

40. Bank Indonesia Regulation No. 23/8/PBI/2021 concerning the Second Amendment to Bank Indonesia Regulation No. 21/9/PBI/2019 concerning Integrated Commercial Bank Reporting.
41. OJK Circular Letter No. 23/SEOJK.03/2022 dated 7 December 2022 concerning the Calculation of Market Risk-Weighted Assets for Commercial Banks.
42. Board of Governors Regulation No. 23 of 2025 dated 20 October 2025 concerning the Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional Commercial Banks, Islamic Commercial Banks, and Sharia Business Units.
43. Board of Governors Regulation No. 21/23/PADG/2019 dated 6 December 2019 concerning Integrated Commercial Bank Reporting.
44. Board of Governors Regulation No. 8 of 2025 dated 27 March 2025 concerning the Third Amendment to Board of Governors Regulation No. 24/8/PADG/2022 concerning the Implementing Regulation for the Fulfillment of Statutory Reserves in Rupiah and Foreign Currency for Conventional Commercial Banks, Islamic Commercial Banks, and Sharia Business Units.
45. Board of Governors Regulation No. 27 of 2025 dated 1 December 2025 concerning the Implementing Regulation for the Macroprudential Liquidity Incentive Policy.
46. Bank Indonesia Regulation No. 9 of 2025 dated 26 November 2025 concerning the Macroprudential Liquidity Incentive Policy.

7. Responsibility

Bank Mandiri acts on the prudential principle and in compliance with prevailing laws and regulations.

8. Fairness

Bank Mandiri pays attention to the interests of stakeholders based on the principle of equality and fairness (equal treatment).

Risk Management Process

The Company's Risk Management process as stipulated in the Risk Management Policy is as follows:

1. Risk Management is carried out at all levels of the Bank up to the operational level both transactionally and at the portfolio level.
2. Risk Management is carried out individually and at consolidated/integrated level with the Subsidiaries, while taking into account the regulations and business characteristics of the Subsidiaries.
3. The Risk Management process is a dynamic process and is routinely compared to industry best practices and applicable regulations to be adjusted and updated when necessary.
4. The implementation of Risk Management is carried out in a series consisting of:
 - a. **Risk identification**
Risk identification aims to determine the types of risks inherent in each functional activity that have the potential to harm the Bank.
 - b. **Risk measurement**
Risk measurement aims to determine the risk exposure inherent in the Bank's activities to be compared with the Bank's risk appetite, hence the Bank can take risk mitigation measures and determine capital to cover residual risk.
 - c. **Risk monitoring**
Risk monitoring aims to compare the set risk limits with the risk exposure that is being managed.
 - d. **Risk control**
Risk control is carried out on the potential for the occurrence of overreach of the risk limit that has been set and can be tolerated by the Bank.

