

6. Implementation of Governance

As a form of Bank Mandiri's commitment and consistency in implementing Governance to maintain business continuity, Bank Mandiri makes continuous improvements to the implementation of Governance. To improve the implementation of Governance continuously, Bank Mandiri conducts a Governance self-assessment – bank only based on POJK No. 17 of 2023 and SEOJK No. 14/POJK.03/2025 concerning the Implementation of Governance for Commercial Banks.

7. Strengthening Integrated Governance

The synergy of compliance with financial institutions in the Bank Mandiri Financial Conglomerate covers several subjects, including compliance risk management, and the implementation of Integrated Governance

- a. In relation to the integrated compliance risk management process, the Bank will hold a discussion forum on the compliance risks of each Financial Conglomerate, and monitor the implementation of the Financial Conglomerate compliance function in the Financial Conglomerate through regular quarterly reporting.
- b. In relation to the implementation of Integrated Governance, Bank Mandiri conducts a self-assessment of the implementation of Integrated Governance based on OJK Regulation No. 18/POJK.03/2014 and OJK Circular Letter No. 15/SEOJK.03/2015 concerning the Implementation of Integrated Governance for Financial Conglomerates. This self-assessment is conducted twice a year (in the June and December periods) and involves all entities within the Bank Mandiri Financial Conglomerate.
- c. In relation to the implementation of Integrated Governance, Bank Mandiri urges Financial Service Institutions in Financial Conglomerate to participate in Good Corporate Governance assessment activities by independent parties, namely The Indonesian Institute for Corporate Governance (IICG) with the aim of improving the application of the principles of Good Corporate Governance in the Financial Conglomerates of Bank Mandiri.

8. Reward & Punishment in the Implementation of Compliance Functions

In order to develop the compliance function, the Internal Control Score (ICS) parameter has been prepared as one of the components of the performance assessment of Bank Mandiri's work units related to the implementation and

role of the compliance function in each work unit. The evaluation is expected to improve the quality of compliance culture implementation and compliance risk management in minimizing risks that may occur due to non-compliance with prevailing regulations.

Evaluation of Compliance Function Effectiveness

The effectiveness of the Compliance Function is evaluated annually by the Compliance Director using the Annual Work Plan, KPIs, and non-KPI programs to support continuous improvement. KPI assessment covers four key areas: Financial, Customer, Internal Business, and Development. Based on the 2025 evaluation, the Compliance Function demonstrated strong performance in meeting regulatory requirements and internal standards.

Compliance Indicators in 2025

In 2025, Bank Mandiri established several compliance indicators to monitor, evaluate, and enhance compliance performance, as follows:

1. Risk Profile

This indicator assesses the potential losses that the Bank may face from inherent Compliance Risk. Individually, the level of inherent Compliance Risk is categorized as low over a certain future period, while the quality of Compliance Risk Management implementation is considered adequate. In the event that minor weaknesses are identified, such weaknesses can be addressed through normal business activities. For 2025, the following can be conveyed:

- Bank Mandiri's Inherent Compliance Risk is at Level 2 (Low to Moderate)
- The Quality of Compliance Risk Management Implementation at Bank Mandiri is at Level 2 (Satisfactory)

2. Compliance Testing Program

In order to build a culture of compliance, the Bank conducted a compliance testing program from 8 September to 19 September 2025, which was subsequently extended from 22 September to 30 September 2025. The program involved employees across all levels of the organization and was aimed at increasing employee awareness of applicable regulations and provisions.