

## Management of Priority Material Topics [GRI 3-2]

Based on the double materiality assessment, Bank Mandiri has identified three material topics that significantly impact operational sustainability and business performance: Data Security and Customer Privacy, Sustainable Finance Portfolio, and Digitalization and Access to Finance (Financial Inclusion).

These topics are crucial as they influence various aspects of the business, including risk management, revenue

growth, cost efficiency, and corporate reputation. To address these issues, Bank Mandiri implements strategies comprising specific initiatives, ranging from strengthening digital infrastructure and integrity-based governance to competency-based talent development programs. Additionally, the targets for each topic are directly linked to the KPIs of the Board of Directors, which are the basis for determining remuneration, ensuring high accountability in supporting the Company's sustainability.

Material Topics	Key Impacts (Risks and Opportunities)	Type of Impact	Strategy	KPI Linked to BoD Compensation	KPI Achievement
Data Security and Customer Privacy	Customer data security and privacy have significant impacts on Bank Mandiri as they play a direct role in maintaining customer trust and loyalty, which are critical to the sustainability of the banking business. As one of the largest banks in Indonesia, Bank Mandiri faces substantial challenges in protecting customer data amidst increasingly complex cybersecurity threats. Data breaches not only harm the Company's reputation but can also lead to financial losses, regulatory sanctions, and diminished stakeholder trust. By ensuring customer data privacy, Bank Mandiri strengthens its position as a trusted financial institution, while complying with applicable regulations and creating a competitive edge in the digital era.	The risk of data breaches could reduce customer trust, cause financial losses, and incur regulatory penalties.	Since 2018, Bank Mandiri has established a dedicated unit, the Chief Information Security Officer (CISO) Office Group, to manage information security and cyber resilience. This unit operates under the direct supervision of top management (C-level) to ensure a comprehensive implementation of cybersecurity and information security across all operational lines (bankwide). To support a holistic approach to information security and cyber resilience, Bank Mandiri implements the 3 Lines of Model, 1st Line of Model: Chief Information Security Officer (CISO) Office Group, 1.5 Line of Model: Senior Operational Risk Information Technology (SOR IT), 2nd Line of Model: Operational Risk Group, and 3rd Line of Model: IT Audit Group. Bank Mandiri strengthens its information security, cybersecurity, and personal data protection management through regular training and capability development, provided at least once a year to all employees, vendors, and contractors.	There were no incidents of cybersecurity breaches	There were no incidents of cybersecurity breaches

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Sustainable Finance Portfolio <sup>1</sup>	Sustainable Finance Portfolio has a significant impact on Bank Mandiri, serving a strategic role in addressing the challenges of climate change and the transition to a low-carbon economy. As one of Indonesia's largest banks, Bank Mandiri faces transition risks, such as regulatory changes and evolving market expectations, as well as physical risks resulting from climate change impacts on specific sectors within its portfolio. Furthermore, substantial opportunities arise from the increasing demand for financing sustainable projects, including renewable energy and green infrastructure. By advancing its sustainable product portfolio, Bank Mandiri is well-positioned to seize these opportunities to drive business growth, enhance financial resilience, and reinforce its reputation as a leader in sustainable finance on both national and global scales.	Increasing sustainable revenue through financing under the Sustainable Business Activity Category (KKUB) and sustainable financing products, such as green bonds, Green Mortgages, Sustainability-Linked Loans, and financing for renewable energy projects and green infrastructure	Bank Mandiri is committed to implementing sustainable finance by providing comprehensive support for sustainable economic growth achieved through the alignment of economic, social, and environmental aspects. This commitment is realized through the Sustainable Banking pillar in the form of sustainable financing and sustainable funding. Based on the Sustainable Financing Framework, Bank Mandiri classifies sustainable activities into three main categories: Green, Social, and Transition Activities. This classification serves as the foundation for Bank Mandiri in developing Sustainable Financing to achieve its primary goal of supporting business activities aimed at enhancing environmental preservation and social welfare.	Disbursement of sustainable credit/financing amounted to Rp274.77 trillion	The disbursement of sustainable financing/credit amounted to Rp293 trillion, comprising Green Financing of Rp149 trillion, which increased by 15.2% YoY, and Social Financing of Rp144 trillion, which grew by 6.5% YoY
Digitalization and Access to Finance (Financial Inclusion)	Digitalization and access to finance have a significant impact on Bank Mandiri in expanding financial service coverage efficiently and inclusively. Leveraging digital technology, Bank Mandiri can provide faster, safer, and more accessible services, benefiting customers across various segments, including those in remote areas, ensuring access to banking services. This effort supports national financial inclusion while strengthening Bank Mandiri's position as a digital leader in Indonesia's financial industry.	Investment costs in digital technology and developing inclusive products and services.	Bank Mandiri prioritizes digitalization strategies and access to financing through the development of digital platforms such as Livin' by Mandiri to facilitate inclusive financial services, especially for communities in underserved areas. Collaboration with fintech and banking agents enables the expansion of service reach, while technological infrastructure is strengthened to ensure system security and reliability. Additionally, Bank Mandiri has a digital banking roadmap to address the challenges of the digital era, encompassing various strategic initiatives to enhance customer services and overall experiences. The digital banking roadmap includes Leveling Up Digital Readiness, Developing Digital Native Products, Modernizing Distribution Channels, Digital Ecosystem Expansion, Data-Driven Decision Making Process. Bank Mandiri actively develops digital solutions and expands technology-based service channels to reach more users while providing financial literacy programs for underserved, underbanked communities, and MSMEs.	<ul style="list-style-type: none"> <li>The number of active Livin' users reaches 14,955,127</li> <li>Implementation of ATM integration totaling 1,200 units</li> </ul>	<ul style="list-style-type: none"> <li>The number of active Livin' users reached 16,963,736</li> <li>Implementation of ATM integration totaling 1,200 units</li> </ul>

1. Bank Mandiri has integrated environmental targets into its executive compensation plans by linking executive remuneration to the disbursement of sustainable credit/financing. This alignment ensures that executive directors are incentivized to promote and achieve sustainable financing goals.