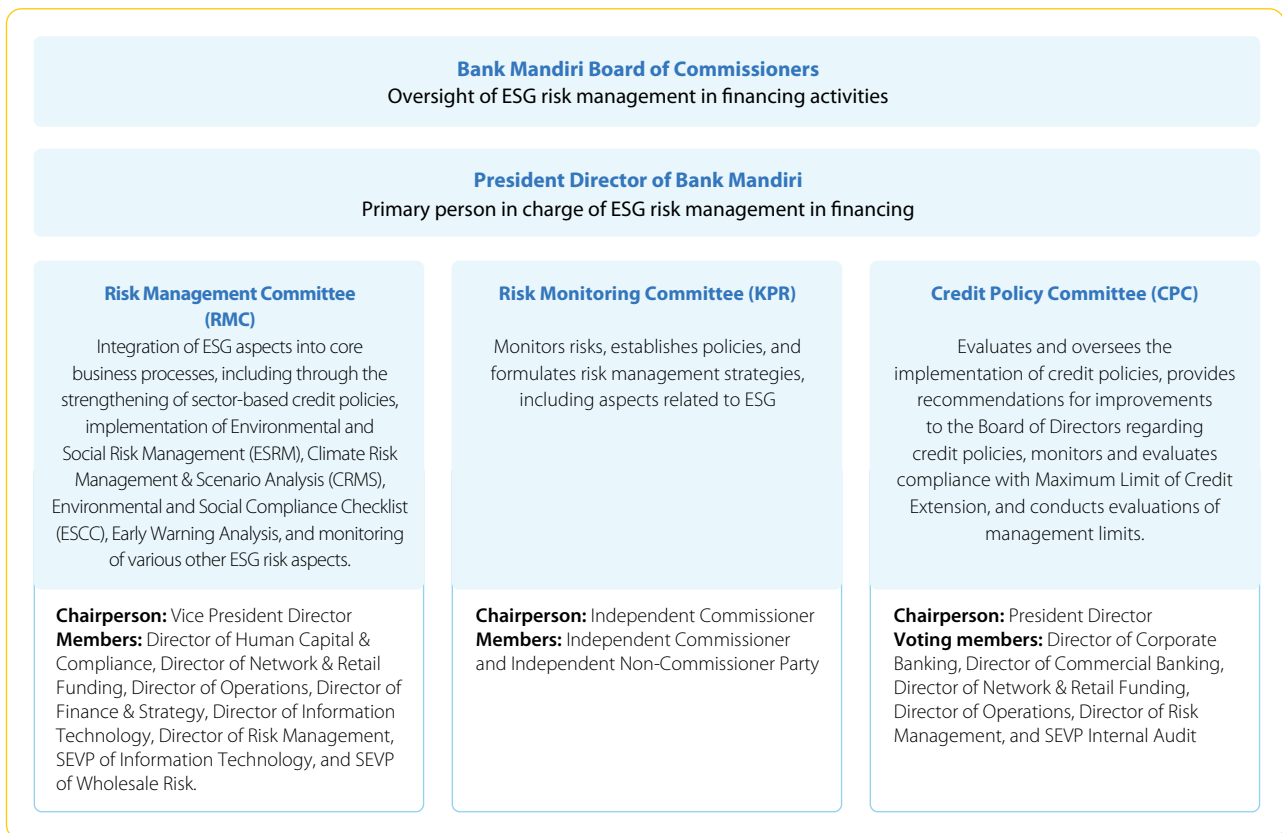


# ESG Risk Management Oversight and Engagement in Financing

Bank Mandiri's commitment to achieving Net Zero Emission (NZE) in Financing by 2060 is based on the understanding that Environmental, Social, and Governance (ESG) issues present both risks and opportunities that must be managed responsibly.

In line with this commitment, Bank Mandiri has continued to strengthen its ESG risk management framework, particularly in financing activities, to ensure that credit decisions increasingly reflect the principles of prudence and sustainability.

## ESG Risk Management Governance and Oversight in Financing



Primary responsibility for ESG risk management in financing activities at Bank Mandiri is held by the President Director. A strategic measure to strengthen governance and enhance oversight of ESG risk management, Bank Mandiri has

established a Risk Management Committee (RMC). The Committee focuses on integrating ESG into core business processes, including the strengthening of sector-based credit policies, the implementation of Environmental and Social Risk

Management (ESRM), the Climate Risk Management System (CRMS), and the monitoring of various other ESG risk aspects. The Committee is chaired by the Vice President Director, with members drawn from the Board of Directors, who bring diverse backgrounds in business and risk management to ensure synergy of expertise and experience.

In addition to the RMC, Bank Mandiri has also established a Risk Monitoring Committee (KPR) at the Board of Commissioners level, chaired by the Independent Commissioner. The members of the RMC include the Director of Risk Management, Independent Commissioner and Independent Non-Commissioner Party. The Committee monitors risks, establishes policies, and formulates risk management strategies, including aspects related to ESG. KPR holds quarterly meetings to discuss strategic risk management topics.

Bank Mandiri has further strengthened its risk governance by separating the functions of the Credit Policy Committee (CPC) from those of the Risk Management Committee (RMC). The

CPC is chaired by the President Director, with voting members comprising the Director of Corporate Banking, Director of Commercial Banking, Director of Operations, Director of Risk Management, and the SEVP of Internal Audit. The Committee is responsible for evaluating and overseeing the implementation of credit policies, providing recommendations for improvement to the Board of Directors in relation to credit policies, monitoring and evaluating compliance with Maximum Limit of Credit Extension, and conducting evaluations of management limits. Policies that have been evaluated are subsequently submitted to the Board of Commissioners for approval. As part of the implementation of Good Corporate Governance, credit policies are reviewed annually to ensure alignment with best practices and compliance with applicable laws and regulations.

KPR and RMC regularly convene meetings to discuss various topics related to ESG risk management in financing activities. In 2025, out of a total of 45 meetings held, 12 meetings specifically addressed topics related to ESG risk management in financing activities, including:

Meeting Date	Meeting Agenda	Meeting Participant
January 23, 2025	Approval of the Allocation and Impact Report for the Sustainability Bond, ESG Repo, and Green Bond	RMC
February 21, 2025	Approval of the Risk Appetite Threshold (RAT) for 2025	RMC
March 20, 2025	Update on Wholesale Segment Watchlist Debtors with limits above IDR3 trillion Q4 2024	KPR
April 10, 2025	Bank Soundness Level II Semester 2024 and Risk Dashboard January & February 2025	KPR
April 17, 2025	Individual and consolidated Risk Profile Self-Assessment as of March 31, 2025	RMC
June 26, 2025	Report on Wholesale Segment Watchlist Debtors and Debtors with limits above IDR3 trillion Q1 2025	KPR
July 15, 2025	Individual Risk Profile and Bank Mandiri Soundness Level Self-Assessment as of June 30, 2025	RMC
July 17, 2025	Development of Loan at Risk (LAR), Q1 2025 Stress Test	KPR
July 30, 2025	Subsidiaries' Risk Profile and Soundness Level Self-Assessment for integrated and consolidated reporting as of June 30, 2025	RMC
September 15, 2025	Approval of the 2025 Risk Maturity Index (RMI) Assessment Results	RMC
October 16, 2025	Individual and consolidated Bank Mandiri Risk Profile Self-Assessment as of September 30, 2025	RMC
November 6, 2025	Proposal of the Sustainable Finance Action Plan (SFAP) for 2026–2030	KPR

The results of discussions and recommendations from these committees are regularly communicated to the Board of Directors and the Board of Commissioners. This mechanism ensures accountability, transparency, and optimal integration in strategic decision-making processes.

## Management of Climate Change-Related Risks to Business and the Financing Portfolio

The Board of Directors holds the highest responsibility for managing climate change-related risks and opportunities, while oversight at the Board of Commissioners level is conducted by the Risk Monitoring Committee (KPR). Climate change-related issues have been incorporated into the Board of Directors' agenda and are scheduled for regular discussion. Further details are presented in the Climate Change Issue Management: IFRS S2 Overview.

Bank Mandiri conducted a comprehensive climate risk materiality assessment at the group level through the 2025 Climate Risk Management & Scenario Analysis (CRMS) Pilot Project. This covered 100% of the financing portfolio at the

sectoral level, using flood and forest fire scenarios for physical risk, as well as climate scenarios developed by the Network for Greening the Financial System (NGFS), including the Current Policies, Delayed Transition, and Net Zero 2050 scenarios for transition risk.

Results indicate that climate change risks have the potential to affect financing quality, as reflected in an increase in the Non-Performing Loan (NPL) ratio, Expected Credit Loss (ECL), and capital implications under certain scenarios. Further details on the analysis results are presented in the Climate Change Issue Management: IFRS S2 Overview.

## Sustainable Finance Framework [GRI G4 FS1]



In 2024, Bank Mandiri issued the Sustainable Finance Framework as part of its strategy to guide stakeholders, including regulators, clients, investors, and internal parties in the classification, monitoring, and reporting of sustainable finance. The commitment is realized through the mobilization of capital for projects focused on environmental sustainability and social well-being, enabling the issuance of sustainable financial instruments, such as Green, Social, and Sustainability Bonds, as well as instruments linked to sustainability. In developing this framework, Bank Mandiri contributes to the achievement of the Sustainable Development Goals and aligns with the following standards and principles, which are not limited to:

- Green Bond Principles (2021), Social Bond Principles (2023), Sustainability Bond Principles (2021), and Sustainability-Linked Bond Principles (2023) managed by the International Capital Markets Association (ICMA)
- Green Loan Principles (2023), Social Loan Principles (2023), and Sustainability-Linked Loan Principles (2023) managed by the Loan Market Association (LMA)
- Climate Bonds Taxonomy (2021) managed by the Climate Bonds Initiative (CBI)
- European Union Taxonomy (2021 and 2022) managed by the European Commission
- ASEAN Green Bond Standards (2018), Social Bond Standards (2018), Sustainability Bond Standards (2018), Sustainability-Linked Bond Standards (2023), and the ASEAN Sustainable Finance Taxonomy Version 2 (2023) managed by the ASEAN Capital Markets forum
- POJK No. 51/2017 and POJK No. 18/2023 regulated by the Financial Services Authority (OJK)
- Indonesian Sustainable Finance Taxonomy (2024) managed by the Financial Services Authority (OJK)

The framework includes several key elements, including the use of proceeds, the evaluation and selection process for proposals, management of proceeds, reporting, and external review. It is dynamic, applicable to transactions submitted after its issuance,

and is updated in line with the development of sustainability standards and principles.

Bank Mandiri has obtained a Second Party Opinion (SPO) from the renowned independent institution S&P Global Ratings to ensure that the Sustainable Finance Framework aligns with international standards and principles. This SPO affirms Bank Mandiri’s commitment to implementing responsible sustainable finance practices and supporting the achievement of ESG goals.

Furthermore, Bank Mandiri has issued a Transition Finance Framework to support the process towards a low-carbon economy, taking into account the socio-economic context of Indonesia. This framework refers to the ASEAN Taxonomy for Sustainable Finance (2023), the ASEAN Transition Finance Guidance (2023), the Indonesian Taxonomy for Sustainable Finance (2024) issued by OJK, and the Climate Transition Finance Handbook (2023) published by ICMA. Transition finance is essential to bridging the gap by mobilizing capital to drive climate solutions, support emission reduction, and facilitate industries in a gradual and structured manner toward environmentally friendly practices that achieve a low-carbon economy.

## Internal Engagement Related to ESG Risk Management in Financing [GRI G4 FS4] [GRI 404-2] [OJK F.22]

Bank Mandiri has developed sectoral expertise among Relationship Managers (RM) and credit analysts to ensure a comprehensive understanding of sector-specific material issues related to environmental and social aspects. Bank Mandiri also provides training to RMs to enhance their knowledge

and capabilities in effectively identifying ESG risks, ensuring risk management practices are aligned with sustainability principles.

Credit risk management training related to ESG in 2025 covered:

<p><b>Topic:</b> ESG Industry Risk Assessment, Credit Policy Assessment (KPKD) and SPK, Credit Analyst Program, and Orchestrating the Ecosystem through the Implementation of the Sustainable Finance Framework and Transition Finance Framework.</p>	<p><b>Number of Participants</b> <b>3,069</b></p>
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In 2025, Bank Mandiri actively engaged with its Subsidiaries to strengthen corporate governance. These engagement initiatives were undertaken to enhance alignment with Bank Mandiri’s sustainability strategy and to integrate ESG aspects

into internal policies, taking into account the specific business characteristics of each Subsidiary. The process was carried out through mentoring, training sessions, and technical meetings.

## Engagement with Policymakers

Bank Mandiri engages with policymakers and industry stakeholders to promote sustainable practices in Indonesia through technical committees, forums, and bilateral meetings. In addition, Board-level management are involved in climate risk strategy discussions as part of a proactive approach that is integrated with business strategy.

From a regulatory perspective, Bank Mandiri promotes sustainability practices through initiatives such as:

### 1 Climate Risk Testing through Scenario Modeling or Sensitivity Analysis

Bank Mandiri has developed climate risk management and scenario analysis, submitted to the Financial Services Authority (OJK) to identify the impact of climate risks on the bank's portfolio. In addition, feedback is provided to the regulator on climate risk testing in the banking sector, particularly with regard to challenges, methodologies, and methodological developments based on available data.

