

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>Green Activities</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>Social Activities</p> <p>Activities that directly address social issues and provide positive impacts, particularly for targeted groups, in line with national programs.</p>	 <p>Transition Activities</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**

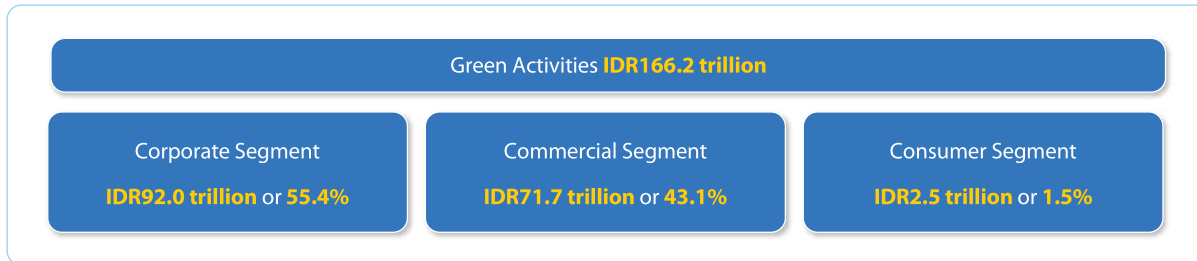
Green Building

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 km² and an average discharge of 5.067 m³ 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.

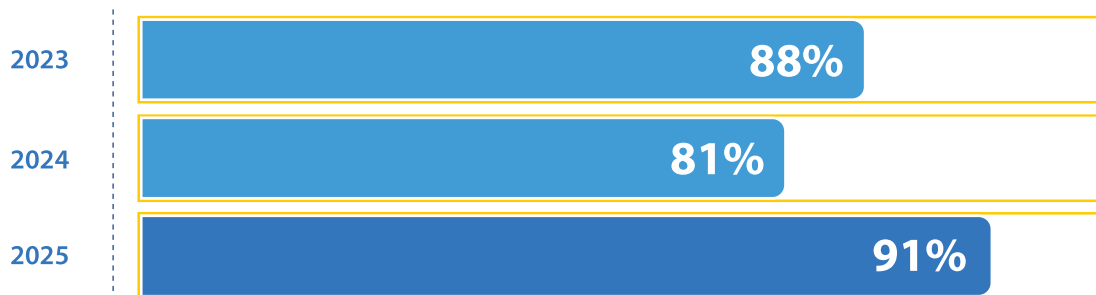
Sustainable Water Supply & Wastewater Management

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.

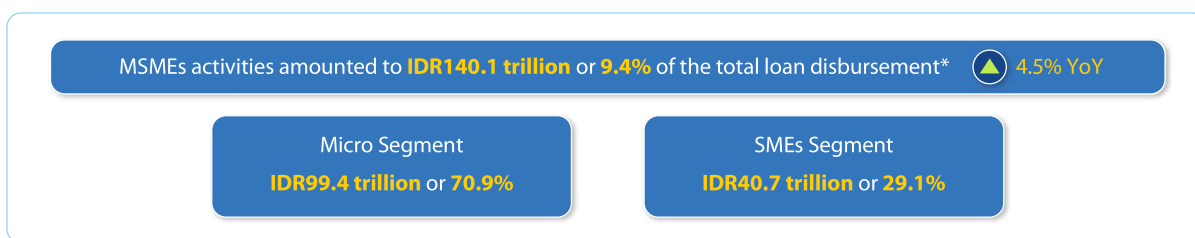
In 2025, Bank Mandiri disbursed IDR140.1 trillion in MSME credits, representing growth of approximately 4.5% compared to the previous year. The Non-Performing Loan (NPL) ratio remained well maintained at 1.46%. Bank Mandiri continued to focus on selective growth by strengthening ecosystem value chains. 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]

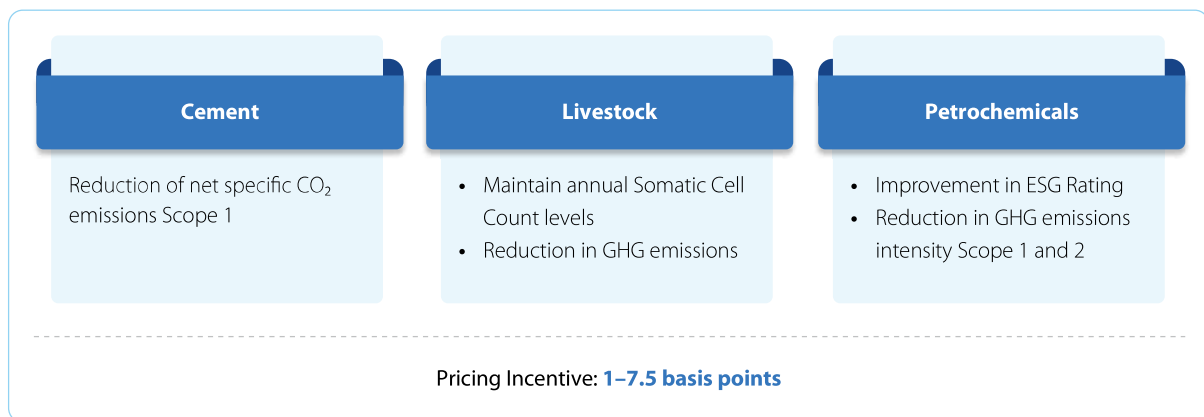


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Sustainability-Linked Loan (SLL)

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.

Example of Targets in Corporate-in-Transition Financing:

Mining: **Reducing the proportion of total revenue from thermal coal projects**

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.

3 Management of Proceeds

The proceeds are managed through tracking and monitoring mechanisms for unallocated proceeds, 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 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 s5 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

Danantara Indonesia | **mandiri**

Bank Mandiri also drives **climate awareness** through **Livin' Planet** in Livin' Sukha, and offered our clients to support sustainable practices

Beyond SuperApp
Livin' Planet is available within the Livin' Sukha platform

Carbon Calculator
Identifying emissions from daily activities

Tree Planting Contribution
Identifying emissions from daily activities

Report
Offering transparent report via Livin' Planet and Email

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 CO₂e, 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 CO₂e.



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

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