

EMPLOYEE AND/OR MANAGEMENT SHARE OWNERSHIP PROGRAM

Based on the Extraordinary GMS decision on 29 May 2003, as stated in the notarial deed of Sutjipto, S.H., No. 142 dated 29 May 2003, Bank Mandiri's shareholders also approved a plan for employees and Directors to own shares through the Employee Stock Allocation (ESA) and Management Stock Option Plan (MSOP). The ESA program consists of a Share Plan Bonus and a Share Purchase at Discount program. Meanwhile, the MSOP is intended for Directors and employees in certain grades or criteria. The costs and discounts associated with the ESA program are borne by Bank Mandiri, funded from established reserves. The implementation and administration of ESA and MSOP programs are managed by the Board of Directors, while oversight is conducted by the Board of Commissioners.

On 14 July 2003, the Government of the Republic of Indonesia released 4,000,000,000 shares, representing 20.00% of its ownership in Bank Mandiri, through an Initial Public Offering (IPO). Following Government Regulation No. 27/2003 dated 2 June 2003, which allowed divestment of up to 30.00% of the Government's stake in Bank Mandiri, and based on the Privatization Policy Team's decision No. Kep-05/TKP/01/2004 dated 19 January 2004, the Government of Indonesia conducted a subsequent divestment of an additional 10.00% stake in Bank Mandiri, amounting to 2,000,000,000 Series B common

shares on 11 March 2004, through a private placement.

At the time of the IPO on 14 July 2003, Bank Mandiri offered share purchase options to management through MSOP Phase 1 for a total of 378,583,785 options, with an exercise price of Rp742.50 per share (nominal value of Rp500 per share). These stock options were recorded under the Equity-Stock Options account at a fair value of Rp69.71 per share. The options exercised under MSOP Phase 1 amounted to 375,365,957 shares, resulting in an increase in issued and paid-in capital of Rp187,683 and an increase in share premium of Rp117,193.

Subsequently, at the Annual GMS held on 16 May 2005, the issuance of MSOP Phase 2 (two) for a total of 312,000,000 stock options was approved. The exercise price per share was Rp1,190.50 (full amount) for the first year and Rp2,493 (full amount) for the second year and subsequent years. The nominal value per share was Rp500 (full amount). These stock options were recorded under the equity - stock options account at a fair value of Rp642.28 (full amount) per share. Options exercised from MSOP Phase 2 (two) amounted to 311,713,697 shares, resulting in an increase in issued and paid-in capital of Rp155,857 and an increase in share premium of Rp425,233.

The Annual GMS held on 22 May 2006, approved the issuance of MSOP Phase 3 (three) for a total

of 309,416,215 stock options. The GMS also authorized the Board of Commissioners to determine the policy for the implementation and oversight of MSOP Phase 3 (three) and to report it at the next GMS. The exercise price per share of MSOP Phase 3 (three) was Rp1,495.08 (full amount), with a nominal value of Rp500 (full amount) per share. These stock options were recorded under the Equity - Stock Options account at a fair value of Rp593.89 (full amount) per share. The exercised options from MSOP Phase 3 (three) totaled 309,415,088 shares, resulting in an increase in issued and paid-in capital of Rp154,707 and an increase in share premium of Rp491,651.

On 27 December 2010, the Bank registered its first submission with the OJK (formerly the Capital Market and Financial Institutions Supervisory Agency (Bapepam and LK)) in relation to the Limited Public Offering (Rights Issue) to the Bank's shareholders for the issuance of Preemptive Rights (HMETD) amounting to 2,336,838,591 Series B shares. This Rights Issue was approved by the Board of Commissioners through a letter dated 29 April 2010. The Bank submitted notification regarding the Rights Issue to Bank Indonesia through a letter dated 17 September 2010. This Rights Issue was also promulgated by Government Regulation of the Republic of Indonesia No. 75 of 2010 dated 20 November 2010. The Rights Issue received effective



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approval from Bapepam and LK through letter No. S-807/BL/2011 dated 27 January 2011, and became effective after receiving approval from shareholders at the Extraordinary General Meeting of Shareholders held on 28 January 2011.

HMETD totaling 2,336,838,591 shares were traded from 14 to 21 February 2011 at an exercise price of Rp5,000 (full amount) per share, resulting in an increase in issued and paid-up capital of Rp1,168,420. Based on the resolution of EGMS dated 21 August 2017, Bank Mandiri's shareholders approved, among other matters, a stock split of Bank Mandiri shares from Rp500 (full amount) per share to Rp250 (full amount) per share. Consequently, the issued capital increased to 46,666,666,666 shares, comprising 1 (one) Series A Dwiwarna share and 46,666,666,665 Series B shares. The stock split did not result in any changes to the authorized, issued, and paid-up capital. The stock split became effective on 13 September 2017.

As a continuation of the previously distributed ESOP and MSOP programs, Bank Mandiri extended a similar program to employees and management under predetermined grant and vesting conditions.

Bank Mandiri has a Management Stock Ownership Program (MSOP) in the form of a Long Term Incentive (LTI) measured by achieving company performance targets (Performance Share Plan) for the Board of Directors and non-Independent Commissioners, and in the form of an escrow current account for Independent Commissioners. This aims to motivate higher performance in the future and to recognize efforts in maintaining and/or increasing the company's long-term share value. The LTI program for the Board of Directors and Commissioners covers the 2023–2025 performance period. The performance/ vesting period is annual (January–December) for three years (2023–2025). LTI vests fully in the fourth year (2026) once the financial statements are audited by an independent

auditor and the Annual Report is approved by/endorsed at the GMS. The performance target achievements are calculated as a three-year average (2023–2025) based on indicators such as Total Shareholder Return (TSR), Return on Equity (RoE), and Non-Performing Loan (NPL).

Bank Mandiri also has an Employee Stock Ownership Program (ESOP) designed to foster a sense of ownership and motivate employees to contribute their best over the long term. ESOP is granted to certain grades and job levels that meet criteria approved by management, including individual performance, talent classification, and employee track record. Between 2015 and 2022, Bank Mandiri distributed 96,003,800 shares with a vesting period of 3–5 years. In 2023, Bank Mandiri did not have an Employee Stock Ownership Program (ESOP).

Bank Mandiri plans to implement a similar stock ownership program for employees and management in future years.