SOCIAL PILLAR

For Our Customers

Consumer Protection

Bank Mandiri has established Operational Policies governing the implementation of consumer protection functions, detailed further in the internal provisions of each work unit. This reflects the Bank's commitment to creating a reliable consumer protection system, fostering a financial system that grows sustainably, remains stable, and protects the interests of consumers and the public.

Since October 2022, Bank Mandiri has established a Consumer Protection unit as mandated by Financial Services Authority Regulation No. 22 of 2023 concerning Consumer and Public Protection in the Financial Services Sector and Bank Indonesia Regulation No. 3 of 2023 concerning Bank Indonesia Consumer Protection, which is responsible for:

1. Disseminating consumer protection principles to all employees of financial services providers (PUJK).
2. Coordinating the planning and implementation of PUJK compliance with consumer protection regulations.
3. Coordinating the monitoring and evaluation of PUJK compliance with consumer protection regulations.
4. Reporting on the implementation and providing recommendations for improvement and development to the Board of Directors regarding Consumer Protection.
5. Coordinating the preparation and submission of reports related to Consumer Protection.
6. Receiving, handling, and resolving complaints submitted by consumers.
7. Preparing complaint handling materials to be included in the annual report, on the official website, and/or other media officially managed by PUJK.
8. Serving as the liaison for complaints submitted by consumers to the Financial Services Authority and/or other relevant authorities.

Bank Mandiri also has a debt collection policy that ensures the fulfillment of debtor rights as outlined in:

1. Bank Mandiri Credit Policy, with the latest amendments signed by the Board of Directors and effective since March 7, 2022.
2. Standard Operating Procedure for Credit Collection & Recovery, last updated in 2022.
3. Other relevant internal regulations.

These regulations generally emphasize debt collection procedures that protect the comfort and rights of debtors as consumers. When debt collection is carried out by a Debt Collection Service Provider, Bank Mandiri is obligated to ensure the following:

1. Collection is permissible only if the debtor's account is classified as non-performing.
2. The debtor must be informed if their debt collection has been handed over to a Debt Collection Service Provider.
3. Physical or verbal coercion is strictly prohibited in debt collection activities.
4. Collection efforts must not target individuals other than the debtor.
5. Communication for collection must not be conducted in a repetitive or disruptive manner.
6. Collection must only be carried out at the debtor's billing address or place of residence.
7. Collection can only be conducted between 08:00 and 20:00 in the debtor's local time zone.

The policy also outlines the rights of creditors to:

1. Receive adequate explanations about the characteristics of the products.
2. Access the terms and conditions of deposit products through Bank Mandiri's website.
3. Enjoy ease of transactions via branches, e-banking services, or other facilities designated by the Bank.
4. Obtain interest rates in accordance with the prevailing regulations at the Bank.
5. Receive information on the procedures for handling and resolving customer complaints.

Bank Mandiri prioritizes prudential principles and periodic portfolio monitoring in processing loan disbursement. The application of due diligence steps in the loan granting process is reflected in the escalation mechanism for loan approval and monitoring for large-scale and high-risk debtors.

In the loan granting process, during the Loan Monitoring stage, the quality of existing debtor loan is reviewed through various methods, one of which is the Watchlist mechanism. This mechanism serves as an Early Warning Signal to assess the quality of credit provided by analyzing three key aspects: the debtor's future business prospects, financial performance, and repayment history.

If the review process indicates a decline in credit quality, Bank Mandiri implements a non-performing loan rescue effort. This initiative focuses on debtors with non-performing loans who still demonstrate business potential, operational performance, and repayment ability. The objective is to minimize potential losses for the Bank and recover the granted loan effectively.

Loan rescue efforts may include restructuring, which can be applied through the following measures:

1. Reduction of loan interest rates;
2. Extension of the loan term;
3. Reduction of overdue interest payments;
4. Reduction of overdue principal payments;
5. Provision of additional loan facilities; and/or
6. Conversion of loan into temporary equity participation.

Bank Mandiri also has a Business Committee and a Risk Management & Credit Policy Committee (RMPC) tasked with evaluating the Bank's products and services, including assessing the risks associated with products and services issued by the Bank.

A comprehensive review of the Business Committee and the Risk Management & Credit Policy Committee (RMPC) is presented in the Corporate Governance chapter in the section of Committees under the Board of Directors in this Annual Report.

