the Board of Commissioners have successfully completed a fit and proper test conducted by the Financial Services Authority (OJK). In accordance with applicable laws and regulations, the members of the Board of Commissioners at Bank Mandiri do not concurrently serve as Directors. To carry out its duties, the Board of Commissioners is assisted by the following committees:

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

### Board of Directors

The Board of Directors of Bank Mandiri consists of 12 members, led by a President Director who is responsible for coordinating the activities of the Board. The Board of Directors is tasked with managing the Company's daily operations and representing Bank Mandiri, both within and outside of a court, in accordance with the Company's Articles of Association. The Board plays a strategic role in decision-making related to sustainability, including managing social, economic, environmental, and climate change impacts. Each member of the Board of Directors is prohibited from holding concurrent positions and has passed the fit and proper test conducted by the Financial Services Authority (OJK).

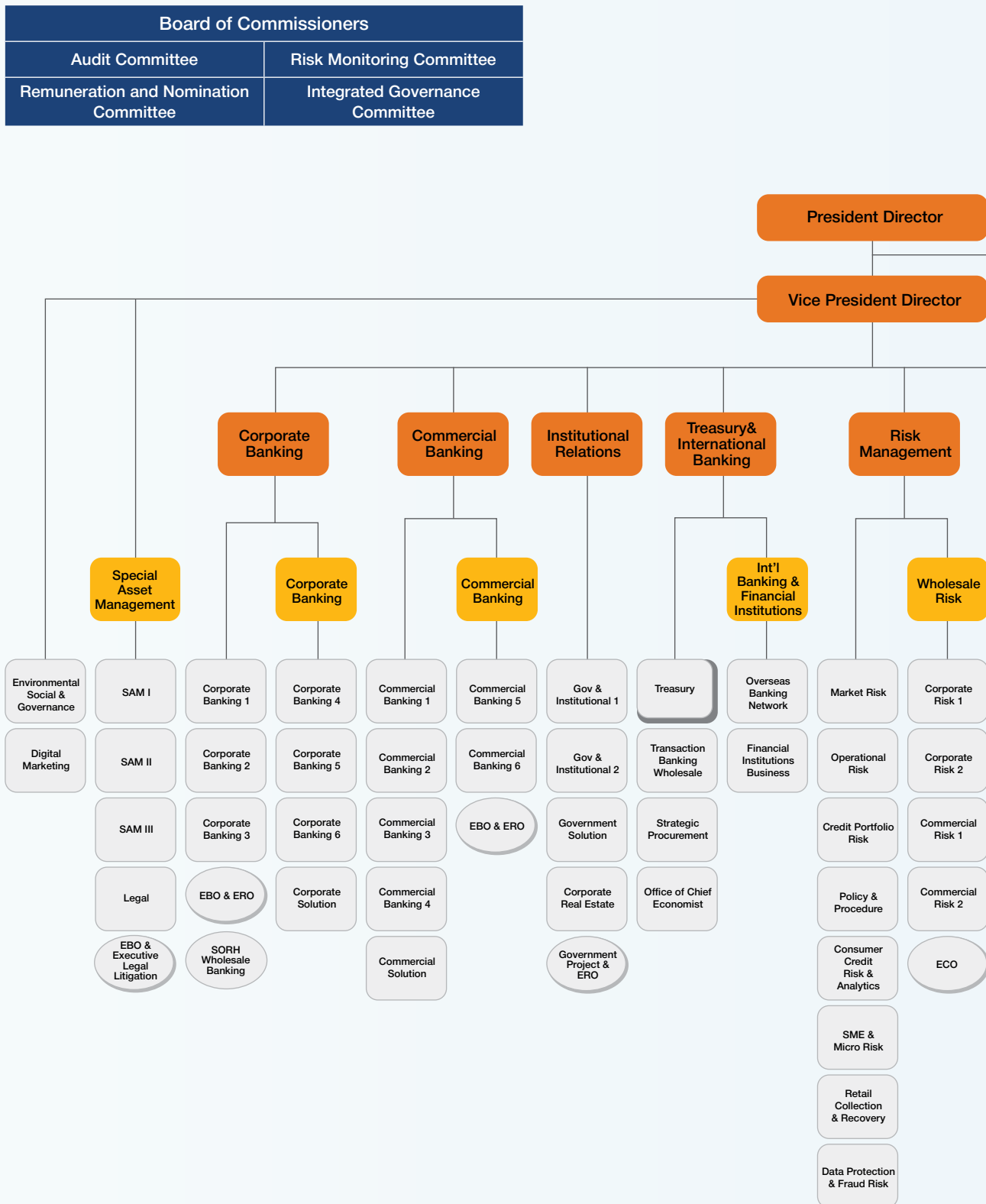
In carrying out corporate governance, the Board of Directors is supported by the Corporate Secretary and various committees tasked with providing advice and recommendations related to the policies and directions

of the Board. Bank Mandiri has 12 (twelve) committees under the Board of Directors, collectively referred to as the Executive Committees, which include:

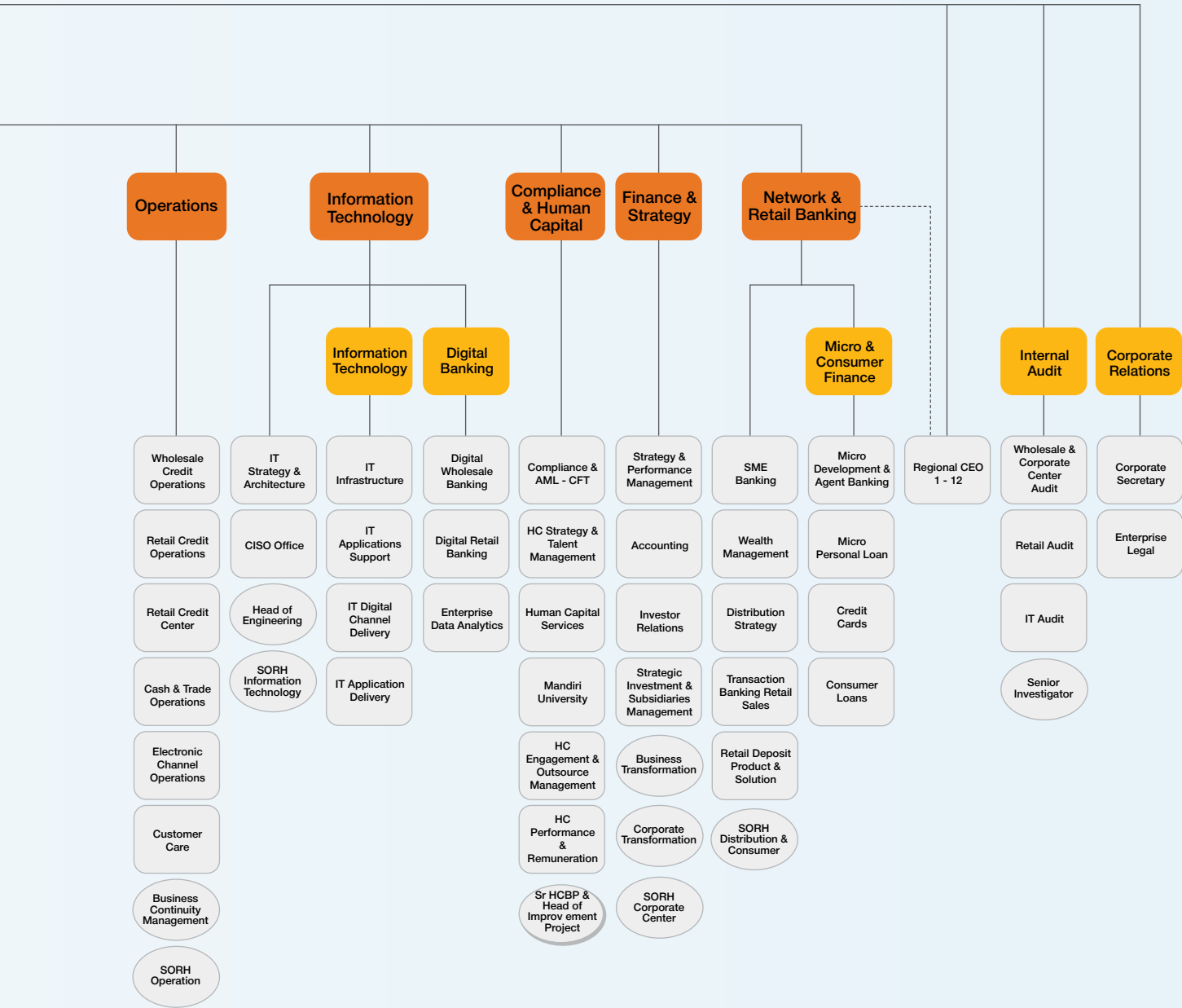
1. Risk Management Committee (RMC);
2. Credit Policy Committee (CPC);
3. Credit Committee (RKK);
4. Information Technology & Digital Banking Committee (ITDC);
5. Social & Environmental Responsibility Committee (TJSL);
6. Assets & Liabilities Management Committee (ALCO);
7. Business Committee (BC);
8. Capital & Subsidiaries Committee (CSC);
9. Human Capital Policy Committee (HCPC);
10. Integrated Risk Committee (IRC);
11. Policy & Procedure Committee (PPC); and
12. Transformation Committee (TFC).



## Organizational Structure of PT Bank Mandiri (Persero) Tbk



Board of Directors					
Risk Management Committee	Credit Policy Committee	Credit Committee	Information Technology & Digital Banking Committee	Social & Environmental Responsibility Committee	Assets & Liabilities Management Committee
Business Committee	Capital & Subsidiaries Committee	Human Capital Policy Committee	Integrated Risk Committee	Policy & Procedure Committee	Transformation Committee



Deputy Group Head



Functional and Not Structural Officials

## Effectiveness of Corporate Governance Implementation

### Attendance at Board of Commissioners' and Board of Directors' Meetings

The effectiveness of the Company's governance is a crucial element in implementing GCG, ensuring that the Company's operations run in accordance with the principles of transparency, accountability, and responsibility. Bank Mandiri is committed to the optimal implementation of GCG through strong supervision and control mechanisms, while

maintaining integrity in every decision-making process. Meetings of the Board of Commissioners and the Board of Directors serve as the primary instruments for measuring the effectiveness of governance. Every strategic policy is discussed and decided upon to ensure business continuity and regulatory compliance.

#### Board of Commissioners' Meetings

Meetings of the Board of Commissioners at Bank Mandiri are governed by the Guidelines and Code of Conduct for the Board of Commissioners and are aligned with POJK No. 33/2014. As per regulations, the Board of Commissioners is required to hold meetings at least once a month and joint meetings with the Board of Directors at least once every four months. Meetings are considered valid if attended by at least two-thirds of the members, with the provision that a Commissioner may represent only one other member through a power of attorney. Meeting materials must be distributed five days before the meeting, except in urgent situations. The Board of Commissioners may also hold remote meetings, and decisions can be made through a circular mechanism with written approval from all members. Meeting outcomes are formally documented by the Company. Based on attendance records, the average attendance rate of the Board of Commissioners in Board meetings was 94%.

#### Board of Directors' Meetings

The policy for Board of Directors' meetings at Bank Mandiri adheres to the Board of Directors' Work Guidelines, the Articles of Association, and POJK No. 33/POJK.04/2014. The Board of Directors is required to hold meetings at least once a month or whenever deemed necessary by any member of the Board of Directors, or upon a written request from the Board of Commissioners. Joint meetings with the Board of Commissioners must be held at least once every four months. Board of Directors' meetings are considered valid if attended by more than two-thirds of the members, and meeting materials must be distributed at least five business days prior. Meetings are chaired by the President Director, who may be replaced by the Vice President Director or an alternate Director in case of absence, in accordance with applicable decisions. Based on attendance records, the average attendance rate of the Board of Directors at meetings was 94%.

### Mandate of the Board of Commissioners

The concurrent positions of the Board of Commissioners have been set based on the Regulation of the Minister of State-Owned Enterprises (SOEs) No. PER-3/MBU/03/2023 concerning Organs and Human Resources of State-Owned Enterprises and the OJK Regulation No. 17 of 2023 on the Implementation of Governance for Commercial Banks.

1. The Board of Commissioners/Supervisory Board of SOEs may hold concurrent positions as members of the Board of Commissioners in other enterprises, provided that they comply with sectoral laws and regulations.
2. The Board of Commissioners/Supervisory Board of SOEs holding concurrent positions as members of the Board of Commissioners in other enterprises as referred

to in point (1) must meet a minimum attendance rate of 75% in Board meetings for one calendar year. This attendance is a prerequisite for receiving Tantiem/Performance Incentives/Special Incentives.

Additionally, the Company's Articles of Association regulate the concurrent position policy for the Board of Commissioners.

The Board of Commissioners is prohibited from holding concurrent positions as:

1. Members of the Board of Directors in state-owned enterprises, regional-owned enterprises, and/or private companies.

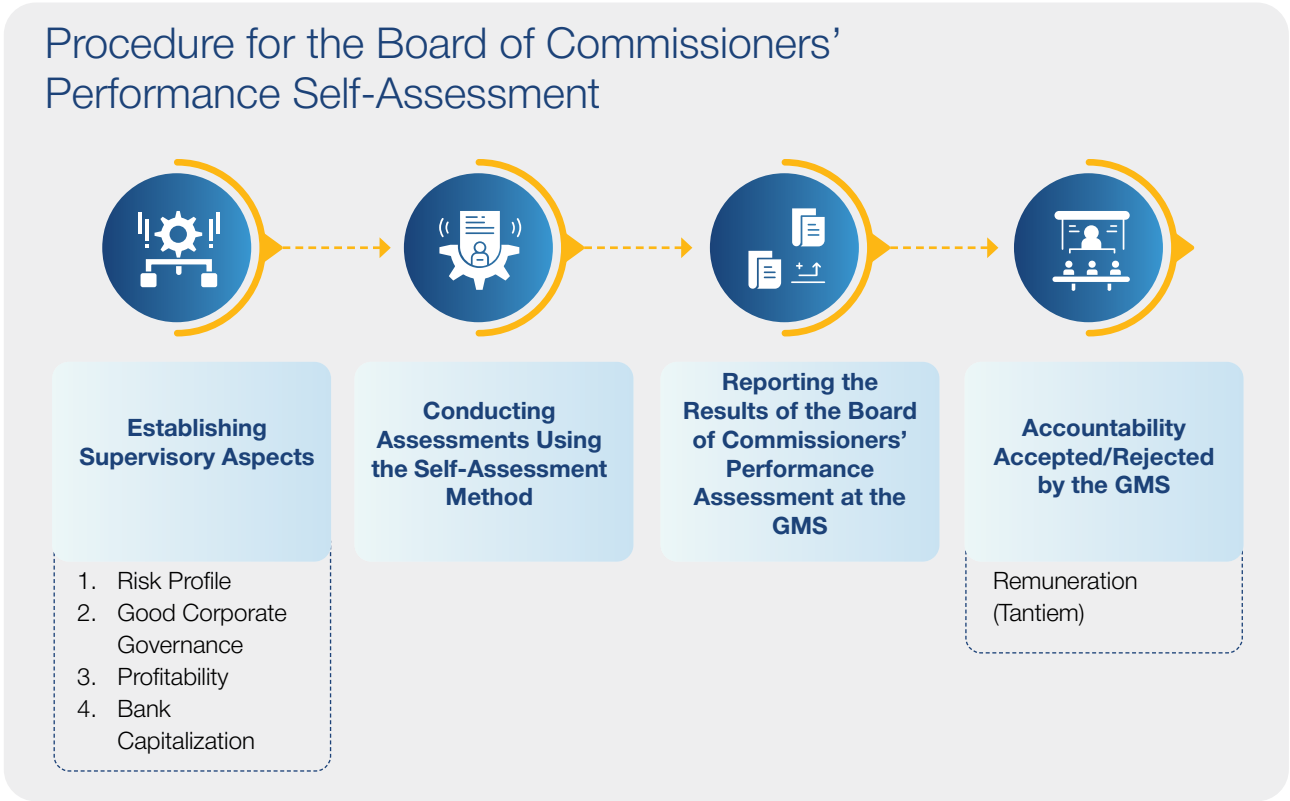
- 2. Members or candidates of political parties and/or members/candidates of the House of Representatives, Regional Representative Council, or Regional House of Representatives, or as candidates for regional heads/ deputy regional heads.
- 3. Any other positions as stipulated in applicable laws and regulations.
- 4. Any other positions that may lead to conflicts of interest.

The Board of Commissioners of Bank Mandiri has disclosed its concurrent position status, confirming that none of its members hold concurrent positions outside the Company that are prohibited under applicable laws or that could lead to conflicts of interest. In 2024, the Board of Commissioners of Bank Mandiri holds up to four mandates or fewer, in line with governance principles that ensure effectiveness in fulfilling its duties and responsibilities.

## Governance Performance Assessment [GRI 2-18]

The performance assessment of the Board of Commissioners is conducted collegially through a self-assessment process and reported during the Annual GMS as part of the Board's report on the execution of their duties to shareholders.

Subsequently, the GMS grants full discharge and release of liability to the Board of Commissioners and the Board of Directors for their management and supervisory activities during the relevant fiscal year.



The performance evaluation of the Board of Directors is based on the achievement of both individual and collective key performance indicators (KPIs), which are assessed by shareholders through the General Meeting of Shareholders (GMS) mechanism. These KPIs include ESG aspects, focusing on the Company's sustainability performance and the implementation of sustainable finance. The sustainability and ESG aspects included in the Board of Directors' 2024 KPIs encompass various areas, such as the realization of KUR distribution, cybersecurity breach management, the number of active Livin' users, Environmental, Social, and

Governance (ESG) ratings, sustainable financing/loans, average diversity in nominated talent (Women & Young), and employee productivity.

Bank Mandiri also conducts a self-assessment of corporate governance implementation on an individual basis every semester. This assessment is carried out in accordance with the provisions of POJK No. 17 of 2023 and SEOJK No. 13/SEOJK.03/2017 on Governance Implementation for Commercial Banks.

## Assessment Score

Bank Mandiri consistently conducts self-assessments of its corporate governance implementation on an individual basis every semester, in accordance with POJK No. 17 of 2023 and SEOJK No. 13/SEOJK.03/2017 on the Implementation of Governance for Commercial Banks.

In the first semester of 2024, Bank Mandiri conducted an individual self-assessment of governance, achieving a score of 1. Subsequently, the Financial Services Authority (OJK) provided feedback on the self-assessment results as follows:

Score	Composite Definition
2	This reflects that the Company's management has generally implemented Good Governance effectively. This is evident from the adequate fulfillment of Governance Principles. In cases where governance implementation weaknesses exist, they are generally insignificant and can be addressed through normal corrective actions by the Bank's management.

## External Assessment

In addition to conducting self-assessments on governance implementation in accordance with regulatory requirements, Bank Mandiri actively arranges for governance evaluations by external parties to obtain feedback on its practices. Bank Mandiri participates in the Corporate Governance Perception Index (CGPI) research and ranking program organized by The Indonesian Institute of Corporate Governance (IICG). The CGPI program is participated in by various public companies, state-owned enterprises (SOEs), banks, and other private companies.

The results of the CGPI assessment are used by Bank Mandiri to evaluate and improve its implementation of Good Corporate Governance (GCG). In the 2023 CGPI assessment conducted in 2024, Bank Mandiri received the "Most Trusted" designation with a score of 95.30. This marks the 18th consecutive year that Bank Mandiri has achieved this recognition. The composition of Bank Mandiri's assessment scores over the past three years are as follows:

### Results of the CGPI Assessment

Stage	2022	2023	2024
Governance Structure	26.65	31.53	31.85
Governance Process	36.24	31.24	31.61
Governance Outcome	32.22	32.45	31.84
<b>Score</b>	<b>95.11</b>	<b>95.22</b>	<b>95.30</b>



## GCG Awards 2024

### Leadership in Corporate Governance

**15th IICD Corporate Governance Conference and Awards 2024**

**Organizer:**

The Indonesian Institute for Corporate Directorship (IICD)

### Most Trusted and Trusted (Bank Mandiri and 3 Subsidiaries)

**Corporate Governance Perception Index (CGPI)**

**Organizer:**

The Institute Indonesian for Corporate Governance (IICG)

### Best Practices for Good Corporate Governance in the Banking Sector

**GCG Awards 2024**

**Organizer:**

CNBC Indonesia



## Independence of Governance Body Members [GRI 2-15]

To ensure the implementation of Good Corporate Governance, particularly regarding the independence of the Board of Commissioners, Bank Mandiri has established various guidelines that regulate the responsibilities of the Board. One critical aspect of maintaining independence is the management of conflicts of interest, which is detailed in the Guidelines and Code of Conduct of the Board of Commissioners as follows:

1. Each Commissioner is required to safeguard information that is regulated by laws and regulations to remain confidential, including insider trading provisions and undisclosed information by the Company to the public.
2. Each Commissioner is required to disclose:
  - a. Their share ownership in the Company or other companies domiciled domestically or internationally.
  - b. Financial and familial relationships with other Commissioners and members of the Board of Directors, including their families.
  - c. Other information that must be disclosed to the public under applicable laws and regulations.
3. Commissioners are prohibited from participating in decision-making related to banking operations and/or decisions that may result in a conflict of interest.
4. In carrying out their duties, responsibilities, and authorities, Commissioners are prohibited from exploiting the Company for personal, familial, or third-party interests in ways that contradict applicable laws and the Company's Code of Conduct.

The management of conflicts of interest for the Board of Directors is regulated in the Bank Mandiri Policy Architecture, which serves as the foundation for corporate governance policies and the execution of Bank activities. The management of conflicts of interest for the Board of Directors includes the following:

1. The Board of Commissioners, Directors, and executive officers are committed to avoiding all forms of conflicts of interest.
2. If a member of the Board of Directors has a personal interest in a transaction, contract, or agreement involving Bank Mandiri as one of the parties, this interest must be disclosed during a Board of Directors meeting, and the concerned member must abstain from voting.
3. At least once a year, each member of the Board of Commissioners, Directors, and executive officers is required to declare whether they are involved in any conflicts of interest in connection with the Company's activities.
4. Members of the Board of Commissioners, Directors, and executive officers are prohibited from holding concurrent positions as regulated by applicable laws.

Information related to conflicts of interest, including cross-ownership, joint ownership with suppliers or other stakeholders, relationships, transactions, and balances with involved parties, is disclosed in detail in the 2024 Bank Mandiri Annual Report.

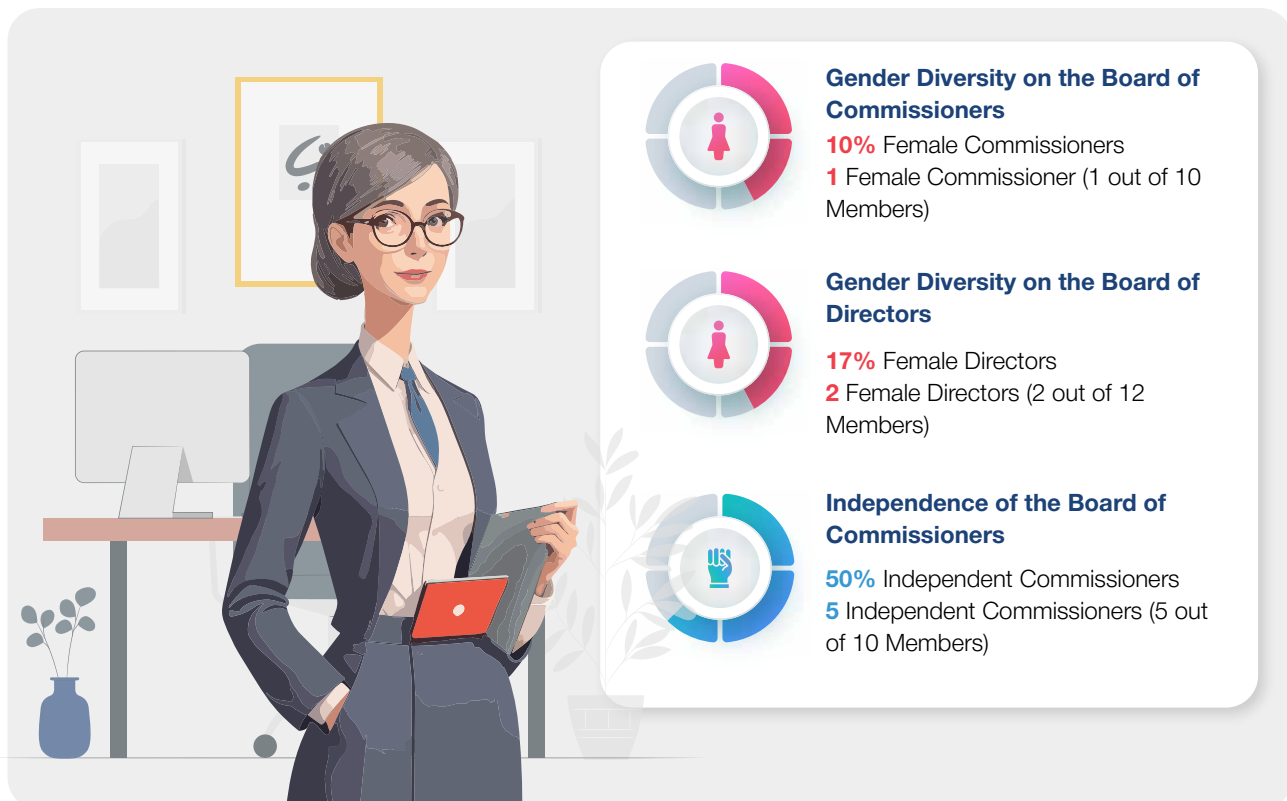
## Competence and Diversity of Governance Body Members

The diversity policy of the Board of Commissioners and the Board of Directors is based on various backgrounds, including age, education, and relevant experience to carry out their duties and responsibilities. Bank Mandiri's Articles of Association regulate the diversity of the composition of the Board of Commissioners in accordance with the attachment to the Financial Services Authority Circular No. 32/SEOJK.04/2015 concerning Guidelines for Corporate Governance of Public Companies and the Financial Services Authority Circular No. 13/SEOJK.03/2017 concerning the Implementation of Governance for Commercial Banks.

The appointment of members of the Board of Commissioners considers factors such as age, gender, integrity, dedication, and relevant management expertise. The Board of Directors also takes into account the diversity of characteristics relevant to the needs of the Company, such as expertise and experience. These considerations are essential in the nomination and appointment process for the Board of Directors, in alignment with the Articles of Association, while ensuring integrity, dedication, and compliance with regulations.

## Composition of the Company's Board of Commissioners

Name	Position	Basis of Appointment	Gender	Age	Expertise
Muhamad Chatib Basri	President Commissioner/ Independent	Annual GMS on February 19, 2020	Male	59 Years	Macroeconomics and Finance
Zainudin Amali	Vice President Commissioner/ Independent	Annual GMS on March 14, 2023	Male	62 Years	Finance and Public Policy
Loeke Larasati Agoestina	Independent Commissioner	Annual GMS on February 19, 2020	Female	65 Years	Law
Muliadi Rahardja	Independent Commissioner	Annual GMS on March 10, 2022	Male	65 Years	Banking and Accounting
Heru Kristiyana	Independent Commissioner	Annual GMS on March 14, 2023	Male	68 Years	Banking, Finance, and Law
Rionald Silaban	Commissioner	Extraordinary GMS on August 28, 2019	Male	58 Years	Human Resources and Finance
Arif Budimanta	Commissioner	Annual GMS on February 19, 2020	Male	56 Years	Finance
Tedi Bharata	Commissioner	Annual GMS on March 7, 2024	Male	41 Years	IT and Information Management Systems
Faried Utomo	Commissioner	Annual GMS on February 19, 2020	Male	60 Years	Legal
Muhammad Yusuf Ateh	Commissioner	Annual GMS on March 15, 2021	Male	60 Years	Accounting and Audit



### Composition of the Company's Board of Directors

Name	Position	Basis of Appointment	Gender	Age	Expertise
Darmawan Junaidi	President Director	Annual GMS March 10, 2022	Male	58 Years	International treasury, risk management, fund raising and distribution, finance, special asset management, credit recovery, and law.
Alexandra Askandar	Vice President Director	Extraordinary GMS October 21, 2020	Female	52 Years	Corporate banking, special asset management, structured finance, and institutional governance.
Agus Dwi Handaya	Director of Compliance and HR	Annual GMS March 21, 2018	Male	54 Years	Human resources, finance, strategy, and performance.
Riduan	Director of Corporate Banking	Annual GMS March 21, 2018	Male	54 Years	Accounting, finance, audit, risk management, and banking.
Aquarius Rudianto	Director of Network and Retail Banking	Extraordinary GMS January 7, 2019	Male	57 Years	Corporate and retail banking, risk management, credit recovery, and commercial sales.
Toni E. B. Subari	Director of Operations	Annual GMS February 19, 2020	Male	60 Years	Credit recovery, corporate banking, business banking, and special asset management.
Danis Subyantoro	Director of Risk Management	Annual GMS on March 7, 2024	Male	56 Years	Internal audit, banking risk management, regulatory compliance, and sustainable financing.
Rohan Hafas	Director of Institutional Relations	Extraordinary GMS October 21, 2020	Male	63 Years	<i>Brain mapping, risk management, marketing, corporate relations, and corporate secretariat.</i>
Sigit Prastowo	Director of Finance and Strategy	Extraordinary GMS October 21, 2020	Male	53 Years	<i>Treasury dealer, risk management, credit analysis, and finance.</i>
Timothy Utama	Director of Information Technology	Extraordinary GMS October 21, 2020	Male	59 Years	Banking operations, treasury, trade services, and information technology.
Eka Fitria	Director of Treasury and International Banking	Annual GMS March 15, 2021	Female	46 Years	Treasury and human resources.
Totok Priyambodo	Director of Commercial Banking	Annual GMS on March 7, 2024	Male	50 Years	Banking risk management, credit analysis, project financing, and wealth management.

## Sustainability Capacity Building [GRI 2-17] [OJK E.2]

Bank Mandiri ensures that the Board of Commissioners, Board of Directors, committees, and relevant units involved in implementing sustainable finance and managing ESG topics have adequate knowledge, skills, and resources to carry out their duties effectively. To support this, the Company provides training and education relevant to ESG. The ESG Capacity Development Program initiative is divided

into three categories, such as raising ESG awareness for all employees, including the Board of Commissioners and the Board of Directors; developing ESG expertise in priority sectors, particularly for employees in Business Units (Corporate Banking, Commercial, and SME) and Risk; and enhancing individual capacity through ESG-related certification.

### Governance Capacity Building Activities of Bank Mandiri in 2024

#### Competency Development of the Board of Commissioners

Name	Position	Training/Seminar	Organizer	Location	Date
Muhamad Chatib Basri	President Commissioner/ Independent	Risk Management Re-Certification Level 6	LSPP	Jakarta	January 25, 2024
		Internal Control over Financial Reporting (IcoFR)	PwC	Jakarta	February 15, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
		BOC Retreat – Economic Outlook of Indonesia 2025	Bank Mandiri	Padang	December 6–8, 2024
Zainudin Amali	Vice President Commissioner/ Independent	General Banking Operational	LPPI	Jakarta	January 17, 2024
		Risk Management Certification Level 6	LSPP	Jakarta	January 22, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
		Asean Global Leadership Programme (AGLP)- “After Globalisation? Leading the World Economy in an Age of Turbulence”	SRW & Co dan London School of Economic and Political Science (LSE).	London	September 2–6, 2024
		Executive Education – Executing Strategy for Results	London Business School	London	December 8–14, 2024
Loeke Larasati Agoestina	Independent Commissioner	Risk Management Re-Certification Level 6	LSPP	Jakarta	January 25, 2024
		Internal Control over Financial Reporting (ICoFR)	PwC	Jakarta	February 15, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
		BOC Retreat – Economic Outlook of Indonesia 2025	Bank Mandiri	Padang	December 6–8, 2024
Muliadi Rahardja	Independent Commissioner	Internal Control over Financial Reporting (ICoFR)	PwC	Jakarta	February 15, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
		BOC Retreat – Economic Outlook of Indonesia 2025	Bank Mandiri	Padang	December 6–8, 2024

Name	Position	Training/Seminar	Organizer	Location	Date
Heru Kristiyana	Independent Commissioner	Risk Management Re-Certification Level 7	LSPP	Jakarta	January 25, 2024
		Internal Control over Financial Reporting (ICoFR)	PwC	Jakarta	February 15, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
		ISACA 2024 Europe Conference	ISACA	London	October 15–17, 2024
		BOC Retreat – Economic Outlook of Indonesia 2025	Bank Mandiri	Padang	December 6–8, 2024
Rionald Silaban	Commissioner	Risk Management Re-Certification Level 6	LSPP	Jakarta	January 23, 2024
		Internal Control over Financial Reporting (ICoFR)	PwC	Jakarta	February 15, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
Arif Budimanta	Commissioner	Risk Management Re-Certification Level 6	LSPP	Jakarta	January 25, 2024
		Internal Control over Financial Reporting (ICoFR)	PwC	Jakarta	February 15, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
		Asean Global Leadership Programme (AGLP)- “After Globalisation? Leading the World Economy in an Age of Turbulence”	SRW & Co dan London School of Economic and Political Science (LSE).	London	September 2–6, 2024
		BOC Retreat – Economic Outlook of Indonesia 2025	Bank Mandiri	Padang	December 6–8, 2024
Tedi Bharata	Commissioner	PSAK 71	Bank Mandiri	Jakarta	March 25, 2024
		Corporate Plan 2020–2024, RBB 2024–2027, RKAP 2024, and Financial Performance 2024	Bank Mandiri	Jakarta	April 3, 2024
		Health Level and Risk Management Framework	Bank Mandiri	Jakarta	April 17, 2024
		GCG, APU PPT & PPPSPM, and Integrated Governance	Bank Mandiri	Jakarta	May 6, 2024
		IT Management	Bank Mandiri	Jakarta	May 16, 2024
		Risk Management Certification Level 6	LSPP	Jakarta	May 30, 2024
		Training Cybersecurity for Managers - A Playbook	Emertus MIT - Management Executive Education	Online	June 3, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
		BOC Retreat – Economic Outlook of Indonesia 2025	Bank Mandiri	Padang	December 6–8, 2024



Name	Position	Training/Seminar	Organizer	Location	Date
Fariad Utomo	Commissioner	Risk Management Re-Certification Level 6	LSPP	Jakarta	January 25, 2024
		Internal Control over Financial Reporting (ICoFR)	PwC	Jakarta	February 15, 2024
		BOC Retreat – Economic Outlook of Indonesia 2025	Bank Mandiri	Padang	December 6–8, 2024
M. Yusuf Ateh	Commissioner	Internal Control over Financial Reporting (ICoFR)	PwC	Jakarta	February 15, 2024
		Risk Management Re-Certification Level 7	LSPP	Jakarta	January 25, 2024
		BOC Retreat - Cybersecurity	Bank Mandiri	Bandung	August 24–25, 2024
		ISACA 2024 Europe Conference	ISACA	London	October 15–17, 2024
		BOC Retreat – Economic Outlook of Indonesia 2025	Bank Mandiri	Padang	December 6–8, 2024

### Competency Development of the Board of Directors

Name	Position	Training/Seminar	Organizer	Location	Date
Darmawan Junaidi	President Director	Executive Course on Strategic Management and Leadership Cohort-3 TA 2024	Ministry of Defense of the Republic of Indonesia	Jakarta	July 24–August 6, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Alexandra Askandar	Vice President Director	Executive Course on Strategic Management and Leadership Cohor2 TA. 2024	Ministry of Defense of the Republic of Indonesia	Jakarta	July 3–16, 2024
		Sustainability Live London 2024	Evenbrite	London	September 11–12, 2024
		Strategic Leadership - Professional &Executive Development	Harvard DCE	Boston	December 9–11, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024

Name	Position	Training/Seminar	Organizer	Location	Date
Agus Dwi Handaya	Director of Compliance and HR	Alignment Program for Risk Management Certification for Directors and Commissioners of Commercial Banks	IRPA ( Indonesia Professional Association )	Jakarta	October 9–10, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Riduan	Director of Corporate Banking	Alignment Program for Risk Management Certification for Directors and Commissioners of Commercial Banks	IRPA ( Indonesia Professional Association )	Jakarta	October 23–24, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Aquarius Rudianto	Director of Network and Retail Banking	Alignment Program for Risk Management Certification for Directors and Commissioners of Commercial Banks	IRPA ( Indonesia Professional Association )	Jakarta	October 23–24, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Toni E. B. Subari	Director of Operations	Alignment Program for Risk Management Certification for Directors and Commissioners of Commercial Banks	IRPA ( Indonesia Professional Association )	Jakarta	August 20–21, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Danis Subyantoro	Director of Risk Management	Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Rohan Hafas	Director of Institutional Relations	Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024

Name	Position	Training/Seminar	Organizer	Location	Date
Sigit Prastowo	Director of Finance and Strategy	Alignment Program for Risk Management Certification for Directors and Commissioners of Commercial Banks	IRPA ( Indonesia Professional Association )	Jakarta	August 20–21, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Timothy Utama	Director of Information Technology	Alignment Program for Risk Management Certification for Directors and Commissioners of Commercial Banks	IRPA ( Indonesia Professional Association )	Jakarta	August 20–21, 2024
		Designing and Executing Corporate Revitalization	Harvard Business School	Boston	December 1–6, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Eka Fitria	Director of Treasury and International Banking	Alignment Program for Risk Management Certification for Directors and Commissioners of Commercial Banks	IRPA ( Indonesia Professional Association )	Jakarta	August 20–21, 2024
		Harvard Women on Boards	Harvard University	Boston	December 2–6, 2024
		Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024
Totok Priyambodo	Director of Commercial Banking	Integrated Strategic Growth and Transformational Leadership Driven By Orchestrating The Ecosystem	Bank Mandiri	Jakarta	December 12, 2024

# Nomination and Remuneration Policies and Processes for the Board of Commissioners and Directors [GRI 2-10] [GRI 2-19]

[GRI 2-20]

The Board of Commissioners has established the Remuneration and Nomination Committee to support its duties in the areas of remuneration and nomination for members of the Board of Directors and the Board of Commissioners. One of the main tasks of this committee

is to design the remuneration system that will form part of the Company's governance framework, serving as a guideline for the Board of Commissioners and the GMS in determining the remuneration of members of the Board of Commissioners and/or Directors.

## Nomination Policy

Based on the Articles of Association, members of the Board of Commissioners are appointed and dismissed by the General Meeting of Shareholders (GMS) with a term of office of five (5) years from the date of appointment as determined by the GMS. After their term ends, members of the Board of Commissioners can be reappointed through a GMS resolution.

The appointment procedure for the Board of Commissioners of Bank Mandiri refers to OJK Regulation No. 33/POJK.04/2014 concerning Directors and Boards of Commissioners of Issuers or Public Companies, as well as Ministry of SOEs Regulation No. PER-11/MBU/07/2021 on Requirements and Procedures for Appointment and Dismissal of Members of the Board of Commissioners and Supervisory Boards of State-Owned Enterprises, as amended by Ministry of SOEs Regulation No. PER-7/MBU/09/2022 on Requirements and Procedures for Appointment and Dismissal of Members of the Board of Commissioners and Supervisory Boards of State-Owned Enterprises. The appointment process for members of the Board of Commissioners includes:

1. Sources of Board of Commissioners' Candidates for SOEs:
  - a. Former SOE Directors;
  - b. Former members of the SOE Supervisory Board;
  - c. Structural or functional officials of the ministry; and

- d. Other sources.
2. Nominee Requirements: Candidates nominated to become members of the Board of Commissioners must meet Formal Requirements, Substantive Requirements, and Other Requirements.
3. Evaluation of Substantive Requirements is conducted by:
  - i. Assessing the candidate's resume and supporting documents;
  - ii. Verifying integrity through written statements by the candidate, as listed in the appendix to the Ministerial Regulation; and/or
  - iii. Conducting interviews.
4. For certain SOEs designated by the Minister, candidates for the President Commissioner/Member of the Board of Commissioners/Member of the Board of Directors are required to complete a fit and proper test conducted by a professional institution appointed by the Minister.
5. Specifically for state-owned banks, prospective candidates to be proposed at the GMS are evaluated by a team formed by the Minister, involving the Chair of the Board of Commissioners Committee responsible for the Nomination function. If the Chair of the Board of Commissioners Committee is unavailable, the role may be assumed by a committee member from the Independent Commissioner element who performs the Nomination function.

## Nomination Procedure

The nomination and selection process for the Board of Commissioners is carried out through proposals from the Series A Dwiwarna Shareholders to the GMS, taking into account recommendations from the Board of Commissioners as well as the Remuneration and Nomination Committee. Prior to discussions regarding the appointment and dismissal of the Board of Commissioners, GMS participants are provided with information about the profiles of candidates for the Board of Commissioners, both new candidates and those being reappointed.

The Board of Commissioners and the Board of Directors are not selected on a rotational basis, and their appointments take place during the General Meeting of Shareholders (GMS). Once appointed for a term of office (a five-year period), members of the Board of Commissioners and the Board of Directors may be reappointed for one additional term of office, with a maximum of five years. As of 2024, the average tenure of the Board of Commissioners and Directors is 5 years.



## Remuneration Policy

Bank Mandiri has implemented a remuneration governance policy in accordance with OJK Regulation No. 45/POJK.03/2015 concerning the Implementation of Governance for the Provision of Remuneration for Commercial Banks. Remuneration is provided to the Board of Commissioners, the Board of Directors, and employees, either in fixed or variable forms, cash or non-cash, based on assigned responsibilities and performance. The policy aims to encourage prudent risk-taking while ensuring the sustainability of Bank Mandiri's business.

Additionally, Bank Mandiri is committed to Good Corporate Governance in remuneration policy, as formalized in the Joint Decision of the Board of Commissioners and the Board of Directors on March 20, 2018. The determination of remuneration for the Board of Commissioners and the Board of Directors refers to:

1. Regulation of the Minister of State-Owned Enterprises (SOE) No. PER-04/MBU/2014 on Guidelines for Determining the Income of Directors, Commissioners, and Supervisory Boards of State-Owned Enterprises, as last amended by Regulation of the Minister of SOEs No. PER-3/MBU/03/2023 dated September 24, 2023.
2. Regulation of the Minister of SOEs No. PER-01/MBU/2011 on the Implementation of Good Corporate Governance in SOEs, as amended by Regulation of the Minister of SOEs No. PER-09/MBU/2012 regarding Amendments to Regulation No. PER-01/MBU/2011 on the Implementation of Good Corporate Governance in SOEs.
3. Regulation of the Minister of SOEs No. PER-2/MBU/03/2023 dated March 3, 2023, on Guidelines for Governance and Significant Corporate Activities of State-Owned Enterprises.
4. OJK Regulation No. 55/POJK.03/2016 dated December 9, 2016, on the Implementation of Governance for Commercial Banks, as amended by OJK Regulation No. 17 of 2023 dated September 14, 2023, on the Implementation of Governance for Commercial Banks.
5. OJK Regulation No. 45/POJK.03/2015 dated December 23, 2015, on the Implementation of Governance in the Provision of Remuneration for Commercial Banks.
6. The Company's Articles of Association.

The Company has the authority to defer payment of variable remuneration (malus) or reclaim previously paid variable remuneration (clawback) under specific conditions, without finding any wrongdoing by the executive. These provisions are applied by considering several factors, such as the magnitude of the Company's losses, responsibility, and other relevant aspects, ensuring alignment with sustainable practices. This policy applies to executives categorized as material risk takers (MRTs) involved in activities that result in losses or violations within the bank, such as fraud or negligence. The remuneration policy adheres to OJK regulations, Minister of SOEs regulations, and Bank Mandiri's internal policies.

## Scope of Remuneration Policy and Its Implementation

The policy established to regulate the remuneration of the Board of Commissioners and the Board of Directors will subsequently serve as a basis for regulating remuneration for employees categorized as material risk takers (MRT). The determination of an MRT is carried out using both qualitative and quantitative approaches. In determining the remuneration of employees, executives, Directors, and the Board of Commissioners, the Remuneration and Nomination Committee considers several factors, including:

1. Comparative remuneration results for employees, executives, Directors, and the Board of Commissioners with peer groups in similar industries.
2. The scale and complexity of the Company's operations.
3. Remuneration components, including salaries/honorariums and benefits, such as standardized allowances, holiday bonuses (THR), annual leave, housing allowances, official vehicles, health facilities, utilities, and other benefits. Meanwhile, performance-based remuneration consists of bonuses/incentives for employees and *tantiem* for Directors and the Board of Commissioner

Bank Mandiri refers to Labor Laws and OJK regulations in formulating its total reward policy. The Company's long-term strategy aims to ensure that Bank Mandiri maintains competitive strength in the market. Generally, Bank Mandiri targets its remuneration position at the 75th percentile, while for top talent and critical roles, this can reach the 90th percentile to attract and retain the best talent.

Bank Mandiri aligns remuneration with performance through periodic evaluations of remuneration policies based on performance assessments at the individual, unit, and overall Bank level. If agreed-upon key performance indicators (KPIs) are not achieved, remuneration adjustments are made accordingly. The remuneration strategy is applied by considering the performance of individuals, work units, and the overall performance of the Bank, ensuring that the remuneration amount remains within the established budget limits.

To assess the Bank's remuneration position relative to market conditions, Bank Mandiri participates in the Annual Salary Survey conducted by an independent and competent third party. The findings from this survey are used as a basis to adjust Bank Mandiri's remuneration strategy, which is then proposed in the Board of Directors' meeting for approval.

## Remuneration Procedure for the Board of Commissioners and Directors

The determination of remuneration for the Board of Commissioners and the Board of Directors is carried out according to the following steps:

1. The Remuneration and Nomination Committee conducts a remuneration review for members of the Board of Commissioners and the Board of Directors.
2. The Remuneration and Nomination Committee coordinates with the Director and Officials responsible for Human Capital and relevant units in preparing remuneration proposals.
3. In determining variable remuneration policies, the Remuneration and Nomination Committee coordinates with the Risk Management Unit.
4. The Remuneration and Nomination Committee prepares remuneration recommendations based on the review conducted and submits them to the Board of Commissioners and the Board of Directors.
5. The Board of Commissioners submits proposals and recommendations based on the Remuneration and Nomination Committee's review to the GMS for approval.
6. The proposals and recommendations of the Board of Commissioners to the GMS may include:
  - a. Approval of the form and amount of remuneration; or
  - b. Approval to grant authority to the Board of Commissioners to determine the form and amount of remuneration.

### Process for Determining the Remuneration of the Board of Commissioners and Directors



## Remuneration Structure of the Board of Commissioners and Directors

The remuneration for the Board of Commissioners and Directors is provided in accordance with applicable remuneration regulations and consists of the following:

1. Fixed remuneration refers to payments not linked to performance or risk and includes salary/honorarium, facilities, adjustment allowances, health benefits, educational allowances, holiday bonuses, and retirement benefits. Fixed remuneration such as salary/honorarium, facilities, holiday bonuses, and retirement benefits is provided in cash.
2. Variable remuneration refers to payments linked to

performance and risk, including bonuses, performance-based incentives/tantiem, or other equivalent forms.

Remuneration in the form of bonuses, tantiem, and incentives may be provided in cash, shares, or share-based instruments issued by the Company with specific conditions. These special conditions include, among others, that remuneration for the Board of Commissioners is provided in cash to avoid conflicts of interest in performing oversight duties. The structure of remuneration for the Board of Commissioners and the Board of Directors is as follows:

**Table of Remuneration Structure of the Board of Commissioners and Directors** [GRI 2-21]

No	Type of Income	Provision	
		Board of Commissioners	Board of Directors
<b>1.</b>	<b>Honorarium/Salary</b>	<b>The amount of the position factor:</b> <ul style="list-style-type: none"> <li>• President Commissioner: 45% of the President Director's salary</li> <li>• Vice President Commissioner: 42.5% of the President Director's salary</li> <li>• Commissioners: 90% of the President Commissioner's salary</li> </ul>	<b>The amount of the position factor:</b> <ul style="list-style-type: none"> <li>• Vice President Director: 95% of the President Director's salary</li> <li>• Directors overseeing HR: 90% of the President Director's salary</li> <li>• Other Directors: 85% of the President Director's salary</li> </ul>
<b>2.</b>	<b>Allowances</b>		
	Religious Holiday Allowance	1 (one) time honorarium	1 (one) time salary
	Housing Allowance	Not provided	Monthly housing allowance if no official residence is provided, up to Rp 27,500,000
	Transportation Allowance	20% of the honorarium	Not provided
	Annual Leave Allowance	Not provided	Not provided
	Retirement Benefit	Maximum insurance premium of 25% of honorarium/year	Maximum insurance premium of 25% of honorarium/year
<b>3.</b>	<b>Facilities</b>		
	Official Vehicle Facility	Provided in the form of transportation allowance equal to 20% of honorarium	1 (one) official vehicle provided, based on established criteria
	Health Facility	Medical reimbursement as per internal policy (KEP.KOM/03/2022)	Medical reimbursement as per internal policy (KEP.KOM/03/2022)
	Professional Membership	Maximum 2 (two) memberships relevant to Company activities	Maximum 2 (two) memberships relevant to Company activities
	Legal Assistance Facility	Legal assistance facility as per internal policy (KEP.KOM/03/2022)	Legal assistance facility as per internal policy (KEP.KOM/03/2022)
<b>4.</b>	<b>Bonuses, Tantiem, Incentives</b>	Can be provided in the form of shares or cash	Can be provided in the form of shares or cash

## Variable Remuneration

Bank Mandiri provides variable remuneration, which is linked to performance and risk, including bonuses, *tantiem*/performance incentives, or other equivalent forms. This remuneration may be granted in the form of cash, shares, or share-based instruments issued by the company. However, for the Board of Commissioners, remuneration is provided in cash to avoid potential conflicts of interest in carrying out its supervisory function. Additionally, Bank Mandiri also grants Long Term Incentive (LTI) in the form of shares to members of the Board of Directors. Meanwhile, Independent Commissioners receive remuneration in cash in accordance with the provisions of OJK Regulation No. 45/POJK.03/2015.

As part of its commitment to sustainable governance, environmental, social, and governance (ESG) performance also influences long-term incentives. Several parameters considered include the distribution of Kredit Usaha Rakyat (KUR), cybersecurity breaches, ESG rating, the number of active *Livin'* users, sustainable financing/credit, average diversity in nominated talent (women & young), and employee productivity (parent only), with a total weighting of 28%.

## Share Ownership of the Board of Commissioners and Directors

Bank Mandiri has a policy that regulates share ownership by the Board of Commissioners and the Board of Directors, which is part of the executive remuneration scheme. This policy is designed to maintain a balance between leadership responsibilities and performance incentives, as well as ensure transparency in share ownership by senior executives.

In 2024, the share ownership of the members of the Board of Commissioners was recorded at 12,366,900 shares. Meanwhile, the total share ownership of the members of the Board of Directors reached 83,727,800 shares, with the President Director owning 11,134,200 shares, valued at more than five times the base salary.

## Risk Management [OJK E.3]

Risk management is at the core of the banking operations implemented by Bank Mandiri to achieve healthy and responsible financial and operational growth. In addition to ensuring compliance, Bank Mandiri manages and makes decisions in accordance with the Risk Management Policy (KMNR), which is developed based on regulations and best practices in the industry. The KMNR outlines the fundamental policy principles and serves as the primary guideline and highest regulation in the field of risk management. KMNR is used as a reference for developing policies, procedures, and guidelines in risk management in accordance with applicable regulations.

Bank Mandiri's Risk Management Framework encompasses three main components:

1. Risk Oversight: Comprehensive risk oversight to ensure effective risk management implementation.

2. Risk Policy and Management: Risk policies and management aligned with regulatory standards and business needs.
3. Risk Identification, Measurement, Mitigation, and Control: Comprehensive risk identification, measurement, mitigation, and control.

These three components are supported by the Audit Work Unit as independent assurance to ensure the effectiveness of implementation.

Bank Mandiri implements risk management through the Enterprise Risk Management (ERM) framework, which employs a two-pronged approach that ensures risks are effectively mitigated through daily business processes, while also being managed during unforeseen conditions (downturns) through adequate capital reserves.

## Risk Oversight [GRI 2-12, 2-16]

The Board of Directors and Board of Commissioners of Bank Mandiri are responsible for risk oversight. This function is carried out by the Board of Commissioners through the Audit Committee, Risk Monitoring Committee, and Integrated Governance Committee.

The Board of Directors executes risk oversight functions by formulating risk policies and management, conducted alongside the Executive Committee responsible for risk management, which includes:

1. Risk Management & Credit Policy Committee
2. Asset & Liability Committee
3. Capital & Subsidiaries Committee
4. Integrated Risk Committee

At the operational level, risk oversight is conducted by the Risk Management Work Unit alongside Business Units and the Compliance Work Unit, which are responsible for identifying, measuring, mitigating, and controlling risks.

## Risk Identification, Measurement, Mitigation, and Control

Bank Mandiri's risk management process consists of the following stages:



Bank Mandiri implements effective risk management practices across all work units using the Three Lines of Defense framework to ensure that risk management is conducted in accordance with applicable standards and regulations.

### Three Lines of Defense





Specifically, Bank Mandiri implements a 1.5 line of defense, which consists of the Fraud Detection Unit and the Senior Operational Risk Head to support the work units that serve as the first line of defense in ensuring effective risk controls.

There are 10 (ten) types of risks managed by Bank Mandiri on a consolidated basis, namely:

- Credit Risk
- Market Risk
- Liquidity Risk
- Operational Risk
- Legal Risk
- Reputational Risk

- Strategic Risk
- Compliance Risk
- Intragroup Transaction Risk
- Insurance Risk

The Risk Management Unit conducts Mandiri Group’s stress testing regularly every semester to assess resilience against various risks. The Internal Audit Unit, as the third line of defense, continuously performs assurance and consultation activities related to the adequacy of internal controls, risk management, and Bank governance in accordance with prevailing regulations and Bank policies.

## Emerging Risks

Bank Mandiri has identified various emerging risks, with a corresponding mitigation plans as follows: [\[GRI 2-16\]](#)

Emerging Risks	Category	Explanation	Impact	Mitigation
Digital and Technology Transformation Risks	Technology	Risks arising from the adoption of new technologies, such as artificial intelligence (AI), automation, or digital banking.	Technological advancements, including the integration of artificial intelligence (AI), drive the transformation of financial services. However, system disruptions can hinder services and affect customer trust. Challenges in managing big data, risks of data misuse due to AI, and competition from innovative digital banks require companies to adapt and innovate to maintain market share and customer loyalty.	In addressing the challenges of the digital era, Bank Mandiri continues to take strategic steps to strengthen its technology ecosystem. Investment in secure and scalable IT infrastructure remains a top priority to meet the evolving demands of digitalization. Additionally, the implementation of artificial intelligence (AI) is leveraged to enhance operational efficiency and customer experience, while ongoing efforts to strengthen cybersecurity are made to safeguard data and maintain customer trust amidst increasingly complex digital threats.
Geopolitical Risks	Geopolitical	Risks arising from global political instability or international conflicts.	In addressing escalating geopolitical pressures, various sectors must navigate complex challenges that impact business stability. Disruptions in cross-border capital flows, currency exchange rate fluctuations affecting international trade, and risks of sanctions or restrictions on business partners are key challenges in maintaining operational sustainability amid global uncertainty.	In addressing risks arising from geopolitical conflicts, Bank Mandiri adopts strategic approaches to maintain business stability and operational sustainability. Risk analysis of international markets is strengthened to anticipate impacts on portfolios and operations, while proactive monitoring of international trade regulations ensures compliance and adaptation to global dynamics.

# ESG Governance

Bank Mandiri has established a sustainability vision of “Becoming Indonesia’s Sustainability Champion for a Better Future,” to be realized through 3 (three) main strategies and various derived initiatives aligned with the Sustainable Development Goals (SDGs). To ensure the initiatives under these three strategies are implemented effectively, Bank Mandiri has built a solid foundation for ESG governance. The initiatives are focused on strengthening ESG governance, capacity development, and disclosure enhancements in line with best practices, ensuring that ESG principles are fully integrated across all operational aspects and decision-making processes.

Bank Mandiri has established an ESG governance structure involving all organizational units responsible for policymaking, decision-making, oversight, and the implementation of ESG strategies.

## ESG Governance Structure [GRI 2-9, 2-12, 2-13, 2-24]



To ensure alignment between the Company’s strategic policies and ESG principles, the Board of Directors, Board of Commissioners, and ESG Unit play complementary roles. The Board of Directors and Board of Commissioners are responsible for overseeing the Company’s compliance with regulations and providing recommendations regarding the formulation of policies and risk management strategies. The ESG Unit focuses on planning and implementing sustainability initiatives, including developing the ESG framework and targets, monitoring the sustainable portfolio, and integrating ESG aspects into all business processes.

### Roles and Responsibilities—Board of Directors and Commissioners

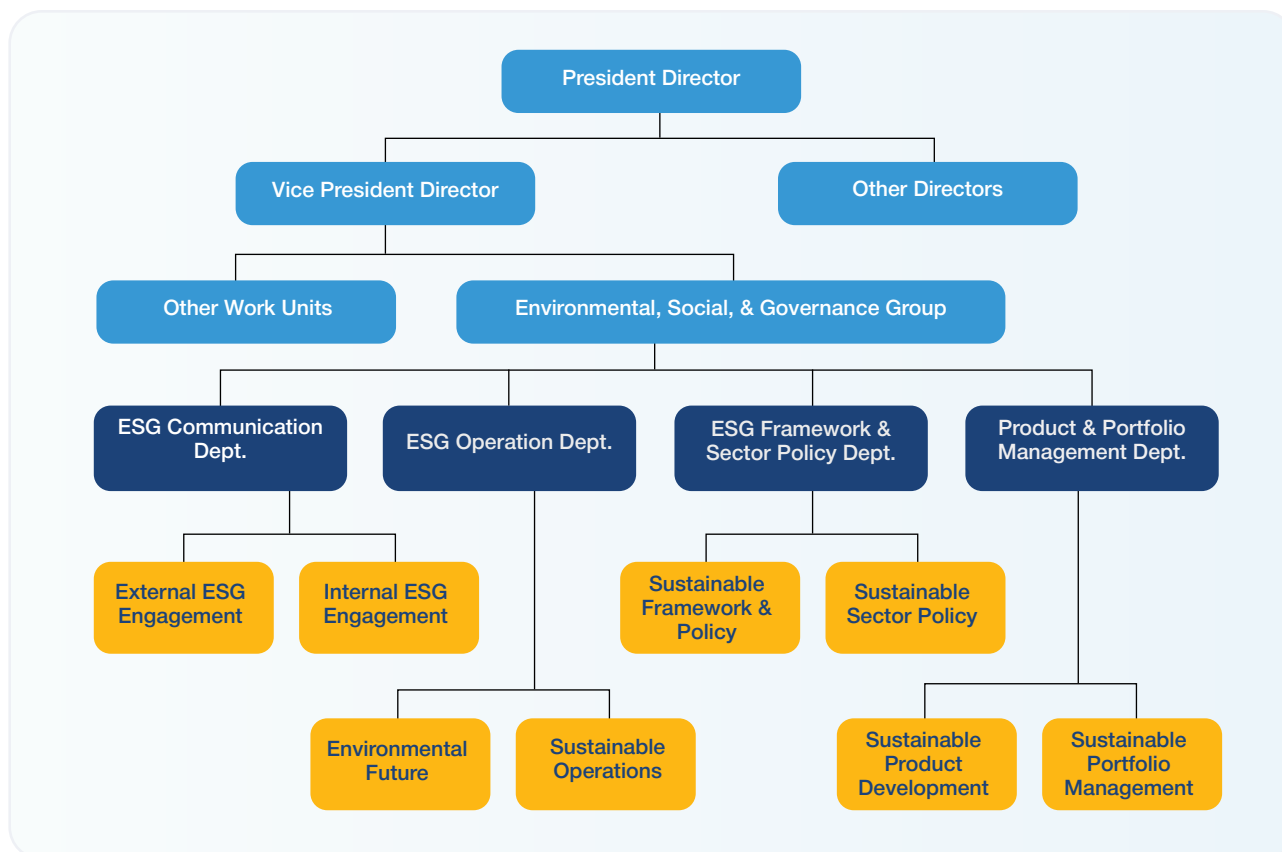
- Monitor and evaluate the Company’s compliance with the Articles of Association, regulatory authorities, and regulations related to risk management.
- Provide recommendations to the President Director regarding policies, strategies, and guidelines for implementing risk management.

### Roles and Responsibilities—ESG Unit [GRI 2-12, 2-13, 2-14]

- Develop ESG frameworks, commitments, roadmaps, and targets.
- Monitor Bank Mandiri’s sustainable portfolio (in accordance with POJK 51/2017) and report on alignment with Indonesia’s Green Taxonomy.
- Promote the development of sustainable financial products and services.
- Define key performance indicators (KPIs) for ESG across all units.
- Ensure ESG disclosures align with best practices.
- Internalize ESG awareness among all employees.
- Align ESG aspects with all business processes and internal policies.
- Prepare ESG performance reports for the Board of Commissioners and Directors to be presented at the GMS.

## ESG Unit Structure [GRI 2-9, 2-12, 2-13, 2-24]

### ESG Unit Structure



## ESG Unit Responsibilities [GRI 2-12, 2-13, 2-14]



### ESG Communication Department

- Prepare ESG disclosures.
- Encourage stakeholder engagement through various internal and external activities and publications.
- Communicate ESG strategies and performance to investors.
- Responsible for creating and disseminating all ESG messages of the Company.
- Prepare press releases, statements, and communication materials related to ESG achievements and initiatives.



### ESG Framework & Sector Policy Department

- Develop frameworks, roadmaps, and commitments for ESG and climate change.
- Establish ESG-related policies and sustainable banking across the credit process on a bank-wide basis.
- Advocate policies and provide insights to regulators regarding best practices in sustainable finance implementation.



### ESG Operation Department

- Prepare operational GHG emission reports.
- Develop strategies to reduce operational GHG emissions.
- Prepare and monitor the implementation of the Sustainable Finance Action Plan (SFAP).



### Product & Portfolio Management Department

- Enhance the Sustainable Portfolio by developing various sustainable financial products, including providing advisory services to product owners.
- Report the Sustainable Portfolio in compliance with POJK 51 and the Taxonomy for Sustainable Finance in Indonesia (TKBI).
- Develop transition strategies to reduce financed emissions in alignment with national NZE targets and best practices.
- Create systems and methodologies for managing the Sustainable Portfolio in line with best practices.

## ESG Governance Oversight and Evaluation [GRI 2-16]

Bank Mandiri ensures that the management of environmental, social, and governance (ESG) policies is conducted effectively, meeting the expectations of stakeholders and applicable regulations, while adhering to banking best practices and sustainability initiatives. In general, the Board of Directors and Board of Commissioners establish policies, strategies, and sustainability targets, while managing the impacts of social, economic, environmental, and climate change aspects. Furthermore, Bank Mandiri has ratified the ESG Guiding Principle through the decision of the Risk Management and Credit Policy Committee (RMPC) No. RMPC/051/2023, dated December 13, 2023. This guideline serves as a framework for Bank Mandiri to integrate ESG aspects into all internal policies related to business and operational activities.

In the management of climate risk, the Board of Directors involves the Risk Management Committee (RMC), while oversight is carried out by the Board of Commissioners through the Risk Monitoring Committee (KPR). Climate risk monitoring is conducted through Board of Directors meetings, RMC, and the ESG Forum at least six times a year.

Sustainability impact management is delegated to the ESG Unit, supervised by the Vice President Director, with its results reported to RMC and KPR. Reports from the ESG Unit are further escalated as needed to the Board of Commissioners at least 4 (four) times annually. Additionally, the Board of Directors oversees the implementation of integrity and ethics through the Internal Control System to ensure a corporate culture that upholds high ethical standards and risk management across all organizational levels.

### Responsibilities for ESG Governance Oversight and Evaluation

#### ESG Group

Quarterly reports on ESG implementation covering progress in sustainable finance initiatives, commitments, and the sustainability framework, as well as other issues related to climate management and the achievement of SDGs.

#### RMC/Directors/ESG Forum

Provide direction to the ESG Unit and ESG Contributing Members to conduct reviews, develop, and align the achievements of sustainable finance initiatives with the latest sustainability issues and stakeholder expectations.

#### Board of Directors

- Quarterly reports to the Board of Commissioners through the Risk Monitoring Committee (KPR) on progress in sustainable finance initiatives, commitments, and the ESG framework, as well as key issues regarding climate and SDG achievements.
- Present achievements, plans, and sustainable finance initiatives to investors, the media, and regulators through analyst meetings, public exposés, GMS, sustainability landing pages, websites, and prudential meetings.

## ESG Risk Management

Environmental and social risks, including climate change issues, are part of reputation and legal risks. Therefore, Bank Mandiri evaluates and mitigates these risks through the Reputation Risk Management Framework and relevant policies. In its implementation, Bank Mandiri adopts the four eyes principle to ensure transparency and accuracy in decision-making related to ESG risks.

In the risk management function, the Risk Management Unit is responsible for providing independent oversight on the measurement, monitoring, and management of environmental risks. This unit operates directly under the Director of Risk Management. Collaboration is carried out with ESG teams, Business Units, and functional groups to ensure environmental and social risks are integrated into Bank Mandiri's ESG strategy. This process also aims to

ensure the latest industry standards related to environmental accountability are applied in banking services, stakeholder relations, and the management of operational facilities.

The implementation of ESG risk management at Bank Mandiri is monitored by the Board of Commissioners and the Board of Directors through the following mechanisms:

### 1. Risk Management Committee (RMC)

RMC holds regular meetings to monitor targets and performance related to ESG aspects. RMC is responsible for the development of policies, strategies, and the integrated ESG risk management framework.

### 2. Risk Monitoring Committee (KPR)

KPR evaluates the effectiveness of risk management and ensures the implementation of ESG governance.

## Sustainable Finance

As part of its sustainable finance strategy, Bank Mandiri integrates sustainable finance principles into all business processes. The primary focus of the action plan includes the development of a sustainable finance portfolio, enhancement of human resource capacities, and organizational structure adjustments, emphasizing environmental, social, and governance (ESG) aspects.

## Responsibilities in Sustainable Finance [OJK E.1]

As part of its commitment to sustainable finance, Bank Mandiri has developed the 2025–2029 Sustainable Finance Action Plan (SFAP), which serves as a strategic roadmap in achieving sustainability targets. This SFAP document was submitted to the Financial Services Authority (OJK) in November 2023. The Board of Directors is responsible for establishing and implementing the SFAP related to climate change and SDG targets, while the Vice President Director coordinates ESG management across all directorates.

Bank Mandiri has established the ESG Group as a dedicated unit, as stipulated by the Board of Directors' decree, to manage sustainable finance in accordance with POJK-51/2017. The ESG Group, led by the Vice President Director, oversees the implementation of ESG and is responsible for managing frameworks, regulatory alignment, sustainable portfolio management, operational strategies, communication, and reporting. In relation to the G-SIB score, Bank Mandiri is not listed as a Global Systemically Important Bank (G-SIB). [FN-CB-550a.1.]

## Opportunities and Challenges in Sustainable Finance [OJK E.5]

The demands from the global community at large and governments in general in managing ESG issues have driven a business trend that is more environmentally friendly and inclusive, particularly in efforts to achieve a low-carbon economy and Net Zero Emissions (NZE) targets. ESG issues not only present new risks and challenges but also open up various business opportunities.

The implementation of sustainable finance initiatives is a long-term journey that involves various challenges. For this reason, Bank Mandiri continuously identifies and evaluates risks while setting mitigation steps to overcome obstacles effectively.



Some challenges in implementing sustainable finance include:

1. **Uneven understanding and internal capabilities regarding sustainable finance.**  
To address this, Bank Mandiri continues to work on raising awareness and enhancing employee capabilities through various programs, such as training, workshops, and benchmarking against best practices.
2. **Customers and business partners have limited understanding of ESG aspects in their business activities.**  
In this context, Bank Mandiri actively conducts socialization efforts, including workshops involving customers, ESG experts, and relevant stakeholders, to implement ESG aspects in priority sectors.
3. **The readiness of systems and processes required to support the integration of sustainable finance into banking activities.**  
This includes the development of monitoring and reporting systems related to the Sustainable Business Activity Categories (KKUB) and the Taxonomy for Sustainable Finance in Indonesia (TKBI).
4. **Technological disruption, especially digitalization, has increased cyber and IT risks.**  
Bank Mandiri continuously enhances mechanisms to mitigate risks associated with cyber threats and IT.
5. **Regulations related to sustainable finance are still evolving.**  
To ensure effective policy implementation, Bank Mandiri consistently develops standards and technical guidelines for new regulations.
6. **Policies, stimuli, and incentives from various government institutions are needed to encourage financial service institutions.**  
These efforts also aim to assist business players in implementing sustainable finance initiatives.

Bank Mandiri is committed not only to identifying and mitigating risks associated with ESG issues but also to seizing emerging opportunities through various sustainable finance initiatives. To optimize these opportunities, Bank Mandiri takes several strategic steps, including:

#### Building ESG expertise

To accelerate the formation of a low-carbon business ecosystem, Bank Mandiri develops ESG expertise through various training programs, certifications, and workshops involving industry experts, customers, banking colleagues, regulators, and other related institutions.

#### Developing various sustainable financial products and services

Bank Mandiri develops various sustainable financial products and services for both funding and financing purposes. Additionally, Bank Mandiri continues to support customers in sectors with high ESG risks in transitioning to more accountable and environmentally friendly businesses. By providing financial solutions for decarbonization, Bank Mandiri helps customers reduce carbon emissions and supports the supply chain transition toward a low-carbon ecosystem.

#### Encouraging digitalization

Bank Mandiri promotes digitalization through the launch of various digital products such as Livin' for the retail segment and Kopra for the wholesale segment.

#### Enhancing community empowerment and financial inclusion

Bank Mandiri enhances community empowerment and financial inclusion through financing in segments such as MSMEs and Mandiri Agents.

#### Collaborating with regulators and related institutions

Bank Mandiri collaborates with regulators and related institutions to support government programs in addressing climate change issues and achieving SDG targets.

# Business Ethics

## Corporate Code of Conduct

Bank Mandiri has a Code of Conduct that outlines the fundamental principles of personal and professional conduct expected from all members of the Bank Mandiri organization. This code must be adhered to by the Board of Commissioners, the Board of Directors, and all Bank Mandiri employees, whether permanent or contract employees. The implementation of the Code of Conduct serves as a guideline for managing the Bank's operations to always consider and account for environmental and social risks.

In its implementation, Bank Mandiri's Code of Conduct is supported by various internal regulations and compliance statements in the form of an integrity pact and annual

disclosures, as part of the commitment to addressing key risks related to business ethics. This is further reinforced by the routine internalization of the code, starting with the onboarding program for new employees at all levels, which introduces the Code of Conduct, business ethics, and compliance statements. [GRI 2-23]

The topics covered in Bank Mandiri's Code of Conduct include various important aspects to ensure transparent and responsible business practices that support sustainable governance practices. The Code of Conduct consists of 7 (seven) main topics, where information related to the topics is publicly available as part of Bank Mandiri's commitment to good and sustainable governance. [GRI 2-22, 2-23, 2-24]

### Topics in the Code of Conduct



#### 1. Conflict of Interest

A conflict of interest occurs when members of the Bank have personal, familial, or third-party interests that may influence their objectivity in carrying out duties and responsibilities. To prevent this, all Bank personnel are required to report potential conflicts of interest, refrain from misusing Bank facilities or assets for personal or familial gain, and avoid partnerships with other entities without written approval. Additionally, they must ensure that all transactions comply with regulatory provisions related to insider trading or conflict of interest.

#### 2. Confidentiality of Information

All Bank personnel must maintain the confidentiality of information as stipulated by applicable regulations. This

includes using information solely for the benefit of the Bank, and exercising caution when sharing information with relevant parties. The disclosure of Bank activities, internal policies, employee data, or business activities is only permitted with the approval of authorized officials and in accordance with applicable regulations. This confidentiality obligation remains in effect even after an employee leaves the Bank.

#### 3. Abuse of Position and Gratuities

The Bank's management is prohibited from abusing authority or exploiting knowledge gained from the Bank's business activities for personal gain, as well as for the benefit of their family or other parties. The Bank's management is prohibited from requesting or receiving, allowing, or approving the receipt of gratuities related to

their position that contradict their duties or obligations as stipulated by applicable laws and regulations. They are also prohibited from accepting rewards from third parties who obtain or seek to obtain work related to the procurement of goods and services from the Bank. In the procurement of goods and services, the Bank must secure the best prices with maximum benefits for the Bank. Additionally, the Bank's management is not permitted to borrow or incur debt from customers or use the Bank's facilities for personal interests beyond the applicable regulations.

Any provision made by the Bank's management in relation to fundraising activities or other business activities of the Bank must be based on transparency and business ethics, adhering to prevailing regulations. Compensation provided to support promotional efforts, market development, and other operational activities of the Bank may only be given through mechanisms that comply with legal regulations and must not be directly provided to individual civil servants or state officials.

#### 4. Insider Behavior

Bank personnel with access to confidential information are prohibited from using it for personal, familial, or third-party gain. The use of internal information for securities trading is only allowed if such information is publicly available. Misuse of position for private benefits or influencing decisions is prohibited. Decisions related to asset transactions must always prioritize the Bank's interests.

#### 5. Sustainable Financial Systems

The Bank prioritizes sustainability in economic, social, and environmental aspects as part of achieving

corporate progress and sustainability. Bank personnel are committed to environmental conservation, community welfare, and occupational health and safety. Decisions must consider potential economic, social, and environmental impacts, including associated risks. The Bank is dedicated to avoiding environmentally harmful activities.

#### 6. Integrity of Banking Systems

Bank personnel are responsible for maintaining integrity by ensuring compliance with legal frameworks in the financial and banking sectors. This includes preventing practices such as money laundering, terrorism financing, corruption, and antitrust breaches that could damage public trust.

In this regard, Bank Mandiri is committed to avoiding unfair competition and fostering healthy competition in conducting its business. Bank Mandiri also upholds transparency and fair competition by refraining from unethical practices, such as collusion or actions that harm competitors. Additionally, all levels of the Bank are expected to proactively identify suspicious transactions and take preventive measures to detect and address accounts suspected of being linked to illegal activities.

#### 7. Integrity and Accuracy of Bank Data

Bank personnel must ensure accurate and accountable data. Any actions involving data falsification, modification, or deletion without proper authorization are strictly prohibited. Data deletion or alteration is only allowed under approved procedures. Furthermore, document manipulation under any circumstances is not permitted.

## System and Procedures of the Code of Conduct

Bank Mandiri has established a comprehensive system and procedures for its Code of Conduct, designed to ensure that all employees perform their duties and responsibilities with the utmost integrity, professionalism, and adherence to corporate values. The implementation of the Code of Conduct is overseen by the Compliance and Human Resources Director, along with the Compliance Unit, Internal Audit Unit, Data Protection & Fraud Risk Unit, and the Senior Investigator Unit, ensuring its internalization and effective supervision across all organizational levels.

To strengthen its commitment to ethical compliance, Bank Mandiri has operational guidelines that are implemented annually. These guidelines include the execution of an Integrity Pact and the Annual Disclosure. Bank Mandiri requires all employees to sign the Integrity Pact at the beginning of each year through either manual forms or the Mandiri CLICK system. This pact signifies the commitment to comply with regulations, perform duties in alignment with organizational cultural values, and maintain professional relationships. Additionally, employees are mandated to

complete the Annual Disclosure, which documents potential situations that could lead to non-compliance with the Code of Conduct, such as conflicts of interest, receipt of gifts, or insider trading. This disclosure is confidential and aims to ensure transparency and integrity in all banking activities.

The Code of Conduct is consistently communicated and disseminated to the Board of Commissioners and its supporting organs, the Board of Directors, executives one

level below the Board, and all employees through:

- 1. Knowledge Management System (KMS) portal
- 2. The Company website
- 3. The email administrator sent to all employees of the Company
- 4. Signing of collective labor agreements between the company's labor unions and management
- 5. Standing banners, flyers, and other advertising media in the Company's office areas

## Employee Training on Ethical Standards

Bank Mandiri regularly conducts annual training on the ethical standards (code of conduct and ethical guidelines), covering all employees, both full-time and part-time, as well as contractors, to strengthen the implementation of ethical standards in all Company operations. This effort also aims to provide guidance on what is considered acceptable behavior, strengthen internal management, and establish a strong institutional foundation to continually develop business ethics standards. Below is a description of the ethics training for employees organized by Bank Mandiri.



## Oversight of Code of Conduct Compliance

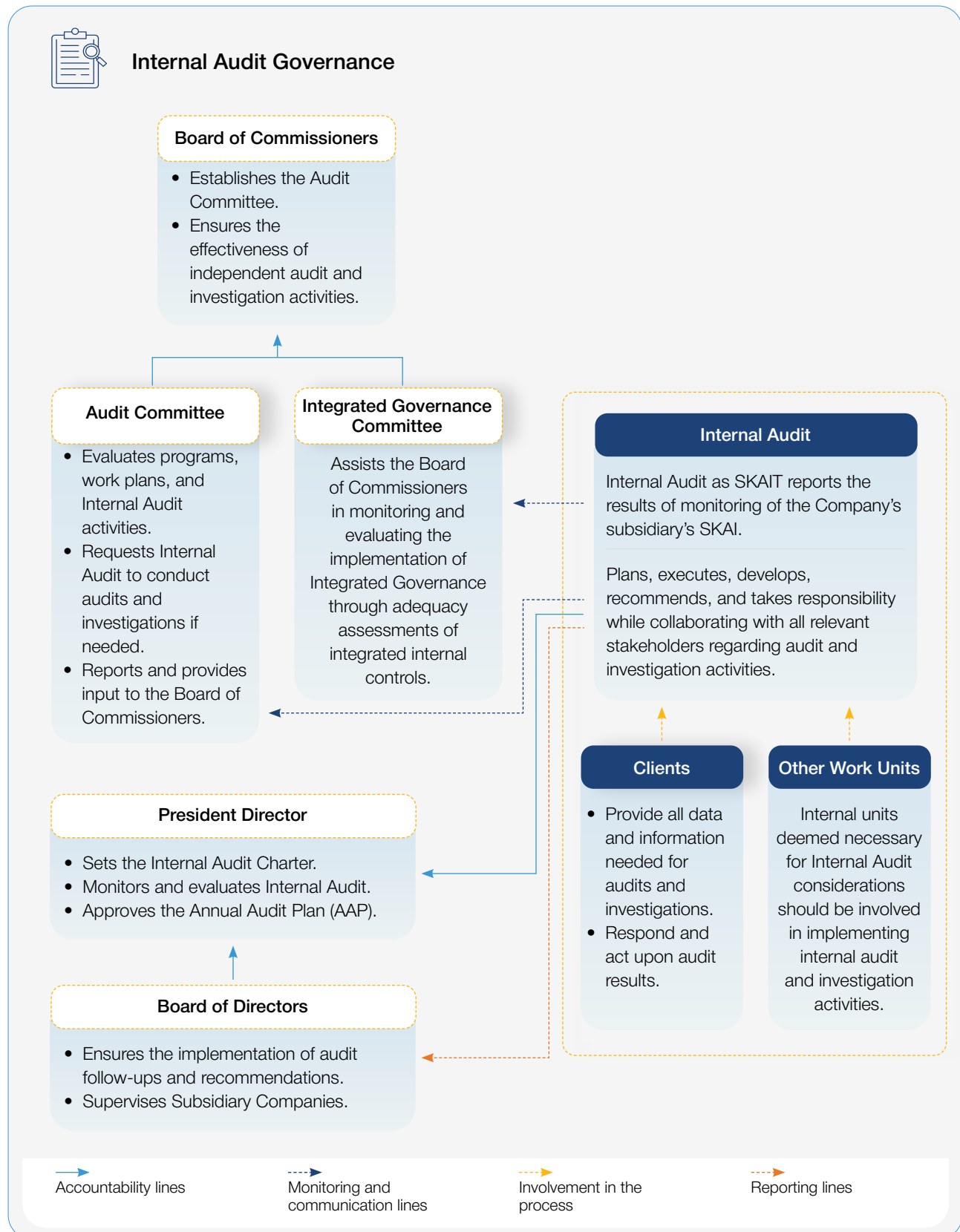
### Oversight of Ethics Issues

Oversight of ethics issues involves the Board of Directors' monitoring of integrity and ethics implementation, which is part of the Internal Control System. With this oversight, the Board of Directors ensures the cultivation of a corporate culture that upholds ethical values and integrity among all employees, positions management as role models to foster active engagement from all members, and embeds a risk culture at every organizational level. This is conducted to create a credible, accountable, and responsible work environment that supports effective risk management within sustainable finance practices.

Additionally, the Board of Commissioners oversees the implementation of the Code of Conduct across the bank through an audit mechanism. The Audit Committee performs audit functions and submits Significant Findings Reports to the Board of Commissioners, in accordance with the Board of Directors' Decision No. KEP.DIR/030/2023 on the Organizational Structure established on August 4, 2023.

## Regular Audits of Ethical Standards

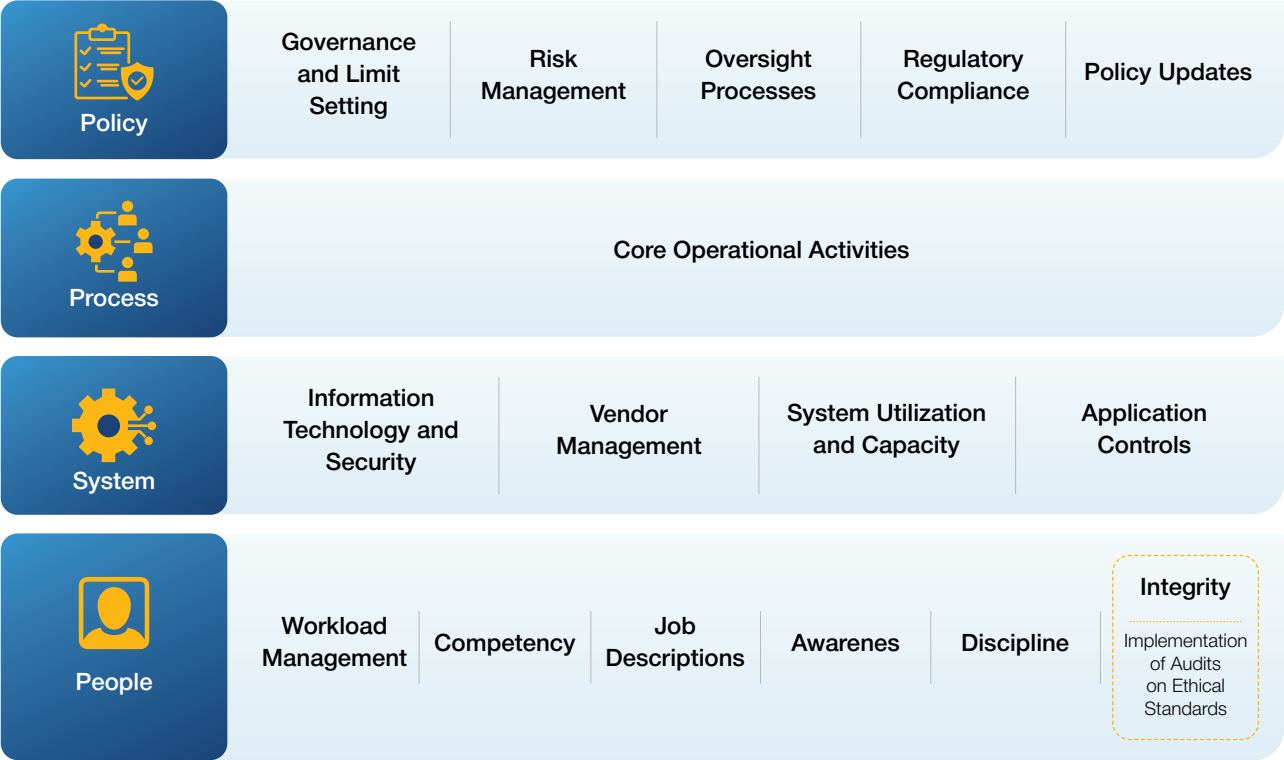
Bank Mandiri conducts audits of all operations on ethical standards at least once every three years. Additionally, annual audits of ethical standards are carried out as part of mandatory audits, with the results reported quarterly to the Board of Commissioners through the Audit Committee.





In conducting annual audits, Bank Mandiri adheres to four key components: Policy, Process, System, and People, which serve as the foundation for ensuring the effectiveness and sustainability of corporate governance. One of the critical elements within the People component is the audit of ethical standards, aimed at ensuring the fulfillment of integrity as an essential building block of the annual audit process. Each audit theme includes the People component as an effort to strengthen a culture of integrity, accountability, and risk control across all operational lines of the company.

Building Blocks of the Annual Audit



Audit Scope

The Internal Audit team has developed 38 assignments as part of the 2024 Annual Audit Plan, which consists of:



Regular audits of ethical standards serve as enforcement audits of the Code of Conduct, conducted alongside internal audits by the Internal Audit Unit (SKAI), which is authorized to investigate fraud and ethical breaches within the Bank and its affiliates. SKAI is required to maintain independence and report directly to the President Director, as stipulated in the Internal Audit Charter approved by the President Director and the President Commissioner of Bank Mandiri, updated on February 15, 2022.

Bank Mandiri has an Internal Audit Unit that plays a critical role in monitoring and auditing the implementation of the Code of Conduct throughout the organization. This unit is tasked with assessing the effectiveness of internal control systems and ensuring that all employees, including management, adhere to established ethical values. Through regular audits, the Internal Audit Unit evaluates compliance with the Code of Conduct and identifies potential risks that may affect the bank's integrity and reputation. The Internal Audit Unit consists of:

#### 1. Board of Commissioners

The authority, duties, and responsibilities of the Board of Commissioners in carrying out internal audit functions are guided by the Internal Control Policy (KICN).

#### 2. Audit Committee

The authority, duties, and responsibilities of the Audit Committee in executing internal audit functions are outlined in the Audit Committee Charter.

#### 3. Integrated Governance Committee

The authority, duties, and responsibilities of the Integrated Governance Committee in implementing internal audit functions are defined in the Integrated Governance Committee Charter.

#### 4. President Director

Provides direction on the scope and activities of SKAI, approves the Annual Audit Plan and budget allocation in collaboration with the Board of Commissioners, and ensures that internal audits in subsidiaries are conducted in accordance with the Bank's audit standards.

#### 5. Board of Directors

Ensures follow-up actions on audit findings and recommendations from SKAI, external auditors, and regulators by subsidiaries within the financial conglomerate, and performs oversight functions according to their respective fields.

#### 6. Internal Audit Unit (SKAI)

Reports directly to the President Director and can communicate directly with the Board of Directors, Board of Commissioners, and Audit Committee.

In addition to ethical enforcement audits conducted by SKAI, Bank Mandiri also ensures the integrity and compliance of the Code of Conduct through independent verification by a third parties. This includes an annual quality audit (ISO 9001:2015) conducted by SGS and the Anti-Bribery Management System (ISO 37001:2016 SMAP) audit by TuvNord, covering all operational activities. This verification aims to evaluate the alignment of the formulation and implementation of Bank Mandiri's Code of Conduct with applicable standards, thereby fostering external oversight to complement internal audits. This initiative reflects Bank Mandiri's commitment to maintaining transparent and accountable corporate governance.

## Investigation of Code of Conduct Breaches

To ensure the effective implementation of the Code of Conduct, the company has established a structured and systematic mechanism. This mechanism includes various channels and procedures to support monitoring and disciplinary actions for breaches, such as help desks, focal points, ombudsmen, and whistleblowing hotlines. Every report received is followed up with an in-depth investigation, and strict disciplinary actions are enforced according to the level of breaches, ranging from warnings to zero-tolerance policies.

The Company ensures that accountability, clear reporting

lines, and principles of responsibility are applied across all divisions and the Mandiri Group to maintain transparency and corporate integrity. Through this mechanism, the company is committed to fostering a professional work environment that adheres to ethical conduct and behavior. The implementation mechanism of the Code of Conduct is outlined as follows:



### 1. Identification and Reporting of Breaches

Employees who witness or experience breaches of the Code of Conduct and Conduct can report through designated channels, such as direct letters or internal mechanisms.



### 2. Receipt and Preliminary Review of Reports

Reports undergo initial verification for accuracy and relevance by the authorized parties.



### 3. Investigation and Examination of Reports

If deemed valid, the report is investigated by the relevant authorities to gather evidence, analyze facts, and determine the severity of the breach.



### 4. Determination of Sanctions Based on Investigation Results

Disciplinary sanctions are categorized into three levels: light, moderate, and severe.



### 5. Follow-Up on Sanction Decisions

Sanction decision letters are signed by the authorized parties.



### 6. Monitoring and Documentation

Audit results are formally documented, and regular monitoring of the implementation of the Code of Conduct and Conduct is conducted.



### 7. Evaluation and Development of the Code of Conduct and Ethics

Evaluations and improvements are made if weaknesses are identified in existing rules and mechanisms.

In addition to implementing the Code of Conduct mechanism, Bank Mandiri adopts proactive measures to prevent unethical behavior and minimize breaches. One approach is integrating compliance with the Code of Conduct into the employee performance appraisal system and remuneration policies. This ensures that employee performance is assessed not only based on business achievements but also on adherence to applicable ethical principles.

