

MATERIAL TRANSACTION INFORMATION CONTAINING CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATES/RELATED PARTIES

AFFILIATE TRANSACTIONS

Bank Mandiri and its Subsidiaries conduct transactions with related parties as defined in PSAK No. 7 concerning "Disclosure of Related Parties" and Bapepam and LK Regulation No. KEP-347/BL/2012 dated 25 June 2012 on Presentation and Disclosure of Financial Statements of Issuers or Public Companies and Financial Services Authority Regulation No. 42/POJK.04/2020 dated 2 July 2020 concerning Affiliate Transactions and Conflict of Interest Transactions.

A related party is a person or entity related to the entity that prepares its financial statements (reporting entity). The related parties are as follows:

1. Person who:
 - a. have joint control or control over the reporting entity;
 - b. have significant influence over the reporting entity; or
 - c. is the key management personnel of the reporting entity or the parent entity of the reporting entity
2. An entity is related to a reporting entity if it satisfies any of the following:
 - a. The reporting entity and entity are members of the same business group;
 - b. An entity is an associate or joint venture entity of the entity;
 - c. Both entities are joint ventures of the same third party;
 - d. An entity is a joint venture of a third entity and another entity is an associate entity of a third entity;
 - e. The entity is a post-employment benefit plan for employee benefits of one of the reporting entities or entities related to the reporting entity;
 - f. Entities jointly controlled or controlled by persons identified as referred to in number 1); or

- g. The person identified as referred to in number 1) letter a) has significant influence over the entity or is a key management personnel of the entity;
- h. Entities controlled, jointly controlled or significantly influenced by the Government i.e. the Minister of Finance or Local Government who are shareholders of the entity.

In Article 1 paragraph (1) of POJK 42/2022, the description of Affiliation is as follows:

- a. family relations due to marriage and dependent to the second degree, both horizontally and vertically;
- b. relationship between the party and the employees, directors, or commissioners of that party;
- c. relationship between 2 (two) companies where there are 1 (one) or more members of the same Board of Directors or Board of Commissioners;
- d. relationship between the Company and the party, whether directly or indirectly, controlling or controlled by such Company;
- e. relationship between 2 (two) companies controlled, either directly or indirectly, by the same party; or
- f. relationship between the company and the major shareholders

Meanwhile, the definition of Affiliate Transaction in Article 1 paragraph (3) of POJK 42/2022 is any activity and/or transaction carried out by a public company or controlled company with an Affiliate of a public company or an Affiliate of a member of the board of directors, members of the board of commissioners, major shareholder, or Controller, including any activity and/or transaction carried out by a public company or controlled company for the benefit of Affiliates of a public company or Affiliations of members of the board of directors, members of the board of commissioners, major shareholders, or Controllers.

MATERIAL TRANSACTION INFORMATION CONTAINING CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATES/RELATED PARTIES

During 2023, Bank Mandiri has reported Affiliate Transactions to OJK by referring to the provisions of Article 6 paragraph (2) of POJK 42/2020. The first Affiliate Transaction Reporting describes that Bank Mandiri has signed a Subscription Agreement on 28 March 2023 with Mandiri Securities Pte. Ltd. (Mansec), The Hongkong and Shanghai Banking Corporation Limited, J.P. Morgan Securities plc, Citigroup Global Markets Limited, MUFG Securities Asia Limited Singapore Branch and Standard Chartered Bank as joint lead managers in relation to the issuance of debt securities (notes) denominated in U.S. Dollar.

The bond issuance amount was recorded at USD300 million with an interest rate of 5,500% and maturing in 2026, which is part of the issuance phase of Bank Mandiri Senior Medium-Term Note (Euro Medium Term Note or EMTN) program which has a principal amount of up to USD4 billion.

The Subscription Agreement was signed for Mansec, as a joint lead manager, to underwrite the issuance of bonds. The signing of this Subscription Agreement

is one of the conditions for the issuance of Debt Securities to be carried out by Bank Mandiri. The value of the Bond Issuance does not reach 20% of Bank Mandiri's equity hence it is not a material transaction as stipulated in POJK No. 17/POJK.04/2020 concerning Material Transactions and Changes in Business Activities.