### 2 Support for the Sustainable Finance Taxonomy

Bank Mandiri is one of the institutions participating in the task force for the development of the Indonesia Sustainable Finance Taxonomy (TKBI) and the Green Taxonomy (THI) and is among the banks implementing the first THI pilot project. Bank Mandiri's role includes providing feedback to the regulator on taxonomy and participating proactively in focus group discussions (FGDs) with the OJK, banking associations, and other industry stakeholders.

Throughout 2025, Bank Mandiri participated in various coordination activities and discussions. In addition, Bank Mandiri consistently submitted quarterly reports on the Indonesia Green Taxonomy (THI) and the Indonesia Sustainable Finance Taxonomy (TKBI) to the Financial Services Authority.

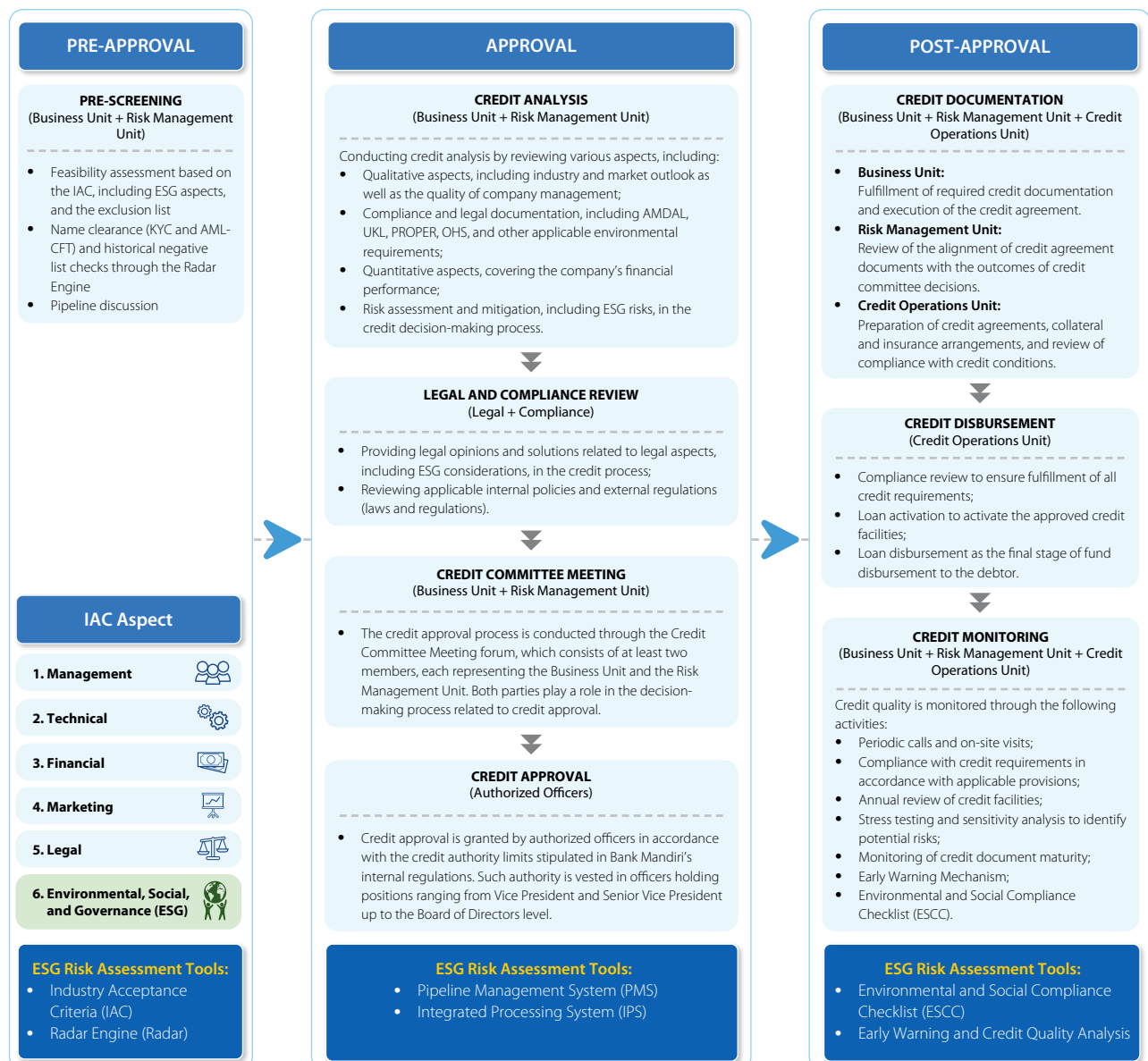
### 3 Collaboration with Relevant Ministries

Bank Mandiri initiatives are aligned with national and SOE policies, including synergies in renewable energy projects, carbon trading mechanisms, incentive schemes for industry players, and the identification of required private investments through strategic collaboration. In 2025, Bank Mandiri actively participated in various forums, initiatives, and cross-stakeholder collaborations to support this agenda.

# Integration of ESG Risk Management into Credit Risk Assessment

[FN-CB-410a.2] [GRI G4 FS2]

## Process for Integrating ESG Risk Management into Financing Activities, Including Corporate Finance and Project Finance



## ESG Risk Assessment in the Credit Approval Process

ESG risk assessment in lending activities is conducted on an end-to-end basis across all stages of credit disbursement and integrated across the Business Unit, Credit Operation Unit, and Credit Risk Management Unit. Bank Mandiri establishes the level of risk that the Bank is willing to accept (risk appetite) as well as industry risk tolerance (industry appetite), aligned with ESG aspects as stipulated in Bank Mandiri’s policies. The outcomes of this determination are subsequently formalized in the technical guidelines of the Industry Acceptance Criteria (IAC).

Each Business Unit performs assessments based on the Loan Portfolio Guidelines, which encompass Industry Classifications (IC), Industry Limits (IL), Industry Acceptance Criteria (IAC), and

sectoral credit policies. The Business Unit then proceeds with the pre-approval process using credit risk tools, including the application of ESG. For the wholesale segment, assessments are based on the Industry Acceptance Criteria (IAC) and credit risk scorecards, in accordance with the applicable risk acceptance criteria for each product.

As a result of ESG risk assessments, Bank Mandiri has integrated ESG into the Company’s credit policies and established both a Sustainable Finance Framework and a Transition Finance Framework to identify financing and projects that are aligned with applicable regulations and global standards.

## ESG Risk Assessment Tools [GRI G4 FS2]

Bank Mandiri’s ESG risk assessment tools are key instruments in the financing process, supporting Relationship Managers’ financing analysis through:

- Identification and assessment of ESG risks faced by customers;
- Evaluation of mitigation measures implemented by customers to manage ESG risks; and
- Assessment of the extent to which financing provided to customers is aligned with the commitments set out in Bank Mandiri’s ESG requirements.

These tools also include a set of specific questions to assess the alignment of financing provided to customers with debtors’

compliance with applicable environmental and social criteria, in accordance with prevailing regulations.

## Industry Acceptance Criteria (IAC) as an Initial ESG Risk Pre-Screening Tool [GRI G4 FS2]

IAC is a front-end tool in the early stage of the credit process used to support Business Units in conducting pre-screening or identifying targeted customers within specific sectors or industries. The criteria established for each industry sector represent Bank Mandiri's risk appetite, as stipulated in Internal Regulation No. K5.SP1.PT9.

The IAC is a checklist defined for each industry sector or sub-sector, covering the following 6 (six) aspects:

### 1 Management

Criteria related to a company's organizational and management, such as the capability and experience of company management in the business sector for which credit facilities are proposed.

### 2 Technical

Criteria related to technical issues in business operations, such as production processes.

### 3 Financial

Criteria related to a company's financial condition, including profitability, liquidity, solvency, and the scale of business activities.

### 4 Marketing

Criteria related to a company's marketing activities, such as the products sold, market prospects, and distribution channels.

### 5 Legal

Criteria related to legal compliance, such as a company's legal status, business legality, and business licenses.

### 6 Environmental, Social, and Governance (ESG)

Criteria related to a company's responsibilities and governance toward environmental and social aspects, employees, and stakeholders.

The ESG aspects within the IAC are embedded in Bank Mandiri's Policy Architecture (AKBM), which positions the principles of sustainable development as the primary guideline in conducting business and operational activities. In every decision-making process, Bank Mandiri actively assesses potential adverse environmental impacts as well as various social and environmental risks.

Bank Mandiri has established the following key criteria within its ESG-based credit policies:


**General Environmental Criteria**

Bank Mandiri has established criteria related to environmental aspects in the selection of prospective debtors, including the following:

- ▶ Have environmental management documents in accordance with the industrial sector and applicable regulations, including Environmental Impact Analysis (AMDAL)\* documents for mandatory business/activity plans or Environmental Management Effort (UKL) and Environmental Monitoring Effort (UPL) documents;
- ▶ Provide the results of the Company Performance Rating Program in Environmental Management (PROPER) assessment, as required by applicable regulations;
- ▶ Hold relevant environmental management permits/certifications or meet other applicable environmental criteria in compliance with prevailing laws and regulations.
- ▶ Implement energy efficiency measures through environmentally friendly and efficient distribution processes, supported by documentation acceptable to the Bank.

ESG impacts considered in AMDAL include but are not limited to: (1) forestry sector: avoiding disturbances to forest ecosystems, hydrology, biodiversity, pests, landscapes, and social conflicts; (2) agricultural sector: soil erosion, changes in water availability and quality due to land clearing, spread of pests, diseases, and weeds during operations, and changes in soil fertility due to the use of pesticides/herbicides.

\* Referring to the Regulation of the Minister of Environment and Forestry of the Republic of Indonesia Number P.38/MENLHK/SETJEN/KUM.1/7/2019 concerning Types of Business Plans and/or Activities Required to Have an Environmental Impact Analysis (AMDAL), which mandates debtors to comply with the conclusions and recommendations of AMDAL as required by the Ministry of Environment and Forestry (KLHK).


**General Social Criteria**

Bank Mandiri has established criteria related to social aspects in the selection of prospective debtors, including the following:

- ▶ Have internal policies on Environmental Management and Occupational Health and Safety (OHS) Management that are acceptable to the bank;
- ▶ Hold relevant environmental management permits/certifications or meet other applicable social criteria in accordance with prevailing laws and regulations.



## General Governance Criteria

Bank Mandiri has established criteria related to governance aspects in the selection of prospective debtors, including the following:

- ▶ The composition of the Board of Directors (skills and experience) is a key consideration in credit analysis, including the directors' professional backgrounds. Changes to the Board of Directors typically require the Bank's approval and are stipulated in the credit covenant;
- ▶ Financially, the Relationship Manager (RM) requests audited financial statements from clients. However, audited financial statements are not mandatory for retail clients.
- ▶ Public companies are required to prepare sustainability reports in accordance with the provisions of the Industry Acceptance Criteria (IAC).

## Exclusion List

Bank Mandiri is committed to not providing credit financing for business activities that may have negative impacts on the environment and society, as outlined in the following exclusion/negative list:

### 1. Environmental Aspects

- a. Illegal logging;
- b. Land clearing on peatland;
- c. Business activities that disrupt protected areas, such as World Heritage Sites (UNESCO World Heritage Sites), wetlands meeting Ramsar Convention\* criteria, and areas with high biodiversity categorized as protected areas under IUCN Categories I and II, as well as in accordance with the Convention on Biological Diversity\*\*.

### 2. Social Aspects

- a. Human rights violations as stipulated in labor laws and ILO Conventions\*\*\*;
- b. Drug abuse;

### 3. Governance Aspects

- a. Other business activities that are not in compliance with applicable laws, including but not limited to: pornography, gambling, money laundering, corruption, collusion, and nepotism, as well as goods and services that violate prevailing legal regulations.

\*The Ramsar Convention on Wetlands, ratified through Presidential Regulation No. 48 of 1991.

\*\*The Convention on Biological Diversity (CBD), ratified through Law No. 5 of 1994, with reference to the guidelines for the use of IUCN protected area categories under the CBD.

\*\*\*Applicable labor regulations in accordance with ILO standards, namely: Law No. 21 of 2000 on Trade Unions; Law No. 13 of 2003 on Manpower as amended by Law No. 11 of 2020 on Job Creation; Law No. 2 of 2004 on Industrial Relations Dispute Settlement; as well as laws related to the ratification of ILO conventions.

## Credit Policy for Priority Sectors [GRI G4 FS1, FS2]

Bank Mandiri's sectoral risk appetite policies are set out in the Industry Acceptance Criteria (IAC) No. K5.SP1.PT9 document. Policies for each sector are reviewed periodically to ensure continued alignment with business dynamics and are subject to strict oversight, consistent with formal credit policies. Credit policies incorporating ESG aspects are also subject to approval by senior management. In determining priority sectors, Bank Mandiri takes into account sectoral exposure and direct involvement of Group Credit, including in-depth assessments of industries with high ESG risk intensity.

The priority sectors include Agriculture, Coal, Energy, Construction, Mining, Other Transportation Equipment Manufacturing (Shipyard), Fast Moving Consumer Goods (FMCG), Oil and Gas, Industrial Plantation Forest (HTI) and Forest Product Processing Industry, Healthcare Services, Pharmaceuticals, Transportation, Pulp and Paper, Metals, Telecommunications, Hotels, Restaurants and Accommodation, Fertilizers and Pesticides, Cement, Automotive, Chemicals, Household Equipment, Livestock & Fisheries, Electronics, and Sectors Sensitive to ESG Aspects.