Meanwhile, any breach of the Code of Conduct and Ethics will result in sanctions as per the applicable Employee Discipline Regulations, including potential criminal penalties under the relevant laws. Light and moderate disciplinary sanctions may affect promotion considerations and are included as components in employee performance evaluations.

Every breach of the Code of Conduct at Bank Mandiri is subject to disciplinary sanctions categorized into various levels, from light to severe, depending on the seriousness of the breach and its impact on the organization. These sanctions can affect various professional aspects, including bonus payments, promotion opportunities, performance evaluations, and even demotion. The following are the types of sanctions for breach of the Code of Conduct:

- **Minor Breaches**

Written warnings are issued, which may result in promotion delays of several months and partial reductions in incentives.

- **More Serious Breaches**

Sanctions may include restrictions on performance appraisals, cancellation of bonuses, and withdrawal of certain benefits for a specified period.

- **Severe Breaches**

Such as actions that harm organizational integrity or violate serious regulations, termination of employment

may be enforced. In such cases, all employee rights and facilities are terminated according to applicable regulations.

Through this disciplinary enforcement mechanism, Bank Mandiri is committed to fostering a work culture that upholds integrity, and adherence to ethics and professionalism, while ensuring that all disciplinary actions are carried out fairly and transparently.

In handling reports of code of conduct breaches, the Senior Investigator Head (SIV) is assigned to investigate each reported and identified case. Significant findings or reports will be addressed in accordance with the applicable procedures, as outlined in the following process.

### Significant Findings Reporting Process



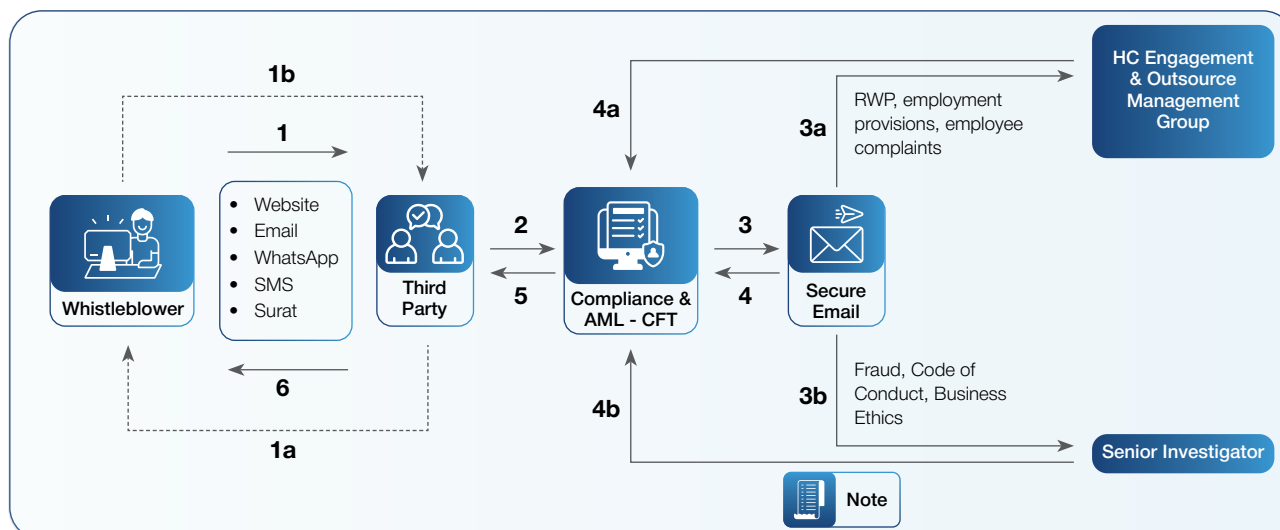
#### Audit Execution Basis:

- Internal Audit Standards Procedure (SPIA) number S32.P1.IAU of 2023.
- Internal Audit Technical Guidelines (PTIA) number S32.P1.T1.IAU of 2022.
- Human Resources Standards Procedure number S.14. P1.SDM of 2022.
- Internal Control Policy K.2 of 2023 (Edition 3).

In 2024, there were 13 reported violations, including 7 cases of conflicts of interest and 6 other cases. All these cases have been thoroughly resolved in accordance with internal policies and applicable laws and regulations. [\[GRI 205-3\]](#)

## Whistleblowing System [GRI 2-25, 2-26] [FN-CB-510a.2]

### Whistleblowing System Mechanism



In addition to the Code of Conduct violation reporting mechanism, Bank Mandiri has a Whistleblowing System (WBS) called Whistleblowing System – Letter to CEO (WBS-LTC) as a platform for employees and other stakeholders to report indications or acts of fraud and/or non-fraud. WBS-LTC aims to detect fraudulent or non-fraudulent activities that may harm customers, the Bank, or other parties, enhance awareness among employees to protect the Bank from potential losses, and strengthen the Bank's reputation among stakeholders, particularly in the context of good governance.

Reports submitted through WBS-LTC are managed by an independent third party. In the reporting year, Bank Mandiri appointed PT Deloitte Advis Indonesia to handle these reports. Reports received in the system are forwarded to the relevant Bank Mandiri unit responsible for managing WBS-LTC, which then directs them to the appropriate unit for follow-up based on the type of report.

## Whistleblower Protection

As Bank Mandiri's commitment to maintaining the confidentiality of reports from unauthorized parties, the Company guarantees the confidentiality of whistleblower identity and the content of the reports submitted. Whistleblowers can file reports anonymously (without disclosing their identity) or through full disclosure (with complete identity details). Protection is also provided to employees who report violations of discipline or regulatory provisions, as long as the information provided is accurate, factual, and not a false report. This includes ensuring that the whistleblower is not involved in the violation and that supporting evidence is available for the report.

Bank Mandiri firmly rejects and does not tolerate any form of retaliation against whistleblowers or individuals who participate in or assist in investigations related to disclosures, provided they have acted in good faith and have not been involved in the reported misconduct. To ensure adherence to this principle, Bank Mandiri will take all necessary measures to protect whistleblowers. In cases where the whistleblower and the reported individual work in the same environment, actions may include transferring the whistleblower or isolating them from the workplace.



## Reporting Channels

SMS & WHATSAPP  
0811-900-7777PHONE  
0811-900-7777EMAIL  
bmri-wbsltc@tipoffs.infoMAIL  
PO BOX 1007 JKS 12007WEBSITE  
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.

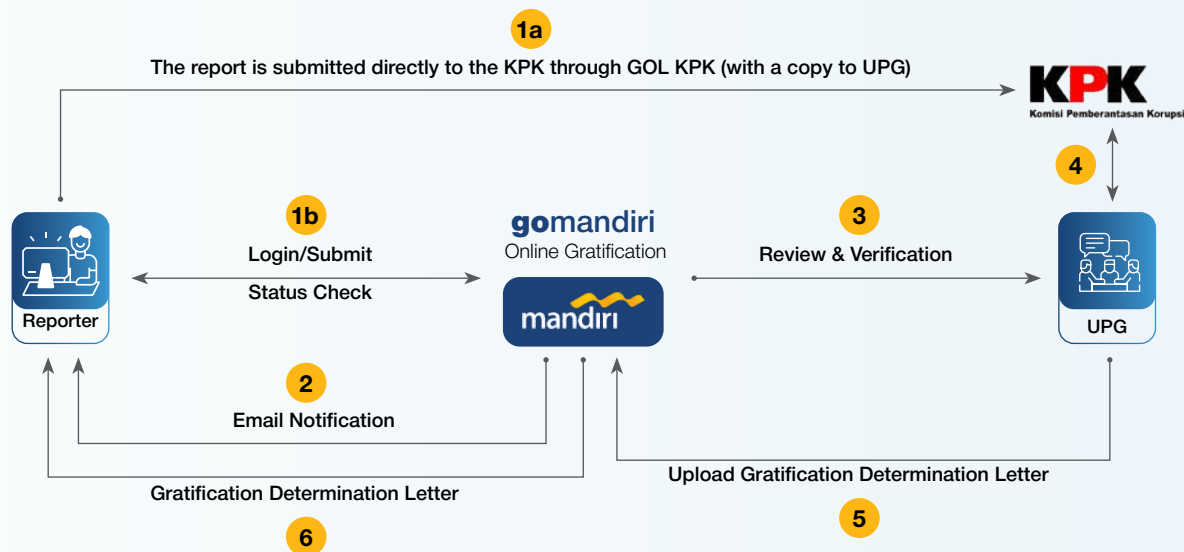
Bank Mandiri has an internal supervision unit in every business unit, including the head office, branches, and regional offices. Operational supervision is primarily focused on high-risk functions prone to fraud and potential corruption, particularly in procurement processes, cash and valuable asset 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.

## AML, CTF, and CPF-WMD Organizational Structure

The Board of Directors and Board of Commissioners of Bank Mandiri play an active role in ensuring the effective implementation of the AML, CTF, and CPF-WMD programs. This commitment is reflected in discussions on AML, CTF, and CPF-WMD program implementation during Board meetings, including follow-up strategies for matters of concern raised by regulators and/or stakeholders.

Bank Mandiri has designated the Compliance & AML-CFT Group as the unit responsible for formulating strategies and monitoring the implementation of AML, CTF, and CPF-WMD programs across the Bank, both individually and in an integrated manner, as part of its compliance management framework.

Specifically, Bank Mandiri has also appointed the Deputy Group Head of Compliance & AML-CFT Group as the designated officer overseeing the implementation of AML, CTF, and CPF-WMD programs, which are managed by four departments. Each department has distinct functions and key responsibilities as follows:

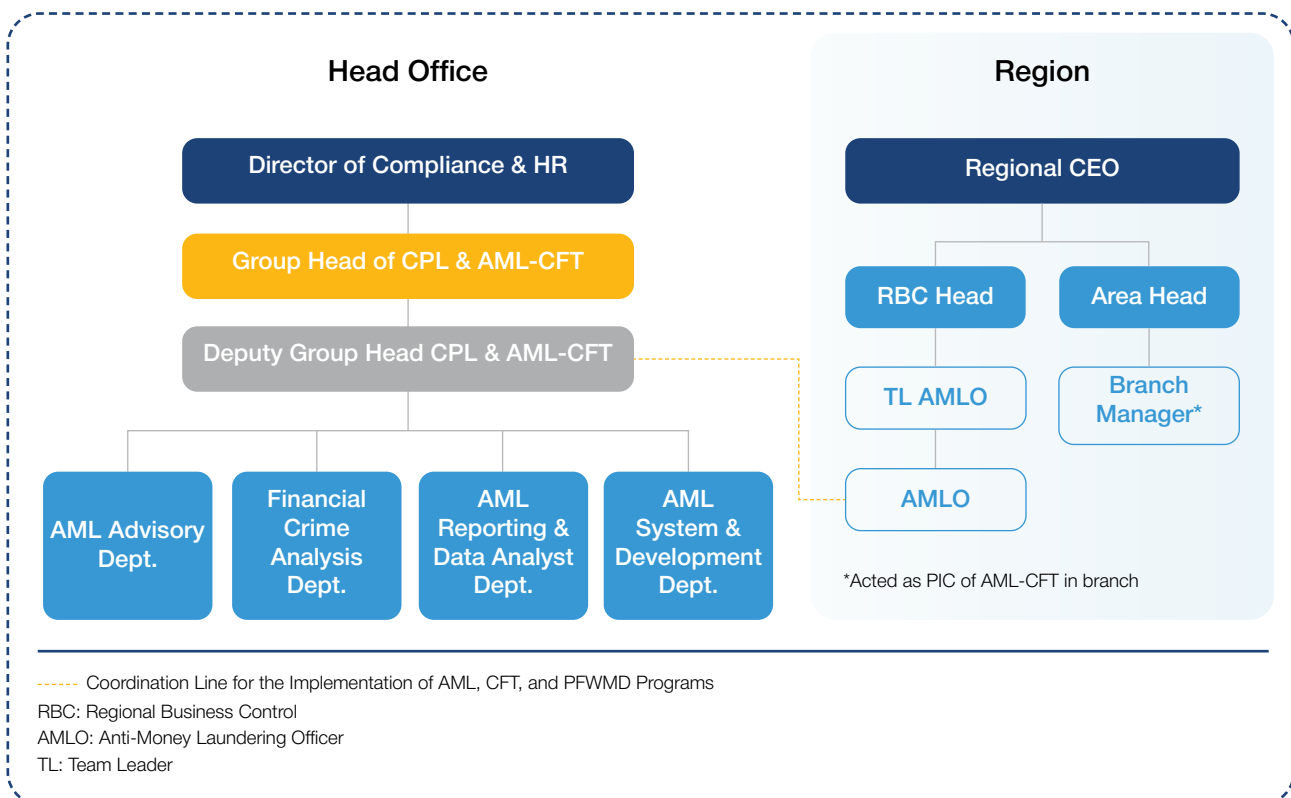
1. Developing, evaluating, and updating policies and procedures related to AML, AML, CTF, and CPF-WMD.
2. Conducting and updating Individual Risk Assessment (IRA) for Money Laundering (ML), Terrorist Financing (TF), and/or Proliferation Financing (PF-WMD) within the Bank.

3. Supervising the implementation of AML, CTF, and CPF-WMD programs within the financial conglomerate.
4. Submitting AML, CTF, and CPF-WMD reports to regulators and ensuring the quality of reporting.
5. Developing and enhancing applications and supporting systems for AML, CTF, and CPF-WMD program implementation.

To optimize the quality and ensure the effective implementation of AML, CTF, and CPF-WMD programs at the branch level, Bank Mandiri has assigned an Anti-Money Laundering Officer (AMLO) in each Region (I–XII) across Indonesia as a safeguard for program implementation in their respective regions. AMLOs coordinate with the Compliance & AML-CFT Group and are required to regularly report on their functions and activities to the Compliance & AML-CFT Group.

To enhance the quality of AMLOs, the Compliance & AML-CFT Group continuously improves their competencies through ongoing training and attachment program.

The AML, CTF, and CPF-WMD organizational structure is illustrated as follows:





## Policies and Procedures for the Implementation of AML, CTF, and CPF-WMD Programs

Bank Mandiri's AML, CTF, and CPF-WMD programs are outlined in the AML, CTF, and CPF-WMD Policies and Procedures, which are developed in accordance with applicable laws and regulations as well as international best practices. These policies cover the following aspects:

1. Roles and responsibilities of the Board of Directors, Board of Commissioners, and Special Units (UKK) for AML, CTF, and CPF-WMD.
2. Know Your Customer (KYC) procedures for prospective customers, customers, walk-in customers (WIC), and beneficial owners (BO).
3. Implementation of AML, CTF, and CPF-WMD programs in high-risk products and services.
4. Application of AML, CTF, and CPF-WMD programs in the use of supporting professional services.
5. Business relationship rejection, transaction refusal, and/or termination of business relationships.
6. AML, CTF, and CPF-WMD-related reporting.
7. Document management.
8. Human resources and training.
9. Implementation of AML, CTF, and CPF-WMD programs in overseas branches and subsidiaries.
10. Management information systems.

The key elements of the implementation of the AML, CTF, and CPF-WMD programs as outlined in the relevant policies and procedures are as follows:

### Customer Due Diligence (CDD)

Bank Mandiri conducts the due diligence process using a risk-based approach through the implementation of Customer Due Diligence (CDD) and/or Enhanced Due Diligence (EDD) for Prospective Customers, Customers, Walk-in Customers (WIC), and Beneficial Owners (BO) in business relationship initiation, transaction execution, and ongoing monitoring based on the results of Bank Mandiri's Individual Risk Assessment (IRA) ML, TF, and PF-WMD

#### a. Customer Due Diligence (CDD)

CDD is conducted to identify, verify, and monitor Prospective Customers, Customers, WIC, and BO to ensure that transactions align with their profiles, characteristics, and transaction patterns. CDD is applied in the following situations:

1. Establishing a relationship with a Prospective Customer;
2. Establishing a business relationship with WIC;
3. Conducting any transaction;
4. There is an indication of suspicious transaction related to ML, TF, and/or PF-WMD; and/or
5. There is a doubtful information provided by Customer, Authorized Representative, and/or BO.

To establish a business relationship with a Prospective Customer, Bank Mandiri must conduct identification by requesting data, information, and supporting documents from the Prospective Customer to verify their profile, which will then be validated through the following mechanisms:

1. In-person face-to-face meetings;
2. Electronic face-to-face meetings; and/or
3. Electronic non face-to-face verification.

#### b. Non-Face-to-Face

The electronic non-face-to-face verification mechanism may be conducted using software and hardware owned by Bank Mandiri or third-party providers, while also utilizing population data from the Population and Civil Registration Agency. This mechanism considers three authentication factors, namely:

1. Something you are (e.g., facial recognition and retinal pattern);
2. Something you have (e.g., National ID Card/KTP and one-time password/OTP);
3. Something you know (e.g., username, password, and Personal Identification Number/PIN).

This mechanism is applied in electronic (online) account openings, such as through Livin' by Mandiri.

#### c. Enhanced Due Diligence (EDD)

Bank Mandiri periodically conducts risk assessments for ML, TF, and/or PF-WMD by referring to the latest National Risk Assessment (NRA) and Sectoral Risk Assessment (SRA) based on Profile, Country/Geographical Area, Products, Services, Transactions, and Distribution Channels. The IRA results are used to determine the risk level of Prospective Customers, Customers, WIC, and/or BOs in three categories: high risk, medium risk, and low risk.

If a Prospective Customer, Customer, WIC, and/or BO is categorized with background, identity, history, and/or profile that classified as high risk of ML, TF, and/or PF-WMD, then Bank Mandiri will apply EDD procedures, including gathering more in-depth information covering at minimum: source of funds & other sources of wealth, purpose and nature of the business relationship with the Bank, participation in specific organizations/associations, links to Politically Exposed Persons (PEPs) and parties listed on sanctions lists, and adverse news.

The risk assessment conducted by Bank Mandiri includes determining Prospective Customers, Customers, WIC, and/or BOs as PEPs (Foreign/Domestic/Individuals designated to perform significant functions by an International Organization). For such PEPs, Bank Mandiri will conduct periodic EDD, at a minimum including analysis of Customer and BO information, sources of funds, and sources of wealth, as well as enhanced monitoring of the business relationship.

Examples of high-risk areas include:

1. Occupation profiles, including Government Officials/State Administrators (PEPs), Lawyers, and Notaries.
2. Business Sector Profiles, including Financial Service Providers (FSPs) and Forestry.
3. Geographical Areas, including Russia, Belarus, and Myanmar.
4. Products, Services, and Transactions, including Priority Services (Private Banking).

For the establishment of a business relationship and/or execution of transactions with high-risk Prospective Customers, Customers, WIC, and/or BOs, prior approval from a Senior Officer (Branch Manager / Head of Unit / Authorized Officer) is required.

### Watchlist Screening

Bank Mandiri ensures that no business relationships are established with parties listed in the Sanction List. Therefore, watchlist screening is conducted for prospective customers, customers, WIC, and/or BOs based on Bank Mandiri's Watchlist. The Sanction Policy is formulated based on regulatory requirements, international best practices, and Bank Mandiri's internal risk appetite. The key policies consist of:

1. The Bank does not accommodate the establishment of business relationships with certain parties listed in the Bank's Watchlist, including:
  - a. Parties included in lists issued by Regulators/Competent Authorities, such as the List of Suspected Terrorists and Terrorist Organizations and the List of Proliferation Financing of Weapons of Mass Destruction.
  - b. Parties included in lists issued by Sanctions Regulatory Authorities, such as OFAC, EU, UN, and OFSI Lists.
2. The Bank is required to maintain and regularly update the Watchlist.

Bank Mandiri has implemented an automated system for screening during the account opening process, transaction execution, and ongoing monitoring. The Bank continuously enhances and updates its screening system, including adjustments to the matching accuracy threshold.

### Document Administration

Bank Mandiri retains Customers and/or WICs-related documents for a minimum period of five years, since:

1. The termination of a business relationship or transaction with the customer or WIC; and
2. The discovery of transactions that do not align with economic or business purposes.

Additionally, Bank Mandiri retains customer or WIC-related documents for financial transactions in accordance with applicable laws and regulations.

### Annual Independent Assessment of Monitoring Procedures

Bank Mandiri has an independent internal control system to assess the effectiveness of its AML, CTF, and CPF-WMD programs. This process includes:

- a. Evaluation of policies, procedures, and systems to detect and prevent ML, TF, and or PF-WMD.
- b. Assessment of the operational effectiveness of monitoring mechanisms.
- c. Ensuring compliance with AML, CTF, and CPF-WMD regulations through internal/external audits, control testing, and self-assessment.

Throughout 2024, no significant findings were reported from internal and external evaluations regarding the implementation of the AML, CTF, and CPF-WMD programs, particularly in KYC processes and reporting. Any recommended improvements or enhancements based on audit findings, evaluations, or reviews will be followed up in accordance with the agreed commitments and timelines.

## Tax Governance

As a domestic corporate taxpayer, Bank Mandiri is entitled to government-provided tax incentives in the form of tax reductions. This right aligns with Article 17, paragraph (2b) of Law No. 7 of 1983 on Income Tax, as amended by Law No. 6 of 2023 on the Enactment of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation as Law, which states that domestic taxpayers in the form of publicly listed companies with at least 40% of their total paid-up shares traded on the Indonesian stock exchange, and who meet certain requirements, are eligible for a tax rate 3% lower than the 22% rate applicable for the 2024 tax year. [GRI 3-3, 207-4]

In accordance with the above provisions, in 2024, Bank Mandiri received a 3% reduction in tax rates, resulting in a corporate income tax rate of 19%. With this tax incentive, Bank Mandiri remitted Rp9,743 billion in taxes to the government during the reporting year. Bank Mandiri remains committed to complying with applicable tax regulations across all operational jurisdictions and ensures efficient and transparent tax management. [GRI 3-3, 201-4]

Bank Mandiri's approach to taxation is grounded in compliance with all applicable tax regulations. The Bank has developed tax policies and strategies that are approved and reviewed by the Finance Director as part of its annual corporate income tax return reporting. These strategies are reviewed annually by the Finance Director to ensure their relevance and effectiveness. [GRI 207-1]

In its implementation of tax governance and control, Bank Mandiri has established comprehensive and structured processes, including: [GRI 207-2] 207

1. The executive governance body responsible for

implementing the tax strategy is the Finance Director.

2. The approach to taxation is instilled within the company through the availability of Taxation Standard Operating Procedures, the development of embedded application systems in the tax process, and the enhancement of tax awareness through training and socialization activities.
3. Identifying, managing, and monitoring tax risks through continuous monitoring and reconciliation conducted by the Accounting Group and relevant work units, as well as periodic monitoring and reviews by Senior Operational Risk (SOR), internal audit, and external audit (Public Accounting Firm)
4. Compliance evaluation of tax governance and its control is carried out through continuous supervision by the Accounting Group and relevant work units, as well as periodic monitoring and evaluation by SOR and internal audit. Bank Mandiri does not use guarantor services in tax control.

Bank Mandiri regularly reports key business, financial, and tax information in each jurisdiction where its entities operate, including Indonesia and several foreign branches, to ensure transparency and compliance with applicable regulations. The primary stakeholders in tax matters for Bank Mandiri are the government through the tax office. Therefore, Bank Mandiri maintains a good relationship with the tax authorities but does not engage in public policy advocacy related to taxation or other efforts to influence tax authority decisions. Bank Mandiri complies with all laws and regulations set by tax authorities. Bank Mandiri operates solely in Indonesia with some foreign branches, and therefore tax reporting is conducted solely in Indonesia.

[GRI 207-3, 207-4]

## Political Engagement and Lobbying

Bank Mandiri has a clear policy on political engagement, emphasizing neutrality and independence. In its operations, Bank Mandiri does not support or affiliate with any political party, either directly or indirectly. Moreover, employees are prohibited from using company resources for political purposes. Bank Mandiri strictly monitors activities that could potentially conflict with its established principles of political neutrality. This policy, approved by the highest governance bodies, aligns with Bank Mandiri's commitment to maintaining integrity and professionalism in all aspects of its business. Bank Mandiri is also committed to transparently disclosing any political contributions and/

or expenditures for lobbying activities in accordance with principles of openness and accountability.

Bank Mandiri firmly does not engage in political lobbying activities or allocate funds to support political interests. The company's expenditures are solely allocated for legitimate business activities that comply with applicable regulations. Any activities related to public officials or government institutions are conducted transparently and in full compliance with the law. All company expenditures are regularly monitored to ensure there is no misuse of company funds for political purposes.

Description	2024
Lobbying, interest representation, etc.	-
Campaign activities and support for local, regional, or national political candidates/organizations	-
Trade associations/tax-exempt groups	-
Other expenditures (e.g., spending for election or referendum vote counting)	-

## Supplier Responsibility

### Anti-Corruption Policy for Suppliers

All Bank Mandiri suppliers are required to have anti-corruption policies and programs as part of the compliance verification process for anti-corruption, anti-fraud, and anti-gratification principles. This measure reflects Bank Mandiri's commitment to anti-bribery and anti-corruption practices, ensuring that these commitments are comprehensively communicated and implemented with all business partners and suppliers. To strengthen this policy, Bank Mandiri has implemented several strategic initiatives to ensure its business partners comply with high ethical standards, including the following:

1. Prohibiting business partners from offering gratification, as stated on Bank Mandiri's procurement website (<https://procurement.bankmandiri.co.id/>).
2. Requiring all business partners to sign an Integrity Pact.

3. Mandating a Statement of Commitment to Adhere to Procurement Ethics during the procurement process for all invited goods and service providers.
4. Incorporating anti-bribery and anti-corruption provisions in contracts/agreements.
5. Conducting socialization on gratification, at least once a year, through meetings with vendors.

During the reporting period, all business partners across various regions (100%) received socialization through relevant policies. As part of its commitment to business integrity, Bank Mandiri has obtained ISO 37001:2016 certification for its Anti-Bribery Management System within Procurement & Vendor Management. [GRI 205-2]

## Environmental and Social Policy for Suppliers

As part of its commitment to good governance and transparency, Bank Mandiri's procurement process for goods and services adheres to the Standard Operating Procedure (SOP) and the Operational Technical Guidelines (PTO) for procurement, which mandate compliance with applicable regulations, including those in overseas branches. These documents provide comprehensive guidelines to streamline and standardize the procurement process, clarify responsibilities, and strengthen control functions. This systematic procurement process is designed to prevent abuse of authority, collusion, and conflicts of interest. Furthermore, all involved parties are required to avoid corruption, collusion, nepotism, and gratification in any form. [\[GRI 3-3, 204-1\]](#)

Aligned with Sustainable Development Goal (SDG) No. 12 on Responsible Consumption and Production, Bank Mandiri encourages suppliers to adopt sustainability principles and integrate ESG aspects into their businesses. Bank Mandiri refers to ISO 20400:2017 to integrate sustainable procurement and is committed to achieving Net Zero Emissions in Operations by 2030 through sustainable procurement.

In implementing sustainable procurement, Bank Mandiri establishes environmental and social criteria within

the procurement process to ensure compliance with sustainability principles. These criteria include obtaining environmental permits in accordance with applicable regulations as part of efforts to protect and manage the environment. Additionally, the policy sets product-related requirements, including the use of environmentally friendly materials and the application of sustainability principles, with a continuous focus on reducing environmental impact, particularly through energy efficiency and carbon emission reduction in operational activities.

Furthermore, suppliers are required to uphold labor rights, including compliance with labor standards, prevention of forced labor and child labor, and protection against all forms of discrimination. Suppliers must also ensure compliance with occupational health and safety (OHS) standards for all their workers in accordance with applicable regulations.

Bank Mandiri collaborates with suppliers to enhance their environmental performance through a continuous training program focused on reducing carbon emissions. As part of this initiative, Bank Mandiri regularly holds vendor meetings, one of which aims to provide education and outreach to supplier partners regarding Environmental, Social, and Governance (ESG) aspects and their relevance to business operations.





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livin Planet



# Climate Change Management

Climate change presents significant challenges to the banking industry, potentially affecting financing portfolios and financial stability. Climate risks are generally divided into two main categories: physical risks and transition risks. Physical risks include the direct effects of climate change, such as natural disasters that can damage customer

assets or disrupt their business operations. Transition risks are linked to changes in policies, regulations, and market preferences that may impact specific sectors. In its climate change management reporting, Bank Mandiri uses Task Force on Climate-Related Financial Disclosures (TCFD) framework.

## Climate Change Governance

The climate change governance structure at Bank Mandiri continues to evolve in line with a growing understanding of climate risks and progress toward achieving net zero emissions (NZE) targets. The Board of Directors holds the highest authority in managing climate-related risks and opportunities, including overseeing the implementation of NZE in operations target by 2030. The Company's Risk Management Committee (RMC) manages risks and opportunities related to climate change through the Director's Decree KEP.DIR/028/2024. Our climate risk monitoring is conducted by the Board of Directors through Board meetings, the RMC, and an ESG forum, which convenes at least six times a year. Meanwhile, oversight by the Board of Commissioners is carried out through the Risk Monitoring Committee (KPR).

In its implementation, the Board of Commissioners and the Board of Directors delegate the responsibility for managing climate change risks and opportunities to the ESG Unit, under the direct supervision of the Vice President Director

and reporting to the Risk Management Committee (RMC) and the Risk Monitoring Committee. The ESG Unit's reports are regularly submitted to the Board of Directors and the Board of Commissioners. Additionally, the Board of Directors is actively engaged with climate risks, participating in discussions on climate change and ESG issues, including involvement in Climate Risk Stress Testing (CRST). [\[FN-CB-550a.2.\]](#)

Throughout 2024, the RMC has carried out its duties, responsibilities, and authorities by making decisions, including those related to climate issues, together with all members, covering updates on the realization of the implementation of the Sustainable Finance Action Plan (SFAP) for the period of January to April 2024 and the approval of the Sustainable Finance Framework (SFF) and Transition Finance Framework (TFF).

Additionally, Bank Mandiri has specifically held meetings related to CRST in several forums with the following details:

Date	Meeting Topic	Participant
June 11, 2024	CRST Steering Committee <ul style="list-style-type: none"> <li>Background and Scope</li> <li>Impact of CRST (Credit, Market, and Operational Risks)</li> <li>CRST Progress</li> </ul>	<ul style="list-style-type: none"> <li>Vice President Director</li> <li>Director of Risk Management</li> <li>Credit Portfolio Risk</li> <li>Environmental, Social &amp; Governance</li> <li>Market Risk</li> <li>Operational Risk</li> <li>Strategy &amp; Performance Management</li> </ul>
July 24, 2024	CRST Steering Committee <ul style="list-style-type: none"> <li>Integration of Climate Risks (Credit, Market, Operational, Liquidity)</li> <li>Financed Emissions</li> </ul>	<ul style="list-style-type: none"> <li>Vice President Director</li> <li>Director of Risk Management</li> <li>Credit Portfolio Risk</li> <li>Environmental, Social &amp; Governance</li> <li>Market Risk</li> <li>Operational Risk</li> <li>Strategy &amp; Performance Management</li> <li>Credit Risk Taking Unit</li> </ul>
July 29, 2024	CRST Steering Committee <ul style="list-style-type: none"> <li>CRST Results</li> </ul>	<ul style="list-style-type: none"> <li>Vice Director</li> <li>Director of Risk Management</li> <li>Credit Portfolio Risk</li> <li>Environmental, Social &amp; Governance</li> <li>Market Risk</li> <li>Operational Risk</li> <li>Strategy &amp; Performance Management</li> <li>Credit Risk Taking Unit</li> </ul>
Weekly (March 2024 - December 2024)	Weekly Meetings of the CRST Project	<ul style="list-style-type: none"> <li>Credit Portfolio Risk</li> <li>Environmental, Social &amp; Governance</li> <li>Market Risk</li> <li>Operational Risk</li> <li>Strategy &amp; Performance Management</li> </ul>

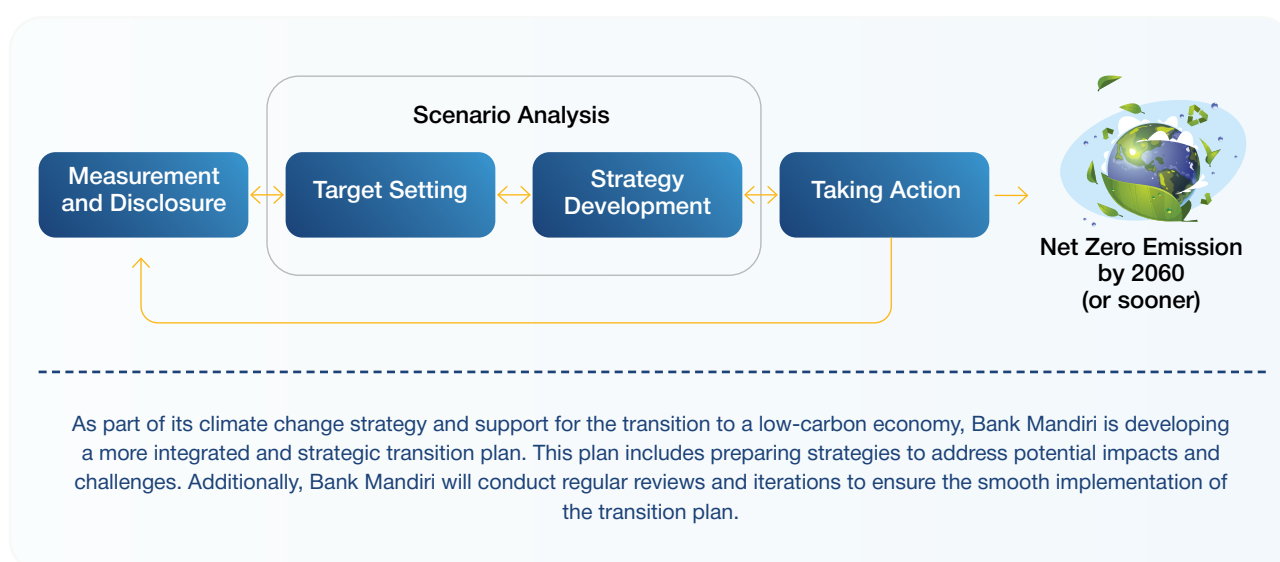
## Climate Change Strategy

As part of its commitment to mitigating climate change, Bank Mandiri supports the Paris Agreement and Indonesia's Enhanced Nationally Determined Contribution (ENDC). Bank Mandiri is determined to reduce carbon emissions and contribute to the goal of limiting average global temperature increases to 1.5°C, with a target of achieving net zero emissions (NZE) in operations by 2030.

Bank Mandiri's climate change strategy encompasses three key approaches: reducing greenhouse gas (GHG) emissions from its operations, providing financing to support customers in transitioning to NZE, and promoting carbon absorption activities such as forest and land restoration and conservation. Bank Mandiri conducts a comprehensive materiality assessment of group-wide

business risks associated with climate change, including scenario modelling or sensitivity analysis change across its operations. As part of these efforts, Bank Mandiri implements scenario modelling or sensitivity analysis based on the Network for Greening the Financial System (NGFS).

Bank Mandiri conducted a comprehensive climate resilience assessment to ensure that its strategies and business models can adapt to climate-related changes, developments, and uncertainties. This assessment considers the risks and opportunities associated with climate change. By using climate-related scenario analysis tailored to the Company's characteristics and conditions, Bank Mandiri evaluates its climate resilience and adjusts its strategic measures accordingly based on the findings.



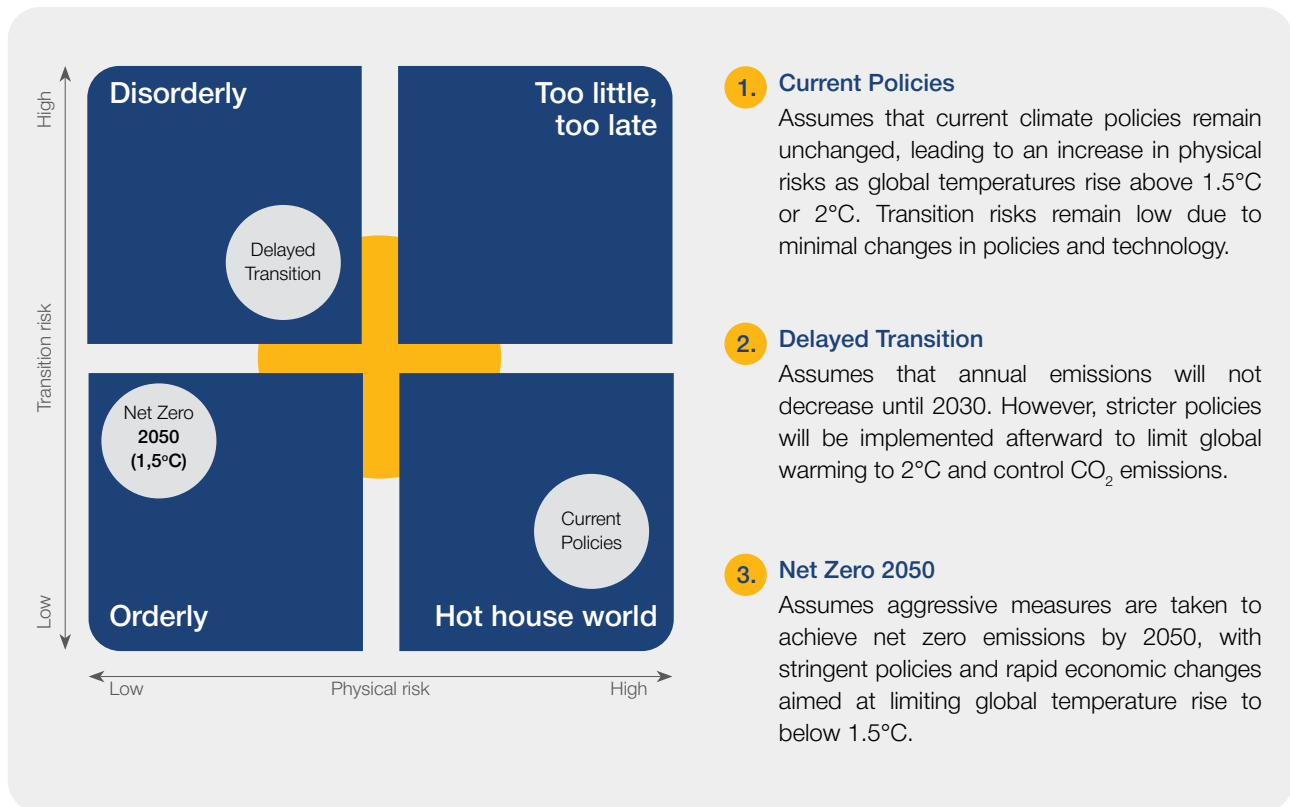
## Climate Risk Stress Testing

Collaboration with policymakers, specifically Indonesia's Financial Services Authority (OJK), is a key driver of Bank Mandiri's climate strategy. As a member of the Task Force on Climate-Related Financial Risk, Bank Mandiri participates in the Pilot Project on Climate Risk Management & Scenario Analysis.

The CRST analysis of Bank Mandiri in the 2024 OJK Pilot Project on Climate Risk Management & Scenario Analysis (CRMS) covers 54.09% of the portfolio, in compliance with

OJK regulations, which require KBMI 3 and 4 banks to conduct CRST 2024 Pilot Project calculations covering at least 50% of the total portfolio based on priority sectors. The analysis incorporates flood and forest fire scenarios to assess physical risks and utilizes climate scenarios developed by the Network for Greening the Financial System (NGFS) to evaluate transition risks, including Current Policies, Delayed Transition, and Net Zero 2050 scenarios.

## NGFS Climate Scenarios

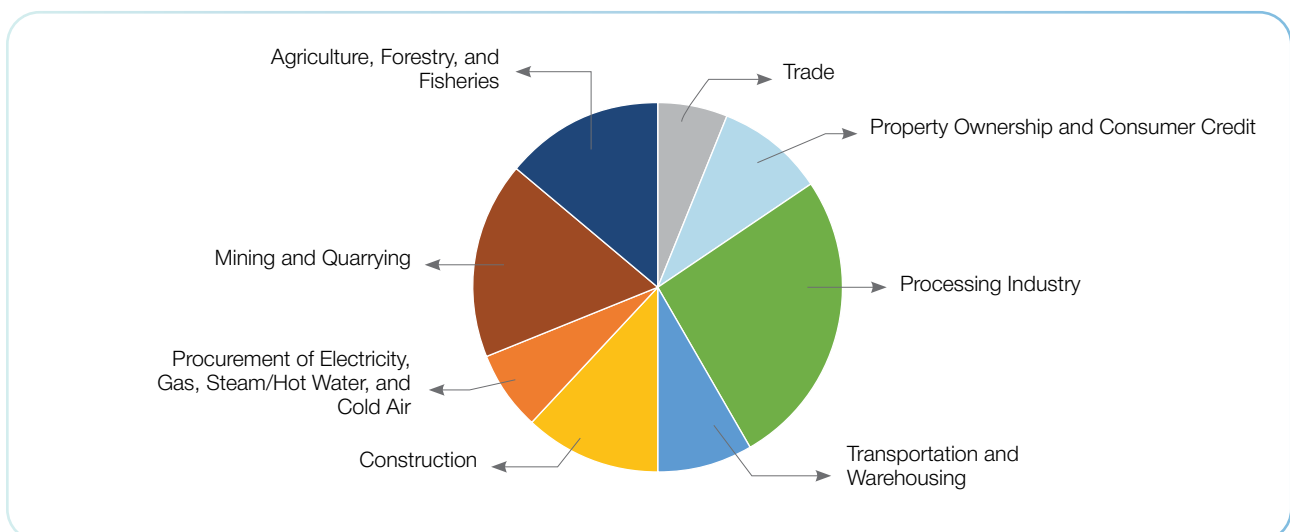


Bank Mandiri has conducted climate scenario analysis covering eight sectors, representing 54.09% of its total financing portfolio. These sectors include (1) Agriculture, Forestry, and Fisheries; (2) Procurement of Electricity, Gas, Steam/Hot Water, and Cold Air; (3) Mining and Quarrying; (4) Construction; (5) Transportation and Warehousing; (6)

Processing Industry; (7) Property Ownership and Consumer Credit; and (8) Trade.

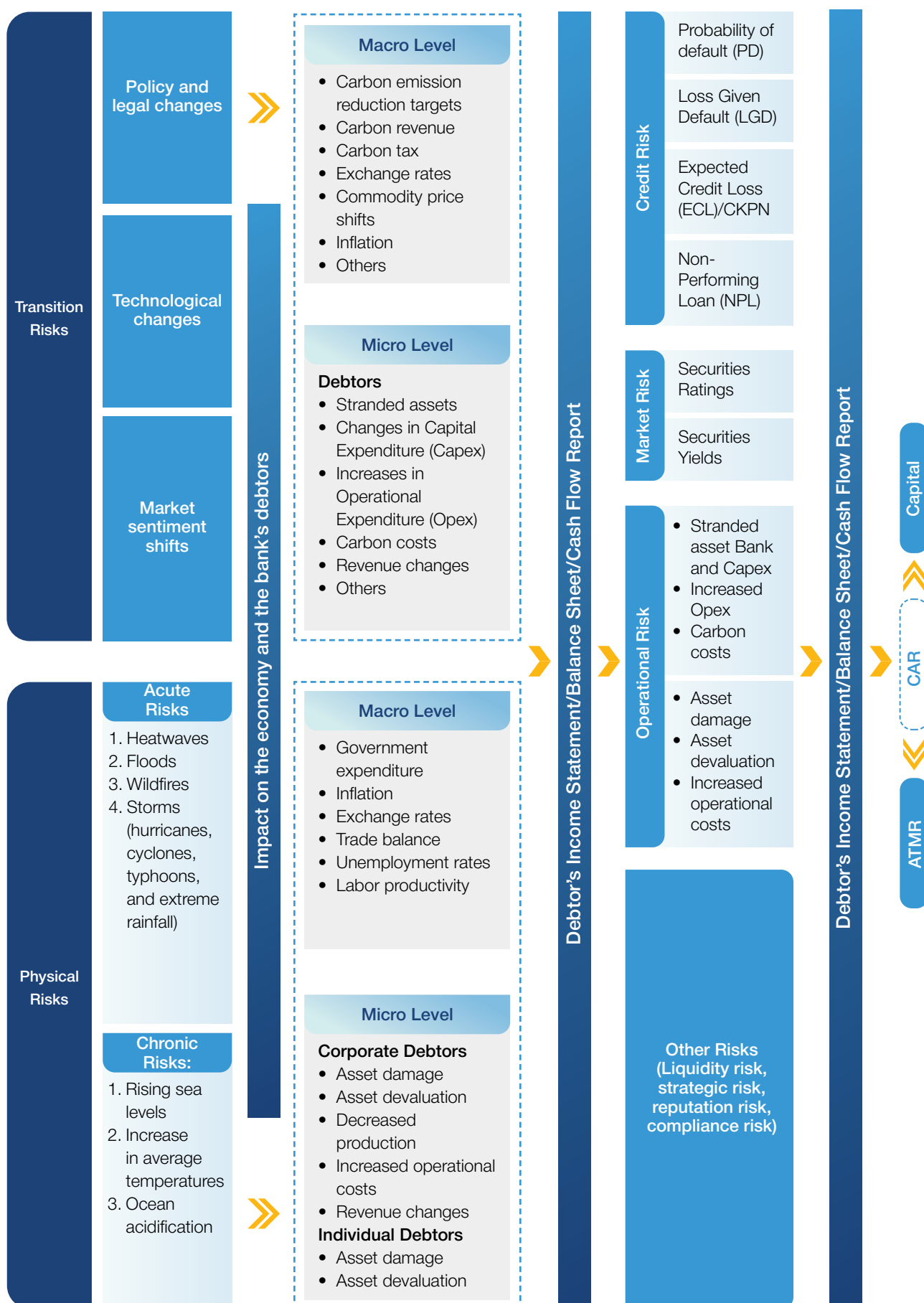
The details of the sectoral share distribution can be seen in the following diagram:

## CRST Portfolio Overview





Overview of transmission for climate-related financial risks on bank financial performance:



## Physical Risk Scenario Analysis

In accordance with the 2024 CRMS guidelines issued by OJK, Bank Mandiri has analyzed physical risks and projected the impact of damages caused by floods and forest fires on its asset portfolio. Bank Mandiri utilized the Representative Concentration Pathway (RCP) 8.5 scenario to evaluate the effects of climate change on its assets and operations. RCP 8.5 reflects a high-emission scenario without significant mitigation efforts, where emissions continue to rise, leading to rapid global warming and significant risks to ecosystems and infrastructure. This scenario projects a temperature increase of up to 4.2°C by the end of the century, with a range between 3.7°C and 5.0°C.

Bank Mandiri has also identified the transmission impacts of physical risks, such as floods and forest fires, on credit and operational risks. The analysis process began with

collecting location data and mapping risk categories, encompassing information such as cities, provinces, postal codes, asset values, and net annual revenue. Data from the 2023 National Disaster Management Authority (BNPB), obtained through OJK, was used to categorize flood and forest fire risks at the district/city level into high, medium, and low classifications. Additionally, insights from Moody's Climate on Demand were leveraged as the basis for climate risk modeling. The RCP 8.5 scenario projections were also applied to evaluate the impact of high greenhouse gas emissions, supporting the assessment of future physical risks. Operational loss calculations focused on facilities classified under high-risk categories. For facilities with negative revenues, losses were capped at zero, and asset value losses for leased assets were also assumed to be zero.

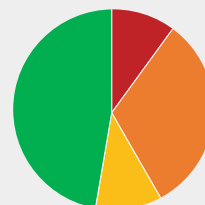
### Flood Scenario

Based on the assessment results, Bank Mandiri has identified the proportion of flood risks faced by each company activity using the hazard scores generated by Moody's Climate on Demand.

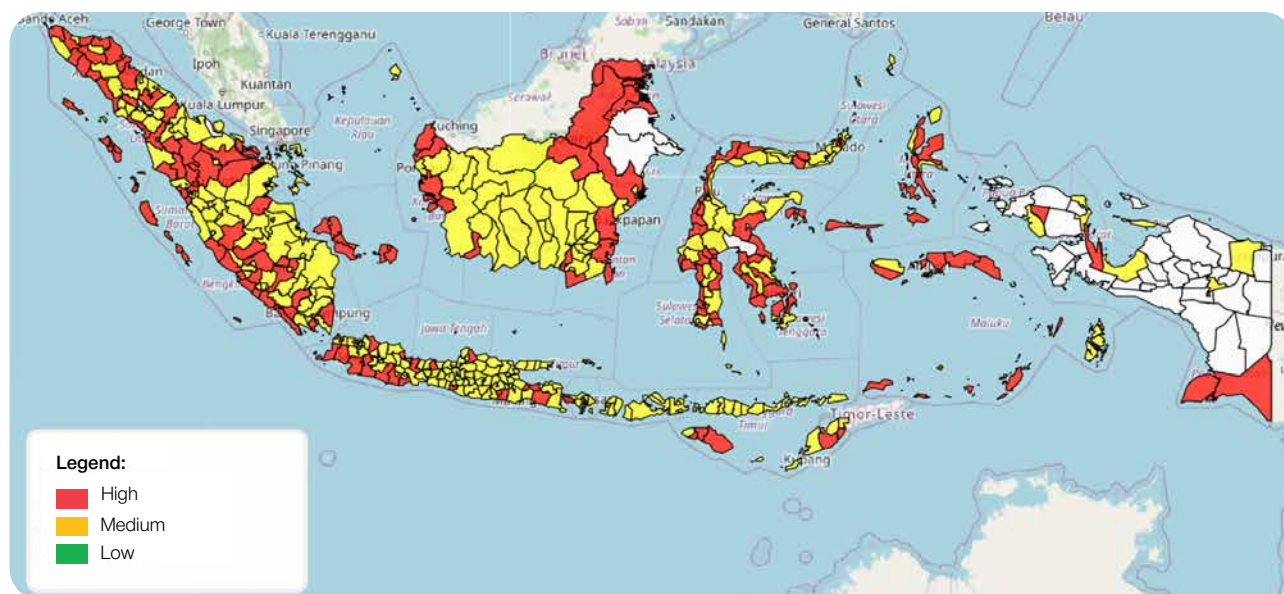
The identification results for the Flood scenario indicate the risk distribution for Office Buildings (including Branch Offices, Functional Offices, Head Office, Regional Offices, and Sub-Branch Offices) as follows: 10% in the Red Flag category, 32% in the High-Risk category, 11% in the Medium-Risk category, and 47% in the Low-Risk category.

**Risk Distribution of Bank Mandiri Office Buildings in the Flood Scenario**

■ Red Flag  
■ High  
■ Medium  
■ Low



The flood risk index map below refers to the 2023 Indonesian Disaster Risk Index (IRBI):

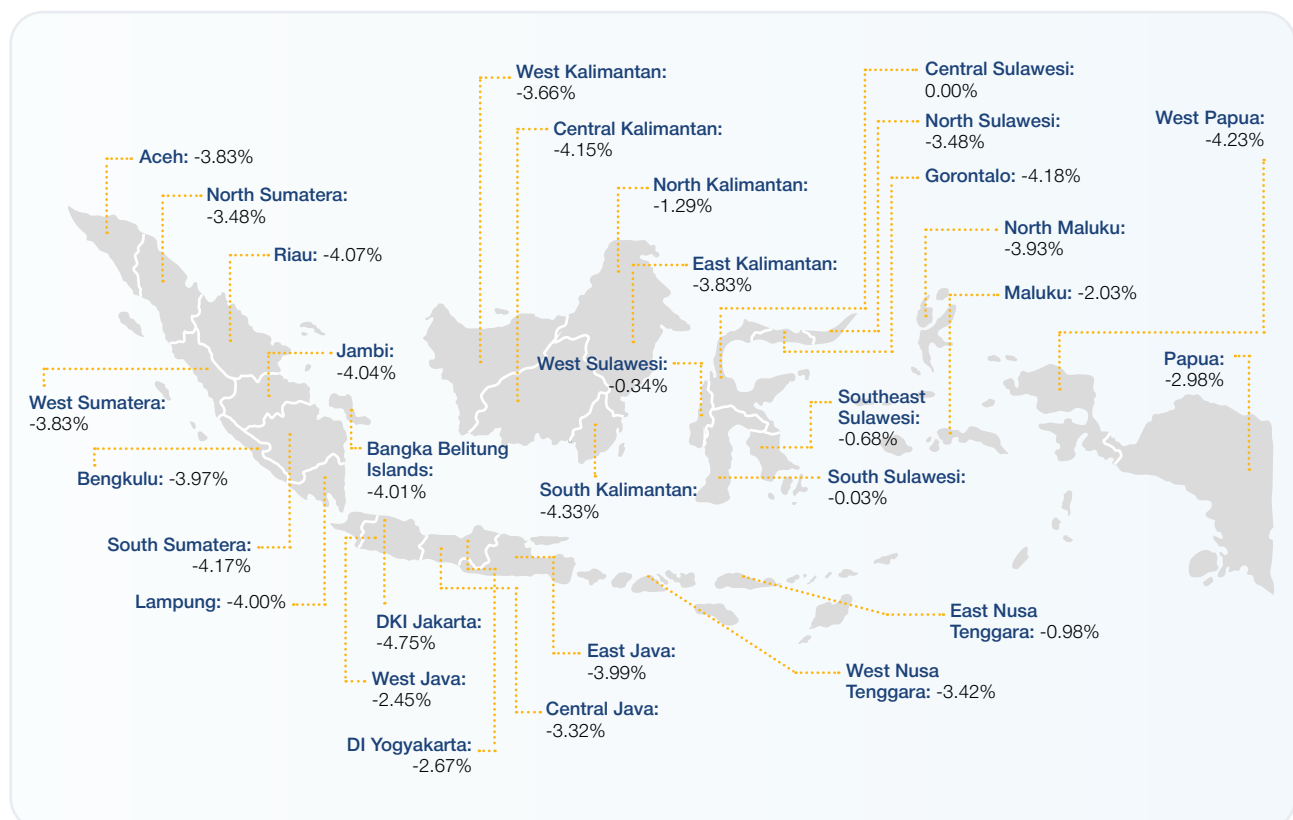


No	Regency/City	Risk Class
1	Bandung Barat, West Java	High Risk (Flood Prone)
2	Cirebon, West Java	High Risk (Flood Prone)
3	Luwu, South Sulawesi	Medium Risk (Flood Alert)
4	Garut, West Java	Medium Risk (Flood Alert)
5	Lembata, East Nusa Tenggara	Low Risk (Flood Safe)
6	East Flores, East Nusa Tenggara	Low Risk (Flood Safe)
And so on.		

Bank Mandiri also conducted a scenario analysis for the physical risk scenario to predict the extent of damage that floods could potentially inflict on our retail mortgage portfolio. We applied the OJK climate scalar, which can impact the Loss Given Default (LGD) value and collateral valuation.

Furthermore, Bank Mandiri has calculated changes in collateral value due to flood risks in each province. The results are presented as averages through the following distribution map:

### Percentage Change in Collateral Value Due to Flood Risk by Province in 2024



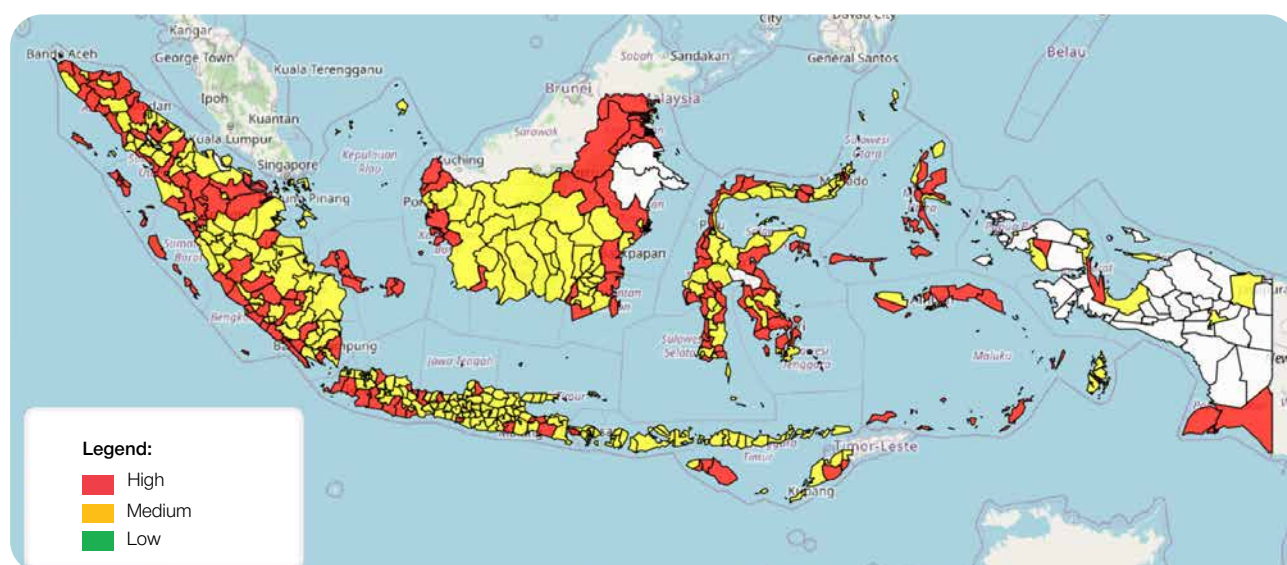
## Forest and Land Fire Scenario

Based on the hazard scores generated by Moody's Climate on Demand, the identification results for the Forest Fire Scenario indicate the following risk distribution for Office Buildings (including Branch Offices, Functional Offices, Head Offices, Regional Offices, and Sub-Branch Offices) as follows: 9% in the High-Risk category, 70% in the Medium-Risk category, and 21% in the Low-Risk category. Notably, there is no risk exposure categorized as Red Flag.

**Risk Distribution of Bank Mandiri Office Buildings in the Forest Fire Scenario**



The forest and land fire risk index map below refers to the 2023 Indonesian Disaster Risk Index (IRBI):

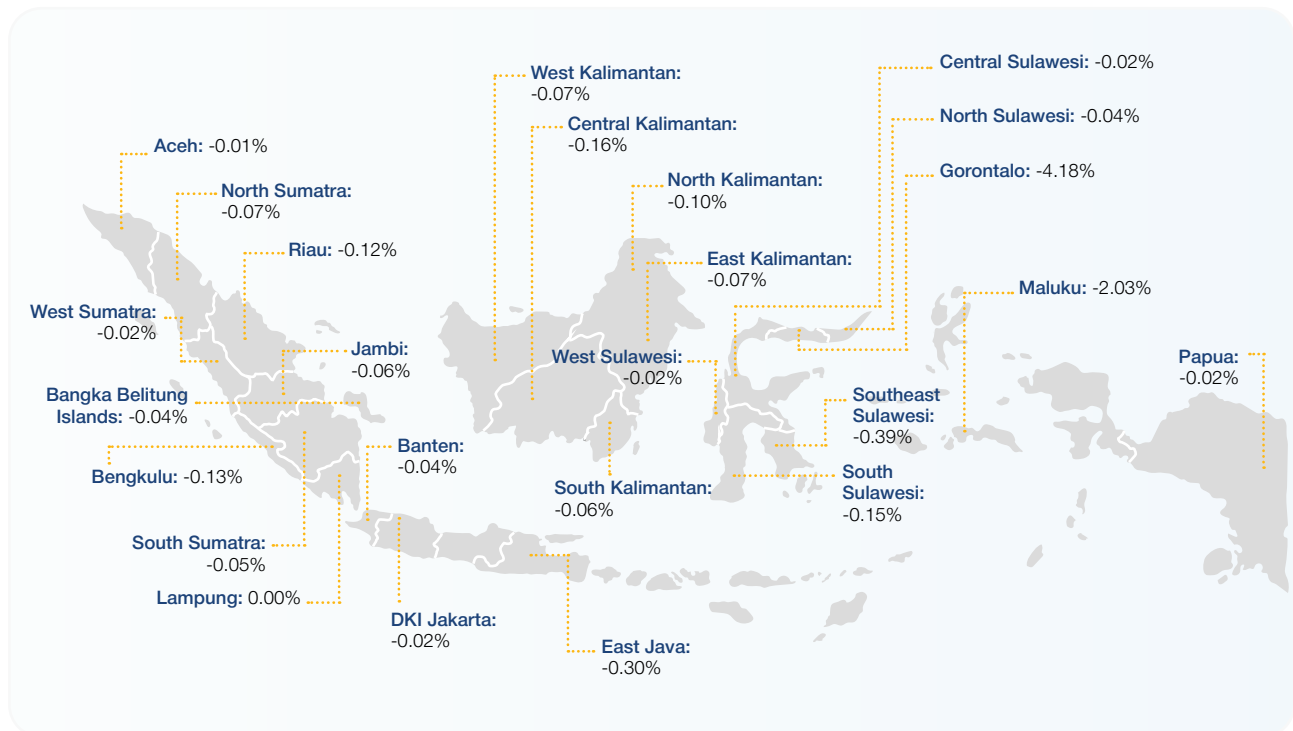


No	Regency/City	Risk Class
1	Nganjuk, East Java	High Risk (Forest Fire Prone)
2	Cimahi, West Java	Medium Risk (Forest Fire Prone)
3	Jayapura, Papua	Low Risk (Forest Fire Prone)
And so on.		

Bank Mandiri also conducted a scenario analysis for the physical risk scenario to predict the extent of damage that forest fires could inflict on our non-retail mortgage portfolio. We applied the OJK climate scalar, which can impact the Loss Given Default (LGD) value and collateral valuation.

Furthermore, Bank Mandiri has calculated changes in collateral value due to forest and land fire risks in each province. The results are presented as averages through the following distribution map:

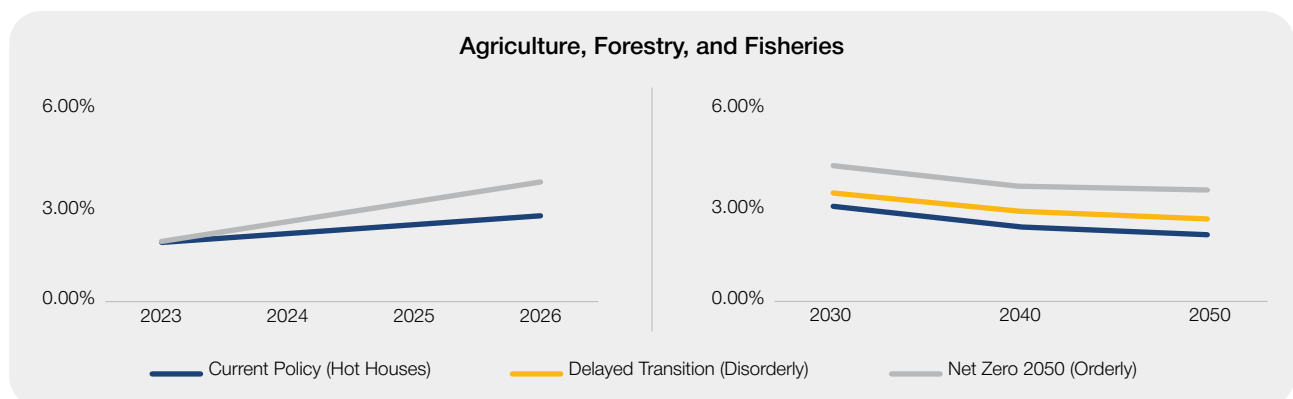
### Percentage Change in Collateral Value Due to Forest Fire Risks by Province in 2024



## Scenario Analysis of Transition Risk

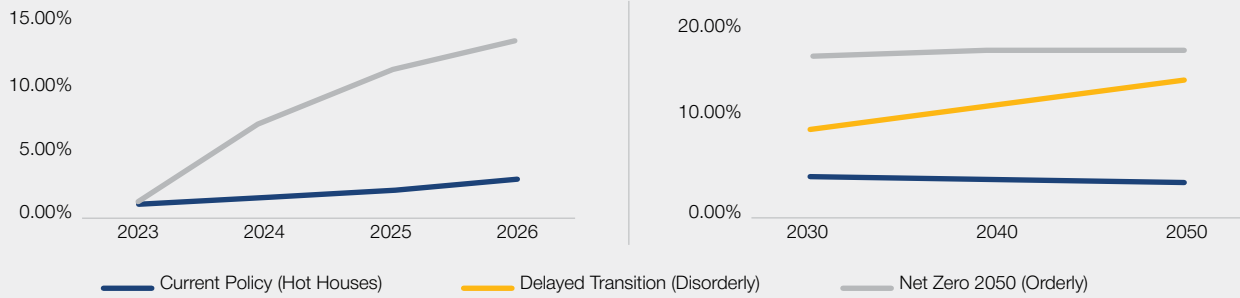
In the context of transition risks, companies face challenges and opportunities arising from carbon taxes, changes in energy prices, shifts in the energy mix, and the adoption of green technologies. To assess these transition risks, Bank Mandiri applies the Global Change Assessment Model (GCAM) and utilizes the carbon price scenarios from GCAM 6.0 NGFS.

### Summary of Climate-Adjusted Probability of Default (PD) Results

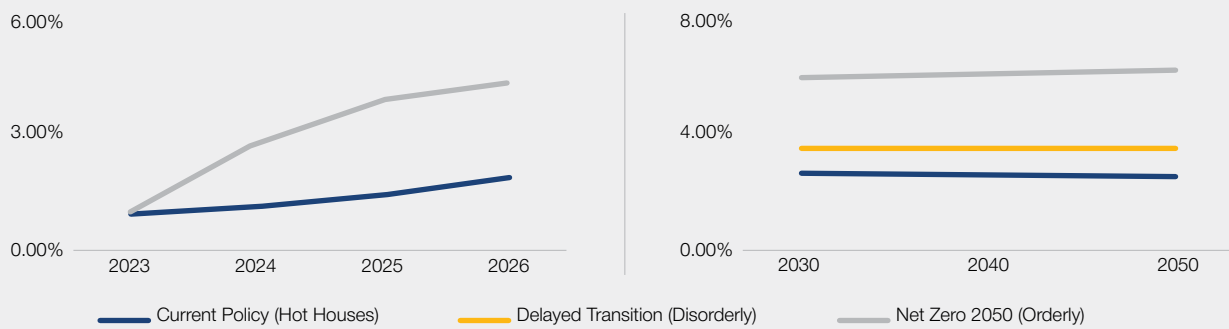




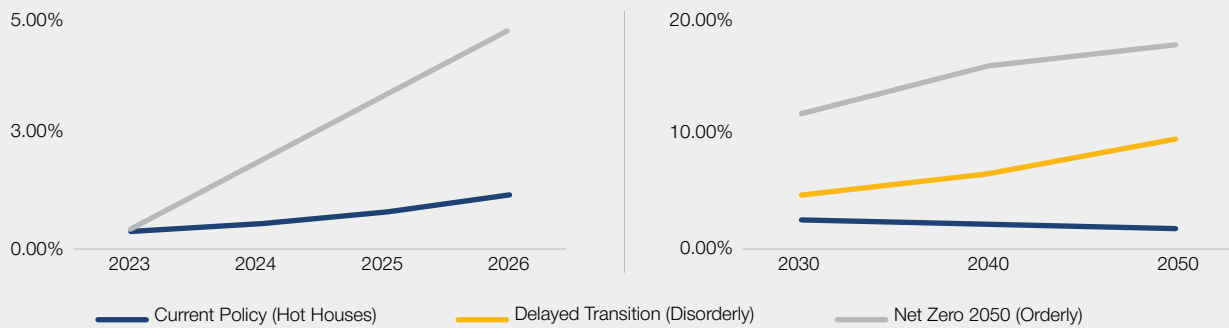
### Construction



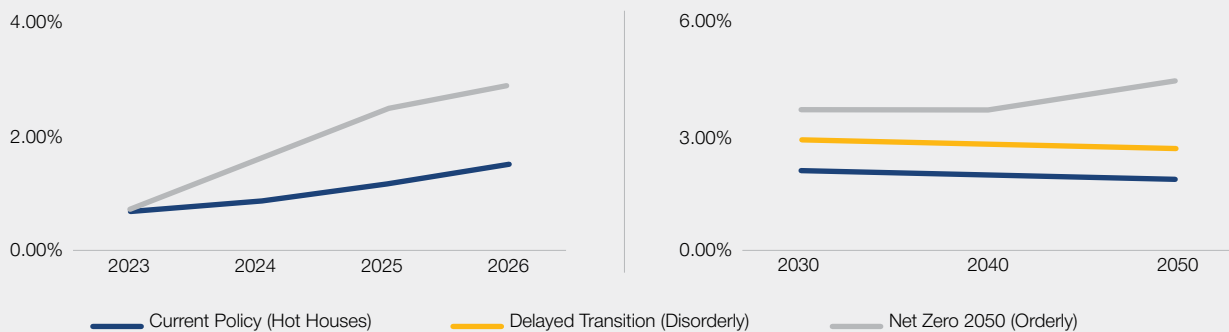
### Processing Industry



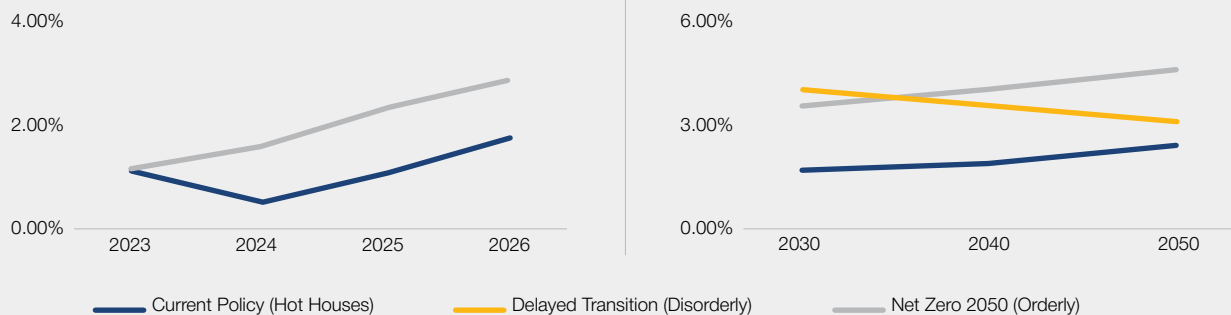
### Mining and Quarrying



### Transportation and Warehousing



### Procurement of Electricity, Gas, Steam/Hot Water, and Cold Air



## CRST Results

The assessment results of the 2024 CRST Pilot Project indicate an increase in the Non-Performing Loan (NPL) ratio, particularly under the Net Zero 2050 (NZE) scenario. Simulations of physical and transition risks on the portfolio show that Bank Mandiri may face an increase in the NPL ratio, where in the 2025–2026 period, under the Current Policy scenario, the NPL ratio is projected to reach 1.2%.

Additionally, the electricity procurement sector is a primary focus, aligned with Indonesia's international commitments to reduce emissions and transition to renewable energy. Strategies implemented in this sector reveal higher transition risks in the initial period, particularly under the Current Policy scenario. However, in the long term through 2050, transition risks are projected to increase under the NZE 2050 scenario, reflecting challenges and opportunities in managing a sustainable portfolio.

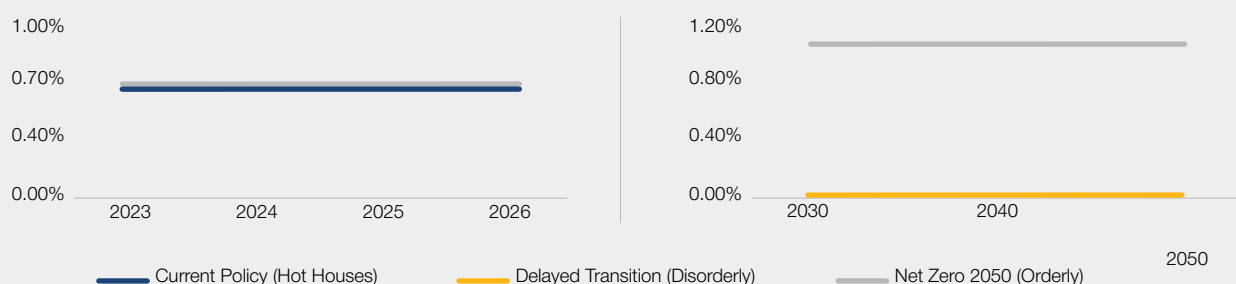
Despite the potential increase in NPL, Bank Mandiri remains capable of maintaining its capital adequacy ratio above the regulatory threshold both in the short and long term.

Bank Mandiri is committed to gradually transitioning its loan portfolio with a sustainable approach to support the bank's business interests and the Indonesian economy as a whole. As a state-owned enterprise (SOE), Bank Mandiri has a government mandate to support the national economy, which aligns with the transition plan toward a low-carbon economy. Based on the results of the Pilot Project Climate Risk Stress Test, we are currently developing a more comprehensive transition plan.

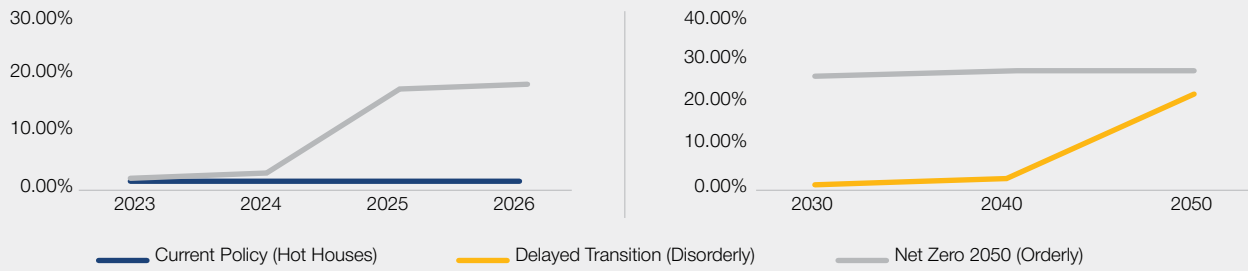
One of the main approaches we are considering involves collaborating with key customers particularly those in high-carbon-emission sectors, to understand their transition plans and help optimize these strategies to reduce emissions and manage transition risks. Bank Mandiri collaborates closely with key customers on ESG and sustainability issues, and we plan to further strengthen and expand these efforts by leveraging insights from the Pilot Project Climate Risk Stress Test results.

## Summary of Climate-Adjusted Non-Performing Loan (NPL) Results

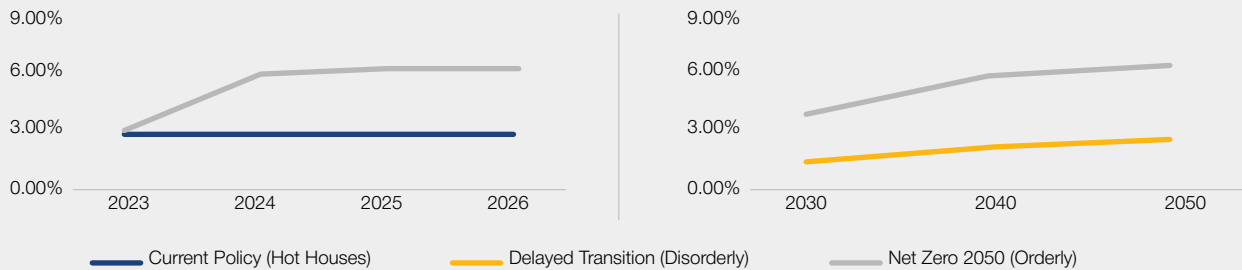
### Agriculture, Forestry, and Fisheries



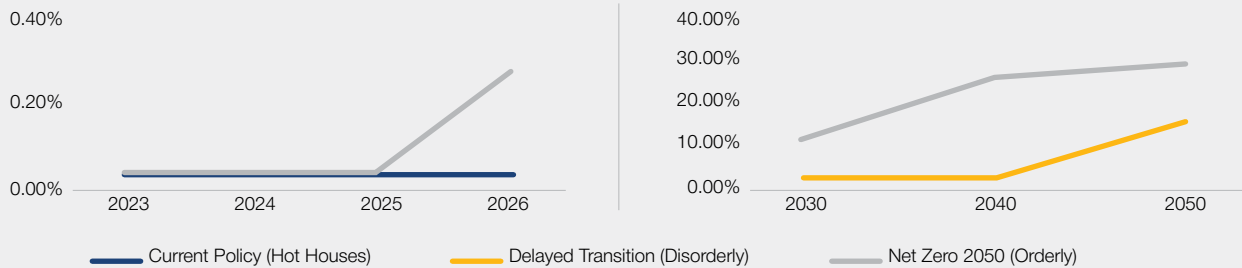
### Construction



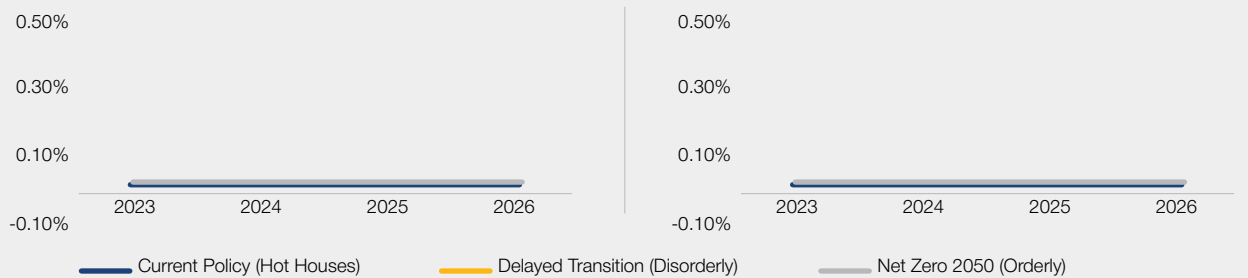
### Processing Industry



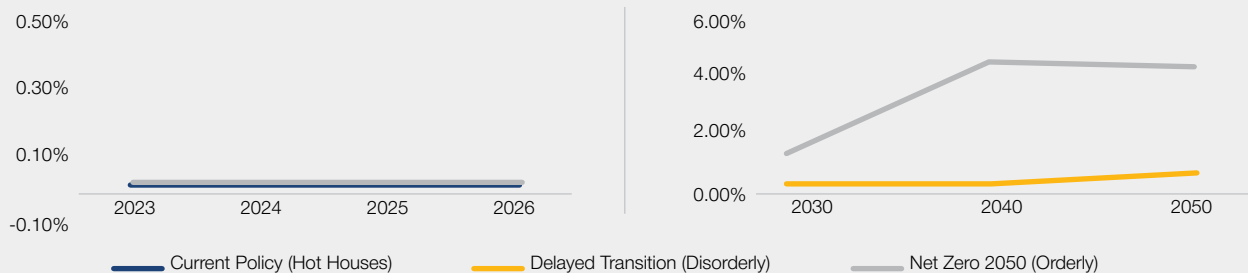
### Mining and Quarrying



### Transportation and Warehousing



### Procurement of Electricity, Gas, Steam/Hot Water, and Cold Air



## Climate Change Risk Management

Bank Mandiri has comprehensive processes and policies to identify, measure, monitor, and control climate-related risks. These processes leverage various inputs and parameters, including historical data, projections of hazards caused by climate change, and relevant information from third parties. Additionally, climate scenario analyses is used to inform the risk identification process, accounting for potential future impacts.

Climate risk monitoring is conducted regularly through internal risk oversight mechanisms. In response to environmental changes, Bank Mandiri actively adjusts its

risk management processes to ensure that policies and approaches remain relevant and effective compared to the previous reporting period.

Bank Mandiri integrates quantitative and qualitative scenario analysis results related to climate change into environmental, social, and governance (ESG) risks. ESG risks are managed as part of core financial risks, including credit, market, and operational risks. The management of ESG risks is carried out in tandem with other types of risks within the Bank Mandiri framework.



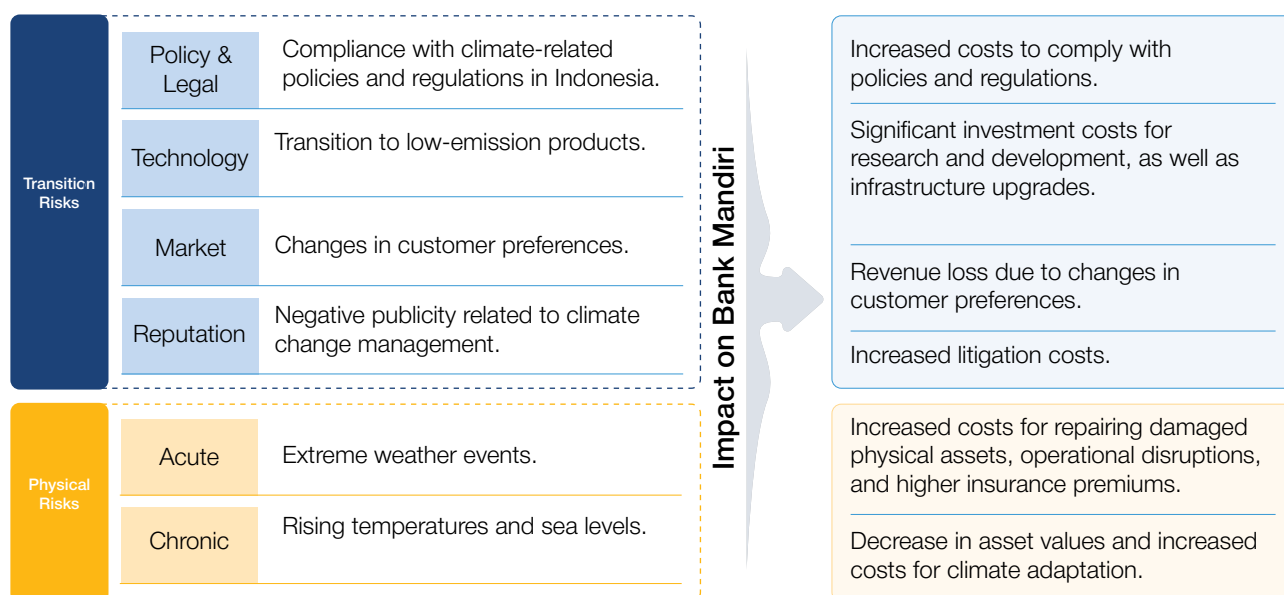
Bank Mandiri has established the timeline and impact of climate risk periods as follows:

- **Short Term (1–5 years):** Focuses on completing the transition plan by 2025, strengthening credit policies for high-emission sectors, and preparing for achieving net zero emissions for Scope 1 and Scope 2 through offsetting strategies currently under internal review.
- **Medium Term (5–10 years):** Includes strategic planning to mitigate risks associated with evolving climate regulations while enhancing progress toward net zero emissions. This involves targeted investments in green technologies, collaborative partnerships, and operational adjustments to meet emerging regulatory standards.
- **Long Term (10–36 years):** Aims to achieve net-zero emissions in financing by 2060, guiding strategies to build a low-carbon economy through portfolio diversification, green product offerings for customers, and the development of a green ecosystem.

## Climate-Related Risks and Opportunities [GRI 201-2]

Bank Mandiri has identified and analyzed two main types of climate-related risks: transition risks and physical risks. Transition risks are associated with the shift toward a low-carbon economy, where stricter climate policies, such as reducing greenhouse gas emissions, may affect industries that have not yet adapted. Additionally, changes in market and customer preferences that prioritize sustainability, as well as the adoption of low-emission technology, add complexity to these risks.

Meanwhile, physical risks include the direct impacts of climate change, such as increasingly intense extreme weather events, which can damage infrastructure, disrupt operations, and affect sectors within the Bank's financing portfolio. Rising temperatures and sea levels also increase the potential for damage to physical assets and impact sectors vulnerable to natural disasters, such as agriculture and fisheries.





## Transition Risks

Type of Risk	Likelihood	Time Horizon	Description	Financial Impact	Strategies to Respond to Risk
<b>Policy and Legal</b>					
Compliance with policies and regulations related to climate risks in Indonesia	Likely	Short to Medium	The enactment of Law No. 16/2016, Presidential Regulation No. 98/2021, as well as Financial Services Authority Regulation (POJK) No. 51/2017 and POJK No. 60/2017, has the potential to impact Bank Mandiri's operations concerning carbon emission reduction and the implementation of sustainability standards.	An increase in operational costs (Opex) to update internal policies and risk limits.	<ul style="list-style-type: none"> <li>Bank Mandiri implements sustainable finance in accordance with POJK 51/2017 and POJK 60/2017, and has developed the Sustainable Finance Action Plan (SFAP) 2025–2029 to support the NZE 2060 target, or sooner.</li> <li>Bank Mandiri establishes an acceptable risk level (risk appetite) and industry level (industry appetite) aligned with Environmental, Social, and Governance (ESG) aspects, as outlined in the Industry Acceptance Criteria (IAC) under Internal Regulation No.B3.P1.T16. IAC. Risk assessment is conducted by each Business Unit based on the Loan Portfolio Guideline, which includes Industry Classification (IC), Industry Limit (IL), Industry Acceptance Criteria (IAC), and sectoral credit policies. This process is followed by pre-approval using credit risk tools that integrate ESG aspects. For the retail segment, assessments are conducted through the Industry Acceptance Criteria (IAC) and credit risk scorecard, tailored to the risk criteria of each product, ensuring risk management adheres to sustainability principles.</li> </ul>

Type of Risk	Likelihood	Time Horizon	Description	Financial Impact	Strategies to Respond to Risk
Legal responsibilities arising as part of the implementation of climate change-related policies.	Likely	Short to Medium	The risk of legal action if Bank Mandiri fails to fulfill its emission reduction obligations in accordance with Law No. 16/2016 on the Paris Agreement.	Increase in operational costs (Opex) due to emerging litigation costs.	<ul style="list-style-type: none"> <li>Periodic measurement and monitoring of operational carbon emissions to achieve NZE 2030.</li> <li>Internalizing a sustainable work culture among employees and enhancing understanding of customers, vendors, and stakeholders through training, workshops, and focus group discussions (FGDs) related to emission reduction initiatives.</li> </ul>
The impact of climate change can worsen the financial condition of debtors and increase credit risks for Bank Mandiri.	Likely	Medium	The risks caused by the impacts of climate change have the potential to negatively affect debtors' businesses, which in turn may lead to more credit risk for Bank Mandiri.	Reduction in financing allocation to sensitive sectors.	<ul style="list-style-type: none"> <li>In its credit approval process, Bank Mandiri has implemented Environmental and Social Risk Management (ESRM) starting from the pre-selection (feasibility assessment), credit analysis, legal and compliance review, credit approval, to the monitoring process. The ESG risk management system in the credit process covers all Bank Mandiri's credit services, including retail, treasury, corporate finance, and consumer finance segments.</li> <li>Bank Mandiri's credit policies are based on the Loan Portfolio Guideline (LPG), exclusion lists, and sectoral policies for priority sectors.</li> </ul>
<b>Technology</b>					
Transition to low-emission technology in products.	Likely	Long	Technology risk can have a significant impact on the Company's business, including high technology investment costs and the potential depreciation of assets. Additionally, there is the risk of asset decommissioning due to pressure to replace services or products with lower-emission technologies.	Increase in capital expenditure (Capex) due to the procurement of low-emission technologies.	<ul style="list-style-type: none"> <li>Bank Mandiri continues to develop and integrate digital solutions that support environmentally-friendly operations, such as digital banking, branchless banking (<i>laku panda</i>), and mobile banking services.</li> </ul>

Type of Risk	Likelihood	Time Horizon	Description	Financial Impact	Strategies to Respond to Risk
<b>Market</b>					
Shifting customer preferences	Likely	Medium to Long	The risk arises when customers shift to lower-emission products, which can impact the decline in demand and company revenue.	Decrease in bank revenue	<ul style="list-style-type: none"> <li>Bank Mandiri is committed to developing environmentally friendly and sustainable financial products, including the issuance of green bonds, sustainable bonds, and ESG repo. Bank Mandiri also encourages financing in the Sustainable Business Activity Category (KKUB), which includes green and social portfolios, such as loans for MSMEs in accordance with POJK 51/2017.</li> <li>Bank Mandiri is accelerating the digitalization of banking services to ease public access through digital innovations such as Livin', Kopra, and Smart Branch.</li> </ul>
<b>Reputation</b>					
Negative publicity related to climate change management.	Likely	Short to Medium	Negative publicity or bad perception related to Bank Mandiri's activities and compliance with climate regulations can decrease customer trust and damage Bank Mandiri's reputation.	Increase in operational costs (Opex)	<ul style="list-style-type: none"> <li>Increasing the transparency of sustainability reporting and ESG with the ESG Group as the control tower ensuring compliance with climate change regulations.</li> <li>Bank Mandiri minimizes reputational risk by analyzing negative news and public opinions and providing strategic and structured responses.</li> <li>Interactive dashboards are used to monitor news and opinions across various platforms in real-time.</li> </ul>

## Physical Risk

Type of Risk	Likelihood	Time Horizon	Description	Financial Impact	Strategies to Respond to Risk
<b>Chronic</b>					
Rising temperatures and sea level	Likely	Long	Risk that disrupts operations and revenue of debtors in high-risk sectors, increases the LGD risk, and negatively impacts asset quality and the capital of Bank Mandiri.	Increase in Loss Given Default (LGD) and decline in asset value.	<ul style="list-style-type: none"> <li>Conducting a Pilot Project on Climate Risk Stress and creating a watchlist to regularly monitor customers impacted by climate-related issues.</li> <li>The Business Continuity Management Group implements business continuity management in accordance with the international standard ISO 22301:2019, and applies our Business Continuity Management Framework to ensure organizational resilience through the readiness of buildings, equipment, technology, human resources, and third parties (BETH3).</li> </ul>
<b>Acute</b>					
Extreme weather	Likely	Medium	Extreme weather can disrupt Bank operations, damage physical infrastructure, and increase recovery costs. Additionally, credit risk may rise due to disruptions to debtors, potentially increasing LGD and affecting Bank Mandiri's capital stability.	Increase in loss given default (LGD) and decline in asset value.	<ul style="list-style-type: none"> <li>Bank Mandiri collaborates with the Meteorology, Climatology, and Geophysics Agency (BMKG) to obtain rapid climate analysis and integrate an early disaster notification system, which is directly communicated to the Crisis Management Team.</li> <li>Bank Mandiri also has alternative locations for operational units and data centers to mitigate the risk of transaction disruptions and potential data loss due to the impact of climate change.</li> </ul>

## Opportunity

Type of Opportunity	Likelihood	Time Horizon	Description	Financial Impact	Strategy to Realize Opportunity
Increase in portfolio diversification of the Bank	Likely	Short to Medium	Diversification of the Bank's product portfolio into green bonds and sustainable products	Increase in the Bank's revenue and access to capital	Bank Mandiri has issued the Sustainable Green Bond I Phase 1 with a total issuance value of up to Rp5 trillion, which was oversubscribed by 3.74 times in 2023. The proceeds from the issuance have been fully allocated, with 69% directed to the renewable energy sector and 31% to the management of natural biological resources and sustainable land use.