Mansec is a company indirectly controlled by Bank Mandiri, where 100% of shares in Mansec are owned by PT Mandiri Sekuritas. 99.99% of shares in PT Mandiri Sekuritas are owned by Bank Mandiri. Thereby, Mansec is also one of the joint lead managers who has collaborated with Bank Mandiri for previous bond issuances under the EMTN Program. With the issuance of these Bonds, Bank Mandiri obtains funds that will be used for Bank Mandiri's general purposes.

The second Bank Mandiri Affiliate Transaction Reporting to OJK in 2023 describes that Bank Mandiri has signed an agreement related to the Management Information System of the Ministry of State-Owned Enterprises (KBUMN) on 14 June 2023 between Bank Mandiri and 46 other SOEs, as follows:

1. Perum Bulog	24. PT Jasa Marga (Persero) Tbk
2. Perum Damri	25. PT Kereta Api Indonesia (Persero)
3. Perum Jasa Tirta I	26. PT Krakatau Steel (Persero) Tbk
4. Perum Jasa Tirta II	27. PT Len Industri (Persero)
5. Perum Lembaga Kantor Berita Nasional Antara	28. PT Pelabuhan Indonesia (Persero)
6. Perum Lembaga Penyelenggara Pelayanan Navigasi Penerbangan Indonesia	29. Perusahaan Perseroan (Persero) PT Pelayaran Nasional Indonesia
7. Perum Percetakan Uang Republik Indonesia	30. PT Pembangunan Perumahan (Persero) Tbk
8. Perum Perhutani	31. PT Perkebunan Nusantara III (Persero)
9. Perum Perumnas	32. PT Pos Indonesia (Persero)
10. Perum Produksi Film Negara	33. PT Reasuransi Indonesia Utama (Persero)
11. PT Adhi Karya (Persero) Tbk	34. PT Semen Indonesia (Persero) Tbk
12. PT Asabri (Persero)	35. PT Taspen (Persero)
13. PT ASDP Indonesia Ferry (Persero)	36. PT Waskita Karya (Persero) Tbk
14. PT Asuransi Jiwasraya (Persero)	37. PT Wijaya Karya (Persero) Tbk

MATERIAL TRANSACTION INFORMATION CONTAINING CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATES/RELATED PARTIES

15. PT Aviassi Pariwisata Indonesia (Persero)	38. PT Bank Rakyat Indonesia (Persero) Tbk (BRI)
16. PT Bahana Pembinaan Usaha Indonesia (Persero)	39. PT Bank Negara Indonesia (Persero) Tbk (BNI)
17. PT Bio Farma (Persero)	40. PT Bank Tabungan Negara (Persero) Tbk (BTN)
18. PT Biro Klasifikasi Indonesia (Persero)	41. PT Danareksa (Persero)
19. PT Brantas Abipraya (Persero)	42. PT Pertamina (Persero)
20. PT Garuda Indonesia (Persero) Tbk	43. PT Perusahaan Listrik Negara (Persero) (PLN)
21. PT Hutama Karya (Persero)	44. PT Pupuk Indonesia (Persero)
22. PT Mineral Industri Indonesia (Persero)	45. PT Rajawali Nusantara Indonesia (Persero)
23. PT Industri Kereta Api (Persero)	46. PT Telkom Indonesia (Persero) Tbk

The agreement was carried out in connection with the Ministry of SOEs that has built an SOE Management Information System as part of integrated risk management using the Anaplan platform. The parties agreed on the use of the Anaplan platform as a data storage medium from each party to the Ministry of SOEs. The signing of this agreement was carried out in the context of the needs of implementing an Integrated Risk Management and Governance System within SOEs.

The third Bank Mandiri Affiliate Transaction Reporting to OJK in 2023 describes that Bank Mandiri has signed an agreement on Joint Procurement of Legal Consultant Services in the framework of a plan for capital participation to PT Kliring Penjaminan Efek Indonesia (KPEI) in connection with the development of a Central Counterparty for Over-the-Counter Interest Rate and Exchange Rate Derivative Transactions (CCP SBNT) on 9

October 2023 between Bank Mandiri and BNI and BRI (the Parties).

The parties have an affiliate relationship, in this case the State of the Republic of Indonesia represented by the Ministry of SOEs which is the main shareholder of the parties. This agreement is carried out in connection with the need for the parties to obtain a legal opinion from an independent legal consultant on the planned capital participation in KPEI in connection with the development of CCP SBNT.