BANK RISK MANAGEMENT POLICY

RISK MANAGEMENT PRINCIPLES

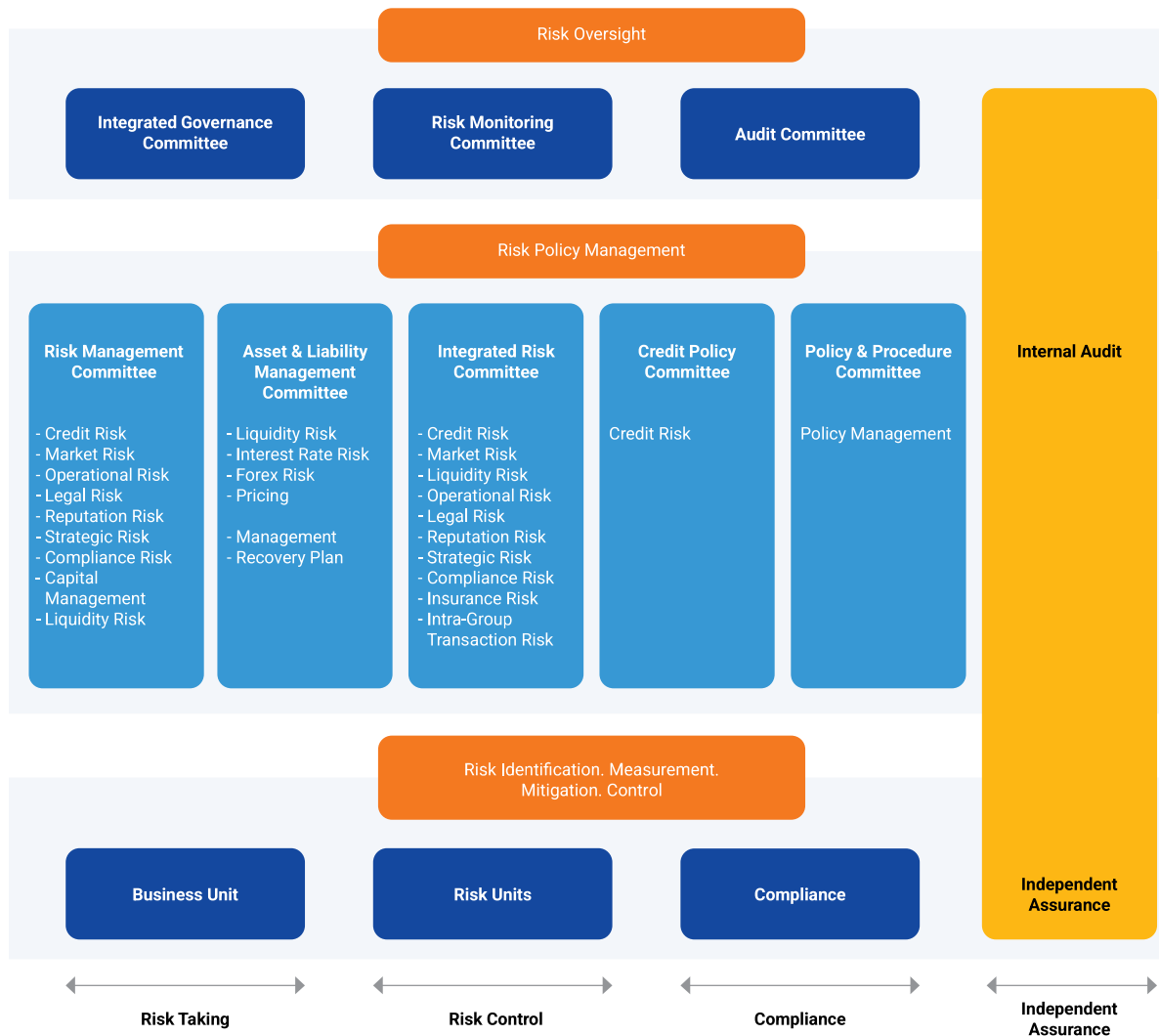
Bank Mandiri's Risk Management Principles are as follows:

1. **Capital**
Bank Mandiri provides capital according to the risk appetite and maintains the capital level in accordance with prevailing regulations.
2. **Transparency**
Bank Mandiri transparently conveys relevant information in the risk-taking process and the risk-taking process itself.
3. **Independence**
The management of Bank Mandiri acts professionally and is free from the pressure and influence of other parties.
4. **Integrated**
Bank Mandiri applies Integrated Risk Management to Financial Services Institutions that are members of the financial conglomerates of Bank Mandiri in accordance with regulatory provisions.
5. **Sustainable**
Risk control is developed continuously to better fit with existing business conditions and best practices.
6. **Accountability**
Bank Mandiri implements policies and procedures to ensure management accountability to stakeholders.

RISK MANAGEMENT FRAMEWORK

Bank Mandiri's Risk Management Framework is structured within the Bank's Risk Governance Structure, comprising three key components: Risk Oversight, Risk Policy and Management, and Risk Identification, Measurement, Mitigation, and Control. These elements are reinforced by the Audit Unit, as Independent Assurance to ensure the effectiveness of implementation.

In essence, the framework and governance of Bank Mandiri's risk management can be summarized as follows:



Bank Mandiri's Risk Governance Structure is developed based on four Risk Management Pillars as follows:

Board of Commissioners and Board of Directors Active Supervision

The risk management framework and governance at Bank Mandiri are structured to ensure comprehensive oversight and execution. The Board of Commissioners oversees risks through the Audit Committee, Risk Monitoring Committee, and Integrated Governance Committee. The Board of Directors is responsible for risk policy and management, facilitated through risk-related Executive Committees, including Management Committee, Asset & Liability Management Committee, Integrated Risk Committee, Credit Policy Committee, and Policy & Procedure Committee. Operationally, the Risk Management Unit, in collaboration with the Business Unit and Compliance Unit, carries out the functions of risk identification, measurement, mitigation, and control.