Bank Mandiri is currently assessing the financial impact of climate-related risks and opportunities on the Company's strategy and decision-making processes. Bank Mandiri's business model has transitioned toward a low-carbon economy through the launch of ESG-based products, both in funding and financing. Mitigation and adaptation efforts, direct and indirect, are being developed as part of the transition plan. Bank Mandiri is preparing a climate-related

transition plan, taking into account key assumptions such as global climate policies and technological developments. Additionally, we have allocated resources to support this climate strategy, with a focus on investing in sustainable technologies and ESG-based financial products. Further details regarding the progress of this plan will be disclosed in upcoming reporting periods.

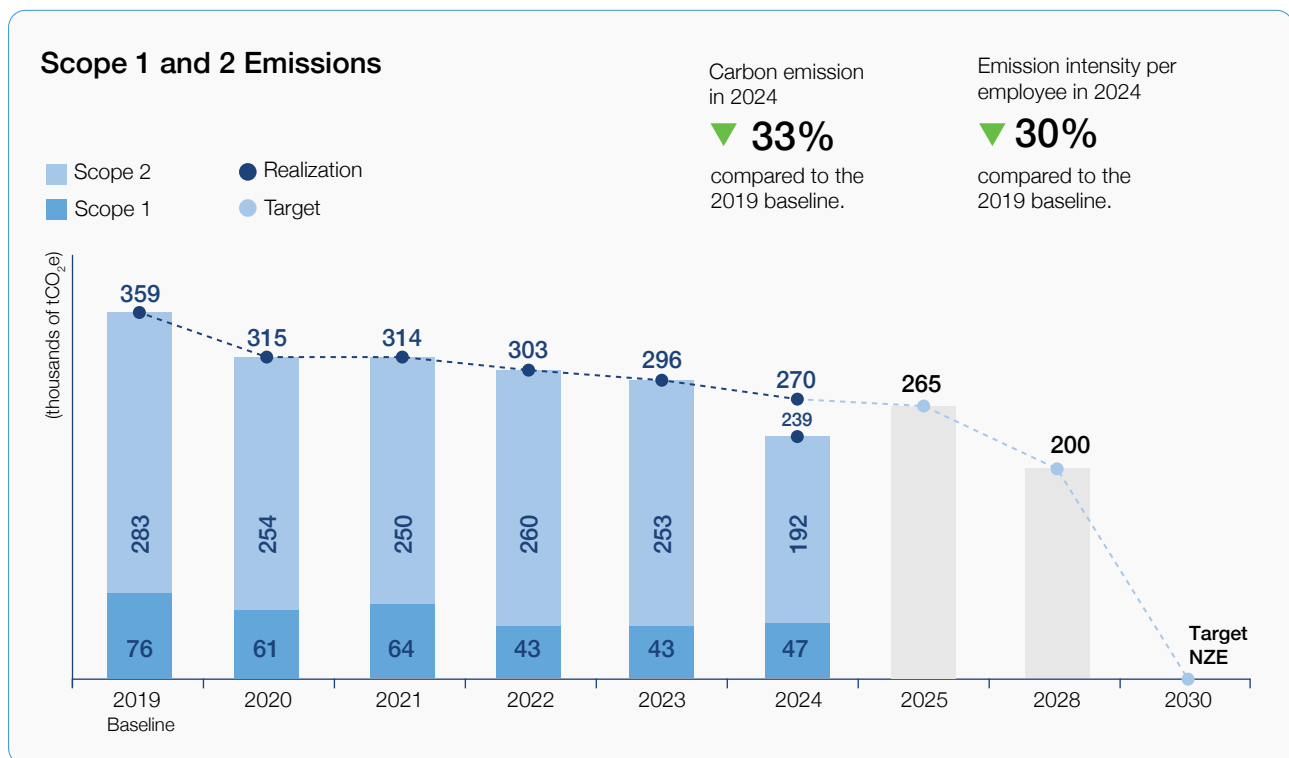
## Metrics and Targets

Bank Mandiri has set a medium-term target to achieve NZE for its operations by 2030 and a long-term target to achieve NZE financing by 2060, in line with the global commitment to limit the rise in global temperatures to 1.5°C compared to pre-industrial levels.

### Scope 1 and 2 Emissions

Scope 1 and 2 emissions have been reduced by 33% compared to the baseline through the implementation of energy efficiency measures, environmentally friendly operations, and the use of renewable energy with solar panels. Further information on Scope 1 and 2 emissions will be discussed in more detail in the Sustainable Operation chapter.

#### Operational Carbon Emissions Reduction Roadmap





## Financed Emissions [GRI 305-3]

In calculating emissions from financing activities (financed emissions), Bank Mandiri refers to the technical guidelines of Scope 3 Category 15 of the GHG Protocol<sup>1</sup> and the CRMS OJK<sup>2</sup> guidelines. Additionally, Bank Mandiri applies the PCAF<sup>3</sup> methodology, which is the best practice standard in the financial industry for the calculation and reporting of financed emissions. [FN-CB-410b.4]

Bank Mandiri has become a PCAF signatory since 2023 and is committed to reporting financed emissions transparently and credibly. Furthermore, Bank Mandiri is the only bank in Indonesia that is part of the PCAF<sup>4</sup> Working Group, actively contributing input to the development of GHG Accounting methodologies in green and transition financing.

As part of Bank Mandiri's commitment to transparency regarding the impact of its financing activities, the Bank continuously strives to enhance the quality and completeness of financed emissions reporting data year after year. Additionally, Bank Mandiri consistently keeps pace with the latest regulatory developments and best practices.

In 2024, Bank Mandiri continued its commitment by engaging with customers through the active role of Relationship Managers (RMs) in collecting data and understanding

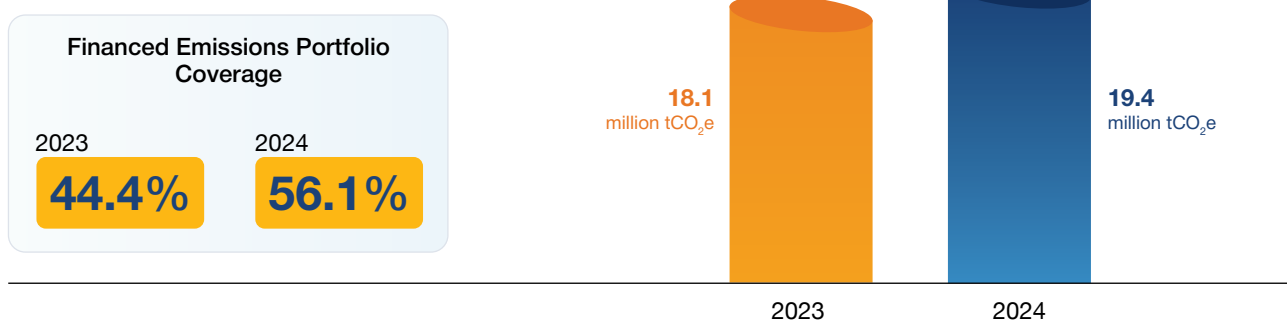
customer emission profiles. As a result of these efforts, Bank Mandiri successfully increased the coverage of data considered in financed emissions, particularly Loan Asset exposure, reaching 56.1% of the bank's total financing portfolio, equivalent to Rp609.2 trillion—a 47.3% increase from the previous year.

As a result of the expanded calculation coverage, in 2024, Bank Mandiri recorded total absolute financed emissions of 19.4 million tCO<sub>2</sub>e, with emissions from Loan Assets amounting to 15.6 million tCO<sub>2</sub>e and Other Assets contributing 3.7 million tCO<sub>2</sub>e. However, in terms of emission intensity per billion Rupiah financed, Bank Mandiri recorded a decrease in total financed emissions intensity to 26.4 tCO<sub>2</sub>e/Rp billion.

Furthermore, Bank Mandiri also conducted monitoring of the Business Loans and Project Finance asset classes reported in 2023 and compared them with debtor emissions in 2024 (for the same debtor population). From this monitoring, despite an 8% increase in financing exposure, absolute financed emissions declined by 13%. This further demonstrates Bank Mandiri's consistency in reducing emission intensity among its financed debtors<sup>5</sup>.

[FN-CB-410b.2] [FN-CB-410b.3]

### Scope 3 (Financed Emissions)



#### Remarks:

- The calculation of Scope 3 emissions includes tCO<sub>2</sub>e.
- In 2023, Bank Mandiri designated the calculation of financed emissions using 2022 data as the baseline year, which also marks the Bank's first year of conducting financed emissions calculations.
- The portfolio coverage refers to the financed emissions of loan assets in relation to the loan portfolio (bank only).

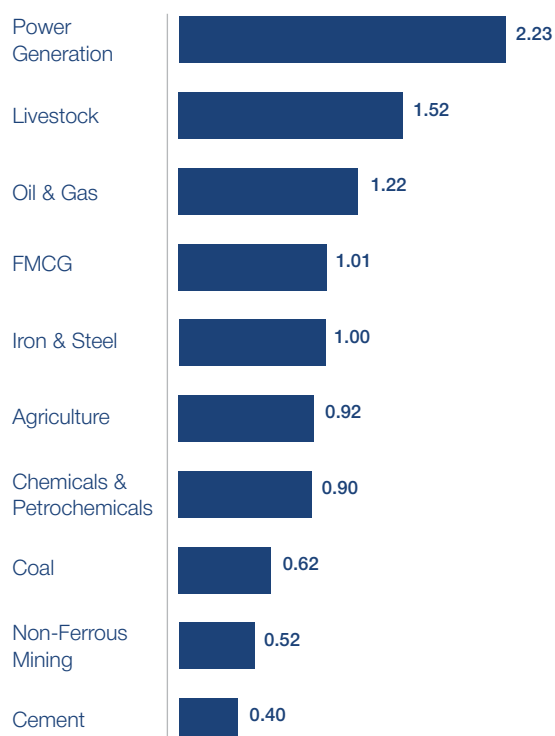
- Greenhouse Gas (GHG) Protocol Technical Guidance for Calculating Scope 3 Emissions
- Climate Risk Management & Scenario Analysis (CRMS) 2024 Handbook, Financial Services Authority (OJK)
- Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting and Reporting Standard Part A: Financed Emissions
- PCAF Standard Development Working Group 2024, Green & Transition Finance category
- There is a potential for changes in Bank Mandiri's financed emissions profile in the future, which may be influenced by regulatory developments, methodologies/standards, and the scope of corporate emissions reporting.

## Financed Emissions by Asset Class

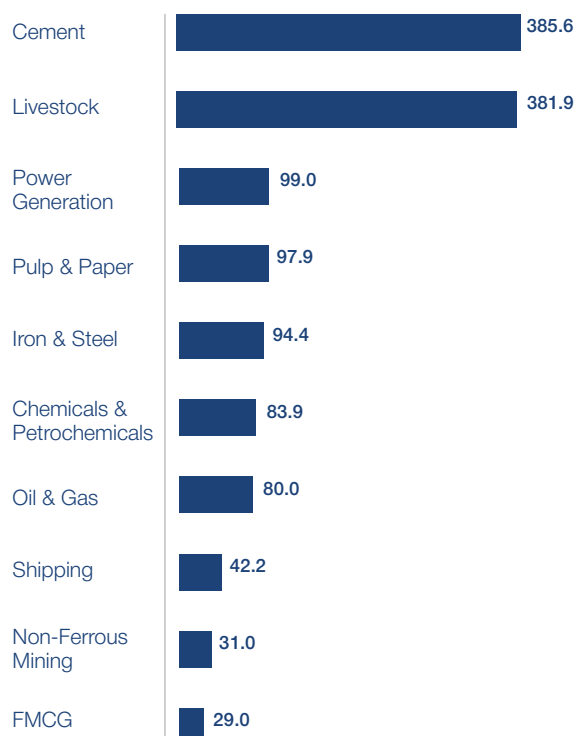
Asset Class <sup>5</sup>	Data Quality Score <sup>1</sup>	Financed Emissions (million tCO <sub>2</sub> e)	
		2023 <sup>3</sup>	2024 <sup>4</sup>
Loan Asset			
Business Loans	2.0	10.7	12.3
Project Finance <sup>2</sup>	2.0	0.6	0.5
Sovereign Loans	2.0	1.1	1.8
Commercial Real Estate	4.0	0.3	0.2
Mortgages	4.0	0.4	0.4
Motor Vehicle Loans	4.0	0.4	0.4
Total Loan Asset		13.5	15.6
Other Asset			
Sovereign Bonds	2.0	4.5	3.7
Corporate Bonds	2.0	0.1	0.1
Total Other Asset		4.6	3.8
Total Financed Emissions		18.1	19.4

## Largest Financed Emissions by Sector

### By Absolute Emissions in 2024 (million tCO<sub>2</sub>e)



### By Emission Intensity in 2024 (tCO<sub>2</sub>e/Rp Billion)



1. In accordance with the PCAF guidelines.
2. Covers Independent Power Producer (IPP) projects.
3. Based on financing data and customer emission reports as of December 2022 (baseline).
4. Based on financing data and customer emission reports as of December 2023.
5. For the Business Loans, Project Finance, and Corporate Bonds asset classes, only customers who have reported emissions (Reported Emission) are included.

In general, the sectors with the highest emissions, both in absolute terms and intensity, remain consistent with the previous year's report. However, with the expanded coverage of considered emission data, there have been some changes in sector rankings. Notably, the shipping and non-ferrous mining sectors entered the top ranks in 2024.

In addition to its ongoing efforts to enhance the coverage and quality of financed emissions reporting, Bank Mandiri is currently developing a roadmap and decarbonization strategy for priority sectors within its financing portfolio. This strategy is aligned with the national commitment to achieving Net Zero Emissions (NZE).

## Products and Services Supporting Climate Change Mitigation

In response to climate change, Bank Mandiri recognizes the importance of meeting customer needs through product and service innovation. The products and services that support climate change mitigation offered by Bank Mandiri in 2024 are presented in the table below.

<b>Livin' Planet</b> Bank Mandiri launched Livin' Planet, an innovative feature within the Livin' by Mandiri application, aimed at increasing customer awareness and participation in environmental conservation. Through Livin' Planet, customers can calculate their carbon footprint from daily activities using the integrated carbon calculator, while also contributing to tree planting programs and tracking their contributions to tree planting efforts.	<b>Green Mortgage</b> Bank Mandiri promotes green financing through Green Mortgage for properties that have green building certifications, such as NavaPark BSD City, which received the Greenship Platinum certification from GBCI. Customers receive incentives in the form of low interest rates and reduced down payments, supporting sustainable development.	<b>Digital Banking</b> Bank Mandiri utilizes digital banking to support climate change mitigation through its Livin' app for retail customers and Kopra for wholesale customers, making financial services easily accessible without the need to visit a branch. In addition, Bank Mandiri operates 241 Smart Branches as part of its digital transformation, offering fast, easy, and secure banking services. This initiative not only enhances customer convenience but also reduces carbon emissions by decreasing the use of physical documents and transportation, aligning with Bank Mandiri's commitment to sustainability.
<b>SME Loans</b> Bank Mandiri has a strong policy to support the growth and strengthening of the SME sector, recognizing the important role of SMEs in Indonesia's economy by providing Working Capital Loans, Investment Loans, Micro Business Loans (KUM), and participating in the People's Business Credit (KUR) program for SME empowerment.	<b>Corporate-in-Transition Financing</b> Bank Mandiri provides financing to support clients in transitioning their businesses to align with the goals of the Paris Agreement or NDC targets. Clients must have a clear climate transition strategy, measurable targets, and evidence of implementation within the past 12 months.	<b>Renewable Energy Financing</b> Bank Mandiri provides loans to support businesses that contribute to renewable energy. As of 2024, the total loans disbursed amounted to Rp11.8 trillion.
<b>Cardless Credit Card</b> Bank Mandiri launched a virtual credit card obviating the need for a physical card to reduce plastic waste and carbon emissions from the production, printing, and delivery of cards to customers.	<b>Recycled Cards</b> <a href="#">[OJK F.5]</a> <a href="#">[GRI 301-2]</a> Bank Mandiri continues to innovate by creating more environmentally friendly products, such as debit and prepaid cards made from recycled PVC material.	<b>Green Loans</b> In 2024, Bank Mandiri provided green loan facilities amounting to Rp3.5 trillion for the electricity sector as the ESG Coordinator in the energy transition, and USD226 million for the transportation sector to support the distribution of electric vehicles and their infrastructure.

For more information on each product, please refer to the "Sustainable Banking" section.

# Sustainability Strategy

[OJK A.1] [S1-2a] [S1-2b] [S1-2c] [S1-2d] [S1-4a] [S1-4b] [S2-4a] [S2-4b] [S2-4c]

Bank Mandiri has developed a long-term sustainability strategy for the 2025–2029 period, guided by the vision, “**Becoming Indonesia’s Sustainability Champion for a Better Future**”. To realize this aspiration, Bank Mandiri is committed to achieving the following goals: Lead Indonesia’s Transition to a Low-Carbon Economy, Net Zero Emission (NZE) in Operations by 2030, and Catalyzing Multiple Growth for Social Impact to Achieve the SDGs.

Bank Mandiri’s sustainability strategy is outlined within a framework consisting of three main pillars and encompassing eight key initiatives, as follows:



## Sustainability Strategy Pillars

Bank Mandiri's sustainability strategy is built on three main pillars: Sustainable Banking, Sustainable Operations, and Sustainability Beyond Banking. These pillars reflect a holistic approach to integrating ESG principles into Bank Mandiri's business and operational aspects.

### SUSTAINABLE BANKING

Under the first pillar, Bank Mandiri focuses on conducting sustainable business operations with a commitment to leading Indonesia's transition to a low-carbon economy. This commitment is realized through the integration of ESG aspects into all of the Bank's business activities, including risk management and the development of sustainable financial products and services.

Additionally, Bank Mandiri consistently serves as a collaborative partner for stakeholders in formulating sustainability-related policies and as a strategic partner for customers transitioning toward more environmentally friendly business practices.



### SUSTAINABLE OPERATIONS

Under the second pillar, Bank Mandiri is committed to supporting sustainability targets, aiming to achieve carbon neutrality in operations by 2030 in alignment with the NZE aspirations. This commitment is realized by ensuring ESG aspects are integrated into all our operational activities, including raising awareness, implementing environmentally friendly operations, adopting technology that ensures the protection of customer personal data, and managing human resources with a focus on enhancing diversity and equity in the workplace.



### SUSTAINABILITY BEYOND BANKING

Under the third pillar, Bank Mandiri expands its commitment to sustainability by strengthening activities beyond its core banking and operational business, particularly in the social area. These efforts enhance the economic scale of communities through various empowerment programs involving local communities and stakeholders.

Through these initiatives, Bank Mandiri is dedicated to driving multiple growth opportunities for social impact to achieve the SDGs, in line with its commitment to "Catalyzing Multiple Growth for Social Impact to Achieve SDGs".



## Strengthening Enablers to Reinforce Vision and Sustainability Commitment

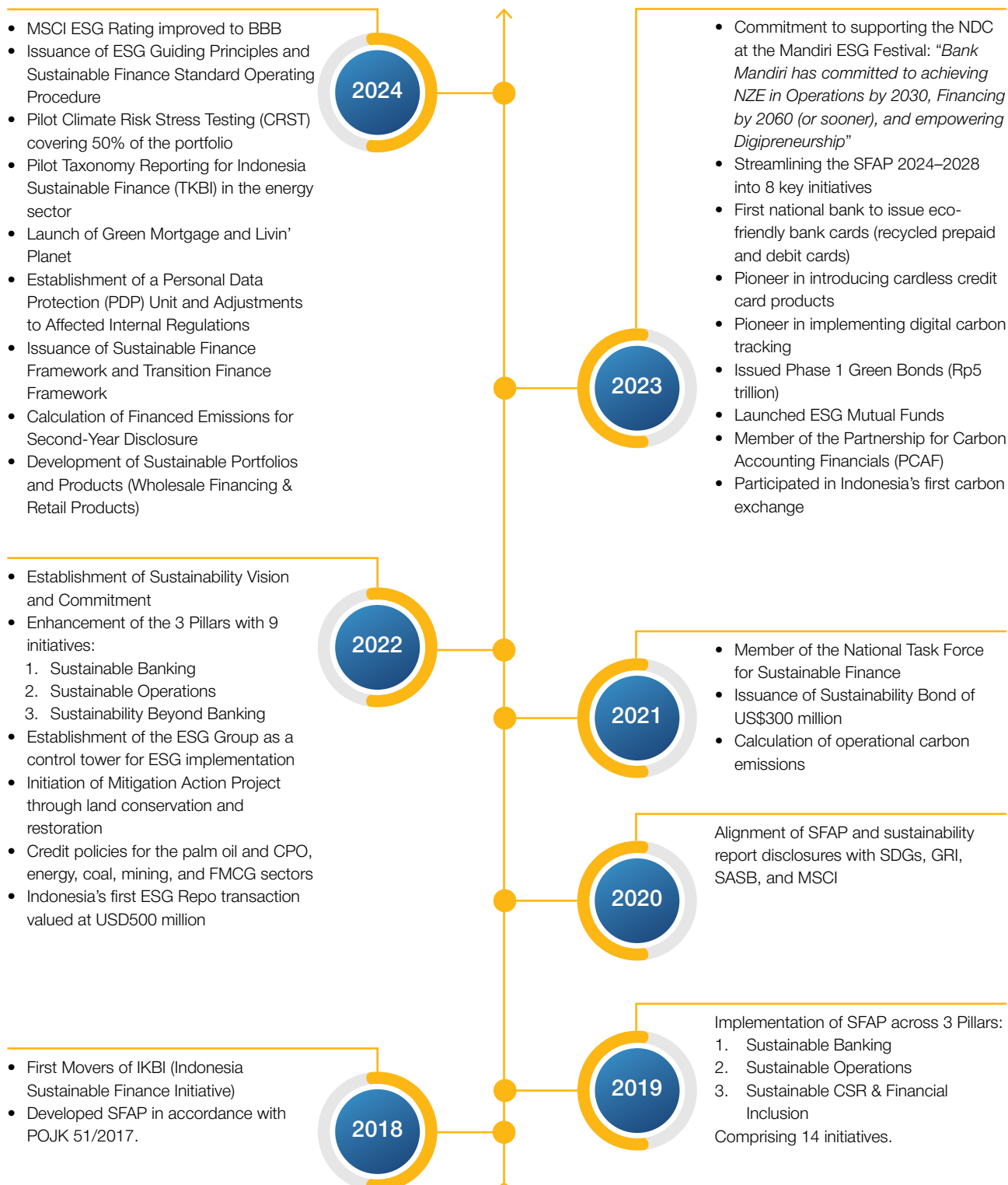
Enablers play a crucial role in ensuring the successful implementation of ESG principles across all operational areas. These enablers include strengthening governance by integrating ESG into policies and decision-making processes, enhancing the capacity of Mandirians to support the sustainable transition, and improving transparency through comprehensive ESG information disclosure to stakeholders.



# Sustainability Journey

Bank Mandiri's sustainability journey began with a steadfast commitment to becoming a leader in promoting the implementation of sustainable finance in Indonesia. Bank Mandiri implements strategic measures to integrate sustainability principles into its operational and business aspects.

## Journey to Becoming Indonesia's Sustainability Champion for a Better Future



# Sustainability Culture [QJK F.1]

The implementation of sustainable finance begins with enhancing the capacity of Mandirians to understand ESG issues relevant to the Company's business. Building sufficient capacity among Mandirians forms the foundation for developing innovative financial products and services and for adapting organizational structures to integrate ESG aspects into our banking systems and procedures.

The active participation of all Mandirians is essential in driving this transformation, particularly in fostering a sustainability-oriented culture. The initial step in cultivating this culture involves raising employee awareness of the importance of protecting and preserving the environment in their daily activities.

## Formation of ESG Group and Culture Squad

To support the development of a sustainability culture, Bank Mandiri has established an ESG Group since 2022, which acts as the coordinator for ESG issues across all areas of the Bank. Recognizing the vital role of individuals in fostering a sustainability culture, the ESG Group collaborates with the Culture Squad within each work unit, overseen by the Internal Culture team. The Culture Squad serves as a liaison, disseminating ESG-related information within their respective work environments, promoting each unit to take a more proactive role in supporting the Company's

sustainability initiatives in daily operations and in business decision-making processes.

Bank Mandiri also implements activities that align with its sustainability strategy to fulfill its commitment to achieving its NZE in Operations goal by 2030. Achieving this target requires the active participation and collaboration of all our employees in daily operational activities, including the organization of events, meetings and other initiatives, in accordance with the provided guidelines.

## Mandirian Ber-NYALI (Taking Real Action for the Environment)

Mandirian Ber-NYALI, or Mandirian Bergerak Nyata untuk Lingkungan, is a campaign program that has been implemented since 2022 to support sustainable finance, particularly within the Sustainable Operations pillar. The campaign focuses on promoting eco-friendly actions such as reducing the use of single-use plastics, minimizing paper usage, lowering consumption of electricity, water,

and fuel, and separating organic and non-organic waste. This program engages all Mandirians, especially the Culture Squad, to participate in creating impactful materials such as posters, magazines, videos, and podcasts to raise awareness about adopting more environmentally friendly business practices.



## Activities Supporting the Sustainability Strategy



\*Referring to Letter Number DCO/1268/2023, Letter Number DCO/1269/2023, and Memorandum Number DCO/704/2023 concerning the Recommendation for Implementing ESG Programs to Achieve NZE Operations by 2030, and the Guidelines for Conducting Environmentally Friendly Activities/Events/Meetings, addressed to subsidiaries, regions, and respective work units.

In 2024, Bank Mandiri implemented various programs aimed at enhancing technical capacity and expertise related to ESG at all employee and work unit levels. These programs included training sessions, workshops, webinars, and certifications designed to equip employees with the knowledge and skills required to implement sustainability principles across the company's operations.

Additionally, sustainable finance campaigns were conducted by disseminating information to Bank Mandiri's customers, partners, and suppliers to raise awareness and encourage participation in sustainability initiatives.

## 2024 ESG Capacity Building Summary [GRI 404-2]

The training topics covered:

- Sustainable DEI: Taking Action as an Individual, Team, and Organization
- Climate Change: A Top ESG Concern
- Corporate Finance: Environmental, Social, and Governance (ESG)
- Sustainable Environmental Management: Lessons from Indonesia
- Sustainable Development and Well-Being

**72,600 Training Hours**

Participants of ESG awareness and training included:

- 10 Work units
- 22 ODP batches
- 2 Regions
- 10 Subsidiaries
- 712 Partners

**3,572 employees**

- Desktop Wallpaper
- Mandiri Magazine
- Podcast
- ESG Awareness Campaigns

### Routine Activities

Publication of the ESG Pocket Book for all Mandiri employees.

### ESGPedia

Mandirians participated in the "E-Learning Driving Sustainable Change" program.

**29,084 employees**

Standardized computers and laptops can be accessed by the ESG campaign through the installation of desktop wallpapers as an information channel.

**57,872 units**

# Stakeholder Engagement

[GRI 2-12, 2-29, 3-1] [OJK E.4] [FS2]

In the materiality assessment process, stakeholder participation plays a critical role. Their involvement serves not only as support but also as an essential element of the overall assessment process. Through this engagement, Bank Mandiri ensures that the diverse interests and expectations of stakeholders are accommodated, enabling the materiality assessment results to reflect not only internal priorities but also respond effectively to external expectations.

Bank Mandiri distributes materiality questionnaires to gather insights and feedback from stakeholders, and various significant stakeholder groups, including employees, communities, customers, regulators, partners, and academics. This approach obtains comprehensive insights into the issues stakeholders consider important, ensuring the results inform Bank Mandiri's future sustainability strategies and policies.

## Criteria for Stakeholder Assessment and Selection:

- Needs
- Diversity
- Willingness to participate
- Influence on Bank Mandiri
- Dependence on Bank Mandiri



## Materiality Questionnaire

To obtain diverse and in-depth feedback and to gather broader perspectives from stakeholders, Bank Mandiri distributed the materiality questionnaire online.



## Internal Stakeholder

Stakeholder Group	Engagement Method	Key Issues	Frequency	Bank Mandiri's Response
Mandirians (Employees)	<ul style="list-style-type: none"> <li>• Employee Engagement</li> <li>• Employee Satisfaction Survey</li> <li>• Performance Evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Rights</li> <li>• Enhancing the Effectiveness of Management-Employee Relations</li> </ul>	As needed	<ul style="list-style-type: none"> <li>• Providing full rights to employees as stipulated in the Collective Labor Agreement (CLA)</li> <li>• Conducting regular meetings across various forums between management and employees</li> <li>• Assessing aspects such as organization, leadership, career development, relationships and communication, compensation benefits, job fit, opportunities to contribute/perform at their best, and workgroups</li> </ul>
	<ul style="list-style-type: none"> <li>• Socialization</li> <li>• E-Learning</li> <li>• Campaigns</li> <li>• Materiality Survey</li> </ul>	<ul style="list-style-type: none"> <li>• Fostering ESG awareness among employees</li> </ul>	Regularly	<ul style="list-style-type: none"> <li>• Conducted ESG implementation socialization for 3,572 employees, including 10 work units, 22 ODP batches, 2 regions, 10 Subsidiaries, and 712 vendors.</li> <li>• Organized the mandatory "E-Learning Driving Sustainable Change," completed by 29,084 Mandirians</li> <li>• Conducting a campaign through desktop wallpapers installed on 57,872 standardized Mandirian computers and laptops</li> </ul>

## External Stakeholder

Stakeholder Group	Engagement Method	Key Issues	Frequency	Bank Mandiri's Response
Shareholders	<ul style="list-style-type: none"> <li>General Meeting of Shareholders (GMS)</li> <li>Routine meetings and other engagements</li> <li>Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>Improved performance of Bank Mandiri</li> <li>Positively growing share value</li> </ul>	As needed	<ul style="list-style-type: none"> <li>Enhancing employee capability, skills, and expertise</li> <li>Improving the company's performance</li> <li>Engagement in materiality assessment</li> </ul>
Community	<ul style="list-style-type: none"> <li>Corporate Social Responsibility (CSR) programs</li> <li>Financial literacy education and awareness of effective financial service usage</li> <li>Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>Community welfare</li> <li>Financial literacy</li> </ul>	As needed	<ul style="list-style-type: none"> <li>Optimizing CSR programs</li> <li>Increasing the number of partner beneficiaries</li> <li>Providing broader consultation and training on financial planning</li> <li>Engagement in materiality assessment</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>Annual Reports and Sustainability Reports</li> <li>Payment of taxes, retributions, and non-tax state revenue (PNBP) following regulations</li> <li>Participation in regulatory communication activities</li> <li>Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with regulations</li> <li>Corporate governance</li> </ul>	As needed	<ul style="list-style-type: none"> <li>Conducting regular evaluations to assess the effectiveness of compliance</li> <li>Implementing programs for:               <ol style="list-style-type: none"> <li>Anti-Corruption</li> <li>Anti-Money Laundering and Counter Financing of Terrorism (CFT), (AML/CFT)</li> </ol> </li> <li>Enhancing collaboration with CSR programs involving the government</li> <li>Engagement in materiality assessment</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Complaint mechanisms</li> <li>Customer satisfaction surveys</li> <li>High-quality services and products</li> <li>Customer forums</li> <li>Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>Financial literacy</li> <li>Access to financial services</li> <li>Product and data security</li> </ul>	As needed	Conducting consultations and disseminating information, including: <ul style="list-style-type: none"> <li>Ensuring service quality and guarantees</li> <li>Organizing complaint mechanisms and follow-up procedures</li> <li>Conducting customer satisfaction surveys</li> <li>Maintaining customer privacy</li> <li>Providing customer forums</li> <li>Inclusion in materiality determination</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Work contracts</li> <li>Evaluation of work contracts</li> <li>Materiality surveys</li> </ul>	Transparency in procurement processes	As needed	Collaborating and disseminating information, including: <ul style="list-style-type: none"> <li>Creating work contracts</li> <li>Conducting evaluations and reviews of work contracts</li> <li>Terminating work contracts when necessary</li> <li>Organizing vendor meetings attended by 712 vendors to discuss Personal Data Protection Implementation and Vendor Security Requirements</li> <li>Engagement in materiality assessment</li> </ul>



# Materiality Assessment

Materiality assessment is a fundamental element in achieving sustainable progress as it enables companies to identify and prioritize the most critical issues for business continuity and stakeholder interests. In this context, Bank Mandiri regularly conducts evaluations and in-depth analyses of

relevant material topics. This approach aims to ensure that the issues addressed remain aligned with business dynamics and stakeholder needs, allowing Bank Mandiri to effectively respond to challenges and opportunities within the scope of sustainability.

## Materiality Assessment Process [GRI 3-1] [GRI 3-2]

Bank Mandiri adopts the principle of double materiality in determining material topics. Through this approach, Bank Mandiri not only assesses sustainability factors relevant to supporting long-term value creation but also considers the reciprocal relationship between the Company's external impacts on society and the environment, as well as internal impacts on the Company's value.

Bank Mandiri identifies material issues by referring to the latest GRI Universal Standards 2021 and the AA1000 Accountability Principle Standard, encompassing the principles of materiality, inclusivity, responsiveness, and impact. The Company also evaluates the economic, environmental, and human rights impact of each material issue. The results of this materiality assessment serve as the foundation for formulating the Company's sustainability strategy and as a reference for information disclosure.

In determining materiality, Bank Mandiri considers an integrated risk management aspect (ERM process) to ensure that sustainability-related risks and opportunities are identified, assessed, and managed to achieve the company's objectives.

This materiality assessment process has undergone assurance by an independent third party, PT Superintending Company of Indonesia (Sucofindo), to ensure the credibility and accuracy of the double materiality assessment process and the selection of material topics. Through this assurance, Bank Mandiri ensures that the methodology used to identify and prioritize relevant sustainability issues has been independently verified, providing stakeholders with greater confidence in the validity and transparency of the process.

In 2024, Bank Mandiri updated its material topics to focus on 10 key priorities: Data Security and Customer Privacy, Sustainable Finance Portfolio, Digitalization and Access to Finance, Community Development, Managing Environmental Footprint, Integration of ESG into Bank Products and Services, Climate Change, Employee Development, Business Ethics, and Diversity, Equity, and Inclusion. This update reflects the company's strategic priorities in addressing global trends, market needs, and the increasingly dynamic expectations of stakeholders.



## Steps of the Materiality Assessment Process

### Identification of Sustainability Issues

- Collecting and filtering sustainability issues through benchmarking with peers, global standards (GRI, OJK, SASB, ESRS, IFRS), and ESG rating agencies (MSCI, S&P Global, Sustainalytics, CDP), while also referring to previous reports and feedback from internal and external stakeholders.
- The collected issues are then used as the basis for developing a questionnaire to be distributed to internal and external stakeholders including employees, customers, regulators, partners, academics, and the wider community. This is to gather their perspectives on the significance and prioritization of the collected sustainability issues.

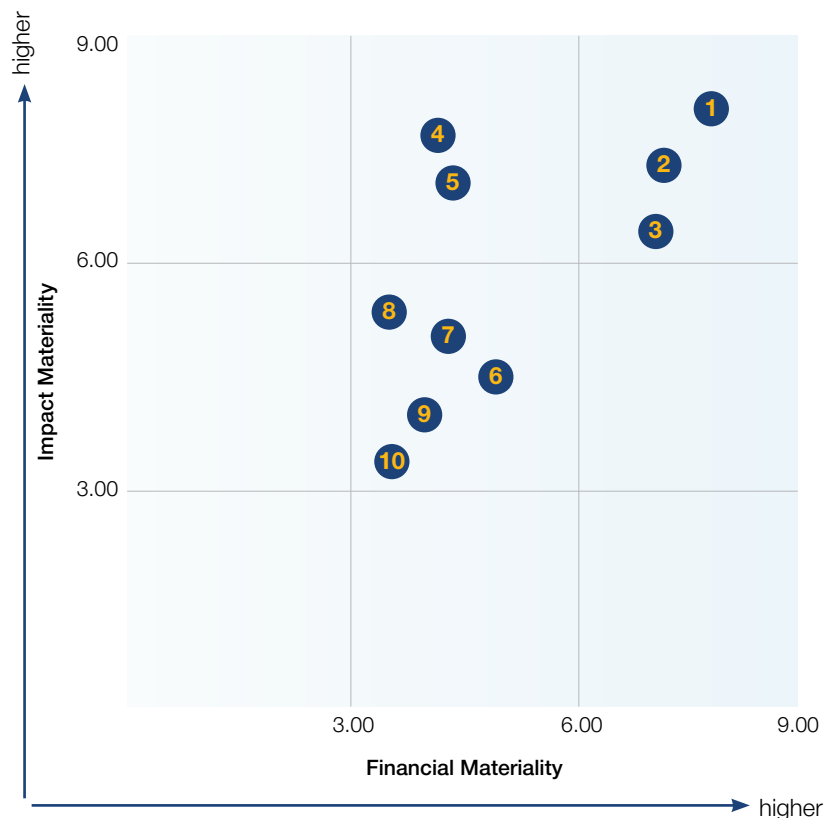
### Assessment of Sustainability Issues

- Based on the results of the questionnaire, the materiality assessment is conducted using a double materiality approach.
- Environmental and Social Materiality (Impact Materiality): This assessment focuses on the impact of identified issues on external stakeholders, including the environment and society.
- Financial Materiality: This stage evaluates the potential impact of sustainability issues on the Company's financial performance and business continuity.

### Review and Approval of Material Topics

- Following a comprehensive assessment, 10 material topics are reviewed and signed off by the Board of Directors. Material topics relevant to value creation are then aligned with the Company's strategy and their relevance to business risks and opportunities.

## Materiality Matrix



- 1 Data Security and Customer Privacy
- 2 Sustainable Finance Portfolio
- 3 Digitalization and Access to Finance (Financial Inclusion)
- 4 Community Development
- 5 Managing Environmental Footprint
- 6 Integration of ESG into Bank Products and Services
- 7 Climate Change
- 8 Employee Development
- 9 Business Ethics (Ethics and Anti-Corruption)
- 10 Diversity, Equity, and Inclusion

## Management of Priority Material Topics [GRI 3-2]

Based on the double materiality assessment, Bank Mandiri has identified three material topics that significantly impact operational sustainability and business performance: Data Security and Customer Privacy, Sustainable Finance Portfolio, and Digitalization and Access to Finance (Financial Inclusion).

These topics are crucial as they influence various aspects of the business, including risk management, revenue

growth, cost efficiency, and corporate reputation. To address these issues, Bank Mandiri implements strategies comprising specific initiatives, ranging from strengthening digital infrastructure and integrity-based governance to competency-based talent development programs. Additionally, the targets for each topic are directly linked to the KPIs of the Board of Directors, which are the basis for determining remuneration, ensuring high accountability in supporting the Company's sustainability.

Material Topics	Key Impacts (Risks and Opportunities)	Type of Impact	Strategy	KPI Linked to BoD Compensation	KPI Achievement
Data Security and Customer Privacy	Customer data security and privacy have significant impacts on Bank Mandiri as they play a direct role in maintaining customer trust and loyalty, which are critical to the sustainability of the banking business. As one of the largest banks in Indonesia, Bank Mandiri faces substantial challenges in protecting customer data amidst increasingly complex cybersecurity threats. Data breaches not only harm the Company's reputation but can also lead to financial losses, regulatory sanctions, and diminished stakeholder trust. By ensuring customer data privacy, Bank Mandiri strengthens its position as a trusted financial institution, while complying with applicable regulations and creating a competitive edge in the digital era.	The risk of data breaches could reduce customer trust, cause financial losses, and incur regulatory penalties.	Since 2018, Bank Mandiri has established a dedicated unit, the Chief Information Security Officer (CISO) Office Group, to manage information security and cyber resilience. This unit operates under the direct supervision of top management (C-level) to ensure a comprehensive implementation of cybersecurity and information security across all operational lines (bankwide). To support a holistic approach to information security and cyber resilience, Bank Mandiri implements the 3 Lines of Model, 1st Line of Model: Chief Information Security Officer (CISO) Office Group, 1.5 Line of Model: Senior Operational Risk Information Technology (SOR IT), 2nd Line of Model: Operational Risk Group, and 3rd Line of Model: IT Audit Group. Bank Mandiri strengthens its information security, cybersecurity, and personal data protection management through regular training and capability development, provided at least once a year to all employees, vendors, and contractors.	There were no incidents of cybersecurity breaches	There were no incidents of cybersecurity breaches

Material Topics	Key Impacts (Risks and Opportunities)	Type of Impact	Strategy	KPI Linked to BoD Compensation	KPI Achievement
Sustainable Finance Portfolio <sup>1</sup>	Sustainable Finance Portfolio has a significant impact on Bank Mandiri, serving a strategic role in addressing the challenges of climate change and the transition to a low-carbon economy. As one of Indonesia's largest banks, Bank Mandiri faces transition risks, such as regulatory changes and evolving market expectations, as well as physical risks resulting from climate change impacts on specific sectors within its portfolio. Furthermore, substantial opportunities arise from the increasing demand for financing sustainable projects, including renewable energy and green infrastructure. By advancing its sustainable product portfolio, Bank Mandiri is well-positioned to seize these opportunities to drive business growth, enhance financial resilience, and reinforce its reputation as a leader in sustainable finance on both national and global scales.	Increasing sustainable revenue through financing under the Sustainable Business Activity Category (KKUB) and sustainable financing products, such as green bonds, Green Mortgages, Sustainability-Linked Loans, and financing for renewable energy projects and green infrastructure	Bank Mandiri is committed to implementing sustainable finance by providing comprehensive support for sustainable economic growth achieved through the alignment of economic, social, and environmental aspects. This commitment is realized through the Sustainable Banking pillar in the form of sustainable financing and sustainable funding. Based on the Sustainable Financing Framework, Bank Mandiri classifies sustainable activities into three main categories: Green, Social, and Transition Activities. This classification serves as the foundation for Bank Mandiri in developing Sustainable Financing to achieve its primary goal of supporting business activities aimed at enhancing environmental preservation and social welfare.	Disbursement of sustainable credit/financing amounted to Rp274.77 trillion	The disbursement of sustainable financing/credit amounted to Rp293 trillion, comprising Green Financing of Rp149 trillion, which increased by 15.2% YoY, and Social Financing of Rp144 trillion, which grew by 6.5% YoY
Digitalization and Access to Finance (Financial Inclusion)	Digitalization and access to finance have a significant impact on Bank Mandiri in expanding financial service coverage efficiently and inclusively. Leveraging digital technology, Bank Mandiri can provide faster, safer, and more accessible services, benefiting customers across various segments, including those in remote areas, ensuring access to banking services. This effort supports national financial inclusion while strengthening Bank Mandiri's position as a digital leader in Indonesia's financial industry.	Investment costs in digital technology and developing inclusive products and services.	Bank Mandiri prioritizes digitalization strategies and access to financing through the development of digital platforms such as Livin' by Mandiri to facilitate inclusive financial services, especially for communities in underserved areas. Collaboration with fintech and banking agents enables the expansion of service reach, while technological infrastructure is strengthened to ensure system security and reliability. Additionally, Bank Mandiri has a digital banking roadmap to address the challenges of the digital era, encompassing various strategic initiatives to enhance customer services and overall experiences. The digital banking roadmap includes Leveling Up Digital Readiness, Developing Digital Native Products, Modernizing Distribution Channels, Digital Ecosystem Expansion, Data-Driven Decision Making Process. Bank Mandiri actively develops digital solutions and expands technology-based service channels to reach more users while providing financial literacy programs for underserved, underbanked communities, and MSMEs.	<ul style="list-style-type: none"> <li>The number of active Livin' users reaches 14,955,127</li> <li>Implementation of ATM integration totaling 1,200 units</li> </ul>	<ul style="list-style-type: none"> <li>The number of active Livin' users reached 16,963,736</li> <li>Implementation of ATM integration totaling 1,200 units</li> </ul>

1. Bank Mandiri has integrated environmental targets into its executive compensation plans by linking executive remuneration to the disbursement of sustainable credit/financing. This alignment ensures that executive directors are incentivized to promote and achieve sustainable financing goals.

## Management of Topics Impacting External Stakeholders

Bank Mandiri recognizes the importance of creating positive impacts and mitigating negative impacts on external stakeholders through its operations, products, and services. Two material topics that have been prioritized

are Community Development and Environmental Footprint Management, reflecting Bank Mandiri's commitment to social and environmental sustainability.

Material Topic	Related Stakeholders	Direction of Impact	Explanation of Impact on Stakeholders	Quantitative Target	Realization
Community Development	Community, Regulators	Positive	Bank Mandiri actively supports community development through economic empowerment programs, support for MSMEs, and improved access to education and healthcare. These initiatives create economic opportunities, generate employment, and build more independent and competitive communities.	<ul style="list-style-type: none"> <li>Disbursement of CSR funds amounting to Rp250 billion</li> <li>Disbursement of KUR reached 95%</li> <li>Disbursement of KUM amounted to Rp20.6 trillion</li> </ul>	<ul style="list-style-type: none"> <li>CSR funds disbursed amounting to Rp250.03 billion</li> <li>Realization of KUR disbursement reached 100%</li> <li>Disbursement of KUM amounted to Rp26.9 trillion</li> </ul>
		Negative	Challenges such as dependency risks, misalignment of programs with local needs, and potential social inequalities must be anticipated to ensure programs remain effective and sustainable.		
Managing Environmental Footprint	Regulators, Community	Positive	Bank Mandiri is committed to managing its environmental footprint by optimizing energy efficiency, reducing emissions, managing waste, and implementing environmentally friendly technologies. These efforts not only support the conservation of natural resources but also raise awareness of sustainability among all stakeholders.	Operational carbon emissions (Scope 1 and Scope 2) amounted to 270,392 tCO <sub>2</sub> e.	During the reporting period, Bank Mandiri's total operational emissions were recorded at 239,594 tCO <sub>2</sub> e, reflecting a 33% or 119,159 tCO <sub>2</sub> e reduction from 2019 and a 19% or 56,119 tCO <sub>2</sub> e reduction from 2023. This reduction demonstrates Bank Mandiri's continued commitment to lowering operational carbon emissions, in line with its Net Zero Emissions (NZE) aspiration.
		Negative	Challenges such as significant implementation costs and potential operational disruptions during the transition process require a strategic approach.		



# Contribution to Sustainable Development Goals (SDGs)

Through its financial products and services, as well as social and environmental responsibility programs, Bank Mandiri plays an active role in supporting the achievement of the 17 Sustainable Development Goals (SDGs) initiated by the

United Nations (UN). This support for the SDG targets is an integral part of Bank Mandiri's Sustainability Strategy and is realized through various flagship programs that create tangible impacts on society and the environment:

## MANDIRI BERSAMA MANDIRI



### Rumah BUMN



23 Rumah BUMN with a total of 15,101 MSMEs fostered by Bank Mandiri.



### Urban Festival



Engaged over 5,000 MSMEs.



### Mandiri Young Entrepreneurs



More than 3,700 participants in 2024.



### Aksi Bersih Mandiri



Supporting plastic waste reduction by collecting more than 3.5 tons of waste across three locations, while engaging over 150 community members to promote environmental awareness and cleanliness.



### Urban Livin



Mandiri Accelerated Education: Non-formal education programs (Package A, B, C) with over 200 students enrolled.  
Mandiri Waste Sorting: Establishment of waste banks



### Mandiri Homecoming Together



Facilitated the travel of 6,525 homecoming participants using 145 buses in 2024.



### Mandiri Sahabat Desa



Enhancing community welfare through infrastructure, training, and MSME support.



### Mandiri Sehat



Health facilities and services include the provision of ambulances at 24 locations, 688 integrated health posts, blood donation activities held four times a year across all regions, disaster response vehicles, and other related initiatives.



### Mandiri Sahabat Difabel



Fostering more than 200 Disabled MSMEs.



### Farmer Entrepreneurship



Development of Integrated Rice Processing Centers in three locations.



### Mandiri Sahabatku



Training provided to more than 2,200 Indonesian Migrant Workers (PMI) and former PMI in six countries.





### Mandiri Lingkar Hijau



Empowering more than 50 farmers, 40 coffee shops, 20 vocational school students, and alumni of Mandiri Young Entrepreneurs. This initiative successfully absorbed 2.5 tons of coffee waste.



### Mandiri Air



17 villages across four regencies, benefiting 3,719 families with access to clean water.



### Mandiri Scholarship



In 2024, Bank Mandiri provided scholarships to the National Flag Hoisting Troop at the national level, the children of military and police personnel, and other educational scholarships.

## BANGKIT BERSAMA WITH MANDIRI



### Mandiri Sharing Kindness



- Providing gifts to 57,000 orphans, 5,000 cans of sacrificial meat, 278,100 packages of sacrificial meat, 300 pairs of secondhand but usable shoes, and donations to 2,600 orphaned children.
- Distributing 70,200 affordable social packages to underprivileged families.
- Distributing more than 2,000 gift packages to orphanages and nursing homes on Christmas Day



### Disaster Response



16,000 aid packages distributed across more than 20 locations.



### Development of Public Facilities and Infrastructure



Development of public facilities, including 132 places of worship (mosques, churches, and temples), road repairs at 78 locations, renovation and construction of community halls at 38 locations, and other public infrastructure projects.





# Sustainable Banking

## 130 Responsible Financing Strategy

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- Engagement with Policymakers
- Internal Capacity Building

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- Sustainable Financing
- Sustainable Financing Portfolio
- Sustainable Financing Products
- Sustainable Funding
- Sustainable Investment



# Responsible Financing Strategy

Through the Sustainable Banking pillar, Bank Mandiri is committed to leading Indonesia's transition towards a low-carbon economy by supporting responsible business practices, strengthening strategic collaborations, and promoting sustainable financing across various priority sectors.



## Engagement with Stakeholders

Bank Mandiri is committed to being a strategic partner in supporting its customers' sustainability journeys. To realize this commitment, the Company has established a dedicated ESG Desk, tasked with aligning customer needs with sustainable products, financing, and other green financial solutions. Through the ESG Desk, business opportunities are actively identified and sustainable financing innovations developed, tailored to market dynamics. Customer engagement is carried out through the following initiatives:

- 1 Consultation and Advisory**  
Acting as an advisor on ESG Financing to assist customers in transitioning to more environmentally friendly business activities.
- 2 Provision of Sustainable Financial Products and Services**  
Offering financial products such as green financing, social financing, transition financing, sustainable bonds, and ESG-based investment instruments.

- 3 Training and Capacity Building Programs**  
Providing training and workshops to enhance customers' understanding and ability to implement sustainability principles.
- 4 Sustainability Research Reports**  
Through Mandiri Institute, Bank Mandiri provides sustainability research reports accessible to customers, helping them understand and identify sectoral sustainability risks and business opportunities.

Bank Mandiri actively engages with high-emission sectors to encourage the transition towards sustainable business practices while also contributing to raising environmental awareness among stakeholders.





## Active Engagement with Priority Sectors

Palm Oil  
(Agriculture)

Oil and Gas

Mining

Energy

Livestock

Other Sectors  
(Steel and Iron,  
Fast Moving  
Consumer Goods,  
Construction, and  
others)

Does the customer have an ESG framework and a transition plan?

YES 

1. Does the customer's ESG framework cover all their business lines and operations?
2. Is the customer's transition plan aligned with the Paris Agreement (global temperature target of 1.5°C)?
3. What challenges does the customer face in implementing their ESG framework or transition plan?
4. How can Bank Mandiri assist the customer in overcoming these challenges?
5. Has the customer identified risks and opportunities related to sustainability aspects?

NO 

1. What are the reasons the customer does not yet have an ESG framework or transition plan?
2. How can Bank Mandiri assist the customer in developing their ESG framework and transition plan?

Engagement Outcomes:

100% customer engagement through evaluation and ESRM\* profiling.

Active engagement with priority sectors is carried out through various initiatives that support sustainability, including socialization related to sustainability practices in priority sector industries. These initiatives aim to support the development of sustainable industries and promote sustainability principles across various sectors.



### Indonesian Sustainable Palm Oil (ISPO) Certification Socialization: Education and Assistance

Bank Mandiri conducted a hybrid ISPO certification socialization event on December 4, 2024, involving 98 participants from core companies and cooperative plasma debtor partners. A total of 44 participants attended in person at Mandiri University Wijaya Kusuma, while 54 joined virtually via an online platform. The session covered key topics, including the benefits, requirements, and procedures for certification, as well as financing facilities available to stakeholders. Through this initiative, Bank Mandiri reinforced its commitment to supporting sustainable finance, aiming to accelerate the ISPO certification process for cooperative plasma debtors. This effort is expected to contribute to fostering a more responsible and sustainable palm oil industry.



\*Refer to page 134

## Engagement with Policymakers

Bank Mandiri actively engages with policymakers and industry players to promote sustainability practices in Indonesia. This engagement is carried out through technical committees, forums, and individual meetings. Additionally, Bank Mandiri involves board-level management in climate risk strategies as part of a proactive approach integrated into its business strategy.

In terms of regulatory aspects, Bank Mandiri advances sustainability practices through the following initiatives:

### 1 Climate Risk Testing through Scenario Modeling or Sensitivity Analysis

Bank Mandiri has developed a climate risk stress test submitted to the Financial Services Authority (OJK) to identify the impact of climate risks on the bank's portfolio. Furthermore, Bank Mandiri provides feedback to regulators on climate risk testing in the banking sector, particularly regarding challenges, methods, and methodology development based on obtained data.

### 2 Support for Green Taxonomy

Bank Mandiri is a member of the Taskforce for developing Indonesia's Sustainable Finance Taxonomy (TKBI) and Green Taxonomy (THI) and is one of the banks participating in the first pilot project for THI. Bank Mandiri's role includes providing feedback to regulators on taxonomy and actively participating in focus group discussions (FGDs) with OJK, banking associations, and other industry players. Bank Mandiri has submitted quarterly reports on THI and TKBI to OJK.

### 3 Collaboration with Relevant Ministries

Bank Mandiri ensures that its initiatives align with national and state-owned enterprise (SOE) policies, including synergies in renewable energy projects, carbon trading mechanisms, industry incentive schemes, and the identification of required private investments through strategic collaboration.

## Internal Capacity Building [GRI 404-2]

Through its ESG desk, Bank Mandiri develops sectoral expertise among Relationship Managers (RMs) and credit analysts to deepen their understanding of material environmental and social issues in key sectors. Relationship Managers actively communicate our sectoral credit policies and gather feedback from companies to strengthen these policies, ensuring alignment with regulations and global best practices.

Bank Mandiri provides training to Relationship Managers to enhance their understanding and ability to effectively identify ESG risks, ensuring risk management adheres to sustainability principles. This Credit risk management training covers topics such as Credit Policy Assessment (KPKD) 2024, FI Credit Risk Analysis, Sustainable Learning Product & Fraud Risk, Climate Risk Stress Testing: Quantifying the Impact of Climate Risk, and Environmental Risk for Banks, attended by 12,168 participants in 2024.

In terms of engagement, the Board of Directors and Board of Commissioners are actively involved in capacity-building efforts to establish internal expertise as the highest decision-makers, both in formulating sustainable business strategies and in ESG risk management policies. ESG training attended by the Board of Directors and Board of Commissioners in 2024 included:

[2-17]

Topic	Details	Number of Executive Management
Sustainability	Sustainability Live: Route to Net Zero, A Circular Economy, Climate Finance, Supply Chain Sustainability, and Renewable Energy	1
ESG Risk Management	Enterprise Risk Management to be Sustainable Bank	4
ESG Business Opportunities	The Role of Financial Institution to Support Indonesia towards Low Carbon Economy	8



# Integration of ESG in Credit Risk Assessment

[FN-CB-410a.2]

As one of Indonesia's largest banks, Bank Mandiri is committed to mitigating negative impacts on the environment and society while fulfilling its strategic responsibility to promote sustainable economic growth. This approach aligns with our vision to create sustainable value for all stakeholders through the following initiatives:

1

## Integration of ESG in Credit Risk Assessment

Bank Mandiri integrates Environmental, Social, and Governance (ESG) factors throughout the credit lifecycle, from the application process to monitoring. The framework is designed to conduct in-depth assessments of ESG risks. Additionally, Bank Mandiri has established a Sustainable Finance Framework and a Transition Finance Framework to identify financing and projects that comply with applicable regulations and global standards.

2

## In-Depth Assessment for ESG-Intensive Industries

Bank Mandiri conducts comprehensive assessments for industries with high ESG intensity to ensure compliance with sustainability policies. This includes:

- **Policy Alignment**

Bank Mandiri adopts international standards such as the International Finance Corporation (IFC), integrating ESG criteria into the compliance checklist applied to customers.

- **Sector-Specific ESG Assessment**

ESG assessment systems are specifically designed for sectors with high exposure to environmental risks, such as energy, agriculture, oil, and gas. This process involves Enhanced Due Diligence (EDD) to ensure compliance.

- **Environmental Impact Identification**

Bank Mandiri calculates Scope 3 emissions originating from financing activities and analyzes the impact of physical and transition risks. Additionally, Bank Mandiri conducts comprehensive climate risk stress tests to identify the effects of climate change on its portfolio, focusing on both physical risks and transition risks. The results of these analyses form the basis for business units, risk management, and the Board of Directors in formulating business strategies oriented toward mitigating and adapting to climate change risks.

3

## Debtor Monitoring and Engagement

ESG risks are monitored quarterly using analytical systems, such as the ALERT early warning system for wholesale segments and the Early Warning System (EWS) for retail segments. Account-owning business units and credit analysts actively engage in communicating agreed compliance requirements with debtors. This process is periodically reviewed based on predetermined timelines to ensure consistent oversight.

4

## Governance and Oversight

The commitment to ESG is overseen by the Risk Management Committee, which includes senior management from the Risk, Business, and Compliance departments and is responsible for defining the Bank's business strategy. This governance structure ensures a transparent and accountable approach to financing that incorporates environmental, social, and climate-related risks.

5

## Transparency and Reporting

Bank Mandiri is committed to transparency by disclosing data related to ESG financing in its annual sustainability report, in compliance with applicable regulations and best practice disclosure standards.

## Environmental and Social Risk Management (ESRM)

Environmental and Social Risk Management (ESRM) is a risk management approach implemented by Bank Mandiri to evaluate the readiness of debtors in addressing the impacts of climate change while strengthening risk analysis and mitigation processes. ESRM applies to all of Bank Mandiri's credit services, including retail, treasury, corporate finance, and consumer finance segments.

A key component of ESRM is the Environmental Social Compliance Checklist (ESCC), a qualitative evaluation tool to ensure that debtors comply with environmental and social criteria in accordance with applicable regulations while supporting Bank Mandiri's business growth. Furthermore, Bank Mandiri enforces credit policies that incorporate ESG aspects, adhering to the principles of prudence and intensive monitoring.

Scope of management system to assess ESG risks in financing activities, utilizing both ESCC and credit policies, for wholesale debtors (financing above Rp25 billion), encompassing project finance and corporate finance. High-risk sectors for social and environmental impacts are required to undergo stricter due diligence processes, as outlined in sectoral policies. Non-compliance with these policies may result in loan rejection or conditional approval.

The evaluation outcomes from the ESCC serve as the basis for developing action plans for customers to address unmet environmental and social criteria and to formulate financing strategies aligned with the Net Zero Emission (NZE) Financing 2060 target or earlier. This process includes analyzing debtors' environmental and social risk profiles, which will serve as a key reference for Bank Mandiri's Decarbonization Plan in 2025. In this regard, the management, including the Board of Directors, proactively establishes business strategies aligned with the results of the ESG assessments.

Debtors are analyzed based on eight parameters defined by the International Finance Corporation (IFC). These globally recognized parameters guide Bank Mandiri in identifying and managing environmental and social risks while ensuring the implementation of sustainable business practices in project financing, including corporate finance schemes. This approach underscores Bank Mandiri's commitment to supporting sustainability and responsible development. The eight parameters are:



### Physical Risks, Transition Risks, & Emission Calculations (Scope 1, 2, & 3)

This underscores the importance of assessing, managing, and monitoring environmental and social risks and impacts in every project. Project managers are required to develop effective environmental and social management systems to ensure sustainability. Bank Mandiri encourages companies to take preventive measures to address climate risks, including both physical risks and transitional risks, while conducting comprehensive emission calculations covering Scope 1, 2, and 3 from their business activities and operations. Additionally, publicly listed companies must transparently disclose the results of these calculations in their sustainability reports.



### Human Rights

This stresses the importance of fair treatment of workers, encompassing non-discrimination, occupational health and safety, and freedom of association. It also prohibits forced labor and the exploitation of child labor. Bank Mandiri requires customers to establish policies that support the protection of human rights and ensure the fulfillment of fundamental labor rights in accordance with International Labor Organization (ILO) conventions. These policies must include respect for freedom of association, the implementation of Occupational Health and Safety (OHS) procedures, and mitigation measures against prohibited labor practices.



### Resource Efficiency and Pollution Prevention

This focuses on the efficient use of natural resources, including water and energy use, as well as preventing environmental pollution through effective waste and emissions management. In the Environmental and Social Compliance Checklist (ESCC), Bank Mandiri encourages customers to adopt resource efficiency measures, such as energy and water conservation, tailored to the specific characteristics and needs of their respective sectors.



### Community Health, Safety, and Security

This emphasizes the importance of identifying, preventing, and managing risks that may affect the health, safety, and security of communities surrounding the project. Additionally, it promotes the establishment of constructive relationships with local communities. Bank Mandiri encourages its customers to implement procedures or mitigation measures aimed at minimizing negative impacts on the health and safety of communities near the project.



### Land Acquisition and Resettlement

Guidance is provided to ensure that land acquisition processes are conducted fairly, minimizing forced evictions. If evictions are unavoidable, the project must offer adequate compensation and ensure the restoration of livelihoods for affected communities. If a company's business activities require land acquisition, Bank Mandiri mandates that customers have land acquisition policies and/or procedures that comply with applicable laws and regulations. Additionally, Bank Mandiri encourages customers to monitor and evaluate the impacts of land acquisition and resettlement during and/or after project implementation.



### Biodiversity Conservation and Sustainable Management of Living Natural Resources

This aims to protect biodiversity, preserve ecosystems, and ensure the sustainable management of biological resources, including within protected areas. Bank Mandiri integrates biodiversity considerations into its sustainable risk management policies, particularly for sectors such as forestry, mining, and agriculture. Bank Mandiri conducts assessments of customer activities to ensure alignment with responsible environmental practices and to avoid actions that negatively impact critical natural habitats. This parameter provides guidance to encourage companies to support biodiversity conservation. Bank Mandiri requires customers to possess approved Environmental Impact Analysis, Environmental Management and Monitoring Efforts, or Statement of Environmental Management documents from the relevant authorities. Additionally, if a company's business activities have the potential to impact biodiversity (including species listed under Convention on International Trade in Endangered Species of Wild Fauna and Flora/CITES), customers must have procedures and/or mitigation measures in place to minimize such impacts.



### Indigenous Peoples

This aims to ensure respect for the rights, culture, and values of indigenous communities. Companies are required to obtain Free, Prior, and Informed Consent (FPIC) before initiating projects that could have significant impacts on indigenous peoples. Bank Mandiri encourages its customers to implement programs and/or initiatives that empower indigenous communities, enhance their well-being, and preserve the surrounding environment, which is an integral part of their lives. These initiatives must be carried out inclusively and based on constructive dialogue with indigenous communities.



### Cultural Heritage

This aims to protect cultural heritage, both tangible (such as historic buildings, monuments, or archaeological sites) and intangible (such as traditions, customs, and local wisdom), from potential negative impacts caused by a project. Bank Mandiri is committed to refraining from financing companies located near cultural heritage sites, such as United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage sites or government-protected cultural reserves, unless the project is aimed at preservation. In such cases, companies are required to implement adequate procedures and/or mitigation measures to manage and minimize negative impacts on cultural heritage sites during project implementation.

At the initial stage of evaluating customers based on Environment and Social Risk Management (ESRM), Bank Mandiri conducts a mandatory assessment covering several key aspects: Physical Risks, Transition Risks, and Emission Calculations (Scope 1, 2, and 3); Working Conditions and Treatment of Labor; Land Acquisition and Resettlement; as well as Biodiversity Conservation and Sustainable Management of Biological Natural Resources, in compliance with applicable policies and regulations in Indonesia.

## ESG Risk Management System

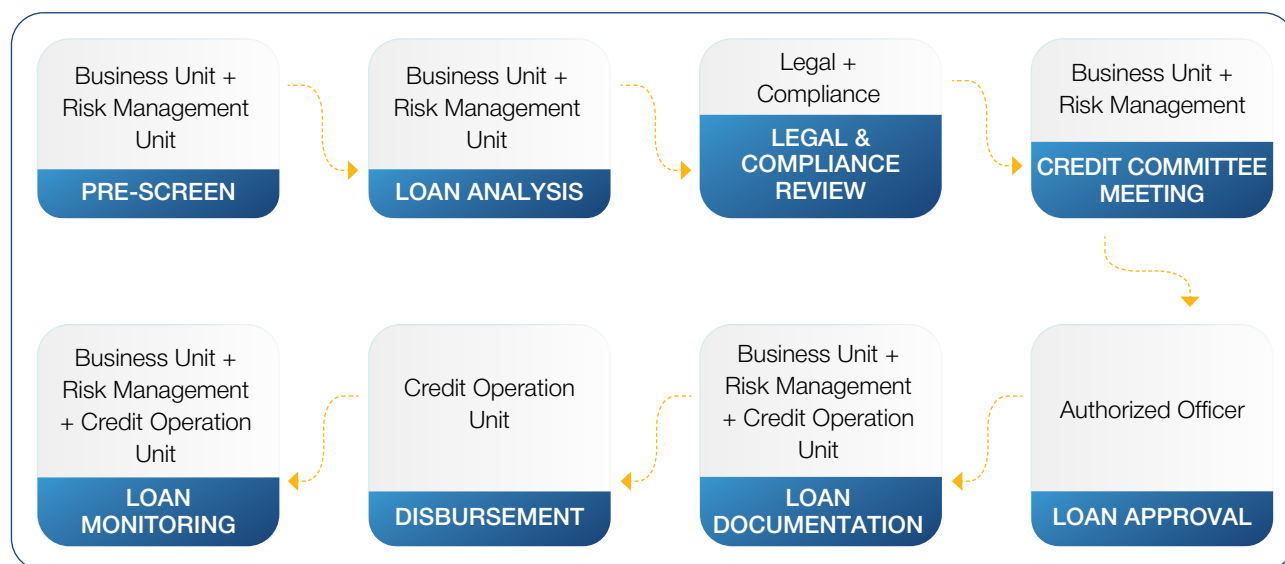
The ESG risk assessment in credit is conducted end-to-end at each stage of credit distribution and is integrated by the Business Unit, Credit Operation Unit, and Credit Risk Management Unit. Bank Mandiri sets the risk appetite that the Bank and the industry are willing to accept, aligning it with ESG aspects in the Bank's policy. The results of this determination are then outlined in the technical guidelines of the Industry Acceptance Criteria (IAC) through Internal Regulation No. B3.P1.T16.IAC.

Each Business Unit performs assessments based on the Loan Portfolio Guideline, which includes Industry Classification (IC), Industry Limit (IL), Industry Acceptance Criteria (IAC), and sectoral credit policies. The Business Unit then continues

the pre-approval process using credit risk tools, including the application of ESG aspects. For the retail segment, the assessment is carried out based on the Industry Acceptance Criteria (IAC) and through the credit risk scorecard, referring to the applicable risk acceptance criteria for each product.

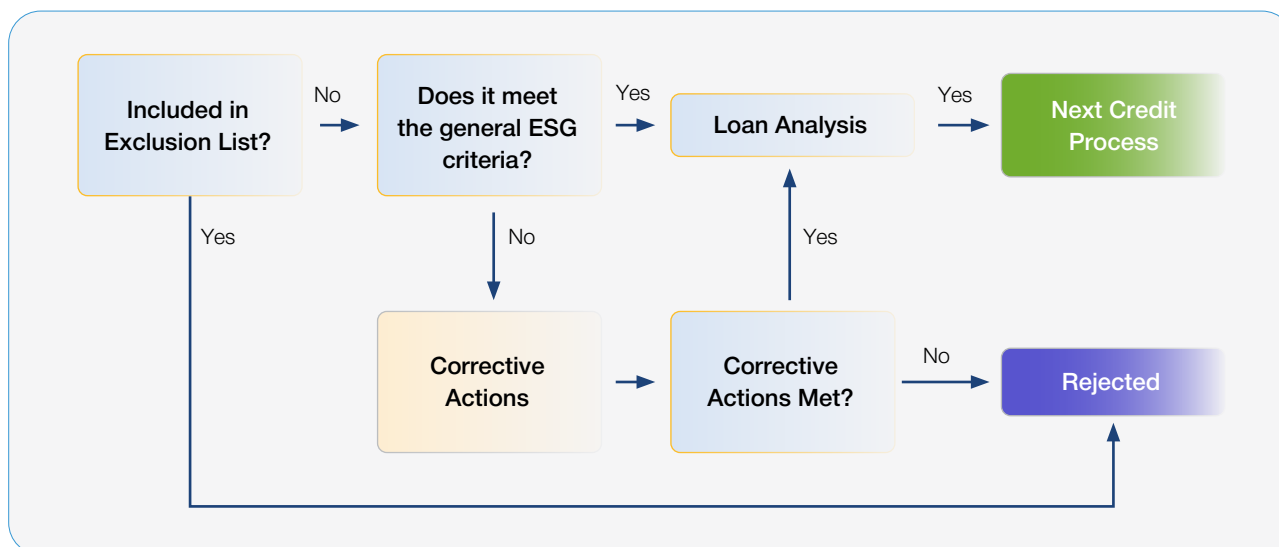
In the credit approval process, Bank Mandiri has implemented Environmental and Social Risk Management (ESRM) from the pre-selection (feasibility test), credit analysis, legal and compliance reviews, credit approval, to the monitoring process. The ESG risk management system in the credit process covers all credit services at Bank Mandiri (corporate finance and consumer finance).

## Integration of ESG in Credit Approval Process



## 1. Pre-Screening

At the pre-screening stage, Bank Mandiri conducts a comprehensive feasibility test to identify the ESG aspects of potential customers. This process is carried out by the Business Unit and the Risk Management Unit to ensure that the prospective debtor meets all the established criteria, including name clearance (Know Your Customer/KYC and Anti-Money Laundering and Counter-Terrorism Financing /AML-CTF), as well as alignment with the prospective industry that considers ESG factors, before moving forward to the credit disbursement stage. The mechanism for the feasibility test on potential debtors is as follows:



## 2. Credit Analysis

At this stage, the Business Unit and the Risk Management Unit conduct a comprehensive credit analysis by reviewing various aspects. The analysis includes qualitative aspects, such as industry and market prospects, as well as the company's management quality. Additionally, legal and compliance documents, such as AMDAL, UKL, PROPER, OHS, and other environmental regulations, are reviewed to ensure compliance. Along with these documents, business prospects and marketing strategies are also the focus of analysis. From a quantitative perspective, the company's financial performance is evaluated. Risk assessment and mitigation, including ESG aspects, are also key components of this process.

### 3. Legal and Compliance Review

At this stage, Legal & Compliance provides legal opinions and solutions related to legal aspects, including ESG, in credit granting. This process includes a review of both internal and external regulations (laws and regulations).

### 4. Credit Committee Meeting

The credit approval process is carried out in the Credit Committee Meeting Forum, which consists of at least two members, each representing the Business Unit and the Risk Management Unit. The parties play a role in the decision-making process regarding credit approval.

### 5. Credit Approval

Credit approval is carried out by authorized officers in accordance with the credit limits set by Bank Mandiri's internal regulations. This authority is held by officers

with the titles of Vice President, Senior Vice President, and up to the Board of Directors level.

### 6. Credit Documentation

This stage involves the Business Unit, Risk Management Unit, and Credit Operations Unit. The Business Unit is responsible for ensuring the fulfillment of credit documentation requirements and the signing of the credit agreement. The Risk Management Unit reviews to ensure that the credit agreement is in accordance with the decisions made in the Credit Committee Meeting. Meanwhile, the Credit Operations Unit prepares the credit agreement, ensures the collateral and insurance binding, and reviews the fulfillment of credit conditions.

### 7. Credit Disbursement

The credit disbursement process is carried out by the Credit Operations Unit and includes several important steps: compliance review to ensure adherence to credit requirements, loan activation to enable the credit facility, and loan disbursement, which is the final step in releasing the funds to the debtor.

### 8. Credit Monitoring

Bank Mandiri consistently monitors the fulfillment of environmental and social aspects set in the credit terms as part of enhanced due diligence. This process is carried out by the Business Unit, Risk Management Unit, and Credit Operations Unit, with a focus on several key activities, including periodic calls and on-site visits, fulfillment of credit conditions, annual reviews, early warning systems (ALERT), stress tests and sensitivity analysis, as well as monitoring the maturity of documents.



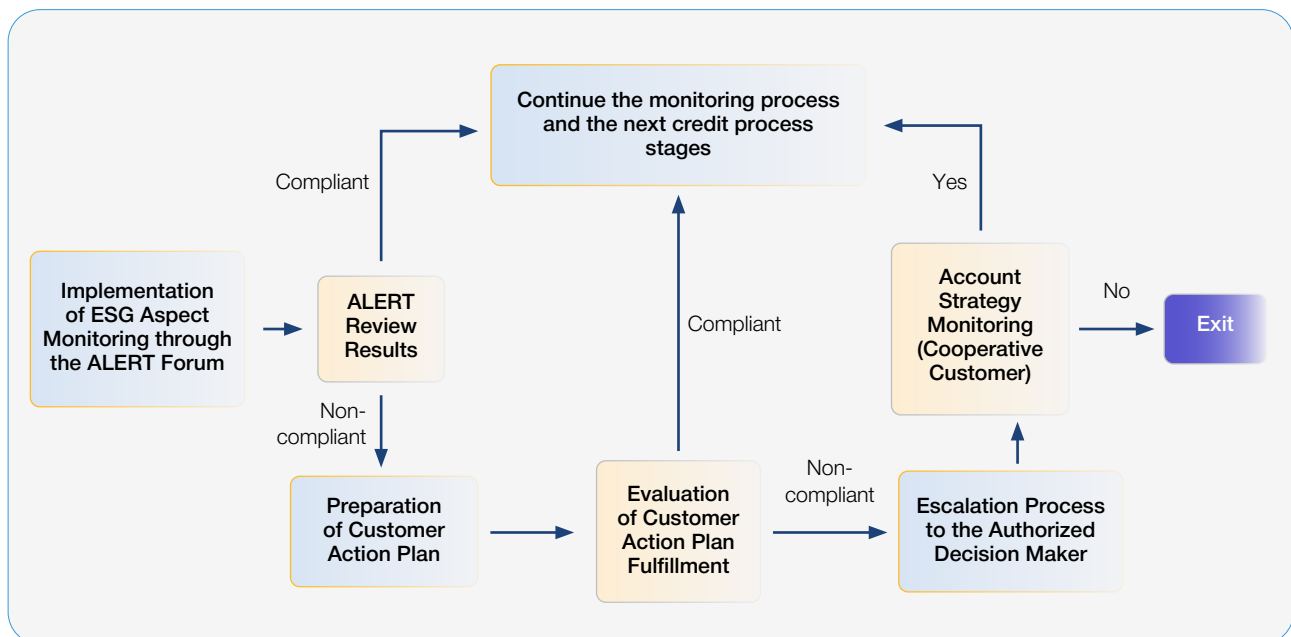
Bank Mandiri has an early warning system (Forum ALERT) that involves the Business Unit and Risk Management Unit. The ALERT Forum functions to identify and monitor risks that may affect credit quality, including risks related to Environmental, Social, and Governance (ESG) aspects, financial performance, and industry prospects. Additionally, this forum plays a role in evaluating the implementation of ESG by debtors, assessing business sustainability, and monitoring the mitigation steps for climate change impacts.

ESG due diligence triggers and risk escalation process clearly defined to ensure that all identified risks are addressed appropriately according to ESG principles. Bank Mandiri establishes thresholds, such as compliance with environmental certifications or social standards in accordance with applicable laws, as the main triggers for this due diligence. If the risk reaches these thresholds, Bank Mandiri requires debtors to have an action plan to meet the ESG aspects within a time frame suitable for the type of business. This action plan is periodically evaluated

to ensure the debtor's compliance with the established standards. If the ALERT Forum's review indicates that the debtor has not complied with ESG aspects despite undergoing the action plan development and evaluation process, further corrective actions may be taken to ensure ESG compliance. Additional feasibility tests are conducted if the debtor fails to meet the established financing criteria.

The escalation mechanism is applied in the ALERT Forum if there are findings of ESG-related risks that cannot be resolved at the technical level between the Business Unit and Risk Management Unit with the debtor. In such situations, the oversight function from the credit decision-making authority is required. This function is carried out by officers at the Senior Vice President level up to the Board of Directors to ensure appropriate mitigation steps and further decision-making. If ESG impacts are found to be severe during the due diligence process, escalation is made to the Board of Directors to CEO for decision-making.

### Monitoring ESG Aspects in the ALERT Forum



As an example of extra due diligence on the triggers of ESG non-compliance in debtor performance, in evaluating the environmental performance of debtors, Bank Mandiri refers to the Corporate Performance Rating Program (PROPER) managed by the government, with a minimum rating of "Blue." However, there are cases where debtors experience a decline in their PROPER rating, which is generally caused by business activities that have the potential to harm the environment, such as improper management of hazardous and toxic waste, as well as emissions exceeding the established threshold limits.

Upon this finding, Bank Mandiri escalates the issue to senior management, where the findings related to the PROPER decline are reported and discussed to determine the strategic actions that should be taken. Debtors are encouraged to improve their PROPER rating to at least "Blue" within the agreed timeframe, considering a tailored approach based on the conditions and needs of each case. Bank Mandiri provides guidance for drafting an action plan that includes concrete steps to address the causes of the PROPER decline. Subsequently, in senior management meetings, the debtor's improvement plan is discussed in detail, including the preparation of an action plan with measurable targets. These targets are then incorporated into the credit agreement.

Bank Mandiri regularly monitors the progress of the debtor's action plan and conducts evaluations to ensure that improvements are implemented according to the agreed schedule. This monitoring continues until the debtor has fully executed the action plan and met the necessary improvements.

## Strengthening Governance and Oversight of ESG Risks at Bank Mandiri

Oversight of ESG risk management in financing activities at Bank Mandiri is led by the President Director. As a strategic step to strengthen governance and enhance oversight of the company's sustainability agenda, Bank Mandiri has established a Risk Monitoring Committee (KPR). KPR focuses on integrating Environmental, Social, and Governance (ESG) aspects into core business processes, including strengthening sector-based credit policies, implementing Environmental and Social Risk Management (ESRM), Climate Risk Stress Tests (CRST), and managing other ESG aspects. The committee is chaired by the President Commissioner, with members from the Board of Commissioners and the Board of Directors, bringing diverse backgrounds in business and risk management to ensure synergy of expertise and experience.

In addition to the KPR, Bank Mandiri also formed a Risk Management Committee (RMC) at the Director level, chaired by the Vice President Director. The RMC members include the Director of Risk Management, the Director of Finance & Strategy, the Director of Business, and several other members of the Board of Directors. This committee is responsible for monitoring risks, setting policies, and developing risk management strategies, including aspects related to ESG. The RMC holds quarterly meetings to discuss strategic topics related to risk management.

Bank Mandiri continues to strengthen its sustainability governance structure by separating the functions of the Credit Policy Committee (CPC) from the Risk Management Committee (RMC). The CPC is chaired by the President Director, with voting members comprising the Business Director, Operations Director, Risk Management Director, and SEVP Internal Audit. This committee is tasked with evaluating and overseeing the implementation of credit policies, providing recommendations to the Board of Directors regarding credit policy improvements, monitoring and assessing compliance with the Maximum Limit for Credit Provision (BMPK), and evaluating management limits. Policies that have been reviewed are subsequently

submitted to the Board of Commissioners for approval. As part of Good Corporate Governance practices, these credit policies are reviewed annually to ensure alignment with best practices and compliance with applicable laws and regulations.

Throughout 2024, the KPR, RMC, and CPC held regular meetings to discuss various strategic topics related to sustainability, including:

- Monitoring relevant international trends and policies to strengthen Bank Mandiri's sustainability strategy.
- Evaluating physical and transition risks related to climate, as well as enhancing ESG risk assessments to ensure business resilience.
- Refining reporting in accordance with international standards such as TCFD, SASB, and GRI to enhance transparency.
- Promoting business strategies that encourage the transition of customers through innovative green and sustainable financial solutions.
- Approving the underlying assets for the preparation of the Sustainability Bond Report, ESG Repo Report, and Green Bond Rupiah Report.
- Approving the Sustainable Finance Framework (SFF) and Transition Finance Framework (TFF).

The outcomes of discussions and recommendations from these committees are regularly communicated to the relevant Board of Directors and Board of Commissioners. This mechanism ensures accountability, transparency, and optimal integration in the strategic decision-making process.

With a comprehensive governance structure, Bank Mandiri affirms its commitment to making sustainability aspects, including climate risk and opportunity management, an integral part of its long-term business strategy. This step reflects Bank Mandiri's continuous efforts in supporting sustainable development and creating a positive impact for the environment, society, and stakeholders.

## Credit Policy

In the Bank Mandiri Policy Architecture, Bank Mandiri is committed to conducting its business and operations by prioritizing the principles of sustainable development. Bank Mandiri consistently considers potential environmental harm as well as social and environmental risks in every decision-making process. Bank Mandiri's ESG credit policy encompasses several key criteria. In the environmental aspect, the criteria include environmental risk analysis, the project's impact on ecosystems, compliance with environmental regulations, and efforts in natural resource conservation and energy efficiency. This aligns with the Financial Services Authority (OJK) regulation on the Assessment of Commercial Bank Asset Quality, which requires debtors to ensure environmental sustainability in their business prospects.

From a social perspective, the criteria cover the welfare of local communities, human rights protection, compliance with labor standards, and the social impacts of operational activities. Regarding governance, the criteria focus on transparency, accountability, adherence to good governance principles, and compliance with applicable regulations.

### General Environmental Criteria

Bank Mandiri requires prospective debtors to meet the following general environmental criteria:

- Have environmental management documents in accordance with the industrial sector and applicable regulations, including Environmental Impact Analysis (AMDAL)\* documents for mandatory business/activity plans or Environmental Management Effort (UKL) and Environmental Monitoring Effort (UPL) documents.
- Provide the results of the Company Performance Rating Program in Environmental Management (PROPER) assessment, as required by applicable regulations.
- Hold relevant environmental management permits/certifications or meet other applicable environmental criteria in compliance with prevailing laws and regulations.

### General Social Criteria

Bank Mandiri requires prospective debtors to meet the following general social criteria:

- Have internal policies on Environmental Management and Occupational Health and Safety (OHS) Management that are acceptable to the bank.
- Hold relevant environmental management permits/certifications or meet other applicable social criteria in accordance with prevailing laws and regulations.

### General Governance Criteria

Bank Mandiri requires prospective debtors to meet the following general governance criteria:

- The composition of the Board of Directors (skills and experience) is a key consideration in credit analysis, including the directors' professional background. Changes to the Board of Directors typically require the Bank's approval and are stipulated in the credit covenant.
- In financial aspects, the Relationship Manager (RM) requests audited financial statements from customers. However, audited financial statements are not mandatory for retail customers. Public companies are required to prepare sustainability reports in accordance with the provisions of the Industry Acceptance Criteria (IAC).

\* Referring to the Regulation of the Minister of Environment and Forestry of the Republic of Indonesia Number P.38/MENLHK/SETJEN/KUM.1/7/2019 concerning Types of Business Plans and/or Activities Required to Have an Environmental Impact Analysis (AMDAL), which mandates debtors to comply with the conclusions and recommendations of AMDAL as required by the Ministry of Environment and Forestry (KLHK). ESG impacts considered in AMDAL include, but are not limited to: (1) forestry sector: avoiding disturbances to forest ecosystems, hydrology, biodiversity, pests, landscapes, and social conflicts; (2) agricultural sector: soil erosion, changes in water availability and quality due to land clearing, spread of pests, diseases, and weeds during operations, and changes in soil fertility due to the use of pesticides/herbicides.

## Exclusion List

Bank Mandiri remains committed to not providing credit financing for business activities that may have negative impacts on the environment and society, as outlined in the following exclusion/negative list:

### 1. Environmental Aspects

- a. Illegal logging;
- b. Land clearing on peatland;
- c. Related to biodiversity: Business activities that disrupt protected areas, such as World Heritage Sites (UNESCO World Heritage Sites), wetlands meeting Ramsar Convention\*\*\* criteria, and areas with high biodiversity categorized as protected areas under IUCN Categories I and II, as well as in accordance with the Convention on Biological Diversity\*\*\*\*.

### 2. Social Aspects

- a. Human rights violations as stipulated in labor laws and ILO Conventions\*\*;
- b. Drug abuse;

### 3. Governance Aspects

- a. Other business activities that are not in compliance with applicable laws, including but not limited to: pornography, gambling, money laundering, corruption, collusion, and nepotism, as well as goods and services that violate prevailing legal regulations.

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\*\* Applicable labor regulations in accordance with ILO standards, namely: Law No. 21 of 2000 on Trade Unions; Law No. 13 of 2003 on Manpower as amended by Law No. 11 of 2020 on Job Creation; Law No. 2 of 2004 on Industrial Relations Dispute Settlement; as well as laws related to the ratification of ILO conventions.

\*\*\* The Ramsar Convention on Wetlands, ratified through Presidential Regulation No. 48 of 1991.

\*\*\*\* The Convention on Biological Diversity (CBD), ratified through Law No. 5 of 1994, with reference to the guidelines for the use of IUCN protected area categories under the CBD.

## Credit Policy for Priority Sectors

The risk policy is outlined in the Industry Acceptance Criteria (IAC) document No. B3.P1.T16.IAC 2023. The policies related to each sector are reviewed periodically to align with business developments and are rigorously monitored or supervised, similar to formal credit policies. Credit policies related to ESG aspects are approved by senior management. To identify these priority sectors, Bank Mandiri refers to sectoral exposure and direct involvement of group credit, including examples of deep dive assessments for ESG intensive industries. The priority sectors include:



### Agriculture

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a minimum PROPER rating of Blue and/or at least an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
2. Having a Wastewater Treatment Facility (IPL) with a study that ensures the IPL is operational and that water quality parameters are within the specified limits.
3. Having a Sustainability Report for public companies.
4. Having a commitment to the No Deforestation, No Peat, and No Exploitation (NDPE) Policy, covering land clearance and development, conservation of High Conservation Value (HCV) and/or High Carbon Stock (HCS) areas, and peatland.
5. Having no new facilities allowed for development in peatland, whether for new or existing debtors.
6. Having a Wastewater Treatment Facility (IPL) with a study related to the availability of operational IPL and that water quality parameters are within the specified limits.
7. Having ISPO and/or RSPO certification, or at least proof of registration in the form of a receipt from the certification body, for the palm oil plantation subsector.
8. For palm oil plantations that do not yet have ISPO and/or RSPO certification, the following criteria apply:
  - a. Having a business ethics code, environmental policy, and labor policy (including Occupational Health and Safety).
  - b. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.
  - c. Having SOPs for fire prevention and management, fire-fighting equipment suitable for land conditions, fire monitoring towers, and a trained fire response team according to the standards of the Directorate General of Plantations (Ditjenbun).
  - d. Having plantation companies with land areas of 250 hectares or more facilitate the development of community plantations covering at least 20% of the area outside the IUP-B (Plantation Business Permit) or IUP (Plantation Permit) or as specified in the location permit.



### Coal

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Not providing financing to new mining operations (exploration phase).
2. Having a minimum PROPER rating of Green and/or at least an AMDAL or UKL-UPL report (including reclamation and post-mining guarantees) approved by the Environmental Agency (BLH).
3. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the bank.
4. For financing mining operations as suppliers to coal-fired power plants (PLTU), the financing term must consider a coal phase-out strategy in line with the applicable PLN's RUPTL (Electricity Supply Business Plan).
5. If mining is conducted in forested areas, the mining company must have a Forest Area Borrowing Permit issued by the Ministry of Environment and Forestry.
6. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.