In addition, the signing of the agreement was also carried out in order to ensure the legal basis for the involvement of banks, especially HIMBARA, in the development of CCP SBNT through the mechanism of share participation to KPEI, the legal basis and authority of Bank Indonesia (BI) and the Ministry of SOEs to mandate the implementation of capital

participation to CCP SBNT, and other legal and compliance impacts that may be caused by the planned capital participation to KPEI in connection with development CCP SBNT.

Transactions are possible to make changes and/or updates according to the agreement of the parties. The transaction may also be followed up with other cooperation in the form of the use of the parties' resources which can be viewed as a series of transactions to support a purpose of capital participation in KPEI.

In addition to reporting the three Affiliate Transactions to OJK, Bank Mandiri also has other Affiliate Transactions during 2023 with the object of Transactions in the form of Securities. Whether it's Bank Mandiri with a number of affiliated companies or other SOEs. These affiliated parties are described in the table below:

MATERIAL TRANSACTION INFORMATION CONTAINING CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATES/RELATED PARTIES

Transaction Objects	Affiliated Parties	Nature of Affiliate Relationships	Transaction Value (Rp)
Securities Transactions	PT BANK SYARIAH INDONESIA Tbk	Bank Mandiri Subsidiary Company	24,786,212,720,000
Securities Transactions	PT BANK NEGARA INDONESIA (PERSERO) Tbk	SOEs (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	9,191,168,000,000
Securities Transactions	PT BANK RAKYAT INDONESIA (PERSERO) Tbk	SOEs (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	6,890,656,250,000
Securities Transactions	PT MANDIRI SEKURITAS	Bank Mandiri Subsidiary Company	5,148,801,000,000
Securities Transactions	PT BANK TABUNGAN NEGARA (PERSERO) Tbk	SOEs (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	4,334,413,520,000
Securities Transactions	PT MANDIRI MANAJEMEN INVESTASI	Sub-Subsidiary of Bank Mandiri Company	4,011,489,000,000
Securities Transactions	PT BAHANA SECURITAS	State-owned subsidiaries (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	1,166,946,000,000
Securities Transactions	DANAREKSA INVESTMENT MANAGEMENT	State-owned subsidiaries (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	444,987,000,000
Securities Transactions	DANA PENSIUN BANK MANDIRI	Bank Mandiri Related Parties	434,392,000,000
Securities Transactions	BANK MANDIRI (EUROPE) LTD. LONDON	Bank Mandiri Subsidiary Company	299,890,000,000
Securities Transactions	PT BAHANA TCW	State-owned subsidiaries (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	237,250,000,000
Securities Transactions	PT BRI Asuransi Indonesia	State-owned subsidiaries (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	217,000,000,000
Securities Transactions	PT TASPEN	SOEs (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	150,000,000,000
Securities Transactions	PT ASURANSI BRI LIFE	State-owned subsidiaries (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	129,319,000,000
Securities Transactions	PT BANK MANDIRI TASPEN	Bank Mandiri Subsidiary Company	101,665,000,000
Securities Transactions	PT MINERAL INDUSTRI INDONESIA	SOEs (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	95,000,000,000
Securities Transactions	KOPERASI KESEHATAN PEGAWAI DAN PENSIUNAN BANK MANDIRI	Bank Mandiri Related Parties	92,160,000,000
Securities Transactions	PT AXA MANDIRI FINANCIAL SERVICES	Bank Mandiri Subsidiary Company	77,000,000,000

MATERIAL TRANSACTION INFORMATION CONTAINING CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATES/RELATED PARTIES

Transaction Objects	Affiliated Parties	Nature of Affiliate Relationships	Transaction Value (Rp)
Securities Transactions	BNI AM	SOEs Sub-Subsidiary (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	54,050,000,000
Securities Transactions	PT PEMERINGKAT EFEK INDONESIA	SOEs (operated by the same party, Government RI)	42,000,000,000
Securities Transactions	AXA Mandiri	Bank Mandiri Subsidiary Company	39,000,000,000
Securities Transactions	PT ASURANSI TUGU PRATAMA INDONESIA Tbk	SOEs Subsidiary (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	20,000,000,000
Securities Transactions	DP Employee of Semen Baturaja	SOEs Relation Parties (controlled by the same party, either directly or indirectly, namely the Government of the Republic of Indonesia)	882,000,000

TRANSACTIONS WITH RELATED PARTIES

In order to carry out its normal business, Bank Mandiri has significant business transactions with related parties as follows:

- Related party relations as major shareholders**
 Government of the Republic of Indonesia through the Ministry.
- Related party relationship due to ownership and/or management**
 The nature of transactions with related parties includes share participation, issued securities, loans and subordinated securities, sharia loans and receivables/financing, customer deposits and bank guarantees.