### Agriculture

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a minimum PROPER rating of Blue and/or at least an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
2. Having a Wastewater Treatment Facility (IPL) with a study that ensures the IPL is operational and that water quality parameters are within the specified limits.
3. Having a commitment to the No Deforestation, No Peat, and No Exploitation (NDPE) Policy, covering land clearance and development, conservation of High Conservation Value (HCV) and/or High Carbon Stock (HCS) areas, and peatland.
4. Having no new facilities allowed for development in peatland, whether for new or existing debtors.
5. Having a Wastewater Treatment Facility (IPL) with a study related to the availability of operational IPL and that water quality parameters are within the specified limits.
6. Having ISPO and/or RSPO certification, or at least proof of registration in the form of a receipt from the certification body, for the palm oil plantation subsector.
7. For palm oil plantations that do not yet have ISPO and/or RSPO certification, the following criteria apply:
  - a. Having a business ethics code, environmental policy, and labor policy (including Occupational Health and Safety).
  - b. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the bank.
  - c. Having SOPs for fire prevention and management, fire-fighting equipment suitable for land conditions, fire monitoring towers, and a trained fire response team according to the standards of the Directorate General of Plantations (Ditjenbun).
  - d. Having plantation companies with land areas of 250 hectares or more facilitate the development of community plantations covering at least 20% of the area outside the IUP-B (Plantation Business Permit) or IUP (Plantation Permit) or as specified in the location permit.
  - e. Having a system/procedure to identify the origin of plantations/sources of the palm oil used.
  - f. Having technical approval documentation for the management of hazardous and toxic waste (B3 waste).
  - g. Having an internal policy on No Deforestation, No Exploitation (NDPE), covering land clearing and development, conservation of High Conservation Value (HCV) areas, and peatlands.
  - h. If the (prospective) debtor owns a Palm Oil Mill, the facility must be equipped with a Wastewater Treatment Plant (WWTP/IPL) and hold a Wastewater Discharge Permit (IPLC).



## Coal

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Not providing financing to new mining operations (exploration phase).
2. Having a PROPER rating of Green and/or at least an AMDAL or UKL-UPL report (including reclamation and post-mining guarantees) approved by the Environmental Agency (BLH).
3. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the bank.
4. For financing mining operations as suppliers to coal-fired power plants (PLTU), the financing term must consider a coal phase-out strategy in line with the applicable PLN's RUPTL (Electricity Supply Business Plan).
5. If mining is conducted in forested areas, the mining company must have a Forest Area Borrowing Permit issued by the Ministry of Environment and Forestry.
6. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.



## Energy

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a PROPER rating and/or at least an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
2. For financing the development of new coal-fired power plants (PLTU) with PLN as the off taker, the financing term must consider the alignment with the coal phase-out strategy in accordance with the applicable PLN's RUPTL (Electricity Supply Business Plan).
3. For power plants that are already operational, having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the bank.
4. For operational power plants, having a Code of Ethics, environmental policies (such as carbon emissions, coal ash, and water and waste management), and labor policies.
5. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.
6. Specifically for Hydroelectric Power Plants (PLTA), having a Feasibility Study that is prepared or reviewed by an independent consultant, including a Hydrological Study related to the adequacy of river water flow, to ensure that it does not disrupt the sustainability of the ecosystem (biodiversity and local communities' access to clean water).



## Construction

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the bank.
2. Having internal policies (code of ethics) related to the environment and labor.
3. Having internal policies and standard operating procedures (SOP) related to accident handling for toll road operators.
4. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.



## Mining

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a minimum PROPER rating of Green and/or at least an AMDAL or UKL-UPL report (including reclamation and post-mining guarantees) approved by the Environmental Agency (BLH).
2. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the bank.
3. The company applies good mining practices in accordance with applicable laws and regulations, including submitting the Work Plan and Budget (RKAB) for the relevant year approved by the Ministry of Energy and Mineral Resources (ESDM), and/or other required documents related to good mining practices.
4. Having internal policies (Code of Ethics) related to the environment and labor.
5. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.



## Other Transport Equipment Industry (Shipyard)

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having efforts to implement energy efficiency and emission reduction, supported by documents that are acceptable to the bank.
2. For public companies, having a Sustainability Report is mandatory.
3. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.



## Fast Moving Consumer Goods (FMCG)

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a minimum PROPER rating of Blue and/or at least an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
2. Having a code of ethics, environmental policies (such as the use of chemicals, and water and waste management), and labor policies (including OHS).
3. For distributors, having provisions for packaging recycling or clear targets to reduce plastic waste with environmentally friendly materials.
4. For the bottled mineral water industry:
  - a. Having provisions for packaging recycling or clear targets to reduce plastic waste with environmentally friendly materials.
  - b. Using spring water in accordance with applicable laws and regulations, including maintaining water sources for sustainability and ensuring the availability of water for the surrounding environment.
5. Paying attention to labor aspects such as minimum wages and not employing workers under the legal age.



## Oil and Gas

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the bank.
2. Having an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
3. Oil and gas business activities must have documentation stating the fulfillment of all oil and gas safety requirements (for installations and equipment, workers, the general public, and the environment), with specific supporting documentation proven by a Supporting Business Certificate (SKUP).
4. Having policies/standards and procedures related to environmental management, and Occupational Health and Safety (OHS), in accordance with the applicable oil and gas regulatory authorities at the business location.



## Industrial Plantation Forest (HTI) Sector and Forest Products Processing Industry

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having an AMDAL (Environmental Impact Assessment) in accordance with the requirements of the relevant authorities.
2. Fulfilling the forest management permit documents for industrial timber plantations, including the Timber Forest Product Utilization Business Permit (IUPHHK) and/or Non-Timber Forest Product Utilization Business Permit (IUPHHBK), along with the approved Business Work Plan (RKU) from the Ministry of Environment and Forestry.
3. Where customary land is utilized, implementing measures to empower indigenous and/or local communities in accordance with applicable regulations, and obtaining consent through the Free, Prior and Informed Consent (FPIC) process from the relevant indigenous/local communities.
4. Having human resources and/or experts in the field of natural resource and ecosystem conservation, supported by competency certificates issued by authorized institutions.
5. Implementing forest protection measures, including the prohibition of land burning practices, environmental restoration, and land rehabilitation.



## Healthcare Services

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having internal policies on environmental management and Occupational Health and Safety (OHS) management that are acceptable to the bank.
2. The hospital must have a Wastewater and Medical Waste Management Permit, as well as AMDAL/UKL/UPL documents.



## Pharmaceutical

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having internal policies on environmental management and Occupational Health and Safety (OHS) management that are acceptable to the bank.
2. The pharmaceutical company must have a Wastewater and Medical Waste Management Permit, as well as AMDAL/UKL/UPL documents.
3. Having environmental permits and/or certifications (commensurate with the risks posed by waste-related hazards and in accordance with the requirements of the Ministry of Environment).



## Transportation

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001, as well as Occupational Health and Safety (OHS) management certification like ISO 45001 or other similar documents accepted by the bank.



## Pulp and Paper

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having environmental management certification such as ISO 14001 and Occupational Health and Safety (OHS) management certification like ISO 45001, or other documents accepted by the bank.
2. Having a minimum PROPER rating of Blue and/or at least an AMDAL or UKL-UPL report approved by the Environmental Agency (BLH).
3. The company must have a wastewater treatment facility (IPAL), waste treatment facility (IPL), Liquid Waste Disposal Permit (IPLC), and hazardous and toxic waste (B3) treatment facility, supported by documents that are acceptable to the bank.
4. For the pulp and paper trade, the company must have efforts/statements/self-declarations to meet the following principles/commitments:
  - a. Selling products or services that aim to minimize environmental harm.
  - b. A more environmentally friendly, efficient, cost-effective, and energy-efficient distribution process.
  - c. Allocating a budget for environmentally friendly marketing.
  - d. Not overusing resources.
  - e. Having sustainability certifications such as Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), or ecolabel certifications.



## Metals

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a minimum PROPER rating of Green and/or at least an AMDAL or UKL-UPL report (including reclamation and post-mining guarantees) approved by the Environmental Agency (BLH).
2. The company applies Good Mining Practices in accordance with applicable laws and regulations.
3. Having Occupational Health and Safety (OHS) certification (such as OHSAS 18001 or other similar documents accepted by the bank).
4. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the Bank.
5. Having Environmental and Social requirements such as UKL-UPL or AMDAL (including reclamation and post-mining guarantees), achieving at least a Blue PROPER rating, as well as holding Occupational Health and Safety certification (such as OHSAS 18001 or other equivalent documents acceptable to the Bank) and environmental management certification.
6. Having a Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, as well as SOPs for the operation and maintenance of Wastewater Treatment Facilities (IPAL) for companies generating liquid waste.
7. Having technical approval documents for the self-management of hazardous and toxic (B3) waste and/or cooperation agreements with licensed third parties for B3 waste treatment.



## Telecommunications

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having environmental management certification such as ISO 14001/ISO 45001 or other similar documents accepted by the bank.
2. Having provisions and/or certifications related to Occupational Health and Safety (OHS) in accordance with applicable regulations.
3. Having internal policies related to data privacy in accordance with applicable regulations, as well as having high-level systems and capabilities related to cybersecurity.



## Hotels, Restaurants, and Accommodation

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a PROPER rating and/or at a minimum have an AMDAL, UKL-UPL, or SPPL report that has been approved by the Environmental (BLH).
2. Holding environmental management certifications such as ISO 14001 and/or ISO 45001 ISO 22483 related to tourism management systems, or other equivalent documents acceptable to the bank.
3. Having policies and/or certifications related to Occupational Health and Safety (K3), in accordance with applicable regulations.



### Fertilizers & Pesticides

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a PROPER rating and/or at least an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. Having a sustainable CSR program with measurable impact, supported by documents acceptable to the bank (for the group or its subsidiaries).
5. Having technical approval documents for hazardous waste (B3) management and/or a legally licensed agreement for hazardous waste (B3) processing.
6. Having an Industrial Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, along with SOPs for the operation and maintenance of the wastewater treatment plant (IPAL).



### Cement

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a PROPER rating and/or at least an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH) (for cement plants).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. For cement plants, holding technical approval documentation for the management of hazardous and toxic waste (B3 waste) and/or cooperation agreements with licensed hazardous and toxic waste (B3 waste) treatment providers.
5. Having an Industrial Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, along with SOPs for the operation and maintenance of the wastewater treatment plant (IPAL) (for cement plants).



### Automotive

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. For the automotive industry, having an Industrial Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, along with SOPs for the operation and maintenance of the wastewater treatment plant (IPAL).
5. For the automotive industry, having technical approval documents for hazardous waste (B3) management and/or a legally licensed agreement for hazardous waste (B3) processing.



## Chemical

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having an approved AMDAL/UKL-UPL/SPPL report from the Environmental Agency (BLH).
2. Having environmental management certifications such as ISO 14001/ISO 45001 or other equivalent documents accepted by the bank.
3. Having compliance with applicable Occupational Health and Safety (OHS) regulations and/or relevant certifications.
4. Having an Industrial Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, along with SOPs for the operation and maintenance of the wastewater treatment plant (IPAL).
5. Having technical approval documents for hazardous waste (B3) management and/or a legally licensed agreement for hazardous waste (B3) processing.



## Household Appliances

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a minimum PROPER rating of Blue.
2. Having an approved AMDAL document, UKL-UPL Recommendation, or Environmental Management Statement Letter (SPPL) endorsed by the Environmental Agency (BLH).
3. For large-scale companies, having Environmental Management certification such as ISO 14001, Occupational Health and Safety (OHS) Management certification such as ISO 45001, and other relevant certifications.
4. Having initiatives to improve energy efficiency and reduce emissions in operational activities, including environmentally friendly, efficient, and cost- and energy-efficient distribution processes, supported by documents acceptable to the Bank (e.g., SOPs, policies, or other relevant documentation).
5. Having technical approval documents for the self-management of hazardous waste and/or cooperation agreements with licensed third parties for B3 waste treatment, where applicable.
6. Having a Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, as well as SOPs for the operation and maintenance of wastewater treatment facilities (IPAL).



## Livestock & Fisheries

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having an approved AMDAL document, UKL-UPL Recommendation, or Environmental Management Statement Letter (SPPL) endorsed by the Environmental Agency (BLH).
2. For large-scale companies, having Environmental Management certification such as ISO 14001, Occupational Health and Safety (OHS) Management certification such as ISO 45001, or other relevant certifications.
3. Having initiatives to improve energy efficiency and reduce emissions in operational activities, including environmentally friendly, efficient, cost- and energy-efficient distribution processes, supported by documents acceptable to the Bank (e.g., SOPs, policies, or other relevant documentation).
4. Having a Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, as well as SOPs for the operation and maintenance of Wastewater Treatment Facilities (IPAL).