## Energy

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a PROPER rating and/or at least an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
2. For financing the development of new coal-fired power plants (PLTU) with PLN as the off taker, the financing term must consider the alignment with the coal phase-out strategy in accordance with the applicable PLN's RUPTL (Electricity Supply Business Plan).
3. For power plants that are already operational, having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.
4. For operational power plants, having a Code of Conduct, environmental policies (such as carbon emissions, coal ash, and water and waste management), and labor policies.
5. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.
6. Specifically for Hydroelectric Power Plants (PLTA), having a Feasibility Study that is prepared or reviewed by an independent consultant, including a Hydrological Study related to the adequacy of river water flow, to ensure that it does not disrupt the sustainability of the ecosystem (biodiversity and local communities' access to clean water).



## Construction

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.
2. Having internal policies (Code of Conduct) related to the environment and labor.
3. Having internal policies and standard operating procedures (SOP) related to accident handling for toll road operators.
4. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.



## Mining

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a minimum PROPER rating of Green and/or at least an AMDAL or UKL-UPL report (including reclamation and post-mining guarantees) approved by the Environmental Agency (BLH).
2. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.
3. The company applies good mining practices in accordance with applicable laws and regulations, including submitting the Work Plan and Budget (RKAB) for the relevant year approved by the Ministry of Energy and Mineral Resources (ESDM), and/or other required documents related to good mining practices.
4. Having internal policies (Code of Conduct) related to the environment and labor.
5. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.



## Other Transport Equipment Industry (Shipyard)

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.
2. Having efforts to implement energy efficiency and emission reduction, supported by documents that are acceptable to the Bank.
3. For public companies, having a Sustainability Report is mandatory.
4. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.



## Fast Moving Consumer Goods (FMCG)

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a minimum PROPER rating of Blue and/or at least an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
2. Having a Code of Conduct, environmental policies (such as the use of chemicals, and water and waste management), and labor policies (including OHS).
3. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank, along with certification from the National Agency of Drug and Food Control (BPOM).
4. Having efforts to implement energy efficiency and emission reduction, supported by documents that are acceptable to the Bank.
5. For distributors, having provisions for packaging recycling or clear targets to reduce plastic waste with environmentally friendly materials.
6. For the bottled mineral water industry:
  - a. Having provisions for packaging recycling or clear targets to reduce plastic waste with environmentally friendly materials.
  - b. Using spring water in accordance with applicable laws and regulations, including maintaining water sources for sustainability and ensuring the availability of water for the surrounding environment.
7. Paying attention to labor aspects such as minimum wages and not employing workers under the legal age.



## Oil and Gas

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.
2. Having efforts to implement energy efficiency and emission reduction, in accordance with regulatory requirements at the business location. For public companies, having a Sustainability Report or similar documents.
3. Having an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
4. Oil and gas business activities must have documentation stating the fulfillment of all oil and gas safety requirements (for installations and equipment, workers, the general public, and the environment), with specific supporting documentation proven by a Supporting Business Certificate (SKUP).
5. Having policies/standards and procedures related to environmental management, and Occupational Health and Safety (OHS), in accordance with the applicable oil and gas regulatory authorities at the business location.



## Timber

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having an AMDAL (Environmental Impact Assessment) in accordance with the requirements of the relevant authorities.
2. Fulfilling the forest management permit documents for industrial timber plantations, including the Timber Forest Product Utilization Business Permit (IUPHHK) and/or Non-Timber Forest Product Utilization Business Permit (IUPHHBK), along with the approved Business Work Plan (RKU) from the Ministry of Environment and Forestry.



## Healthcare Services

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having internal policies on environmental management and Occupational Health and Safety (OHS) management that are acceptable to the Bank.
2. The hospital must have a Wastewater and Medical Waste Management Permit, as well as AMDAL/UKL/UPL documentation.



## Pharmaceutical

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having internal policies on environmental management and Occupational Health and Safety (OHS) management that are acceptable to the Bank.
2. The pharmaceutical company must have a Wastewater and Medical Waste Management Permit, as well as AMDAL/UKL/UPL documentation.



## Pulp and Paper

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having environmental management certification such as ISO 14001 and Occupational Health and Safety (OHS) management certification like ISO 45001, or other documents accepted by the Bank.
2. Having a minimum PROPER rating of Blue and/or at least an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
3. For public companies, having a Sustainability Report is mandatory.
4. The company must have efforts in place to implement energy efficiency, emission reduction, and ensure adequate electricity and water supply.
5. The company must have a wastewater treatment facility (IPAL), waste treatment facility (IPL), Liquid Waste Disposal Permit (IPLC), and hazardous and toxic waste (B3) treatment facility, supported by documents that are acceptable to the Bank.
6. For the pulp and paper trade, the company must have efforts/statements/self-declarations to meet the following principles/commitments:
  - a. Selling products or services that aim to minimize environmental harm.
  - b. A more environmentally friendly, efficient, cost-effective, and energy-efficient distribution process.
  - c. Allocating a budget for environmentally friendly marketing.
  - d. Not overusing resources.
  - e. Having sustainability certifications such as Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), or other similar environmental sustainability certifications.



## Metals

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Not providing financing to new mining operations (exploration phase).
2. Having a minimum PROPER rating of Green and/or at least an AMDAL or UKL-UPL report (including reclamation and post-mining guarantees) approved by the Environmental Agency (BLH).
3. The company applies Good Mining Practices in accordance with applicable laws and regulations.
4. Having Occupational Health and Safety (OHS) certification (such as OHSAS 18001 or other similar documents accepted by the Bank).
5. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.



## Telecommunications

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.
2. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.
3. Having efforts to implement energy efficiency and emission reduction, supported by documents that are acceptable to the Bank (if available).
4. For public companies, having a Sustainability Report is mandatory.
5. Having internal policies related to data privacy in accordance with applicable regulations, as well as having high-level systems and capabilities related to cybersecurity.



## Transportation

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001, as well as Occupational Health and Safety (OHS) management certification like ISO 45001 or other similar documents accepted by the Bank.
2. Having efforts to implement energy efficiency and emission reduction, supported by documents that are acceptable to the Bank.
3. For public companies, having a Sustainability Report is mandatory.



## Hotel, Restaurant & Accommodation

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a PROPER rating and/or at least an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. Having efforts to improve energy efficiency and reduce emissions, supported by documents acceptable to the bank.



## Fertilizers & Pesticides

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a PROPER rating and/or at least an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. Having a sustainable CSR program with measurable impact, supported by documents acceptable to the bank (for the group or its subsidiaries).
5. Having efforts to improve energy efficiency and reduce emissions, supported by documents acceptable to the bank.
6. Having technical approval documents for hazardous waste (B3) management and/or a legally licensed agreement for hazardous waste (B3) processing.
7. Having an Industrial Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, along with SOPs for the operation and maintenance of the wastewater treatment plant (IPAL).
8. For publicly listed companies, having a sustainability report.



## Cement

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a PROPER rating and/or at least an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH) (for cement plants).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. Having efforts to improve energy efficiency and reduce emissions, supported by documents acceptable to the bank.
5. Having technical approval documents for hazardous waste (B3) management and/or a legally licensed agreement for hazardous waste (B3) processing (for cement plants).
6. Having an Industrial Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, along with SOPs for the operation and maintenance of the wastewater treatment plant (IPAL) (for cement plants).
7. For publicly listed companies, having a sustainability report.





## Automotive

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a PROPER rating and/or at least an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. Having efforts to improve energy efficiency and reduce emissions, supported by documents acceptable to the bank.
5. For the automotive industry, having an Industrial Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, along with SOPs for the operation and maintenance of the wastewater treatment plant (IPAL).
6. For the automotive industry, having technical approval documents for hazardous waste (B3) management and/or a legally licensed agreement for hazardous waste (B3) processing.
7. For publicly listed companies, having a sustainability report.



## Chemical

Bank Mandiri has established binding credit policies for customers in this sector with the following provisions:

1. Having a PROPER rating and/or at least an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. Having efforts to improve energy efficiency and reduce emissions, supported by documents acceptable to the bank.
5. Having an Industrial Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, along with SOPs for the operation and maintenance of the wastewater treatment plant (IPAL).
6. Having technical approval documents for hazardous waste (B3) management and/or a legally licensed agreement for hazardous waste (B3) processing.
7. For publicly listed companies, having a sustainability report.



## Sectors Sensitive to ESG Aspects

For other sectors such as manufacturing, Bank Mandiri has established binding credit policies requiring customers in this sector to comply with applicable regulations and standards related to Environmental, Social, and Governance (ESG) aspects. This includes fulfilling environmental management certification such as ISO 14001 and Occupational Health and Safety (OHS) certification like ISO 45001 or other similar standards. For debtors who are unable to meet the established requirements, there is a monitoring mechanism and the development of an action plan aimed at improving ESG aspects.

Bank Mandiri is actively engaged with customers in priority sectors to ensure full integration of sustainability strategies. Through regular dialogues, we assist customers in developing sustainability action plans, which include carbon emission reduction and adaptation to global ESG standards.

# Sustainable Financing Framework

In 2024, Bank Mandiri issued the Sustainable Finance Framework as part of its strategy to guide stakeholders—including regulators, customers, investors, and internal parties—in the classification, monitoring, and reporting of sustainable finance. Bank Mandiri's commitment is realized through the mobilization of capital for projects focused on environmental sustainability and social well-being. This framework enables the issuance of sustainable financial instruments, such as Green, Social, and Sustainability Bonds, as well as instruments linked to sustainability.

In developing this framework, Bank Mandiri is committed to contributing to the achievement of the Sustainable Development Goals and aligns with the following standards and principles, but not limited to:

- Green Bond Principles (2021), Social Bond Principles (2023), Sustainability Bond Principles (2021), and Sustainability-Linked Bond Principles (2023) managed by the International Capital Markets Association (ICMA)
- Green Loan Principles (2023), Social Loan Principles (2023), and Sustainability-Linked Loan Principles (2023) managed by the Loan Market Association (LMA)
- Climate Bonds Taxonomy (2021) managed by the Climate Bonds Initiative (CBI)
- European Union Taxonomy (2021 and 2022) managed by the European Commission
- ASEAN Green Bond Standards (2018), Social Bond Standards (2018), Sustainability Bond Standards (2018), Sustainability-Linked Bond Standards (2023), and the ASEAN Sustainable Finance Taxonomy Version 2 (2023) managed by the ASEAN Capital Markets Forum

- POJK No. 51/2017 and POJK No. 18/2023 regulated by the Financial Services Authority (OJK)
- Indonesian Sustainable Finance Taxonomy (2024) managed by the Financial Services Authority (OJK)

This framework includes several key elements, including the use of proceeds, the evaluation and selection process for proposals, management of proceeds, reporting, and external review. The framework is dynamic, applicable to transactions submitted after its issuance, and will be updated in line with the development of sustainability standards and principles.

Bank Mandiri has obtained a Second Party Opinion (SPO) from the renowned independent institution S&P Global Ratings to ensure that the Bank's Sustainable Finance Framework aligns with international sustainability standards and principles. This SPO affirms Bank Mandiri's commitment to implementing responsible sustainable finance practices and supporting the achievement of ESG goals, as well as conducting an annual review of the implementation of the Sustainable Finance Framework.

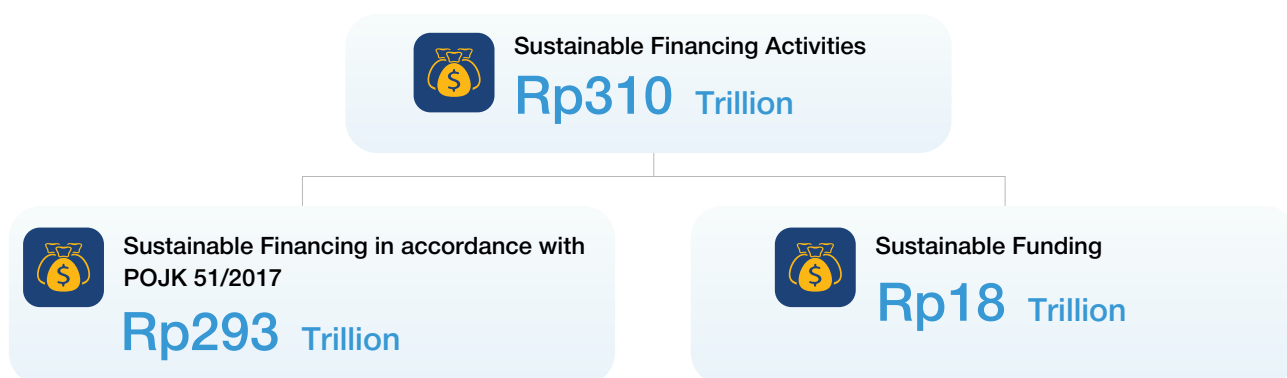
Furthermore, Bank Mandiri has issued a Transition Finance Framework to support the transition process towards a low-carbon economy, taking into account the socio-economic context of Indonesia. Transition finance is essential to bridging the gap by mobilizing capital to drive climate solutions, support emissions reduction, and facilitate industries in a gradual and structured manner toward environmentally friendly practices to achieve a low-carbon economy.



# Development of Sustainable Products and Services

Bank Mandiri continues to develop ESG-related products and integrates ESG analysis with fundamental analysis. The Bank has taken a proactive approach in integrating and aligning ESG aspects to evaluate exposure risks and their management, as well as to access opportunities related to sustainability. Furthermore, Bank Mandiri is actively investing in and developing data and ESG integration solutions. In 2024, Bank Mandiri expanded the use of ESG data and analytical tools to other internally managed equity strategies.

Bank Mandiri is committed to implementing sustainable finance by providing comprehensive support for sustainable economic growth derived from the alignment of the economic, social, and environmental aspects. This commitment is realized through the Sustainable Banking pillar, in the form of sustainable financing and sustainable funding.



## Sustainable Financing

Sustainable financing refers to the credit provided by Bank Mandiri to support business activities aimed at enhancing environmental preservation and social well-being. In line with POJK No. 51/2017, financing for sustainable activities is a key focus in the development of the Bank's sustainability portfolio, including the Sustainable Business Activity Categories (KKUB). Based on the Sustainable Finance Framework, Bank Mandiri classifies sustainable activities into three main categories:



This classification serves as the foundation for the Bank in developing Sustainable Financing, ensuring that it meets its primary objective, which is to support business activities aimed at enhancing environmental preservation and social well-being.

The total allocation for Sustainable Business Activity Categories amounted to **Rp293 trillion**, or **22.3%** of the total loan\* in 2024.

### Green Activities

**Rp149 trillion**, or **11.4%** of the total loan\*.

\*bank only

### Social Activities

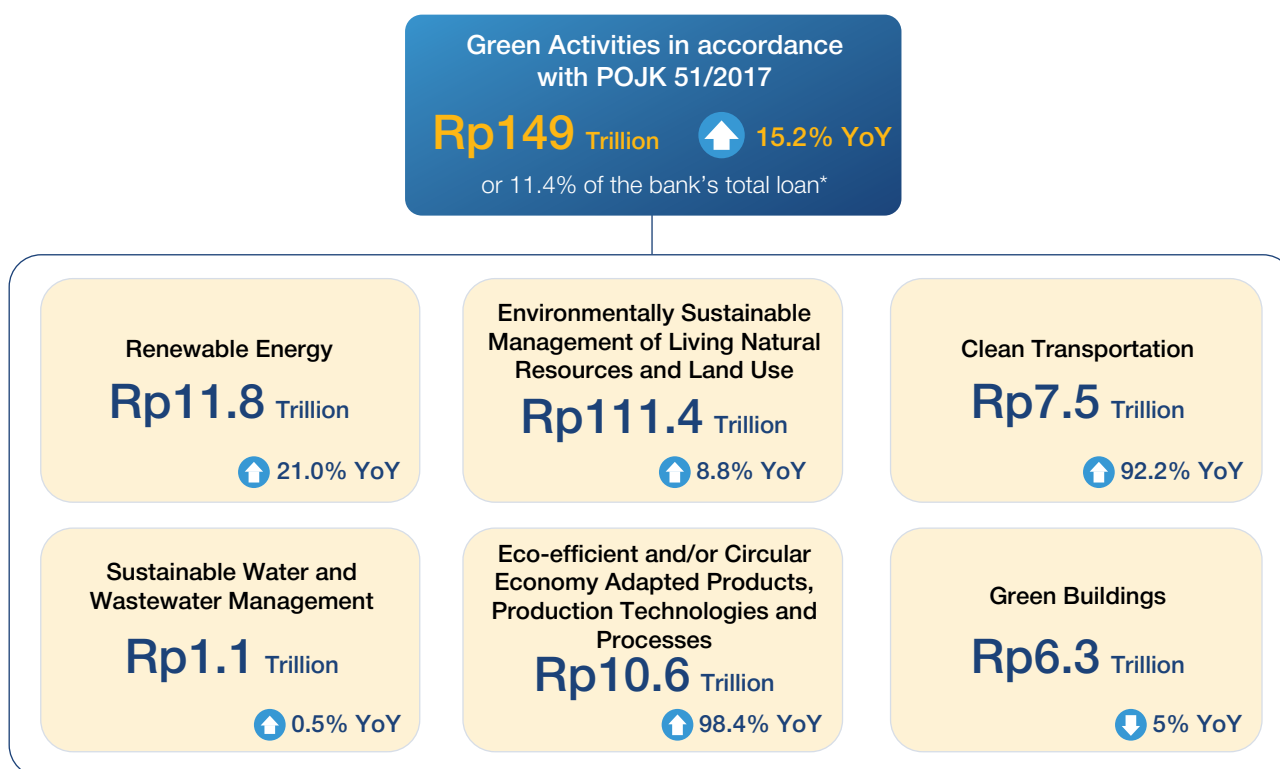
**Rp144 trillion**, or **11.0%** of the total loan\*.

## Sustainable Financing Portfolio

### Green Portfolio Category

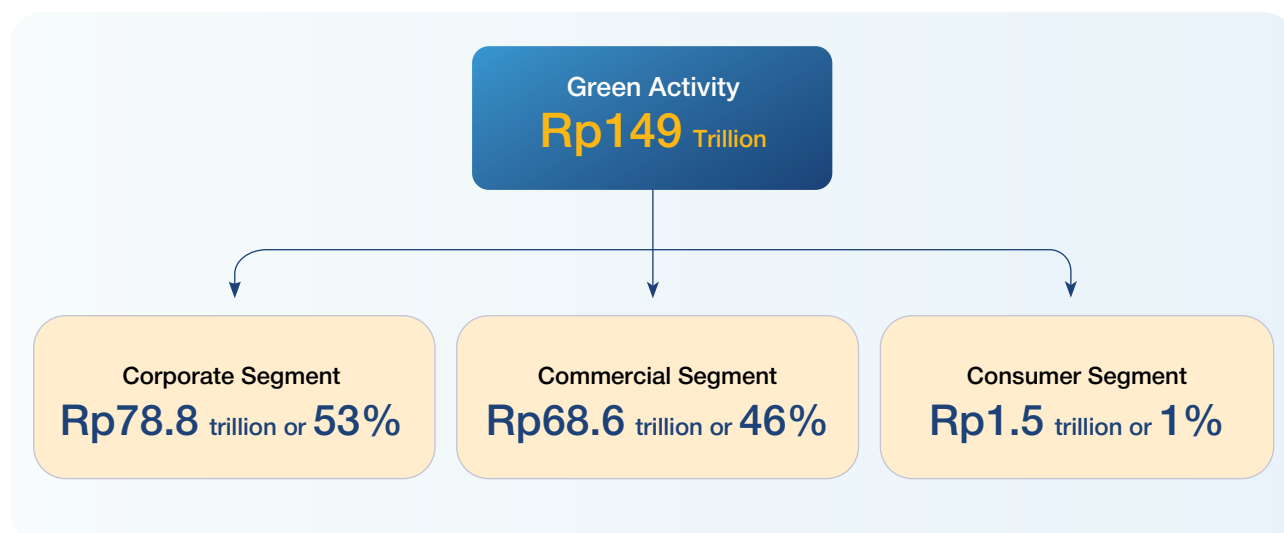
Financing for activities must align with the Sustainable Business Activity Categories (KKUB) as per POJK 51/2017, such as renewable energy, energy efficiency, pollution prevention and control, environmentally sustainable management of living natural resources and land use, as well as terrestrial and aquatic biodiversity. Additionally, activities supporting clean transportation, sustainable water and waste management, climate change adaptation, environmentally friendly production, green buildings, and other sustainable activities are also eligible for sustainable financing. Revenue generated by sustainable products (such as Sustainability-Linked Loan) and Green Portfolio was approximately 7.4% of total revenue contribution (bank only).

In 2024, financing for green activities (KUBL) is as follows:



\*bank only

## Green Activity Financing by Segment



Bank Mandiri's green portfolio in 2024 grew by 15.2% compared to 2023, solidifying its position as a market leader with a market share of over 35% of 4 big banks. The financing was primarily allocated to the environmentally sustainable management of living natural resources and land use, renewable energy, eco-efficient and/or circular economy adapted products, production technologies and processes, and clean transportation.



Business Case:

## Bank Mandiri Strengthens its Sustainable Portfolio

Bank Mandiri consistently strengthens its sustainable loan portfolio to support the transition to a green economy. One strategic initiative is its role as Lead Arranger in supporting PT PLN's transition to renewable energy through the provision of a green loan facility. At the 28th Conference of the Parties (COP), Bank Mandiri, together with PT Pupuk Indonesia, signed a memorandum of understanding to provide a Sustainability-Linked Loan facility and/or sustainable financing schemes. This facility is designed to support investments in the Soda Ash projects in Gresik and Bontang, renewable energy development, and the sustainable management of natural resources.

Additionally, the Bank has demonstrated its commitment to inclusive development by providing a social loan facility to PT Adira Dinamika Multifinance Tbk (ADMF). This financing aims to promote more equitable, inclusive, and sustainability-oriented development.

## Renewable Energy

**Poso Hydroelectric Power Plant (PLTA)**

The Poso Hydroelectric Power Plant has been operational since 2012 with a capacity of 3 x 65 MW, as well as an extension in Phase 1 (4 x 30 MW) and Phase 2 (4 x 50 MW). These three plants are designed to operate as Peaker plants with a total capacity of 515 MW, functioning during peak load hours from 5:00 PM to 10:00 PM, with a specific available energy of 1,669 GWh per year. Poso Hydroelectric Power Plant contributes about 10.69% of the total new and renewable energy (EBT) for the South Sulawesi electricity system. This environmentally friendly power plant is connected to the 275 kV transmission line to South Sulawesi and the 150 kV line from the plant to Palu City, Central Sulawesi.



**Merangin Hydroelectric Power Plant (PLTA)**

The Merangin Hydroelectric Power Plant utilizes the flow of the Merangin River, sourced from Lake Kerinci, and is planned to operate as a Peaker plant with a total capacity of 350 MW. The plant will operate during peak load hours, between 6:00 PM and 11:00 PM, with a specific available energy capacity of 1,280 GWh per year.

**Lahat Microhydroelectric Power Plant (PLTMH)**

The Lahat Microhydroelectric Power Plant, with a capacity of 9.9 MW, has been commercially operational since November 28, 2015, and its Power Purchase Agreement (PPA) will last until November 27, 2035. Based on feasibility study data during construction, the plant utilizes the flow of the Endikat River, with a watershed area of 284.32 km<sup>2</sup>, a river length of 41 km, and an average annual rainfall of 222.17 mm. The average water discharge is 13,217 m<sup>3</sup>/s with a net elevation of 89.21 m. From these calculations, the installed capacity is 10 MW.

**Deli Serdang Biomass Power Plant (PLTBm)**

The Deli Serdang Biomass Power Plant, with a capacity of 1 x 9.9 MW, is located in Tanjung Selamat Village, North Sumatra, and uses biomass from rubber wood resulting from replanting rubber plantations. The operation of this biomass plant is expected to reduce the use of Diesel Power Plants (PLTD) in North Sumatra, which will save around 17,000 kiloliters of fuel per year for PLTD. Additionally, compared to PLTD, this biomass power plant can save approximately Rp98 billion per year.

**Bangka Biogas Power Plant (PLTBg)**

PT Bangka Biogas Synergy (BBS) operates a 2.2 MW Biogas Power Plant (PLTBg) in Bangka Regency. This PLTBg utilizes palm oil mill effluent (POME) as an energy source, which is processed into biogas to generate electricity.

**Solar Panel Manufacturing**

Bank Mandiri finances the integrated manufacturing industry for solar modules and solar cells. This industry aims to support the development of renewable energy in Indonesia. The factory, located in Central Java, uses advanced technology, namely Tunnel Oxide Passivated Contact (TOPCon), which is capable of achieving an efficiency of up to 23.2%.

## Clean Transportation



- **Jabodetabek Light Rail Transit (LRT)**

Bank Mandiri provided a syndicated loan to KAI to finance the LRT project in 2017. The Jabodetabek LRT, which is currently under construction, is one of the first rapid transit systems in Indonesia that integrates the capital city of Jakarta with surrounding areas, including Depok, Bogor, and Bekasi.

## Sustainable Management of Biodiversity and Land Use

As one of the largest lenders in the palm oil sector in Indonesia, Bank Mandiri is committed to managing the environmental and social risks associated with this industry through the implementation of sustainable agricultural practices. Bank Mandiri is determined to lead efforts towards fair sustainability in the palm oil industry for a better future, including promoting various environmental initiatives. This commitment is reflected in our support for palm oil debtors to obtain ISPO/RSPO certification, as shown in the table below:

**Number of ISPO and/or RSPO certified debtors (in number of debtors)**

Description	2024		2023		2022	
	Certified	On Progress	Certified	On Progress	On Progress	On Progress
Corporate	56	7	66	11	68	11
Commercial	155	111	241	60	189	52
Total	211	118	307	71	257	63

**Loan outstanding of ISPO and/or RSPO certified (In Million Rupiah)**

Description	2024		2023		2022	
	Certified	On Progress	Certified	On Progress	Certified	On Progress
Corporate	54,645	874	48,141	8,820	47,869	2,733
Commercial	35,021	19,646	49,168	4,461	41,878	4,916
Total	89,666	20,520	97,309	13,281	89,747	7,649

## Social Portfolio Category

Eligible social activities under this framework are projects that align with applicable standards and principles, focusing on basic infrastructure, access to essential services, affordable housing, job creation, food security, and socio-economic improvements for targeted groups or regions. Examples of targeted groups and regions include, but are not limited to:

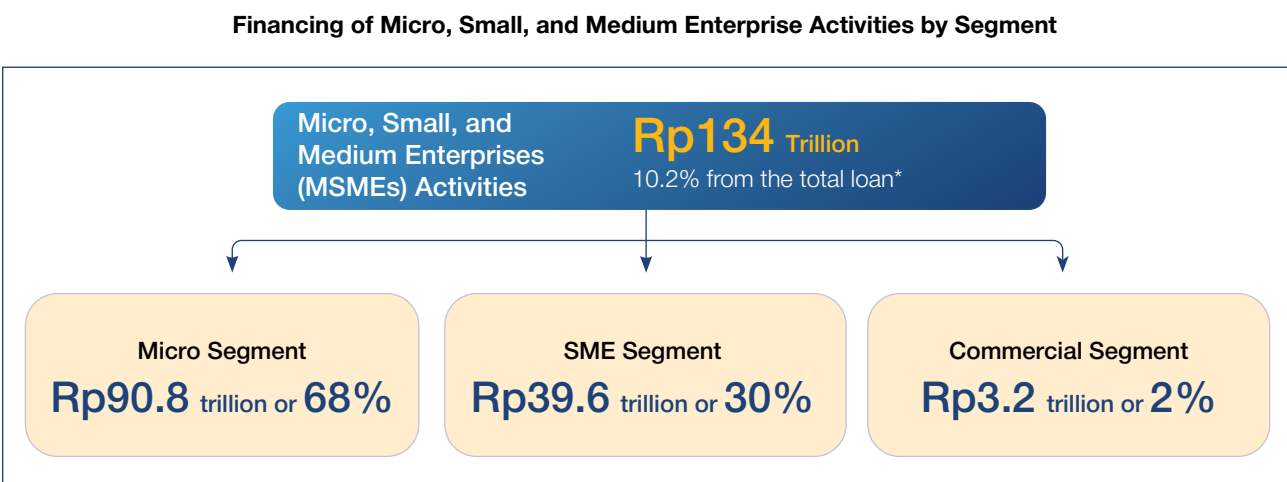
1. Communities living below the poverty line
2. Populations and/or communities that are marginalized and/or excluded
3. Vulnerable groups, including those affected by natural disasters
4. Unemployed individuals
5. People with disabilities
6. Migrants and/or refugees
7. The under-educated
8. Communities with limited access to quality goods and services.

## MSME Credit

Bank Mandiri has a strong policy to support the growth and strengthening of the MSME sector, recognizing its crucial role in Indonesia's economy. Through this policy, the Bank provides access to capital and financial services aimed at increasing the contribution of MSMEs to job creation and poverty alleviation.

The MSME credit provided by Bank Mandiri is also part of financing for social activities. By offering capital access to MSMEs, the Bank not only supports business growth but also directly contributes to improving the well-being of society. In 2024, Bank Mandiri disbursed Rp134 trillion in MSME credit to 1.3 million debtors, growing by approximately 6.3% compared to the previous year. The non-performing loan (NPL) ratio remained manageable at 1.4%. Bank Mandiri maintains its focus on selective growth, targeting the ecosystem value chain. Additionally, the Bank provides Working Capital Loans, Investment Loans, Micro Business Loans (KUM), and participates in the People’s Business Credit (KUR) program for MSME empowerment.

Micro, Small, and Medium Enterprise Activities		Rp134 trillion or 10.2% of the total loan*.
Financing of Micro, Small, and Medium Enterprise Activities by Sector		
Sector		Total
Palm Oil and CPO		Rp23.3 trillion
Retail Trade in Food, Beverages, and Tobacco		Rp18.7 trillion
Hotels, Restaurants, and Accommodation		Rp11.1 trillion
Retail Trade in Household Equipment		Rp9.2 trillion
Agriculture		Rp5.5 trillion
Non-Financial Business Services		Rp3.8 trillion
Social Services and Institutions		Rp5.7 trillion
Land Transportation Services		Rp4.4 trillion
Livestock and Animal Feed		Rp4.0 trillion
Retail Trade of Agricultural and Forestry Products		Rp4.1 trillion
Others		Rp43.8 trillion
*bank only		



## Sustainable Financing Products

The Bank has taken significant steps in supporting Indonesia's transition to a low-carbon economy by providing various sustainable products, including Sustainability-Linked Loans and Corporate-in-Transition financing. These products are specifically targeted at customers in high-carbon-intensity sectors, such as the cement, livestock, and palm oil industries, through the following financial solutions:

### Sustainability-Linked Loan (SLL)

A Sustainability-Linked Loan (SLL) aims to support customers in improving their sustainability profile over the term of the loan, without requiring the allocation of financing for specific sustainable projects or activities. This financing is based on aligning loan terms with sustainability goals that have been set, which are measured through key performance indicators (KPIs) and evaluated based on sustainability performance targets (SPTs).

By utilizing KPIs, this financing not only supports projects focused on sustainability but also provides incentives for debtors to achieve the agreed-upon ESG targets. This approach reflects a close collaboration between the lender and the debtor in promoting more sustainable business practices and transition projects towards a low-carbon economy.

#### Examples of KPIs in SLL by Sector:

##### Palm Oil

Increase % RSPO certification for land and palm oil mills.

##### Cement

Reduction of net CO<sub>2</sub> emissions intensity (Scope 1).

##### Livestock

- Maintain annual Somatic Cell Count levels.
- Reduction in greenhouse gas (GHG) emissions.

##### Petrochemicals

- Improvement in ESG Rating
- Reduction in greenhouse gas (GHG) emissions intensity (Scope 1 and 2)

Pricing Incentive: 1 - 7.5 Basis Points



### Corporate-in-Transition Financing

Corporate-in-Transition Financing is a type of financing applied at the client entity level, aimed at supporting clients in transitioning or aligning their business and/or operations with pathways that are consistent with the goals of the Paris Agreement or Nationally Determined Contributions (NDC) targets. Compliance with these goals is measured through strategies and targets that have been approved by Bank Mandiri. Clients are eligible for this financing if they demonstrate a clear climate transition strategy with measurable targets, and have evidence of implementing this transition strategy and targets in the past 12 months (for example, divesting from carbon-intensive assets, diversifying from carbon-intensive activities, or decarbonizing by reducing overall emissions intensity).

#### Example of Targets in Corporate-in-Transition Financing:

##### Mining

Reducing the proportion of total revenue from thermal coal projects.

## Sustainable Client Financing

Sustainable Client Financing is a type of financing applied at the client entity level, aimed at supporting businesses that promote environmental sustainability or are moving towards a sustainable economy, in alignment with the qualifying activity criteria within this framework, as well as applicable regulations or international best practices. Clients are eligible for this financing if their core business, or 90% or more of their revenue, comes from activities that meet the qualifying activity criteria under this framework.

### Green Loan

Bank Mandiri actively contributes to accelerating the transition to a low-carbon economy by providing banking solutions that support environmentally friendly business practices for its customers. One of the facilities provided is the Green Loan, specifically designed to fund projects and initiatives with a positive environmental impact. This financing follows the Green Loan Principles issued by the Loan Market Association (LMA).

As a commitment to sustainability, in 2022, Bank Mandiri took a significant step by providing a Green Loan facility for the electric vehicle (EV) battery components industry in Hong Kong. As the Mandated Lead Arranger, Bank Mandiri played a crucial role in organizing a Green Loan syndication worth a total of USD300 million. The facility supports the lithium battery industry, including research, development,

processing, production, and sales of cathode precursor materials, as well as materials for new energy recycling in the new materials and energy sector.

In 2024, as part of its commitment to sustainability, Bank Mandiri took strategic steps by providing loan facilities for the electricity and transportation sectors. For the electricity sector, Bank Mandiri acted as ESG Coordinator, offering a Green Loan of Rp3.5 trillion to support the energy transition program. Meanwhile, for the transportation sector, Bank Mandiri provided a Green Loan of USD226 million to support the distribution of electric vehicles, including the development of charging infrastructure, vehicle procurement, and providing financing to facilitate customer access.

### Green Mortgage

Bank Mandiri continues to encourage retail customer participation in green financing through the Green Mortgage product. This product is designed to support the purchase of properties in residential areas that have obtained green building certification from recognized institutions. As part of this initiative, Bank Mandiri has partnered with NavaPark BSD City, South Tangerang, a project that has achieved the Greenship Platinum certification from the Green Building Council Indonesia (GBCI). Through Green Mortgage, customers can benefit from incentives such as lower interest rates and reduced down payments, providing added value to customers while supporting sustainable development. The total disbursement of Green Mortgages in 2024 amounted to Rp587 billion.

## Sustainable Funding

As a pioneer in the “First Movers on Sustainable Banking” initiative, Bank Mandiri proactively strengthens the sustainable funding structure through the issuance of green bonds, sustainability bonds, and innovations such as ESG Repo transactions. Since 2021, Bank Mandiri has not only successfully raised sustainable funds but also expanded its financing portfolio that supports the transition to a low-carbon economy, solidifying its role as a key player in the sustainable finance ecosystem.



## Sustainability Bond & ESG Repo Framework

Bank Mandiri's Sustainability Bond & ESG Repo Framework aligns with the four main pillars of the Sustainability Bond Guidelines issued by The International Capital Market Association (ICMA 2021). These pillars include:

### 1. Use of Proceeds

The funds raised are used for environmentally and socially responsible projects that meet sustainability criteria.

### 2. Project Evaluation and Selection

The process of selecting underlying assets involves the Business Unit and the Sustainable Finance Working Group, with approval from the Risk Management

Committee (RMC).

### 3. Fund Management

The funds are managed through tracking and monitoring mechanisms to ensure proper allocation of the funds.

### 4. Reporting

Bank Mandiri issues Allocation Reports and Environmental Impact Reports, which are verified by a second party opinion (SPO) to ensure transparency and accuracy.

## Green Bond Framework

Bank Mandiri's Green Bond Framework, which supports the issuance of Green Bond Rupiah, is in line with POJK No. 60/2017 and includes the following four main pillars:

### 1. Use of Proceeds

The funds raised from the issuance of environmentally focused debt or green bonds are used for projects that meet eligibility criteria within the green category.

### 2. Project Evaluation and Selection

The selection process for underlying assets involves the Business Unit and the Sustainable Finance Working Group, with approval from the Risk Management Committee (RMC).

### 3. Fund Management

Funds raised from green bond issuance are managed through tracking and monitoring mechanisms to ensure that the funds are used appropriately.

### 4. Reporting

Bank Mandiri issues Allocation Reports and Environmental Impact Reports, which are verified by environmental experts to ensure transparency and compliance with applicable environmental criteria.

Bank Mandiri established the Sustainable Public Offering (PUB) program for the issuance of Sustainable Green Bonds I, valued at Rp10 trillion. In 2023, the Bank issued the first tranche of Sustainable Green Bonds amounting to Rp5 trillion. All allocations from the green bond issuance are verified by a Second Party Opinion (SPO) from SDGs Hub UI.

## Sustainability Bond

In 2021, Bank Mandiri successfully raised USD300 million through the inaugural issuance of its Sustainability Bond. The funds were used to finance or refinance environmentally and socially responsible projects, in line with the criteria outlined in the Bank's Sustainability Bond Framework. During the offering process, the bond received demand exceeding USD2.5 billion, which is 8.3 times the target fundraising amount, indicating a significant oversubscription.

The Sustainability Bond Framework has been aligned with international market standards, such as the Sustainability Bond Guidelines, Green Bond Principles, and Social Bond Principles from the International Capital Market Association (ICMA). Additionally, the framework is also in compliance with the Sustainability Bond, Green Bond, and Social Bond standards set by ASEAN. To enhance transparency and credibility, this framework has received a second party opinion (SPO) from Sustainalytics, and its allocations are reviewed annually.

As part of its reporting obligations regarding the use of funds and their environmental and social impacts, Bank Mandiri regularly publishes an annual Sustainability Bond Report. This report provides detailed information on the use of funds and their impacts. For more information, you can access the report via the following link: <https://bankmandiri.co.id/en/web/ir/sustainability-bond>.

## ESG Repo

In 2022, Bank Mandiri successfully executed an ESG Repo transaction worth USD500 million with two counterparties. This transaction marked a significant milestone, as it was the first ESG Repo transaction in Indonesia and one of the first in Southeast Asia. The funds raised from this transaction were used to finance or refinance assets related to environmental, social, and governance (ESG) factors, thereby supporting broader sustainability efforts in the banking and financing sectors.

## Involvement in Green Bonds

Mandiri Group is actively identifying clients who wish to integrate sustainability into their financial strategies, helping them develop ESG-based financing frameworks, such as the use of proceeds or sustainability-linked frameworks. Each framework created in collaboration with clients is reviewed by a reputable second party opinion.

In 2024, Mandiri Group, through Mandiri Sekuritas, actively served as a trusted advisor to clients in designing green bond and sustainability bond structures. This service includes assistance in identifying projects that meet sustainability criteria, ensuring alignment with international standards such as the Green Bond Principles and Green Loan Principles issued by the International Capital Market Association (ICMA) and the Loan Market Association (LMA), as well as providing guidance on reporting and transparency. With this approach, Mandiri Sekuritas supports clients in accessing sustainable financing while meeting investors' expectations for responsible investments.

In 2024, Mandiri Sekuritas became one of the Joint Lead Underwriters for the issuance of Social Bonds by PT Pegadaian worth Rp252 billion and PT Sarana Multigriya Finansial (Persero) worth Rp5.64 trillion, as well as Green Bonds by PT Oki Pulp & Paper worth Rp7.59 trillion. All of these issuances have undergone an independent verification process. Additionally, Mandiri Sekuritas has provided advisory services to several companies in the financial services, real estate, agriculture, energy, and pulp & paper sectors.

# Sustainable Investment

## Sustainable Investing Approach

As part of the Bank Mandiri ecosystem, **Mandiri Investment Management (MMI)** plays a crucial role in applying Environmental, Social, and Governance (ESG) principles across all its investment activities. MMI supports the Bank's commitment to creating sustainable value by integrating ESG factors into the investment portfolio and decision-making processes, ensuring outcomes aligned with long-term growth and a positive impact on society.

The investing process uses both quantitative and qualitative methods to assess the ESG factors of each company. This analysis covers a wide range of aspects, considering not only the sustainability of the company but also leveraging data to detect potential alpha in the future. As a benchmark, this approach is based on the Financial Times Stock

Exchange (FTSE) ESG Index, which is designed to assess the comprehensive ESG performance of issuers.

The ESG aspects contribute 10% of the total 30% weight in the Value Sustainability component, alongside factors such as company lifecycle, scalability, regulatory risks, and management quality. This assessment complements other key components, including Value Creation (50%) and Financial Power (20%).

In conducting ESG profiling, Bank Mandiri has developed an internal checklist designed to ensure that ESG assessments are carried out in a measurable, consistent, and relevant manner, in line with a company's characteristics.



## Measurement Metrics



## Environment

- Total GHG emissions per sales
- To what extent do the company's products/services impact the environment?
- Does the company have short, medium, and long-term plans for environmentally friendly development?
- Does the company have plans to measure and reduce its carbon footprint/greenhouse gas emissions?
- Does the company have plans for transitioning to renewable energy?

Weight: **33.33%**

## Social

- Employee diversity: % of female employees
- % of expenditures for the community compared to pre-tax profit
- Do the company's products/services meet the social needs of the community?
- Does the company track and evaluate social indicators, such as gender equality, employee retention, and workplace safety?
- Does the company support local communities through empowerment programs?
- Does the company emphasize community engagement and empowerment?

Weight: **33.33%**

## Governance

- Does the company have a proper, clear, and transparent governance structure?
- Does the company ensure the accuracy and integrity of its financial reports?
- Does the company maintain the independence and effectiveness of the Board of Directors?
- Does the company protect the rights of shareholders?

Weight: **33.33%**

As part of Bank Mandiri's commitment to sustainability principles, **Mandiri Capital** has established Environmental and Social criteria for every investment made. These criteria

not only refer to local standards but also comply with international guidelines to ensure a positive impact on the environment and society.

## Environment

Referring to the Indonesian Sustainable Finance Taxonomy (TKBI) set by the OJK. Several environmental parameters used in the assessment include:

- Climate Change Mitigation
- Climate Change Adaptation
- Protection of Healthy Ecosystems and Biodiversity
- Resource Resilience through Circular Economy



## Social

Referring to the United Nations Development Programme (UNDP) Impact Measurement Management Framework, the social aspect parameters include:

- Protection and respect for human rights
- Employment, including decent work, prevention of forced labor, protection of women and child workers, and human resource development
- Impact on communities living near the investment companies, including job creation, efforts in poverty alleviation, and economic growth.



## Sustainable Investment Products

Bank Mandiri, through the digital platform Livin' by Mandiri, actively promotes sustainable investment options to increase retail customer participation in supporting the sustainability agenda.

### Green Sukuk and Green Bonds

Bank Mandiri proactively introduces retail investment products aligned with ESG principles, such as the Indonesia Green Sukuk offering and green bonds issued by the Government of the Republic of Indonesia, based on The Republic of Indonesia Green Bond and Green Sukuk Framework.



Green Sukuk

**Rp3.1**  
trillion



Green Bond

**Rp5**  
trillion

### ESG Mutual Funds

In 2023, Bank Mandiri launched ESG Mutual Funds. These products are specifically designed for the retail market and mark an important milestone in sustainable finance. The addition of these ESG-based investment products demonstrates the Bank's commitment to leading the low-carbon economy in Indonesia. As demand for sustainable investments rises, these products aim to meet customer needs while encouraging responsible investment practices.



ESG Mutual Funds

**Rp3,54**  
trillion

### ESG Mutual Fund Portfolio

**Batavia Global ESG Sharia Equity USD**, is invested in issuers that focus on ESG or have high ESG scores.

#### Mandiri FTSE Indonesia ESG Index Mutual Fund

The Mandiri FTSE Indonesia ESG Index Mutual Fund is the first mutual fund in Indonesia that uses the FTSE Indonesia ESG benchmark index, featuring stocks that have undergone an ESG rating process by FTSE Russell.

Bank Mandiri not only issues sustainable fundraising products and serves as an advisor but is also actively investing in green bonds and sustainability bonds. In 2024, the Bank allocated Rp419 billion for investment in green bonds. For 2025, Bank Mandiri has targeted the allocation of green and sustainability bonds to reach approximately 0.2% of the total investments in securities it holds, with an allocation of Rp5 trillion for phase 2. However, the achievement of this target will depend on liquidity needs and the financial management strategies implemented by the Company.



# Sustainable Operations

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## | Our Customers



### Consumer Financial Protection

Bank Mandiri is committed to protecting the financial rights of our customers and supporting the creation of a sustainable and stable financial ecosystem. This is done by safeguarding consumer interests, in line with POJK Regulation No. 22 of 2023 on Consumer and Public Protection, through the provision of equitable and responsible financial products and services. Each product and service is designed with customer welfare in mind, emphasizing transparency and accessibility at every stage. [OJK F.17]

The areas of customer protection included in Bank Mandiri's Consumer Protection Policy are regulated under the Customer Protection Standard Procedure No. K4.SP27 of 2024, which includes:

- **Good Faith** in every interaction and transaction with customers.
- **Customer Data Protection** to maintain the confidentiality and security of personal information.
- **Product and Service Design** ensuring suitability and feasibility for customers.
- **Provision of Product and/or Service Information** to help customers make informed decisions.

- **Transparent Communication of Product and/or Service Information** in product and service offerings.
- **Marketing of Products and/or Services** that protects customers from misleading information.
- **Preparation of Agreements for Products** with clear and fair terms and conditions.
- **Provision of Services for Product Usage** that supports responsible credit recovery.
- **Complaint Handling and Dispute Resolution** as a commitment to customer satisfaction.
- **Enhancing Financial Literacy and Inclusion** to support customer understanding of financial products and services.

Consumer protection begins with an analysis of the potential customer's profile to ensure product understanding and prevent loans beyond financial capability. This policy includes limiting Paylater services for customers with payroll accounts, setting maximum limits, and applying risk criteria. Bank Mandiri also utilizes Enterprise Data Analytics to assess the financial capacity of customers, ensuring installments align with their financial capabilities.



For customers facing financial challenges, Bank Mandiri provides flexible loan restructuring options, including installment adjustments or loan modifications to help them meet their financial obligations. Bank Mandiri also upholds fair advertising through transparent and accurate advertising policies, ensuring that all product information is communicated honestly. In terms of credit collection, Bank Mandiri upholds customer rights by implementing ethical collection procedures that respect the privacy and dignity of every individual. Customer data security is also a top

priority. Bank Mandiri ensures that all personal and financial information is protected with advanced security systems and high encryption standards, maintaining customer trust and confidentiality.

To increase awareness and understanding regarding customer protection, Bank Mandiri conducts internal socialization using various media, including wallpapers, email blasts, and the Mandiri magazine, followed by surveys to assess their effectiveness.

## Employee Training on Consumer Financial Protection [GRI 404-2]

During the reporting period, 10 (ten) socialization materials were delivered, followed by surveys to measure their success. Bank Mandiri also ensures understanding of consumer financial protection among employees in relevant departments, including front-line staff and all relevant

customer-facing employees through annual training and comprehension testing. In the reporting year, a total of 52,138 employees participated in consumer protection training through e-Learning.

### Employee Training on Consumer Financial Protection in 2024 [GRI 404-2]

Bank Mandiri Consumer Protection E-Learning

**Training Scope:**

- Understanding the concept of consumer protection
- Comprehending the implementation of consumer protection at Bank Mandiri
- Identifying risks related to consumer protection in Bank Mandiri's business activities

Number of Training Participants

**52,138**  
Employees

To increase awareness and knowledge among all employees regarding consumer protection, Bank Mandiri implements various socialization and capacity-building initiatives through the following actions:

**1. Socialization through Various Internal Platforms**

Carried out for all employees using a variety of bank's internal platforms, such as:

- Displaying information on PC wallpapers;
- Email blasts through corporate email;
- WhatsApp blasts through the Culture Squad across all Groups;
- Through Business Continuity Management Awareness Guidance (BCMAG) surveys, podcasts, and *Majalah Mandiri* (Bank Mandiri's magazine).

**2. Implementation of E-Learning on Consumer Protection**

E-Learning training is provided to all employees in compliance with regulations requiring employee capacity development in understanding consumer protection regulations.

**3. Awareness Survey for All Employees**

Surveys are conducted to measure the level of understanding and effectiveness of the socialization activities, ensuring that the messages and information related to consumer protection are effectively communicated.

## Debt Collection Policy

Bank Mandiri adheres to all applicable laws and regulations related to debt collection management to ensure that each process is carried out in accordance with the prevailing legal provisions. Bank Mandiri implements a responsible, respectful, and fair debt collection policy for all customers. Every employee or authorized representative of Bank Mandiri involved in the debt collection process is required to adhere to high ethical principles and respect the rights of debtors, ensuring that the collection process is conducted professionally and in compliance with applicable regulations.

Bank Mandiri has developed a debt collection policy applicable to all Bank Mandiri employees and subsidiaries, covering retail and wholesale segment products and services, as outlined in the Overview of Debt Collection Policy<sup>1</sup>. The debt collection policy includes procedures and management practices, and defines the working mechanisms for debt collection, including collection methods, frequency, and other requirements. The policy also mandates that employees specifically involved in debt collection undergo periodic training based on the Credit Collection & Recovery Policy, which encompasses the management of problematic loans and collection procedures. Debt collection execution is supervised by The supervision of debt collection activities is carried out by the Wholesale Credit Recovery Unit for the wholesale segment and the Retail Credit Recovery Unit for the retail segment.

At every stage of collection, Bank Mandiri applies financial protection policies that respect the fundamental rights of customers in accordance with the valid credit agreement.

Whether direct or indirect, Bank Mandiri ensures that each collection process complies with internal and external regulations to maintain transparency and integrity in customer relations. The collection process is not solely focused on protecting the interests of Bank Mandiri, but also ensures that the rights and privacy of customers are respected in accordance with applicable rules.

Bank Mandiri ensures that debt collections performed by third-party agencies can only be carried out once the debtor's debt has become delinquent. Bank Mandiri guarantees that collections are conducted without physical or verbal pressure and are not directed toward anyone other than the debtor in question. Additionally, the collection process must adhere to communication guidelines that avoid disruption, such as being conducted only at the debtor's address between 08:00 and 20:00 local time and only on occasion. Collections that need to take place outside the designated time and location can only be done with the debtor's consent.

Bank Mandiri requires employees handling credit and collection officers to undergo training and certification through internal and external programs. For debtors still under the management of the Business Unit (BU), Bank Mandiri provides guidance through joint efforts between the BU and relevant divisions. Collection officers are required attend training related to debt collection activities such as basic collection, collection negotiation, anti-fraud strategies, and operational collection risks, organized in collaboration with Mandiri University Group.

### Training on Debt Collection Policy in 2024 [GRI 2-24, 404-2]

#### Scope of Training:

Basic Collection for Operational/Outsourced Employees, Operational Risk Management for Collectors, Retail Collection Product Knowledge, Negotiation Collection, Collection for Business, Marketing Skills for Collection, and others.

Number of Training Titles

**30** Titles

Total Training Hours

**22,743** Hours

Number of Training Participants

**3,399** Employees

<sup>1</sup> Overview of Debt Collection Policy:

[https://www.bankmandiri.co.id/documents/20143/385754317/EN\\_Draft\\_Overview+Debt+Collection+Policy\\_FINAL.pdf](https://www.bankmandiri.co.id/documents/20143/385754317/EN_Draft_Overview+Debt+Collection+Policy_FINAL.pdf)

## Loan Modification Policy

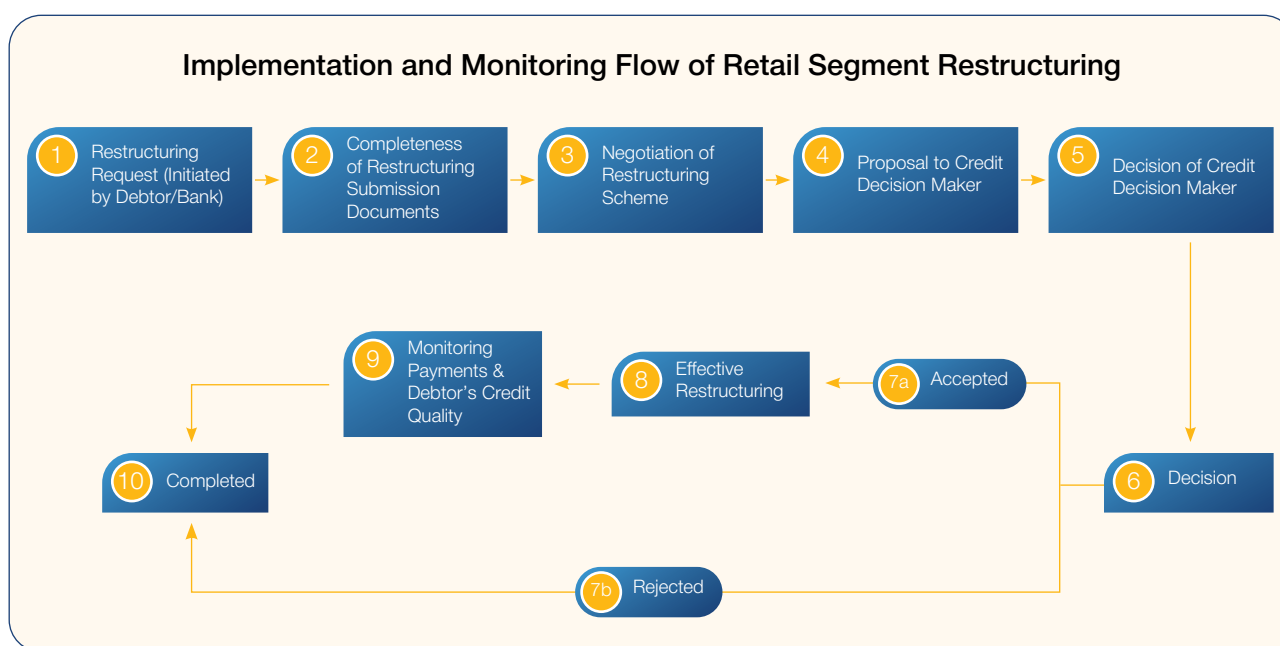
Bank Mandiri offers clear loan restructuring options which consider the financial condition of the customer to ensure solutions that align with their financial capacity. The implementation policy for restructuring refers to the SPO Credit Collection & Recovery and POJK Regulation 40 of 2019. The restructuring options provided, in accordance with POJK 40 of 2019, include:

- Reduction of interest rates
- Extension of loan tenure and/or rescheduling
- Waiver of interest, penalties, and fees for loan restructuring
- Additional credit facilities
- Conversion of loans into temporary equity participation
- Merging and/or splitting of credit facilities

- Conversion of loan currency
- Sale of debtor's company shares
- Reduction of overdue interest

Apart from Bank Mandiri's official website, information regarding credit restructuring and the escalation process can be accessed by debtors through direct discussions with account managers or relationship managers. Debtors may also access information on loan restructuring through the OJK as the government financial services regulator. Debtors will also receive more detailed information regarding the scheme, terms, and conditions outlined in a Loan Restructuring Approval Letter, issued when the restructuring request is approved by Bank Mandiri.

To ensure the restructuring goals are achieved and comply with the consumer financial protection policy, Bank Mandiri implements the following loan restructuring and monitoring process in accordance with the scheme below:



In providing credit restructuring, Bank Mandiri ensures that the process is conducted by officials or employees who are not involved in the credit granting process. This process adheres to the fundamental principles of restructuring, including:

- Four Eye Principle
- Exposure Consolidation Principle
- One Obligor Principle
- Credit restructuring is not performed solely to avoid:
  - Downgrading of credit quality classification
  - Increased provisioning for impairment of assets (PPKA)

- Suspension of accrual-based interest income recognition

As part of the monitoring process, Bank Mandiri conducts a comprehensive assessment and establishes specific criteria when considering credit restructuring requests. This step aims to identify opportunities for credit recovery for the debtor, ensuring that the credit becomes productive again and provides benefits for both parties. Several factors are considered, including:

- Business prospects, which include:
  - Potential for business growth



- b. Market conditions and the debtor's position in the competition
- c. Management quality and workforce issues
- d. Support from business groups or affiliates
- e. Efforts made by the debtor to maintain environmental sustainability
- 2. Business performance, which includes:
  - a. Profitability
  - b. Capital structure
  - c. Cash flow
  - d. Sensitivity to market risks
- 3. Payment ability, which includes:
  - a. Timeliness of principal and interest payments
  - b. Availability and accuracy of financial information
  - c. Completeness of credit documentation

- d. Compliance with credit agreements
- e. Appropriateness of fund usage
- f. Reasonableness of sources of repayment

Bank Mandiri also continuously monitors credit quality through several mechanisms, one of which is a watchlist, which serves as an early warning signal. This mechanism analyzes three key aspects: the debtor's business prospects, financial performance, and payment history. If the monitoring results indicate a decline in credit quality, Bank Mandiri will take corrective actions, particularly for debtors who still have viable business prospects and payment ability. This approach aims to minimize potential losses and recover the credit granted.

## Resolution of Non-Performing Loans

As part of its efforts to maintain its credit portfolio quality and mitigate risks, Bank Mandiri applies a systematic approach in handling non-performing loans. This process involves a series of steps tailored to the conditions and potential of each debtor to ensure appropriate and effective handling. The following describes the process for handling non-performing loans applied by Bank Mandiri.

### Non-Performing Loan Handling Process

#### 1. Review

Evaluation of credit quality on a regular basis based on the three pillars of Bank Indonesia's credit assessment.

#### 2. Diagnosis

Identification of the root cause of non-performing loans and analysis of debtor conditions to determine the account strategy.

#### 3. Restructuring

Credit restructuring for debtors who still have business prospects and good intentions.



#### 6. Write Off

Writing off non-performing loans from the Bank's books, but credit resolution efforts continue.

#### 5. Exit Strategy

Resolution of credit for debtors who are unable to undergo restructuring or have failed in their attempts.

#### 4. Monitoring

Monitoring of debtor compliance to ensure credit quality is maintained.

## Marketing Policy Based on Fair Advertising Principles

Bank Mandiri adheres to a fair marketing policy in compliance with regulatory provisions related to financial services advertising. Every advertisement and promotion of Bank Mandiri's products and financial services is designed to provide accurate, clear, honest, and non-deceptive information.

As outlined in its Overview Fair Advertising and Responsible Marketing Policy<sup>2</sup>, Bank Mandiri is committed to applying high standards of transparency and ethics in fair and responsible advertising practices. This commitment includes delivering accurate, complete, and easily understandable information in all marketing materials to ensure that consumers can make informed decisions. As part of its customer responsibility, Bank Mandiri also ensures that all marketing materials disclose any potential negative consequences associated with any Bank product or service. Bank Mandiri is also committed to responsibly targeting the appropriate audience, ensuring that products and services are promoted to relevant parties in an ethical and inclusive manner. This approach reflects the values of sustainability and integrity that are integral to Bank Mandiri's operations.

The Board of Directors, as an oversight body, is responsible for overseeing all marketing and communication activities related to products and services. To support this oversight, the Managing Unit reports to the Board of Directors at least once a year, detailing all marketing communication activities related to products and services that have been carried out.

The objective of Bank Mandiri's marketing communication for products and services is to increase brand awareness through digital and conventional media, as well as events. Bank Mandiri applies risk management principles, including identification, measurement, monitoring, and risk control, to ensure that marketing communication activities are conducted securely, accurately, and in a timely manner. Bank Mandiri has also established the following measures:

[GRI 3-3]

1. Assigning duties and responsibilities between related units (segregation of duties).
2. Implementing a check and balance process to carry out marketing communication activities with a dual control mechanism.
3. Adhering to internal and external regulations.

4. Applying risk management principles.
5. Conducting marketing communication activities for products and services based on Core Values, AKHLAK (Amanah, Kompeten, Harmonis, Loyal, Adaptif, and Kolaboratif), good corporate governance, corporate culture, Code of Conduct, business ethics, and always applying the principle of prudence (prudential banking).

Bank Mandiri's marketing personnel are tasked with thoroughly explaining the features, consequences, and risks of products to customers in compliance with applicable laws and regulations, including for digital products and services. In delivering marketing information to the public and prospective customers, Bank Mandiri ensures the provision of the following product and service information:

[GRI 417-1]

1. Providing clear, accurate, truthful, easily accessible information that does not mislead customers.
2. Using legible fonts, writing, symbols, diagrams, and signs.
3. Explaining any terms, phrases, sentences, symbols, diagrams, or signs that the customer does not understand.
4. Providing a summary of product and/or service information in both general and personalized versions, which includes:
  - a. Information related to:
    - i. Description/explanation of the product;
    - ii. Product benefits and advantages;
    - iii. Product features;
    - iv. Terms and conditions of the product;
    - v. Instructions/tutorial on how to use the product or application;
    - vi. Product/promotion validity period (if applicable, such as for limited-edition products); and
    - vii. Communication channels that customers can contact if they wish to confirm further information.
  - b. Simulations and/or historical data in cases of products and/or services that involve fund collection, fund distribution, and/or fund management.

To ensure that every customer receives accurate information, every marketing staff at Bank Mandiri is required to undergo training on financial product and service knowledge, as well as annual refreshment training.

<sup>2</sup> Overview Fair Advertising and Responsible Marketing Policy: [https://www.bankmandiri.co.id/documents/20143/385754317/EN\\_Overview+Fair+Advertising+Policy\\_FINAL.pdf/1c3e2c27-fcaf-fc88-4ab9-cbbe5131ac8b?t=1739259875999](https://www.bankmandiri.co.id/documents/20143/385754317/EN_Overview+Fair+Advertising+Policy_FINAL.pdf/1c3e2c27-fcaf-fc88-4ab9-cbbe5131ac8b?t=1739259875999)

## Training on Responsible Marketing and Product Offering 2024 [GRI 404-2]

### Scope of Training:

SPO Marketing of Product and Service Communications, Basic Marketing, Marketing Foundations: Consumer Behavior, Agile Marketing Foundations, Digital Marketing Foundations, Integrated Marketing Communication Strategies, Marketing Communications, and so on.

Number of Training Titles

**70** Titles

Total Training Hours

**5,227** Hours

Number of Training Participants

**1,013** Employees

## Responsible Product Offering

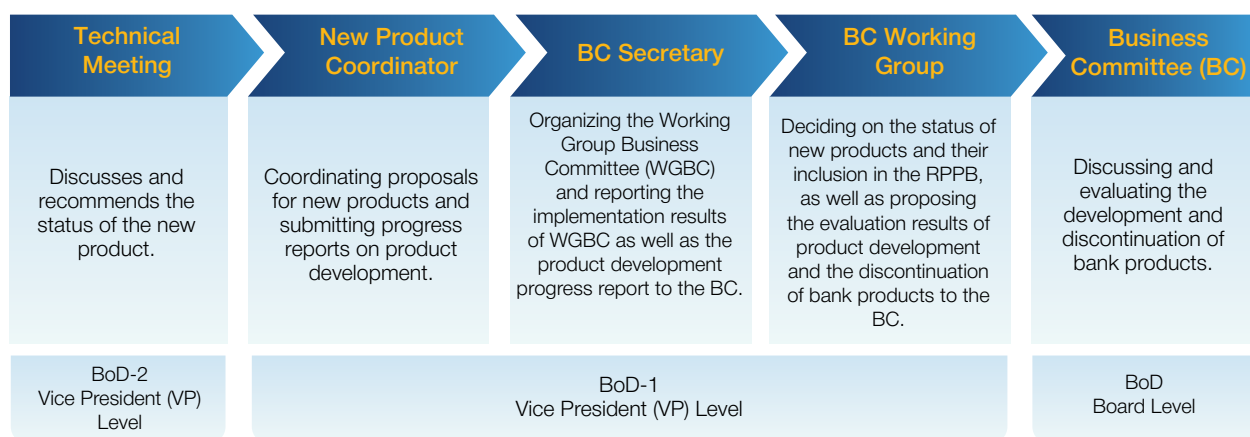
Bank Mandiri has policies related to the introduction of new products outlined in its Standard Operating Procedures (SPO) for New Product Launches, and Operational Technical Guidelines (PTO) for New Product Launches. These policies reflect the implementation of responsible product and service risk management practices, and includes integrating risk assessment and potential impacts into the new product development process through a comprehensive (end-to-end) approach regulated by risk acceptance and new product development. Additionally, Bank Mandiri consistently conducts monitoring and evaluation of new products to ensure continuous oversight of risks and potential impacts after the product is launched.

Bank Mandiri also transparently communicates risk information to customers. This includes providing information that is clear, accurate, honest, easily accessible, and not misleading; balancing the potential benefits and risks; and ensuring that no significant risk

information is hidden or minimized. Through these steps, Bank Mandiri is committed to supporting sustainability and ensuring that every product and service offered meets ethical and transparency standards, and are socially and environmentally responsible.

According to a Board of Directors' Decision Letter of 2024, every new product recommendation is to be submitted through a structured process, starting with discussions at a technical meeting and with the New Product Coordinator. The recommendation is further evaluated by the Secretary and the Working Group of the Business Committee (BC) for wholesale and retail segments. The final result is presented to the BC, which ensures that every product and service undergoes evaluation in accordance with policies and oversight standards. Bank Mandiri applies a process flow for the BC's oversight of the new product launch, which is as follows:

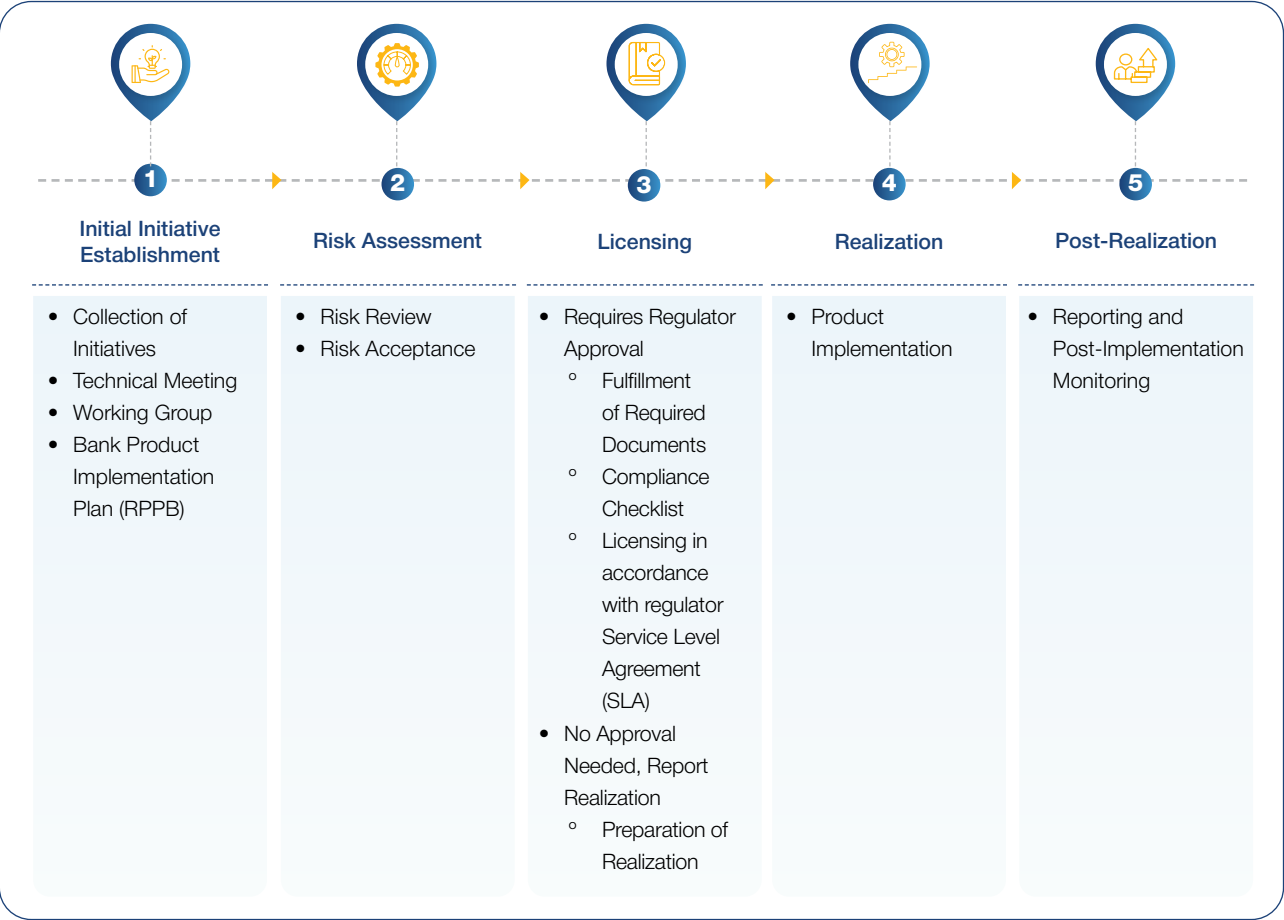
### Process Flow for Committee Oversight of New Product Implementation



In line with the oversight conducted by the Business Committee, the introduction of new products at Bank Mandiri also follows a series of stages, starting from gathering initiatives, determining product status, to risk approval. Each new product developed is evaluated through a risk assessment and licensing process in accordance with regulatory requirements, including limited trials if necessary. After obtaining approval from the relevant parties, the product is implemented with strict oversight and regularly evaluated to ensure compliance, reliability, and security for customers.

All these stages are depicted in the following process flow.

New Product Implementation Process Flow



In 2024, Bank Mandiri launched 25 products listed in the Bank's Product Implementation Plan (*Rencana Penyelenggaraan Produk Bank*). These products span various categories, including new core products, advanced products, and digital services. Each product is developed in accordance with internal policies, regulatory requirements, and relevant global sustainability guidelines to ensure reliability, security, and regulatory compliance. Additionally, all products undergo independent external reviews before being submitted for regulatory approval.

During the reporting period, all (100%) of Bank Mandiri's new products and services were evaluated based on security aspects and other criteria established by the Company, as well as regulatory requirements. Additionally, all (100%) of Bank Mandiri's products and services were

reviewed for compliance with labeling procedures and product and service information standards. There were no financial products or services withdrawn or discontinued by the Company or its subsidiaries.

In this sustainability report, the Company does not disclose information regarding incidents of violations related to product and service labeling regulations, product information, and marketing communications/advertising, considering confidentiality and information sensitivity aspects. Any customer complaints regarding product information and labeling, as well as marketing communications, will be addressed in accordance with the Bank's established complaint handling procedures. [GRI 417-2, 417-3] [OJK F.27, F.29]

Products and Services of Bank Mandiri

Bank Mandiri continues to innovate in the development of sustainable financial products and services to enhance convenience and improve the banking experience. The following are the products and services developed up to 2024, encompassing both previous innovations and newly introduced offerings this year. This list provides an overview of various initiatives that Bank Mandiri continues to enhance, reinforcing its commitment to delivering better financial solutions.

### **Livin' by Mandiri**

Livin' by Mandiri is a financial super app that provides comprehensive banking services accessible via smartphones. Livin' by Mandiri offers a selection of the latest solutions tailored to customers' financial and non-financial needs. Various conveniences are embedded in Livin' by Mandiri, such as account opening in more than 120 countries, Cardless Cash Deposit and Withdrawal, e-Wallet Linkage, Smart Payment, Instant Transfer using BI FAST, Instant Access, QR Payment and Transfer Receipt, Tap to Pay, Paylater, Foreign Exchange Transfer, investment product purchases, and also Livin' Sukha, along with various other exciting features that undoubtedly make banking easier for customers.

### **Livin' Merchant**

A merchant application that provides point-of-sale (POS) services starting from sales record keeping, stock management, various payment methods, and cash out.

### **Livin' Sukha**

One of the flagship features of Livin' by Mandiri to meet customers' lifestyle needs is SUKHA. SUKHA enables customers to purchase airline tickets, train tickets, medicines, and healthcare equipment, buy gaming vouchers and subscribe to streaming services, purchase concert and entertainment tickets, shop for daily necessities and electronics, order food and beverages, and even book health check-up appointments. Additionally, SUKHA offers a combination of entertainment and educational content through articles, live streaming, and reels. SUKHA serves as an integrated solution that fulfills entertainment and shopping needs, ensuring a comprehensive lifestyle experience.

### **Mandiri e-money**

Chip-based electronic money issued by Bank Mandiri as a cash substitute for payment transactions such as toll roads, parking, TransJakarta, trains, minimarkets, and various other merchants.

### **Mandiri Paylater**

Livin' Paylater is a loan facility provided by Bank Mandiri for QR payment transactions at all merchants, following a buy now, pay later concept with installment options of 1, 3, 6, 9, or 12 months. Customers can apply for Livin' Paylater online through Livin' by Mandiri.

### **Mandiri Direct Debit**

A transaction acceptance service for Mandiri Cards at merchants partnering with Bank Mandiri. This service provides a seamless transaction experience with an integrated payment flow.

### **Mandiri Chat Banking**

A communication service between Bank Mandiri and customers through the official WhatsApp Business account WhatsApp Bank Mandiri at 08118414000. Through this service, Bank Mandiri provides information, notifications, and interacts with customers. Conversely, customers can also inquire about Bank Mandiri's products and services using the same WhatsApp number.



## ATM

A banking transaction service through ATMs that allows customers to access their accounts, conduct cash transactions, check balances, transfer funds, make payments, and purchases using a Mandiri Card. Through domestic networks and the International Payment Network, Mandiri ATMs also support transactions using other banks' cards. Currently, Bank Mandiri has also equipped its ATMs with cash deposit and cash withdrawal functions.

## Mandiri EDC

A service providing Electronic Data Capture (EDC) machines available at stores/merchants partnering with Bank Mandiri. Mandiri EDC facilitates transaction acceptance for purchases, payments, cash withdrawals, and e-money top-ups using Mandiri Cards or other bank cards electronically through domestic networks, the International Payment Network, and the Bank Mandiri Network.

## KOPRA by Mandiri

KOPRA by Mandiri is a wholesale super digital platform that provides digital single access services and serves as a central hub for financial transactions and business information for wholesale segment entrepreneurs and their ecosystems, covering end-to-end operations KOPRA is available in three variants:

1. KOPRA Portal: A front-end digital service variant featuring a single access portal for seamless access.
2. KOPRA Host to Host: A digital single access service variant that integrates the customer's system with the Bank's system.
3. KOPRA Partnership: A digital solution that connects wholesale and retail customers by offering a comprehensive business ecosystem to strengthen engagement between customers and the Bank's group.

## Mandiri E-Commerce

A transaction acceptance service for Mandiri Cards and other bank cards at online stores/merchants partnered with Bank Mandiri. Mandiri e-Commerce offers a seamless transaction experience, as payments are processed within an integrated transaction flow without the need to access other banking channels. Customers can use Mandiri Cards or other bank cards through the International Payment Network.

## Mandiri QRIS

A payment transaction acceptance service using QR Code at Bank Mandiri merchants, supporting server-based electronic money and other funding sources. The QR system is standardized by Bank Indonesia, enabling users to transact interoperably using Livin' by Mandiri or other registered and Bank Indonesia-approved applications from banks and non-bank (fintech) providers. Mandiri QRIS offers merchants a seamless and cashless transaction experience.

## Digital Lending for Ecommerce and Fintech

Bank Mandiri collaborates with digital companies in Indonesia to provide non-revolving working capital loans to MSMEs registered as online sellers/merchants. The loan application process is conducted online through the partner's platform and submitted to Bank Mandiri via API integration. Funds are disbursed to the customer's account upon loan approval. Additionally, for digital companies without a dedicated financing application platform, Bank Mandiri offers an onboarding website to facilitate loan applications.

### Digital Lending for Value Chain Business

A business financing product provided by Bank Mandiri for customers selling through digital platforms. Customers can withdraw loan funds as needed on a revolving basis, as long as the loan limit has not been reached. The loan application process is conducted online via partner platforms collaborating with Bank Mandiri and is submitted to the bank through API integration. Customers can also track their loan application status directly through the partner platform.

### Mandiri Customer Service Machine (CSM)

The latest digital banking service from Bank Mandiri, equipped with biometric verification technology for card replacement services (changing card types, replacing damaged cards, or lost cards) and new account opening. Customers can conduct transactions self-service at CS Machines with a practical transaction process (without the need to fill out forms), fast, available 24/7, and without the need to wait at a branch.

## Oversight on Evaluation of Financial Products or Services

Bank Mandiri is committed to providing equitable products and services to all its customers. Each new or updated financial product and service is designed with customer needs in mind, including features, convenience, reliability, security, and compliance. Additionally, these financial products and services are tested to ensure adequate protection of personal data and secure transactions in accordance with established standards.

Evaluations are conducted to ensure that all Bank Mandiri's financial products and services, including new offerings, meet security standards and applicable regulations. The Business Committee (BC), led by the President Director, is a board-level committee with oversight of current and new product and service reviews, including the evaluation of product development and discontinuation in accordance with applicable regulations of the Bank. The oversight process also ensures that product development complies with applicable regulations and obtains the necessary approvals and/or submits realization reports to the regulator.

#### Business Committee (Board-level committee) members

- President Director
- Vice President Director
- Director of Corporate Banking
- Director of Network & Retail Banking
- Director of Finance & Strategy
- Director of Treasury & International Banking
- Director of Risk Management
- SEVP of Corporate Banking
- SEVP of Wholesale Risk
- SEVP of Micro & Consumer Finance

#### Roles and Responsibilities

Evaluate the development, updating, and discontinuation of credit and non-credit bank products, including digital banking products and services, while considering the applicable regulations within Bank Mandiri.

## Financial Product Complaint Handling

Customer loyalty is a key foundation for Bank Mandiri's existence for over 25 years, playing an active role in providing banking solutions to individuals and businesses from various sectors. This loyalty is built on customer satisfaction with the best services offered by the company, providing the right solutions that meet customers' financial needs. Bank Mandiri understands that customer loyalty must be maintained by building strong relationships and a deep understanding of their needs, so they will be motivated to recommend Bank Mandiri's services to others.

In addition to offering the best financial products, Bank Mandiri's commitment to customer satisfaction is reflected in its after-sales services, including a customer complaint handling mechanism which is designed in accordance with regulatory requirements and prioritizes customer comfort. This mechanism is implemented through internal policy for customer complaint management.

## Independent Complaint Handling Structure

As a strategic step to ensure transparency and the quality of complaint resolutions, Bank Mandiri has established a Customer Care Unit as an internal independent body. This unit is responsible for:

1

Managing and monitoring customer complaints in accordance with the established Service Level Agreement (SLA).

2

Handling customer complaints accurately and effectively in accordance with or even more efficiently than the established SLA.

3

Coordinating with internal and external Ombudsman<sup>3</sup> to review resolved and unresolved complaint handling processes in compliance with applicable regulations

Customers can submit inquiries and complaints, in writing and verbally, through these easily accessible communication channels:



Mandiri Call 24-hour service via:  
**14000**



Website [www.bankmandiri.co.id](http://www.bankmandiri.co.id) and select the **"Contact Us"** menu



**[mandiricare@bankmandiri.co.id](mailto:mandiricare@bankmandiri.co.id)**



MITA Whatsapp **0811-8414-000**

Official Social Media:



Twitter @mandiricare and @bankmandiri



Facebook "Mandiri Care" and "Bank Mandiri"



Instagram @bankmandiri



An official letter addressed to Bank Mandiri, either delivered in person or sent by mail.



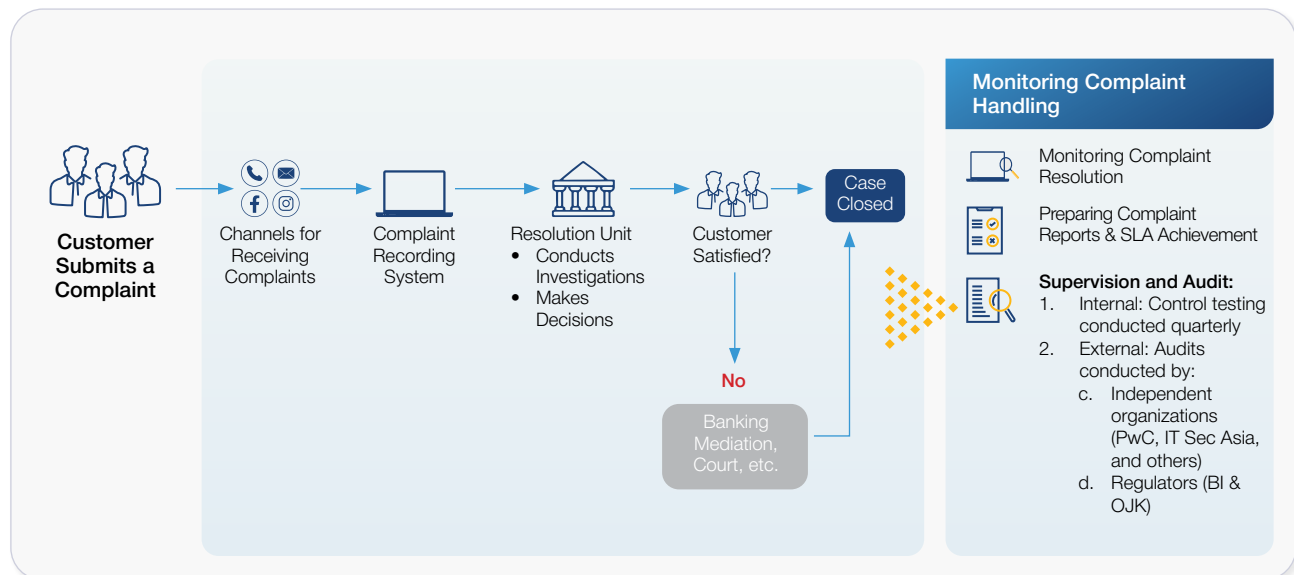
Bank Mandiri Branch Offices Across Indonesia

<sup>3</sup> Ombudsman refers to independent parties, both internal and external, who conduct reviews/audits of the bank's activities.

## Customer Complaint Handling Process

Bank Mandiri has a clear and effective mechanism for handling customer complaints, aimed at ensuring customer satisfaction and convenience. Each complaint is processed through the following workflow:

### Process Flow for Customer Complaints Handling



#### a. Customer Complaint Handling by the Customer Care Unit

Complaints received from customers through any complaint submission channels are recorded in the complaint recording system. They are then followed up by the Resolution Unit for investigation and decision-making in accordance with the established SLA. The entire complaint handling process is managed and monitored by the Customer Care Unit.

If customers are dissatisfied with the resolution provided by Bank Mandiri, they may escalate their complaints to independent parties, such as regulators (Bank Indonesia and the Financial Services Authority/OJK), and other institutions such as LAPS SJK, the Indonesia Ombudsman, the Ministry of SOEs, and other external media channels.

#### b. Complaint Oversight and Audit

To ensure effectiveness and compliance with complaint management policies, Bank Mandiri conducts regular oversight and audits performed by Ombudsman through the following mechanisms:

- **Audit/ Internal Ombudsman:** Internal audits are conducted by the Senior Operational Risk (SOR)

officer through quarterly control testing to ensure adherence to policies, procedures, and the SLA. These audits also include evaluating the quality of complaint resolution and providing recommendations for continuous improvement.

- **Audit/ External Ombudsman:** External audits are carried out by regulators (Bank Indonesia & the Financial Services Authority) as well as independent institutions such as PwC and IT Sec Asia to ensure transparency, integrity, and compliance with regulatory requirements. These audits assess the effectiveness of control systems, validate the complaint escalation process, and provide improvement recommendations based on independent evaluations.

Bank Mandiri implements customer complaint resolution strategy in accordance with designated levels of authority, taking into account the decision-making authority required for resolving customer issues and the complexity of the complaints. In line with this approach, the Customer Care Unit routinely collaborates with product owners to review received complaints, aiming to enhance service quality and expedite the resolution process.

## Oversight of the Complaint Resolution Process

The Risk Monitoring Committee, a Board-level committee, oversees the review of customer complaints, alongside the Director of Operations, who receives reports on the performance of customer complaint management and a summary of customer complaints directly from the Customer Care Unit. These efforts are undertaken to thoroughly discuss the complaint resolution process and identify necessary follow-up actions in collaboration with relevant work units.

Bank Mandiri sets complaint resolution targets proposed by the Operational Risk Unit to the Risk Management & Credit Committee (RMC), which are subsequently approved by the Board of Directors and the Board of Commissioners. For 2024, Bank Mandiri's target is 90 complaints per one million transactions. To enhance the quality of complaint handling, PT NielsenIQ Services Indonesia conducted a customer satisfaction survey on Bank Mandiri's complaint handling, achieving a score of 8.6 out of 10.

## Customer Complaint Recapitulation

During the reporting year, there were 987,822 customer complaints, representing a 9% decrease compared to the previous year. Of these, 100% were resolved in accordance with the established Service Level Agreement (SLA).

Description	2024	2023	2022
Total customer complaints	987,822	1,082,317	725,559
Complaints in the resolution process during the reporting year	-	-	-
Resolved complaints	987,822	1,082,317	725,559
Total transactions	19,086,390,532	15,146,907,333	12,038,675,803
Target RAS metrics	90	90	108
Realized RAS metrics	52	71	60
Resolution rate	100%	100%	100%

\*RAS metrics: Ratio of complaints to 1 million transactions

## Customer Satisfaction

Customer satisfaction and loyalty are key to sustainable business growth. Bank Mandiri consistently applies service excellence to ensure positive experiences and satisfaction for customers across all its service contact points. As part of this commitment, Bank Mandiri conducts annual customer satisfaction surveys to gather the voice of the customer and input to achieve the highest quality of service. In 2024, the surveys were conducted in collaboration with PT NielsenIQ Services Indonesia for the Customer Experience Survey

(CX Survey) and PT Morrigan Services for the Service Excellence Survey (SES) using a sampling method.

The CX Survey measures two main indicators, Customer Satisfaction Score (CSAT) and Net Promoter Score (NPS). These are assessed using methods such as face-to-face interviews (F2F), computer-assisted personal interviewing (CAPI), focus group discussions (FGD), and in-depth interviews (IDI). Meanwhile, the SES uses the mystery



shopping method to evaluate the consistency of Bank Mandiri's service standards across all contact points.

Bank Mandiri's service performance in 2024 showed growth with a Customer Satisfaction Score (CSAT) of 86.11, a Net Promoter Score (NPS) of 67, and a Service Excellence Survey (SES) score of 91.52.

To further improve complaint handling quality, the Company, in collaboration with independent parties, also conducted customer satisfaction surveys regarding complaint handling within Bank Mandiri and the industry. Two specific indicators were measured in detail, with the survey results as follows:

### Customer Satisfaction Scores

Indicator	Bank Mandiri	Industry*
Satisfaction score for complaint handling	8.6	8.6
Satisfaction score for the duration of complaint resolution	8.5	8.4

\*Bank Group Based on Core Capital Tier IV

The results of the survey indicate that Bank Mandiri's customer satisfaction score is higher than the average satisfaction level in the banking industry.

Bank Mandiri is committed to consistently making improvements to continue providing the best services to customers, thereby enhancing customer satisfaction and loyalty.

## Privacy Management, Cybersecurity, and Data Protection

The ease of transactions enabled by the digital era and the adoption of the latest technologies brings not only opportunities but also risks to information security. These risks include theft, manipulation, and misuse of data, which can threaten the confidentiality, integrity, and availability of information. Bank Mandiri places privacy and information security as key elements in delivering secure banking

services. The topic of Customer Data Security and Privacy has been selected as one of the primary material topics, reflecting its significant impact on business sustainability and stakeholder trust. To address this, Bank Mandiri continuously mitigates these risks to safeguard against potential financial losses, reputational damage, and legal actions. [\[FN-CB-230a.2\]](#)

## Responsibilities for Managing Privacy, Cybersecurity, and Data Protection

Bank Mandiri has established responsibilities at the Board-Level Committee for managing Privacy, Cybersecurity, and Data Protection (including personal data in accordance with the Personal Data Protection Law), as stipulated in the company's internal regulations at the Policy and Standard Procedure level. These responsibilities include overseeing Committees Under the Board of Directors, which are formed to assist the Board of Directors in making decisions aligned with the vision, mission, and strategy of Bank Mandiri.

Oversight by the Board of Directors and Board of Commissioners related to the Management of Privacy, Cybersecurity, and Data Protection:

### 1. Risk Management Committee

This committee is formed to assist the Board of Directors in implementing effective Risk Management processes and systems by ensuring adequate identification, measurement, and monitoring of risks, as well as the establishment of risk management policies and strategies.

