

IMPLEMENTATION OF CORPORATE GOVERNANCE ASPECTS AND PRINCIPLES BASED ON GUIDELINES OF CORPORATE GOVERNANCE PRINCIPLES FOR BANKS PUBLISHED BY BASEL COMMITTEE IN BANKING SUPERVISION

The Governance Guidelines cover 12 principles of corporate governance. The Governance Guidelines are the standard of best practices applied as a reference in implementing corporate governance in banks. The description of the application can be explained, as follows:

Principles	Explanation	Implementation In Bank Mandiri
Principle 1 Responsibilities of the Board of Commissioners	The Board of Commissioners has the responsibilities of amongst others approval and supervisory on the implementation of business strategy, structure and governance mechanism as well as the Corporate Culture.	In the Board of Commissioners 'code of conduct, as outlined in the Board of Commissioners Decree No. KEP. KOM/007/2025 dated 1 December 2025, it is stated that the responsibilities of the Board of Commissioners include providing opinions and approvals on the Work Plan and Annual Budget, as well as offering advice on matters deemed important by the Company, including corporate culture.
Principle 2 Qualification and Composition of the Board of Commissioners	Member of the Board of Commissioners must have the quality in accordance with duties and responsibilities as both collegial and as per individual. The Board of Commissioners shall understand the roles within the supervisory and implementation of corporate governance, as well as KOM/014/2019 to conduct a sound and objective decision process.	Members of the Board of Commissioners has adequate competence, integrity, and capability to carry out their duties and responsibilities effectively. The Board of Commissioners had a comprehensive understanding of its roles and functions in overseeing the Bank's operations and the implementation of Good Corporate Governance principles. In performing its duties, the Board of Commissioners consistently upheld independent and objective decision-making based on professional judgment to ensure the sustainability of the Company's business and interests while avoiding any form of conflict of interest.
Principle 3 Structure and Mechanism of the Board of Commissioners	The Board of Commissioners must apply the proper governance practice and structure in performing their duties and to periodically assess its effectiveness.	The Board of Commissioners established a clear and adequate governance structure and practices in carrying out its duties, covering the arrangements regarding duties, responsibilities, authorities, meeting procedures and mechanisms, including the evaluation mechanism for the effectiveness of supervisory functions. These arrangements were designed to ensure that oversight was conducted objectively, measurably, and in line with regulatory requirements as well as the Company's strategic needs. To assist and support the execution of these supervisory duties, the Board of Commissioners established committees under the Board of Commissioners, namely the Audit Committee, Risk Oversight Committee, Remuneration and Nomination Committee, and Integrated Governance Committee, each performing its role in accordance with its respective scope of responsibilities.
Principle 4 The Board of Directors	Under the direction and supervision of the Board of Commissioners, the Board of Directors manage the Bank's activities in accordance with the business strategy, risk appetite, remuneration policy and other policies that have been approved by the Board of Commissioners.	The Board of Directors manages the Company under the direction and supervision of the Board of Commissioners, as evidenced by the company's business achievements that have increased from the previous year. All policies underlying the operations of Bank Mandiri must obtain the approval of the Board of Commissioners.
Principle 5 Governance Structure of Business Group	In a business group, the Board of Commissioners of the parent company has overall responsibility on the business group and to ensure the establishment and implementation of clear governance practice related to the structure, business and risks of business group and entities. The Board of Commissioners and the Board of Directors must understand the business group organizational structure as well as the encountered risk.	The Board of Directors and Board of Commissioners of Bank Mandiri have knowledge and understanding of the core business and key risks of Bank Mandiri, as well as the entities within the Mandiri Group Financial Conglomerate, as evidenced by all members passing the Fit and Proper Test. A clear governance structure and mechanism have been established within the Mandiri Group Financial Conglomerate.