## Electronics

Bank Mandiri has established ESG-related criteria for prospective debtors in this sector, with the following provisions:

1. Having a minimum PROPER rating of Blue.
2. Having an approved AMDAL document, UKL-UPL Recommendation, or Environmental Management Statement Letter (SPPL) endorsed by the Environmental Agency (BLH).
3. For large-scale companies, having Environmental Management certification such as ISO 14001, Occupational Health and Safety (OHS) Management certification such as ISO 45001, or other relevant certifications.
4. Having initiatives to improve energy efficiency and reduce emissions in operational activities, including environmentally friendly, efficient, and cost- and energy-efficient distribution processes, supported by documents acceptable to the Bank (e.g., SOPs, policies, or other relevant documentation).
5. Having technical approval documents for the self-management of hazardous waste and/or cooperation agreements with licensed third parties for B3 waste treatment, where applicable.
6. Having a Wastewater Discharge Permit (IPLC) or Technical Approval for compliance with wastewater quality standards, as well as SOPs for the operation and maintenance of Wastewater Treatment Facilities (IPAL).



## Sectors Sensitive to ESG Aspects

For other sensitive sectors, Bank MandiriBank Mandiri has established binding credit policies requiring clients in this sector to comply with applicable regulations and standards related to ESG aspects, which includes fulfilling environmental management certification such as ISO 14001 and OHS certification like ISO 45001 or other similar standards. For debtors who are unable to meet the established requirements, there is a monitoring mechanism and the development of an action plan aimed at improving ESG aspects.

Bank Mandiri actively engages with customers in priority sectors to ensure the full integration of sustainability strategies. Through regular dialogue, Bank Mandiri supports customers in developing sustainability action plans, including carbon emission reduction and alignment with global ESG standards.

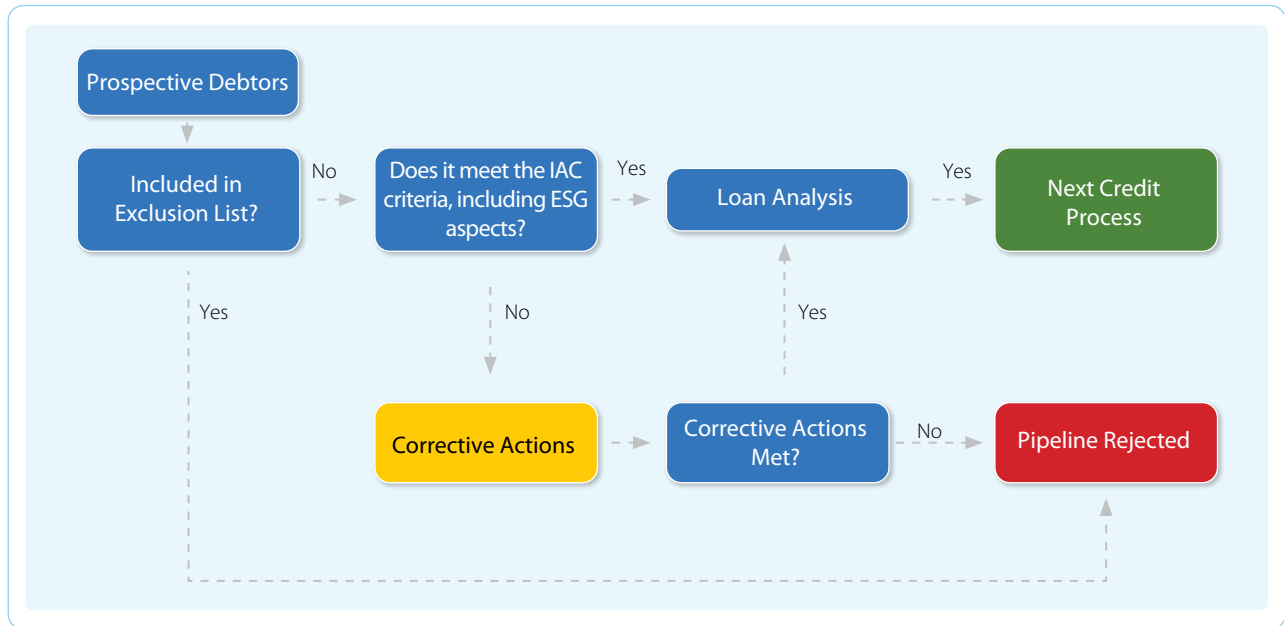
## Pre-Screening Process for Prospective Debtors Through the IAC ESG Risk Assessment Tool

[GRI G4 FS2]

At the pre-screening stage, Bank Mandiri conducts feasibility assessments of prospective debtors based on the Industry Acceptance Criteria (IAC) and the exclusion list to ensure sector or industry alignment with the Bank's risk policies and ESG requirements. This process is conducted by the Business Unit and the Risk Management Unit, and includes name clearance

procedures (Know Your Customer (KYC) as well as Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF)) and historical negativity checks through the Radar Engine system by the Business Unit and the Credit Risk and Transaction Unit (CRTU).

The feasibility assessment process for prospective debtors uses the following mechanisms:



## Pre-Selection Results of Prospective Debtors through the IAC ESG Risk Assessment Tool

[GRI G4 FS2]

Bank Mandiri conducts ESG risk assessments using the IAC to evaluate prospective debtors based on six key aspects. Following this assessment process, decision-making is carried out through a pipeline approval mechanism by the Director of Corporate Banking, Director of Commercial Banking, Director of Risk Management, Business Unit, and Credit Risk Taking Unit (CRTU).

During 2025, a total of 181 applications were rejected, of which 94 applications, or equivalent to 52% of the total rejections, were due to non-compliance with the IAC requirements.

	2025	2024	2023
Number of rejected applications	181	348	102
Number of rejected applications due to non-compliance with IAC requirements	94	149	41
Percentage of rejected applications due to non-compliance with IAC requirements	52%	43%	40%

From 2023 to 2025, Bank Mandiri implemented increasingly stringent customer pipeline screening through the application of the IAC, which includes ESG aspects.

## Early Warning and Credit Quality Analysis as Tools for Monitoring ESG Risk

[GRI G4 FS3]

Bank Mandiri consistently monitors compliance with environmental and social requirements stipulated in credit terms as part of its enhanced due diligence process. This process is carried out by the Business Unit, Risk Management Unit, and Credit Operations Unit, with a focus on several key activities, including periodic calls and site visits, fulfillment of credit conditions, annual reviews, early warning mechanisms, stress testing and sensitivity analysis, and monitoring of document expiry.

Bank Mandiri has an early warning analysis through the initiation of a forum involving the Business Unit and the Risk Management Unit. This forum is conducted quarterly and serves to identify and monitor risks that may affect credit quality, including risks related to ESG aspects, financial performance, and industry outlook. In addition, the forum evaluates debtors' implementation of ESG practices, assesses business sustainability, and monitors climate change mitigation measures. The results of monitoring through this early warning mechanism are reported and communicated regularly to the Risk Monitoring Committee.

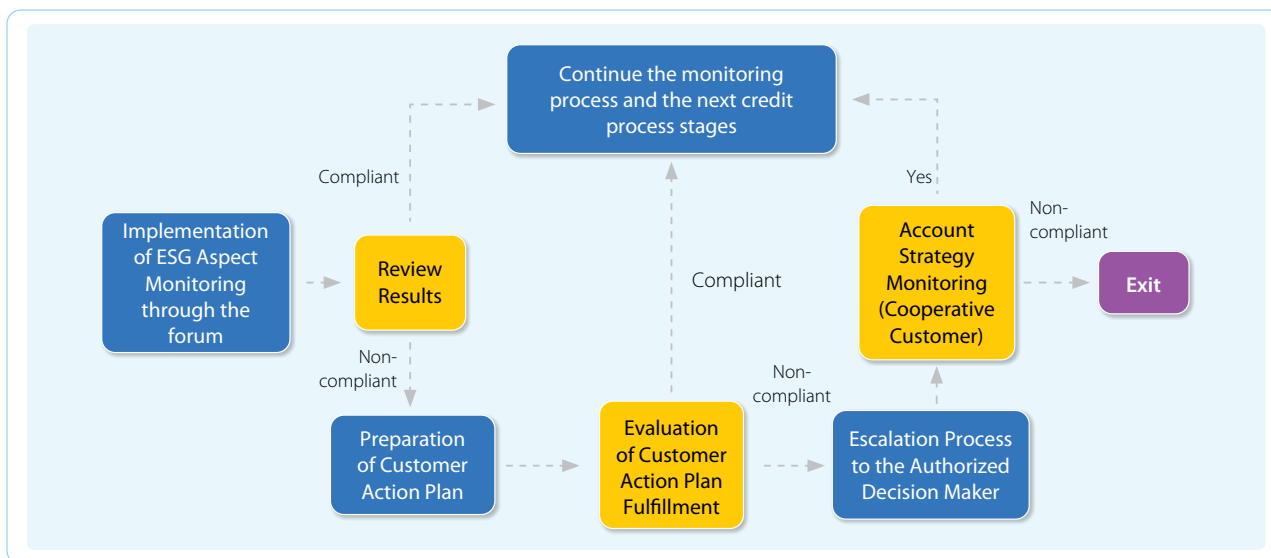
## ESG Due Diligence [GRI G4 FS3]

Bank Mandiri identifies ESG risk triggers, with clearly defined thresholds for ESG due diligence and risk escalation processes to ensure that all identified risks are addressed appropriately in line with ESG principles. Bank Mandiri has established threshold criteria, such as compliance with environmental certifications or standards and social aspects in accordance with applicable laws and regulations, as primary triggers for due diligence. When risks reach these thresholds, Bank Mandiri requires debtors to have an action plan that fulfills ESG requirements within a timeframe appropriate to the nature of the customer’s business. These action plans are reviewed periodically to ensure the debtor’s compliance with the established standards.

If the results from the forum indicate that a debtor remains non-compliant with ESG, despite having undergone the preparation

and evaluation of an action plan, further corrective action may be taken to ensure the customer’s compliance. Additional feasibility assessments are conducted if the customer fails to meet the established financing criteria. Subsequently, the case will be escalated to the Risk Monitoring Committee through the forum if ESG-related risk findings cannot be resolved at the technical level between the Business Unit, Risk Management Unit, and the debtor. In such cases, oversight by the credit decision-making authority is required. This oversight is exercised by officials at the Senior Vice President level up to the Board of Directors to ensure appropriate mitigation measures and further decision-making. If ESG impacts are identified as highly material during the due diligence process, further escalation is carried out to the Board of Directors up to the CEO level for decision-making.

### Monitoring ESG Aspects in the Early Warning Analysis Forum



## Enhanced ESG Risk Due Diligence

As an example of additional due diligence triggered by noncompliance with a debtor’s ESG performance, Bank Mandiri refers to the Program Penilaian Peringkat Kinerja Perusahaan (PROPER), a government-administered corporate environmental performance rating program, in assessing a debtor’s environmental performance/ The minimum requirement is a Blue PROPER rating. There have been cases in which debtors

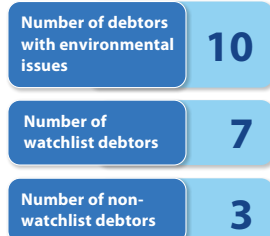
experienced a downgrade in their PROPER rating, generally due to business activities with potentially adverse environmental impacts, such as improper management of hazardous and toxic waste, as well as emissions exceeding the prescribed regulatory thresholds.

In these cases, Bank Mandiri escalates the matter to senior management, where issues related to the downgrade in the PROPER rating are reported and discussed to determine the appropriate strategic actions. Debtors are encouraged to improve their PROPER rating to at least "Blue" within an agreed timeframe, using a tailored approach that takes into account the specific conditions and needs of each case. Bank Mandiri provides guidance for the preparation of an action plan that includes concrete corrective measures to address the underlying causes of the PROPER downgrade.

Subsequently, during senior management meetings, the debtor's improvement plan is discussed in detail, including the formulation of an action plan with measurable targets. These targets are then incorporated into the credit agreement. Bank Mandiri periodically monitors the progress of the debtor's action plan and conducts evaluations to ensure that corrective measures are implemented in accordance with the agreed timeline. This monitoring continues until the debtor has fully implemented the action plan and completed the required improvements.

### Early Warning Analysis Forum Results [GRI G4 FS3]

In 2025, through the early warning analysis forum, Bank Mandiri monitored a total of 1,864 debtors. From this monitoring process, 10 debtors were identified as having environmental issues, of which 7 were categorized under the watchlist and 3 were classified as non-watchlist. With respect to these debtors, Bank Mandiri conducts periodic monitoring of the progress of the agreed action plans. The evaluation is carried out to ensure that the implementation of corrective measures proceeds in accordance with the established timeline and agreed commitments.



## Environmental and Social Compliance Checklist (ESCC) as a Tool for ESG Maturity Level Assessment and Customer Engagement [GRI G4 FS2]

Environmental and Social Compliance Checklist (ESCC) serves as a qualitative assessment tool to ensure debtors' compliance with applicable environmental and social criteria, while continuing to support Bank Mandiri's business growth. Furthermore, Bank Mandiri has binding credit policies related

to ESG aspects, underpinned by prudential principles and intensive monitoring. The scope of the management system for assessing ESG risks in financing applies the ESCC and credit policies and covers wholesale debtors (financing above IDR25 billion), including project finance and corporate finance.

Sectors with higher environmental and social risks are required to undergo more stringent due diligence processes, as stipulated in sectoral policies. Customers' ESG maturity levels are assessed through a questionnaire developed based on eight parameters aligned with the principles of the International Finance Corporation (IFC). These parameters serve as a global reference for Bank Mandiri in identifying and managing environmental and social risks, while ensuring the implementation of sustainable business practices in project financing, including corporate finance schemes.