## Structure of Risk Management Committee

<b>Chairperson</b>	Vice President Director
<b>Secretary</b>	Group Head of Credit Portfolio Risk
<b>Alternate Secretary</b>	Group Head of Market Risk
<b>Permanent Voting Member</b>	<ol style="list-style-type: none"> <li>1. Vice President Director</li> <li>2. Director of Compliance &amp; Human Resources</li> <li>3. Director of Network &amp; Retail Banking</li> <li>4. Director of Operations</li> <li>5. Director of Finance &amp; Strategy</li> <li>6. Director of Information Technology</li> <li>7. Director of Risk Management</li> <li>8. SEVP of Information Technology</li> <li>9. SEVP of Wholesale Risk</li> </ol>
<b>Non-Permanent Voting Member</b>	Members of the Board of Directors and SEVPs related to the subject matter attending as invitees

### 2. Risk Monitoring Committee

This committee was established to assist the Board of Commissioners in carrying out its supervisory duties and providing advice to the Board of Directors. Its role is to ensure that the Bank's risk management implementation remains aligned with adequate procedures and methodologies. By maintaining proper risk management practices, the committee helps ensure that the Bank's business activities remain within acceptable and profitable limits.

## Members, Duties & Responsibilities of the Risk Monitoring Committee

<b>Member</b>	<ol style="list-style-type: none"> <li>1. Risk Monitoring Committee consists of at least three (3) members, comprising Independent Commissioners and Non-Commissioner Independent Parties.</li> <li>2. The composition of the Risk Monitoring Committee includes at least 1 (one) Independent Commissioner serving as Chairperson and member, with expertise in finance, risk management, and/or business, 1 (one) Non-Commissioner Independent Party with expertise in finance, 1 (one) Non-Commissioner Independent Party with expertise in risk management.</li> </ol>
<b>Duties and Responsibilities</b>	<ol style="list-style-type: none"> <li>1. Monitoring and evaluating risk management policies (including implementation and compliance with regulations).</li> <li>2. Reviewing risk profile reports, bank health reports, and other types of risk reports.</li> <li>3. Providing recommendations to enhance the effectiveness of risk management.</li> <li>4. Conducting regular meetings with relevant work units.</li> <li>5. Reporting supervision results periodically to the Board of Commissioners.</li> <li>6. Preparing and reviewing work guidelines regularly.</li> </ol>

### 3. Steering Committee for Personal Data Protection

This committee was established as a commitment to compliance with data protection regulations. It is responsible for formulating strategies and defining measures to fulfill obligations under the Personal Data Protection Law.

## Members, Duties & Responsibilities of the Steering Committee for Personal Data Protection

<b>Members</b>	<ol style="list-style-type: none"> <li>1. Director of Compliance &amp; Human Resources</li> <li>2. Director of Information Technology</li> <li>3. Director of Risk Management</li> <li>4. Members of the Board of Directors, SEVP, Group Heads, and Department Heads related to the subject matter, attending as invitees</li> </ol>
<b>Duties and Responsibilities</b>	<ol style="list-style-type: none"> <li>1. Providing guidance on strategy and the effectiveness of Personal Data Protection implementation Bankwide.</li> <li>2. Conducting mapping, assessment, and all necessary actions to align Bank Mandiri's operations/activities with the provisions of the Personal Data Protection Law.</li> </ol>

## Active Oversight by the Board of Directors and the Board of Commissioners

Strategic oversight by the Board of Commissioners and the Board of Directors is carried out through a structured mechanism. Every quarter, data security and privacy performance is discussed and formally reported in the Risk Monitoring Committee, Audit Committee, and Integrated Governance Committee forums. These discussions include ESG achievements related to data privacy and security, the effectiveness of layered security systems, and compliance with Mandiri Group security standards. This mechanism ensures holistic information security management aligned with the Company's strategic objectives.

In addition, the Steering Committee for Personal Data Protection has been established as a testament to Bank Mandiri's commitment to data protection regulations. The Steering Committee is responsible for formulating strategies

and establishing measures to fulfill obligations under the Personal Data Protection Law (PDP Law).

Furthermore, Bank Mandiri has established a Data Governance Body to support the corporate strategy through the implementation of an effective and efficient data strategy. This data governance framework is structured based on best practices, external regulations, and Bank Mandiri's internal policies. Additionally, this governance framework involves all business units within Bank Mandiri to ensure integrated and optimal data management.

To support the comprehensive management of information security and cyber resilience across all operational lines, Bank Mandiri implements the 3 Lines of Model, which includes:

### 1<sup>st</sup> Line of Model: Chief Information Security Officer (CISO) Office Group

Responsible for managing cyber resilience and security by implementing operational security controls.

### 1.5 Line of Model: Senior Operational Risk Information Technology (SOR IT)

Responsible for testing the effectiveness of implemented operational controls.

### 2<sup>nd</sup> Line of Model: Operational Risk Group

Responsible for developing the framework and strategy for cybersecurity risk management.

### 3<sup>rd</sup> Line of Model: IT Audit Group

Responsible for conducting independent assurance, including periodic verification and review of the implementation of cybersecurity risk management.

In 2018, Bank Mandiri established a dedicated unit, the Chief Information Security Officer (CISO) Office Group, to manage information security and cyber resilience. This unit operates under the direct supervision of executive management (C-level) to ensure comprehensive implementation of cybersecurity resilience across all operational lines of the Company (bank-wide). In its operations, the unit adopts a cyber resilience framework based on international standards and best practices, ensuring readiness to face the ever-evolving cyber threats.

Furthermore, to support the implementation of the PDP Law at Bank Mandiri, the Board of Directors has approved the appointment of a Personal Data Protection Officer (PDPO) or Data Protection Officer (DPO) and the establishment of a dedicated work unit to support the functions of the PDPO.

In line with efforts to comprehensively manage information security, data privacy, and cyber resilience, Bank Mandiri adopts a collaborative approach across relevant work units to ensure optimal data protection. The information and data security governance structure at Bank Mandiri includes the following key elements:

Unit	Duties and Responsibilities
<b>Chief Information Security Officer (CISO) Office Group</b>	<p>Managing information security and cyber resilience by:</p> <ul style="list-style-type: none"> <li>• Designing, implementing, and evaluating information security architecture.</li> <li>• Managing regulations, standards, processes, and baselines based on best practices and compliance with information technology security requirements from regulators and the government.</li> <li>• Ensuring the effective implementation of security reviews in application design, application security testing, and penetration testing within the IT application system development framework under the System Development Life Cycle.</li> <li>• Identifying and analyzing cybersecurity threats through continuous monitoring functions.</li> </ul>
<b>Data Protection Officer and Data Protection &amp; Fraud Risk Group Work Unit</b>	<ul style="list-style-type: none"> <li>• Review and provide advice to Work Units to ensure compliance with the provisions of laws and regulations regarding Personal Data Protection.</li> <li>• Monitor and evaluate compliance with laws and regulations on Personal Data Protection, as well as the Bank's policies and/or Personal Data Processors.</li> <li>• Provide recommendations regarding the impact assessment of Personal Data Protection and monitor the performance of Work Units related to Personal Data Processing, including other Personal Data Controllers and/or Personal Data Processors.</li> <li>• Coordinate and act as the point of contact for matters related to Personal Data processing.</li> <li>• Follow up and develop internal procedures to address requests from Personal Data Subjects' Rights while adhering to applicable laws and regulations as well as business processes.</li> <li>• Declare and deliver written notifications to Personal Data Subjects and the Personal Data Protection Authority in the event of a Personal Data Protection failure.</li> </ul>
<b>Enterprise Data Analytics Group</b>	<p>The work unit responsible for carrying out tasks and duties as Data Governance and Data Steward.</p> <ul style="list-style-type: none"> <li>• Supporting the accurate and timely implementation of strategies, development, and business policies of the bank, while being trend-oriented and data-driven.</li> <li>• Ensure the data management and data governance provisions that guarantee the quality of data provided to other work units.</li> <li>• Ensure the effectiveness of reporting activities and project initiatives aimed at achieving and realizing the Bank Mandiri Data Center / single source of truth at Bank Mandiri.</li> <li>• Ensure that bank business strategies, development, and policies are data-driven, focusing on trends or data patterns, so that strategy implementation becomes more accurate and timely.</li> <li>• Oversight the work program related to the development of strategies and policies for data management at Bank Mandiri and its subsidiaries, in accordance with the specified requirements and schedules, and make necessary adjustments for improvement.</li> </ul>
<b>Operational Risk Group</b>	<p>Work unit responsible for managing cybersecurity risk.</p> <ul style="list-style-type: none"> <li>• Provide input to management in the formulation, development, and enhancement of the cybersecurity risk management framework, including strategy, policies, and organizational adequacy.</li> <li>• Develop and refine procedures and tools for implementing cybersecurity risk management.</li> <li>• Design and implement necessary controls to strengthen cybersecurity measures.</li> <li>• Monitor the implementation of the cybersecurity risk management framework as established by the Board of Directors and approved by the Board of Commissioners.</li> <li>• Conduct assessments to evaluate the impact of cybersecurity risk management strategies and policies on the Bank's overall risk profile.</li> <li>• Provide recommendations for cybersecurity risk management implementation to the Board of Directors and/or other relevant units.</li> <li>• Prepare and submit periodic cybersecurity risk management maturity assessment reports to regulators.</li> <li>• Review proposals for new products and emerging technologies developed by specific units within the Bank, focusing on assessing their potential impact on the Bank's overall cybersecurity risk exposure.</li> </ul>

## Privacy and Data Protection Policy

To ensure compliance with regulations and safeguard personal data, Bank Mandiri implements a Personal Data Protection (PDP) Policy and Privacy Policy, as outlined in internal policies in the form of Memorandum on Personal Data Protection. This policy governs all relevant business lines/operations of Bank Mandiri, including overseas branches, customers, and vendors. This policy also applies to all financial products, whether account openings are conducted through branch offices or digital platforms. To harmonize data management across subsidiaries, including data privacy and security, Mandiri Subsidiary Management Principle Guideline (MSMPG) establishes data management provisions that can be adopted and aligned by subsidiaries. A component of Bank Mandiri's Privacy Policy, namely the Individual Customer Privacy Policy and the Privacy Policy of Customer of Entity, can be accessed at the following link: [bmri.id/KebijakanPrivasi](https://bmri.id/KebijakanPrivasi).

All internal policies of Bank Mandiri are reviewed as needed, at a minimum of once per year (annual review), or in accordance with regulatory requirements. Reviews are also conducted whenever there are provisions or changes

issued by external regulators that impact Bank Mandiri's internal policies or when there are changes in business or operational needs. To ensure implementation across all employees regarding privacy and cybersecurity, as well as to raise awareness of the threats and the importance of these issues, Bank Mandiri has established internal policies in the form of standard procedures on information technology and data management as the primary guidelines. These are further supported by internal policies in the form of technical guidelines on data retention and security baseline, serving as operational technical guidelines. Internal policies in the form of standard procedures related to information technology also regulate various aspects of information technology security and cybersecurity. Meanwhile, internal policies in the form of standard procedures related to data management focus on data governance across all Bank units, both domestically and internationally. Specifically for overseas branch offices, in addition to adhering to the provisions of these standard procedures, they are also required to comply with the regulations applicable in each operational country.

## Personal Data Protection Strengthening Program

The personal data protection strengthening program is integrated into Bank Mandiri's bank-wide compliance governance system, risk management, and technical operations through its Personal Data Protection Program (PPDP) to ensure adherence to regulatory standards and internal policies. Periodic evaluations are conducted on the policies and procedures implemented by relevant units, along with internal audits and audits by independent third parties to ensure compliance with the bank's Personal Data Protection Policy.

To enhance data security, Bank Mandiri implements various protection measures, including encryption, access control, and regular security audits. Through the Personal Data Storage Implementation Unit, Bank Mandiri ensures the security of customer personal data by applying physical and electronic data security controls, data retention mechanisms, strict access management, and prevention of data protection failures. This unit is also responsible for managing storage locations and media, addressing requests for data copies by data subjects, and recording and adjusting storage processes as needed.

The complexity of implementing personal data protection impacts all operational activities, including those involving customers, employees, and third parties. A comprehensive personal data protection program has been developed in collaboration with the Data Protection and Fraud Risk Group, CISO Office Group, Enterprise Data Analytics

Group, IT Application Support Group, Operational Risk Group, and Human Capital Strategy & Talent Management Group. The program focuses on four key areas:

1. Business process improvement;
2. System development;
3. Enhancement of internal regulations, and
4. Organizational strengthening.

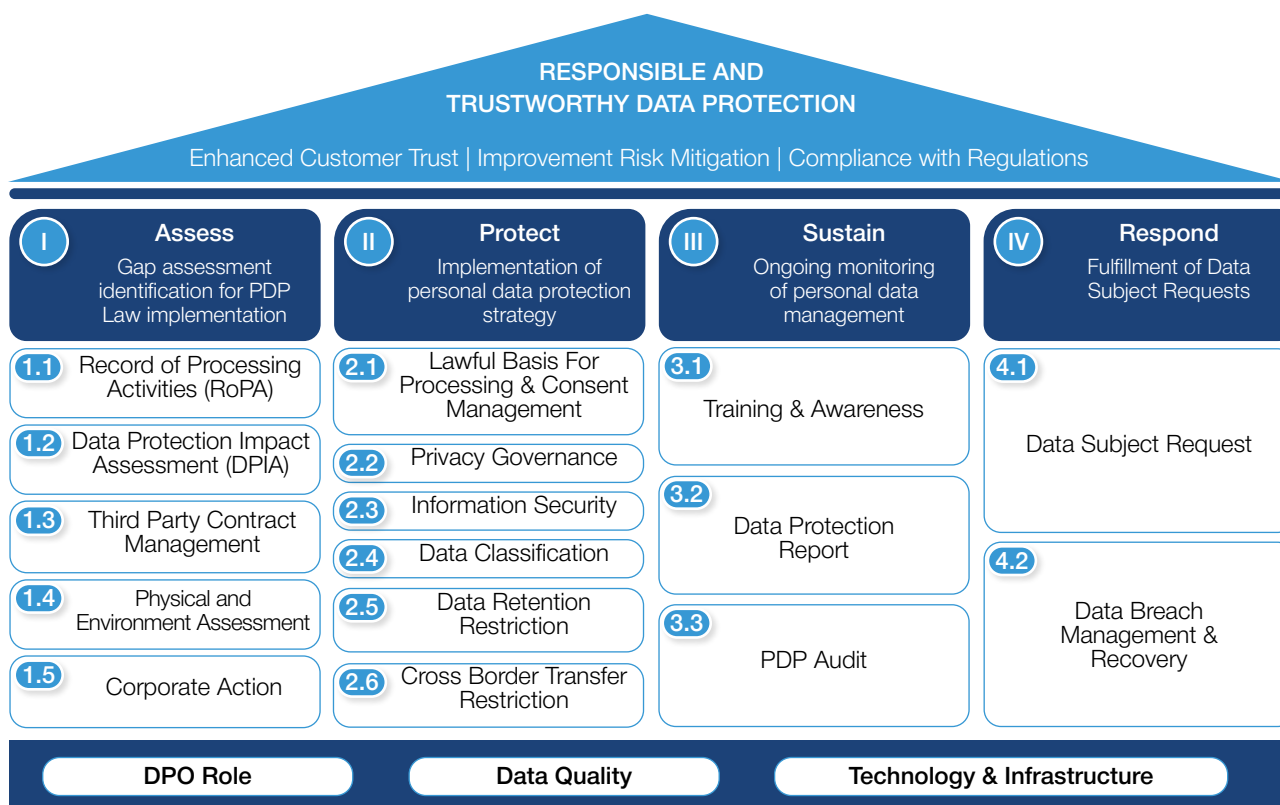
Bank Mandiri's personal data protection strengthening program covers not only customer personal data but also employee and third-party data associated with the bank. The personal data protection strengthening program is integrated into Bank Mandiri's compliance governance system, risk management, and technical operations through PPDP, ensuring adherence to regulatory standards and internal policies. To enhance security, Bank Mandiri implements various protective measures, including encryption, access control, and regular security audits.

During the reporting period, Bank Mandiri reviewed internal regulations, appointed Personal Data Protection (PDP) officers, provided a Record of Processing Activity (ROPA), and conducted Data Protection Impact Assessments (DPIA). The implemented programs included metadata management, data quality improvement, and adjustments to customer requirements, supported by personal data protection training through the Mandiri University Group.



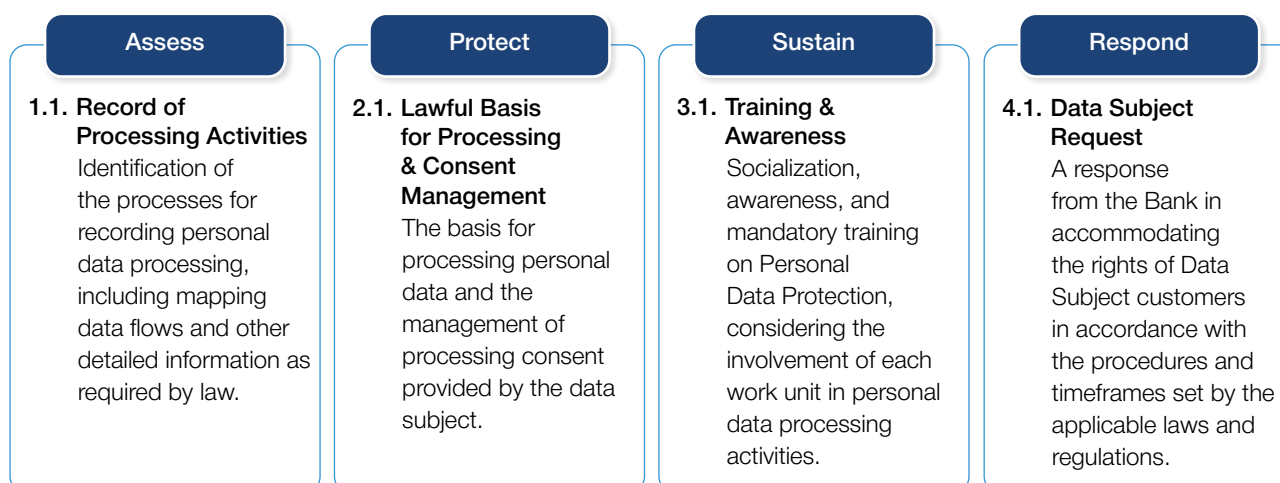
Bank Mandiri continuously conducts comprehensive reviews of its personal data protection program to ensure operational compliance with the Personal Data Protection Law (PDP Law). Bank Mandiri also organizes focus group discussions (FGDs) with various associations in Indonesia, foreign institutions, and consultants to discuss best practices in personal data protection.

## Framework for the Implementation of Personal Data Protection



Bank Mandiri has established a framework to support the implementation of Personal Data Protection, with the vision of “Responsible and Trustworthy Data Protection.” The framework aims to enhance customer trust, improve risk mitigation, and ensure compliance. In its implementation, this framework is supported by four main pillars: assess, protect, sustain, and respond.

The four supporting pillars in the data protection framework implemented by Bank Mandiri are:



## Assess

**1.2. Data Protection Impact Assessment (DPIA)**

An analysis/assessment conducted to evaluate personal data processing activities with high potential risks.

**1.3. Third Party Contract Management**

Adding PDP clauses and security protection standards in agreements with third parties.

**1.4. Physical & Environment Assessment**

Includes risk management for physical facilities and environments against threats and vulnerabilities, such as human factors, disasters, and environmental risks, by implementing controls like access cards, access control, alarms, and video surveillance (CCTV).

**1.5. Corporate Action**

In the event of mergers, splits, acquisitions, consolidations, and/or the dissolution of legal entities, the Bank must notify the Data Subjects and relevant authorities through information transparency.

## Protect

**2.2. Privacy Governance**

The creation of internal provisions related to Personal Data Protection and the adjustment of existing provisions to comply with the Personal Data Protection Law.

**2.3. Information Security**

Ensuring the security of processed personal data through:

- Pseudonymization, encryption, and/or data anonymization mechanisms
- Routine testing and review of security control measures to ensure effective and ongoing activities.

**2.4. Data Classification**

Implementing data classification mechanisms to protect sensitive data (including personal data) from being accessed by unauthorized parties/individuals.

**2.5. Data Retention Restriction**

Strategies for the deletion/destruction of personal data that has exceeded its retention period.

**2.6. Cross Border Transfer Restriction**

Policies related to the transfer of personal data outside the jurisdiction of the Republic of Indonesia.

## Sustain

The establishment of internal regulations for employees to comply with the provisions of the PDP Law, highlighting the do's and don'ts in the implementation of personal data protection.

**Media:** Newsletter, Podcast, Video, Online & Offline Training, Pulse-check.

**3.2. Data Protection Report**

A periodic report to the Director of Risk Management in the form of a monthly report, and reports to Management in the Data Protection Steering Committee.

**3.3. PDP Audit**

An audit process conducted by independent parties, both internal and external, on the implementation of the PDP to ensure compliance and alignment with applicable laws.

## Respond

**4.2. Data Breach Management & Recovery**

Handling personal data protection failures and reporting them to the PDP Authority, as well as notifying the Data Subjects of the personal data protection failure.

## Privacy Governance in Information Security and Data Protection

In line with technological advancements and the increasing risks to information security, Bank Mandiri continues to enhance data and information protection as part of its corporate sustainability strategy. Bank Mandiri does not rent, sell, or provide data in any form to third parties, except for the purpose of financial transactions/services. The bank minimizes data backup management, risk mitigation, as well as documentation and monitoring. As a concrete step, Bank Mandiri has refined its policies to mandate the application of personal data protection principles in accordance with PDP Law. The scope of the policy and the implementation of personal data protection principles are outlined in the internal policy through the Memorandum of Procedure on Personal Data Protection.

Bank Mandiri consistently updates its SOPs for Data Management, which regulate the processing of personal data. This includes processing data in accordance with the purposes agreed upon by customers, data retention periods, processes for receiving and sending data to external parties, and data deletion. The data protection policies outlined in the SOPs cover all data stored within Bank Mandiri's database systems, which impact assets and liabilities, including commitments and contingencies. These SOPs govern data management activities and establish data governance as the foundation for an end-to-end process, encompassing:

- Data initiation management;
- Metadata management;
- Master data management;

- Data quality management;
- Data storage management;
- Data development management;
- Data security management;
- Data provisioning management;
- Big data analysis management;
- Data backup management.

Internal policies, which include Standard Operating Procedures related to Data Management and Personal Data Protection, also regulate several prohibitions concerning the management of customer data. Some of these prohibitions include:

1. Prohibiting the disclosure of customer data and/or personal information to third parties;
2. Forcing potential customers to share data as a condition for product/service agreements; and
3. Using personal data of potential customers whose applications have been rejected. Exceptions apply only if there is written or electronic consent from the customer or based on legal provisions.

All policies and procedures related to information security and data protection are internally available for all employees. To support this, Bank Mandiri provides internal access through its POPCORN (Policy and Procedure Corner) online platform. This platform facilitates easy access for employees to applicable policies and procedures, ensuring consistent and comprehensive implementation in maintaining information security and data protection.

## Information Security and Data Protection Implementation at Mandiri Group

Bank Mandiri has developed the Mandiri Subsidiaries Management Principles Guideline (MSMPG), which includes provisions governing collaboration on information technology and data management with its Subsidiaries. This guideline aims to create sustainable value while adhering to the principles of good corporate governance and the Articles of Association of each subsidiary. All policies and procedures are periodically reviewed to ensure their relevance to technological advancements, operational needs, and applicable regulations. Policies implemented at

subsidiaries must align with those of Bank Mandiri as the parent entity.

MSMPG addresses various aspects, including aligning information technology security architecture to ensure corporate security and regulatory compliance; and data management that promotes the implementation of integrated management information systems and data governance in accordance with applicable regulations. Data governance at subsidiaries must also align with Bank Mandiri's data governance framework.

As the parent entity, Bank Mandiri has aligned and synergized with its subsidiaries in the areas of information resilience and security, as well as personal data protection within the Mandiri Group conglomerate, through the implementation of monitoring and assistance provided by each subsidiary. For information resilience and security, the CISO Office Group collaborates with subsidiaries by establishing Mandiri Group's information security standards, which include controls to anticipate cybersecurity attacks that are non-negotiable, considering the complexity of each subsidiary's systems. Compliance with these standards and controls is monitored and reported to the Board of Commissioners and the Board of Directors of Bank Mandiri and the subsidiaries on a regular basis. In 2024, the CISO Office Group will also organize a knowledge-sharing forum as part of the ongoing strengthening of cybersecurity resilience within the Mandiri Group. Furthermore, regarding data protection, Bank Mandiri,

through the Personal Data Protection Officer (PPDP) / Data Protection Officer (DPO), also coordinates the implementation of data protection across the Mandiri Group Financial Conglomerate through monitoring and assistance provided to the subsidiaries. In 2024, Bank Mandiri will organize a workshop for all subsidiaries to ensure that the implementation of Personal Data Protection has been comprehensively carried out and complies with the law. In this regard, all subsidiaries have implemented privacy policies that are listed on their respective corporate websites.

The information security policies at the subsidiaries are based on the information security policies in place at Bank Mandiri, while taking into account the operational conditions of each entity.

The information security and data protection policies at





subsidiaries include the following:



#### **Bank Syariah Indonesia**

(<https://www.bankbsi.co.id/kebijakan-privacy/bsi>)

The privacy of customer personal data is a top priority for BSI. The BSI Privacy Policy explains how the company collects, uses, discloses, processes, and manages customer personal data. The policy applies to all personal data owned by or under the control of BSI.

BSI provides information regarding the use of customer data, for business needs and product and service marketing. The use and disclosure of customer data are conducted in accordance with the regulations of Bank Indonesia, the Financial Services Authority (OJK), data protection laws, and applicable privacy regulations.

The stored data is required for application operations, including customer data (such as customer photos and photos of visits and collateral), data entered into the menu pipeline, and unique device identifiers used. Without this data, the application cannot be processed or stored for searches. The application does not share data internally or externally with any third party, and this data is protected using Secure Socket Layer (SSL) encryption. Data stored in the system can be deleted through an official request submitted in accordance with the procedures established by the bank.



#### **Mandiri Taspen**

<https://www.bankmandiritaspen.co.id/article/id-kebijakan-privasi/id>

Bank Mandiri Taspen is committed to maintaining the confidentiality of customer digital transactions amidst the increasing prevalence of phishing attacks by employing advanced encryption technology as a layer of protection. Although every transaction—including digital ones—has risks, most of these risks can be minimized through proper understanding and use of safe transaction methods. The core principle is simple and easy to remember: BE CAUTIOUS, BE THOROUGH, AND CONFIRM.



#### **Mandiri Utama Finance**

<https://www.muf.co.id/kebijakan-privasi/>

MUF always maintains the trust of every customer. One way is by ensuring customer security during transactions and applying the following principle: BE CAUTIOUS, BE THOROUGH, AND CONFIRM.



#### **Mandiri Tunas Finance**

<https://www.mtf.co.id/id/kebijakan-privasi-mtf1access>

As part of its commitment, MTF uses customer personal information solely for service development purposes, without requiring the completion of personal data forms. The website collects cookie data and visitor statistics to enhance services. MTF also safeguards the confidentiality of consumer transactions, including digital transactions, where most risks can be minimized through proper understanding of safe transaction practices based on the principle: BE CAUTIOUS, BE THOROUGH, AND CONFIRM.



**AXA Mandiri Financial Services**<https://axa-mandiri.co.id/web/customer/kebijakan-privasi>

The need for data usage continues to grow with technological advancements. AXA Mandiri innovates to improve customer experiences in transactions and data protection through tailor-made protection, information simplification, and procedural efficiency. AXA Mandiri is responsible for ensuring the security and confidentiality of customer personal data in compliance with applicable laws.

AXA Mandiri is committed to protecting customer data by implementing physical, technical, and organizational procedures to ensure secure access, storage, and disclosure. Customer data is not shared without consent, and identities are verified before accessing or altering data.

**Mandiri Sekuritas**<https://www.mandirisekuritas.co.id/id/kebijakan-privasi>

Mandiri Sekuritas is committed to maintaining the privacy and security of customer personal data as well as prospective customers in compliance with applicable laws and regulations. The company's privacy policy covers various aspects of data management, from collection and use to disclosure when customers use or access our electronic systems.

The policy also includes details on customer preferences, such as data collection, tracking, cookies, transfers, disclosures, security, the use of third-party providers, website links, and policy disclosures.

**Mandiri Capital**<https://mandiri-capital.co.id/kebijakan-privasi/>

MCI provides information about its privacy policy on its website, including the collection and use of personal data such as name, address, and email provided voluntarily by visitors. This personal data is used to enhance customer service in compliance with applicable laws and regulations. Although customers are not required to provide such data, certain services may not be available without it. MCI also collects cookie data and visitor statistics to improve user experience. Users have the right to disable cookies while visiting the website.

**Mandiri Europe**<https://www.bkmandiri.co.uk/privatepolicy.htm>

Bank Mandiri (Europe) is committed to protecting customer privacy by implementing clear privacy policies. These policies include processes for maintaining confidentiality, including the use of cookies, to ensure all customer personal data is securely stored. Customer data is not disclosed without prior consent, unless required by law and explained in the privacy policy. Any questions regarding privacy are also addressed under the policy to maintain customer security.

**Mandiri Remittance**<https://www.mandiriremittance.com/privacy-policy/>

The Privacy Notice of Mandiri International Remittance Sdn. Bhd. (MIR) explains the use of customer personal data. MIR is committed to ensuring the processing of personal data complies with the Personal Data Protection Act 2010 (PDPA). This notice applies to all personal data voluntarily provided by customers when accessing MIR services, as well as data on the website and all products and services offered. This policy also governs the purposes and types of personal data, disclosure, security, storage, integrity, and access principles for personal data processed by MIR.

## Bank Mandiri Privacy Policy

To ensure responsible management, Bank Mandiri consistently informs customers of the purpose and legal basis for data processing, ensuring that each consent is given consciously and based on a clear understanding. Bank Mandiri has provided information outlined in the Privacy Policy, including the legality of personal data processing (basis for personal data processing), the purpose of processing personal data, the types and relevance of personal data to be processed, the retention period of documents containing personal data, details of the information collected, the processing period of personal data, and the rights of Data Subjects.

### 1. Basis for Personal Data Processing

Bank Mandiri has established the basis for personal data processing as regulated in the internal provisions related to Personal Data Protection, which include:

- Consent from the Data Subject for the Privacy Policy signed through an inseparable consent form
- Agreement with the Data Subject
- Fulfillment of legal obligations
- Protection of the vital interests of the Data Subject (Vital Interest)
- Performing tasks in the public interest
- Fulfillment of other legitimate interests, while ensuring a balance between Bank Mandiri's interests and the rights of the Data Subject

Bank Mandiri manages consent for personal data processing with a focus on transparency and compliance with Law No. 27 of 2022 concerning Personal Data Protection (PDP Law). The consent management system in place allows customers to provide, modify, or withdraw their consent.

### 2. Purpose of Personal Data Processing

Bank Mandiri implements comprehensive measures in managing and protecting data to ensure the security of customer information and compliance with applicable regulations. Personal data processing is carried out only based on the approved legal basis and purpose as consented by the data subject.

The purpose of processing personal data and the types of data processed have been thoroughly identified and outlined in Bank Mandiri's Privacy Policy, which includes:

- Management of products, services, and/or Bank Mandiri's offerings, including profiling and scoring, to enhance service to customers and manage Bank Mandiri's risk.

- Provision of promotions or programs by Bank Mandiri that may collaborate with third parties for products and/or services that the customer already possesses.
- Marketing and/or offering products, services, and/or offerings from Bank Mandiri and/or other companies within the Mandiri Group and/or third parties collaborating with Bank Mandiri, for products and/or services not yet owned by the customer.
- Fulfillment of legal regulations and orders from regulators, law enforcement, and other authorized institutions.

### 3. Types and Relevance of Personal Data to be Processed

Bank Mandiri implements comprehensive measures in managing and protecting data to ensure the security of customer information and compliance with applicable regulations. The collection, use, and storage of customer information are conducted with caution and transparency. All data collected by Bank Mandiri is determined based on the applicable transaction requirements. However, Bank Mandiri is committed to minimizing personal data requests, ensuring that the requested data is relevant and complies with regulatory provisions. The types of data processed are outlined in Bank Mandiri's Privacy Policy.

### 4. Retention Period for documents containing Personal Data

Bank Mandiri has established a retention period in accordance with applicable legal regulations and laws.

### 5. Details of the Information Collected

Details regarding the information collected have been provided on the types of personal data collected and outlined in Bank Mandiri's Privacy Policy. Personal data processed by Bank Mandiri includes, but is not limited to, identification data, correspondence, education and employment, family, financial, digital activities, and personal preferences, obtained directly or through third parties in accordance with the provisions.

### 6. Processing Period for Personal Data

Bank Mandiri will process personal data upon receiving the legal basis for processing. Processing will continue during the use of Bank Mandiri's products, services, and/or offerings or in accordance with applicable legal provisions.

## Rights Provided to Customers to Control Their Data (Rights of Personal Data Subjects)

Bank Mandiri guarantees customers' rights to access, correct, update, delete, and destroy personal data, as well as obtain data portability in accordance with applicable regulations. Bank Mandiri ensures the fulfillment of customer rights regarding personal data management, as outlined in the Privacy Policy, which includes the following rights:

### 1. Right to Information and Access

The Data Subject has the right to obtain information regarding the identity of the party requesting their personal data, the purpose of the request, and access to copies of their personal data.

### 2. Right to Rectification of Data

The Data Subject has the right to complete, update, and/or correct personal data that is inaccurate or incomplete.

### 3. Right to Obtain, Use, and/or Transfer Personal Data to Others

The Data Subject has the right to obtain, use, or provide their personal data held by Bank Mandiri to third parties, as long as the communication systems used by Bank Mandiri and the third parties are secure.

### 4. Right to Terminate Processing, Delete, and/or Destroy Personal Data

The Data Subject has the right to terminate processing, delete, and/or destroy their personal data. The Data Subject agrees to provide Bank Mandiri with time to process the termination of processing, deletion, and/or destruction of personal data as long as Bank Mandiri requires.

### 5. Right to Withdraw Consent

The Data Subject has the right to withdraw consent for the processing of personal data that has been given to Bank Mandiri, and the Data Subject agrees to provide Bank Mandiri additional time to process the termination of processing of their personal data as long as Bank Mandiri requires.

### 6. Right to Object to Automated Processing Results

The Data Subject has the right to object to the results of automatic personal data processing that have legal consequences or significantly impact the Data Subject, including profiling and/or credit scoring.

### 7. Right to Suspend or Limit Processing

The Data Subject has the right to suspend or limit the processing of their personal data proportionally according to the purpose of personal data processing. To exercise this right, the Data Subject can contact Bank Mandiri through the communication channels provided in section H of this Privacy Policy.

### 8. Other Rights in Accordance with Legal Regulations

The Data Subject has the right to exercise other rights related to personal data processing as provided by applicable laws and regulations.

As a form of transparency, Bank Mandiri outlines the mechanism for fulfilling its obligations in response to requests from Personal Data Subjects by providing the contents of the Privacy Policy to the Personal Data Subjects through branches, the corporate website, and other touchpoints that engage with Personal Data Subjects.

## Data Protection Systems and Procedures

### Data Protection Procedures

To safeguard customer personal data, Bank Mandiri conducts periodic reviews and ensures that all data usage has obtained customer consent. Data processing is carried out in a limited manner, aligned with its purpose, and guarantees the accuracy, completeness, and reliability of information. The Company also protects personal data from loss, misuse, unauthorized disclosure, alteration, or destruction by notifying the purpose of data collection and processing activities.

Bank Mandiri's strong commitment to independent

data management includes processing and deleting unauthorized or accidental data. This commitment is realized through the implementation of data security management, which includes monitoring asset management, protecting data during transfer processes, and destroying data in accordance with applicable procedures. Additional security measures include:

1. Implementing data classification mechanisms to protect sensitive data from unauthorized access;
2. Applying data loss prevention (DLP) mechanisms to all

IT assets supporting business activities, preventing the loss of sensitive data or information;

3. Utilizing secure file sharing integrated into data management technologies, covering data collection, processing, storage, and transfer;
4. Conducting security awareness and risk awareness programs for all employees to ensure adequate human resource capabilities in data security and management, and
5. Performing data backup, switch-over, and disaster recovery training to ensure the resilience of data and IT assets supporting business operations.

### Data Encryption

To prevent illegal access to sensitive and personal data, Bank Mandiri uses encryption as a protective measure. Encryption is applied to data management during usage (Data-in-Use), transmission (Data-in-Transit) to ensure data remains secure from unauthorized parties. Encryption measures include:

1. Data Transfer: Secure data exchanges with third parties using Secure Manage File Transfer (MFT).
2. Drive Encryption: Encrypting storage devices to ensure data security.
3. Advanced Encryption Standard (AES): Applying encryption to electronic data.
4. Communication Encryption: Securing communication channels, such as using Transport Layer Security (TLS) for encrypted communication media.

User access rights are centrally managed through an Identity Management system. For managing high-level access rights (power users), Bank Mandiri employs Privileged Access Management (PAM), which includes features like Privileged Threat Analysis (PTA) to detect and notify threats based on predefined rules.

### Data Breach

To prevent intentional and unintentional data breaches, Bank Mandiri uses Data Loss Prevention (DLP) Tools, Identity Access Management (IAM), and Multi Factor Authentication (MFA). For enhanced protection, personal data is also secured through de-identification techniques, such as anonymization and pseudonymization (data masking and generalization). These techniques ensure that data cannot be directly identified without authorized access. These proactive measures prevent threats, while reactive measures effectively address incidents, thereby ensuring customer data protection in compliance with the highest security standards. [GRI 418-1] [FN-CB-230a.1]

To ensure employee compliance with the implementation of personal data protection, Bank Mandiri has added a point related to compliance with personal data protection in the Employee Integrity Pact. This statement declares that employees will protect and maintain the confidentiality, reputation, credibility, and interests of Bank Mandiri, including actively supporting the implementation of Personal Data Protection and preventing the misuse of personal data that could result in harm to other individuals or parties.

Furthermore, Bank Mandiri has implemented sanctions if employees violate and/or fail to fulfill the obligations outlined in the provisions related to Personal Data Protection. The sanctions imposed are in accordance with the Employee Discipline Regulations, as specified in the Standard Operating Procedures related to Human Resources.

As of the end of 2024, Bank Mandiri has recorded no cases of data breaches or misuse of customer privacy. Additionally, over the past three years (2022–2024), there are no information security breaches, ensuring that no customers, clients, or employees were affected. Any complaints related to privacy breaches are handled in accordance with Bank Mandiri's established complaint management procedures.

[GRI 3-3]

## Integration of Data Protection Safeguards in Product and Service Development

Bank Mandiri integrates data protection into the development of products and services to ensure data security at every stage of the business process, from design to implementation. Minimum security requirements and standardization measures for mitigating vulnerabilities during the development phase are implemented in accordance with the Internal Policy in the form of Technical Guidelines related to Security Baseline, where all IT initiatives and IT application developments must meet established security requirements.

Bank Mandiri has also adopted a privacy by design concept, integrating personal data protection from the development stage, which includes:

1. Record of Processing Activities (RoPA): Identifying processes and mapping data flows.
2. Data Protection Impact Assessment (DPIA): Assessing personal data protection, including risk identification and mitigation.

All of these processes are governed by internal provisions related to information technology planning, change requests, and testing. Additionally, information security testing is conducted based on vulnerability analysis through penetration testing and scenario-based testing activities. Bank Mandiri has also implemented document confidentiality classification and security mechanisms for each confidentiality level using a manual tagging and labeling system. Furthermore, in implementing information security, data transmission to external parties is restricted through the implementation of Data Loss Prevention (DLP).

## Disclosure and Control of Data to Third Parties

Bank Mandiri is committed to maintaining the confidentiality and security of personal data and does not rent, sell, or provide such data with third parties, except for purposes related to transactions or financial services as stipulated by applicable regulations. Bank Mandiri has a strict policy governing customer data disclosure to ensure compliance with regulations and protect customer privacy, as regulated in the Internal Policy on Personal Data Protection in 2024. This policy permits data disclosure only for legitimate purposes, such as fulfilling legal and regulatory obligations or supporting banking transactions or services.

Data disclosure is carried out in a limited manner and at a level consistent with the company's privacy policy to relevant third parties, including regulators, law enforcement authorities, or business partners with the appropriate authority. Additionally, the policy governs data disclosure to entities such as joint controllers, processors, or other parties (counterparties), with strict oversight to ensure compliance with data protection standards. For requests from law enforcement agencies or regulators, the data management policy regulates disclosure in contexts such as money laundering (AML), terrorism financing (CFT), or special audit requirements. All third parties receiving customer

data are required to sign confidentiality agreements or non-disclosure agreements (NDAs) to ensure data protection remains safeguarded.

In addition, as a form of mitigation related to cooperation with third parties, Bank Mandiri has implemented:

1. Including PDP clauses in Partnership Agreements with Third Parties;
2. Establishing personal data protection security standards as part of Cooperation Agreements, focusing on security aspects in personal data processing;
3. Adding requirements related to the implementation of PDP into the procurement process.

In collaborations with third parties, including IT contractors or external parties in the supply chain, Bank Mandiri does not provide data in any form to third parties for purposes other than executing transactions. To ensure data security in third-party collaborations, the CISO Office Group routinely conducts vendor security inspections, covering human, process, and technological aspects. These inspections are performed through questionnaires, interviews, and/or on-site visits to the third-party locations.

## Collection, Use, Storage, and Retention of Data

Bank Mandiri implements comprehensive measures in data management and protection to ensure the security of customer information while complying with applicable regulations. The collection, use, and storage of customer information are carried out with principles of prudence and transparency. All data collected by Bank Mandiri is determined based on applicable transactional requirements. However, Bank Mandiri is committed to minimizing the collection of personal data, ensuring that only relevant data is requested in compliance with regulatory requirements. The nature of data collected includes general personal data and specific personal data. General personal data includes:

- Full name
- Gender
- Nationality

- Religion
- Marital status
- Other personal data that can be combined to identify an individual.

Meanwhile, specific personal data includes:

- Health data and information
- Biometric data
- Genetic data
- Criminal records
- Child-related data
- Personal financial data
- Other data as regulated under applicable laws and regulations.



Bank Mandiri ensures that customer data is used strictly for legitimate banking transactions, in compliance with security regulations, data protection laws, and customer consent. The data is used to facilitate banking transactions, improve service quality, fulfill legal obligations, and enhance the customer experience through relevant product or service offerings. All data usage is conducted under strict supervision and in adherence to applicable data protection regulations.

In accordance with Internal Policies in the Form of Technical Guidelines on Data Retention and Law No. 27 of 2022 on Personal Data Protection (PDP Law), Bank Mandiri retains personal data for a maximum of 30 years. Once the retention period expires, personal data will be destroyed if

the customer no longer holds active products or services with Bank Mandiri and if the data is not included in the exception categories outlined in Article 50 of the PDP Law. Bank Mandiri also does not collect personal data from third parties, except when required by law.

Personal data management can be conducted through various channels, such as branch offices, call centers, and Mandiri's Livin' application. To ensure data security, Bank Mandiri implements data masking for sensitive data in accordance with internal provisions outlined in the Technical Guidelines on Security Baseline. Additionally, Bank Mandiri also enforces data transmission limitations through Data Loss Prevention (DLP) tools, as regulated in the Technical Guidelines on Data Loss Prevention.

## Management of Consent for Personal Data Processing

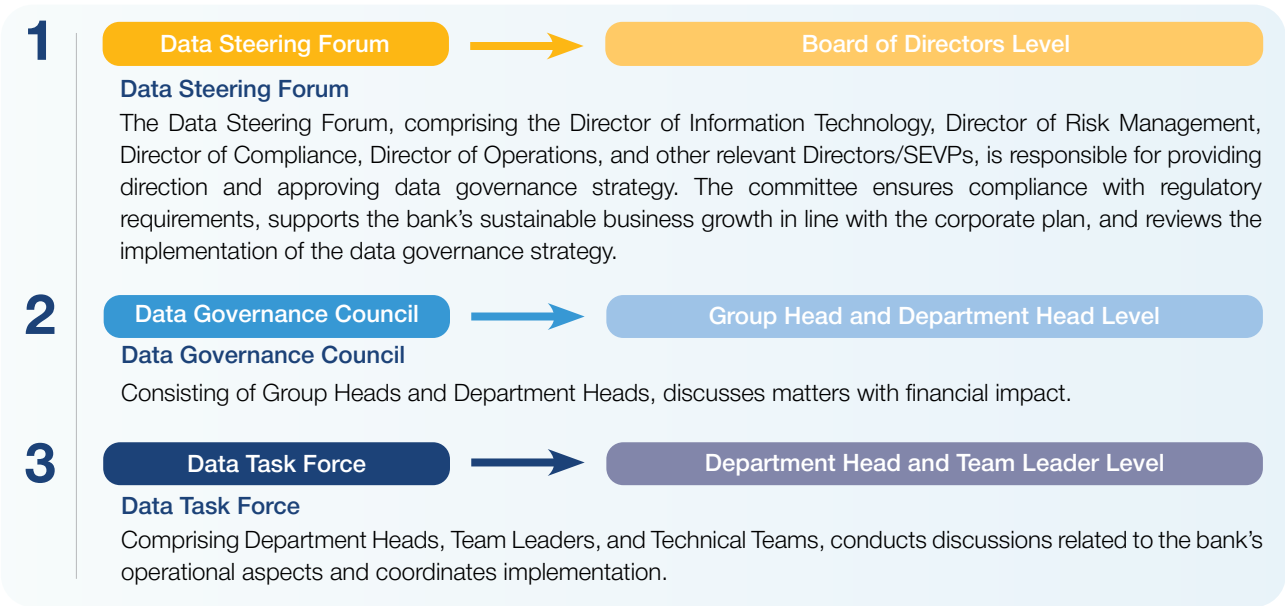
Bank Mandiri manages customer consent for personal data processing by prioritizing transparency and compliance with Law No. 27 of 2022 on Personal Data Protection (PDP Law). The consent management system implemented by Bank Mandiri enables customers to provide, modify, or withdraw their consent at any time as needed. Customer consent covers data processing activities such as collection, use, storage, updating, and deletion of personal

data. To ensure responsible management, Bank Mandiri consistently informs customers about the purpose and legal basis of data processing, ensuring that all consents are given consciously and based on clear understanding. Aligned with data protection and privacy principles, Bank Mandiri does not use customer data for secondary purposes beyond the agreed transaction requirements.

## Data Governance

The implementation of an effective and efficient corporate strategy requires data governance based on best practices and compliance with internal and external regulations, involving the participation of all Bank Mandiri work units. Bank Mandiri applies data governance with a model and

structure that supports its business strategy and corporate culture while remaining adaptable to emerging challenges. The data governance framework consists of several structures, ranging from the Board of Directors level to daily operationalization, as follows:



## Cyber Security Risk Management and Management of Operational Resilience and Cybersecurity

In managing the bank's cyber resilience and security, Bank Mandiri has separated the functions of cyber security risk management and operational management of cyber resilience and security. This separation ensures a more strategic, independent, and effective approach to addressing cyber threats. As the foundation for implementing these functions, the Cyber Security Risk Management Framework and the Operational Management Framework for Cyber Resilience and Security have been developed.

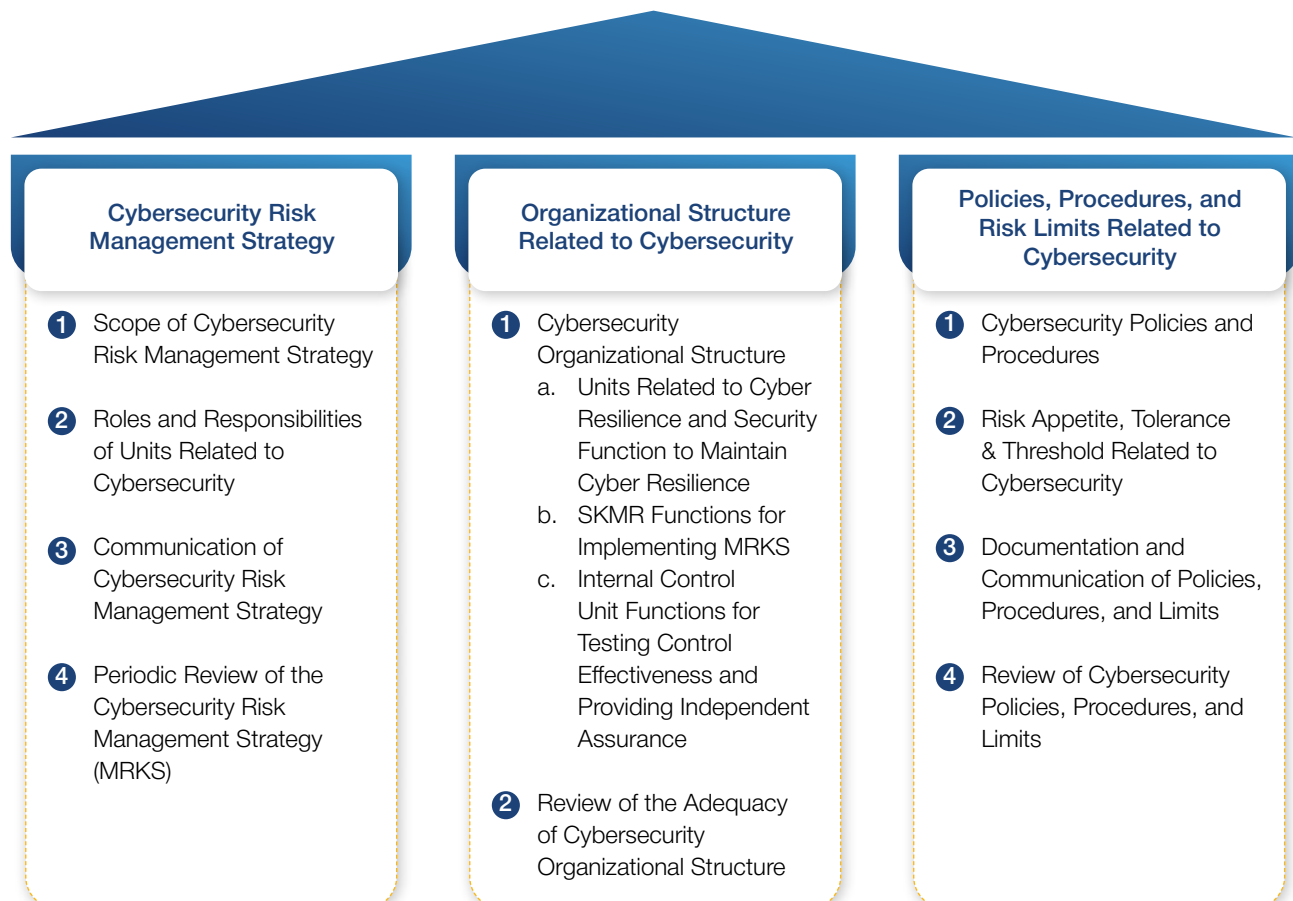
Bank Mandiri also continuously enhances the quality of cyber security risk management and operational management of cyber resilience and security through Cyber Security Management Certifications, both national and international, adequate internal controls by both internal and external parties, and conducting information security assessments and evaluations to identify areas for improvement.

### Cybersecurity Management

To strengthen cybersecurity processes and infrastructure, Bank Mandiri has designed, implemented, and regularly reviewed its information security strategy. This strategy not only complies with national regulations, such as those set by Bank Indonesia and the Financial Services Authority (OJK), but also aligns with international standards and industry best practices, including ISO 27001, NIST Cybersecurity Framework, CIS Benchmark, and PCI Security Standard.

This framework consists of three main pillars: Pillar 1 covers Risk Management Strategy for Cyber Security, Pillar 2 focuses on Organizational Structures for Cyber Security, and Pillar 3 encompasses Policies, Procedures, and Risk Limits for Cyber Security. This framework is designed to achieve the primary objective of cyber security: Zero Security Breach.

### Cyber Security Risk Management Framework



## Pillar 1

Cyber Security Risk Management Strategy, with a scope covering the following six aspects:

1. **Comprehensive understanding of cyber risks** and their relation to the Bank's business, the level of exposure to cyber security risks, and the current state of the Bank's cyber security. To foster a cyber risk culture within the Bank, awareness programs are consistently conducted for all employees and customers through all communication channels.
2. **Identification, classification, and prioritization** of critical functions, IT assets, and system interconnections to develop a complete and accurate cyber risk profile.
3. **Identification of threats and resolution** of cyber security issues, including steps to mitigate the Bank's reputational risks. Through Risk Control Self-Assessment (RCSA) and robust risk testing, cyber risks are continuously evaluated, and appropriate mitigation strategies are applied. The Bank also conducts monitoring and takes preventive actions against potential cyber risks.
4. **Security controls** to protect the Bank's IT assets from evolving cyber threats. To safeguard IT assets from constantly evolving cyber threats, the Bank implements data security management, endpoint security, and protection for software, hardware, and networks. Furthermore, the Bank ensures data protection through User Access Management, allowing only authorized employees to access sensitive data.
5. **Timely detection of cyber incidents** through regular surveillance and monitoring. The Bank has established a Security Operations Center (SOC) to monitor suspicious anomalies or cyber threats perpetrated by cybercriminals by leveraging Security Information and Event Management (SIEM) and Threat Intelligence, ensuring Bank Mandiri remains resilient against global cyber threats.
6. **Detailed cyber incident response** to support swift and effective recovery from any impact. This includes timely incident escalation, clear role definitions for the team, post-incident analysis, and continuous testing of future cyber risks.

## Pillar 2

Organizational Structure for Cyber Security, to support comprehensive information security management and cyber resilience across all operational lines, Bank Mandiri implements the Three Lines of Model.

Policies, Procedures, and Cyber Security Risk Limits,

## Pillar 3

covering policies and procedures established by the Bank as part of cyber security risk management, regulated within internal provisions. The Bank also defines the Risk Appetite Statement (RAS) for cyber risk as part of the bank-wide operational risk Risk Appetite Statement. The cyber risk RAS is quantified into cyber risk thresholds and continuously monitored.

The Cyber Security Risk Management Framework will continue to be evaluated for its relevance to business strategy, cyber risk exposure, and the latest cyber developments through periodic reviews. Review of Pillar 1 Cyber Security Risk Management Strategy includes adjustments to its relevance to the ongoing business strategy and the latest cyber risk developments. Review of Pillar 2 Organizational Structure for Cyber Security includes ensuring the quantity and quality of Human Resources in cyber security risk management remain aligned with business strategy, cyber risk exposure, and evolving cyber threats through staffing, training, certification, talent management, and competitive remuneration. Review of Pillar 3 Policies, Procedures, and Cyber Security Risk Limits includes periodic evaluations of Risk Appetite, Risk Tolerance, and cyber risk thresholds, or as needed when specific conditions require reassessment.

As part of the cyber security risk management strategy, particularly in ensuring cyber resilience and security, Bank Mandiri is committed to continuously strengthening its cyber resilience and security posture through the implementation of a Comprehensive, Proactive, & Reactive Cyber Security Framework, which consists of three main pillars: Governance & Awareness, Protection, and Operations.

## Management of Operational Resilience and Cyber Security

Bank Mandiri is committed to continuously strengthening its cybersecurity posture through the implementation of a Comprehensive, Proactive, & Reactive Cybersecurity Framework, which consists of three main pillars: Governance & Awareness, Protection, and Operations.

### Cybersecurity Framework



#### Governance and Awareness

- 1. Security Awareness:**  
Employee education on personal data protection awareness (such as data collection, processing, storage, correction, display, and deletion) and customer education on secure transaction practices (such as anti-fraud awareness).
- 2. IT Security Regulations & Standards:**  
Building a strong security culture through the establishment of security policies and regulations, including guidelines for data collection, maintenance, management, usage, and storage.
- 3. Organizational Structure and Personnel:**  
Establishing a dedicated cybersecurity operations team and enhancing personnel capabilities through training and up-to-date professional certifications.



#### Protection

- 1. Defense Mechanism:**  
Securing digital assets with the latest technologies, such as antivirus implementation, encryption, and access restrictions, as part of a layered defense mechanism to prevent cyber threats.
- 2. Penetration Test:**  
Regular hacking simulations are conducted to ensure optimal security measures.
- 3. Access Management:**  
Restricting data access in accordance with SOPs and enforcing regular password changes.



#### Operations

- 1. Security Operations Center (SOC):**  
Proactively and reactively maintaining system resilience against cyber threats through 24/7 monitoring by the Security Operations Center (SOC).
- 2. Threat Intelligence:**  
Anticipating emerging cyber threats to support a swift and measured incident response.
- 3. Vendor or Supply Chain Security Assessment:**  
Evaluating security aspects, including the adequacy and competence of vendors.

Regulation:



International Standard:



International **Best Practice**:



## Cybersecurity Testing

Bank Mandiri regularly maintains IT infrastructure security tools, ensuring their functionality and monitoring the expiration of the technologies used. Security enhancements are conducted periodically through activities such as vulnerability analysis (VA) by independent third parties, which include penetration testing and hacker attack simulations.

To maintain and evaluate cyber resilience and security as well as to train preparedness for incident response processes, Bank Mandiri regularly conducts cybersecurity testing in compliance with applicable regulations (SEOJK No. 29/SEOJK.03/2022 on Cyber Resilience and Security for Commercial Banks). These tests are performed by independent external parties and include penetration testing, table-top exercises, social engineering exercises, and adversarial attack simulation exercises, covering:

### i. Vulnerability-Based Testing

Bank Mandiri performs penetration testing for every new application developed and periodically on internet-facing and/or critical applications, at least once a year. These penetration tests are conducted by independent external parties with internationally certified penetration testing expertise.

### ii. Scenario-Based Testing

Bank Mandiri conducts scenario-based testing through the following activities:

#### a. Table-top Exercise

This discussion-based testing involves personnel from various work units, including the IT, Compliance, Risk Management, Business Continuity, Customer Care, and Corporate Secretary units. They collaboratively discuss handling and mitigating cyber incidents based on their respective roles. Tested scenarios include ransomware attacks, illegal hacking, unauthorized access, data breaches, and email threats.

Bank Mandiri collaborates with independent international consultants to develop scenarios and conduct table-top exercises, aligning with the latest cyber-attack trends and best practices.

#### b. Phishing Drill

Bank Mandiri conducts social engineering simulations, such as phishing attacks via email, designed to trick employees into disclosing sensitive information such as passwords. These tests are executed using phishing training tools that

automatically send phishing email simulations to all employees. The objective is to help employees identify and report phishing emails, mirroring real-life scenarios.

### c. Adversarial Attack Simulation Exercise (AASE)

Bank Mandiri routinely conducts real-life attack simulations performed by independent consultants to test its cyber resilience. These simulations employ the latest cyber-attack tactics, techniques, and procedures, focusing on human, process, and technology aspects. One implementation of this is the Adversarial Attack Simulation Exercise (AASE), which includes testing attack scenarios through third-party connections interacting with the bank's systems and data. This initiative aims to identify and address potential security gaps or vulnerabilities across the company's IT operations.

Examples of scenarios tested include unauthorized access, intrusion into unencrypted API communications, theft of source code from the code repository, disabling of defense systems, and theft of confidential data from the data center. Vulnerability information identified during the simulations, including third-party attack surfaces, is a key focus of Bank Mandiri's ongoing cybersecurity improvement program. Through these regular simulations, Bank Mandiri minimizes the risk of exploitation and strengthens its overall cybersecurity posture. The testing results showed that all scenarios were successfully mitigated, with an "Excellent" rating across all security control aspects. The test results report is submitted to the Board of Directors and regulators in accordance with applicable regulations.

### d. Cyber Crisis Management Exercise (Cybersecurity Simulation)

Testing is conducted through a cyber crisis management simulation involving the IT Crisis Management Team (CMT) to ensure a swift and effective response to incidents and minimize their impact. The simulation includes discussions on strategic actions based on the roles of each team, risk analysis to identify potential threats, and testing recovery measures such as the use of backup systems and data recovery processes.



Additionally, the simulation scenarios include communication exercises with regulators, customers, and business partners to maintain transparency. The testing aims to train and assess the team's readiness, develop strategies, and prepare for effective crisis management. The simulation results are used to periodically update disaster recovery policies, ensuring the protection of personal data during and after the crisis. Examples of scenarios tested include natural disasters, ransomware attacks, phishing, malware on employee devices, application vulnerabilities, and network attacks.

## Strengthening Information Security

Bank Mandiri uses a multi-layered defense strategy to ensure information security by protecting applications, networks, and systems using state-of-the-art and continuously updated technology. Bank Mandiri also leverages threat intelligence services to detect the latest cyberattacks and potential data leaks on the dark web.

Bank Mandiri consistently enhances its IT security capabilities through strategic investments across all security layers, including endpoints, networks, applications, data, and infrastructure. Network and account anomaly detection is strengthened using artificial intelligence (AI) and machine learning, while a best-in-class, multi-layered security architecture is implemented to protect the bank's systems and data, as well as to identify and block security anomalies at each layer.

- **Endpoint Security:**

Bank Mandiri implements protection against all potential vulnerabilities associated with endpoints, including the use of Virtual Private Networks (VPNs), Network Access Control (NAC), antivirus/antimalware, Endpoint Detection and Response (EDR), disk encryption, multi-factor authentication (MFA), and other advanced measures.

- **Network Security:**

Bank Mandiri strengthens its internal network security by utilizing layered and redundant devices, including Intrusion Prevention Systems, Anti-DDoS tools, Antispam filters, Virtual Patches, and Web Application Firewalls. These devices are deployed in two key locations—Data Centers and Disaster Recovery Centers—to ensure service availability and readiness to handle emergency situations in accordance with the Company Business Continuity Plan.

- **Application Security:**

Bank Mandiri applies a Secure System Development Life Cycle at every stage of system and application development

to identify and address security vulnerabilities early. Bank Mandiri also adopts Agile Development to quickly meet business needs. These methods are further reinforced through Dynamic Application Security Testing (DAST) and Static Application Security Testing (SAST). Additionally, source code management is conducted centrally using repository, versioning, and security source code reviews. Bank Mandiri also possesses digital forensic capabilities to support security incident investigations, post-incident recovery, and overall improvement of its security posture. Additionally, applications accessed by customers and employees are equipped with Multi-Factor Authentication (MFA) and transaction security using PINs to enhance protection for digital access and transactions.

- **Encryption and Data Protection:**

As a valuable asset, data is protected through encryption at the Data-in-Use and Data-in-Transit stages to prevent unauthorized access. These measures include Secure Managed File Transfer (MFT) for data transfer, Advanced Encryption Standard (AES) for electronic data, and Transport Layer Security (TLS) for communications. Personal data is also protected with Data Loss Prevention (DLP) tools and Identity Access Management (IAM), as well as de-identification techniques such as anonymization and pseudonymization.

- **Infrastructure Security:**

IT infrastructure is managed rigorously through routine activities such as vulnerability analysis, including patching, hardening, penetration testing, and cyber-attack simulations. User access rights are centrally managed through Identity Management, while the highest-level access is controlled using Privileged Access Management (PAM) equipped with Privileged Threat Analysis (PTA) for threat detection. Additionally, servers (branch and data center servers) are protected through security patches and antimalware to ensure system security and prevent potential cyber threats.

## Information Management System Certification

### ISO/IEC 27001:2013

Bank Mandiri is committed to implementing the Information Security Management System (ISMS) based on ISO/IEC 27001:2013 and ISO/IEC 27001:2022, by adhering to the principles of confidentiality, integrity, availability, reliability, continuity, and compliance. This is achieved while ensuring effectiveness and efficiency through the implementation of internal regulations related to information technology across the bank. Bank Mandiri has also been certified in the Information Security Management System (ISMS) in accordance with ISO/IEC 27001:2013 and ISO/IEC 27001:2022 standards. In 2024, Bank Mandiri renewed its certification, which includes:

- Provision of information security services by the Security Operation Center (SOC) to manage cyber threats to the banking system and cyber operations.
- Application development and IT operations related to Livin' by Mandiri.
- Provision of infrastructure and operations at the Data Center and Disaster Recovery Center.
- Application development and IT operations related to KOPRA by Mandiri.

### ISO/IEC 17025:2017

Bank Mandiri has a digital forensic laboratory managed by the CISO Office Group, which has successfully obtained a compliance certificate for ISO/IEC 17025:2017 issued by the National Accreditation Committee (KAN). Digital forensic examinations are conducted on digital evidence following processes that include identification, collection, acquisition, and preservation. With the support of digital forensic investigation processes in the laboratory, Bank Mandiri can identify the causes, impacts, and risks of incidents on the bank's systems and applications.

## Information Security Measurement and Evaluation

To measure and evaluate the optimization of information security processes, Bank Mandiri conducts a series of assessments by independent external assessors, including the National Cyber and Crypto Agency (BSSN), with the following results:

- Cyber Security Maturity (CSM) Assessment achieved an "Optimal" maturity level (highest score).
- Incident Handling Maturity Level (TMPI) Measurement reached an "Optimize" maturity level (highest score).

## Handling of Information Security Breaches

To address the threat of cyberattacks, Bank Mandiri has developed the capability to detect and respond to cyber threats through its Security Operation Center (SOC), which operates 24/7. As a reactive measure against information security incidents, the SOC is managed consistently, effectively, and in a measurable manner. Proactive measures include monitoring and mitigating risks associated with evolving cyber threats using leading Threat Intelligence Services. In addition, Bank Mandiri has built internal capabilities for threat hunting to protect its brand and website from phishing threats, online fraud, unauthorized access, and forgery.

Bank Mandiri also established a Computer Security Incident Response Team (CSIRT), registered with the National Cyber and Crypto Agency (BSSN), to facilitate collaboration, coordination, and information sharing in handling cyber incidents. The CSIRT regularly conducts IT security incident testing and simulations to ensure readiness in responding to incidents. The SOC team works closely with the CSIRT to promptly respond, remediate, or mitigate issues according to the cybersecurity incident handling framework, which generally includes:

1. Identification and analysis of the scope of the incident and determination of countermeasures.
2. Containment – Mitigation processes to prevent further damage.
3. Eradication and recovery – Actions to terminate the incident and restore systems.

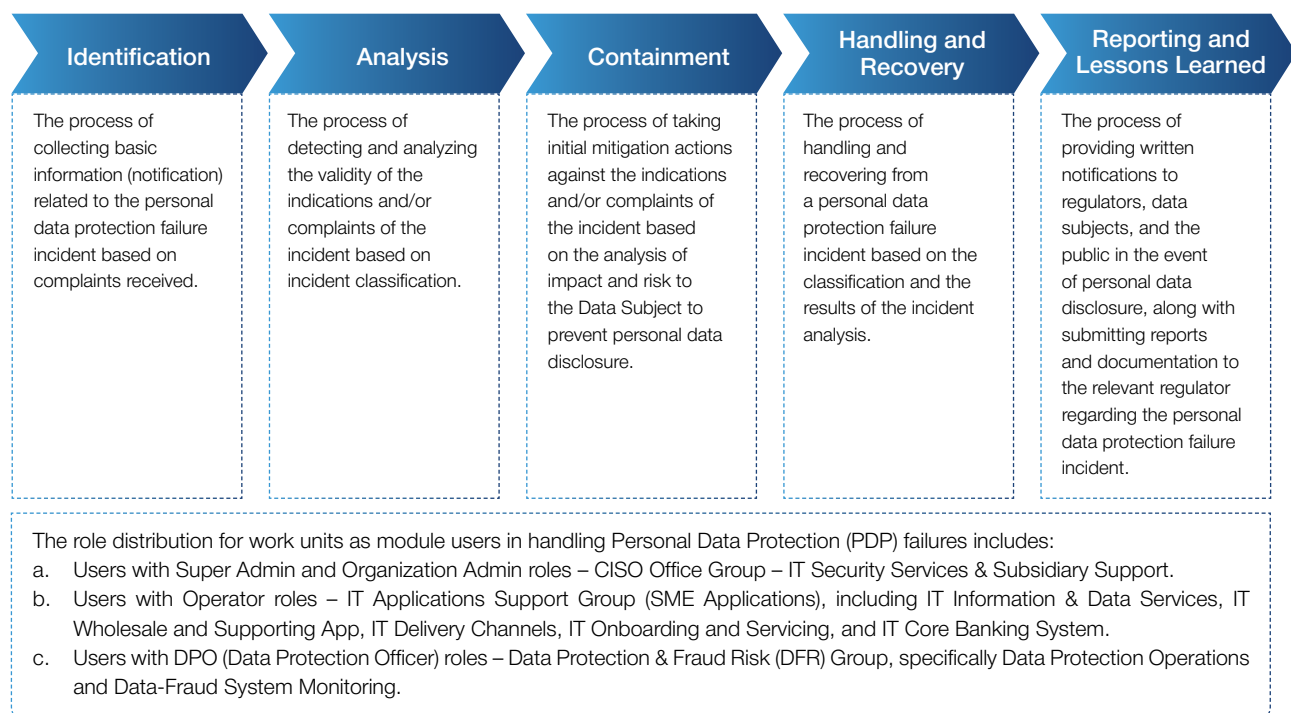
As part of a holistic approach to cybersecurity, Bank Mandiri not only focuses on incident response through the CSIRT but also strengthens early reporting by establishing a clear escalation process via the email service [laporciso@bankmandiri.co.id](mailto:laporciso@bankmandiri.co.id). This process can be utilized by employees to report any irregularities related to information security and data protection. Information about this service

is regularly disseminated to all employees through posters, newsletters, and podcasts. This ensures that any risks or potential impacts related to cybersecurity are swiftly and appropriately addressed by relevant units, such as the CISO Office Group, following strict standards aligned with regulations and internal policies.

Related to incident response, Bank Mandiri developed a recovery and business continuity management strategy to mitigate impacts and restore system and network security. This strategy is specifically outlined in internal policies. Bank Mandiri also established digital forensic capabilities to support security incident investigations, aiding postincident recovery, enhancing its security posture, and preventing similar incidents in the future. The cybersecurity incident handling framework is continuously enhanced based on lessons learned from previous incidents that have been resolved.

In addition, Bank Mandiri has established a mechanism for handling Personal Data Protection failures (Data Breach), which has been outlined in the internal provisions. The process for handling PDP failures generally consists of several stages, including:

### Mechanism for Handling Data Breaches



Any violations related to privacy, data security, or cybersecurity are categorized as breaches of the Code of Conduct and are subject to disciplinary actions in accordance with the Employee Disciplinary Regulations, as outlined in the Human Resources Standard Procedures (SPSDM). Disciplinary measures may range from a first written warning to termination of employment (PHK). The levels and sanctions for Code of Conduct violations can be referenced in the Sustainability Commitment and Governance chapter.

Additionally, for data security violations, particularly those involving personal data, Bank Mandiri refers to Law No. 27 of 2022 on Personal Data Protection (PDP Law), which stipulates administrative sanctions for data controllers violating provisions in Articles 35 to 46. These sanctions include:

- a. Written warnings.
- b. Temporary suspension of personal data processing activities.
- c. Deletion or destruction of personal data.
- d. Administrative fines of up to 2% of annual revenue or income, depending on the violation variables.

## Training and Capability Development [GRI 404-2]

Bank Mandiri strengthens the management of information security, cybersecurity, and personal data protection through regular training and capability development provided to all employees, vendors, and contractors at least once a year. The training and certifications offered cover technical and non-technical skills such as Certified Information Security Manager (CISM), Certified Information Systems Security Professional (CISSP), Certified in Risk and Information Systems Control (CRISC), ISO 27001 Lead Implementer, ISO 27001 Lead Auditor, Certified Information Systems Auditor (CISA), Certified Ethical Hacker (CEH), Computer Hacking Forensic Investigator (CHFI), cybersecurity awareness training, and product knowledge enhancement to deepen expertise in the bank's security systems.

The information security awareness program is conducted regularly bankwide to enhance understanding and foster a work culture oriented toward information security. Initiatives include information security campaigns through various media, such as monthly bulletins, quarterly posters, quarterly podcasts, and quarterly phishing simulation exercises.

Topics covered include data protection and confidentiality, the latest cyber-attack trends, phishing identification and prevention, and online transaction security. In addition, cybersecurity awareness certifications are organized annually by Bank Mandiri for all employees, vendors, and contractors.

### Phishing Drill

Information security and cybersecurity are key elements in employee performance evaluations, assessed through understanding and response in training, awareness of phishing simulations, compliance with information security policies, and awareness of potential cyber threats. These evaluations not only strengthen a security-conscious work culture but also serve as a basis for individual competency assessments.

As part of this effort, Bank Mandiri regularly conducts phishing drill simulations, designed as social engineering attack scenarios to train employees in recognizing and reporting phishing emails. These tests are carried out using an automated system that sends phishing simulation emails to all employees. The simulations aim to enhance employees' ability to identify and report phishing attempts, ensuring they are better prepared for real-world threats.

In 2024, Bank Mandiri has implemented various training and awareness programs regarding personal data protection to enrich the knowledge and awareness of employees. The programs that have been carried out are as follows:

### Training on Privacy and Data Security [GRI 2-24] [GRI 404-2]

#### Scope of Training:

Certified Information Privacy Manager (CIPM), Certified Information Systems Auditor (CISA), Certified Information Systems Security Professional (CISSP), Certified Cloud Security Professional (CCSP), Building a Cybersecurity Awareness Program, Cybersecurity Awareness: Phishing Attacks, Data-Driven Network Security Essentials, Cybersecurity for Executives, ISO 27001:2022-Compliant Cybersecurity: Getting Started, Privacy in the New World of Work, and so on.

Number of Training Titles

**412** Titles

Number of Training Hours

**190,502** Hours

Number of Training Participants

**81,929** Employees

### Awareness Activities

**1. Personal Data Protection (PDP) Poster**

A one-page poster containing quotes/statements encouraging employees to be more aware of the potential risks and mitigation strategies related to the implementation of personal data protection.

**2. Newsletter**

An article/infographic providing a comprehensive explanation of risk issues and tips related to personal data protection.

**3. Personal Data Protection (PDP) Cartoon**

A short cartoon-style comic depicting everyday work situations in a lighthearted and contemporary manner.

**4. Personal Data Protection (PDP) Narrative Video**

A short video containing information, calls to action, and awareness about the implementation of personal data protection, along with the associated sanctions.

**5. Personal Data Protection (PDP) Pulse Check**

A survey/checklist containing brief questions for employees regarding the readiness for the implementation of personal data protection in each work unit, both at the Head Office and in regional offices.

**6. Education on Personal Data Protection Consent**

Education is provided to customers via social media through videos and posters on Meta, TikTok, Google Android & iOS, and X. The campaigns include video content on Meta (consent), TikTok, and Google.

### Vendor Training and Capability Development

1. In 2024, Bank Mandiri once again hosted its annual Vendor Meeting to strengthen collaboration with strategic partners. Under the theme *"Fostering Synergy & Driving Collaborative Growth Through Vendor Meeting"*, the event took place on November 26, 2024, and invited 712 vendors which comprising 225 construction vendors, 297 non-IT vendors, and 190 IT vendors.

During this forum, several key topics were discussed, including:

**a. Implementation of Personal Data Protection**

The topic of personal data protection implementation was presented by the Vice President – Data Protection & Fraud Risk Group, covering the addendum of personal data protection clauses in cooperation agreements and the Partnership Assessment Criteria for Personal Data Protection (PAC-PDP), which are criteria set by Bank Mandiri to ensure personal data protection for (prospective) procurement partners and (prospective) credit partners.

**b. Implementation of Vendor Security Requirements**

The topic of implementing the Vendor Security Requirement was presented by the Vice President – CISO Office Group, discussing the fulfillment of Vendor Security Requirement (VSR) as part of the information security implementation for third parties and its inclusion in the procurement process stages for the use or provision of IT services.

2. Personal Data Protection Playbook for Vendors

Bank Mandiri has developed a Playbook to facilitate partners/vendors in fulfilling their responsibilities in executing the scope of cooperation related to personal data processing, ensuring data security and compliance with the PDP Law.



## Information Security System Audits

Bank Mandiri conducts regular audits on all information security activities and critical business processes, including data privacy and fraud management, in accordance with internal and regulatory requirements. Information security audits are carried out annually by both internal and external parties.

### Internal Audit

Bank Mandiri's Internal Audit, specifically the IT Audit division, conducted audits related to security aspects, focusing on Cyber Resilience and Security. These audits were divided into two phases during 2024, as follows:

- a. Phase 1 (January – April 2024), consisted of 2 audits:
  - i. Cyber Resilience Audit of Core Banking Systems (CBS), assessed the security and availability of core banking system (eMAS) infrastructure and applications.
  - ii. Cyber Resilience Audit of Mandiri Utama Finance (MUF) & Mandiri Tunas Finance (MTF), evaluated the security of MTF and MUF web and mobile applications.
- b. Phase 2 (May – October 2024):
  - i. Cyber Resilience Audit of Internet Facing Applications (IFA), evaluated the security of Bank Mandiri's internet-facing IT assets, including public IP addresses and bank-owned subdomains.
  - ii. Cyber Resilience Audit of Ring 2 and Internal Productivity Applications (IPA), inspected the security of IT assets in Ring 2 servers and IPA applications hosted in the bank's on-premise data centers or under the management of respective application owners.
  - iii. Audit of Mandiri Cash Management (MCM), evaluated security controls of the MCM application.
  - iv. Microsoft Office 365 Audit – Examination of email security controls in Office 365 applications, including anti-malware, attachment filtering, and malware sandboxing.
  - v. Cyber Resilience Risk Management Information System Audit – Assessment of the Cybersecurity Risk Management System, specifically the Phantom application.

### External Audit

The management system for IT infrastructure security and information at Bank Mandiri has also been audited by an independent external auditor to validate compliance and the effectiveness of the management systems in place. Additionally, Bank Mandiri fulfills its risk management obligations and information system security standards through periodic audits by external auditors, which include:

- a. Payment Service Provider (PSP) Audit: This audit is conducted to ensure the reliability of the IT infrastructure supporting the payment system and information security management. The audit was conducted from July to November 2024 as part of compliance with Bank Indonesia Regulation No. 23/6/PBI/2021 regarding Payment Service Providers. The audit report was submitted to Bank Indonesia on November 22, 2024.
- b. Data Privacy Audit is conducted to evaluate the maturity level of personal data protection controls and compliance with Law No. 27 of 2022. This audit is carried out from September to December 2024. It also aims to provide an external perspective on data management at Bank Mandiri, with the final report submitted to OJK and BI.

# | Our Employees

Bank Mandiri recognizes that employees are the primary drivers of the company's sustainability and growth. Committed to fostering an inclusive, equitable, and supportive work environment, Bank Mandiri has designed various strategic programs focused on enhancing employee well-being, competencies, and potential. Diversity, development, welfare, and employee safety remain top priorities in creating an empowering work ecosystem that enables every individual to reach their full potential and make meaningful contributions to Bank Mandiri's success.



## Human Resource Development [GRI 404-2]

Talent management at Bank Mandiri serves as a cornerstone for supporting business sustainability and fostering the potential of every individual. Guided by the core values of AKHLAK (Amanah, Competent, Harmonious, Loyal, Adaptive, and Collaborative), which underpin every aspect of human resource management, a holistic approach to creating an inclusive and productive work ecosystem has been designed. Through the Employee Value Proposition (EVP), which encompasses four pillars—Learn, Synergize, Grow, and Contribute to Indonesia—Bank Mandiri ensures that every employee not only achieves professional growth but also makes meaningful contributions to the company and society.

### Employee Value Proposition (EVP) Mandirian

#### Learn

Acquire or strengthen new and distinct knowledge, behaviors, skills, or values.

#### Synergize

Collaborate for mutual benefit in achieving the Company's vision and mission

#### Grow

Develop personally and professionally

#### Contribute to Indonesia

Make meaningful contributions and provide value and benefits for Indonesia

This EVP is reinforced by the 3-3-1 Human Capital Strategy, which emphasizes employee development to support business sustainability.

### 3-3-1 Human Capital Strategy



As part of human resource risk management, Bank Mandiri recognizes employee turnover as a key challenge in the banking industry. To address this issue, strategic initiatives have been implemented that include continuous training, employee engagement through transparent communication, and the provision of competitive compensation. These measures are designed to reduce turnover, enhance retention, and create a work environment that supports professional growth and employee well-being.

To prepare top talent for future leadership roles in strategic positions, Bank Mandiri employs a structured approach focusing on the identification, development, and retention of individuals with strong leadership potential. This approach consists of four key stages:



## Leadership Development Training Program [GRI 404-2]

Bank Mandiri has a structured and tiered leadership development program designed to develop or deliver joint training programs for all employee aligned with the leadership capacities at every level of the organization. As part of its implementation, Bank Mandiri collaborates/partnership with educational institutions, including top universities such as Singapore Management University, the International Institute for Management Development, and Bandung Institute of Technology. Additionally, Bank Mandiri also partners with the BUMN School of Excellence (BSE) in delivering the Leadership Development Program. [GRI 3-3]

### Orientation Phase (Onboarding)

Orientation programs for new employees and those assuming new positions (rotation or promotion).

#### ● Onboarding for New Employees (Officer Development Program (ODP) and Staff Development Program (SDP))

A training program for potential leaders at Bank Mandiri consisting of recent graduates from leading universities and high-performing employees who have passed a rigorous selection process. Participants undergo various stages of training, including online courses, in-class training, and on-the-job training.

ODP:

**827**  
employees

SDP:

**611**  
employees

#### ● Onboarding - Executives

An orientation program for new or promoted L2 employees (BOD-1 level, including Group Heads, RCEOs, and equivalents), aimed at strengthening leadership characteristics for strategic business leaders.

**21**

employees

#### ● Mandiri People Manager - Executive

A training program for Level 2 employees (BOD-1, equivalent to Group Head, RCEO, and similar positions) are designed to formulate strategic objectives, uphold integrity, and strengthen leadership capabilities. These programs also aim to enhance adaptability, drive innovation, and prepare leaders to navigate change with flexibility, ensuring they remain relevant in an ever-evolving business environment.

**213**  
employees

#### ● Mandiri People Manager - Mastery

A Training program for Level 3 employees (BOD-2, equivalent to Department Head and Area Head) aim to embed the Mandirian DNA as both a work approach and a leadership style. These programs are designed to strengthen team leadership effectiveness through productive communication and the management of high-performing teams, while cultivating a profound sense of purpose in every aspect of their work.

**1,027**  
employees

#### ● Mandiri People Manager - Advance Fundamental

A Training program for Level L3 employees (BOD-2) are designed to enhance managerial and leadership skills, aligning with the Mandirian character traits of Always Deliver and Ahead. These programs aim to drive superior performance and proactively address business challenges.

**163**  
employees

### Equipping Phase

Practical managerial skills training focused on leadership capabilities.

#### ● Strategic Business Leader Program – Leading for Impact

A training program for L2 (BOD-1) and L3 (BOD-2) employees, designed to build leadership capabilities that meet dynamic business demands and lead change in achieving Bank Mandiri's aspirations.

**115**  
employees

#### ● Managerial Series Program

A training program focused on managerial skills, aimed at building understanding and capabilities in alignment with the Mandirian Way, to cultivate the mindset of effective leaders.

**6,204**  
employees

### Development Phase

Acceleration of top talent to enhance capabilities for advancement to the next level.

#### ● Mandiri Advance Executive Leaders Program (MAELP)

A program for the Board of Commissioners, Board of Directors, and SEVPs, aimed at enhancing leadership and technical capabilities in line with Bank Mandiri's business needs. This is achieved through training at global universities, as well as building relationships with stakeholders.

**13**  
members of  
the Board  
of Directors  
& Board of  
Commissioners

#### ● Mandiri Advance Leaders Program (MALP)

A program designed to prepare top talent at the BOD-2 level for the next leadership level, focusing on intrapreneurship, strategic leadership, people focus, and digital leadership.

**60**  
employees

#### ● Mandiri Advance First Leaders Program (MAFLP)

A program for top talent at the BOD-3 level (Team Leaders, Branch Managers, or equivalents), focusing on people management, digital mindset, strategy, and innovation.

**498**  
employees

#### ● Graduates Scholarship Program

Postgraduate scholarship programs at leading universities for Level 3 and Level 4 employees, fully funded by Bank Mandiri.

**51**  
employees



## Mission-Based Development

Bank Mandiri's leadership programs focus on Human Capital initiatives to cultivate a culture of Resilient Mandirian Learners. To support this culture, Human Capital employs a gamification approach in employee development through the concept of mission-based development. Each position level at Bank Mandiri is assigned specific missions designed to accelerate the development of competencies and leadership skills.

### Missions for Employees at Different Levels

#### BOD-1 Mission:

Lead discussions on team development and succession planning, setting an example as a role model in building and enhancing capabilities.

#### BOD-2 Mission:

Collaborate with supervisors to propose development plans and actively participate in reviewing development strategies to accelerate capability building.

#### BOD-3 Mission:

Work with supervisors to create a development plan and implement capability-building activities according to the agreed-upon plan.

#### BOD-4 Mission:

Collaborate with supervisors to help plan development and proactively carry out development initiatives.

## Graduate Traineeship/Apprenticeship Programs

In response to the increasingly competitive industry landscape, Bank Mandiri is committed to supporting young generations in preparing for the workforce. The bank provides training and internship programs for recent graduates, designed to equip them with the necessary skills and practical experience in the industry.

The available training programs include:

### Officer Development Program (ODP)

The ODP aims to cultivate future leaders by attracting exceptional talent, particularly fresh graduates or individuals with less than 4 years of work experience, through partnerships with prestigious universities in Indonesia and globally.

The ODP entry path is specifically designed to address the following hiring needs:

- **Wholesale Banking**

The ODP Wholesale Banking program develops skilled and knowledgeable professionals into leaders and Wholesale Bankers specializing in wholesale funding, lending, and solutions.

- **Regional Business**

The ODP Regional Business program prepares professionals to become expert Retail Banker leaders with strong capabilities in funding, lending, transactions, and services.

- **Information Technology and Digital Banking**

The ODP IT and Digital Banking program cultivates digital talent into leaders and professionals with the vision and expertise to drive IT and technology transformation.

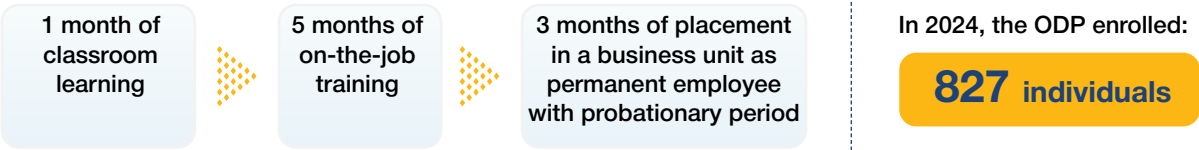
- **Risk Management**

The ODP Risk Management program equips individuals with specialized expertise to become leaders and professionals in risk management.

- **Business Enabler**

The ODP Business Enabler program fosters the development of leaders and professionals across various business enabler functions, including banking operations, finance, strategy, legal, human resources, market research, corporate communication, and real estate management.

Candidates who pass the selection process are appointed as prospective employees and required to complete a nine-month incentive-based educational program, consisting of:



My Digital Academy

Bank Mandiri has established My Digital Academy, a tailored training program designed for early engagement and recruitment. This initiative includes a one-month innovation bootcamp for final-year students and fresh graduates from top universities in Indonesia, focusing on IT capability development. The program equips digital talent with essential skills in application development, data analysis, artificial intelligence, blockchain, and more, supporting Bank Mandiri’s Corporate Plan to become the Best Modern Digital Bank.



In 2024, My Digital Academy enrolled:

**542 individuals**

As part of its commitment to supporting and contributing to government programs that provide young generations with opportunities to explore the professional world and enhance their competencies in preparation for future careers, Bank

Mandiri offers various internship programs. These initiatives provide real work experience in the banking industry while helping participants develop essential skills for their professional journey.

Internship

Bank Mandiri’s Internship Program is designed to offer university students and recent graduates the opportunity to broaden their understanding of the professional world and develop the competencies required for a successful career. This program not only provides hands-on work experience but also encourages participants to explore their interests, refine their talents, and acquire new skills. Additionally, the Internship Program enhances Bank Mandiri’s reputation as an employer of choice, supporting its employee recruitment strategy.



In 2024, the Internship Program had:

**257 participants**

Field Work Practice

As part of its social responsibility in education, Bank Mandiri selectively offers Field Work Practice opportunities for high school students or equivalent, enabling them to gain hands-on experience in various Bank Mandiri units. This program equips students with real-world exposure while fostering their interests, talents, and skill development, preparing them for future careers.



In 2024, the Field Work Practice Program had:

**19 participants**

## Kriya Mandiri: Bank Mandiri's Tangible Contribution to Nation Building

The Kriya Mandiri program is an integrated internship initiative by Bank Mandiri aimed at developing high-quality human resources as key assets for advancing corporate growth and the national economy. Guided by the Employee Value Proposition, "Learn, Synergize, Grow, Contribute to Indonesia," the program provides fresh graduates with opportunities to gain real-world work experience while refining their competencies to excel in the job market. By combining theoretical learning with practical experience, the program equips participants with relevant banking knowledge and skills. Kriya Mandiri offers opportunities for various roles, including front office positions (Teller and Customer Service) at branch offices, as well as back office roles at the Head Office or branches.



The number of participants in the Kriya Mandiri program in 2024 reached:

**3,281 individuals**

## Technical Development Program

To ensure employees possess the skills required for their roles, Bank Mandiri offers a variety of job-specific development training programs tailored to technical and role-specific needs. Mandiri University Group manages these competency development initiatives using the Leadership Capability Model (LCM) and Technical Capability Model (TCM). These initiatives include:



### Upskilling & Reskilling

Training for employees impacted by the Smart Branch Program, focusing on upskilling for new roles and reskilling for role transitions.



### Operation Transformation

Training designed to support business transformation and enhance employee competencies, preparing them for the digital era.