No	Related Parties	Nature of Relationships
1	Bank Mandiri Pension Fund	Bank Mandiri as founder
2	Bank Mandiri Pension Fund 1	Bank Mandiri as founder
3	Bank Mandiri Pension Fund 2	Bank Mandiri as founder
4	Bank Mandiri Pension Fund 3	Bank Mandiri as founder
5	Bank Mandiri Pension Fund 4	Bank Mandiri as founder
6	PT Bumi Daya Plaza	Controlled by Bank Mandiri Pension Fund (since 19 December 2013)
7	PT Pengelola Investama Mandiri	Controlled by Bank Mandiri Pension Fund (since 19 December 2013)
8	PT Usaha Gedung Mandiri	Controlled by Bank Mandiri Pension Fund (since 19 December 2013)
9	PT Estika Daya Mandiri	Controlled by Bank Mandiri Pension Fund 1
10	PT Asuransi Staco Mandiri (formerly PT Asuransi Staco Jasapratama)	Controlled by Bank Mandiri Pension Fund 2
11	PT Mulia Sasmita Bhakti	Controlled by Bank Mandiri Pension Fund 3
12	PT Krida Upaya Tunggal	Controlled by Bank Mandiri Pension Fund 4
13	PT Wahana Optima Permai	Controlled by Bank Mandiri Pension Fund 4
14	Bank Mandiri Employee and Pension Health Cooperative (Mandiri Healthcare)	Significantly influenced by Bank Mandiri

MATERIAL TRANSACTION INFORMATION CONTAINING CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATES/RELATED PARTIES

- **Related Parties with Government Entities**

The nature of transactions with related parties of government entities include current accounts at other banks, placements in other banks, securities, government bonds, other receivables - trading transactions, receivables for securities under agreements to repurchase, derivative receivables, sharia loans and receivables/financing, consumer finance receivables, acceptance receivables, stock participation, customer deposits, deposits from other banks, derivative liabilities, acceptance liabilities, securities issued, fund borrowings, loans and subordinated securities, unused loans facilities, bank guarantees, ongoing irrevocable letters of credit and standby letters of credit.

In carrying out its business activities, the Bank also conducts transactions for the purchase or use of services such as telecommunication fees, electricity expenses and other expenses with related parties of government entities.

More complete information about related parties to government entities is presented in the Audited Financial Statement note No. 56 as attached to this Annual Report

MANAGEMENT RELATIONSHIP OR KEY EMPLOYEES OF BANK MANDIRI

Salaries and benefits, bonuses and allowances, bonuses and tantiem, long-term rewards for the Board of Commissioners, Board of Directors, Audit Committee and Risk Oversight Committee, Sharia Supervisory Board and Senior Executive Vice President and Senior Vice President (Note 49) for the years ended 31 December 2023 and 2022 amounted to Rp2,030,660 and Rp1,837,516 respectively or 3.77% and 3.45% of the total consolidated other operating expenses

REALIZATION OF RELATED PARTY TRANSACTIONS

Details of transaction balances with related parties as of 31 December 2023 and 2022 are further described in the Audited Financial Statements note No. 56 attached to this Annual Report.

REVIEW OF MECHANISM POLICY ON TRANSACTIONS AND COMPLIANCE WITH RELATED RULES AND REGULATIONS

Bank Mandiri has internal policies related to transactions that contain conflicts of interest and/or transactions with affiliated parties and transactions with related parties. In a lending transaction that contains affiliation and related elements, the loan transaction must obtain approval from the Board of Commissioners.

The policy of providing funds to related parties must not conflict with the general procedure for providing applicable funds and must still provide reasonable benefits for Bank Mandiri and also the provision must obtain approval from the Board of Commissioners.

LENDING POLICY FOR THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Bank Mandiri has internal provisions governing the provision of loan to the Board of Commissioners and Directors that take into account the precautionary principle through a generally accepted lending process, such as the process of lending to other debtors.

Description	Loans	Exceeding the Legal Lending Limit (LLL)	Violation of Legal Lending Limit (LLL)
Board of Commissioners	1,099	Nil	Nil
Board of Directors	97,201	Nil	Nil