The results of the ESCC evaluation serve as the basis for determining action plans for customers to address unmet environmental and social criteria and for defining financing strategies aligned with the NZE in Financing by 2060 target or earlier.


This process includes an analysis of debtors' environmental and social risk profiles, which serves as a key reference in the development of Bank Mandiri's Decarbonization Plan in 2025. In this context, management, including the Board of Directors, proactively establishes business strategies aligned with the outcomes of the ESG assessment.

The ESCC questionnaire comprises a structured set of questions designed to assess customers' ESG maturity level and transition readiness, with the general overview outlined as follows:

1. The extent to which the ESG framework is implemented across customers' business lines and operations.
2. The level of alignment of customers' transition plans with the Paris Agreement, particularly the target of limiting global temperature increase to 1.5°C.
3. Challenges faced by customers in implementing the ESG framework and transition plans.
4. Support needs that Bank Mandiri can provide to help customers address these challenges.
5. Identification of sustainability-related risks and opportunities.

The 8 (eight) IFC parameters applied in the ESCC are as follows:


Risk Management



**Physical Risks, Transition Risks, & Emission Calculations (Scope 1, 2, & 3)**

This underscores the importance of assessing, managing, and monitoring environmental and social risks and impacts in every project. Project managers are encouraged to develop effective environmental and social management systems to ensure sustainability. Bank Mandiri encourages companies to take preventive measures to address climate risks, including both physical risks and transitional risks, while conducting comprehensive emission calculations covering Scope 1, 2, and 3 from their business activities and operations. Additionally, publicly listed companies must transparently disclose the results of these calculations in their sustainability reports.

Labor



**Human Rights**

This stresses the importance of fair treatment of workers, encompassing non-discrimination, occupational health and safety, and freedom of association. It also prohibits forced labor and the exploitation of child labor. Bank Mandiri requires clients to establish policies that support the protection of human rights and ensure the fulfillment of fundamental labor rights in accordance with ILO conventions. These policies must include respect for freedom of association, the implementation of Occupational Health and Safety (OHS) procedures, and mitigation measures against prohibited labor practices.



### Resource Efficiency and Pollution Prevention

This focuses on the efficient use of natural resources, including water and energy, as well as preventing environmental pollution through effective waste and emissions management. In the Environmental and Social Compliance Checklist (ESCC), Bank Mandiri encourages clients to adopt resource efficiency measures, such as energy and water conservation, tailored to the specific characteristics and needs of their respective sectors.



### Community Health, Safety, and Security

This emphasizes the importance of identifying, preventing, and managing risks that may affect the health, safety, and security of communities surrounding the project. Additionally, it promotes the establishment of constructive relationships with local communities. Bank Mandiri encourages its clients to implement procedures or mitigation measures aimed at minimizing negative impacts on the health and safety of communities near the project.



### Land Acquisition and Resettlement

Guidance is provided to ensure that land acquisition processes are conducted fairly, minimizing forced evictions. If evictions are unavoidable, the project must offer adequate compensation and ensure the restoration of livelihoods for affected communities. If a company's business activities require land acquisition, Bank Mandiri mandates that customers have land acquisition policies and/or procedures that comply with applicable laws and regulations. Additionally, Bank Mandiri encourages customers to monitor and evaluate the impacts of land acquisition and resettlement during and/or after project implementation.



### Biodiversity Conservation and Sustainable Management of Living Natural Resources

This parameter aims to safeguard biodiversity, preserve ecosystems, and ensure the sustainable management of biological natural resources, including those within protected areas. Bank Mandiri integrates biodiversity considerations into its sustainability risk management policies, particularly in the forestry, mining, and agriculture sectors. Customers are required to possess approved environmental documents (AMDAL/UKL-UPL/SPPL) issued by the relevant authorities, as well as established mitigation procedures addressing potential impacts on protected species (CITES) where business activities may affect natural habitats.



### Indigenous Peoples

This aims to ensure respect for the rights, culture, and values of indigenous communities. Companies are required to obtain Free, Prior, and Informed Consent (FPIC) before initiating projects that could have significant impacts on indigenous peoples. Bank Mandiri encourages its customers to implement programs and/or initiatives that empower indigenous communities, enhance their well-being, and preserve the surrounding environment, which is an integral part of their lives.



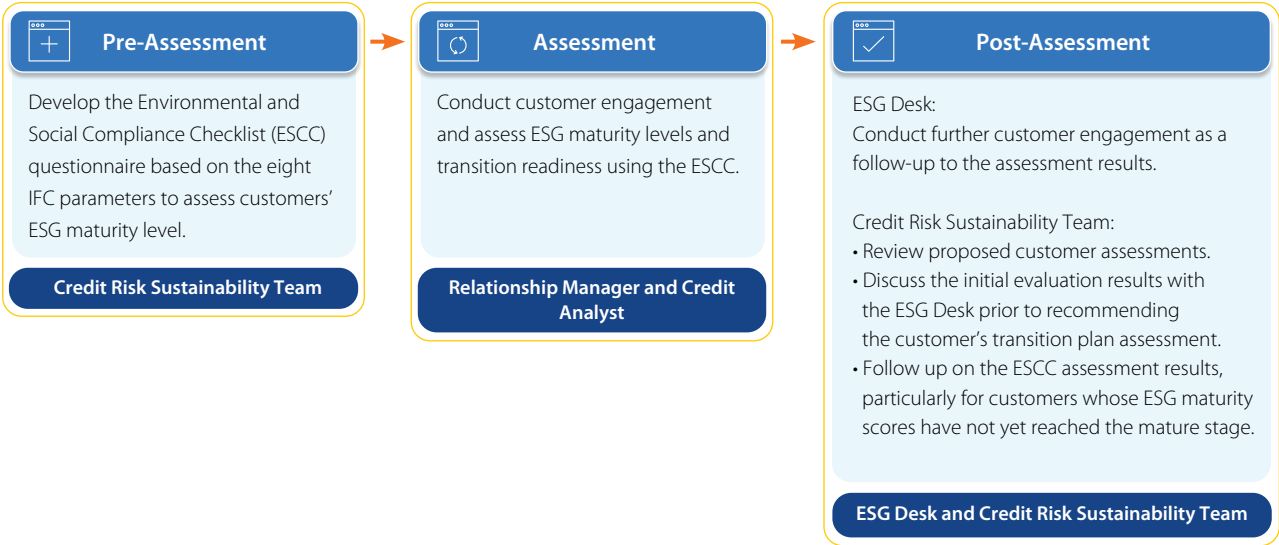
### Cultural Heritage

This aims to protect cultural heritage, both tangible (such as historic buildings, monuments, or archaeological sites) and intangible (such as traditions, customs, and local wisdom), from potential negative impacts caused by a project. Bank Mandiri is committed to refraining from financing projects located in or near UNESCO World Heritage Sites or government-protected cultural heritage sites, unless such projects are intended for conservation purposes. In such cases, customers are required to have adequate procedures and mitigation measures in place to minimize potential adverse impacts on cultural heritage sites.

### Transition Plan Assessment Framework and Customer Engagement through ESCC [GRI G4 FS3]

Customers’ transition plans, particularly in high-emission sectors, enable Bank Mandiri to better understand and support their efforts to adapt and respond to climate change challenges. This understanding provides a more comprehensive view of customers’ strategic direction and their level of readiness

to transition toward more sustainable business practices. In this regard, Bank Mandiri has established a Transition Plan Assessment and Customer Engagement Framework through ESCC, as follows:

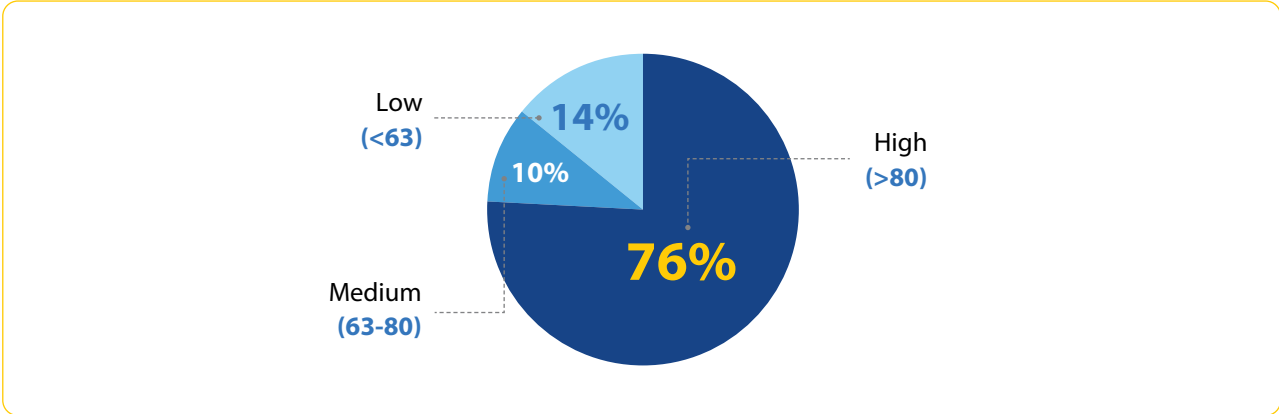


### ESCC Assessment Results [GRI G4 FS3, FS10]

The ESCC assessment is used to measure the level of LST maturity and customers’ transition readiness. The ESCC results classify customers’ LST maturity into three categories: High with a score above 80, Medium with a score between 63 and 80, and Low with a score below 63.

In 2025, the ESCC assessment was conducted on the 50 largest emitting customers (top emitters). Based on the assessment results, 76% of customers were categorized as High, 10% as Medium, and 14% as Low.

ESCC Assessment Results for 50 Top Emitters Customers



## The Role of the ESG Advisory Desk and the Credit Risk Sustainability Team in Supporting Customer Transition [GRI G4 FS3]

The ESG Desk and the Credit Risk Sustainability Team serve as the frontline units of Bank Mandiri in integrating sustainability considerations into customer relationships. Through the ESG Desk, Bank Mandiri fosters ongoing dialogue with various customer segments to better understand their transition pathways, as well as the challenges and opportunities relevant to their respective business dynamics. This approach enables Bank Mandiri to provide more targeted support while identifying opportunities to expand sustainable financing in line with the shift toward a low-carbon economy.

By emphasizing its advisory role, the ESG Desk acts as a bridge between customers' transition needs and financial solutions aligned with Bank Mandiri's sustainability strategy. Through this mechanism, Bank Mandiri strengthens its position as a strategic partner in customers' transformation journeys, while driving financing innovation that is responsive to evolving market developments and sustainability policies.

Through the ESG Desk, Bank Mandiri has undertaken several key initiatives, including:



In addition, Relationship Managers actively communicate Bank Mandiri's sectoral credit policies and gather feedback from companies to strengthen these policies in alignment with applicable regulations and global best practices.

# Environmental Financing Opportunities

[GRI G4 FS7, FS8]

Bank Mandiri continues to develop ESG-related products and integrates ESG analysis with fundamental analysis. Bank Mandiri has taken a proactive approach in integrating and aligning ESG aspects to evaluate exposure risks and their management, as well as to access opportunities related to sustainability. Furthermore, Bank Mandiri is actively investing in and developing data and ESG integration solutions. In 2025, we expanded the use of ESG data and analytical tools to other internally managed equity strategies.

Bank Mandiri is committed to implementing sustainable finance by providing comprehensive support for sustainable economic growth derived from the alignment of the economic, social, and environmental aspects. This commitment is realized through the Sustainable Banking pillar, in the form of sustainable financing and sustainable funding. [GRI G4 FS7, FS8]



## Sustainable Financing

Sustainable financing refers to the credit provided by Bank Mandiri to support business activities aimed at enhancing environmental preservation and social well-being. In line with POJK No. 51/2017, financing for sustainable activities is a key focus in the development of Bank Mandiri’s sustainability

portfolio, including the Sustainable Business Activity Categories (KKUB). Based on the Sustainable Finance Framework, Bank Mandiri classifies sustainable activities into three main categories, namely:

<p><b>Green Activities</b></p> <p>Activities that support environmental sustainability or low or zero emissions that contribute to the target of limiting global temperature rise to below 2°C, in alignment with national targets.</p>	<p><b>Social Activities</b></p> <p>Activities that directly address social issues and provide positive impacts, particularly for targeted groups, in line with national programs.</p>	<p><b>Transition Activities</b></p> <p>Activities that are not yet fully categorized as green activities but are aimed at achieving significant emissions reductions in the short to medium-term.</p>
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This classification serves as the foundation for Bank Mandiri in developing Sustainable Financing, ensuring that it meets its

primary objective, which is to support business activities aimed at enhancing environmental preservation and social well-being.

The total allocation for Sustainable Business Activity Categories amounted to **IDR315.8 trillion**, or **21.1%** of the total credit distribution\* in 2025

**Green Activities** [GRI G4 FS7]

**IDR166.2 trillion**, or **11.1%** of the total credit distribution\*

\* bank only

**Social Activities** [GRI G4 FS8]

**IDR149.6 trillion**, or **10.0%** of the total credit distribution\*

\* bank only


## Sustainable Financing Portfolio

### Green Portfolio Category [GRI G4 FS8]

Financing under the Green Portfolio refers to the Sustainable Business Activities Categories as stipulated in OJK Regulation No. 51/POJK.03/2017, which include Renewable Energy, Energy Efficiency, Pollution Prevention and Control, Sustainable Natural Resources and Land Use, Terrestrial and Aquatic Biodiversity Conservation, Eco-efficient Products, Clean Transportation, Green Building, Sustainable Water and Wastewater

Management, Climate Change Adaptation, as well as Other Environmentally Friendly Business Activities.