Principles	Explanation	Implementation In Bank Mandiri
Principle 6 Risk Management Function	The Bank must have the qualified, independent risk management function that has qualified resources with access to the Board of Commissioners.	Bank Mandiri performs the Risk Identification, Measurement, Monitoring, Control and Risk Management Information System through an Enterprise Risk Management (ERM) framework. Bank Mandiri continues to improve the capabilities and knowledge of all employees, especially in terms of risk management, by holding internal training. In addition, Bank Mandiri also routinely holds at least once a year socialization, discussion forums, and programs on risk management along with the internalization of the corporate culture. Bank Mandiri communicates risk management to the Board of Commissioners through the Risk Oversight Committee and the Integrated Governance Committee.
Prinsip 7 Identification of Risk Oversight and Control	Risks must be identified, monitored and controlled for all activities of the Bank. The quality of risk management infrastructure and internal control must be able to keep up with changes in the Bank's risk profile, external risk conditions and industry practice.	In managing Bank Mandiri's Risk Management, bankwide identification, measurement and risk assessment has been performed by periodically developing risk profiles. Risk measurement and assessment has been able to work well according to the established Risk Management Policy that is adjusted to the level of risk faced by Bank Mandiri.
Prinsip 8 Risk Communication	Effective risk governance implementation requires accurate risk communication in the Bank environment both between organizations and through reporting to the Board of Commissioners and the Board of Directors.	The Risk-Based Bank Rating (RBBR) assessment, both individual and consolidated, is submitted every semester to the Risk Management Committee (RMC) and the Integrated Risk Committee (IRC). In addition, the results of the RBBR assessment are reported to the Board of Commissioners through the Risk Monitoring Committee and the Integrated Governance Committee.
Prinsip 9 Compliance	The Board of Commissioners is responsible for overseeing management related to the Bank's compliance risk. The Board of Commissioners must determine the compliance function and provide approval for policies and processes for identification, assessment, monitoring and reporting, and providing advice on compliance risks.	The Board of Commissioners ensures the implementation of good corporate governance in every business activity and corporate governance policies, including the implementation of compliance. The compliance risk assessment in RBBR is reported periodically to the Board of Commissioners.
Prinsip 10 Internal Audit	The internal audit function must report independent assurance activities to the Board of Commissioners and must support the Board of Commissioners and the Board of Directors in encouraging the implementation of effective governance processes and long-term soundness of the Bank.	Conduct objective testing of evidence provide an independent assessment of the adequacy of internal control, risk management and governance processes within the organization. Internal Audit is directly responsible to the President Director and communicates with the Board of Commissioners through the Audit Committee.
Prinsip 11 Compensation	The Bank's remuneration structure must support the implementation of corporate governance and risk management.	The current remuneration structure of Bank Mandiri is in accordance with POJK No. 45/POJK.03/2015 on the implementation of Governance in the Provision of Remuneration for Commercial Banks.
Prinsip 12 Disclosure and Transparency	The implementation of governance from the Bank must be carried out transparently to Shareholders, Depositors, other relevant Stakeholders and Market Participants	Bank Mandiri consistently applied the principle of information transparency by providing accurate, up-to-date, and reliable access to information for all stakeholders. Bank Mandiri regularly updated its website, www.bankmandiri.co.id, to ensure the availability of the most current information for stakeholders. In addition, Bank Mandiri's information disclosure was carried out through the Annual Report, Sustainability Report, Public Expose, and other official communication channels.

CORPORATE GOVERNANCE STRUCTURE AND MECHANISM

BANK MANDIRI GOVERNANCE FRAMEWORK

To ensure adherence to the highest standards of corporate governance, Bank Mandiri implements a governance framework in line with the Law of the Republic of Indonesia, including Law No. 40 of 2007 on Limited Liability Companies, as well as regulations from the Financial Services Authority (OJK). This governance framework encompasses three critical aspects: Governance Structure (and infrastructure), Governance Process, and Governance Outcome. Each of these components plays a vital role in ensuring the Bank's sustainability, accountability, and overall effectiveness in delivering long-term value to its stakeholders.