

## ESG GOVERNANCE



In delivering its sustainability commitment, Bank Mandiri manages ESG aspects through an integrated sustainable finance framework and strengthens governance functions responsible for planning, decision-making, monitoring, and evaluating ESG strategies across the organisation. The summary of the Company's governance structure and key roles is presented below:

### SUSTAINABILITY GOVERNANCE STRUCTURE



### Duties and Responsibilities of the Directors & Board of Commissioners

- Monitor and evaluate the Company's compliance with its Articles of Association, regulatory authority provisions, and other laws and regulations related to Risk Management.
- Provide recommendations to the President Director on the formulation of policies, strategies, and guidelines for implementing Risk Management.

### Duties and Responsibilities of ESG Unit

- Develop ESG frameworks, commitments, roadmaps, and targets.
- Monitor Bank Mandiri's sustainable portfolio (in line with POJK 51/2017) and report based on the Indonesia Green Taxonomy.
- Drive the development of Sustainable Finance products and services.
- Integrate ESG key performance indicators (KPIs) across all units.
- Ensure ESG disclosures align with best practices.
- Internalize ESG awareness among all employees.
- Align ESG aspects with all business processes and internal policies.
- Prepare ESG performance reports for the Board of Commissioners and Board of Directors, presented at the GMS.

### Sustainable Finance Responsibility

The Directors holds primary responsibility for defining the Company's sustainability direction, encompassing the framework, commitment, strategy, initiatives, and roadmap related to climate action and the achievement of SDGs. These are outlined in the Sustainable Finance Action Plan (RAKB) 2025–2029, approved by the Board of Commissioners and submitted to the regulator each November.

Each Board member ensures the implementation of the RAKB and the management of ESG-related topics within their respective directorates. The integration and coordination of ESG matters fall under the authority of the Vice CEO, executed through the ESG Group with the following scope:

- Management of the ESG Framework,
- Alignment of regulations with ESG and climate change issues,
- Management of the sustainable portfolio,
- Strategies for responsible operations,
- Communication and reporting functions for internal and external stakeholders.

To strengthen its sustainable finance implementation, Bank Mandiri established a dedicated ESG Group under Board Decree SK/KOM/05.2/2022 dated July 18, 2022, and Management Decree KEP.DKP/32/2022 dated September 12, 2022. The unit replaces the previous task force and serves as the main coordinator for sustainable finance in accordance with POJK 51/2017.

The ESG Group functions as the control tower for ESG implementation across Bank Mandiri and its subsidiaries, led by a Senior Vice President under the supervision of the Vice CEO. Its key responsibilities include managing the ESG framework, aligning policies with sustainability and climate-related issues, overseeing sustainable portfolio management, developing responsible operational strategies, and coordinating ESG communication and reporting both internally and externally.

### ESG Management and Oversight

Bank Mandiri ensures that ESG governance is implemented effectively and aligned with stakeholder expectations. Continuous monitoring is carried out to integrate sustainability principles into the Bank's overall governance framework. The Bank also aims to manage ESG-related matters effectively in accordance with regulations, industry best practices, and global initiatives.

For climate risk management, the Board of Directors engages the Risk Management Committee (RMC), while oversight is performed by the Board of Commissioners through the Risk Oversight Committee. Monitoring activities are conducted through Board, RMC, and ESG Forum meetings held at least six times a year.

The responsibility for managing climate-related risks and opportunities is delegated to the ESG Unit under the supervision of the Vice President Director, with regular reporting to the RMC and Risk Oversight Committee. The Board of Directors also plays an active role in climate-related discussions, including the Climate Risk Stress Testing (CRST), and collaborates with regulators such as OJK to strengthen Bank Mandiri's climate strategy.