In 2025, financing for green activities aligned with the Environmentally Sustainable Business Activities (KUBL) is as follows:

Green activities in accordance with POJK No. 51/2017 amounted to **IDR166.2 trillion**, or **11.1%** of Bank Mandiri's total loan portfolio\*.  **11.7% YoY**

Renewable Energy

**IDR12.9 trillion**

 **9.4% YoY**

Sustainable Natural Resources and Land Use

**IDR115.7 trillion**

 **3.8% YoY**

Clean Transportation

**IDR10.3 trillion**

 **36.5% YoY**

Sustainable Water and Wastewater Management

**IDR5.8 trillion**

 **392.2% YoY**

Eco-efficient Products

**IDR15.0 trillion**

 **41.7% YoY**

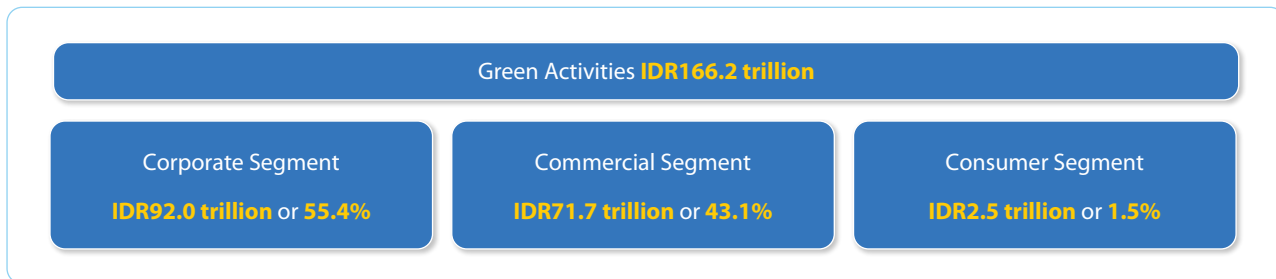
Green Building

**IDR6.5 trillion**

 **4.3% YoY**

\* bank only

**Green Activities Financing by Segment [GRI G4 FS8]**



Bank Mandiri’s Green Portfolio in 2025 grew by 11.7% compared to 2024, reinforcing the Bank Mandiri’s position as a market leader with a market share of more than 35% among the four largest banks. The financing was primarily channeled

to the sustainable management of natural resources and land, renewable energy, eco-efficient products, and clean transportation sectors.

**Renewable Energy**

**Solar Power Plants (PLTS)**

The Solar Power Plants (PLTS) have a total installed capacity of approximately ±5.4 MWp, distributed across 36 locations in Kutai Timur, Paser, and Kutai Kartanegara Regencies, East Kalimantan Province. The project is scheduled to commence phased operations during the 2025–2026 period. The PLTS installations are designed to replace diesel fuel usage in supplying electricity to residential housing and office facilities within plantation areas. In 2025, the average electricity generated reached approximately ±160,597 kWh per month, with an average daily utilization of around 8 hours.

**Micro Hydropower Plant (PLTMH)**

The Micro Hydropower Plant, with an installed capacity of 2x2.45 MW and a contracted PPA capacity of 2x2.15 MW, is located in Tolitoli Regency, Central Sulawesi. The project is currently under construction and is targeted to achieve Commercial Operation Date (COD) in January 2027. The plant harnesses the water flow of the Batunobotak River, which has a watershed area of 38.12 km<sup>2</sup> and an average discharge of 5.067 m<sup>3</sup> per second, supporting stable and sustainable power generation.

**Clean Transportation**

Bank Mandiri extended financing to a company operating in the transportation sector to support the operational strengthening of 60 electric buses and 18 public EV charging stations (SPKLU) currently deployed in Medan. This initiative forms part of broader efforts to accelerate the national energy transition. This collaboration reflects the shared commitment and strategic steps of both parties in advancing energy transition and reducing emissions in the public transportation sector, while reinforcing the role of the private sector in supporting Indonesia’s Net Zero Emission agenda through the adoption of electric vehicles.

## Products that Reduce Resource Use & Generate Lower Pollution (Eco-Efficient)

Bank Mandiri provided financing to a company operating in the paper manufacturing industry (paper mill), specifically producing packaging paper made from 100% environmentally friendly recycled paper waste. This initiative contributes to global waste reduction efforts and minimizes deforestation. The company focuses on eco-friendly products certified by the Programme for the Endorsement of Forest Certification (PEFC).

## Environmentally Sustainable Buildings Meeting Recognized Standards/Certifications

Bank Mandiri financed a company engaged in premium property and hospitality development, involved in the construction of a building project in Kuningan, Jakarta. The project obtained the Green Mark Platinum certification from the Building and Construction Authority (BCA) of Singapore in 2025, reflecting a strong commitment to sustainability and energy efficiency through environmentally friendly features such as energy- and water-efficient systems, as well as water recycling facilities.

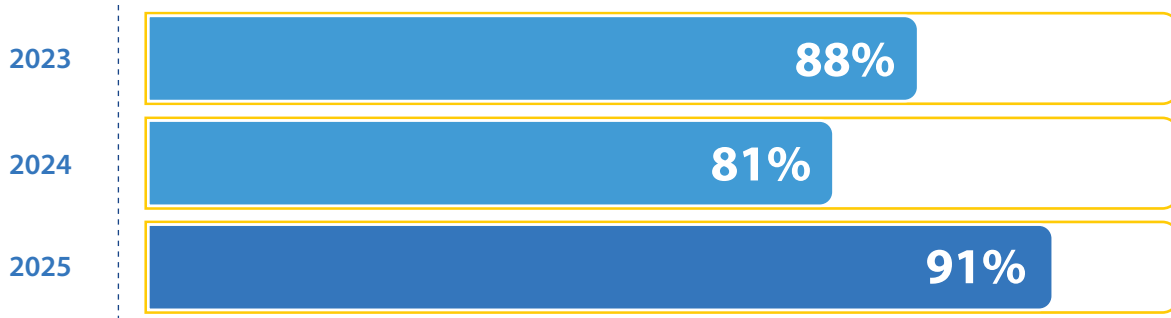
## Sustainable Water Supply & Wastewater Management

A clean drinking water service provider located in Jatiluhur commenced operations in December 2024 with a production capacity of 4,750 liters per second (lps). The project is expected to provide piped water connections to approximately 380,000 households, benefiting an estimated population of more than 300,000 people with access to clean water services.

## Sustainable Biodiversity Management & Land Use

As one of the largest lenders to Indonesia's palm oil sector, Bank Mandiri is committed to managing environmental and social risks associated with this industry through the implementation of sustainable agricultural practices. The Bank aims to lead the transition toward a more equitable and sustainable palm oil industry for a better future, including by encouraging various environmental initiatives. This commitment is reflected in Bank Mandiri's support for debtors in the palm oil sector to obtain Indonesian Sustainable Palm Oil (ISPO) and Roundtable on Sustainable Palm Oil (RSPO) certifications, as presented in the table below.

**Percentage of Customers that Have Obtained or Are in the Process of Obtaining ISPO/RSP0 Certification** [GRI G4 FS10]



**Social Portfolio Category** [GRI G4 FS7]

Eligible social activities under this framework are projects that align with applicable standards and principles, focusing on basic infrastructure, access to essential services, affordable housing, job creation, food security, and socio-economic improvements for targeted groups or regions. Examples of targeted groups and regions include, but are not limited to:

1. Communities living below the poverty line
2. Populations and/or communities that are marginalized and/or excluded
3. Vulnerable groups, including those affected by natural disasters
4. Unemployed individuals
5. People with disabilities
6. Migrants and/or refugees
7. The under-educated
8. Communities with limited access to quality goods and services

**MSMEs Credit** [GRI G4 FS7]

Bank Mandiri has established a strong policy to support the growth and strengthening of the Micro, Small, and Medium Enterprises (MSMEs) sector, given its vital role in the Indonesian economy. Through this policy, Bank Mandiri provides access to capital and financial services aimed at increasing MSMEs' contribution to job creation and poverty alleviation. MSME loans disbursed by Bank Mandiri also form part of the Bank's social financing activities. By providing access to capital for MSMEs, Bank Mandiri not only encourages business growth but also contributes directly to improving community welfare.

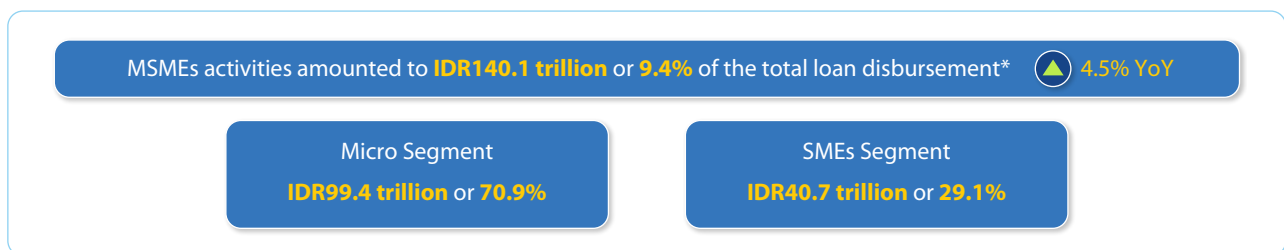
In 2025, Bank Mandiri disbursed IDR140.1 trillion in MSME credits, representing growth of approximately 4.5% compared to the previous year. The Non-Performing Loan (NPL) ratio remained well maintained at 1.46%. Bank Mandiri continued to focus on selective growth by strengthening ecosystem value chains. In addition, Bank Mandiri provides various financing facilities, including Working Capital Loans, Investment Loans, Micro Business Loans (KUM), and actively participates in the Government-subsidized Loan program to support MSMEs empowerment across Indonesia.

**Financing of Micro, Small, and Medium Enterprise Activities by Sector [GRI G4 FS7]**

Sector	Total
Palm Oil Plantations and CPO	IDR25.0 trillion
Retail Trade in Food, Beverages, and Tobacco	IDR20.3 trillion
Hotels, Restaurants, and Accommodation	IDR9.7 trillion
Retail Trade in Household Equipment	IDR7.1 trillion
Agriculture	IDR6.7 trillion
Non-Financial Business Services	IDR5.8 trillion
Social Services and Institutions	IDR5.0 trillion
Land Transportation Services	IDR5.0 trillion
Livestock and Animal Feed	IDR4.9 trillion
Retail Trade of Agricultural and Forestry Products	IDR4.4 trillion
Others	IDR46.2 trillion

\*bank Only

**Financing of Micro, Small, and Medium Enterprise Activities by Segment [GRI G4 FS7]**

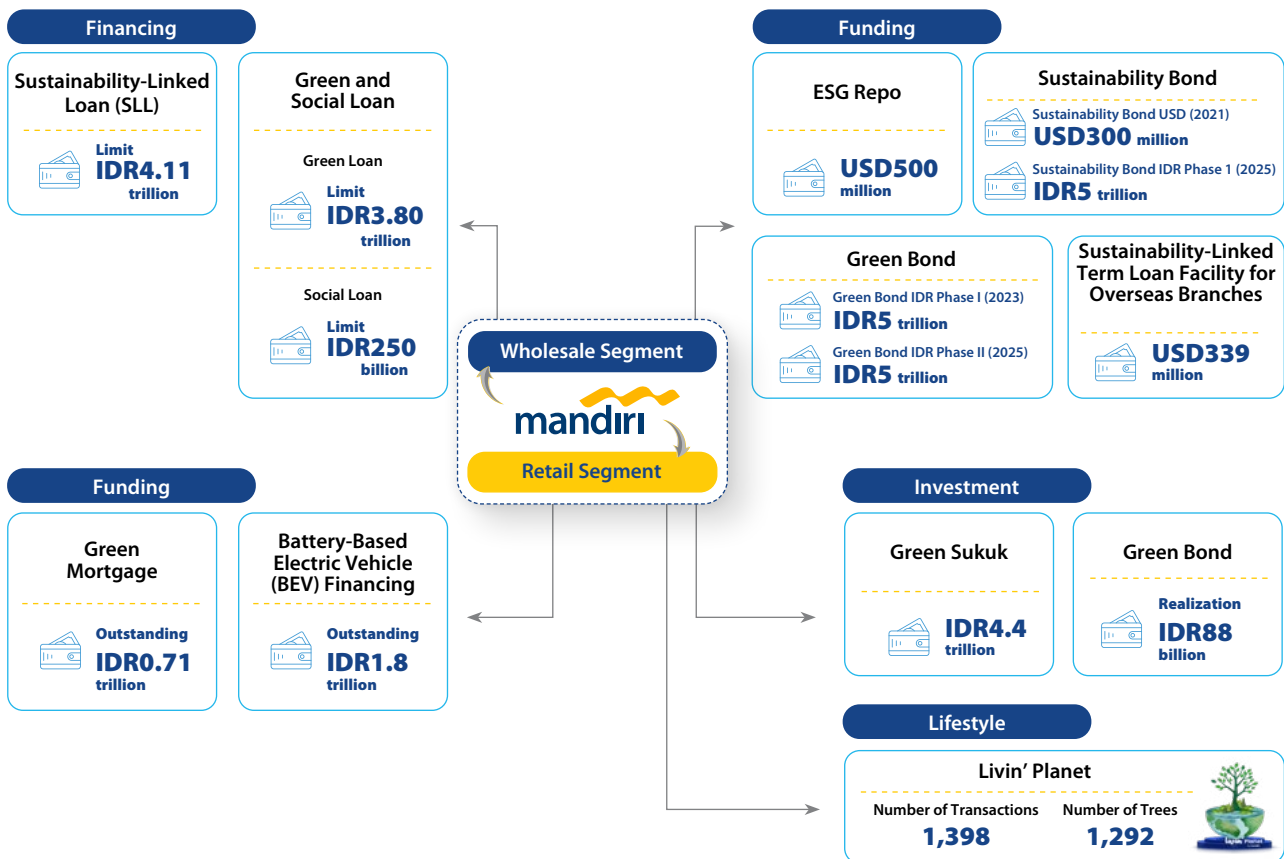


\* bank only

## Sustainability Products and Services [OJK F.26]

Bank Mandiri demonstrates significant business involvement in the development of sustainability-related financial products by actively integrating sustainability considerations into its product innovation and financing strategies. Through close collaboration between business units, risk management, and sustainability functions, Bank Mandiri continuously develops and enhances sustainability-linked financial products that support clients' transition towards more sustainable business practices. These products incorporate measurable sustainability performance indicators and clear incentive mechanisms to encourage improvements in environmental performance.

