



INFORMATION ON MATERIAL TRANSACTIONS WITH CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATED/RELATED PARTIES



AFFILIATED TRANSACTIONS

Bank Mandiri and its subsidiaries engage in transactions with related parties as defined under PSAK No. 224 on "Related Party Disclosures" Bapepam and the Financial Services Authority Regulation No. 42/POJK.04/2020 dated 2 July 2020 (POJK 42/2020) on Affiliated Transactions and Conflict of Interest Transactions.

A related party is a person or entity related to the entity preparing its financial statements (the reporting entity). The following are considered related parties:

1. Individuals who:
 - a. Have control or joint control over the reporting entity;
 - b. Have significant influence over the reporting entity; or
 - c. Are key management personnel of the reporting entity or the parent entity of the reporting entity.
2. An entity is related to the reporting entity if any of the following conditions apply:
 - a. The entity and the reporting entity are members of the same business group;
 - b. One entity is an associate or joint venture of the other entity;

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- c. Both entities are joint ventures of the same third party;
- d. One entity is a joint venture of a third entity, and the other entity is an associate of the third entity;
- e. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
- f. The entity is controlled or jointly controlled by a person identified in point 1);
- g. A person identified in point 1) sub-point a) has significant influence over the entity or is key management personnel of the entity; or
- h. The entity is controlled, jointly controlled, or significantly influenced by the Government, such as the Ministry of Finance or Regional Government, which are shareholders of the entity.

In Article 1 paragraph (1) of POJK 42/2020, the term "Affiliate" refers to:

- a. familial relationship due to marriage and descent up to the second degree, both horizontally and vertically;
- b. relationship between a party and employees, directors, or commissioners of that party;
- c. relationship between two companies where one or more members of the board of directors or board of commissioners are the same;
- d. relationship between a company and a party that, either directly or indirectly, controls or is controlled by that company;
- e. relationship between two companies that are directly or indirectly controlled by the same party; or
- f. relationship between a company and its major shareholder.

The definition of Affiliate Transaction in Article 1 paragraph (3) of POJK 42/2020 refers to any activity and/or transaction conducted by a public company or controlled company with Affiliates of the public company or Affiliates of members of the board of directors, members of

the board of commissioners, major shareholders, or Controllers, including any activity and/or transaction conducted by the public company or controlled company for the benefit of Affiliates of the public company or Affiliates of members of the board of directors, members of the board of commissioners, major shareholders, or Controllers.

PRESENTATION OF AFFILIATED TRANSACTIONS IN 2024

Referring to Article 22 of POJK 42/2020, it is stated that in the event that Affiliated Transactions and/or Conflict of Interest Transactions are conducted by a Controlled Company that is not a Public Company and whose financial statements are consolidated with a Public Company, the Public Company must follow the procedures as stipulated in POJK No. POJK 42/2020. The affiliated transactions at Bank Mandiri during 2024 generally consist of 2 (two) types of affiliated transactions as follows:

- Bank Mandiri with its subsidiaries - as stated in Article 1, Paragraph (1-d) of the relevant POJK, which reads: "the relationship between a company and a party that, either directly or indirectly, controls or is controlled by that company."
- Bank Mandiri with its affiliated companies - as stated in Article 1, Paragraph (1-e) of the relevant POJK, which reads: "the relationship between two companies that are controlled, either directly or indirectly, by the same party."

As of December 2024, Bank Mandiri has conducted several affiliated transactions with its affiliated companies, which essentially fall into 2 (two) types of affiliated transactions as outlined below, along with a brief explanation:

1. Realization of Affiliated Transactions Conducted by Bank Mandiri with Its Subsidiaries and Other Affiliated Companies.