The duties, responsibilities, and authorities of the Board of Commissioners related to active supervision in Risk Management activities include, among others:

1. Evaluating and approval of Risk Management Policy;
2. Evaluating the prepared-and-determined strategies by the Board of Directors in managing risks according to the risk taxonomy;
3. Evaluating the Board of Directors' responsibility for the implementation of the Risk Management Policy;
4. Evaluating and deciding the Board of Directors' application related to transactions that require the approval of the Board of Commissioners;
5. Requesting explanation and/or accountability of the Board of Directors on Financing to certain large borrowers;
6. Providing approval on the funding to related parties;

7. Conducting active oversight, including, among others, understanding the nature and level of risks faced by the Bank, assessing the adequacy of the quality of risk management and linking the risk level with capital adequacy of the Bank, as well as providing advice on the implementation of the Risk Management function in accordance with applicable regulations;
8. Conducting active supervision related to anti-Fraud which at least includes the following:
 - a. Development of anti-Fraud awareness and culture in all levels of the organization. including anti-Fraud declarations and adequate communication on behavior categorized as Fraud;
 - b. The signing of integrity pact by all organizational ranks of the Bank;
 - c. Preparation and supervision of the implementation of a code of conduct related to fraud prevention for all levels of the organization;
 - d. Preparation and supervision of the implementation of an anti-Fraud strategy as a whole;
 - e. Development of the quality of human resources (HR). particularly those related to increasing awareness and control of Fraud;
 - f. Monitoring and evaluation of Frauds and determination of follow-up; and
 - g. Development of effective communication channels for the Bank's internal and external parties. hence all executives and employees of the Bank understand and comply with the applicable policies and procedures. including policies and procedures for fraud control.
9. Providing approval. oversight and evaluation on the implementation of the Action Plan (Recovery Plan).
10. For Resolution Plan. the Board of Commissioners shall:
 - a. Overseeing the Bank's compliance with its obligations to prepare the Resolution Plan, revise the Resolution Plan, and/or undertake corrective actions based on the results of the resolvability assessment;
 - b. Evaluating the Resolution Plan, revising the Resolution Plan, and/or updating the Resolution Plan prepared by the Board of Directors;
 - c. Approving the Resolution Plan, revising the Resolution Plan, and/or updating the Resolution Plan; and
 - d. Overseeing the implementation of plans to address potential impediments to the execution of resolution options.
11. Maintaining and monitoring the Bank's Soundness Rating and take the necessary measures to maintain and/or improve the Bank's Soundness Rating;

To implement risk management as mandated by the Evaluating the prepared-and-determined strategies by the Board of Directors in managing risks according to the risk taxonomy, the Board of Commissioners is responsible for determining the Bank's Risk Classification based on the level of Risk Intensity. This assessment considers the Bank's size and complexity dimensions, as proposed by the Board of Directors. in compliance with applicable regulations.

To implement Integrated Risk Management. the Board of Commissioners is responsible to:

1. Direct, approve, and evaluate Integrated Risk Management policies;
2. Evaluate the implementation of Integrated Risk Management policies by the Board of Directors of the Financial Conglomerate Holding Company.
3. Ensure the implementation of Integrated Risk Management is in accordance with the characteristics and complexity of the Financial Conglomeration business.

The duties. responsibilities, and authorities of the Board of Directors related to Risk Management activities include:

1. Developing and proposing Risk Management policies and strategies in writing and comprehensively;
2. Responsible for the implementation of the Risk Management Policy and risk exposure taken by the Bank as a whole;
3. Evaluating and deciding transactions that require the approval of the Board of Directors;
4. Developing a culture of Risk Management at all levels;
5. The active supervision of the Board of Directors related to anti-Fraud is the same as that of the Board of Commissioners as stated in the duties and responsibilities of the Board of Commissioners;
6. Ensuring the improvement of human resource competencies related to Risk Management;
7. Ensuring that the Risk Management function has operated independently;
8. Conducting periodic reviews to ensure;
 - a. Accuracy of risk assessment methodology;
 - b. Adequacy of Risk Management information system implementation;
 - c. Accuracy of Risk Management policies and procedures, as well as setting risk limit and/ risk threshold.
9. Conducting active supervision includes, among others. understanding the nature and level of risks faced by the Bank, assessing the adequacy of the quality of risk management, and linking the risk level with capital adequacy of the Bank;
10. Developing and implementing the Bank's Recovery Plan. which includes:
 - a. Developing a realistic and comprehensive Recovery Plan;