### Beyond Lending

Training for the commercial business unit (wholesale) to enable employees to offer transaction solutions beyond loans to customers.



### Mandirian Ready to Go Digital

Training aimed at enhancing employees' digital capabilities.

In delivering job-specific training, Bank Mandiri collaborates with institutions, including the National Professional Certification Agency (BNSP), the Banking Professional Certification Institute (LSPP), the Risk Management Certification Agency (BSMR), the Indonesian Mutual Fund and Investment Association (APRDI), and the Indonesian Capital Market Professional Certification Institute (LSPPMI). Additionally, partnerships are also established with other institutions, organizations, and companies with high levels of expertise and competence in their respective fields. Throughout 2024, various training programs have been successfully conducted, including: [\[F.22\]](#)

Banking Technology and Systems	10,762 participants	Operational Excellence	2,126 participants
Certification Programs	41,025 participants	Product Knowledge	1,762 participants
Credit and Financing Management	3,881 participants	Professional Appraisal and Valuation	66 participants
Customer Relationship Management	19,711 participants	Risk Management and Regulatory Compliance	15,764 participants
Digital Transformation and Innovation	11,564 participants	Sales and Marketing Skills	14,256 participants
General Banking Skills	712,338 participants	Cybersecurity and Information Security	73,842 participants
Leadership and Management Skills	28,824 participants		

## Bank Mandiri's Training and Certification Institutions

Bank Mandiri operates a Training Institution (Lembaga Pelatihan Kerja - LPK) and a Professional Certification Institution (Lembaga Sertifikasi Profesi - LSP) to support employee competency development through specialized training programs and professional certifications tailored to their roles.



### Training Institution (LPK)

The LPK is an official training institution licensed by the Jakarta Manpower Office, aimed at enhancing employee competencies through Competency-Based Training. It is designed to meet regulatory standards related to Payment Systems and Rupiah Management (SPPUR), while also developing employees' knowledge, skills, and attitudes. Additionally, the LPK maximizes the use of BTK Training facilities for optimal training outcomes.



### Professional Certification Institution (LSP)

LSP Bank Mandiri was established based on the Board of Directors Decree No. KEP.DIR/10A/2023 dated March 6, 2023, and officially licensed by the National Professional Certification Agency (BNSP) under license number BNSP-LSP-2446-ID on March 14, 2024. The establishment of the LSP reflects the implementation of Law No. 4 of 2023 on the Development and Strengthening of the Financial Sector, demonstrating Bank Mandiri's commitment to enhancing employee competencies, competitiveness, and quality in line with nationally and internationally recognized standards.

As a Second Party Professional Certification Institution (P2), the LSP focuses on providing competency certification services for Bank Mandiri employees and its subsidiaries, including Bank Syariah Indonesia (BSI), Bank Mantap, Mandiri Utama Finance Group (MUG), and Mandiri Tunas Finance (MTF). Its certification programs cover various fields, such as General Banking Officer Level I, Work Training for Instructors, Compliance in General Banking, Customer Feedback Management, and Basic Software Development.

LSP Bank Mandiri is supported by a robust organizational structure comprising a Board of Advisors, the Head of LSP, and three main divisions: Administration, Certification, and Quality Management. Additionally, the institution ensures the credibility and objectivity of the certification process through the roles of the Scheme Committee and the Impartiality Committee.

## Support for Scholarship and Certification Programs

Bank Mandiri supports the professional development of all employees by providing financial support for pursuing academic degrees or professional certifications. This initiative ensures equal access to skill enhancement opportunities and the fulfillment of professional requirements, covering all employees, including permanent, contract, outsourced, contractor, and part-time workers.

### Postgraduate Scholarship Program

Bank Mandiri provides selected employees with the opportunity to pursue advanced education at top universities, both domestically and internationally. This program is designed to broaden their knowledge, refine their expertise, and empower them to make meaningful contributions to Bank Mandiri and society.



#### Mandiri Executive Scholarship for Postgraduate (MESP)

The MESP is a domestic Master's degree scholarship program designed for top BOD-2 talent to enhance skills aligned with the company's long-term strategies. Currently, Bank Mandiri collaborates with Monash University Indonesia for the MESP program. In 2024, 21 employees participated in the program, focusing on a Master of Business Innovation.



#### Overseas Master's Scholarship Program

This scholarship is offered to top BOD-3 talent who meet specific criteria, providing them with opportunities for global exposure, networking, and the development of international perspectives. In 2024, 30 employees pursued advanced degrees at prestigious institutions such as Carnegie Mellon University, NYU Stern, HEC Paris, The University of Manchester, The University of Melbourne, IE University, EDHEC, IMD Business School, and ESADE. Fields of study include Master of Science, Master of Business Administration, and LLM programs.

## Certification Programs

Bank Mandiri offers a range of certification programs designed to meet regulatory and internal competency standards. These certifications are divided into two main categories: Mandatory Certifications and Non-Mandatory Certifications.

### Mandatory Certifications

Mandatory certifications are required by external regulators and Bank Mandiri's internal standards. These certifications ensure that employees in specific roles possess and maintain the necessary competencies for their jobs.

Certification Name	Objective	Target Participants
<b>Mandatory Certifications Required by Regulators</b>		
Risk Management Certification	Demonstrates proficiency in risk management.	Executives, officers, and employees of Bank Mandiri.
Treasury Dealer Certification	Develops competency in treasury activities across three levels: basic, intermediate, and advanced	Officers and staff engaged in treasury activities.
Mutual Fund Selling Agent (WAPERD)	Ensures marketing competency in mutual fund markets, in compliance with regulatory standards (OJK).	Bank Mandiri frontliners.
Broker-Dealer Marketing Agent (WPPEP)	Provides qualifications for selling securities products.	Officers and employees involved in securities sales.
Payment Systems & Rupiah Currency Management Certification (SPPUR)	Competency in payment systems and rupiah currency management.	Bank Mandiri employees in the field of payment systems and rupiah money management.
HR Management Certification (MSDM)	Competency in human resource management.	Employees and officials of Bank Mandiri in the HR department.
<b>Certification Required by Bank Mandiri's Internal Policies</b>		
Competency-Based Interview (CBI) Certification	Competency in conducting competency-based interviews for recruitment processes.	Leaders with unit head positions and interviewers from the HR department.

In 2024, Bank Mandiri provided financial supports through the Mandatory Certification Program, fully funded by the Bank, benefiting 41,025 participants, consisting of 32,915 participants with permanent worker status and 8,110 participants with contract worker status.

### Non-Mandatory Certification

Certifications tailored to meet the internal needs of Bank Mandiri, aimed at enhancing employees' skills to optimally support various business activities of the company.

Certification Name	Objective	Target Participants
Limited Marketing Securities Broker Representative Certification (WPPEPT)	Training for offering referral services to partner securities firms.	Employees providing referral services to clients for partner securities firms of Bank.
<i>Refreshment of Limited Marketing Securities Broker Representative Certification (WPPEPT)</i>	Advanced training program to update knowledge on the capital market.	Holders of the WPPEPT certification.

Bank Mandiri's certification program is a vital component of the employee development initiative, designed to enhance skills in a measurable manner. During its implementation period, a total of 12,528 employees, equivalent to 32.97% of the workforce, participated in a program, achieving relevant skill improvements in their respective fields. These programs not only strengthen individual capabilities but also generate significant benefits for the company by improving productivity and supporting business objectives.



## Mentorship Program

Bank Mandiri has integrated a mentorship program into its human resource development framework to provide guidance and support for employees. Through this initiative, employees are connected with experienced mentors who offer direction and insights to enhance their professional journeys.

### Women Empowerment

The Women Empowerment program, part of the Srikandi Mandiri initiative, focuses on the development of employees, particularly at L3 and L4 levels, through a holistic mentoring approach. Experienced Mandiri leaders (L2, L3+, and L3) serve as mentors in the program, with the following objectives:

- **Building a community:** Establishing a supportive network among female employees to share experiences and inspire one another.
- **Providing Exposure:** Facilitating opportunities for participants to connect with career sponsors, thereby opening pathways for further development.
- **Knowledge Sharing:** Organizing discussions between mentors and mentees to transfer practical knowledge, strengthen professional skills, and boost the confidence of female employees.



### Development of ESG-Related Competencies

Bank Mandiri actively incorporates Environmental, Social, and Governance (ESG) principles into its human resource development curriculum. The objective is to cultivate employees who are not only skilled but also deeply aware of sustainability in all aspects of business processes. ESG-related learning is delivered through various platforms, including e-learning, online training, and Internal Discussion Forums (FDI). These platforms provide employees with opportunities to deepen their understanding and apply sustainability principles in their daily work.

**52**

Training on Sustainability

**All employees have participated in ESG-related competency development programs**

In 2024, Bank Mandiri set a target to increase the number of training participants by 10% of the total workforce. Additionally, we committed to achieving a minimum employee participation rate of 85% in training and development programs, with an average of over 40 training hours per employee planned for the year. These targets were designed to strengthen competencies, enhance digital skills, and ensure employees possess the capabilities necessary to support sustainable business growth. [GRI 404-1]

In its implementation, Bank Mandiri successfully exceeded the established targets. In 2024, the number of training participants reached 949,438, reflecting a 22.7% increase compared to the previous year's 773,920 participants. The employee participation rate in training programs stood at 97.87% of the total active workforce, surpassing the minimum target of 85%. Furthermore, the average training hours per employee reached 107.8 hours, representing a significant achievement compared to the initial target. These results highlight Bank Mandiri's success in optimizing human capital development to support the company's objectives effectively. [GRI 404-1]

## Diversity, Equality, and Inclusion Program [F.18]

Human resource management at Bank Mandiri focuses not only on competency development but also on creating an inclusive and equitable work environment. Bank Mandiri believes that diversity is a key strength in driving innovation and collaboration. Through the Diversity, Equality, and Inclusion program, Bank Mandiri is committed to supporting every individual in realizing their full potential, without limitations, while fostering a workplace culture of respect and competitiveness.

### Commitment to Human Rights and Diversity

As an initial step in creating an inclusive work environment, Bank Mandiri implements a diversity, equality, and inclusion policy based on human rights principles. Bank Mandiri is committed to respecting and adhering to international labor standards outlined in the International Labour Organization (ILO) Conventions. All of our employment policies and practices align with ILO standards, including respect for freedom of association, the elimination of forced labor, child labor protection, and the implementation of non-discrimination in the workplace. [GRI 3-3]

As part of this commitment, the implementation of human rights at Bank Mandiri is governed by the Human Rights Principles in Employment and the Respectful Workplace Policy (RWP). This includes clear guidelines to ensure respect for human rights across all internal operations of Bank Mandiri, including resource management, business activities, and the products and services offered. Moreover, the policy extends to suppliers and business partners, ensuring that human rights principles are consistently applied across Bank Mandiri's value chain and business ecosystem.

Bank Mandiri continually strives to create an equitable and inclusive work environment for all employees. To achieve this goal, equality in all aspects of resource management, free from discriminatory practices is ensured. Bank Mandiri firmly rejects all forms of discrimination based on gender, race, sexual orientation, religion, age, disability, and social status. Every employee is treated equitably and equally in all aspects of the company's operations.

Unethical practices such as human trafficking, forced labor, and child labor exploitation are unacceptable. The right to freedom of association and the right to engage in collective bargaining are fully guaranteed, along with efforts to ensure equal pay for equal work. This commitment is reinforced through the signing of the Integrity Pact and Annual Statement by all levels of the company, including the Board of Directors and the Board of Commissioners.

### Human Rights Risk Identification

Bank Mandiri has developed a human rights risk map aimed Bank Mandiri implements a risk management process for human capital aspects, including risks related to human rights (HR). This process begins with identifying potential risks to ensure effective management. In 2024, Bank Mandiri conducted an employee engagement survey involving 30,717 employees, representing 80.81% of the total workforce. The survey included various questions designed to identify potential risks associated with human capital, including human rights risks within Bank Mandiri's internal operations.

Through this survey, employees can share their

experiences and perspectives anonymously, resulting in valid and representative data. The survey results are then comprehensively analyzed, complemented by an analysis of internal policies to provide in-depth insights into existing risks and to strengthen the mitigation measures taken by Bank Mandiri. Through this identification process, Bank Mandiri has identified several human rights risks as follows:

Scope	Subject	Bank Mandiri's Policy	Human Rights Risk	Vulnerable Groups
Bank Mandiri's Operations	Employees	Human Resource Management Standard Operating Procedures (SPSDM)	<ul style="list-style-type: none"> <li>• Discrimination</li> <li>• Forced Labor</li> <li>• Equal Renumeration</li> </ul>	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Women</li> <li>• Disabilities</li> <li>• Migrant Workers</li> </ul>

## Human Rights Mitigation and Remediation

The human rights assessment, based on the results of the employee engagement survey, covers 80.81% of the total workforce. This assessment identifies various potential human rights risks that may affect employees, such as discrimination and forced labor. All identified risks have been managed through a comprehensive mitigation plan, which includes the following strategic measures:

- Strengthening internal policies that prohibit all forms of discrimination and forced labor. Additionally, all employees reaffirm their commitment each year by completing an integrity pact that underscores their respect for human rights.
- Providing training and education to employees and management to raise awareness of the importance of respecting human rights. The training materials cover topics such as discrimination prevention, diversity and inclusion, and protection against forced labor.
- Offering transparent, secure, and anonymous reporting mechanisms for reporting human rights violations, which are handled by a dedicated team to ensure objective investigations and protection for whistleblowers.
- Conducting regular monitoring through internal audits to ensure that no practices violate human rights. This process also includes the annual reassessment of human rights risks to evaluate potential new risks and adjust mitigation strategies accordingly.

All employees are required to uphold equality, avoid discriminatory behavior, and preserve the dignity of every individual in the workplace. In the event of a human rights violation, employees are provided with access to various reporting channels designed to ensure transparency and protection, as follows:

### Head of Work Unit

through the Employee Grievance Handling Mechanism



### Whistleblowing System Letter to CEO (WBS-LTC)



### HC4U Service



The employee grievance handling mechanism and the HC4U service are managed internally, while the Whistleblowing System is managed by an external party. Further details about these reporting channels can be found on page 228.

The follow-up process for received reports involves several relevant parties, including the HC Engagement & Outsource Management Group, Senior Investigator (SIV)/Regional Business Control (RBC), and the Head of the Work Unit, in accordance with the applicable process flow.

To support employees who are victims of human rights violations, Bank Mandiri provides professional counselors trained in Psychological First Aid (PFA). These counselors assist victims in the reporting process, provide protection, and facilitate mental well-being recovery during the proceedings.

In the event of human rights-related issues, Bank Mandiri is committed to facilitating recovery from the negative impacts caused. Remediation efforts include the following steps:

- Fair and transparent investigations
- Protection for Victims and Witnesses/Whistleblowers
- Legal and psychological counseling
- Corrective actions against the perpetrators

Individuals proven to have committed acts of discrimination, violence, bullying, and harassment in the workplace will face sanctions as outlined in the Collective Labor Agreement (CLA), Human Resources Standard Operating Procedures (SPSDM) and their amendments, as well as applicable laws and regulations. Each violation will be followed up in accordance with the Employee Discipline Regulations (PDP), which govern the types of violations and the penalties that may be imposed, including: [\[GRI 3-3\]](#)

- Actions contrary to norms, including immoral conduct, either inside or outside the Bank, may be subject to termination of employment (TOE).
- Failure to respect fellow employees may be subject to a second written warning.
- Arbitrary behavior toward other employees may be subject to a final written warning and termination.
- Violations of work rules or procedures may be subject to termination of employment (TOE).

## Diversity, Equality, and Inclusion at Bank Mandiri

“ Bank Mandiri instills the values of diversity, equality, and inclusion as the foundation of its corporate culture. By respecting differences in backgrounds and perspectives, diversity becomes a driving force for innovation and creativity. Equality is realized through equitable access for all employees to develop without discrimination, while inclusivity ensures that everyone can contribute fully in a work environment that fosters mutual respect.

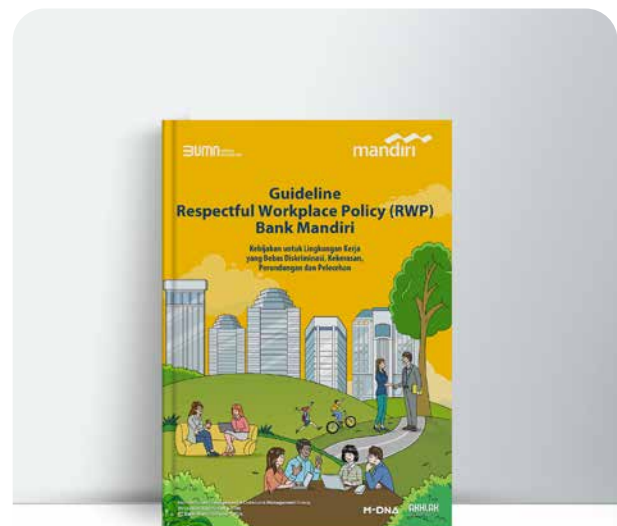
To ensure these values are consistently applied, Bank Mandiri conducts regular monitoring of diversity through a data-driven approach to ensure gender, age, and other demographic representations reflect the commitment to inclusion and equality. The results of this monitoring are used to identify areas requiring improvement, develop more inclusive strategic measures, and assess the progress of diversity policy implementation across the organization. One outcome is the composition of female employees, which has reached 52.40%, with the number of women in managerial positions now reaching 45.65% in 2024. Additionally, the representation of other groups, such as employees with disabilities, continues to rise through inclusive recruitment programs.

Bank Mandiri has a strict zero-tolerance policy towards any form of harassment, whether sexual or non-sexual, and discrimination in the workplace or in any work-related activities. This is clearly stated in the Respectful Workplace Policy (RWP), which is designed to protect the dignity of all individuals, promote mutual respect, and ensure a work environment free from discrimination, bullying, harassment, and both physical and mental abuse. Through the RWP, Bank Mandiri is committed to fostering a harmonious, inclusive, conducive, and productive work environment that promotes business sustainability and upholds human rights, ensuring a workplace free from harassment. [GRI 3-3]

The responsibility for diversity and inclusion in the workplace lies with the Director of Compliance and Human Resources, as well as all Heads of Work Units, who ensures the consistent application of this policy across the entire organization. The policy applies to all Bank Mandiri operations, including employees, external partners acting on the bank's behalf, and subsidiaries or affiliated entities.

The implementation of the RWP is periodically monitored by the Board of Commissioners as part of their supervisory function, with reports submitted semiannually to the Minister of State-Owned Enterprises (SOEs). Through this integrated monitoring mechanism, Bank Mandiri ensures the consistent application of policies across all organizational levels.

In addition, Bank Mandiri actively promotes the values of diversity and anti-discrimination through training and outreach programs. In 2024, 21 training sessions were held to further support the implementation of the RWP, including training on anti-discrimination and harassment, gender diversity and inclusion, workplace well-being, and fostering a respectful work environment.



To view an overview of the RWP, please visit:  
[www.bankmandiri.co.id/en/esg-policies](http://www.bankmandiri.co.id/en/esg-policies)

## Training and Dissemination on Discrimination and Violence Prevention



In 2024, Bank Mandiri, through the Industrial Relations Awareness Forum (IRAF), organized a hybrid (offline and online) dissemination of the Respectful Workplace Policy (RWP) to all employees (100%). This session, held at the Head Office and across all Regions and Areas of the bank, aimed to enhance employees' understanding of the importance of maintaining a workplace free from discrimination and violence.

During the same session, Bank Mandiri also disseminated the 2023–2025 Collective Labor Agreement (CLA) to ensure employees understand their rights, obligations, and the policies that foster a conducive work environment. Additionally, discussions covered strategies for implementing anti-fraud measures and addressing the bank's latest operational issues to strengthen integrity and corporate governance.

Bank Mandiri is committed to fostering a work environment free from discrimination, violence, bullying, and harassment. In 2024, a total of 41 incidents related to RWP were reported through the WBS reporting channel, all of which have been addressed and subjected to corrective or disciplinary actions in accordance with applicable standards and procedures, and have been declared resolved. Through prompt and effective complaint handling, as well as the launch of the RWP Guideline, Bank Mandiri continues to strengthen its efforts to create an inclusive workplace culture that promotes diversity and respects human rights. [GRI 406-1]

## Commitment to Freedom of Association and Collective Bargaining

Bank Mandiri is fully committed to ensuring that all employees have the right to form, join, and participate in trade unions, in accordance with applicable laws. This commitment aligns with Law Number 21 of 2000 concerning Trade Unions/Labor Unions, which has been implemented in Article 9 Paragraph (2) of the Collective Labor Agreement (CLA), stating: *"Every employee has the right to become a member of the Employee Union by submitting a written application, and the Bank is not allowed to prohibit any employee from becoming or not becoming a member of the Employee Union."*

We also support the activities of the Bank Mandiri Employee Union by providing various necessary facilities. This support includes the provision of a workspace equipped with adequate infrastructure, utility assistance, and operational support to ensure the smooth functioning of the Employee Union in fulfilling its role. This policy is also consistent with international principles set forth by the International Labour Organization (ILO) Conventions No. 87 on Freedom of Association and No. 98 on the Right to Organize and Collective Bargaining.

We respect the right of every employee to engage in collective bargaining, addressing important issues such as wages, working conditions, and employee welfare is respected. This bargaining process is conducted through

the Bank Mandiri Employees' Union (SPBM), which currently represents 13,615 members. Bank Mandiri is committed to ensuring that the process is inclusive, free from discrimination, and without intimidation for any employees involved. Bargaining sessions are transparent and include all employees within Bank Mandiri's operations. [GRI 2-30]

As of 2024, all of our employees (100%) are covered by the Collective Labor Agreement (CLA), which governs wages, working hours, and employee welfare. This agreement applies to all employees, both permanent and contract, and was updated on December 5, 2023, to remain in effect until 2025. In accordance with the CLA and Indonesian Labor Law No. 13 of 2003, Bank Mandiri is also committed to prohibiting child labor and forced labor in all of our business operations. Bank Mandiri ensures that all activities, including those of our business partners, comply with these regulations as part of the company's Corporate Social Responsibility. [GRI 408-1, 409-1] [OJK F.19]

To maintain an equitable and inclusive work environment, an internal grievance system is provided that allows employees to report violations of freedom of association or intimidation anonymously and securely. All reports are taken seriously by the Human Capital Engagement & Outsource Management Group – Industrial Relations Department, which ensures that investigations are conducted transparently and thoroughly.



## Formal Talent Pipeline Development Strategy

Talent development is vital for shaping future leaders. At Bank Mandiri, diversity and equality underpin every recruitment process, focusing on candidates' abilities, skills, and experiences. A diverse workforce is fostered through inclusive policies, diversity training, and a workplace culture that respects differences and encourages collaboration. Selection processes is unbiased, ensuring no consideration of race, gender, religion, marital status, or disability. This approach complies with labor laws, including Law No. 13 of 2003, as amended by Law No. 6 of 2023, and Government Regulation No. 35 of 2021. Furthermore, our compensation policies go beyond legal requirements, offering severance packages and long-service awards that exceed statutory mandates. [GRI 3-3]

To further promote diversity, Bank Mandiri prioritizes local community representation in senior management positions at key operational sites. As of 2024, 99,4% of senior management comprises individuals from local communities. Senior management refers to BOD-1, while key operational sites are defined as Our significant operational area, namely Indonesia. By involving local communities in leadership roles, the aim is to enhance strategic perspectives, positively impact local communities, and reflect workplace diversity. [GRI 202-2]

Bank Mandiri continuously refines its talent recruitment programs to align with strategic priorities. To anticipate hiring needs, recruitment forecasts analyze factors such as upcoming retirements, changes in business and operational strategies, and expected employee turnover.



### Workforce Planning (Recruitment Needs Projection) for 2024

Employee Baseline  
for 2023:

**38,940** employees

#### Projected Employee Exits for 2024

Retirement

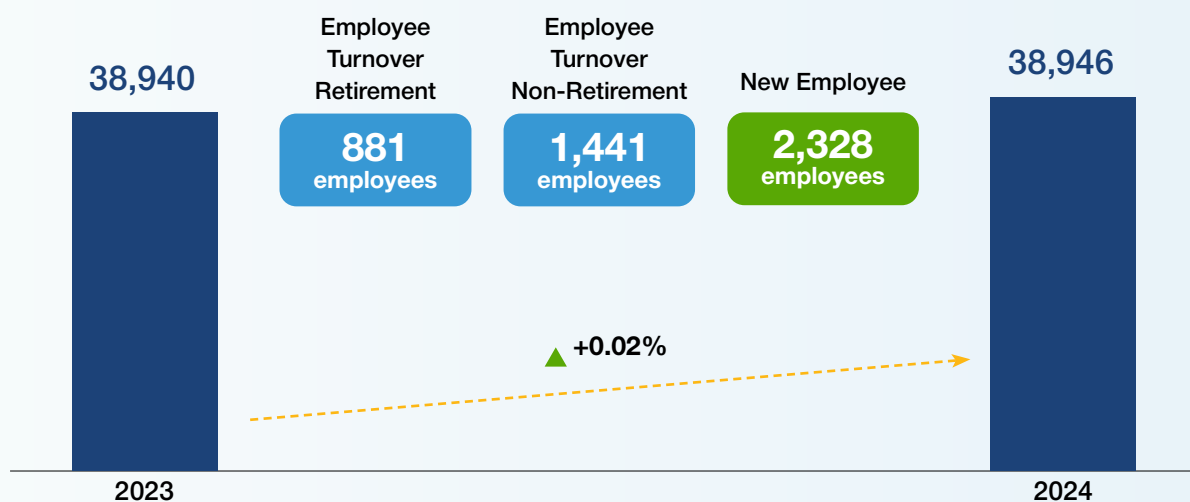
**881** employees

Non-Retirement

**1,441** employees

#### Projected New Hires for 2024

- Selective Replacement: Focused on strengthening revenue-generating functions within the Wholesale and Retail segments, as well as enhancing Digital and Data Protection capabilities, with an estimated total of 2,328 new hires.
- End of Year Workforce Projection (2024): The total number of employees is projected to reach 38,946, reflecting a 0.02% year-over-year (YoY) growth.



Bank Mandiri implements a talent attraction strategy through strategic collaborations with selected and targeted universities to recruit top talent. This approach seeks individuals who not only meet technical qualifications but also align with the company's values and culture. It primarily targets students and recent graduates with exceptional potential, aiming to prepare them as future leaders at Bank Mandiri.

Currently, Bank Mandiri partners with renowned universities such as University of Indonesia, Gadjah Mada University, Brawijaya University, Padjadjaran University, Bandung Institute of Technology, Sepuluh Nopember Institute of Technology, Telkom University, Bina Nusantara University, and others that meet specific criteria. This collaboration supports the need for high-quality human resources aligned with the vision and mission of Bank Mandiri.

The following are the four key programs forming the core of Bank Mandiri's talent attraction initiatives.



**Talent Hunt**

This program focuses on building strong relationships and mutually beneficial collaborations with selected universities. It aims to identify and recruit high-potential candidates, particularly final-year students or recent graduates, who are ready to enter the workforce and adapt to the company's culture.



**Future Me**

Targeting first- to fourth-year active university students selected through a rigorous process, this program includes inspirational sharing sessions and career mentoring. The primary objective is to accelerate participants' career readiness, particularly for roles at Bank Mandiri. Additionally, it supports digital transformation, enhances human resource quality, strengthens the company's image, and fosters closer relationships with stakeholders.



**Visit Mandiri**

Engagement initiatives with selected universities and communities, such as the Ikatan Abang Nene Jakarta, are designed to introduce Bank Mandiri to students through company visit programs. These initiatives aim to raise awareness about the company and inspire students to consider Bank Mandiri as a prospective career destination from an early stage.



**My Digital Academy (IT-Specific)**

An exclusive bootcamp program designed to nurture young IT talent. It offers intensive and structured training combined with hands-on learning from experts in digital and technology fields. During the 2023–2024 period, this program successfully attracted 542 participants.

**New Talent Pool in 2024**

**Talent Hunt:**

**1,234** candidates

**Future Me:**

**148** candidates

**Visit Mandiri:**

**96** candidates

**My Digital Academy:**

**423** candidates

To meet business needs and support talent development, Bank Mandiri has implemented a series of recruitment programs aimed not only at fulfilling hiring requirements but also at fostering individual potential within the organization. These programs include:

● **Officer Development Program (ODP)**

A leadership recruitment initiative targeting fresh graduates from universities across Indonesia or individuals with less than four years of work experience. By the end of 2024, a total of 827 candidates had been recruited through this program.

● **Clerical Staff Recruitment**

A program designed for fresh graduates or individuals with at least two years of work experience, specifically for clerical positions. By the end of 2024, 356 candidates had been successfully recruited through this initiative.

● **Special Regional Leadership Candidates (CPDK)**

This program focuses on recruiting and developing talent from specific regions, providing opportunities for local talents. CPDK employees undergo intensive training that includes both in-class and on-the-job components to familiarize them with operational standards and business processes. By the end of 2024, 68 candidates had been selected through this program.

● **Experienced Hire**

A recruitment initiative targeting experienced professionals with more than three years of work experience, specifically for roles or segments requiring specialized expertise. In 2024, 128 candidates were placed in key positions through this program.

To streamline the recruitment and selection process, Bank Mandiri utilizes a digital platform called Talentics. Serving as an Applicant Tracking System (ATS), Talentics allows candidates to submit job applications online while enabling the recruitment team to efficiently monitor and screen qualified candidates for required positions. Collaboration with Talentics began in 2023 and encompasses recruitment efforts at the Head Office and regional branches.

### Support for Employees with Disabilities

As part of its commitment to inclusion, Bank Mandiri places special emphasis on employees with disabilities, ensuring they have equal opportunities during the recruitment process. The recruitment of employees with disabilities is conducted independently by each business unit in coordination with the Human Capital Unit and in collaboration with third parties, such as the Forum Human Capital Indonesia. Available positions for employees with disabilities include roles as contact center staff, back-office staff, and information technology staff.

#### Number and Percentage of Employees with Disabilities by Gender

Male	74 individuals (81,32%)
Female	17 individuals (18,68%)

#### Number of Employees with Disabilities by Employment Status (Individuals)

Organic	15
Kriya	4
Outsource	72

#### Types of Disabilities (Individuals)

Hearing Impaired	4
Physically Disabled	18
Visually Impaired	7
Speech Impaired	1
Other Difable	61

Job Types	Number of Employees (Individuals)
Call Center	15
Back Office	31
Front Office	23
Fields (Lapangan)	20
IT	2



### Support for Difable

The Mandiri Contact Center provides opportunities for difable individuals to join the Kriya Mandiri program. Bank Mandiri ensures accessibility through difable-friendly infrastructure, including ramps, adapted restrooms, and assistive technology tailored to their needs. Through this initiative, Bank Mandiri reaffirms its commitment to ensuring that every individual, regardless of background or physical condition, has equal opportunities to learn, grow, and contribute meaningfully. This initiative underscores Bank Mandiri’s dedication to fostering diversity and inclusion in the workplace.

In 2024, 4 difable participants were part of the Kriya Mandiri program.

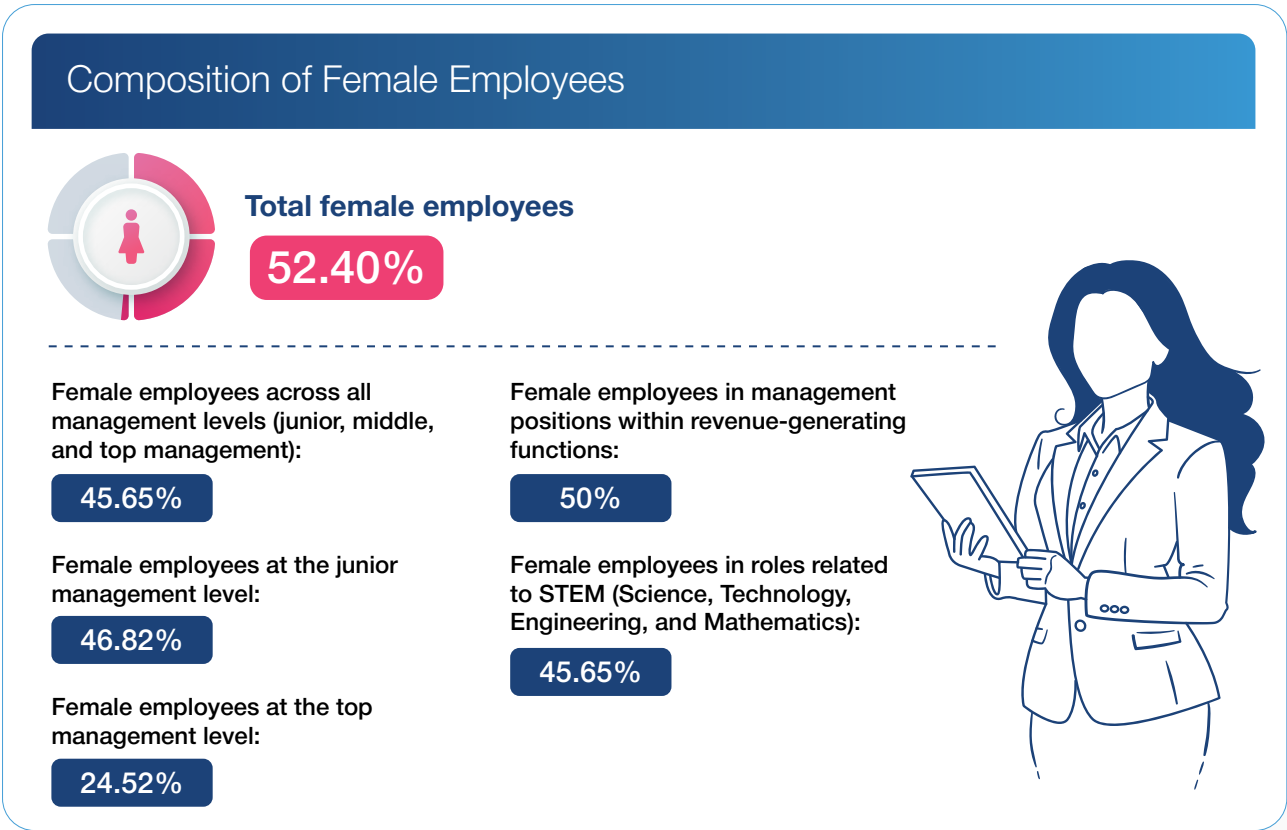
## Diversity Composition

Bank Mandiri consistently strives to enhance the diversity composition across the organization, with a particular focus on improving gender representation as part of its commitment to inclusion and equality. In 2024, Bank Mandiri had a total of 38,874 employees, comprising 18,505 male and 20,369 female employees. Additionally, there were 33,069 non-employee workers, including outsourced personnel in administrative roles, housekeeping, driving, security, sales, collections, and IT support.

All employee-related information is collected and processed through the SAP eHCMS and SPARK System by the Human Capital Services Group and the HC Engagement & Outsource Management Group. Further details on employee diversity are provided in the Sustainability Performance Data section on page 289. [\[GRI 2-7, 2-8\]](#)

### Support for Female Employees

Bank Mandiri ensures equal opportunities for all employees, regardless of gender. Female employees have the same access as their male counterparts to develop their skills and contribute professionally. In 2024, the number of female employees reached 20,369 individuals (52.40%).



## Srikandi Mandiri

As a commitment to creating an inclusive and ideal workplace for women, Bank Mandiri consistently implements the Srikandi Mandiri Program. This program aims to foster a respectful, inclusive work environment that supports women's well-being and contributions to society. To achieve this, Srikandi Mandiri is built upon four key missions:

1. Enhancing the holistic well-being of female employees at Bank Mandiri.
2. Creating a collaborative space for shared solutions.
3. Promoting the development and leadership of female employees.
4. Generating social and economic impact for women.

To realize its commitment, Srikandi Mandiri implements various initiatives under four main streams:



### Foster Well-Being

Srikandi Mandiri enhances the well-being of female employees through two key initiatives:

- Physical and mental well-being, which includes promoting a healthy lifestyle and providing teleconsultation services for physical and mental health.
- Financial and social well-being, covering financial consultation programs, financial management seminars, and the Respectful Workplace Program to ensure a safe and inclusive work environment.

To reinforce its commitment to the welfare of female employees, Bank Mandiri has implemented several initiatives, including the Respectful Workplace Policy campaign. This campaign aims to raise awareness of the importance of fostering a respectful workplace. Through internal communication channels and social media, the campaign messages are effectively conveyed to reach all employees.

### Connect Women in Circle Srikandi

Bank Mandiri fosters a dedicated space for female employees to exchange aspirations, collaborate on solutions, share inspiring stories, and discuss experiences. This initiative aims to build a supportive community that encourages collective growth.

### Lead to The Future

Through various skill development programs, Srikandi Mandiri empowers female employees by strengthening their digital and leadership capabilities, equipping them to navigate future challenges.

### Give Back to Society

As a form of social contribution, Srikandi Mandiri encourages female employees to create social and economic impact within their communities, whether through empowerment programs or other social initiatives.

As part of these initiatives, Counseling Sessions are available in collaboration with professional psychologists. This program is designed to support female employees in addressing emotional and mental challenges, providing the necessary assistance to create a healthier and more productive work-life balance.

## Competitive Compensation

Employee welfare is a top priority at Bank Mandiri. Through a performance-based, equitable, and transparent compensation strategy, which includes merit-based salary increases, compensation is determined based on position classification, length of service, and achievements, without

the risk of gender discrimination. Bank Mandiri ensures that all employees are paid in accordance with applicable laws, including the regional minimum wage (UMR) in each operational area, as well as providing additional cost-of-living allowances in specific regions. [GRI 3-3, 405-2]



The entry-level wage at Bank Mandiri is set 4.39% higher than the highest UMR in Indonesia, applicable across all operational locations with ratio between male and female employees is 1:1, indicating that there is no gender-based wage disparity. This competitive remuneration strategy not only aims to attract the best talent but also serves as a key strategy for improving employee retention. [GRI 3-3, 202-1] [F.20]

Each year, Bank Mandiri participates in the Annual Salary Survey for the Banking Industry, organized by the independent agency Willis Towers Watson. This survey is conducted by all banks within the Indonesia Business Partner Bank Group (KBMI) IV, the Association of State-Owned Banks (Himbara), and the majority of private banks in Indonesia. Besides serving as a reference for remuneration policies, the survey is also used by Bank Mandiri as part of the gender pay gap audit to ensure that wage policies are applied equitably and free from discrimination.

The salary survey includes projections for inflation, the latest minimum wage data, and various other relevant information, which are used as benchmarks in evaluating the salary structure. During this review process, Bank Mandiri ensures there is no discrimination based on disability, age, sexual orientation, or gender. Bank Mandiri's salary structure matrix is based on market position and performance level, reflecting the results of annual performance evaluations.

Bank Mandiri is committed to ensuring pay equality for all employees, free from gender discrimination. In the

same year, approximately 26.85% of Bank Mandiri's total workforce received promotions, which includes 10,436 employees. Bank Mandiri continuously strives to improve employee welfare through equitable and transparent remuneration policies, in line with sustainability principles. Bank Mandiri uses performance assessment system that mitigates discrimination by evaluating not only based on assessments from the Direct Supervisor (Employee Manager/EM), but also from the Employee Manager's Manager (EMM), complemented by a 360-degree assessment (evaluation by peers and subordinates). The indicators used in performance evaluations also cover aspects closely related to KPIs and Mandirian DNA, where the descriptions of each indicator do not contain gender-based discrimination.

Mitigation measures have been implemented to ensure there is no wage disparity between men and women for positions with the same responsibilities and roles. While no pay gap has been found, regular evaluations are conducted to ensure this equality is maintained. Furthermore, we continue to enhance women's representation in managerial positions as part of our commitment to diversity and inclusion.

As part of the commitment to creating an inclusive work environment and supporting employee welfare, Bank Mandiri provides various non-salary benefits to both permanent and contract employees across all operational areas, including: [GRI 401-2]

Type of Benefits	Program Name	Permanent Employees	Contract Employees
Life Insurance	BPJS Employment, BPJS Health, Grief Compensation	Yes	Yes
Health Insurance	BPJS Health, Mandiri Inhealth	Yes	Yes
Disability and Incapacity Coverage	BPJS Employment, BPJS Health, Mandiri Inhealth	Yes	Yes
Job Loss Guarantee	BPJS Employment	Yes	Yes
Housing Allowance	Housing provided or paid by the company	Yes	Yes*
Leave	Maternity leave, paternity leave, annual leave, and block leave (5 consecutive days as part of annual leave)	Yes	Yes
Retirement Preparation	BPJS Employment, Bank Mandiri Pension Fund, Bank Mandiri Pension Insurance, retirement debriefing, health insurance for Bank Mandiri retirees	Yes	Yes*
Training and Certification Costs **	Training and certification funded or provided by the company	Yes	Yes

\* In accordance with the agreement

\*\* The training and certification undertaken by employees must be aimed at enhancing their competencies in alignment with their job responsibilities.

To support employee well-being, particularly during childbirth, Bank Mandiri provides a maternity leave of 3 months for female employees and a paternity leave of 5 working days for male employees. This provision is also in line with the new Maternal and Child Welfare Law, which will be published in 2024. [\[GRI 3-3, 401-3\]](#)

## Long-Term Incentive Program

Bank Mandiri continues to implement initiatives related to the Employee Stock Ownership Program (ESOP) and the Management Stock Ownership Program (MSOP), which have been in place since 2015. These programs are designed for all employees and management who meet specific criteria, utilizing a mechanism of granting shares and a vesting period.

For the Management Stock Ownership Program (MSOP), shares are provided as part of a Long-Term Incentive (LTI) aimed at Non-Independent Directors and Commissioners. This program seeks to encourage improved performance in the future and to reward contributions in sustaining and enhancing the company's share value over time. The LTI awards are calculated based on several key indicators, such as Total Shareholder Return, Return on Equity, and Non-Performing Loans.

Meanwhile, the Employee Stock Ownership Program (ESOP) is designed to foster a sense of ownership among employees while motivating them to contribute at their best. Shares under this program are granted to employees who meet management's criteria, which include individual performance, talent classification, and professional track records. Since 2015, Bank Mandiri has distributed a total of 96,003,800 shares, with a vesting period ranging from three to five years.

Looking ahead, Bank Mandiri remains committed to continuing these stock ownership programs, adjusting their scope to suit employees and management.

## Regular Performance Appraisals and Feedback Process

In 2024, 100% of our employees have completed performance reviews, goal setting, and evaluations to support performance development and goal achievement through various evaluation mechanisms. These processes align with career growth initiatives, ensuring employees receive valuable feedback to unlock their full potential. [\[GRI 404-3\]](#)

Evaluation Type	Methods	Frequency
Individual Performance	Individual KPIs	Conducted twice a year (Mid-Year Review and Year-End Performance Review)
Team-Based Performance	Division KPIs	Conducted twice a year (Mid-Year Review and Year-End Review)
Management by objectives	Goal Setting	Conducted twice a year (Mid-Year Review and Year-End Review), with development dialogues available throughout the year as needed
360-Degree Feedback System	360-Degree Survey	Conducted annually
Ongoing Feedback	Development dialogues	Continuous throughout the year

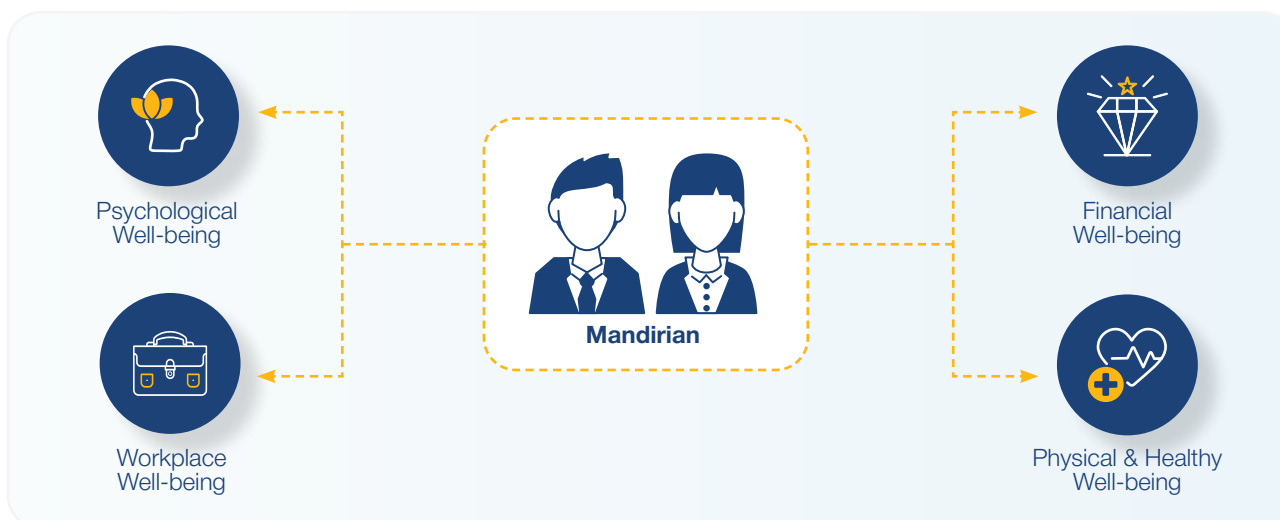
The 2024 performance evaluation covers all eligible employees, regardless of gender, at all levels, and in line with established procedures. This process is designed to assess performance formally and support ongoing career development. [\[GRI 404-3\]](#)



## Support for Employees

Bank Mandiri offers a variety of support programs to ensure the well-being of its employees, both personally and professionally. These initiatives are designed to foster a supportive and productive work environment.

### Well-being Program



Work-life balance is key to creating productive and happy employees. By focusing on employee well-being, Bank Mandiri aims to provide a healthy, safe, and comfortable environment for all staff. The main goal of this initiative is to enhance the Employee Value Proposition (EVP), employee engagement, value creation, and overall performance.

The Employee Well-Being program is a comprehensive initiative that addresses important areas such as mental health, work environment, financial well-being, and physical health.

### Mental Well-Being

- **Online Psychological Counseling**

To help employees manage mental health and stress, Bank Mandiri offers online psychological counseling. Employees can access this service through the Bank Mandiri's health facilities. Appointments can be made through the 24-hour Employee Contact Center, and online sessions with a psychologist are available three times a week from Monday to Friday from 08:00 AM to 04:00 PM Western Indonesia Time (WIB) by appointment.

- **Social and Community Activities**

To encourage employee engagement and support mental well-being, especially in managing workplace stress, Bank Mandiri facilitates Employee Affinity Groups and employee communities that help create an inclusive and harmonious work environment.

Currently, Bank Mandiri supports a variety of communities, including three spiritual groups, seven arts and culture groups, two social groups, and 24 sports communities across 12 operational regions. This initiative strengthens relationships among employees and provides a space for personal expression, promoting a healthy work-life balance.

## Workplace Well-Being

### Childcare Support

Bank Mandiri offers lactation rooms and daycare services at the Plaza Mandiri Building to support employees with families. The daycare provides full-time care with early childhood education programs to foster children's physical, psychological, and motor development. Employees can also use carer's leave to care for immediate family members.



### Parental Leave

Bank Mandiri supports family well-being with its paid parental leave policy, which caters to various employee needs during childbirth or other personal situations. For primary caregivers, Bank Mandiri provides 3 months of maternity leave under the following conditions:

- Maternity leave can be taken as 1.5 months before the expected delivery date (based on the calculation of an obstetrician or midwife) and 1.5 months after delivery; or
- Upon the employee's request, with approval from their spouse and accompanied by a doctor's certificate, maternity leave can be taken as 1 month before delivery and 2 months after delivery.

Meanwhile, for secondary caregivers, Bank Mandiri provides paternity leave of 5 working days to allow fathers to accompany their spouses during childbirth, exceeding the legal minimum of 2 days.

Additionally, to support employees' emotional and physical health, Bank Mandiri grants up to 45 days of leave for employees who experience a miscarriage. Bank Mandiri also offers 5 working days of leave for employees who support a partner during a miscarriage, showing empathy during this difficult time.

Understanding the importance of flexibility, Bank Mandiri's leave policy also includes various family or caregiving leave options beyond parental leave. These include leave for weddings, bereavement, religious ceremonies, and health-related reasons such as illness, check-ups, or menstrual leave for female employees who experience severe discomfort on the first or second day of menstruation. Bank Mandiri also offers personal leave for events such as graduations, approved dispensations, or emergency situations like natural disasters. To enhance convenience, employees can take up to 4 hours of flexible arrival or departure time on the same day, with a maximum of three instances per month.

### Flexible Work Arrangements

Bank Mandiri provides additional flexibility to employees by offering flexible working hours and remote work (working from home) options to support their well-being. Working hours are adjusted based on supervisor approval, taking into account the job's requirements. This arrangement ensures tasks are completed efficiently, maintains the required total working hours, and ensures adequate staffing without needing additional staff or overburdening others. Employees under these arrangements continue to receive the same salary and benefits without changes.



## Financial Well-Being

### Retirement Program

To support employees' financial security after retirement, Bank Mandiri offers a range of retirement programs in line with employment agreements. These programs are managed through the Employer Pension Fund (DPPK), including both the Defined Contribution Pension Program and the Defined Benefit Pension Program. Additionally, Bank Mandiri prioritizes the health of employees approaching retirement age by providing access to Mandiri Health Care Cooperative, which offers health services, assistance, and benefits. Membership contributions are 2% from employees and 3% from Bank Mandiri. [3-3, 201-3]

In addition, Bank Mandiri is committed to supporting employee well-being through tailored transition programs designed to assist employees as they approach retirement. These programs include skill-enhancement training to help employees prepare for life after retirement. [GRI 3-3, 404-2]

In 2024, Bank Mandiri conducted a Pre-Retirement Preparation Program to support post-employment readiness. The program included training on Retirement Rights and Obligations, Healthy Living in Retirement, Managing Retirement Funds and Assets, Investment Products for Retirees, SME Business Planning, Maximizing Social Media, Mandiri Auctions, and Sharing Sessions with Retiree Communities, including Bank Mantap clients and Bank Mandiri alumni retirees. Additionally, the program featured SME Business Sharing Sessions to provide participants with further insights and inspiration.

A total of 727 participants attended this program, underscoring Bank Mandiri's commitment to preparing employees for a productive and fulfilling retirement.

[GRI 404-2]



### Employee Welfare Credit

Bank Mandiri offers the credit facility to support the financial well-being of its employees. This program provides unsecured loans with special interest rates to meet various employee needs.

The facility is available to all eligible employees to enhance their quality of life and covers the following purposes:

- Acquiring suitable housing according to their needs, including renovations or home construction.
- Obtaining motor vehicles as a means of transportation.
- Addressing multipurpose needs, such as household expenses, education, emergencies, and other necessities.

## Physical Well-being and Healthy Lifestyle

### • Regular Health Check-ups

Every employee receives an annual health check-up, which includes a thorough physical examination.

### • Health Clinic Facilities

Bank Mandiri operates a health clinic at its headquarters, equipped with medical equipment and staffed by healthcare professionals to support employee health.

### • Mandiri Club Fitness Center

Employees can take advantage of the Mandiri Club fitness center at the headquarters to maintain optimal fitness and health.

As part of its commitment to employee well-being, Bank Mandiri offers equal access to healthcare services, allowing both male and female employees to cover healthcare expenses for their spouses, as well as enabling female employees to extend coverage to their husbands and children.

To enhance knowledge on physical and mental health, financial literacy, and workplace well-being, Bank Mandiri regularly organizes seminars with experts. In 2024, 889 educational programs, including seminars, webinars, and podcasts, were held and attended by employees both in-person and online.



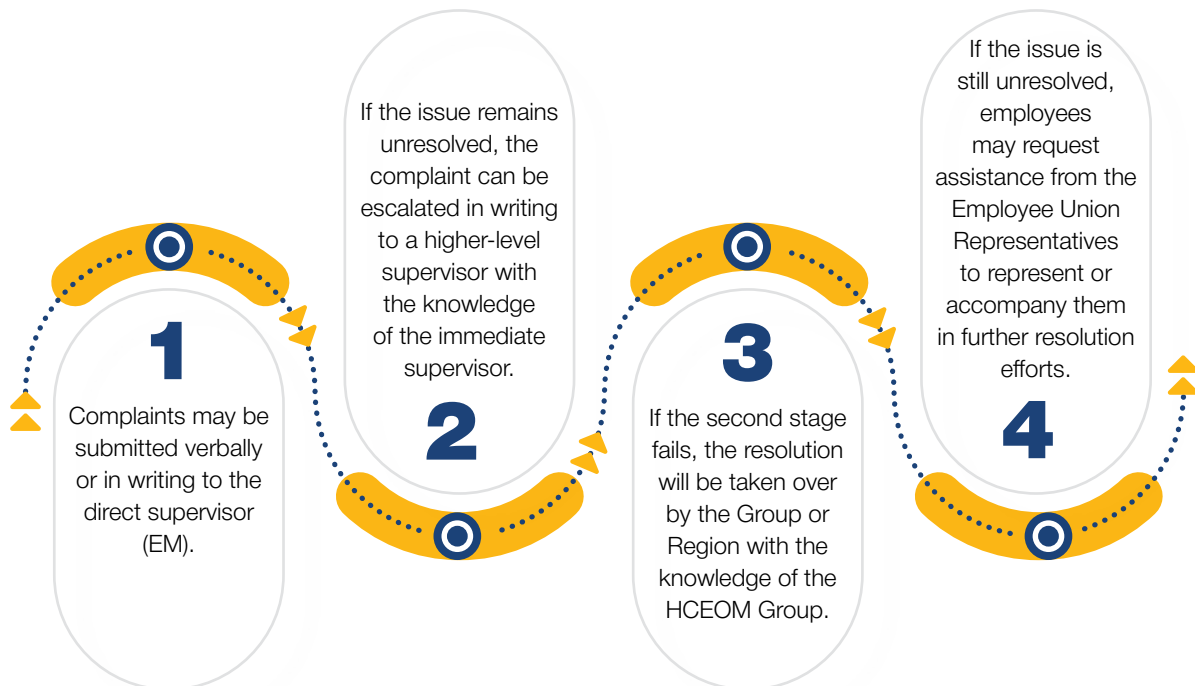
## Formal Grievance Reporting

Bank Mandiri has established a formal mechanism for its employees to voice their grievances concerning the bank's employee management practices and industrial relations implementation. The bank provides multiple reporting channels, ensuring that each complaint is processed in accordance with established procedures. If a violation is

confirmed, appropriate sanctions are applied based on the applicable policies.

All complaints are resolved within 30 days, either verbally or in writing, in compliance with the Collective Labor Agreement (CLA). Available reporting channels include:

### Through the Head of the Unit



If a resolution through the Employee Grievance Mechanism does not result in an agreement, the issue can be addressed through the industrial dispute mechanism in accordance with Law No. 2 of 2004.

### HC4U Services

Bank Mandiri offers a channel for employees to report complaints or concerns related to work, personal matters, or family issues. This service includes multiple reporting options such as Call Centers, Email, Walk-in Centers, and Chat, ensuring that employees can easily submit complaints with confidentiality. Reports will be followed up by the responsible Work Unit for Engagement & Outsource Management.

Moreover, Bank Mandiri has implemented policies to provide counseling and support for victims of violations, including human rights violations, harassment, discrimination, violence, bullying, and other forms of abuse. This includes psychological and financial counseling provided by professional third-party consultants. Victims or reporters will also receive support from senior employees or qualified psychologists within Bank Mandiri, who will offer moral support, protect their rights, and assist with handling, protection, and recovery.

### WhistleBlowing System

Bank Mandiri has established a Whistleblowing System that allows both employees (internal) and third parties (external) to report potential violations. Reports can be submitted via the Whistleblowing System - Letter to CEO (WBS-LTC), which can be accessed through the website, email, PO Box, or SMS/WhatsApp. All reports are managed by a third party to ensure the confidentiality of the whistleblower's identity.

## Employee Engagement

In efforts to foster an inclusive and productive work environment, Bank Mandiri regularly conducts an Employee Engagement Survey at the end of the current year as part of its commitment to consistently evaluating employee well-being across all organizational levels. Through the Employee Engagement Survey (EES), Bank Mandiri assesses various aspects contributing to employee well-being and work experience, such as engagement, job satisfaction, work goals and happiness, stress levels, and employee loyalty scores (Employee Net Promoter Score or eNPS), which gauges the likelihood of employees recommending Bank Mandiri as an employer based on their experiences.

In 2024, Bank Mandiri’s employee engagement score reached 89.93%, reflecting an increase from the previous year’s score of 89.65%. This annual survey had a participation rate of 80.81%. This increase reflects Bank Mandiri’s consistent efforts to improve the employee experience by actively listening to feedback and taking meaningful actions. Additionally, Bank Mandiri consistently recognizes and appreciates employee contributions, which

serve as a vital foundation for building strong engagement.

Employee survey also plays an important role in creating job satisfaction at Bank Mandiri. The indicator of this success is reflected in the voluntary turnover rate, which reached 2.63% or a total of 1,024 employees in 2024, a decrease of 2% compared to the previous year, which was recorded at 2.68% or a total of 1,044 employees. This achievement highlights Bank Mandiri’s ongoing commitment to retaining employees and maintaining strong retention rates compared to industry standards. [\[GRI 401-1\]](#)

To further enhance employee retention, Bank Mandiri has implemented strategic initiatives such as career development programs, competitive compensation, an inclusive work environment, and support for work-life balance.

The turnover data for Bank Mandiri employees in 2024 can be found in the table below:

Voluntary Turnover Rate		Category	2024 (%)
Total voluntary turnover rate			2.63
Gender	Male		1.05
	Female		1.59
Age	<30		0.82
	30-50		1.64
	>50		0.18
Position	Top Management		0.01
	Middle Management		0.05
	Junior Management		0.96
	Non-Management		1.62

Turnover Rate		Category	2024 (%)
Total turnover rate			6.06
Gender	Male		2.82
	Female		3.24
Age	<30		1.16
	30-50		3.01
	>50		1.89
Position	Top Management		0.06
	Middle Management		0.23
	Junior Management		1.90
	Non-Management		3.86

## Occupational Health and Safety (OHS) [OJK F.21]

To support employee well-being, Bank Mandiri prioritizes health and safety in the workplace. This commitment is reflected in the creation of a healthy, safe, and conducive environment that enhances the productivity of employees, customers, and all those involved in operations. Bank Mandiri is dedicated to minimizing workplace risks and ensuring incident-free operations through continuous efforts.

To achieve these goals, the OHS system is implemented consistently in line with national standards and regulations, including:

- Law No. 1 of 1970 on Occupational Safety
- Ministry of Health Regulation No. 48 of 2016 on Occupational Health and Safety Standards for Offices

Building Management, which oversees the implementation of OHS policies, fully supports this initiative. Through a structured approach, safety and health standards are applied effectively in every work area, including throughout the supply chain.

The Safety and Health Committee (P2K3) plays a crucial role in ensuring the successful implementation of OHS policies. The committee engages in active consultation with and participation from both workers and their representatives. P2K3 consists of employee and management representatives, with the committee secretary being an OHS expert. The committee is responsible for coordinating and monitoring OHS programs across all work units, gathering and managing OHS data, reporting quarterly to the Ministry of Manpower and Transmigration, and organizing health education and campaigns.

## Preparedness and Emergency Response

To create a healthy, safe, and productive work environment, Bank Mandiri prioritizes not only the implementation of an Occupational Health and Safety (OHS) system but also the development of strategic measures for emergency preparedness and response. These initiatives are supported by Business Continuity Management (BCM), designed to ensure business continuity, safeguard safety, and minimize the impact of disruptions or disasters. The BCM framework is built on two main pillars:

### 1. Preparedness

Bank Mandiri ensures operational readiness through the following measures:

- Risk and Threat Assessment (RTA): Identifying and managing risks in work units location to strengthen resilience against disruptions or disasters.
- Business Impact Analysis (BIA): Evaluating the criticality of work units, services, applications, and third-party contributions to operational continuity
- Recovery Strategies: Developing systematic recovery procedures to minimize operational impacts.
- Testing and Drills: Conducting regular simulations and tests to verify the effectiveness of recovery strategies.

To maintain optimal readiness, Bank Mandiri routinely inspects essential facilities such as first aid kits, portable fire extinguishers, hydrant systems, and sprinklers. Additionally, facilities like elevators, emergency staircases, and evacuation systems undergo regular maintenance to ensure reliability during emergencies.

### 2. Incident Management

When incidents occur, Bank Mandiri implements coordinated emergency response measures, including:

- Crisis Management: Managing disaster response coordination and ensuring effective crisis communication.
- Emergency Response: Executing standardized procedures for evacuating or isolating employees, customers, guests, and third parties.
- Business Continuity: Activating alternative locations to maintain uninterrupted operations.
- Disaster Recovery: Utilizing alternative systems to sustain operations during disruptions.

These procedures are supported by Standard Operating Procedures (SOPs) and Technical Operating Guidelines (TOGs) aligned with applicable standards and regulations. Bank Mandiri employs a comprehensive framework that encompasses five critical aspects:

Building, Equipment, Technology, Human Resources, and Third Parties, collectively referred to as BETH3. This ensures operational preparedness across all areas, from headquarters to branch offices nationwide.

## Hazard Identification, Risk Assessment, and Determining Control (HIRADC)

Bank Mandiri takes proactive measures to ensure workplace safety and health through comprehensive hazard identification and risk assessment processes. The HIRADC framework, implemented using a Risk and Threat Assessment (RTA) approach, is applied across various locations, including the Plaza Mandiri head office building and work units. This process is designed to ensure that

building managers maintain proper control and implement effective mitigation strategies for potential disruptions or disasters. It also includes a thorough assessment of OHS policy implementation to ensure compliance with established standards. The identified risks and their corresponding mitigation measures are presented in the table below.

Risk Categories	Types of Risks	Risk Levels	Mitigation
Natural and Human-Induced Threats	Earthquake	Medium to high	<ul style="list-style-type: none"><li>• Structural resilience is improved through repairs to cracked ceilings, organization of rooftop cables, and inspections of antenna poles.</li><li>• Emergency response capabilities are enhanced through training, evacuation simulations, and regular updates of Emergency Response Team (ERT) contact information.</li><li>• Building security procedures involve rearranging unused items, updating the Floor Warden structure, and appointing a Safety Manager.</li><li>• Fire protection equipment maintenance includes inspecting and replacing fire extinguishers, testing smoke detectors, and repairing safety devices.</li><li>• Emergency evacuation plans involve installing clear evacuation signs, ensuring sterile escape routes, and verifying the condition of assembly points.</li><li>• Power supply backup measures include monitoring transformer rooms, repairing leaks, and removing unused equipment.</li><li>• Collaboration with third parties facilitates rapid fire suppression with the Fire Department and secures local areas during riots in coordination with the Police.</li></ul>
	Flood		
	Fire (Unintentional)	Medium to high	
	Power Failure (Blackout)		
Technological Disruptions	Mass Riots		<ul style="list-style-type: none"><li>• Server configurations use High Availability (HA) setups.</li><li>• Very critical or critical servers are housed at two locations, DC Plaza Mandiri and DRC Rempoa, with active-active or active-standby configurations.</li><li>• Every live application is supported by a backup system.</li><li>• Physical security measures include restricted access, secure areas with layered doors, and supervision by authorized personnel.</li><li>• Continuous monitoring includes CCTV installation, perimeter security devices, and the use of authentication technologies such as digital signatures.</li></ul>
	Hardware Damage	Medium to high	
	Server hang (freeze)		
	Cyber Attacks		

As outlined in the table, mitigation measures have been developed to reduce existing risk levels. The primary focus of these efforts is to manage all risks previously categorized as medium to high, aiming to bring them into the low to medium range.

To enhance the comprehensive implementation of Occupational Health and Safety (OHS), Bank Mandiri has established OHS criteria as part of its procurement requirements. This policy ensures that vendors and business partners comply with strict safety and health standards, fostering synergy between internal and external parties to create a safe working environment. Furthermore, Bank Mandiri remains committed to continuously improving OHS performance by aligning its policies with the latest regulations and best practices.

Bank Mandiri regularly evaluates its progress in reducing or preventing OHS risks by implementing strategic measures, which include:

1. Providing emergency response guidelines to employees, guests, and the Building Emergency Response Team through paging messages, evacuation posters, desktop wallpapers on employees' PCs, instructional videos on internal media, safety briefings prior to events, and annual outreach programs with the local Fire Department.
2. Conducting emergency response training for Floor Wardens, and the Emergency Response Team (ERT). The training covers topics such as fire suppression, search and rescue (SAR), and handling threats like

terrorism or bomb incidents. These sessions are held at least once annually.

3. Organizing annual fire and disaster evacuation drills, including earthquake simulations for building occupants conducted to evaluate the readiness of the Emergency Response and evacuation durations. These drills involve participation from local Fire Departments and law enforcement agencies.
4. Ensuring quick response and smooth communication during emergencies by conducting Call Tree Tests.
5. Assessing the Crisis Management Team's readiness to respond to emergencies and recovery efforts through Tabletop Testing exercises.

## Health and Employment Insurance

In addition to strategic measures in managing OHS risks, Bank Mandiri demonstrates its commitment to employee welfare through a range of healthcare facilities and programs, including:

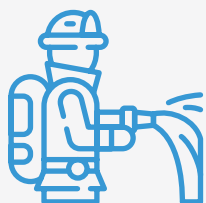
1. Providing healthcare coverage for employees and their registered dependents through BPJS Health in compliance with government regulations.
2. Offering comprehensive social security and protection programs for employees via BPJS Employment.
3. Delivering a wide range of healthcare services, including inpatient and outpatient care, maternity services, dental care, general health check-ups, eyewear, and specialized health insurance for employees and their registered dependents.
4. Extending health insurance coverage to employees who have entered retirement.
5. Providing accessible health clinics at key locations,

such as Plaza Mandiri, Menara Mandiri, Wisma Mandiri, and Graha Mandiri.

6. Offering life insurance coverage for employees and their registered dependents in collaboration with Mandiri Inhealth.

Bank Mandiri is committed to creating an inclusive work environment and supporting employee well-being through equitable healthcare facilities, regardless of employment status. All employees, whether permanent or contractual, have equal access to these facilities. Bank Mandiri also ensures that employees' spouses receive equal healthcare coverage. Healthcare facilities are routinely promoted and accessible through the Mandiri CLICK platform in the form of booklets and electronic banners. Bank Mandiri also actively fosters health awareness through various media channels and activities, featuring renowned experts to enhance employee health knowledge and engagement.

## OHS Training Program in 2024



Firefighting Training  
and Certification  
Level 1

Number of Participants

**31** Employees



- Fire Volunteer Brigade (Balakar) Training at Mandiri Tower Jayapura, Regional XII
- Fire Volunteer Brigade (Balakar) Training at Plaza Mandiri

**Engaging the Emergency  
Response Team (ERT) at each  
respective site**



# | Our Operations



## Commitment to Reducing Emissions, Releases, and Waste [QJK F.12]

Bank Mandiri is committed to reducing carbon emissions and achieving carbon neutrality in its operations by 2030, aligned with the aspiration of Net Zero Emission (NZE). This initiative encompasses efficient energy usage, the implementation of renewable energy, and sustainable mobility strategies across all of the company's operational office buildings to support a transition toward being more environmentally friendly.

Bank Mandiri is fully dedicated to responsibly managing environmental impacts, guided by the environmental policy outlined in the Sustainable Finance Operational Procedure Standards approved by the relevant Directors. This policy serves as the primary framework for our operations and includes strategic measures to maintain environmental balance while supporting the transition toward sustainable operations. The policy also reflects Bank Mandiri's commitment to energy efficiency, water resource optimization, waste reduction, the use of environmentally

friendly materials, and regular monitoring of environmental performance.

Bank Mandiri integrates best practices in energy efficiency and resource management by implementing an environmental management system that encompasses the entire company's operations. In 2024, Bank Mandiri aimed to reduce operational carbon emissions by 25% from baseline through energy efficiency measures, optimization of renewable energy usage, and the application of best environmental management practices. As part of our commitment to environmental stewardship, Bank Mandiri actively engages with stakeholders to identify, understand, and respond to relevant environmental issues, ensuring our approach aligns with the needs and expectations of all related parties.

To achieve the carbon neutrality target by 2030 in line with the NZE aspiration, Bank Mandiri has developed a medium- and long-term strategy focused on three key initiatives:

**Green Business Mindset**

**Measurement and monitoring of operational carbon emissions**

**Carbon neutrality initiatives through energy efficiency and carbon offsetting**

## Green Business Mindset

The active involvement of all Bank Mandiri employees is a key factor in realizing environmentally friendly operational transformation and ensuring the integration of sustainability principles into all business processes. By fostering a green business mindset, Bank Mandiri aims to shift the mindset and behavior of all employees, from operational levels to management, towards more sustainable business practices.

To support an environmentally friendly work culture, Bank Mandiri encourages employees to prioritize digitalization in work processes by optimizing infrastructure such as the use of Microsoft Teams for inter-departmental document preparation and hybrid coordination. Bank Mandiri also promotes organizing events across all units by prioritizing

the use of environmentally friendly materials and products that support community empowerment, such as reducing the use of single-use plastics/paper, waste management, and involving Bank Mandiri's fostered MSME partners.

Throughout 2024, Bank Mandiri has embedded a sustainable work culture through various strategic initiatives, including:

- Mandatory E-Learning: Driving Sustainable Change, participated in by 29,084 Bank Mandiri employees.
- Regular digital campaigns, consistently disseminating sustainability messages through office devices.
- In-person campaigns, engaging employees through events such as Happy Hour.

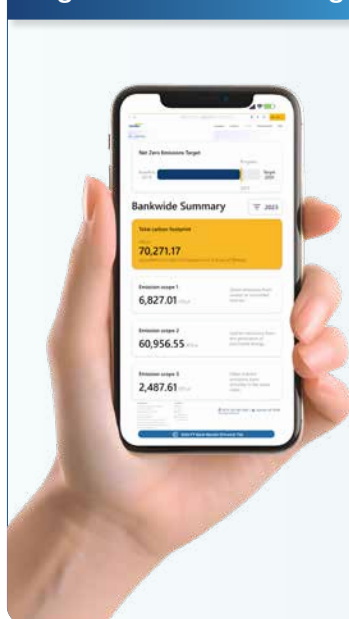
## Measurement and Monitoring of Operational Carbon Emissions [GRI 3-3, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7] [OJK F.11, F.12]

Bank Mandiri, through its ESG Group as the unit responsible for emissions reporting, monitors operational carbon emissions by calculating Scope 1 and 2 greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas Protocol (GHG Protocol) methodology and applicable national methodologies. Scope 1 includes fuel consumption for 4,857 operational vehicles and generators from 138 locations while Scope 2 emissions derive from electricity consumption in 1,793 operational office buildings, including usage by tenants. Bank Mandiri has designated 2019 as the baseline year for Scope 1 and Scope 2 emissions,

representing operational activities prior to the COVID-19 pandemic.

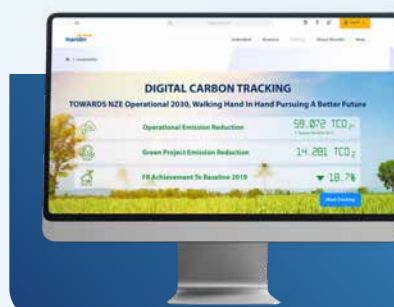
During the reporting period, Bank Mandiri's total operational emissions were recorded at 239,594 tCO<sub>2</sub>e, reflecting a 33% or 119,159 tCO<sub>2</sub>e from 2019 and 19% or 56,119 tCO<sub>2</sub>e from 2023. This reduction highlights Bank Mandiri's ongoing commitment to reducing operational carbon emissions in alignment with its NZE aspirations. All GHG emission calculations (Scope 1 and 2) have been verified by PT Superintending Company of Indonesia (Sucofindo).

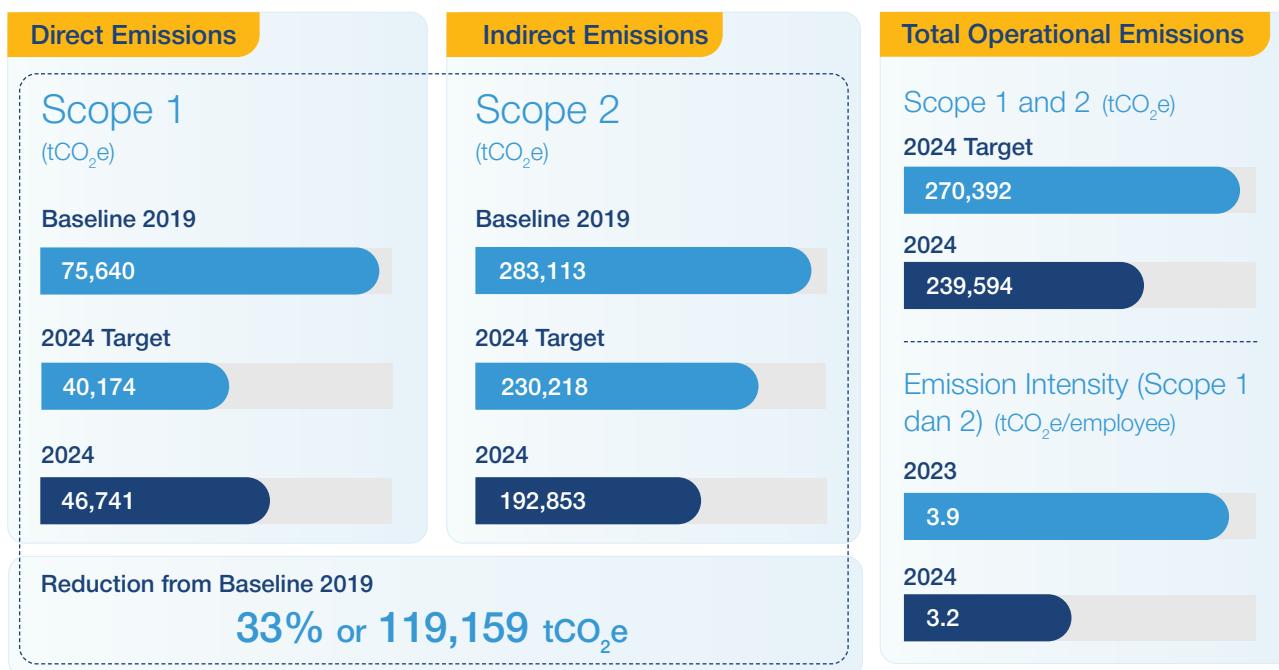
### Digital Carbon Tracking



In support of achieving its NZE commitment, Bank Mandiri became a pioneer in Indonesia by launching a Digital Carbon Tracking platform in 2023. This platform represents Bank Mandiri's adoption of climate change mitigation technology, enabling transparent monitoring of all operational carbon emissions. It is accessible to stakeholders via the corporate website (esg.bankmandiri.co.id).

The platform tracks carbon footprints and emissions reductions, covering operations from the head office to branch offices. Emission recording through the Digital Carbon Tracking platform adheres to the Greenhouse Gas Protocol (GHG Protocol) standards and has adopted ISO 14064.



**Notes:**

- The emission factors used in the emission calculations for 2019–2023 for Scope 1 refer to the emission factors issued by the Ministry of Energy and Mineral Resources in 2020, while the emission factors for Scope 2 refer to the Electricity Sector of the Ministry of Energy and Mineral Resources in 2019. In 2024, adjustments were made in the use of emission factors for Scope 1, considering the type of fuel used, and for Scope 2, the Operational Margin was applied based on the reference from the Ministry of Energy and Mineral Resources. These adjustments contributed to an increase in Scope 1 emissions and a decrease in Scope 2 emissions. The adjustments were made based on recommendations from the verification body, PT Superintending Company of Indonesia (Sucofindo).
- Scope 1 emissions are calculated to include carbon dioxide (CO<sub>2</sub>) gas using an activity-based approach, based on fuel consumption data from 4,857 operational vehicles and generators across 138 locations. Methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) gases are not disclosed, as their contribution is less than 1%.
- Scope 2 emissions are calculated using a location-based approach based on electricity consumption data from PLN (Indonesia's state-owned electricity company) according to customer IDs for 1,793 operational buildings, including tenants.
- Emission intensity is calculated using the denominator of all organic employees, outsourced workers (TAD), and kria (including adjustments to the 2023 calculations).
- The calculation of Scope 1 and 2 emissions only includes carbon dioxide (CO<sub>2</sub>) based on the operational control consolidation approach.
- In accordance with internal regulations, Bank Mandiri has not calculated Ozone Depleting Substances (ODS), biogenic emissions, Nitrogen Oxides (NO<sub>x</sub>), Sulfur Oxides (SO<sub>x</sub>), and other pollutants in its emissions calculations, as the Bank's operations do not significantly involve the use of these substances, making them irrelevant to its business activities. [GRI 305-6, 305-7]
- There was a 16% increase in Scope 1 emissions from the set target due to the addition of operational vehicles.
- The 2024 Scope 2 emissions target was successfully achieved, exceeding the target by 17%.
- In the coming periods, Bank Mandiri plans to add operational buildings to support business expansion, which is expected to contribute to an increase in Greenhouse Gas (GHG) emissions. However, Bank Mandiri remains committed to achieving its GHG emission reduction targets as reported to the Financial Services Authority (OJK).

## Carbon Neutral Initiatives

Bank Mandiri's carbon neutral initiatives represent strategic measures to support carbon neutrality target in its operations. These efforts are realized through various carbon emission reduction initiatives, including energy efficiency, the use of environmentally friendly technologies, and carbon offset

mechanisms through the purchase of 3,027 Verified Carbon Units (VCUs) in the carbon market. Additionally, it includes the initiation of climate change mitigation projects in collaboration with carbon professionals and academics.

## Energy Reduction [GRI 302-1, 302-2, 302-3, 302-4, 302-5] [OJK F.6, F.7]

Bank Mandiri is committed to reducing energy consumption through various initiatives designed to enhance energy efficiency across all banking operations. The largest sources of energy consumption come from electricity usage for daily operational needs and fuel for transportation and backup power, such as generators. To conserve energy, Bank Mandiri implements timers to turn off lights during breaks and holidays. [GRI 3-3]

To reduce dependence on fossil fuels, Bank Mandiri continues to promote the use of electric vehicles, including

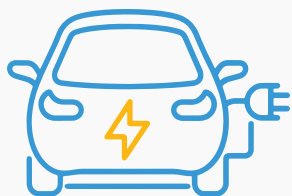
cars and motorcycles, as part of its operational fleet. Bank Mandiri is also expanding the installation of charging stations in various operational areas. Additionally, Bank Mandiri is committed to increasing the use of renewable energy in its operations through the installation of solar panels.

In 2024, electricity consumption reached 239,728,902 kWh, while fuel usage for transportation and generators was recorded at 18,741,519 liters. Overall, total energy consumption showed a decrease of 8.2% compared to 2023.

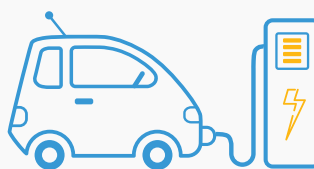
## Adoption of Climate Change Mitigation Technologies [\[GRI 302-1\]](#) [\[GRI 305-5\]](#)

As part of its commitment to achieving carbon neutrality, Bank Mandiri has adopted various climate change mitigation technologies. These initiatives include the installation of solar panels to increase the use of renewable energy

and electric and hybrid vehicles in operations, and the implementation of green building concepts. Through these efforts, Bank Mandiri successfully reduced GHG emissions by 33% compared to the baseline year.



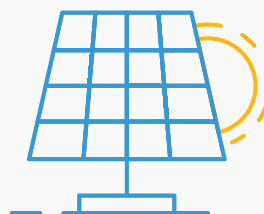
**404 units**  
electric and  
hybrid vehicles



**8 station**  
electric vehicle  
(EV) charging  
stations



**26 units**  
charging units  
installed



**870 units**  
solar panels  
installed across  
4 operational  
buildings

## Green Buildings

Acknowledging that every building has an impact on the environment, Bank Mandiri is committed to designing and operating green buildings that are not only environmentally friendly but also promote the well-being of their users. One concrete example of this commitment is Plaza Mandiri, which achieved a Gold-level green building certification from the Green Building Council of Indonesia (GBCI) in 2024. Additionally, the Mandiri Digital Tower, inaugurated in September 2024, earned a platinum certification in the Design Recognition category, while the Mandiri Indjoko Surabaya building received a Gold certification for Design Recognition from GBCI.

Bank Mandiri also continues to implement other sustainability initiatives across its operational buildings such as:

1. Utilizing natural lighting by increasing the use of glass panels;
2. Replacing standard lighting with LED lights in operational buildings and 241 Smart Branch offices;
3. Upgrading air conditioning (AC) systems and adopting inverter technology in main buildings;
4. Installing glass with low Overall Thermal Transfer Value (OTTV) to reduce AC usage;

5. Installing solar panels in various buildings, including Plaza Mandiri, Menara Mandiri Medan, Menara Mandiri Palembang, and Mandiri Indjoko Surabaya;
6. Implementing water recycling systems with reverse osmosis technology, enabling treated wastewater to be reused for watering plants.

During the reporting period, Bank Mandiri's sustainability initiatives contributed to energy efficiency totaling 49,370,154 kWh or 177,733 GJ compared to 2023. These efforts support Bank Mandiri in reducing its carbon footprint and achieving more environmentally friendly operations. [\[GRI 302-4, 305-5\]](#)





## Reverse Vending Machine

As part of its commitment to environmental sustainability, Bank Mandiri has implemented a range of ESG programs through relevant initiatives, including a strategic partnership with Plasticpay to install Reverse Vending Machines (RVM) at several Bank Mandiri offices. This program demonstrates Bank Mandiri's responsibility in managing plastic bottle waste more effectively and contributing to carbon footprint reduction, aligning with the Sustainable Development Goals (SDGs) of the United Nations.

Awareness of the environmental impact of plastic waste serves as the primary driver behind this initiative. Indonesia is one of the largest contributors to plastic waste globally, with over 3 million tons of unmanaged plastic annually. This situation not only threatens marine and terrestrial ecosystems but also contributes to climate change through greenhouse gas emissions from non-degradable waste. Recognizing these challenges, Bank Mandiri steps forward to be part of the solution by integrating innovation and sustainability through RVM technology, making it easier for employees to recycle plastic.

Since December 2023, Bank Mandiri has launched a special program for its customers and employees to support this initiative, called "Livin'poin bonus for every plastic bottle deposited in RVM machines." The program has shown significant results as of December 31, 2024. Through the use of RVMs, Bank Mandiri and Plasticpay have engaged 826 users, including customers, and recorded 8,435 transactions. To further support the initiative, the program offers Livin'poin as bonuses for every plastic bottle exchanged via RVMs. From these transactions, a total of 49,150 Livin'poin have been distributed to 1,217 customers who participated, resulting in the collection of 49,150 plastic bottles.

Through the RVM program, Bank Mandiri goes beyond its role as a financial institution, positioning itself as a catalyst for sustainability. The program exemplifies how the synergy of technology, education, and environmental awareness can create a positive impact. With such collaborations, Bank Mandiri remains committed to building a greener and more sustainable future for generations to come.



Successfully prevented environmental pollution by collecting

**78,811** plastic bottles, weighing a total **1,473.7** kg



This program also successfully provided economic benefits amounting to

**Rp4.4 million\***

\*) Each plastic bottle collected earns 56 Plasticpay Points, with each point redeemable for the equivalent of one Rupiah.



Emission reduction of

**7.8 ton CO<sub>2</sub> eq**



Land savings from plastic waste accumulation equivalent to

**1,245.2 m<sup>2</sup>**



## Use of Environmentally Friendly Materials

[OJK F.5]

As part of its sustainability commitment, Bank Mandiri has taken significant steps in incorporating environmentally friendly materials into its products and services. One of these initiatives is the production of prepaid, debit, and credit cards made from recycled PVC. These recycled-material cards represent Bank Mandiri's effort to reduce the environmental impact of its banking operations.





## Waste Management [GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5] [OJK F.13, F.14]

Given its significant impact on the environment and public health if not addressed properly, waste management is a global challenge also taken on by Bank Mandiri. In its operations, Bank Mandiri generates various types of waste, including paper waste from administrative processes, domestic waste from office activities, and electronic waste from obsolete equipment. To address this challenge, Bank Mandiri is committed to reducing waste generation and managing waste efficiently in compliance with applicable environmental standards. Through a responsible approach, Bank Mandiri ensures that every type of waste is identified, managed, and handled appropriately to minimize any negative environmental impacts.

To mitigate waste-related impacts, Bank Mandiri actively identifies waste with significant risks, such as hazardous waste (B3), and implements appropriate mitigation measures. Bank Mandiri collaborates with licensed third parties responsible for managing hazardous waste such as used oil, batteries, and light bulbs. This partnership ensures that waste is processed according to applicable regulations and does not harm the environment. For domestic waste, Bank Mandiri partners with licensed third-party organizations to sort waste generated from its operational activities, ensuring proper handling and compliance with environmental standards.

To monitor waste management, Bank Mandiri conducts periodic waste recording managed by the Corporate Real Estate Group. During the reporting period, 196<sup>1</sup> kg of B3 hazardous waste and 151,858<sup>2</sup> kg of domestic waste was transported by licensed third parties.

To minimize waste ending up in landfills, Bank Mandiri focuses on managing plastic waste, particularly PET bottles. Bank Mandiri has partnered with third-party providers to install Reverse Vending Machines (RVMs). Through these machines, the public can exchange their plastic bottles and earn points via the Livin' App. These points can be redeemed for various purposes, incentivizing the public to engage actively and responsibly in plastic waste management.

During the reporting period, Bank Mandiri successfully implemented several waste management initiatives, including:

- Implementation of paperless policies and digitalization initiatives through Livin' Super App, Kopra, and branchless banking (*laku pandai*).
- Diverting plastic waste from landfills through RVMs, totaling 1,473.7 kg.



1. Scope: Plaza Mandiri  
2. Scope: Menara Mandiri, Sentra Mandiri, Plaza Mandiri

## Water Management [GRI 3-3, 303-1, 303-2, 303-3, 303-4, 303-5] [OJK F.8, F.13, F.14, F.15, F.16]

Bank Mandiri manages water usage with a focus on reducing consumption and increasing recycling to support environmental sustainability. Clean water sourced from third parties, supplied by external providers, is used minimally and only for specific purposes to reduce environmental impact and preserve water resources. Bank Mandiri also ensures that the water used does not come from water-stressed areas. This policy reflects Bank Mandiri's commitment to responsible water management in compliance with applicable environmental policies.

As part of its sustainability initiatives, Bank Mandiri implements water recycling systems in several buildings, including Wisma Mandiri, Plaza Mandiri, and MM Wijayakusuma. Recycled water from these systems is reused for various purposes such as flushing toilets and maintaining plants, significantly reducing the use of clean water in daily operations. To monitor consumption and ensure efficient water use, Bank Mandiri records water usage on a monthly basis. In 2024, water consumption from third-party sources reached 574,376<sup>1</sup> m<sup>3</sup>, while recycled water usage amounted to 88,788<sup>2</sup> m<sup>3</sup>, representing 13% of the total water consumption. There was a decrease in the use of recycled water in 2024 due to the need for replacement parts for the Reverse Osmosis system, resulting in reduced utilization.

In managing water impact, Bank Mandiri employs a sewage treatment plant (STP) to ensure that effluents meet environmental standards before being discharged into water bodies. A portion of the treated water is also reused for watering plants, while a reverse osmosis process further treats the water into potable water. Effluent quality is tested monthly by accredited laboratories, with the results reported to relevant authorities to ensure compliance with environmental regulations. In 2024, Bank Mandiri recorded liquid waste discharge of 81,400<sup>3</sup> m<sup>3</sup>, with 32,134<sup>4</sup> m<sup>3</sup> managed through reverse osmosis.

Bank Mandiri has also constructed biopore holes and infiltration wells in green open areas to maintain groundwater balance and prevent water pollution. These efforts help increase rainwater absorption into the soil, supporting water conservation around the company's operational areas. At Mandiri University in Wijayakusuma, Bank Mandiri built a 1.8-hectare artificial lake that serves as a water reservoir and is the primary water source for buildings in the area after the stored water is processed into raw water. This ensures a sustainable water supply while reducing dependence on external water sources.

With these various initiatives, throughout 2024, there were no incidents of effluent spills from Bank Mandiri into the environment, nor any complaints from the public regarding environmental issues.

## Environmental Conservation Costs [OJK F.4, F.9, F.10]

In 2024, Bank Mandiri's total environmental expenses amounted to Rp54.11 billion, consisting of Rp52.51 billion for CSR activities focused on nature conservation and environmental preservation, Rp1.4 billion for solar panel installation as part of energy efficiency efforts and carbon footprint reduction in company operations, and Rp198 million for the RVM program, demonstrating a tangible commitment to plastic waste management and environmental sustainability.

Although Bank Mandiri's operations do not directly impact conservation areas or regions with high biodiversity, Bank Mandiri remains committed to environmental preservation. During the reporting period, Bank Mandiri planted 100,000 trees as part of its conservation initiatives. Bank Mandiri's credit policies integrate biodiversity aspects to ensure that every project with potential environmental impacts adheres to strict sustainability standards, supports nature conservation, and maintains ecosystem balance.