In line with the strengthening of sustainable financial product development, the contribution of revenue from Bank Mandiri's sustainable financing portfolio also showed an increase. Revenue generated from sustainable products, such as Sustainability-Linked Loans and the Green Portfolio, accounted for approximately 12.9% of total revenue contribution (bank only), increasing by 5.5% compared to 7.4% in 2024, while the Non-Performing Loan (NPL) ratio remained well maintained at 0.01%.



### Wholesale Segment

#### Sustainable Financing

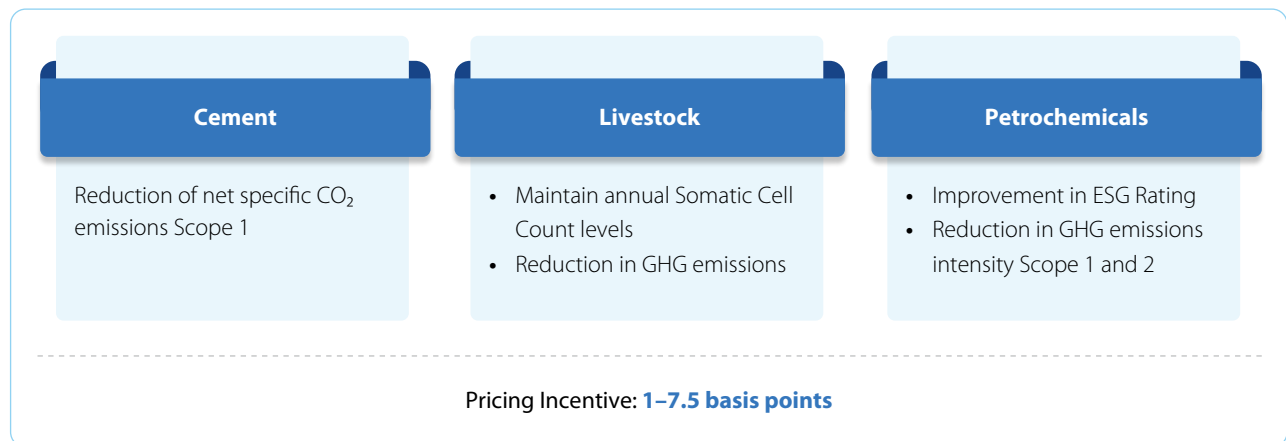
Bank Mandiri has taken significant steps to support Indonesia's transition toward a low-carbon economy by providing a range of sustainable financing products, including Sustainability-Linked Loans and Corporate-in-Transition Financing. These

products are designed for clients in carbon-intensive sectors, such as the cement, livestock, and petrochemical, through the provision of the following financial solutions:

### Sustainability-Linked Loan (SLL)

Sustainability-Linked Loan (SLL) aims to support clients in improving their sustainability profile over the term of the loan, without requiring the allocation of financing for specific sustainable projects or activities. This financing is based on aligning loan terms with sustainability goals that have been set, which are measured through key performance indicators (KPIs) and evaluated based on sustainability performance

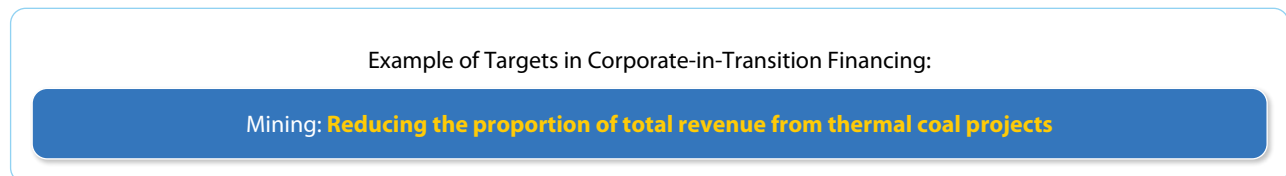
targets (SPTs). By utilizing KPIs, this financing not only supports projects focused on sustainability but also provides incentives for debtors to achieve the agreed-upon ESG targets. This approach reflects a close collaboration between the lender and the debtor in promoting more sustainable business practices and transition projects towards a low-carbon economy.



### Corporate-in-Transition Financing

Corporate-in-Transition Financing is a type of financing applied at the client entity level, aimed at supporting clients in transitioning or aligning their business and/or operations with pathways that are consistent with the goals of the Paris Agreement or Nationally Determined Contributions (NDC) targets. Compliance with these goals is measured through strategies and targets that have been approved by Bank Mandiri.

Clients are eligible for this financing if they demonstrate a clear climate transition strategy with measurable targets, and have evidence of implementing this transition strategy and targets in the past 12 months, for example, divesting from carbon-intensive assets, diversifying from carbon-intensive activities, or decarbonizing by reducing overall emissions intensity.



### Sustainable Client Financing

Represents the types of financing provided at the client entity level with the objective of supporting business activities that promote environmental sustainability or contribute to the transition toward a sustainable economy. This financing is extended in accordance with eligible activity criteria under the

applicable framework and aligned with relevant regulations and international best practices. A client qualifies for this financing if its primary business, or at least 90% of its total revenue, is derived from activities that meet the eligible activity criteria under the respective framework.

### Green and Social Loan

Green loan and social loan are financing facilities specifically designed to support projects and initiatives that generate positive environmental and social impacts. This financing follows the Green Loan Principles issued by the Loan Market Association (LMA). As a commitment to sustainability, in 2022, Bank Mandiri took a significant step by providing a Green Loan facility for the electric vehicle (EV) battery components industry in Hong Kong. As the Mandated Lead Arranger, Bank Mandiri played a crucial role in organizing a Green Loan syndication worth a total of USD300 million. This facility supports the development of the lithium battery industry, including research, development, processing, production, and sales of cathode precursor materials and recycled materials within the new and renewable energy sector.

In 2024, as part of its commitment to sustainability, Bank Mandiri took strategic steps by providing loan facilities for the electricity and transportation sectors. For the electricity sector, Bank Mandiri acted as ESG Coordinator, offering a Green Loan of IDR3.5 trillion to support the energy transition program. Meanwhile, for the transportation sector, Bank Mandiri provided a Green Loan of USD226 million to support the distribution of electric vehicles, including the development of charging infrastructure, vehicle procurement, and providing financing to facilitate customer access.

### Sustainable Funding

As a pioneer in the First Movers on Sustainable Banking initiative, Bank Mandiri has proactively strengthened its sustainable funding structure through the issuance of green bonds, sustainability bonds, and innovations such as ESG Repo transactions. Since 2021, Bank Mandiri has not only successfully mobilized sustainable funds but also expanded its financing portfolio to support the transition toward a low-carbon economy, further reinforcing its role as a key driver within the sustainable finance ecosystem.

Bank Mandiri has issued various funding instruments, including Sustainability Bond USD amounting to USD300 million, Green Bond Phase I amounting to IDR5 trillion, ESG Repo amounting to USD500 million, Green Bond Phase II amounting to IDR5 trillion, and Sustainability Bond IDR Phase I amounting to IDR5 trillion.



### Sustainability Bond USD & ESG Repo

Sustainability Bond & ESG Repo Framework USD of Bank Mandiri is aligned with the four core components of the Sustainability Bond Guidelines issued by International Capital Market Association (ICMA, 2021). These components include:

#### 1 Use of Proceeds

The proceeds are used to finance environmental and social projects that meet the sustainability criteria.

#### 2 Project Evaluation and Selection

The selection process for underlying assets is carried out by the Business Units and the Sustainable Finance Working Group, with approval from the Risk Management Committee (RMC).

#### 3 Management of Proceeds

The proceeds are managed through tracking and monitoring mechanisms for unallocated proceeds, to ensure their proper and transparent use.

#### 4 Reporting

Bank Mandiri publishes an Allocation Report and an Environmental Impact Report, which are verified through a Second Party Opinion (SPO) to ensure the transparency and accuracy of the information.

In 2021, Bank Mandiri successfully raised USD300 million through the inaugural issuance of its Sustainability Bond. The funds were used to finance or refinance environmentally and socially responsible projects, in line with the criteria outlined in the Bank Mandiri's Sustainability Bond Framework. During the offering process, the bond received demand exceeding USD2.5 billion, which is 8.3 times the target fundraising amount, indicating a significant oversubscription. The Sustainability Bond Framework has been aligned with international market standards, such as the Sustainability Bond Guidelines, Green Bond Principles, and Social Bond Principles from the International Capital Market Association (ICMA). Additionally, the framework is also in compliance with the Sustainability Bond, Green Bond, and Social Bond standards set by ASEAN. To enhance transparency and credibility, this framework has received a second party opinion (SPO) from Sustainalytics, and

its allocations are reviewed annually. As part of its reporting obligations regarding the use of funds and their environmental and social impacts, Bank Mandiri regularly publishes an annual Sustainability Bond Report. This report provides detailed information on the use of funds and their impacts. For more information, you can access the report via the following link: <https://bankmandiri.co.id/en/web/ir/sustainability-bond>

In 2022, Bank Mandiri successfully executed an ESG Repo transaction worth USD500 million with two counterparties. This transaction marked a significant milestone, as it was the first ESG Repo transaction in Indonesia and one of the first in Southeast Asia. The funds raised from this transaction were used to finance or refinance assets related to environmental, social, and governance (ESG) factors, thereby supporting broader sustainability efforts in the banking and financing sectors.

## Green Bond

The Green Bond Framework of Bank Mandiri, which supports the issuance of Rupiah-denominated Green Bond, has been developed in alignment with OJK Regulation No. 60/ POJK.04/2017 and encompasses the following four core pillars:

### 1 Use of Proceeds

The proceeds obtained from the issuance of environmentally friendly debt instruments or green bonds are used to finance projects that meet the eligibility criteria within the green categories.

### 3 Management of Proceeds

The proceeds from the issuance of green bonds are managed through tracking and monitoring mechanisms for unallocated funds, to ensure their proper and transparent use.

### 2 Project Evaluation and Selection

The selection process for underlying assets is carried out by the Business Units and the Sustainable Finance Working Group, with approval from the Risk Management Committee (RMC).

### 4 Reporting

Bank Mandiri publishes an Allocation Report and an Environmental Impact Report, which are verified by environmental experts and Second Party Opinion (SPO) to ensure transparency and compliance with applicable environmental criteria.

Bank Mandiri has launched a Sustainable Public Offering (PUB) Program for Green Bond with a total target value of IDR10 trillion. In 2023, Bank Mandiri successfully issued Green Bond Phase I 2023 amounting to IDR5 trillion, achieving an oversubscription rate of 3.7 times, as part of its ongoing commitment to finance projects that generate positive environmental benefits.

In 2025, Bank Mandiri continued this initiative by issuing Sustainability Bond IDR 2025 totaling IDR5 trillion, with an oversubscription rate of 2.55 times. In accordance with the applicable framework, Bank Mandiri publishes annual allocation and impact reports, which have been subject to external review.

## Sustainability Bond IDR

As part of the Sustainability Bond I 2025 issuance, Bank Mandiri established the Sustainability Bond Framework. As part of the 2025 IDR Sustainability Bond issuance, Bank Mandiri established the Sustainability Bond Framework 2025 IDR, which sets out the policies governing the use of proceeds in accordance with eligible criteria, the process for project evaluation and selection serving as the underlying assets of the bonds, the management of proceeds once the funds are effectively received by Bank

Mandiri, and periodic reporting on the allocation and use of proceeds., which sets out the policies governing the use of proceeds in accordance with eligible criteria, the process for project evaluation and selection serving as the underlying assets of the bonds, the management of proceeds once the funds are effectively received by Bank Mandiri, and periodic reporting on the allocation and use of proceeds. The four pillars regulate the following aspects:

**1 Use of Proceeds**

The proceeds obtained from the issuance of the Bank Mandiri Sustainability Bond IDR 2025 are allocated to finance projects that meet the eligibility criteria under environmentally and/or socially responsible business categories.