- b. Submitting the Recovery Plan to shareholders at the GMS for approval;
 - c. Communicating the Recovery Plan to all ranks or levels of the Bank's organization;
 - d. Evaluating and testing (Stress Testing) the Action Plan (Recovery Plan) periodically; and
 - e. Implementing the Recovery Plan effectively and in a timely manner.
11. Developing and implementing a Resolution Plan which includes:
- a. Preparing the Resolution Plan, revising the Resolution Plan, and/or undertaking corrective actions based on the results of the resolvability assessment in accordance with the principles of completeness, accuracy, timeliness, and integrity;
 - b. Ensuring the accuracy and completeness of data, information, and/or documents in the preparation, revision, and/or corrective actions related to the Resolution Plan based on the resolvability assessment results;
 - c. Submitting the Resolution Plan, its revisions, and/or updates to the Board of Commissioners for approval;
 - d. Submitting the Resolution Plan, its revisions, and/or corrective actions based on the resolvability assessment results to the Indonesia Deposit Insurance Corporation in accordance with the deadlines set by the regulator; and
 - e. Implementing plans to address potential impediments to the execution of resolution options. Maintaining and monitoring the Bank's Soundness Rating and take the necessary measures to maintain and/or improve the Bank's Soundness Rating;
12. Maintaining and monitoring the Bank's Soundness Rating and take the necessary measures to maintain and/or improve the Bank's Soundness Rating;
13. Implementing other Risk Management functions in accordance with laws and regulations, articles of association, and/or decisions of the General Meeting of Shareholders (RUPS)/ Head of the Policy and Regulation Agency for State-owned Enterprises (SOEs).

To comply with risk management regulations set by the SOEs Policy and Regulatory Agency, the Board of Directors is responsible for classifying subsidiary company risks based on the level of risk intensity. This classification considers the dimensions of size and complexity in alignment with applicable regulations.

To implement Integrated Risk Management, the Board of Directors is responsible to:

1. Develop an Integrated Risk Management Policy in writing and comprehensively;

2. Implement the established Integrated Risk Management Policy;
3. Develop a risk culture as part of the implementation of Integrated Risk Management in Financial Conglomerates;
4. Ensure the effectiveness of human resource management which includes the competence, qualifications, and adequacy of human resources in the Main Entity to carry out the Integrated Risk Management function;
5. Ensure that the implementation of Integrated Risk Management has been carried out independently;
6. Periodically evaluate the results of the Integrated Risk Management Unit review of the Integrated Risk Management process;
7. Ensure the implementation of Integrated Risk Management in accordance with the characteristics and complexity of the Financial Conglomerates business.

To enhance the effectiveness of supervisory duties and responsibilities in implementing Risk Management, the Board of Commissioners and the Board of Directors may establish committees in accordance with applicable regulatory provisions.

Bank Mandiri's risk management elements consists of:

1. Board of Commissioners
2. Committee under the Board Commissioners
3. Board of Directors
4. Committee under the Board of Directors
5. Director in charge of Risk Management function;
6. Risk Management Unit (SKMR);
7. Operational Unit (risk-taking unit);
8. Internal Audit Unit (SKAI);
9. Compliance Unit.

The Risk Management Unit (SKMR), the Internal Audit Unit (SKAI) and the Compliance Unit concurrently serve as an Integrated Unit.

Adequacy of Policies, Procedures, and Limits Setting

Bank Mandiri implements risk management guided by its Risk Management Policy, which serves as the primary framework for managing risks. For specific business areas such as credit, treasury, and operations, the Bank has detailed policies and procedures that define limits for activities at both the portfolio and transactional levels. These policies and procedures are integrated into every aspect of the Bank's operations, evaluated, and updated annually. In line with SEOJK 34/SEOJK.03/2016 on the Implementation of Risk Management for Commercial Banks, the Bank's policies and procedures are based on a Risk Management Strategy by taking into account the level of risk to be taken (Risk Appetite). Risk Appetite represents the type and level of risk the Bank is willing and able to take, within its risk capacity, to achieve or exceed its business objectives.

Bank Mandiri's Risk Appetite is manifested through the Risk Appetite Framework which is a strategic decision-making that describes Bank Mandiri's risk strategy. Risk Appetite is reflected in the Bank's business strategy and objectives.