1. Scope: Sentra Mandiri, Menara Mandiri, Plaza Mandiri, Wisma Mandiri
2. Scope: Menara Mandiri, Plaza Mandiri, Wisma Mandiri
3. Scope: Plaza Mandiri
4. Scope: Plaza Mandiri



# Sustainability Beyond Banking

## **242 Access to Financial Services and Financial Inclusion**

- Commitment to Financial Inclusion
- Points of Reach of Financial Services
- Support for Micro, Small, and Medium Enterprises (MSMEs)
- Digital Innovation for Financial Services
- Innovation in Branchless Distribution Channels

## **263 Non-Financial Support for Underserved Groups**

- Community Empowerment through CSR Programs
- Financial Literacy Program to Support Financial Inclusion
- Policy Advocacy and Sustainability Research





# Access to Financial Services and Financial Inclusion

The diversity of Indonesia's society, encompassing a wide range of social, economic, and cultural backgrounds, serves as a source of inspiration for Bank Mandiri to provide financial inclusion services. Recognizing the unique needs of each segment of society, Bank Mandiri is committed to contributing to efforts aimed at addressing gaps in financial access, particularly for underserved and vulnerable communities. As part of its responsibilities, Bank Mandiri actively supports the Financial Services Authority's (OJK) target of achieving 90% financial inclusion by 2024.

## Commitment to Financial Inclusion

Bank Mandiri places financial inclusion as one of its top strategic priorities. This commitment is realized through a variety of tailored products and services aimed at the financial inclusion of underserved groups, designed to facilitate access to financial services and reach all segments of society. Bank Mandiri has identified key target groups as priorities, focusing on individuals and communities that are underserved by financial institutions (unbanked dan underbanked), including:

1. Individuals with low income or irregular-income;
2. Individuals facing difficulties in accessing banking services;

3. Persons with disabilities;
4. Workers without legal identification documents;
5. Regions with limited access to formal financial networks due to geographical barriers, dispersed populations, or low financial literacy;
6. Marginalized and/or vulnerable groups, such as women and children;
7. Micro-business entrepreneurs facing difficulties in accessing capital or banking services.

To address the needs of these target groups, Bank Mandiri provides inclusive financial solutions, which include:

Product/Service Name	Targeted Group	Product/Service Description	Impact and Reach
Micro Financing through People's Business Credit (KUR) and Micro Business Credit (KUM)	<ul style="list-style-type: none"> <li>• Individuals with low income or irregular-income</li> <li>• Individuals facing difficulties in accessing banking services</li> <li>• Regions with limited access to formal financial networks due to geographical barriers, dispersed populations, or low financial literacy</li> <li>• Marginalized and/or vulnerable groups, such as women and children</li> <li>• Micro-business entrepreneurs facing difficulties in accessing capital or banking services</li> </ul>	Productive micro credit with low-interest rates to support micro businesses and enhance financial inclusion.	<ul style="list-style-type: none"> <li>• Distribution of KUR: Rp63.9 trillion.</li> <li>• Distribution KUM: Rp26.9 trillion.</li> </ul>
Livein' Merchant	Micro-business entrepreneurs facing difficulties in accessing capital or banking services	An entrepreneurship application that helps MSMEs manage their finances and business operations, from recording sales and checking product inventory to processing sales revenue withdrawals.	The total number of active users reached 2.39 million, with 1.47 million (61.51%) located in non-urban areas, marking a 42.3% increase compared to the previous year.
Mandiri Agent (Branchless Banking)	<ul style="list-style-type: none"> <li>• Regions with limited access to formal financial networks due to geographical barriers, dispersed populations, or low financial literacy</li> <li>• Individuals facing difficulties in accessing banking services</li> </ul>	Banking services provided through Mandiri Agents, supported by mobile technology Agent Banking System, enabling access to financial services in remote areas.	The total number of Mandiri Agents reached 110,672 agents, with 94,748 (85.76%) operating in non-urban areas. Additionally, 61,300 (55.48%) agents have adopted the Agent Banking System.



Product/Service Name	Targeted Group	Product/Service Description	Impact and Reach
PNM Mekaar	Marginalized and/or vulnerable groups, such as women and children	Group-based financing without collateral for underprivileged women aiming to develop small businesses.	Disbursed financing totaling Rp3 trillion.

Bank Mandiri continues to innovate by providing financial solutions that cater to underserved groups. Two flagship innovations that embody this commitment are Livin’ Merchant and the Agent Banking System (ABS), developed through in-depth market analysis and direct feedback from customers.

Livin’ Merchant supports MSME entrepreneurs in expanding their reach and enhancing business competitiveness through the digitalization of business and financial processes. Meanwhile, the Agent Banking System (ABS) addresses the needs of communities in remote areas with limited access to formal financial services.

## Responsible Approach

In addition to offering products and services that reach a broad segment of society, Bank Mandiri emphasizes responsibility in ensuring the financial well-being of its customers. This responsible approach applies not only to all customers but is also specifically tailored to support financial inclusion target groups, aiming to prevent the risk of over-indebtedness.

This effort begins with a comprehensive analysis of potential customers’ profiles to ensure they understand the products and avoid loans that exceed their financial capacity. This process includes establishing Risk Acceptance Criteria (RAC) as a pre-screening measure, covering factors such as age limits, checks through the Financial Information Service System (SLIK), loan collectability status, and evaluation of the Debt Burden Ratio (DBR) to ensure loan installments do not exceed 35% of a prospective borrower’s income. Additionally, Bank Mandiri leverages Enterprise

Data Analytics technology to evaluate customers’ financial capacity accurately, ensuring that offered installments remain within their means.

Internally, Bank Mandiri consistently enhances its human resources capacity through regular training programs. In 2024, Bank Mandiri conducted specialized training programs designed to equip employees with the skills to prevent aggressive sales techniques and inappropriate treatment of target groups.

The training includes the Consumer Financial Protection Training, attended by 52,000 participants, and the Responsible Marketing and Product Offering Training, attended by 1,013 participants. These programs aim to equip employees with an empathy-driven approach to service, ensuring they respect customers’ needs and rights while promoting inclusive financial services.

## Oversight and Complaint Mechanism

Bank Mandiri’s commitment to financial inclusion is implemented through structured oversight and inclusive complaint mechanisms. To support this, Bank Mandiri has appointed the Director of Network & Retail Banking to directly oversee and ensure the achievement of financial inclusion objectives. This strategic role not only sets policy directions but also ensures that the implementation of financial inclusion programs is effective and delivers tangible impacts.

As part of its customer-oriented services, Bank Mandiri recognizes the importance of accessible channels for submitting complaints, especially for customers in financial inclusion target groups. To address this, Bank Mandiri offers three easily accessible complaint mechanisms designed to reach all segments of society, including those in remote areas:

1. Sales Generalist Productive (SGP): This team serves as the frontline in assisting customers, providing immediate solutions for any complaints raised.
2. Micro Units: Spread across 12 regions throughout Indonesia, these units ensure that complaint processes are handled quickly and effectively, bringing services closer to local communities.
3. Mandiri Mitra Agent (MMA): Acting as an extension of the complaint handling service, MMAs play a vital role in reaching customers in hard-to-access areas, ensuring that financial inclusion transcends geographical boundaries.

Through focused oversight and these inclusive complaint mechanisms, Bank Mandiri strengthens its commitment to delivering fair and equitable financial services to all Indonesians.

## Points of Reach of Financial Services

Bank Mandiri continues to expand its service network through branches, ATMs, self-service facilities, and digital channels to enhance accessibility and customer experience. The following data illustrates the availability of the company's service points.

Points of Reach of Financial Services [OJK F.23] [OJK F.28]



## Low or No-Administration Fee Savings Products [FN-CB-240a.3]

Bank Mandiri offers a range of savings products designed to expand access to financial services for all segments of society, especially those previously underserved. Customers can open accounts through branch offices, Mandiri Agents, or digitally via the Livin' app and the [join.bankmandiri.co.id](https://join.bankmandiri.co.id) website. These products not only facilitate transactions but also enhance financial literacy, empower customers to manage their finances more effectively, and promote a savings culture as an essential step toward healthy financial planning.

### Tabungan Mitra Usaha (TabunganMU)



A savings account in Indonesian Rupiah for individuals, designed to facilitate banking transactions at an affordable cost.

### Tabungan TKI



A savings account in Indonesian Rupiah for Indonesian Migrant Workers (TKI) or Prospective Migrant Workers (PMI) and their families, subject to the terms and conditions set by the Bank.

### Tabungan NOW



A savings product in Indonesian Rupiah for individuals, offering ease and convenience, from account opening anytime and anywhere via the Livin' by Mandiri app or [join.bankmandiri.co.id](https://join.bankmandiri.co.id) to conducting online and offline transactions using various features and channels provided by Bank Mandiri.

### Tabungan Branchless Banking



An individual savings account in Indonesian Rupiah that leverages technology and information through branchless banking agents (Mandiri Agents) in collaboration with Bank Mandiri, enabling broader access to banking services for all communities and promoting financial inclusion.

### Tabunganku



Tabunganku is a savings account designed for individuals with easy and flexible requirements, jointly issued by banks across Indonesia to promote a saving culture and enhance community welfare.

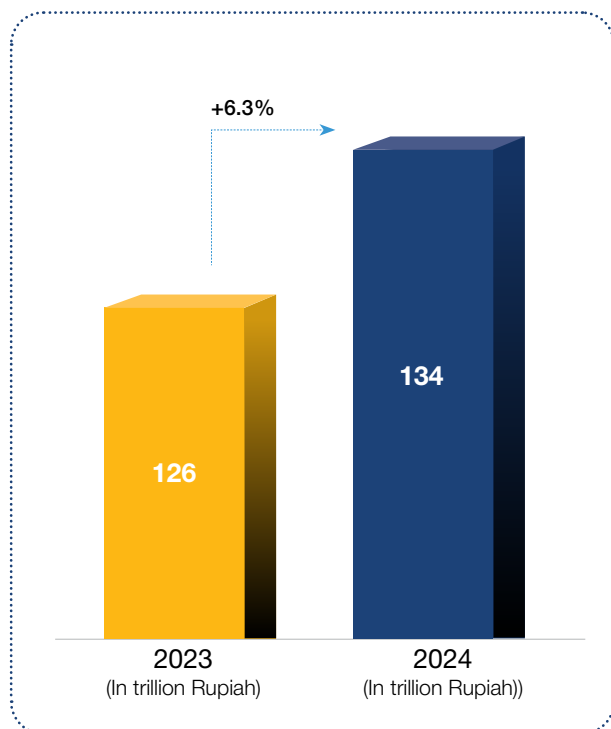
### Tabungan Simpanan Pelajar (SimPel)



Mandiri Tabungan Simpanan Pelajar (SimPel) is a type of Mandiri Savings product designed for students in Early Childhood Education (PAUD/TK/RA), Elementary School (SD/MI), Junior High School (SMP/MTs), Senior High School (SMA/MA), or equivalent, to teach children in Indonesia the importance of saving from an early age.

## Support for Micro, Small, and Medium Enterprises (MSMEs)

Bank Mandiri's MSME Financing



Bank Mandiri supporting the micro, small, and medium enterprises (MSMEs) sector, which plays a strategic role in strengthening the national economy, creating jobs, and fostering local community development. In 2024, Bank Mandiri has allocated 10.20% of its total loan portfolio to the MSME sector, covering the micro and SME segments. From a nominal perspective, total MSME financing in 2024 grew by 6.3% compared to 2023.

In terms of credit quality, Bank Mandiri successfully maintained the Non-Performing Loan (NPL) ratio for the SME segment at 0.92% in 2024, while the NPL ratio for the micro segment stood at 1.41%.

As part of its financial inclusion, Bank Mandiri places special emphasis on microfinancing, which not only supports small business owners but also extends financial access to low-income households and other vulnerable groups in need. In addition, the bank provides financial education programs targeted at disadvantaged and low-income individuals, aiming to improve their financial literacy and empower them to manage their resources effectively. Responsibility for microfinancing commitments at Bank Mandiri falls under the governance structure, specifically under the Director of Network & Retail Banking, who oversees micro and consumer financing, MSMEs, and other related areas.

To support the sustainability of this initiative, Bank Mandiri has established a quantitative microfinance target as part of the Board of Directors' Key Performance Indicators (KPIs), specifically the disbursement of Micro Business Loans (KUM) totaling Rp20.6 trillion in 2024. This target has a specific annual timeframe, as it is part of the Board of Directors' annual assessment, which is reported through the General Meeting of Shareholders (GMS). Additionally, the Board of Directors regularly reports the progress of target achievement through quarterly analyst meetings, which are transparently disclosed to the public. In 2024, Bank Mandiri successfully exceeded this target, achieving a total KUR disbursements of Rp26.9 trillion, demonstrating a strong commitment to the sustainable development of microfinance.

Through its extent of involvement in microfinance, Bank Mandiri is committed to building a sustainable financial inclusion ecosystem. This is achieved by providing direct microfinancing and fostering partnerships with other financial institutions, ensuring that its initiatives align with the broader goals of economic empowerment and inclusion. Bank Mandiri also collaborates with communities, NGOs, and governmental authorities to enhance the reach and impact of its initiatives, ensuring alignment with broader goals of economic empowerment and inclusion.

## Direct Involvement in Microfinance

Bank Mandiri's direct microfinancing efforts are focused on the disbursement of People's Business Credit (KUR) and Micro Business Credit (KUM) programs.

### People's Business Credit (KUR)

KUR is a financing program for working capital and/or investment provided to micro, small, and medium Enterprises (MSMEs) that are productive and feasible but have not yet met traditional banking requirements (non-bankable). This program aims to enhance financing access for MSMEs, strengthen capital, and drive economic growth and job creation. As a wholesale bank, Bank Mandiri implements an ecosystem-based KUR distribution strategy by collaborating with wholesale debtor companies to recommend their managed partners as KUR recipients. From 2008 to 2024, Bank Mandiri distributed KUR to 3.02 million debtors with a total value of Rp63.9 trillion.

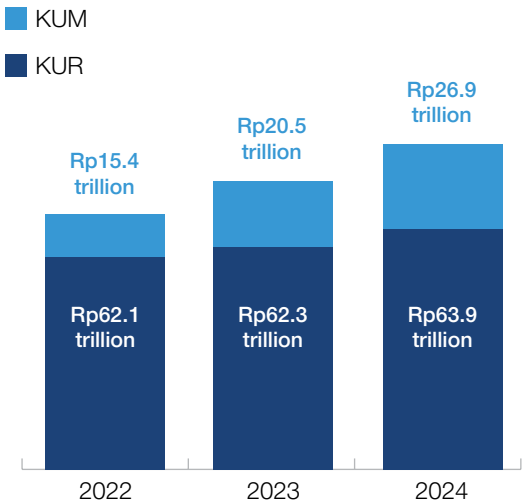
### Micro Business Credit (KUM)

KUM is a credit facility designed for micro-entrepreneurs who require financing for productive business activities, whether for investment or working capital. KUM offers competitive interest rates, fixed installments, and a fast and easy application process. The distribution of KUM supports MSMEs in increasing production capacity, expanding market reach, and enhancing competitiveness, ultimately contributing to the local economy. In 2024, Bank Mandiri disbursed KUM totaling Rp26.9 trillion to 351,066 debtors.

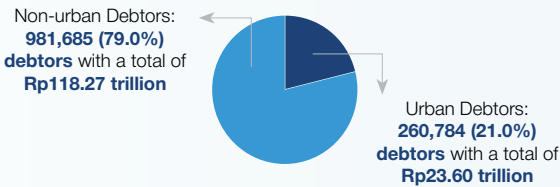
#### Microfinancing Performance

**63%** of Bank Mandiri's social portfolio is allocated to the micro segment (KUR & KUM).

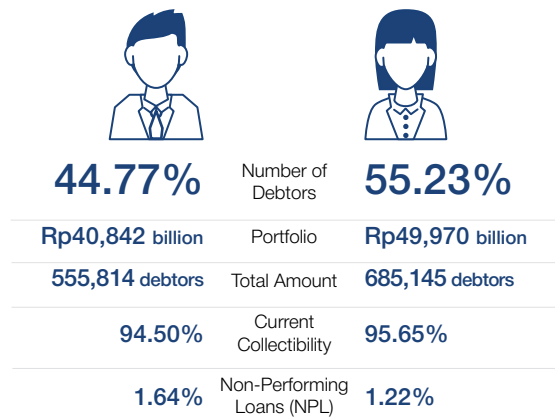
Microfinance Disbursement



Microfinance Disbursement by Geography



Total Micro Portfolio by Gender



Bank Mandiri supports women's empowerment, with women currently representing the largest segment in the micro debtor portfolio. In addition to their dominance in numbers, the higher credit quality of female debtors reflects their significant role in driving microeconomic growth.

KUR Disbursement by Sector



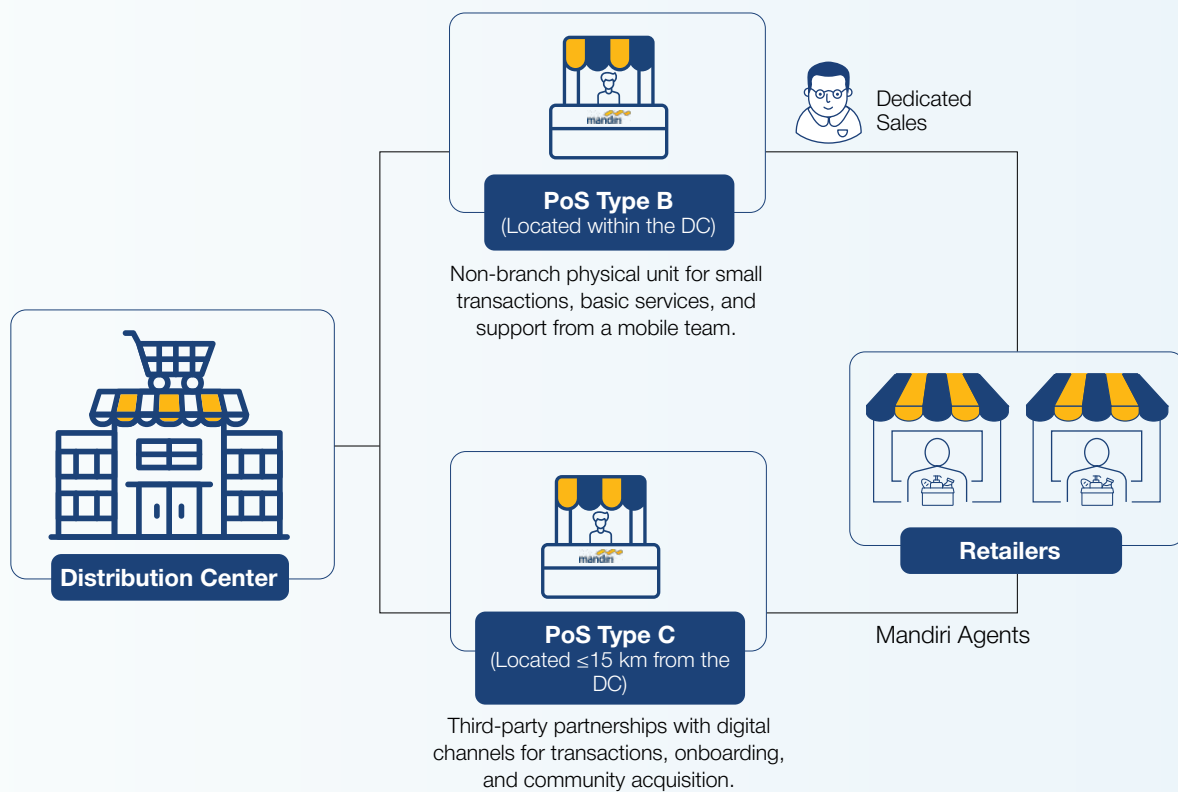


## Microfinancing Ecosystem

To support its commitment to expanding financial access for the community, Bank Mandiri has developed an integrated microfinancing ecosystem. Through strategic collaborations with communities and other entities, this ecosystem is designed to holistically connect microfinance services.

### Trade Ecosystem

Bank Mandiri established strategic partnerships by deploying Points of Service (PoS) in 29 Distribution Centers (DC) since October 2023. This collaboration aims to extend financing to retailers and merchants who were previously underserved by formal financial services. Additionally, it leverages the Digital Micro Business Credit (KUM) facility to address accessibility challenges, particularly in hard-to-reach areas.



#### Total Disbursement through KUR and KUM

Number of Debtors: **219,004**  
members

Total Disbursement: **Rp24.7**  
trillion

#### Total Disbursement through KUM Purchase Financing (Digital KUM)

Number of Debtors: **966**  
members

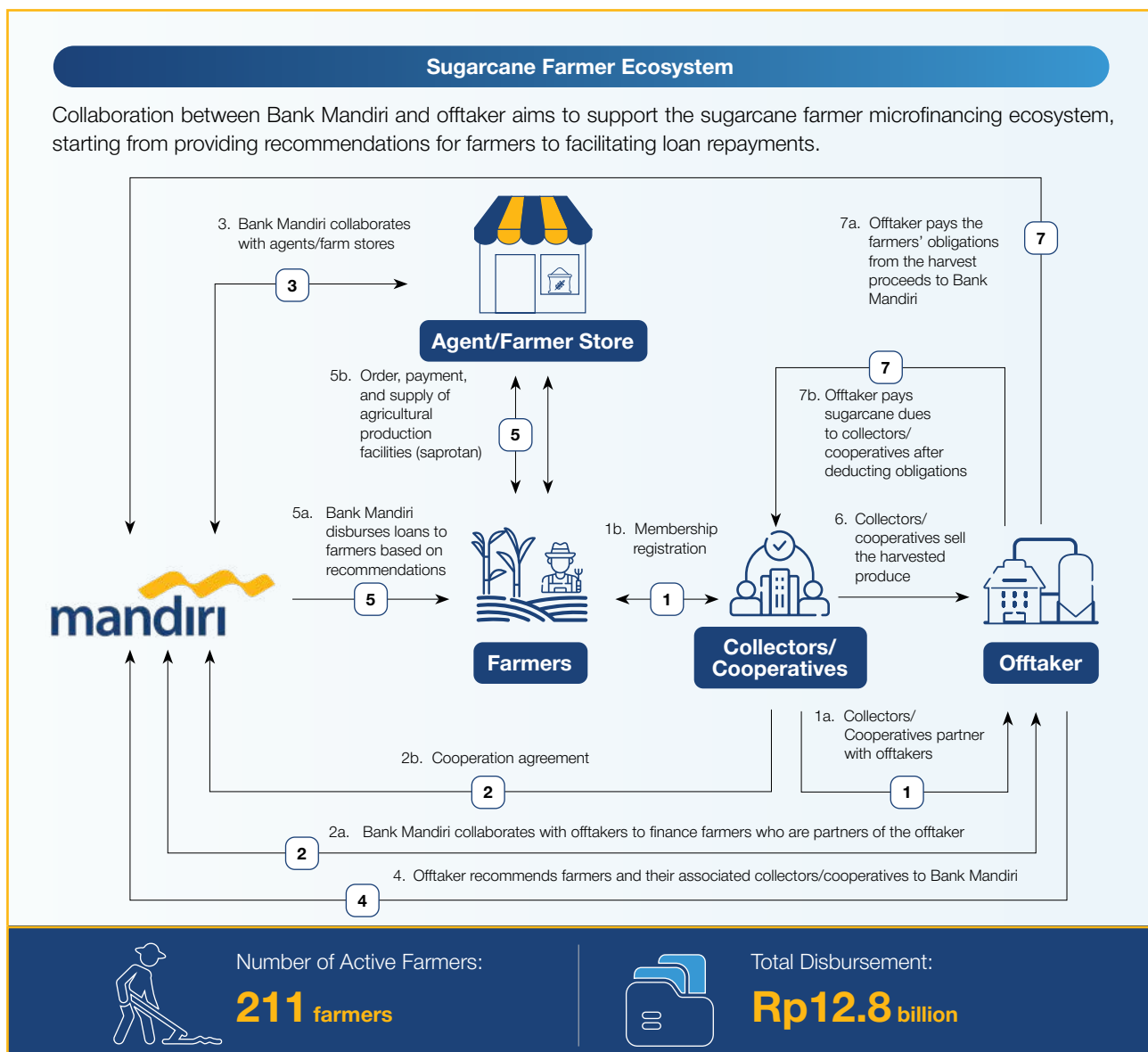
Utilization Limit: **Rp157.8**  
billion

### Trade Ecosystem Distribution

Region	Number of POS	Distribution Center (DC)
Region 1	3	Batam, Pekanbaru, Medan
Region 2	3	Jambi, Lampung, Palembang
Region 3	3	Cikokol, Tangerang, Kemayoran
Region 4	2	Bekasi, Cipinang
Region 5	2	Bogor, Depok
Region 6	3	Sukabumi, Bandung, Karawang
Region 7	4	Semarang, Solo, Yogyakarta, Purwokerto
Region 8	2	Malang, Surabaya
Region 9	3	Samarinda, Pontianak, Banjarmasin
Region 10	4	Makassar, Manado, Kendari, Ambon

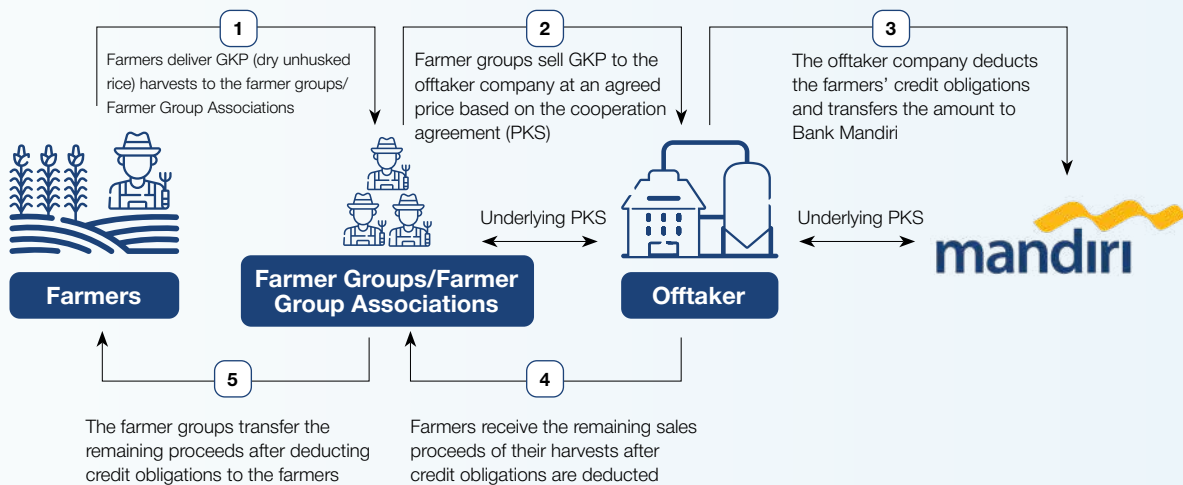
Bank Mandiri also provides microfinancing through the farmer ecosystem as a solution to reach farmers in rural areas with challenging geographical access. Farmers often face economic difficulties due to irregular income, as they

rely on seasonal harvests. This condition necessitates access to financing that supports the sustainability of their businesses while reducing financial vulnerability.



### Rice Farmer Ecosystem

The financing distribution scheme for rice farmers is implemented through a partnership with offtaker.



Active Farmers:

**10,312** farmers

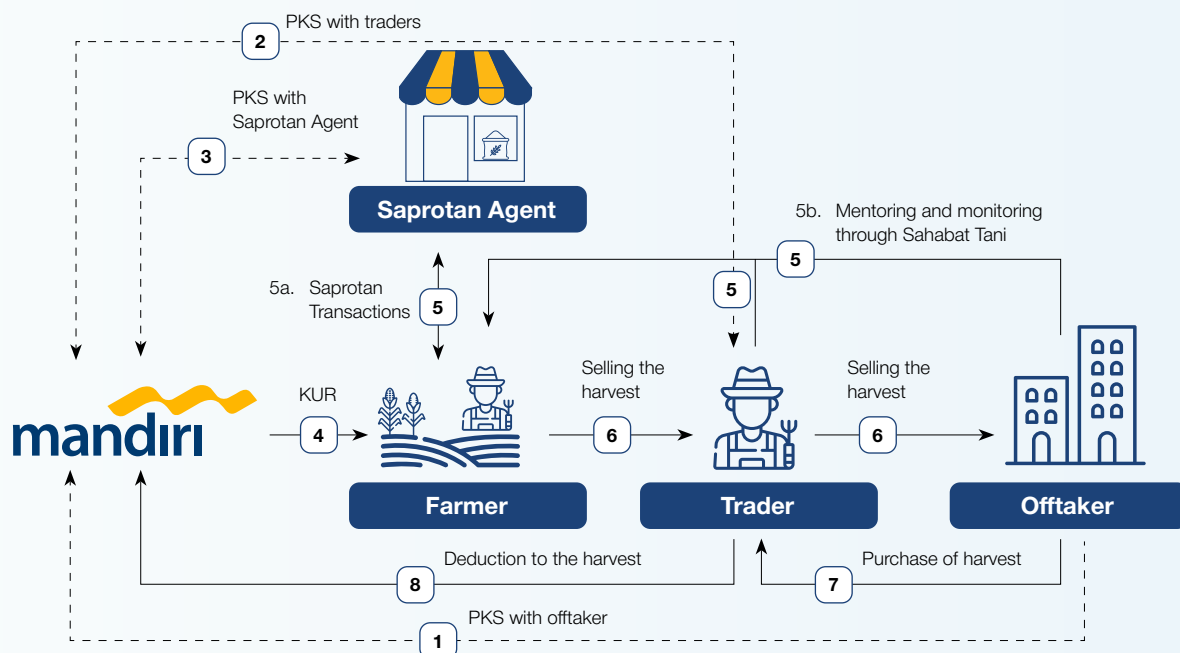


Total Disbursement:

**Rp781.7** billion

### Corn Farmer Ecosystem

The KUR (People's Business Credit) distribution scheme for corn farmers in Sumbawa involves collaboration between the Bank, offtakers, traders, and farming input agents. Payments are made gradually through an escrow mechanism until the farmers' KUR is fully repaid.



Active Farmers:

**2,574** Farmers

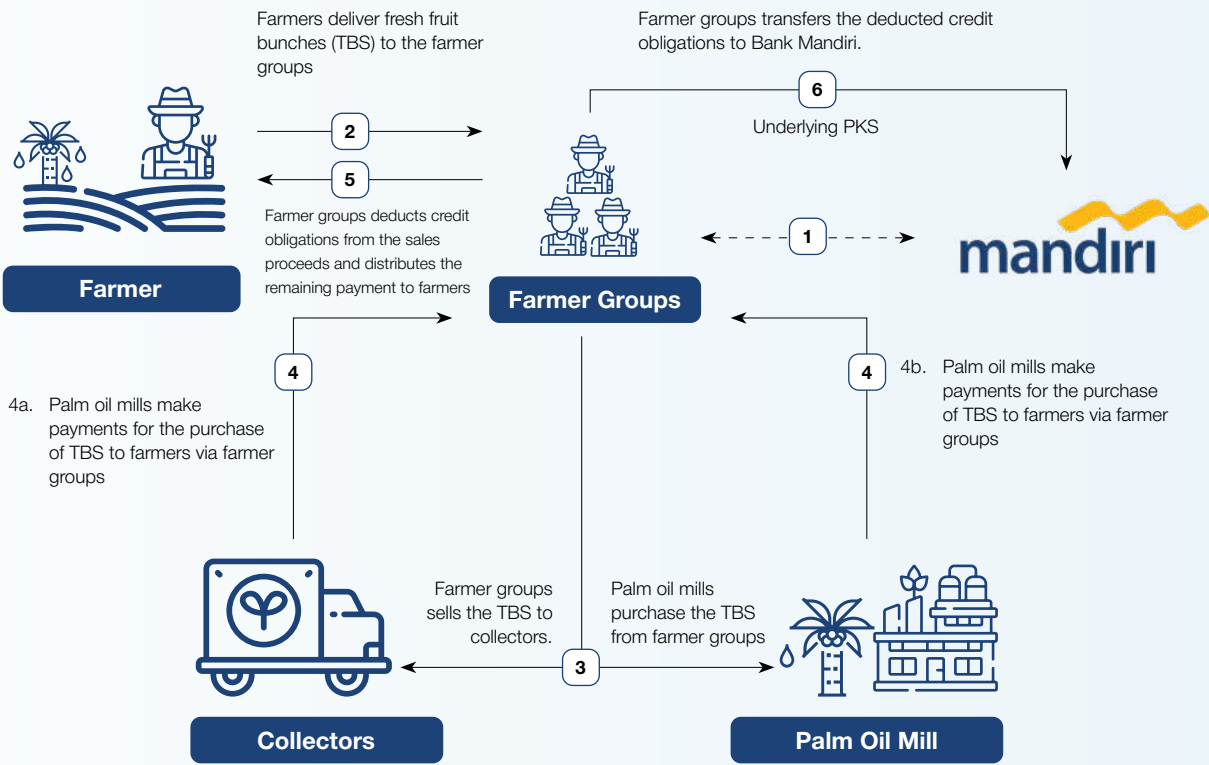


Total Distribution:

**Rp133.8** billion

Existing Financing Scheme Ecosystem for Palm Oil Farmers

Bank Mandiri's financing scheme for palm oil farmers involves collaboration between farmers, farmer groups collectors, and palm oil mills, using an integrated payment mechanism to fulfill farmers' credit obligations.



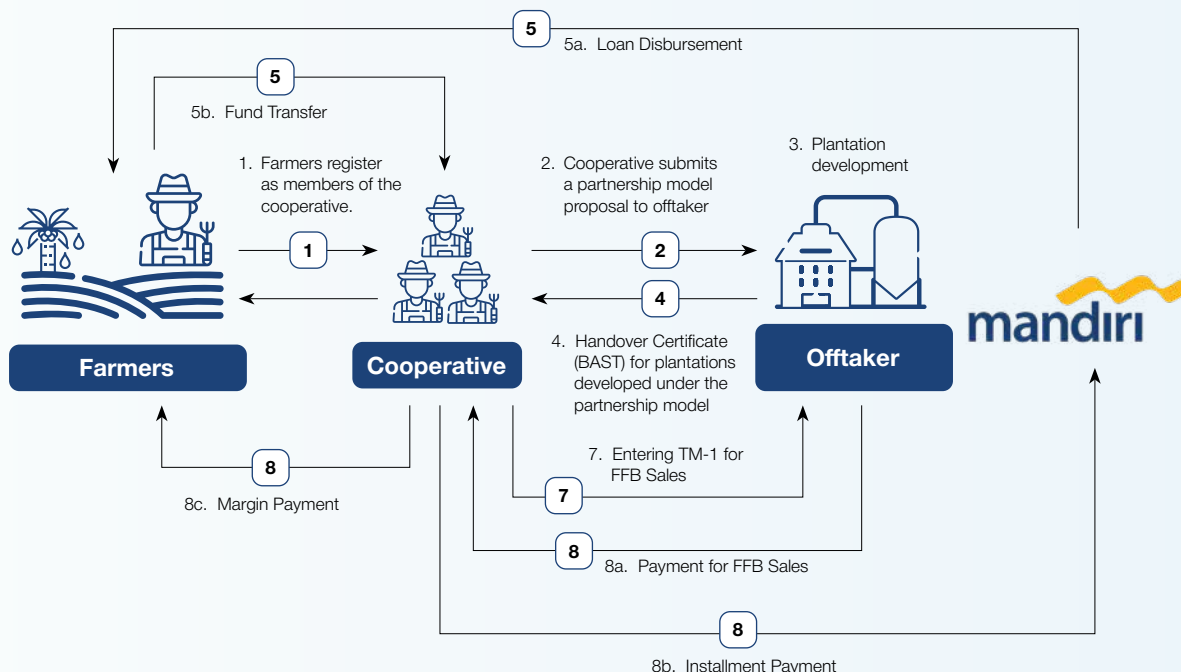
Active Farmers:  
**59,115** farmers



Total Distribution:  
**Rp7.8** trillion

## Financing Ecosystem for Palm Oil Farmers - Replanting Scheme

Bank Mandiri's replanting financing scheme supports palm oil farmers through partnerships with cooperatives and offtaker company to renew plantations and ensure sustainable credit fulfillment.



Number of Active Farmers:

**103 farmers**



Total Disbursement:

**Rp9.18 billion**

## Microfinancing through Institutional Partnerships

In addition to providing direct financing, Bank Mandiri strengthens its microfinancing solutions through partnerships with other institutions. This approach is designed to create an ecosystem that directly connects lenders with borrowers, bypassing traditional intermediaries such as banks.

### Partnership with Financial Technology (Fintech)

Bank Mandiri established strategic partnerships with Fintech Peer-to-Peer (P2P) Lending platforms to expand microfinancing access through indirect schemes (loan channeling) and referral models, which are integrated into the business ecosystem of fintech partners.

One example of this collaboration is the partnership with the Batumbu platform, which focuses on providing financing for MSMEs in Indonesia. Through Batumbu, MSMEs gain easier access to financing, supporting business growth and expanding the digital ecosystem for small and medium enterprises.



## Partnership for Women's Empowerment

Bank Mandiri continues to strengthen its commitment to supporting women's economic empowerment through a strategic partnership with PT Permodalan Nasional Madani (PNM). This collaboration supports PNM's flagship program, Membina Ekonomi Keluarga Sejahtera (Mekaaar), which is designed to empower underprivileged women engaged in ultra-micro businesses.

Through a group responsibility approach, the program

encourages group members to support one another in loan repayment, fostering strong community solidarity while enhancing discipline and a sense of collective responsibility among participants. As of 2024, Bank Mandiri has disbursed financing amounting to Rp3 trillion to PNM Mekaaar.

## Digital Innovation for Financial Services

### Digital Banking Roadmap

Throughout 2024, Bank Mandiri has been implementing a digital banking roadmap that continues to be refined to meet customer needs. This roadmap consists of five key components:

1. **Levelling Up Digital Readiness**, as the foundation for digital transformation, Bank Mandiri focuses on strengthening the reliability of its fundamental IT systems, including core banking improvements, business process re-engineering, high-performance infrastructure development, and more.
2. **Developing Digital Native Products**, Bank Mandiri develops digital-native banking services through various innovations, with customers at the center. The development of digital-native products ensures that the Bank can deliver fully end-to-end digital banking services.
3. **Modernizing Distribution Channels**, Bank Mandiri is modernizing its digital channels to enhance customer experience, improving both User Interface (UI) and User Experience (UX) while addressing diverse customer needs. This includes continuous development of Livin', Kopra, and Smart Branch.
4. **Digital Ecosystem Expansion**, Bank Mandiri is strengthening collaborations with third parties and strategic partners to enhance its digital ecosystem, expanding access for customers to seamlessly use Bank Mandiri's products and services across various channels.
5. **Data-Driven Decision-Making Process**, Bank Mandiri is optimizing data utilization to drive business growth. This includes leveraging artificial intelligence, visual analytics, robust data management governance, and data analytics. These efforts aim to support more accurate and sustainable business decision-making while generating long-term revenue sources.

## Innovation in Mobile/Online Distribution Channels Targeting Underserved Demographics



Bank Mandiri introduces Livin' Merchant, an innovative cashier application designed to support MSMEs in managing their business operations efficiently. This app enables sales tracking, product stock checks, and sales proceeds disbursement, all within a single, user-friendly platform. With intuitive and integrated features, Livin' Merchant offers a comprehensive solution for MSMEs, even in remote areas.

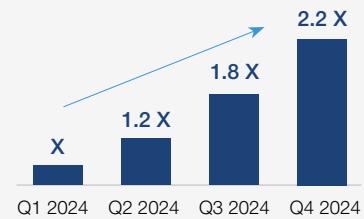
The Livin' Merchant network is widely distributed across Indonesia, covering diverse areas, ensuring inclusive and equitable access to services for communities with limited geographical access, as well as those previously underserved by financial and banking services. This innovation reflects Bank Mandiri's commitment to leveraging mobile/online distribution channels to reach underserved demographic segments, while promoting financial inclusion and empowering MSMEs across the country.

Approximately **1.47 million** Livin' Merchant users are located in non-urban areas, such as Rengel, Petarukan, Duri, Pamanukan, Tartutung, Ujung Batu, Pangkalan Balai, Muara Tembesi, Pulau Punjung, Karo, Muara Tewah, Pangkalan Bun, Rengat, and various other areas.

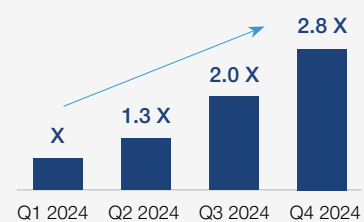
This represents a **42.3% increase** compared to the previous year.



### Transaction Value

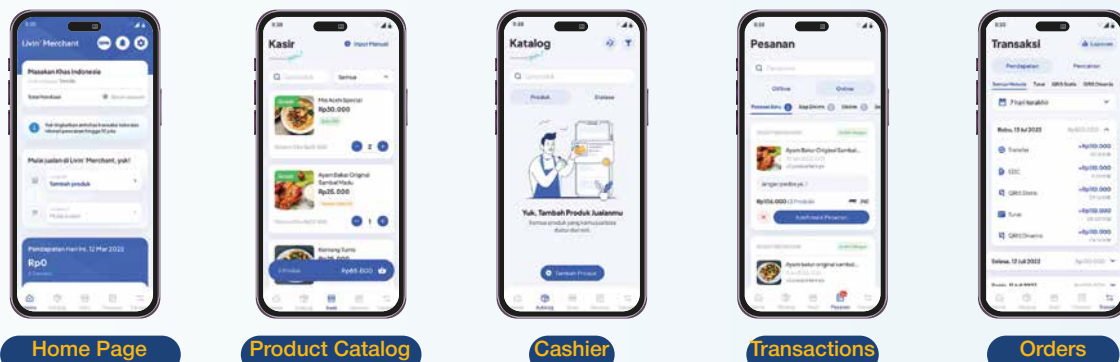


### Transaction Volume



Livin' Merchant is equipped with various outstanding features to support MSMEs' needs while making it easier for micro-business owners to transition into the digital era.

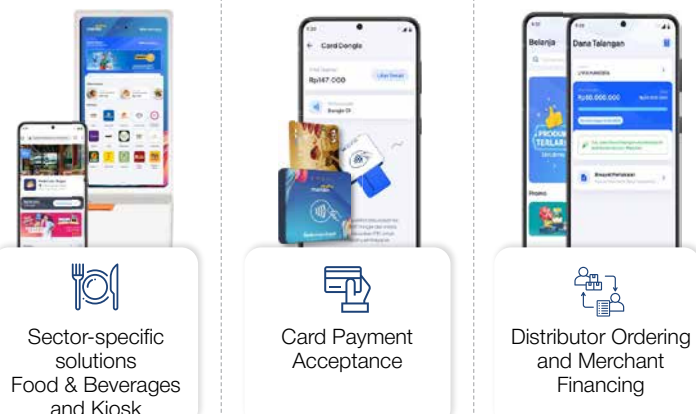
### Livin' Merchant Features



### Primary Benefits Offered to MSME Merchants

- 15-minute Onboarding
- Three daily settlements
- 0% merchant discount rate (MDR)
- Modern and comprehensive point-of-sales system

### Enhanced Benefits for MSME Merchants





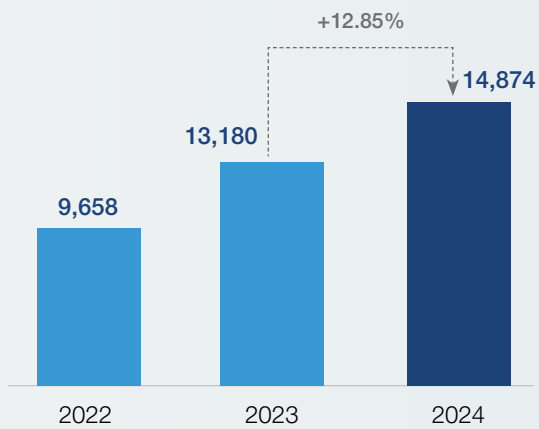
Livin' by Mandiri is a digital banking application that expands financial access, reaching a wide audience, including previously underserved segments. By leveraging digital technology, this app overcomes geographical barriers and limitations in banking infrastructure. Features such as QR transfers, e-money top-ups, integration with e-wallets, savings plans, and fixed deposits allow users to manage their finances easily, directly from their mobile phones without needing to visit a branch.

With an inclusive and user-friendly approach, Livin' by Mandiri offers a modern banking experience that prioritizes convenience and accessibility. This innovation reflects Bank Mandiri's commitment to achieving broader and more equitable financial inclusion.

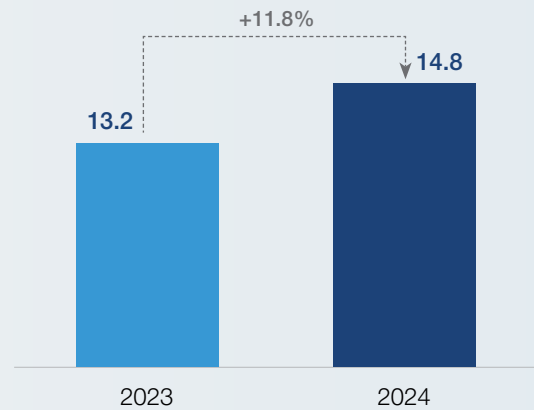
### Livin' by Mandiri Flagship Features

<b>Just Take a Selfie, Savings is Done</b>	Ease of opening savings accounts without visiting a branch, everything can be done within minutes directly through the Livin' by Mandiri app.
<b>One account for all (savings, loans, credit cards, &amp; favorite e-wallets)</b>	Check all Bank Mandiri products, including savings, loans, credit cards, and favorite e-wallets, right from the Livin' by Mandiri dashboard.
<b>Quick Pick Favorite Deals</b>	Users can customize the features they access most frequently to appear on the main screen.
<b>Check Balance &amp; Top Up Automatic E-Wallet</b>	This feature allows customers to manage and link all their e-wallet accounts. Users can also set up automatic top-ups by frequency and amount as needed.
<b>Cardless Cash Withdrawal and Deposit</b>	Livin' by Mandiri provides the convenience of cardless cash withdrawals and deposits, ideal for customers without debit cards.
<b>Goal Saving &amp; Time Deposits</b>	Plan and set the amount for Mandiri Tabungan Rencana and Mandiri Deposito to better prepare for the future.
<b>Smart Reminder, E-Statement &amp; E-Billing</b>	Late fees can be avoided with smart reminders. Additionally, Livin' by Mandiri users can review transaction histories up to 15 months. For Mandiri Credit Cards, monthly transaction statements are also available in Livin' by Mandiri.
<b>Open Ecosystem</b>	Livin' by Mandiri is developed with an open ecosystem concept. Bank Mandiri offers digital services frequently used by customers in their daily lives.
<b>Open an Overseas Account</b>	Indonesian citizens abroad can enjoy the convenience of using Livin' by Mandiri with local numbers, including opening rupiah accounts. Livin' by Mandiri is currently available in 121 countries worldwide.
<b>Branch reservation</b>	Branch reservation services without the wait.
<b>Personal Loan</b>	Selected customers can apply for and top up personal loans directly from the app.
<b>Credit card</b>	Ease of opening savings accounts without visiting a branch—everything can be done within minutes directly through the Livin' by Mandiri app.

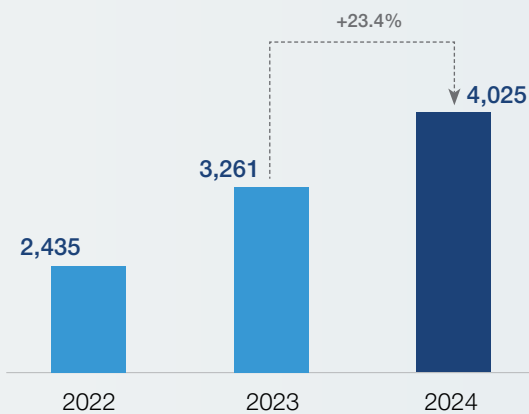
Active Users (Thousand)



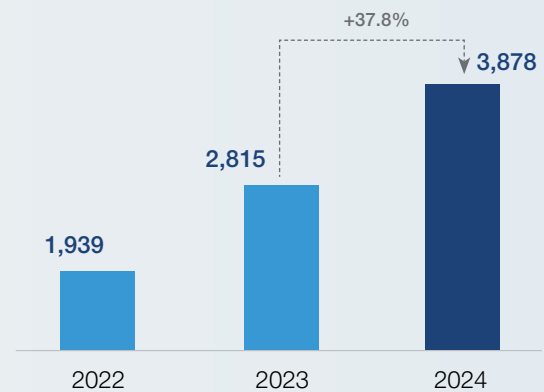
Digital Loans via Livin' (Rp Billion)



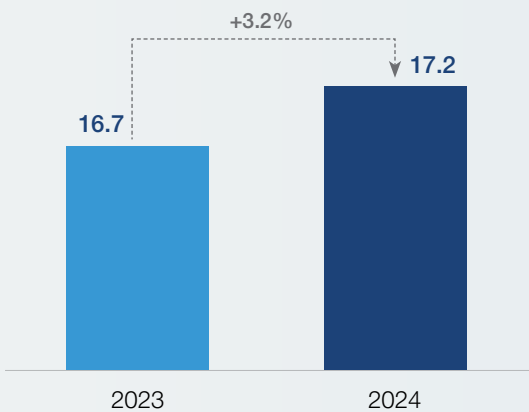
Transaction Value (Rp Trillion)



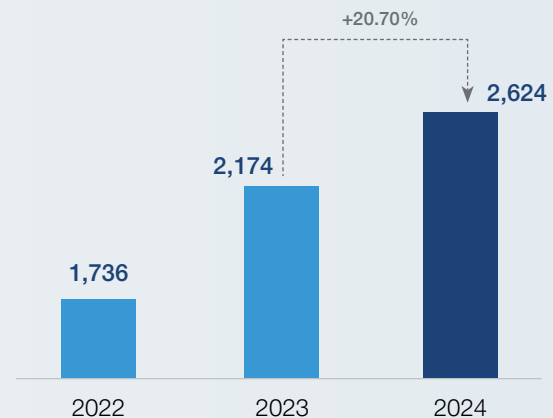
Transaction Volume (Million)



Average Daily New Account Openings via Livin' (in '000 accounts per business day)



Total Livin' Fee Based Income (Rp Billion)



### Quick Response Code Indonesian Standard (QRIS) Pay/Receive Transfer

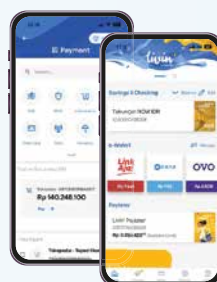


#### Transaction Volume (Millions)

2024: **627**  
 2023: **210**  
 ↑ **198%**

QR Multiple SoF: (Saving Account, CC, Paylater)

### Expanding Bank Mandiri's ecosystem through collaboration with top digital players.



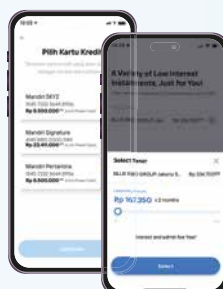
#### Top Up and Payment Volume (Millions)

2024: **962**  
 2023: **760**  
 ↑ **26.58%**

### Facilitating Customers in Converting Installments and Applying for Power Cash via Livin'

#### Power Cash Value

2024: **Rp7.9 trillion** ↑ **69%**  
 2023: **Rp6.4 trillion**



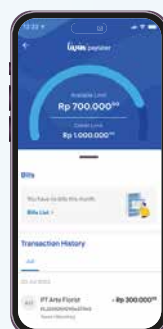
#### Disbursement of Credit Card Installment Conversion via Livin' (Rp trillion)

2024: **7.9**  
 2023: **6.4**  
 ↑ **24%**

credit card installment conversion through Livin'

### Livin' Paylater

Livin' Paylater, offered by Bank Mandiri, is a convenient loan facility designed to facilitate payments for QR transactions at all merchants. With the concept of "buy now and pay later," customers have the flexibility to settle their payments within 1, 3, 6, 9, or 12 months. The application for Mandiri Paylater can be conveniently completed online through the Livin' by Mandiri platform.

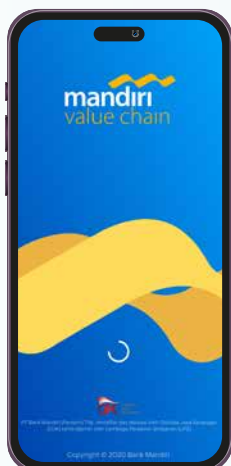


#### Paylater Disbursement (Rp billion)

Q1 2024: **76**  
 Q2 2024: **105**  
 Q3 2024: **147**  
 Q4 2024: **219**  
 Q3 to Q4: ↑ **49%**



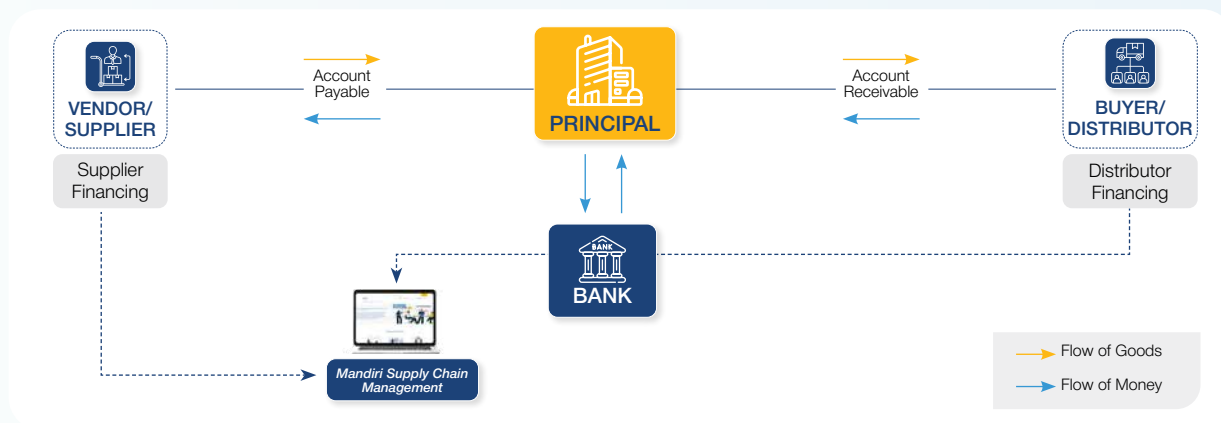
## Mandiri Value Chain



A digital platform supporting the business financing ecosystem by connecting suppliers, distributors, and principals to improve financial service access.

In the SME segment, Bank Mandiri provides financing to the value chain of wholesale customers, allowing easy application based on Risk Acceptance Criteria (RAC). Payments are processed digitally through Mandiri Financial Supply Chain for trade receivables and payables. In 2024, Bank Mandiri is set to disburse Rp2.28 trillion for Account Receivable Financing and Rp1.77 trillion for Distributor Financing.

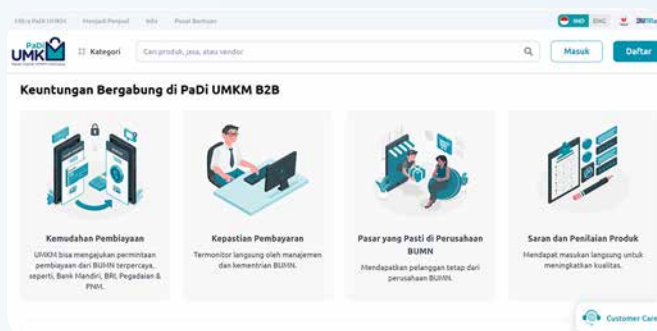
In the micro segment, Bank Mandiri offers the Mandiri Value Chain platform for Liquefied Petroleum Gas (LPG) 3 kg gas orders to streamline the LPG supply chain and purchasing administration. By 2024, 74,498 LPG distributors from 2,651 LPG agents will be using this platform. Additionally, it includes the KUM Talangan Micro Credit Facility with an easy application process. KUM Talangan has disbursed 448 LPG distributors with a total loan value of Rp36.54 billion.



## Indonesia's Digital MSME Market (PaDi UMKM)

Through PaDi UMKM, a digital trading platform integrated with state-owned enterprises (SOEs), Bank Mandiri introduces invoice financing to support MSME vendors working with SOEs. Vendors can easily access this facility through the PaDi UMKM app or website, which is directly linked to Bank Mandiri's landing page.

The financing is offered for short-term periods of up to three months, with limits reaching Rp200 million. By 2024, the total loan disbursed through PaDi UMKM had reached Rp3.7 billion to 64 debtors.



### Mandiri Pintar

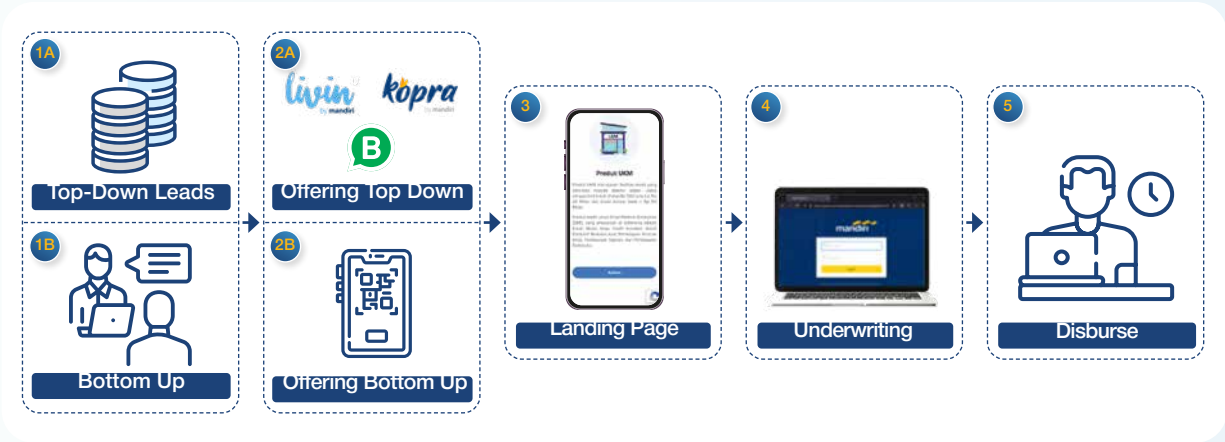
Mandiri Pintar is a strategic initiative by Bank Mandiri to offer digital solutions that expand financing access for MSMEs across Indonesia. By simplifying the application process for productive micro-credit through the platform, Mandiri Pintar specifically targets segments of society that previously faced challenges accessing conventional financial services.



Through technology integrated with Directorate General of Population and Civil Registration (Dukcapil) and Program Credit Information System (SIKP), this platform allows micro-marketing agents to process credit applications in just 15 minutes, directly via mobile without the need to visit a branch. This approach not only speeds up the process but also reduces the geographic barriers that often hinder MSMEs in remote areas.

In 2024, the success of disbursing credit amounting to Rp20.3 trillion to 235,937 debtors highlights Mandiri Pintar’s role in supporting MSME business growth. Monitoring the activities of marketing agents through Sahabat Pintar provides in-depth data to devise better financing strategies and credit risk management.

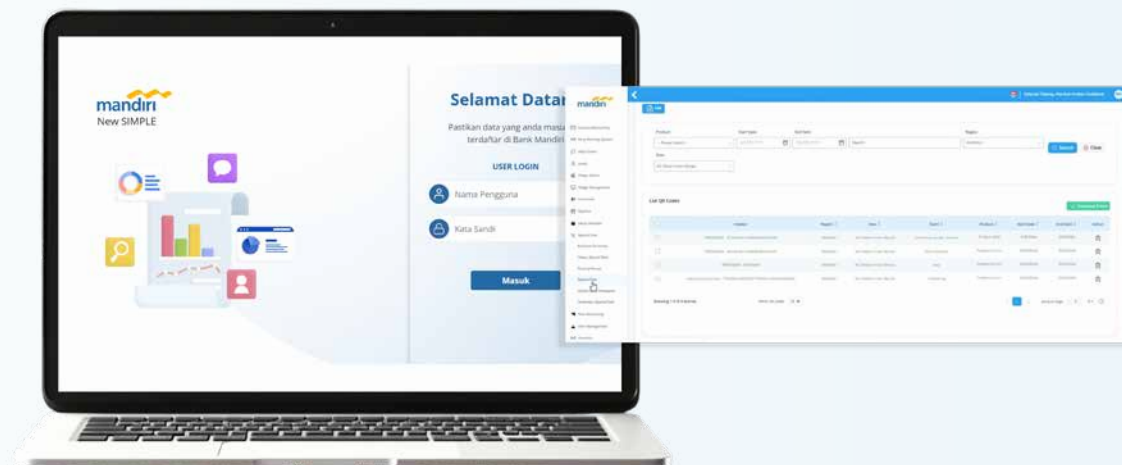
### Digital Offering for MSMEs



Bank Mandiri introduces a special offering for selected MSME customers to expand access to financial services while promoting and familiarizing the community with the digital ecosystem. The bank will deliver a digital offer containing a Landing Page link to selected MSME customers via WhatsApp Business, Livin’, and Kopra. Customers can access the link to apply for financing, select products, set facility limits and tenures, and complete the required data.

Applications, along with the submitted data and documents, are automatically entered into the Leads Monitoring system for distribution to Relationship Managers (RMs). RMs will contact customers within three working days, conduct credit analysis based on visits, and proceed with the underwriting process using the LOS IPS or New LOS SME system. Throughout 2024, Bank Mandiri successfully disbursed financing amounting to Rp783.1 billion to MSMEs through this digital offering initiative.

## New Simple (Portfolio Monitoring System &amp; Lead Action)



Bank Mandiri has a new underwriting system to streamline the MSME credit process, featuring the following capabilities:

- 1 Leads & Pipeline Monitoring** Monitoring and following up on loan applications processed by Relationship Managers (RMs) monthly, through both digital and conventional means.
- 2 Portfolio Monitoring** A dashboard used to monitor credit portfolios at the regional or area level, ensuring the maintenance of high credit quality.
- 3 Obligo Monitoring** Monitoring the utilization of credit facilities for debtors with transactional facilities, as well as overseeing the execution of bank-funded projects.
- 4 Early Warning System (EWS)** A feature that automatically provides alerts if there are signs of deteriorating debtor conditions, along with recommendations for actions to prevent a decline in credit quality.
- 5 Restructuring Monitoring** A dashboard that contains data on restructured debtors and facilitates follow-up monitoring by RMs.
- 6 Special Rate Automation** A feature for applying for special interest rates digitally, ensuring a paperless process.
- 7 Loan Installments Monitoring** Monitoring monthly debtor installment obligations to ensure timely payments.

New

# Innovation in Branchless Distribution Channels

## Mandiri Agents

Bank Mandiri extends its reach through Mandiri Agent to address the needs of underserved communities, particularly in areas with limited access to formal financial services. Mandiri Agent acts as an extension of Bank Mandiri, offering the opportunity for people to access services such as account opening, money transfers, and bill payments without needing to visit a branch to support broader financial inclusion, Mandiri Agent not only provides basic banking services but also actively participates in executing various government programs and other initiatives that offer direct benefits to the community.

Function

To implement the government program through OJK called

**LAKUPANDAI**

to expand access to financial services and provide financial education to the public.

Types of Services

Banking (withdrawal, cash deposit, transfer)

Payments (mobile top-ups, e-wallet top-ups, electricity tokens, BPJS, installment payments, and more)

Referral Mandiri Products

Account Opening

Referral for Productive Micro Credit (KUM/KUR)

Subsidiary Services

Government Programs

Distribution of Government Assistance:

Program Keluarga Harapan (Family Hope Program)

Program Bantuan Sembako (Staple Food Assistance Program)

Program Kartu Tani (Farmers' Card Program)

Mandiri Agent also provides direct benefits to agents through commission payments for each transaction conducted, thus becoming an additional source of income. Mandiri Agent not only strengthens financial inclusion but also empowers the local economy by supporting the agriculture, telecommunications, and MSME sectors. This initiative acts as a bridge connecting the community with financial services, creating a positive and sustainable impact across Indonesia.

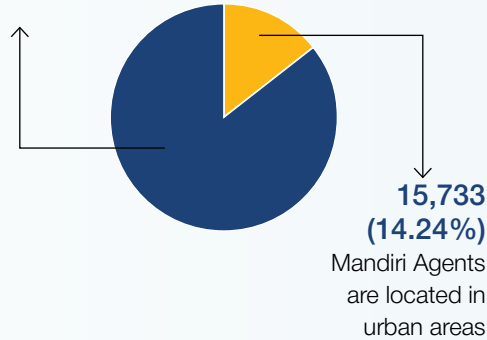
### Mandiri Agent Achievements



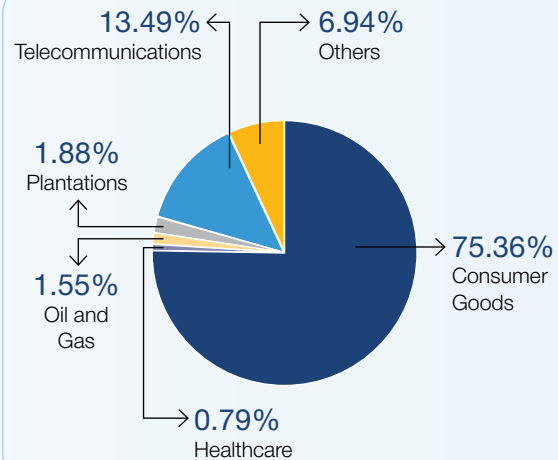
### Mandiri Agent Demographics

**94,748 (85.76%)**

Mandiri Agents are located  
in non-urban areas



### Mandiri Agent Ecosystem Distribution



Digitalization of Mandiri Agent through the Mandiri Agent application (Agent Banking System/ABS) is a strategic step in driving innovation in mobile and online-based distribution channels. This application allows Mandiri Agent to enhance efficiency in serving the public while expanding the reach of financial inclusion. As of 2024, there are 61,300 ABS users, representing 55.48% of the total Mandiri Agents. Compared to the previous system, which relied solely on EDC Mini ATMs, this application offers more advanced and comprehensive features, such as:



EDC Mini  
ATM

#### Key Features

✓	Deposit/Withdraw/Transfer to Mandiri & Other Banks	✓
✓	Bill Payments & Installments	✓
✗	Credit Referrals & Account Opening	✓
✗	Agent Transaction Advances	✓
✗	Real-time Commission Recording	✓



Aplikasi Agent Banking  
System (ABS)



# Non-financial Support for Underserved Groups

We understand that supporting underserved groups requires a broader approach than only access to financial services. Therefore, Bank Mandiri introduces various non-financial initiatives focused on improving the capacity of individuals and communities. These efforts include skills training, educational support, and strengthening community-based small businesses. With this approach, we aim to create opportunities that enable them to achieve economic and social independence, while building stronger and more inclusive communities.

## Community Empowerment through the CSR Program [F.25]

Bank Mandiri recognizes the important role in supporting responsible economic growth and community empowerment through its corporate social responsibility and environmental responsibility (CSR) programs. Referring to ISO 26000, which focuses on running businesses in an ethical and transparent way, and providing a positive contribution to society and the environment, Mandiri's CSR program is managed by the Corporate Social Responsibility Department under the Corporate Secretary Group. The person in charge of this TJSL program is the SEVP Corporate Relations, who operates under the supervision of the President Director.



Before its implementation, Bank Mandiri conducted an evaluation to understand the potential and specific needs of the community, and adopted the concept of creating shared value (CSV) to deliver various benefits to stakeholders, in accordance with Ministry of SOE Regulation No. PER-1/MBU/03/2023.

### Objectives

1. To build a harmonious relationship between the Bank and the community.
2. To support the growth of micro, small, and medium enterprises (MSMEs), making them resilient, sustainable, and competitive through professional management.
3. To promote MSME development while considering aspects of equality, independence, professionalism, and ethics.
4. To preserve the quality of life and improve the living standards of society, including in the fields of education, health, and welfare.

## Implementation Basis

1. Law No. 7 of 1992 on Banking, as amended by Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation.
2. Law No. 19 of 2003 on State-Owned Enterprises, as last amended by Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation.
3. Law No. 40 of 2007 on Limited Liability Companies, as last amended by Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation.
4. Government Regulation No. 47 of 2012 on Corporate Social and Environmental Responsibility.
5. Regulation of the Minister of State-Owned Enterprises of the Republic of Indonesia No. PER-1/MBU/03/2023, dated March 24, 2023, on Special Assignments and the Corporate Social and Environmental Responsibility Program for State-Owned Enterprises.

## Principles

Referring to PER-1/MBU/03/2023 regarding the Specific Guidelines for the CSR Program for State-Owned Enterprises, four principles are set out for the CSR program:

1. Integrated, based on risk analysis and business processes that are interconnected with stakeholders.
2. Strategic, having a clear direction to achieve the Bank's objectives.
3. Impact-Oriented and Measurable, contributing and providing benefits that drive change or create added value for both stakeholders and the Bank.
4. Accountability-Driven, ensuring responsibility and transparency to mitigate risks of misuse or irregularities.

## Pillars [GRI 203-2]

The TJSL program of Bank Mandiri aims to create a significant positive impact on improving community welfare by providing opportunities for individuals to independently develop economic activities. To ensure optimal impact, Bank Mandiri conducts comprehensive assessments to understand the potential and needs of the local community. All implemented programs are evaluated periodically to ensure their effectiveness. These evaluations are carried

out in monthly internal meetings within the Corporate Social Responsibility Department. Through this approach, no community complaints regarding TJSL programs were recorded during the reporting year. [GRI 413-1, 413-2] [F.23, F.24]

The implementation of TJSL is guided by four key pillars: social, legal and governance, economic, and environmental.



### Social

Fulfilling the basic human right to live in fairness and equality to improve the welfare of society overall.



### Law and Governance

Ensuring legal certainty and governance that is effective, transparent, accountable, and participatory, creating stability and security based on the law.



### Economic

Promoting sustainable economic growth through job and business opportunities, inclusive industries, infrastructure development, and clean energy that is supported by the community.



### Environment

Managing natural resources and the environment sustainably as a way of ensuring the survival of life on Earth.

Type of Activities	Achievements (Number of Programs)	2024	
		Target	Realization
Social Pillar	492	Rp112 Billion	Rp112.02 Billion
Economic Pillar	343	Rp82.5 Billion	Rp82.50 Billion
Environmental Pillar	348	Rp52.5 Billion	Rp52.51 Billion
Legal and Governance Pillar	12	Rp3 Billion	Rp3 Billion
<b>Total</b>	<b>1,195</b>	<b>Rp250 Billion</b>	<b>Rp250.03 Billion</b>

**In 2024, Bank Mandiri successfully disbursed Rp250.03 billion in Corporate Social and Environmental Responsibility (TJSL) funds, marking a 43% increase from the previous year's Rp174.6 billion. This growth reflects Bank Mandiri's commitment to achieving sustainability goals through impactful programs that benefit both society and the environment.**

## CSR Program Achievements

Bank Mandiri's commitment to implementing TJSL (Corporate Social and Environmental Responsibility) programs has been recognized by various institutions. The numerous awards received throughout 2024 reflect its dedication to initiatives that create a tangible impact on society.

No	Date	Award		Awarding Institution
		Award Name	Category	
1	March 2024	Indonesia CSR Excellence Awards 2024	1. The Best Leadership Focus Commitment on CSR 2. Excellence Community Program Award The Best CSR in MSME Program The Best Integrated CSR Awards	First Indonesia Magazine
2	April 2024	Kelana Wastra 2024	Largest B2B Transaction Volume Category	Ministry of State-Owned Enterprises (BUMN)
3	May 2024	Development of Underdeveloped and Transmigration Regions of Indonesia	Contribution in Promoting the South Sumatra Transmigration Area as a Competitive Transmigration Region	Ministry of Villages, Development of Underdeveloped Regions, and Transmigration
4	May 2024	TOP CSR Awards 2024	1. TOP CSR Awards 2024 on Stars 5 2. TOP Leader on CSR Commitment	Top Business
5	June 2024	Bisnis Indonesia (BISRA) 2024	Gold Champion Social Responsibility to Accelerate Stronger Recovery	Bisnis Indonesia 2024
6	July 2024	Jakarta Cooperation Movement Award	1. Community Empowerment Category 2. Environmental Category	Jakarta Provincial Government
7	July 2024	National Family Day	Implementation of the Stunting Mitigation Program in Gunung Kidul Region	National Family Planning Agency (BKKBN)
8	September 2024	7 Most Popular Brand of The Year 2024	Social Program/Community Development Category	Jawa Pos
9	October 2024	Trade Expo Indonesia	Best Booth Category more than 100 m <sup>2</sup> at Trade Expo Indonesia 2024	Ministry of Trade
10	October 2024	CSR Awards 2024, Impact Symphony: Corporate Social Responsibility Appreciation Night 2024	Most Impactful Program on Health and Education	Investor Trust

## CSR Program Implementation

Bank Mandiri's Corporate Social Responsibility (TJSL) program is designed to reach communities surrounding its operational areas, as well as strategically selected groups. In 2024, the program's implementation focuses on three main priorities: education, environment, and the development of Micro and Small Enterprises (UMK).

Some of Bank Mandiri's flagship TJSL programs in 2024 include:


Education Priority	Environmental Priority	Micro and Small Enterprise (UMK) Development	Others
<ul style="list-style-type: none"> <li>Urban Livin</li> <li>Mandiri Air</li> <li>Mandiri Scholarship</li> </ul>	<ul style="list-style-type: none"> <li>Mandiri Clean Action</li> <li>Mandiri Health</li> <li>Mandiri Green Circle</li> <li>Disaster Response</li> </ul>	<ul style="list-style-type: none"> <li>Mandiri Young Entrepreneurs (WMM)</li> <li>Bank Mandiri's Rumah BUMN (RB)</li> <li>Urban Festival</li> <li>Homecoming with Mandiri</li> <li>Mandiri Sahabat Desa</li> <li>Mandiri Sahabat Difabel</li> <li>Rice Milling Unit (RMU)</li> <li>Mandiri Sahabatku</li> </ul>	<ul style="list-style-type: none"> <li>Mandiri Sharing Kindness</li> <li>Infrastructure and Public Facility Development</li> </ul>

## Mandiri Bersama Mandiri Program

This program serves as the core initiative of Bank Mandiri's TJSL, aiming to empower communities and support sustainable economic growth in Indonesia. Through a collaborative and innovative approach, it is designed to foster greater economic independence within society.

As part of Bank Mandiri's commitment to the Sustainable Development Goals (SDGs), this program specifically contributes to SDG 8: Decent Work and Economic Growth, with the following key objectives:

- Improving the economic well-being of communities across Indonesia.
- Strengthening community-based economic empowerment.
- Enhancing financial literacy for underprivileged groups.
- Promoting sustainable community development.
- Supporting the National Economic Recovery Program (PEN) initiated by the government.



### Young Entrepreneurs Mandiri (WMM)

This program provides young entrepreneurs with opportunities to grow their businesses through various facilities, including business training, mentoring, and access to business networks and investors. Additionally, WMM plays a role in supporting the young entrepreneurial community, enabling them to expand their businesses and become role models in the business world.



- Reaching over 3,000 participants in the Business Existing category
- Providing education to 1,010 entrepreneurs



### Rumah BUMN (RB) Bank Mandiri

As a center for MSME development, Rumah BUMN serves as a platform for entrepreneurs to enhance their business capabilities. Through various training sessions and mentoring programs, MSMEs are encouraged to develop high-quality products and expand their market reach, both nationally and internationally. This program also includes business capacity building, digital marketing enhancement, access to financing through the People's Business Credit (KUR) scheme, as well as certification and intensive training for MSME entrepreneurs.



**23 Rumah BUMN units across Indonesia**



**15,101 fostered MSMEs**



**100+ training sessions provided to MSMEs and Rumah BUMN facilitators**



### Urban Festival

A program designed to accelerate MSME growth through a rigorous selection process to identify the best MSMEs. Selected participants receive exclusive training and the opportunity to further develop their businesses. This program not only provides recognition and appreciation for outstanding MSMEs but also grants access to business networks and investment opportunities to accelerate their business growth.



**In 2024, over 5,000 participants joined the selection process.**



**20 MSMEs were selected as finalists.**



**5 MSMEs were awarded as main winners, receiving business capital and mentorship access.**



### Mandiri Clean Action

Bank Mandiri encourages public awareness of environmental cleanliness through this collective initiative, involving employees and communities in maintaining clean public areas and large event spaces.

#### Facilities provided

- Recycling Vending Machines to raise recycling awareness.
- Garbage Boats to collect waste from water bodies near event locations.
- Garbage Trucks for efficient waste management.

#### 2024 Event Locations

- Gelora Bung Karno (GBK) Stadium during Indonesia's National Team matches.
- Mandiri Jogja Marathon 2024.





### Urban Livin

This program promotes sustainable and inclusive urban lifestyles by educating communities about environmental and social responsibility. It focuses on three pillars: environment, education, and economy, integrating sustainability into daily activities through local community collaborations.



#### Mandiri Waste Sorting

Community-based waste management education.

- Organic Waste Processing using biogas machines.
- Eco-enzyme Production from household waste.
- Collaboration with communities and schools to increase environmental awareness.

#### Mandiri School Equivalency Program

Providing educational access to individuals who could not complete formal education. This program offers equivalent primary (Paket A), junior secondary (Paket B), and senior secondary education (Paket C).

In 2024, 242 participants completed their education and obtained an accredited diploma from BAN PNF.



### Mudik Bersama Mandiri

To support communities in celebrating religious holidays with family, Bank Mandiri provides free transportation for thousands of homecoming travelers annually.



In 2024, a total of 6,256 travelers participated in this program, supported by a fleet of 145 buses.



### Mandiri Sahabat Desa

Bank Mandiri is committed to fostering self-sufficient and empowered villages through infrastructure development and economic empowerment. This program focuses on rural economic development by providing support for small businesses, education, and social infrastructure.



#### Support Provided

- Education includes financial literacy training.
- Infrastructure encompasses the provision of solar-powered clean water systems, the construction of communal sanitation facilities, and street lighting.
- Distribution of production equipment for fisherwomen and the repair of fishing boats.
- Healthcare focuses on stunting prevention aid packages and free healthcare services.



The primary location in 2024: Morowali, Central Sulawesi.



### Mandiri Sehat

Mandiri Sehat focuses on improving healthcare services for communities, particularly in areas with limited access to medical facilities. Through this program, Bank Mandiri aims to enhance healthcare access for vulnerable communities, support the availability of healthcare facilities in remote areas, and help people receive better and more affordable medical services.

#### Services provided:

- Health Services for Abdi Dalem in Ngayogyakarta.
- Medical equipment donations, including 24 ambulances and 688 community health posts (posyandu).
- Blood donation programs, conducted four times a year.
- Emergency response vehicles for disaster situations.



### Mandiri Sahabat Difabel

This program aims to empower individuals with disabilities by improving their quality of life through access to education, skills training, and economic support. Bank Mandiri is committed to promoting equality and inclusion, ensuring that every individual has the same opportunity to grow and contribute.

#### Support Provided

- Providing financial literacy training for the disabled community.
- Skills training and education programs to enhance employment opportunities.
- Development support for MSMEs managed by individuals with disabilities.



**In 2024, 100 individuals with disabilities received MSME development support.**



### Rice Milling Unit (RMU)

The RMU program is designed to help farmers improve their harvest yields by providing modern and efficient rice processing infrastructure. This initiative not only enhances productivity but also strengthens farmers' well-being through a more optimized production system, minimizes disadvantageous supply chains, and increases their bargaining power in the market.

#### Support provided includes:

- Construction of rice processing buildings and facilities.
- Provision of rice production machinery and equipment.
- Institutional assistance for farmers to enhance productivity.



**Bank Mandiri established RMU in three locations: Pamarican, Kebumen, and Jembrana, benefiting 27,520 farmers.**



### Mandiri Sahabatku

Since 2011, Bank Mandiri has been conducting a series of entrepreneurship training programs for Indonesian Migrant Workers (PMI) and their families, aiming to equip them with entrepreneurial skills so they can become independent business owners upon returning to their home country. These training sessions are delivered both offline and online, reaching PMI in various countries, including Hong Kong, Malaysia, South Korea, Japan, Indonesia, and Arab nations. Additionally, the mentorship program collaborates with alumni of Mandiri Young Entrepreneurs (WMM) and Rumah BUMN to provide continuous mentoring and training for selected PMI and their families.



A total of 20,482 Indonesian Migrant Workers (PMI) have received financial management education through the Mandiri Sahabatku program.



### Mandiri Lingkar Hijau

Focusing on waste management and circular economy to create positive environmental and social impacts. This program includes waste collection from the food and beverage industry, research and processing of waste into economically valuable products, and training for communities on sustainable waste management.



In 2024, the Mandiri Lingkar Hijau program was launched for the first time in Bandung, in collaboration with farmer groups, coffee shops, vocational high school (SMK) students, and Mandiri Young Entrepreneurs Alumni.



### Mandiri Air

Bank Mandiri provides access to clean water for communities in need. The Mandiri Air program aims to improve access to clean water and proper sanitation in areas facing water infrastructure challenges. This program includes the development of clean water and sanitation systems, as well as education on water management and environmental hygiene to support a better quality of life.

#### Main focus:

- Development of clean water and sanitation systems.
- Education on water management and environmental hygiene.



The program's primary locations are in 17 villages across Nabire, Pandeang, Temanggung, and Banyumas.



### Beasiswa Mandiri

Beasiswa Mandiri is a program focused on expanding educational access for outstanding students in Indonesia, particularly those facing financial constraints. This program aims to develop a generation of highly competent, competitive young individuals who can contribute to the nation's progress.

#### Main targets:

- Outstanding students from various universities in Indonesia.
- Children from underprivileged families with excellent academic potential.
- Sons and daughters of TNI/Polri members as a tribute to their families' service.
- National Flag Hoisting Troop (Paskibraka) members as a recognition of their dedication.

#### Types of scholarships provided:

- Full tuition assistance for selected students.
- Financial support for academic needs such as books, stationery, and research activities.
- Skills training and personal development programs, including mentoring and leadership training.
- Internship opportunities at Bank Mandiri to gain professional work experience.



## Bangkit Bersama Mandiri Program

As part of Bank Mandiri's commitment to supporting community well-being, the Bangkit Bersama Mandiri program is designed to address various social, health, education, and environmental challenges. This initiative goes beyond short-term assistance by fostering long-term community resilience in a sustainable manner.

This program aligns with the priorities of the Sustainable Development Goals (SDGs), particularly SDG 10: Reduced Inequalities, with key objectives including:

- Supporting disaster-affected communities through emergency response and post-disaster recovery.
- Assisting underprivileged groups in meeting their basic needs.
- Improving access to essential infrastructure such as places of worship, sanitation facilities, and other public amenities.
- Building a sustainable ecosystem that promotes social and economic well-being for communities.



### Mandiri Disaster Response

As a disaster-prone country, Indonesia requires a swift and well-coordinated response to support affected communities. Bank Mandiri's Disaster Response Program reflects its commitment to providing emergency assistance and supporting post-disaster recovery. In its implementation, Bank Mandiri collaborates with the National Disaster Management Agency (BNPB), the Ministry of State-Owned Enterprises (BUMN), and local governments to ensure aid is delivered quickly and effectively.

#### Aid Recipient Locations:

##### Volcanic Eruption Disaster Response

- Mount Merapi, West Sumatra
- Mount Ruang, North Sulawesi
- Mount Lewotobi, East Flores, East Nusa Tenggara (NTT)

##### Flood Disaster Response

- Kerinci Regency, Jambi
- Humbang Hasundutan Regency, North Sumatra
- Karanganyar Regency, Central Java
- Demak Regency, Central Java
- Grobogan Regency, Central Java
- Ciledugkulon Village, Cirebon Regency, West Java
- North Sulawesi Region
- Ogan Komering Ulu Regency, South Sumatra
- Kudus Regency, Central Java
- Sepaku District, Penajam Paser Utara Regency, East Kalimantan
- Pesisir Selatan Regency, West Sumatra
- Belopa, Luwu Regency, South Sulawesi
- Gorontalo Regency, Gorontalo

##### Landslide Disaster Response

- Lebong Regency, Bengkulu
- Tanah Datar Regency, West Sumatra
- Agam Regency, West Sumatra

Earthquake Disaster Response in Sumedang Regency, West Java.

Fire Disaster Response in Manggarai, South Jakarta.



A total of more than 16,000 aid packages containing food, medicine, and other essential supplies were distributed.





### Mandiri Sharing Kindness

The Mandiri Berbagi Kebaikan program reflects Bank Mandiri's social commitment to supporting underprivileged communities, particularly during major religious holidays and other significant moments. The assistance provided is designed to deliver direct benefits and help alleviate the burdens of those in need.

#### Aid Recipient Locations:

##### Ramadan

57,000 care packages for orphans and underprivileged communities.

##### Eid al-Adha

- A total of 5,000 canned qurban meat was distributed to outer islands and disaster-affected areas, including Mount Ruang (North Sulawesi), Agam Regency (West Sumatra), Bontang (East Kalimantan), Morowali (Southeast Sulawesi), and Mentawai (West Sumatra).
- Additionally, 278,100 qurban meat packages were distributed simultaneously across all Bank Mandiri operational areas.

##### Mandiri Jogja Marathon

The CSR Dropbox Shoe Donation Program collected 300 pairs of gently used shoes from marathon participants to be distributed to informal workers, including rickshaw drivers, horse cart drivers, and sanitation workers.

##### Bank Mandiri Commemorative Anniversary

- A total of 2,600 orphans received educational assistance.
- Additionally, 70,200 social aid packages were provided through the Pasar Murah Mandiri program, offering essential goods at affordable prices for underprivileged families.

##### Christmas Day

A total of 2,000 gift packages were distributed to orphanages and nursing homes.



### Public Infrastructure Development [GRI 213-1]

Access to basic infrastructure is a key factor in improving community well-being. Bank Mandiri's Public Facilities Development Program focuses on providing facilities that support social and economic life, particularly in areas with limited infrastructure.

#### Program Impact:

- Enhancing access to basic services, especially for communities in remote areas.
- Improving quality of life through better facilities.
- Driving local economic growth by improving connectivity and supporting infrastructure.

#### Facilities Built in 2024:

- Places of worship, including mosques, churches, and temples.
- Rural roads and bridges to improve community accessibility.
- Sanitation and clean water facilities in various regions.
- Other public facilities, such as renovations for uninhabitable homes.

## Evaluation of the CSR Program

Bank Mandiri regularly conducts monitoring and evaluations to ensure the effectiveness and improve the implementation of CSR programs in the future. In an effort to monitor local conditions and issue developments, Bank Mandiri maintains regular communication through routine meetings and other communication channels with the government, relevant institutions, and community leaders. Additionally, Bank Mandiri applies the Social Return on Investment (SROI) method as part of the evaluation to assess the impact generated by the CSR programs. The SROI score reflects the economic value of the social impact generated by the CSR program. [GRI 2-25, 3-3, 413-1, 413-2] [F.23]

Program Name	SROI Value
Gelora Bung Karno (GBK) Eco Food Court	2.76
Rumah BUMN South Jakarta	3.9
Papua Medical Community Without Borders	1.7
BUMNU Jember	2.89
Rice Milling Unit (RMU) Kebumen	3.2
Rice Milling Unit (RMU) Pamarican	3.7

**Note:** The SROI value reflects the ratio between the social value generated and the costs incurred for each program. A score greater than 1 indicates that the program provides greater social benefits compared to its investment, meaning it has a positive impact on the community and surrounding environment.



## Financial Literacy Program to Support Financial Inclusion

Bank Mandiri continues to push for financial inclusion by enhancing financial literacy through implementation of the CSR program focusing on educational activities and the development of supporting facilities and infrastructure. This initiative is designed to reach people from various backgrounds, providing practical insights to help them manage their finances wisely while maximizing economic opportunities.

As part of its financial inclusion and literacy strategy, Bank Mandiri adopts a phased approach involving three levels of literacy: Beginner, Skilled, and Independent. Each level is designed to address the unique needs of participants, providing relevant financial education supported by infrastructure that encourages financial independence.

### Independent Level

#### Description:

Focuses on business owners or individuals who are ready to manage their finances or businesses independently by utilizing digital technology and complex financial strategies.

#### Literacy Programs:

- Mandiri Young Entrepreneur (WMM)
- Livin' Up Your Financial

### Skilled Level

#### Description:

Focuses on individuals on business owners who are developing their businesses by enhancing their skills in financial and business management in a more structured way.

#### Literacy Programs:

- Rumah BUMN
- Mandiri SME Center
- Rice Milling Unit (RMU)

### Beginner Level

#### Description:

Focus on individuals or business actors who are new to financial literacy, aiming to help them understand the basic concepts of personal and business finance.

#### Literacy Programs:

- Mandiri Sahabatku
- Digital Financial Education through Social Media



## Bank Mandiri Financial Literacy

Program Type	Program Name	Target Participants	Social Impact (Quantitative) 2024
Financial Education	Livin' Up Your Financial	Youth Generation	1,799 participants from two universities.
	Mandiri Sahabatku	Indonesian Migrant Workers (PMI)	Participated by PMI from six countries: Hong Kong, Malaysia, South Korea, Japan, Indonesia, and Saudi Arabia. As of 2024, a total of 20,482 PMI have joined the program.
	Digital Financial Education through Social Media	Communities in remote areas and Youth Generation	Promoted digital financial education through 190 posts across three of Bank Mandiri's social media platforms: Facebook, X (Twitter), and Instagram, with a total of 97.22 million views.
Training or Business Management Tools	Rumah BUMN	Micro Entrepreneurs	A total of 23 Rumah BUMN have been established across various regions in Indonesia, focusing on enhancing the capacity of MSMEs.
	Mandiri SME Center	Micro Entrepreneurs	There are 101 Mandiri SME Center locations with a total of 1,494 debtors.
	Mandiri Young Entrepreneur (WMM)	Micro Entrepreneurs	Reaching more than 3,000 participants in the existing business category and providing education to 1,010 entrepreneurs.
	Rice Milling Unit (RMU)	Farmers	Establishment of RMU at three locations, namely Pamarican, Kebumen, and Jembrana, benefiting 27,520 farmers.