Bank Mandiri has its own internal regulations governing the marketing communication activities for its products and services. These regulations include provisions on communication materials intended for the public, adhering to and considering regulatory requirements, such as OJK Regulation No. 22 of 2023 on Consumer and Community Protection in the Financial Services Sector and the OJK Guidelines on Financial Services Advertising. Thereby, the communication materials published take into account the interests of consumers/customers. In practice, all marketing communication activities for products and services are periodically reported to the Board of Directors.

Bank Mandiri conducts several financial literacy programs to enhance public understanding of finance and banking. These programs include:

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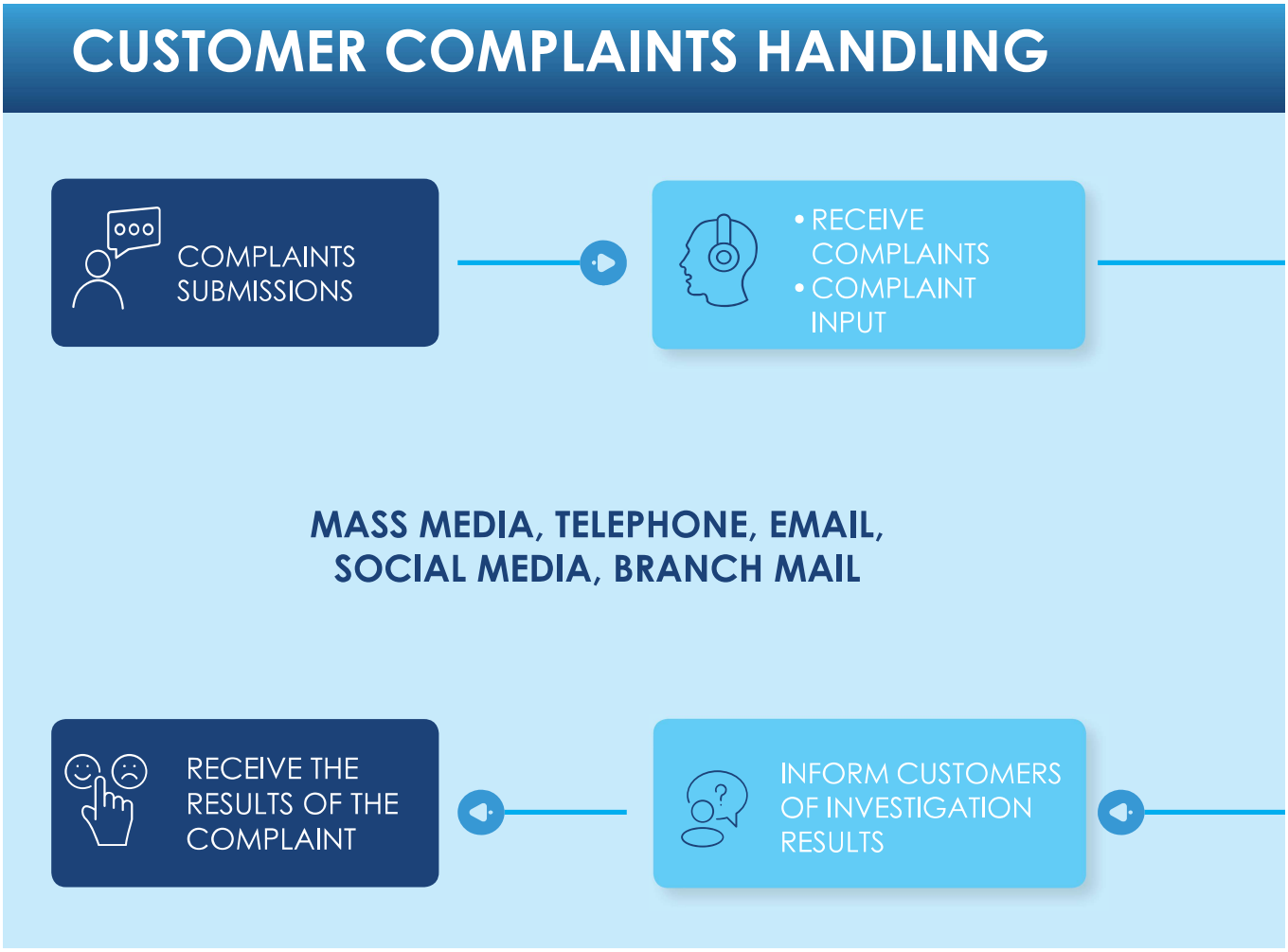
1. MSME Livestock Education – "Seizing Business Opportunities in the Layer Chicken Farming Ecosystem."
2. MSME Education to Support Infrastructure Development.
3. Mandiri Edukasi Program.
4. Education and Socialization of Student Savings Accounts (SIMPEL) and the One Account One Student Program (KEJAR).
5. Financial Management and Planning for Payroll Customers.
6. Personal Finance Webinars.
7. Empowerment of Indonesian Migrant Workers through the Mandiri Sahabatku Entrepreneurship Program.
8. Financial Literacy Program (SME Group):
   - Mandiri UKM Center (UKMC): A business model designed to comprehensively tap into the potential of MSME entrepreneurs within a certain radius, particularly in cities contributing significantly to Indonesia's GDP.