Risk appetite is articulated through a Risk Appetite Statement (RAS), which is a formal guideline in the risk-taking process to achieve business targets. RAS is pivotal because it will provide clear and consistent direction to all levels of Bank Mandiri on the Bank's risk-taking ability.

Adequacy of Risk Identification, Measurement, Monitoring, and Control Processes, as well as Risk Management Information Systems

Bank Mandiri conducts Risk Identification, Measurement, Monitoring, and Control processes, as well as operates its Risk Management Information System, through the Enterprise Risk Management (ERM) framework. The ERM implementation at Bank Mandiri employs a two-pronged approach to ensure that risks are not only well mitigated through daily business processes, but also in unexpected conditions (downturns) through capital reserves.

Internal Control System

Bank Mandiri implements an Internal Control System for its Risk Management function through the Three Lines Model, where responsibilities are shared among the first, second, and third lines of defense. The Internal Audit Unit, as the third line, conducts assurance and consulting activities to evaluate the adequacy of the Bank's internal control system, risk management, and governance processes, in compliance with applicable laws, regulations, and Bank policies.

INTEGRATED RISK MANAGEMENT IMPLEMENTATION

Bank Mandiri applies Consolidated and Integrated Risk Management in line with regulatory requirements, beginning with the implementation of consolidated risk management under Bank Indonesia Regulation No. 8/6/PBI/2006, later replaced by OJK Regulation No. 38/POJK.03/2017. The Bank also adopts Integrated Risk Management in accordance with OJK Regulation No. 17/POJK.03/2014 and refers to the Integrated Governance Guidelines based on OJK Regulation No. 18/POJK.03/2014. These frameworks are implemented by upholding core risk management principles, taking into account the business characteristics of each subsidiary, and aligning with the requirements of local supervisory authorities.

As an active supervision of the Main Entity towards the implementation of Consolidated and Integrated Risk Management, Bank Mandiri has established the Integrated Risk Committee (IRC), consisting of the

Board of Directors and Executives of the Bank with the Board of Directors and/or Executives of Subsidiaries as well as the Integrated Risk Management Unit (SKMRT), which is directly responsible to the Director of Risk Management.

Bank Mandiri actively conducts integrated identification, measurement, monitoring, and control of Mandiri Group (self-assessment) risk exposures by reporting this following assessment:

1. The Consolidated Bank Soundness Level with risk-based approach/Risk-Based Bank Rating (RBBR), with the assessment scope covering the following factors: Risk Profile, Integrated Good Corporate Governance, Earnings and Capital, at consolidated level. During 2025, Bank Mandiri has reported Consolidated Bank Soundness Level for the position of 31 December 2024 and 30 June 2025 to the Regulator in a timely manner.
2. The Consolidated Risk Profile, which is performed on 8 (eight) risks (Credit, Market, Liquidity, Operational, Legal, Strategic, Compliance, and Reputation Risk). During 2025, Bank Mandiri has reported the Consolidated Risk Profile for the position of 31 December 2024 and 31 March, 30 June, and 30 September 2025 to the Regulator in a timely manner.
3. The Integrated Risk Profile, which is performed on 10 (ten) risks (8 types of risks that are stated in point 2 plus Intra-Group Transaction and Insurance Risks). During 2025, Bank Mandiri has reported the Integrated Risk Profile for the position of 31 December 2024 and 30 June 2025 to the Regulator in a timely manner.

To support the assessment and reporting process, Bank Mandiri has been using integrated risk management information system, namely Risk Assessment Consolidation Generator (RACER) System.

The assessment of Consolidated/Integrated Risk Profile and Consolidated Bank Soundness Level are recommended by the Integrated Risk Committee (IRC) and the approval are provided by the Risk Management & Credit Policy Committee (RMPC). The assessment of the Consolidated/Integrated Risk Profile and Consolidated RBBR, which have been approved by the RMPC are then reported to the Regulator and to the Integrated Good Corporate Governance Committee.

BUILDING RISK AWARENESS CULTURE

To realise its vision "To Be Your Preferred Financial Partner," Bank Mandiri builds a strong risk-aware culture across all operational and business activities to minimise potential risks that may disrupt business continuity. This culture is applied at every level of the organisation, from senior management to all employees. The Board of Directors and the Board of