**2 Project Evaluation and Selection**

The selection process for the underlying assets is carried out by the Technical Team, comprising the Treasury Group and the ESG Group. Subsequently, the authorized Head of Unit determines the allocation of funds in accordance with the criteria stipulated in the established framework.

In December 2025, Bank Mandiri issued an Sustainability Bond IDR with a total value of IDR 5 trillion. This issuance forms part of the Bank's ongoing commitment to financing projects

**3 Management of Proceeds**

The proceeds from the issuance of the Sustainability Bond IDR are managed through a tracking and monitoring mechanism for unallocated funds, ensuring that the use of proceeds remains appropriate, transparent, and in line with the established framework.

**4 Reporting**

Bank Mandiri publishes an Allocation Report and an Environmental Impact Report, which are verified by an independent environmental expert to ensure transparency and compliance with the applicable environmental criteria.

that generate positive environmental and social impacts. The proceeds will be allocated to fund eligible projects in accordance with the established framework.

**Sustainability-Linked Term Loan Facility for Overseas Branches**

Bank Mandiri has established a Sustainability-Linked Term Loan Facility for Overseas Branches, a term loan facility that links funding costs to the achievement of sustainability targets (Sustainability Performance Targets), specifically designed to support the funding needs of Bank Mandiri's overseas branches.

Through this scheme, Bank Mandiri strengthens its overall sustainability accountability and commitment, while ensuring that the funding requirements of its overseas branches remain aligned with the Bank's transition strategy and commitment toward Net Zero Emission (NZE).

### Involvement in Green Bonds

Mandiri Group is actively identifying clients who wish to integrate sustainability into their financial strategies, helping them develop ESG-based financing frameworks, such as the use of proceeds or sustainability-linked frameworks. Each framework created in collaboration with clients is reviewed by a reputable second party opinion.

In 2025, Mandiri Sekuritas supported the development of the sustainable finance market in Indonesia through its involvement in various issuances of ESG-based financial instruments with a total value of IDR28.91 trillion. These included Bank Mandiri's Sustainability & Green Bonds valued at IDR10 trillion, BTN's Social Bonds totaling IDR300 billion, Permodalan Nasional Madani's Orange Sukuk & Bonds amounting to IDR3.77 trillion, Sarana Multigriya Finansial's Social Bonds & Sukuk valued at IDR1.9 trillion, BNI's Sustainability Bonds totaling IDR1 trillion, BRI's Social Bonds amounting to IDR5 trillion, BSI's Sustainability Sukuk valued at IDR5 trillion, and Pegadaian's Social Bonds totaling IDR1.94 trillion. Through these engagements, Mandiri Sekuritas contributed to expanding access to sustainable financing while strengthening Indonesia's investment ecosystem oriented toward sustainability principles.

In the same year, Mandiri Sekuritas also acted as one of the Joint Lead Underwriters for the issuance of Social Bonds by PT Pegadaian amounting to IDR252 billion and PT Sarana Multigriya Finansial (Persero) amounting to IDR5.64 trillion, as well as Green Bonds issued by PT Oki Pulp & Paper amounting to IDR7.59 trillion. All of these issuances underwent independent verification. In addition, Mandiri Sekuritas also provided advisory support to several companies across the financial services, property, agriculture, energy, and pulp and paper sectors.

## Retail Segment

### Financing

#### Green Mortgage

Bank Mandiri continues to encourage retail customer participation in green financing through the Green Mortgage product. This product is designed to support the purchase of properties in residential areas that have obtained green building certification from recognized institutions. As part of this initiative, Bank Mandiri has partnered with NavaPark BSD City, South Tangerang, a project that has achieved the

Greenship Platinum certification from the Green Building Council Indonesia (GBCI). Through Green Mortgage, customers can benefit from incentives such as lower interest rates and reduced down payments, providing added value to customers while supporting sustainable development. Total Green Mortgage disbursement in 2025 reached IDR0.71 trillion.

#### Battery-Based Electric Vehicle (BEV) Financing

In the retail segment, amid the rapid advancement of environmentally friendly transportation, electric vehicles (EVs) have emerged as a dynamic and transformative technology. Bank Mandiri actively supports the development of a green transportation ecosystem through electric vehicle financing,

including various dedicated programs and product promotions specifically tailored to the retail segment. In 2025, total loan disbursement for this segment reached IDR1.8 trillion.

## Lifestyle

### Livin' Planet

In 2024, Bank Mandiri launched the Livin' Planet feature within Livin' Sukha to enhance customer awareness and engagement regarding environmental stewardship. The feature offers several key activities that customers can access through Livin' Planet.

First, customers can calculate the carbon footprint generated from their daily activities, such as riding motorcycles and driving cars, as well as using electronic devices including air conditioners, televisions, laptops, and mobile phones, through the Carbon Calculator available on Livin' Planet. The calculation methodology applied in the Carbon Calculator refers to the standards of the Intergovernmental Panel on Climate Change (IPCC) and applicable regulations.

Second, through Livin' Planet, customers can contribute to tree-planting initiatives. In addition to helping mitigate global warming, these initiatives also empower local communities that actively participate in environmental conservation efforts.

Third, customers can monitor their tree-planting contributions through the reporting feature on Livin' Planet. Monitoring is conducted by conservation partners once annually over a three-year period, with updates communicated to customers via Livin' Planet and other communication channels designated by the Bank.

In 2025, Livin' Planet received the Best Green Financial Lifestyle Initiative award from The Asian Banker at the Indonesia Excellence in Retail Finance and Financial Tech Innovation Awards. Throughout 2025, Bank Mandiri collaborated with various MSMEs and local brands to provide merchandise as part of Livin' Planet activation initiatives. These collaborations generated direct economic impact for participating communities through a series of educational programs and public engagement activities aimed at raising awareness and encouraging tangible actions to reduce carbon emissions. The initiative was implemented through 13 events across 9 cities in Indonesia.

### Environmental and Social Impact

Tree Contributions through Livin' Planet Activation

- Carbon sequestration of 45.32 tons of CO<sub>2</sub>e, equivalent to approximately 598,300 km of vehicle travel.

Collaboration with MSMEs and local brands in providing merchandise as a form of appreciation for participation in the Livin' Planet activation.

- More than 1 ton of plastic waste processed, contributing to an additional emissions reduction of approximately ±2 tons of CO<sub>2</sub>e.

## Sustainable Investment Approach

Bank Mandiri integrates environmental, social, and governance (ESG) considerations into its investment activities as part of its broader sustainable finance commitment. Bank Mandiri's sustainability strategy aims to support responsible financial practices, strengthen risk management, and contribute to sustainable development objectives.

Responsible investment practices are implemented across the Bank and its subsidiaries engaged in investment activities, including Mandiri Manajemen Investasi, which manages investment products in capital market instruments, and Mandiri Capital Indonesia, which focuses on venture capital investments in technology companies and digital ecosystems. Through these roles, these entities support the Bank Mandiri Group's commitment to responsible investment by integrating ESG factors into investment portfolios and decision-making processes through structured governance, ESG risk management, and engagement with investee companies, thereby ensuring sustainable long-term growth and generating positive impacts for society.

### Active Ownership

Bank Mandiri Group encourages responsible business practices among investee companies through active ownership. Bank Mandiri and its investment subsidiaries engage with investee companies to encourage improvements in governance practices, transparency, and environmental and social risk management. Engagement may take place through dialogue with company management, participation in shareholder meetings, and the exercise of shareholder voting rights to support sustainable and responsible corporate practices.

### Continuous Monitoring of ESG Risks

ESG considerations are integrated into investment evaluation and monitoring processes. Bank Mandiri and its subsidiaries conduct periodic reviews of their investment portfolios to assess potential ESG risks, including environmental impacts, social considerations, governance practices, and regulatory compliance. Continuous monitoring enables Bank Mandiri Group to identify emerging risks and implement appropriate risk mitigation measures, including engagement with investee companies or portfolio adjustments when necessary.

### Investment Exclusions Based on ESG Factors

As part of its responsible investment approach, Bank Mandiri applies ESG-based considerations in determining investment eligibility. Investments may be restricted or avoided in sectors or activities that conflict with applicable regulations, sustainability commitments, or internal risk management policies. These exclusion considerations help ensure alignment between the Bank's investment portfolio and its broader sustainable finance framework.

### Managerial Responsibility for Responsible Investment




The implementation of responsible investment practices is supported by a governance structure that involves senior management oversight and coordination across relevant functions, including investment management, risk management, and sustainability units. This governance framework ensures that ESG considerations are consistently integrated into investment decision-making processes across the Bank Mandiri Group, including its investment subsidiaries.

### Responsible Investment Implementation Process

The investment process is carried out using a combination of quantitative and qualitative methods to assess the ESG factors of each company. This analysis covers various aspects that not only consider corporate sustainability performance, but also leverage data to identify potential future alpha. As a reference, this approach is aligned with the Financial Times Stock Exchange (FTSE) ESG Index, which is designed to comprehensively assess issuers' ESG performance.

Bank Mandiri's ESG factors account for 10% of the total 30% weighting within the Value Sustainability component, alongside factors such as the company life cycle, scalability, regulatory risk, and management quality. This assessment complements the other key components, namely Value Creation (50%) and Financial Power (20%). In assessing ESG profiles, Bank Mandiri has developed an internal checklist designed to ensure that ESG evaluations are conducted in a measurable, consistent, and company-specific manner.

### Measurement Metrics

 <b>Environment</b>	 <b>Social</b>	 <b>Governance</b>
<ul style="list-style-type: none"> <li>• Total GHG emissions per sales</li> <li>• To what extent do the company's products/services impact the environment?</li> <li>• Does the company have short, medium, and long-term plans for environmentally friendly development?</li> <li>• Does the company have plans to measure and reduce its carbon footprint/greenhouse gas emissions?</li> <li>• Does the company have plans for transitioning to renewable energy?</li> </ul>	<ul style="list-style-type: none"> <li>• Employee diversity: % of female employees</li> <li>• % of expenditures for the community compared to pre-tax profit</li> <li>• Do the company's products/services meet the social needs of the community?</li> <li>• Does the company track and evaluate social indicators, such as gender equality, employee retention, and workplace safety?</li> <li>• Does the company support local communities through empowerment programs?</li> <li>• Does the company emphasize community engagement and empowerment?</li> </ul>	<ul style="list-style-type: none"> <li>• Does the company have a proper, clear, and transparent governance structure?</li> <li>• Does the company ensure the accuracy and integrity of its financial reports?</li> <li>• Does the company maintain the independence and effectiveness of the Board of Directors?</li> <li>• Does the company protect the rights of shareholders?</li> </ul>
<p>Weight: <b>33.33%</b></p>	<p>Weight: <b>33.33%</b></p>	<p>Weight: <b>33.33%</b></p>

Mandiri Capital has established Environmental and Social criteria for every investment made. These criteria not only refer to local standards but also comply with international guidelines to ensure a positive impact on the environment and society.

#### **Environment**

Referring to the Indonesian Sustainable Finance Taxonomy (TKBI) set by the OJK. Several environmental parameters used in the assessment include:

- Climate Change Mitigation
- Climate Change Adaptation
- Protection of Healthy Ecosystems and Biodiversity
- Resource Resilience through Circular Economy


#### **Social**

Referring to the United Nations Development Programme (UNDP) Impact Measurement Management Framework, the social aspect parameters include:

- Protection and respect for human rights
- Employment, including decent work, prevention of forced labor, protection of women and child workers, and human resource development
- Impact on communities living near the investment companies, including job creation, efforts in poverty alleviation, and economic growth.

## Investment

### Green Sukuk



**Green Sukuk and Green Bond**

Bank Mandiri proactively introduces retail investment products aligned with ESG principles, such as the Indonesia Green Sukuk offering and green bonds issued by the Government of the Republic of Indonesia, based on The Republic of Indonesia Green Bond and Green Sukuk Framework.

**Green Sukuk**  
**IDR4.4 trillion**

**Green Bonds**  
**IDR88 billion**

### ESG Mutual Funds



**ESG Mutual Funds**

Bank Mandiri markets ESG mutual fund products specifically designed for the retail market and mark an important milestone in sustainable finance. The addition of these ESG-based investment products demonstrates Bank Mandiri's commitment to leading the low-carbon economy in Indonesia. As demand for sustainable investments rises, these products aim to meet customer needs while encouraging responsible investment practices.

**ESG Mutual Fund Portfolio**

**Batavia Global ESG Sharia Equity USD**  
is invested in issuers that focus on ESG or have high ESG scores.

**Mandiri FTSE Indonesia ESG Index Mutual Fund**  
The Mandiri FTSE Indonesia ESG Index Mutual Fund is the first mutual fund in Indonesia that uses the FTSE Indonesia ESG benchmark index, featuring stocks that have undergone an ESG rating process by FTSE Russell.

Bank Mandiri not only markets sustainable funding instruments and acts as an advisor, but also actively invests in green bonds and sustainability bonds, allocating IDR283 billion in 2025, representing 0.13% of Bank Mandiri's Asset Under Management (AUM).

Bank Mandiri targets the allocation of green and sustainability bonds in 2026 approximately 0.1–0.2% of its total investment in securities. However, the achievement of this target will depend on the Company's liquidity needs and financial management strategy.

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