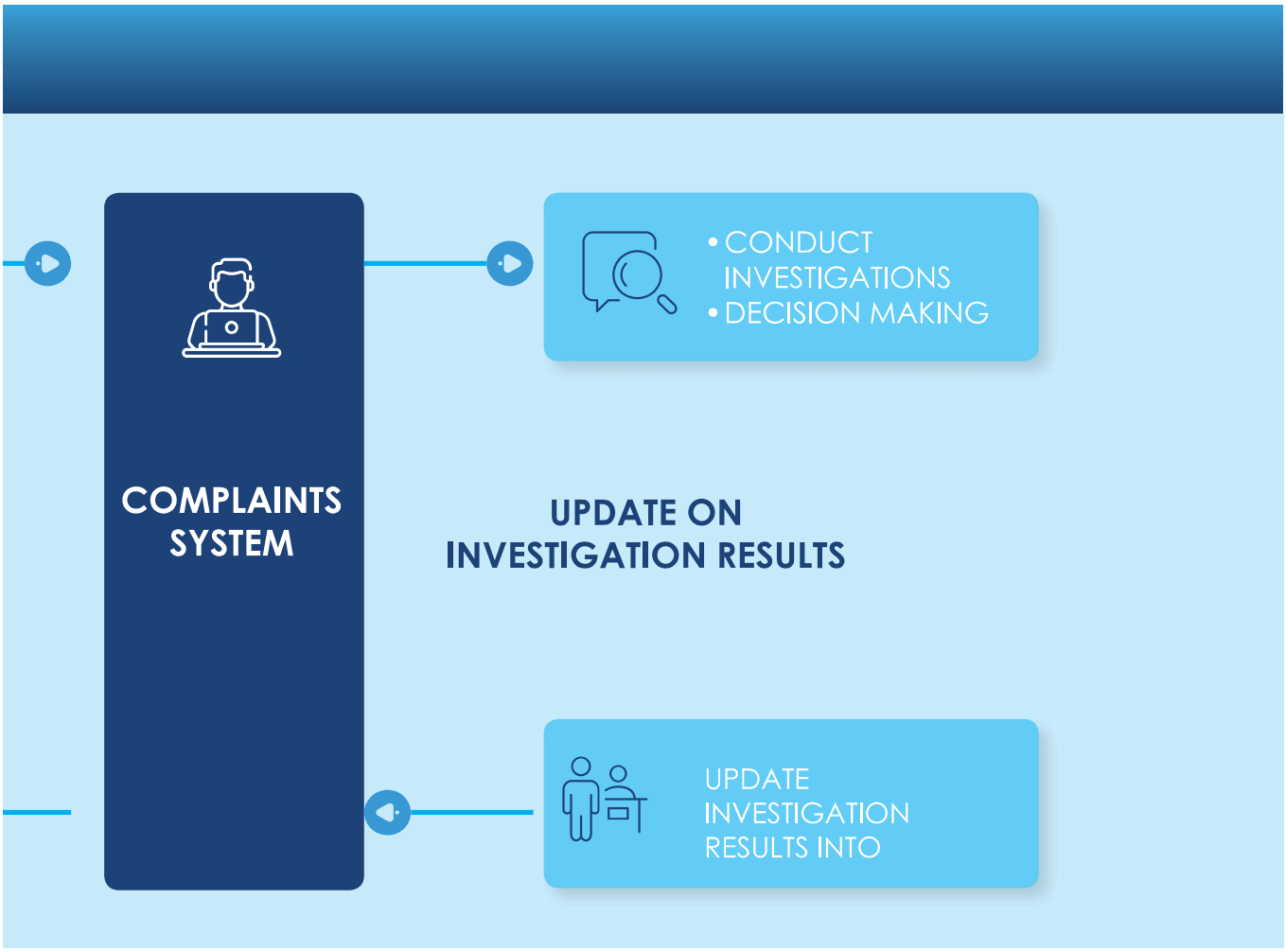
CUSTOMER COMPLAINTS HANDLING



- Mandiri UKMC Objectives: Providing a platform for MSMEs to access credit financing more quickly and easily while improving their competencies through literacy programs, mentoring, and training, such as tax advisory, financial report education, and more.

Bank Mandiri also conducts various training programs to enhance employee capabilities in providing consumer protection, with details available in the Bank Mandiri Annual Report and Sustainability Report under the Sustainable Operation chapter.

Moreover, Bank Mandiri provides a complaint submission mechanism for customers who encounter transaction difficulties or have other complaints. The bank has established a dedicated unit, the Customer Care Group, to deliver top-notch service. The primary responsibility of this unit is to manage customer complaints and monitor their resolution in line with the established Service Level Agreement (SLA).



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Customers are given easy access to complaint services with various media choices both oral and written, such as the following:

Mandiri Call Service
24 hours via Line
14000

Akun Twitter
@mandiricare
and @bankmandiri

MITA WhatsApp
0811-8414-000

Website
www.bankmandiri.co.id
by selecting the "Contact us" menu.

Facebook Account
"Mandiri Care" and
"Bank Mandiri"

Email:
mandiricare@bankmandiri.co.id.

Instagram Account
@bankmandiri

Bank Mandiri Branch Offices throughout Indonesia

An official letter addressed to Bank Mandiri, either delivered directly, or sent by post.

Bank Mandiri also provides a reporting media called Whistleblowing System-Letter to CEO (WBS-LTC) in addition to the mechanism mentioned above. WBS-LTC is managed by an independent third party with the following objectives:

1. Be independent and professional.
2. Minimize the risk of conflict of interest.
3. Provide a sense of security for the whistleblower.
4. Increase stakeholder confidence in WBS-LTC management.
5. The whistleblower can monitor the follow-up status of the WBS-LTC report submitted.

Complete information on whistleblowing systems and mechanisms is detailed in this Annual Report - Governance Chapter, and Sustainability Report - Customer Service and Satisfaction Chapter.

