

Environmental and Social Policy for Suppliers

As part of its commitment to good governance and transparency, Bank Mandiri's procurement process for goods and services adheres to the Standard Operating Procedure (SOP) and the Operational Technical Guidelines (PTO) for procurement, which mandate compliance with applicable regulations, including those in overseas branches. These documents provide comprehensive guidelines to streamline and standardize the procurement process, clarify responsibilities, and strengthen control functions. This systematic procurement process is designed to prevent abuse of authority, collusion, and conflicts of interest. Furthermore, all involved parties are required to avoid corruption, collusion, nepotism, and gratification in any form. [GRI 3-3, 204-1]

Aligned with Sustainable Development Goal (SDG) No. 12 on Responsible Consumption and Production, Bank Mandiri encourages suppliers to adopt sustainability principles and integrate ESG aspects into their businesses. Bank Mandiri refers to ISO 20400:2017 to integrate sustainable procurement and is committed to achieving Net Zero Emissions in Operations by 2030 through sustainable procurement.

In implementing sustainable procurement, Bank Mandiri establishes environmental and social criteria within

the procurement process to ensure compliance with sustainability principles. These criteria include obtaining environmental permits in accordance with applicable regulations as part of efforts to protect and manage the environment. Additionally, the policy sets product-related requirements, including the use of environmentally friendly materials and the application of sustainability principles, with a continuous focus on reducing environmental impact, particularly through energy efficiency and carbon emission reduction in operational activities.

Furthermore, suppliers are required to uphold labor rights, including compliance with labor standards, prevention of forced labor and child labor, and protection against all forms of discrimination. Suppliers must also ensure compliance with occupational health and safety (OHS) standards for all their workers in accordance with applicable regulations.

Bank Mandiri collaborates with suppliers to enhance their environmental performance through a continuous training program focused on reducing carbon emissions. As part of this initiative, Bank Mandiri regularly holds vendor meetings, one of which aims to provide education and outreach to supplier partners regarding Environmental, Social, and Governance (ESG) aspects and their relevance to business operations.