In addition to the CSR program, Bank Mandiri also conducts financial literacy initiatives through various other programs as follows.

### Mandiri Education Livin' Up Your Financial

Through the "Livin' Up Your Financial" Mandiri Education program, Bank Mandiri continues to develop financial literacy activities in collaboration with educational institutions as hosts and Financial Services Authority (OJK) representatives as one of the speakers. This program is attended by academics aged around 17-25 years and the general public aged around 25-50 years. In 2024, two sessions of Mandiri Education Livin' Up Your Financial have been held, with the main focus on digital-era investment.



**Mandiri Edukasi Goes To Universitas Papua**

Date of Execution:  
**May 14, 2024**  
Participants:  
**664 Participants**



**Mandiri Edukasi Goes To Universitas Pattimura**

Date of Execution:  
**November 26, 2024**  
Participants:  
**515 Participants**

## Digital Financial Education Through Social Media

In the digital era, Bank Mandiri leverages social media to enhance financial literacy, particularly reaching communities in remote areas. Through official platforms such as Facebook, Twitter, and Instagram, engaging and relevant educational content is provided to address public information needs.

In 2024, 88 Facebook posts achieved 20.53 million views, 53 X (Twitter) posts garnered 23.53 million views, and 49 Instagram posts received 53.17 million views. This not only delivers insights on financial management but also encourages the public to take concrete steps to improve their financial literacy.

## Mandiri SME Center

Mandiri SME Center was established to meet the needs of customers by providing four access solutions required by small and medium-sized enterprises (SMEs). As of December 2024, there are 101 Mandiri SME Centers spread across all operational areas of Bank Mandiri. The Mandiri SME Center business model aims to develop the business potential of SMEs within a certain radius, with a focus on accelerating and simplifying the credit financing process. Additionally, Mandiri SME Centers also enhance the competencies of MSME players through mentorship and training programs, including tax consultation services and financial reporting education.

### Mandiri SME Center Services



#### Banking and Capital Access

Providing an easy, fast, and flexible financing process for SMEs, including digital access to banking products.



#### Human Resource Capability Enhancement Access

Improving human resource capabilities through training and collaboration with institutions, as well as providing portals to support customer needs.



#### Network and Marketing Access

Helping SMEs with product branding and facilitating collaboration and marketing through digital platforms and e-commerce.



#### Information Technology (Digital) Access

Offering technology training and supporting collaboration with startups, as well as organizing events to promote technology-based products.

## Policy Advocacy and Sustainability Research

In addition to literacy and education, Bank Mandiri's efforts also involve policy advocacy and sustainability research aimed at creating systemic impact and strengthening the sustainability structure in society. Bank Mandiri supports the transition to a low-carbon economy through sustainability research facilitated by the Mandiri Institute, a research center established in 2014. The Institute plays a key role in providing policy input to the government and stakeholders through focus group discussions and research related to the financial sector, sectoral trends, and global standards.

The research focus includes green economy, sustainability, and the implementation of environmental, social, and governance (ESG) from the supply and demand sides of funding. On the supply side, the research covers the adoption of ESG by financial institutions, such as banks and asset managers. On the demand side, the research highlights how companies integrate sustainability into their business strategies.



## ESG Implementation Report 2024: Bridging The Impact



The ESG Implementation Report 2024, published by the Mandiri Institute, highlights the growing adoption of ESG values by companies in Indonesia, supported by frameworks such as the Global Reporting Initiative (GRI), International Financial Reporting Standards (IFRS), Task Force on Climate-related Financial Disclosures (TCFD), and Task Force on Nature-related Financial Disclosures (TNFD). In Indonesia, regulatory bodies like the Financial Services Authority (OJK) and the Indonesian Institute of Accountants (IAI) are driving sustainability reporting by adopting IFRS S1 and S2, aligning with national sustainability priorities.

According to the 2024 Mandiri Institute ESG Implementation Survey, most listed companies adopt ESG practices to enhance corporate value (87%) or comply with regulations

(80%), with an increasing emphasis on governance aspects in 2024. These findings indicate that ESG is becoming an increasingly strategic element, driven by a combination of internal initiatives and external pressures.

However, challenges remain in ESG implementation, particularly in measuring greenhouse gas (GHG) emissions. While 64% of listed companies have measured Scope 1 and 2 emissions, only 51% of these include Scope 3. Among non-listed companies, only 36% measure Scope 1 and 2 emissions, and just 45% of them account for Scope 3.

On the other hand, sustainable financing presents significant opportunities, although adoption remains low. Only 7% of companies have issued sustainable bonds, but interest in these instruments is high, with 43% of companies expressing interest. With substantial potential in the renewable energy sector, Indonesia has an opportunity to expand the sustainable finance market as part of its efforts to support the national decarbonization agenda.

Globally, policies such as the Carbon Border Adjustment Mechanism (CBAM) and the European Union Regulation on Deforestation-Free Products (EUDR) pose challenges that require careful anticipation. As a key exporter of palm oil and steel, Indonesia must mitigate the impacts of these policies to remain competitive. This report underscores the importance of sustainability research in addressing these risks and encourages companies to learn from international best practices to strengthen ESG implementation and enhance global market competitiveness.

## Dissemination of Sustainability Research Results and Policy Advocacy

The dissemination of research findings is conducted through the Mandiri Institute Insight 2024 forum. This forum brings together practitioners and experts to discuss the importance of cross-sector synergy in bridging the implementation of global ESG standards with the readiness of Indonesia's financial and business sectors. The launch of this research provides in-depth insights into the implementation of ESG in both listed and unlisted companies, while also identifying challenges and opportunities to advance sustainable finance in Indonesia. Through Mandiri Institute, Bank Mandiri aims for this report to serve as a strategic guide for the government, businesses, and other stakeholders to accelerate ESG adoption, strengthen sustainability commitments, and support Indonesia's economic transformation toward global competitiveness.



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# Economics

DECEIPTION	UNIT	2024		2023		2022		STANDARD
		Target	Realization	Target	Realization	Target	Realization	
Overview of Economic Performance								
Operating Income*	Rp billion	163,299,965	164,331,290	144,196,848	146,266,161	118,205,080	126,762,391	[GRI 2-6] [OJK B.1.a, B.1.b, B.1.c, C.3.a, F.2]
Net Profit	Rp billion	55,182,160	55,782,742	44,267,871	55,060,057	32,743,598	41,170,637	
Total Assets	Rp billion	2,358,450,957	2,427,223,262	2,125,491,985	2,174,219,449	1,854,343,528	1,992,544,087	
Productive Assets	Rp billion	2,286,409,322	2,151,504,265	1,695,360,822	1,894,264,000	1,421,727,760	1,778,598,799	
Bank Loans/ Financing	Rp billion	1,520,132,360	1,623,216,612	1,303,177,027	1,359,832,195	1,119,162,503	1,172,599,882	
Third-Party Funds	Rp billion	1,718,291,200	1,698,896,916	1,562,493,526	1,576,950,000	1,394,468,183	1,490,844,592	
Operating Income*	Rp billion	56,085,608	60,053,557	49,488,677	146,266,161	33,983,497	126,762,391	
Operating Expenses	Rp billion	55,182,160	55,782,742	44,267,871	48,256,541	32,743,598	36,391,339	

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
<b>Economic Performance (consolidated)</b>					
Interest income	Rp million	129,638,641	113,747,621	95,943,875	[GRI 201-1]
Sharia income	Rp million	21,597,386	18,796,849	16,438,243	[OJK B.1.a, B.1.b, B.1.c, F.2]
Premium income	Rp trillion	13,095,263	13,720,000	14,380,273	
Gains on sale of securities and government bonds	Rp million	150,297	125,295	899,579	
Profit from sale of fixed assets	Rp million	2,835	8,624	2,821	
Income from fees and other commissions	Rp million	23,447,520	20,148,410	18,802,148	
Income from fair value through profit or loss - net	Rp million	4,483,298	3,473,796	3,494,409	
Other income	Rp million	14,240,197	16,900,640	11,984,146	
<b>Economic value generated</b>	<b>Rp million</b>	<b>206,655,437</b>	<b>186,911,235</b>	<b>161,945,494</b>	
Other operating expenses*)	Rp million	(34,619,683)	(29,444,402)	(28,618,312)	
Employee salaries and benefits	Rp million	(23,990,763)	(24,423,089)	(24,641,746)	
Payments to providers of capital	Rp million	(60,053,557)	(48,256,541)	(36,391,339)	
Dividend payments to shareholders**)	Rp million	(33,036,034)	(24,702,382)	(16,816,893)	
Payments to government (taxes, levies, etc.) ***)	Rp million	(15,238,365)	(14,633,011)	(11,425,358)	
Procurement of goods and services	Rp million	(8,380,230)	(6,086,960)	(4,826,716)	
Community expenditures	Rp million	(250,030)	(174,600)	(137,600)	
<b>Economic value distributed</b>	<b>Rp million</b>	<b>(175,568,662)</b>	<b>(147,720,985)</b>	<b>(122,857,964)</b>	
<b>Economic value retained</b>	<b>Rp million</b>	<b>31,086,775</b>	<b>39,190,250</b>	<b>39,087,530</b>	

**Note:**

\*) Interest income, sharia income, and premium income

\*\*) Interest expenses, sharia expenses, and claims expenses

\*\*\*) Excluding current year profit attributable to non-controlling interests

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
<b>Performance Ratios****</b>					
Minimum Capital Adequacy Ratio (CAR)	%	20.1	21.48	19.46	[GRI 2-6] [OJK B.1.a, C.3.a, F.2]
Non-performing productive assets and non-productive assets to total productive and non-productive assets	%	0.68	0.68	1.09	
Non-performing productive assets to total productive assets	%	0.67	0.68	1.09	
Allowance for Impairment Losses (ALL) on financial assets to productive assets	%	2.32	2.87	3.91	
Gross Non-Performing Loan (NPL)	%	0.97	1.02	1.88	
Net Non-Performing Loan (NPL)	%	0.33	0.29	0.26	
Return on Assets (ROA)	%	3.59	4.03	3.3	
Return on Equity (ROE)	%	24.19	27.31	22.62	
Net Interest Margin (NIM)	%	4.93	5.25	5.16	
Efficiency Ratio (BOPO)	%	56.46	51.88	57.35	
Loan to Deposit Ratio (LDR)	%	98.04	86.75	77.61	
Liquidity Coverage Ratio (LCR)	%				
a. Individual LCR	%	139.21	176.24	191.02	
b. Consolidated LCR	%	140.64	169.58	186.79	

**Note:**

\*\*\*\*) Bank only

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
<b>Banking Access</b>					
Branch Offices	Unit	146	139	138	[GRI 2-6] [OJK C.3.d]
Overseas Offices	Unit	7	7	7	
Sub-Branch Offices*	Unit	2,054	2,104	2,225	
Payment Points	Unit	36	36	42	
Mobile Cash	Unit	77	77	77	
Micro Mobile Cash	Unit	21	21	22	
ATMs	Unit	12,896	12,906	13,027	

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
<b>Digital Banking</b>					
<b>E-Channel List</b>					
Livin' by Mandiri Apps	Number of Active Users (Million)	14.9	13.2	9.7	[GRI 2-6] [OJK B.1.a, C.4, F.26, F.27]
	Transaction Frequency (Billion)	3.9	2.2	1.9	
	Transaction Value (Rp Trillion)	4,027	3,271	2,472	
ATM	Transaction Frequency (Billion)	1.04	1.04	1.03	1.03
	Transaction Value (Rp Trillion)	772.0	774.9	785.1	
E-Money	Number of Active Cards (Million)	8.7	15.7	7.3	7.3
	Purchase Transaction Frequency (Million)	1.4	1.3	1.2	
	Purchase Transaction Value (Rp Trillion)	24.6	22.1	19.9	
	Top-Up Transaction Frequency (Million)	211	181.2	155.8	
	Top-Up Transaction Value (Rp Trillion)	25	22.4	20.2	
EDC	Number of Merchants (Thousand)	198	201.3	190.1	190.1
	Transaction Frequency (Million)	328.1	262.9	220.5	
	Transaction Value (Rp Trillion)	148.5	136.4	122.4	
Smart Branch	Number of Branches (Units)	241	249	241	241

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
<b>Comparison of Targets and Performance of Portfolios, Financing Targets, or Investments in Financial Instruments or Projects Aligned with Sustainable Finance Implementation</b>					
Types and Number of Products Meeting the Criteria for Sustainable Business Activities	Jenis	<b>Types of Sustainable Financing:</b> <ul style="list-style-type: none"> <li>Green Portfolio</li> <li>Social Portfolio</li> </ul> <b>Sustainable Products:</b> <ul style="list-style-type: none"> <li>Green Loan</li> <li>Sustainability Linked Loan</li> <li>Corporate-in-Transition Financing</li> <li>Green Mortgage</li> </ul> <b>Sustainable Funding:</b> <ul style="list-style-type: none"> <li>Sustainability Bond</li> <li>Green Bond</li> <li>ESG Repo</li> </ul>	<b>Types of Sustainable Financing:</b> <ul style="list-style-type: none"> <li>Green Portfolio</li> <li>Social Portfolio</li> </ul> <b>Sustainable Products:</b> <ul style="list-style-type: none"> <li>Green Loan</li> <li>Sustainability Linked Loan</li> <li>Corporate-in-Transition Financing</li> <li>Green Mortgage</li> </ul> <b>Sustainable Funding:</b> <ul style="list-style-type: none"> <li>Sustainability Bond</li> <li>Green Bond</li> <li>ESG Repo</li> </ul>		[GRI 2-6] [OJK B.1.a, B.1.d, C.4, F.3, F.26, F.27]



DECEIPTION	UNIT	2024	2023	2022	STANDARD
Nominal Value of Products and/or Services Meeting the Criteria for Sustainable Business Activities					
a. Fundraising	Rp billion	18,000	5,000	12,454	[GRI 2-6] [OJK B.1.a, C.4, F.3]
b. Fund Distribution	Rp billion	292,507	264,080	228,764	
Total Productive Assets for Sustainable Business Activities					
a. Total Loans/ Financing for Sustainable Business Activities	Rp billion	292,507	264,080	228,764	[GRI 2-6] [OJK B.1.a, C.4, F.3]
b. Total Non-Loans/ Financing for Sustainable Business Activities	Rp billion	1,018,272	821,707	703,875	
Percentage of Total Loans/Financing for Sustainable Business Activities to Total Bank Loans/Financing	%	22.32	24.30	24.50	

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
<b>Sustainable Business Activity Financing Portfolio</b>					
<b>Categories of Sustainable Business Activities</b>					
Renewable Energy	Rp billion	11,773	9,727	6,149	[OJK B.1.d, B.1.e, F.3, F.26, F.27]
Energy Efficiency	Rp billion	-	-	-	
Pollution Prevention and Control	Rp billion	-	-	-	
Environmentally Sustainable Management of Living Natural Resources and Land Use	Rp billion	111,432	102,413	92,956	
Terrestrial and Aquatic Biodiversity Conservation	Rp billion	-	-	-	
Clean Transportation	Rp billion	7,545	3,926	3,107	
Sustainable Waste and Wastewater Management	Rp billion	1,176	1,171	867	
Climate Change Adaptation	Rp billion	-	-	-	
Eco-efficient and/ or Circular Economy Adapted Products, Production Technologies and Processes	Rp billion	10,621	5,354	3,307	
Green Buildings	Rp billion	6,268	6,612	16	
Other Environmentally Friendly Business Activities	Rp billion	9,644	8,776	5,067	
Micro, Small, and Medium Enterprises (MSMEs) Activities	Rp billion	133,548	126,101	117,295	

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
Total KKUB Portfolio	Rp billion	292,507	264,080	228,764	
a. Green Portfolio	Rp trillion	149	129.20	106.4	
b. Social Portfolio	Rp trillion	144	134.87	122.4	
% Share of Sustainable Financing	%	22.32	24.32	24.53	

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
<b>Micro, Small, and Medium Enterprises (MSMEs) Activities</b>					
Palm Oil Plantations and CPO	Rp billion	23,296	21,651	19,278	[GRI 2-6] [OJK B.1.a, B.1.d, C.4, F.2 F.3] [FN-CB-240a.1.] [FN-CB-240a.2.]
Retail Trade in Food, Beverages, and Tobacco	Rp billion	18,671	16,881	16,772	
Hotels, Restaurants, and Accommodations	Rp billion	11,054	9,971	9,380	
Retail Trade in Household Equipment	Rp billion	9,224	8,630	8,411	
Agriculture	Rp billion	5,520	5,722	5,491	
Non-Financial Business Services	Rp billion	3,780	5,208	5,343	
Social Services and Institutions	Rp billion	5,740	4,911	4,374	
Land Transportation Services	Rp billion	4,406	3,846	3,348	
Livestock and Animal Feed	Rp billion	3,989	3,756	3,510	
Retail Trade in Textiles and Textile Products	Rp billion	4,098	3,364	3,680	
Others	Rp billion	43,770	41,548	37,702	
<b>Total</b>	<b>Rp billion</b>	<b>133,548</b>	<b>125,494</b>	<b>117,295</b>	

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
Sustainable Financing Products					
Green Loan	Rp trillion	3.78	3.50	4.67	[GRI 2-6] [OJK B.1.d, C.4, F.3, F.26, F.27]
Corporate-in-Transition Financing	Rp trillion	-	0.74	-	
Green Mortgage	Rp trillion	0.58	-	-	
Sustainability-Linked Loan	Rp trillion	3.02	0.65	1.49	
Sustainable Funding					
Sustainability Bond	US\$ million	-	-	-	[GRI 2-6] [OJK B.1.a, B.1.d, C.4, F.3, F.26, F.27]
Green Bond	Rp billion	-	5,000	-	
ESG Repo	US\$ million	-	-	500	
Sustainable Investments					
Green Sukuk	Rp billion	3,116	3,047	-	[GRI 2-6] [OJK B.1.a, B.1.d, C.4, F.2, F.3, F.26, F.27]
Green Bond	Rp billion	292	180	-	
ESG-Based Mutual Funds	Rp billion	3,540	17	-	
Electric Vehicle Financing	Rp billion	910	393	-	
Solar Panel Financing	Rp billion	N/A	0.61	-	

DESCRIPTION	UNIT	2024	2023	2022	STANDARD
<b>Local Engagement</b>					
Number of Local Suppliers	Supplier	1,036	986	895	[GRI 204-1] [OJK B.1.e]
Proportion of Local Suppliers	%	98.39	98.38	99.5	
Value of Local Purchases (Rp trillion)	Rp trillion	8.22	5.45	4.8	
Percentage of Local Purchases	%	98.05	99.29	97.78	

# Environment

DESCRIPTION	UNIT	2024	2023	2022	BASELINE (2019)	STANDARD
<b>Direct Energy Consumption</b>						
Energy Consumption (Electricity)	GJ	863,024	1,040,756	1,046,804	1,140,603	[GRI 302-1, 302-2] [OJK F.6]
Energy Consumption (Fuels)	GJ	642,865	599,749	569,528	906,514	
Energy Consumption (Solar or Other Renewable Energy)	GJ	NR	NR	NR	NR	
Total Energy Consumption	GJ	1,505,889	1,640,506	1,616,331	2,047,117	
* - Electricity consumption is calculated by dividing the total electricity cost (Rp) by the tariff per kWh, then converting the result into gigajoules (GJ) using The Greenhouse Gas Protocol Initiative (2004). - Fuel consumption (Pertamax) is calculated by dividing the total purchase cost (Rp) by the price per liter, then converting the result into GJ.						
<b>Energy Intensity</b>						
Energy Consumption Intensity	(GJ /Total Employees)	30.00	42.10	42.34	52.40	[GRI 302-3] [OJK F.6]
<b>Reduction in Energy Consumption (Bank Only)</b>						
Total Energy Consumption Reduction	GJ	277,579	99,847	93,799	1,140,603	[GRI 302-4, 302-5] [OJK F.7]
<b>Greenhouse Gas (GHG) Emissions from the Company (Bank Only)</b>						
Direct GHG Emissions (Scope 1)	ton CO <sub>2</sub> e	46,741	43,077	42,698	75,640	[GRI 305-1, 305-5]
Indirect GHG Emissions (Scope 2)	ton CO <sub>2</sub> e	192,853	252,636	260,082	283,113	[GRI 305-2, 305-5]
Total GHG Emissions	ton CO <sub>2</sub> e	239,594	295,713	303,787	362,863	FN-CB-410b.1.
<b>Percentage of Greenhouse Gas Emissions from the Company (Bank Only)</b>						
Direct GHG Emissions (Scope 1)	%	19.51	14.57	14.10	21.08	[GRI 305-1, 305-5]
Indirect GHG Emissions (Scope 2)	%	80.49	85.43	85.90	78.92	[GRI 305-2, 305-5]
Total GHG Emissions	%	100	100.00	100.00	100.00	FN-CB-410b.3.
<b>Emission Intensity per Employee (Bank Only)</b>						
Scope 1 & 2 GHG Emissions Intensity	tCO <sub>2</sub> e/employee	3.2	3.9*	4.0*	4.6*	[GRI 305-4] [OJK F.11]
*There has been a restatement of the emission intensity calculation.						
<b>Financed Emissions</b>						
<b>Other Indirect Emissions (Scope 3)</b>	<b>million tCO<sub>2</sub>e</b>	<b>19.4</b>	<b>18.1</b>	<b>N/A</b>	<b>N/A</b>	[GRI 305-3]
Commercial Real Estate	million tCO <sub>2</sub> e	0.2	0.3	N/A	N/A	
Project Finance*	million tCO <sub>2</sub> e	0.5	0.6	N/A	N/A	
Business Loans	million tCO <sub>2</sub> e	12.3	10.7	N/A	N/A	
Corporate Bonds	million tCO <sub>2</sub> e	0.1	0.1	N/A	N/A	
Sovereign Loans	million tCO <sub>2</sub> e	1.8	1.1	N/A	N/A	
Mortgages	million tCO <sub>2</sub> e	0.4	0.4	N/A	N/A	
Motor Vehicle Loans	million tCO <sub>2</sub> e	0.4	0.4	N/A	N/A	
Sovereign Bonds	million tCO <sub>2</sub> e	3.7	4.5	N/A	N/A	

DECEIPTION	UNIT	2024	2023	2022	BASELINE (2019)	STANDARD
Financing Emissions by Sector*						
Absolute Emissions by Sector:						
Power Generation	million tCO <sub>2</sub> e	2.23	2.40	N/A	N/A	[GRI 305-3], FN- CB-410b.2.
Iron and Steel	million tCO <sub>2</sub> e	1.00	1.59	N/A	N/A	
Oil and Gas	million tCO <sub>2</sub> e	1.22	1.38	N/A	N/A	
Livestock	million tCO <sub>2</sub> e	1.52	1.01	N/A	N/A	
Agriculture	million tCO <sub>2</sub> e	0.92	0.61	N/A	N/A	
Coal	million tCO <sub>2</sub> e	0.62	0.55	N/A	N/A	
Chemicals and Petrochemicals	million tCO <sub>2</sub> e	0.90	0.49	N/A	N/A	
FMCG	million tCO <sub>2</sub> e	1.01	0.44	N/A	N/A	
Non-Ferrous Mining	million tCO <sub>2</sub> e	0.52	N/A	N/A	N/A	
Cement	million tCO <sub>2</sub> e	0.40	0.37	N/A	N/A	
Construction	million tCO <sub>2</sub> e	0.40	0.33	N/A	N/A	
Emission Intensity by Sector:						
Livestock	tCO <sub>2</sub> e/Rp billion	381.9	320.6	N/A	N/A	[GRI 305-4], [OJK F.11]
Cement	tCO <sub>2</sub> e/Rp billion	385.6	310.3	N/A	N/A	
Oil and Gas	tCO <sub>2</sub> e/Rp billion	80.0	185.2	N/A	N/A	
Power Generation	tCO <sub>2</sub> e/Rp billion	99.0	152.5	N/A	N/A	
Iron and Steel	tCO <sub>2</sub> e/Rp billion	94.4	124.9	N/A	N/A	
Coal	tCO <sub>2</sub> e/Rp billion	23.3	52.7	N/A	N/A	
Chemicals and Petrochemicals	tCO <sub>2</sub> e/Rp billion	83.9	35.5	N/A	N/A	
Pulp and Paper	tCO <sub>2</sub> e/Rp billion	97.9	33.9	N/A	N/A	
Shipping	tCO <sub>2</sub> e/Rp billion	42.2	N/A	N/A	N/A	
Non-Ferrous Mining	tCO <sub>2</sub> e/Rp billion	31.0	N/A	N/A	N/A	
FMCG	tCO <sub>2</sub> e/Rp billion	29.0	28.5	N/A	N/A	
Mining	tCO <sub>2</sub> e/Rp billion	9.4	24.9	N/A	N/A	
*Project Finance includes power generation projects. **Business Loans based on emission data reported by the debtor.						
Water Withdrawal and Usage (Bank Only)						
Water Usage from Third Parties*	m³	574,376	560,911	498,365	410,316	[GRI 303-3, 303-5] [OJK F.8]
Recycled Water Usage**	m³	88,788	141,106	138,580	104,372	
Total Water Usage	m³	663,164	702,017	636,945	514,688	
% of Recycled Water Usage	%	13	20	22	20	

\* Scope: Sentra Mandiri, Menara Mandiri, Plaza Mandiri, Wisma Mandiri







\*\* Scope: Menara Mandiri, Plaza Mandiri, Wisma Mandiri









DECIPTION	UNIT	2024	2023	2022	STANDARD
Waste Management by Licensed Third Parties					
Hazardous Waste*	kg	196	1,520	4,400	[GRI 303-4, 306-3] [OJK F.13, F.14, F.15]
Domestic Waste**	kg	151,858	N/A	N/A	
Liquid Waste***	m³	81,400	10,200	63,693	
Liquid Waste Treated through Reverse Osmosis****	m³	32,134	31,610	28,104	
*Scope: Plaza Mandiri					
**Scope: Menara Mandiri, Sentra Mandiri, Plaza Mandiri					
***Scope: Plaza Mandiri					
****Scope: Plaza Mandiri					
Waste Generation by Management Method					
Managed by third party	kg	151,858	N/A	N/A	[GRI 306-4, 306-5]
Paper Usage					
Printing Paper	Rim	139,393	136,718*	142,089*	[OJK F.5]
*There is a restatement of paper usage data due to the addition of paper types being accounted for.					
Environmental Costs					
Solar Panel Installation	rupiah	1,400,000,000	-	-	[OJK F.4]
Upgrading and Repairing RO Water Recycling Systems	rupiah	-	-	1,510,000,000	[OJK F.4]
CSR Activities in Nature and Environmental Conservation	rupiah	52,510,000,000	22,500,000,000	645,015,195	[OJK F.4, F.25]
LED Installation	rupiah	-	2,250,000,000	-	[OJK F.4]
Reverse Vending Machine Program	rupiah	198,000,000	N/A	N/A	[OJK F.4]
Energy Reduction Initiatives					
Green Building Certified Offices	unit	3	1		[GRI 302-4, 305-5], [OJK F.7, F.12]
Smart Branches	unit	241	241		
Solar Panels	unit	870	727		
Operational Vehicles Using Electric Vehicles	unit	404	136		

DESCRIPTION	UNIT	2024
<b>Loan by Sectors</b>		
Commercial - Others	%	20.80
Retail - Others	%	20.20
Manufacturing	%	10.20
Hotels, Restaurants, and Entertainment	%	9.00
Agriculture	%	8.30
Commercial and Professional Services	%	6.80
Metals and Mining	%	6.10
Real Estate	%	5.60
Transportation	%	5.40
Services	%	4.60
Others	%	2.90







# Social

BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS	UNIT	2024		2023		2022		STANDARD
								
Board of Commissioners	People	9	1	9	2	8	2	[GRI 405-1]
Board of Directors	People	10	2	9	3	10	2	

EMPLOYMENT	UNIT	2024		2023		2022		STANDARD
								
Number of Employees by Nationality								
Indonesia	People	18,504	20,369	18,565	20,374	18,322	19,854	[GRI 2-7]
India	People	1	0	1	0	0	0	
Total	People	18,505	20,369	18,566	20,374	18,322	19,854	
Number of Employees by Age								
< 30 years	People	4,404	5,581	4,390	5,729	4,415	5,977	[GRI 2-7, 405-1] [C.3.b]
30 - 50 years	People	12,610	13,881	12,479	13,715	12,182	13,010	
> 50 years	People	1,491	907	1,697	930	1,725	867	
Total	People	18,505	20,369	18,566	20,374	18,322	19,854	
Number of Employees by Employment Status								
Permanent Workers	People	16,616	17,590	16,601	17,762	16,630	18,017	[GRI 2-7, 2-8, 405-1] [C.3.b]
Contract Workers	People	1,713	2,636	1,721	2,416	1,478	1,701	
Trainee	People	176	143	244	196	214	136	
Total Organic Employees (Permanent, Contract & Trainee)	People	18,505	20,369	18,566	20,374	18,322	19,854	
Outsourced Employees	People	25,834	7,235	26,428	25,975	33,188	7,213	
Total Employees (Organic and Outsourced)	People	44,339	27,604	44,994	27,882	44,297	27,067	
Number of Employees by Education Level								
Doctorate	People	12	1	11	2	10	2	[GRI 2-7, 2-8, 405-1] [C.3.b]
Master's Degree	People	1,189	770	1,194	730	1,166	693	
Bachelor's Degree or equivalent	People	16,188	18,506	16,038	18,342	15,616	17,695	
Diploma	People	512	973	588	1,130	649	1,274	
Senior High School	People	599	119	725	170	868	190	
Junior High School	People	5	-	10	-	12	-	
Elementary School	People	-	-	-	-	1	-	
Total	People	18,505	20,369	18,566	20,374	18,322	19,854	













## Description:



EMPLOYMENT	UNIT	2024		2023		2022		STANDARD
								
Number of Employees by Work Area								
Region I/Sumatera 1	People	989	1,232	1,057	1,298	1,059	1,270	[GRI 2-7, 2-8, 405-1] [C.3.b]
Region II/Sumatra 2	People	1,197	1,369	1,248	1,391	1,134	1,316	
Region III/Jakarta 1	People	847	1,542	871	1,621	931	1,636	
Region IV/Jakarta 2	People	742	1,596	787	1,647	819	1,682	
Region V/Jakarta 3	People	741	1,364	793	1,385	814	1,427	
Region VI/Java 1	People	1,004	1,238	1,072	1,266	1,052	1,222	
Region VII/Java 2	People	1,176	1,421	1,283	1,486	1,233	1,377	
Region VIII/Java 3	People	1,179	1,737	1,281	1,780	1,236	1,650	
Region IX/ Kalimantan	People	818	978	882	1,027	896	1,033	
Region X/Sulawesi and Maluku	People	918	1,125	991	1,164	987	1,099	
Region XI/Bali and Nusa Tenggara	People	538	637	575	637	554	604	
Region XII/Papua	People	284	391	313	431	318	438	
Overseas Office	People	27	5	27	5	25	6	
Subsidiary Company	People	60	19	69	16	62	14	
Head Office	People	7,985	5,715	7,317	5,220	7,202	5,080	
Total	People	18,505	20,369	18,566	20,374	18,322	19,854	
Number of Employees by Organizational Management Level								
Top Management	People	117	38	113	33	107	30	
Middle Management	People	721	285	714	263	707	260	
Junior Management	People	9,413	8,287	9,000	7,935	8,664	7,634	
Non Management	People	8,254	11,759	8,739	12,143	8,844	11,930	
Total	People	18,505	20,369	18,566	20,374	18,322	19,854	



**Description:**

Top Management: BOD-1  
Middle Management: BOD-2  
Junior Management: BOD-3

EMPLOYMENT	UNIT	YEAR	BOARD OF COMMISSIONERS		BOARD OF DIRECTORS		TOP MANAGEMENT		MIDDLE MANAGEMENT		JUNIOR MANAGEMENT		NON MANAGEMENT	
														
Number of Employees by Age Group and Organizational Management Level														
18-24	Orang	2024	0	0	0	0	0	0	0	0	667	580	578	1,134
	Orang	2023	0	0	0	0	0	0	0	0	503	441	613	1,087
	Orang	2022	0	0	0	0	0	0	0	0	484	382	363	596
25-34	Orang	2024	0	0	0	0	0	1	45	27	3,694	3,106	4,745	7,558
	Orang	2023	0	0	0	0	0	1	32	21	3,754	3,214	5,424	8,258
	Orang	2022	0	0	0	0	1	1	41	23	3,709	3,375	5,873	9
35-44	Orang	2024	2	0	0	0	28	9	332	131	3,434	3,247	2,234	2,545
	Orang	2023	1	0	0	0	25	11	318	107	3,102	3,001	1,829	2,206
	Orang	2022	0	0	0	0	24	7	279	105	2,801	2,692	1,559	1,848
45-54	Orang	2024	0	0	4	2	69	23	311	113	1,498	1,282	595	462
	Orang	2023	0	1	3	2	67	19	313	120	1,505	1,195	717	520
	Orang	2022	1	1	3	1	63	18	346	121	1,529	1,126	888	548
>54	Orang	2024	9	1	6	0	20	5	33	14	120	72	102	60
	Orang	2023	10	1	6	1	21	2	51	15	136	84	156	72
	Orang	2022	7	1	7	1	13	4	41	11	141	59	161	68

PERCENTAGE OF DIVERSITY	UNIT	2024	2023	2022	STANDARD
<b>Percentage of Employees by Gender</b>					
Male	%	47.60	47.68	47.99	[GRI 405-1]
Female	%	52.40	52.32	52.01	
<b>Percentage of Board of Commissioners and Board of Directors by Gender</b>					
Male	%	86.36	87.26	81.82	[GRI 405-1]
Female	%	13.64	21.74	18.18	
<b>Percentage of Employees by Position</b>					
Top Management	%	0.40	0.37	0.36	[GRI 405-1]
Middle Management	%	2.59	2.51	2.53	
Junior Management	%	45.53	43.49	42.69	
Non Management	%	51.48	53.63	54.42	
<b>Percentage of Employees by Age Group</b>					
< 30 years	%	25.69	26.00	27.00	[GRI 405-1]
30 - 50 years	%	68.15	67.00	66.00	
> 50 years	%	6.17	7.00	7.00	
<b>Percentage of Employees by Education Level</b>					
Doctorate	%	0.03	0.03	0.03	[GRI 405-1]
Master's Degree	%	5.04	4.94	4.87	
Bachelor's Degree or equivalent	%	89.25	88.29	87.26	
Diploma	%	3.82	4.41	5.04	
Senior High School	%	1.85	2.30	2.77	
Junior High School	%	0.01	0.03	0.03	
Elementary School	%	-	-	-	



EMPLOYEES WITH DISABILITIES	UNIT	2024	2023	2022	STANDARD
<b>Number of Employees with Disabilities</b>					
Organic	People	15	15	13	[GRI 405-1]
Kriya	People	4	9	18	
Outsourcing	People	72	8	-	
<b>Total</b>	<b>People</b>	<b>91</b>	<b>32</b>	<b>31</b>	
<b>Number of Employees with Disabilities by Gender</b>					
Male	People	74	23		[GRI 405-1]
Female	People	17	9		
<b>Total</b>	<b>People</b>	<b>91</b>	<b>32</b>	<b>31</b>	
<b>Types of Disabilities</b>					
Hearing Impairment	People	4	3		[GRI 405-1]
Physical Disability	People	18	29		
Visually Impaired	People	7	-		
Speech Impaired	People	1	-		
Other Disabilities	People	61	-		
<b>Total</b>	<b>People</b>	<b>91</b>	<b>32</b>	<b>31</b>	
<b>Types of Jobs</b>					
Call Center	People	15	19		[GRI 405-1]
Back Office	People	31	9		
Front Office	People	23	2		
Fields	People	20	-		
IT	People	2	2		
<b>Total</b>	<b>People</b>	<b>91</b>	<b>32</b>	<b>31</b>	

REMUNERATIONS	UNIT	2024		STANDARD
				
<b>Average Salary by Position and Gender</b>				
Top Management	Rp/Month	89,168,843	104,022,441	[GRI 405-2]
Middle Management	Rp/Month	44,923,940	44,496,587	
Junior Management	Rp/Month	16,788,693	16,266,629	
Non Management	Rp/Month	6,799,640	6,753,421	







REMUNERATIONS	UNIT	2024	STANDARD
Top Management	Ratio	1.17	[GRI 405-2]
Middle Management	Ratio	0.99	
Junior Management	Ratio	0.97	
Non Management	Ratio	0.99	









AVERAGE WAGE GAP BETWEEN FEMALE AND MALE EMPLOYEES BY POSITION	UNIT	2024	STANDARD
<b>Average Pay Gap</b>			
Top Management	%	16.7	[GRI 405-2]
Middle Management	%	1.0	
Junior Management	%	3.1	
Non Management	%	0.7	
<b>Median Pay Gap</b>			
Top Management	%	13.9	[GRI 405-2]
Middle Management	%	0.6	
Junior Management	%	3.6	
Non Management	%	1.5	







WAGE INDICATOR	UNIT	2024		STANDARD
				
<b>Average Salary + Other Incentives (Benefits)</b>				
Top Management	Rp	90,289,259	104,773,551	
Middle Management	Rp	44,923,940	44,496,587	
Junior Management	Rp	16,788,693	16,266,629	
Non Management	Rp	6,799,640	6,753,421	

ANNUAL TOTAL COMPENSATION	UNIT	2024	STANDARD
<b>Annual Total Compensation Ratio</b>			
Ratio of annual total compensation of the highest paid individual to the median annual total compensation of all employees (excluding the highest paid individual)	Ratio	34.06	[GRI 2-21]
Percentage increase in the ratio of annual total compensation of the highest paid individual to the median annual total compensation of all employees (excluding the highest paid individual)	%	15.62	

EMPLOYEE RECRUITMENT	UNIT	2024		2023		2022		STANDARD
								
<b>Number of Employee Hires by Age and Gender</b>								
< 30 years	People	671	649	1,109	1,494	1,006	1,028	[GRI 401-1]
30 - 50 years	People	615	499	117	47	152	43	
> 50 years	People	3	0	16	2	7	1	
<b>Total</b>	<b>People</b>	<b>1,289</b>	<b>1,148</b>	<b>1,242</b>	<b>1,543</b>	<b>1,165</b>	<b>1,072</b>	

EMPLOYEE RECRUITMENT	UNIT	2024		2023		2022		STANDARD
								
Number of New Employee Hires by Work Area and Gender								
Region I/Sumatera 1	People	60	46	48	114	21	59	[GRI 401-1]
Region II/Sumatra 2	People	82	61	123	112	36	40	
Region III/Jakarta 1	People	48	66	23	61	28	71	
Region IV/Jakarta 2	People	41	85	27	97	39	89	
Region V/Jakarta 3	People	38	70	28	55	40	60	
Region VI/Java 1	People	53	59	77	112	24	51	
Region VII/Java 2	People	56	40	92	158	36	48	
Region VIII/Java 3	People	57	54	78	179	33	72	
Region IX/ Kalimantan	People	47	39	30	55	21	46	
Region X/Sulawesi and Maluku	People	73	53	66	111	34	52	
Region XI/Bali and Nusa Tenggara	People	37	43	46	51	18	26	
Region XII/Papua	People	13	20	14	22	14	15	
Overseas Office	People	0	0	0	0	0	0	
Head Office	People	684	512	590	416	821	443	
Total	People	1,289	1,148	1,242	1,543	1,165	1,072	
Number of New Employee Hires by Management Level								
Top Management	People	1	0	10	3	4	0	[GRI 401-1]
Middle Management	People	0	0	9	1	5	2	
Junior Management	People	910	676	490	337	589	322	
Non Management	People	378	472	733	1,202	567	748	
Total	People	1,289	1,148	1,242	1,543	1,165	1,072	
Number of New Employee Hires by Nationality								
Indonesia	Orang	1,289	1,148	1,241	1,543	1,165	1,072	
India	Orang	0	0	1	0	0	0	
Total	Orang	1,289	1,148	1,242	1,543	1,165	1,072	

EMPLOYEE RECRUITMENT	UNIT	2024	2023	2022	STANDARD
<b>New Employee Recruitment Cost</b>					
Average recruitment cost per employee	Rp	4,378,859	4,378,859	4,378,859	
<b>Internal Recruitment</b>					
Internal Recruitment	%	42	52	23	
New Recruitment	%	58	48	77	

EMPLOYEE TURNOVER	UNIT	2024		2023		2022		STANDARD
								
Number of Employee Turnover by Age								
< 30 years	People	176	276	181	265	185	231	[GRI 401-1]
30 - 50 years	People	429	740	387	629	423	511	
> 50 years	People	491	242	429	157	359	131	
Total	People	1,096	1,258	997	1,051	967	873	
Number of Employee Turnover by Work Area								
Region I/Sumatra 1	People	55	94	50	89	47	69	[GRI 401-1]
Region II/Sumatra 2	People	54	78	43	63	45	60	
Region III/Jakarta 1	People	65	129	75	88	60	77	
Region IV/Jakarta 2	People	56	117	60	103	45	81	
Region V/Jakarta 3	People	63	89	55	92	41	57	
Region VI/Java 1	People	51	75	58	69	52	51	
Region VII/Java 2	People	72	102	56	73	60	61	
Region VIII/Java 3	People	82	96	57	73	58	68	
Region IX/ Kalimantan	People	38	78	36	64	38	49	
Region X/Sulawesi and Maluku	People	51	77	47	59	32	46	
Region XI/Bali and Nusa Tenggara	People	28	29	31	23	19	9	
Region XII/Papua	People	11	32	13	28	13	16	
Overseas Office	People	0	0	0	0	0	0	
Subsidiary Company	People	1	1	4	2	4	1	
Head Office	People	469	261	412	225	453	228	
Total	People	1,096	1,258	997	1,051	967	873	
Number of Employee Turnover by Management Level								
Top Management	People	21	3	14	3	16	2	[GRI 401-1]
Middle Management	People	64	25	55	17	54	15	
Junior Management	People	426	314	388	262	425	263	
Non Management	People	585	916	540	769	472	593	
Total	People	1,096	1,258	997	1,051	967	873	
Number of Employee Turnover by Nationality								
Indonesia	People	1,096	1,258	997	1,051	967	873	
Total	People	1,096	1,258	997	1,051	967	873	

VOLUNTARY EMPLOYEE TURNOVER RATE	UNIT	2024	2023	2022	STANDARD
<b>Total Voluntary Turnover Rate</b>					
Total Voluntary Turnover Rate	%	2.63	2.68	2.89	[GRI 401-1]
	People	1,024	1,044	1,102	
<b>By Gender</b>					
Male	%	1.05	1.07	1.35	[GRI 401-1]
Female	%	1.59	1.62	1.54	
<b>By Age</b>					
< 30 years	%	0.82	0.92	0.90	[GRI 401-1]
30 - 50 years	%	1.64	1.67	1.86	
> 50 years	%	0.18	0.09	0.12	
<b>By Position</b>					
Top Management	%	0.01	0.09	0.01	[GRI 401-1]
Middle Management	%	0.05	0.09	0.06	
Junior Management	%	0.96	0.09	1.10	
Non Management	%	1.62	0.09	1.72	
<b>By Nationality</b>					
Indonesia	%	2.63	2.68	2.89	

EMPLOYEE TURNOVER RATE	UNIT	2024	2023	2022	STANDARD
<b>Total Turnover Rate</b>					
Total Turnover Rate	%	6.06	5.26	4.82	[GRI 401-1]
<b>By Gender</b>					
Male	%	2.82	2.56	2.53	[GRI 401-1]
Female	%	3.24	2.70	2.29	
<b>By Age</b>					
< 30 years	%	1.16	1.15	1.09	[GRI 401-1]
30 - 50 years	%	3.01	2.61	2.45	
> 50 years	%	1.89	1.50	1.28	
<b>By Position</b>					
Top Management	%	0.06	0.04	0.05	[GRI 401-1]
Middle Management	%	0.23	0.18	0.18	
Junior Management	%	1.90	1.67	1.80	
Non Management	%	3.86	3.36	2.79	
<b>By Nationality</b>					
Indonesia	%	6.06	5.26	4.82	

MATERNITY LEAVE	UNIT	2024	2023	2022	STANDARD
<b>Workers Eligible for Maternity Leave</b>					
Male	People	13,463	13,743	13,932	[GRI 401-3]
Female	People	13,626	14,605	14,274	
<b>Workers Who Take Maternity Leave</b>					
Male	People	575	621	590	[GRI 401-3]
Female	People	829	1,152	1,169	

MATERNITY LEAVE	UNIT	2024	2023	2022	STANDARD
<b>Workers Who Return To Work After Taking Maternity Leave</b>					
Male	People	575	621	590	[GRI 401-3]
Female	People	829	1,152	1,169	
<b>Rate of Workers Who Take Maternity Leave and Return To Work</b>					
Male	%	100	100	100	[GRI 401-3]
Female	%	100	100	100	
<b>The Rate of Employees Who Return to Work After Maternity Leave and are Still Employed 12 months After Returning</b>					
Male	%	100	100	100	[GRI 401-3]
Female	%	100	100	100	

ABSENTEEISM RATE	UNIT	2024	2023	2022	STANDARD
Absentee Rate	% of Total Working Days	0.65	1.02	1.07	
Employee	% of Employees Absent	6	11	13	

Note: The absentee rate calculation includes both permanent and contract employees. In 2024, Bank Mandiri set a target absentee rate of 1%.

EMPLOYEE ENGAGEMENT	UNIT	2024	2023	2022	STANDARD
<b>Employee Engagement Survey</b>					
Employee Engagement Survey Index	%	89.93	89.65	88.05	
Coverage of Employee Engagement Survey	%	80.81	75	49	

TRAINING	UNIT	2024	2023	2022	STANDARD
Training on Collection Policies					
Number of Training Topics	titles	30	NR	NR	[GRI 404-2] [OJK F.22]
Number of Participants	People	3,399	NR	NR	
Training on Consumer Financial Protection					
Number of Training Topics	titles	102	171	NR	[GRI 404-2] [OJK F.22]
Number of Participants	People	10,260	26,288	NR	
Training on Marketing and Product Information					
Number of Training Topics	titles	70	49	NR	[GRI 404-2] [OJK F.22]
Number of Participants	People	1,013	18,152	NR	



AVERAGE TRAINING HOURS	2024			2023			2022			STANDARD
	NUMBER OF TRAINING PARTICIPANTS	TOTAL TRAINING HOURS	AVERAGE TRAINING HOURS	NUMBER OF TRAINING PARTICIPANTS	TOTAL TRAINING HOURS	AVERAGE TRAINING HOURS	NUMBER OF TRAINING PARTICIPANTS	TOTAL TRAINING HOURS	AVERAGE TRAINING HOURS	
By Job Level										
SEVP – SVP	154	9,532	62	158	15,558	90.5	148	17,392	117.5	[GRI 404-1] [OJK F.22]
VP - AVP	4,120	533,885	130	3,965	807,516	202.6	3,793	661,178	174.3	
SM - FAM	13,993	1,947,625	139	13,822	2,553,630	184.2	13,293	2,153,892	162	
Executor	19,659	1,743,310	89	19,751	1,839,932	88.5	20,364	1,713,998	84.2	
Non-Executor	55	649	12	59	808	9.2	87	2,640	30.3	
Pension/ Terminate	2,032	80,698	40	1,738	120,638	58	1,377	80,870	58.7	
By Gender										
Female	20,916	2,140,788	102	20,623	2,664,804	124.4	20,338	2,360,482	116.1	[GRI 404-1] [OJK F.22]
Male	19,118	2,175,159	114	18,894	2,674,432	136.6	18,736	2,270,256	121.2	
Total	40,034	4,315,947	108	39,517	5,339,236	130.2	39,074	4,630,738	118.5	

PRODUCTS AND SERVICES	UNIT	2024	2023	2022	STANDARD
Product and Service Evaluation					
Percentage of products evaluated for safety	%	100	100	100	[OJK F.27]
Products recalled or discontinued	products	0	Living' web	0	[OJK F.29]
Data Security Incidents					
Number of data security breach	Case	0	0	0	[GRI 2-27] [GRI 418-1], [FN-CB-230a.1]
Percentage of incidents involving customer data	%	0	0	0	
Number of affected accounts	Accounts	0	0	0	
Data and Privacy Security Training					
Number of training topics	titles	412	197	NR	[GRI 404-2]
Number of participants	People	81,929	87,793	NR	
Customer Complaint Summary					
Total customer complaints	Unit	912,786	1,082,317	725,559	[OJK F.24]
Complaints in the resolution process (within the reporting year*)	Unit	-	-	-	
Resolved complaints	Unit	912,786	1,082,317	725,559	
Transaction Volume	Transaction	17,381,363,048	15,146,907,333	12,038,675,803	
Complaint Index	Ratio	0.000053	0.000071	0.00006	
Resolution Rate	%	100	100	100	
Targeted RAS Metric (Complaint Ratio per Million Transactions)	Ratio	90	90	108	
Actual RAS Metric (Complaint Ratio per Million Transactions)	Ratio	53	71	60	
Customer Satisfaction					
Net Promoter Score	Score	67	66	60	[OJK F.30]
Customer Satisfaction Score	Score	86.11	86.76	86	

INCLUSIVE FINANCIAL ACCESS	UNIT	2024	2023	2022	STANDARD
<b>Mandiri Agent Performance</b>					
Individual Mandiri Agents	Individu	110.672	130,100	156,049	[OJK B.1.e, F.23, F.26, F.28]
Transaction volume	Rp trillion	89,72	92.82	88.65	
Number of transactions	million transaction	88,01	86.83	69.27	
Savings accounts generated by Mandiri Agents	total	3,17	2,870,000	2,287,036	
<b>Financial Literacy and Inclusion Activities</b>					
Number of activity participants	People	35,876*	13,132	-	[OJK F.23, F.26, F.28] [FN-CB-240a.4.]
<b>Corporate Social Responsibility (CSR) Costs</b>					
Mandiri Sahabatku	Rp Million	200	1,444	500	[GRI 203-1, 413-1] [OJK F.25]
Mandiri Young Entrepreneurs	Rp Billion	6	1.5	8.9	
Rumah BUMN	Rp Billion	4.2	2.0	2.6	
Healthy Homecoming with BUMN	Rp Billion	11.3	4.7	3.9	
Aksi Bersih Mandiri**	Rp Billion	6.4	-	-	
Mandiri Air**	Rp Billion	2.3	-	-	
<b>KUR and KUM Performance</b>					
KUM	Rp trillion	26.9	20.5	15.4	[GRI 413-1] [OJK F.25, F.26, F.28] [FN-CB-240a.1.]
KUR	Rp trillion	63.9	62.3	62.1	

\*Including the 'Livin' Up Your Financial, Mandiri Sahabatku, Mandiri Young Entrepreneurs (WMM), and Rice Milling Unit (RMU) programs in 2024

\*\*New Program in 2024

REALIZATION OF BANK MANDIRI CSR TARGETS	ACHIEVEMENTS (NUMBER OF PROGRAMS)	2024		ACHIEVEMENTS (NUMBER OF PROGRAMS)	2023		STANDARD
		TARGET	REALIZATION		REALIZATION	TARGET	
Social Pillar	492	Rp112 Billion	Rp112.02 Billion	426	Rp74.0 Billion	Rp47.5 Billion	[GRI 203-1, 413-1] [OJK F.2, F.3, F.25]
Economic Pillar	343	Rp82.5 Billion	Rp82.50 Billion	280	Rp70.4 Billion	Rp 68.8 Billion	
Environmental Pillar	348	Rp52.5 Billion	Rp52.51 Billion	232	Rp23.3 Billion	Rp22.5 Billion	
Legal and Governance Pillar	12	Rp3 Billion	Rp3 Billion	23	Rp6.9 Billion	Rp11.2 Billion	
<b>Total</b>	<b>1,195</b>	<b>Rp250 Billion</b>	<b>Rp250.03 Billion</b>	<b>961</b>	<b>Rp174.6 Billion</b>	<b>Rp150 Billion</b>	

CSR PROGRAM BUDGET ALLOCATION	UNIT	2024	2023	STANDAR
Charitable Donations	%	44.80	42.35	
Community Investments	%	54.00	53.65	
Commercial Initiatives	%	1.20	4.00	

CSR CONTRIBUTIONS	UNIT	2024	2023	STANDARD
Cash Contribution*	Rp Million	0	0	
In-Kind Giving** (product or service donations, projects/collaborations, or similar)	Rp Million	250.03	174.67	
Management Overhead (consulting and research costs)	Rp Million	6.56	9.6	

\* Bank Mandiri does not provide direct cash assistance to the community. All CSR contributions are carried out through community development programs and strategic infrastructure development.

\*\* Total funds realized from the CSR program

SOCIAL PERFORMANCE OVERVIEW	UNIT	2024	2023	2022	STANDARD
People's Business Credit (KUR)	Rp Trillion	63.9	62.3	62,1	[QJK B.3]
Beneficiaries of CSR Programs	Million People	6.5	5.9	5,9	
Proportion of Female Employees	People	20,369	20,374	19.854	
Proportion of Female Managers	%	48.91	48.7	48,9	
Recapitulation of ESG Capacity Building	Hour	72,600	11,622	-	

# Governance

DECRPTION	UNIT	2024	2023	2022	STANDARD
DIVERSITY OF BOARD OF COMMISSIONERS AND DIRECTORS					
Female Commissioners	%	10	18	20	[GRI 2-9]
Female Directors	%	17	25	17	[GRI 2-9]
Independence of the Board of Commissioners					
Independent Commissioners	%	50	55	50	[GRI 2-9]
CGPI Assessment Results					
Governance Structure	Score	26.65	31.53	26.65	
Governance Process	Score	36.24	31.24	36.24	
Governance Outcome	Score	32.22	32.45	32.22	
Total Score	Score	95.30 (Most Trusted)	95.22 (Most Trusted)	95.11 (Most Trusted)	
WBS-LTC					
Reporting Channels					[GRI 2-26]
Letter	report	4	9	1	
Email	report	52	42	47	
Website	report	79	55	66	
SMS/WhatsApp	report	122	60	23	
Report Classification					
Fraud	report	38	46	30	
Non-Fraud	report	219	121	107	
Number of Reports Followed Up	report	257	167	137	
Number of Reports Resolved	report	257	167	137	
WHISTLEBLOWING REPORTS					
Conflict of Interest	case	7			[GRI 205-3]
Discrimination or Harassment	case	0			
Violations of Customer Information Security	case	0			
Corruption and Bribery	case	0			
Anti-Money Laundering Violations	case	0			
Others*	case	6			
Total	case	13			
Forgery of Signatures, Fictitious Credit, Manipulation of Credit Documents/Data					
CODE OF CONDUCT AND ETHICAL STANDARDS TRAINING					
Number of Training Topics	title	273	76	[GRI 404-2, 404-3], [FS4]	
Number of Participants	people	17,301	12,730		

## Anti-Corruption and Anti-Fraud Communication and Training by Region

LOCATION	UNIT	2024		2023		STANDARD
		TOTAL	%	TOTAL	%	
Anti-Corruption and Anti-Fraud Policies and Procedures Communicated by the Organization						
Head Office	people	13,811	35.53	12,389	32.43	[GRI 205-2]
Sumatra (Region 1, 2)	people	4,787	12.31	4,779	12.51	
Jakarta (Region 3, 4, 5)	people	6,832	17.57	7,309	19.13	
Java (Region 6, 7, 8)	people	7,755	19.95	7,770	20.34	
Kalimantan (Region 9)	people	1,796	4.62	1,929	5.05	
Sulawesi & Maluku (Region 10)	people	2,043	5.26	2,086	5.46	
Bali & Nusa Tenggara (Region 11)	people	1,175	3.02	1,158	3.03	
Papua (Region 12)	people	675	1.74	756	1.98	
Total	people	38,874	100.00	38,198	100	
Participation in Anti-Corruption and Anti-Fraud Training						
Head Office	people	1,812	42.08	3,588	32.29	[GRI 205-2]
Sumatra (Region 1, 2)	people	343	7.97	1,064	9.58	
Jakarta (Region 3, 4, 5)	people	533	12.38	2,389	21.5	
Java (Region 6, 7, 8)	people	541	12.56	2,057	18.51	
Kalimantan (Region 9)	people	590	13.70	953	8.58	
Sulawesi & Maluku (Region 10)	people	223	5.18	468	4.21	
Bali & Nusa Tenggara (Region 11)	people	212	4.92	408	3.67	
Papua (Region 12)	people	52	1.21	184	1.66	
Total	people	4,306	100.00	11,111	100	

## Suppliers Receiving Anti-Corruption Communication

DESCRIPTION	UNIT	2024		2023		STANDARD
		TOTAL	%	TOTAL	%	
Service Providers	People	415	58	659	42	[GRI 205-2]
Goods Suppliers	People	297	42	895	58	
<b>Total</b>	<b>People</b>	<b>712</b>	<b>100</b>	<b>1,554</b>	<b>100</b>	



# GRI Content Index

Statement of Use	PT Bank Mandiri (Persero) Tbk has reported the information cited in this GRI content index for the period 1 January until 31 December 2024 in accordance to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

Material Aspects and General Disclosures	GRI Standard	Disclosure	Page	OMISSION		
				Requirement Omitted	Reason	Explanation
General Disclosures	GRI 2: General Disclosures 2021	2-1 Organizational details	26			
		2-2 Entities included in the organization's sustainability reporting	37			
		2-3 Reporting period, frequency and contact point	37, 38			
		2-4 Restatement of information	37			
		2-5 External assurance	38			
		2-6 Activities, value chain, and other business relationship	30, 37, 280-285			
		2-7 Employees	221, 289-290			
		2-8 Workers who are not employees	221, 289-290			
		2-9 Governance structure and composition	43, 64-65, 301			
		2-10 Nomination and selection of the highest governance body	57			
		2-11 Chair of the highest governance body	43			
		2-12 Role of the highest governance body in overseeing the management of impacts	43, 62, 64-65, 116			
		2-13 Delegation of responsibility for managing impacts	64-65			
		2-14 Role of the highest governance body in sustainability reporting	24, 38, 64-65			
		2-15 Conflict of interest	49			
		2-16 Communication of critical concerns	62-63, 66			

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				Requirement Omitted	Reason	Explanation
		2-17	Collective knowledge of the highest governance body	52, 132		
		2-18	Evaluation of the performance of the highest governance body	47		
		2-19	Remuneration policies	57		
		2-20	Process to determine remuneration	57		
		2-21	Annual total compensation ratio	60, 293		
		2-22	Statement on sustainable development strategy	16, 20, 69		
		2-23	Policy commitments	28, 69		
		2-24	Embedding policy commitments	42, 64-65, 69, 166, 201		
		2-25	Process to remediate negative impacts	77, 274		
		2-26	Mechanisms for seeking advice and raising concerns	77, 301		
		2-27	Compliance with laws and regulations	297-298		
		2-28	Membership associations	36		
		2-29	Approach to stakeholder engagement	116		
		2-30	Collective bargaining agreements	217		
Material Topics	GRI 3: Material Topics 2021	3-1	Process to determine material topics	116, 118		
		3-2	List of material topics	118, 120		
Economic Performance	GRI 3: Material Topics 2021	3-3	Pengelolaan terhadap topik material	85, 227		
	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	280		
		201-2	Financial implications and other risks and opportunities due to climate change	102		

Material Aspects and General Disclosures	GRI Standard		Disclosure	Page	OMISSION		
					Requirement Omitted	Reason	Explanation
		201-3	Defined benefit plan obligations and other retirement plans	227			
		201-4	Financial assistance received from government	85			
Market Presence	GRI 3: Material Topics 2021	3-3	Management of material topics	218, 223			
	GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	223			
		202-2	Proportion of senior management hired from the local community	218			
Indirect Economic Impacts	GRI 3: Material Topics 2021	3-3	Management of material topics	263			
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	263, 299			
		203-2	Significant indirect economic impacts	263, 264			
Procurement Practices	GRI 3: Material Topics 2021	3-3	Management of material topics	87			
	GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	87, 285			
Anti-corruption	GRI 3: Material Topics 2021	3-3	Management of material topics	79			
	GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	79			
		205-2	Communication and training about anti-corruption policies and procedures	78, 81, 86, 302			
		205-3	Confirmed incidents of corruption and actions taken	76, 301			

Material Aspects and General Disclosures	GRI Standard	Disclosure	Page	OMISSION		
				Requirement Omitted	Reason	Explanation
Tax	GRI 3: Material Topics 2021	3-3	Management of material topics			
	GRI 207: Tax 2019	207-1	Approach to tax			
		207-2	Tax governance, control, and risk management			
		207-3	Stakeholder engagement and management of concerns related to tax			
		207-4	Country-by-country reporting			
Energy	GRI 3: Material Topics 2021	3-3	Management of material topics			
	GRI 302: Energy 2016	302-1	Energy consumption within the organization			235-236, 286
		302-2	Energy consumption outside of the organization			235, 286
		302-3	Energy intensity			235, 286
		302-4	Reduction of energy consumption			235-236, 286, 288
		302-5	Reductions in energy requirements of products and services			235, 286
Water and Effluents	GRI 3: Material Topics 2021	3-3	Management of material topics			239
	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource			239
		303-2	Management of water discharge-related impacts			239
		303-3	Water withdrawal			239, 287
		303-4	Water discharged			239, 287
		303-5	Water consumption			239, 287

Material Aspects and General Disclosures	GRI Standard	Disclosure	Page	OMISSION		
				Requirement Omitted	Reason	Explanation
Emissions	GRI 3: Material Topics 2021	3-3 Management of material topics	234			
	GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	234, 286			
		305-2 Energy indirect (Scope 2) GHG emissions	234, 286			
		305-3 Other indirect (Scope 3) GHG emissions	108, 234, 286, 287			
		305-4 GHG emissions intensity	234, 286, 287			
		305-5 Reduction of GHG emissions	234, 236, 286, 288			
		305-6 Emissions of ozone-depleting substances (ODS)	-	Emissions of ozone-depleting substances (ODS)	Not applicable	Bank Mandiri's operations do not significantly involve the use of such substances, making them irrelevant to the Bank's business activities.
		305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	-	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	Not applicable	Bank Mandiri's operations do not significantly involve the use of such substances, making them irrelevant to the Bank's business activities.

Material Aspects and General Disclosures	GRI Standard	Disclosure	Page	OMISSION		
				Requirement Omitted	Reason	Explanation
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		306-3	Waste generated			238, 288
		306-4	Waste directed from disposal			238, 288
		306-5	Waste directed to disposal			238, 288
Employment	GRI 3: Material Topics 2021	3-3	Management of material topics			224
	GRI 401: Employment 2016	401-1	New employee hires and employee turnover			229, 293-296
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees			223
		401-3	Parental leave			224
Training and Education	GRI 3: Material Topics 2021	3-3	Management of material topics			169, 206, 227
	GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee			213, 298
		404-2	Programs for upgrading employee skills and transition assistance programs			115, 132, 165-166, 170, 201, 204, 206, 227, 297-298, 301
		404-3	Percentage of employees receiving regular performance and career development reviews			224, 301



Material Aspects and General Disclosures	GRI Standard		Disclosure	Page	OMISSION		
					Requirement Omitted	Reason	Explanation
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	GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	289, 291-292			
		405-2	Ratio of basic salary and remuneration of women to men	222, 292-293			
Non Discrimination	GRI 3: Material Topics 2021	3-3	Management of material topics	216			
	GRI 406: Non Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	217			
Local Community	GRI 3: Material Topics 2021	3-3	Management of material topics	274			
	GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	264, 274, 299			
		413-2	Operations with significant actual and potential negative impacts on local communities	264, 274			
Marketing and Labeling	GRI 3: Material Topics 2021	3-3	Management of material topics	169			
	GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	169			
		417-2	Incidents of non- compliance concerning product and service information and labeling	-			
		417-3	Incidents of non-compliance concerning marketing communications	-			

Material Aspects and General Disclosures	GRI Standard		Disclosure	Page	OMISSION		
					Requirement Omitted	Reason	Explanation
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	GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	191, 297-298			

# Financial Services Authority References

[SEOJK G.4]

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FN-CB-240a.2.	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	284
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# Feedback Form

[SEOJK G.2, G.3]

Bank Mandiri did not receive any feedback on the 2023 Sustainability Report. Bank Mandiri remains open to feedback and suggestions for the improvement of the report by providing forms and channels for stakeholders to share their input.

**YOUR PROFILE (PLEASE FILL OUT IF YOU WISH)**

Name :

Institution/Company :

Email :

Phone/Cell :

**STAKEHOLDER GROUPS**

☐ Shareholders/Investors

☐ Customers

☐ Employees

☐ Labor Unions

☐ Media

☐ Suppliers

☐ Civil Society Organizations/NGOs

☐ Government/OJK

☐ Business Organizations

☐ Others

How would you evaluate the writing of this report?	Disagree	Somewhat Disagree	Don't Know	Agree	Strongly Agree
The report is easy to understand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The report is useful	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The report reflects the performance of the company in sustainable development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

How would you rate the materiality level on the following topics:	Not Important	Somewhat Important	Don't Know	Important	Very Important
Data Security and Customer Privacy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainable Finance Portfolio (Sustainable Portfolio)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Digitalization and Access to Finance (Financial Inclusion)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managing Environmental Footprint	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integration of ESG into Bank Products and Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Climate Change	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business Ethics (Ethics and Anti- Corruption)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Diversity, Equity, and Inclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please provide your suggestions, recommendations, or comments on this report:

# Independent Assurance Statement



## Independent Assurance Statement No. 0160/KSP-I/2025

### To the management and stakeholders of PT Bank Mandiri (Persero) Tbk,

We were engaged by PT Bank Mandiri (Persero) Tbk ('BANK MANDIRI') to provide assurance regarding its Sustainability Report 2024 ('the Report'). The assurance engagement was conducted by our assurance team, which possesses extensive relevant professional and technical competencies and experience. The team comprised certified sustainability reporting specialists and certified sustainability reporting assurers to ensure a high level of competency in executing the engagement.

### Independence

We carried out all assurance undertakings with independence and autonomy, having not been involved in the preparation of any key part of the Report, nor did we provide any services to BANK MANDIRI during 2024 that could conflict with the independence of the assurance engagement.

### Assurance Standards, Levels, and Criteria

Our work was carried out in accordance with AA1000 Assurance Standards v3 (AA1000AS v3) issued by AccountAbility and International Standard on Assurance Engagements ISAE 3000 (Revised), 'Assurance Engagements other than Audits or Reviews of Historical Financial Information,' issued by the International Auditing and Assurance Standards Board.

By designing our evidence-gathering procedures to obtain a moderate level of assurance as set out in AA1000AS v3, readers of the report can be confident that all risks or errors have been reduced to a very low level, although not necessarily to zero. Moreover, BANK MANDIRI's adherence to the AccountAbility Principles (AP) was evaluated in accordance with the criteria of AA1000AP (2018) on Inclusivity, Materiality, Responsiveness, and Impact. In addition, the Report, within the agreed scope, has been assessed according to the GRI Standards criteria.

### Limitations

Our scope of work was limited to a review of the accuracy and reliability of specified data and interviews with data providers, persons in charge of data collection and processing, as well as persons in charge of sustainability performance-related information.

### Responsibility

BANK MANDIRI is responsible for the preparation of the report and all information and claims therein, which include establishing sustainability management targets, performance management, data collection, and other performance actions.

In performing this engagement, meanwhile, our responsibility to the management of BANK MANDIRI is solely for the purpose of verifying the statements it has made in relation to its sustainability performance, specifically as described in the agreed scope, and expressing our opinion on the conclusions reached.

### Methodology

In order to assess the veracity of certain assertions and specified data sets included within the Report, as well as the systems and processes used to manage and report them, the following methods were employed during the engagement process:

Reviews were conducted on the Report, internal policies, documentation, management and information systems, and included interviews with relevant staff in sustainability-related management and reporting. This also involved following data trails to the initial aggregated source and checking data samples in greater depth.

### Scope of Assurance

We provided a Type 2 assurance engagement under AA1000AS v3. This involved:

- 1) Assessment of BANK MANDIRI's adherence to the AA1000AP (2018); and
- 2) Assessment of the accuracy and quality of the specified sustainability performance information contained within the Report, in relation to the agreed scope of GRI Standards which includes Environmental and Social KPIs:
  - Environmental:
    - 305. Emission
  - Social:
    - 404. Training and Education
    - 417. Marketing & Labelling
    - 418. Customer Privacy



## Conclusions

Conclusions in regard to adherence to the AA1000AP (2018) of Inclusivity, Materiality, Responsiveness, and Impact include the following findings:

### Inclusivity

BANK MANDIRI has demonstrated a commitment to promoting an inclusive work by promoting diversity, and equity. The assessment has shown that there are comprehensive policies and procedures in place that take into account the different needs and backgrounds of all stakeholders. Moreover, BANK MANDIRI has established appropriate channels and mechanisms for feedback and suggestions from stakeholders.

However, to enhance its commitment to inclusivity, BANK MANDIRI is recommended to develop strategies for attracting and retaining a diverse workforce by ensuring inclusive practices and updating existing policies. These updates should promote inclusivity and address any potential biases or discrimination within the organization. We also encourage BANK MANDIRI to enhance stakeholder trust and engagement, as well as improve long-term business resilience.

### Materiality

We found that BANK MANDIRI has demonstrated a good understanding of material aspects that impact stakeholders and the business itself. BANK MANDIRI has identified key material issues relevant to its operations and has incorporated them into its sustainability reporting process.

However, we recommend that BANK MANDIRI further strengthen its commitment to materiality principles by conducting assessments to identify sustainability aspects that can guide and support decision-making.

### Responsiveness

We found that BANK MANDIRI has demonstrated a strong commitment to engaging with stakeholders and addressing their concerns in various aspects by establishing clear mechanisms for responding to stakeholder concerns transparently and ensuring prompt follow-up. Through proactive stakeholder and local community engagement, BANK MANDIRI has been able to build strong relationships with its stakeholders and create a culture of trust and collaboration.

However, BANK MANDIRI should continue to enhance its responsiveness framework by promoting greater collaboration between the company and its stakeholders.

## Impact

BANK MANDIRI has demonstrated a commitment to addressing stakeholder concerns and engaging with the local community. This responsiveness has helped BANK MANDIRI maintain a positive reputation and build strong relationships with its stakeholders. The company focuses on measuring and reporting social performance metrics to minimize or eliminate negative impacts while maximizing positive relationships with the community and other stakeholders. Furthermore, BANK MANDIRI should consider promoting sustainability initiatives with its supply chain to lower its carbon footprint, waste, and environmental degradation.

### Conclusion on the accuracy and quality of the specified sustainability performance.

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe the data of the Report, in relation to the agreed scope, has been materially misstated.

All key assurance findings are included herein, while detailed observations and follow-up recommendations have been submitted to BANK MANDIRI management in a separate report.

Jakarta, January 23, 2025

**PT Sucofindo**

Engagement Leader



**Syaeful Bahrie**

Certified Assurance Practitioner No. 10024117

Certified Sustainability Reporting Assurer No. A-PK213-2501-008



**AA1000**  
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000-432/V3-RJPHN

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## GREENHOUSE GAS VERIFICATION

## THIRD PARTY OPINION

Opinion No. GRK 0003-A/01.01.13-01

## SUCOFINDO INTERNATIONAL CERTIFICATION SERVICES

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## INDEPENDENT WARRANTY STATEMENT

Organization Name	: PT Bank Mandiri (Persero) Tbk.
Organization Address	: Jl. Jend. Gatot Subroto Kav. 36-38 Jakarta 12190, Indonesia
Sector Scope	: General (Banking)
Program/Mechanism	: GRK / Neutral
GHG Inventory Report	: SNI ISO 14064-3:2019 Specifications with Guidance for Verification and Validation of Greenhouse Gas (GHG) Statements
Verification Standards	: SNI ISO 14064-1:2018 Specifications with Guidance at the Organizational Level for the Quantification and Reporting of Greenhouse Gas Emissions and Removals
GHG Inventory Report	: SNI ISO 14064-1:2018 Specifications with Guidance at the Organizational Level for the Quantification and Reporting of Greenhouse Gas Emissions and Removals
Verification Criteria	: SNI ISO 14064-1:2018 Specifications with Guidance at the Organizational Level for the Quantification and Reporting of Greenhouse Gas Emissions and Removals
Reporting & Monitoring Period	: January 1, 2024 – December 31, 2024
Scope of Verification	: - Organizational boundaries are operational controls - The organization's activity is Banking - Sources of GHG are from the use of generators, oil-fueled vehicles (gasoline and diesel) and from electrical energy. - The GHG type is CO <sub>2</sub>

The verification report on the GHG Inventory Report of PT Bank Mandiri (Persero) Tbk., including the conclusion statement and verification opinion, is the sole responsibility of the SUCOFINDO ICS Verifier. PT Bank Mandiri (Persero) Tbk. is responsible for presenting GHG emission level claim and statements in the Organizational Level GHG Inventory & Quantification Report.

The verification process was conducted by SUCOFINDO ICS in accordance with SNI ISO 14064-3: 2019, with a limited assurance level, a materiality threshold of 5%, and verification criteria consistent with SNI ISO 14064-1: 2018. The data reviewed during the verification pertains to the historical reporting period of 2024, from January 1, 2024 to December 31, 2024.

Based on the verification review, there is no evidence that the GHG statement is:

- Materially Incorrect; and
- Does not present reasonable GHG data and information.

It has been noted that improvements to internal procedures for calculating greenhouse gas emissions are necessary.

A summary of the verified GHG emission levels for the reporting period of 2024 is presented

GHG emission sources	Reporting Period: 2024	
Category 1: Direct emissions	46,740.98	tCO <sub>2</sub> e
Category 2: Indirect emissions from imported energy	192,853.45	tCO <sub>2</sub> e
Total	239,594.43	tCO <sub>2</sub> e

  
Dian Indrawaty  
Vice President

This opinion was issued on 24/01/2025

01-Rev.01



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SCI-2023A



# GREEN BOND REPORT

December  
2024



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# INTRODUCTION

Global efforts to achieve Net Zero Emissions (NZE) and Sustainable Development Goals (SDGs) commitments rely heavily on the financial sector's involvement. As Indonesia's largest bank and corporate lender, PT Bank Mandiri (Persero) Tbk. (Bank Mandiri) recognizes its important role in pioneering sustainable finance and generating positive environmental and social impacts.

Bank Mandiri has developed a transformative business plan to become a Sustainability Champion for a Better Future by implementing the Sustainable Finance Action Plan (RAKB). This vision is realized through three main commitments, namely Lead Indonesia's Transition to Low Carbon Economy, Net Zero Emission (NZE) in Operations by 2030, and Catalyzing Multiple Growth for Social Impact to Achieve SDGs.

In facing challenges and uncertainties, Bank Mandiri consistently and proactively innovates products and services that prioritize the principles of Environmental, Social, and Governance (ESG). This comprehensive transformation encompasses policies, strategies, daily operations, advocating for environmental conservation and social inclusion through various carbon-neutral initiatives, and expanding financial services to reach marginalized communities and economically underserved areas.

Bank Mandiri actively directs financing to various environmentally friendly activities as part of its commitment to sustainable environmental management. The main focus is on renewable energy projects, sustainable infrastructure, and business practices supporting environmental sustainability.

In addition, Bank Mandiri is determined to increase access to banking and financial services, especially for underserved communities. These efforts include driving social and economic progress and empowering the unbanked and non-bankable segments through digitalization

Bank Mandiri's sustainability initiatives are not just standalone efforts, but a comprehensive approach to sustainable finance. The bank strengthens these initiatives by developing internal capabilities to implement ESG (Environmental, Social, Governance) principles and integrating a green business mindset as a fundamental value of the company.

As a follow-up to the RAKB and sustainability commitment, Bank Mandiri successfully launched its first domestic Environmentally Sound Bond, namely the Bank Mandiri Environmentally Sound Bond I Phase I Year 2023 in July 2023. The issuance of this bond is an important step in the implementation of the Sustainable Banking pillar, which includes the development of a sustainable portfolio, the provision of environmentally friendly products, and the improvement of sustainable services. Through this initiative, Bank Mandiri confirms its dedication to supporting the government's program towards a sustainable economy, actively participating in the sustainable finance roadmap initiated by the Financial Services Authority (OJK) and actively contributing to achieving the 17 Sustainable Development Goals (SDGs).



# SUMMARY OF BANK MANDIRI'S GREEN BOND FRAMEWORK & ISSUANCE DETAILS

## GREEN BOND FRAMEWORK



The issuance of Bank Mandiri's Domestic Green Bond is carried out in accordance with the Financial Services Authority Regulation No. 60/POJK/04/2017 regarding the Issuance and Requirements

of Environmentally Friendly Debt Securities (Green Bonds) ("POJK 60") and engaged SDGs Hub Universitas Indonesia to provide a Second Party Opinion (SPO). Below is the summary of the framework:

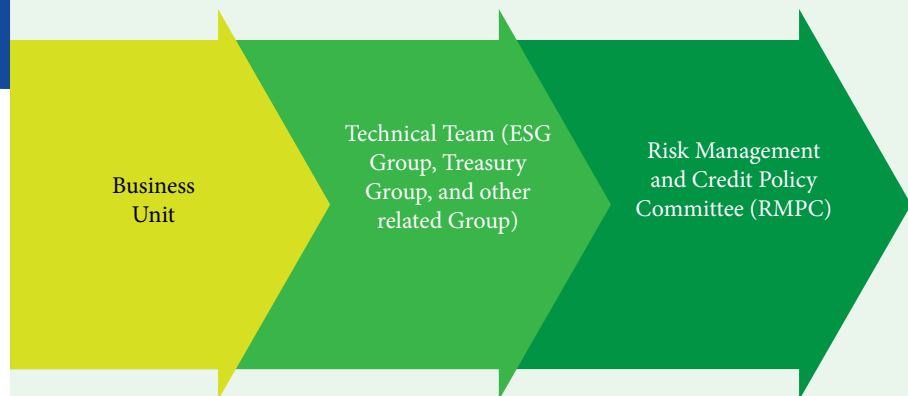
### USE OF PROCEEDS

Bank Mandiri will ensure a minimum 70% of the proceeds for financing or refinancing Environmentally Friendly Public Activities or Kegiatan Usaha Berwawasan Lingkungan (KUBL).

#### Environmentally Friendly Public Activities (KUBL) Sectors

- |   |   |                                  |
|---|---|----------------------------------|
| • Renewable energy                          | • Living                                      | • Climate Change Adaptation      |
| • Energy efficiency                         | • Terrestrial and Aquatic Biodiversity        | • Eco-efficient adapted products |
| • Pollution Prevention & Control            | • Clean transportation                        | • Green building                 |
| • Environmentally Sustainable Management of | • Sustainable Water and Wastewater Management |                                  |

## PROJECT EVALUATION AND SELECTION



## MANAGEMENT OF PROCEEDS

### Monitoring and Tracking

The projects and assets will be identified and periodically monitored ensuring overall compliance with the portfolio allocation requirements in the KUBL sectors accordance with Financial Services Authority Regulation No. 60 of 2017.

### Unallocated Proceeds

If there are remaining funds unallocated, they may be invested in safe and liquid financial instruments, in cash or high-quality instruments such as government bonds or Bank Indonesia instruments, following Bank Mandiri's liquidity management strategy until full allocation is achieved.

## REPORTING

Bank Mandiri is obligated to submit periodic review reports conducted by Environmental Experts once a year and whenever there is a material change in KUBL. The review report is attached to the Company's Annual Report submitted to the Financial Services Authority.

### Allocation Reporting

This allocation reports will provide the following detail:

- Brief descriptions of projects funded from the Green Bond issuance;
- The amount of funds obtained from Green Bond allocated to each project.

### Impact Reporting

Bank Mandiri will report the positive impact resulting from the implementation of KUBL projects. The calculation of environmental impact can be measured using practical indicators.



## THE ISSUANCE

On July 4, 2023, Bank Mandiri issued Bank Mandiri Phase I Green Bonds I year 2023, marked as the inaugural green-form issuance on

the domestic bond market with an emission value of Rp5 trillion and oversubscribed by 3.7 times.

Plafond Size	Rp10 Trillion
1st Phase Issuance Size	Rp5 Trillion
Tenor and Size	Seri A: 3 years – Rp1.95 trillion
	Seri B: 5 years – Rp3.05 trillion
Coupon	Seri A: 3 years – 5.80%
	Seri B: 5 years – 6.10%
Coupon Payment	Quarterly 30/360
Securities Distribution	4 July 2023
Rating	idAAA from Pefindo
Listing	Indonesia Stock Exchange (IDX)
Use of Proceeds	To finance or refinance, in whole or in part, eligibility green bond projects in accordance with certain prescribed eligibility criteria as described in POJK No.60/2017, with minimum 70% allocation
Final Orderbook	Rp18.70 Trillion



# ALLOCATION REPORT

As of October 2024, Bank Mandiri has fully allocated the proceeds of Bank Mandiri Phase I Green Bonds I






year 2023. The allocation details are as follows:

Eligible Category	Loan Type (Refinanced/ financed)	Amount Allocated* (in IDR billion)	Allocation of Proceeds
Renewable Energy	Refinanced (2023)	3,030	61%
Environmentally Sustainable Management of Living Natural Resources and Land Use	Refinanced (2019, 2023)	1,958	39%
<b>Total</b>		<b>4,988</b>	<b>100%</b>

\* Clean amount excludes issuance fees (e.g. underwriter fee, legal counsel fee, etc)

# IMPACT REPORT

The estimated environmental and social impact for Eligible Categories according to the Green Bond Framework are shown in the tables below:

Eligible Category	Alignment to SDGs	% of Asset Allocation	Types of Projects	Brief Descriptions & Impact Indicators*
Renewable Energy	 	61%	Hydro Power Plant	<p>Estimated environmental impact produced:</p> <ul style="list-style-type: none"> <li>Renewable energy produced per Year: <b>533,038 MWh</b></li> <li>The minimum avoided Green House Gas emissions per year: <b>58,364 tCO<sub>2</sub>e</b></li> <li>The potential of houses served: <b>approx. 122,256 houses</b></li> </ul>
Environmentally Sustainable Management of Living Natural Resources and Land Use	  	39%	Certified Palm Oil & CPO	<p>Bank Mandiri has provided financing to certified palm oil and CPO (Crude Palm Oil) industries that adhere to global best practices in sustainability. This commitment is reflected in their certifications from the Indonesian Sustainable Palm Oil (ISPO) and the Roundtable on Sustainable Palm Oil (RSPO).</p>

\* For details on assumptions to calculate impact indicators, see Appendix I

# CONCLUSION

Bank Mandiri recognizes the importance of integrating sustainability values into the company's vision and mission. By implementing the Environmental, Social, and Governance (ESG) principles in business activities, Bank Mandiri is determined to contribute to sustainable economic growth and support the achievement of the 17 Sustainable Development Goals (SDGs).

As one of Indonesia's leading players in sustainable finance, Bank Mandiri encourages sustainable finance practices, especially in supporting the Low Carbon Economy. This commitment is realized through support for clients in high-carbon-intensity sectors, innovative financial solutions to help clients decarbonize

and transform operations, and financing that supports environmentally friendly businesses with a lower carbon footprint, such as Sustainability-Linked Financing & Transition Financing.

In ensuring accountability for the issuance of Environmentally Sound Bonds, Bank Mandiri is committed to improving management mechanisms, transparency in using funds, and the credibility of annual reports. As a validation step, this report has undergone an independent external review conducted by the SDGs Hub, University of Indonesia, further reinforcing Bank Mandiri's commitment to transparency and accountability.

## APPENDIX I

## IMPACT REPORTING KEY ASSUMPTIONS

The reported results are based on the assumptions from publicly available sources. Key assumptions for impact calculation are indicated in the table below.

Eligible Category	Types of Projects	Data Assumption
Renewable Energy	Hydro Power Plant	<p>The calculation for minimum GHG emission avoided is using the assumption from publicly available source below:</p> <ul style="list-style-type: none"> <li>CO<sub>2</sub> emission factor of Sumatera Selatan interconnection system: <b>0.95 tCO<sub>2</sub>e/MWh</b></li> <li>CO<sub>2</sub> emission factor for hydro power plant: <b>0.84 tCO<sub>2</sub>e/MWh</b> (Kementerian ESDM. 2019. Faktor Emisi Sistem Ketenagalistrikan)</li> </ul>
Environmentally Sustainable Management of Living Natural Resources and Land Use	Certified Palm Oil & CPO	<p>Financing to certified palm oil and CPO (Crude Palm Oil) industries that adhere to global best practices in sustainability within their operations, with the details as follow:</p> <ul style="list-style-type: none"> <li>Certification: <b>ISPO (Indonesian Sustainable Palm Oil)</b> and <b>RSPO (Roundtable on Sustainable Palm Oil)</b></li> <li>Total land amount: <b>19 (14 ISPO and 5 RSPO)</b></li> <li>Total land area: <b>142,805 hectares (78,999 hectares (ISPO) and 63,806 hectares (RSPO))</b></li> </ul>

## APPENDIX 2

# REVIEW REPORT YEAR 2 GREEN BOND BANK MANDIRI SDGS HUB UI



SDGS HUB UI  
SUSTAINABLE DEVELOPMENT GOALS HUB  
UNIVERSITY OF INDONESIA

**Sustainable Development  
Goals Hub (SDGs Hub)**

I-SER FMIPA UI  
Gedung Laboratorium Multidisiplin FMIPA  
Kampus Depok, Depok 16424

## REVIEW REPORT BY ENVIRONMENTAL EXPERT

SDGs Hub Universitas Indonesia, the Environmental Expert organization, has been selected to review Bank Mandiri's Sustainable Environmentally Friendly Bonds Report Phase I 2023 ("Green Bond Report"). Our review results include several supporting data related to the issuance of Bank Mandiri Sustainable Environmentally Friendly Bonds I Phase I 2023 ("Green Bond Phase I 2023"). Environmental Experts have relevant experience and certificate competencies in environmentally friendly activities (attached-Attachment I).

### Bank Mandiri Management Responsibilities

Bank Mandiri management is responsible for preparing and presenting the Green Bond Phase I 2023 Report 2024 under Bank Mandiri's Green Bond Framework.

### Responsibilities of Environmental Experts

The Environmental Expert's responsibility is to review the Green Bond Report and several other supporting documents following the provisions of POJK No. 60 of 2017. The review we carried out included the suitability of the implementation of the selection of Environmentally Friendly Business Activities ("KUBL") projects as stated in the Green Bond Framework and in POJK 60 of 2017. Even though POJK No. 18 of 2023 replaces POJK 60 of 2017, but Issuers who have issued Environmentally Friendly Debt Securities before POJK 18 of 2023 comes into force, following the provisions regulated in POJK No. 60/POJK.04/2017 concerning Issuance and Requirements for Environmentally Friendly Debt Securities (Green Bond). Funds were distributed from Phase I Green Bond issuance 2023 to selected KUBL projects; per Green Bond Frameworks, 100% of the proceeds from the Green Bond Phase I 2023 issuance have been allocated, as reported in the Green Bond Phase I 2023 Report 2024 and there is no difference in the KUBL category in the framework for funded projects. Environmental


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Experts reviewed the environmental impacts in the 2023 Green Bond Phase I 2024 Report and adjusted them to the available data.

### Review results

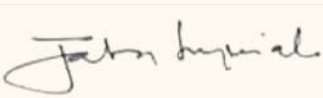
The results of the review of Green Bond Phase I 2023 Report 2024 regarding the distribution of the proceeds from the issuance of Green Bond Phase I 2023 are as follows:

- 1) The selection of the KUBL project in distributing funds from the issuance of Green Bond Phase I 2023 is under the Green Bond Framework.
- 2) 100% of the proceeds from the issuance of Green Bond Phase I 2023 have not changed from the funds that have been allocated to finance the two approved KUBL sectors. The two projects are renewable energy and management of biological natural resources (pages 5 in the Annual Report).
- 3) The ongoing renewable energy project has an estimated positive impact on the environment which is the most minimal impact estimate of the project and is in accordance with the indicators in the KUBL that Bank Mandiri has previously determined. These indicators are obtained through consistent calculations and in accordance with existing best practices. The estimated number of households/houses that can be served by renewable energy in the second year (2024) is 122,256 houses (pages 7 and 9 in the Annual Report).
- 4) The Sustainable Living Natural Resources and Land Management project already has a record of impact calculations where there have been 14 ISPO certifications and 5 RSPO certifications with a land area of 142,805 hectares; this is under the sustainability aspect and reduces negative impacts on the environment and local communities.

Jakarta, December 24th, 2024



Dr. Triarko Nurlambang, MA



Prof. Dr. Jatna Supriatna, M.Sc







# **SUSTAINABILITY REPORT 2024**



**PT BANK MANDIRI (PERSERO) TBK**

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