Privacy and Data Security

Bank Mandiri prioritizes securing customer data privacy as part of fulfiling human rights (HAM) and based on applicable laws and regulations. The Bank protects customer personal information through the implementation of information technology security, business processes, organization and physical security. The Bank develops a code of business ethics/conduct including standards for safeguarding confidential customer information that must be implemented by employees.

In line with the implementation of Personal Data Protection, Bank Mandiri and Subsidiaries have established the basis for processing personal data, including consent. The Bank ensures that offers will only be made in accordance with the approval given by the Customer. If the Customer wishes to make changes to the marketing agreement for personal communication facilities, this can be done at any time.

Futhermore, Bank Mandiri requires a Non-Disclosure Agreement (NDA) and personal data protection clauses in cooperation agreements for third parties if there is cooperation that uses personal data.

As for aspects of personal data protection, Bank Mandiri, through the Personal Data Protection Officer (PPDP) / Data Protection Officer (DPO), also aligns the implementation of data protection in the Mandiri Group Financial Conglomeration through monitoring and assistance to Subsidiaries. In this case, all Subsidiaries have a privacy policy, and it is listed on their respective corporate websites.

Further information regarding privacy and data security policies (including subsidiaries) can be accessed through each company's website.

Mandiri Group is determined to build and update reliable cyber security defenses by developing standard security requirements as a reference for each subsidiary based on the Bank Mandiri Cyber Security Framework. For each subsidiary, carries out a self-assessment and prepares a compliance action plan if there are gaps with assistance from the CISO Division. Futhermore, the action plans of each subsidiary are reported to Bank Mandiri Management by the Directors of the subsidiary to obtain feedback on adapting Bank Mandiri's cyber security defenses.